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Congressional Record

PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, FIRST SESSION

SENATE

MONDAY, JULY 2, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, before whose eyes the ages pass, apart from Thee all the schemes of our devising are as futile as a painted ship upon a painted ocean. The waste of waters through whose mountainous billows we fain would find our way to the desired haven of peace will swallow us up unless Thy winds fill the sails our hands have fashioned. Breathe on us, breath of God; show us Thy way, sober us by Thy chastisements; help us to put off the works of darkness and to put on the armor of light. Through the new unity of nations forged in fires of shared conflict, lead us to a durable peace, just to all mankind and hopeful for all men.

For our Nation we pray, trusted with power to work weal or woe on the earth. Upon our President, all who counsel with him, upon the Congress, and upon all who represent our strength and administer our responsibilities, we crave Thy divine grace. O God, the goal of swords changed to plowshares is still far away; but may our faces, lighted by a new hope, be turned toward the reddening east. In this day of destiny, when, with all upon the earth, we stand in the valley of decision, may we fail not man nor Thee. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, June 30, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On June 29, 1945:

S. 58. An act to amend an act entitled "An act authorizing the temporary appointment or advancement of certain personnel of the Navy and Marine Corps, and for other purposes," approved July 24, 1941, as amended, and for other purposes;

S. 118. An act authorizing the Secretary of the Interior to convey certain lands on the Gila reclamation project, Arizona, to the University of Arizona;

S. 426. An act for the relief of Mr. and Mrs. Walter M. Johnson;

S. 427. An act to repeal section 3 of the act approved April 13, 1938, as amended, relating to hops;

S. 612. An act to amend the National Defense Act, as amended, so as to eliminate provisions for retirement of wing commanders of the Air Corps;

S. 880. An act to provide for designation of the United States Veterans' Administration hospital at Sioux Falls, S. Dak., as the Royal C. Johnson Veterans' Memorial Hospital; and

S. 916. An act to remove the limitation on the right to command of officers of the Dental Corps of the Army which limits such officers to command in that corps.

On June 30, 1945:

S. 807. An act to improve salary and wage administration in the Federal Service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3477. An act for the improvement of Savannah Harbor, Ga.; and

H. R. 3607. An act to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites.

SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

The PRESIDENT pro tempore. The Chair appoints the Senator from Missouri [Mr. BRIGGS] a member of the Special Committee to Investigate the National Defense Program, in place of the Senator from New Mexico [Mr. HATCH], resigned.

MEMORIAL

The PRESIDENT pro tempore laid before the Senate a resolution adopted by the Philadelphia (Pa.) Industrial Union Council, protesting against the enactment of legislation providing for return of the United States Employment Service to the States, which was ordered to lie on the table.

MEDALS FOR CERTAIN MEMBERS OF THE ARMED FORCES

Mr. McFARLAND. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a resolution adopted by Phoenix (Ariz.) Chapter, No. 1, Disabled American Veterans, relating to the issuance of medals to certain members of the armed forces.

There being no objection, the resolution was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

Whereas the Government has authorized, from time to time, the issuance of medals to the members of the armed forces for various and sundry reasons; and

Whereas among these decorations is one for wounds received in action against the enemy, and even though such wound is not disabling the award recognizes the combat duty performed by the wearer; and

Whereas there are thousands of members of the armed forces who have endured the hardships and hazards of war and as a result of these ordeals have become disabled in line of duty; and

Whereas these comrades who bear the scars of war for years after hostilities have ceased are the forgotten heroes and no suitable award has ever been made to acknowledge the sacrifice they made: Now, therefore, be it

Resolved, That Congress be petitioned to create an award, distinctive in design, to be presented to every member of the armed forces who becomes disabled in line of duty; and be it further

Resolved, That copies of this resolution be sent to our representatives in Congress asking their support for such a law.

Passed by a unanimous vote of Phoenix Chapter, No. 1, Disabled American Veterans, in regular meeting assembled this 19th day of June 1945.

JOSEPH COHEN, *Commander.*

Attest:

PAUL C. STALEY, *Adjutant.*

EQUAL TAXATION

Mr. CAPPER. Mr. President, I present for appropriate reference and printing in the RECORD a resolution adopted by the executive committee of the Kansas Association of Insurance Agents, Pittsburg, Kans., favoring equal taxation of all forms of enterprise, together with the abolition of all special privileges and the elimination of favoritism in business.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas the American people have enjoyed the greatest good, the utmost in opportunities, having achieved the maximum benefits of the combined use of capital and labor under the competitive enterprise system; and

Whereas certain groups seem intent on demoralizing the enterprise system by means of granting certain privileges, favoritisms, and tax advantages to cooperative enterprises; and

Whereas we believe that the preservation of the competitive, American enterprise system of business is essential to the continued well being of our people and will provide, in the future as now, the greatest opportunity for all to enjoy the full fruits of

their efforts and increase the spread of contentment throughout all classes: Now, therefore, be it

Resolved by the Kansas Association of Insurance Agents through its executive committee meeting in Pittsburg, Kans., That we favor equal taxation of all forms of enterprise, together with the abolition of all special privileges, and the elimination of favoritism in business; that a copy of this resolution be spread on the minutes of the association; that a copy be mailed to National Tax Equality Association, and a copy to each Congressman and Senator from Kansas.

KANSAS ASSOCIATION OF INSURANCE AGENTS,
GEORGE SLOSKOPF, *President*.
ERAN H. BROWNE, *Secretary*.

GOVERNMENT EMPLOYEES' COUNCIL

Mr. CAPPER. Mr. President, I have received a letter from Foster J. Pratt, of the American Federation of Labor, with regard to the formation of a Government Employees' Council of the American Federation of Labor, which starts off with a membership of 300,000, comprising 19 unions. The objects of this group are set forth as follows:

BETTER GOVERNMENT

The council holds that making the Government service a better place in which to work means better government, the hope of all thinking taxpayers.

The aims of the Government Employees' Council are in the direction of the legislative and administrative fronts—better laws governing Federal personnel operations and better execution of those laws in the form of regulations and rules and their application to the situations as they affect personnel.

REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. AIKEN, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 2285) to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes, reported it without amendment and submitted a report (No. 450) thereon.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of June 1945, from the chairmen of certain committees, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

COMMITTEE ON NAVAL AFFAIRS

JUNE 30, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Capt. James A. Saunders, U. S. Navy (retired)	4105 Oliver St., Chevy Chase, Md.	Office of the Chief of Naval Operations, Navy Department, Washington, D. C.	$6,000
Chief Yeoman Herbert S. Atkinson (AA), U. S. Naval Reserve.	2405 Pennington Rd., Trenton, N. J.	do	1,512

DAVID I. WALSH, *Chairman*.

SENATE NAVY LIAISON OFFICE, ROOM 461, SENATE OFFICE BUILDING

JUNE 30, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lt. Frederick A. McLaughlin, U. S. Naval Reserve.	317 Lynn Dr., Chevy Chase, Md.	Bureau of Naval Personnel, Navy Department, Washington, D. C.	$2,400
Lt. Joseph G. Feeney, U. S. Naval Reserve	2745 29th St. NW., Washington, D. C.	do	2,400
Yeoman (2c) Eleanor W. St Clair, U. S. Naval Reserve.	2134 R St. NW., Washington, D. C.	do	1,152
Yeoman (2c) Loretto F. Jochman, U. S. Naval Reserve.	do	do	1,512

The above employees are representatives of the Bureau of Naval Personnel, Navy Department, to assist Senators on naval personnel matters.

DAVID I. WALSH.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 1217. A bill to provide for the free importation of certain substances by the Board of Trustees of the United States Pharmacopoeial Convention and the Council of American Pharmaceutical Association; to the Committee on Finance.

By Mr. BUSHFIELD:

S. 1218. A bill to confirm the rights of the State of South Dakota in and to its public school lands and the minerals therein; to the Committee on Public Lands and Surveys.

By Mr. BROOKS:

S. 1219. A bill authorizing the city of St. Francisville, Ill., to construct, maintain, and operate a toll bridge across the Wabash River at or near St. Francisville, Ill.; to the Committee on Commerce.

By Mr. JOHNSON of Colorado:

S. 1220. A bill for the relief of Salvator and Flora Scavello; to the Committee on Claims.

(Mr. BUTLER introduced S. J. Res. 81, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

REFERENDUM ON PEACETIME MILITARY TRAINING

Mr. BUTLER. Mr. President, I introduce an appropriate reference a joint resolution providing for a national referendum on the question of universal compulsory peacetime military training. This is a companion measure to a similar bill which already has been introduced in the House of Representatives.

Every Senator is receiving a large amount of mail concerning universal compulsory military training. I am frank to say that most of the letters sent to me from Nebraska put the writers on record as being against such a proposal for peacetime. But I recognize, as does every Senator, that the mail we receive on a particular subject is not always an accurate cross-section of opinion on the subject, whatever it may be. I know that there are many groups, including those patriotic members of the American Legion, who support strongly the proposed universal military training legislation.

Congress has heard thus far from many opposing groups—leaders in the military, business, and religious world—about compulsory military training legislation, but this testimony is, like the letters, indicative, but not necessarily an accurate reflection of what the average man thinks.

My proposal, as is readily apparent to anyone who reads this bill, provides that, upon adoption of this resolution by the House of Representatives and the Senate, the President of the United States would certify to the governors of the States for submission to the voters in the next congressional election the question:

"Do you favor the passage of a law by the Congress of the United States to compel 1 year of military training for young men in time of peace?"

Under my proposal, the solders at home and abroad who are eligible to vote would have as much right to express themselves as civilians. We hear it said often that the soldier is for, or against, universal military training in peacetime, but my proposal would make it possible for us to know—within a year or so, whether the war is over or not—how the soldiers really feel.

This poll would have the effect, I will admit, of delaying a decision on universal military training legislation now being considered by committees of the Senate and the House, but I think it is generally agreed that Congress will not act on these proposals this year, anyway. The delay would not hurt the Nation or any group of persons in the Nation, for it is obvious that under the present Selective Service and Training Act we are going to have plenty of soldiers for some time to come.

Such a referendum as is provided for in this resolution would clear up many doubts in the minds of many Senators about how the people themselves stand on this most vital issue.

I ask that the joint resolution be printed in the RECORD, immediately following my remarks.

There being no objection, the joint resolution (S. J. Res. 81) providing for a national referendum on peacetime military training, introduced by Mr. BUTLER, was read twice by its title, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Whereas it is proposed to enact a law forthwith which would compel all physically qualified young men to submit to 1 year of military training away from home; and

Whereas millions of citizens at home and in the armed services are deeply and vitally interested, and opportunity for expression of opinion should be afforded them on this important issue; and

Whereas the present war will ultimately end in victory for our beloved Nation, and the urgent need for the pending legislation has not been clearly stated and expression by the people seems highly desirable: Therefore be it

Resolved, etc., That upon adoption of this resolution the President of the United States shall certify to the governor of each State for submission to the voters in the next congressional election the following question:

"Do you favor the passage of a law by the Congress of the United States to compel 1 year of military training for young men in time of peace?" Yes _____. No _____.

HOUSE BILL REFERRED

The bill (H. R. 3477) for the improvement of Savannah Harbor, Ga., was read twice by its title and referred to the Committee on Commerce.

INFANTRY DAY ADDRESS BY SENATOR PEPPER

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address delivered by Senator PEPPER at the Infantry Day exercises, Camp Blanding, Fla., on June 15, 1945, which appears in the Appendix.]

FULL EMPLOYMENT—EDITORIAL FROM THE WASHINGTON POST

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an editorial entitled "Full Employment," from the Washington Post of June 23, 1945, which appears in the Appendix.]

THE MISSOURI VALLEY AUTHORITY—ARTICLE BY CARLTON R. BALL

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "What the Missouri Valley Authority Proposal Promises for America," by Carlton R. Ball, from the magazine Social Action, for May 1945, which appears in the Appendix.]

TRIBUTE TO SERVICES OF LOCAL DRAFT BOARDS—ARTICLE BY EDWARD T. LEECH

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article by Edward T. Leech, entitled "Men Without Medals," paying tribute to local draft boards, which appears in the Appendix.]

ATTITUDE OF ADMINISTRATION TOWARD MONOPOLIES AND LABOR—ARTICLE BY LEO WOLMAN

[Mr. HOEY asked and obtained leave to have printed in the RECORD an article entitled "Administration Fights Monopolies But Fails To Stop That of Labor," by Leo Wolman, from the Washington Post of July 1, 1945, which appears in the Appendix.]

NEWSPAPER COMMENT ON PROPOSED FEDERAL LABOR RELATIONS ACT

[Mr. BALL asked and obtained leave to have printed in the RECORD an article by David Lawrence entitled "Hatch-Burton-Ball Bill Seen Signifying Trend," from the Washington Star of June 21, 1945, and an article by Mark Sullivan entitled "Industrial Peace Bill," from the Washington Post of June 25, 1945, both relating to Senate bill 1171, which appear in the Appendix.]

EDITORIAL COMMENT ON PROPOSED FEDERAL LABOR RELATIONS ACT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "Putting the Public First," from the Cleveland Press of June 22, 1945, and an editorial entitled "A Major Peacetime Problem," from the Cleveland Plain Dealer of June 24, 1945, which appear in the Appendix.]

WHY THE DISABLED AMERICAN VETERANS NEED A NATIONAL SERVICE FUND

Mr. WILEY. Mr. President, I should like to take a few moments for a statement on a matter of vital significance with reference to our Nation's disabled ex-servicemen.

Recently I had a very interesting discussion at lunch with Mr. Milton D. Cohn, national commander, and Mr. Millard W. Rice, national service director, of the Disabled American Veterans. I was pleased to get from them a very helpful and informative word picture of the service activities of the DAV.

I believe that the voluminous correspondence received has made all my colleagues well aware of the fact that existing laws, intended for the benefit of service-disabled veterans and their dependents, are not automatically administered. The Veterans' Administration can apply such laws in individual cases only on the basis of proven facts and within the provisions, limitations, and restrictions of the pertinent laws.

Inasmuch as the Veterans' Administration represents the Federal Government in the administration of such laws, it acts as the judge in determining whether or not the claimants have legally and technically established their entitlement to governmental benefits to which they believe themselves lawfully and equitably entitled.

If such benefits be awarded, the Veterans' Administration, as the defender for the Government, must then administer the benefits thereby declared legally available. It cannot be expected that the Veterans' Administration can also properly act as the prosecutor of the claims of disabled veterans against itself.

At this point the DAV and its full-time, part-time, and volunteer service officers step in to advise and assist individual disabled veterans and their dependents as to their potential rights to benefits provided by law, and as to how properly to prepare, present, and prosecute their just claims for any such benefits. Frequently this process is much more difficult and distressing than "doping out" WPB, OPA, or Internal Revenue regulations and requirements.

The most important war-relief and postwar problem facing America on the home front today is the proper care and rehabilitation of our vast numbers of returning disabled veterans. It is highly important, therefore, that full support be given to the organization which actually has been rendering urgently needed assistance to such veterans since the last war and which actually maintains the most extensive and effective Nation-wide service staff to handle this work. That organization is the Disabled American Veterans, the only congressionally chartered body consisting entirely of war-disabled veterans and specializing in rendering assistance to them and their dependents.

America's war-disabled veterans urgently need the services which this 25-year-old organization, because of its specialization and expertness, is peculiarly qualified to render. It is important, therefore, that our legislators be informed as to the DAV's aims and current activities. Only through the active support of civic, business, and social leaders can the DAV realize the full success of its human and economic reconstruction program on behalf of our disabled ex-servicemen.

The Veterans' Administration, whose work has grown by leaps and bounds since the beginning of World War II, recognizes that the DAV is a most important auxiliary agency.

Congress, recognizing the necessity for the assistance of such a nongovernmental agency as the Disabled American Veterans, has specifically authorized the Veterans' Administration to utilize the cooperation of experienced organizations which have been rendering expert liaison service as attorney-in-fact for veterans.

Outstanding among the handful of organizations so qualified is the Disabled American Veterans, which, for more than a quarter of a century, has been saving disabled veterans from bitterness and frustration and which has been restoring them to health and usefulness. Working in close collaboration with the Veterans' Administration, the national service officers of the DAV occupy space in the central office of the Veterans' Administration, and in its field stations throughout the country. There they assist disabled veterans by telling them what to do and

how to do it. Many times they bring to the attention of the veteran benefits which he has a right to claim, but of which he did not know or had overlooked. They assist disabled veterans in the preparation, presentation, and prosecution of just claims for governmental benefits and the solution of other rehabilitation problems.

Thus the DAV does a splendid two-fold job. It greatly facilitates the work of the Veterans' Administration and renders invaluable assistance to our maimed ex-servicemen and their dependents. It is most effective in translating the letter of the law in just benefits for our disabled defenders. Prof. Charles A. Beard, the great historian, has aptly stated: "Rights are not self-enforcing and we must keep battling for them to make real in life any rights proclaimed on paper."

FORMATION OF DAV

Formed in 1920 and chartered by Congress in 1932, to render service to, for, and by America's disabled war veterans, the Disabled American Veterans has been generally recognized as the official spokesman for America's disabled defenders.

According to its congressional charter of incorporation, Public Law No. 186, approved June 17, 1932, as amended by Public Law No. 668, approved July 15, 1942—active membership in the DAV can be obtained only by those Americans whose bodies bear the scars of wounds and injuries, or the blight of ailments or disabilities, incurred during or by reason of active war service in the armed forces of the United States, or of some country allied with it, during time of war.

President Truman has stated that "our debt to the heroic men and valiant women in the service of our country can never be repaid." That is particularly true as to our disabled defenders.

The following official definition of the DAV appears in the United States Government issued Handbook for Servicemen and Servicewomen of World War II and Their Dependents:

Organized in 1920, the Disabled American Veterans is a congressionally chartered organization of American citizens who were wounded, gassed, injured, or disabled as a result of their honorable service in the armed forces of the United States or of some country allied with it, during time of war. The purpose of the Disabled American Veterans is to restore, as far as possible, war-disabled veterans to as good a position as they would have enjoyed had they not been disabled, and to make them better and happier citizens, through sympathetic understanding and comradely assistance in solving their problems. Toward this end, the Disabled American Veterans endeavors to secure fair and just compensation, adequate and sympathetic medical care, and honest and profitable employment for those who are employable.

FUND DRIVE LAUNCHED

Up until now, the service activities of the DAV have been maintained out of the membership dues of disabled veterans themselves, and by occasional donations from public-spirited Americans. To expand and maintain these services, adequately to take care of returning disabled veterans of World War II, additional full-time paid service officers are needed—1 to 5 in each of the regional offices—now 54—and hospital facilities—now 94—of the Veterans' Administration, and in all of the discharge centers of the Army and Navy.

A capital fund of $10,000,000 is required to guarantee the continuance of this work over a period of years.

To raise this fund, the Disabled American Veterans have organized a National Service Fund to conduct the DAV's first national appeal for funds in its 25-year history.

The DAV can assume the obligation of training and maintaining national service officers only on the basis of such financial reserve as will enable it to provide full employment to these handicapped veterans after they have been qualified as full-time national service officers.

While the DAV has been able to finance itself to handle its full responsibility in connection with the disabled of World War I, it is not financially able to expand and maintain its Nation-wide service set-up sufficiently to take care of its greatly increased responsibility due to World War II casualties.

A national service fund luncheon meeting, historic in the affairs of the Disabled American Veterans, was held in the grand ballroom of the Commodore Hotel, New York City, on May 23. It was addressed by the heads of the three departments of the Government best informed on the subject of disabled veterans—the Administrator of Veterans' Affairs, the Deputy Surgeon General of the Army (who also spoke for the Surgeon General of the Army), and the Surgeon General of the Navy. Charles Shipman Payson, New York chairman of the National Service Fund of the Disabled American Veterans, which has national headquarters at 41 East Forty-second Street, New York City, announced that this meeting marked the official opening of the $1,000,000 New York City drive of the $10,000,000 national campaign.

All of the principal speakers heartily endorsed the work of the DAV and pleaded for support of the fund drive. Addressing a capacity audience of business, civic and social leaders, these officials declared that the DAV's work must go on and cannot be rendered by a governmental agency. They were unanimous in stressing that:

First. The services of the Disabled American Veterans are essential.

Second. The Disabled American Veterans is uniquely qualified to render the free services urgently needed by these veterans.

Third. Industry and the general public should fully support the National Service Fund of the Disabled American Veterans.

DAV TRAINING PROGRAM

The support which public-spirited Americans are giving to this fund is enabling the DAV to conduct a training program through which disabled veterans of World War II are being trained to render assistance to the vast numbers of disabled veterans resulting from this war. As of March 15, 1945, more than 1,500,000 had been discharged from the armed forces as unfit for further military duty because of disabilities incurred in service, and many more, at the rate of 2,000 a day, were being discharged. The total number of disabled veterans will probably reach 2,500,000 by V–J day.

At least 400 such National Service Officers must be trained to handle the urgent calls for assistance received by the DAV, and it is only through generous contributions to this fund that the DAV can adequately expand and maintain its Nation-wide service set-up.

The first class to complete the training (6 months of academic courses at American University, Washington, D. C., and 18 months of on-the-job placement training under the supervision of experienced National Service Officers of the DAV) already has been assigned to the DAV's busiest service centers. Because, like all National Service Officers of the DAV, they have been "through the mill" themselves, they are particularly qualified to aid and assist fellow disabled veterans.

Mr. BARKLEY. Mr. President, may I inquire of the Senator how much time he expects to take?

Mr. WILEY. Just a few minutes more.

Mr. BARKLEY. I should like to finish the calendar before 1 o'clock.

Mr. WILEY. These new service officers are of a uniformly high caliber. They have served our country in Tunisia, Sicily, Italy, the Pacific, the North Atlantic, Guadalcanal, Salumaua, Lae, Pearl Harbor, Australia, Trinidad, the Solomon Islands, and in the United States; have fought on three continents and islands of three oceans; have received decorations from the Purple Heart to the Presidential Citation; and have lost arms, legs, and other parts of their bodies on foreign soil.

The cost to the DAV of training 400 men for this vital service is estimated at $600,000. To maintain them in the field for the next 7 years will cost $8,400,000 more. For a program of public education $1,000,000 more is needed. The total is $10,000,000. That is the goal of the national campaign.

The New York Times has stated editorially:

The Nation's first obligation surely is to stand by its fighting men disabled in line of duty. The DAV's success in this drive should be desired by all citizens, for an adequate DAV staff will mean that those who have bravely fought and bled for us all will not be disinherited and forgotten. Many pleas are made to the American public. This is one campaign that surely merits the generous support of every one of us.

OFFICIAL STATEMENTS OF ENDORSEMENT

The statements made by officials of the Army, the Navy, and the Veterans' Administration are veritable mandates to the DAV to carry on its work with renewed vigor and to the American public to contribute generously to the support of the DAV program. The official statements follow:

The Secretary of the Navy:

I feel very keenly the necessity for our proving to the lads who have really taken the rap in this war that the American people do not intend to forget them.

I want to congratulate you on your willingness to take leadership in the drive on behalf of the Disabled American Veterans. The way in which we respond to the needs of our returning soldiers and sailors, and particularly the proof of our enduring recollections of their sacrifices, will provide one of the great tests of this Republic.

During the last 4 years I have been on the perimeter of war several times and I have seen enough to know that nothing that any of us have had to accept back home is comparable to what the soldiers and sailors and airmen have taken.

On the general theory that figures speak sometimes more loudly than highest platitudes, I am enclosing my personal check.

The Surgeon General of the Navy:

The cause of this fine, sound organization—the Disabled American Veterans—is one that the Navy is interested in today and will be interested in through all the years to come. The Disabled American Veterans is in a position to help greatly not from the side that the Government must do and will do but from the human side that must be carried on in liaison with our hospitals, in liaison with the Veterans' Administration, a liaison that will be carried on throughout the succeeding years. We have very good liaison with their representatives.

Every American citizen has an opportunity to do a part in this rehabilitation program. Let us see to it that we do everything we can to convice the disabled men and women who come back from the services that there is a useful place for them in this country.

The Surgeon General and the Deputy Surgeon General of the Army:

The problem that the Disabled American Veterans is interested in is one of the problems that we are intensely interested in, that is, the treatment and the handling of the veteran after he leaves the care of the military and naval services. This is a problem that falls upon the shoulders of your people in the community.

All of us in the Army Medical Department feel that this work that is being undertaken by the Disabled American Veterans is of the greatest importance, not only to the veteran himself, but to the citizens as well.

The handicapped veteran has made his sacrifice for his country and the least his country can do for him is to give him the right to live a normal, useful life.

The Administrator of Veterans' Affairs:

For more than 20 years, the Veterans' Administration has worked in team with the organization that you are asked to sponsor and help—the Disabled American Veterans. Some of you may wonder why it is necessary that the veteran should have an advocate, why the Government doesn't take care of these cases without service officers. The reason is very simple: it is because the veteran himself is better satisfied when one of his buddies stands alongside of him, assists him and advises him. This organization, made up of disabled men, gets the nearest to the veteran, not because other organizations are not as much interested, but there is a comradeship that exists among disabled men that doesn't always go quite so deep with those that are not disabled. This organization deserves your confidence and support.

The Assistant Administrator of Veterans' Affairs:

When Congress provides public funds for any purpose, it also sets up safeguards in the form of certain procedures which must be followed by those seeking benefits from such funds. The average disabled veteran is not adept at following these procedures. Most need the help of someone who has had training and experience in the preparation and presentation of claims.

The Government, functioning through the Veterans' Administration, plays the roles of defendant, judge and jury on all veterans' claims. The Government cannot act as expert liaison officer or attorney-in-fact for a claimant, nor can it prosecute claims against itself. Its sole function is to administer claims after they have been lawfully established.

The Veterans' Administration has found the work of the Disabled American Veterans very helpful in assisting the Veterans' Administration in making prompt and just settlement of the claims of disabled veterans.

If further clarification were needed as to why the Government cannot render these services, a letter recently addressed to Mr. Payson by Oscar Ross Ewing, former Special Assistant to the Attorney General of the United States, will furnish that clarification. I quote from Mr. Ewing's letter:

MY DEAR MR. PAYSON: I want to express to you my admiration of the services which the Disabled American Veterans' organization is giving to disabled veterans. Being a World War I veteran and also a lawyer, I can appreciate what your organization is doing.

It stands to reason that if such disabled veterans are to obtain the full protection that Congress intended, many of them will need the advice and help of persons fully familiar with the laws governing the rights of veterans. I do not believe that this is the type of service that usually could be rendered by the ordinary practicing lawyer. Too often the time spent by the lawyer would be out of all proportion to the amount involved and either the lawyer would be underpaid or the veteran overcharged.

It has been suggested, I know, that the Government might employ persons to act as counsel for the disabled veterans. This would, I am sure, be impracticable. Such employees of the Government almost inevitably develop a psychology which causes them to try to save the Government money instead of seeing that absolute justice is done to the veteran.

I admire your organization's plan for solving this problem, namely, the training of war-handicapped men as specialists in veterans' legislation who can advise and help a disabled veteran in securing the benefits that Congress, and a grateful America want the veteran to have. Your program deserves the support of all.

Typical of the expressions of endorsement and appreciation received by the officers and committee members of the National Service Fund of the Disabled American Veterans is the message sent by Gen. Dwight D. Eisenhower from Supreme Headquarters of the Allied Expeditionary Force. It says in part:

I am delighted to learn that you are taking effective steps to raise substantial sums to provide for the future welfare and rehabilitation of disabled veterans. Your project has my most earnest and enthusiastic support. Your efforts will be fully rewarded in the lasting appreciation of veterans who have sacrificed so much for the cause for which we are fighting.

Mr. President, the National Service Fund campaign—the DAV's first national appeal in 25 years—is necessitated by the greatly increased responsibility placed upon the DAV by the large numbers of World War II handicapped veterans who are urgently in need of its services.

The DAV makes no charge for its services, which are available to all disabled veterans, to their dependents, and to the dependents of our war dead.

These services redound to the benefit of every community in the land and to thousands of American households in particular. It is proper, therefore, that the general public be given the opportunity to contribute to the fund needed to continue this humanitarian work.

The success of this $10,000,000 campaign will enable the Disabled American Veterans to assist most effectively in the care and rehabilitation of America's war-disabled veterans.

I know that the American people will respond generously in contributing to this crucial National Service Fund campaign. By such contribution, our people will give one more unmistakable evidence that America intends to protect and defend its valiant protectors and defenders.

A FARMER WHO IS SATISFIED

Mr. LUCAS. Mr. President, it is seldom that I read a letter coming from one of my constituents, and more seldom do I read one coming from a citizen outside of my State, but in view of the fact that almost every day I hear Senators reading letters from the floor about the condition the farmer of America finds himself in at this moment—and most of the letters Senators read are anything but complimentary—I desire to take the time of the Senate to read a letter from a farmer in Montana which I received this morning:

BROCKTON, MONT., *June 29, 1945.*

Senator SCOTT W. LUCAS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LUCAS: I commend very much your recent speech in the Senate. The speech wherein you show that the farmer of today is doing well. That he is in the best financial position that he has ever been in.

I've sold hogs for 2½ cents and cattle for 3 cents. The loss was staggering. The last 3 years the same class of hogs have sold for $13.45 a hundred. Cattle at $14.25 a hundred.

And here is the significant part of the letter:

I've been able to pay all debts, taxes, gotten bonds, and I've got money in the bank.

I'm a homesteader in eastern Montana, Richland County. Lived continuously on my farm since 1913.

I am, very respectfully,

WM. A. ALEXANDER.

LEGISLATIVE PROGRAM FOR THE DAY

Mr. BARKLEY. Mr. President, I should like to have the routine morning business considered. I hope we may have a call of the calendar for uncontested measures prior to 1 o'clock. If we cannot conclude the call by 1 o'clock, we will suspend, but I should like to make some progress on the calendar before that time.

LEAVE OF ABSENCE

Mr. OVERTON. Mr. President, I ask unanimous consent for indefinite leave of absence from the Senate beginning July 3.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the leave is granted.

CONFIRMATION OF NOMINATION OF JAMES F. BYRNES AS SECRETARY OF STATE

Mr. BARKLEY. Mr. President, before asking unanimous consent that the Senate proceed to consider measures on the calendar, I wish to prefer another request for unanimous consent.

The President of the United States has sent to the Senate the nomination of Hon. James F. Byrnes to be Secretary of State. We all know Justice Byrnes. We served here with him for many years and know what his record is, and it seems to me that it is unnecessary that the nomination should be referred to a committee.

In addition to these reasons, it so happens that there is at present no Secretary of State, and I ask unanimous consent that the Senate proceed to consider the nomination of Justice Byrnes, without reference of the nomination to a committee.

Mr. WHITE. Mr. President, I express the very earnest hope that the unanimous-consent request of the Senator from Kentucky may be agreed to. What he said of Mr. Byrnes is true. He is known personally to all of us. He served as a Member of the House of Representatives; he served as a Member of this body; he served as a member of the Supreme Court of the United States, and was confirmed by the Senate for that exalted position.

Mr President, Mr. Byrnes' nomination again comes to the Senate after a length of public service that can leave no doubt in the mind of anyone as to his superb qualification for this new position. I repeat, I earnestly hope the request will be granted.

Mr. BARKLEY. Mr. President, I thank the Senator from Maine. I appreciate his remarks.

It is not necessary, Mr. President, in connection with this request to go into any discussion of Justice Byrnes' record in every public office he has held. I hope the Senate may confirm his nomination unanimously and without delay.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none.

Mr. BARKLEY. Mr. President, I ask that the nomination of Justice Byrnes to be Secretary of State be confirmed as in executive session.

The PRESIDENT pro tempore. Without objection, as in executive session, the nomination is confirmed, and the President will be immediately notified.

Mr. MAYBANK subsequently said: Mr. President, a few moments ago South Carolina's No. 1 citizen, her distinguished and illustrious son, Hon. James F. Byrnes, was confirmed as Secretary of State. I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Secretaryship of State" published in today's issue of the Washington Post.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SECRETARYSHIP OF STATE

The announcement of the nomination of James F. Byrnes as Secretary of State comes as something of an anticlimax. It had long been known that in filling the top place in his official family the President wanted at his elbow a man who, in the best sense of the word, is a familiar. In Mr. Byrnes he has found his man. The President's regard for Mr. Byrnes is best attested by the fact that he went to the Democratic Convention last year all prepared to propose Mr. Byrnes for the Vice Presidential office to which he himself was nominated. Mr. Truman's conception of Cabinet responsibilities is different from that of his predecessor. He wants to delegate rather than to oversee, and a Cabinet officer who is at the same time a delegate must stand in the same personal relation to the President that Mr. Byrnes does to President Truman.

The new Secretary brings some excellent qualifications to his new and significant task.

He is well known and highly respected in the legislative as well as the executive branch of Government. It is important in the years to come to have a man in the Secretaryship who will keep Congress informed on policies that the President is striving to keep above party. There is such an assurance in the Byrnes appointment. Mr. Byrnes has a talent for intimate exposition, and it impressed the Senate particularly after Yalta. His report dealt with subjects which had hitherto been outside his interests, yet Mr. Byrnes seemed perfectly at home. His ease and knowledge-ability testified to his capacity for absorbing new ideas and new problems. This attribute, which has served him well in a career which owes nothing to advantage, help or luck, will stand him in good stead as Secretary of State. It is united in Mr. Byrnes with a natural gift as a diplomatist—a gift which we once called the art of being Byrnes—and a genius for drawing to his assistance men of competence and experience who will serve him with loyalty and affection.

It will be Mr. Byrnes' first job, of course, to pick new aides. Necessary to his success is an Under Secretary who will be a real complement to the Secretary. That means he should be chosen with due regard for Mr. Byrnes' own limitations. As we see Mr. Byrnes, he is neither an organizer nor an administrator, and the new Under Secretary, therefore, should be both. It has been the habit to write of the Secretary's assistants as a team. The word is apt. The Assistant Secretaries should be thought of, it seems to us, as a kind of committee on foreign policy, men of ideas and diplomatic skill and principle, and men strong enough to see that the division heads execute whatever has been decided upon. In the past there has been too much of the tail wagging the dog in the State Department, too much of a reliance upon narrow-minded experts, too much bureaucratic cliquism. In the new set-up policy should be made at the top, and the division heads should be executants. If they cannot serve in this capacity, they should be replaced. No appointment in this connection is more important than that of the Assistant Secretary in charge of personnel; he is the man responsible for morale in the diplomatic service as well as in the State Department.

It is to be hoped that the new administration will not be content with anything less than a complete overhaul and radical expansion of the State Department. The State Department is the Department of Peace in a world which for years is bound to find peace uneasy. In this new world the United States is a towering figure. We are undertaking the maintenance of the collective peace as the price of maintaining our own peace. When the War Department was faced with the responsibilities of making war, there was a vastly expanded and changed General Staff. The same reorganizational need is present in the State Department. We suggested 18 months ago that the problem was of such a nature as to call for the appointment of a commission to make recommendations. All that has happened since that time has been patchwork change. It will be part of Mr. Byrnes' assignment to transform the State Department in a manner which will enable it to fulfill the tremendous task that has been thrust upon it. Audacity is required, and we feel sure that Mr. Byrnes would get the backing of both President and Congress for a program of real reorganization based upon the democratization of the foreign service.

THE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning with Senate bill 136, Calendar No. 392.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the first bill on the calendar will be stated by the clerk.

OREGON CAVES RESORT

The bill (S. 136) for the relief of the Oregon Caves Resort was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Oregon Caves Resort, Grants Pass, Oreg., is hereby relieved from its liability for franchise fees for the years 1934 and 1935 under contract with the Department of Agriculture in the amount and to the extent that these fees exceed those that would have been due for the years 1934 and 1935, as determined by the Secretary of the Interior, under the terms of the renegotiated contract between the National Park Service, Department of the Interior, and the Oregon Caves Resort, dated January 1, 1936, had this latter contract been in full force and effect on January 1, 1934.

LEE D. HOSELEY

The Senate proceeded to consider the bill (S. 573) for the relief of Lee D. Hoseley, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "$7,500" and insert "$5,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lee D. Hoseley, of Klamath Falls, Oreg., the sum of $5,000, in full satisfaction of his claim against the United States for compensation for injuries sustained by him on or about August 21, 1940, while he was engaged in fighting a forest fire on the Klamath Indian Reservation in the State of Oregon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. MARIE J. HUFFMAN

The Senate proceeded to consider the bill (S. 929) for the relief of Mrs. Marie J. Huffman, which had been reported from the Committee on Claims, with an amendment, on page 1, line 5, after the word "appropriated", to strike out "to

Mrs. Marie J. Huffman, of Orlando, Fla., the sum of $1,027.66, in full satisfaction of her claims against the United States for compensation for damage to her property, and for reimbursement of medical, hospital, and other expenses incurred by her, as a result of an accident which occurred when a United States Army airplane crashed in the vicinity of her home in Orlando, Fla., on March 12, 1943" and insert "to Henry H. Huffman and Mrs. Marie J. Huffman, of Orlando, Fla., the sum of $1,027.66; in full settlement of all claims against the United States for damage to their dwelling house and for personal injuries sustained by the said Mrs. Marie J. Huffman, and medical, hospital, and other expenses incurred incident thereto, as a result of the crash of an Army airplane in the vicinity of said house in Orlando, Fla., on March 12, 1943", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Henry H. Huffman and Mrs. Marie J. Huffman, of Orlando, Fla., the sum of $1,027.66, in full settlement of all claims against the United States for damage to their dwelling house and for personal injuries sustained by the said Mrs. Marie J. Huffman and medical, hospital, and other expenses incurred incident thereto, as a result of the crash of an Army airplane in the vicinity of said house in Orlando, Fla., on March 12, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisons of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Henry H. Huffman and Mrs. Marie J. Huffman."

DESIGNATION OF VETERANS' HOSPITAL, PEEKSKILL, N. Y., AS FRANKLIN DELANO ROOSEVELT HOSPITAL.

The joint resolution (S. J. Res. 78) to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as Franklin Delano Roosevelt Hospital was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the proposed Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., shall be known and designated on the public records as the Franklin Delano Roosevelt Hospital.

RESOLUTION PASSED OVER

The concurrent resolution (H. Con. Res. 50) declaring Congress to have recognized and approved the provisions of section 29.23 (m)–16 of Treasury Regulations 111, and for other purposes, was announced as next in order.

Mr. MURDOCK. Over.

The PRESIDENT pro tempore. The concurrent resolution will be passed over.

SETTLEMENT OF CLAIMS FOR DAMAGES OCCASIONED BY AMERICAN FORCES IN FOREIGN COUNTRIES

The bill (S. 936) to amend the act approved January 2, 1942, as amended by the act approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries" was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the act of January 2, 1942 (55 Stat. 880; 31 U. S. C. 224d), as amended by the act of April 22, 1943 (57 Stat. 66), be, and hereby is, further amended by inserting an additional section at the end thereof to read as follows:

"SEC. 8. This act shall be applicable, notwithstanding other provisions hereof, to claims of inhabitants of the Philippine Islands arising in such islands which would be within the provisions of the act but for the fact that the Philippine Islands is not foreign territory: *Provided*, That any such claims arising out of accidents or incidents occurring in time of war may on good cause shown be presented within 1 year after peace is established."

Mr. TAFT subsequently said: Mr. President, I ask unanimous consent to reconsider the vote by which Senate bill 936, Calendar No. 400, was passed, and I ask for an explanation from the Senator from Maryland [Mr. TYDINGS].

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the vote by which the bill was passed is reconsidered.

Mr. THOMAS of Utah. Mr. President, is the Senator from Ohio referring to Calendar No. 400?

Mr. TAFT. Yes.

Mr. THOMAS of Utah. That is a military bill. The Senator from West Virginia [Mr. REVERCOMB] who reported the bill is not present. The bill merely extends the Foreign Claims Act to the Philippine Islands. It comes by request of all the Government departments having to do with such claims, and was unanimously reported by the Commitee on Military Affairs.

Mr. TAFT. Mr. President, there is a similar bill referring to Guam on the calendar. My difficulty is this: We have had considerable discussion regarding the reimbursement for war damages in the Philippines and in Guam, and the situation is very much confused by the fact that the President issued an order setting aside $100,000,000 to insure payment of damages which occurred up to July 1, 1942. It does not seem to me that in these bills the relationship between that liability and the liability we are assuming is made clear. It may be clear, but it seems to me that there is an overlapping, that it is not perfectly clear whether those who receive the payments for claims from the Army and Navy are required to waive claims against the War Damage Corporation, and it seems to me that there is other legislation pending on the subject. I thought perhaps the whole thing ought to be considered at one time.

Mr. THOMAS of Utah. Mr. President, the act in question is operating throughout various parts of the world, and the only thing this particular bill does is to extend the provisions of the act to the Philippines. The measure dealing with Guam of course was referred to the Committee on Naval Affairs. The measure which is now before the Senate deals with the Philippine Islands and therefore was referred to the Committee on Military Affairs.

Mr. TYDINGS. Mr. President, I ask that the bill go over. The Filipino Rehabilitation Committee, the War Damage Corporation, the Committee on Territories and Insular Affairs of the Senate, and the Committee on Territories of the House are working on this matter. In my opinion the bill should have been referred to the Committee on Territories and Insular Affairs, which is supposed to be more familiar with the situation in the Philippines than either the Committee on Military Affairs or the Committee on Naval Affairs.

Mr. THOMAS of Utah. Mr. President, I move that the Committee on Military Affairs be discharged from the further consideration of the bill, and that it be referred to the Committee on Territories and Insular Affairs.

Mr. TYDINGS. The bill is on the calendar.

The PRESIDENT pro tempore. The bill is on the calendar at this time and the Chair is advised that the motion as stated is out of order.

Mr. THOMAS of Utah. Whether it is out of order or not, as chairman of a standing committee of the Senate, I am constantly confused by the fact that frequently two or more committees seem to be interested in the same sort of legislation. I understand that the standing committees of the Senate are all committees of the Senate, and that they act for the Senate as a whole. The Committee on Military Affairs did not ask to have the bill referred to it. If other committees believe that they should have jurisdiction, I want them to have it, because I think it is wrong for us to conduct hearings and have representatives of the Government come before us and testify, and then report a bill, when some other committee believes it should have jurisdiction. If there is any way to relieve the Committee on Military Affairs from jurisdiction, I want to do it.

The PRESIDENT pro tempore. The Chair suggests that the Senator ask unanimous consent that the bill be referred to the Committee on Territories and Insular Affairs.

Mr. THOMAS of Utah. That is what I was about to do.

The PRESIDENT pro tempore. If the Senator will do so, the Chair is sure that that course will be followed.

Mr. THOMAS of Utah. I ask unanimous consent that the Senate Committee on Military Affairs be discharged from further consideration of Senate bill 936, and that the bill be referred to the Committee on Territories and Insular Affairs.

The PRESIDENT pro tempore. All the Senator has to do is to ask that the bill be referred to the Committee on Territories and Insular Affairs. Without objection, the bill will be referred to the

Committee on Territories and Insular Affairs.

The Clerk will state the next business on the calendar.

REIMBURSEMENT OF NAVAL PERSONNEL FOR LOSS OF PROPERTY AT NORFOLK, VA.

The bill (S. 1062) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting the aggregate not to exceed $1,049.18, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungi, Norfolk, Va., on February 13, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF NAVAL PERSONNEL FOR DAMAGE AT SOUTH DEVON, ENGLAND

The bill (S. 902) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in a Quonset hut at Harrowbeer Airport, Yelverton, South Devon, England, on December 26, 1944, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $272.90, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in a Quonset hut at Harrowbeer Airport, Yelverton, South Devon, England, on December 26, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF NAVAL PERSONNEL FOR LOSS BY FIRE AT VARIOUS NAVAL SHORE ACTIVITIES

The bill (S. 985) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various naval shore activities, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,823.61, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring in tents occupied by the Sixty-ninth United States Naval Construction Battalion, Omaha Beach, France, on October 17, 1944; in lucky bag storage hut used for storage of officers' gear at naval operating base, Dutch Harbor, Alaska, on September 10, 1943; in storehouse known as Walter Reid Building, Brisbane, Australia, on November 5, 1944; at amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945; at naval hospital, Memphis, Tenn., on February 1, 1945; at naval section base, Fort Townsend, Wash., on December 27, 1942; and at base dispensary, naval base squadron, Rosneath, Scotland, on October 12, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

LT. (JG) WILLIAM AUGUSTUS WHITE

The bill (S. 996) for the relief of Lt. (jg) William Augustus White, United States Naval Reserve, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $162, to reimburse Lt. (jg) William Augustus White, United States Naval Reserve, for the value of personal property lost in a fire in a tent occupied as quarters at the United States naval supply depot, Navy, No. 167, on November 30, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF NAVAL PERSONNEL FOR DAMAGE AT BUNKER HILL, IND.

The bill (S. 986) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in administration building at the naval air station, Bunker Hill, Ind., on December 28, 1944, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $379.20, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in administration building at the naval air station, Bunker Hill, Ind., on December 28, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

REIMBURSEMENT OF NAVAL PERSONNEL FOR DAMAGE AT TRINIDAD, BRITISH WEST INDIES

The bill (H. R. 2685) to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944, was considered, ordered to a third reading, read the third time, and passed.

RESTRICTIONS ON DISPOSITION OF NAVAL VESSELS AND FACILITIES

The Senate proceeded to consider the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, which had been reported from the Committee on Naval Affairs, with amendments.

The first amendment was, on page 5, after line 3, to strike out:

(a) the Secretary of the Navy has made a report to the Congress (while both Houses are in session) setting forth the reasons why such facility or plant, as the case may be, is no longer needed by the Department of the Navy, together with the contrary views, if any, of the Chief of Naval Operations.

And to insert in lieu thereof:

(a) a report, signed by the Secretary of the Navy, has been made to the Congress (while both Houses are in session), stating that the facility or plant, as the case may be, on and after the date of such report, is not and will not be needed by the Department of the Navy, or stating that such facility or plant will not be needed by such Department on and after a specified date within 6 months of the date of such report, and, in either case, also stating the reasons why such facility or plant will not be needed.

The amendment was agreed to.

The next amendment was, on page 8, line 10, after the word "That", to insert "no such lease shall be made for a period exceeding 1 year unless."

The amendment was agreed to.

Mr. BALL. Mr. President, may we have an explanation of the bill? It is a very important bill, and I should like to have it explained.

The PRESIDENT pro tempore. The bill was reported by the Senator from Massachusetts [Mr. WALSH]. Apparently the Senator from Massachusetts is not in the Chamber at the moment. Does the Senator from Minnesota desire that the bill go over?

Mr. TYDINGS. Mr. President, the chairman of the committee is not present, but I hope an objection will not be made to the bill, in view of the fact that it restricts the giving away or the use of naval vessels, I cannot conceive that it would be the desire to anyone to hold up a bill which restricts the giving away of our Navy vessels.

The PRESIDENT pro tempore. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CERTIFICATION OF PENICILLIN

The bill (H. R. 3266) to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes, was announced as next in order.

Mr. BUSHFIELD. Mr. President, may we have an explanation of the bill?

The PRESIDENT pro tempore. The senior Senator from North Carolina [Mr. BAILEY] reported the bill.

Mr. BAILEY. Mr. President, the bill which is now before the Senate proposes to include the new drug known as penicillin in the list of drugs covered by the Pure Food and Drug Act. The bill provides for the certification of this drug in batches, with a view to the usual tests for purity and standards. The legislation is requested by the Federal Security Agency and the United States Public Health Service, as being in the public interest. Hearings were held in the House. The Senate committee held no hearings, because all parties were agreed on the bill.

Mr. BUSHFIELD. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 220) to rest title to the U. S. S. *Wolverine* (ex-*Michigan*) in the foundation for the original U. S. S. Michigan, Inc., was announced as next in order.

Mr. TOBEY. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

ATTENDANCE OF MARINE BAND AT NATIONAL ENCAMPMENT OF GRAND ARMY OF THE REPUBLIC

The bill (H. R. 3287) to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945, was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN LANDS IN DOUGLAS COUNTY, OREG.

The bill (H. R. 715) to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND AND BUILDINGS IN MONTGOMERY, COUNTY, TENN.

The bill (H. R. 1647) to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn., was considered, ordered to a third reading, read the third time, and passed.

RECOGNITION OF SERVICES UNDER FIRE BY MEDICAL CORPS PERSONNEL OF THE ARMY

The bill (H. R. 2477) to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army was considered, ordered to a third reading, read the third time, and passed.

SERVICE MEDAL FOR ARMED FORCES

The bill (H. R. 3436) providing for a medal for service in the armed forces during the present war was considered, ordered to a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 23) to establish the first week in October of each year as National Employ the Physically Handicapped Week was announced as next in order.

Mr. CORDON. Let the joint resolution go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

REIMBURSEMENT FOR PERSONAL PROPERTY LOST, ETC., IN EXPLOSION AT NAVAL AIR STATION, NORFOLK, VA.

The Senate proceeded to consider the bill (H. R. 1309) to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943, which had been reported from the Committee on Naval Affairs, with amendments, on page 1, line 6, after the words "not to exceed", to strike out "$28,000" and insert "$23,000"; and in line 8, after the word "claims", to strike out "including those of insurance companies and."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

CONSERVATION OF NAVAL PETROLEUM RESOURCES

The bill (H. R. 3269) further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves, was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF EMPLOYEES' COMPENSATION ACT

The Senate proceeded to consider the bill (S. 714) to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, which had been reported from the Committee on Education and Labor, with amendments.

The first amendment was, in section 1, on page 2, line 2, after the word "if", to insert "such claim is filed within 5 years after the injury or death and if."

The amendment was agreed to.

The next amendment was, in section 5, on page 6, line 3, after "Sec. 5," to insert "(a)."

The amendment was agreed to.

The next amendment was, in section 5, on page 6, after line 23, to insert:

(b) In any case where an employee employed by the United States within the purview of such act or any extension thereof suffers disability or death after capture, detention, or other restraint by an enemy of the United States, during the present war, such disability or death shall in the administration of such act be deemed to have resulted from injury occurring while in the performance of duty, whether or not the employee was engaged in the course of his employment when taken by the enemy: *Provided*, That this subparagraph shall not apply in the case of any person (1) whose residence is at or in the vicinity of the place from whence he was thus taken, and (2) who was not living there solely by virtue of the exigencies of his employment, unless such person was so taken while he was engaged in the course of his employment: *Provided further*, That compensation for disability or death shall not be paid during any period of time during which the disabled person (or the dependents of such person, or any one of them) should receive or be entitled to receive any pay, other benefit, or gratuity from the United States on account of detention by the enemy or by reason of the same disability or death, unless such pay, benefit, or gratuity is refunded or renounced.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, is amended by adding at the end thereof the following new sentence:

"Failure to give notice of injury or to file claim for compensation for disability or death within the time and in the manner prescribed by this act shall not bar the claim of any person thereunder if such claim is filed within 5 years after the injury or death and if the Commission shall find (1) that such failure was due to circumstances beyond the control of the person claiming benefits, or (2) that such person has shown sufficient cause or reason in explanation thereof, and material prejudice to the interest of the United States has not resulted from such failure; and upon such finding the Commission may waive compliance with the applicable provisions of the act."

SEC. 2. That the first paragraph of section 10 of such act is amended by striking therefrom the words "within 6 years," and the words "subject to the modification that no compensation shall be paid where the death takes place more than 1 year after the

cessation of disability resulting from such injury, or, if there has been no disability preceding death, more than 1 year after the injury;", and by deleting the comma and adding a colon following the word "pay" therein; and that section 11 of such act is amended by striking therefrom the words "within 6 years", and the last sentence of such section.

SEC. 3. That subdivision (G) of section 10 of such act is hereby amended by striking therefrom the words "for a period of 8 years" and "before that time", and by substituting the word "until" for the word "unless" therein.

SEC. 4. That section 42 of such act is hereby amended by adding at the end thereof the following new paragraph:

"Whenever the Commission shall find that the amount of compensation, as provided by other provisions of this act, payable to employees of the United States who are neither citizens nor residents of the United States, any Territory, or Canada, or payable to any dependents of such employees, is substantially disproportionate to compensation for disability or death which may be payable in similar cases under local law, regulation, custom, or otherwise, at the place outside the United States, any Territory, or Canada, where such employees may be working at the time of injury, the Commission may provide for payment of compensation upon such basis as will be reasonably in accord with prevailing local payments in similar cases, (1) by the adoption or adaptation of the substantive features (by a schedule or otherwise) of local workmen's compensation provisions, or other local law, regulation, or custom applicable in cases of personal injury or death, or (2) by establishing and promulgating, for specific classes of employees, areas or places, special schedules of compenation for injury and death (including schedules for the loss or loss of use of members and functions of the body); and irrespective of the basis adopted may at any time modify or limit therein (a) the maximum monthly and total aggregate payments for injury and death (including modification and limitation of medical or other benefits), and (b) the percentages of the employee's wage payable as compensation for such injury or death, and to modify, limit, or redesignate the class or classes of beneficiaries entitled to death benefits, including the designation of persons, representatives, or groups, who would be entitled under local law or custom to payment on account of death, whether or not included in the classes of beneficiaries otherwise specified in this act. In the cases of such noncitizens and nonresidents, the Commission or it designees are authorized to make lump-sum awards (in the manner prescribed by section 14 of this act), whenever the Commission or its authorized designee shall deem such settlement to be for the best interest of the United States, and also in any such cases to compromise and pay claims for any benefits so provided for, including claims in which there is a dispute as to jurisdiction or other facts, or questions of law. Compensation so payable shall be in lieu of all other compensation from the United States for the same injury or death, and any payment so made shall for all purposes be considered as compensation under this act and as satisfaction of all liability of the United States in respect to the particular injury or death. The Commission may delegate to any officer, agency, or employee of the United States, with such limitations and right of review as it deems advisable, authority to process, adjudicate, commute by lump-sum award, compromise, and pay any claim or class of claims for compensation, and to provide other benefits, locally, under this paragraph, in accordance with such regultions and instructions as the Commission shall deem necessary, and for such purpose the Commission is authorized to provide or transfer funds (including reimbursement of amounts paid under this act). Should the Commission find (1) that conditions prevent the establishment of facilities for processing and adjudicating claims of such noncitizens and nonresidents, or (2) that such noncitizens and nonresidents are alien enemies, the Commission may waive the application of this act, in whole or in part, and for such period or periods of time as the Commission shall fix. The provisions of this paragraph may be applied retrospectively as the Commission may determine, and, where necessary, with such adjustment of compensation and benefits as the Commission may find to be proper. The action of the Commission or its designees in allowing or denying any payment under this act shall be final and conclusive for all purposes and with respect to all questions of law and fact, and not subject to review by any other official of the United States, or by any court by mandamus or otherwise, and credit shall be allowed in the accounts of any certifying or disbursing officer for payments in accordance with such action. Wherever used in this section, the geographical reference to the United States shall mean the continental United States."

SEC. 5. (a) The amendments to such act shall be applicable retrospectively as follows:

(1) The amendment in section 1 of this act shall apply to injury and death cases, whether or not reported or acted upon, where the injury (or injury causing death) occurred on or after December 7, 1940.

(2) The amendment in section 2 shall be applicable in any case of death following injury where the injury occurred prior to the date of approval of this act and the employee is receiving or is entitled to receive compensation for injury on or after such date.

(3) The amendment in section 3 shall be applicable in any case where a beneficiary, affected by the provisions of section 10 (G) of such act, (a) is receiving compensation (or whose claim is in the process of initial adjudication) on the date of the approval of this act, or (b) whose compensation has been terminated by reason of the limitation provisions of such section 10 (G) within 3 years prior to the date of such approval, should be found by the Commission to be suffering hardship at the time of approval of this act by reason of such termination.

(b) In any case where an employee employed by the United States within the purview of such act or any extension thereof suffers disability or death after capture, detention, or other restraint by an enemy of the United States, during the present war, such disability or death shall in the administration of such Act be deemed to have resulted from injury occurring while in the performance of duty, whether or not the employee was engaged in the course of his employment when taken by the enemy: *Provided*, That this subparagraph shall not apply in the case of any person (1) whose residence is at or in the vicinity of the place from whence he was thus taken, and (2) who was not living there solely by virtue of the exigencies of his employment, unless such person was so taken while he was engaged in the course of his employment: *Provided further*, That compensation for disability or death shall not be paid during any period of time during which the disabled person (or the dependents of such person, or any one of them) should receive or be entitled to receive any pay, other benefit, or gratuity from the United States on account of detention by the enemy or by reason of the same disability or death, unless such pay, benefit, or gratuity is refunded or renounced.

BETTY JANE RITTER

The bill (H. R. 852) for the relief of Betty Jane Ritter was considered, ordered to a third reading, read the third time, and passed.

LEO GOTTLIEB

The Senate proceeded to consider the bill (H. R. 259) for the relief of Leo Gottlieb, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$5,709.50" and insert "$4,500."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

MRS. HARRIETTE E. HARRIS

The bill (H. R. 1008) for the relief of Mrs. Harriette E. Harris was considered, ordered to a third reading, read the third time, and passed.

MRS. BEATRICE BROWN WAGGONER

The bill (H. R. 1007) for the relief of Mrs. Beatrice Brown Waggoner was considered, ordered to a third reading, read the third time, and passed.

HUGH EGAN

The Senate proceeded to consider the bill (S. 909) for the relief of Hugh Egan, which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$620" and insert "$500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Hugh Egan, of New Bedford, Mass., the sum of $500, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him when he was struck by an Army vehicle near Fort Rodman, Mass., on November 30, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN R. JENNINGS

The bill (H. R. 1917) for the relief of John R. Jennings was considered, ordered to a third reading, read the third time, and passed.

OLIVER JENSEN

The bill (S. 787) for the relief of Oliver Jensen was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oliver Jensen, of Ogden, Utah, the sum of $3,000, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him as a result of an accident which occurred when the automobile which he was driving collided with United States Army vehicle, at the intersection of Riverdale Road and Wall Avenue in Ogden, Utah, on September 19, 1942: *Provided*, That no part of the amount appropriated in this act in ex-

cess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

CENTRAL LEAF TOBACCO CO.

The Senate proceeded to consider the bill (S. 994) for the relief of the Central Leaf Tobacco Co., which had been reported from the Committee on Claims with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$1,000" and insert "$848.60", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Central Leaf Tobacco Co., Inc., Durham, N. C., the sum of $848.60. The payment of such sum shall be in full settlement of all claims of such company against the United States for losses sustained as the result of a United States Army truck colliding on November 27, 1944, with a truck owned by such company while the latter truck was parked against the curb in front of 808 Holloway Street, Durham, N. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of the Central Leaf Tobacco Co., Inc."

RELIEF OF SUNDRY FRUIT GROWERS OF DELAWARE

The bill (S. 401) for the relief of sundry fruit growers of the State of Delaware who sustained losses as the result of the fumigation of apples with methyl bromide in order to comply with the requirements of the United States Department of Agriculture relating to the Japanese-beetle quarantine was announced as next in order.

Mr. CORDON. Mr. President, may we have an explanation from the author of the bill or some Senator representing the committee? I note in the report that there is some objection on the part of the Department of Agriculture.

Mr. JOHNSTON of South Carolina. Mr. President, I reported the bill from the committee. Because of the Japanese beetle, the apple growers of Delaware were forced by the Department of Agriculture to fumigate all the cars leaving that State. The apple growers were charged $9 a car for the fumigation of the cars. Later it developed that the apples in every car which was fumigated spoiled. The Department of Agriculture acknowledged that the fumigation would cause that variety of apple to spoil. For that reason it was thought that the Government should pay the damages, because the apple growers were forced to fumigate the cars.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, on page 2, line 11, after the words "sum of", to strike out "$2,562.55", and insert "$2,436.32", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the following-named persons the respective sums hereinafter indicated, in full satisfaction of their claims against the United States for compensation for losses sustained by them as the result of the fumigation of apples with methyl bromide in order to comply with the requirements of the United States Department of Agriculture relating to the Japanese-beetle quarantine, such method of fumigation having been one of the methods suggested by the said Department of Agriculture: To C. L. Cannon, of Bridgeville, Del., the sum of $1,197.27; to W. H. Chandler, of Milton, Del., the sum of $16,618.63; to C. F. Fifer, of Wyoming, Del., the sum of $2,886.90; to W. S. Jones, of Bridgeville, Del., the sum of $2,436.32; to E. L. Kratz, of Greenwood, Del., the sum of $379.52; to Lord Bros. of Dover, Del., the sum of $2,290.33; to Lord & Rickards, of Dover, Del., the sum of $90.08; to L. C. Newton, of Bridgeville, Del., the sum of $3,773.03; to O. A. Newton & Son, Bridgeville, Del., the sum of $7,968.07; to Frank W. Richardson, of Camden, Del., the sum of $4,095.75; to George B. Ruos & Son, of Bridgeville, Del., the sum of $3,742.66; to T. S. Smith & Sons, of Bridgeville, Del., the sum of $6,751.26; and to Townsend's, Inc., of Millsboro, Del., the sum of $1,161.96: *Provided*, That no part of the amount appropriated in this act with respect to any such claim in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDWARD P. STANDLEY

The Senate proceeded to consider the bill (S. 1007) for the relief of Edward P. Standley, which had been reported from the Committee on Claims with amendments, in line 5, after the word "to", to insert "Mr. and Mrs."; in line 6, after the word "of", to strike out "his" and insert "their"; in line 8, after the word "by", to strike out "him" and insert "them"; in line 9, after the word "destroyed", to strike out "his" and insert "their"; and in line 10, after the word "October", to strike out "14" and insert "15", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. Edward P. Standley, of Coquille, Oreg., the sum of $3,211.92, in full satisfaction of their claim against the United States for compensation for property damage sustained by them as the result of a United States Navy airplane crash which destroyed their grocery in Coquille, Oreg., on October 15, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mr. and Mrs. Edward P. Standley."

DAN C. RODGERS

The Senate proceeded to consider the bill (S. 694) for the relief of Dan C. Rodgers, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "sum of", to strike out "$8,652" and insert "$4,113"; and in line 9, after the word "October", to strike out "14" and insert "15", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dan C. Rodgers, of Coquille, Oreg., the sum of $4,113, in full satisfaction of his claims against the United States for compensation for personal injuries sustained by him when a United States Navy airplane crashed near his residence in Coquille, Oreg., on October 15, 1944, and for reimbursement of expenses incurred by him as a result of such injuries: *Provided*, That no part of the amount appropraited in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

D. W. KEY

The bill (H. R. 2060) for the relief of D. W. Key was considered, ordered to a third reading, read the third time, and passed.

WILLIAM ANDREWS EVANS

The Senate proceeded to consider the bill (S. 729) for the relief of William Andrews Evans, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the name "William", to strike out "Andrews" and insert "Andrew"; and in line 6, after the words "sum of", to insert "$3,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Andrew Evans, of Wakulla County, Fla., the sum of $3,500, in full satisfaction of all claims against the United States for compensation for personal injuries sustained by him when he was struck by a United States Army car

on State Highway No. 10 near Sopchoppy, Wakulla County, Fla., on December 6, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and any such payment, delivery, or receipt shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of William Andrew Evans."

MR. AND MRS. EVERETT McLENDON, AND OTHERS

The Senate proceeded to consider the bill (S. 762) for the relief of Mr. and Mrs. Everett McLendon, Sr., Everett McLendon, Jr., and Nadine McLendon, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the word "appropriated", to strike out "to (1) Mrs. Everett McLendon, Sr., of Savannah, Ga., the sum of $500, in full satisfaction of her claim against the United States for compensation for personal injuries, and permanent disfigurement as a result thereof, sustained by her as the result of an accident which occurred when the automobile in which she was riding was struck by a United States Army truck at the intersection of Lincoln and Harris Streets in Savannah, Ga., on May 11, 1942; (2) Everett McLendon, Jr., of Savannah, Ga., the sum of $50, in full satisfaction of his claim against the United States for compensation for personal injuries sustained by him as a result of such accident; (3) Nadine McLendon, of Savannah, Ga., the sum of $100 in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her as a result of such accident; and (4) Everett McLendon, Sr., of Savannah, Ga., the sum of $446.04, in full satisfaction of his claims against the United States for compensation for damage to his automobile, and for reimbursement of medical and hospital expenses incurred by him, as a result of such accident" and insert "(1) the sum of $446.04 to Everett McLendon, Sr., of Savannah, Ga., in full settlement of all claims against the United States for property damage sustained by him and for the medical and hospital expenses incurred for the treatment of the personal injuries sustained by his wife, Mrs. Everett McLendon, Sr., and his minor children, Everett McLendon, Jr., and Nadine McLendon; (2) the sum of $500 to Mrs. Everett McLendon, Sr., of Savannah, Ga., in full settlement of all claims against the United States for the personal injuries sustained by her; (3) the sum of $100 to Mr. and Mrs. Everett McLendon, Sr., of Savannah, Ga., for the benefit of their minor daughter, Nadine McLendon, in full settlement of all claims against the United States for the personal injuries sustained by said Nadine McLendon; and (4) the sum of $50 to Everett McLendon, Jr., of Savannah, Ga., in full settlement of all claims against the United States for the personal injuries sustained by him, all as the result of an accident involving an Army vehicle which occurred on May 11, 1942, at the intersection of Harris and Lincoln Streets in Savannah, Ga.", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated (1) the sum of $446.04 to Everett McLendon, Sr., of Savannah, Ga., in full settlement of all claims against the United States for property damage sustained by him and for the medical and hospital expenses incurred for the treatment of the personal injuries sustained by his wife, Mrs. Everett McLendon, Sr., and his minor children, Everett McLendon, Jr., and Nadine McLendon; (2) the sum of $500 to Mrs. Everett McLendon, Sr., of Savannah, Ga., in full settlement of all claims against the United States for the personal injuries sustained by her; (3) the sum of $100 to Mr. and Mrs. Everett McLendon, Sr., of Savannah, Ga., for the benefit of their minor daughter, Nadine McLendon, in full settlement of all claims against the United States for the personal injuries sustained by said Nadine McLendon; and (4) the sum of $50 to Everett McLendon, Jr., of Savannah, Ga., in full settlement of all claims against the United States for the personal injuries sustained by him, all as the result of an accident involving an Army vehicle which occurred on May 11, 1942, at the intersection of Harris and Lincoln Streets in Savannah, Ga.: *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Everett McLendon, Sr.; Mrs. Everett McLendon, Sr.; Mr. and Mrs. Everett McLendon, Sr., for the benefit of their minor daughter, Nadine McLendon; and Everett McLendon, Jr."

DOROTHY M. MOON

The bill (H. R. 1601) for the relief of Dorothy M. Moon was considered, ordered to a third reading, read the third time, and passed.

HARLAND BARTHOLOMEW AND ASSOCIATES

The bill (H. R. 2515) for the relief of Harland Bartholomew and associates was considered, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT FOR PROPERTY LOST OR DAMAGED IN THE NAVAL SERVICE

The Senate proceeded to consider the bill (S. 559) to amend the act entitled "An act to provide for reimbursement of officers, enlisted men, and others, in the naval service of the United States for property lost, damaged, or destroyed in such service," approved October 27, 1943, so as to make the provisions thereof effective with respect to losses occurring on or after October 31, 1941, which had been reported from the Committee on Naval Affairs, with an amendment, to strike out all after the enacting clause, and insert:

That the first section of the act entitled "An act to provide for reimbursement of officers, enlisted men, and others, in the naval service of the United States for property lost, damaged, or destroyed in such service," approved October 27, 1943 (57 Stat. 582; U. S. C., Supp. III, title 34, sec. 984), is amended to read as follows: "That the Secretary of the Navy and, subject to appeal to the Secretary of the Navy, such other officer or officers as he may designate for such purposes and under such regulations as he may prescribe, are hereby authorized to consider, and to ascertain, adjust, determine, and pay any claim filed under oath of the commissioned, appointed, enrolled, and enlisted personnel of the Navy and Marine Corps, and of the Coast Guard when operating as a part of the Navy, and of civilian employees of the Naval Establishment, for loss, damage, or destruction of their private personal property, including household effects, occuring on or after October 31, 1941, when such loss, damage, or destruction is not due to fault or negligence on the part of the claimant and has occurred or shall hereafter occur under the following circumstances:

"First. When the loss, damage, or destruction is due to operations of war, shipwreck, or other marine disaster, or the wreck of an aircraft or other disaster thereto: *Provided*, That the term 'marine disaster' as used herein shall include an accident occurring on board a vessel.

"Second. When the loss, damage, or destruction is in consequence of the serviceman or employee having given his attention to the saving of the life of another, or of property belonging to the United States.

"Third. When such property is lost, damaged, or destroyed by reason of being shipped on board an unseaworthy vessel by order of an officer authorized to give such order or direct such shipment; or is lost, damaged, or destroyed, whether or not due to negligence on the part of Government personnel, while in shipment pursuant to orders issued by competent authority, but where the property was transported by a common carrier, the reimbursement shall be limited to the extent of such loss, damage, or destruction over and above the amount recoverable from such carrier.

"Fourth. When such property is lost, damaged, or destroyed by reason of being furnished at the direction of competent authority to another person under conditions of immediate and urgent distress.

"Reimbursement may be made in all such cases for loss, damage, or destruction of such articles as are required to be possessed and used by officers, enlisted men, and others in connection with their service or employment, and such additional items of personal property, including household effects, money, or currency, as the Secretary of the Navy shall determine to have been reasonably and properly in the place where they were lost, damaged, or destroyed, in consequence of the service or employment in which the serviceman or employee was engaged: *Provided*, That reimbursement may be made for loss of money or currency only when such money or currency has been deposited for safekeeping as provided by regulations promulgated by the Secretary of the Navy or as provided by orders of the commanding officer."

SEC. 2. Existing claims under this act shall be presented within 2 years from the date of enactment of this act and all such claims hereafter arising shall be presented within 2 years from the occurrence of the loss, destruction, or damage, except that any person missing, who is not willfully absent, or any person who is a prisoner in the hands of the enemy, or who is interned in a neutral coun-

try, shall in addition be allowed 1 year from the time of return to the jurisdiction of the United States in which to file such claim.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1139) for the relief of the residents of Guam through the settlement of meritorious claims was announced as next in order.

Mr. TAFT. Mr. President, although I do not like to object to the bill, I think I must, because it seems to me to be very confused in its statement of what are the obligations for which payment is to be made. It is not clear to me whether it includes $5,000 claims only; it is not clear how it is coordinated with the obligations of the War Damage Insurance Corporation. I think it should be more carefully studied before it is passed. Therefore, I object to its passage at this time.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

Mr. TYDINGS. Mr. President, I should like to say a word about the bill. The bill is not per se for relief because of war damage. The Navy has been acquiring land from the natives in Guam. The land has been used for airfields, roads, warehouses, and the like. There is very little provision in the bill in the nature of relief for war damages. As a matter of fact, the rehabilitation has already taken place. It became necessary to put the natives some place on the island after all their villages were destroyed, so the Navy built small villages with lumber which was available; the houses were built with thatched roofs, and a few schoolhouses were built. The people of Guam are already utilizing those houses and those villages. The greater part of the money, as I understand—and the testimony before the Committee on Naval Affairs bears me out—is for the purpose of paying the natives for land which has been acquired by the Navy Department.

Mr. TAFT. Mr. President, there is nothing in the bill about paying anyone for land or about buying land. It is a straight bill for the payment of damages or injuries resulting from hostilities, hostile occupation, combat, or noncombat activities of the Army or Navy, and so forth. It is not clear to me, either, whether only claims up to $5,000 can be paid or whether that limitation extends only to military and civilian employees. I do not think it is very well spelled out.

In line 6 it says "including claims of insured." I do not know whether that means persons insured in private companies or in the War Damage Insurance Corporation. In the case of a gasoline plant owned by the Standard Oil Co. or some other company, for instance, it is not at all clear whether the bill would provide for paying the company or whether the company would have to sesure payment under its war damage insurance. I think the bill should go over.

Mr. TYDINGS. I have no objection to having the bill go over, but I did not want to leave the Senate under a misapprehension to the effect that the bill was per se a claims bill. The testimony before the Committee on Naval Affairs was that the greater part of the money is to be used by the Navy Department to pay for land acquired from natives. I shall be glad to obtain from the Navy Department a letter stating in full how the money is to be expended.

In the meantime I, too, shall be glad to have the bill go over, so that we shall know what we are doing when we act on it.

The PRESIDENT pro tempore. The next measure on the calendar will be stated.

PRODUCTION OF PETROLEUM FROM NAVAL PETROLEUM RESERVE NO. 1

The joint resolution (S. J. Res. 76) authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1, was announced as next in order.

The PRESIDENT pro tempore. The Chair is informed that Senate Joint Resolution 76 is identical with House Joint Resolution 215, Calendar No. 447. Is there objection to the substitution of the House joint resolution for the Senate joint resolution and the immediate consideration of the House joint resolution?

There being no objection, the joint resolution (H. J. Res. 215) authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1 was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The PRESIDENT pro tempore. Without objection, Senate Joint Resolution 76 will be indefinitely postponed.

DISPOSAL OF RECORDS OF UNITED STATES GOVERNMENT

The bill (H. R. 44) to amend the act entitled "An act to provide for the disposal of certain records of the United States Government" was announced as next in order.

Mr. WHERRY. Mr. President, will the majority leader give us an explanation of the bill?

Mr. BARKLEY. Mr. President, this bill, which has been passed by the House of Representatives, authorizes the Archivist's counsel, after he has gone over certain records, and if he thinks there is no particular historical reason why they should be preserved, to make a report to Congress recommending that the agencies harboring the records my dispose of them after a certain length of time. The bill is merely for the purpose of giving the Archivist authority to clean up records which are of no further value.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

CONVEYANCE OF CERTAIN LAND IN SANTA BARBARA COUNTY, CALIF.

The Senate proceeded to consider the bill (S. 1117) to authorize the Secretary of the Navy to convey Casa Dorinda Estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss, which has been reported from the Committee on Naval Affairs with amendments, on page 2, in line 4, after the figure "559", to strike out "and"; and in line 6, after the word "deed", to insert "and (3) all right, title, and interest of the United States of America in any of those certain articles consisting of books, furniture, and household furnishings, tools, garden equipment, and other articles of personal property conveyed by deed of gift from Mildred B. Bliss and Robert Woods Bliss to the United States of America dated November 23, 1942, and which are more fully described in exhibit A thereof: *Provided*, That the conveyance of such property as herein authorized shall be upon the condition that the grantors shall release the Government from any and all claims with respect thereto and with respect to any personal property which may have been loaned to the Government in connection therewith: *And provided further*, That the Secretary of the Navy shall cause to be removed any improvements or alterations made to the premises at the Government's expense, if in his judgment the value thereof shall substantially exceed the cost of restoring the premises to their condition at the time of the Government's entry thereupon", so as to make the bill read:

Be it enacted, etc., That whenever he shall determine that such property is no longer needed for exclusively public purposes the Secretary of the Navy is authorized to convey to Robert Woods Bliss and Mildred B. Bliss without consideration (1) all right, title, and interest of the United States of America in and to the real property situated in Santa Barbara County, Calif., known as Casa Dorinda Estate, which is described in a certain grant deed by which said property was conveyed to the United States, dated November 23, 1942, and recorded in the official land records of Santa Barbara County, Calif., at page 492, book 559, (2) all right, title, and interest in and to the appurtenant sewer line and easement mentioned in said deed, and (3) all right, title, and interest of the United States of America in any of those certain articles consisting of books, furniture, and household furnishings, tools, garden equipment, and other articles of personal property conveyed by deed of gift from Mildred B. Bliss and Robert Woods Bliss to the United States of America dated November 23, 1942, and which are more fully described in exhibit A thereof: *Provided*, That the conveyance of such property as herein authorized shall be upon the condition that the grantors shall release the Government from any and all claims with respect thereto and with respect to any personal property which may have been loaned to the Government in connection therewith: *And provided further*, That the Secretary of the Navy shall cause to be removed any improvements or alterations made to the premises at the Government's expense, if in his judgment the value thereof shall substantally exceed the cost of restoring the premises to their condition at the time of the Government's entry thereupon.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDENT pro tempore. That completes the calendar.

APPOINTMENT OF GEN. OMAR N. BRADLEY AS ADMINISTRATOR OF VETERANS' AFFAIRS

Mr. GEORGE. Mr. President, the House has passed House bill 3607, a measure to authorize the President to appoint Gen. Omar N. Bradley to the Office of Administrator of Veterans' Affairs without affecting his military status and perquisites. A bill, S. 1208, was introduced in the Senate by the majority leader the Senator from Kentucky [Mr. BARKLEY] and it is identical with the bill which passed the House. The Finance Committee has approved, without amendment, the bill introduced by the Senator from Kentucky.

From the Committee on Finance I now report the bill (S. 1208) to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites.

I ask unanimous consent that the House bill, which is identical to Senate bill 1208, be substituted for the Senate bill, and that the Senate proceed to the consideration of House bill 3607.

The PRESIDENT pro tempore. Without objection House bill 3607 will be substituted for Senate bill 1208 and will be now considered.

There being no objection, the bill (H. R. 3607) to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites, was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 1208 will be indefinitely postponed.

CALL OF THE ROLL

Mr. BARKLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Murdock
Andrews	Green	Murray
Bailey	Guffey	Myers
Ball	Gurney	O'Daniel
Bankhead	Hart	O'Mahoney
Barkley	Hatch	Overton
Bilbo	Hawkes	Pepper
Brewster	Hayden	Radcliffe
Briggs	Hickenlooper	Russell
Brooks	Hill	Smith
Buck	Hoey	Stewart
Burton	Johnson, Calif.	Taft
Bushfield	Johnson, Colo.	Taylor
Butler	Johnston, S. C.	Thomas, Okla.
Byrd	Kilgore	Thomas, Utah
Capehart	Langer	Tobey
Capper	Lucas	Tunnell
Chavez	McClellan	Tydings
Connally	McFarland	Vandenberg
Cordon	McKellar	Wagner
Donnell	McMahon	Walsh
Downey	Maybank	Wheeler
Eastland	Mead	Wherry
Ellender	Millikin	White
Ferguson	Mitchell	Wiley
Fulbright	Moore	
George	Morse	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Kentucky [Mr. CHANDLER] and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Nevada [Mr. MCCARRAN] is absent as a member of the committee attending the funeral of the late Senator Scrugham.

Mr. WHERRY. The Senator from Vermont [Mr. AUSTIN] is absent by leave of the Senate.

The Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from West Virginia [Mr. REVERCOMB] is necessarily absent from Washington.

The Senator from Wyoming [Mr. ROBERTSON] is absent on official business by direction of the President pro tempore of the Senate.

The Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from North Dakota [Mr. YOUNG] is absent on official business attending the funeral of the late Senator from Nevada, Mr. Scrugham.

The PRESIDENT pro tempore. Seventy-nine Senators having answered to their names, a quorum is present.

EXECUTIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GEORGE, from the Committee on Finance:

Sundry persons for appointment in the regular corps of the United States Public Health Service.

By Mr. MCKELLAR, from the Committee on Post Offices and Post Roads:

Frank Ensley, to be postmaster at Neubert, Tenn.

The PRESIDING OFFICER (Mr. MEAD in the chair). If there be no further reports of committees, the clerk will state the nominations on the calendar.

FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

Mr. BARKLEY. I ask that the nominations in the foreign service be confirmed en bloc, and that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the nominations in the foreign service are confirmed en bloc, and, without objection, the President will be notified forthwith.

That completes the Executive Calendar.

ADDRESS BY THE PRESIDENT OF THE UNITED STATES SUBMITTING TO THE SENATE THE UNITED NATIONS' CHARTER

Mr. BARKLEY. The President of the United States is about to address the Senate, and present to it officially the Charter which was consummated and signed at San Francisco. Inasmuch as it is a matter which must be considered in executive session, and the Senate is now in executive session, I ask that the Chair appoint a committee of four Senators to escort the President into the Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Texas [Mr. CONNALLY], the Senator from Maine [Mr. WHITE], and the Senator from Michigan [Mr. VANDENBERG] as the committee to escort the President of the United States into the Senate Chamber.

The committee retired, and (at 1 o'clock and 3 minutes p. m.) reentered the Chamber, escorting the President of the United States.

The Sergeant at Arms (Wall Doxey) announced the President, who was greeted with prolonged applause.

The PRESIDENT pro tempore. Gentlemen of the Senate, the President of the United States.

The President, standing at the clerk's desk, spoke as follows:

Mr. President—it has been a long time since I have said "Mr. President" in this Chamber, and, my, how I miss it—and Members of the Senate of the United States. It is good of you to let me come back among you. You know, I am sure, how much that means to one who served so recently in this Chamber with you.

You also remember how I was tied down during the last 3 months I was here. I could not speak except to rule on parliamentary questions, and two or three times I was ruled out of order because I attempted to make a speech on such a question.

I have just brought down from the White House and have delivered to your Presiding Officer the Charter of the United Nations. It was signed in San Francisco on June 26, 1945—6 days ago—by the representatives of 50 nations. The statute of the International Court of Justice is annexed to the Charter.

I am appearing to ask for the ratification of the Charter and the statute annexed thereto, in accordance with the Constitution.

The Charter which I bring you has been written in the name of "We, the peoples of the United Nations." [Applause.] Those peoples—stretching all over the face of the earth—will watch our action here with great concern and high hope. For they look to this body of elected representatives of the people of the United States to take the lead in approving the Charter and statute and pointing the way for the rest of the world. [Applause.]

This Charter and the principles on which it is based are not new to the

United States Senate or to the House of Representatives.

Over a year and a half ago the Senate, after thorough debate, adopted the Connally resolution, which contained the essence of this Charter. It called for "a general international organization based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintennace of international peace and security." What I am now presenting to the Senate carries out completely this expression of national and international necessity.

Shortly before that, the House of Representatives passed the Fulbright resolution, also favoring the creation of international machinery with participation by the United States.

You and the House of Representatives thus had a hand in shaping the Dumbarton Oaks proposals, upon which the Charter has been based.

No international document has been drawn in a greater glare of publicity than this one. It has been the subject of public comment for months. This widespread discussion has created the impression in some quarters that there were many points of disagreement among the United Nations in drafting this Charter. Naturally, much more public attention was given to the items of disagreement than to the items of agreement. As you know, if you want to get a headline all you need do is to fall out with some of your friends, and you will always get it. [Laughter.] The fact is that there were comparatively few points upon which there was not accord from the very beginning. Disagreement has reduced to a minimum—and related more to methods than to principle.

Whatever differences there were, were finally settled. They were settled by the traditional democratic method of free exchange of opinions and points of view.

I shall not attempt here to go into the various provisions of the Charter. They have been so thoroughly discussed that I am sure you are all familiar with them. They will be so thoroughly discussed on this floor that you and the people of the Nation will all have a complete expression of views. I am sure of that. [Laughter.]

In your deliberations, I hope you will consider not only the words of the Charter but also the spirit which gives it meaning and life.

The objectives of the Charter are clear.

It seeks to prevent future wars.

It seeks to settle international disputes by peaceful means and in conformity with principles of justice.

It seeks to promote world-wide progress and better standards of living.

It seeks to achieve universal respect for, and observance of, human rights and fundamental freedoms for all men and women—without distinction as to race, language, or religion.

It seeks to remove the economic and social causes of international conflict and unrest.

It is the product of many hands and many influences. It comes from the reality of experience in a world where one generation has failed twice to keep the peace. The lessons of that experience have been written into the document.

The choice before the Senate is now clear. The choice is not between this Charter and something else. It is between this Charter and no charter at all.

Improvements will come in the future as the United Nations gain experience with the machinery and methods which they have set up. For this is not a static treaty. It can be improved—and, as the years go by, it will be—just as our own Constitution has been improved.

This Charter points down the only road to enduring peace. There is no other. Let us not hesitate to join hands with the peace-loving peoples of the earth and start down that road—with firm resolve that we can and will reach our goal.

I urge ratification. I urge prompt ratification.

[Prolonged applause, Senators and guests of the Senate rising.]

Upon the conclusion of the address (at 1 o'clock and 12 minutes p. m.) the President of the United States, escorted by the committee of the Senate, retired from the Chamber amid great applause.

REMOVAL OF INJUNCTION OF SECRECY

Mr. BARKLEY. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from the treaty submitted by the President, and that it be referred to the Commitee on Foreign Relations.

The PRESIDENT pro tempore. Without objection, the injunction of secrecy will be removed, and the treaty will be referred to the Committee on Foreign Relations and be printed in the RECORD.

The treaty, with accompanying papers, is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith a certified copy of the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed in San Francisco on June 26, 1945, in the Chinese, French, Russian, English, and Spanish languages, by plenipotentiaries of the United States of America and 49 other Nations.

I recommend that the Senate give favorable consideration to the Charter, with the annexed statute, herewith submitted and advise and consent to its ratification.

I enclose a letter of transmittal from the Secretary of State.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 2, 1945.*

[Enclosures: 1. Letter of transmittal from the Secretary of State; 2. Charter of the United Nations, with annexed Statute of the International Court of Justice—certified copy.]

DEPARTMENT OF STATE,
Washington, June 26, 1945.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, a certified copy of the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed in San Francisco on June 26, 1945, in the Chinese, French, Russian, English, and Spanish languages, by plenipotentiaries of the United States of America and 49 other nations.

Respectfully submitted.

E. R. STETTINIUS, Jr.

The PRESIDENT,
The White House.

[Enclosure: Charter of the United Nations, with annexed Statute of the International Court of Justice—certified copy.]

CHARTER OF THE UNITED NATIONS

WE THE PEOPLES OF THE UNITED NATIONS DETERMINED to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind, and to reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small, and to establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained, and to promote social progress and better standards of life in larger freedom, AND FOR THESE ENDS to practice tolerance and live together in peace with one another as good neighbors, and to unite our strength to maintain international peace and security, and to ensure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest, and to employ international machinery for the promotion of the economic and social advancement of all peoples, HAVE RESOLVED TO COMBINE OUR EFFORTS TO ACCOMPLISH THESE AIMS.

Accordingly, our respective Governments, through representatives assembled in the city of San Francisco, who have exhibited their full powers found to be in good and due form, have agreed to the present Charter of the United Nations and do hereby establish an international organization to be known as the United Nations.

CHAPTER I

Purposes and principles

Article 1

The Purposes of the United Nations are:

1. To maintain international peace and security, and to that end: to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace;

2. To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;

3. To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion; and

4. To be a center for harmonizing the actions of nations in the attainment of these common ends.

Article 2

The Organization and its Members, in pursuit of the Purposes stated in Article 1, shall act in accordance with the following Principles.

1. The Organization is based on the principle of the sovereign equality of all its Members.

2. All Members, in order to ensure to all of them the rights and benefits resulting from membership, shall fulfil in good faith the

obligations assumed by them in accordance with the present Charter.

3. All Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

4. All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations.

5. All Members shall give the United Nations every assistance in any action it takes in accordance with the present Charter, and shall refrain from giving assistance to any state against which the United Nations is taking preventive or enforcement action.

6. The Organization shall ensure that states which are not Members of the United Nations act in accordance with these Principles so far as may be necessary for the maintenance of international peace and security.

7. Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter; but this principle shall not prejudice the application of enforcement measures under Chapter VII.

CHAPTER II

Membership

Article 3

The original Members of the United Nations shall be the states which, having participated in the United Nations Conference on International Organization at San Francisco, or having previously signed the Declaration by United Nations of January 1, 1942, sign the present Charter and ratify it in accordance with Article 110.

Article 4

1. Membership in the United Nations is open to all other peace-loving states which accept the obligations contained in the present Charter and, in the judgment of the Organization, are able and willing to carry out these obligations.

2. The admission of any such state to membership in the United Nations will be effected by a decision of the General Assembly upon the recommendation of the Security Council.

Article 5

A Member of the United Nations against which preventive or enforcement action has been taken by the Security Council may be suspended from the exercise of the rights and privileges of membership by the General Assembly upon the recommendation of the Security Council. The exercise of these rights and privileges may be restored by the Security Council.

Article 6

A Member of the United Nations which has persistently violated the Principles contained in the present Charter may be expelled from the Organization by the General Assembly upon the recommendation of the Security Council.

CHAPTER III

Organs

Article 7

1. There are established as the principal organs of the United Nations: a General Assembly, a Security Council, an Economic and Social Council, a Trusteeship Council, an International Court of Justice, and a Secretariat.

2. Such subsidiary organs as may be found necessary may be established in accordance with the present Charter.

Article 8

The United Nations shall place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in its principal and subsidiary organs.

CHAPTER IV

The General Assembly

Article 9

1. The General Assembly shall consist of all the Members of the United Nations.

2. Each Member shall have not more than five representatives in the General Assembly.

Functions and Powers

Article 10

The General Assembly may discuss any questions or any matters within the scope of the present Charter or relating to the powers and functions of any organs provided for in the present Charter, and, except as provided in Article 12, may make recommendations to the Members of the United Nations or to the Security Council or to both on any such questions or matters.

Article 11

1. The General Assembly may consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments, and may make recommendations with regard to such principles to the Members or to the Security Council or to both.

2. The General Assembly may discuss any questions relating to the maintenance of international peace and security brought before it by any Member of the United Nations, or by the Security Council, or by a state which is not a Member of the United Nations in accordance with Article 35, paragraph 2, and, except as provided in Article 12, may make recommendations with regard to any such questions to the state or states concerned or to the Security Council or to both. Any such question on which action is necessary shall be referred to the Security Council by the General Assembly either before or after discussion.

3. The General Assembly may call the attention of the Security Council to situations which are likely to endanger international peace and security.

4. The powers of the General Assembly set forth in this Article shall not limit the general scope of Article 10.

Article 12

1. While the Security Council is exercising in respect of any dispute or situation the functions assigned to it in the present Charter, the General Assembly shall not make any recommendation with regard to that dispute or situation unless the Security Council so requests.

2. The Secretary-General, with the consent of the Security Council, shall notify the General Assembly at each session of any matters relative to the maintenance of international peace and security which are being dealt with by the Security Council and shall similarly notify the General Assembly, or the Members of the United Nations if the General Assembly is not in session, immediately the Security Council ceases to deal with such matters.

Article 13

1. The General Assembly shall initiate studies and make recommendations for the purpose of:

a. promoting international cooperation in the political field and encouraging the progressive development of international law and its codification;

b. promoting international cooperation in the economic, social, cultural, educational, and health fields, and assisting in the realization of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

2. The further responsibilities, functions, and powers of the General Assembly with respect to matters mentioned in paragraph 1 (b) above are set forth in Chapters IX and X.

Article 14

Subject to the provisions of Article 12, the General Assembly may recommend measures for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the provisions of the present Charter setting forth the Purposes and Principles of the United Nations.

Article 15

1. The General Assembly shall receive and consider annual and special reports from the Security Council; these reports shall include an account of the measures that the Security Council has decided upon or taken to maintain international peace and security.

2. The General Assembly shall receive and consider reports from the other organs of the United Nations.

Article 16

The General Assembly shall perform such functions with respect to the international trusteeship system as are assigned to it under Chapters XII and XIII, including the approval of the trusteeship agreements for areas not designated as strategic.

Article 17

1. The General Assembly shall consider and approve the budget of the Organization.

2. The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly.

3. The General Assembly shall consider and approve any financial and budgetary arrangements with specialized agencies referred to in Article 57 and shall examine the administrative budgets of such specialized agencies with a view to making recommendations to the agencies concerned.

Voting

Article 18

1. Each members of the General Assembly shall have one vote.

2 Decisions of the General Assembly on important questions shall be made by a two-thirds majority of the members present and voting. These questions shall include: recommendations with respect to the maintenance of international peace and security, the election of the non-permanent members of the Security Council, the election of the members of the Economic and Social Council, the election of members of the Trusteeship Council in accordance with paragraph 1(c) of Article 86, the admission of new Members to the United Nations, the suspension of the rights and privileges of membership, the expulsion of Members, questions relating to the operation of the trusteeship system, and budgetary questions.

3. Decisions on other questions, including the determination of additional categories of questions to be decided by a two-thirds majority, shall be made by a majority of the members present and voting.

Article 19

A Member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.

Procedure

Article 20

The General Assembly shall meet in regular annual sessions and in such special sessions as occasion may require. Special sessions shall be convoked by the Secretary-General at the request of the Security Council or of a majority of the Members of the United Nations.

Article 21

The General Assembly shall adopt its own rules of procedure. It shall elect its President for each session.

Article 22

The General Assembly may establish such subsidiary organs as it deems necessary for the performance of its functions.

CHAPTER V

The Security Council

Composition

Article 23

1. The Security Council shall consist of eleven Members of the United Nations. The Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America shall be permanent members of the Security Council. The General Assembly shall elect six other Members of the United Nations to be non-permanent members of the Security Council, due regard being specially paid, in the first instance to the contribution of Members of the United Nations to the maintenance of international peace and security and to the other purposes of the Organization, and also to equitable geographical distribution.

2. The non-permanent members of the Security Council shall be elected for a term of two years. In the first election of the non-permanent members, however, three shall be chosen for a term of one year. A retiring member shall not be eligible for immediate re-election.

3. Each member of the Security Council shall have one representative.

Functions and Powers

Article 24

1. In order to ensure prompt and effective action by the United Nations, its Members confer on the Security Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf.

2. In discharging these duties the Security Council shall act in accordance with the Purposes and Principles of the United Nations. The specific powers granted to the Security Council for the discharge of these duties are laid down in Chapters VI, VII, VIII, and XII.

3. The Security Council shall submit annual and, when necessary, special reports to the General Assembly for its consideration.

Article 25

The Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the present Charter.

Article 26

In order to promote the establishment and maintenance of international peace and security with the least diversion for armaments of the world's human and economic resources, the Security Council shall be responsible for formulating, with the assistance of the Military Staff Committee referred to in Article 47, plans to be submitted to the Members of the United Nations for the establishment of a system for the regulation of armaments.

Voting

Article 27

1. Each members of the Security Council shall have one vote.

2. Decisions of the Security Council on procedural matters shall be made by an affirmative vote of seven members.

3. Decisions of the Security Council on all other matters shall be made by an affirmative vote of seven members including the concurring votes of the permanent members; provided that, in decisions under Chapter VI, and under paragraph 3 of Article 52, a party to a dispute shall abstain from voting.

Procedure

Article 28

1. The Security Council shall be so organized as to be able to function continuously. Each member of the Security Council shall for this purpose be represented at all times at the seat of the Organization.

2. The Security Council shall hold periodic meetings at which each of its members may, if it so desires, be represented by a member of the government or by some other specially designated representative.

3. The Security Council may hold meetings at such places other than the seat of the Organization as in its judgment will best facilitate its work.

Article 29

The Security Council may establish such subsidiary organs as it deems necessary for the performance of its functions.

Article 30

The Security Council shall adopt its own rules of procedure, including the method of selecting its President.

Article 31

Any Member of the United Nations which is not a member of the Security Council may participate, without vote, in the discussion of any question brought before the Security Council whenever the latter considers that the interests of that Member are specially affected.

Article 32

Any Member of the United Nations which is not a member of the Security Council or any state which is not a Member of the United Nations, if it is a party to a dispute under consideration by the Security Council, shall be invited to participate, without vote, in the discussion relating to the dispute. The Security Council shall lay down such conditions as it deems just for the participation of a state which is not a Member of the United Nations.

CHAPTER VI

Pacific settlement of disputes

Article 33

1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

2. The Security Council shall, when it deems necessary, call upon the parties to settle their dispute by such means.

Article 34

The Security Council may investigate any dispute, or any situation which might lead to international friction or give rise to a dispute, in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security.

Article 35

1. Any Member of the United Nations may bring any dispute, or any situation of the nature referred to in Article 34, to the attention of the Security Council or of the General Assembly.

2. A state which is not a Member of the United Nations may bring to the attention of the Security Council or of the General Assembly any dispute to which it is a party if it accepts in advance, for the purposes of the dispute, the obligations of pacific settlement provided in the present Charter.

3. The proceedings of the General Assembly in respect of matters brought to its attention under this Article will be subject to the provisions of Articles 11 and 12.

Article 36

1. The Security Council may, at any stage of a dispute of the nature referred to in Article 33 or of a situation of like nature, recommend appropriate procedures or methods of adjustment.

2. The Security Council should take into consideration any procedures for the settlement of the dispute which have already been adopted by the parties.

3. In making recommendations under this Article the Security Council should also take into consideration that legal disputes should as a general rule be referred by the parties to the International Court of Justice in accordance with th provisions of the Statute of the Court.

Article 37

1. Should the parties to a dispute of the nature referred to in Article 33 fail to settle it by the means indicated in that Article, they shall refer it to the Security Council.

2. If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under Article 36 or to recommend such terms of settlement as it may consider appropriate.

Article 38

Without prejudice to the provisions of Articles 33 to 37, the Security Council may, if all the parties to any dispute so request, make recommendations to the parties with a view to a pacific settlement of the dispute.

CHAPTER VII

Action with respect to threats to the peace, breaches of the peace, and acts of aggression

Article 39

The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security.

Article 40

In order to prevent any aggravation of the situation, the Security Council may, before making the recommendations or deciding upon the measures provided for in Article 39, call upon the parties concerned to comply with such provisional measures as it deems necessary or desirable. Such provisional measures shall be without prejudice to the rights, claims, or position of the parties concerned. The Security Council shall duly take account of failure to comply with such provisional measures.

Article 41

The Security Council may decide what measures not involving the use of armed force are to be employed to give effect to its decisions, and it may call upon the Members of the United Nations to apply such measures. These may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations.

Article 42

Should the Security Council consider that measures provided for in Article 41 would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or

restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of Members of the United Nations.

Article 43

1. All Members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

2. Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided.

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and Members or between the Security Council and groups of Members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

Article 44

When the Security Council has decided to use force it shall, before calling upon a Member not represented on it to provide armed forces in fulfillment of the obligations assumed under Article 43, invite that Member, if the Member so desires, to participate in the decisions of the Security Council concerning the employment of contingents of that Member's armed forces.

Article 45

In order to enable the United Nations to take urgent military measures, Members shall hold immediately available national air-force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action shall be determined, within the limits laid down in the special agreement or agreements referred to in Article 43, by the Security Council with the assistance of the Military Staff Committee.

Article 46

Plans for the application of armed force shall be made by the Security Council with t' : assistance of the Military Staff Committee.

Article 47

1. There shall be established a Military Staff Committee to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, the employment and command of forces placed at its disposal, the regulation of armaments, and possible disarmament.

2. The Military Staff Committee shall consist of the Chiefs of Staff of the permanent members of the Security Council or their representatives. Any Member of the United Nations not permanently represented on the Committee shall be invited by the Committee to be associated with it when the efficient discharge of the Committee's responsibilities requires the participation of that Member in its work.

3. The Military Staff Committee shall be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. Questions relating to the command of such forces shall be worked out subsequently.

4. The Military Staff Committee, with the authorization of the Security Council and after consultation with appropriate regional agencies, may establish regional subcommittees.

Article 48

1. The action required to carry out the decisions of the Security Council for the maintenance of international peace and security shall be taken by all the Members of the United Nations or by some of them, as the Security Council may determine.

2. Such decisions shall be carried out by the Members of the United Nations directly and through their action in the appropriate international agencies of which they are members.

Article 49

The Members of the United Nations shall join in affording mutual assistance in carrying out the measures decided upon by the Security Council.

Article 50

If preventive or enforcement measures against any state are taken by the Security Council, any other state, whether a Member of the United Nations or not, which finds itself confronted with special economic problems arising from the carrying out of those measures shall have the right to consult the Security Council with regard to a solution of those problems.

Article 51

Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations, until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken by Members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present Charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.

CHAPTER VIII

Regional arrangements

Article 52

1. Nothing in the present Charter precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided that such arrangements or agencies and their activities are consistent with the Purposes and Principles of the United Nations.

2. The Members of the United Nations entering into such arrangements or constituting such agencies shall make every effort to achieve pacific settler ent of local disputes through such regional arrangements or by such regional agencies before referring them to the Security Council.

3. The Security Council shall encourage the development of pacific settlement of local disputes through such regional arrangements or by such regional agencies either on the initiative of the states concerned or by reference from the Security Council.

4. This Article in no way impairs the application of Articles 34 and 35.

Article 53

1. The Security Council shall, where appropriate, utilize such regional arrangements or agencies for enforcement action under its authority. But no enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council, with the exception of measures against any enemy state, as defined in paragraph 2 of this Article, provided for pursuant to Article 107 or in regional arrangements directed against renewal of aggressive policy on the part of any such state, until such time as the Organization may, on request of the Governments concerned, be charged with the responsibility for preventing further aggression by such a state.

2. The term enemy state as used in paragraph 1 of this Article applies to any state which during the Second World War has been an enemy of any signatory of the present Charter.

Article 54

The Security Council shall at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

CHAPTER IX

International economic and social cooperation

Article 55

With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote:

a. higher standards of living, full employment, and conditions of economic and social progress and development;

b. solutions of international economic, social, health, and related problems; and international cultural and educational cooperation; and

c. universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

Article 56

All Members pledge themselves to take joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55.

Article 57

1. The various specialized agencies, established by intergovernmental agreement and having wide international responsibilities, as defined in their basic instruments, in economic, social, cultural, educational, health, and related fields, shall be brought into relationship with the United Nations in accordance with the provisions of Article 63.

2. Such agencies thus brought into relationship with the United Nations are hereinafter referred to as specialized agencies.

Article 58

The Organization shall make recommendations for the coordination of the policies and activities of the specialized agencies.

Article 59

The Organization shall, where appropriate, initiate negotiations among the states concerned for the creation of any new specialized agencies required for the accomplishment of the purposes set forth in Article 55.

Article 60

Responsibility for the discharge of the functions of the Organization set forth in this Chapter shall be vested in the General Assembly and, under the authority of the General Assembly, in the Economic and Social Council, which shall have for this purpose the powers set forth in Chapter X.

CHAPTER X

The Economic and Social Council

Composition

Article 61

1. The Economic and Social Council shall consist of eighteen Members of the United Nations elected by the General Assembly.

2. Subject to the provisions of paragraph 3, six members of the Economic and Social Council shall be elected each year for a term of three years. A retiring member shall be eligible for immediate re-election.

3. At the first election, eighteen members of the Economic and Social Council shall be

chosen. The term of office of six members so chosen shall expire at the end of one year, and of six other members at the end of two years, in accordance with arrangements made by the General Assembly.

4. Each member of the Economic and Social Council shall have one representative.

Functions and Powers

Article 62

1. The Economic and Social Council may make or initiate studies and reports with respect to international economic, social, cultural, educational, health, and related matters and make make recommendations with respect to any such matters to the General Assembly, to the Members of the United Nations, and to the specialized agencies concerned.

2. It may make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all.

3. It may prepare draft conventions for submission to the General Assembly, with respect to matters falling within its competence.

4. It may call, in accordance with the rules prescribed by the United Nations, international conferences on matters falling within its competence.

Article 63

1. The Economic and Social Council may enter into agreements with any of the agencies referred to in Article 57, defining the terms on which the agency concerned shall be brought into relationship with the United Nations. Such agreements shall be subject to approval by the General Assembly.

2. It may coordinate the activities of the specialized agencies through consultation with and recommendations to such agencies and through recommendations to the General Assembly and to the Members of the United Nations.

Article 64

1. The Economic and Social Council may take appropriate steps to obtain regular reports from the specialized agencies. It may make arrangements with the Members of the United Nations and with the specialized agencies to obtain reports on the steps taken to give effect to its own recommendations and to recommendations on matters falling within its competence made by the General Assembly.

2. It may communicate its observations on these reports to the General Assembly.

Article 65

The Economic and Social Council may furnish information to the Security Council and shall assist the Security Council upon its request.

Article 66

1. The Economic and Social Council shall perform such functions as fall within its competence in connection with the carrying out of the recommendations of the General Assembly.

2. It may, with the approval of the General Assembly, perform services at the request of Members of the United Nations and at the request of specialized agencies.

3. It shall perform such other functions as are specified elsewhere in the present Charter or as may be assigned to it by the General Assembly.

Voting

Article 67

1. Each member of the Economic and Social Council shall have one vote.

2. Decisions of the Economic and Social Council shall be made by a majority of the members present and voting.

Procedure

Article 68

The Economic and Social Council shall set up commissions in economic and social fields and for the promotion of human rights, and such other commissions as may be required for the performance of its functions.

Article 69

The Economic and Social Council shall invite any Member of the United Nations to participate, without vote, in its deliberations on any matter of particular concern to that Member.

Article 70

The Economic and Social Council may make arrangemens for representatives of the specialized agencies to participate, without vote, in its deliberations and in those of the commissions established by it, and for its representatives to participate in the deliberations of the specialized agencies.

Article 71

The Economic and Social Council may make suitable arrangements for consultation with non-governmental organizations which are concerned with matters within its competence. Such arrangements may be made with international organizations and, where appropriate, with national organizations after consultation with the Member of the United Nations concerned.

Article 72

1. The Economic and Social Council shall adopt its own rules of procedure, including the method of selecting its President.

2. The Economic and Social Council shall meet as required in accordance with its rules, which shall include provision for the convening of meetings on the request of a majority of its members.

CHAPTER XI

Declaration regarding non-self-governing territories

Article 73

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories, and, to this end:

a. to ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;

b. to develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement;

c. to further international peace and security;

d. to promote constructive measures of development, to encourage research, and to cooperate with one another and, when and where appropriate, with specialized international bodies with a view to the practical achievement of the social, economic, and scientific purposes set forth in this Article; and

e. to transmit regularly to the Secretary-General for information purposes, subject to such limitation as security and constitutional considerations may require, statistical and other information of a technical nature relating to economic, social, and educational conditions in the territories for which they are respectively responsible other than those territories to which Chapters XII and XIII apply.

Article 74

Members of the United Nations also agree that their policy in respect of the territories to which this Chapter applies, no less than in respect of their metropolitan areas, must be based on the general principle of good-neighborliness, due account being taken of the interests and well-being of the rest of the world, in social, economic, and commercial matters.

CHAPTER XII

International trusteeship system

Article 75

The United Nations shall establish under its authority an international trusteeship system for the administration and supervision of such territories as may be placed thereunder by subsequent individual agreements. These territories are hereinafter referred to as trust territories.

Article 76

The basic objectives of the trusteeship system, in accordance with the Purposes of the United Nations laid down in Article 1 of the present Charter, shall be:

a. to further international peace and security;

b. to promote the political, economic, social, and educational advancement of the inhabitants of the trust territories, and their progressive development toward self-government or independence as may be appropriate to the particular circumstances of each territory and its peoples and the freely expressed wishes of the peoples concerned, and as may be provided by the terms of each trusteeship agreement;

c. to encourage respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion, and to encourage recognition of the interdependence of the peoples of the world; and

d. to ensure equal treatment in social, economic, and commercial matters for all Members of the United Nations and their nationals, and also equal treatment for the latter in the administration of justice, without prejudice to the attainment of the foregoing objectives and subject to the provisions of Article 80.

Article 77

1. The trusteeship system shall apply to such territories in the following categories as may be placed thereunder by means of trusteeship agreements:

a. territories now held under mandate;

b. territories which may be detached from enemy states as a result of the Second World War; and

c. territories voluntarily placed under the system by states responsible for their administration.

2. It will be a matter for subsequent agreement as to which territories in the foregoing categories will be brought under the trusteeship system and upon what terms.

Article 78

The trusteeship system shall not apply to territories which have become Members of the United Nations, relationship among which shall be based on respect for the principle of sovereign equality.

Article 79

The terms of trusteeship for each territory to be placed under the trusteeship system, including any alteration or amendment, shall be agreed upon by the states directly concerned, including the mandatory power in the case of territories held under mandate by a Member of the United Nations, and shall be approved as provided for in Articles 83 and 85.

Article 80

1. Except as may be agreed upon in individual trusteeship agreements, made under Articles 77, 79, and 81, placing each territory under the trusteeship system, and until such agreements have been concluded, nothing in this Chapter shall be construed in or of itself to alter in any manner the rights whatsoever of any states or any peoples or the terms

of existing international instruments to which Members of the United Nations may respectively be parties.

2. Paragraph 1 of this Article shall not be interpreted as giving grounds for delay or postponement of the negotiation and conclusion of agreements for placing mandated and other territories under the trusteeship system as provided for in Article 77.

Article 81

The trusteeship agreement shall in each case include the terms under which the trust territory will be administered and designate the authority which will exercise the administration of the trust territroy. Such authority, hereinafter called the administering authority, may be one or more states or the Organization itself.

Article 82

There may be designated, in any trusteeship agreement, a strategic area or areas which may include part or all of the trust territory to which the agreement applies, without prejudice to any special agreement or agreements made under Article 43.

Article 83

1. All unctions of the United Nations relating to strategic areas, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the Security Council.

2. The basic objectives set forth in Article 76 shall be applicable to the people of each strategic area.

3. The Security Council shall, subject to the provisions of the trusteeship agreements and without prejudice to security considerations, avail itself of the assistance of the Trusteeship Council to perform those functions of the United Nations under the trusteeship system relating to political, economic, social, and educational matters in the strategic areas.

Article 84

It shall be the duty of the administering authority to ensure that the trust territory shall play its part in the maintenance of international peace and security. To this end the administering authority may make use of volunteer forces, facilities, and assistance from the trust territory in carrying out the obligations towards the Security Council undertaken in this regard by the administering authority, as well as for local defense and the maintenance of law and order within the trust territory.

Article 85

1. The functions of the United Nations with regard to trusteeship agreements for all areas not designated as strategic, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the General Assembly.

2. The Trusteeship Council, operating under the authority of the General Assembly, shall assist the General Assembly in carrying out these functions.

CHAPTER XIII

The Trusteeship Council

Composition

Article 86

1. The Trusteeship Council shall consist of the following Members of the United Nations:

a. those Members administering trust territories;

b. such of those Members mentioned by name in Article 23 as are not administering trust territories; and

c. as many other Members elected for three-year terms by the General Assembly as may be necessary to ensure that the total number of members of the Trusteeship Council is equally divided between those Members of the United Nations which administer trust territories and those which do not.

2. Each Member of the Trusteeship Council shall designate one specially qualified person to represent it therein.

Functions and Powers

Article 87

The General Assembly and, under its authority, the Trusteeship Council, in carrying out their functions, may:

a. consider reports submitted by the administering authority;

b. accept petitions and examine them in consultation with the administering authority;

c. provide for periodic visits to the respective trust territories at times agreed upon with the administering authority; and

d. take these and other actions in conformity with the terms of the trusteeship agreements.

Article 88

The Trusteeship Council shall formulate a questionnaire on the political, economic, social, and educational advancement of the inhabitants of each trust territory, and the administering authority for each trust territory within the competence of the General Assembly shall make an annual report to the General Assembly upon the basis of such questionnaire.

Voting

Article 89

1. Each member of the Trusteeship Council shall have one vote.

2. Decisions of the Trusteeship Council shall be made by a majority of the members present and voting.

Procedure

Article 90

1. The Trusteeship Council shall adopt its own rules of procedure, including the method of selecting its President.

2. The Trusteeship Council shall meet as required in accordance with its rules, which shall include provision for the convening of meetings on the request of a majority of its members.

Article 91

The Trusteeship Council shall, when appropriate, avail itself of the assistance of the Economic and Social Council and of the specialized agencies in regard to matters with which they are respectively concerned.

CHAPTER XIV

The International Court of Justice

Article 92

The International Court of Justice shall be the principal judicial organ of the United Nations. It shall function in accordance with the annexed Statute, which is based upon the Statute of the Permanent Court of International Justice and forms an integral part of the present Charter.

Article 93

1. All Members of the United Nations are *ipso facto* parties to the Statute of the International Court of Justice.

2. A state which is not a Member of the United Nations may become a party to the Statute of the International Court of Justice on conditions to be determined in each case by the General Assembly upon the recommendation of the Security Council.

Article 94

1. Each Member of the United Nations undertakes to comply with the decision of the International Court of Justice in any case to which it is a party.

2. If any party to a case fails to perform the obligations incumbent upon it under a judgment rendered by the Court, the other party may have recourse to the Security Council, which may, if it deems necessary, make recommendations or decide upon measures to be taken to give effect to the judgment.

Article 95

Nothing in the present Charter shall prevent Members of the United Nations from entrusting the solution of their differences to other tribunals by virtue of agreements already in existence or which may be concluded in the future.

Article 96

1. The General Assembly or the Security Council may request the International Court of Justice to give an advisory opinion on any legal question.

2. Other organs of the United Nations and specialized agencies, which may at any time be so authorized by the General Assembly, may also request advisory opinions of the Court on legal questions arising within the scope of their activities.

CHAPTER XV

The Secretariat

Article 97

The Secretariat shall comprise a Secretary-General and such staff as the Organization may require. The Secretary-General shall be appointed by the General Assembly upon the recommendation of the Security Council. He shall be the chief administrative officer of the Organization.

Article 98

The Secretary-General shall act in that capacity in all meetings of the General Assembly, of the Security Council, of the Economic and Social Council, and of the Trusteeship Council, and shall perform such other functions as are entrusted to him by these organs. The Secretary-General shall make an annual report to the General Assembly on the work of the Organization.

Article 99

The Secretary-General may bring to the attention of the Security Council any matter which in his opinion may threaten the maintenance of international peace and security.

Article 100

1. In the performance of their duties the Secretary-General and the staff shall not seek or receive instructions from any government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.

2. Each Member of the United Nations undertakes to respect the exclusively international character of the responsibilities of the Secretary-General and the staff and not to seek to influence them in the discharge of their responsibilities.

Article 101

1. The staff shall be appointed by the Secretary-General under regulations established by the General Assembly.

2. Appropriate staffs shall be permanently assigned to the Economic and Social Council, the Trusteeship Council, and, as required, to other organs of the United Nations. These staffs shall form a part of the Secretariat.

3. The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. Due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

CHAPTER XVI

Miscellaneous provisions

Article 102

1. Every treaty and every international agreement entered into by any Member of the United Nations after the present Charter comes into force shall as soon as possible be registered with the Secretariat and published by it.

2. No party to any such treaty or international agreement which has not been regis-

tered in accordance with the provisions of paragraph 1 of this Article may invoke that treaty or agreement before any organ of the United Nations.

Article 103

In the event of a conflict between the obligations of the Members of the United Nations under the present Charter and their obligations under any other international agreement, their obligations under the present Charter shall prevail.

Article 104

The Organization shall enjoy in the territory of each of its Members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes.

Article 105

1. The Organization shall enjoy in the territory of each of its Members such privileges and immunities as are necessary for the fulfillment of its purposes.

2. Representatives of the Members of the United Nations and officials of the Organization shall similarly enjoy such privileges and immunities as are necessary for the independent exercise of their functions in connection with the Organization.

3. The General Assembly may make recommendations with a view to determining the details of the application of paragraphs 1 and 2 of this Article or may propose conventions to the Members of the United Nations for this purpose.

CHAPTER XVII

Transitional security arrangements

Article 106

Pending the coming into force of such special agreements referred to in Article 43 as in the opinion of the Security Council enable it to begin the exercise of its responsibilities under Article 42, the parties to the Four-Nation Declaration, signed at Moscow, October 30, 1943, and France, shall, in accordance with the provisions of paragraph 5 of that Declaration, consult with one another and as occasion requires with other Members of the United Nations with a view to such joint action on behalf of the Organization as may be necessary for the purpose of maintaining international peace and security.

Article 107

Nothing in the present Charter shall invalidate or preclude action, in relation to any state which during the Second World War has been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the Governments having responsibility for such action.

CHAPTER XVIII

Amendments

Article 108

Amendments to the present Charter shall come into force for all Members of the United Nations when they have been adopted by a vote of two thirds of the members of the General Assembly and ratified in accordance with their respective constitutional processes by two thirds of the Members of the United Nations, including all the permanent members of the Security Council.

Article 109

1. A General Conference of the Members of the United Nations for the purpose of reviewing the present Charter may be held at a date and place to be fixed by a two-thirds vote of the members of the General Assembly and by a vote of any seven members of the Security Council. Each Member of the United Nations shall have one vote in the conference.

2. Any alteration of the present Charter recommended by a two-thirds vote of the conference shall take effect when ratified in accordance with their respective constitutional processes by two thirds of the Members of the United Nations including all the permanent members of the Security Council.

3. If such a conference has not been held before the tenth annual session of the General Assembly following the coming into force of the present Charter, the proposal to call such a conference shall be placed on the agenda of that session of the General Assembly, and the conference shall be held if so decided by a majority vote of the members of the General Assembly and by a vote of any seven members of the Security Council.

CHAPTER XIX

Ratification and signature

Article 110

1. The present Charter shall be ratified by the signatory states in accordance with their respective constitutional processes.

2. The ratifications shall be deposited with the Government of the United States of America, which shall notify all the signatory states of each deposit as well as the Secretary-General of the Organization when he has been appointed.

3. The present Charter shall come into force upon the deposit of ratifications by the Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, and by a majority of the other signatory states. A protocol of the ratifications deposited shall thereupon be drawn up by the Government of the United States of America which shall communicate copies thereof to all the signatory states.

4. The states signatory to the present Charter which ratify it after it has come into force will become original Members of the United Nations on the date of the deposit of their respective ratifications.

Article 111

The present Charter, of which the Chinese, French, Russian, English, and Spanish texts are equally authentic, shall remain deposited in the archives of the Government of the United States of America. Duly certified copies thereof shall be transmitted by that Government to the Governments of the other signatory states.

In faith whereof the representatives of the Governments of the United Nations have signed the present Charter.

Done at the city of San Francisco the twenty-sixth day of June, one thousand nine hundred and forty-five.

STATUTE OF THE INTERNATIONAL COURT OF JUSTICE

Article 1

The International Court of Justice established by the Charter of the United Nations as the principal judicial organ of the United Nations shall be constituted and shall function in accordance with the provisions of the present Statute.

CHAPTER I

Organization of the Court

Article 2

The Court shall be composed of a body of independent judges, elected regardless of their nationality from among persons of high moral character, who possess the qualifications required in their respective countries for appointment to the highest judicial offices, or are jurisconsults of recognized competence in international law.

Article 3

1. The Court shall consist of fifteen members, no two of whom may be nationals of the same state.

2. A person who for the purposes of membership in the Court could be regarded as a national of more than one state shall be deemed to be a national of the one in which he ordinarily exercises civil and political rights.

Article 4

1. The members of the Court shall be elected by the General Assembly and by the Security Council from a list of persons nominated by the national groups in the Permanent Court of Arbitration, in accordance with the following provisions.

2. In the case of Members of the United Nations not represented in the Permanent Court of Arbitration, candidates shall be nominated by national groups appointed for this purpose by their governments under the same conditions as those prescribed for members of the Permanent Court of Arbitration by Article 44 of the Convention of The Hague of 1907 for the pacific settlement of international disputes.

3. The conditions under which a state which is a party to the present Statute but is not a Member of the United Nations may participate in electing the members of the Court shall, in the absence of a special agreement, be laid down by the General Assembly upon recommendation of the Security Council.

Article 5

1. At least three months before the date of the election, the Secretary-General of the United Nations shall address a written request to the members of the Permanent Court of Arbitration belonging to the states which are parties to the present Statute, and to the members of the national groups appointed under Article 4, paragraph 2, inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the Court.

2. No group may nominate more than four persons, not more than two of whom shall be of their own nationality. In no case may the number of candidates nominated by a group be more than double the number of seats to be filled.

Article 6

Before making these nominations, each national group is recommended to consult its highest court of justice, its legal faculties and schools of law, and its national academies and national sections of international academies devoted to the study of law.

Article 7

1. The Secretary-General shall prepare a list in alphabetical order of all the persons thus nominated. Save as provided in Article 12, paragraph 2, these shall be the only persons eligible.

2. The Secretary-General shall submit this list to the General Assembly and to the Security Council.

Article 8

The General Assembly and the Security Council shall proceed independently of one another to elect the members of the Court.

Article 9

At every election, the electors shall bear in mind not only that the persons to be elected should individually possess the qualifications required, but also that in the body as a whole the representation of the main forms of cilivization and of the principal legal systems of the world should be assured.

Article 10

1. Those candidates who obtain an absolute majority of votes in the General Assembly and in the Security Council shall be considered as elected.

2. Any vote of the Security Council, whether for the election of judges or for the appointment of members of the conference envisaged in Article 12 shall be taken without any distinction between permanent and non-permanent members of the Security Council.

3. In the event of more than one national of the same state obtaining an absolute majority of the votes both of the General Assembly and of the Security Council, the

eldest of these only shall be considered as elected.

Article 11

If, after the first meeting held for the purpose of the election, one or more seats remain to be filled, a second and, if necessary, a third meeting shall take place.

Article 12

1. If, after the third meeting, one or more seats still remain unfilled, a joint conference consisting of six members, three appointed by the General Assembly and three by the Security Council, may be formed at any time at the request of either the General Assembly or the Security Council, for the purpose of choosing by the vote of an absolute majority one name for each seat still vacant, to submit to the General Assembly and the Security Council for their respective acceptance.

2. If the joint conference is unanimously agreed upon any person who fulfils the required conditions, he may be included in its list, even though he was not included in the list of nominations referred to in Article 7.

3. If the joint conference is satisfied that it will not be successful in procuring an election, those members of the Court who have already been elected shall, within a period to be fixed by the Security Council, proceed to fill the vacant seats by selection from among those candidates who have obtained votes either in the General Assembly or in the Security Council.

4. In the event of an equality of votes among the judges, the eldest judge shall have a casting vote.

Article 13

1. The members of the Court shall be elected for nine years and may be re-elected; provided, however, that of the judges elected at the first election, the terms of five judges shall expire at the end of three years and the terms of five more judges shall expire at the end of six years.

2. The judges whose terms are to expire at the end of the above-mentioned initial periods of three and six years shall be chosen by lot to be drawn by the Secretary-General immediately after the first election has been completed.

3. The members of the Court shall continue to discharge their duties until their places have been filled. Though replaced, they shall finish any cases which they may have begun.

4. In the case of the resignation of a member of the Court, the resignation shall be addressed to the President of the Court for transmission to the Secretary-General. This last notification makes the place vacant.

Article 14

Vacancies shall be filled by the same method as that laid down for the first election, subject to the following provision: the Secretary-General shall, within one month of the occurrence of the vacancy, proceed to issue the invitations provided for in Article 5, and the date of the election shall be fixed by the Security Council.

Article 15

A member of the Court elected to replace a member whose term of office has not expired shall hold office for the remainder of his predecessor's term.

Article 16

1. No member of the Court may exercise any political or administrative function, or engage in any other occupation of a professional nature.

2. Any doubt on this point shall be settled by the decision of the Court.

Article 17

1. No member of the Court may act as agent, counsel, or advocate in any case.

2. No member may participate in the decision of any case in which he has previously taken part as agent, counsel, or advocate for one of the parties, or as a member of a national or international court, or of a commission of enquiry, or in any other capacity.

3. Any doubt on this point shall be settled by the decision of the Court.

Article 18

1. No member of the Court can be dismissed unless, in the unanimous opinion of the other members, he has ceased to fulfil the required conditions.

2. Formal notification thereof shall be made to the Secretary-General by the Registrar.

3. This notification makes the place vacant

Article 19

The members of the Court, when engaged on the business of the Court, shall enjoy diplomatic privileges and immunities.

Article 20

Every member of the Court shall, before taking up his duties, make a solemn declaration in open court that he will exercise his powers impartially and conscientiously.

Article 21

1. The Court shall elect its President and Vice-President for three years; they may be re-elected.

2. The Court shall appoint its Registrar and may provide for the appointment of such other officers as may be necessary.

Article 22

1. The seat of the Court shall be established at The Hague. This, however, shall not prevent the Court from sitting and exercising its functions elsewhere whenever the Court considers it desirable.

2. The President and the Registrar shall reside at the seat of the Court.

Article 23

1. The Court shall remain permanently in session, except during the judicial vacations, the dates and duration of which shall be fixed by the Court.

2. Members of the Court are entitled to periodic leave, the dates and duration of which shall be fixed by the Court, having in mind the distance between The Hague and the home of each judge.

3. Members of the Court shall be bound, unless they are on leave or prevented from attending by illness or other serious reasons duly explained to the President, to hold themselves permanently at the disposal of the Court.

Article 24

1. If, for some special reason, a member of the Court considers that he should not take part in the decision of a particular case, he shall so inform the President.

2. If the President considers that for some special reason one of the members of the Court should not sit in a particular case, he shall give him notice accordingly.

3. If in any such case the member of the Court and the President disagree, the matter shall be settled by the decision of the Court.

Article 25

1. The full Court shall sit except when it is expressly provided otherwise in the present Statute.

2. Subject to the condition that the number of judges available to constitute the Court is not thereby reduced below eleven, the Rules of the Court may provide for allowing one or more judges, according to circumstances and in rotation, to be dispensed from sitting.

3. A quorum of nine judges shall suffice to constitute the Court.

Article 26

1. The Court may from time to time form one or more chambers, composed of three or more judges as the Court may determine, for dealing with particular categories of cases; for example, labor cases and cases relating to transit and communications.

2. The Court may at any time form a chamber for dealing with a particular case. The number of judges to constitute such a chamber shall be determined by the Court with the approval of the parties.

3. Cases shall be heard and determined by the chambers provided for in this Article if the parties so request.

Article 27

A judgment given by any of the chambers provided for in Articles 26 and 29 shall be considered as rendered by the Court.

Article 28

The chambers provided for in Articles 26 and 29 may, with the consent of the parties, sit and exercise their functions elsewhere than at The Hague.

Article 29

With a view to the speedy despatch of business, the Court shall form annually a chamber composed of five judges which, at the request of the parties, may hear and determine cases by summary procedure. In addition, two judges shall be selected for the purpose of replacing judges who find it impossible to sit.

Article 30

1. The Court shall frame rules for carrying out its functions. In particular, it shall lay down rules of procedure.

2. The Rules of the Court may provide for assessors to sit with the Court or with any of its chambers, without the right to vote.

Article 31

1. Judges of the nationality of each of the parties shall retain their right to sit in the case before the Court.

2. If the Court includes upon the Bench a judge of the nationality of one of the parties, any other party may choose a person to sit as judge. Such person shall be chosen preferably from among those persons who have been nominated as candidates as provided in Articles 4 and 5.

2. If the Court includes upon the Bench no judge of the nationality of the parties, each of these parties may proceed to choose a judge as provided in paragraph 2 of this Article.

4. The provisions of this Article shall apply to the case of Articles 26 and 29. In such cases, the President shall request one or, if necessary, two of the members of the Court forming the chamber to give place to the members of the Court of the nationality of the parties concerned, and, failing such, or if they are unable to be present, to the judges specially chosen by the parties.

5. Should there be several parties in the same interest, they shall, for the purpose of the preceding provisions, be reckoned as one party only. Any doubt upon this point shall be settled by the decision of the Court.

6. Judges chosen as laid down in paragraphs 2, 3, and 4 of this Article shall fulfil the conditions required by Articles 2, 17 (paragraph 2), 20, and 24 of the present Statute. They shall take part in the decision on terms of complete equality with their colleagues.

Article 32

1. Each member of the Court shall receive an annual salary.

2. The President shall receive a special annual allowance.

3. The Vice-President shall receive a special allowance for every day on which he acts as President.

4. The judges chosen under Article 31, other than members of the Court, shall receive compensation for each day on which they exercise their functions.

5. These salaries, allowances, and compensation shall be fixed by the General Assembly.

They may not be decreased during the term of office.

6. The salary of the Registrar shall be fixed by the General Assembly on the proposal of the Court.

7. Regulations made by the General Assembly shall fix the conditions under which retirement pensions may be given to members of the Court and to the Registrar, and the conditions under which members of the Court and the Registrar shall have their traveling expenses refunded.

8. The above salaries, allowances, and compensation shall be free of all taxation.

Article 33

The expenses of the Court shall be borne by the United Nations in such a manner as shall be decided by the General Assembly.

CHAPTER II

Competence of the Court

Article 34

1. Only states may be parties in cases before the Court.

2. The Court, subject to and in conformity with its Rules, may request of public international organizations information relevant to cases before it, and shall receive such information presented by such organizations on their own initiative.

3. Whenever the construction of the constituent instrument of a public international organization or of an international convention adopted thereunder is in question in a case before the Court, the Registrar shall so notify the public international organization concerned and shall communicate to it copies of all the written proceedings.

Article 35

1. The Court shall be open to the states parties to the present Statute.

2. The conditions under which the Court shall be open to other states shall, subject to the special provisions contained in treaties in force, be laid down by the Security Council, but in no case shall such conditions place the parties in a position of inequality before the Court.

3. When a state which is not a Member of the United Nations is a party to a case, the Court shall fix the amount which that party is to contribute towards the expenses of the Court. This provision shall not apply if such state is bearing a share of the expenses of the Court.

Article 36

1. The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in the Charter of the United Nations or in treaties and conventions in force.

2. The states parties to the present Statute may at any time declare that they recognize as compulsory *ipso facto* and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the Court in all legal disputes concerning:

a. the interpretation of a treaty;

b. any question of international law;

c. the existence of any fact which, if established, would constitute a breach of an international obligation;

d. the nature or extent of the reparation to be made for the breach of an international obligation.

3. The declarations referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain states, or for a certain time.

4. Such declarations shall be deposited with the Secretary-General of the United Nations, who shall transmit copies thereof to the parties to the Statute and to the Registrar of the Court.

5. Declarations made under Article 36 of the Statute of the Permanent Court of International Justice and which are still in force shall be deemed, as between the parties to the present Statute, to be acceptance of the compulsory jurisdiction of the International Court of Justice for the period which they still have to run and in accordance with their terms.

6. In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

Article 37

Whenever a treaty or convention in force provides for reference of a matter to a tribunal to have been instituted by the League of Nations, or to the Permanent Court of International Justice, the matter shall, as between the parties to the present Statute, be referred to the International Court of Justice.

Article 38

1. The Court, whose function is to decide in accordance with international law such disputes as are submitted to it, shall apply:

a. international conventions, whether general or particular, establishing rules expressly recognized by the contesting states;

b. international custom, as evidence of a general practice accepted as law;

c. the general principles of law recognized by civilized nations;

d. subject to the provisions of Article 59, judicial decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law.

2. This provision shall not prejudice the power of the Court to decide a case *ex aequo et bono*, if the parties agree thereto.

CHAPTER III

Procedure

Article 39

1. The official languages of the Court shall be French and English. If the parties agree that the case shall be conducted in French, the judgment shall be delivered in French. If the parties agree that the case shall be conducted in English, the judgment shall be delivered in English.

2. In the absence of an agreement as to which language shall be employed, each party may, in the pleadings, use the language which it prefers; the decision of the Court shall be given in French and English. In this case the Court shall at the same time determine which of the two texts shall be considered as authoritative.

3. The Court shall, at the request of any party, authorize a language other than French or English to be used by that party.

Article 40

1. Cases are brought before the Court, as the case may be either by the notification of the special agreement or by a written application addressed to the Registrar. In either case the subject of the dispute and the parties shall be indicated.

2. The Registrar shall forthwith communicate the application to all concerned.

3. He shall also notify the Members of the United Nations through the Secretary-General, and also any other states entitled to appear before the Court.

Article 41

1. The Court shall have the power to indicate, if it considers that circumstances so require any provisional measures which ought to be taken to preserve the respective rights of either party.

2. Pending the final decision, notice of the measures suggested shall forthwith be given to the partes and to the Securty Council.

Article 42

1. The parties shall be represented by agents.

2. They may have the assistance of counsel or advocates before the Court.

3. The agents, counsel, and advocates of parties before the Court shall enjoy the privileges and immunities necessary to the independent exercise of their duties.

Article 43

1. The procedure shall consist of two parts: written and oral.

2. The written proceedings shall consist of the communication to the Court and to the parties of memorials, counter-memorials and, if necessary, replies; also all papers and documents in support.

3. These communications shall be made through the Registrar, in the order and within the time fixed by the Court.

4. A certified copy of every document produced by one party shall be communicated to the other party.

5. The oral proceedings shall consist of the hearing by the Court of witnesses, experts, agents, counsel, and advocates.

Article 44

1. For the service of all notices upon persons other than the agents, counsel, and advocates, the Court shall apply direct to the government of the state upon whose territory the notice has to be served.

2. The same provision shall apply whenever steps are to be taken to procure evidence on the spot.

Article 45

The hearing shall be under the control of the President or, if he is unable to preside, of the Vice President; if neither is able to preside, the senior judge present shall preside.

Article 46

The hearing in Court shall be public, unless the Court shall decide otherwise, or unless the parties demand that the public be not admitted.

Article 47

1. Minutes shall be made at each hearing and signed by the Registrar and the President.

2. These minutes alone shall be authentic.

Article 48

The Court shall make orders for the conduct of the case, shall decide the form and time in which each party must conclude its arguments, and make all arrangements connected with the taking of evidence.

Article 49

The Court may, even before the hearing begins, call upon the agents to produce any document or to supply any explanations. Formal note shall be taken of any refusal.

Article 50

The Court may, at any time, entrust any individual body, bureau, commission, or other organization that it may select, with the task of carrying out an enquiry or giving an expert opinion.

Article 51

During the hearing any relevant questions are to be put to the witnesses and experts under the conditions laid down by the Court in the rules of procedure referred to in Article 30.

Article 52

After the Court has received the proofs and evidence within the time specified for the purpose, it may refuse to accept any further oral or written evidence that one party may desire to present unless the other side consents.

Article 53

1. Whenever one of the parties does not appear before the Court, or fails to defend its case, the other party may call upon the Court to decide in favor of its claim.

2. The Court must, before doing so, satisfy itself, not only that it has jurisdiction in accordance with Articles 36 and 37, but also that the claim is well founded in fact and law.

Article 54

1. When, subject to the control of the Court, the agents, counsel, and advocates have completed their presentation of the

case, the President shall declare the hearing closed.

2. The Court shall withdraw to consider the judgment.

3. The deliberations of the Court shall take place in private and remain secret.

Article 55

1. All questions shall be decided by a majority of the judges present.

2. In the event of an equality of votes, the President or the judge who acts in his place shall have a casting vote.

Article 56

1. The judgment shall state the reasons on which it is based.

2. It shall contain the names of the judges who have taken part in the decision.

Article 57

If the judgment does not represent in whole or in part the unanimous opinion of the judges, any judge shall be entitled to deliver a separate opinion.

Article 58

The judgment shall be signed by the President and by the Registrar. It shall be read in open court, due notice having been given to the agents.

Article 59

The decision of the Court has no binding force except between the parties and in respect of that particular case.

Article 60

The judgment is final and without appeal. In the event of dispute as to the meaning or scope of the judgment, the Court shall construe it upon the request of any party.

Article 61

1. An application for revision of a judgment may be made only when it is based upon the discovery of some fact of such a nature as to be a decisive factor, which fact was, when the judgment was given, unknown to the Court and also to the party claiming revision, always provided that such ignorance was not due to negligence.

2. The proceedings for revision shall be opened by a judgment of the Court expressly recording the existence of the new fact, recognizing that it has such a charter as to lay the case open to revision, and declaring the application admissible on this ground.

3. The Court may require previous compliance with the terms of the judgment before it admits proceedings in revision.

4. The application for revision must be made at latest within six months of the discovery of the new fact.

5. No application for revision may be made after the lapse of ten years from the date of the judgment.

Article 62

1. Should a state consider that it has an interest of a legal nature which may be affected by the decision in the case, it may submit a request to the Court to be permitted to intervene.

2. It shall be for the Court to decide upon this request.

Article 63

1. Whenever the construction of a convention to which states other than those concerned in the case are parties is in question, the Registrar shall notify all such states forthwith.

2. Every state so notified has the right to intervene in the proceedings; but if it uses this right, the construction given by the judgment will be equally binding upon it.

Article 64

Unless otherwise decided by the Court, each party shall bear its own costs.

CHAPTER IV

Advisory opinions

Article 65

1. The Court may give an advisory opinion on any legal question at the request of whatever body may be authorized by or in accordance with the Charter of the United Nations to make such a request.

2. Questions upon which the advisory opinion of the Court is asked shall be laid before the Court by means of a written request containing an exact statement of the question upon which an opinion is required, and accompanied by all documents likely to throw light upon the question.

Article 66

1. The Registrar shall forthwith give notice of the request for an advisory opinion to all states entitled to appear before the Court.

2. The Registrar shall also, by means of a special and direct communication, notify any state entitled to appear before the Court or international organization considered by the Court, or, should it not be sitting, by the President, as likely to be able to furnish information on the question, that the Court will be prepared to receive, within a time limit to be fixed by the President, written statements, or to hear, at a public sitting to be held for the purpose, oral statements relating to the question.

3. Should any such state entitled to appear before the Court have failed to receive the special communication referred to in paragraph 2 of this Article, such state may express a desire to submit a written statement or to be heard; and the the Court will decide.

4. States and organizations having presented written or oral statements or both shall be permitted to comment on the statements made by other states or organizations in the form, to the extent, and within the time limits which the Court, or, should it not be sitting, the President, shall decide in each particular case. Accordingly, the Registrar shall in due time communicate any such written statements to states and organizations having submitted similar statements.

Article 67

The Court shall deliver its advisory opinions in open court, notice having been given to the Secretary-General and to the representatives of Members of the United Nations, of other states and of international organizations immediately concerned.

Article 68

In the exercise of its advisory functions the Court shall further be guided by the provisions of the present Statute which apply in contentious cases to the extent to which it recognizes them to be applicable.

CHAPTER V

Amendment

Article 69

Amendments to the present Statute shall be effected by the same procedure as is provided by the Charter of the United Nations for amendments to that Charter, subject however to any provisions which the General Assembly upon recommendation of the Security Council may adopt concerning the participation of states which are parties to the present Statute but are not Members of the United Nations.

Article 70

The Court shall have power to propose such amendments to the present Statute as it may deem necessary, through written communications to the Secretary-General, for consideration in conformity with the provisions of Article 69.

For China:
VI-KYUIN WELLINGTON KOO
WANG CHUNG-HUI
WEI TAO-MING
WU YI-FANG
LI HWANG
CHUN-MAI CARSON CHANG
TUNG PI-WU
HU LIN

For the Union of Soviet Socialist Republics:
A GROMYKO
A LAVRENTIEV
K NOVIKOV
S. TSARAPKIN
S GOLUNSKY
S KRYLOV
RODIONOV

For the United Kingdom of Great Britain and Northern Ireland:
HALIFAX
CRANBORNE

For the United States of America:
E R STETTINIUS, Jr
CORDELL HULL
TOM CONNALLY
A H VANDENBERG
SOL. BLOOM
CHARLES A. EATON
HAROLD E STASSEN
VIRGINIA C. GILDERSLEEVE

For France:
J. PAUL-BONCOUR

For Argentina:
M CÁRCANO
O IBARRA G.
JUAN CARLOS BASSI
A D BRUNET

For Australia:
F. M. FORDE
H V EVATT

For the Kingdom of Belgium:
A E DE SCHRYVER

For Bolivia:
V ANDRADE
C SALAMANCA F
E ARZE Q.

For Brazil:
P. LEAO VELLOSO
C DE FREITAS VALLE
Gen. ESTEVAO LEITAO DE CARVALHO
A. CAMILLO DE OLIVEIRA
DR BERTHA LUTZ

For the Byelorussian Soviet Socialist Republic:
K KISELEV
A ZHEBRAK
V. PERTSEV
G BAIDAKOV
F. SHMYGAV

For Canada:
W. L. MACKENZIE KING
LOUIS. S. ST. LAURENT

For Chile:
JOAQUÍN FERNÁNDEZ F
MARCIAL MORA M
JOSÉ MAZA
GABRIEL GONZÁLEZ
CONTRERAS LABARCA
F. NIETO DEL RÍO
E ALCALDE C
GERMÁN VERGARA
JULIO ESCUDERO

For Colombia:
ALBERTO LLERAS
AL GONZÁLEZ FERNÁNDEZ
EDUARDO ZULETA ANGEL
SILVIO VILLEGAS
JESÚS M. YEPES

For Costa Rica:
JULIO ACOSTA
J RAFAEL OREAMUNO

For Cuba:
GMO BELT
ERNESTO DIHIGO

For Czechoslovakia:
JAN MASARYK

For Denmark:
HENRIK KAUFFMANN
HARTVIG FRISCH
E. HUSFELDT

For the Dominican Republic:
M PEÑA BATLLE
EMILIO G. GODOY
GILBERTO SÁNCHEZ LUSTRINO
T. FRANCO F
MINERVA BERNARDINO

For Ecuador:
C. PONCE ENRÍQUEZ
GALO PLAZA
C. TOBAR ZALDUMBIDE

For Egypt:
A. BADAWI
IB. HADI
For El Salvador:
HÉCTOR DAVID CASTRO
CARLOS LEIVA, M. D.
For Ethiopia:
AKLILU H
AMBAYE W
EPHREM T. MEDHEN
For Greece:
J. A. SOFIANOPOULOS
For Guatemala:
GUILLERMO TORIELLO
M. NORIEGA M
E SILVA PEÑA
For Haiti:
GERARD LESCOT
A. LIAUTAUD
For Honduras:
JULIÁN R CÁCERES
MARCOS CARIAS REYES
VIRGILIO R GALVEZ
For India:
A. RAMASWAMI MUDALIAR
V. T. KRISHNAMACHARI
For Iran:
MOSTAFA ADLE
For Iraq:
MOHD. FADHEL JAMALI
For Lebanon:
W. NAIM
A. YAFI
SALEM
CHARLES MALIK
For Liberia:
C. L. SIMPSON
GABRIEL L. DENNIS
J. LEMUEL GIBSON
RICHARD HENRIES
M. N. GRANT
For the Grand Duchy of Luxembourg:
HUGUES LE GALLAIS
For Mexico:
E. PADILLA
F. CASTILLO NÁJERA
MANUEL TELLO
For the Kingdom of the Netherlands:
A. LOUDON
For New Zealand:
PETER FRASER
C. A. BERENDSEN
For Nicaragua:
MARIANO ARGÜELLO
LUIS MANUEL DE BAYLE
For the Kingdom of Norway:
WILHELM MUNTHE MORGENSTIERNE
For Panama:
ROBERTO JIMÉNEZ
For Paraguay:
CELSO R. VELÁZQUEZ
J B. AYALA
For Peru:
MANUEL C GALLAGHER
V. A. BELAUNDE
LUIS FERNÁN CISNEROS
For the Philippine Commonwealth:
CARLOS P. ROMULO
FRANCISCO A. DELGADO
For Poland:
For Saudi Arabia:
FAISAL
For Syria:
F. AL-KHOURI
N. ANTAKI
N. KOUDSI
For Turkey:
HASAN SAKA
HUSEYIN RAGIP BAYDUR
FERIDUN CEMAL ERKIN
For the Ukrainian Soviet Socialist Republic:
DM. MANUILSKY
IVAN SENIN
ALEXANDER PALLADIN
MIKOLA PETROVSKY
For the Union of South Africa:
J. C. SMUTS F. M.
For Uruguay:
JOSÉ SERRATO
JACOBO VARELA
HÉCTOR LUISI
CY GIAMBRUNO
JUAN F. GUICHÓN
HÉCTOR PAYSSÉ REYES
For Venezuela:
C PARRA PÉREZ
GUSTAVO HERRERA
A MACHADO HNDZ
R ERNESTO LÓPEZ
For Yugoslavia:
STANOJE SIMIĆ

I certify that the foregoing is a true copy of the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, signed in San Francisco, Calif., on June 26, 1945, in the Chinese, French, Russian, English, and Spanish languages, the signed original of which is deposited in the archives of the Government of the United States of America.

In testimony whereof, I Edward R. Stettinius, Jr., Secretary of State, have hereunto caused the seal of the Department of State to be affixed and my name subscribed by an Assistant Chief, Division of Central Services of the said Department, at the city of Washington, in the District of Columbia, this 26th day of June 1945.

[SEAL] E. R. STETTINIUS, Jr.,
Secretary of State.
By M. L. KENESTRICK,
Assistant Chief,
Division of Central Services.

ORDER FOR PRINTING THE PRESIDENT'S ADDRESS AND THE UNITED NATIONS CHARTER (S. DOC. 70)

Mr. BARKLEY. Mr. President, I ask unanimous consent that the address just delivered by the President of the United States submitting to the Senate the Charter of the United Nations for the Maintenance of International Peace and Security, together with the Charter and the Statute of the International Court of Justice annexed thereto, be printed as a Senate document, and that 10,000 additional copies be printed for the use of the Senate Document Room.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

LEGISLATIVE BUSINESS

Mr. BARKLEY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE WAR AGAINST JAPAN

Mr. WHITE. Mr. President, I wish to make a very brief statement about the Japanese war. I am prompted to do so by the rising crescendo of the war and by some evidence, slight though it is, of the beginning of a breach in the morale of the Japanese forces. I speak in my personal capacity, and I absolve all Senators from any responsibility for what I may say.

The war against Germany has ended triumphantly. The war against Japan is proceeding from victory to victory. The Japanese authorities and people must now realize the imminence and the extent of the disaster that approaches them.

The President has said that "unconditional surrender does not mean the extermination or the enslavement of the Japanese people," but neither the American people nor the Japanese people have been informed in any detail what such surrender does entail.

In my conception, unconditional surrender means the acceptance by the vanquished of the will of the victor. It demands the total loss of Japan's fleets, the disarmament of its other military forces, the surrender of its conquered lands, the destruction of its war productive agencies, the complete control by the United Nations of its economic capacity for war, and the punishment of Japan's war criminals.

Unconditional surrender does not, however, involve the destruction of the home or the family life of the Japanese, interference with the religious beliefs of the people, abandonment of its agricultural activities and its other peaceful industries, and the loss thereby of the livelihood of the millions of people of the Japanese Empire.

The choice before the rulers and the people of Japan is unconditional surrender substantially as so defined or annihilation. It is peace and life or continued war, bringing to them devastation of their land, starvation, and death. Which will the Japanese people choose?

It is my belief that the President of the United States should make as explicit a statement of this concept of "unconditional surrender" as present circumstances permit. Such a clarification by the President, when made known to the Japanese authorities and people might soften the Japanese will to continue a hopeless struggle, might hasten the day of surrender, might bring the restoration of peace, and might result in the saving of the lives of thousands of America's sons. To these ends, the statement should be as precise an exposition of our purposes and as clear a declaration of their import as is now possible.

Should such a statement by our President meet indifference or rejection by Japan, it will not have increased our losses or otherwise have prejudiced our cause. On the other hand, much might be gained by such a statement. Nothing could be lost. I, therefore, with the greatest respect, urge the President to make an early and appropriate statement of our determination for victory at whatever cost and of our just intentions in the event Japan recognizes the folly of her present course, which can lead only to her self-destruction.

Mr. BARKLEY. Mr. President, I should like to ask the Senator from Maine a question, in view of the statement which he has just made. Is it his belief or his idea that the President of the United States, acting alone, should make any statement with respect to what his conception of unconditional surrender is, without consultation with our ally, Great Britain, at least, who is still at war with Japan, and without consultation with or consideration of China, which is another of our allies which is at war with Japan?

Mr. WHITE. Mr. President, I should like to see the statement made by the President of the United States either with

or without consultation, but I most certainly would approve the effort to confer and to reach an agreement with our allies.

Mr. BARKLEY. I personally, of course, would doubt the propriety as well as the wisdom of the President assuming for himself the sole right to declare what unconditional surrender contemplates, inasmuch as that has been the program of all the Allies, including China and Great Britain. Of course, I am sure that whatever the President does in regard to anything of that sort he would do in connection with our allies, but I would not want the impression to emanate from the Senate that, without regard to the desires or wishes or the accord of our allies who are fighting Japan, the President himself would assume the right to speak for them.

Mr. WHITE. Mr. President, I assume that no one will suspect that I speak with any authority for the Senate, and I assume that the President will exercise his good judgment as to whether he does or does not follow in any respects the suggestion I have made.

Mr. BARKLEY. I appreciate the good faith of the Senator.

Mr. WHITE. I have made it, however, as a statement of my belief and perhaps a statement of my hope.

Mr. BARKLEY. I appreciate the good faith of the Senator from Maine in making the statement, and I simply wanted to clarify that part of it which related to any action the President might take with or without any consultation or any accord with our allies.

Mr. WHITE. I understand the position of the Senator from Kentucky.

ADJOURNMENT

Mr. BARKLEY. Mr. President, there apparently being no further business before the Senate, I am compelled to move to adjourn until tomorrow, because there is still an appropriation measure which we passed Saturday which the House of Representatives has not acted upon, and we must keep ourselves ready day by day to deal with that subject when it comes back to the Senate. Otherwise, I would move an adjournment until Thursday. Therefore, Mr. President, I move that the Senate adjourn until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 1 o'clock and 25 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, July 3, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 2, 1945:

DEPARTMENT OF STATE

James F. Byrnes, of South Carolina, to be Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Leo D. Sturgeon, of Illinois, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

Theodore J. Hadraba, of Nebraska, now a foreign-service officer of class 7 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Francis C. Jordan, of North Carolina, now a foreign-service officer of class 7 and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named persons to be foreign-service officers of class 1, secretaries in the diplomatic service, and consuls general of the United States of America:

Ellis O. Briggs, of Maine.

Loy W. Henderson, of Colorado.

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

To be a major general

Brig. Gen. Edward Fuller Witsell (colonel, Adjutant General's Department), Army of the United States.

HONOR GRADUATES, ARMY OF THE UNITED STATES, FOR APPOINTMENT IN THE REGULAR ARMY

To be second lieutenants with rank from December 1, 1944

INFANTRY

Frederick Griffith Bohannon

John Edwin Murphy

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be colonel with rank from June 5, 1945

Lt. Col. Hardin Cleveland Sweeney, Infantry (temporary colonel).

To be first lieutenants with rank from July 1, 1945

Second Lt. Walter Killilae, Coast Artillery Corps (temporary major).

Second Lt. James Richard Burkhart, Field Artillery (temporary major).

Second Lt. Donald Joseph Richardson, Infantry (temporary lieutenant colonel).

Second Lt. James Curtis Jeffries, Jr., Coast Artillery Corps (temporary lieutenant colonel).

Second Lt. John Edward Fritz, Corps of Engineers (temporary major).

Second Lt. Dale Taylor Elliott, Infantry (temporary major).

Second Lt. William Freese Kernan, Infantry (temporary lieutenant colonel).

Second Lt. James Herbert Brown, Infantry (temporary lieutenant colonel).

Second Lt. Clyde Okey McPeek, Infantry (temporary first lieutenant), subject to examination required by law.

Second Lt. Richard Clement Moran, Cavalry (temporary major).

Second Lt. Elmer Pershing Curtis, Coast Artillery Corps (temporary captain).

Second Lt. Michael Edward Wardell, Coast Artillery Corps (temporary major).

Second Lt. Martin Cadenhead McWilliams, Air Corps (temporary major).

Second Lt. James McIndoe Winterbottom, Air Corps (temporary major).

Second Lt. George Frederick Sawyer, Infantry (temporary captain).

Second Lt. Darrel Leon Syron, Field Artillery (temporary major).

Second Lt. Gerald Johnson, Jr., Ordnance Department (temporary lieutenant colonel).

Second Lt. James Max Snyder, Infantry (temporary major).

Second Lt. Richard Brittain Kreutzer, Field Artillery (temporary captain), subject to examination required by law.

Second Lt. Richard Joseph Stillman, Infantry (temporary lieutenant colonel).

Second Lt. Richard Hull Verheul, Infantry (temporary major).

Second Lt. Irving Heymont, Infantry (temporary major).

Second Lt. Myron Richard Bittikofer, Corps of Engineers (temporary captain).

Second Lt. William Edward Byerts, Jr., Air Corps (temporary major).

Second Lt. Orville Kenneth Knight, Quartermaster Corps (temporary lieutenant colonel).

Second Lt. William Prager Cassedy, Cavalry (temporary captain), subject to examination required by law.

Second Lt. Andrew Robert Grant, Coast Artillery Corps (temporary major).

Second Lt. Harold Vernon Mackey, Ordnance Department (temporary major).

Second Lt. John Rhodes Thompson, Corps of Engineers (temporary major).

Second Lt. Clayton Arthur Bird, Corps of Engineers (temporary major).

Second Lt. Jerry Marion Wimberley, Field Artillery (temporary major).

Second Lt. MacDonald Oliver, Jr., Field Artillery (temporary major).

Second Lt. Walter Blakely Todd, Infantry (temporary major).

Second Lt. George Lamar Jones, Infantry (temporary captain).

Second Lt. James Harry Mobley, Infantry (temporary major).

Second Lt. Albert Dulaney Schutz, Field Artillery (temporary major), subject to examination required by law.

Second Lt. Parker Osborne Stuart, Corps of Engineers (temporary lieutenant colonel).

Second Lt. James Beecher McKenzie, Signal Corps (temporary major).

Second Lt. Connie Craig Cotton, Infantry (temporary captain), subject to examination required by law.

Second Lt. James Luke Smith, Jr., Coast Artillery Corps (temporary captain), subject to examination required by law.

Second Lt. John Pershing Traylor, Ordnance Department (temporary major).

Second Lt. William Joseph Daly, Quartermaster Corps (temporary major).

Second Lt. Howard Overton Golladay, Field Artillery (temporary captain).

Second Lt. Reuben Wallis Mundy, Coast Artillery Corps (temporary major).

Second Lt. Joseph Alvin Shirley, Infantry (temporary first lieutenant).

Second Lt. Rosario Sorbello, Infantry (temporary captain).

Second Lt. Will Gillespie Atwood, Jr., Infantry (temporary major).

Second Lt. John Weamer Elder, Field Artillery (temporary captain).

Second Lt. Ralph Harry Bowen, Field Artillery (temporary major).

Second Lt. William Brooks Carroll, Signal Corps (temporary major), subject to examination required by law.

Second Lt. Paul Marshall Woods, Infantry (temporary major), subject to examination required by law.

Second Lt. David Leroy Ramsey, Infantry (temporary major), subject to examination required by law.

Second Lt. William Arthur Grimshaw, Signal Corps (temporary major).

Second Lt. George Wilbur Best, Jr., Coast Artillery Corps (temporary captain), subject to examination required by law.

Second Lt. Benjamin Apthorp Gould Fuller, 2d, Field Artillery (temporary major), subject to examination required by law.

Second Lt. Alva William Swartz, Coast Artillery Corps (temporary captain).

Second Lt. Warren Edgar Nossaman, Infantry (temporary captain).

Second Lt. Jack Boswell, Cavalry (temporary first lieutenant), subject to examination required by law.

Second Lt. Samuel Frederick Stebelton, Air Corps (temporary captain).

Second Lt. Roger Jerald Cuihane, Infantry (temporary major).

Second Lt. Leroy Cosby Land, Coast Artillery Corps (temporary major).

Second Lt. William Paul Fife, Infantry (temporary first lieutenant), subject to examination required by law.

Second Lt. Bradford Lee Smith, Field Artillery (temporary captain).

Second Lt. Carl William Schaad, Field Artillery (temporary major).

Second Lt. Carter Greer Dudley, Cavalry (temporary captain), subject to examination required by law.

Second Lt. Karl Heinrich Zornig, Ordnance Department (temporary major).

Second Lt. Francis Fred Poppenburg, Ordnance Department (temporary captain).

Second Lt. Jesse Charles Crumbley, Jr., Ordnance Department (temporary major).

Second Lt. Ralph Bayard Sessoms, Jr., Infantry (temporary captain).

Second Lt. Verne Rumbaugh Wilson, Coast Artillery Corps (temporary major).

Second Lt. Thomas William Fishburn, Air Corps (temporary first lieutenant), subject to examination required by law.

Second Lt. Lawrence Longshore Persons, Finance Department (temporary captain).

Second Lt. Robert James Welsh, Coast Artillery Corps (temporary major).

Second Lt. Emil William Delu, Ordnance Department (temporary major).

Second Lt. Russell Park Jones, Signal Corps (temporary captain).

Second Lt. William John Durrenberger, Ordnance Department (temporary major).

Second Lt. Latimer Whittle MacMillan, Jr., Signal Corps (temporary captain).

Second Lt. David Hall Woods, Corps of Engineers (temporary major).

Second Lt. Gordon Francis Tyrrell, Jr., Quartermaster Corps (temporary major).

Second Lt. Robert Neil Grove, Ordnance Department (temporary major).

Second Lt. William Ellis Cox, Infantry (temporary major).

Second Lt. Leroy Buckman Wilson, Infantry (temporary major).

Second Lt. George Franklin Charlton, Infantry (temporary captain).

Second Lt. John Edward Reid, Infantry (temporary captain).

Second Lt. Oliver Morton Legg, Air Corps (temporary captain).

Second Lt. William McKinley Shepard, Coast Artillery Corps (temporary major).

Second Lt. Norman Murchison Grusky Locksley, Field Artillery (temporary major).

Second Lt. Walter Alfred Higgins, Quartermaster Corps (temporary major).

Second Lt. Roy Edgar Rayle, Jr., Ordnance Department (temporary major).

Second Lt. Donald Charles Hughes, Quartermaster Corps (temporary major).

Second Lt. Lloyd Edward Rabjohn, Quartermaster Corps (temporary major).

Second Lt. Harold Reid Armstrong, Jr., Air Corps (temporary major).

Second Lt. Richard Irvin, Jr., Coast Artillery Corps (temporary major).

Second Lt. Edward Stephen Rice, Coast Artillery Corps (temporary captain).

Second Lt. Charles Stuart Cumings, Coast Artillery Corps (temporary major).

Second Lt. James Bernard Via, Coast Artillery Corps (temporary captain).

Second Lt. Charles William Flynn, Jr., Corps of Engineers (temporary major).

Second Lt. Lowell Reginald Eklund, Cavalry (temporary major).

Second Lt. Gaynor William Hathaway, Cavalry (temporary major).

Second Lt. Waldo Ernest Schmitt, Infantry (temporary captain), subject to examination required by law.

Second Lt. Arthur Wilson Starkey, Corps of Engineers (temporary major).

Second Lt. James Maurice Hamblin, Ordnance Department (temporary captain).

Second Lt. Moyer Delos Harris, Field Artillery (temporary captain).

Second Lt. Walter Philip Leber, Corps of Engineers (temporary lieutenant colonel).

Second Lt. Jack Philip Geise, Cavalry (temporary major), subject to examination required by law.

Second Lt. William Lindsay Koob, Jr., Infantry (temporary captain), subject to examination required by law.

Second Lt. Charles Crisp Wilder, Jr., Air Corps (temporary lieutenant colonel).

Second Lt. John Raymond Penington, Air Corps (temporary major).

Second Lt. James Martin Pratt, Infantry (temporary captain).

Second Lt. Robert Earl Simons, Field Artillery (temporary captain), subject to examination required by law.

Second Lt. Walter Parrish Glover, Jr., Ordnance Department (temporary major).

Second Lt. Chester Thomas Harvie, Cavalry (temporary major).

Second Lt. Lewis Jones Adams, Coast Artillery Corps (temporary captain).

Second Lt. Raymond Laverne Hoff, Quartermaster Corps (temporary major).

MEDICAL CORPS

To be colonel

Lt. Col. William LeRoy Thompson, Medical Corps (temporary colonel), with rank from July 6, 1945.

To be lieutenant colonels

Maj. Douglas Sheldon Kellogg, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Loren Donovan Moore, Medical Corps (temporary colonel), with rank from July 1, 1945, subject to examination required by law.

Maj. Arthur Brinkley Welsh, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Eugene Wycoff Billick, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Earle Standlee, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. William Kraus, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Reuel Edward Hewitt, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Martin Eugene Griffin, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Mack Macon Green, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. William Edward Shambora, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Charles Henderson Beasley, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Clifford Albert Best, Medical Corps (temporary colonel), with rank from July 1, 1945.

Maj. Alvin Levi Gorby, Medical Corps (temporary colonel), with rank from July 4, 1945.

Maj. George Ellis Armstrong, Medical Corps (temporary colonel), with rank from July 9, 1945.

To be majors

Capt. John Edwin Granade, Medical Corps (temporary colonel), with rank from July 3, 1945.

Capt. Robert Estes Blount, Medical Corps (temporary colonel), with rank from July 10, 1945.

Capt. Paul Hamilton Jenkins, Medical Corps (temporary lieutenant colonel), with rank from July 11, 1945.

Capt. Walter Philippe Manning, Medical Corps (temporary lieutenant colonel), with rank from July 17, 1945, subject to examination required by law.

Capt. Ray Edward Currie, Medical Corps (temporary lieutenant colonel), with rank from July 26, 1945.

To be captains

First Lt. Francis Winters Anderson, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Charles Mac Stanfill, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Robert Joseph Brennan, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. William Sherwin Wolf, Medical Corps (temporary major), with rank from July 1, 1945, subject to examination required by law.

First Lt. Donald Larue Brubaker, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt.. Gilbert Alfred Twichell, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Morris Eldred Brackett, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Ralph Nelson Greene, Jr., Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Philip Jordan Noel, Jr., Medical Corps (temporary lieutenant colonel), with rank from July 1, 1945.

First Lt. Edward Patrick Shannon, Jr., Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Mack Simmons, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Lowell Richard Steele, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Maurice Blair Johnston, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Edward Alton Ricketts, Medical Corps (temporary captain), with rank from July 1, 1045.

First Lt. John Bradley Moring, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. John D. Lecky, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Victor Henry Smith, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Robert Alfred McCall, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Robert Halbert Finley, Jr., Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. John Barry Brady, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Albert Junior Bauer, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Arthur Abbitt Kirk, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Charles Herman Ransom, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Gerhard Thurston Shearer, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. William Clark Doak, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. George Sharpe, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Sumner Yale Andelman, Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Bertram Allen Weeks, Medical Corps (temporary major), with rank from July 1, 1945.

First Lt. Victor Bradley Vare, Jr., Medical Corps (temporary captain), with rank from July 1, 1945, subject to examination required by law.

First Lt. Voris Francis McFall, Medical Corps (temporary captain), with rank from July 1, 1945, subject to examination required by law.

First Lt. Hal Bruce Jennings, Jr., Medical Corps (temporary captain), with rank from July 1, 1945.

First Lt. Adolph Benedict Schneider, Jr., Medical Corps (temporary captain), with rank from July 6, 1945.

First Lt. George Deshon McAfee, Medical Corps (temporary captain), with rank from July 20, 1945.

DENTAL CORPS

To be lieutenant colonels

Maj. Mackey Joseph Real, Dental Corps (temporary colonel), with rank from July 1, 1945.

Maj. Kenneth Pearce Fulton, Dental Corps (temporary colonel), with rank from July 15, 1945.

To be major

Capt. Oscar John Ogren, Dental Corps (temporary lieutenant colonel), with rank from July 26, 1945.

To be captains

First Lt. Burdette Alden Stone, Dental Corps (temporary captain), with rank from July 9, 1945.

First Lt. John Robert Knoderer, Dental Corps (temporary major), with rank from July 9, 1945.

First Lt. Paul Joseph Lundell, Dental Corps (temporary major), with rank from July 9, 1945.

First Lt. Clare William Sauser, Dental Corps (temporary captain), with rank from July 9, 1945.

First Lt. John Francis Donovan, Jr., Dental Corps (temporary major), with rank from July 10, 1945.

First Lt. Frank Monroe Taylor, Jr., Dental Corps (temporary major), with rank from July 10, 1945.

First Lt. James Walter Bernhard, Jr., Dental Corps (temporary captain), with rank from July 13, 1945.

VETERINARY CORPS

To be majors

Capt. Wayne Otho Kester, Veterinary Corps (temporary colonel), with rank from July 8, 1945.

Capt. Robert Arthur Boyce, Jr., Veterinary Corps (temporary lieutenant colonel), with rank from July 12, 1945.

Capt. Clarence Leonard Taylor, Veterinary Corps (temporary lieutenant colonel), with rank from July 18, 1945.

PHARMACY CORPS

To be majors

Capt. Carrol Conrad Barrick, Pharmacy Corps (temporary lieutenant colonel), with rank from July 13, 1945.

Capt. Thomas Raymond Jones, Pharmacy Corps (temporary major), with rank from July 13, 1945.

Capt. Cornelius John Curran, Pharmacy Corps (temporary major), with rank from July 13, 1945.

Capt. Gerard Adrien Belanger, Pharmacy Corps (temporary lieutenant colonel), with rank from July 13, 1945.

Capt. Guy Wycoff Harlow, Pharmacy Corps (temporary lieutenant colonel), with rank from July 13, 1945.

CHAPLAIN

To be colonel

Chaplain (Lt. Col.) Ivan Loveridge Bennett, United States Army (temporary colonel), with rank from July 29, 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 2, 1945:

DEPARTMENT OF STATE

James F. Byrnes to be Secretary of State.

FOREIGN SERVICE

TO BE A CONSUL GENERAL OF THE UNITED STATES OF AMERICA

Henry S. Waterman

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Herbert P. Fales
F. Lester Sutton

TO BE FOREIGN SERVICE OFFICERS, UNCLASSIFIED, VICE CONSULS OF CAREER, AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA

Charles C. Gidney, Jr., of Texas.
Charles Gilbert, of New York.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 2, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

Lt. Robert McComas, chaplain, United States Navy, offered the following prayer:

Almighty and eternal God, our Heavenly Father, before the throne of Thy grace we bow in earnest supplication. Thou art high above all nations and Thy glory above the heavens. Before the majesty of Thy glory we acknowledge our dependence upon Thy wisdom, power, and love. Not without guidance would we go forth to meet the duties and tasks of this day. The immeasurable responsibility entrusted to us demands that we match this charge with the strength of honest minds and the courage of strong hearts. In tune with the will of a great people and with hearts on fire with a love for freedom, justice, and truth, let us with courage, patience, and hope labor tirelessly for the better world our hands can build.

With due regard for the will of the majority, keep up ever aware of the needs of all. With all due pride in our office, may we more and more forget ourselves and work the work of those who sent us here.

O God of all nations, bless all who love and serve this country. Sustained by Thy power, lead us in the way of righteousness and truth and bring us speedily to an abiding peace with all men. In Christ's name we ask it. Amen.

The Journal of the proceedings of Saturday, June 30, 1945, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3579) entitled "An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years; to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946; to provide appropriatnons for the fiscal year ending June 30, 1946; and for other purposes."

FACILITATING EMPLOYMENT OF PERSONNEL BY THE VETERANS' ADMINISTRATION

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill H. R. 3118, an act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 6, strike out all after "necessary", down to and including "and" in line 13.

Page 2, line 16, strike out all after "existing", down to and including "war" in line 21 and insert "statutes."

Amend the title so as to read: "An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, and for other purposes."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. RANKIN. Yes. This bill passed the House several days ago. It not only provided for priorities to enable the Veterans' Administration to obtain the use of certain facilities that are absolutely necessary at this time, but it also provided for giving the Veterans' Administration the right to go out and employ temporary help without regard to the Civil Service. The Senate amended the bill as read by the Clerk just now.

Mr. MARTIN of Massachusetts. How did the Senate amend it?

Mr. RANKIN. The Senate amended it by striking out that provision which permitted the Veterans' Administration to go out and employ this additional help without regard to the Civil Service, but it left in the bill the priorities provision, which we think is vitally necessary at this time.

I took the matter up with the Veterans' Administrator and also the membership of the Veterans' Committee last week, and we decided that under the circumstances it would be better to accept these amendments, in order that we might go ahead with the hospitalization of these disabled veterans who are being discharged from the Army and the Navy. There was no objection to it in the committee, and the Veterans' Administration urged that we go ahead and accept these amendments with the understanding that, if necessary, the other provisions may be placed in some other bill.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. McGREGOR asked and was given permission to extend his remarks in the RECORD and include a short editorial from the Mansfield News-Journal.

NATIONAL DEBT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for

1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, the greatest monument to the New Deal is the colossal debt. We are starting today on a new financial year. If you look at the statement of the Treasury of June 27 you will find that we had a national debt of $256,855,717,773.56. We went in the red last year about $60,000,000,000. That means $5,000,000,000 a month, $1,250,000,000 a week, $180,000,000 a day, $7,500,000 an hour. Think of it—$7,500,000 an hour in the red. A great record of squandering, spending, inefficiency, waste, and incompetency. What a great opportunity you have now under the new administration to try to change that inefficiency with the help and aid and assistance of the Congress, and it is going to be up to you Members of Congress and the new Chief Executive, and the various departments, since you passed the bill granting increases in wages to all Government employees, to now cut down the number of employees on the Federal pay roll. You have now over 3,250,000 Federal employees. Ten years ago there were less than 500,000 Government employees. You can reduce the number by a million and one-half in a very short time, besides cutting down to a 40-hour week without destroying efficiency. Consolidate departments and eliminate many of them. We have too many bureaus and departments of government. The best governed is the least governed. With this great national debt, with the highest taxation of our people in history, cut down taxation by cutting down your inefficiency and your spending. That is common sense and good business.

THE PROPOSED BOOK-RATE POSTAL BILL

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois.

There was no objection.

Mr. MASON. Mr. Speaker, in connection with the passage by this House of H. R. 3238, a bill that provided for a slight increase in postal rates on catalogs, a smoke screen was thrown up to becloud the real issue, "Shall Congress remove the $1,000,000 subsidy that the catalog houses of the Nation have been receiving, and establish postal rates on catalogs that will pay the cost of handling?" Because that issue was deliberately beclouded in connection with the passage of the catalog postage bill; and because false representations and statements have already been made in connection with H. R. 3235, the proposed new book rate bill, I feel it incumbent upon me to make a statement to the House showing exactly what the new book-rate bill proposes to do; why it is necessary to adopt new postage rates upon books; and what the new rates will be, if the bill becomes law.

Mr. Speaker, the Post Office Department is presently losing $2,200,000 per year in connection with its service in handling books by mail. The present 3 cent per pound flat rate on books, plus the slight increase made in the rate under the Revenue Act of 1943, leaves the Department in the red on this class of mail to the tune of over $2,000,000 per year. In May 1928, the Congress itself placed a mandate upon the Post Office Department saying that all fourth-class mail must pay the cost of handling the same. If this mandate is to be carried out, an increase of postal rates on books must be made; therefore your committee has brought before you for consideration and action H. R. 3235.

The provisions of the bill are briefly as follows:

(a) Instead of the present flat rate upon books shipped by mail anywhere in the United States, the bill proposes to place all book mailings on a zone basis similar to all other fourth class mail, thus recognizing the costs of this service as related to the distance the books are transported through the mails.

(b) Except for special rates accorded to libraries, and to associations organized on a nonprofit basis for the mailing of library books, Bibles, or bound portions thereof—which the Post Office Department still proposes to handle at a loss—the rates under this bill for all other books sent through the mail are such that this service will be placed upon a self-sustaining basis as required by law.

(c) For libraries, and for nonprofit associations distributing Bibles or bound portions thereof, low postal rates are established for both incoming and outgoing books. These rates are not only more favorable to libraries than the present law allows in zones 1, 2, and 3, but they cover zones 4, 5, 6, 7, and 8, which are not included in the present special rates allowed to libraries. Considering these special rates and advantages that go far beyond the special rates allowed under present law; and considering the fact that the new library postage rates upon books shipped by mail to fourth, fifth, sixth, seventh, or eighth zones are about half the regular postage rates upon other books, every library in the United States should be enthusiastically in favor of the passage of this bill, instead of writing letters and sending telegrams to Congressmen opposing its passage. The flood of letters and telegrams from librarians all over this Nation that have poured in upon Members of Congress show what results can be obtained from well-prepared propaganda, sent to librarians, that tell only half truths and give erroneous impressions concerning the proposed new book rates as they affect libraries.

The following are the new book rates that will apply to libraries and nonprofit organizations. I urge everyone interested in this matter to compare these proposed special postage rates upon library books with the special rates allowed under the present law:

Zones	Present rates		Proposed rates H. R. 3235	
	1 pound	Each additional pound	1 pound	Each additional pound
	Cents	*Cents*	*Cents*	*Cents*
Local	4	1	3	7/10
1, 2, and 3	4	1	3	1
4	(1)	(1)	4	1½
5	(1)	(1)	4	2
6	(1)	(1)	4	2½
7	(1)	(1)	5	3
8	(1)	(1)	5	3½

[1] No special rates allowed.

From the above table one can readily see that libraries in the local zone and also in zones 1, 2, and 3—which cover 95 percent of their book mailings—will have cheaper rates under the provisions of H. R. 3235 than they now enjoy; also, that they will enjoy special rates in zones 4, 5, 6, 7, and 8—where they now pay full postage—that are 50 percent less than regular book rates.

Mr. Speaker, I have prepared the foregoing statement covering the provisions of the proposed book-rate bill in order to clear away some of the smoke clouds, the fog, the misunderstandings that have been put out by the opponents of this bill to becloud the real provisions of the bill. I have done this in the hope that when the bill comes before this House for action, each Member will vote upon the merits of the bill and not vote under a misapprehension of what the purposes and provisions of the bill really are. H. R. 3235, the new book-rate bill, should be passed by an overwhelming vote of this House.

IT IS YOUR MOVE, PRESIDENT TRUMAN

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include therein several statements by the Secretary of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, the food situation in this country has reached a critical stage. The normal and legitimate channels for the distribution of beef, pork, poultry, and eggs have largely broken down, and the black market has taken over on a Nation-wide scale in the merchandizing of these vital foods at prices far in excess of ceilings established by the OPA. For the millions of people who patronize the black market, inflation has arrived. Others are unable to buy meat and poultry. We now find a legalized black market which thrives on scarcity. It has gone so far that Government market publications now quote black market prices.

There is no reason for any food shortage in this country. Farmers and legitimate processors and distributors can and will produce essential foods in abundance for equitable civilian distribution if given a half a chance to do so. The present near collapse in our production and distribution system is due to poor planning

and lack of coordination on the part of the many Government agencies now designated to handle food problems. The day of reckoning has come and the American people are paying the bill for 3 years of muddling, bickering, constant delays in formulating policies and issuance of scores of ill-advised regulations by the OPA and other agencies. Too many cooks have spoiled the broth, and that is what has happened in our present food situation. Economic Stabilizer Davis, Reconversion Director Vinson, OPA Director Bowles, War Food Administrator Jones, Agriculture Secretary Wickard, and many others have had their fingers in the making of this bitter pill for the American people, which has resulted in loss of confidence on the part of producers and the squeezing out of business of scores of legitimate processors and distributors. Frequently War Food Administrator Jones has been bypassed by other agency heads, when the price-control law specifically required his approval in the formulation of food policies.

For more than 2 years, I and many other Members in Congress have tried our utmost to secure a change in food policies so as to avoid the present crises, but Bowles, Vinson, and other remained cold to every practical suggestion. Farmers, processors, and distributors joined us in a plea for justice, but without avail. And that is the way it stands today, with a hungry world expecting America to supply starving people with food.

When bureaucrats fail to agree amongst themselves, it becomes the duty of the Congress to initiate definite policies to bring order out of chaos. To accomplish this objective, I offered the so-called Andresen amendment to the price-control bill on June 23, 1945. This amendment sought to place the control over food policies in the hands of the Secretary of Agriculture, a member of President Truman's Cabinet. The amendment was approved by the House of Representatives on a roll call vote of 211 to 155. I want the record to show that every Republican Member of the House present, 163 in number, were joined by 48 Democrats to bring an end to the present chaotic food situation.

While the Andresen amendment passed the House by a large majority, it was not voted on in the Senate. Administration-dominated conferees under the direction of Vinson, Bowles, and Davis emasculated the amendment in the conference report, and the House under administration pressure approved the work of the conferees, and the price-control law was renewed, and will continue to have a division of authority, lack of coordination and the customary bungling, unless President Truman takes prompt action to remove bureaucratic obstacles which have caused the present critical food situation.

We have a new Secretary of Agriculture in the person of Clinton P. Anderson, a former colleague. He is an able man. He knows what must be done to again secure an abundance of vital foods and to restore confidence of producers and a return of distribution of food through legitimate channels. To accomplish these objectives, Secretary Anderson must have the authority to act without constant delays and vetoes by other agency heads. The House of Representatives sought to give him this authority, but we failed in our final effort because of administration pressure. As the law now stands Economic Stabilizer Davis and Reconversion Director Vinson retain the final veto power over any act with reference to food found necessary by the Secretary of Agriculture to secure abundant food supplies for the American people. The OPA law has not been materially changed, and I am convinced that it will be interpreted by Davis, Vinson, and Bowles as in the past.

To be frank about it, I dislike very much to see the new Secretary of Agriculture literally thrown to the dogs by the left wingers, as were his predecessors Wickard, Chester Davis, and Marvin Jones. I believe that Secretary Anderson felt that he would be given full authority to deal with the food problem without interference when he accepted the appointment from President Truman. I do not see how the President can desert him now, especially after Mr. Truman promised the people more food automatically after Anderson took over his post in the Cabinet. We have done our part in the House of Representatives, and now, Mr. President, it is your move. We must have abundant production and legitimate distribution of food to stop inflation and assure equitable distribution for the consuming public. The time is short, as Nature and the laws of supply and demand wait for no man. It will be both serious and interesting to observe if the left-wing group or the American people win in this fight for food.

With me the fight for abundant production and proper distribution of food is not a political matter. I and my colleagues in the House have done our best to help the administration remedy the food situation for the benefit of the American people and on that record we stand.

Mr. Speaker, I have received permission of the House to include as a part of my remarks the first policy statement made by Hon. Clinton P. Anderson, the new Secretary of Agriculture after he took his oath of office, which will give the people a brief outline of his plans as he enters his new post in the Cabinet. Secretary Anderson appeared on the July 1 radio program of the Voice of the Dairy Farmer. He was introduced by the president of the American Dairy Association, Mr. Dan T. Carlson, of Willimar, Minn., and was interviewed by NBC's noted news commentator, Everett Mitchell. The interview follows:

TEXT OF INTERVIEW

Mr. MITCHELL. It's a beautiful day in Washington. The temperature is 99. The sun is bright, and it's a great day to be alive. I hope it's just as beautiful wherever you are. And now in this "Voice of the Dairy Farmer" broadcast from the Nation's Capital, I want you to hear a few words from Mr. D. T. Carlson, president of the American Dairy Association. He will introduce today's very special guest on our program. Mr. Carlson, will you take over?

Mr. CARLSON. Yes, Everett. This is a beautiful day in Washington. Also an important day, because today the Nation's attention is focused upon a problem—our food supply. Food is in the headlines. Production and distribution of food are among the knottiest of our wartime problems. And to solve them the Nation is looking today to a new leader, who brings to a challenging task a new outlook, a new confidence, and a new knowledge gained from months of first-hand study of the food problem in cities and villages across the land. This leader is our new Secretary of Agriculture, a man who took the oath of his new high office only late yesterday afternoon. This is his first full day in his new task of service to the Nation. It is my honor to introduce our guest today, the Honorable Clinton P. Anderson, of New Mexico, new Secretary of Agriculture. Secretary Anderson will be interviewed by Everett Mitchell.

Secretary ANDERSON. Thank you, Mr. Carlson.

Mr. MITCHELL. And now, Mr. Secretary, I happen to know one thing that you want to say quickly and forcefully. The problem of food will not be solved quickly.

Secretary ANDERSON. Not by any waving of a magic wand, Everett. That's up to the people of the Nation—all the people and the 6,000,000 farmers of America. There have been miracles of production in this war, including miracles in food production, but hard work is still ahead. Sound planning and efficient follow through with teamwork of all the people are needed before the shortages of the present can be improved. I want to emphasize that point. Because even though production of food continues today away above prewar levels, heavy demand also continues and will carry on for many months to come. Military demands still are heavy; we still are at war. Foreign relief demands are growing. Consumer demand is greater than ever before. In such a situation, despite high levels of production, the immediate outlook is for continued shortage. Recognizing this as the actual situation, you can see that the job ahead is difficult.

Mr. MITCHELL. Indeed, I can, Mr. Secretary. And I don't know anyone who would say you are up against an easy job. But what do you suggest as the answer to getting additional food?

Secretary ANDERSON. There is only one answer to the problem of shortages. It is production—increasing even our record food production of today. This involves two factors. First, confidence among farmers that promises of price support for needed crops will be carried out in full. That's necessary right away. Then, in time to come, protection for farmers so that extra wartime production will not develop into ruinous peacetime surplus.

Mr. MITCHELL. Elaborate on that, Mr. Secretary.

Secretary ANDERSON. Everett, we must meet the immediate need now. We must also prepare now, in advance, to meet the problem of surpluses. Fortunately the machinery for handling surpluses—the methods of meeting these dangers—have been developed. To get more production now, however, we must think of the farmer as a war producer just as much as the manufacturer of planes and tanks and other matériel. Suppose, for example, the Government in dealing with a manufacturer gave him a contract for 50,000 machine guns. Then, after he had turned out 10,000 of these guns, it was decided no more were needed. Under the Government plant of contract settlement, the manufacturer would be protected. The same sort of protection should be given farmers when we ask them to increase production. There should be no repetition of the time when support prices on hogs broke under the pressure of heavy production coupled with overoptimism for an early end of the war. Another example, the Government spent $100,000,000 to build a bomber plant at Willow Run. It was needed. Today, due to the changing needs of war, that bomber plant is closed. It has served its purpose.

Nobody complains about the hundred million dollars. Yet there is no such protection for farmers except for price supports. Price support programs must be carried out in full. They must be regarded as the pledge of a firm commitment on the part of the Government.

Mr. MITCHELL. How would this be carried out?

Secretary ANDERSON. The important thing is that they be carried out. The thing to do is to maintain the level of prices the Government has pledged. The manner of so doing should be flexible so long as the promise is fulfilled. Let's look ahead to 1946. Now is the time to plan production for next year. We have various agencies, the Army and Navy, the United Nations Relief and Rehabilitation Administration and others, estimating requirements. By combining these figures with civilian requirement estimates, we arrive at a total production goal. That goal will soon be set. But the farmers must be sure of one thing. Should some agency find its food needs reduced in the middle of next year farmers should not have to take a loss. The original requests on which production goals are based should be regarded as a firm commitment.

Mr. MITCHELL. That's a clear statement of policy, Mr. Secretary. Now, what about the problem of surpluses?

Secretary ANDERSON. Well, Everett, the best insurance against surpluses is heavy consumer buying power. Moreover, the Government and the people have strong hopes for a high level of employment in the postwar period. We start toward this goal with a number of advantages that should help make our hopes come true. We have pent-up demand. We have wartime reserves of savings. Moreover, more thought is being devoted to this problem now by the Government and the people than at any time before. Farmers are willing to help. They want prosperous people in the cities. They need customers. At the same time, should these high hopes of full employment fail, this Nation can't afford another agricultural depression such as that which ruined our farmers in the early twenties and thirties. I saw that depression. I saw what happened to once prosperous farmers. I saw small businesses dry up in the surrounding towns and cities. We must not let that happen again.

Mr. MITCHELL. I'll subscribe to that, Mr. Secretary. Now, with your program of emphasizing food production now, but never forgetting that protection will be necessary in the future, what are your first aims as you take office?

Secretary ANDERSON. At the outset I want to get my feet on the ground. I've been looking at the food problem from the outside. Now I'll get right into it on the inside. First, I want to make the Department of Agriculture into a working, efficient organization serving agriculture and the people. This means consolidating the Department, putting it together so that the Department and the War Food Administration may become one unit in the future. At the same time we must coordinate food production and pricing policies, design them to get the maximum amount of food while also holding the line against inflation. We must first meet every military need and then get fair and equitable distribution of civilian food supplies and foreign relief requirements. Fourth, we must get food back into legitimate channels of trade. This means rigid black-market controls and tough enforcement. In meat we will move to use the facilities of smaller slaughterers so they may serve a wider public. The meat situation must be made more flexible. Further revisions in the program are already under way. Improvements will be forthcoming. But don't expect them tomorrow. They will take time. Meanwhile we all must conserve food. We should grow more of our own food. We should put up more food by home canning. We must see this through, working together. And before I close, I want to pay a tribute to some friends of yours, Everett. I mean the dairy farmers and the dairy industry. Today milk production in America is at an all time record level. Increases have been consistent. Right at this particular time with milk production setting records, the whole Nation realizes that the dairy industry has made a tremendously real contribution to the wartime food-production program. Farmers have done this despite long-endured shortages of manpower, machinery, and plant equipment. These shortages have been forcefully called to our attention in hearings of congressional food committees conducted throughout the country. The entire Nation can well express its gratitude for this production record—for every food-production record. Too long we've taken our food supply for granted. Now we know it takes production. From now on the emphasis is food production!

Mr. MITCHELL. Thank you, Secretary Anderson. Ladies and gentlemen, you have just been listening to the Honorable Clinton P. Anderson, new Secretary of Agriculture in a special interview from Washington.

EXTENSION OF REMARKS

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a short newspaper editorial.

PERMISSION TO ADDRESS THE HOUSE

Mr. LAFOLLETTE. Mr. Speaker, I ask unanimous consent that on Friday, July 6, after the disposition of business on the Speaker's desk and following any special orders heretofore entered, I may be permitted to address the House for 40 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

HON. JAMES FRANCIS BYRNES, SECRETARY OF STATE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, the calling of Justice James Francis Byrnes by the President to head his Cabinet as Secretary of State is not a surprise. It is natural that a President should choose his own advisers, and in this instance no more acceptable choice could have been made.

Emulating the examples set by my colleagues from time to time, I now with much pride announce to the House that my friend and constituent, one of South Carolina's most colorful and outstanding characters, has been called to one of the most important and responsible posts in the entire Government.

The coming of this honor to our State and the announcement thereof during Independence Day celebration should be an inspiration to the youth of the land.

Judge Byrnes is an outstanding example of what an individual can accomplish in this land of unlimited opportunities. His birthplace was the historic city of Charleston, S. C. Born of poor but proud parents, inspired by the example of a hard-working father and the prayers of a saintly mother, Senator Byrnes from his early youth earned his own way.

For a third of a century and more this stalwart son of Carolina has been a conspicuous figure in the political arena. He has represented well and honorably his State and Nation in more important capacities than any of his colleagues. In assuming the high office of Secretary of State at this crucial time he brings with him knowledge and experience of inestimable value gained through years of service in each of the three departments of Government.

Few men in the history of our great country have had the privilege of serving in the legislative, judicial, and executive branches of Goverment as this man affectionately called Jimmy Byrnes. The Senate will undoubtedly, speedily, and unanimously confirm the appointment of our new Secretary of State.

My colleagues in the House join with me in sending heartiest congratulations to one of our former Members who has brought honor to his name, to his State, and to his Nation as he faces the task of the future with courage and determination.

THE TAX BILL

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file a report on the tax bill, H. R. 3633.

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, is there any report setting forth the views of the minority?

Mr. DOUGHTON of North Carolina. Not that I have heard of. If there is a minority report, I ask for the same privilege for the minority to file its views, but I have not heard of any.

Mr. PATMAN. Reserving the right to object, Mr. Speaker, when is it expected to be taken up?

Mr. DOUGHTON of North Carolina. On Thursday.

Mr. PATMAN. Is it a closed rule or open rule?

Mr. DOUGHTON of North Carolina. The Committee on Rules is in session now.

Mr. PATMAN. Are you expecting to get a closed rule?

Mr. DOUGHTON of North Carolina. We have asked for it.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CARLSON. Mr. Speaker, I ask unanimous consent that the minority may file its views on the tax bill if it cares to do so.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

HON. JAMES FRANCIS BYRNES, SECRETARY OF STATE

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, the Nation is indeed fortunate in having the services of my friend, former Supreme Court Justice James F. Byrnes, as Secretary of State during this most trying period in the life of our Nation. James F. Byrnes is the best-equipped man in the whole Nation to perform the duties of that office. He will acquit himself with distinction and make the best Secretary of State, I am sure, that we have ever had in the illustrious history of our country.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and to include an article from the Washington Post of July 2.

REPEAL OF HATCH ACT

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, I have introduced a bill to repeal the Hatch Act. It is no reflection on the author of the bill who is a former resident of my district. The Hatch Act has utterly failed. It has not fulfilled its intended purpose. To give a typical example, recently the chairman of the Oklahoma Highway Commission, who is paid by the State, was charged with having violated some of the provisions of the Hatch Act, because he was acting as State Democratic chairman, and was cited as a violator. Although his salary is entirely paid by the State, because some of the funds used by the State were matched by Federal funds, he was cited under the act. The law was not intended to preclude Federal employees from expressing views privately, or donating to a campaign, but many do not understand the law. The law has destroyed their initiative and proper interest in public affairs. Many who have been hiding behind it need to have it repealed so that they can come out in the open and freely express their views. No person should be forbidden to express his own views. We should retain our freedom of speech and freedom of choice.

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD in two instances; to include in one a letter, and in the other an editorial.

Mr. AUCHINCLOSS (at the request of Mr. RIZLEY) was given permission to extend his remarks in the Appendix of the RECORD and include an address delivered by the gentleman from Illinois [Mr. DIRKSEN].

Mr. BENNETT of Missouri asked and was given permission to extend his remarks in the RECORD on the subject of the work of the OPA in Missouri.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD, and include an editorial.

Mr. REES of Kansas asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a letter.

Mr. FOGARTY asked and was given permission to extend his remarks in the RECORD and include an article from the Providence Visitor.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include an article from the Washington Sunday Star.

Mr. COFFEE asked and was granted permission to extend his remarks in the RECORD on two different topics, and to include excerpts from newspapers and speeches.

Mr. JACKSON asked and was given permission to extend his remarks in the RECORD and include therein a statement by the League of American Indians.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD, and include an article from the American Bankers on the subject of business loans to veterans.

Mr. ERVIN asked and was given permission to extend his remarks in the RECORD on two different subjects.

Mr. OUTLAND. Mr. Speaker, I ask unanimous consent that the lady from California [Mrs. DOUGLAS] may extend her remarks and include a statement on the equal rights amendments. The Public Printer has estimated that this will cost $121.40. Notwithstanding the extra cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that at the conclusion of the regular order of business and any other special orders on tomorrow, July 3, I may address the House for 40 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

SOME COMMENTS ON THE MEAT AND SUGAR SHORTAGE

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. COFFEE. Mr. Speaker, out on the Pacific slope of the United States, we are proud of the fact that our area, stretching from the Canadian to the Mexican borders and from the Rocky Mountains to the shores of the Pacific, has produced about 70 percent of the planes and 60 percent of the ships which have been used to fight the war in which we have been engaged since December 7, 1941. Hundreds of thousands of new war workers have come to apply themselves with hand and brain in our industrial plants. They have come from Maine and Minnesota, Georgia and South Dakota. In the western part of the State of Washington, a portion of which I have the honor to represent in the United States Congress, we feel extremely proud over the contribution our area has made in building and repairing ships, fabricating tanks, producing chemicals, and turning out an armada of airplanes, with which to punish the Axis powers.

Mr. Speaker, I rise today because I am deeply apprehensive about the unprecedented shortages in certain food items which confront the civilian population of Puget Sound area. The unparalleled paucity of meat and sugar seriously threatens not only the morale of all who live in the western part of the Evergreen State, but it further threatens to hamper and cripple the measure of contribution we have been making and are expected to make and which we are willing to make in the trying days that lie ahead until we have beaten down the sinister Nipponese enemy. We know that meat and sugar and other food commodities are not to be found in plenitude in other sections of the United States. We do not contend that we should be regarded as an especially favored people. What I am saying is that with the accent in the current war beamed in the direction of the Pacific, the States which are situated on the shores of the Pacific ocean are feeling the increasing brunt of the burden with each passing week. The ports of western Washington are being called upon to receive and ship out more military cargo as the tempo of warfare against Japan is accelerated. Tens of hundreds of thousands of soldiers and sailors are moving into our cantonments and receiving barracks for training and organization preparatory to more Iwo Jima's and Okinawa's. The four transcontinental railroads which reach through the cities of Tacoma, Seattle, and other western Washington cities, are unloading their incalculable tons of supplies and equipment for use against the Japs and to sustain our fighting men. The war plants of all description, including the airplane companies, the ship construction yards, and the ship repair establishments are working at top speed. In these congested war population areas, the men and women who weld and rivet, hammer and drill, design and direct, are not getting enough meat or enough sugar to provide a diet adequate to sustain them under the pressures of wartime production, which demand a maximum outlay of energy both mental and physical.

The men and women of my area who contribute directly or indirectly to the successful prosecution of the war are expected to stay on the job. Our production accomplishment proves they have stayed on the job and produced more, and more, and more. But, Mr. Speaker, the hundreds of communications I am receiving from the homes of war workers and from experts who have surveyed the situation all indicate it is getting harder and harder to find food. It is literally impossible to find meat. Butcher shops are closed for several days each week, and many are closing their doors for the duration. The ration allowance of sugar is not adequate for

the average home, and home canners are finding it impossible to plan a home-canning program. Thousands of tons of raspberries, loganberries, blackberries, peaches, and other fruits will rot on the ground or wither away on branches because home canners have no sugar. There is no freezer storage capacity left for civilian use, and commercial canners and packers do not have the sugar or dextrose they need for packing purposes. That situation, Mr. Speaker, if allowed to continue, will spell the death knell for the berry and fruit industry and the packers and canners of my area, to say nothing of the loss—the tragic loss—of food for the civilian and the military population of the Northwest and the United States.

The sugar production and the potential meat production of the Nation and of the countries upon whom we depend for supply has not dropped so low as to provide an obvious sound explanation for the shortages that exist. We have had official and unofficial committees of investigation seeking an answer to the sugar and meat situation. They have gathered some interesting facts. They have made some excellent recommendations as to how to cope with the problem. I feel compelled to draw attention to some of the reasons for the shortage in meat supply and the inadequate quantity of sugar available to Mr. and Mrs. Consumer of my area. They are entitled to know. Explanations will not put more roast beef in their ovens or give them more sugar to can peaches, but at least they will know we are finding out what and who is to blame and how we propose to remedy the situation within the limits of our capacity as national legislators.

Mr. Speaker, on the subject of sugar, I charge the executive agencies responsible with failure to allocate sufficient labor and farm machinery to our domestic sugar-producing areas. I charge the Office of Price Administration with lax rationing methods resulting in the leakage of approximately 800,000 tons of sugar last year over and above allocations. This, of course, depleted reserve stock. More sugar went to home canners and industrial users than had been allocated for that purpose because of faulty calculation of base requirements.

There are other factors which have affected the supply of sugar from areas outside the continental limits of the United States. The Cuban sugar supply dropped sharply because of a drought last year. The principal reason for our failure to obtain more sugar from Cuba and Puerto Rico was the denial on the part of the Office of Economic Stabilization, the War Food Administration, Commodity Credit, and the Office of Price Administration of a high enough price to stimulate sugarcane production in Cuba and Puerto Rico and beet-sugar production in our own country. Incentive payments to growers have been too small and on most occasions have been announced too late to serve the purpose of encouraging production. In the case of sugar-beet growers, it was natural they would turn to other crops on which the OPA permits a more attractive price. The House Food Study Committee, under the direction of my good friend and colleague, Clinton P. Anderson, the new Secretary of Agriculture, and other congressional groups have strongly criticized certain Federal policies on sugar and meat. I join in that strong criticism because, to the best of my knowledge, at least so far as sugar is concerned, adequate steps have not yet been taken to stimulate greater production in my area in 1946.

The best information I am able to obtain from impartial sources indicates that we have a huge quantity of livestock on the hoof. While the OPA is trying to straighten out the tangled rationing mess on red points—a mess that got its start when the OPA failed to keep faith with the American housewife by canceling point values consumers had been told would be good indefinitely—other Federal agencies must find a way whereby packers and processors and growers and producers of livestock can get together on an equitable basis and start the cattle that are now on the range through the packing plants, to the butcher stores, and to the tables of working men and women, laboring 12 and 14 hours a day to turn out and repair ships that can go out to sea and face the Kamikaze suicide squadrons of the dangerous Jap air force. Growers must have a reasonable profit on their investment and labor. Packers, processors, and butchers must fare likewise. There can be no skyrocketing inflation of the price Mr. Warworker pays for his pork crops as long as he is held to the Little Steel formula. Grower and packer lay themselves open to criticism and appropriate action if they attempt any policy of withholding supplies until they are guaranteed unreasonable and abnormal profit.

There are some collateral questions which I would like to have answered, Mr. Speaker, in connection with food shortages. Some information has been furnished on one or two of these questions, but I want the whole story. Are the United States military requirements set too high? Are the allocations for lend-lease, liberated areas, and neutral countries in Europe set at too high a figure in light of our domestic minimum needs, and the fact we are carrying the brunt, the major weight, of military production and military attack against Japan. The combined food board has so far refused to publicize the allocations to individual countries. The food produced in America is subject of vital concern to every person within our shores. I insist the American people are entitled to be informed on this question within the limits of necessary military security. Furthermore, I would like to know why we cannot encourage beet-sugar production unless it can be proven that such action will create a serious shortage in other foods.

We may find it necessary, after a full consideration of all the facts, to cut foreign allocations. I think we should concentrate on providing more labor and farm machinery to domestic growers. If there is no other alternative, I urge that we increase incentive payments sufficient to encourage increased sugar-beet planting for harvest in late 1946 and early 1947.

Mr. Speaker, the food situation is serious. I have bitterly inveighed against inaction, ineptitude, inefficiency, and incompetence on the part of those charged with the responsibility for providing the people of America with a minimum quantity of essential food items. How stupid it is to force Mrs. Welder or Mr. Riveter to take time from repairing a destroyer so that he or she can stand for hours in a long line waiting to ask a butcher or a grocer for meat and sugar he probably will not have when they get to the counter. How we have bungled and fumbled in creating a situation wherein restaurant proprietors, because of the new 20 percent cut in their over-all point allotments, keep open only a few hours each day or a few days each week, while shipyard employees go from restaurant to restaurant trying to find one that is open, hoping that there is enough food so that they can be served. The restaurant owners in my home city of Tacoma are facing a critical situation that may force many of them to close their doors until the end of the war. If restaurants are to close, packers and canners are to curtail operations, berry growers are to have their crops rot on the ground, what about our agricultural, industrial, and business economy? Who will pay the taxes and who will buy the war bonds? Where will we find the plants to provide employment for our returning veterans?

Mr. Speaker, I am going to keep on criticizing, constructively criticizing, in company with many of my colleagues, until we force enough people in enough places to take the action that is needed to improve this sugar and meat situation. Take action, not in the dim and distant future, but now.

HON. JAMES F. BYRNES

Mr. HARE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. HARE. Mr. Speaker, the appointment of Hon. James F. Byrnes as Secretary of State is the third man from the State of South Carolina to occupy this position during the life of our Government. The first was Hon. Hugh S. LeGare in 1843. Then came Hon. John C. Calhoun, and today we have Hon. James F. Byrnes. This appointment is a great honor to South Carolina, and I am sure he will prove to be a great credit to our country. To me it brings an added pleasure as well as honor, for it is now my coveted pleasure to be a successor of both of these great statesmen. Secretary Byrnes represented the Second District of South Carolina from 1909 to 1925. In 1924 he did not offer for reelection to this body, but offered to represent the State in the United States Senate. I was honored by the people of the Second Congressional District as his successor.

Following the population census of 1930, my State lost one Member in the Congress, the number of Congressmen being reduced from seven to six. In the redistricting of the State by the State legislature, the county in which I live

was placed in the Third Congressional District, and I retired from the Congress, but in 1938 I was elected to represent that district, the home district of that great and matchless statesman, John C. Calhoun.

So today it is with great pride and a distinct honor I am able to commend President Truman upon the appointment of the Honorable James F. Byrnes, of South Carolina, as Secretary of State.

For the past 40 years Mr. Byrnes has been a student of government and statecraft; he is particularly well versed in the principles and art of government; he has never been a scheming politician, but has always had the ability to properly interpret the reaction of people to a suggested policy or program; his position and experience in the Congress for 25 years, coupled with his studied application to duty, has enabled him to become one of our ablest men in the practical analysis of Government functions in the intricate processes of a democratic system of government. In the meantime he has also learned of the practical application of the functions of other governments in their relations to our own, and President Truman could not have made a more appropriate selection in choosing him to be Secretary of State.

The SPEAKER. The time of the gentleman from South Carolina has expired.

STRIKES UNJUSTIFIED IN WARTIME

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, the United States still has a war to fight. The men, who have been fighting for long years and months in the Pacific are entitled to the total all-out effort of everyone on the home front. The strikes that have occurred the last 60 days, and that are going on now, are a disgrace to the Nation. I would mention particularly the present strikes in the rubber industry. Unless these strikes are terminated immediately, the war effort will be greatly hurt, and our transportation system at home will fail. When men are dying no stoppage of production can be justified.

Mr. Speaker, the President should act to put an end to these strikes. If more legislation is needed, he should request it and Congress should pass it this week.

STRIKES IN DEFENSE INDUSTRIES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I agree thoroughly with the gentleman from Nebraska [Mr. CURTIS] that Congress should put a stop to these strikes in defense industries.

The best way to do that would be to pass my bill which is now pending before the Committee on World War Veterans' Legislation, and which I hope to get passed before this Congress recesses, to permit the ex-service men who are coming back from this war to go into those plants and work without having to pay tribute.

If Congress will do that, these ex-service men will go in there and produce the war materials necessary for their buddies to carry on the war. If you do not do it, you are going to continue to have these communistic elements paralyzing, not only war industries, but all our other industries.

Today they are trying to exclude these ex-servicemen, these boys who have been on the firing line from the jobs that other people have held while these boys were doing the fighting. It is time Congress—not the President, but the Congress of the United States—discharged its constitutional duty and put a stop to that kind of practice. Mr. Speaker, that applause is coming from the soldiers and sailors in the gallery. I wish all the Members were present to hear it.

The SPEAKER. The time of the gentleman from Mississippi has expired.

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 15 minutes.

POSTWAR EMPLOYMENT

Mr. VOORHIS of California. Mr. Speaker, I am today introducing a bill which in my judgment is of primary importance to the future economic health of our country. I am proud to say that, in the preparation of this bill, I had the collaboration of one of the greatest of America's economists, Prof. Irving Fisher.

Everyone will agree that the future of free institutions, as we in America have known them, will depend in the postwar period upon our ability to maintain full employment and expanding national economic life after the war. Should we fail in this, those very free institutions which Americans have cherished for so long will inevitably stand exposed to dangers they have never had to face before.

Other members will, I am sure, have heard the same appeal from our fighting men as I have heard. That appeal is for just one thing above all others, for a full and free opportunity to make a worth-while adjustment back into civilian life with true opportunity ahead. The one thing which every soldier tells us will almost enrage the veterans is if they come back to a country plagued with unemployment and economic depression.

Again every thoughtful person is deeply concerned about the national debt of the nation, a debt which now stands close to $300,000,000,000 and the interest upon which at the end of the war will amount to considerably more than the total amount of taxes which America ever raised in a true peacetime year. We know that, unless we maintain a high level of national production and national income, we shall have terrible, if not insuperable difficulties in managing that staggering debt. We know we must give our people an assurance that, over a period of time at least, that debt can be reduced and ultimately paid off.

We have had experience in this country from which we should profit. We know that the greatest economic dangers which our country has faced in the past have been inflation and deflation, alternate periods of unhealthy boom followed by periods of collapse, depression, unemployment, and bankruptcy.

Many people, including many bankers, are deeply concerned over the fact that the principal earning assets of banks today are Government securities. Over 40 percent of the total national debt is today held by the banks of the Nation. At the same time the true banking business of collecting together the savings of the people and investing those savings in productive enterprise has been dwindling and more and more this sort of thing has been taken over by Government agencies. This is by no means wholly, indeed I do not believe it is even primarily, the fault of bankers. It is caused by certain fundamental defects in the monetary system of this Nation.

Political and economic morality dictates that, when new money is created, it should be a sovereign government which performs that function. Moreover, the spirit of our own Constitution prescribes that this shall be the case in America. It is fundamentally wrong and contrary to good sound public policy to let any private agency exercise the power of money creation. For he who can create a new dollar without at the same time creating any new wealth to match the dollar, but, instead, by inflation depreciates all other dollars by the same value in the aggregate, does a dollar's worth of harm to society, however good his intentions may be. And yet today somewhere in the neighborhood of $100,000,000,000 of our outstanding national debt is debt which the American people, including every veteran of this war, owes to the private banks of this Nation solely for the reason that those banks have created that much brand-new money on their books in the form of demand deposits and have purchased with that new money interest-bearing bonds of the United States.

The bill which I am introducing will make it possible for us to have full employment and an expanding economy in America without increasing the national debt. It will provide us with a monetary system under which any expansion which takes place in our production, any expansion in America's business life, will automatically lead to a reduction of the national debt of the Nation. At present such an expansion in production tends to an increase in our national debt instead of a decrease, since the only way we can at present get additional money in circulation to match our increased production is by having the banks create the money and lend it into circulation on the basis either of increased Government debt or of increased private debt. In either case—and this is the important point—the commercial banks create the money they lend. No other money lender can do this. Savings banks cannot and do not create the money they lend. They merely lend money they borrow from the savers of the Nation. They lend preexisting money, not newly created money. The

savings-deposit department of a commercial bank does the same. Bankers who lend preexisting money perform the function of accumulating the savings of the people and making them available for investment. That is they concentrate considerable numbers of small savings which by themselves would be of little consequence in such a manner as to make them useful in modern industry. This is the true and legitimate business of banking. But when banks create the money they lend they are out of their proper sphere whether the money they create is in the form of bank notes or of demand deposits. Bank notes are "pocketbook money" while demand deposits are "checkbook money"; but both are money in the sense of circulating medium. The checkbook money—demand deposits—is today our chief money, and though privately issued, it is our chief national currency. This bill would strike at the fundamental problem of this pseudo banking system, at the part of it consisting not of true loan business but of money issue, a governmental function. Incidentally, banks would gain, not lose, by the change and the transition would not be difficult.

The bill would provide machinery whereby the banks could in orderly fashion turn their Government bonds into liquid cash which could in turn be used for the making of constructive loans and investments. It would cure, furthermore, the fundamental evil in our present money and banking system. The bill would set up a body to be known as the Monetary Authority of the United States, consisting of the Governors of the Federal Reserve System, the Secretary of the Treasury, the Administrator of the Federal Loan Agency, and five other members to be appointed by the President with the advice and consent of the Senate. To this Monetary Authority would be given the sole and exclusive right to create money in the United States, excepting only such provisions as now exist in law for the minting of minor coins and the issuance of gold and silver certificates. Thus the bill would in effect provide that money should be created in the United States for the sole purpose of accommodating business and industry with a sufficiency of circulating medium, but that no longer should money be created for the purpose of making loans.

Under the terms of this bill, loans and investments would result from the savings of the people which is the only proper and sound source of lending and investing funds. Almost all the evils of inflation and deflation have been the result of alternate creation and destruction of billions of dollars of demand deposit money in America under our present system. The bill would put a stop to that. Inflation and deflation are the chief enemies of business, including the banking business and have been through the years the chief destroyers of the opportunity for employment of the people.

The bill would divide the business of every bank into two parts. The first part would be the demand deposit department whose only function would be to become in effect a warehouse for the money of the people of the Nation, and to provide a means for the transfer of the ownership of such money from one owner to another by means of checks. The demand deposit departments of banks would no longer create money nor would their depositors or the banks ever again run the risk of bank failure; for each demand deposit department would be required to keep in ready cash the full amount of its demand deposits, on hand or in safekeeping with Federal reserve banks held in trust for its demand depositors. Under the terms of the bill banks would be paid honestly for the services which they render. They would be paid service charges for the warehousing of the people's money and for the accommodation they afford for its transfer by means of checks. At present we do not by and large pay banks for such services. Instead the banks perform the service of enabling people to transfer money by means of checks largely for nothing, but we have permitted them in return to create deposits and thus to secure the money for making loans and investments without having to pay any interest upon it. This is a bad arrangement and a poor bargain from the point of view of both the banks and the people.

Under the terms of the bill the other department of the banks would be the saving and investment department, the true field of banking anyway. From such departments loans and investment of preexisting money would be made and the bill provides against the possibility of savings depositors withdrawing their funds without due notice and the lapse of a reasonable period of time.

Never was the time more opportune for the passage of such a bill. The total amount of demand deposits held by all member banks of the Federal Reserve System as of March 20, 1945, was $61,175,000,000. The total amount of reserves carried by these banks against those demand deposits was $14,605,000,000 on the same date. But these same banks held $67,915,000,000 of United States securities. Thus the reserves held by such banks and the Government bonds in their possession exceeded by $21,345,000,000 the total amount of their demand deposits.

Any bank not having a sufficiency of reserves to cover its demand deposits would be privileged under the bill to secure a loan from the Monetary Authority of a sufficient amount to provide such full 100 percent reserves, simply by depositing Government bonds with the Monetary Authority, paying 1 percent interest on the loan which would be more than offset by the interest on the bonds. The bill also provides that in the future whenever an additional supply of money is needed by the Nation, the Monetary Authority shall purchase and immediately retire outstanding Government bonds, thus reducing the national debt by an amount corresponding to the Nation's need for additional money in circulation. This is precisely the thing that the Federal Reserve Board does now with the all-important exception that when the Federal Reserve Board purchases Government bonds from the banks under these circumstances, it does not reduce the outstanding debt of the Nation by one single cent, since the debt formerly owed to a commercial bank is then simply transferred to the Federal Reserve banks.

This bill will not deprive the banks of America of revenue. On the contrary it will put the banking business for the first time on a really firm and secure basis. It will make bank failures in the future a virtual impossibility. It will entirely prevent depressions due to deflation and largely prevent those due chiefly to that cause. This means, according to past experiences, preventing all major depressions completely. It is true that it would deprive the banks of bonanza profits during inflationary booms, but who is there that would not gladly trade this advantage for the protection which the bill will afford against both bank failures and devastating depression conditions. We can then achieve almost uninterrupted progress and increasing prosperity with little unemployment. This means continuous accumulating wealth to the benefit of all.

The bill includes provisions for the prevention of inflation which in the immediate postwar period might well be a more serious danger than deflation. As measures for the prevention of inflation the bill provides that the Monetary Authority shall first desist from any further creation of money until the inflationary condition has been corrected. In contrast with the present system where any one of 15,000 individual banks can at any time create new money at the ratio of five to one to total available reserves, this first action on the part of the Monetary Authority would absolutely mean that, until dangers of inflation had passed, there would be no further expansion of the monetary supply.

In the second place, the bill provides for the Authority to recommend to Congress the imposition of appropriate taxes designed to eliminate inflationary tendencies. This is the most fundamental attack upon inflation and it is to be expected that, if the bill were enacted into law, such recommendations as the Monetary Authority might make in this field would receive the early and probably favorable action of the Congress.

In the third place, however, the Authority is empowered to sell obligations of the United States in sufficient amount to correct the inflationary dangers if such action is necessary in addition to the powers already outlined.

The main effect of the bill, however, with regard to both inflation and deflation, is that it would put an end to the situation where the money of America is alternately created and destroyed by many thousands of separate banks, each acting independently on the basis of its own judgment and self-interest. Clearly as long as this situation lasts, inflationary tendencies will feed upon themselves and deflationary trends will do likewise. Under the terms of this bill neither of these things could happen for the reason that the total supply of America's money would be controlled by the Monetary Authority and would be kept at all times in scientific balance with the production, industry, and commerce of the Nation.

It is interesting to note that Russell C. Leffingwell, Secretary of the Treasury under President Woodrow Wilson, has forcibly stated in an article appearing in

the summer issue of the Yale Review, the contention that no scheme for full employment can be successful as long as we continue to permit great inflation and deflation in this country. Mr. Leffingwell also points out that the efforts made under our present system to control inflation and deflation have been sporadic and on the whole ineffective. He offers no specific solution of his own but points out the insistent necessity that such a solution be found and put into effect.

Under the terms of this bill it would no longer be necessary for the Nation to contract unnecessary additional national debt in order to finance a war in defense of our country. Had this measure been in effect at the beginning of the war our Nation would be some hundred billion dollars less in debt than it is at present, for the bill contains provisions empowering the monetary authority to create such funds which might be absolutely required to finance the war without the contraction of interest-bearing debt. This would be no whit more inflationary than has been the process used during the present war, but it would spare the Nation billions of dollars of interest-bearing debt and render the postwar problem far more manageable and much easier to solve.

If this bill is passed, Mr. Speaker, the one greatest worry of the American people will be removed. They will know that they can face the future confident that no serious depression can afflict them again and that they can combat every depression and every threat of a downward spiral in production, employment, and prosperity without the necessity of increasing the national debt in order to do so. They will know that as, by their united efforts, the production of real wealth in the Nation is increased, the debt they owe will automatically be reduced. By restoring to Congress the one all-important economic function given it by our Constitution, namely, that of creating the money of America, we can avoid the necessity of governmental regulation and control of the production and everyday business life of our people.

Now is the time for Congress to act. Now is the time when the banks of the Nation can easily and without harm to anyone, least of all themselves, make the transition to a 100-percent reserve system for demand deposits. The introduction of that system will mean the end of severe inflation and deflation of the money supply of our Nation. It will mean practically the end of bank failures. It will mean the end of the time when we think our only means of combating threats of depression is to increase the national debt. It will mean that "money in the bank" will actually be money in the bank—not a mere promise on the part of banks to pay their depositors when, as, and if they can. Such a system will restore to the producers of the Nation the power under all circumstances to call into being, simply by increasing production, a sufficiency of buying power to keep our home market in America always equal with our power to produce.

Mr. Speaker, I have introduced other bills in this same field, but this bill is drawn specifically to meet the needs of this present hour. Its provisions are reduced to the very minimum which is essential to meet those needs. Nothing which is not thus essential is included in this bill. Some other things, perhaps, can wait, but we cannot wait to provide our people with an answer to the problem that now frightens them, namely, the problem of maintaining a continuously high level of national income and national production without further increases in our already staggering national debt.

A brief summary of the provisions of this bill now follows, together with the text of the bill:

First. A Federal monetary authority is to be designated to control the volume of money so as to prevent inflation and deflation. The demand-deposit department of each bank becomes an agent of the monetary authority.

Second. Said demand-deposit department of each bank is to keep in cash—in its vaults or elsewhere—the full amount—100 percent—of cash against its demand deposits.

Third. In order to comply with this requirement from the start, the bank is allowed to borrow at a nominal interest the necessary cash—in notes—from the monetary authority, and said authority is authorized to issue said notes for this purpose.

Fourth. Thereafter the only transactions which the demand-deposit department of a bank can perform will be (a) to transfer the ownership of said cash from one owner to another, as recorded by checks; (b) to add to, or subtract from, the deposits by the deposit or withdrawal of cash or of checks on other banks—which checks will always represent cash actually existing.

In short, demand deposits will become literally physical deposits, like cash in an individual safety-deposit box. The cash will be held in trust for the depositor and to his order, and cannot be invested by the bank nor lent.

Fifth. The bank can, therefore, no longer create or issue any money—that is, add to the circulating medium—as it does now when it grants a deposit in return for a promissory note instead of cash. And, reversely, the bank can no longer destroy any circulating medium—demand deposits—as it does now when a promissory note is paid.

Sixth. The loan business of the banks will thereafter, like all other loan business, consist of lending preexisting money, whether its own or that of its customers who wish to invest money by depositing it for that purpose in the form of time or savings deposits. Such deposits are not to be used as money. Instead, they are to draw interest.

In short, a bank can no longer create any of the money it lends nor destroy any of the money it gets paid back.

Thus the bank will become divided into two departments, the check department, as an agency of the monetary authority, and the loan department, a private enterprise of the bank.

Seventh. The monetary authority alone will be able to add to or subtract from the volume of demand deposits. This it can do through open market operations and/or any other suitable method.

Whenever the proper index number indicates deflation, this will be nipped in the buy by buying bonds with newly issued money.

And whenever inflation is indicated, the opposite form of open market operations is to be used.

Eighth. In wartime, such stabilization may have to be suspended in case the war cannot be financed wholly out of taxes plus loans out of savings.

A bill to help arrest inflation; to prevent future inflation and deflation; to enable Government to control the volume of money in order to check the hitherto wide fluctuations in the volume of money, thereby to mitigate fluctuations in business activity and production; to aid in assuring full employment; to substitute physical money for bank credit as the principal means of payment; to improve the banking system

Whereas article I, section 8, of the Constitution of the United States provides that "Congress shall have power to coin money [and] regulate the value thereof"; and

Whereas Congress has failed to exercise such power in full, thus bringing about the present situation wherein the Nation, in order to employ its own credit for the purpose of national defense or the accommodation of increased production and employment, is constrained to sell bonds to private banks in exchange for inflationary circulating medium newly created in the form of demand deposits by these private institutions; and

Whereas such resort to bank credit involves great and ever-increasing interest payments; and

Whereas such bank credit, transferable by check or order of the depositor, has come to be generally accepted in payment of debts, thus in effect providing the principal means of payment of the Nation and performing the functions of money; and

Whereas the volume of such means of payment is not now subject to any effective control but, instead, is allowed to fluctuate widely because of the independent and uncoordinated actions of thousands of banks; and

Whereas such uncontrolled fluctuations induce recurrent periods of disorganizing inflation and unsound booms, followed by disastrous periods of deflation, depression, bankruptcy, unemployment, and general distress; and

Whereas such convulsions are usually and falsely attributed to the faults of political personalities, and there follow discontent, unrest, suspicion, political upheavals, and even war; and

Whereas it is essential to the safety and welfare of the Nation that inflation and deflation alike be prevented; and

Whereas such purposes cannot be attained through any action taken by thousands of banks each acting independently but can only be attained if Congress will reassert its sovereign and exclusive control over the issuance and valuation of the Nation's means of payment; and

Whereas because of the large holdings of Government bonds by banks, there now exists an opportunity such as never has existed before for congressional action to establish a 100 percentum reserve for all demand deposits in the United States and thus to provide the Nation for the first time with a truly sound currency controllable in volume: Now, therefore

Be it enacted, etc., That—

ORGANIZATION OF MONETARY AUTHORITY

SECTION 1. There is hereby created the Monetary Authority of the United States

(hereinafter referred to as the Authority) which shall consist of:

The Board of Governors of the Federal Reserve System, ex officio;

The Administrator of the Federal Loan Agency, ex officio;

The Secretary of the Treasury, ex officio;

And five other members appointed by the President with the advice and consent of the Senate.

Such five members shall be appointed on the basis of their qualifications by experience, knowledge, and ability to govern monetary policy.

The members of the Authority shall annually select one of their number to act as chairman.

The five appointive members of the Authority shall hold office for terms of 7 years. The terms of office of initially appointed members of the Authority shall be 7, 6, 5, 4, and 3 years, respectively. Members of the Authority shall be eligible for reappointment.

Members of the Authority shall receive the same salaries as members of the Cabinet.

Any member who has served 14 years or more shall, upon his retirement, receive annually for the remainder of his life a retirement salary or pension of two-thirds of the annual salary received during his active term of office.

Upon the death, resignation or removal from office of any member of the Authority, a successor shall be appointed to fill the unexpired term of such member in the manner set forth in this section.

The Authority is authorized to appoint such committees from among its members as it may deem advisable for more effectually carrying out the purposes of this act: *Provided, however,* That the powers thus delegated shall be revocable; nor shall their members receive any added compensation by virtue of membership therein, except for any out-of-pocket expenses.

SEC. 2. (a) Except for the qualifications and limitations provided for in this act, the Authority shall be the sole agent of the Congress to issue the means of payment in the United States and to regulate the value thereof, in accordance with article I, section 8, of the Constitution of the United States. No other agency, individual, partnership, or corporation, public or private, shall issue or create means of payment in the United States, the power to issue said means of payment being hereby exclusively reserved to the Authority, acting within the limitations and in accordance with the direction of Congress. All provisions of laws which grant any power or privilege to any private banks, Federal Reserve banks, the Board of Governors of the Federal Reserve System, the President, or the Secretary of the Treasury to issue money or create demand deposits or any means of payment whatever, are hereby repealed except as specific provisions of this act otherwise provide.

(b) All individuals, firms, associations, or corporations in the United States, or Territories or possessions thereof, receiving deposits of money or credit or any other means of payment, withdrawable or payable upon the check or equivalent order of the depositor upon demand or within 30 days and transferring such deposits, or title thereto, to other banks or individuals, firms, associations, or corporations in the United States, its Territories or possessions, shall be deemed to be commercial banks engaged in interstate commerce, and as such subject to Federal jurisdiction and to the rules of the Authority, according to the terms of this act.

SEC. 3. In order that the transition from the present monetary system may be made without undue delay, confusion, or disturbance—

(a) All provisions of law now in effect governing the coinage of metallic money by the United States mint are continued in effect.

(b) All provisions of law now in effect governing the issuance of gold and silver certificates by the United States Treasury are continued in effect.

(c) All outstanding United States Treasury notes of 1890, United States notes, currency certificates, gold certificates, silver certificates, and national bank notes shall continue in circulation until retired, and such notes may be exchanged at par at any time for money issued by the Authority.

(d) In carrying out the purposes of this act the Authority shall take account of all action taken by other governmental agencies under the preceding subsections of this section and shall govern its own actions accordingly.

(e) All powers over the issuance of Federal Reserve notes now exercised by the Federal Reserve Board are hereby transferred to the Authority, and the Authority may alter gold-reserve requirements for Federal Reserve notes as it deems necessary to carry out the purposes of this act, it being the intent of Congress to make Federal Reserve notes the principal money of the United States, and such notes are hereby declared to be lawful money of the United States and legal tender for all debts, public and private. The Authority shall cause Federal Reserve notes to be issued in such denominations as it may deem appropriate.

(f) Insofar as it can do so consistent with the provisions of section 8 of this act, the Authority shall purchase from any Federal Reserve bank or any commercial bank any direct obligations of the United States offered by such bank at acceptable prices and shall make payment in Federal Reserve notes issued for this purpose. All bonds so purchased shall be retired, thus reducing the debt of the United States.

(g) The first paragraph of section 7 of the Federal Reserve Act, as amended, is hereby further amended to read as follows: "After all necessary expenses of a Federal Reserve bank have been paid or provided for, the stockholders shall be entitled to receive an annual dividend of 6 percentum on paid-in capital stock, which dividend shall be cumulative. After the aforesaid dividend claims have been fully met, the net earnings shall be paid to the United States as a franchise tax, except that one-half of such earnings shall be paid into a surplus fund until it shall amount to 40 percent of the paid-in capital stock of such bank. Any earnings derived by the United States from the Federal Reserve banks shall be applied to the reduction of outstanding bonded indebtedness of the United States."

SEC. 4 (a) The Authority is hereby authorized and directed to invite every bank, trust company, and other institution now having demand deposits to take out a license entitling it to continue handling such demand deposits, acting as an agent of the Authority.

(b) No bank or any other institution shall handle demand deposits in the United States unless it holds a license, issued by the Authority, to do so.

(c) The Authority is hereby authorized and directed to specify requirements for securing such licenses and such requirements shall include a requirement that the reserve of actual physical money behind demand deposits shall be 100 percent; that is, the deposit must be as literally a deposit as the money deposited in an ordinary safety-deposit vault except that the money need not be earmarked for individual owners. Each demand-deposit account shall thus be held as an account in trust. The money thus on deposit shall belong to the depositor, not the depository, and the banks shall not invest it. Any part of the 100-percentum reserve may be redeposited in Federal Reserve banks for safekeeping, and such Federal Reserve banks may, for convenience, hold such redeposited money in large denominations, since seldom, if ever, will much of it be called for, its chief service being as records. The 100-percent reserve requirement shall apply to all banks, including all Federal Reserve banks with respect to demand deposits.

TRANSITION FACILITATED BY LOANS

SEC. 5 (a) In order to facilitate the transition from the present system, the Authority is hereby authorized and directed to loan to Federal Reserve banks and to institutions holding licenses as set forth in section 4 of this act, Federal Reserve notes in such amounts as may be necessary to increase their current partial reserves to full 100 percent reserves. The rate of interest on such loans shall be 1 percent and the interest shall be paid into the Treasury of the United States, and a loan to any bank shall, at the option of the bank, be secured either (1) by United States securities (direct or guaranteed) as collateral security on a par basis or (2) by a general lien on the total assets of the bank, or both, in such proportions as the bank may elect.

(b) All banks or other institutions doing demand deposit business under the terms of this act, as agents of the Authority, are hereby authorized to make such service charges as may be necessary to enable them to conduct their business of transferring money by check, provided that such charges shall have the approval of the Authority.

LAWS FOR BANK LENDING UNAFFECTED

SEC. 6. Time or savings deposits, being actually investments for interest and not deposits of ready cash, shall continue to be governed by existing laws, and shall not, except for the transitional provisions of this section, be affected by this act.

Every present bank of deposit and discount is thus divided into two distinct departments, one being a check agency for demand deposits which concerns money and becomes an agency of the Government; the other being a loan bank, loans being the true banking business. After the effective date of this act banks may lend only preexisting money, and can no longer create any of the money which they lend. The check agency for demand deposits shall operate solely as an agency of the Authority and not of the bank in its private capacity. Such agency shall have no lending power but shall exist for the sole purpose of providing the necessary institutional arrangements for check clearance, a depository, and a money exchange.

The Authority shall establish and enforce such uniform rules and regulations for the withdrawal of savings and time-deposit funds from banks as may be necessary to effect in each case a complete separation of the demand-deposit department, on the one hand, from the time and savings deposit department, on the other. Such time and savings deposits shall not be withdrawal on demand; instead, due notice of withdrawal such as the Authority may require shall be given by the depositor to the banks.

In order to effect such separation in the manner most satisfactory to the depositors, 90 days' notice shall be given them by the bank that, in accordance with the terms of this act, they may convert any part of their demand deposits into time or savings deposits, or any part of their time or savings deposits into demand deposits, and the reserve provisions of this act applying to such conversion shall be adjusted accordingly.

INSURANCE OF DEPOSITS

SEC. 7. The Chairman of the Authority shall be ex officio a member of the Board of Directors of the Federal Deposit Insurance Corporation.

Beginning 1 month from the date of passage of this act the Federal Deposit Insurance Corporation shall insure in full the payment of all demand deposits in depositories under the terms of this act (and all such depositories shall be deemed to be "insured banks" as defined in section 101 of the Banking Act of 1935), but after this act becomes effective no assessment shall be

made upon such depositories as to their demand deposits.

The Federal Deposit Insurance Corporation is hereby authorized and directed to act as an agent of the Authority, and, under such rules and procedure as the Authority may prescribe, to examine all insured banks without charge. Banks thus examined shall not be subject to examination by any other Federal agency.

PREVENTING INFLATION AND DEFLATION

SEC. 8. (a) The Authority is hereby authorized and directed to assemble complete statistical information with regard to money in the United States, for the purpose of guiding the Authority in controlling the volume of the means of payment so as to prevent both inflation and deflation. The Authority shall keep such statistical information current at all times. The Authority shall develop reliable indices of the cost of living in the United States and of the average wholesale commodity price level. Until such time as the Authority shall have developed its own indices it shall use the indices of the Bureau of Labor Statistics.

(b) On a day certain not later than one year after the date on which hostilities in the present war shall have ceased and a proclamation to that effect shall have been issued by the President, the Authority shall declare the average price level as indicated by the cost of living index on that date to be the stabilization level for the purpose of controlling inflation and deflation.

(c) Wherever thereafter the index of the cost of living shall threaten to vary from the stabilization level, the Authority shall use all of its powers to restrain such variation and restore such cost of living index to the stabilization level. Prior to the stabilization date the Authority shall take such measures as will, in its judgment, be most effective in promoting long-term stabilization and shall not, in so doing, be bound by index movements.

(d) Inflation is hereby defined as any increase in the volume of the means of payment in circulation which tends to raise the cost of living index of prices. Deflation is defined as any decrease in the volume of the means of payment in circulation which tends to lower the cost of living index of prices.

(e) In order to prevent deflation, the Authority shall exercise its power to create means of payment of the United States in the form of Federal Reserve notes, and shall employ the funds so created for the purchase, in the open market, of outstanding securities of the United States either direct or guaranteed. Securities so purchased shall be deemed to have been retired by this process and shall be immediately retired, thus reducing the public debt of the United States by a corresponding amount.

(f) In order to prevent inflation, the Authority shall take the following measures:

(1) The Authority shall desist from any further creation of means of payment until the inflationary condition has been corrected.

(2) The Authority shall recommend to Congress the imposition of appropriate taxes designed to eliminate inflationary tendencies.

(3) If the two foregoing measures are of insufficient effect or if, in the judgment of the Authority, their operation cannot have effect in a short enough period of time, then the Authority shall sell a sufficient amount of the obligations of the United States to withdraw from circulation Federal Reserve notes, in sufficient amount to correct the inflationary trend. In the event that the Authority does not have on hand a sufficient amount of obligations of the United States to accomplish the purposes of this subsection, then the Secretary of the Treasury is authorized to issue short-term obligations of the United States and deliver them to the Authority in such amounts as, in the judgment of the Authority, may be necessary. Provided further that any such short-term obligations as may be issued by the Secretary of the Treasury under the terms of this subsection shall be retired by repurchase by the Authority at the earliest practicable date.

WARTIME EXCEPTION

SEC. 9. Whenever during the current war and for 1 year following its official termination, the Secretary of the Treasury shall notify the Authority that he finds it impracticable to raise by taxation or by the sale of Government securities or by any other noninflationary method, sufficient funds to meet the requirements of congressional appropriations, the Authority is authorized and directed, of its own motion, to buy from the Treasury the necessary securities by issuing Federal Reserve notes, notwithstanding any resultant inflationary increase in means of payment; in other words, the Authority shall then do what private banks now do; but (1) without reducing reserves below the required 100 percent, and (2) without cost to the Government, since the interest on the securities is to be paid back into the United States Treasury, thus becoming a mere bookkeeping transaction and putting a stop to payment of interest on further inflationary issues of credit.

Whenever the time expires during which such inflationary issues are necessary as a wartime measure, then the Authority shall make its declaration of a stabilization date and thereafter the cost of living index of prices shall be maintained unchanged, as far as possible.

AUTHORITY TO STUDY AND RECOMMEND

SEC. 10. The Authority is hereby authorized and directed to make careful study of the whole program of money and its relations to banking and the economy of the Nation and to report to Congress from time to time its recommendations, especially as to simplifying the laws and in order to reduce the restrictions on private banking, in view of the fact that many such restrictions now existing may no longer be necessary because of the separation herein effected between (1) money-issue as a governmental function, and (2) loan-banking as private business.

The Authority shall report to Congress as promptly as possible each calendar month and not later than the 15th day thereof, and all such reports shall be public documents. Such reports shall be set forth, in as simple and direct a manner as possible, the actions taken by the Authority in the preceding month in carrying out the mandate and directions contained in this act. Among other things such reports shall contain the following data:

(1) The total amount of means of payment issued by the Authority during the preceding month; (2) the total and per capita volume of United States currency and other means of payment in circulation as of the last day of such preceding month, and its average velocity during such month; (3) the movement of the indices of prices throughout the month; (4) a record of governmental gold and silver purchases and sales, if any, during such month, and a record of operations in the field of foreign exchange; (5) a study looking toward improvement of the criteria of inflation and deflation; (6) the volume of employment and unemployment existing; (7) any other data which may have a bearing on the carrying out of the purposes of this Act.

The Authority shall make such special reports from time to time as may be requested by resolution of the House of Representatives or Senate, or both.

SEC. 11. As used in this act, "means of payment" means all those instruments such as currency and demand deposits possessed generally by the public by delivery of which debt contracts and price contracts are discharged. As used in this act, "money" means the same thing as "means of payment." As used in this act, "cost of living index" shall mean either the cost of living index as developed by the Bureau of Labor Statistics or a cost of living index as developed by the Authority.

SEC. 12. If any provision of this act, or the application of such provision to any person or circumstance, shall be held invalid, all remaining provisions of this act and the application of such remaining provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 13 This act shall take effect immediately upon its passage.

SEC. 14 This act shall be known as the Monetary Stabilization and Debt Reduction Act of 1945.

NATIONAL WAR AGENCIES BILL

The SPEAKER. The Chair desires to announce that he has referred the bill H. R. 3368, the war agencies bill, with Senate amendments thereto, to the Committee on Appropriations.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

JUNE 29, 1945.

HON. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: My physician has given me definite instructions to diminish substantially my activities for an indefinite time.

Therefore, I shall not be able to devote the requisite time and effort to both the volume of other official duties which confront me, including the immediate interests of the people of my district, and those imposed upon me as chairman of the Committee on Un-American Activities.

Acting solely upon this consideration, I regretfully resign from membership on the said committee, effective at once.

Respectfully,

ED. J. HART.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

THE OFFICE OF PRICE ADMINISTRATION

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, a few days ago the House put into the bill extending the life of OPA, the Andresen and the Dirksen amendments in an effort to make the OPA a little better. Then the bill went over to the other body and as usual they fixed it so that it was not so good, then they sent it back and the House as usual wilted and swallowed it with the knowledge that it did not keep its promises of reformation made a year ago—knowing it was delaying and reducing production.

Now, the folks back home do not like it because they know in spite of the money it spends to praise itself it is not fair nor just, and does not prevent inflation, does not encourage production. Here is a letter from a woman who lives in southwestern Michigan where prior to the coming of the OPA—yes; even in the New Deal days—there was a surplus of poultry, sheep, hogs, cattle, and many

other useful and necessary things. Now, I never heard of anyone in that part of the country being hungry before the coming of OPA. But here is what this lady writes:

I have never before written you to complain about anything but here goes:

She has a couple of men in the service I understand.

Isn't there something you can do about the so-called meat shortage? Why does Canada have plenty and we go hungry? Yes; I said hungry. We are hungry for something to chew. There are few potatoes—none right today, no meat, no chickens. Can you tell me how to cook a balanced meal out of macaroni and cheese or rice? We are getting so that macaroni, spaghetti, and rice gag us. My husband works hard and the men down to his place of work—

She means a factory in Benton Harbor—

are getting tired of peanut butter sandwiches, lettuce sandwiches, and jelly sandwiches.

Nice for bridge parties but not so good for husky men in factories—

I say these shortages are created by someone, or a group. Lord, man, a few of us from Michigan could run things better than the Washington OPA is doing. The OPA is a wonderful thing but oh, so dumb. I have never before complained about any rationing, but like millions of other people in this country I'm getting—

And the lady forgets herself for she writes—

I'm getting damned fed up on "shortages." There's no sense in them. If I knew where I could buy from a black market, I'd do it—

She is law abiding but hungry—

I don't mind when our soldiers get the food but this lend-lease is a lot of hooey. The Government asks us to be fair in rationing. Are they fair to us—the public? No; of course not.

Now, the lady has a good idea here. She writes:

Mr. HOFFMAN, I'm not blaming you personally. You are just a little cog in a big wheel—

Do you gentlemen get that? The gentlemen are in the same situation I am—just little cogs in a big wheel—

doing the best you can and I'd vote for you again, but can't something be done?

She is almost discouraged. She likes me, all right, but she is a little suspicious because I am not fixing this thing. Bless her heart, I wish I could.

I'm afraid if something isn't done soon there is going to be a small war in this country.

I suppose some of these fellows that write for PM and some of these Communist sheets will accuse her of wanting to start a civil war.

Please don't take this to be a personal scolding. I like you too much for that, but it seems something could be done.

I hope when you gentlemen get home and you get to talking about this OPA you will be asked to explain why you voted to continue the thing without fixing it. You just tell those folks who are kicking about not getting something to eat that you voted for it on the same promises OPA made a year ago, that they were going to be good. But they will look you in the eye and say, "Oh, no. We don't think they are going to be good and we are not sure you did either when you voted for it. Else you are quite simple." Just why did you vote to continue it when you know it does not keep its promises, that it is injuring business, creating unemployment, a food shortage—and refuses, yes, refuses, to follow the law as enacted by Congress. Why did we not fix OPA when we had it here the other day, begging for another year of life. Was it because OPA is boss over Congress? Looks that way.

The SPEAKER. The time of the gentleman from Michigan has expired.

THE FOOD SITUATION

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks and include therein some tables from the Foreign Economic Administration.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, the reason I asked for this time is on account of the confusion that goes along with the whole world food picture. I might say there is not any use talking about lend-lease by itself. We should not consider any one particular phase of the food problem without taking into consideration the whole world food picture.

Everyone knows that for many years before this war we did not feed ourselves. It appears that during the war we haven't fed ourselves in pounds, bushels, and tons of foodstuffs. If we would take our imports and add to them the amount of food that has been purchased in foreign countries and then add to that the reverse lend-lease foods, we would conclude that the amount of food that has been shipped under lend-lease would in itself, be nothing to be particularly alarmed about. The facts are we talk about feeding the world when we are compelled to depend on other countries for our own food and our commitments of food.

After having all the lend-lease figures for some time, personally I cannot see where lend-lease has prevented the American people from having adequate food. The only exception I would make is in the meat supply. We shipped enormous quantities of eggs, but we purchased millions of bushels of feed from other countries to produce them.

The President said a few days ago that after the first of July we were going to have meat to eat. He is quoted as stating that when Mr. Anderson became Secretary of Agriculture, we were going to have this meat. This meat is needed in the industrial districts to further the war effort. I think that in 30 days, and I have thought so ever since VE-day, that the American people could be afforded the necessary meat if and when the Government agencies wanted them to have meat. They cannot eat cattle with the hides on or they would probably have plenty of meat now. The animals have to be processed and distributed to the people. The Andresen amendment would have helped this situation. Evidently a majority of the Members did not think so, however.

If the OPA follows the same course in the future it has in the past, the people can expect less food. Mr. Anderson may be over a barrel with added authority many of us voted to give him. He will be over two barrels if he expects to get increased food production with the OPA as a millstone around his neck.

This food shortage is causing a lot of this unrest in the cities and is possibly one of the factors in the labor districts. They know that rationed foods are being shipped to anybody they want to ship them to, any place in the world, without any rationing points. That is something the people cannot understand. They cannot understand why they cannot get it even with points. The people working in war plants and factories cannot obtain meat and other rationed foods when these foods can be shipped unrationed all over the world to people who may not be working for the war effort. There is not any doubt but what the imports of foods in pounds, bushels, and tons, plus the foreign purchases, plus reverse lend-lease should have provided the American people with all the meat and all the other food that was necessary for them to have in order to carry on the war effort and will do so whenever the Government agencies so decide.

In connection with this food problem, we must always keep in mind that the people who are working in these plants are part of the war effort. I have in my possession a letter and tables from the office of Foreign Economic Administration in which are listed the deliveries to all countries of different foods. It shows that in 1943, for example, we delivered 2,317,000,000 pounds of meat.

We shipped 2,317,000,000 pounds in 1943, and in 1944, 1,724,000,000 pounds, and for the first 3 months of 1945 we shipped 411,000,000 pounds.

So far as dairy products are concerned, lease-lend has not accounted for any more than our increase in milk production during the war. So, therefore, if the people do not have dairy products in this country as a whole, it cannot be laid entirely to lend-lease, because we have bought millions of dollars' worth of this food in foreign countries as well.

DIRECT FOOD PURCHASES OUTSIDE THE UNITED STATES

In the June 27 CONGRESSIONAL RECORD the official records show that the total agricultural food exports in 1944 was $1,869,000,000, in value of which $1,555,000,000 of these agricultural food exports were for lend-lease. This same RECORD shows that there was a total of $1,800,000,000 in general agricultural imports, of which $1,300,000,000 were food products, and the reverse lend-lease food acquired up to January 1, 1945, of over $3,376,000,000. These reverse lend-lease foods are just as much imports as the lease-lend foods are exports, although they never reached our shores.

In addition to these reverse lend-lease foods we also have direct food purchases in other countries by the Navy, Army, War Shipping Administration, and other Federal agencies.

The food purchases by the Navy in one country, New Zealand, will give some indication of the amount of food purchased,

as indicated in the following table. You will note that the total shows over $27,000,000 in direct purchases from New Zealand alone up to January 1, 1945:

Purchases of food from New Zealand by the Navy[1]

	Dairy products	Meats, fish, and fowl	Fruits and vegetables	Grains and cereals	Miscellaneous
July 1, 1941, to June 30, 1942	$28,642.66	$49,101.14	$31,027.44	$3,814.42	$20,831.43
July 1, 1942, to June 30, 1943	1,979,421.59	3,457,148.12	1,707,560.87	51,612.26	449,542.05
July 1, 1943, to June 30, 1944	2,640,079.01	6,721,497.26	3,531,371.35	56,783.82	481,639.60
July 1 to Dec. 31, 1944	1,239,572.93	3,664,860.48	1,491,770.09	72.34	69,882.79
Total	5,887,716.19	13,892,607.00	6,761,729.75	112,282.84	1,021,895.87

[1] Break-down of the other countries are not yet available.

This information was furnished by the Navy Department and represents direct purchases and not reverse lend-lease. The more facts one acquires the more one is convinced of the fact that the outside United States purchases of food, plus the reverse lease-lend food acquired, plus the general imports exceeds in pounds, bushels, and tons the foods exported, including the lend-lease shipments.

In other words, regardless of the boasting and the propaganda about feeding the world, the facts really become more evident each day that; first, the American people have had to depend on imported food; second, the food exports are really in part, foods that are imported or processed from imported agricultural products.

When these facts are realized we will have a clearer picture of our domestic and foreign food program. We hear about the 32-percent increase in this and 38-percent increase in that. We must consider these statements in connection with the over-all food supply of the United States and the world.

I am not questioning the advisability of reverse lend-lease, lend-lease, or direct purchases, but I am interested in seeing the American people obtain the food facts.

I have the figures from the Navy, for example, showing that they bought over $5,000,000 worth of foods from New Zealand alone. That has nothing to do with reverse lease-lend, that was merely bought by the Navy itself.

Mr. McMILLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. McMILLEN of Illinois. The gentleman from Wisconsin is a distinguished authority, in my opinion, on food and food supplies in this country. I have noticed in the paper that there is an abundance of meat in Canada, particularly beef. I am wondering whether or not something should not be done to require England to purchase some of her meat supply, more than she has, from Canada, rather than to look to lend-lease for her meat supply. If that were done, it would release a considerable supply of beef for our people in this country. Can the gentleman enlighten us as to whether or not that cannot be done practically?

Mr. MURRAY of Wisconsin. As far as lend-lease is concerned, the largest shipment of beef was in 1943 when it was at 1.7 of the available supply in this country, and for the first 3 months of 1945 it was 1.1 percent. As far as Canada is concerned, I may say to the gentleman, there are many factors that enter into that picture. I understand the State Department has been approached on the question. It appears that so long as we are sending beef to England, it would cause a bad public reaction in the United States if we should bring in beef from Canada. There evidently has not ever been much of any beef shipped to England during the war.

I understand that the War Food Administration has never opposed importation of beef from Canada. I noticed also that the National Livestock Association in their testimony before the Ways and Means Committee did not object to beef coming in from Canada or anywhere else. Their position seemed to be that if the people needed meat they should have meat. It would cause a bad public reaction to import meat and then be accused of processing and shipping it out of the country when needed by the people of America.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. MASON. I believe the gentleman has forgotten one thing that is very pertinent to the question the gentleman from Illinois asked, and that is that if England got her beef from Canada where there is plenty or from Argentina where it is absolutely a glut on the market they would have to buy it; whereas when they get it from us they get it through lend-lease and do not have to buy it. That is probably three-quarters of the reason for their getting meat from us through lend-lease and not buying it from either Canada or the Argentine.

Mr. MURRAY of Wisconsin. I may say to my distinguished colleague from Illinois that that no doubt is the reason why we have finance companies—it is easier to get credit than it is to pay cash. However, I do not want to go into the merits or demerits of lend-lease. I am interested at this particular time in trying to find the answers for President Truman and Secretary of Agriculture Anderson. They promised the people they were going to do something about the meat situation. I think they should and I think they can furnish this meat to workers in war plants first, to children second, and to the general public third.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield.

Mr. REED of New York. There is another situation about which very little has been said and that is with reference to the amount of meat and foodstuffs which the Army and the Navy have. If you look at the inventories of the Army and the Navy you will see no meat excess on those inventories, but the warehouses of the Army and the Navy are simply bulging with meat. The warehouse people are just told to reserve it, just reserve it, but there are no public records of it at all.

I am not blaming the Army and the Navy; they have to look ahead, they have a particularly long supply line; they have to buy things in large quantities and in great excess over their present needs; but now that the war in Europe is over it would seem to me that they could take an inventory and with perfect safety release much of the food there that unless it is released within a reasonable time will eventually spoil just as did the hundreds of tons of eggs that finally were ground up as fertilizer. I think it is high time some investigation was made to see if they could not release some of this excess food that is in the warehouses.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MURRAY of Wisconsin. I wish to answer the gentleman from New York by saying that I can see how he reaches the conclusion he does; I can see the problem. I have not obtained sufficient information on these stock piles so I do not feel in a position to give a proper answer. It takes in a lot of factors and I am not capable of answering what the factors are that go with it, but I do want to point out that if you talk with any of these boys who have been in the Southwest Pacific, you will find they have depended for their food largely on Australia and New Zealand. According to the press England bought 400,000 tons of beef from Argentina at one time. You know, for a while we did not like Argentina and we did not buy much from them; 1942 is the first year we provided our own beef. For 30 years we did not furnish all of our own beef. We were also on a dairy-import basis for 30 years. With the farmers curtailed the way they were it has been miraculous that they produced as much food as they have. We are told as I said before they produced 32 percent more of this and 38 percent more of that. If you compare these foods during the war years with some drought years, or to some years when they did not keep the records, the boastings are not of much value.

In conclusion may I say that the evidence shows that the American people can be provided sufficient meat. But when we see people in high places promising to feed the world we must realize that these added commitments can only be fulfilled by increasing food imports, by greater reverse lend-lease acquirements of food, or by increased direct purchases of food in other countries. There is nothing in the food picture for 1945 to indicate that the domestic 1945

production will exceed or equal the food production of 1942, 1943, and 1944.

I include the letter of transmittal and the tables from the Foreign Economic Administration.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

FOREIGN ECONOMIC ADMINISTRATION,
Washington, D. C.

HON. REID F. MURRAY,
House of Representatives,
Washington, D. C.

DEAR MR. MURRAY: Mr. Crowley has referred your request for data on lend-lease food deliveries to my office. I am therefore submitting for your consideration and use the attached material, including:

1. Chart, entitled "Lend-Lease Food Deliveries to All Countries."

2. Chart, entitled "United States Supply of Specified Commodities."

3. Chart, entitled "Lend-Lease Food Deliveries in Percent of Supply."

You will note that charts 1, 2, and 3 do not include figures on sugar, which cannot be handled statistically on the same basis as the other commodities listed because of the fact that a major portion of the United States consumption of sugar is from sources outside the United States. Estimated lend-lease shipments of sugar in the first quarter of 1945 were about 145,000 tons and lend-lease allocations for the record quarter came to 107,000 tons, for a total estimated figure on shipments for the first 6 months of 252,000 tons. This represents about 7.5 percent of the estimated United States civilian and military consumption of sugar in the corresponding 6 months' period amounting to roughly 3,330,000 tons. Eliminating military consumption, it would represent about 9.2 percent of estimated United States civilian consumption of sugar amounting to roughly 2,730,000 tons.

I understand that you have particularly requested the release of a document you received from the Department of Agriculture, entitled "United States Lend-Lease Exports of Major Food Products as Compared With Total Exports." Since this material is not only outdated but also only preliminary in nature, we shall have to make a detailed check of the figures before we can be in a position to release them as accurate. Although we shall be glad to move ahead on this if the enclosed information is not sufficient for your purpose, we cannot be sure it will be ready in time for your proposed speech, since the commodity break-down appears to be somewhat different from those which the Foreign Economic Administration customarily uses.

If you need any further information in connection with your proposed speech, would you please call upon me at any time.

Sincerely yours,

ALFRED E. DAVIDSON,
General Counsel.

Lend-lease food deliveries to all countries

[Millions of pounds]

Commodity	1942	1943	1944	January to March 1945
All meats (dressed-weight basis):				
Beef and veal	32.7	168.4	73.7	31.7
Lamb and mutton	4.3	126.2	65.4	19.4
Pork	1,320.6	2,022.4	1,585.0	359.9
Total	1,357.6	2,317.0	1,724.1	411.0
All milk products (fluid milk equivalent):				
Dry whole milk	2.5	18.9	22.1	10.3
Dry skim milk	132.1	225.6	197.2	14.2
Condensed and evaporated milk	354.2	540.2	566.0	115.9
Butter	16.5	83.4	82.0	9.1
Cheese	304.3	162.0	283.1	23.7
Eggs	650.3	977.4	973.1	108.7
Edible fats and oils	686.1	1,195.4	1,156.0	278.0
Canned fish	149.3	241.2	93.9	18.8

Lend-lease food deliveries to all countries—Continued

[Millions of pounds]

Commodity	1942	1943	1944	January to March 1945
Fruits:				
Canned fruits and juices	120.4	323.2	296.4	40.9
Dried fruits	182.5	295.5	290.8	83.8
Vegetables:				
Canned vegetables	54.0	101.6	216.3	52.2
Dried beans	109.2	307.9	249.5	100.6
Dried peas	43.9	127.3	150.4	43.9
Corn and corn products (grain equivalent)	521.1	438.1	221.2	167.9
Wheat and wheat products (grain equivalent)	424.3	1,092.0	796.9	320.7

Source: Foreign Economic Administration Office of General Counsel, Division of Research and Reports, June 20, 1945.

United States supply of specified commodities

[Millions of pounds]

Commodity	1942	1943	1944	January to March 1945
All meats (dressed-weight basis):				
Beef and veal	10,331	10,043	11,042	2,783
Lamb and mutton	1,054	1,129	1,030	227
Pork	11,183	13,866	14,368	2,877
Total	22,568	25,038	26,440	5,887
All milk products (fluid milk equivalent):				
Dry whole milk	68	144	192	65
Dry skim milk	586	603	689	186
Condensed and evaporated milk	4,194	4,181	4,233	1,066
Butter	2,264	2,042	1,961	435
Cheese	1,335	1,149	1,219	291
Eggs	6,836	7,914	8,056	1,857
Edible fats and oils	6,261	7,104	7,554	1,603
Canned fish	1,023	910	738	201
Fruits:				
Canned fruits and juices	5,064	4,472	5,048	1,196
Dried fruits	1,284	1,627	1,250	333
Vegetables:				
Canned vegetables	8,286	7,597	11,171	2,445
Dried beans	2,294	2,441	2,827	721
Dried peas	722	1,245	1,756	358
Corn and corn products (grain equivalent)	298,424	302,608	294,504	74,137
Wheat and wheat products (grain equivalent)	118,560	122,580	121,308	28,100

Source: Foreign Economic Administration, office of general counsel, Division of Research and Reports, June 20, 1945.

Lend-lease food deliveries in percent of supply

Commodity	1942	1943	1944	January to March 1945
Meats:				
Beef and veal	0.3	1.7	0.7	1.1
Lamb and mutton	.4	11.2	6.3	8.6
Pork	11.8	14.6	11.0	12.5
Total	6.0	9.3	6.5	7.0
Manufactured dairy products:				
Milk:				
Dry:				
Whole	3.7	13.1	11.5	15.8
Skim	22.5	37.4	28.6	7.6
Condensed, evaporated	8.4	12.9	13.4	10.9
Butter	.7	4.1	4.2	2.1
Cheese	22.8	14.1	23.2	8.1
Eggs	9.5	12.4	12.1	5.9
Edible fats and oils	11.0	16.8	15.3	17.3
Fish, canned	14.6	26.5	12.7	9.3
Fruits:				
Fruits and juices, canned	2.4	7.2	5.9	3.4
Fruits, dried	14.2	18.2	23.3	25.1
Vegetables:				
Vegetables, canned	.7	1.3	1.9	2.1
Beans, dried	4.8	12.6	8.8	14.0
Peas, dried	6.1	10.2	8.6	12.3

Lend-lease food deliveries in percent of supply—Continued

Commodity	1942	1943	1944	January to March 1945
Corn and corn products	0.2	0.1	0.1	0.2
Wheat and wheat products	.4	.9	.1	1.1

Source: Foreign Economic Administration, Office o General Counsel, Division of Research and Reports June 20, 1945.

FILING OF REPORT BY RULES COMMITTEE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file two special rules or resolutions, one on the Robinson bill and one on the revenue bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, do any of these rules have anything to do with appropriation bills?

Mr. SABATH. No.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and to include an article by John H. Cline, which appeared in the Washington Star of July 1, 1945.

THE NAZI-FALANGE REGIME OF SPAIN

Mr. COFFEE. Mr. Speaker, I ask unanimous consent to proceed for 6 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. COFFEE. Mr. Speaker, for many years I have time and again arisen on this floor to call the attention of this House to the menace of the Nazi-Falange regime of Spain. In the last session of this House, and again in this session, I have presented for your consideration a resolution calling for a complete diplomatic break with this last outpost of German fascism in Europe.

On June 19, at San Francisco, the position I have urged you to take on Franco Spain was completely vindicated by the delegates to the United Nations Conference on International Organization.

Ambassador Luis Quintinilla, of Mexico, speaking for the delegation of his great democratic nation, arose on the floor of the War Memorial Opera House at an open meeting of Commission 1 on that historic day and put Franco on trial before the United Nations. I would like to quote for you the complete text of his remarks:

STATEMENT BY DR. LUIS QUINTANILLA, AMBASSADOR OF MEXICO, AT THE FIRST PUBLIC SESSION OF COMMISSION I OF THE UNITED NATIONS CONFERENCE ON INTERNATIONAL ORGANIZATION

Mr. Chairman, I speak for the Mexican delegation.

My purpose is to make it clear that Mexico accepted the text of article 1, chapter III, with the understanding that membership in

the new international organization cannot be claimed by the defeated Axis Governments, or the de facto governments imposed by the military forces of the Axis.

We have in mind, not only the puppet government of Manchukuo, but, closer to us Spanish-speaking Republics, that of Spain.

Mr. Chairman, it is a well-established fact that military forces of Fascist Italy and Nazi Germany openly intervened to place Franco in power. And since this is a war to stamp out the last vestiges of the Axis—of which two members have already been defeated, and the third, Japan, is about to be crushed—then, it is not unreasonable to demand that no de facto government imposed upon any nation, by the military forces of the Axis, be permitted to participate in a conference, or in a society of United Nations.

There was a time—while the costly fight was going on—when some of the powers, directly concerned with the military conduct of the war, placed practical reasons of expediency above logical and, may I add, moral commitments. But fortunately, through the untold sacrifices of the great nations that comprise this Conference, the war in Europe is won. Mussolini is no more, and Hitler himself has disappeared. We can, at last, speak uncompromisingly.

We can now, without endangering the course of European operations, speak the whole truth. And the historical truth, sir, is that the military help given Franco by Mussolini's legions and Hitler's air power, is the sole reason why the Republic of Spain is not represented here today.

Moreover, it is ironical that the defeat of Hitler and Mussolini should lend itself to any maneuver tending to consolidate Franco's position in the postwar world.

The military intervention of Italian and German Armies in Spain constitutes a flagrant and criminal violation of the principle of "nonintervention which is so vitally important to Mexico and to all the small nations of the world. In fact, we consider this principle so essential to the maintenance of a decent world order, that if we should make one single exception, the whole structure of collective security and international law would be seriously endangered.

We would be the last to seek intervention in the internal affairs of Spain. But we demand that those groups who benefited by the military intervention of the Axis Powers be ignored in meetings of the United Nations.

Mussolini and Hitler, Franco's military protectors, have ceased to exist. But we maintain that their disappearance cannot, automatically and retrospectively, erase the sins of the man whom they helped to place in power.

Mr. Chairman, Spain was one of the first victims of international fascism. The hundreds of thousands of heroes who fought and died there for the cause of democracy were, indeed, the first allies of the United Nations. The millions who remain have the right to share our victory; a victory which is also their victory.

Like China and Ethiopia, Republican Spain was our first fighting ally. It must not, in this hour of trumph, become our forgotten friend.

In a telegram of congratulations sent to Mussolini in August 1937, on the occasion of the fall of Santander—a battle which cost the lives of thousands of freedom-loving citizens—Franco told Mussolini, "I feel particularly happy that the Italian troops, by 10 days of hard fighting, contributed strongly to the victory of Santander," and Mussolini replied, "This victory has crowned the heroism of the Italian legionnaires; the heroism recognized and praised not only in Italy, but throughout the world."

In 1938, at an official ceremony organized to decorate members of the Italian legions who fought in Spain, Franco exclaimed, "Legionnaires from Italy, soldiers of Imperial Italy, crusaders of the faith and of occidental civilization, I salute you with the love of a commander and the confidence of a leader—love and confidence born through our comradeship in war. I witnessed your deeds, I felt the warmth of your blood spilled upon the earth of Spain. I am aware of the fact that you abandoned your homes to follow the banners of your Roman legions."

We could quote countless statements in which Franco acknowledges with similar expressions of gratitude, the intervention of the Italian legions in his fight against democracy. Let me only add that he stated with equal warmth his gratitude to Hitler for the military help given by him to Spanish fascism. "I assure you," said Franco to Germany in 1937, "that my gratitude will be deep and enduring. I express the ardent wish that the friendship between Spain and Germany be rooted forever in the hearts of our peoples."

The German Ambassador in Madrid confirmed this collaboration when he decorated Franco in September 1941, and said: "The Fuehrer, Supreme Chief of the victorious German armies, in bestowing this cross upon the Generalissimo, the invincible Spanish Caudillo, wishes to testify how intimately are bound together, not only our two peoples, but especially our two armies, whose commanders, officers, and soldiers fought side by side during the first 3 years of this heroic crusade. Germany's war, which is not ended yet, is a war against our same common enemy, who continues to delude the world with the theories of liberalism and democracy."

And still later, in December 1942, at the very moment when the decisive battle of Stalingrad was raging, Franco sent a telegram to Hitler, assuring him that he was praying for his triumph. Two days afterward, speaking at Seville, he promised Hitler: "We maintain our traditional policy, our loyalty to the peoples who shared our burdens. If some day Berlin is in danger, Spain will send a million men, if necessary to defend it."

Finally, allow me to recall that in a telegram sent to Hitler, Franco had the audacity to say: "With all my heart I share your aspiration that the great German Empire may reach its immortal destiny, under the glorious sign of the swastika, and under your inspired leadership. Heil Hitler!"

Mr. Chairman, the Mexican delegation submits that the voice that spoke those words must never be heard in the international organization which you, gentlemen, are creating here.

Upon the conclusion of these remarks, Ambassador Quintinilla then proposed that the Nazi-Falange regime of Spain and any other Axis-created regime be permanently barred from membership in the United Nations world organization.

His words were cheered to the rafters. The delegates of Australia, Belgium, Guatemala, France, the Byslo Russian, and the Ukranian Soviet Socialist Republics, Uruguay and Chile rose enthusiastically to second the Mexican proposal and to add the charges of their people to this indictment of the Axis regime of Spain.

Mr. James Clement Dunn, Assistant Secretary of State, arose for our Government and also spoke on the motion. As we all know, Mr. Dunn had until that moment been one of the most stubborn defenders of the Franco regime. While his speech of support for the motion to bar the Franco regime might have lacked the fire and spirit of the French and Australian and other seconding speeches, it was nevertheless not lacking in clarity. The delegation of the United States joined with every other delegation in voting by acclamation to support the proposal of the Mexicon delegation.

At long last, the United States had taken the first step along the road of putting our policies toward Spain back in the democratic column.

Naturally, our action on Spain at UNCIO must not be our final action against Spanish fascism. There can be only one logical consequence to our repudiation of Franco at San Francisco. If the Axis-created Nazi-Falange regime of Spain is unfit to be admitted to membership in the new world organization, then obviously it is also unfit to receive the vital aid and sustenance of diplomatic and commercial relations with the United States.

From all over Spain, the voices of the Spanish people rise as one voice to tell us that only the benefits the Franco regime derives from his diplomatic relations with the United States and Great Britain keep his Fascist regime alive.

The Soviet Union and Mexico never recognized the Franco regime. China broke diplomatic relations with Franco 2 years ago, when he recognized the puppet regime set up by his Axis brother, Hirohito, in Manchuria. This year, Guatemala broke diplomatic relations with the Franco tyranny within a few hours after she rid herself of her own tyrants. The Cuban lower house, during the San Francisco Conference, voted 63 to 5 in favor of a diplomatic break with Franco. The Foreign Affairs Committee of the French Consultative Assembly has also voted for a break with the Franco regime.

We are the leading democratic nation of the world. It is not for us to follow the lead of other nations in establishing democratic foreign policies. It is our immortal destiny to lead the democratic world, to set an example to the world.

Mr. Speaker, for all my warm admiration of Ambassador Luis Quintinilla, I must confess that I, as an American, am ashamed that it was a Mexican and not a United States delegate who brought the crimes of Franco Spain before the United Nations Conference at San Francisco.

It is time for us to act. I have before me an amended text of House Resolution 100, which has been given the new number House Resolution 312, my resolution of January 1945, which I have amended in conformity with the vote of our delegation at the United Nations Conference on International Organization at San Francisco. I offer it for your consideration.

The amended text is as follows:

Whereas it has been proven to the satisfaction of the world that the regime of Francisco Franco and the Falange in Spain was created by the military forces of the Fascist Axis; and

Whereas the assembled delegates of the United Nations, gathered in solemn conference at San Francisco on June 19, 1945, voted by acclamation to permanently bar from membership in the new world organization the fascist Government of Spain for the above reason; and

Whereas the spokesman for the United States at San Francisco spoke for and voted for the motion to bar the Franco regime from the world organization because it was created by the Axis; and

Whereas it has been proven before this House that the German cartels which brought Hitler to power and plunged the world into the most terrible war of all times are now in control of the industrial and natural resources of Spain; and

Whereas the continuation in power of a German cartel-controlled regime in Spain directly menaces the peace and security of the entire Western Hemisphere; and

Whereas the heroic and long-suffering people of Spain, the first people to take up arms against the Axis forces in Europe and the first fighting members of the armies of the United Nations, have repeatedly asked the democratic nations to break all diplomatic and commercial relations with the present Axis-created Government of Spain; and

Whereas our repudiation of the Franco regime of Spain before the United Nations Conference on International Organization has committed the American people to completing our sacred obligations to all the soldiers and civilians of the United Nations who fell on the Spanish, French, African, Russian, Asiatic, and other battlefields of this great World War against fascist aggression: Now, therefore, be it

Resolved, That we the people of the United States, acting through our elected representatives in the House of Representatives in Washington, urge it upon the President of the United States to preserve our victories over Axis fascism in Europe by immediately breaking all diplomatic and commercial relations with the present fascist Government of Spain and maintaining this democratic policy of nonrecognition until our earliest European allies of this war, the people of Spain, have once again availed themselves of their God-given right to establish in Spain a friendly government of the people.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks, to include therein an address delivered by the Mexican Ambassador at San Francisco, and a copy of the bill, H. R. 100, which I am introducing tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 8 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 3, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

598. A letter from the Secretary of Labor, transmitting a report of the business of the Department of Labor for the fiscal year ending June 30, 1945; to the Committee on Labor.

599. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost in the disaster to the steamship *Maasdam* on June 26, 1941; to the Committee on Claims.

600. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 255. Pesolution authorizing the Committee on Roads, as a whole or by subcommittees, to investigate the Federal road system, and for other purposes; without amendment (Rept. No. 847). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 311. Resolution providing for the consideration of H. R. 3633, a bill to facilitate reconversion, and for other purposes; without amendment (Rept. No. 848). Referred to the House Calendar.

Mr. DOUGHTON of North Carolina: Committee on Ways and Means. H. R. 3633. A bill to facilitate reconversion, and for other purposes; with amendment (Rept. No. 849). Referred to the Committee of the Whole House on the State of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII the Committee on Pensions was discharged from the consideration of the bill (H. R. 3642) granting a pension to J. F. Perfect, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. VOORHIS of California introduced a bill (H. R. 3648) to help arrest inflation; to prevent future inflation and deflation; to enable Government to control the volume of money in order to check the hitherto wide fluctuations in the volume of money, thereby to mitigate fluctuations in business activity and production; to aid in assuring full employment; to substitute physical money for bank credit as the principal means of payment; to improve the banking system, and for other purposes; which was referred to the Committee on Banking and Currency.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Texas expressing to the members of the Interstate Commerce Commission and the Texas delegation in Congress gratitude for the recent Interstate Commerce Commission decision in the interterritorial rate case; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Belgian Chamber of Representatives, paying tribute to the memory of Franklin Delano Roosevelt; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1038. By the SPEAKER: Petition of Rabbi Moses Reingewirtz, petitioning consideration of his resolution with reference to the Jewish situation in Europe; to the Committee on Foreign Affairs.

SENATE

TUESDAY, JULY 3, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Heavenly Father, as Thou hast bound together the peoples of the earth, with all their differing traditions and cultures, in a costly struggle for liberty, hold them in one resolve as they solemnly accept measures devised to maintain order and to prevent war. Hasten, we beseech Thee, through us the day of an ampler life for all, when every man shall dwell in safety among his neighbors, free from gnawing want, free from torturing fears, free to speak his thoughts, and free to choose his altar of worship. Above all other acclaim or reward, we crave the assurance of Thy approving voice: "Blessed are the peacemakers, for they shall be called the children of God." In the name of the Prince of Peace. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., July 3, 1945.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CARL A. HATCH, a Senator from the State of New Mexico, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. HATCH thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the Journal of the proceedings of Monday, July 2, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that the President had approved and signed the following acts and joint resolutions:

On June 30, 1945:

S. 937. An act to amend the act suspending until June 30, 1945, the running of the statute of limitations applicable to violations of the antitrust laws, so as to continue such suspension until June 30, 1946;

S. J. Res. 30. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended; and

S. J. Res. 65. Joint resolution to transfer to the Reconstruction Finance Corporation the functions, powers, duties, and records of certain corporations.

On July 2, 1945:

S. 463. An act to amend section 927 of the Code of Laws of the District of Columbia, relating to insane criminals.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following

letters, which were referred as indicated:

SUPPLEMENTAL ESTIMATE—FEDERAL WORKS AGENCY (S. DOC. NO. 71)

A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Federal Works Agency amounting to $25,000,000, and in addition contract authority amounting to $75,000,000, for the fiscal year 1945 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED PROVISION PERTAINING TO EXISTING APPROPRIATION FOR NATIONAL HOUSING AGENCY (S. DOC. NO. 72)

A communication from the President of the United States, transmitting a proposed provision pertaining to an existing appropriation for the National Housing Agency, fiscal year 1945 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORTS ON DISTRIBUTION METHODS AND COSTS

Two letters from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, reports of the Commission entitled "Distribution Methods and Costs: Part VII—Cost of Production and Distribution of Fish in the Great Lakes Area, and Part VIII—Cost of Production and Distribution of Fish in New England" (with accompanying reports); to the Committee on Commerce.

PERSONNEL REQUIREMENTS—REPORT OF DIRECTOR OF THE BUREAU OF THE BUDGET

A letter from the Director of the Bureau of the Budget, transmitting, pursuant to law, his eighth and final report covering determinations of the Director during the fourth quarter of the fiscal year 1945 of the numbers of employees required by the executive departments and agencies for the proper and efficient exercise of their respective functions (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

ORDER OF BUSINESS

Mr. BILBO and other Senators addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi was on his feet first, and is recognized.

Mr. BILBO. Mr. President, I understood that the Senator from North Dakota [Mr. BUSHFIELD] had the floor to make an address, but he agreed to yield to me. I want to invite the attention of my colleagues to the most interesting letter and argument I have ever read.

Mr. TAFT. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. Under what order of business is the Senate proceeding?

The ACTING PRESIDENT pro tempore. The Senate is in the morning hour.

Mr. BARKLEY. I hope Senators will permit the morning business to be concluded before they attempt to deliver any addresses, because it will take but a few minutes.

The ACTING PRESIDENT pro tempore. The regular order of business has been called for.

Mr. BILBO. Mr. President, I am glad to yield until the morning business is concluded.

The ACTING PRESIDENT pro tempore. Petitions and memorials are in order.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of California; to the Committee on Military Affairs:

"Assembly Joint Resolution 16

"Joint resolution relative to memorializing Congress to enact legislation to establish permanent military and naval academies on the Pacific and Gulf coasts

"Whereas the facilities of West Point Military Academy and Annapolis Naval Academy have reached the limit of expansion at their present sites and have been entirely inadequate for the needs of the present war, as the great but temporary officer training establishments now in operation throughout the country attest; and

"Whereas the postwar military and naval training program is not likely to recede to the proportions of the prewar program and in fact may be one of tremendous expansion should universal training legislation be enacted by Congress; and

"Whereas world conditions and the war have made it advisable that cadets and midshipmen be familiar with the Pacific and Gulf coasts as well as with the Atlantic coast, and it is to the interest and advantage of the Nation that officer training facilities be permanently established within the areas of the Nation's greatest and most vital military and naval concentrations; and

"Whereas there are many miles of coast along the Pacific and Gulf which would afford the country ideal locations for both military and naval academies; and

"Whereas Senator THEODORE G. BILBO, of Mississippi has introduced at this session of Congress a bill to establish permanent military and naval academies on the Pacific and Gulf coasts, supplementing the existing institutions at West Point and Annapolis; and

"Whereas the Legislature of the State of California believes that legislation along such lines is in the best interest and to the utmost advantage of the Nation: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the President and Vice President of the United States and the Senate and House of Representatives of the United States be memorialized to enact at this session legislation to establish permanent military and naval academies on the Pacific and Gulf coasts; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to the Senators and Representatives from California."

A resolution of the Assembly of the State of California; to the Committee on Commerce:

"House Resolution 302

"Resolution relating to construction of a breakwater near Half Moon Bay in San Mateo County

"Whereas surveys are now being made in anticipation of the construction of a breakwater near Half Moon Bay in San Mateo County; and

"Whereas many advantages will accrue from the construction of such a breakwater, including providing a safe anchorage for naval vessels, a landing place for seaplanes, shelter for fishing boats and small craft in stormy weather, and a safe anchorage for unloading fishing boats which will save a substantial amount of time in transmitting their cargoes to market in San Francisco: Now, therefore, be it

"Resolved by the Assembly of the State of California, That the members thereof urge the United States Army Corps of Engineers to approve the construction of such breakwater; and be it further

"Resolved, That the Congress of the United States is urged to appropriate sufficient money for the construction thereof; and be it further

"Resolved, That the chief clerk of the assembly is instructed to transmit copies of this resolution to the President of the United States, the President pro tempore of the United States Senate, to each Member of the Senate and the House of Representatives from California in the Congress of the United States and to General Robins, Chief of the United States Army Corps of Engineers."

Three joint resolutions of the Legislature of the State of California; to the Committee on Finance:

"Assembly Joint Resolution 27

"Joint resolution relative to memorializing Congress to enact legislation providing for the prompt return to their homes of runaway, transient, or vagrant children of juvenile age, going from one State to another without proper legal consent, through the use of funds appropriated under the provisions of the Social Security Act for aid to dependent children

"Whereas the prevention of juvenile delinquency is a matter of utmost concern to the legislature and people of the State of California; and

"Whereas the wandering of children from State to State without proper supervision and control has in the past been a major contributing factor in the creation of delinquent and criminal careers; and

"Whereas it is appropriate that provision be made for the return to their own homes ar communities of such children as a part of the child-welfare program of the Federal Government; and

"Whereas a bill is now pending in the Congress, introduced February 2, 1945, by the Honorable PAT CANNON, of the Fourth Congressional District of the State of Florida, as H. R. 1965, which proposes to achieve this purpose: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States is memorialized to enact legislation similar to H. R. 1965 now pending in Congress, to provide necessary funds for the return to their homes of runaway, transient, or vagrant children of juvenile age, through the use of funds appropriated under the provisions of the Social Security Act for aid to dependent children; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 49

"Joint resolution relative to commending the general intent and purposes of the Servicemen's Readjustment Act of 1944 and urging early enactment by Congress of pending legislation to remedy incidental defects in said act and to remove initial administrative difficulties thus far encountered

"Whereas considerable criticism has been voiced concerning the Servicemen's Readjustment Act of 1944, the so-called GI bill, under which returning World War II veterans are provided with Federal aid for their readjustment in civilian life; and

"Whereas said act is a new type of legislation, broader in scope and of necessity more administratively complex than the legislation providing benefits to World War I veterans; and

"Whereas early experience under said act has revealed certain incidental defects in its provisions and initial difficulties in its administration, for which remedial legislation, as proposed and supported by the American Legion and the Veterans of Foreign Wars, is now pending before Congress; and

"Whereas the general intent and purposes of the Servicemen's Readjustment Act are meritorious, with which the Legislature of California is in sympathy and accord: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That Congress is hereby respectfully memorialized to give early consideration to pending remedial legislation, as proposed and supported by the American Legion and the Veterans of Foreign Wars, in respect to the Servicemen's Readjustment Act of 1944, to the end that early enactment of said legislation may be had and cause for existing criticism removed; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States."

"Assembly Joint Resolution 55

"Joint resolution relative to investigation of conditions and making needed corrections at veterans' hospitals.

"Whereas during recent weeks many persons and organizations have severely condemned certain conditions in veterans' hospitals in various parts of the country, including particularly the veterans' hospitals at Livermore and Sawtelle, Calif., as being inadequate to accommodate the demands upon them, or poor in quality of facilities, or for having incompetent professional staffs or personnel; and

"Whereas for some time to come the number of veterans requiring hospital treatment will probably increase, and it is imperative that any inadequacy in the facilities for the treatment of such veterans be corrected as soon as possible; Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the Congress of the United States be and it is urged to make an immediate investigation of conditions in the several veterans' hospitals throughout the country, including more particularly the hospitals at Livermore and Sawtelle, Calif., and determine whether the facilities in any of said hospitals are adequate for the present and future demands that will certainly be made upon them, whether the hospitals are competently administered and whether the personnel and professional staff thereof are adequate in number and competent, and take such steps as may be necessary to insure to our sick and wounded veterans treatment which will be entirely adequate to their needs; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; ordered to lie on the table:

"Assembly Joint Resolution 48

"Joint resolution relative to memorializing the President and Congress to enact S. 807, providing for increases in compensation to Federal employees

"Whereas members of the Federal service represent a highly loyal and efficient group of public employees; and

"Whereas these employees, though confronted with greater duties than heretofore, longer working hours and a rise in the cost of living, have continued to perform their work in the same diligent, faithful, and efficient manner as in the past; and

"Whereas to remedy these inequities there is now pending before Congress S. 807, to improve salary and wage administration in the Federal service, to provide pay for overtime and for night and holiday work, to increase the basic rates of pay for Federal employees, and for other and related purposes: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the legislature hereby endorses S. 807 of the Seventy-ninth Congress, first session, and respectfully memorializes Congress to enact this meritorious measure at as early a date as possible; and be it further

"Resolved, That the chief clerk of the assembly is directed to transmit copies of this resolution to the President of the United States, the President pro tempore of the Senate of the United States, the Speaker of the House of Representatives of the United States, and to each Senator and Representative from California in the Congress of the United States, and that the Senators and Representatives from California are respectfully urged to give full support to such legislation."

A resolution adopted by the Territorial Filipino Council of Hawaii, meeting in Washington, D. C., favoring the enactment of House bill 776, to authorize the naturalization of Filipinos; to the Committee on Immigration.

A resolution adopted by the City Council of the City of Oakland, Calif., favoring an investigation of the proposed construction by the War Department of an ammunition-loading facility in Marin County, Calif.; to the Committee on Military Affairs.

A letter in the nature of a memorial from Mrs. Lola Rennebeck, of San Diego, Calif., remonstrating against rationing regulations, rent control, etc., as administered by the Office of Price Administration; to the Committee on Banking and Currency.

A letter in the nature of a petition from Darien Austin Straw, of Wheaton, Ill., suggesting certain peace terms for Japan; to the Committee on Foreign Relations.

By Mr. TYDINGS:

A resolution adopted by 1,500 housewives of the State of Maryland and the District of Columbia, favoring the adoption of House Resolution 278, authorizing the Committee on Agriculture of the House of Representatives to investigate the effect upon the food supply of the order of the War Production Board to permit distillers to manufacture distilled liquors for beverage purposes during the month of July 1945; to the Committee on Agriculture and Forestry.

SAN FRANCISCO CONFERENCE OF UNITED NATIONS—RESOLUTION OF NORWALK (CONN.) TOWN HALL ASSOCIATION

Mr. McMAHON. Mr. President, I present a resolution adopted by 1,000 members of the Norwalk (Conn.) Town Hall Association, on April 18, 1945, relating to the San Francisco Conference, and ask that it be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

We, the 1,000 members of the Norwalk (Conn.) Town Hall Association, assembled at a meeting, Wednesday evening, April 18, at the Norwalk High School, do hereby unanimously resolve:

That as American citizens conscious of our responsibilities, we express our confidence in and good wishes for the San Francisco Security Conference. In Dumbarton Oaks we see a promising foundation for a durable organization of the nations, and we are looking to the San Francisco Conference to help design the plans for the actual structure of such an organization.

We do not expect that a perfect structure will come into being overnight, and we recognize that patience and perseverance may be no less important than wisdom in making the new world organization a success. We realize, too, that no organization, national or international, can succeed because of the form alone or the substance alone. Of equal or even greater importance is the spirit, determination, and efficiency with which the peoples of the world carry on the day-by-day work of this organization and fulfill its purposes.

We believe that those purposes should be to give the peoples of the world a fighting chance for peace; they should keep the United States united by the common hope for tomorrow, just as they are united in the face of a common danger today; they should give meaning to the reality that the entire world has become a single neighborhood where the alternative to strong, close social and economic association and cooperation is international anarchy.

In order to achieve these purposes, we specifically and respectfully urge the prompt passage, without amendment, of the Bretton Woods proposals; we specifically and respectfully urge that the American delegates to a world security council be empowered to commit this Nation to forestall aggression without first obtaining sanction of Congress; we specifically and respectfully urge ratification by the Senate of such agreements as are recommended by the American delegation at the San Francisco Security Conference.

We believe that in every crisis there is both opportunity and danger. We are aware of both. But we see in the opportunity before us a real chance to prove that the human race is worth God's gift of life.

UNITED NATIONS CHARTER—LETTER AND STATEMENT FROM FEDERAL COUNCIL OF THE CHURCHES OF CHRIST IN AMERICA

Mr. CAPPER. Mr. President, I have received a letter from Mr. Samuel McCrea Cavert, general secretary of the Federal Council of the Churches of Christ in America, transmitting copy of a statement by the executive committee of the council, approving the United Nations Charter. I am in full accord with the stand taken by this organization and ask that the letter and statement be printed in the RECORD and appropriately referred.

There being no objection, the letter and statement were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

THE FEDERAL COUNCIL OF THE
CHURCHES OF CHRIST IN AMERICA,
New York, N. Y., July 3, 1945.

The Honorable ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR CAPPER: The executive committee of the Federal Council of the Churches of Christ in America adopted unanimously, at its meeting on June 26, the enclosed statement on the Charter of the United Nations.

The statement is expected to be read in Protestant Churches across the Nation on Sunday, July 22, or the earliest Sunday thereafter.

It is our earnest hope that the Senate will take the lead in ratifying the Charter without delay.

Sincerely yours,
SAMUEL MCCREA CAVERT,
General Secretary.

THE CHURCHES AND THE CHARTER OF THE UNITED NATIONS

(A statement adopted by the executive committee of the Federal Council of the Churches of Christ in America, June 26, 1945)

We are grateful to God that the prayers of the Christian peoples of the world for the success of the San Francisco Conference have been answered in the agreement to establish the United Nations organization.

The Charter of the United Nations offers mankind an important means for the achievement of a just and durable peace. The new organization, projected after so great suffering and sacrifice of this world war, can help governments to join their moral and material resources in support of a system of world order and justice. The Churches of Christ in America have long held that nations can better serve God's purpose for the world as they are brought into organic relationship with one another for the common weal. The Charter signed at San Francisco marks a genuine advance toward this end. It remains for the peoples to make the promise of the Charter a living and growing reality.

We believe the overwhelming majority of the people of our churches desire to see our Nation join with other nations in a common effort to develop an international society free from the curse of war.

We believe it is the clear duty of our Government promptly to ratify the Charter and thus to assure cooperation by the United States in the task of making the organization an effective agency for the maintenance of international peace and security.

At the time when the Dumbarton Oaks proposals were before the country for public discussion, the Federal Council of the Churches of Christ in America expressed the belief that "the proposed organization, with such beneficial modifications as ought to result from further consideration by the prospective members, can be developed into one which will commend itself to the Christian conscience."

The Charter of the United Nations embodies many of the changes recommended by thoughtful Christians of different communions for the improvement of the Dumbarton Oaks proposals. The humanitarian aims set forth in the preamble, the greater importance and increased functions given to the General Assembly and the Economic and Social Council, the concern manifested for human rights and fundamental freedoms, the moral sanction given to the decisions of the International Court of Justice, and the purposes to be served by the Trusteeship Council, together with the declared policy regarding non-self-governing territories, tend to bring the organization more nearly into accord with Christian principles of world order.

We are aware of the need to develop the curative and creative functions of the organization. The best hope for the organization's success lies in building up as quickly as possible, during the period of relative military exhaustion, those methods of economic and social cooperation represented by the Economic and Social Council. Such cooperation over the years can prevent international tensions from becoming threats to the peace.

In many respects the Charter will need continued improvement after it has been ratified and has become operative. To these improvements the churches and all men of good will must dedicate themselves in the coming years.

However, the greatest obstacle to the Charter's potentialities for good lies in the tensions, misunderstandings and still unbridged difficulties between the major powers upon whom the primary responsibility for maintaining peace at present devolves. There will be required of the peoples of the world and of our own Nation a very high sense of responsibility and a will to peace to overcome the obstacles which the world still faces in achieving genuinely mutual relationships. There needs to be developed a clearer recognition of the principle that there is a common concern of humanity which takes precedence over the narrow interests of any nation or group of nations. A new will to collaborate must be born in the hearts and minds of men if the organization is to fulfill its purpose. Lacking such a will to make the machinery work, a better organization than that proposed in the charter would fail. There is no substitute for the will to peace and justice.

Accordingly, we believe that a heavy responsibility rests upon Christians to help create an invincible determination to use fully the procedures provided by the Charter. The peoples and governments need to commit themselves to the long and difficult task of attaining the moral goals set forth in the Charter. Let the Churches of Christ lead in making this commitment wholeheartedly.

The will to cooperate requires, as its foundation, a new international morality. Without this, the structure of the peace will rest on shifting sands. The building of a better world order under God's Providence requires better men and women. Herein is to be found the principal challenge to the churches. To establish a strong core of world-minded Christians at the center of international life is the inescapable duty of the ecumenical church. To this end we need to intensify our efforts for Christian reconstruction and missions. We must increase our educational programs for training Christian citizens in their obligations in an interdependent world. We ought to help build the World Council of Churches into the living expression of God's will for the Christian community. Let Christian fellowship pioneer in international understanding and reconciliation, so that all of the family of nations may work together in harmony.

The road to a better world order is long. The journey is arduous. Only God can assure its achievement. As we move forward we humbly seek His help.

REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. BUTLER, from the Committee on Agriculture and Forestry, to which was referred the resolution (S. Res. 135) to investigate the existing shortage of newsprint, reported it without amendment, submitting a report (No. 451) thereon, and, under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

PERSONS EMPLOYEED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The ACTING PRESIDENT pro tempore laid before the Senate reports for the month of June 1945, from the acting chairman and chairmen of certain committee, in response to Senate Resolution 319 (78th Cong.) relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

COMMITTEE ON INTERSTATE COMMERCE

JUNE 15–30, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of June, 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Alma B. Kidwell	113 Park Blvd. SE	Federal Communications Commission	$1,800

B. K. WHEELER, *Chairman.*

COMMITTEE ON PENSIONS

JULY 2, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of June, 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Louis J. Meyerle	612 Bennington Dr., Silver Spring, Md	Veterans' Administration	$5,000

JAMES M. TUNNELL, *Chairman.*

SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION

JULY 2, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lauretta April	2714 Quarry Rd. NW., Washington, D. C.	War Production Board, 3d St. and Independence Ave. SW.	$3,200
Groff Conklin	514 2d St. NW., Washington, D. C.	do.	5,600
Philip C. Curtis	4303 Russell Ave., Mount Ranier, Md.	Navy Department, 18th St. and Constitution Ave. NW.	3,800
Richard P. Daniels	1743 Columbia Rd. NW., Washington, D. C.	Federal Public Housing Authority, 1201 Connecticut Ave. NW.	1,440
Marion Dillon	3659 Minnesota Ave. SE., Washington, D. C.	Navy Department, 18th St. and Constitution Ave. NW.	3,200
Ruth Fine	804 Houston Ave., Takoma Park, Md.	Federal Public Housing Authority, 1201 Connecticut Ave. NW.	2,000
Rose Gerber	2513 14th St. NE., Washington, D. C.	Navy Department, 18th St. and Constitution Ave. NW.	2,000
Joseph McMurray	120 C St. NE., Washington, D. C.	Department of Labor, 14th St. and Constitution Ave. NW.	4,600
Carl Malmberg	1813 F St. NW., Washington, D. C.	Federal Security Agency, 1825 H St. NW.	5,600
Love Morgan	1607 18th St. SE., Washington, D. C.	Veterans' Administration, Vermont Ave. and I St. NW.	2,000
Ruth Morgenstein	3022 Rodman St. NW., Washington, D. C.	do.	2,600
Lt. Leslie Falk, Medical Corps, Army of the United States.	2804 Terrace Rd. SE., Washington, D. C.	U. S. Army, Pentagon Bldg.	2,000
Lt. Comdr. John B. Truslow, Medical Corps, U. S. Naval Reserve.	2007 Peabody St., West Hyattsville, Md.	U. S. Navy, 18th St. and Constitution Ave. NW.	3,000

CLAUDE PEPPER, *Chairman.*

SENATE MILITARY AFFAIRS COMMITTEE, SUBCOMMITTEE ON WAR MOBILIZATION

JULY 2, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Ann S. Gertler	3721 39th St. NW., Washington, D. C.	Department of the Interior, Washington, D. C.	$2,000
Hope C. Heslep	2 East Maple St., Alexandria, Va.	War Manpower Commission, Washington, D. C.	2,000
Joan P. Karasik	1919 19th St. NW., Washington, D. C.	Foreign Economic Administration, Washington, D. C.	3,800
C. Theodore Larson	3917 North 5th St., Arlington, Va.	National Housing Agency, Washington, D. C.	5,600
Fritzie P. Manuel	1621 T St. NW., Washington, D. C.	War Manpower Commission, Washington, D. C.	4,600
Darel McConkey	509 Fontaine St., Alexandria, Va.	War Production Board, Washington, D. C.	4,600
Cora L. Moen	5327 16th St. NW., Washington, D. C.	Office of Price Administration, Washington, D. C.	2,000
Elizabeth H. Oleksy	1620 Fuller St. NW., Washington, D. C.	War Production Board, Washington, D. C.	2,600
Mary Jane Oliveto	500 B St. NE., Washington, D. C.	National Housing Agency, Washington, D. C.	1,800
Francis C. Rosenberger	5814 64th Ave., East Riverdale, Md.	Office of Price Administration, Washington, D. C.	4,600
Herbert Schimmel	3604 Minnesota Ave. SE., Washington, D. C.	War Production Board, Washington, D. C.	8,000
Marjorie J. Tillis	211 Delaware Ave. SW., Washington, D. C.	Foreign Economic Administration, Washington, D. C.	3,200

H. M. KILGORE, *Chairman.*

UNITED STATES SENATE,
SPECIAL COMMITTEE TO STUDY
PROBLEMS OF AMERICAN SMALL BUSINESS,
June 30, 1945.

Mr. LESLIE L. BIFFLE,
Secretary of the Senate,
United States Capital,
Washington, D. C.

DEAR MR. BIFFLE: Pursuant to Senate Resolution 55 I am transmitting herewith a list of employees of the Special Committee to Study Problems of American Small Business who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the Department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,

JAMES E. MURRAY,
Chairman.
By CHARLES A. MURRAY,
Secretary.

SPECIAL COMMITTEE TO STUDY AND SERVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES

JULY 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Crivella, Agnes E.	1408 Buchanan St. NW., Washington, D. C.	War Production Board, Washington, D. C.	$2,700
Devitt, Emerald G.	2425 27th St. South, Arlington, Va.	do.	2,100
Eccles, Parley P.	4408 1st Pl. NE., Washington, D. C.	War Department, Washington, D. C.	6,500
Edelsberg, Herman	2141 Suitland Terrace SE., Washington, D. C.	Foreign Economics Administration, Washington, D. C.	6,500
Evans, Harry J.	3010 Gainesville St. SE., Washington, D. C.	Reconstruction Finance Corporation, Washington, D. C.	6,500
Forbes, F. Preston	502 Fourmile Rd., Alexander, Va.	Department of Commerce, Washington, D. C.	4,600
Fuller, Carol M.	2101 S St. NW., Washington, D. C.	Office of Price Administration, Washington, D. C.	2,100
Gray, Scott K., Jr.	119 Joliet St. SW., Washington, D. C.	Reconstruction Finance Corporation, Washington, D. C.	4,600
Groeper, Stella J.	1127 Branch Ave. SE., Washington, D. C.	War Production Board, Washington, D. C.	2,600
Kimball, Kathleen	1701 Park Rd. NW., Washington, D. C.	do.	2,000
Lucas, Elizabeth P.	1730 North Quincy St., Arlington, Va.	do.	1,860
Nelson, John W.	The Delano Apartments, Washington, D. C.	do.	5,600
O'Mullane, Vernice M.	Alcott Hall, Washington, D. C.	do.	1,680
Purdy, Grace F.	230 Rhode Island Ave. NE, Washington, D. C.	Office of Price Administration, Washington, D. C.	3,300
Ray, Martha G.	5909 32d St. NW., Washington, D. C.	War Production Board, Washington, D. C.	2,100
Soule, George H., Lt.	4020 Beecher St. NW., Washington, D. C.	Navy Department, Washington, D. C.	2,400
Spicer, L. Evelyn	1708 Kilbourne Pl. NW., Washington, D. C.	War Production Board, Washington, D. C.	2,600
Steckman, Frederick W.	4000 Cathedral Ave. NW., Washington, D. C.	Maritime Commission, Washington, D. C.	5,000
Strubel, Margie L.	4632 12th St. NE., Washington, D. C.	War Production Board, Washington, D. C.	1,800
Thurman, Allen G.	210 East Shepherd St., Chevy Chase, Md.	Maritime Commission, Washington, D. C.	6,500
Van Tassel, Alfred J.	1622 Mount Eagle Pl., Alexandria, Va.	War Production Board, Washington, D. C.	6,500
Yelencsics, Olga	2400 13th St. NW., Washington, D. C.	do.	2,100

JAMES E. MURRAY, *Chairman.*

SENATE COMMITTEE ON PUBLIC LANDS AND SURVEYS,
June 30, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944 (see attached memorandum):

To: Senator CARL A. HATCH, chairman, Senate Committee on Public Lands and Surveys.

From: Senator PAT MCCARRAN, chairman, Subcommittee on Administration and Use of Public Lands

Those detailed from the Department of Agriculture, Forest Service, to assist with the work of the above subcommittee are as follows:

E. S. Haskell, senior administrative officer, Forest Service, CAF–12; basic salary, $5,000 per annum.

Elizabeth Heckman, clerk, CAF–5; basic salary, $2,000 per annum.

CARL A. HATCH,
Chairman.

By W. H. MCMAINS,
Clerk.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. STEWART:

S. 1221. A bill for the relief of Maxey and Donnelly Motor Co.; to the Committee on Claims.

(Mr. LANGER introduced Senate bill 1222, which was referred to the Committee on Civil Service, and appears under a separate heading.)

(Mr. MAYBANK introduced Senate bill 1223, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

(Mr. LUCAS introduced Senate bill 1224, which was referred to the Committee on Agriculture and Forestry, and appears under a separate heading.)

By Mr. MCMAHON (by request):

S. 1225. A bill for the relief of William S. Meany; to the Committee on Post Offices and Post Roads.

(Mr. HATCH introduced Senate bill 1226, which was referred to the Committee on Public Lands and Surveys, and appears under a separate heading.)

ADJUSTMENT IN PAY OF CERTAIN FEDERAL EMPLOYEES

Mr. LANGER. Mr. President, I introduce for appropriate reference a bill to provide an adjustment of pay of Federal employees whose compensation is fixed by wage boards and whose hours of employment for which overtime compensation is payable are reduced.

I introduce the bill in view of the fact that the junior Senator from Virginia [Mr. BYRD] announced the other day that he had asked the President to cut the work hours to 44 hours a week.

The bill (S. 1222) to provide for an adjustment in the pay of Federal employees whose compensation is fixed by wage boards, when hours of employment for which overtime compensation is payable are reduced, introduced by Mr. LANGER, was read twice by its title and referred to the Committee on Civil Service.

LEGAL TENDER TO ARMED FORCES OVERSEAS

Mr. MAYBANK. Mr. President, I introduce a bill and ask to have it referred to the appropriate committee. The substance of it is to prohibit payment of pay and allowance of members of the armed forces serving overseas in currency or coin other than legal tender of the United States.

I may say that I am one who believes in the international bank and stable currency throughout the world, but I am not one who believes that the boys who have made possible our great victories in Europe should be paid in the unstable currencies of Europe. At the present time that works a great hardship on them. If it is necessary for our allies to stabilize these currencies then it should be done without any hardship to the armed forces; but when our soldiers overseas are paid in French francs or Belgian francs or Italian lira, or whatever money it may be, whose value is far less in purchasing power than the money of the United States, their compensation is materially reduced below what we in the Congress of the United States expected it to be when we voted not only increased compensation to the armed forces but from time to time by bills from the Military Affairs Committee, which were passed, increased the amounts paid to their dependents.

In conclusion, it is my hope and desire to see that the American soldiers, who naturally will be in the Army of occupation for considerable time, shall be rewarded and paid sufficient so that in some small way at least they may be compensated for their sacrifices and absence from home.

The bill (S. 1223) to prohibit payment of pay and allowances of members of the armed forces serving overseas in currency or coin other than legal tender of the United States, introduced by Mr. MAYBANK, was read twice by its title and referred to the Committee on Military Affairs.

AMENDMENT OF THE SURPLUS PROPERTY ACT OF 1944

Mr. LUCAS. Mr. President, I introduce a bill to amend the Surplus Property Act of 1944, and ask that it be referred to the Committee on Agriculture and Forestry.

The bill (S. 1224) to amend the Surplus Property Act of 1944, was read twice by its title and referred to the Committee on Agriculture and Forestry.

READJUSTMENT OF EXTERIOR BOUNDARIES OF KAIBAB NATIONAL FOREST, ARIZ.

Mr. HATCH. Mr. President, by request as shown in a letter from the Department of the Interior, heretofore referred to the Committee on Public Lands and Surveys, I introduce a bill to readjust the exterior boundaries of the Kaibab National Forest, and so forth, and ask that it be appropriately referred.

The bill (S. 1226) to readjust the exterior boundaries of the Kaibab National Forest, the Grand Canyon Game Preserve, and Arizona Grazing District No. 1, State of Arizona, and for other purposes, introduced by Mr. HATCH (by request), was read twice by its title and referred to the Committee on Public Lands and Surveys.

IMPROVEMENT OF SAVANNAH HARBOR, GA.—AMENDMENT

Mr. BALL submitted an amendment intended to be proposed by him to the bill (H. R. 3477) for the improvement of Savannah Harbor, Ga., which was referred to the Committee on Commerce and ordered to be printed.

FUNERAL EXPENSES OF THE LATE SENATOR SCRUGHAM

Mr. BARKLEY (for Mr. MCCARRAN) submitted the following resolution (S. Res. 150), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the President pro tempore of the Senate in arranging for and attending the funeral of Hon. James G. Scrugham, late a Senator from the State of Nevada, upon vouchers to be approved by the Committee to Audit and Control the Expenses of the Senate.

Mr. LUCAS subsequently said: Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate I report favorably Senate Resolution 150, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 150) submitted by Mr. BARKLEY this day was considered and agreed to.

TRANSFER OF CERTAIN LANDS IN DOUGLAS COUNTY, OREG.—MOTION TO RECONSIDER

Mr. BARKLEY. Mr. President, yesterday the Senate passed the bill (H. R. 715) to provide for the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes.

The Defense Plant Corporation was abolished effective the 30th day of June, so that it is necessary to repass this bill in a different form. I, therefore, enter a motion to reconsider the votes whereby the bill was ordered to a third reading, read the third time and passed, and I ask that the House of Representatives be requested to return the papers to the Senate, so that the correction may be made.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

KEY TO THE YEAR OF DECISION OF CASES IN THE UNITED STATES SUPREME COURT, THE OPINIONS OF THE ATTORNEYS GENERAL, AND OTHER LEGAL REPORTS (S. DOC. NO. 73)

Mr. WALSH. Mr. President, during the Seventy-sixth Congress, third session, a Senate Document No. 306 was published, entitled "Key to the Year of Decision of Any Case in the United States Supreme Court, Federal and State Reports."

Since the publication of this document, a new pamphlet has been prepared, including not only what was in Senate Document No. 306 but, in addition, Key to the Year of Opinions of the Attorneys General, and Other Legal Reports.

I ask to have this key printed as a Senate document.

This unusual document was prepared by I. J. Lowe, Esq., an attorney with the Department of Agriculture and editor of the Agriculture Decisions—decisions of the Secretary of Agriculture and War Food Administrator. This newly discovered key enables the researcher to ascertain at once the year of the decision of any case appearing in the reports of the United States Supreme Court and the opinions of the Attorneys General, without the need of resorting to these numerous volumes.

Mr. Lowe, in accomplishing this task conducted research which necessitated a thorough examination of several thousand volumes comprising several hundred thousand pages and, in addition, a search of the original Supreme Court docket of the cases contained in the 322 volumes of the United States Reports, from the organization of the Supreme Court to October Term of 1944.

Justices of the Supreme Court and prominent lawyers state there is no publication quite like it, and that it has proven to be a useful document.

The ACTING PRESIDENT pro tempore. Without objection, the document will be printed as requested by the Senator from Massachusetts.

THE SAN FRANCISCO CHARTER—ADDRESS BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address on the San Francisco Charter, delivered by him before the Independent Voters of Illinois at Orchestra Hall, Chicago, Ill., June 29, 1945, which appears in the Appendix.]

WORLD PEACE—ADDRESS BY SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an address delivered by him at the annual meeting of the Rocky Mount Chamber of Commerce, Rocky Mount, N. C., June 23, 1945, which appears in the Appendix.]

GEN. GEORGE C. MARSHALL—EDITORIAL FROM PROVIDENCE JOURNAL

[Mr. GREEN asked and obtained leave to have printed in the RECORD an editorial entitled "General Marshall," published in the Providence (R. I.) Sunday Journal of July 1, 1945, which appears in the Appendix.]

WHAT UNCONDITIONAL SURRENDER MEANS—ARTICLE BY FELIX MORLEY

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "What Unconditional Surrender Means," by Felix Morley, published in the June 27, 1945, issue of Human Events, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—NEWSPAPER COMMENT

[Mr. HATCH asked and obtained leave to have printed in the RECORD two newspaper articles entitled, respectively, "Richberg Offers to Post $1,000 for Debate on New Labor Bill," by the Associated Press, and "Protecting the Public," by Donald R. Richberg, both on the subject of the proposed Federal Labor Relations Act, which appear in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—EDITORIAL COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "Asking for Trouble," published in the Cleveland Plain Dealer of June 26, 1945, and an article by Westbrook Pegler, published in the Cleveland Press of June 27, 1945, dealing with the proposed Federal Labor Relations Act, which appear in the Appendix.]

THE FAIR EMPLOYMENT PRACTICE COMMITTEE—ARTICLE BY LOWELL MELLETT

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an article by Lowell Mellett entitled "Thinks Southern Statesmen Should Not Leave Problem to Bilbos and Eastlands," published in the Washington Star of July 3, 1945, which appears in the Appendix.]

SAM AND AILY SWAN—CONFERENCE REPORT

Mr. TUNNELL submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1308) for the relief of Sam and Aily Swan, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figures "$3,000" insert the figures "$2,000", and agree to the same.

BRIEN MCMAHON,
WAYNE MORSE,
Managers on the Part of the Senate.
DAN R. MCGEHEE,
EUGENE J. KEOGH,
CLIFFORD P. CASE,
Managers on the Part of the House.

Mr. WHITE. Is that a claim bill?

Mr. TUNNELL. It is.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

ORDER DISPENSING WITH CALL OF THE CALENDAR

The ACTING PRESIDENT pro tempore. Morning business is concluded. The next regular order of business is the call of the calendar.

Mr. BARKLEY. I ask unanimous consent that the call of the calendar be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRICES FOR CHICKENS

Mr. LANGER. Mr. President, I desire to read a letter which I received from Grafton, N. Dak.:

GRAFTON, N. DAK., *June 30, 1945.*

Mr. LANGER:

DEAR SIR: I think you are a man who will do what is right for a farmer, so I am sending you some prices offered for chickens. I have 300 springers ready for market. Most of them weighing 4 pounds. But it cost me too much to raise these chickens and sell for such poor prices. And they should be sold soon, as I have 350 more ready to put in the hen house, which I have raised in a battery compartment brooder. We are getting 31 cents for best eggs; 51 cents for cream. Don't see why the prices should be so poor if they expect a farmer to have some for the hard work it requires. Hope there is something you can do.

Thank you.

Mrs. HELMER ALMEN.

I know that every Senator will be interested in the advertisement Mrs. Almen attaches. It is an advertisement of the DeSoto Creamery & Produce Co., of Grafton, N. Dak., and the prices it lists are as follows:

Today's poultry market

	Cents
Colored springs, 2½ pounds	25
Leghorn springs, 2½ pounds	24
Heavy hens, 4½ pounds	21
Light hens, under 4½ pounds	18
Old cocks	15

DESOTO CREAMERY & PRODUCE CO.,
Grafton, N. Dak.

Mr. TOBEY. Are those the prices for live weight or for dressed chickens?

Mr. LANGER. I will read the preceding portion of the advertisement:

HETTY HEN SAYS

There'll be very little meat on the Nation's dinner tables this summer, so I want to help out. You see, the Government is asking for more poultry to take the place of meat. And it's not only patriotic but profitable for you when you sell me and my sisters.

Also market your fine young fryers early this month. When they're young and tender with plenty of weight, then's when they bring you the most returns from DeSoto. And the folks there are mighty friendly to do business with. I'm sure you'll be more than satisfied.

Remember, DeSoto pays you for every last ounce of your quality poultry. And our country needs every last ounce throughout this meat shortage. Please market soon, won't you?

That is the entire advertisement. I think, apparently, live weight is meant.

THE BUTTER SITUATION

Mr. WILEY. Mr. President, the butter situation in our Nation has become intolerable. There has been much bungling by OPA in relation to point values and the fixing of butter prices; and I cannot remain silent any longer. In my State butter is becoming rancid by the carload because of this bungling. The other day one of the employees of the Senate spoke to me about the butter situation in Washington. He said he could not buy anything but rancid butter. This means that the high point values keep butter from moving. The whole situation stinks. It looks as if the oleomargarine interests have gotten into the picture, resulting in putting a brake on butter consumption by means of high point values. All available butter should be consumed before it becomes rancid. This vital food should not be wasted; the world needs food.

Mr. President, I have written a letter to Hon. Clinton P. Anderson, the new Secretary of Agriculture, which I ask to have printed in the RECORD at this point following my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
July 3, 1945.

The Honorable CLINTON P. ANDERSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: The whole Nation wishes you well in your new position. Upon your success depends much of our effectiveness on the home and war fronts. We know of the many and difficult problems which you are facing. You can count on America to lend you every possible cooperation.

May I, however, at this time respectfully urge that you place the subject of butter high on the list of matters on which you intend to take immediate remedial action.

The butter situation in our Nation has grown intolerable. This vital food item—so essential to the well-being of our war workers, our children, our sick folks, our older folks, every last one of us—has disappeared from the family table. No one begrudges a single ounce of butter going necessarily to the valiant men and women in our armed forces. But we cannot and will not remain silent amidst persistent reports of unconsumed butter going rancid on both the civilian and military fronts. That is a shocking sin and the officials responsible must be brought to account. Too much Government bungling in the past has gone unpunished and uncorrected. We cannot and will not remain silent as we watch the insidious competitive infringement by oleomargarine—abetted by the lower price and point value of that item. We cannot and will not remain silent while questions remain unanswered in our minds as to the advisability of lend-lease shipments of butter abroad in these days of terrible scarcity at home.

Nowhere is the butter situation so disturbing as in my own State—the Nation's dairyland. I quote a specific instance in a letter from a responsible public official of Wisconsin:

"Only last Saturday I attended a meeting of our local creamery company. It was brought to my attention that the company was desirous of discontinuing their business or liquidating. The reason for this is that in the past 6 months they have been operating with a net loss of approximately $200 per month. The creamery here has limited its output to butter alone and the prices they are in a position to pay for the incoming butterfat does not compare with the prices that milk and cream can be sold for in other establishments. Therefore, the majority of farmers are discontinuing taking their cream to this creamery and are taking it elsewhere, even out of the county where higher prices prevail. In fact, some of the largest stockholders in this concern are not patronizing their own company. We were informed that 55 percent of their butter must be set aside for the Government and, according to a statement made at the meeting, cream does not net as high a price from the Government as from local concerns. For this reason it is only natural that sellers are going to patronize that company paying the highest price. It is my personal opinion that some constructive measure must be taken to mete justice to those people who have been faithful in striving to serve the public."

In the light of all this, Mr. Secretary, may I humbly but sincerely entreat you to review at the earliest possible moment the over-all situation with regard to butter; for example, ceiling prices, point value, lend-lease shipments, etc., that you take appropriate action, and that you favor me with word as to your decisions.

Assuring you of my earnest desire to be of assistance in whatever ways may be within my power to assist in clearing up this grave situation and with kindest regards and best wishes, I am,

Sincerely yours,

ALEXANDER WILEY.

Mr. WILEY. Mr. President, Mr. Anderson—a man of ability and understanding—is called unto a high purpose. He can straighten out a lot of things. He can cut down bureaucracy. He can put practicability and common sense into the administration of the Department of Agriculture. I believe he will straighten out the butter situation. He can become the "man of the hour," by getting rid of the bureaucratic cobwebs.

FAIR EMPLOYMENT PRACTICE COMMITTEE

Mr. BILBO. Mr. President, when I received the letter to which I referred a few minutes ago, it was so impressive that I telegraphed the writer and asked whether I might read it into the RECORD. I took that course because the letter mentioned the name of a Member of the House of Representatives, and I did not feel justified in introducing into the RECORD a letter involving one of my colleagues in the House.

This morning I telegraphed Hon. Allen K. Swann, attorney at law, Citizens Bank Building, Evansville, Ind., as follows:

Your letter of June 30 received. It is the best, strongest, and most convincing argument of all letters I have received throughout the Nation. Please wire me immediately giving me your permission to read this letter into the CONGRESSIONAL RECORD. Thanks.

Just a little while ago I received the following reply:

You have my full permission to read my letter concerning FEPC in the CONGRESSIONAL RECORD or use it for any other purpose you desire.

ALLEN K. SWANN.

Some may think I am a little premature in reading this letter on this subject, but if I understand the parliamentary situation as to the issue, it will soon come before the Senate again. If it does not come in the form of provision for a temporary FEPC, it will be for the establishment of a permanent FEPC.

Mr. President, I ask Senators to get into their minds the fact that this letter is not from the South. It is from a good lawyer of Evansville, Ind. He says:

DEAR SENATOR: I am sure that I can add nothing to the tremendous amount of information you have on the iniquitous nature of the very grossly misnamed FEPC bill.

However, when a great spokesman for the American people, fighting in the interest of actual freedom renders such great services as you are rendering to all of America, by your attack on this agency, I think that you should be informed when you are supported in your stand by people of States other than your own.

More particularly, am I writing this letter because Congressman LAFOLLETTE, of Evansville, Ind., is one of the authors of the FEPC bill in the House, and I think that it should be known that he does not truly speak for his district. It is my opinion that practically every Member of Congress who is supporting this bill is trying to get Negro votes.

I did not make that charge; this is Mr. Swann writing:

The very name of this agency should cause its destruction because it is masquerading under a title expressing the exact opposite of its true effect. It is "fair" in nothing whatever.

Is it fair to say to the American people that they must conduct their daily lives, employ or retain, against their wishes, people in accordance with standards set up by congressional intermeddlers? Is it fair in a nation where free enterprise is presumed to exist and where free and open competition is admitted to be the life of trade and commerce, that an employer should be forced to accept or to retain an employee who is not qualified or is not willing to render the best of service?

Is it fair to the American people to have free trade strangled and restricted by being told by crackpot bureaucrats how to employ and discharge employees? Is it fair to pass a law which attempts to delve into the mental process of an employer as to his reasons for selecting the personnel with whom he will come into intimate daily contact? Is it fair to the Negro race or even to the white race, to force the Negro race, the yellow race, the brown race, or any other race of people into intimate contact with other people, resulting in resentment, racial hatred, and strife?

It should be perfectly apparent to a child, even more so to a matured mind, that this bill would create the very racial hatred and strife which it pretends to abate.

I like Negroes; I have always liked them; but I can assure you that if a bunch of fuddlers in Washington tried to force off on me the acceptance or retention of a Negro, a Jap, a German, an East Indian, a South African, a Turk, a Democrat (whom I did not wish), a Republican (whom I did not wish), a Protestant (whom I did not wish), a Catholic (whom I did not wish), a man with curly hair (whom I did not wish), a man with straight hair (whom I did not wish), there would be stirred in my breast a hatred and resentment toward the individual or classes thus thrust into my services against my wishes.

A colleague sitting near me calls attention to the fact that he forgot the bald-headed man. The letter continues:

There are jobs for which I would not employ a white man; there are jobs for which I would not employ a Negro, and so on, ad infinitum.

The freedom to choose one's employees is or ought to be guaranteed under the American Constitution. Without that freedom no employer can strive for excellence and perfection.

Why, do you think, America has been the outstanding nation of the world? Because we had free and open competition, where each man in order to hold his trade or his business had to strive for excellence and perfection.

If America expects to remain the greatest Nation in the world, it is going to be necessary to stop the intermeddling of crackpots and theorists into every step of normal life.

Mr. President, that is what we are up against in America today.

If I want to employ a Negro in preference to a white man, because of the nature of the work, or for any other reason, I shall do so. If I wish to employ a white man in preference to a Negro, I shall do so. If any Member of Congress thinks for a moment that I (or for that matter any other red-blooded American) will permit a Government bureau to tell me whom I can employ or discharge, that Member of Congress is just plain crazy.

The instinct of the American people has never been very far wrong, and when the time comes that Congress so distrusts the good judgment and sole discretion of the ordinary American in the handling of his personal, professional, and business affairs, then the time has come to get a new Congress, and I am sure that the American people will do so.

That is what these boys are going to have to answer when they run again, if they try to cram this down the throats of the American people.

The adoption of the FEPC bill will be an insult to the sense of fairness and the discretion of the American people. It will result in racial hatred, recrimination, and a flare-up of violent prejudice. It will bring

about the very condition which it purports to end.

In the first portion of this letter, I mentioned Congressman LAFOLLETTE, who is one of the authors of the FEPC bill in the House. I have talked to large numbers of his constituents—

This letter, as I have said, is from Evansville, Ind.—

and I find that the overwhelming majority of them deplore very greatly, his participation in presenting this unfair, iniquitous and dangerous piece of legislation. There may be many persons in his district who support his theories, but I have not found them.

One of the reasons why the people whom I have contacted on this subject are resentful, is that due to the action of the Government, the Negroes in this city—

Evansville—

have become impudent and aggressive; they are known to have organized the "Thursday Night Bump Club," the object of which is that the members (Negroes) are expected to go on the streets and bump the white people off the sidewalks on any kind of an excuse and even without an excuse. These things will not be tolerated by respectable white people. If the white people should adopt the same policy toward the Negroes, I would be the first to condemn the white people. Harmony between the races will never exist when either race is forced by legislation to act in a manner against its wishes. This rule would apply equally to any different schools of thought or social attitudes, political theories, religious theories or any of the other theories of social relations. These things cannot be forced. Mutual respect between parties of different race, color, religion, political thought, or commercial principles can only come from the individuals and from the heart. No legislative body is big enough to legislate on these matters.

Mr. President, I have been standing here for days contending that the only way to settle this question of discrimination is through education, training, and culture, and not by law.

If the Catholics set up a law that would prevent my discharging or require me to employ a Catholic, I would lose my respect for the Catholics, and a feeling of resentment would arise. If the Protestants set up a law that would prevent my discharging or require me to employ a Protestant, I would lose my respect for the Protestants, and a feeling of resentment would arise. In other words, in America the essence of freedom demands that each be permitted to follow his own path in determining these matters.

I have always been a Democrat, but if the Democrats tried to force me to hire or retain a Democrat in my employ, the first thing I would do would be to employ Republicans. And so the contrary is also true. If the white people tried to pass a law requiring me to retain or employ white people, you can bet your bottom dollar I would try to find a way to hire a Negro. When I say "I," I know I speak for millions of Americans.

Keep up your good work, stay in there and fight until FEPC is destroyed and you will live eternally in the hearts of the American people.

Yours very truly,

ALLEN K. SWANN.

Mr. CHAVEZ. Mr. President, we understand, of course, that when letters of the type which the Senator from Mississippi has just read are sent to Senators, it is only proper that they should be read so that we will obtain the views of all concerned. I have in my hand an article published in a respectable paper of the city of Washington, the Washington Post. I know that the publishers of that newspaper, and possibly the good ladies connected with that newspaper, are not in good standing with some, nevertheless——

Mr. BILBO. Mr. President, what is the name of the newspaper to which the Senator from New Mexico referred?

Mr. CHAVEZ. The Washington Post.

Mr. BILBO. What is the name of the editor?

Mr. CHAVEZ. I do not know the name of the editor but I know the name of the publisher. His name is Eugene Meyer. In today's issue of that newspaper is an editorial entitled "Ironical Contracts," which reads as follows:

IRONICAL CONTRASTS

The appeals of Senators CONNALLY and VANDENBERG for our participation in an international organization designed to preserve fundamental freedoms for the peoples of the world, without regard to racial or religious differences, came as passing interruptions of a prolonged filibuster aimed at wrecking the Fair Employment Practice Committee. Ironically, the leader of the filibuster, Senator BILBO, of Mississippi, energetically assisted by Senator EASTLAND from the same State, expounded the doctrine of white supremacy with a fervor that would have done credit to the most intolerant Teutonic exponents of the master-race theory. To Messrs. BILBO and EASTLAND, the Negro is the chief racial menace who must be kept in his foreordained lowly place, although in course of the debate, hatred and contempt for other racial minorities were expressed by implication.

If this particular filibuster could be regarded as a last-ditch fight by a few willful men, it would appear annoying rather than serious. There have been filibusters of the one-man type in the past, which have held up important legislation. But on this occasion Messrs. BILBO and EASTLAND were evidently buoyed up by words of encouragement from various reactionary groups throughout the country that lose no opportunity to fan the fires of racial hatred for their own selfish purposes. It was also disillusioning, following collapse of the filibuster, to find a large bloc of Southern Senators voting solidly against the compromise proposal to grant FEPC a limited appropriation. The subsequent blocking of even this limited appropriation in the House is further proof that Senators BILBO and EASTLAND are not fighting a lone battle against the forces of enlightenment which are striving to make democracy mean a fair deal for every man, regardless of race, color, or religion.

Men who achieve the distinction of representing their States and communities in the Congress of the United States are usually keen judges of public opinion. They seldom arrive there, nor do they remain long, if their speeches and their votes fail to reflect the innermost convictions of their constituents. The Senators from Mississippi would hardly dare to voice so unrestrainedly their intolerance of the Negro in public life and to defame Negroes who wear their country's uniform if they did not feel sure that such sentiments would cost them few votes at home and do little to impair their standing among their colleagues. We think the size and markedly regional character of the negative vote on the compromise FEPC measure supports the belief that this country, in the person of its chosen representatives, is sadly tarred with the brush of racial intolerance.

If the representatives of any of those foreign nations now looking to us for leadership in launching an international organization to make the world safe for democracy by chance leaf through the CONGRESSIONAL RECORDS of the past week they will find much to puzzle and distress them. As for us, we can only hope that threats to the ideals we profess to believe in will be overcome by the force of an enlightened majority opinion. The fact that FEPC is being so bitterly opposed is proof that it has made progress in the fight to secure a fair economic deal for Negroes and other racial minority groups. Senator VANDENBERG pointed out, in speaking of the United Nations Charter, that the threatened postwar disintegration of ideals of human behavior makes it all the more necessary to try to stem the "evil tides of opinion." That holds true not only in respect of our international relations but as regards our domestic affairs as well.

LEAVES OF ABSENCE

Mr. WHITE. Mr. President, in behalf of the junior Senator from Vermont [Mr. AIKEN], I ask unanimous consent that he may be excused from attendance upon sessions of the Senate until July 16.

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Without objection, leave of absence is granted the Senator from Vermont.

Mr. BUTLER. I ask unanimous consent to be excused from the Senate for a few days.

The PRESIDING OFFICER. Without objection, leave of absence is granted the Senator from Nebraska.

THE SAN FRANCISCO TREATY

Mr. BUSHFIELD. Mr. President, I desire to speak for a few moments upon the San Francisco treaty.

One year ago, upon the call of President Roosevelt, representatives of four great nations—the United States of America, Great Britain, Soviet Russia, and China—met in the city of Washington at Dumbarton Oaks for the purpose of studying the momentous problem of fashioning an organization of nations that would prevent war.

This Conference developed the Dumbarton Oaks agreement and to consider this President Roosevelt called the meeting at San Francisco. Fifty nations met at San Francisco. After 9 weeks of labor that Conference has finished its work.

The Senate is now ready to consider that treaty. Two of our illustrious colleagues, the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG] have submitted their report and we have the treaty before us. Basically, it is built upon the ideas adopted in the Dumbarton Oaks agreement and as outlined by the statement of Mackinac Island in September 1943. It also incorporates many of the objections raised by the Senate to the League of Nations Treaty of 1920.

For many months Senators have studied those ideas. These have been months of deep concern to all of us, as to what form the treaty would and must take to meet the approval of the American people.

I have spent many days in a conscientious study of this treaty. I think I understand it. The proposal in the Dumbarton Oaks agreement, as well as that now incorporated in the San Francisco treaty are not new. They are similar to other and earlier plans tried in other generations. At least the basic ideas are the same.

LAW LIBRARY
FEDERAL WORKS AGENCY

The Holy Alliance of 1815, formed by Russia, Austria, and Prussia, was the first of such plans for the prevention of war. It provided for a military alliance between those strongest powers for the purpose of maintaining peace in Europe. The Holy Alliance lived but a short time, because its leaders, the three men who ruled those countries, disagreed.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. MILLIKIN. I remind the Senator that the Monroe Doctrine was promulgated to protect this hemisphere against the Holy Alliance.

Mr. BUSHFIELD. The Senator is correct. I shall come to that question shortly.

The League of Nations was born in 1920 under the leadership of President Wilson. It, too, failed, not because there was anything wrong with the plan, nor because we did not join the League, as some have mistakenly asserted, but because its leaders did not agree, and refused to abide by the terms of the treaty.

My sincere hope is that the life of the San Francisco treaty will not depend upon the lives or the whims of the leaders now living.

We are proposing to set up a new organization, an organization composed of all the peoples of mankind, not for the purpose of establishing a new government, not for the purpose of creating a super-state that would destroy the sovereignty of nations, but for the purpose of protecting us against ourselves and against the hates and angers of mankind.

I have for many years preached and urged an assembly of nations that could and would work together in amity, that can and must stop the senseless, savage destruction of life and property in the quarrels among nations.

I have spoken repeatedly upon this floor and in many other forums in support of this position.

I am as earnestly desirous as any American to see that a practical, foolproof, and knave-proof association of nations be fashioned out of this serious effort to bring peace to the world. The idealistic dreamers who would remake the governments of earth into one world in which all the human characteristics of mankind are merged into a civilization of light and sweetness can be applauded as desirable, but we must not be swept away from practical, hard-headed common sense. This plan, if it works, must be built with the tools and materials as they exist and not as we hopefully wish them to be.

Our two colleagues are hard-headed, practical men, and they have given their great talents to fashioning this plan. And it is with that in view that we in the Senate must approach this difficult task.

Does the treaty we now have before us meet these requirements of practicality and American desire? Does it protect us from danger to our American plan of Government? Let me sketch briefly the most glaring faults now apparent in its terms.

When Dumbarton Oaks was still only a proposal and had not been reduced to the definite terms of the present proposed treaty, I objected, and I still object, to a delegation of power to one man or to the Security Council, composed of 10 foreigners and 1 American, to declare war and to take American boys into war. Such a proposal is in direct violation of the Constitution. We do not have the power to make such a delegation even if we desired to do so. Unless it is corrected now, we are headed for trouble. In spite of its unconstitutionality, there are those who maintain that such a delegation of power should be given. I cannot agree. I do not believe that America is willing to delegate the constitutional power of Congress to one individual out of 130,000,000 people, or to the Security Council, to move American troops, guns, ships, and planes, as his individual will or the Security Council's collective will dictates, to any part of the world. Our form of government has cost too much of effort and bloodshed and suffering to abandon it for a totalitarian state, which would be the effect if this supreme power were placed in the hands of one individual or group of individuals of which only one is an American.

True, the manner of selecting the delegate and granting him authority is not incorporated in this treaty. But it will, so I am advised, be presented by the administration to the Congress in the form of a statute in the near future. The objections which I have heretofore strenuously made to a delegation of that power are, in my opinion, valid; and such delegation will be opposed by me wherever and whenever proposed. The powers of our delegate on the Security Council should and must be strictly defined by Congress, and he must be required to act only after Congress has directed him to act in each case as it arises.

Yet, in spite of its faults, this proposed treaty has many points worthy of approval. It is an expression of man's hope that we stop war. It may fail, as all such plans before it have failed, but we must consider whether it is worth a trial. Do the desirable features outweigh the faults?

Our distinguished colleagues who have now returned with a report on their work think so. The decision is now up to us.

Since the beginning of time men have searched for a formula that would prevent war. Except as a measure of national defense, no war is, or ever has been justified. Yet, in spite of that fact, humanity has been plagued with a long succession of wars continuing through the centuries, with no other result than the destruction of life and property. Has humanity finally reached a point of intellectual progress whereby we can prescribe a formula and make it work? The mothers of mankind demand that we find that formula. The sons of those mothers who have paid so dearly for man's folly, demand it. Are not the diabolical plans developed by man sufficient to force us finally to the inevitable conclusion that liberty and war cannot continue to exist side by side upon this earth?

I believe we have arrived at the crossroads of our national life. We must decide which way we are to go. One road offers us a plan which may succeed, a plan by which we substitute peaceful negotiations for war. The other road leads inevitably to war and senseless destruction. If we fail, we can no more than fail. If we succeed, we have performed an unparalleled service to mankind.

In view of the fact that I have spoken often and critically of some of the proposals in the Dumbarton Oaks agreement, I feel it my duty to make this statement to the Senate today in order that my position may be known to my colleagues. I object to some of the treaty provisions. For our national safety, they must and should be changed if we would save it and us from disaster. This Senate can make those changes without harm to the treaty.

The Constitution of the United States, the greatest document ever prepared by man and the one through which the United States has grown strong and great, because it has protected the rights of man against the elements which instigate wars, provides specifically that only one power in this Government can declare war. Mr. President, that power is the Congress of the United States.

In the San Francisco Treaty, articles 24, 34, 37, and 42 are in direct violation of the Constitution, because those sections propose to delegate to the Security Council of the new league of nations the power to declare war and the power to take American boys into war anywhere in the world without the approval or consent of the Congress.

I quote:

ART. 24. In order to insure prompt and effective action by the United Nations, its members confer on the Security Council primary responsibility for the maintenance of international peace and security and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf.

ART. 34. The Security Council may investigate any dispute or any situation which might lead to international friction or give rise to a dispute, in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security.

Article 37 reads as follows:

If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under article 36 or to recommend such terms of settlement as it may consider appropriate.

Article 42 provides:

Should the Security Council consider that measures provided for in article 41 should be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of members of the United Nations.

No other interpretation can be placed upon the provisions I have just quoted. If this delegation succeeds and is upheld, it is an alteration of the form of our Government as prescribed by the Constitution.

Judge Cooley, in his Constitutional Limitations, a noted book among all lawyers, volume 1, eighth edition, states:

One of the settled maxims in constitutional law is that the power conferred upon the legislature to make laws cannot be delegated by that department to any other body or authority. Where the sovereign power of the State has located the authority, there it must remain; and by the constitutional agency alone the laws must be made until the Constitution itself is changed. The power to whose judgment, wisdom, and patriotism this high prerogative has been entrusted cannot relieve itself of the responsibility by choosing other agencies upon which the power shall be devolved, nor can it substitute the judgment, wisdom, and patriotism of any other body for those to which alone the people have seen fit to confide this sovereign trust.

Mr. President, the principle has been sustained over and over again by the Supreme Court of the United States and is the established law of this country. A treaty cannot violate the Constitution. It cannot take away any of the powers of our Government. Treaties when confirmed by the Senate become the supreme law of the land, and this body must make sure that none of the provisions of the present treaty violate the Constitution.

Judge Daniel, in the *License cases* (5 How., p. 613), said:

Treaties to be valid must be within the scope of the powers vested in the Constitution, for there can be no authority of the United States save what is derived mediately or immediately and regularly and legitimately from the Constitution.

A treaty is unconstitutional in any of the following cases:

First. If it alters the form of our Government;

Second. If it alters the general departmental construction of the Government;

Third. If it changes the constitution of any of the departments;

Fourth. If it deprives the Federal Government of any of its departments of its delegated powers or transfers such powers to another department;

Fifth. If it seeks to exercise a power confided to another department of the Federal Government;

Sixth. If it is sought to exercise a power prohibited by the Federal Government or reserved to the States.

Justice Miller, in the *Head Money cases* (112 U. S., p. 559), said:

A treaty is made by the President and the Senate. Statutes are made by the President, the Senate, and the House of Representatives. The addition of the latter body to the other two in making a law certainly does not render it less entitled to respect in the matter of its repeal or modification than a treaty made by the two. If there be any difference in this respect, it would seem to be in favor of an act in which all three of the bodies participate. And such is, in fact, the case in a declaration of war, which must be made by Congress.

The University of Pennsylvania Law Review, volume 57, page 446, says:

If Congress, or a constituent part of Congress, may be deprived by the treaty power of one of the powers vested in it by the Constitution, it may be deprived of all, in which case that is in effect done what all admit cannot be done: our tripartite organization of Government is destroyed—the power to make treaties has become a power to abolish in effect a constituent part of the Government and that part which was intended to reflect most directly the will of the people.

The Michigan Law Review, volume 7, page 33, says:

The second essential to a valid treaty, duly empowered agents to act on behalf of the states, is likewise determined by a state's fundamental law. As to who are agents and to what extent they may bind a state by their acts are matters of which contracting states must take notice. A state is neither bound by one assuming to act in its behalf who is in fact not empowered to so act, nor by the acts of a duly empowered agent, when he has exceeded his authority.

The provision to declare war is one of the fundamental power of this Government. It is part of our Constitution. We must not lightly disregard it.

The treaty, too, places the power in the Security Council to regulate armaments. I read the following articles from the charter:

ART. 25. The members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the present Charter.

ART. 26. In order to promote the establishment and maintenance of international peace and security with the least diversion for armaments of the world's human and economic resources, the Security Council shall be responsible for formulating, with the assistance of the military staff committee referred to in article 47, plans to be submitted to the members of the United Nations for the establishment of a system for the regulation of armaments.

ART. 47. There shall be established a military staff committee to advise and assist the Security Council's military requirements for the maintenance of international peace and security, the employment and command of forces placed at its disposal, the regulation of armaments, and possible disarmament.

Mr. President, the United States today has the largest Army, Navy, and Air Force in the world. Are we going to consent that the Security Council, or any organization controlled by foreigners, shall determine for us the size and kind of an armed force which we feel it necessary to maintain for our safety? I do not believe the people will consent to this proposal.

Another objection to the pending treaty is the seeming abrogation and abandonment of the Monroe Doctrine. I read from the Charter the following article:

ART. 53. The Security Council shall, where appropriate, utilize such regional arrangements or agencies for enforcement action under its authority. But no enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council.

Regional arrangements are referred to in articles 52 and 53 of the present treaty, but are subject to control of the Security Council, and the Monroe Doctrine is not a regional arrangement or agreement. It is not a bilateral contract between nations. It is a unilateral declaration of foreign policy by the American Government and has continued unchanged or unchallenged for 125 years. It has become the law of this country. When we make the provisions of the Monroe Doctrine subject to the approval of the Security Council of the new League of Nations, we are abandoning one of the fundamental policies of our national life. The Monroe Doctrine is a policy of national defense. A hundred and twenty-five years of peace and unity testify to the success of that policy and, in my opinion, should be continued free from any authority outside our own. The same is true of the Pan American Union. It has proven its worth through 50 years of hemispherical success.

I know that the treaty provides for self defense when we are attacked, but even that is subject to supervision by the Security Council.

As I see it, these are the jurisdictional faults in the new treaty:

It delegates power which we have no authority to delegate to the Security Council to declare war.

It places our sovereignty in the hands of foreigners because we have only one vote out of a necessary total of seven. This power must be referred to Congress in each case as it arises.

It seeks by implication to delegate power to the American member of the Security Council to vote us into war without reference to Congress. This power must be strictly defined and limited by statute to congressional approval in each case as it arises.

It grants to the Security Council power to regulate the size and kind of our armaments for national defense. No power on earth should dictate our defense, except the Congress.

It destroys the Monroe Doctrine, which is the only fixed foreign policy America has ever had and leaves that foreign policy to a council of foreign nations.

It scuttles the Pan American Union which we have spent 50 years in building among our American neighbors, and makes it subject to the approval of European and Asiatic nations.

In spite of the objections which I have cited and which can be corrected easily by the Senate, intelligent and earnest men, representatives of this Government, have offered us a plan to outlaw war. They offer this treaty as the vehicle by which we can achieve this desirable objective.

I feel that there is no other course for us to pursue than to accept the treaty. Therefore, I shall support it, because I dare not face my soldier son, nor any of the millions of soldier sons throughout the world, if I fail to do what I can to stop the senseless, maniacal slaughter and planned murder of my fellowmen. If we do not stop it, it will go on and on into chaos and anarchy until the world reverts once more to the Dark Ages.

NOMINATION OF W. STEWART SYMINGTON TO SURPLUS PROPERTY BOARD

Mr. LUCAS. Mr. President, a great deal of controversy has taken place with

regard to the question of surplus property. A wish has been expressed on the part of many persons in the field to buy some of the surplus property, but for some reason or other they have been unable to do so. I should like to inquire of some member of the Military Affairs Committee when, if at all, the nomination of Mr. Symington, a gentleman from St. Louis, Mo., to be Chairman of the Surplus Property Board, will be reported from the Committee on Military Affairs to the Senate?

Mr. HILL. Mr. President, as a member of that committee, I may say to the Senator from Illinois that the Senator from New Hampshire [Mr. BRIDGES] wished to ask Mr. Symington some questions, and that perhaps members of the committee desired to do likewise. Therefore the committee determined to invite Mr. Symington to appear before it on some day next week, which I believe will be Tuesday, at which time Mr. Symington will have an opportunity to make such statement as he may wish to make, and members of the committee will have an opportunity to ask any questions which they may desire to ask.

Mr. LUCAS. I understand that Mr. Symington has been in the city of Washington for approximately 30 days. His nomination was sent to the Senate by the President of the United States about 30 days ago, but as yet no action has been taken upon it. I think this particular appointment is one of the most important matters to come before the Senate. We are constantly talking about what the Surplus Property Board is not doing. We hear the matter discussed over and over again. It is my understanding, for example, that the Surplus Property Board has no money with which the agencies which have been designated to carry out the purposes of the act can go into the field and perform their necessary functions. As I understand, the $40,000,000 appropriation for their use is now tied up in the bill which is pending before the other House.

Mr. HILL. Mr. President, will the Senator yield further?

Mr. LUCAS. I yield.

Mr. HILL. Of course, I cannot speak about money with any more authority than can the Senator from Illinois; I am not a member of the Committee on Appropriations, and of course the Senator is as familiar with the situation of the appropriation bill as I am.

With reference, however, to the appointment of Mr. Symington I want to say that former Senator Gillette will not retire as Chairman of the Surplus Property Board until the 15th day of the present month. So even if the Senate Committee on Military Affairs should report Mr. Symington's nomination and if he should be confirmed by the Senate, he could not and would not take his seat as Chairman of the Board until the 15th day of July. So any seeming delay on the part of the committee in acting on this nomination has not kept Mr. Symington from taking his seat. Senator Gillette does not vacate the chairmanship until the 15th of this month, and of course Mr. Symington cannot take the place until Senator Gillette retires from the position.

Mr. LUCAS. I appreciate that. I would not say that Senator Gillette is not performing the functions of the office in the way he should, but the Senator knows that anyone who is leaving a position of that kind on the 15th of July is not going to take any important step toward the disposition of surplus property, so far as any rules or regulations or orders are concerned, in view of the fact that a new man is coming in.

The point I make is that Mr. Symington is in Washington and would like to have his nomination confirmed or not confirmed, so that he may know exactly what he is going to do in the future. It seems to me that if the Senate Military Affairs Committee would report his nomination and if his nomination were confirmed by the Senate, he would then be in a position to go into the surplus property office and begin to learn and become familiar with the duties of the office. It is a tremendous job, as everyone knows.

I merely raise the question because I know what the clamor is throughout the country and here in Congress with respect to surplus property. It is, as I have said, a big job; it seems to me that the Senate should not delay action in an important matter of this kind, and I hope that the Committee on Military Affairs will make a report on the nomination, favorable or unfavorable, as soon as possible.

Mr. HILL. I will say to the Senator that I do not think there can be a meeting of the committee on this matter before next Tuesday, because some of the Senators who are interested are, according to my understanding, not in the city at the present time. They had in mind, as the committee had in mind, the fact that Mr. Symington could not take over the position until the 15th day of July.

I understand the Senator's position, that if the committee should act and approve the nomination and the Senate should confirm it, then he would know whether he was going to get the job, and that might put him in a more advantageous position in learning the duties of the position, becoming acquainted with the work, and being better able to go ahead after he is made Chairman of the Board; but, as I have said, he will not, in any event, take his seat until July 15.

Mr. LUCAS. I understand that, but I should like to make a further observation with respect to it. Mr. Symington, as I understand, has been in Washington upon request of the President, for some 30 days; but he does not know yet what he is going to do. He has arranged all his business affairs in St. Louis so that he could take this position and he is now here, idle, so to speak, because of the failure of the Senate of the United States to act upon his nomination and confirm it.

Mr. HILL. Mr. President, the Senator knows that in connection with nominations it is often the case that members of the committee wish to investigate the qualifications, perhaps the background, the experience, and the past record of a nominee, and therefore desires to take a little time, perhaps, in such investigations.

Mr LUCAS. I understand that. The only point I am making is the importance of this problem. Members of the Senate have been somewhat critical at times of what has been going on in the Surplus Property Board and their failure to do this and failure to do that. It seems to me that time is of the essence, and Congress itself should not be contributing to any further delay or be negligent in an important question of this character.

Mr. HILL. I do not think that up to date Congress has been guilty of any negligence in this matter.

Mr. LUCAS. I disagree with the Senator.

Mr. HILL. I think it behooves the Committee on Military Affairs, if its members have any doubt about a nomination, to go into the character of the nominee and his qualifications, and they should have full opportunity to do so, but, as I say, the committee had before it the knowledge that this nominee could not and would not take the office, even if confirmed, until the 15th day of July.

Mr. LUCAS. I want respectfully to disagree with the Senator from Alabama that Congress has not been responsible for some delay in connection with the disposition of surplus property. I want to give an example. One year ago at this particular time——

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. LUCAS. In a moment.

Mr. HILL. The Senator from Illinois did not say at first that Congress had been delaying the disposal of surplus property; he used the word "negligent." I said the Committee on Military Affairs had not been guilty of any neglect in this matter.

Mr. LUCAS. Very well; the Senator may have it that way.

I want to give this example, as I started to do. One year ago Will Clayton, who was then Assistant Secretary of Commerce, was in the position to make disposition of several thousand acres of real estate in Illinois which were surplus property. At that time he was stopped more or less by an act which Congress passed. That was perfectly all right; but since Congress passed that act there has not been an agency in the Government that has had the power to function in making disposition of that real estate. The farmers are pretty anxious to get that land back if they possibly can. It consists of some 18,000 acres which the Government took over for plant purposes and embraces some of the finest land in the world, lying, as it does, between Decatur and Springfield, Ill. Most of that property is now surplus and can be returned; but up to now, according to what agencies in the Department of Agriculture tell me, they have not been able to get the money; they have not the authority to go ahead and do the

things which ought to be done. Someone is negligent at some place along the line.

I bring this up only because of the fact that Mr. Symington, of St. Louis, Mo., ought to know definitely sooner or later whether the Senate is going to confirm his nomination or not. I say, in conclusion, that every day's delay in the confirmation of the nomination of Mr. Symington further muddles and delays the surplus-property problem.

CONFIRMATION OF NOMINATIONS

Mr. LANGER obtained the floor.

Mr. BARKLEY. Mr. President, may I inquire of the Senator from North Dakota whether he intends to occupy the floor.

Mr. LANGER. Yes; for a considerable time.

Mr. BARKLEY. I have to go to a meeting of the Committee on Banking and Currency, and I should like to ask the Senator if he will permit the Senate to dispose of the Executive Calendar at this time.

Mr. LANGER. I have no objection.

Mr. BARKLEY. I ask unanimous consent that, as in executive session, the Senate proceed to consider the Executive Calendar.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Without objection, it is so ordered, and the clerk will state the nominations on the Executive Calendar.

POSTMASTER

The legislative clerk read the name of Frank Ensley to be postmaster at Neubert, Tenn.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask unanimous consent that the Public Health Service nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be immediately notified of all confirmations of today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session.

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Brig. Gen. Edward Fuller Witsell (colonel, Adjutant General's Department), Army of the United States, for temporary appointment as a major general in the Army of the United States, under the provisions of law;

Several officers of the Army of the United States for appointment in the Regular Army; and

Sundry officers for promotion in the Regular Army of the United States, under the provisions of law.

CONVENTIONS WITH GREAT BRITAIN AND NORTHERN IRELAND WITH RESPECT TO TAXES ON INCOME AND ESTATES OF DECEASED PERSONS—REPORT OF COMMITTEE ON FOREIGN RELATIONS

As in executive session,

Mr. LUCAS. Mr. President, as acting chairman of a subcommittee of the Committee on Foreign Relations, I report favorably without amendment, two conventions with Great Britain and Northern Ireland, with respect to income taxes and estate taxes, and request that they be placed on the Executive Calendar.

The PRESIDING OFFICER. The reports will be received and the conventions will be placed on the Executive Calendar.

By Mr. LUCAS, from the Committee on Foreign Relations:

Executive D, Seventy-ninth Congress, first session, a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on April 16, 1945 (Ex. Rept. No. 6); and

Executive E, Seventy-ninth Congress, first session, a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on the estates of deceased persons, signed at Washington on April 16, 1945 (Ex. Rept. No. 7).

ORDER FOR ADJOURNMENT TO FRIDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate completes its business for today, it stand in adjournment until 12 o'clock noon on Friday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

SALES OF FOOD IN DEAD STORAGE

Mr. WHERRY. Mr. President, will the Senator from North Dakota yield?

Mr. LANGER. I yield.

Mr. WHERRY. I was invited to be a member of a subcommittee of the Committee on Agriculture and Forestry to make an investigation of the food situation, and in our deliberations, and in the taking of testimony, which I am sure the able Senator from North Dakota will recall, we found that there was on hand throughout the United States in warehouses thousands of tons of food, defined by those who testified as food in dead storage.

On April 2, in the CONGRESSIONAL RECORD, commencing with page 3010 and extending through pages 3011, 3012, and 3013, there is printed a list of the cases of food in just one section of the country. As I recall, it totals 105,000 cases, including groceries, meats, and dairy products, all the food that goes through the regular channels from the processor to the distributor, and on through the retailer into the kitchens of the housewives in American homes.

At the time to which I have referred we were told that that was about the end of dead storage, that those in charge were liquidating as fast as they could. Some of this food dated back to 1942, and should have been released during this critical time, when we have needed food so badly.

We were told then that it was impossible to estimate the food that would be necessary for the military and for those in the industrial centers, and for that reason the different Government agencies—and we named many of them in report—stored food, so much food that when we had to dispose of hogs, in late 1943 and 1944, there was no place to store the meat. There was so much food in storage that when we had a surplus of eggs in 1943 and 1944, eggs were being shipped all over the country because there was no place in which to store them. Fifteen hundred crates were spoiled at one time because there was no place in which to store them. Yet there was this food in storage not being released by the Government agencies.

Today I received from one of my constituents in Nebraska another notice of sales by the Commodity Credit Corporation. They said as far back as 2 months ago that was over with, that the dead storage had been ended. On June 25 comes from the War Food Administration, the Commodity Credit Corporation office in Washington, another one of these advertisements about the sale of merchandise. It is signed by William H. Pittman, Acting Chief of the Sales Branch, Office of Supply of the Commodity Credit Corporation. I ask unanimous consent that at this point in my remarks this advertisement be printed.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD as follows:

WAR FOOD ADMINISTRATION,
COMMODITY CREDIT CORPORATION,
OFFICE OF SUPPLY,
Washington, D. C., June 25, 1945.

SALE OF OFF-CONDITION EVAPORATED MILK

The War Food Administration hereby announces the contemplated sale by the Commodity Credit Corporation (hereinafter referred to as CCC) of the lots of off-condition evaporated milk, 1942 pack, indicated in the attached schedule for manufacturing purposes only.

Bids to purchase may now be submitted to and must be received by the Contracts and Adjustments Division, Sales Branch, Office of Supply, Commodity Credit Corporation, War Food Administration, Washington 25, D. C., not later than 5 p. m. (eastern war time), July 11, 1945. Successful bidders will be notified of acceptance by telegram filed at Washington, D. C., not later than midnight (eastern war time), July 16, 1945. CCC reserves the right to withdraw all or any part of the items listed, or to reject any bids in whole or in part.

Further details with respect to this sale may be obtained by communicating with

George H. Kenyon of the Washington Office, telephone REpublic 4142, Extension 5857.

HOW TO SUBMIT A BID

Bids must be submitted by letter or telegram. In submitting a bid by mail, the bidder shall indicate in the lower left corner of the envelope "Bid under sales announcement No. 7, do not open." In submitting a bid by telegram, the bidder shall commence the wire as follows: "Bid under sales announcement No. 7." If a wire bid is confirmed by mail, indicate in the lower left hand corner of the envelope "Confirmation of wire bid under sales announcement No. 7." All bids must state the following:

1. Price per case at indicated location.
2. Lot numbers (see attached schedule).

TERMS AND CONDITIONS

In submitting a bid to purchase, the following provisions in this announcement shall become a part of such bid, and upon acceptance by CCC, the bid and acceptance shall constitute a valid and binding contract.

Quantity: Any or all of the lots indicated on the attached schedule. Bids for less than complete lots will not be considered.

Basis of sale: The evaporated milk is to be sold on an "as-is—where-is" basis, and is not to be used in its present form for human food but must be used for manufacturing purposes only. No representation or statement made by any Federal employee as to the quantity, quality, and/or condition of this commodity or condition of containers other than covered in this announcement will be binding or considered as grounds for adjustment or rescission of sales.

Inspection: Upon presentation of this announcement, the warehouses are authorized to permit visual inspection of the evaporated milk by prospective purchaser or their agents. Failure to make such inspection will not be considered as grounds for adjustments or rescission of sales. Inspection charges, if any, will be for the account of the prospective purchaser.

Compliance: The purchaser agrees to handle the commodity in accordance with the requirements of the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, and all regulations issued thereunder.

Storage: Storage charges will be paid by CCC through the storage month current on the 15th day following date of the notice to deliver. Purchaser will assume all storage charges after the expiration of that storage month. Car loading or delivery charges to tail gate of truck will be for the account of CCC provided shipment to purchaser is made prior to the expiration of the storage period herein.

Delivery: Under no circumstances will permission be granted to remove the commodity from the warehouse until the purchaser has been notified that his bid has been accepted and full settlement has been received by CCC. Transfer of title to purchaser will be made by CCC in the warehouse where the evaporated milk is located as soon as practicable after receipt of payment. A copy of the notice to deliver to the warehouse instructing transfer of title will be forwarded to the purchaser at the same time that it is sent to the warehouse. On receipt of copy of the notice to deliver the purchaser will furnish the warehouse with shipping instructions, or arrange for continued storage.

Payment: On receipt of wire acceptance of bid by CCC, the purchaser shall forward to Mr. Glenn P. Smith, Assistant Treasury, Commodity Credit Corporation, War Food Administration, Washington, D. C., a certified or cashier's check payable to Treasurer of the United States which must be received not later than 7 days from date of wire acceptance. This payment must cover the full amount of the purchase price and must be accompanied by an appropriate letter of transmittal in duplicate, indicating the check number, amount of check, contract number, and name of commodity.

Ration points: None required.

Overage and shortage: This contract is for the sale and delivery of a specific lot or lots of goods located at the warehouse(s) designated. The quantity contained in each lot has not been verified by CCC, but is based on inventory records. Therefore, delivery of the entire quantity in any such lot shall, with respect thereto, constitute complete delivery under the contract. However, the total sales price will be adjusted on the basis of the unit sales price for the quantity actually delivered. CCC will refund to purchaser any overpayment previously made. The purchaser will pay for any quantity delivered in excess of the above-mentioned quantity based on inventory figures.

Warranty: By making a bid subject to these terms and conditions, the purchaser warrants that the commodity purchased under the contract will be used for manufacturing purposes only and will not be used in its present form or resold as a commodity for human food. Purchaser agrees to furnish CCC with a notarized statement certifying that the commodity has been used for manufacturing purposes only, and if requested by CCC shall make available for inspection, all records involving such usage of the commodity.

Officials not to benefit: No Member of, or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of the contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to the contract if made with a corporation for its general benefit. (Sec. 3741, Revised Statutes, and secs. 114–116, act of March 4, 1909. However, see Public, No. 381, 75th Cong., approved Aug. 26, 1937.)

WM. H. PITTMAN,
Acting Chief, Sales Branch,
Office of Supply (CCC).

Mr. WHERRY. Mr. President, it will be noted that this advertisement or announcement gives information as to how bids should be submitted, what the terms and conditions are, what food is about to be sold, how the delivery is to be made, and what the payment is. It tells something about the quantity, and it says:

By making a bid subject to these terms and conditions, the purchaser warrants that the commodity purchased under the contracts will be used for manufacturing purposes only and will not be used in its present form or resold as a commodity for human food.

This notice refers to "off-condition evaporated milk," and it says it is from the pack of 1942. Here is evaporated milk of the pack of 1942, which has been in storage all this time, up to June 25, 1945, and has spoiled in storage.

What about the pack of 1943 and what about the pack of 1944? The food counters are empty, and if we go into a restaurant to eat we find there is no butter. Yet, there is milk in dead storage from 1942 which now is being sold as a tainted product, which cannot be used for the purposes for which it was produced in the first place.

It might be thought there is not very much of this. I wish to include at this point in my remarks the schedule of evaporated milk available for sale from the 1942 pack. It gives the warehouses, the location, the lot, the cases, and the total quantity of this milk which has spoiled in storage. I ask unanimous consent that at this point in my remarks this schedule of evaporated milk available for sale, giving these various items, be printed in the RECORD.

There being no objection, the schedule was ordered to be printed in the RECORD as follows:

Schedule of evaporated milk available for sale

Warehouse and location	Lot No.	Number of cases
Currier-Lee Warehouse:		
Chicago, Ill.	6766	3
Do.	6939	5
Total		8
Grocers Terminal Warehouse, Chicago, Ill.	5808	491
Crothersville Warehouse:		
Crothersville, Ind.	1	40
Do.	2	22
Do.	3	111
Do.	4	7
Do.	5	30
Total		210
Indiana Terminal & Refrigerator:		
Indianapolis, Ind.	24381	½
Do.	24482	34½
Total		35
Petit Warehouse, Fort Wayne, Ind.	131	27
Eastern States Warehouse:		
Somerville, Mass.	174	1,364
Do.	175	1,498
Total		2,862
Indianapolis Warehouse & Storage, Indianapolis, Ind.	8706	259
Fireproof Storage Warehouse, Lansing, Mich.	26	301
Kammen Storage Warehouse:		
Muskegon, Mich.	36	93
Do.	91	21
Do.	Various	26
Total		140
Harborside Warehouse, Jersey City, N. J.	49806	93
Mid-Hudson Terminal, Jersey City, N. J.	6100	31
Seaboard Warehouse:		
Jersey City, N. J.	75430	184
Do.	75545	85
Do.	75553	56
Do.	75638	55
Total		380
Albion Produce Warehouse:		
Albion, N. Y.	295A	66
Do.	295	10
Do.	290	66
Total		142
New York Dock Co.:		
Brooklyn, N. Y.	964K	127
Do.	567H	2
Do.	984B	15
Do.	959B	3
Do.	961B	1
Do.	962B	2
Do.	964B	19
Do.	975B	20
Do.	985B	6
Do.	963B	17
Do.	405E	6
Do.	406E	1
Do.	409E	2
Do.	411E	2
Do.	414E	9
Do.	417E	1
Do.	420E	1
Do.	440E	18
Do.	449E	30
Total		282
National Terminal Corp., Buffalo, N. Y.	8721	415

Schedule of evaporated milk available for sale—Continued

Warehouse and location	Lot No.	Number of cases
Larkin Storage Warehouse, Buffalo, N. Y.	6785	504
Do	9138	304
Do	9143	57
Total		865
Roach & Reed, Eagle Harbor, N. Y.	1000	39
Borden Robinson:		
Lockport, N. Y.	8	248
Do	10	246
Total		494
Middleport Warehouse Co., Middleport, N. Y.	20	348
Fiedelson Warehouse Co.:		
New York, N. Y.	F1375	7
Do	F1377	6
Do	F1382	15
Do	F1388	11
Do	F1389	10
Do	F1429	10
Do	F1457	34
Do	F1459	12
Total		105
Waverly Cold Storage:		
Waverly, N. Y.	1716	13
Do	1715	16
Do	1815	9
Do	1814	9
Do	1813	13
Do	1816	11
Total		71
Great Lakes Terminal, Toledo, Ohio.	240	[1] 40
Sharon Ice & Coal Co.:		
Farrel, Pa.	1	5
Do	4	5
Do	9	11
Total		21
Pittsburgh Terminal:		
Pittsburgh, Pa.	8844	6
Do	8846	54
Do	8847	51
Do	8848	44
Do	8849	6
Do	8850	49
Do	8861	48
Do	8862	86
Do	8874	71
Total		415
Chase Warehouse:		
Burlington, Vt.	7-J306	1,237
Do	9-J702	1,239
Do	10-J806	1,241
Do	3-J506	1,232
Total		4,949
Leicht Transfer & Storage:		
Green Bay, Wis.	1032	3
Do	1033	2
Do	1037	4
Do	897	17
Do	898	16
Do	900	21
Do	901	17
Do	902	16
Do	903	16
Do	904	25
Do	906	15
Do	909	29
Do	912	19
Do	913	26
Do	914	15
Do	915	24
Do	917	1,187
Do	919	25
Do	922	22
Do	923	22
Do	924	17
Do	925	23
Do	926	19
Do	928	11
Do	939	2
Do	942	1
Do	951	3
Do	952	2
Do	953	2
Do	956	4
Do	975	1
Do	979	2

[1] And 2 cans.

Schedule of evaporated milk available for sale—Continued

Warehouse and location	Lot No.	Number of cases
Leicht Transfer & Storage:		
Green Bay, Wis.	1026	5
Do	862	23
Do	869	20
Do	879	24
Do	880	19
Do	884	15
Do	885	25
Do	888	30
Do	890	18
Do	889	18
Total		1,805
Pittsburgh Terminal:		
Pittsburgh, Pa.	8822	1,480
Do	8852	1,446
Do	8875	1,431
Do	8877	1,462
Do	8881	1,393
Total		7,212
Miers & Brockenfield, Portland Oreg.	0447	2,934
Terminal Warehouse:		
Jersey City, N. J.	1	54
Do	2	403
Do	3	525
Total		982
Metropolitan Warehouse, Los Angeles, Calif.	Various	2,549
Western Gateway Warehouse, Ogden, Utah.	...do	526
Christie Transfer & Storage, Butte, Mont.	9233	419
Edgars Sugar House No. 4, 1824 Clay Ave.:		
Detroit, Mich.	186	85
Do	189	112
Do	190	20
Do	198	28
Total		245
Edgars Sugar House No. 9, 117 East Junction Ave.:		
Detroit, Mich.	984	154
Do	931	249
Do	932	54
Do	940	243
Do	961	3
Total		703

Mr. WHERRY. Mr. President, I should like to have the distinguished Senator from North Dakota, who has been good enough to extend me the courtesy of the floor for these few minutes, to notice that there are included in this particular sale more than 10,000 cases of evaporated milk that is scattered around over the country, in Chicago, Indianapolis, Jersey City, New York, Ohio, Pennsylvania, Vermont, and Wisconsin. I said 10,000 cases. I am quite sure that when the totals are added it will be found the amount is in excess of 25,000 cases, because at one place alone, in Pittsburgh, there are 7,212 cases.

I am merely bringing to the attention of the Members of the Senate the fact that we have had this investigation of the food situation, and I emphasize that because of faulty administration—I call it maladministration—we are helping to create day after day shortages, all unnecessary, of food which should be in the hands of housewives, food which should be consumed instead of being in dead storage, food which is so badly needed for the civilian population and for the military forces. Yet we have discovered in dead storage, as we have made this investigation, a large quantity of evaporated milk that goes back to the pack of 1942.

Mr. President, I hope that as we bring these matters to the attention of the Senate in a constructive way it will be helpful to the new Secretary of Agriculture, whose activities are combined with those of the War Food Administration, and that it will be made possible, not only to produce the necessary food products but to bring about their distribution to every nook and cranny of the land. Food, which is so sorely needed during this war—which certainly has to be won—not only for the military forces but for those who work in the industrial centers, should not be placed in dead storage and be permitted to spoil.

I thank the distinguished Senator from North Dakota for granting me the privilege of calling to the attention of the Senate another case of food spoilage when the homes of America so badly need food.

PAY OF FEDERAL EMPLOYEES

Mr. LANGER. Mr. President, I was very glad to yield to the distinguished Senator from Nebraska. I shall now refer to another subject.

Mr. President, a few days ago the bill which provided for an increase in pay for Federal employees all over the United States became law. These employees have not received an increase in pay since 1925. They were in approximately the same shape as most postal employees were. As ranking Republican member of the Committee on Civil Service I led a fight to obtain for employees working for the Federal Government enough to keep body and soul together. We have been told by the Women's Bureau and Children's Bureau of the Department of Labor that the lowest amount a single person could live on was $1,925 a year. Approximately one-third of the Federal employees received less than that amount. The result was, Mr. President, that after a great deal of work and debate we passed a bill last week which raised the salaries of low-paid Federal employees somewhere between 15 and 18 percent. We heard a great deal during the discussion of the measure about the Little Steel formula. We heard a great deal about overtime.

Mr. President, it was agreed during the committee meeting time and time again that those receiving less than $1,925 a year should receive enough pay to keep body and soul together, and yet what do we find? Two days after the bill was passed we find in the press of this city a statement to the effect that an appeal had been made to the President of the United States to reduce the overtime, first to 44 hours a week, and then to 40 hours a week. Mark you, Mr. President, the minute overtime requirements are abolished several million Federal employees will receive—what? They will receive what they did back in 1925. They will be back on starvation wages.

In the bill which we passed it was provided that anyone who received more than $10,000 a year salary should have no reduction in his salary so long as the war lasted. So an individual receiving $10,000 a year or more will, when the law

takes effect, receive $10,600 or $11,000, but a poor man with a family who is receiving $1,600, $1,700, or $1,800, or $1,900 a year, with overtime taken away, will be receiving the same wages he did in 1925. It is for that reason, Mr. President, that earlier today I introduced for appropriate reference a bill which I ask to have printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the rates of pay for Federal employees, employed in the several trades and occupations, whose basic compensation is fixed and adjusted from time to time in accordance with prevailing rates by wage boards or similar administrative authority serving the same purpose, shall be maintained at rates which are not lower than those in effect on June 1, 1945, plus such amount, calculated to the nearest cent per hour, as will equal the pay for a 48-hour week under the wage schedules in effect on June 1, 1945, wherever the hours are or have been reduced below 48 per week: *Provided,* That the hours of labor in those branches of the Federal service covered by this act, shall be reduced to 48 per week as long as the requirements of the war effort permit; and reductions in the hours of labor to as low as 40 per week, shall be made to minimize or avoid reductions in personnel wherever feasible.

AIRPLANE ACCIDENTS

Mr. LANGER. Mr. President, I wish once more to take up the matter of airplane accidents, concerning which I have spoken time and time again. Sometimes it seems to me that I occupy a peculiar position upon this floor in that I am beholden to no political machine. I do not owe my election to any Democratic political machine nor to a Republican political machine, nor to any other political machine in the State of North Dakota. In addition to not being obligated to any political machine, I come from a State that has no war industries of any kind. There is therefore no huge army of employees to which I am beholden, or even a small group of millionaire owners of war plants, to which I must bow down and worship.

On the contrary, Mr. President, I come from a State the common people of which sent me to represent them upon the Senate floor. I represent the fathers and the mothers of the Air Force pilots. I represent, in addition, not only the sisters and the brothers and the sweethearts of these pilots, but the pilots themselves.

My sole interest and my only interest, therefore, is in seeing to it that these air pilots receive a square deal in the United States of America and in those countries where they serve.

May I not state to the people of my country that I am not acquainted with a single official of any of the large companies producing bombers and fighters; that I have no personal feeling of any kind, of friendship or animosity, directly or indirectly, toward a single official of any one of these companies, and that my feelings toward Curtiss-Wright, Boeing or Glenn Martin, or any other large airplane manufacturing company, are entirely impersonal.

My attention was drawn to what was happening to these American air pilots by two men. One was Gen. H. H. Arnold, the head of the Air Force who testified on October 2, 1944, that 17,500 pilots in training had been killed here in America—while training. Only a little more than 5,000 had been killed in actual combat. Think of it. Three times as many airplane pilots were killed in training as were killed in actual combat. Who said so? General Arnold, the head of the Air Forces of this country. He said so on the 2d of October 1944.

The other man who called my attention to this situation is none other than Harry S. Truman, then a United States Senator from Missouri, and now President of the United States. On Monday, October 4, 1943, at 9:30 in the evening, central war time, from Shenandoah, Iowa, over the Blue Network, Mr. Truman delivered a radio address. It was entitled "The Fight for Quality Production."

So the man who at that time was a United States Senator, and who is now President of the United States had something to say on this subject. This is what he said about Curtiss-Wright and some of the other groups, many of whose members have become millionaires, out of the blood of our pilots, and out of the suffering of their fathers, mothers, and other relatives. Two years ago next October, Mr. Truman said:

Today we are engaged in total war. Victory or defeat depends upon our armed forces, but they, in turn, are dependent upon what we give them with which to fight. They are risking their lives. They are entitled to the best that we can give them.

Their needs are determined by the procurement officers of the Army and Navy. The Army and Navy specify what war materials they want, and ask business to produce them in accordance with the Army and Navy specifications.

Business contracts to supply materials that conform to these specifications. Common honesty requires that business should not foist off upon the Government materials that do not conform to contract. But more than honesty is involved here. Our soldiers and sailors are dependent upon those materials for their lives, and our Nation is dependent upon them for its liberty, and even for its continued existence.

For these reasons, the committee of the Senate, of which I have the honor to be the chairman, has considered itself obligated to check charges that come to it from Government inspectors that certain corporations are delivering war material that does not meet specifications. These Government inspectors are patriotic men. They are honest and conscientious. They make no profit from the sale of the war materials. They gain nothing by making unfounded charges, and by complaining at all, they risk their jobs.

The committee has investigated a number of such charges. Unfortunately, it has found several outstanding examples in which they were true. In all such cases, the committee has insisted that the corporation involved should correct the situation, and that it should either produce material according to specifications, or obtain the approval of the armed services using the material for the delivery of substandard items to be paid for as substandard material and used only where it can safely be used.

The committee will continue this policy. It will not accept excuses from management, except where it is convinced that management is acting promptly, and in good faith, to remedy the situation and to discharge those responsible for the fraud upon the Government. By the latter, the committee does not mean the little fellows at the plant who pass the materials, but the plant superintendents who, through carelessness and incapacity, are responsible for the existence of the situation.

Such a policy seemed to the committee to be so clearly right and necessary that it expected that the press and radio would join it in requiring management to conform to Government specifications, and in telling defense workers that they would receive support in their efforts to make good war material.

This is not asking too much. Practically all of industry is producing good, high-grade material. The great mass of companies are giving our Government what it pays for. Only a very few of our large corporations have strayed from the path. And honest business and industry have been unanimous in condemning such practices. I want it perfectly clear that I have no criticism of industry or business in general. The few whom I have had to criticize are the exceptions and not the rule.

By and large the committee's efforts have received such support. The press and the radio deserve a great deal of credit for this, because the companies which have had to be corrected include several of the largest corporations in the United States.

The President was talking about the largest corporations in the United States. He said:

The companies which have had to be corrected include several of the largest corporations in the United States.

Mark you what he said then:

They spend millions of dollars for advertising, which the press and radio risk if they publicize their mistakes.

I wish to make it plain that hardly a word of any speech which I have delivered on this floor in connection with airplane accidents has been published in the press of this country. President Truman tells why:

They spend millions of dollars for advertising, which the press and radio risk if they publicize their mistakes.

These corporations also employ staffs of publicity men who occupy themselves in attempts to confuse the issues and obtain public comment favorable to the companies based on a misunderstanding by the press or radio of the underlying facts.

Let me repeat, Mr. President, that this is the President of the United States who is talking. This is what he said on the 4th day of October 1943 about the press and the radio of this country. I want Senators to remember that, because in just a few minutes I am going to tell why the Curtiss-Wright Co. took 40 men to St. Louis and entertained them, wined them, and dined them, just a short time ago. I proceed with what the President said:

A few of our better known newspapers and one popular radio news columnist have misunderstood the situation and by their reports to the public have unwittingly assisted in creating a false impression.

For example—

Mr. Truman is now talking about the United States Steel Corp. and one of its subsidiaries. He tells how they cheated the Government. That is the same United States Steel Corp. whose

chairman of the board for a long time was Edward Stettinius—

For example, the committee found that the Carnegie-Illinois Steel Corp., the principal subsidiary of the United States Steel Corp.—

Mind you, Mr. President, these are Senator Truman's words, not those of BILL LANGER. This is Harry Truman talking:

For example, the committee found that the Carnegie-Illinois Steel Corp., the principal subsidiary of the United States Steel Corp., was producing steel plate for the Navy and the Maritime Commission and lend-lease in its Irvin works, and that the physical tests to which the finished steel plates were subjected to determine their tensile strength were faked and falsified.

How many boys in the gallery would want to be in a ship fortified with that kind of armor? The man who is now President said that the tests of that armor were faked and falsified by the United States Steel Corp.

The company men in charge of the operation of the testing machines testified that about 5 percent or more of the tests were deliberately faked for the purpose of falsely reporting that the steel plate was in accordance with specifications. To do this—

Mr. Truman said—

they instructed the testers under them to cheat.

But, Mr. President, did a single one of those men go to jail? The soldier boys are dead; but did Mr. Truman or anyone else send anyone to the penitentiary for faking this armor? No; they brought a suit in the name of the United States against the Curtiss-Wright Co.

Mr. President, I have a copy of a letter which I wrote to the Attorney General, to find out in what shape the case was. I sent the letter to the Attorney General, but I did not even get an answer.

President Truman—then Senator Truman—continued:

The case required particular emphasis because of the improper and obstructive attitude which was taken as to it by the Carnegie-Illinois Corp.—

In other words, Mr. President, the United States Steel Corp.—

when the matter was first brought to its attention. Instead of cooperating—

Said President Truman—

in an investigation of a serious situation, which had arisen by reason of the carelessness and negligence of the management, it—

The United States Steel Corp., Mr. President—

attempted to delay and obstruct the investigation—

By doing what?—

by refusing access to records and an opportunity to examine witnesses.

Mr. President, when John Lewis asked a few hundred thousand men not to work unless they could get enough money to keep body and soul together, from one end of America to the other, the press of this country condemned John Lewis. They said he should be hung as a traitor, and word was sent forth all over the world to our fighting men that John Lewis was instigating strikes, that he was obstructing the war effort. But anyone who heard the testimony of John Lewis before the committee remembers that he said he would have no trouble if it were not for the coal mines owned by the United States Steel Corp. and its subsidiaries. They were the companies that were starving their miners.

Here we find the same United States Steel Corp.; but, Mr. President, you do not see mention of it in the press. You do not see that news heralded all over the world to our fighting men. We find the man now occupying the Presidential chair of this country saying, even to his own committee, when he was fighting to protect the lives of our soldiers, that the United States Steel Corp.—and I use his own words:

Attempted to delay and obstruct the investigation by refusing access to records and an opportunity to examine witnesses.

I continue the quotation:

When it became impossible to continue such tactics, it—

That is, the United States Steel Corp.—

resorted to attempts to minimize the importance of the dishonesty which it was forced to admit had been practiced by its employees. The presentation of its case before the committee—

In other words, Mr. President, the presentation of the case of the United States Steel Corp., said President Truman—

was marked by a lack of frankness and candor.

The situation was so bad that Mr. Fairless, the president of the United States Steel Corp. stated to the committee:

"We are just as shocked to get these facts as you and we are as desirous of correcting them as you are."

And he further said:

"I consider it was very, very poor management."

Mr. President, I now ask unanimous consent that the first two paragraphs on page 6 of Mr. Truman's speech be printed at this point in the RECORD as a part of my remarks.

There being no objection, the paragraphs were ordered to be printed in the RECORD as follows:

Mr. Charles E. Wilson, executive vice chairman of the War Production Board informed the United States Steel Corp. that:

"Although the evidence adduced to date does not prove that the culpability for the falsification goes higher than the chief metallurgist, Mr. McGarrity, it does nevertheless indicate, in our opinion, poor management on the part of the officials of the Carnegie-Illinois Steel Corp.

"Needless to say, this entire situation has deeply disturbed us at the War Production Board; and we are determined, as we feel certain you are too, that immediate steps shall be taken to put an end to all falsifications, to take appropriate disciplinary action with regard to those responsible for such practices, no matter how high in the organization they may be, and finally so to readjust your organization that, in the future, we can look forward with the fullest confidence to effective, efficient, and straightforward operation of your corporation and its subsidiaries."

Mr. LANGER. Mr. President, I wish to discuss what was said by Mr. Charles E. Wilson. He is of the great General Electric Co., and he was appointed by the late President Roosevelt to be executive vice chairman of the War Production Board. He said the following:

Needless to say, this entire situation has deeply disturbed us at the War Production Board, and we are determined, as we feel certain you are, too, that immediate steps shall be taken to put an end to all falsifications, to take appropriate disciplinary action with regard to those responsible for those practices, no matter how high in the organization they may be, and finally so to readjust your organization that, in the future, we can look forward with the fullest confidence to effective, efficient, and straightforward operation of your company and its subsidiaries.

But look at the difference, Mr. President. In France a soldier stole a few cigarettes. His life was taken away; he was hung for stealing a few cigarettes in France. Here corporations manufacture worthless armor. They admit they did it; and Charles E. Wilson, the former head of the General Electric Corp., and later the executive vice chairman of the War Production Board, in talking to the head of the United States Steel Corp. said, "You simply must not do it anymore."

What did President Truman—then Senator Truman—say? He said:

Mr. Wilson could not have used plainer language, and he acted only after consulting with the Navy Department and the Maritime Commission and being assured that they concurred in his opinion.

Mr. Truman also said this when he spoke 2 years ago:

This was not the first time that Carnegie-Illinois Steel Corp.—

That is the United States Steel Corp., the former chairman of which the President has named at the head of this great big peace movement—

had been guilty of faking tests on steel supplied to the Navy.

Mr. President, what is the life of a soldier worth? He gets on a ship to go across the water, and our Government has paid good money for the armor on that ship, but then the officials of the company which manufactures the armor admit that the tests on the armor were faked and that the armor on the ship is no good at all.

Mr. Truman said:

Forty-nine years ago, in 1894, the House Naval Affairs Committee investigated charges against the Carnegie Steel Co. and found the following charges to have been proven—

Mind you, Mr. President, 49 long years before, the President said, that company had been guilty of—what? I quote the President:

False reports of the treatment of the plates were systematically made to the Government inspectors.

"Specimens taken from the plates both before and after treatment to ascertain the tensile strength of each plate were stretched without the knowledge of the Government inspectors, so as to increase their apparent tensile strength when actually tested.

The President continued:

False specimens taken from other plates—

Listen to this, Mr. President. This is the present President of the United States speaking. Listen also to what the United States Steel Corp. was doing to the soldier boys. I repeat:

False specimens taken from other plates were substituted for the specimens selected by the Government inspectors.

Mr. President (Mr. WHERRY in the chair), if in your great State of Nebraska the Government bought a hundred horses, and the next day it was found that 10 spavin-boned critters had been substituted for good horses, the men guilty of the fraud would be put in jail. But that was not done with these millionaires. The men about whom I am talking are men whom President Truman himself said were guilty of taking specimens from other plates and substituting them for specimens selected by the Government inspectors. Oh, Mr. President, that is a different thing. Those who are rich, powerful, and strong are not put into the penitentiary; they are promoted. They are put in charge of the Government.

President Truman further said:

The testing machine was repeatedly manipulated by order of the superintendent of the armor-plate mill so as to increase the apparent tensile strength of the specimen.

That, according to President Truman himself, is how the United States Steel Corp. cheated the people of America.

President Truman continues—these are his own words, not mine; I am now quoting the present President of the United States, Harry S. Truman—

The similarity between the frauds practiced today—

Frauds practiced today—

and the frauds practiced 50 years ago is so striking that a single report might well have served to summarize both investigations.

My God, where has the United States Senate been these last 50 years? If the same kind of frauds has been taking place for the past 50 years, why has it not been stopped? Is the United States Steel Corp. so powerful that it is stronger even than the United States Government itself? Apparently it is.

Mr. Truman continued:

The committee believed that it was time that such practices should stop and was extremely surprised when a leading Pittsburgh paper ran a scare head all the way across the front of its paper as follows:

"Steel slump blamed on Truman. Committee's bungling slows war output."

The story referred to an "exhaustive independent inquiry just completed" by that newspaper. In all this "exhaustive inquiry" the newspaper had not once contacted the committee for any information. The article proceeded to say that although official production figures for April were not available, "preliminary and informal reports to the WPB on production trends show that instead of April being the month in which all records for steel-plate production would have been broken, this month's production may fall seriously below previous months—possibly fall off as much as 35 percent."

That statement was taken from a newspaper article which was carrying false charges concerning the Truman committee.

Senator Truman further said:

As I understood the newspaper article, it was a charge that because the Senate had dared to require the United States Steel Corp. to be honest—

Because Truman had dared to require the United States Steel Corp. to be honest—

we were going to lose 35 percent of our steel-plate production, and that that loss should be attributed to the Truman committee's "bungling."

This article, with its prediction of a 35-percent slump for April, was published on April 16, after half the month had expired.

The fact is—

Said the then Senator Truman, now the President—

that after the month had ended, and the figures were in, the War Production Board announced that April was a record-breaking month, and that the steel industry produced more steel plates than it had ever before produced in a single month.

Mr. Truman further said:

I wonder, and I think you will wonder, who told that newspaper that there was going to be a steel slump and why was such a ridiculous rumor circulated.

Shortly afterward the committee found that the Wright Aeronautical Corp., a subsidary of the Curtiss-Wright Corp., was guilty of selling for intallation in Army and Navy planes airplane engines that were not in accordance with specifications.

The engines in question were made at Lockland, Ohio, near Cincinnati, in a plant designed by Curtiss-Wright but built by the Government at a cost of more than $140,000,000.

Ah, Mr. President, our Government is trying to protect the soldiers. The Senate has voted billions of dollars in order that the soldiers may have the best equipment in all the world. No one knows that better than does the junior Senator from Nebraska [Mr. WHERRY], because I have heard him appeal time and again to make sure that the Government receives 100 cents of value for each 100 cents it spends. But here are these crooks. I call them crooks because that is what they are, according to Harry S. Truman, the President of the United States. I wish to show Senators how careful the President went into this matter. He continued as follows:

I want to tell you just how this investigation started and was conducted. In order to make sure that the engines being produced could properly be used in our military aircraft, both Curtiss-Wright and the Government employed many inspectors, at a total cost of several million dollars a year.

Mr. President, we were going to make sure that our boys be furnished with good material with which to fight.

I continue reading:

The committee received letters from a number of these inspectors, particularly the Government inspectors, complaining—

About what?

That they were being forced to pass parts and engines which were not in accordance with the specifications. These specifications were prepared, Mr. Truman said, by Curtiss-Wright themselves and approved by the War Department.

Curtiss-Wright never complained that the specifications were needlessly made too strict. Good heavens, Curtiss-Wright itself prepared the specifications, so of course they were not too strict. All the United States Government asked Curtiss-Wright to do was to live up to the specifications they themselves had written. Mr. Truman says:

A committee investigator was sent to Cincinnati. He found that the majority of the Government inspectors looked to the Senate—

They looked to this body—

to correct the situation which they had lost hope of having corrected by Curtiss-Wright.

Those Government inspectors said we can depend on the Senate of the United States; if anything is wrong they will correct it. We know there are 96 of them; we know that except in case of illness they are always present on the Senate floor; we know that they are very much interested, and therefore we are going to depend upon the United States Senate to correct this cheating and robbing.

In fact—

Mr. Truman said—

one of the inspectors broke down and cried as he told his story, saying that he had two nephews in the Air Force. Before our investigator had finished, not only a majority of the Government inspectors but also a number of the Curtiss-Wright inspectors made the same charge, namely, that the inspectors were not being permitted to reject parts of engines that failed to conform to specifications.

Just think of that, Mr. President. Their own inspectors, those of Curtiss-Wright, and the Government inspectors both said that the Government of the United States was being cheated, that poor and defective parts and engines were being put into these airships which our brave boys were asked to fly.

Only Saturday, Mr. President, I read into the RECORD a list of more than 100 accidents occurring in nearly every State in the Union. Bombers had crashed; some of them had exploded in midair. No one will every know the reason because those soldier boys, those pilots are dead; they cannot testify; but the bunch of crooks who are manufacturing those planes still have the millions of dollars they made, and they are still out of jail, and, apparently, are going to keep out of the jails and penitentiaries of the United States.

Mr. President, Senator Truman continued on a Nation-wide hook-up and said:

These men had come to the committee only as a last resort. They had tried to tell their story to their own superiors in the United States Army. The only reward of those who attempted to do this was that they were transferred under a cloud or otherwise penalized. Morale was almost completely destroyed.

Mr. President, what is the situation? Mr. Truman said on October 4, 1943, that when those inspectors tried to tell their story to their own superiors in the United States Army they would not listen, but has Mr. Truman fired any of these superiors? Has he removed any of them? He has been President for 60 days. Has he fired any of them, Mr. President? The only reward of those honest men, according to Mr. Truman himself, the only reward of those who attempted to do their duty was that they were transferred under a cloud or otherwise penalized.

Mr. President, listen to this: Here are the inspectors from the Army, here are the inspectors from the Government,

here are the inspectors from Curtiss-Wright themselves. What does Mr. Truman say about all this group of inspectors? He says:

Their complaints were unanimous; there were no discrepancies.

That is what Harry S. Truman said on the 4th day of October:

They had been forced to accept bad materials. In many cases where they attempted to reject material which was clearly bad, Curtiss-Wright succeeded in having them overruled by appealing, over their heads, to their superiors.

Mr. President, in heaven's name, if that be true, Harry Truman is no longer Senator, he is President; he is Commander in Chief of the American Army and Navy of the United States, and I say that he owes a duty to the people of this country, to the soldiers of this country, to fire those men out of the Army and Navy and to make their names public.

Mr. Truman said again:

They did not charge their superiors with dishonesty—they simply pointed out that, again and again, material which was clearly and dangerously bad had been accepted. They were able to show our investigator defective parts which had been accepted. They were able to point out engines which had been accepted with defects.

The committee did not make any public announcement of the conditions which its investigator had found, because it wanted to be absolutely sure that it was fair to Curtiss-Wright and to the Army. What the committee did do was to call in both Curtiss-Wright and the Army, and give them each a week or two within which to make their own investigation of the inspection procedures at the Lockland plant. Both later reported to the committee that they had found nothing. Some of the Curtiss-Wright personnel, who claimed to have made an investigation, have since been discharged or removed from their jobs, and the Army has instituted court-martial proceedings against some of the officers upon whom it relied for an investigation.

Mr. President, I should like to have the attention of the Senate to the next paragraph. I want Senators to remember that I offered to go to Buffalo, at the invitation of the Senator from New York [Mr. MEAD] and I shall have more to say about that in a moment.

A subcommittee of the Truman committee then went to Cincinnati to inspect the plant and to hold hearings. Before it finished, it had heard scores of witnesses. One witness would suggest several others. A group of inspectors would go out, voluntarily, and dig up a number of other inspectors who had the same story to tell. The subcommittee took 1,200 pages of testimony, and found a situation which was appalling.

That was what the President called it. He said the situation was appalling.

At the subcommittee's invitation, an Army officer accompanied it, and was at its hearings. At his request, the testimony taken by the subcommittee was made available to the Army, which also made a further investigation of its own. The Army and the committee are in substantial agreement that the situation at the Lockland plant was extremely bad, and required drastic corrective action.

General Arnold, commander of the Army Air Force, recently complimented me on the accomplishments of the committee at Lockland and informed me that the committee's action had been of great value and assistance to the Army Air Force.

Listen to this, Mr. President. This was Harry Truman talking:

Maj. Gen. Charles Branshaw, commanding general, Matériel Command, at Wright Field, recently informed Senator Wallgren, the chairman of the Subcommittee on Aircraft, that in his opinion, the situation was three times worse than the committee had said it was.

So, according to Harry Truman, what happened was just three times as bad as what I have stated on the floor of the Senate:

The committee leaned over backwards in this case to be certain that it was fair to Curtiss-Wright. It even submitted its report to Curtiss-Wright, as well as to the Army, in advance, so that both would have an opportunity to present any evidence they desired, and to suggest any changes which they thought might merit the approval of the committee. I do not know how we could have been more fair.

Very significantly, Curtiss-Wright confined itself to a few generalities. It could not discuss the detailed facts themselves because they did not admit of argument.

The committee issued a report to the Senate to force Curtiss-Wright and the Army to take further additional corrective action, and to take it promptly.

In its report, the committee specifically called attention to the fact that Curtiss-Wright, through the Wright Aeronautical Corp., was producing and causing the Government to accept defective and substandard material, and that this was accomplished in the following ways:

1. By the falsification of tests.
2. By destruction of records.
3. By improperly recording results of tests.
4. By forging inspection reports.
5. By failing to segregate substandard and defective material.
6. By failing to promptly destroy or mutilate such defective and substandard material.
7. By orally changing tolerances allowed on parts.
8. By circumventing the salvage committee set up to pass on the usability of parts outside of tolerances.
9. By allowing production to override the inspection force, thereby destroying morale of both company and Army inspectors.
10. By skipping inspection operations.

The committee found no evidence that Curtiss-Wright was deliberately disregarding the specifications for the purpose of sabotage. We understood that the reason why some of its officials wanted lax inspection was that they were not able to produce engines in quantity that conformed to the specifications. For these reasons, the committee expected that the rate of production of engines would fall off when the plant was required to produce engines which conformed to Curtiss-Wright's own specifications. In other words, to get the quality which both the company and the War Department thought was necessary for engines going into military aircraft, it would be necessary to sacrifice quantity until Curtiss-Wright could improve the management and the procedures at the Lockland Plant. Of course, this was distasteful to the plant managers, whole negligence and incapacity were being demonstrated, and to Curtiss-Wright which would suffer a financial loss because less engines would be accepted and paid for by the Government.

Now I wish to return to the subject of the newspapers and the radio. I mention this only because I intend to read a letter and show that Curtiss-Wright took the newspaper men and gave them a very nice time at St. Louis. This is what Mr. Truman said:

Most newspapers and radio commentators thoroughly understood this situation, but a few of them allowed themselves to be confused by Curtiss-Wright officials who wanted to make it appear that it was the Senate, and not themselves, who should be censored for their inability or unwillingness to produce air-plane parts and engines in accordance with their own specifications.

Certainly; blame the Senate. Mr. Truman continued:

These newspaper articles and radio talks insinuated and, in some cases, stated: First, that the loss of production at the Lockland plant was due to bungling by the Truman committee which had caused inspectors to reject parts that should have been passed; second, that the committee's report was unnecessary and issued only for sensational purposes because Curtiss-Wright had already corrected the situation.

Mr. President, if a Senator rises on the floor and tells the truth about a situation, he is a publicity seeker, he is looking for notoriety, and Mr. Truman says these newspapers of Curtiss-Wright claim he did it for sensational purposes. Mr. Truman further said:

Third, that in any event, all the defective parts had been found before the engines were finally accepted for use in airplanes; fourth, that the quality of the engines was demonstrated by the job they were supposed to have done in the Tokyo raid; and fifth, that airplane production was going to suffer for lack of these engines.

These five reasons were the ones the newspapers gave, according to Senator Truman. He tells what happened to one newspaperman. He said:

You may be interested to know that the same man who predicted for the Pittsburgh paper, the "steel slump" that never materialized, somehow got himself substituted for a well-known radio commentator. For several days he attacked the Truman committee over the radio for daring to call Curtiss-Wright to account.

If these reporters were not duped, I suggest that they were, themselves, the sensation mongers. It is very significant that no official of Curtiss-Wright has ever publicly, to you, or privately, to the Senate committee, made any such statements as these.

Let us look at what Mr. Guy Vaughan, president of Curtiss-Wright, had to say as to the charge that production was lowered because the inspection procedures were too rigid:

"QUESTION. The stoppages you refer to are your own stoppages which you have had to instigate to correct a situation that was not right?

"Mr. VAUGHAN. That is right.

* * * * *

"QUESTION. Does the company, through you now, publicly take the position that the reason for your reduction in production is the fact that the Army inspection service is blocking production by its inspection procedure?

"Mr. VAUGHAN. No; it could not.

* * * * *

"QUESTION. And any articles to that effect you would repudiate as not being in accordance with the facts?

"Mr. VAUGHAN. Publicly, internationally, any other way."

Mr. Vaughan could not take any other position because Major LaVista, Resident Representative of the Army for the Lockland plant had just testified that he had contacted three of the principal officials of the Lockland plant and that they had been unable to point out any cases where their production had been held up by being forced to comply with inspection procedures.

The suggestion that Curtiss-Wright had taken full corrective action before the committee's report was equally unfounded.

"QUESTION. You do not disagree with General Echols in his conclusion that the management of the company at present is not satisfactory.

"Mr. VAUGHAN. I will agree to the fact that we have had a number of things that are not called good management, but I won't agree that the people who have been building up this thing have done a bad job. I think it can be made better as time goes on. It has got to be made better."

Major General Echols, in charge of matériel for the Army Air Force, officially testified on behalf of the War Department, that:

"In my opinion, the management which has been there for the past several months has not shown itself qualified to accomplish the job as laid out by that plant."

* * * * *

General Echols further testified that:

"The Government has had discussions with the top management of the Wright Aeronautical Co. with regard to getting men to strengthen the management in this plant. * * *

"QUESTION. You mean by that, I take it, General, that in addition to the question of the top man in the plant, you are dissatisfied with what you might term the management group in the highest brackets in the plant and have desired that they be strengthened by the addition of other qualified men.

"General ECHOLS. This is my opinion. They should be.

"QUESTION. Why has not the Wright Aeronautical Corp., on its own volition, provided that kind of management?

"General ECHOLS. I don't know.

"QUESTION. What reasons have they given you for their failure to do it?

"General ECHOLS. The reasons they have given me were that they believed that the present management could work the problem out."

Thus, 6 weeks after the committee had issued its aircraft report Curtiss-Wright had still failed to provide good management at the Lockland plant, and the situation was still so bad as to require both the Army and the Truman committee to give the company the ultimatum "produce or get out."

As to the suggestion that the engines produced were not defective, Major LaVista testified:

"Three engines which were on the shipping dock, finally inspected and sealed, ready to ship to the destination, were brought back, disassembled and reinspected 100 percent. Everyone of the three engines were found to be in such a condition that they could not have been installed in an airplane. In fact, the conditions found were bad enough that the company immediately ordered 69 engines, which were ready to ship, returned to the assembly department to be completely disassembled and reinspected 100 percent."

Major LaVista also testified that over 400 engines were turned down on final run due to high oil flow because no effort had been made to maintain a close tolerance on the connecting rod bearings. When 33 engines out of these 400 were reassembled with a proper fitting all 33 went through the penalty run without trouble. Major LaVista also testified that parts which had been rejected and which had not been found suitable for salvage were discovered in the so-called green assembly line ready to be assembled into engines.

Major LaVista concluded, and I quote:

"It can be readily seen from the above facts that production could be completely bottled up until such time as these engines and parts are out of the way."

Since the Cincinnati hearing the Army has torn down and reexamined 64 of the 89 engines referred to by Major LaVista. It has also called in 100 engines as a sample selection of the engines produced from January to April—prior to the committe's report. So far 10 of these have been torn down and reexamined.

They had made investigations of the airplanes on hand, and the President said:

The results were obtained from the Army by the committee in confidence, and I would like to set them forth here for your information as a direct, final, and conclusive answer to the contention that the engines produced were not defective and were fit for use in airplanes.

However, Under Secretary of War Patterson has specifically requested that this information not be made public. Without his consent I will not make it public.

Since this speech was announced further conferences have been had with officials of the Army, including Under Secretary of War Patterson. The Under Secretary stated to the committee on Saturday, "Investigations made by the Army confirm the findings made by the Truman committee as to the construction and inspection of engines." I am happy to say that the Army officials have reiterated their views that the Truman committee has performed the most worth-while service in connection with the Curtiss-Wright plant at Lockland.

Under Secretary of War Patterson and other officials of the War Department agree with us that the results of the investigation made by the Truman committee, the matters about which we complained and which we pointed out, were matters of serious import and concern. We also agree that happily, through vigorous efforts of the Army and the Truman committee, these conditions recently have been largely corrected. Since the committee's report the Curtis-Wright Co. has installed much better management and procedures of every kind. Rigid inspection is now required, not only by the War Department, but also by the company itself. Fathers and mothers of American boys who are pilots, and the boys themselves, can be assured that the Truman committee, the Army, and all branches of the armed forces will continue the most careful scrutiny of every plant in order that the lives and safety of our boys may be protected as far as it is humanly possible.

As to the contention that the Lockland plant must be good because its engines powered the Tokyo raiders, the fact is that Mr. Vaughan, president of Curtiss-Wright, has written the committee apologizing for that assertion.

Mr. Truman said, as to the contention that the Lockland plant must be good because its engines powered the Tokyo raiders, the fact is that Mr. Vaughan, president of Curtiss-Wright, had written to the Truman committee apologizing for that assertion.

But, Mr. President, when a newspaper with two or three million circulation says that the Curtiss-Wright engine flew over Tokyo, millions of people read the statement, and what good does it do a week or two later to have the president of the company write Mr. Truman a letter apologizing and saying it is not true at all? How many people ever get to know it?

Mr. Truman further said that when the president "checked up, and it is to his credit that he checked up, he found that none of the planes raiding Tokyo had an engine manufactured at Lockland." But these lying newspapers said that these Curtiss-Wright engines were the ones that were flown over Tokyo. It pays to have a friendly press, it pays to have the United States Government do what I am going in just a few months to show it did, get a friendly press for the Curtiss-Wright.

The suggestion that the requirements that these engines be made properly in conformance to Curtiss-Wright's own specifications is holding up airplane production is likewise unfounded. The War Production Board informs the committee that these engines are used in eight types of planes, and that deliveries of completed aircraft have been affected in only one instance, a Navy flying boat.

Let me repeat, I am very glad to be able to tell you that since our report Curtiss-Wright has taken drastic action and recently has made real progress. It has obtained some experienced personnel from other industries. Curtiss-Wright has hired a new senior vice president, who is giving all of his attention to correcting the situation. It has obtained a new manager for the Lockland plant and has relegated the former manager to other work. It has fired some of the principal assistants. It has sought and obtained outside advice as to how to better its inspection and production procedures. The improvements have borne fruit. Production is better, and is expected to become much better.

These steps are all to the good, and the committee will support fully every effort of Curtiss-Wright to produce good planes and engines. It will unhesitatingly call attention to any failures where it believes that Curtiss-Wright or any other company is failing to produce good material and is slow or unwilling to take action to correct its failure.

A constructive and timely investigation of failure to conform to Government specifications may be painful to the businessmen involved, but it may also be very useful even to them.

Mr. President, when the mayor of St. Louis was killed, there was his picture and a picture of the glider in every paper in the country. But when a soldier boy, a pilot, is killed it is simply too bad. He was not the mayor of the town. He was just the son of a poor North Dakota family or a South Dakota family or of a poor family in some other State. He was the son of poor people. After all, what can one expect when he goes up in the air? Many of the planes are going to come down in a crash. There is no use in saying that the poor pilot is much of a hero, but oh, when a mayor of a city is killed that is another story. So I will read this to the Senate:

Some weeks ago, there was a most unfortunate accident to a glider, which resulted in the loss of a number of lives, including that of the mayor of St. Louis and the president of the company manufacturing the glider. I checked on the cause of this glider crash and was informed that it was due to a strut fitting, which had been improperly machined down, to a point far below Government specifications. As a result, it broke under the stress and caused the glider—

This wire which had been inserted in the plane and which was far below the Government specifications—

Broke under stress and caused the glider to crash. Had we checked earlier and criticized the company for installing these defective parts, the president of the glider company might, like United States Steel and Curtiss-Wright officials, have resented it. But, he would have been alive today.

The committee will disregard newspaper articles and radio programs which confuse the issues and seek to absolve corporations for their failures. The next time you read such an article or hear such a program, I would appreciate it if you would write me. I will send you a copy of the report on the public hearings in question. After you have read them, if you disagree with the committee, I would appreciate your writing and telling me so. If you disagree with the newspaper or

radio commentator, I would appreciate your writing him and telling him so.

That is the end of the Truman broadcast.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. BREWSTER. Do I understand the intimation to be that the Senator feels there has been discrimination in the committee investigations according to the importance of the people injured?

Mr. LANGER. No, sir. I stated that when an accident occurs to a prominent man like the mayor of St. Louis, who was killed, the news is flashed all over the world and appears in newspaper reports everywhere. But if a boy of poor parents is killed, a poor pilot—and 17,500 of them have been killed—the news of the death of such a pilot receives only a few lines in the newspapers. I have clippings showing that some receive only three lines.

Mr. BREWSTER. The Senator does not mean that so far as the senatorial committee is concerned the importance of the people injured made any difference?

Mr. LANGER. No.

Mr. BREWSTER. I am glad to have that made clear. I understand the Senator has been quoting with approval some of the statements which President Truman, when chairman of the committee, made regarding this situation.

Mr. LANGER. Yes.

Mr. BREWSTER. As a member of the committee, I want to assure the Senator that we have very much appreciated the matters which he has brought to our attention, that they are receiving constant study, and we hope within a very short time to conduct open hearings on the matter. From our preliminary investigation I think they will indicate that there is a good deal of foundation for some of the complaints which have been made. I think the committee will try to live up to the very high traditions which it has previously established of zeal and of thoroughness and of devotion to the public interest.

Mr. LANGER. I am certain of that.

Mr. BREWSTER. We want to cooperate to the limit.

Mr. LANGER. I deeply appreciate the statement made by the Senator from Maine. I also want to say that we have had the constant support of the junior Senator from Michigan.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. FERGUSON. Has the Senator received any complaints recently? The subcommittee of which I am a member expects to be in Buffalo about Monday of next week, and if the Senator has received any recent complaints I know the subcommittee would appreciate them.

Mr. LANGER. I have some, yes, and I shall read them in a few minutes. Only this morning I received a telegram. I had received a number of letters previously.

Mr. President, last Saturday I placed in the RECORD a letter which I had received from one who signed himself as an American newspaperman. The letter was anonymous. Anyone experienced in the prosecution of criminals, as I am experienced by virtue of having been county attorney in my county and later 4 years attorney general of my State, knows how valuable, how very valuable—no, I will make it stronger, Mr. President; an anonymous letter is a tip that is sometimes very, very, very valuable. As I stated, Mr. President, anyone who has been a prosecutor knows how valuable an anonymous tip may be, and as attorney general of my State I have found an anonymous tip over the telephone time and time and time again to prove valuable to me. The Senate, therefore, I am sure, will be interested in knowing the reaction of the Curtiss-Wright Co. to the publication of that anonymous letter. I will quote a part of the anonymous letter. It is a letter from an American newpaperman addressed to me. While I am reading the letter I want Senators to bear in mind what former Senator Truman said about newspapermen who reported on his investigation. This newspaperman wrote to me:

At the aviation writers association's convention on June 7 to 9—

That is only a month ago—

in Chicago, Curtiss-Wright must have had 10 press agents circulating; and its cocktail party for the press must have cost the taxpayers at least $1,000. Ask your Chicago Tribune press reps.

Right after President Truman (then Senator) took Curtiss-Wright to the cleaners for producing defective planes and engines, President Vaughan of C–W fired his long-time public relations director, Larry Lawrence, and employed Jess W. Sweetser, the ex-golf champion and Wall Street bond salesman "because Jess knows and plays golf with everybody who is anybody in Washington."

Sweetser was and is reported to be getting between $25,000 and $30,000 a year—all because he knows a lot of your colleagues and because he knows his way around Washington's offices and golf courses.

At the same time Curtiss-Wright employed Sweetser they also employed T. J. "Tom" Ross of the famous public relations specialists of T. J. Ross and Ivy Lee (who represents the Pennsylvania Railroad, Chrysler, etc.) in a consulting capacity. From all the signs, these are the boys who are masterminding against you.

Under Sweetser's direction, Curtiss-Wright cocktail parties and flying junkets have been something to talk about. For example, he lined up at least 40 Washington and New York newspapermen and magazine writers last October and flew them from New York out to St. Louis and back in an Army C–46 transport plane—

What do Senators think of that? Many of our people have only A cards, Mr. President, with barely enough gasoline to use their automobiles for only the most necessary purposes; yet here we find this bunch of millionaires taking an Army plane and using it to carry 40 writers for newspapers and magazines to St. Louis and back—

for the fanciest 2-day brawl I've ever seen, all to mark the announcement of Curtiss' new peacetime commercial Commando plane.

In St. Louis we stayed at the Jefferson Hotel where Curtiss gave us a full dress party—12 course dinner—

In these days of OPA and meat rationing, Curtiss-Wright, this group of millionaire crooks, gave the 40 newspapermen so eloquently described by Senator Truman a 12-course dinner—

a rare demonstration of strip tease art by one Dawn Carroll imported from Chicago—

If the reports are true, I understand that in Chicago they have the finest strip tease artists in the world. There was no one in St. Louis good enough to strip tease, so Curtiss-Wright, at the expense of the taxpayers of America, obtained this girl from Chicago to go to St. Louis to entertain the 40 men. Curtiss-Wright—

made feminine companions available—

I shall not read the rest of it, because it is too unbelievably filthy and dirty.

Mr. President, I read this letter on the floor of the Senate last Saturday. What is the reply of Curtiss-Wright? It is on the front page of the Buffalo Courier-Express for Sunday, July 1. Curtiss-Wright says it paid the bills:

Replying to Senator LANGER'S "cocktail party," complaint, Curtiss-Wright officials yesterday issued this statement:

"All expenses in connection with the press party at St. Louis for the unveiling of the C–W–20E, our postwar bid for commercial aviation, were borne by the Curtiss-Wright Corp., and not charged to the Army Air Forces.

"This included gasoline for the airplane trip for aviation writers, and all other expenses."

Mr. President, when the Curtiss-Wright officials were interviewed by the Buffalo newspapers, what did they say? Just what I have quoted. Did they deny the important facts alleged by this American newspaperman? Did Curtiss-Wright deny that it had "employed Jesse W. Sweetser, the ex-golf champion and Wall Street bond salesman 'because Jess knows and plays golf with everybody who is anybody in Washington,' " and who is intimately acquainted with so many of my senatorial colleagues? Did Curtiss-Wright deny that it was paying him between $25,000 and $30,000 a year? Does Curtiss-Wright deny it? Let any Senator rise on the floor and deny it for Curtiss-Wright.

Did Curtiss-Wright deny that it had employed Sweetser "because he knows his way around Washington offices and golf courses"? Did Curtiss-Wright deny that it had the use of an Army C–40 transport plane in flying "at least 40 Washington and New York newspapermen and magazine writers last October from New York out to St. Louis and back to mark the announcement of Curtiss' new peacetime commercial commando plane"? Let some Senator answer on this floor.

Did Curtiss-Wright deny that it made reservations in wartime for 40 men at the Jefferson Hotel in St. Louis, Mo.? Did Curtiss-Wright deny that it gave those 40 men a full-dress party and a 12-course dinner? Did Curtiss-Wright deny that it had "a rare demonstration of strip-tease art by one Dawn Carroll, imported from Chicago"? Did Curtiss-Wright deny that it had "made feminine companions available," as alleged by the American newspaperman?

Mr. President, by its failure to deny those things, Curtiss-Wright admits them. It says it paid the expenses itself. Mr. President, the American people are

not quite so naive as not to know that all this expense can be deducted by Curtiss-Wright from its income tax. Of course, if it paid for the gasoline and the transport plane, if it paid for the 40 rooms at the Jefferson Hotel in St. Louis, if it paid for the 12-course dinner—and I suppose that was accompanied by champagne; I do not know whether it was or not—if it paid the strip-tease artist from Chicago for her exhibition, and paid for making feminine companions available, as alleged by the American newspaperman, that is all charged up to entertainment expense, and under the internal-revenue laws of this country can be deducted by Curtiss-Wright from its profits when it makes its income-tax return.

Mr. President, when the CONGRESSIONAL RECORD of the proceedings of last Saturday was printed, some Washington citizens who read the daily newspapers here, but found nothing in them about my speech, became so infuriated that they notified me that they had raised a fund of money much more than sufficient to send me to Buffalo to make any investigation I might choose to make.

I told the man who communicated with me that I appreciated the willingness of the group to help the Government in this great emergency; that I knew that the Government has had its national debt increased from $35,000,000,000 to $250,000,000,000, and was well on the way to increasing it to $350,000,000,000; that we have more than 3,000,000 men and women on the Federal pay roll; that Members of the House have just increased their salaries $2,500 a year; and that, of course, the distinguished senior Senator from Illinois [Mr. LUCAS] chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, was justified in not spending the $17.65 which it would cost for a round-trip ticket for me to go to Buffalo and back, and paying for my meals and lodging while there. My meals and lodging would have cost the great sum of $5.40 a day, and the expense would likely be very much more than would be justified by the results which I might achieve.

Mr. President, my informant was a man who, as I stated on the floor of the Senate, offered to testify under oath, a man who had been an inspector for Curtiss-Wright. As I stated on the floor, he had factual documents to prove why these planes explode in midair, why their engines stop in flight, why their air controls and landing gears fail, and why fuselages break in two.

It might have taken me 2 days to get corroborating witnesses. That would have cost the great sum of $39.25. Certainly a country which has a debt of $300,000,000,000 could not afford to spend $39.25. Human life, Mr. President, is now pretty cheap. The average income of a workman in India is only $18 a year; and I can appreciate the view that the saving of the lives of a few hundred American pilots is not worth $39.25. So I suppose that so long as savings must be made, and we must pay the $300,000,000,000 debt, we had better commence to save as soon as we possibly can. I can appreciate the fact, too, that if I had gone to Buffalo I would have gone there only as a private citizen, with no standing before the Mead committee and with no right to interrogate witnesses unless each question was first propounded to the Senator from New York [Mr. MEAD] as chairman of the committee, or whoever might be at the head of a subcommittee.

Mr. President, when I first came to the Senate, in the days when I thought a Senator really had some power, when I was young and inexperienced, I foolishly made a speech, I well remember, against the Alaska Highway and against the $140,000,000 oil project, and so I was taken before a subcommittee of this great august body. I went before that subcommittee. Lo and behold, Mr. President, I found that although I was a Member of the United States Senate, I could not ask a single witness a question. All I could do was to propound a question to the chairman of the subcommittee. He would decide whether it was germane; and then he, in turn, would very, very, oh so solemnly repeat the question to the witness. I say my memory goes back to that occasion. I spent 2 days there. When we got through, even the members of the subcommittee did not know who had ordered the Alaska Highway built, why it was built, or why no survey had been made before it was built. All they knew was that it had been ordered to be built without any survey being made by anyone, except by airplane. The subcommittee did not know why the Canadian Pacific had bought all the airfields en route or why the United States Government had guaranteed maintenance of that enormous stretch of road for a period of 5 years. The United States Government was building a road nearly 1,600 miles long, and the subcommittee would not permit me to find out who ordered the road built, how much it was going to cost, or what was going to become of the road when we got through.

Even at that time, however, I did some good, because before that subcommittee I raised enough hell so that they reduced from 5 years to 2 years the period during which the Government was going to maintain that road for Canada; and when I made another speech on the floor of the Senate about having the taxpayers of America maintain a road for Canada for 2 years, they finally reduced the period to 6 months after the war. So I did do a little good there.

Mr. President, as I said in the beginning, I have nothing personally against any of the men in Wall Street who own the Curtiss-Wright plant, and whose names I put in the CONGRESSIONAL RECORD a few weeks ago. If the Senate and the Mead committee are willing to let them make millions by manufacturing bombers that explode in midair or airplane engines that stop in flight or controls and landing gears that fail or fuselages that break in two, that is the business of the Senate and of the Mead committee; it is not mine. I have no greater responsibility than any other Member of the Senate has. After all, Mr. President, that is a matter for their consciences, not for mine. However, I want the fathers and mothers who have reared these pilots—17,500 of whom are already dead—to know that there is one man upon the floor of the Senate who is with them in believing that human lives are more important than creating a few more millionaires in this country.

Mr. McMAHON. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. MOORE in the chair). Does the Senator from North Dakota yield to the Senator from Connecticut?

Mr. LANGER. I yield.

Mr. McMAHON. Does the Senator believe that those 17,500 lives have been lost as a result of faulty engines? Is that the Senator's complaint?

Mr. LANGER. Of course——

Mr. McMAHON. Well, Mr. President, does the Senator know——

Mr. LANGER. Mr. President, I ask the Senator to wait a moment and let me answer. Seventeen thousand and five hundred pilots and fliers are dead. Some of them might have died in any event; the planes might have collided in the air. No one knows.

Mr. McMAHON. The Senator has no figures; has he?

Mr. LANGER. Of course, Mr. President, no one can get the figures, but we have the proof. This inspector offers to testify before the Mead committee. Let me read the statement to the Senator again. These are his own words:

> He had factual documents to prove why ships explode in midair, why their engines stop in flight; why their air controls and landing gears fail and why fuselages break in two.

If the Senator heard my second speech on this subject he will remember that at San Diego, Calif., one plane went down and it happened that a wing of the plane was saved. In that wing there were places for 116 bolts. At the coroner's inquest it was found that 96 of the bolts never had been put in their places in that wing. Four people were killed in that crash at San Diego. It was just by chance that that particular wing was recovered.

There is no way in the world that anyone can tell how many of these 17,500 men were killed because of faulty construction. But the cold fact is, Mr. President, that three times as many pilots have been killed in training as have been killed in actual combat. That is the record according to the testimony which General Arnold himself gave on October 2, 1944.

All we are asking is what President Truman asked for. All we want is honest inspection. Honest inspection is what we are trying to get.

Now, let me read several letters which I have received in this connection. It happens that I am peculiarly fortunate. A friend of mine—as a matter of fact, several friends of mine, but one very good friend of mine—was working for Curtiss-Wright. If they find out who he is, he will be fired. He wrote me on the 18th day of June. I cannot give his name, but I wish to read a part of his letter:

> Due to the fact that I believe you will have a battle, trying to prove anything in the aircraft investigation, and most certainly not by calling before the investigating committee the bigwigs or the Curtiss-Wright executives or supervisors, I should like to vouchsafe some information, which

can be proven, and also bring to your attention the names, together with their addresses, of men who could throw light on the subject and who are, I believe, in a mood to do just that. It is a fact that the Army Air Forces supervision is working in cahoots with Curtiss-Wright to this end.

I happen to know that cards are issued to the Army inspectors, for checking in their various departments; these cards, however, are not filled out until it can be inscribed "Complied with," so if these cards are shown a committee, they will look swell, but the other cards which have not been complied with, you will not see.

If the Mead committee looks at these cards they will look swell.

Also every month a detail report is made out by each Army inspector, but unless marked "No comment," they go back ahellin, no gripes dare be forwarded to the front office. Naturally, it will look pretty to the committee doing the investigation, they couldn't know the set-up.

Listen to this, Mr. President, because I want to show you what happened. In his next letter, which I shall read, the writer of the letter from which I now read said that someone had been getting hold of his mail.

I continue reading:

They are today shipping merchandise in from St. Louis without any Army check whatsoever. They have, of course, a valid excuse for each lax procedure, but in the end it seems an Army inspector named Barloe from plant No. 2 spot checks (as it were), signs the goods as O. K., and they go into stock—as is. Most of the merchandise looks very crappy, rusty, and, well, what one might expect in a surplus and salvage junk yard.

A few moments ago my distinguished friend from Connecticut [M. McMAHON] asked me about proof. As I have said, there is no way by which it may be proved how boys were killed as the result of something being faulty in the construction of airplanes. The men are dead and they cannot testify. So we must listen to men like the inspector at the Curtiss-Wright plant at Buffalo.

I continue reading, and ask Senators to listen to this:

Sometime ago wrenches were coming in here for from $12 to $35, which could be made for not over $1 for the most expensive.

Mr. President, if the wrench was worth $1 and the manufacturers received $35 for it, a profit of 3,500 percent was being made by the Curtiss-Wright Co.

I continue reading:

The Army man here squawked and beefed, and they then were sent in via plant No. 2, where I guess the Army man wasn't buying any bonds, or had any boys in the armed forces.

They went in there.

That is plant No. 2.

It reminds me of a football game, where a few carry the ball and the lesser run interference, that goes for the Army as well as CW. I have known Army floormen, squawk or crab items, the following day the same crabs went through, endorsed by the higher-ups. Now every man in the Army Air Forces inspection group, who are worth a hoot and who have been sincere, that they were to strictly abide with the rules laid down by the Army big shots, are being let out, through various political fuges and subterfuges, which I cannot enumerate in detail.

Among some of them in this plant (1) about whom I have known to be strictly on the level, from both hearsay and actual experience, yet have been let out prior to the release of stampers, yes-men, and just plain rumpots, are the following—

The writer of the letter listed the names of several persons who are willing to testify. I shall not read their names into the RECORD. He stated that the employees at Curtiss-Wright are so mad that—reading from his letter—

They are even having a meeting at the Buffalo Turn Verein, to see what can be done about the matter. Here you can secure real information and I know some are just burned up sufficiently at the injustice that they can and will crack it wide open for you. Here is hoping you can contact them.

Mr. President, the letter from which I have read was dated June 18, 1945.

Ten days later——

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McMAHON. Has the Senator at any time turned this material over to the Secretary of War and asked him for an explanation?

Mr. LANGER. No; but I offered it to the Mead committee.

Mr. McMAHON. Has the Senator thought of writing a letter to the Secretary of War about the matter?

Mr. LANGER. No. I turned it over to the committee which had been appointed by the Senate to make an investigation.

Mr. McMAHON. I might suggest to the Senator that if he would ask the Secretary of War for an explanation of some of the conditions about which the Senator is complaining, he might receive a helpful reply.

Mr. LANGER. I may say for the benefit of the distinguished senior Senator from Connecticut that I had not intended to take that much time, but I will now do so, in view of the Senator's question. However, Harry Truman did just what the Senator from Connecticut suggests. He went to the War Department and turned over to them the report of the Truman committee, and, for the benefit of my distinguished friend from Connecticut, and because we have lots of time this afternoon I want to read some of the findings of Harry Truman's committee after he turned them over to the War Department.

I have in my hand a copy of the Additional Report of the Special Committee Investigating the National Defense Program, ordered to be printed on July 19, 1943. Today is July 3; 1 week from today it will be 2 years, Mr. President, and nothing has been done by the War Department.

I shall read the last paragraph of Harry Truman's report submitted 2 years ago, and in the meantime our boys have been dying. Two years ago Harry Truman said at the end of his report:

In addition to the foregoing the committee has been engaged in a study of military plane crashes and at a subsequent date will report on this subject. The committee is concerned about the large number of such casualties, particularly in noncombat operational flights in this country.

That was 2 years ago a week from today, and we have not heard one word since. I wrote a letter to Harry Truman on October 14, 1943, and I have his reply dated October 19, 1943. July went by, August went by, September went by, and some of the pilots whose homes were in North Dakota were killed. So I wrote to Mr. Truman, and on October 19, 1943, I received this letter from him:

DEAR SENATOR LANGER: Thank you for your letter of October 14 inquiring concerning the report of my committee on military airplane accidents. The committee has been studying this matter for some time, but due to the difficulty which it has encountered in assembling the necessary information, this inquiry has not been completed. Consequently there will be no report in the immediate future. As soon as the committee's material is fully assembled it will, of course, make a report. I will be glad to advise you as to the approximate time as soon as it is possible to do so.

Sincerely yours,

HARRY S. TRUMAN,
United States Senator.

What does the Truman report say? Mr. President, I want the distinguished junior Senator from Connecticut to know that Harry Truman worked with Bob Patterson all the time. He says so in the report. I shall not read the entire report. We are interested today in Curtiss-Wright, of Buffalo, and not only Buffalo, Mr. President, but also of Columbus and Kenmore. Some official might want to whitewash a lot of these charges and say, "Well, there is something wrong at Columbus, but that is a different plant from the Buffalo plant." But, Mr. President, in the Buffalo Courier Express for July 1, 1945, it is stated that John J. Lee is the manager for the Columbus, Buffalo, and Kenmore plants. So what they do in one plant is what they do in the other two; they all have the same manager.

Now what did Harry Truman say about this outfit? I ask unanimous consent to put in the RECORD the first 20 lines of this report.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

AIRCRAFT

The airplane has proved to be the most important single weapon in the present war. The possession of large numbers of planes was of incalculable assistance to Germany in conquering France and Poland. Air superiority enabled Germany to conquer Crete despite the naval superiority of the British, and the lack of such air superiority cost Germany north Africa and ultimately will cost it the war.

We have succeeded in building an air industry in the United States which our foes cannot hope to equal. England has a splendid aircraft industry, and Russia, about which little is known, is producing large numbers of planes. The German aircraft industry has suffered heavily from the bombing of Germany and is limited as to certain vital supplies both for the construction and the operation of planes. The Japanese aircraft industry never had a capacity comparable to ours. To reach a production remotely comparable with our own it would be necessary for Japan to expand her industrial resources from the ores to the finished products. She would have to create facilities for mining ores, for smelting and refining, for rolling, casting, forging, and extruding, for milling and machining, and, finally, for the assembly of planes. This is impossible for Japan, because she cannot produce the machine tools with which to undertake so vast a program. Consequently, we can be certain

that we will be able to oppose Japan with incomparably superior air power. Our difficulties will be those of obtaining bases from which to operate against the Japanese and in overcoming the tremendous advantage which they have gained by acquiring numerous such bases in the islands of the Pacific.

Mr. LANGER. Before I get through I want to put into the RECORD the entire report, because I believe a report such as this should be in the RECORD in its entirety. I do not believe in picking out a paragraph here and a paragraph there or a line here or a line there; I believe in putting it all in. So I ask unanimous consent that at the conclusion of my remarks the complete report be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. LANGER. For the present I shall read certain extracts from certain pages. I first read from page 13, about the middle of the page:

The Army did order the substitution of the Republic P–47 for the P–40 in the Curtiss-Wright plant at Buffalo, N. Y., but after work in that direction had been commenced, ordered the continued production of Curtiss P–40's.

The later decision may have been necessary, but the committee regrets the earlier decision which concentrated so large a portion of our production on a plane which, although usable, is regarded by the Russian, English, and American forces as at best a second choice.

So our boys were flying an inferior plane, a second-class plane, when they were over there in Europe while the American people were paying for the best planes that money could buy.

We are interested in knowing how much money this outfit got. How much, Mr. President, do you suppose the Government has paid Curtiss-Wright? There has not been a single minute since this war started that the Curtiss-Wright people have not had a contract with our Government. Harry Truman says:

The Curtiss-Wright Corp. has enjoyed—

What?—

spectacular and unprecedented success in obtaining war contracts.

There has been nothing like it in the history of America. Harry Truman calls it spectacular and unprecedented.

With the single exception of General Motors Corp., Curtiss-Wright Corp. received more war contracts than any other corporation.

What do you think of that, Mr. President? They were a smooth, oily bunch of crooks. That is what I think about them. They obtained more war contracts than any other corporation in America with the exception of General Motors.

In the period from June 1, 1940—

Harry Truman says—

through March 1, 1943, it received war supply contracts in the amount of $4,717,500,000.

Is that not something Mr. President, when we have a committee that is going to help all the little fellows all over America, and the Curtiss-Wright Co. gets contracts for $4,717,500,000 from June 1, 1940, through March 1, 1943?

But that is nothing. Harry Truman says:

These contracts have since been increased. In addition, there have been programs for production by Curtiss-Wright Corp. of many thousands of additional planes and engines which if reduced to contracts, would raise its total to several billions of dollars.

They were not satisfied with $4,717,500,000, but Harry Truman says they have got billions more of dollars in contracts.

What kind of a job did they render? Senators will be interested in what President Truman says:

In the case of fighter planes, where Curtiss-Wright had a usable plane approaching obsolescence—

Imagine that, Mr. President, planes so old that no other country wanted them. Russia and England said they were second choice. But we bought them.

The bulk of the contracts were given to Curtiss-Wright, but in the case of dive bombers, were the Douglas SBD dive bombers, which has provided the dive bombers for Navy battles to date, an experimental plane—

Listen to this, Mr. President. Douglas had a plane that was proven, a dive bomber, but they did not give them the contract. The Curtiss-Wright Co. had an experimental one. So they gave the contract to Curtiss-Wright "to be produced in greatest numbers."

This Curtiss-Wright experimental plane was designated SB2C and has been popularly referred to as the Helldiver.

All the newspapermen they have—some of the 40, I suppose, whom they took to the Jefferson Hotel—figured out that the word "Helldiver" would be a good name for a plane. Now let us see what happened to the Helldivers.

Many thousands of this plane were to be produced by the Navy in a new plant built for Curtiss-Wright at Columbus, Ohio, at an expense to the Government in excess of $27,000,000.

The Government built this outfit a plant at Columbus which cost $27,000,000.

A large number of such planes were also produced in Canada by Fairchild Engine & Airplane Corp. and Canadian Car & Foundry. Many more thousands of an Army version of the same plane, designated as A–25, were to be produced by Curtiss-Wright at St. Louis, a plant originally built for other purposes.

What happened to the Helldivers? Harry Truman says:

This was a most unfortunate decision, as a result of which many tens of millions of dollars have been wasted.

That is what Harry Truman says about these Helldivers.

The present opinion of the Army Air Forces is that dive bombers cannot be used against land forces except where there is a clear air superiority, and even then would be effective only in those cases where they are not opposed by effective antiaircraft fire. * * * There are at present in the St. Louis plants—

Of Curtiss-Wright—

approximately 16,145 workmen receiving a weekly pay roll at the expense of the Government of $778,011. Of these, approximately 117 are paid more than $5,000 per year.

I am reading from page 14:

Production of such dive bombers was to have been commenced by Curtiss-Wright at Columbus in December 1941. Production did not actually commence until September 1942. It has been hopelessly behind schedule, and to date—

Listen to this, Mr. President. This was July 10, 1943. The money had been given them in 1941, and in 1943 Harry Truman says—

to date Curtiss-Wright has not succeeded in producing a single SB2C which the Navy considers to be usable as a combat airplane.

Mr. President, what can we think of that? Suppose the present distinguished occupant of the chair [Mr. MOORE in the chair] wanted an oil well dug in the great Oklahoma oil field. Suppose the corporation said, "We will have that well dug in December 1941," and they took the Senator's money, and 1941 went by, 1942 went by, and in July 1943 not a single drop of oil had been produced or the well dug.

That is the kind of support our brave boys got, when they were fighting the enemies abroad, from Curtiss-Wright, which did not manufacture any dive bombers in 1941, 1942, or up to July 1943, according to the statement of the present President of the United States. We were buying war bonds by the billions of dollars so that this bunch of crooked millionaires of Curtiss-Wright could make more money and more money and more money by taking on 40 newspapermen, giving them several days entertainment in the Jefferson Hotel, taking them over and dining them and wining them with 12-course dinners, entertained by girls and strip-tease artists from Chicago. To do what? To do what Harry Truman said in the opening of my talk, to get favorable publicity for Curtiss-Wright at the expense of the taxpayers of the United States of America.

Mr. President, I wrote the Attorney General when I wanted to know whether any of these people had been prosecuted, and although I am a Senator of the United States, I did not receive an answer.

Mr. President from the time I was a little fellow I have heard that here in America it is impossible to convict a million dollars. We are going to find out whether that is true. We are going to find out, Mr. President, because Harry S. Truman is now President of this country. He has now named a new Attorney General. He now has within his hands all the necessary machinery to proceed. He can name any prosecutors he wants to as special attorneys.

On page 25 of the report, Harry S. Truman said—what?

In addition, the committee—

The Truman committee—

believes that Curtiss-Wright was guilty of gross negligence in not ascertaining and correcting the inspection difficulties at the Lockland engine plant despite the fact that it knew that the safety of pilots and crews of aircraft were dependent thereon.

So, Mr. President, here we have former Senator Truman's own statement. Here we have an outfit which is guilty, he says, of gross negligence; not of ordinary negligence, Mr. President, but of gross negligence. Mr. Truman has been in office as President for 2 months, and it will be

interesting to know what he is going to do.

Mr. President, at the time when Mr. Truman, as a Senator, was criticizing Curtiss-Wright, Theodore P. Wright was vice president of the Curtiss-Wright Corp. He was one of the men in charge. When Government contracts were being let, Theodore P. Wright took over the job of directing the Aircraft Resources Control Office of the War Department.

Mr. President, the vice president of Curtiss-Wright was appointed by President Roosevelt to take over the job of directing the Aircraft Resources Control Office of the War Department. The vice president of Curtiss-Wright also headed the Aircraft Production Board. This meant that Mr. Wright was the dictator of aircraft output in the United States. In this job he had complete control of all raw materials and priorities for the production of aircraft. The Truman committee in its report on July 10, 1943, said that the Curtiss-Wright people obtained more war contracts in the United States than any other corporation with the single exception of General Motors.

Now that the letting of war contracts has reached its peak, this same Mr. Wright—where do Senators suppose he is now? Did Mr. Truman fire him? Well, the President ha- been so busy cleaning up that one cannot expect him to clean up everything in a few weeks, but the fact of the matter is that Mr. Wright is today the Administrator of the Civil Aeronautics Administration. If the distinguished senior Senator from Connecticut [Mr. McMAHON] has any friend who knows something about aeronautics, I suggest that he go to see President Truman and recommend that his friend take the place of this man, Theodore P. Wright, and I am sure the distinguished senior Senator from Connecticut would make no mistake in recommending such a change.

Mr. President, does it take a Sherlock Holmes to find out why Theodore P. Wright was put in that job? Certainly not. The persons responsible for giving Theodore P. Wright that powerful position as Administrator of the Civil Aeronautics Administration undoubtedly hope to control the postwar aircraft industry, including air transportation, and through the power of a subserviant CAA—if they are subservient, which I do not know, and do not allege—they may be able to do so. Theodore P. Wright is the man I want to see fired from the Government service because the CAA will control the postwar aircraft field, and no man who has been vice president of an individual aircraft corporation such as Curtiss-Wright should wield such great power over the industry.

Mr. President, I am not going to read the remainder of the letter I began to read. I am holding it in confidence.

I offered, I repeat, to go to Buffalo. I offered to go there and submit the names of the witnesses and their street addresses. The distinguished senior Senator from Illinois [Mr. LUCAS], the Chairman of the Committee to Audit and Control the Contingent Expenses of the Senate said "No." Why, Mr. President, it would cost $37.50. Human life is cheap. What if a few more hundred air pilots die? "We are not going to send the senior Senator from North Dakota to Buffalo, N. Y., to make any investigation."

Mr. President, when the senior Senator from New York [Mr. MEAD] invited me—and I have his letter—I wrote him this letter:

JUNE 26.

DEAR SENATOR MEAD: I have received your letter of June 23 and note that the present plan of the committee is to hold further hearings in this matter at Buffalo commencing on or about July 5. If satisfactory arrangements can be made I should like to leave here July 1 or 2 in order to gather up some witnesses.

Will you let me know what arrangements can be made, as I should like to get in touch with the witnesses as soon as possible.

With kind regards, I am,

Sincerely,

WILLIAM LANGER.

Then, Mr. President, Mr. FLANNAGAN of the Mead committee came to see me and he said, "No, you cannot go with us unless you pay your own expenses." The Senate has appropriated $100,000 for this and similar investigations. It would cost only $37.50 for me to go to Buffalo and back, and to stay there in a hotel, and eat for 2 days, but the distinguished senior Senator from Illinois says that it is too much, that this Government of ours in all probability, in his judgment at least, would not be recompensed by my going there. So having brought this matter to the attention of the Senate again, why we will let the Mead committee go up there on the 9th and we will see what evidence they obtain. We will get their report. I know that they will dig into the matter to the very best of their ability. No matter how skeptical some of my friends in the plant at Buffalo may be—and, judging from what they write to me, they are skeptical—sooner or later the committee will have to make a report. Twenty-four months, less one week, have gone by since Harry Truman said he was going to let us know about the casualties in combat airplanes. We have not heard; but, Mr. President, you can be sure of one thing, and that is that as long as I am a Member of this body I will be here, if necessary, day after day, until the American fathers and mothers of these air pilot heroes find out about the rotten situation in the airplane companies. I can do no more than that. I am not on the investigating committee. I am not a member of any committee which has anything to do with the matter of making these investigations; but I have a voice as one of 96 Members of this body. There is still one place in America where men like myself, who do not owe anything to any political machine, whether it be Republican, Democratic, or any other kind of a machine, can rise and truly represent the common people of America. That I propose to do. When the day comes when the people of North Dakota say they want someone else to represent them on the floor of the Senate, I am going out through that door with my head up, knowing that in my conscience I have lived up to my oath of office, and that I have done the best I could do for the common people of this country.

EXHIBIT A

INVESTIGATION OF THE NATIONAL DEFENSE PROGRAM—AIRCRAFT

The airplane has proved to be the most important single weapon in the present war. The possession of large numbers of planes was of incalculable assistance to Germany in conquering France and Poland. Air superiority enabled Germany to conquer Crete despite the naval superiority of the British, and the lack of such air superiority cost Germany north Africa and ultimately will cost it the war.

We have succeeded in building an air industry in the United States which our foes cannot hope to equal. England has a splendid aircraft industry, and Russia, about which little is known, is producing large numbers of planes. The German aircraft industry has suffered heavily from the bombing of Germany and is limited as to certain vital supplies both for the construction and the operation of planes. The Japanese aircraft industry never had a capacity comparable to ours. To reach a production remotely comparable with our own it would be necessary for Japan to expand her industrial resources from the ores to the finished products. She would have to create facilities for mining ores, for smelting and refining, for rolling, casting, forging and extruding, for milling and machining, and, finally, for the assembly of planes. This is impossible for Japan because she cannot produce the machine tools with which to undertake so vast a program. Consequently, we can be certain that we will be able to oppose Japan with incomparably superior air power. Our difficulties will be those of obtaining bases from which to operate against the Japanese and in overcoming the tremendous advantage which they have gained by acquiring numerous such bases in the islands of the Pacific.

During the calendar year 1942 approximately 48,000 airplanes were produced in the United States. During the 12 months ending June 30, 1943, we have produced 64,000 planes. The present enormous rate of production will be vastly increased. Moreover, there will be a greater proportion of the best and most useful planes.

The planes already produced and those to be produced within the next year will largely determine the result of the war. The advantages already obtained are known, but are proportionately very much smaller than those which we may reasonably expect. There is, and of necessity must be, an extended time lag between the production of a plane at the factory and the actual use of the plane at the front.

Our airplanes are being subjected to constant modifications, in some instances several hundred different modifications for a single type of plane. Some modifications are slight and not difficult to make, and some are of such major importance as almost to require the reconstruction of the plane. Some of the modifications are made at the aircraft plants. Others are made in modification centers under the direction of the Army and Navy and several industrial concerns. In some instances additional modifications are incorporated abroad before the planes are put into actual combat. The completion of such modifications sometimes requires many weeks.

On first examination is seems most uneconomical to produce an airplane and then later to modify it to make it suitable for use at the front. The reason for this practice is that an attempt to introduce too suddenly extensive modifications into a large aircraft plant results in a great decrease in the number of planes produced by the plant. For that reason, it is better to make the modifications in special modification centers until such time as the aircraft plant has had

an opportunity to make orderly plans to incorporate the modifications into its production lines.

Sometimes the delivery of planes has been further delayed by the inability to obtain all the necessary instruments and equipment for use at particular fighting fronts for which the planes are destined. For instance, planes have to be winterized for use in cold climates and summerized for use in hot climates. The committee has been assured that there is very much less such difficulty today than existed previously.

The establishment of these modification centers presented a major task. Mistakes were made and delays were incurred in many instances, but, as experience has increased, improvements have been made. Modifications still require considerable time, and every attention should be given to reducing that time. The committee expects to check a number of the modification centers at a later time to ascertain the extent of the progress which has been made.

After the modification has been completed there is a further time lag necessary to permit the flying or shipping of the planes to the fronts and necessary to permit the crews to become familiar with the planes and with the circumstances under which they will have to operate them at the fronts. Also, repair parts, gasoline and oil, and other supplies have to be shipped abroad and servicing depots established.

Consequently, it is apparent that we have an enormous and continuous flow consisting at all times of many thousands of planes between the aircraft plants and the fighting fronts. These factors are the principal reasons for the great disparity between the number of planes produced and the number actually in operation at the fronts. This means that our enemies have not yet felt the full weight of our airpower and that coming months will bring an ever-increasing flood of destruction.

It is only natural that in so vast a program there have been many mistakes. Perfection must not be expected in war, where it is better to use wasteful methods than to risk having too little. All that can fairly be asked is that reasonable care should be taken and common sense exercised to keep waste and mistakes at a minimum.

Particular attention is called to these observations so as to prevent the action of the committee, in referring in this report to mistakes and difficulties, from being misconstrued as a condemnation by the committee of a program which as a whole has been unequaled anywhere else in the world. However, we should not judge our efficiency simply by comparison with what others have done, but should also take into consideration what could have been accomplished by full and efficient use of the Nation's vast industrial and technical resources. In a great many instances we could have done much better than we have.

The committee in a previous aircraft report called attention to the large number of different types of planes that are being produced. The efficiency of many of these has never been proved on the fighting front. Others are relatively obsolete. The excuse given by the Army and Navy was that they believed it necessary to allow the established companies to produce whatever they said they could produce in order to get quantity production as soon as possible. The excuse for continuing production is that delays would be incurred if an attempt were made to switch to the production of one of the tested superior models. The committee believes that a great mistake was made in adopting such a policy and that, wherever possible, changes should still be made to reduce the number of models and to concentrate production on proven models. The success of the General Motors Eastern Aircraft Division in transforming its Linden automobile plant into a producer of Grumman fighters indicates that even greater changes can be accomplished with facility.

Since the committee's last report progress along these lines has been made, and at the committee's private hearings, both the Army and Navy assured the committee that they were going to abandon certain models and concentrate production on the models which have proved their worth. Such a policy will greatly simplify and facilitate the training of crews and the establishment and maintenance of repair depots.

Experimentation should continue for the purpose of developing and proving new models, but we should not attempt mass production of an entirely new model incorporating a whole series of major improvements until after it has been tested and proved.

The committee has made inspection tours of most of the aircraft plants and has talked with representatives of both management and labor with respect to them. It has also held numerous private hearings at which it received testimony from officials of the Army, Navy, and other war agencies having to do with the production of aircraft. The officials who appeared are commended for their full and frank discussion of their problems, including the difficulties which they have encountered. This was particularly true in the case of Rear Adm. Ralph E. Davison, Assistant Chief of the Bureau of Aeronautics of the Navy, whose frankness and candor was in sharp contrast to that of some of the Navy officers who have testified before the committee on other matters.

Both the Army and the Navy testified that in general they expect to have trained crews available in sufficient numbers to man the planes which will be produced in accordance with their programs. In some categories, particularly 4-engine bombers, the crews for which require exceptional and lengthy training, a certain amount of difficulty may be encountered. But it is believed that even there it will be possible to provide sufficient trained crews.

The committee has been assured that aluminum sheet will be available in sufficient quantities. As previously reported by the committee, the most critical items are extrusions, forgings, and castings—particularly extrusions. Mr. Charles E. Wilson, Aircraft Production Board Chairman, War Production Board, has been giving special attention to these matters. With the cooperation of the Army, additional extrusion capacity has been created, and in many instances softer alloys, with consequent greater capacity of extrusion per press, and rolled forms have been substituted. Efforts along this line will be continued.

To manufacture the required additional extrusion presses, it was necessary to set back the dates on which certain machinery for steel rolling mills would be furnished. This has resulted in a delay in the expected production of steel plate, particularly at the Henry J. Kaiser mill at Fontana, Calif., and at the Provo, Utah, and Homestead, Pa., mills of the Carnegie-Illinois Steel Corp.

The use to capacity of existing facilities to machine aluminum necessarily places a strain upon such equipment, and care should be taken to provide soon enough for repair and replacement parts.

The airplane plants have also experienced difficulty in obtaining and keeping a sufficient number of skilled supervisors to take care of their ever-expanding production. In some cases such persons have been drafted for the armed services. This has been as much due to the failure of the aircraft plants to devise the proper method of classifying their employees and to provide the draft boards sufficiently in advance with adequate and fair information on which they could reasonably base deferments, as it has been due to an unwillingness on the part of the draft boards to recognize the importance of the work.

In some instances there have also been difficulties due to the inability of the aircraft plants under existing regulations to make the changes in wages necessary to make them proportionate to the value of the work done and the responsibility undertaken. This was particularly true of the Lockheed Aircraft Corp., where increases in the hourly wage rates paid and the inability to obtain permission to make proportionate increases in the wages paid supervisors and foremen frequently resulted in responsible men receiving salaries less than subordinates two or three grades below them.

Difficulties also have been incurred, particularly in the case of the Boeing Aircraft Corp. plant at Seattle, Wash., because other war industries in the area, such as the shipyards, have paid higher wage rates. This has attracted trained aircraft employees to work, for which in many instances they had to receive additional training, and it has made it very difficult both for the management and for the leaders of labor in the aircraft plants. Special studies of this situation are being made, and the committee recommends that they be expedited so that an equitable adjustment of the problems can be obtained promptly.

In other instances there has been enormous waste of manpower and increased dollar cost because workers were hired by aircraft plants in huge numbers before there was anything for them to do. The reasons for this varied. Sometimes, as in the case of the Columbus plant of the Curtiss-Wright Corp., it was due to the inability to produce a plane which would meet the requirements of the service involved; sometimes it was due to the necessity of incorporating modifications required by the commanders at the fighting front; sometimes it was due to an inability to make the engines and parts that were needed; and sometimes it was due to faulty plans which the management had made for starting and organizing production. In all cases it resulted in enforced idleness which led the workers to suspect sabotage and which materially decreased their efficiency as workers.

In the plants where planes with good fighting records were being produced the workers were more efficient than in those plants which were not producing planes or which were producing planes of an inferior type. This waste of manpower has been decreased as a better flow of materials has been obtained and will decrease further as the Army and Navy eliminate the production of inferior planes or planes with chronic production difficulties.

Mr. Charles E. Wilson of War Production Board was appointed on September 22, 1942, to force the elimination of many of the troubles from which the aircraft plants were suffering. He has succeeded in obtaining the cooperation of the Army and Navy and is doing a very good job along these lines.

Five months before Mr. Wilson was appointed to the War Production Board, the committee recommended that such an organization be set up. On April 6, 1942, the committee recommended:

"A. That the War Production Board set up a section charged with over-all planning for aircraft production, such section to be headed by a trained aircraft production executive drafted from the industry. The subcommittee has been told that the War Production Board still does not have a single top-notch aircraft production man in its organization.

"B. That instead of wasting its energies on a generalized plea for all-out production, which has confused management, labor, and the public, the War Production Board concentrate its efforts on breaking those bottlenecks which are, in the aircraft industry to the subcommittee's certain knowledge, and

probably in other fields, really holding up peak production."

ARMY AIRCRAFT

Four-engine Army bombers

There are matters with respect to four-engine bombers and improvements thereon which the committee has studied but to which it cannot refer in a public report for reasons of security.

The performance of both the Boeing B–17, popularly known as the Flying Fortress, and the Consolidated B–25, popularly known as the Liberator, is well known. Production of those planes by both Boeing Aircraft and Consolidated Aircraft has been excellent. The Douglas Aircraft and the Vega Aircraft Cos. have also turned in good records in producing the Boeing B–17.

The Ford Motor Co. was relatively very much slower than had been expected in getting into production on the Consolidated B–24. On numerous occasions the committee checked the progress being made by the Ford Motor Co., not only with company officials but with Army and War Production Board officials, and insisted that additional action be taken to expedite production. The building of as huge and complicated a device as a B–24 airplane in large numbers presented many problems, and some delay had to be expected. The production line was set up similar to an automobile assembly line, despite the warnings of many experienced aircraftmen. From the standpoint of the time factor to reach reasonable production goals, this was probably a mistake, because the Ford Motor Co. had not had extensive prior experience in the airplane field and because, even in the automobile field, the assembly line technique was developed and applied over the years without an attempt to improvise it overnight in one single step.

This resulted in slower progress at the beginning, but should result in increased production at a later date, providing there are not too many modifications and changes. It is probable also that the Ford Motor Co. did not take full advantage of the opportunities to send production engineers, layout men, and production supervisors, as distinct from designing engineers, to the Consolidated plant at San Diego to find out how the specific work to be done by them was being accomplished at San Diego.

The production problems of the Ford Motor Co. were further complicated by the changes in its contracts and schedules. Originally, it was expected only to produce knock-down subassemblies for final assembly by Consolidated and Douglas at Fort Worth, Tex., and Tulsa, Okla., respectively. This was changed, at the suggestion of the Ford Motor Co., to provide for final assembly of part of the planes by the Ford Motor Co. Still later the entire program was substantially increased.

The Ford Motor Co. was also hampered by the fact that several hundred modifications were ordered to be installed in the plane and that there necessarily was a time lag between the time when such modifications were being discussed and developed by the Army and Consolidated Co. and the time when the actual detailed blueprint specifications reached the Ford Motor Co.

Additional difficulty was encountered because the plant was located before the scarcity of gasoline and tires made it difficult to obtain workmen in competition with other more centrally located plants.

These difficulties made it impossible for the Ford Motor Co. to program its work so as to obtain maximum efficiency from the workers employed, and necessarily resulted in a considerable amount of waste and confusion.

The Ford Motor Co. was not able to furnish parts which it had contracted to furnish for assembly by the Douglas Aircraft and Consolidated Aircraft Cos. at plants specially built in Tulsa, Okla., and Fort Worth, Tex., respectively. As a result, the Army was compelled to switch the Tulsa plant to other work, and the Consolidated plant at Fort Worth has proceeded far behind schedule.

Until recent months, the Ford Motor Co. had not produced at Willow Run a plane which was capable of use at the front. The planes produced were used for training. The reason for this was that in order to get the plant into production and permit the company to obtain the experience therefrom that would enable the plant to operate efficiently, the Army Air Force temporarily froze the model and permitted production without the incorporation of modifications considered essential for use at the fighting fronts.

The committee has been informed, however, that recently great progress has been made by the Ford Motor Co. at the Willow Run plant, and that it is now producing in substantial numbers planes which, with the average amount of modification, can be used effectively at the fighting fronts. This has been achieved, in part at least, by the subcontracting to other plants of the Ford Motor Co. of portions of the work which originally had been expected to be done at the Willow Run plant. A few parts are also being made or assembled by other firms in the Detroit area. The committee hopes that progress will continue to be made.

Two-engine Army bombers

The B–25, produced by the North American Co., popularly known as the Mitchell, has proved to be a valuable plane, and the rate of production is very substantial.

The B–26, produced by the Glenn L. Martin Co., popularly known as the Marauder, has had many difficulties. It has high performance both in speed and in load-carrying capacity, and, according to most reports, is an exceptionally fine plane in the air. However, the plane is unsafe when operated by any pilots except those specially trained for its operation, because of unusual difficulties in landing and take-off. It has had a higher accident rate than the B–25, produced by the North American Co., the Army's other plane of comparable size and performance. As a fighting airplane, most pilots who know it like it, and improvements have been made on it. It has accomplished many important missions. However, the difficulties with the plane and the high cost of production and maintenance are such that the Army plans to taper off its production and to use the Martin facilities in Baltimore, Md., and Omaha, Nebr., to produce other types of planes.

In the two-engine light bomber class, the Army has the Douglas A–20, popularly known as the Havoc, the Douglas A–26, and the Martin A–30.

The Douglas Havoc is one of the best-liked planes that has been built in this country. It has performed a large number of tasks, including night fighting, low-level bombing, and strafing. Production has been very substantial. The Douglas A–26 is an improved version of the Havoc.

The Martin A–30 is a less satisfactory but usable plane which has been in production since early in the program. It was originally built for the British and French.

One-engine dive and attack bombers

The Army has the Douglas A–24, popularly known as the Dauntless, the Curtiss A–25, the Army's version of the Helldiver, the Vultee A–35, popularly known as the Vengeance, and the North American A–36.

The Army has concluded that it will have little need for additional dive bombers for the reason that dive bombers cannot be operated unless there is a clear air superiority and then, only when the ground forces are not adequately equipped with antiaircraft equipment.

The Douglas A–24 is an Army version of the Douglas SBD dive bomber, which was built for the Navy in Santa Monica prior to 1941. These two Douglas planes, one for the Army and one for the Navy, have carried the brunt of the dive-bombing work which has been accomplished by our armed forces to date.

The Curtiss A–25 is the Army's version of the Navy's SB–2C Helldiver manufactured by Curtiss at Columbus, Ohio. The Curtiss A–25 is manufactured at St. Louis, Mo., and the program will be greatly reduced both because of the Army's opinion that the dive bomber is not valuable for most Army purposes and because of the inability of the company to date to produce usable planes. This matter is described in much greater detail in the section devoted to the Curtiss-Wright Corp.

The Vultee A–35 is a plane which was previously manufactured for the British by Vultee and Northrop. Although a large number are on the program, it is planned to reduce substantially the number to be produced and to substitute another plane.

The North American A–36 is the P–51, or Mustang, equipped with bomb racks. When it became apparent that the Rolls-Royce engine should be substituted in the Mustang for the Allison engine in order to enable the P–51 to function as a first-class pursuit plane, slight changes were made on the P–51's which were being produced with the Allison engine, and it was designated as an attack-bomber until such time as the Rolls-Royce engine could be run into the production line. The Army has informed the committee that as an attack-bomber at low levels this particular plane, equipped with the Allison engine, has done excellent work so that both versions of the plane have been valuable.

Army two-engine fighters

The Lockheed P–38, popularly known as the Lightning, had many difficulties at its inception, but those difficulties have been overcome and a large number of the Lockheeds have been used on various fighting fronts with spectacular success. It has proved to be a very fine plane.

The Northrop P–61 is another two-engine fighter produced for the Army, but progress has been very slow and the plane is far behind schedule. It was intended for use as a night fighter.

Army one-engine fighters

The Army concentrated on the Curtiss P–40, popularly known as the Warhawk and the Bell P–39, popularly known as the Airacobra. The Curtis P–40 plane is discussed in more detail in the section relating to the Curtiss-Wright Corp. The Bell Airacobra has performed very good service in Russia, which has expressed a definite preference for it over the Curtiss P–40. An improved version of the Bell P–39 is under construction. Both planes are limited to use in low altitudes and were designed for use with large land armies locked in combat.

The North American P–51, popularly known as the Mustang, is superior to either the Bell Airacobra or the Curtiss P–40. Equipped with an Allison engine, it is a good low-altitude reconnaissance fighter and fighter bomber. Equipped with the Rolls-Royce two-stage engine, it is a good medium-altitude pursuit plane. It has been characterized by both the British and the Army Air Forces as the most aerodynamically perfect pursuit plane in existence. Although this plane was a more recent plane than the Curtiss P–40, it was in production in 1941. In the opinion of the committee, it would have been preferable to increase the production of Mustangs and decrease the production of Curtiss Warhawks.

The Republic P–47, known as the Thunderbolt, is a good fighting plane, especially at

high altitudes. The Army was slow to recognize the value of this plane, because of the Army's primary interest in low-altitude planes, such as the Curtiss P–40. After belated recognition was obtained, difficulties were experienced in perfecting it for production, which have now been overcome. It has been used in the past several months in England against German fighters, and the committee is informed that its performance is good.

NAVAL AIRCRAFT

Navy dive bombers

As previously indicated, the Army has concluded that additional dive bombers will not be needed by the Army. The success of Battleship X against an attack by dive bombers, although not conclusive, indicates that dive bombers have very definite limitations even for Navy uses. Skip-bombing may prove to be more satisfactory than dive bombing, but the Navy is still of the opinion that it should proceed with the dive-bomber program.

This is a question of military tactics on which the decision of the Navy should be final. On the statements of the Navy and Army officials with respect to the dive bomber, it appears clear that great caution should be taken by the Navy to make sure that the program for the construction of dive bombers is not greater than that justified by the Navy's own interpretation of its technical value. At present such program calls for the production of many thousands of planes, a figure which is justified by including heavy allowances for attrition and training. The committee believes that the Navy should reexamine its dive-bomber program and make certain that it is no larger than necessary.

The Douglas SBD, popularly known as the Dauntless, has to date been the only dive bomber which has been successfully used in large quantities by the Navy. An improved version of the Douglas SBD is being built. It will be known as the Douglas SB2D. The Navy reports that it is expected to be a splendid plane of high performance.

The unfortunate experience of the Navy with the Curtiss SB2C, popularly referred to as the Hell Diver, is discussed in detail in the section relating to the Curtiss-Wright Corp. If the Navy really had use for the number of Hell Divers for which it contracted, it has suffered a strategic loss as well as a loss of many millions of dollars.

Similarly, the Brewster Aeronautical Corp., which was to produce the Brewster SB2A dive bomber, turned in a miserable performance. The bomber is a variation of one originally produced for the British, and very few have been acquired for the Navy. The Henry J. Kaiser Co. has taken over the management of the Brewster Aeronautical Corp., and the Navy reports that it already has made substantial improvements. The production of dive bombers is being continued temporarily in order to use materials which have already been processed and in order to permit an orderly transfer to the production by the Brewster Aeronautical Corp. of the S–3A, which is the Brewster version of the Vought-Sikorsky F4U fighter. The Navy has expressed the opinion that the Brewster Aeronautical Corp. under Kaiser management will be able to produce a substantial number of such fighters.

Navy carrier torpedo bombers and fighters

The Grumman Corp. has done an excellent job in building carrier torpedo bombers and fighters for the Navy, and General Motors Corp. through its Eastern Aircraft Division has done splendid work in converting its facilities and building Grumman torpedo bombers and fighters for the Navy. These planes are known as the Grumman TBF (the torpedo-bomber), and the Grumman F4F (the fighter), popularly referred to as the Wildcat.

The Gurmman Corp. has developed a new fighter, the F6F, popularly referred to as the Helicat, which is a plane capable of exceptional performance. Similarly, Vought-Sikorsky has developed a fine naval fighter, known as the F4U. The latter company, however, has not made as good a production record as Grumman. A number of other companies such as the Goodyear Rubber Co., at Akron, Ohio, and the Brewster are to make their versions of the Vought-Sikorsky F4U. The Brewster and the Goodyear companies are both behind schedule, and the Vultee is not yet scheduled to come into production. Vultee, in Allentown, Pa., is making the TBV, a Vought-Sikorsky torpedo bomber.

Navy two-engine medium bombers

The Vega B–344 is a new version of the old Lockheed Hudson, a transport plane. It is used primarily as an antisubmarine airplane and, although somewhat out-of-date by now, has contributed to the defense of England from submarines.

Navy flying boats

The Navy had a very large schedule for the production of flying boats of four-engine and two-engine types, the principal use for which would have been long-range patrol and limited bombing operations. There are definite uses to which such planes can be put, but their functions are extremely limited because of their slowness and their vulnerability to attack. It was most improper to use this type of ship in Alaska for bombing operations against objectives protected by Japanese Zeroes unless it was absolutely impossible to obtain any other planes.

The committee has questioned whether the Navy could use profitably, in the limited functions which the Navy itself has assigned to these flying boats, the tremendous numbers which have been programmed. The Navy has informed the committee that for many purposes it would prefer land-based planes in place of these flying boats, and that to the extent that it can obtain such land-based planes, it will severely cut back the production of flying boats.

The committee questioned the Navy to ascertain whether the load-carrying performance of seaplanes might be improved by reducing the Navy requirements for strength and rigidity. The Navy at present requires flying boats to be able to land in a choppy sea with 4- and 5-foot waves, and in order to make the boat strong enough to do this, it must have a large number of bulkheads, which cut up its space and impair its usefulness. The Navy has always had a predilection toward unusually high-strength factors even at the expense of performance. It prefers to have all of its equipment of such character that it can be used anywhere in the world in which such equipment might be needed. In answer to the question as to why such requirements should be made, the Navy stated that, in order to avoid duplication of models, it did not desire to produce flying boats with less strength built into the hulls, even though there were some sections of the world in which such boats are used where they would not be required to encounter heavy seas.

The committee never attempts to substitute its judgment for that of the Department in question on tactical matters and therefore accepts this conclusion. However, even the Navy agreed that, in the case of cargo planes, other considerations should be taken into account and that experimentation work on flying boats should continue.

In that field a plane like the *Mars* is relatively worthless because of the bulkheads that have been built into it. It has not yet been put to any important practical use.

Experiments have been carried on by the Kaiser-Hughes Corp. to build a large wooden seaplane for cargo purposes. To date, the experiments with the large-sized model have shown it to be aerodynamically, even in the opinion of the Navy, a very good ship, but the Navy does not believe that it can be satisfactorily constructed of wood. The committee believes that credit should be given to Mr. Donald Nelson, Chairman of the War Production Board, for his active interest in the cargo type of seaplane over the opposition of the Navy, which was constructing all of its seaplanes along lines which would not produce satisfactory cargo planes.

The committee believes that it is important to continue experimentation with the seaplane as a possible carrier of large quantities of cargo. One of the most important reasons for doing this is the fact that, as the weight of landplanes approaches and exceeds 150,000 gross pounds, the weight of the landing gear has to be increased to such an extent that it is not capable of carrying as much cargo as a seaplane of similar weight, providing the seaplane is not cut up by a number of bulkheads to the extent required by the Navy in seaplanes for combatant use. Since neither the landplane nor the seaplane could survive a forced landing at sea, it would seem unnecessary to penalize the seaplane as a possible cargo carrier by requiring it to be able to meet unusual stresses and strains.

By this, the committee does not mean to indicate that it believes that the seaplane will be the cargo plane of the future. The development of the flying wing presents attractive possibilities for landplanes, and it has been pointed out that most of the large centers of the world are within 50° of the North Pole and that operations in that area, in large part, will be over land and not over water. Also, many of the centers would have no water available for landing of cargo seaplanes. On the other hand, the landplanes of great weight would require runways of special construction which would be very expensive. If the cargo-carrying advantage is with the seaplane, it might even be possible to make runways in the form of shallow canals which might not be any more expensive than runways specially constructed for large landplanes.

On this question, the committee believes that the United States should take an active interest in forwarding all sound experimentation on seaplanes as well as landplanes so that we do not incur the risk, by reason of miscalculating which type of plane will ultimately be used, of being outdistanced by some other nation.

GLIDERS

The Germans successfully used gliders in Crete to enable them to land large numbers of troops in places where it would have been impossible to land standard aircraft. Through the use of gliders, it is not only possible to transport more men into locations where they could not otherwise be placed, but it is also possible to carry equipment, such has jeeps, which could not be carried by parachute troops. The troops when landed are landed as a unit and capable of fighting as such, whereas parachute troops find it very difficult to assemble. Moreover, gliders can carry troops which have not received the special training that it is necessary to give to parachute troops. For these reasons, the glider has been considered as a possible addition to parachute troops for air-borne invasion work.

The Army developed a very large glider program and ordered many thousands of gliders to be constructed by a large number of concerns, many of which had had no experience whatever in similar fields. The gliders which have been built have had to be towed by planes such as the Douglas C–47's, which have a cruising speed of about 180 miles an hour. That speed is too fast for the glider and when the plane is throttled down to the speed at which the glider can be towed, the engine overheats and causes trouble. By reason of the difficulties in-

curred, the Army is not enthusiastic about gliders, and much of the program has been cut back.

The Army has recently received information from the fighting front that gliders with higher landing speeds can be used. This would enable the Army to design gliders that could be towed without overheating the engines of the towing planes. Work along this line is now being done.

The Navy has also developed an amphibian glider which can be landed either in water or on land, and which generally has shown better performances than the glider which the Army has placed in production.

Gliders also present attractive possibilities for use with certain types of cargo. A glider was recently successfully towed across the Atlantic and further experimentation will be undertaken.

CURTISS-WRIGHT CORP.

The Curtiss-Wright Corp., has enjoyed spectacular and unprecedented success in obtaining war contracts. With the single exception of General Motors Corp., Curtiss-Wright Corp., received more war contracts than any other corporation. In the period from June 1, 1940, through March 1, 1943, it received war-supply contracts in the amount of $4,717,500,000 out of a total of $104,953,400,000. These contracts have since been increased. In addition, there have been programs for production by Curtiss-Wright Corp. of many thousands of additional planes and engines which, if reduced to contract, would raise its total by several billions of dollars.

This enormous portion of the war program was granted to a company which as of December 31, 1939, reported a net worth of only $81,055,029.98 and a net profit after taxes for the preceding year of $5,218,258.76. To enable it to perform its commitments with the Government, the Government has spent millions of dollars for the creation of new facilities.

Substantially all of the war contracts of Curtiss-Wright are for the production of planes, engines, and propellers.

The Curtiss-Wright P–40 (Warhawk)

The largest number of planes which have been produced by Curtiss-Wright are the P–40 fighter planes, which have been referred to in previous reports of this committee. These planes have performed valuable work on the various fighting fronts, but were relatively obsolete when we entered the war, and of more limited value than other fighter planes producd by other American companies and by the British. Many more P–40 planes were produced than any other fighter plane, and the facilities for producing them were expanded sooner and in larger volume than the facilities for producing other planes of greater merit. Pilots and repair crews were trained to use the P–40's, and repair parts for them were produced and sent abroad. The result was that when the Army, at the committee's recommendation, agreed to eliminate the production of P–40's and to substitute in the Curtiss-Wright plants a better plane to be selected by the Army, the argument was raised that to do so would result in a substantial lessening of production at a time when planes were vitally needed by the Russians and in north Africa. The Army did order the substitution of the Republic P–47 for the P–40 in the Curtiss-Wright plant at Buffalo, N. Y., but after work in that direction had been commenced, ordered the continued production of Curtiss P–40's.

The later decision may have been necessary, but the committee regrets the earlier decisions which concentrated so large a portion of our production on a plane which, although usable, is regarded by the Russian, English, and American forces as at best a second choice.

Curtiss-Wright was also permitted to make a number of modifications which did improve its performance. It was also permitted to attempt to make major modifications on the P–40 in the hope of being able to produce a plane which would compare not too unfavorably with the North American P–51, popularly known as the Mustang, which is regarded aerodynamically as one of the finest, if not the finest, plane of its type in the world.

Curtiss-Wright was also given a large contract for a new Curtiss-Wright fighter to be known as the P–60 (since discontinued), and three of the nine experimental contracts for the development of one-engine fighters. In addition, it was given one of the four experimental contracts for the development of two-engine fighters despite its lack of experience in the field and the success of the Lockheed P–38, popularly known as the Lightning.

The Army has decided to discontinue all production of fighters except for replacements and trainers, and most of the dive bombers now produced by Curtiss-Wright, and have it concentrate primarily on the C–46 (Commando) cargo plane, which has proved successful.

The Curtiss-Wright SB2C (Helldiver)

In the case of fighter planes, where Curtiss-Wright had a usable plane approaching obsolescence, the bulk of the contracts were given to Curtiss-Wright, but in the case of dive bombers, where the Douglas SBD dive bomber, which has provided the dive bombers for Navy battles to date, an experimental plane designed by Curtiss-Wright was selected as the dive bomber to be produced in greatest numbers. This Curtiss-Wright experimental plane was designated SB2C and has been popularly referred to as the Helldiver. Many thousands of this plane were to be produced for the Navy in a new plant built for Curtiss-Wright at Columbus, Ohio, at an expense to the Government in excess of $27,000,000. The site for this plant was selected by the Advisory Committee for National Defense. A large number of such planes were also to be produced in Canada by Fairchild Engine & Airplane Corp. and Canadian Car & Foundry. Many more thousands of an Army version of this same plane, designated as the A–25, were to be produced by Curtiss-Wright at St. Louis, a plant originally built for other purposes.

This was a most unfortunate decision, as a result of which many tens of millions of dollars have been wasted. The present opinion of the Army Air Forces is that dive bombers cannot be used against land forces except where there is clear air superiority and even then would be effective only in those cases where they are not opposed by effective antiaircraft fire. The Army has assured the committee that steps are being taken to materially reduce the production of dive bombers at St. Louis and to make some worth-while use of the plant facilities there, probably by producing at that plant Curtiss-Wright C–46 Commando cargo planes. There are at present in the St. Louis plant approximately, 16,145 workmen receiving a weekly pay roll at the expense of the Government of $778,011. Of those, approximately 117 are paid more than $5,000 per year. As of June 26, 1943, the Government had made advance payments against the A–25 contract in the amount of $62,500,000. Of this amount, almost $50,000,000 had been expended.

The Navy is still of the opinion that the present type dive bomber has substantial uses despite the fact that it may soon become obsolete. The Navy reiterated this opinion after consideration of the success which some months back was achieved by Battleship X in resisting an attack by dive bombers. For this reason, the Navy desires to produce large numbers of dive bombers, although it has promised to reexamine and reduce the program for the production of SB2C dive bombers by Curtiss-Wright at Columbus.

Production of such dive bombers was to have been commenced by Curtiss-Wright at Columbus in December 1941. Production did not actually commence until September 1942. It has been hopelessly behind schedule and to date Curtiss-Wright has not succeeded in producing a single SB2C which the Navy considers to be usable as a combat airplane. In addition to the moneys expended at St. Louis on the Army version and in Canada at other plants to produce the same plane, and in addition to the $27,000,000 cost of building the plant at Columbus, advances have been made on the SB2C contract at Columbus in the amount of $98,484,238.

On May 31 there were 21,012 workmen employed at Columbus, most of whom have been diverted from farming or industrial work. The aggregate weekly pay roll is $969,355, and approximately 133 persons at Columbus are paid in excess of $5,000 per annum.

The Navy believes that the difficulties with the plane can be overcome and expresses the opinion after conferences with the company that they will be overcome within 2 or 3 months. The committee hopes that this opinion will prove to be correct, although it notes that during the last 8 months it has regularly received opinions with respect to this plane to the same effect which have not as yet in any case proved to be correct.

In addition to the persons employed at the Columbus plant of the Curtiss-Wright Corp. there are a large number of subcontractors employing in the aggregate many tens of thousands of people. The inability of Curtiss-Wright Corp to produce a satisfactory Helldiver has caused a loss of production by such subcontractors of great value, the extent of which cannot be ascertained.

The Curtiss SB2C also had in it a turret, designed by Curtiss-Wright, which Curtiss-Wright exhibited to the committee as a vast improvement upon turrets and with the statement that it had been developed by Curtiss-Wright. The committee was not impressed with the turret and recommended to the Navy that the matter be investigated vigorously for the purpose of ascertaining whether it was in fact the best turret which could be used. The Navy has recently informed the committee that it has found the Curtiss-Wright turret unsatisfactory and expects to place an improved turret in the plane. The Army should do likewise. The company explains that it was necessary for it to design a turret because there was no turret available in this country suitable for installation in the SB2C and because the Emerson Electric Co., on which they relied for production of turrets, was unable to take on the added work.

The loss involved in these matters cannot be ascertained. One of the most important losses is due to the psychological effect upon the workmen in the plant. In the main they have had little to do, and many have suspected that the war effort was being sabotaged, because they did not realize that the inactivity was due to the inability of the company to produce a satisfactory plane and to obtain sufficient experienced working personnel. The knowledge of the inactivity at the plant has become widely known among the friends and relatives of the workmen there and throughout the area adjacent to Columbus and has had a bad effect upon morale in that area.

Despite this most unsatisfactory performance, Curtiss-Wright has advertised the Helldiver plane as the "world's best dive bomber." The company has expended in such eulogistic self-praise of the Helldiver the sum of $12,448.95. Numerous news stories have appeared to the same effect. Additional advertising by the company on other subjects was placed in 1942 at a cost of $331,250.39. This will be increased in 1943 to $872,821. The bulk of the cost of such advertising will be borne by the Federal Government because it has been treated as an expense of doing business before computing profits on which the Government would be entitled to receive excess-profits taxes at the highest rate.

The committee believes that this practice of self-praise at the expense of the Government is not salutary and recommends that the matter of advertising costs be investigated by the Bureau of Internal Revenue for the purpose of determining the amounts which should be paid to the Government as income taxes and by the agencies charged with obtaining through renegotiation the return of excessive profits.

The committee appreciates that some advertising is proper and that to some extent it should be recognized as a legitimate expense of doing business, but the committee believes that advertising expenditures, unless paid by the company out of its profits after income taxes and renegotiation instead of indirectly by the Government, should not be greater than those incurred by the company prior to the war, and even then the references to contributions to the war effort should be subject to scrutiny for the purpose of protecting the public interest against unfounded claims.

The committee particularly condemns advertising such as the Curtiss Helldiver advertising, which was intended to give the public the erroneous impression that the Curtiss Helldiver was the world's finest dive bomber and was making a substantial contribution to the war effort when the fact is that no usable plane has yet been produced and that the dive bombers in use by the Navy were produced by Douglas Aircraft Co. and not by Curtiss-Wright. The fact that such advertising was approved by the Navy and was based upon a speech of a Navy admiral does not justify it. The Navy's action was unfortunate and premature.

Conditions at Wright Aeronautical Corp., Lockland, Ohio, plant

In January 1943, the committee received complaints from some of the Army inspectors at the Wright Aeronautical Corp. at Lockland, Ohio, alleging various improper practices in inspection resulting in faulty material and engines being produced and delivered to the Government. Wright Aeronautical Corp. is a wholly owned subsidiary of Curtiss-Wright Corp.

The Lockland plant, located just outside Cincinnati, Ohio, and all the property and equipment utilized therein are wholly Government owned under a Defense Plant Corporation contract. Production, which was begun late in 1941, is confined to several variations of one model of air-cooled engine. This particular engine is not produced at any other plant. The product of the Lockland plant is sold to the Government under a fixed-price contract.

As production became substantial the company was awarded an A inspection rating by the Army Air Forces. Such a rating put prime responsibility for inspection on the company. The Army subsequently maintained only a comparatively small inspection staff which was engaged in spot checking. A rating of this type is warranted where a company has proven its ability to turn out a product of high quality. According to the testimony the rating was given at a time when an inspector of high caliber was in charge of company inspection. He left the company's employ shortly after the award was made. The rating was removed by the Board of Investigation of the Army almost immediately after it commenced its investigation.

A preliminary investigation disclosed that there was considerable basis for the complaints and that the alleged conditions were of such a nature that, if they existed, they should have been known by ranking company officials and the top Army supervision.

Accordingly, at the request of both the Army and the company, the committee agreed to withhold its investigation in order to allow both the Army and the company to look into the facts and report back to the committee any improper conditions they found to exist and any corrective measures which were being taken.

After allowing more than a week for this investigation, a subcommittee, appointed to investigate the situation, heard representatives of the Army Air Forces and the Wright Aeronautical Corp., in closed hearings at Washington, D. C., on March 30, 1943. At these hearings both the Army Air Forces and Wright Aeronautical Corp. stated that they had made separate investigations and that nothing irregular existed which required action by either.

Brig. Gen. Bennett E. Meyers, relying upon information furnished to him by Army officers and personnel later found by the committee to be obstructing the inquiry, stated to the committee:

"I sent a man out from my Dayton office, a Major Little. * * * The verbal report indicated that in general everything was about on a par with other engine producers. He advised me that there was nothing in his written report that would indicate that any action would have to be taken by me.

"The CHAIRMAN. So you really haven't anything to offer us today by way of informing us as to what you found wrong with inspection or management at Wright Aeronautical in Cincinnati?

"General MEYERS. I haven't found anything like that to advise you on."

Mr. Harry W. Lake, chief administrative procurement inspector and chief of the engine and propeller unit of the technical center, materials center, Dayton, Ohio, testified:

"We found nothing wrong.

"The CHAIRMAN. Did you find anything there wrong with management in their inspection?

"Mr. LAKE. No; we went over their inspection quite thoroughly and their inspection is based upon the procedure which has been built up over a period of 23 or 24 years."

The representatives of Wright Aeronautical Corp. were somewhat more cautious. They reported:

"We know of various incidents and errors that have been corrected and we are very anxious to learn if there are others that we don't know about."

The Wright Aeronautical representatives then referred to one of two minor incidents which they characterized as follows:

"The talk and incidents weren't of a character in relation to inspection. There was more petty bickering over privileges, authority, and rights."

Mr. C. G. Poehlmann, quality manager at the plant stated:

"The CHAIRMAN. You have made a thorough investigation recently of your own inspection?

"Mr. POEHLMANN. Yes, sir.

"The CHAIRMAN. Have you found anything wrong?

Mr. POEHLMAN. Yes; there are details that are wrong."

Mr. William W. Finlay, manager of the plant stated:

"The CHAIRMAN. Is there anything wrong?

"Mr. FINLAY. I would say that there is nothing wrong in that sense of the word. We acknowledge that we can always do a better job.

"Mr. RUDOLPH HALLEY (assistant counsel). Do you still feel that everything is in order and under control after your recent investigation?

"Mr. FINLAY. Yes; I do.

"Mr. HALLEY. Could you say that in no one of the matters that you have discovered have you found anybody to be culpable of any actual misconduct?

"Mr. FINLAY. Absolutely not culpable.

"Mr. HALLEY. You have found nobody to penalize?

"Mr. FINLAY. Exactly."

Two days later, beginning April 1, and subsequently on the 2d and 3d, the committee held closed hearings at Cincinnati; on April 8 at Washington, D. C.; and on April 13 and 14 at Dayton, Ohio. In all, 1,286 pages of sworn testimony were taken.

The committee found that the company was producing and causing the Government to accept defective and substandard material. This was accomplished in the following ways:

1. By the falsification of tests.
2. By destruction of records.
3. By improperly recording results of tests.
4. By forging inspection reports.
5. By failing to segregate substandard and defective material.
6. By failing to promptly destroy or mutilate such defective and substandard material.
7. By orally changing tolerances allowed on parts.
8. By circumventing the salvage committee set up to pass on the usability of parts outside tolerances.
9. By allowing production to override the inspection force, thereby destroying morale of both company and Army inspectors.
10. By skipping inspection operations.

It must be remembered that the company's inspection service had a personnel of approximately 2,400, whereas the Army's inspection personnel consisted of approximately 70 inspectors, who were distributed over three shifts. Nevertheless the system as formally set up is adequate to insure the quality of the product produced if, and only if, both company and Air Force personnel are sincere and honest in their efforts to produce a quality product.

The committee found, however, that in this particular case certain Air Force officials exhibited an unduly cooperative spirit toward the company in matters pertaining to inspection.

Most of the representatives of the Army inspection section who appeared before the committee displayed an undue regard for the well-being of the Wright Aeronautical Corp. and too often seemed to be motivated by a desire to protect the company and its interests. It was found that the feeling was deliberately fostered among the Air Force inspectors that they must be cooperative with the company if they were to get along well in their jobs. This was evidenced by the following specific instances:

1. Inspectors were found to have been transferred because "* * * it has been quite difficult for this office to maintain a good feeling between subject inspectors and the contractor's personnel * * *." The committee found that the main reason it was difficult for these inspectors to get along well with the company personnel was that they absolutely refused to accept, for the Government, material which they knew to be faulty and which they were sure would fail in use.

2. Inspectors were threatened with transfer or other disciplinary action if they did not accept engines which were leaking gasoline and even during the committee's investigation one inspector was actually transferred for the sole reason that he refused to accept, for the Government, an engine which was leaking gasoline.

3. A supervising inspector of the Central Procurement District was prohibited from returning to any Wright plant after he had made an investigation of conditions at the Lockland plant at the express direction of the Chief of the Inspection Section of the Army Air Forces, Matériel Command, located at Wright Field, Dayton, Ohio, and had rendered an honest report with respect to it. It is significant that the transcript of a meeting with a group of complaining inspectors, which was taken by this supervising inspector, contained the following statement by him: "I would like to say that this picture is being painted so black, and in accordance with your statements, I feel before this thing is over with, I am going to be forced to come into that plant and see some

of the material." The above prohibition was invoked within a week after the transcript was delivered to the Chief of the Inspection Section.

4. Whenever an Army inspector attempted to reject material he was always met with an argument where the matter involved was important to the company. His decisions were appealed to his supervisor, then, if necessary, to the assistant inspector in charge, then to the inspector in charge, then, if the inspector in charge would not accept the materail, it was appealed to the technical adviser to the Air Forces on Wright engines, located at the company's parent plant in Paterson, N. J. Usually it was unnecessary to go further. In case even he would not approve it, however, there have been cases in which the company has gone to Wright Field. The committee found that the company, by following this procedure, was not only able to get almost anything past inspection, but also was able to convince the Army inspection force that it was futile to attempt to reject material over the objection of the company.

5. Army inspectors were refused access to precision instruments with which they might check suspected material. Their inspection was restricted to purely visual examination.

6. Army inspectors were denied rejection stamps of any kind and had no way to later identify or to follow up any material which they might have rejected.

The committee also found that the scale of wages paid Army inspectors was considerably below that of company personnel occupying equivalent positions. The low civil-service rating makes it difficult for the Army to build a large enough force of qualified men.

In addition to the situation existing in connection with Army personnel, the committee found cases in which the company inspectors had been subjected to pressure when they became insistent on rejecting material, and also cases in which inspectors had been reprimanded for calling defective material to the attention of Army Air Forces inspectors.

It has been offered as a defense that although some rules were violated and some material accepted which did not meet specifications, they were harmless incidents, since they did not result in a defective end product. Evidence presented to the committee, however, indicates the following:

1. Engines were built and sold to the Government which were leaking gasoline. The Chief of the Army's Engine and Propeller Unit testified before the committee unequivocably that no engine with any kind of a gas leak should be passed.

2. Unsafe material has been discovered in completed engines ready for shipment.

3. The company's own reports from its field representatives indicate that these parts had failed in a substantial number of cases.

4. A substantial number of airplanes using this engine have had crashes in which engine failures were involved. This is also true of other engines, some of which have had higher accident records. But sound conclusions as to causes of air accidents cannot be drawn from the statistics available, (1) because in major accidents the planes are usually destroyed and the pilots killed, and (2) because it is usually impossible to be certain whether an engine failure resulted from faulty engineering, materials, maintenance, or inspection. Moreover, the Army board of investigation has concluded that most of the derelictions and defective practices occurred during the several months immediately preceding the committee's investigation, so that accident statistics would not have been affected. Also, the Army is checking all engines produced during that period to prevent accidents from occurring.

5. More than 25 percent of the engines built at the plant have consistently failed in one or more major parts during a 3-hour test run.

6. Spare parts were shipped without proper inspection. In fact it was entirely possible to have parts go out as spares with no inspection at all. Since these parts came from the same stores as those which were built into engines, it is reasonable to assume that they would be defective in about the same proportion.

7. Records furnished the committee by the Army Air Forces as being complete show that while this plant has been producing engines since 1941, it has been impossible, so far, to complete successfully a required 150-hour quality test. Of three such tests run, one engine failed in less than 28 hours, the second in less than 33 hours, while the third completed the full run. The latter, however, was in such condition at that time that it was considered definitely unsatisfactory.

The above evidence that the Air Force personnel in charge of inspection at the plant in effect abetted the company in these practices is corroborated by the conduct of certain Air Force officials during the committee's investigation. These officials, apparently led by the chief inspector for the Army Air Forces, Lt. Col. Frank C. Greulich, made specific and material misrepresentations to the committee, attempted to intimidate witnesses, introduced evidence prepared specially for the purpose, designed to discredit witnesses, made misstatements under oath, and otherwise attempted to impede the committee's investigation.

Colonel Greulich specifically told the committee that one report had been made orally and not in writing, and that another report which he admitted was made in writing had never been seen by him. Both reports, in writing, had been seen by Colonel Greulich and bore very importantly on the conditions at the plant. Both referred to vigorous and detailed complaints which had been made by inspectors on duty there. Colonel Greulich specifically told the committee that the author of one of these reports, a Maj. Walter A. Ryan, would be found in Detroit at a time when Colonel Greulich well knew that Major Ryan was with him in Washington and immediately available to appear before the committee. Colonel Greulich intercepted the author of another of these reports when he came to see the committee at Cincinnati, and actually took the reoprt from the person carrying it before it could be delivered to the committee. The committee witnessed the unpleasant spectacle of a lieutenant colonel, a major, and several high civilian officials telling entirely different and contradictory stories about a meeting which all had attended. This meeting was one at which it was agreed to penalize an inspector who had made an honest report of an investigation of conditions at the plant. The committee had the further unpleasant experience of being handed an alleged personnel file concerning four inspectors who had been removed from their duties at the plant because they insisted on rejecting defective material. The file purported to be a record of their past employment, and was alleged to show that the men involved had been troublemakers. On inspection it appeared that the entire file had been prepared just a day or two before the hearing and was not a regular file of their employment at all.

On returning to Washington after its hearings in Cincinnati, the subcommittee reported to the full committee, which determined to turn the testimony over to the Army officials so that immediate corrective measures might be taken. Subsequently, the Army Air Forces conducted its own investigation at the direction and under the supervision of the Assistant Secretary of War for Air. At the request of the Army Air Forces, the committee agreed to take no further action until the Army Air Forces had had an opportunity to complete its investigation and institute such corrective measures as it found necessary. In the meanwhile Brig. Gen. Charles Branshaw was transferred from the western procurement district to take charge of the Air Forces Matériel Command.

The Army divided its investigation into two parts. Almost immediately a board was formed, headed by Lt. Gen. William S. Knudsen, to investigate conditions at the Wright Aeronautical Corp.'s plant at Lockland. This board, however, was not authorized to investigate the misconduct of Army officers who attempted to deceive the committee, nor was it authorized to take such misconduct into consideration in determining the motives of the persons involved. The question of misconduct was referred to the Office of the Air Inspector. However, 2 months expired after the matter had been investigated by this committee before the Air Inspector commenced an investigation of the matter. His investigation is now under way and has not yet been completed. The committee believes that misconduct of this character should be investigated promptly and that appropriate disciplinary action should follow immediately.

The special board appointed to investigate the situation at the plant went to work promptly. A preliminary report was made on April 17 and a final report on June 28, 1943.

In the main, the Army's Board of Investigation made the same findings of fact as the committee. There is, however, some disagreement as to the interpretation of the facts, and particularly as to the seriousness of the acts committed and the culpability of the individuals involved. With such interpretation the committee cannot agree.

The Army, for instance, in its final report has stated:

"There is no question but that careless inspection existed throughout the plant. Added to this was the limited training and lack of experience of inspectors in general, and the efforts of the company to meet an ever-increasing production schedule. All these conditions, united, led to a very serious situation, which was the possibility of defective engines being shipped. Realizing this possibility, the morale of both company and Government personnel became impaired. Government inspectors testified that there was a noticeable increase in the number of parts being accepted as usable and safe, although beyond tolerance limits, and the number of such parts steadily increased. During the investigation, and as a direct result of it, this trend was completely arrested and conditions improved to an extent which was amazing. Every effort should be made to insure that this improvement will be maintained."

But then the Army qualifies the findings by stating:

"In spite of the feeling among some in the plant that many defective engines must necessarily be shipped because of poor inspection, this was not substantiated either by investigation or by the service records produced by the Army Air Forces. The record of engines in service which were assembled at Lockland, Ohio, prior to the period during which it is found that there was unsatisfactory inspection, compares favorably with the record of other types. It must be remembered that after parts are inspected, they are tested after assembly into engines and these tests reveal defects not discovered during inspection. Defects may appear during service which even the most rigid inspection and tests will fail to reveal."

This conclusion is primarily the result of wishful thinking. The evidence is clear that all defects are not found in the course of testing engines, even under the best of conditions, and at the Lockland plant the tests were not properly conducted and the check

on parts after the test was frequently dishonest.

It is interesting to compare this final judgment of the Board that "careless inspection existed throughout the plant" but that "in spite of the feeling among some in the plant that many defective engines must necessarily have been shipped because of poor inspection, this was not substantiated" with the preliminary findings of the Board rendered on April 17 that—

"Unsafe material has been discovered in completed engines ready for shipment. Whether this is deliberate or caused by a lack of knowledge has not yet been determined by this investigation. There is no testimony to the effect that the management has encouraged production of unsafe material. There is ample testimony that the company stresses quantity production."

The Board's tendency to minimize rather than see the broad implications of the situation is demonstrated by its handling of the charge that testing of the hardness of gears was faked. Such testing is made on a machine. Testimony before the committee indicated that readings within four points of minimum requirements were falsely brought up to the minimum and that all gears were reported as having the proper maximum.

The Board found that only one operator was doing this and that she had received—"incorrect instruction as to what to accept and what to reject as a result of the Rockwell tests from a coworker, who is no longer in the employ of the Wright Aeronautical Corp. This operator is no longer in the gear department. This was a very unsatisfactory condition and emphasizes the need for competent instruction to inspectors."

The Board's findings ignored the fact that the practice of making false records of the Rockwell test readings was open and notorious. It was freely reported to the committee by witnesses who were willing and even anxious to bring this condition to light, yet no notice had been taken of it by either Army or company officials at the plant. With respect to the testimony before the committee that Government inspectors were neither furnished with precision instruments for inspecting parts nor allowed to use company instruments, the Board had the following to say:

"It is true that Government inspectors are not equipped with precision instruments and measuring devices. The contractor is obliged to furnish all necessary equipment of this nature and such equipment may be used by either company or Army personnel. This practice has been followed by this contractor.

* * * * *

"The Army Air Forces chief inspector, stationed at the plant, issued instructions to the Army Air Forces inspectors that they were not to use these machines. This action was taken because he did not consider them proficient in the use of the machines. As a result of the investigation this condition has been corrected.

* * * * *

"The consensus of those interviewed indicates that no difficulty has been experienced in connection with the use of the various measuring devices used in the plant. Some misunderstanding arose over the order restricting Army Air Forces personnel from using instruments such as the Red-Liner and the Profilometer, and also from the order requiring the use of the form known as the blue order. However, it appears that good judgment was used in the issuance of both these orders, since trained personnel is required to operate these machines. It is desirable that only those individuals familiar with the operations of the machine be permitted to use it, and the use of the blue order provides for a more orderly system of operation and prevents repeated interruption of the operations of the individual working one of those machines by Army Air Forces inspectors desiring to have certain parts immediately checked."

It is obvious that the inspectors of the War Department were entirely unable to make proper inspections as a result of the order forbidding them to use the apparatus at hand. They were also forbidden even to watch company employees make tests on Red-Liners and other specialized machines. Nonetheless the Board has concluded that the chief inspector exercised good judgment in the issuance of these orders. Taken in connection with all the other evidence in this case, it is impossible to see how this conclusion could have been reached.

At one point of its report the Board, while admitting that the company repeatedly appeals from rejections by Army inspectors to their superiors and even to the Army's technical adviser on Wright engines who was stationed at Paterson, N. J., states that this procedure is expected and acceptable to the Army Air Forces.

But at another point in the report the Board agrees with the committee that "there is prevalent among both Government and company inspectors the feeling that considerably less difficulty will be encountered if they pass a questionable part than will be encountered if they reject a questionable part. It is reasonable to believe that the easier course was frequently followed.

"This was an unhealthy situation and it is well the Truman committee brought it to light."

The Board agrees that one of the reasons for this condition is that Government inspectors are frequently overruled by their superiors, and frequently cautioned and threatened about the possibility of their being transferred if they reject too many parts.

The Board agrees with the committee that Government inspectors at the plant did not have stamps with which properly to identify rejected material. The Board promptly corrected this condition and ordered the use of such stamps. Nevertheless, despite the fact that the use of such stamps is commonly accepted as a proper inspection practice, the Board concluded as follows:

"Sometime before the establishment of the plant in Lockland, Ohio, the chief Government inspector at the Paterson, N. J., plant abolished the use of rejection stamps by Government inspectors at that plant. This action was taken at the request of the company. The reason was that even though parts were rejected by the Government, they were still usable and could be sold and were sold to commercial accounts and to foreign governments. The company naturally objected to a reject stamp being placed on these parts, because it was an obstacle in the sale of them to other parties than the United States Government. The reason did not appear to be clear in the minds of some company and Government inspectors and resulted in a feeling that the elimination of the use of rejection stamps was an effort to pass inferior material.

"This investigation disclosed no basis for this assumption."

Despite all of the evidence in the case warranting a clear inference to the effect that the management did not encourage the production of safe material, but stressed only quantity production wtih the idea of "getting it by," the Board concluded:

"There has been no testimony to the effect that management, or those responsible for management, encouraged production of unsafe material."

In general it may be stated that the Board's report is accurate in the matter of stating facts but assumes an unnecessarily defensive attitude. The committee calls attention to the fact that the inspection made by the Board of Investigation was made 1 week after the committee had conducted its investigation and taken the sworn testimony, and after the most flagrant derelictions had been called to the attention of Wright Aeronautical Corp. and had in part been corrected.

Thereafter, additional corrective measures of a procedural nature were put into effect. They should assure that the defects are caught before the lives of aircraft crews are imperiled. Engines in storage are being thoroughly checked before they are used. These were designed to provide additional guaranties of quality production. In addition, the Army Air Forces has undertaken to trace every engine which was shipped from the plant during the period in which the Army Air Forces believes the unsatisfactory conditions existed. The location and examination of these engines should go far to minimize the possibility of defective engines getting into service.

When the subcommittee completed its hearings at Cincinnati, it appeared that the record contained information which should be acted upon by the Department of Justice. Consequently the hearings and other material were made available to the War Frauds Division. Subsequently, the War Frauds Division was kept informed of developments. The complete files of the committee on the matter have now been referred to the War Frauds Division for such action as is deemed warranted.

The committee is of the opinion that the Lockland plant is a glaring example of the concentration of contracts in large plants with inexperienced management trying to get out a large production on a fixed-price contract and ruthlessly slashing quality to maintain production and schedules in the face of excessive production costs caused by poor management. The company has been furnished with the finest plant and machinery available at Government expense. By permitting defective materials to be passed and by permitting variations to be made from blueprint tolerances without changing the specification, the Government also maintained the myth of precision manufacture for the benefit of a company which was awarded its contracts because of the reputation for such precision it had earned as a result of its prewar production record.

Curtiss-Wright cargo planes

The committee is informed by the War Department that the Curtiss-Wright C–46 cargo plane, known as the Commando, is proving satisfactory in service. While to date, the Douglas C–47 (DC–3 type) has been the backbone of the Army's transport operations, it is expected that the future contribution of the C–46 will be very great.

The Curtiss-Wright Corp. also has large contracts to produce the C–76 cargo plane, which is a medium-sized plane of wooden construction. Plans were to produce it at Louisville, Ky., by Curtiss-Wright and at New Orleans, La., by Higgins, Industries, Inc. The committee understands that the prototype of this plane cracked up in May of this year due to difficulties with respect to the tail of the plane. Curtiss-Wright is behind schedule and will be until such difficulties can be eliminated. Until that is done Higgins Industries, Inc., will be forced to mark time. This is especially true as Curtiss-Wright refrained from delivering the drawings to Higgins Industries at the time scheduled, assigning as the reason that it did not want to deliver them until it had overcome the difficulties which it was having. The committee is informed that many of such drawings have recently been delivered.

Conclusion as to Curtiss-Wright

The committee is disappointed at the overall performance of Curtiss-Wright. It believes that through the excessive ability and zeal of its salesmen and the extent and nature of the relations which it has built up with the War and Navy Departments through the years preceding the war, it received too

many contracts with the result that its engineering departments and skilled personnel were spread too thin. On several occasions contracts were awarded to it which even the officers of the corporation believed would overload its facilities. The War and Navy Departments have shown a tendency, in other cases as well as this one, to multiply the proposed output of a plant instead of seeking additional sources of supply. In addition, the committee believes that Curtiss-Wright was guilty of gross negligence in not ascertaining and correcting the inspection difficulties at the Lockland engine plant, despite the fact that it knew that the safety of pilots and crews of aircraft were dependent thereon.

Members of Congress have been constantly advised by the Army and Navy that they and they alone were capable of procuring safe and satisfactory material for the fighting forces and that for that reason no civilian agency should ever have anything to say with reference to such matters.

Conditions at these plants therefore lead the committee to recommend that the Army and Navy officials interest themselves more earnestly in the procurement of quality material for our fighting services than in trying to bolster up the production at the expense of quality of plants that fail in this respect, regardless of the long past history of the parent corporation.

However, the committee desires to emphasize that extensive steps have been taken by Curtiss-Wright and by the Army to assure that proper inspection is made and that defective parts are not placed in engines where they would imperil the safety of those using the engines. These steps were taken as a direct result of the committee's investigation and only after both Curtiss-Wright and the Army had conducted unsatisfactory preliminary investigations, since repudiated by them, in which they reached the conclusion, now admitted to be erroneous, that with minor exceptions inspection was properly conducted.

However, it must be borne in mind that despite its difficulties and failings Curtiss-Wright has, like all corporations, made signal contributions to the war effort. It has produced hundreds of millions of dollars of war goods. Its engines, airplanes, and propellers, although not always of the best, have been usable and have been of great value at the fighting fronts. Some of its products have been exceptionally good, and its performance taken as a whole has been creditable. The company and those employed by it should continue the work which they have started to correct the defects referred to in this report so that the company may continue to merit the high reputation which it previously had obtained as a producer of fine airplanes and engines.

Because of the difficulties and defects which are referred to in this report, the committee recommends to the War Department that it take prompt and effective action to renegotiate the contracts of Curtiss-Wright. The fees and prices agreed to be paid by the Government were to be paid for management which was represented to the Government to be the finest in the world. As indicated by the above, in some cases such management was not in fact delivered to the Government and consequently should not be paid for by it.

HELICOPTERS

Very great progress has been made in the past 18 months in the development of the helicopter, a new type of aircraft. The first flights were made in 1940 and were limited to an altitude of just a few inches. Even as late as early 1942 the longest flight which had been made was less than 1 mile from the point of departure and the highest altitude which had been reached was 100 feet. The only successful American helicopters to date have been built under the direction of Igor Sikorsky, of United Aircraft Corp., who deserves great credit for his work in this field.

Under the contract between the United Aircraft Corp. and the War Department the first helicopter built for military service, the XR–4, was manufactured at a cost of $260,000, of which the War Department provided $60,000. The XR–4 first flew on January 14, 1942, at Bridgeport, Conn., and was the first model capable of rising several thousand feet with a very respectable cruising radius and, for helicopters, a large load-carrying ability.

Subsequent tests of the XR–4 have established the practicability of the helicopter and opened the way for the utilization of its unusual advantages for many war purposes. Its great advantage is in its ability to take off and land vertically. This is due to the fact that helicopters, unlike autogyros with which they are frequently confused even by high naval officials, have no propeller, but rely on their rotor for their propulsion and control, as well as for their lift. Autogyros have a rotor also, but they are more like orthodox airplanes in that they use a propeller and the rotor serves in place of the conventional wing. They can take off vertically and climb for a very short distance, but they cannot land vertically. Autogyros have been used for many years with some success in limited fields, but fundamentally they possess the disadvantages of both conventional airplanes and helicopters without fully achieving all of the advantages of either type.

It has been demonstrated that in addition to its ability to rise and descend vertically, the helicopter can hover in a stationary position at various distances from the ground. As a result, objects can be loaded and unloaded while the helicopter remains stationary just a few feet off the ground. Passengers have entered and left the machine under the same circumstances. The advantages of this performance are obvious in that it can perform many missions over land or water even under circumstances which would not allow a landing to be made. Because it needs no run for either take-off or landing, the helicopter equipped with pontoons can land on water, land, swamps, or on almost any conceivable surface. This makes even the most inaccessible locations easy to reach. The importance of this cannot be overestimated. Using helicopters, it would be possible to reach wounded soldiers in almost any location, regardless of how inaccessible it might be to other forms of transportation. The hours and sometimes days saved in transporting them to where they can receive medical care would, in many instances, mean the difference between life and death. In addition, it seems entirely probable that the helicopter could be used to remove shipwrecked sailors from rafts under sea conditions which would not allow them to be reached by any other type of aircraft.

In addition to the humanitarian lifesaving uses referred to above, the helicopter is considered to have many other important war uses. It is contemplated that ground forces will use it for communications, for carrying personnel, messages, and other articles, for artillery spotting, and for other observation purposes.

It has been demonstrated that the helicopter can be operated satisfactorily under most conditions from the deck of a ship. On May 6 and 7, 1943, through the cooperation of the War Shipping Administration, the Army Air Forces, and the Coast Guard, tests were conducted which proved the feasibility of operation from a platform on a ship. These tests were conducted in Long Island Sound on a tanker. The deck used was not specially built but was a deck which had been used for cargo-carrying purposes and which had a clear space only 14 feet greater than the whirling helicopter rotor. Under relatively calm water conditions 24 take-offs and landings were made while the ship was at anchor, while steaming up to 16 knots in a wind of more than 20 miles per hour, and while sailing with the wind and cross wind.

The demonstrated ability of the helicopter to operate from a small deck points to the possibility of its successful use in convoying merchant vessels. At present, submarines are most dangerous to merchant ships in those areas where it is impossible to provide protection by aircraft—the centers of the oceans. Where aircraft protection is available, the sinkings are materially less. If the helicopter carried on merchant ships can bridge this gap, it will furnish a great contribution in the antisubmarine warfare.

In order that it may operate to the best advantage, it is necessary that the submarine be able to operate on the surface a portion of the time. This is necessary to enable it to make sufficient speed to overtake convoys, for the comfort of its crew, and in case of older models, to charge the batteries. Even if the helicopter could not carry enough bombs actually to engage the submarine in combat, the helicopter would be performing a valuable service if it were able only to patrol for the purpose of spotting submarines and forcing them to remain submerged in the areas surrounding the convoy.

For the protection of convoys, the Navy has relied on its plans to provide escort carriers to protect the ships from submarines. When these carriers are available, they should make a substantial contribution to the defeat of the submarine. Planes from escort carriers will have a big advantage over helicopters in that they will be able to carry much larger quantities of depth bombs and be able to carry more detection and other equipment over greater distances.

On the other hand, helicopters would still have the great advantage of being able to hover, whereas the regular plane must operate at a speed at which it is more difficult to see a submarine and which often causes it to overshoot the target. The ability of a submarine to crash dive within a few seconds makes it difficult for the aircraft to return and bomb it before it has succeeded in escaping below the surface.

Because of the greater speed and weight-carrying capacity of the conventional carrier-based plane, the Navy in 1937 decided that it was not interested in the possibilities of developing rotary-wing aircraft. The only successful rotary-wing aircraft at that time was, of course, the autogyro. Although the helicopter was then not in existence, the factors which led the Navy to decide that it was not interested in autogyros would have applied as well to the helicopter, since the Navy in reaching this conclusion stated officially that in its consideration it had assumed perfection in rotary-wing aircraft. In reaching this conclusion, it was decided that even if one were built with the ability to hover motionless and arise and descend vertically, it still would have no really worth-while advantages for the Navy.

The Navy's conclusion was based primarily upon a consideration of such aircraft as substitutes for existing naval planes used for combatant purposes. The Navy decided, therefore, that it not only would not finance any attempt to build autogyros or other rotary-wing aircraft, but that it was not even interested in such craft beyond the possibility of noting the progress made by others.

It is evident that the Navy gave little consideration to the possible use of rotary-wing aircraft for combating submarines. In an official memorandum dated January 14, 1938, the conclusion was stated that:

"Rotoplanes might be of some use in antisubmarine work when operated from auxiliaries. This appears to be a minor application which hardly justifies expenditure of experimental funds at present."

It appears that this opinion still exists to some extent, at least in the minds of some Navy officials.

In June 1938, Congress passed a statute, usually referred to as the Dorsey Act, which authorized the expenditure of $2,000,000 for research and development of rotary-wing aircraft. Because the Navy Department officially took the position that it had no real interest in the matter, the Dorsey Act placed the administration of these funds under the control and direction of the Secretary of War. The act, however, specifically authorized and directed the Navy Department to prepare and submit to the Secretary of War their plans and requirements for the development of rotary-wing aircraft. No such plans were submitted by the Navy Department, and its interest in the development has been passive at all times.

This attitude of official indifference on the part of the Navy Department continued, and an examination of the Navy files established that not only was the Navy not interested in experimentation in connection with rotary-wing aircraft, but that it resented what it regarded as external pressure to compel it to give the development consideration.

In sharp contrast to the lack of interest on the part of the Navy Department, the War Department took a very active interest in the development of the helicopter. Mr. Sikorsky ascribes a great deal of credit for the successful development of the helicopter to Col. H. F. Gregory of the Army Air Forces Matériel Command. Colonel Gregory has spent a large part of his time during the last several years working on the helicopter and is more familiar with it than anyone else outside of Sikorsky's own organization. Credit should also be given to Brig. Gen. F. O. Carroll, who, as Colonel Gregory's superior, encouraged him to continue his work with the helicopter.

Prior to the actual shipboard tests previously referred to under the direction of Colonel Gregory, landings and take-offs were made at Wright Field from a platform about 20 feet square, which was raised above the ground in simulation of a deck which might be available on a ship. These tests, plus the subsequent tests on Long Island Sound, have demonstrated the ability of the helicopter to operate from individual merchant ships. The Army Air Forces should be given credit for having gone outside its field to do experimental work in a field in which it should have been carried on by the Navy, but which, due to its lack of interest in the helicopter, the Navy failed to do. Had the Navy had any particular interest in the helicopter, there seems to have been no reason why the feasibility of deck landings could not have been tested at least 1 year earlier than they were. Even when such tests were finally made, there is no indication that the Navy had any part in the actual arrangements of the tests, nor that its representatives participated in any way except as spectators.

It is unfortunate that publicity stories have created the impression in the public mind that the Navy not only developed the helicopter, but even has helicopters in use as an antisubmarine weapon. The International Nickel Co., Inc., spent $80,000 on Nationwide advertising, approved by the Navy Public Relations Office, falsely stating that, "Today helicopters shadow subs." The fact is that the Navy today has no helicopters, nor until the last few weeks has any Navy officer flown one. The Navy is awaiting delivery of a helicopter procured by the Army and when it is delivered expects to make tests which were authorized by a directive dated February 15, 1943, which places the responsibility for such tests in the hands of the Coast Guard.

An examination of this directive indicates that the Navy required the helicopter to do the following:

(a) Carry a one-man crew with parachute and life raft.

(b) Carry transmitting and receiving radio capable of a minimum range of 100 miles.

(c) Endurance of 4 hours.

(d) Minimum instruments to be provided for instrument flight.

Previous to this directive the requirements of performance which the Navy indicated as an absolute minimum were in excess of what known helicopters could do. While this directive reduces the requirements somewhat, it is probable that they will be greater than the maximum which any helicopter yet constructed can perform.

Although it may be that the present helicopter cannot carry as great a load as is desired, Mr. Sikorsky has indicated that it can carry a 200-pound bomb in addition to necessary crew, fuel, and so forth. This should have some value and should be utilized. In the meantime, larger helicopters are under development, and such work should be continued.

The publicity previously referred to arose by reason of an alleged misquotation of statements made in a speech by the Navy's director of public relations. Such statements were made between the time when the Navy received the committee's report on shipping, which contained a recommendation that the Navy take an active interest in helicopters, and the time when the report was made available to the public. The statements were based upon a reading of a brief article in the London Illustrated News and were in no sense based upon the official information of the Navy. The impression created upon the public minds was unfortunate.

The committee believes that the Navy Department should not only not be complimented for any development work on the helicopter, but on the contrary should be censured for not having shown more active interest in its development. Since the Navy has shown so little interest in its development, it seems desirable that consideration be given to placing the program for the development and procurement of helicopters for use in convoy protection in the hands of one of the agencies such as the Coast Guard or the War Shipping Administration, which are directly concerned with the protection of such shipping and which have shown a much greater interest in the use of the helicopter for this purpose.

AIRCRAFT ACCIDENTS

In addition to the foregoing the committee has been engaged in a study of military plane crashes and at a subsequent date will report on this subject. The committee is concerned about the large number of such casualties, particularly in noncombat operational flights in this country.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McGEHEE, Mr. COOMBS, and Mr. CASE of New Jersey were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H. R. 1031) for the relief of Matthew Mattas; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. McGEHEE, Mr. GRANAHAN, and Mr. BYRNES of Wisconsin were appointed managers on the part of the House at the conference.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1606. An act for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas;

H. R. 1668. An act for the relief of Mrs. Mary Ellen Keegan Herzog, Francis James Keegan, and Sgt. John Keegan; and

H. R. 3291. An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

The message also announced that the House had severally agreed to the amendments of the Senate to the following bills of the House:

H. R. 842. An act for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co.;

H. R. 1309. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943;

H. R. 2336. An act for the relief of Osborne E. McKay; and

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, to facilitate the employment of personnel by the Veterans' Administration, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government."

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 1007. An act for the relief of Mrs. Beatrice Brown Waggoner;

H. R. 1003. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.;

H. R. 1917. An act for the relief of John R. Jennings;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army;

H. R. 2515. An act for the relief of Harland Bartholomew and Associates;

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters, known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944;

H. R. 2856. An act to provide for better enforcement of law within the District of Columbia, and for other purposes;

H. R. 2995. An act to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended;

H. R. 3024. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, and for other purposes;

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3201. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes;

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes;

H. R. 3269. An act further amending the part of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945;

H. R. 3436. An act providing for a medal for service in the armed forces during the present war;

H. R. 3550. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3607. An act to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites;

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945; and

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1.

ADJOURNMENT TO FRIDAY

Mr. McMAHON. Mr. President, in accordance with the previous order of the Senate, I move that the Senate adjourn until Friday next.

The motion was agreed to; and (at 3 o'clock and 32 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Friday, July 6, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 3, 1945:

FEDERAL HOUSING COMMISSIONER

Raymond Michael Foley, of Michigan, to be Federal Housing Commissioner in the National Housing Agency for the unexpired term of 4 years from June 30, 1942, vice Abner H. Ferguson, resigned.

COLLECTOR OF INTERNAL REVENUE

Farrell D. Coyle, of Apponaug, R. I., to be collector of internal revenue for the district of Rhode Island, to fill an existing vacancy.

COAST AND GEODETIC SURVEY

Emerson E. Jones to be a junior hydrographic and geodetic engineer with rank of lieutenant, junior grade, in the Coast and Geodetic Survey, from the 11th day of July 1945.

IN THE NAVY

Civil Engineer Charles T. Dickeman to be a civil engineer in the Navy, with the rank of commodore, for temporary service, to continue while serving as officer in charge of a naval construction brigade, and until reporting for other permanent duty.

IN THE MARINE CORPS

Brig. Gen. Harry K. Pickett to be a major general in the Marine Corps, for temporary service, from the 22d of June 1945.

Brig. Gen. Raymond R. Wright to be a major general in the Marine Corps, for temporary service, from the 22d day of June 1945.

Col. Robert H. Pepper to be a brigadier general in the Marine Corps, for temporary service, from the 22d day of June 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 3, 1945:

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS IN THE REGULAR CORPS

To be surgeons, effective date of oath of office

Frank F. Furstenberg
H. van Zile Hyde

To be senior surgeon, effective date of oath of office

Alonzo F. Brand

To be medical director, effective date of oath of office

James A. Doull

To be junior assistant nurse officers, effective date of oath of office.

Florence J. Ullman	Margaret M. Cahalan
Emile E. Wilson	Mary C. Larkin
Eunice Pace	Frances A. Vogel
Lois J. Anderson	Palma M. Goodnough
Geraldine D. Pass	Mary E. Becker
Jennie H. Rakich	Adele L. Henderson
Rita A. Foy	Vivian L. Gibson
Ursula K. Kengla	Mary E. Evans
Roberta C. Brave	Irene Evans
Jannine A. Djiejowski	Frances L. Tiller
Doris E. Porter	Anne K. Buck
Agnes M. Cullen	Mary F. Callan
Mildred Kinney	Dorothy L. Connors

To be assistant nurse officers, effective date of oath of office

Madeline Roller	Josephine T. Lamb
Loretta M. Schroll	Marion D. Moellenberg
Edith M. Hettema	Edith K. Davenport
Rose Guralnick	Mildred A. Logan
Mary A. Brimberry	Alice L. Fladeland
Edna L. Easterday	Amy L. Cawley
Rose V. Fortuna	Viola E. Householder
Gladys M. Crissman	Mary A. Rice
Mary Raprich	Lena V. Boothe
Jeannette E. Westlake	Hazel E. Owen
Aileen E. Hughes	Ella E. Hanke
Edwyna D. Draper	Madge Neill
Lucile B. Ross	Ruth Henton
Caroline T. Bemberg	Anne J. Lello
Florina T. Thieman	Loretta C. Parsons
Gladys M. Ray	Ruth N. Crawford

To be senior assistant nurse officers, effective date of oath of office

L. Dorothy Carroll	E. Doris Johnson
Agnes B. Bowe	Emily M. Smith
Margaret F. Knapp	Frances E. Taylor
Clarice M. Russell	Prudence J. Kowalske
Margaret J. Nichols	Grace I. Larsen
Dorothy Wittington	Catherine M. McDermo
Lillian A. Gardner	Amy E. Biglione
Martha M. Ball	Genevieve Soller
Evelyn E. Johnson	Elizabeth W. Carrico
Esther Finley	Alma Marlin
Mabelle J. Markee	Fern M. Dunn
Vivian A. Hayes	

To be nurse officers, effective date of oath of office

Lucile Petry	Mary E. Corcoran
Mary D. Forbes	Marie E. Wallace
Alice L. Rorrison	Florence H. Callahan
Pearl McIver	Jessie MacFarlane
Marion Ferguson	Lily C. Hagerman
Rosalie I. Peterson	Rosemary McCann

POSTMASTER

TENNESSEE

Frank Ensley, Neubert.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 3, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father, the spirit of thanksgiving is in our breasts and the words of praise upon our lips. We thank Thee for Him whose name is "Wonderful Counselor"; He expresses the utmost grandeur of spirit and the magnanimity of life. His words have come down to us through the world's prayers and through the world's conquests. O Thou who art the eternal light, we bring to Thee our dependence even as the night brings morning to the darkness.

O God, bless the land of our destiny and by Thy great might direct Thy people that we may put the reins of our lives into Thy hands, measuring up to the best type of manhood and womanhood. Give us clear insight and a deep sense of unworldly aims, prompted by disinterested benevolence, love for man, and the deepest reverence for our Lord. Clothe us with the marvelous fortitude of those immortal spirits who led our Nation in its infancy through blood and tears and brought a God-fearing people to the sublime heights of freedom; walking in the might of honor and uprightness, may we continue to commend ourselves to all the world.

The Lord bless you and keep you; the Lord make His face to shine upon you and be gracious unto you; the Lord lift the light of His countenance upon you and give you peace, both now and evermore. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On June 29, 1945:

H. R. 2416. An act authorizing the State of Alabama to lease or sell and convey all or any part of the Salt Springs land granted to said State by the act of March 2, 1819.

On June 30, 1945:

H. J. Res. 184. Joint resolution to continue the temporary increases in postal rates on first-class matter, and for other purposes;

H. R. 378. An act authorizing an appropriation to carry out the provisions of the act of May 3, 1928 (45 Stat. 484), and for other purposes;

H. R. 1044. An act for the relief of Marlin-Rockwell Corp. with respect to the jurisdiction of the Tax Court of the United States to redetermine its excessive profits for its fiscal year ending December 31, 1942, subject to renegotiation under the Renegotiation Act;

H. R. 2944. An act to continue in effect section 6 of the act of July 2, 1940 (54 Stat. 714), as amended, relating to the exportation of certain commodities;

H. R. 3059. An act authorizing the Postmaster General to continue to use post-office clerks and city letter carriers interchangeably;

H. R. 3232. An act to amend section 3 of the act entitled "An act to authorize the President to requisition certain articles and materials for the use of the United States, and for other purposes," approved October 10, 1940, as amended, for the purpose of continuing it in effect;

H. R. 3234. An act to amend the act entitled "An act to authorize the President of the United States to requisition property required for the defense of the United States," approved October 16, 1941, as amended, for the purpose of continuing it in effect;

H. R. 3306. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3395. An act to extend through December 31, 1945, the termination date under the Renegotiation Act; and

H. R. 2113. An act to amend the Federal Farm Loan Act, the Emergency Farm Mortgage Act of 1933, the Federal Farm Mortgage Corporation Act, the Servicemen's Readjustment Act of 1944, and for other purposes.

On July 2, 1945:

H. J. Res. 136. Joint resolution to provide for the establishment, management, and perpetuation of the Kermit Roosevelt Fund;

H. R. 688. An act to amend the joint resolution of January 27, 1942, entitled "Joint resolution to enable the United States to become an adhering member of the Inter-American Statistical Institute";

H. R. 802. An act for the relief of Camp No. 1, Alaska Native Brotherhood, Sitka, Alaska;

H. R. 892. An act for the relief of Madeline J. MacDonald;

H. R. 993. An act for the relief of Mrs. Ellen C. Burnett;

H. R. 1038. An act for the relief of Daniel B. Johnson;

H. R. 1055. An act for the relief of the Realty Bond & Mortgage Co. and Robert W. Keith;

H. R. 1058. An act for the relief of W. A. Smoot, Inc.;

H. R. 1059. An act for the relief of Leonard D. Jackson and Elsie Fowkes Jackson;

H. R. 1091. An act for the relief of Harold J. Grim;

H. R. 1243. An act for the relief of Mrs. C. J. Rhea, Sr.;

H. R. 1320. An act for the relief of M. Elizabeth Quay;

H. R. 1328. An act for the relief of Mrs. Cecilia M. Tonner;

H. R. 1453. An act for the relief of Edith M. Powell;

H. R. 1482. An act for the relief of the legal guardian of Samuel Wadford;

H. R. 1488. An act for the relief of Austin Bruce Bowen;

H. R. 1599. An act to confer jurisdiction upon the United States District Court for the Eastern District of Virginia to hear, determine, and render judgment upon the claim of Norfolk-Portsmouth Bridge, Inc.;

H. R. 1611. An act for the relief of Charles E. Surmont;

H. R. 1617. An act for the relief of Hugh M. Gregory;

H. R. 1677. An act for the relief of Hires Turner Glass Co.;

H. R. 1678. An act for the relief of Mrs. Ada Wert Illinico;

H. R. 1756. An act for the relief of the estate of the late Demetrio Caquias;

H. R. 1792. An act for the relief of the White Van Line, Inc., of South Bend, Ind.;

H. R. 1812. An act to authorize an award of merit for uncompensated personnel of the Selective Service System;

H. R. 1891. An act for the relief of the Grandview Hospital;

H. R. 2001. An act for the relief of Betty Ellen Edwards;

H. R. 2002. An act for the relief of Joseph Wyzynski;

H. R. 2003. An act for the relief of the legal guardian of Stewart Martin, Jr., a minor;

H. R. 2125. An act to amend the Canal Zone Code;

H. R. 2286. An act for the relief of Jane Thayer;

H. R. 2322. An act to provide for the issuance of the Mexican Border Service Medal to certain members of the Reserve Forces of the Army on active duty in 1916 and 1917;

H. R. 2552. An act to amend paragraph (c) of section 6 of the District of Columbia Traffic Act, as amended by act approved February 27, 1931;

H. R. 2700. An act for the relief of Alice Walker;

H. R. 2721. An act for the relief of the Tobey Hospital;

H. R. 2727. An act for the relief of the estate of Herschel Adams, deceased, and Pleas Baker;

H. R. 2730. An act for the relief of Mrs. Jane Strang;

H. R. 2754. An act to validate titles to certain lands conveyed by Indians of the Five Civilized Tribes and to amend the act entitled "An act relative to restrictions applicable to Indians of the Five Civilized Tribes of Oklahoma," approved January 27, 1933, and to validate State court judgments in Oklahoma and judgments of the United States District Courts of the State of Oklahoma;

H. R. 2839. An act to increase the salary of the executive secretary of the Nurses' Examining Board of the District of Columbia;

H. R. 2925. An act for the relief of Nelson R. Park;

H. R. 2949. An act to extend 5-year-level-premium-term policies for an additional 3 years;

H. R. 3074. An act for the relief of the heirs of Henry B. Tucker, deceased;

H. R. 3193. An act to permit waiving of the bonds of Navy mail clerks and assistant Navy mail clerks, and for other purposes; and

H. R. 3233. An act to permit members of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, Public Health Service, and their dependents, to occupy certain Government housing facilities on a rental basis without loss of rental allowances.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government";

H. R. 715. An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes;

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 1007. An act for the relief of Mrs. Beatrice Brown Waggoner;

H. R. 1008. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.;

H. R. 1917. An act for the relief of John R. Jennings;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army;

H. R. 2515. An act for the relief of Harland Bartholomew & Associates;

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944;

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes;

H. R. 3269. An act further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of th Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945;

H. R. 3436. An act providing for a medal for service in the armed forces during the present war;

H. R. 3607. An act to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites; and

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 136. An act for the relief of the Oregon Caves Resort;

S. 401. An act for the relief of sundry fruit growers of the State of Delaware who sustained losses as the result of the fumigation of apples with methylbromide in order to comply with the requirements of the United

States Department of Agriculture relating to the Japanese beetle quarantine;

S. 559. An act to amend the act entitled "An act to provide for reimbursement of officers, enlisted men, and others, in the naval service of the United States for property lost, damaged, or destroyed in such service," approved October 27, 1943, so as to make the provisions thereof effective with respect to losses occurring on or after October 31, 1941;

S. 573. An act for the relief of Lee D. Hoseley;

S. 694. An act for the relief of Dan C. Rodgers;

S. 714. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended;

S. 729. An act for the relief of William Andrew Evans;

S. 762. An act for the relief of Everett McLendon, Sr., Mrs. Everett McLendon, Sr.; Mr. and Mrs. Everett McLendon, Sr., for the benefit of their minor daughter, Nadine McLendon, and Everett McLendon, Jr.;

S. 787. An act for the relief of Oliver Jensen;

S. 902. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in a Quonset hut at Harrowbeer Airport, Yelverton, South Devon, England, on December 26, 1944;

S. 909. An act for the relief of Hugh Egan;

S. 929. An act for the relief of Henry H. Huffman and Mrs. Marie J. Huffman;

S. 985. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various naval shore activities;

S. 986. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in administration building at the naval air station, Bunker Hill, Ind., on December 28, 1944;

S. 994. An act for the relief of the Central Leaf Tobacco Co., Inc.;

S. 996. An act for the relief of Lt. (jg) William Augustus White, United States Naval Reserve;

S. 1007. An act for the relief of Mr. and Mrs. Edward P. Standley;

S. 1062. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945;

S. 1117. An act to authorize the Secretary of the Navy to convey Casa Dorinda estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss; and

S. J. Res. 78. Joint resolution to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as "Franklin Delano Roosevelt Hospital."

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 259. An act for the relief of Leo Gottlieb;

H. R. 1309. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943; and

H. R. 3180. An act to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes.

The message also announced that the Senate had—

Resolved, That the Secretary be directed to request the return from the House of the bill (H. R. 715) entitled "An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1308) entitled "An act for the relief of Sam Swan and Aily Swan."

The message also announced that the Acting President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Interior.
3. Department of Justice.
4. Department of the Navy.
5. Department of War.
6. Federal Deposit Insurance Corporation.
7. Federal Power Commission.
8. National Archives.
9. Office of Price Administration.
10. War Relocation Authority.

METROPOLITAN POLICE, UNITED STATES PARK POLICE, WHITE HOUSE POLICE, AND MEMBERS OF FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3291), an act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 14, insert:

"SEC. 3. The provisions of this act shall not apply to pilots and marine engineers of the Fire Department whose salaries were increased by an act entitled 'An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police Force and the Fire Department of the District of Columbia," approved June —, 1945.'"

Page 2, line 15, strike out "3", and insert "4."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from West Virginia explain the amendments?

Mr. RANDOLPH. The House passed the legislation to bring about an adjustment in pay for the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia.

Prior to that act we had passed legislation in the House to take care of five marine engineers who were in the Fire Department. Both bills went to the Senate. We agreed to the specific bill for the five marine officers. The Senate, in passing the legislation, put a limitation upon the amount of pay which could be given to these five marine engineers. Rather than ask for a conference between the Senate and the House on the bill, I have talked to the men in question and to Chief Stephen T. Porter, of the Fire Department, and I would like to take care of the matter in this way rather than to handle it in conference. There are only five individuals concerned.

I would like to concur in the Senate amendments so that the bill might go the White House, in view of the large number of employees otherwise involved.

Mr. DIRKSEN. Reserving the right to object, Mr. Speaker, I do believe that the amendment of the Senate does render some injustice to the gentlemen in question, even though there are only five of them. I would prefer that the bill should go to conference. I believe I must object to the concurrence of the House in the amendments of the Senate, so that the bill can go to conference.

Therefore, Mr. Speaker, I object.

The SPEAKER. Objection is heard.

DISPOSITION OF NAVAL VESSELS

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment.

Mr. VINSON. Mr. Speaker, I withdraw the request for the time being.

JAMES ARTHUR WILSON, DECEASED

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased, together with a House amendment, insist on the House amendment and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. McGEHEE, Mr. COMBS, and Mr. CASE of New Jersey.

MATHEW MATTAS

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1031) for the relief of Mathew Mattas, with a Senate amendment thereto, disagree to the Senate amendment and ask for a conference.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. McGEHEE, Mr. CARNAHAN, and Mr. BYRNES of Wisconsin.

OSBORNE E. McKAY

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2336) for the relief of Osborne E. McKay, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, after "Reserve", insert "retired."

Page 1, line 8, after "McKay", insert "and his wife."

Page 1, line 10, strike out all after "sustained", over to and including "Zone", in line 2, page 2, and insert "by them as the result of a fire which occurred in the hold of the United States Army transport *James Parker* at pier 6, Cristobal, Canal Zone, on November 10, 1942."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

MRS. MARY ELLEN KEEGAN HERZOG ET AL.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1668) for the relief of Mrs. Mary Ellen Keegan, Herzog, Francis James Keegan, and Sgt. John Keegan, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, lines 1 and 2, strike out "supervision of the Forest Service" and insert "the jurisdiction of the National Park Service, Department of Interior."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

MRS. SADIE L. DANCE ET AL.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 842) for the relief of Mrs. Sadie L. Dance, Michigan Millers Mutual Fire Insurance Co., and State Farm Fire Insurance Co., with Senate amendments thereto, and agree to the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 6, strike out all after "$982", over to and including "her", in line 13, page 2, and insert "for compensation for damages (not covered by insurance) to her fence, driveway, rose garden, shrubbery, and lawn, as the result of a United States Navy airplane crashing on her property in South Boston, Va., on June 18, 1944."

Amend the title so as to read: "An act for the relief of Mrs. Sadie L. Dance."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

ETHEL FARKAS ET AL.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1606) for the relief of Ethel Farkas, Julius Farkas, and legal guardian of Terez Farkas, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Amend the title so as to read: "An act for the relief of Mrs. Ethel Farkas."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

REIMBURSEMENT FOR PERSONAL PROPERTY LOSS AT NAVAL AIR STATION, NORFOLK, VA.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1309) to provide reimbursement for personal property loss, damaged or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, strike out "$28,000" and insert "$23,000."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PAUL T. THOMPSON

Mr. McGEHEE submitted a conference report and statement on the bill (H. R. 905) for the relief of Paul T. Thompson.

EXTENSION OF REMARKS

Mr. O'TOOLE asked and was given permission to extend his remarks.

Mr. ERVIN asked and was given permission to extend his remarks on three subjects.

Mr. THOM asked and was given permission to extend his remarks and include a set of resolutions from the Canton Aerie of Eagles.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a memorandum on the equal rights amendment.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include an article from the Washington Star of July 2.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD and include therein a statement on foreign trade zones.

Mr. FEIGHAN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article appearing in the Cleveland (Ohio) Press of June 30.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include a statement by Col. George E. Ijams.

DEATH IN SERVICE CANCELS INCOME TAX

Mr. ROBERTSON of Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. ROBERTSON of Virginia. Mr. Speaker, it is not generally known that income taxes assessed or assessable against those in military service are canceled in the event of death in the service. For the information of Members of the House, I quote the following letter of June 30, 1945, from the Commissioner of Internal Revenue, Hon. Joseph D. Nunan, Jr.:

Hon. A. WILLIS ROBERTSON,
House of Representatives,
Washington, D. C.

MY DEAR MR. ROBERTSON: Reference is made to your letter dated June 22, 1945, with which was enclosed a letter dated June 19, 1945, from * * * requesting information concerning income-tax exemptions for a serviceman who was killed in action during the present war.

Under the provisions of section 421 of the Internal Revenue Code, an individual who dies while in active service as a member of the armed forces will have no tax liability for the taxable year in which he dies, and any tax remaining unpaid for prior years shall not be assessed; and if assessed, the assessment shall be abated; and if collected, shall be credited or refunded as an overpayment.

Accordingly, the Federal income tax in the case of a serviceman killed in action for the taxable year in which occurs the date of death is canceled and any amount paid in his behalf for such year is refundable.

Any tax remaining unpaid for prior taxable years shall be abated. There is no provision for a refund of the decedent's tax which was paid for taxable years prior to the year in which death occurs.

Very truly yours,
JOSEPH D. NUNAN, Jr.,
Commissioner.

HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, on yesterday, in the Senate of the United States, we heard our President report on the San Francisco Conference. Among other things he said, I quote:

I hope in your deliberations you will consider not only the words of the Charter, but also the spirit which gives it meaning and life.

And again he said:

It, the Charter, seeks to achieve universal respect for and observance of, human rights and fundamental freedoms for all men and women without distinction as to race, language, and religion.

Last year, in convention assembled, the Democratic and Republican Parties went on record in defense of those same principles and wrote them into the platforms on which we were elected. Later on, yesterday, six willful men on the Rules Committee who control legislation in the House, and 21 on the powerful Appropriations Committee refused to permit the House to even vote on an appropriation that is necessary to continue an agency of the Government that has accomplished much in bringing justice and freedom to a great minority group.

How dare we try to explain what freedom and justice is to the peoples of the world when we deny it to a small group of our own people?

INADEQUATE PUBLIC ADDRESS SYSTEM IN HOUSE CHAMBER

Mr. HUBER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUBER. Mr. Speaker, there is an old saying that a new Member should be seen but not heard. I feel, however, that the new Members have at least a right to hear the older Members. On many occasions, with this antiquated public-address system in the House Chamber I am unable to hear the older Members. I have seated constituents in the balcony only to have them leave in disgust and tell me afterward they were unable to hear anything that was said.

Mr. Speaker, I have written a letter to Mr. Lynn, the Architect of the Capitol, asking that appropriate study be made and a recommendation that future appropriations include funds for a modern public-address system.

If Patrick Henry had made his immortal speech from the well of the House, it is possible that he might never have been heard.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 3, 1945.

Mr. DAVID LYNN,
Architect of the Capitol,
Washington, D. C.

DEAR MR. LYNN: As a neophyte Member of the Seventy-ninth Congress, I have observed the old saying that "new Members should be seen and not heard." Be that as it may, I do feel that a new Member should be able to hear an older Member, and this I am often unable to do, because of the antiquated public-address system now used in the House of Representatives.

I have seated constituents in the gallery only to have them leave in disgust, telling me they were unable to hear a word that was spoken.

Although not a sound engineer, I have little patience with those who say that the House Chamber presents a problem in acoustics that cannot be surmounted. I respectfully suggest that a study be made and that there be a recommendation in future appropriations for a real and worthwhile public-address system, using modern telescopic microphones, both in the well and at many convenient points throughout the House Chamber, as I feel that if Patrick Henry had spoken his immortal words from the well of the House, it is possible that he might never have been heard.

Sincerely yours,

WALTER B. HUBER,
Member of Congress.

The SPEAKER. The time of the gentleman from Ohio has expired.

THE HATCH ACT

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, our distinguished colleague the gentleman from Oklahoma [Mr. WICKERSHAM] yesterday made some very pertinent remarks in reference to the Hatch Act. I have taken the trouble to examine the RECORD concerning activities under the Hatch Act, and I find, for example, a disinclination to enforce it. The public throughout the length and breadth of the United States is not with the Congress of the United States which passed the Hatch Act.

I find that grand juries refuse to bring indictments and petit juries throughout the country refuse to convict. The Department of Justice is very much disturbed concerning the Hatch Act. They cannot enforce it.

Water never rises above its source. You cannot enforce an act if the public is not behind it, and the public is not behind the Hatch Act. I have offered a bill repealing it. I expect the distinguished chairman of the House Judiciary Committee [Mr. SUMNERS] will arrange for hearings thereupon. The Hatch Act needs airing, if not fumigation.

The SPEAKER. The time of the gentleman from New York has expired.

EXTENSION OF REMARKS

Mr. KELLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD and to include two citations in connection with the Congressional Medal of Honor.

Mr. SLAUGHTER asked and was given permission to extend his remarks in the RECORD and to include a message written by the Honorable Roger D. Lapham, mayor of San Francisco, to the city council.

Mr. ROMULO asked and was given permission to extend his remarks in the RECORD and to include a speech which the President of the Philippines made to the Philippine Congress.

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include a newspaper article and in the other to include two letters.

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and to include a statement on veterans' hospitals, with certain letters, newspaper articles, and excerpts.

Mr. McDONOUGH asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an editorial from the Washington Post.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD and to include a press release from the War Food Administration.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and to include an editorial published in the San Francisco Examiner.

THE LATE T. BROOKS FLETCHER

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS of Ohio. Mr. Speaker, in Washington yesterday, a former Member of this House died. He represented the Eighth District of Ohio for several terms. He was a distinguished man. Many of the older Members will remember him. His name was Brooks Fletcher. He had been a very prominent man in national affairs, especially lyceum work. He had addressed audiences in nearly every section of the country. He was a fluent speaker and a man of pleasing manner. He was well esteemed here in this House. He was especially interested in matters pertaining to public education.

I am sorry for his passing, and I extend to his widow and his family my sincere sympathy, and I am sure that the Members of this House who knew him will be sorry to know of his passing.

Mr. Speaker, I ask unanimous consent that any Member from Ohio who desires to make comment with reference to this distinguished individual may have opportunity to do so by extending his remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. RANKIN. Mr. Speaker, reserving the right to object, will the gentleman amend his request and make it apply to all Members of the House?

Mr. JENKINS of Ohio. Mr. Speaker, I so amend my request.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

OHIOANS SERVE WITH DISTINCTION

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, Ohio is proud of the record of its service men and women, wherever they are on the far-flung battle lines. Her Thirty-seventh Division, under Maj. Gen. Robert S. Beightler, having been one of the units responsible for the release of Manila, continues to hew its way through to glory.

In other quarters, Ohio's sons and daughters are receiving recognition for unusual courage and endurance, not only from the United States, but from the countries they have helped throw off the Nazi yoke.

Announcement has just been made of the conferring of two French Croix de Guerre, one to our much-decorated Maj.

John R. Bennet, of Beyerle Road, Cleveland; the other to Lt. Col. Lester L. Krause, whose uncle, Mr. F. W. Brown, lives at Rockland Avenue, Rocky River. Lieutenant Colonel Krause, pilot of a fighter plane and commander of a fighter group, was awarded the Croix de Guerre in recognition of continuous heroism during 1,000 hours of combat flying.

To Lt. Col. Edward J. Seward, formerly a priest at St. Margaret's Catholic Church, Cleveland, and now chaplain with the Eighth Army, has been awarded the Bronze Star. He has set an outstanding personal example not only with the military personnel under his jurisdiction, but also with the many civilians with whom he has come in contact.

To Lt. Eveline Beckwith, Army nurse, has come the recognition of an air medal. Lieutenant Beckwith, who was stationed for 15 months in the China-Burma-India war theater, won this air medal for meritorious achievement while participating in more than 150 hours of operational flight in transport aircraft through the combat zones of Assam, Burma, and southwest China. Her home is at 9908 Woodward Avenue NE., Cleveland.

These are but four of a long list of officers and enlisted personnel who have been awarded Silver Stars, Distinguished Flying Crosses, and Bronze Stars, and other decorations.

COMMITTEE ON UN-AMERICAN ACTIVITIES—RESIGNATION OF CHAIRMAN HART

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. MUNDT. Mr. Speaker, yesterday the gentleman from New Jersey, Chairman ED HART, of the Committee on Un-American Activities, submitted his resignation as chairman of that committee, saying that he was acting solely upon the advice of his physician in so doing. As one of the minority members of that committee, I take this opportunity to say that we are extremely sorry that the health of the gentleman from New Jersey [Mr. HART] is in such condition that he has had to resign. He is an admirable gentleman and an able chairman, and I wish for him a speedy and complete recovery.

From some newspaper accounts it has been made to appear that there was some dissension among the committee members, causing the resignation of the gentleman from New Jersey [Mr. HART]. This is absolutely false. All of our committee actions to date have been by majority vote, and practically all of them have been unanimous decisions. Those who would have you believe that the gentleman from New Jersey, ED HART, endeavored in any way to curtail committee activities or to sidetrack the committee are speaking without accurate knowledge of the facts. The gentleman from New Jersey [Mr. HART] is a vigorous and vehement Democrat, to be sure, but his Americanism is even more vigorous and vehement than his party allegiance, and during his career as chairman of the Committee on Un-American Activities he exemplified a fearless courage and a devotion to principle which won him the admiration of our entire committee.

Mr. Speaker, let the record be clear. The gentleman from New Jersey, ED HART, is not running away from responsibilities, nor is he fleeing from a difficult assignment. His resignation is necessitated by the simple, practical fact that his physical condition is such that he has had to sharply curtail his activities in order to protect himself and to regain the good health which we all wish for him. There was no other factor involved. The gentleman from New Jersey, Chairman HART, has proved himself to be an enemy of subversive influences, and I can assure the subversive groups of America that if the Democratic members of the Ways and Means Committee will select a new chairman who is as unsympathetic to the subversive agencies of this country as was the gentleman from New Jersey, ED HART, these unsavory outfits will find no cause for gratification in the change of the committee chairman.

EXTENSION OF REMARKS

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and include a resolution on calendar reform.

Mr. CLASON asked and was given permission to extend his remarks in the RECORD and include two newspaper articles.

Mr. BUFFETT asked and was given permission to extend his remarks in the RECORD and include a petition from the Christian Century.

COURTS-MARTIAL SENTENCES

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. WICKERSHAM. Mr. Speaker, this is my first criticism of the War Department; I do not condone lawlessness; however, I think that we as lawmakers and as civilians can see some things, perhaps, that they cannot see. It seems to me that in the prosecution of some of our servicemen abroad that many of our young men have been given excessive sentences and many have been sentenced to hang and several of them have been hanged. At the same time many of the "werewolves" have not been tried or sentences imposed. It also appears to me, after seeing various courts in process myself for 10 years, that the sentences imposed by the Army are much too severe, and far in excess of sentences imposed in similar instances in our civil courts in the United States of America. I firmly believe that the War and Navy Departments should review their own decisions and see that these young men are not given sentences which are greatly in excess of what should be imposed.

Although council is furnished a young man charged with various deeds, usually the serviceman charged is rather meek and shy in presenting his defense. He has been taught to respect the superior officers and does not dare to cross them. I believe the laws relating to court martial should be amended to provide that a man charged be allowed to select a jury of men of his own rank; in other words, if a private were on trial he should be allowed to pick a jury of privates; if a sergeant were tried he should be allowed to select a jury of sergeants.

Considerable weight should be given the background of the serviceman on trial, also the length of service, service record, and strain under which the serviceman has been laboring should be given weight in arriving at a verdict.

Many times the sentence imposed upon the young man causes the parents or loved ones much more anguish than it does the serviceman himself.

I believe these suggestions could be followed without weakening discipline. At the same time I am sure it would improve the morale of the men in service.

The general public and a large portion of the Members of Congress feel as I do about this matter.

RUBBER STRIKES

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOLGER. Mr. Speaker, I found in yesterday's Washington Evening Star an editorial which in part reads as follows:

> It is true that the total number of rubber strikers is only about 33,000—a small fraction of 1 percent of the working force. But they have already compelled the shipment of patched-up tires to our flyers in the Pacific. They have curtailed the production of self-sealing gas tanks. And, according to the War and Navy Departments, continuance of the strike would "condemn countless American soldiers, sailors, and fliers to death."

Something ought to be done.

FEPC AND UNITED NATIONS CHARTER CONCEPT

Mr. KOPPLEMANN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. KOPPLEMANN. Yesterday, I listened to the President appeal to this Nation to ratify the United Nations charter. I noticed particularly that he said that the United Nations, representing 50 countries, had emphasized in the charter that the rights of all people must be protected; that discrimination because of race, religion, or language must come to an end. Yesterday two committees of this House by denying the FEPC flouted our President's appeal and in effect went on record as refusing to support the United Nations of the world in their determination that the tyranny we fought and bled to destroy abroad must not be permitted to thrive against

the minorities in our midst. I hope that this House will insist that the FEPC be given the right of a vote. If the issue is voted on, I am sure the majority of this body will support the expressed statements contained in the charter which have just been presented to the world.

Every believer in true democracy, regardless of his political affiliation, must believe in equal economic opportunity such as FEPC affords. Do not keep down the bars any longer. Give them the chance at the fair opportunity we want all Americans to have.

It would be ideal if in this leading democracy of the world it were unnecessary to legislate protection against unfair discrimination in matters of employment. But there comes a time when ideals must be taken out of the dream stage and put into practice by the hard-headed method of legislation. We are achieving our ideals regarding social security, improved housing and labor conditions, financial protection through sound banking and investment because we finally enacted legislation whereby the ideal became written into the law of the land. Some day in the years to come fair employment practices will also be accepted as a national policy—but first we must put FEPC on the law books—and that is up to the Members of this House.

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McGEHEE. Mr. Speaker, a few moments ago the gentlewoman from New Jersey charged there were six willful men on the Committee on Rules and 20 on the Committee on Appropriations who on yesterday thwarted the consideration of legislation which in her opinion would have been of such vital importance to some of the racial minorities of this country.

Mr. Speaker, the Members of this Congress whom the gentlewoman had reference to, need no encomiums from myself or any other Member of this House; their outstanding work as Members of this great body since each came here, is well known to all and the ability to stand up under enormous pressure is the more recognized every day by each of us. Of course, that pressure is coming from a class of citizenship and certain Members of this Congress, who care nothing about safeguarding the provisions of the Constitution under which we are governed. They care nothing about what the passage of the legislation which they are fostering, that is, the FEPC Act and its ultimate effect on the business people of this country or on the life of any individual. If they did, they would turn about face and do everything they could to defeat, not only the appropriation for the continuation of this organization which was set up under an Executive order, but the bill now pending to establish and make permanent such an agency.

The bill which is now pending is the most vicious piece of legislation ever concocted in the minds of men and placed before an intelligent legislative body to act upon. The powers given under this legislation and which would be exercised by those appointed to administer the act, could be so utilized as to destroy every individual or collection of individuals engaged in business and employing certain numbers of persons. It could destroy the policies of many of our unions of organized labor, and I daresay ultimately it would.

Those Members of the two branches of the Congress who have the backbone and stamina to fight this legislation are receiving the plaudits and praise of those who love this country and are trying to protect the freedom of its citizenship as is guaranteed under the Constitution.

Mr. Speaker, may I say to those who are on the left side of the aisle of this body, you have been proclaiming to the people of this country for the past 10 years that you are the watchdog standing guard at the entrance of the sacred structure wherein the Constitution is protected. Now, may I say that you have your opportunity to stand up as a unit and join hands with us on this side of the aisle who have been trying to aid you in protecting the citizenship rights under the Constitution, and we can defeat this legislation, which, as I said, is the most vicious piece of legislation appearing before the Congress since the inception of New Dealism. Forget political expediency, preserve American freedom and liberty, and let the people from the North, East, West, and South of this country know that it was you who stood up with the good Democratic minority and saved our country from the iniquitous effects of such legislation.

METROPOLITAN POLICE, UNITED STATES PARK POLICE, WHITE HOUSE POLICE, AND MEMBERS OF FIRE DEPARTMENT, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3291), an act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 14, insert:

"SEC. 3. The provisions of this act shall not apply to pilots and marine-engineers of the Fire Department whose salaries were increased by an act entitled 'An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia," approved June —, 1945.'"

Page 2, line 15, strike out "3" and insert "4."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. STEFAN. Reserving the right to object, Mr. Speaker, may I ask the gentleman from West Virginia a question about this bill.

Mr. Speaker, there are five members on the District of Columbia fire boats who are not included in this bill. This bill affects approximately 3,200 employees but leaves out these five individuals.

I would like the chairman of the Committee on the District of Columbia to tell us why these five employees are not included. Are they going to be provided for?

Mr. RANDOLPH. Mr. Speaker, I said earlier this afternoon and I say again to my distinguished friend the gentleman from Nebraska that the five engineers of the Fire Department who are the marine officers were taken care of in separate legislation by this House and the Senate giving them an $800 increase. The Senate has placed a limitation upon the operation of the over-all bill as it concerns these five engineers. I shall say, however, today to the gentleman from Nebraska and to the House that if the Committee on the District of Columbia finds there is an inequity between these five personnel of the Fire Department and the others who would come under the general pay adjustment, the 3,200 over-all figure, that the committee will properly go into the matter and take appropriate action early in September.

Mr. STEFAN. The information I have indicates that there is an inequity. I hope the gentleman's committee will take care of it.

Mr. RANDOLPH. I assure the gentleman that the committee will do so.

Mr. STEFAN. With that assurance, Mr. Speaker, I withdraw my reservation of objection.

Mr. BLAND. Reserving the right to object, Mr. Speaker, this is the same matter about which I spoke to the gentleman and the gentleman makes that same assurance?

Mr. RANDOLPH. Yes, sir. The gentleman from Virginia is also interested in the matter, and the gentleman from Illinois [Mr. DIRKSEN] the ranking minority member, and I, as chairman of the committee, assured him as we assure you and the House that we will take care of any inequity which is found to exist.

The SPEAKER. Is there objection to the question of the gentleman from West Virginia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a letter from Gen. Frank T. Hines of the Veterans' Administration to Senator WALTER GEORGE, chairman of the Committee on Finance of the Senate.

GEN. GEORGE S. PATTON

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it was my hope that we would have a surprise for you today. I thought I had arrangements made for Gen. George S. Patton to come here and meet and address the membership of the House today. But late yesterday afternoon General Patton came to see me and said he had been on a fishing trip and did not get my telegram until it was too late to make arrangements to be with us at this time. He had to leave by plane for Europe this morning, and he asked me to express to you the hope that he might have the privilege of meeting you all when he returns from Europe.

General Patton is a great military genius. He is one of the great soldiers of all time. He is a great hero, and a great leader of men. His genius, his daring, his courage, and his leadership were among the greatest contributing factors to victory in the European war.

I wish every individual in this country, and especially every Member of Congress, could enjoy a close-up personal conversation with this dynamic leader of our armed forces, and understand his real character as he discusses the heroism of his men, the trials they went through, and the suffering they endured. Then you would all realize why his men idolize him.

I hope we may have the privilege of having him address us when he returns from his present mission.

The SPEAKER. The time of the gentleman from Mississippi has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Friday next, immediately after the reading of the Journal and before the business of the day is commenced, that the gentleman from New York [Mr. BLOOM] and the gentleman from New Jersey [Mr. EATON] may each address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

FEPC

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, I understand a few minutes ago while I was absent from the Chamber, the gentlewoman from New Jersey [Mrs. NORTON] again attacked the Committee on Rules for standing guard over the liberties of the people.

I can fully understand the disappointment of the gentle lady because upon another occasion:

Old Mother Hubbard went to the cupboard
To get her poor dog a bone,
When she got there the cupboard was bare
And the poor dog got none.

STRIKES IN WAR INDUSTRIES

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, a few moments ago the gentleman from North Carolina [Mr. FOLGER] quoted from an editorial in last night's Star, in which it was said that the strike of the rubber workers would result in the death of some of the men in the Pacific. Then the gentleman said, "What are you going to do about it?"

I have been asking that question for a number of years. More than 2 years ago the then Acting Secretary of the Navy referred to a strike in Detroit and said that it had held up, in one case for 24 days, and in another case for 42 days—remember, this was more than 2 years ago—the production of motors and parts needed by the Navy Yard at Philadelphia. At that time I asked the majority leaders what they were going to do about it. For 2 years they have not done anything, and the House has failed to act.

Now, you know from that editorial last night, and I think they quoted officials correctly, our men at the front are dying or may die because of the strike at Akron, and the strike at Akron exists and continues because of the failure of Congress—your failure and mine—to adopt and insist upon the enforcement of legislation which would prevent interference with production.

We here in Congress cannot escape responsibility. How much longer are we going to let it continue? We were warned 2 years ago. Read the press account of today:

LOST TO OUR FIGHTERS: 39,000 TIRES, 24,000 TUBES

AKRON, OHIO, July 3.—The Goodyear Tire & Rubber Co.'s plant here, largest producer of airplane tires and tubes in the Nation's rubber capital, has stood idle now for 14 days. Each of those days has cost Army and Navy fliers who are paving the way for invasion of Japan's homeland, 2,600 tires and 1,600 tubes.

As of last night, Allied bombers and fighters in the Pacific war zones have been deprived by the 16,700 striking Goodyear workers of 39,000 tires and 24,000 tubes.

The Navy warned publicly, when the strike was only 1 week old, that even then it had been forced to send retreaded and damaged tires, including some with bad side walls, to fliers in the Pacific.

PRODUCTION HOLD-UP

Six days later the Army and Navy, in a joint statement, said that otherwise completed Corsairs and Avengers were being held back from the Pacific front for lack of tires, brake material, and self-sealing gasoline tanks that the Goodyear plant was to have manufactured.

Both statements said flatly that the strike is costing the lives of American soldiers, sailors, and marines.

Meanwhile, workers at Firestone, another of the big three in Akron, have voted to strike.

GREATER LOSS THREATENED

Firestone and Goodrich each employs almost as many factory workers as Goodyear does in its tire and rubber division.

The evidence available in Akron appears to support the Army-Navy contention that the Goodyear strike is shutting off from the Pacific front tires that are badly needed for blasting Japan out of the war with a minimum loss of American lives.

The SPEAKER. The time of the gentleman from Michigan has expired.

VETO MESSAGE FROM PRESIDENT OF THE UNITED STATES—RELIEF OF WILLIAM H. SHULTZ

The SPEAKER laid before the House the following veto message from the President of the United States which was read by the Clerk:

To the Houses of Representatives:

I am returning herewith, without my approval, H. R. 912, Seventy-ninth Congress, "An act for the relief of William H. Shultz."

The purpose of the bill is to authorize and direct the Secretary of the Treasury to pay to William H. Shultz, 240 First Street SE., Washington, D. C., the sum of $783, erroneously paid him on adjusted-service certificate No. 20975, and repaid by him on demand by the Veterans' Administration.

William H. Shultz entered the military service on November 2, 1917, and was placed on an inactive status from February 26, 1918, to work as a tool maker for William Cramp & Sons, Philadelphia, Pa., until March 7, 1919. He was discharged from service on March 14, 1919.

Adjusted-service credit is based on active service only, whereas the veteran was certified as being entitled to a credit which included the period from February 26, 1918, to March 7, 1919, during all of which period he was on inactive service. This resulted in issue to him of an adjusted-service certificate in the amount of $1,088, whereas, in fact, he was entitled to an adjusted-service certificate in the amount of $305 only. On this certificate he was overpaid the sum of $783 and was properly required by the Veterans' Administration to repay that amount.

The World War Adjusted Compensation Act of 1924, as amended, specifically provides for the exclusion in the computation of adjusted-service credits of all periods during which servicemen were on inactive service assignments.

In view of the fact that H. R. 912 would grant William H. Shultz a benefit denied to all other veterans who have been and are being required to repay money received by them on adjusted-service certificates through error, and since the Veterans' Administration estimates that there are 3,600 veterans in this category, I do not feel that I would be justified in approving preferential legislation of this character.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 2, 1945.*

The SPEAKER. The objection of the President will be spread at large upon the Journal and the message and the bill referred to the Committee on Claims.

PERMISSION TO FILE REPORT BY THE RULES COMMITTEE

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, a request has been made for a meeting this afternoon on the part of the Appropriations Committee on a bill which they reported yesterday. I shall comply with the request and call a meeting at 3 o'clock, because of the absence of two members who desire to be present.

Meantime, Mr. Speaker, I ask unanimous consent that I may have until midnight to file the rule, if agreed upon.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

WAR AGENCIES APPROPRIATION BILL

Mr. CANNON of Missouri, from the Committee on Appropriations, reported the bill (H. R. 3649) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, which was read a first and second time, and, with the accompanying report, referred to the Committee of the Whole House on the State of the Union and ordered printed.

Mr. MARCANTONIO. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. The point of order is that the bill and report contain matters in violation of the second clause of the twenty-first rules.

The SPEAKER. Well, the gentleman can reserve a point of order.

Mr. MARCANTONIO. Mr. Speaker, I reserve a point of order against the bill.

Mr. TABER. Mr. Speaker, I reserve all points of order against the bill.

The SPEAKER. The Chair thinks the gentleman from New York [Mr. TABER] should be recognized to reserve points of order.

Mr. MARCANTONIO. That is all right so long as they are reserved.

INVESTIGATION OF GOVERNMENT-CONTROLLED HIGHWAYS, AND SO FORTH

The SPEAKER. The Chair recognizes the gentleman from Illinois.

Mr. SABATH. Mr. Speaker, I call up House Resolution 255, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Roads, as a whole or by subcommittee, is authorized and directed to make a full and complete study and investigation of the construction and maintenance of highways, roads, streets, and bridges over which the Government or any agency thereof exercises or may exercise any jurisdiction or direction, directly or indirectly, as a part of the war effort or otherwise, including the allocation of materials, equipment, and manpower for the construction or maintenance thereof, and practices incidental thereto whether private or governmental which affect or may affect the use, construction, and maintenance of such highways, roads, streets, and bridges.

The committee shall report from time to time to the House the results of its investigations and studies and in its reports the committee may recommend such legislation as may be deemed pertinent.

SEC. 2. For the purposes of this resolution the committee, or any subcommittee thereof, is authorized and directed to hold such hearings, to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to employ such experts and such clerical, stenographic, and other assistance, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, to take such testimony, to have such printing and binding done, and to make such expenditures as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee, and may be served by any person designated by the chairman. Oaths or affirmations may be administered by the chairman or any member of the committee designated by him.

Mr. COCHRAN. Mr. Speaker, a point of order. No one can get a copy of the resolution. As I heard it read by the Clerk there was something read with reference to expenditures. If the resolution contains anything authorizing expenditures it is subject to a point of order.

Mr. SABATH. There is nothing in the resolution touching expenditures except expenditures for the construction of the roads.

Mr. COCHRAN. Why does not the gentleman have copies of his resolution on the floor when he call it up?

Mr. SABATH. They will be here as soon as the Clerk can bring them from the document room.

Mr. COCHRAN. Mr. Speaker, I withdraw the point of order.

Mr. SABATH. Mr. Speaker, a little later on I will yield the usual 30 minutes to the gentleman from Indiana [Mr. HALLECK], whom I know you all wish to hear in preference to anyone else.

Mr. ROBINSON of Utah. Mr. Speaker, will the gentleman yield for a correction?

Mr. SABATH. I yield.

Mr. ROBINSON of Utah. Mr. Speaker, I ask unanimous consent that the bill be amended by striking out on page 2, lines 8 and 9 the words "within the United States."

Mr. SABATH. Mr. Speaker, I have no objection.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. SABATH. Mr. Speaker, this resolution gives the Committee on Roads jurisdiction to continue to investigate matters relative to our public highways and roads. They were making such an investigation during the last Congress, but did not ask for any appropriation and, therefore, did not spend any money. The failure of the committee to make any expenditures may be the only reason why there might be any opposition to extending its powers as has been granted to about 25 less deserving committees.

The Committee on Rules believed that it is absolutely necessary for the Committee on Roads to make a thorough investigation as to construction not only of Government roads and those access roads to which the Government has contributed large sums of money, but that they should also investigate conditions in Alaska where we hear so many complaints and where so many millions have been expended.

Mr. RICH. Mr. Speaker, will the gentleman yield at that point?

Mr. SABATH. No. The Rules Committee came to the conclusion that there should also be an investigation of the building of the International Highway for which our Government has expended or authorized the expenditure of some $20,000,000. Some commentators and certain newspapers have made charges and I feel that the House and the country are entitled to have the facts. If there has been any wrongdoing or corruption in the construction of those roads, this House ought to have the facts and the guilty should be brought to justice.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Illinois.

Mr. ARENDS. Will this investigation permit the Committee to go into the building of the roads in Central America which I spoke about the other day?

Mr. SABATH. Yes.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Pennsylvania.

Mr. RICH. Just recently we passed a resolution permitting the Committee on the Territories to go to Alaska to investigate the Territory. Why have another committee go up there and look over roads when we already have a committee going up there to look after Alaska proper? Why cannot that committee do the work and save the expense?

Mr. SABATH. Because the Committee on the Territories is not familiar with the construction of roads and we feel this matter should be investigated by a committee that is familiar with the situation and with conditions so that they may obtain the information which the other committee could not.

I have been of the opinion heretofore that we should not continue many of these investigating committees, but within the last few weeks I have come to the conclusion that the committees are serving a real purpose and in view of the Government's vast interests in Alaska and the Alcan road these committees should be continued. I have been told by outstanding men that we cannot obtain too much information about Alaska. The House and the country should have all this information so that we can legislate in the future and in order that the interests of our country will be safeguarded and protected.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Illinois.

Mr. MASON. I want to answer the gentleman from Pennsylvania [Mr. RICH]. The greatest part of that Alaskan road, nine-tenths of it, is in Canada, not in Alaska; therefore it is necessary for a special committee to do this job of investigating.

Mr. SABATH. That should satisfy the gentleman from Pennsylvania.

Mr. RICH. That does not satisfy me at all.

Mr. SABATH. I cannot yield to the gentleman any further because in my opinion if the Angel Gabriel came down from heaven, it would not satisfy the gentleman from Pennsylvania. He does not want to be satisfied.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. The Committee on Roads of the House has, I believe, given the most careful consideration to the development and extension of the highway system of America of any group that has ever been in power within a governmental structure. We note that the President of the United States states that the 600 miles necessary for completion of the Alaskan Highway should be undertaken within a very short time. We hear, on the other hand, from certain groups that deficiencies have existed in connection with the construction of the road. The Roads Committee should have the power, and if necessary, should exert it to get the facts and to return those facts to the Congress upon which it can act.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Missouri.

Mr. COCHRAN. I received a telephone message in my office this morning and later I attended a meeting of a committee. This telephone message was in reference to this resolution and came from a member of the Roads Committee. Attending the committee meeting this morning were two members of the Roads Committee and neither one of them had ever heard of this resolution at any time, nor had they ever heard of the meeting of the Roads Committee in which the question was discussed whether or not the Roads Committee should ask the Rules Committee to report such a resolution.

Mr. ROBINSON of Utah. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I will give the gentleman a chance to answer later. The gentleman from Missouri and I know that we have many Members who fail to attend meetings.

Mr. COCHRAN. They said they did not have any notice.

Mr. SABATH. Well, who are these Members? Are they on the floor now? Let them speak or forever hold their peace. Some Members always find an excuse because they have not the time to attend the business of their committees of the House. There are some such Members, and then they find fault and criticize. I feel that Members like that do not deserve any real consideration.

May I say to the gentleman from Missouri that I have scanned the names of this committee and I find that we have on it some of the most outstanding, honest, sincere, and hard-working Members in this House; naturally I favor this resolution instead of a special resolution for a special committee which was contemplated. I believe that the investigation conducted under the leadership of its chairman, the gentleman from Utah [Mr. ROBINSON] will be a fair one, a just one, and that it will get the facts that you and each and every other Member should and is entitled to have.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Ohio.

Mr. ELSTON. Since the Alcan Highway was constructed under military supervision, does not the gentleman feel that the Committee on Military Affairs has the power and the authority to make the investigation called for by this resolution?

Mr. SABATH. May I say to the gentleman that the House has given the Committee on Military Affairs power to investigate, and though I have the utmost confidence in the chairman and in that committee, somehow or other they have not investigated it. If those reports that come to me and that are being broadcasted are true or even if one-half of them are true, there is something rotten in Denmark, and it is necessary that we get the facts. We are going to get the facts because, besides the able chairman, the gentleman from Utah [Mr. MURDOCK], we have serving on that committee such Members as the gentleman from Mississippi [Mr. WHITTINGTON], who will shortly take the floor to talk on the bill, the gentleman from West Virginia [Mr. RANDOLPH], the gentleman from Georgia [Mr. PETERSON], the gentleman from Michigan [Mr. WOLCOTT], and the gentleman from Oregon [Mr. MOTT], all of whom have the courage and the investigative ability to penetrate any questionable activities.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. In response to the statement made by the gentleman from Missouri, I should like to state in fairness to the chairman of that committee that he was authorized to introduce this resolution at the last meeting of our committee, a similar resolution having been introduced in the last Congress.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Missouri.

Mr. COCHRAN. I simply said that two gentlemen, members of the Committee on Roads, were in a committee meeting this morning and they said they had never heard the matter discussed and that they were never notified to attend a meeting of the committee to discuss the matter.

Mr. SABATH. Maybe they were fishing.

Mr. COCHRAN. I do not think so.

Mr. SABATH. I now yield to the gentleman from Indiana [Mr. HALLECK] the usual 30 minutes.

Mr. HALLECK. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, it is my understanding that the minority members of the Committee on Roads favor this resolution, and so far as I have been able to discover there is general approval of the resolution and its purposes. All of us are familiar with the charges that have been made with respect to the costs of construction of one highway. Certainly those are matters that should be inquired into. I have expressed the hope that if the resolution is adopted the committee will diligently endeavor to find out the true facts in that circumstance and any others that may properly come before it for consideration.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Michigan.

Mr. MICHENER. I call the gentleman's attention to the language on page 1 of the resolution, line 5, as to the jurisdiction of the committee.

This resolution authorizes this committee "to investigate only those projects over which the Government or any agency thereof exercises or may exercise" jurisdiction. Would that language be broad enough to permit the investigation of highways constructed by the War Department but which have since that time come under the jurisdiction of the Committee on Roads?

Mr. HALLECK. All I know in respect to that is that when the matter was before the Committee on Rules, as the gentleman knows, specific reference was made to the Latin-American Highway, and the charges in respect to it, and as I recall, it was said that the jurisdiction of the committee would include that proposition.

As I recall, it was suggested before the committee that the jurisdiction of the committee would include that proposition. I see the chairman of the committee here, and I yield to the gentleman from Utah [Mr. ROBINSON] to say whether or not that is his understanding of the provisions of the resolution.

Mr. ROBINSON of Utah. I will state that is my understanding. I have considered a number of members of the committee who are lawyers, and they all come to the same conslusion.

Mr. HALLECK. Mr. Speaker, I yield such time as he may desire to the gentleman from Vermont [Mr. PLUMLEY].

PRESIDENT TRUMAN'S TRIBUTE TO WENDELL WILLKIE—LEST WE FORGET

Mr. PLUMLEY. Mr. Speaker—

Unless we lead the way—

Said President Truman at Kansas City, Mo., last week—

there may be no peace in the world. I am anxious to bring home to you—

Said he—

that the world is no longer country size, no longer state size, no longer nation size. It is one world, as Willkie said.

The newspaper article containing the text of the President's speech goes on to say that:

The reference was to the late Wendell Willkie, Republican Presidential nominee in 1940, and the audience applauded.

Some twenty millions and more Americans appreciate the significance of the reference to the one man who, more than all others, forced the people of America to a realization of their duty, their obligation and their opportunity to establish the foundations for perpetual peace.

Wendell Willkie needs no other monument than that already established in the minds of the people of the world, by the consummation of the San Francisco Charter and its delivery by President Truman to the Senate of the United States, with his plea for its early ratification.

Mr. Speaker, directing my remarks at this time to the rule which is now under consideration I think it would be most unfortunate for this House to deprive itself of the information which might well be obtained with respect to that area about which we know so little.

Mr. HALLECK. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. CUNNINGHAM], a member of the Committee on Roads.

Mr. CUNNINGHAM. Mr. Speaker, public charges have been made for some time throughout this country that there has been waste, incompetence and extravagance in the building of the Latin-American Highway as well as the Alcan Highway. I think because of these charges and the amount of publicity that has been given to them it is necessary that this resolution be passed and that a very thorough investigation be made for the protection of the Army and the War Department as well as for the protection of the Congress and the Committee on Roads.

In addition to that, Mr. Speaker, it has occurred to me at this time as a member of the committee that in the postwar era much legislation affecting the highways of our country will come before the committee and in my opinion they can do a much better job and save the Government probably much more than the cost of this investigation by the experience and knowledge the committee will gain by the investigation authorized by the resolution which is now before us. I am sure the minority members of the committee are in favor of it.

Mr. HALLECK. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. MCGREGOR], a member of the Committee on Roads.

Mr. MCGREGOR. Mr. Speaker, I am in complete accord with this resolution. I am of the opinion that it gives the committee complete jurisdiction to investigate not only the 2 projects mentioned but the right to examine the over-all road construction program, which I firmly believe needs a complete and thorough investigation. I urge the membership of this body to vote for this resolution.

Mr. HALLECK. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I am glad that this resolution is being presented. I hope it will be unanimously adopted. The questions that will be considered by the committee. I assume, will involve the expenditure of appropriations that have been made to the War Department. During the hearings on the recent War Department appropriation bill there was some discussion on these road expenditures, particularly those for the Pan-American Highway. The gentleman from Michigan [Mr. ENGEL] and I interrogated General Somervell and also General Reybold, Chief of Engineers, and also Under Secretary of War, Judge Patterson. For the most part replies were general and indefinite because, we were told, an investigation is now under way by the Inspector General to develop the facts.

Because of some of the intimations in the story that has been broadcast of excessive rental charges I asked the Under Secretary of War, Mr. Patterson, whether any attempt was being made to determine the possibility of recapturing excessive payments under the Renegotiation Statutes. Under date of 27 June 1945, I received the following letter from the Under Secretary of War:

JUNE 27, 1945.

DEAR MR. CASE: At the recent hearing before the Appropriations Subcommittee, you asked me to call the attention of The Inspector General to the question of the effect of the Renegotiation Act on equipment rental contracts in connection with the construction of the Pan-American Highway.

I did call the matter to the attention of the Inspector General and he advises me that the matter of the effect of Renegotiation Statutes on equipment rental contracts has been incorporated as a subject for investigation in the course of the Pan-American Highway inquiry.

Sincerely yours,

ROBERT P. PATTERSON,
Under Secretary of War.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. HALLECK. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. CASE of South Dakota. Whatever may be uncovered in the investigation here proposed by this resolution I am sure we all feel if there has been an overpayment on these rental contracts or in any other way in connection with this highway conustruction that an attempt should be made to make the appropriate recoveries under the renegotiation statutes.

I yield to the gentleman from Michigan [Mr. ENGEL].

Mr. ENGEL of Michigan. The gentleman will recall our subcommittee went rather at length into the Alcan highway a year ago and the District Engineers testified that it cost $100,000 per mile to build a gravel road and that they guaranteed common labor as high as $300 a month regardless of whether they worked a day, an hour or a month.

Mr. CASE of South Dakota. Yes; I recall the gentleman's diligence in that regard and it was the feeling of the subcommittee that many of those charges and rates paid were very high. Mr. Speaker, I am glad this resolution proposes a complete investigation and determination of issues that have been raised.

Mr. ENGEL of Michigan. That was the testimony of the Chief of Engineers of the United States Army.

Mr. HALLECK. Mr. Speaker, I have no further requests for time.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, as a member of the Committee on Roads, I am very much interested in this resolution. The first I knew of the resolution was yesterday evening when I saw the notice in the paper. I never received a card or a telephone call from the Committee on Roads regarding the resolution. I have been in Washington all the time and my office is just one floor above the Committee on Roads. So if I had been notified I certainly would have gone down to enter the discussion regarding this investigation.

I am not opposed to investigations by any committee or by any special investigating committee, but we certainly have a great deal of repetition in the work of the various committees of this House, at the expense of the taxpayers.

I am also a member of the Committee on Accounts. Quite often I have an opportunity to view some of the expense accounts that pass through that committee. Many of the committees which are now functioning are duplicating the duties of other committees. The House recently voted the Peterson committee a certain amount of money for investigative purposes. This committee intends to go to Alaska to go over these same roads that we are talking about in this resolution. It may be important that we send two committees up there at the same time so that one committee can watch the other committee. However, I, for one, feel that we had better be careful about sending out so many committees in the same direction to do practically the same job. They say we are not doing the same work, but you find them traveling over the same road, talking about the same subject, many, many times over. Check the bills. Talk to the members. We find there is a duplication of work. If this is so important, I am willing to go along with the committee on it, but I want to know more about it. When this resolution comes up before the Committee on Accounts I am going to ask numerous questions at that time to satisfy my own mind of the importance of the investigation. Not having had an opportunity before the Roads Committee to ask these questions, I propose to take plenty of time in the Committee on Accounts. If I am not satisfied in my own mind at that time I shall vote against any appropriation for this committee.

I yield back the remainder of my time and I thank the gentleman for giving me the time.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SMITH], a member of the Committee on Rules.

Mr. SMITH of Virginia. Mr. Speaker, when this resolution came before the Rules Committee it was first discussed from the standpoint of a trip to Alaska to look over these roads. Then some question was raised about the Pan-American Highway situation and there was a question as to whether or not this committee could, under the resolution as the gentleman from Michigan has said, investigate that job. My only purpose in taking the floor at this time is this: There has been public discussion of alleged irregularities and huge expenditures and perhaps dishonesty in connection with the Pan-American Highway. I am sure we all have the utmost confidence in General Somervell and in the United States Army engineers, but when a matter becomes a matter of public discussion and widespread scandal as to expenditures on a project of this kind, it does seem to me that both sides of the House should be interested in clearing it up and getting at the facts.

I think it very appropriate that a committee of Congress do that. They can be of aid to the other agencies of the Government that are seeking to get at the truth of the situation.

I simply took the floor at this time to get assurance, if I could, from the chairman of the Roads Committee and other members of the Roads Committee, that if this resolution is adopted, it is their serious purpose to make a thorough and complete investigation of the expenditures and the conduct of the contractors and others on the Pan-American Highway, and give this Congress and give the public the facts. The charges that have been publicly made may be true and they may not be true, but it has become a matter of such widespread public discussion and criticism I want to see that the public knows what the real facts about it are; and I hope we shall get those assurances from the Roads Committee.

Mr. SABATH. Mr. Speaker, in view of the statement by the gentleman from Virginia I yield the balance of my time to the gentleman from Utah [Mr. ROBINSON], the proponent of this resolution.

Mr. ROBINSON of Utah. Mr. Speaker, I wish to assure the membership that the Committee on Roads in undertaking this investigation have undertaken it with the sincere hope and the desire to get the facts and report them back to the Congress. I regret very much that one of our Members has seen fit to complain about not being present at the time this resolution came up, and I feel that it should be explained.

This resolution in the same form was passed 2 years ago, and we have been operating under it since that time during the last session. It was introduced some time ago in this session. We notified all the Members of the hearings and had hearings on other bills. I also notified them that at a certain time we would take this matter up, which we did. It was discussed at some length and was unanimously voted out by the Committee on Roads. I take it that at that time the gentleman from California [Mr. ELLIOTT] was engaged in other business far more important possibly than this and was not present.

One of the reasons for bringing this matter up at the present time is the very thing that this House did with relation to the Territories Committee. The Territories Committee is visiting Alaska. I happen to be on that committee; I am going to Alaska with that committee, but the ranking members of the Committee on Roads should visit Alaska. They should examine those roads and should have jurisdiction to report back to the House as to what should be done with relation to the roads in Alaska. These gentlemen are not members of the Committee on Territories. It is therefore necessary that certain members of the Committee on Roads, in my opinion, be given an opportunity to visit Alaska and determine what should be done with reference to those roads.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Utah. I yield.

Mr. COCHRAN. The gentleman knows of course during our long service in the House and on committees together what I think about him and how I know he will make a real investigation; but this resolution today is not the same as the resolution passed in the last Congress, because the one passed in the last Congress confined the investigation to the continental United States, whereas the gentleman's amendment provides that you may go out of the country.

Mr. ROBINSON of Utah. That is correct; that amendment was adopted by unanimous consent this morning; so we can go out of the country if this resolution is adopted.

With reference to the Pan-American Highway, and to all highways for that matter, a peculiar situation has arisen due to the war. The Army took over almost immediately the work of the Roads Committee. We had been studying the problem as to where the road should be built to Alaska for a number of months. In the Roads Committee we held extensive hearings but had come to no conclusion on that matter, when we were notified that the Army was building a road to Alaska. The Army built that road where it thought it ought to be built and the Army now is ready to turn that road back to the Public Roads Administration.

Mr. ELLIOTT. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Utah. Yes; I shall be pleased to yield to the gentleman from California.

Mr. ELLIOTT. Does not the gentleman believe that with the Army having the responsibility at the time and knowing that we might need a road constructed took it upon themselves to construct that road as a matter of protection to the United States in relation to transportation with Alaska. We all know that the Army can get a job like that completed much faster than any other group. For that reason the Army did construct the road at a time when we needed the road constructed.

Mr. ROBINSON of Utah. I believe that is probably true; but the road now is going to be turned back to the Public Roads Administration and it is our problem now to determine what should be done with this road.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Utah. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Under the language of this resolution the chairman of our committee has no doubt but that the committee would be authorized to investigate the Alaskan or Alcan Highway and the Pan-American Highway.

Mr. ROBINSON of Utah. That is correct.

Mr. WHITTINGTON. I should like to say in this connection with my chairman's permission that in my judgment the activities of any subcommittee that might be appointed by the chairman ought to be coordinated with the activities of the Committee on Territories, and my further judgment is that all investigations with respect to the Pan-American or other highway should be coordinated with the work of the Senate Committee on the Investigation of War Expenditures and with the work of the Committee on Military Affairs of the House. They are making an investigation. This coordination should be done so there will be no duplication and so that the work may be carried on without one committee duplicating the work of another committee. The committees should work together.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Utah. I yield to the gentleman from Ohio.

Mr. ELSTON. I may say to the gentleman that the Committee on Military Affairs has already made some investigation with respect to the Pan-American Highway and since the Alcan Highway was constructed under military supervision the same as the Pan-American Highway since 1942, it seems to me this whole investigation should be conducted by a committee already set up, namely, the Committee on Military Affairs investigating committee, which committee has already compiled considerable data with respect to both of those highways. If this resolution passes, it is simply going to mean a duplication of work and an increased expenditure on the part of the taxpayers.

Mr. ROBINSON of Utah. There is no intention of duplicating any work that the committee has done. We expect to take their work and complete it. The Military Affairs Committee, however, is demanding that they be given jurisdiction of the Alaskan Highway.

Mr. WHITTINGTON. Is it not true the work authorized by Congress on roads in Alaska is under the jurisdiction of the Roads Committee and the same is true with respect to work authorized by the Congress on the Pan-American Highway?

Mr. ROBINSON of Utah. That is correct.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. ROBINSON of Utah. I yield to the gentleman from Illinois.

Mr. SABATH. Is it not a fact that the Rules Committee, before granting this rule, asked the gentleman and the other members of his committee who were present whether they would thoroughly investigate the charges that have been made in reference to the construction and building of the Pan-American Highway?

Mr. ROBINSON of Utah. That is correct.

Mr. SABATH. The gentleman has assured the committee and he has assured me that he will make a thorough investigation of those charges and if there has been wrongdoing on the part of any contractor, any engineer, or anyone connected with the building of those roads, he will so report?

Mr. ROBINSON of Utah. That is correct, and at this time I am assuring the House.

The SPEAKER. The time of the gentleman from Utah has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The clerk will call the first bill on the calendar.

CRIMES AND CRIMINAL PROCEDURE

The Clerk called the first bill on the Consent Calendar (H. R. 2200), to revise, codify, and enact into positive law title 18 of the United States Code, entitled "Crimes and Criminal Procedure."

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Indiana?

There was no objection.

HEALTH PROGRAMS FOR GOVERNMENT EMPLOYEES

The Clerk called the bill (H. R. 2716) to provide for health programs for Government employees.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

IMPORTATION, INTRODUCTION, AND SPREAD OF NOXIOUS WEEDS, ETC.

The Clerk called the bill (H. R. 3321) to provide that the several States shall continue effective measures of control and protection against the importation, introduction, and spread of noxious weeds, injurious insects, and animal and plant diseases, and to guarantee that purchasers or recipients of seeds, livestock, and poultry feeds, nursery stocks, fertilizers, and other agricultural chemicals shall have the protection guaranteed them under the laws enacted by the several States.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection

SCHOOL-LUNCH PROGRAM

The Clerk called the bill (H. R. 3370) to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. MASON. Mr. Speaker, I object.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MASON and Mr. DONDERO objected.

AMENDING SECTION 3 OF THE SAN CARLOS ACT

The Clerk called the bill (H. R. 3288) to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that the bill (S. 812) to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes, an identical bill to the House bill be substituted for the House bill.

The Clerk read the title of the Senate bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That section 3 of the San Carlos Act, approved June 7, 1924 (43 Stat. 475–476), as amended and supplemented, be, and it is hereby, amended so as to provide that the construction charges on account of non-Indian lands in the San Carlos Federal irrigation project shall be repaid in variable annual payments, to be determined by the number of acre-feet of water stored in the San Carlos Reservoir on March 1 each year beginning on the 1st day of March 1945; the amount of each such annual payment shall be fixed and determined in accordance with the following schedule:

When stored water (other than dead storage) in the San Carlos Reservoir on Mar. 1 of each year is—	The annual construction charge payment due Dec. 1 of the following year shall be—
0 to 100,000 acre-feet	$12,500
Over 100,000 but not over 200,000 acre-feet	25,000
Over 200,000 but not over 250,000 acre-feet	37,500
Over 250,000 but not over 300,000 acre-feet	50,000
Over 300,000 but not over 350,000 acre-feet	75,000
Over 350,000 but not over 400,000 acre-feet	100,000
Over 400,000 acre-feet	125,000

SEC. 2. The variable repayment schedule provided for in section 1 hereof shall go into effect for the fiscal year beginning July 1, 1945, and ending June 30, 1946, and the first such annual payment shall become due and payable December 1, 1946.

SEC. 3. The term "construction charges" shall mean the unpaid balance of the principal obligations due the United States under the terms of the repayment contract dated June 8, 1931, between the United States and the San Carlos Irrigation and Drainage District, as amended, including all annual installments deferred in whole or in part: *Provided*, That the sum of $25,000 shall be paid December 1, 1945, on the deferred installment due December 1, 1945, under the amended repayment contract: *Provided further*, That none of the deferred installments shall bear interest during the periods deferred.

SEC. 4. The Secretary of the Interior is hereby authorized and directed to enter into a supplemental agreement with the San Carlos Irrigation and Drainage District modifying the repayment provisions of the existing repayment contract, as amended, in accordance herewith.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 3288) was laid on the table.

FACILITATING SETTLEMENT OF RETURNING VETERANS

The Clerk called the bill (H. R. 520) to facilitate settlement of returning veterans on farms in projects constructed, operated, and maintained by the Bureau of Reclamation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REIMBURSING CERTAIN NAVY PERSONNEL

The Clerk called the bill (H. R. 2805) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rousseau, Port Hueneme, Calif., on December 22, 1944.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, when this bill was called 2 weeks ago I questioned the wisdom of passing legislation of this kind. I asked some questions with reference to existing law. They were not answered to my satisfaction, and I asked that all these bills go over without prejudice.

Since then I have contacted the Navy Department and I am informed that the Navy Department does have the power to reimburse the members of the Navy who lose certain possessions in the event of the destruction of a ship or something of that kind, but they do not have power in reference to losses at shore stations as the result of fires. I was informed that a general bill is going to be presented to cover this subject to give the Navy the same right that the Army now has, so in view of the explanation, I have no objection to the present consideration of this bill, or similar bills on the calendar.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, a similar Senate bill (S. 761) will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $365, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in Quonset hut, occupied by the Eighty-third United States Naval Construction Battalion, at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2805) was laid on the table.

REIMBURSING CERTAIN NAVY PERSONNEL

The Clerk called the bill (H. R. 2806) to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, a similar Senate bill (S. 822) will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $426.65, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel for the value of personal property lost or damaged as the result of a fire at naval base 2, Rosneath, Scotland, on October 12, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2806) was laid on the table.

REIMBURSING CERTAIN NAVY PERSONNEL

The Clerk called the bill (H. R. 2807) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. Without objection, a similar Senate bill (S. 824) will be substituted for the House bill.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting to, in the aggregate, not to exceed $981.30, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H. R. 2807) was laid on the table.

REIMBURSING CERTAIN NAVY PERSONNEL

The Clerk called the bill (H. R. 2853) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,331.45, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by an agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sumnot exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OFFICIAL PAPERS RELATING TO TERRITORIES OF THE UNITED STATES

The Clerk called the bill (H. R. 2522) to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, heretofore this bill has been passed over largely for the reason that it seemed unnecessary and unwise to direct the compilation of papers connected with the Territorial possessions of the United States at a time when there is an acute shortage of paper. The gentleman from Iowa [Mr. MARTIN] is interested in the measure and after discussing the subject with him he has suggested that a limitation be placed in the bill which would provide that no printing would be done under the bill until after the war period but that it would allow the staff or personnel which has been working on the project to continue the compilation and editing. No actual printing would be done until after the paper shortage is relieved.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield.

Mr. MURDOCK. I also am interested in this very meritorious measure. I think the gentleman from Iowa has made a good suggestion and I hope it is acceptable to the House.

Mr. COLE of New York. Mr. Speaker, with that explanation, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State is authorized to continue to completion the work of collecting, copying, arranging, editing, copy reading, and index making of the official papers relating to the Territories of the United States as initiated and carried on under the act approved March 3, 1925, as amended to date (5 U. S. C. 167–168C), and to have them issued as a Government publication, of which 420 copies shall be delivered to the Superintendent of Documents, Government Printing Office, for distribution to the libraries heretofore designated by the Governors of the various States, 100 copies for the use of the Department of State, and 100 copies for distribution by the Joint Committee on Printing, and for this purpose there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, sums of not more than $30,000 for any one year.

Mr. MARTIN of Iowa. Mr. Speaker, I offer an amendment:

The Clerk read as follows:

Amendment offered by Mr. MARTIN of Iowa: On page 2, line 9, strike out the period at the end of the line and insert a colon and the following: "*Provided*, no expenditure shall be made for printing authorized hereunder until 6 months after the end of hostilities in the present war."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERSONNEL DISCHARGED OR RELEASED FROM NAVY, MARINE CORPS, AND COAST GUARD BECAUSE OF UNDER AGE AT TIME OF ENLISTMENT

The Clerk called the bill (H. R. 3345) to provide for pay and allowances and transportation and subsistence of personnel discharged or released from the Navy, Marine Corps, and Coast Guard because of under age at the time of enlistment, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, when this bill was called on the calendar two weeks ago, I requested that it be passed over without prejudice but made no explanation of my purpose in making that request. I feel it is proper that my reasons should be known. Therefore I take this opportunity to explain.

The purpose of the bill is to authorize the Navy to pay the mustering-out allowance to young men who enlisted in the service, who were under age and who were admitted through a falsification of

their record. A year ago Congress quite properly, I think, passed a bill authorizing the payment of transportation from their place of duty back to their home upon their discharge. That is quite right. But when you extend the allowance as provided in this bill not only to pay their way back home but to give them the mustering-out allowance and subsistence, and perhaps giving them a discharge which is comparable to the discharge of a young man who enlisted legally and without falsification, then I wonder whether we are perhaps not doing a greater disservice to the young man than helping him out.

Mr. BIEMILLER. Mr. Speaker, will the gentleman yield?

Mr. COLE of New York. I yield to the gentleman from Wisconsin.

Mr. BIEMILLER. Is the gentleman from New York aware of the fact that the Army has this provision at the present time for the boys who are similarly situated in the Army and they are granted all the benefits which this bill would give to those in a similar situation in the Navy?

Mr. COLE of New York. Yes; I am aware of that. That is one reason why I hesitate to take the position which I have taken. Yet I am sure the gentleman must have observed that my interest is in preserving the Navy's record. The fact that the Army has adopted a policy which I think is unwise is not a persuasive reason that compels me to allow the Navy to do the same thing.

Mr. BIEMILLER. The gentleman further realizes that it is quite conceivable that in the same community you could have two lads in an identical situation except that one had been in the Army and one in the Navy with entirely different treatment being accorded to them.

Mr. COLE of New York. That is entirely possible, but I am thinking more of the situation from the standpoint of the young man who has admittedly committed perjury, fraud, or forgery, or committed some crime in order to get into the service. If the Government comes along and exonerates him completely, then what kind of lesson does the young man get to carry on throughout the rest of his life? If the Government says it is wrong to do that kind of thing and then turns around and says, "Well, young man, you did it for a laudable purpose and for reasons of patriotism, which is very persuasive, but since you did it for that reason we will forgive you and send you back home to your community as though you had never done it at all," are we really doing the boy a service?

I think it is right that the boy should be discharged. I think it is right that the Government should pay his transportation home. But to completely whitewash his falsification and give him a bonus in addition, I think is not doing the young man any good.

With that explanation, Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PRESENTATION OF MEDALS TO MEMBERS OF THE UNITED STATES ANTARCTIC EXPEDITION, 1939–41

The Clerk called the bill (S. 397) to provide for the presentation of medals to members of the United States Antarctic Expedition of 1939–41.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

INCREASING NUMBER OF MIDSHIPMEN ALLOWED AT NAVAL ACADEMY FROM THE DISTRICT OF COLUMBIA

The Clerk called the bill (H. R. 319) to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TARVER. Mr. Speaker, reserving the right to object, on the last call of the Consent Calendar I asked unanimous consent that this bill be passed over without prejudice because I hoped that the Naval Affairs Committee might reexamine the subject matter. I feel that the District of Columbia is entitled to some additional consideration, but not the degree of consideration which is accorded by the pending bill.

For that reason I again ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

AMENDING SECTION 6 OF THE DEFENSE HIGHWAY ACT OF 1941, AS AMENDED

The Clerk called the bill (H. R. 2840) to amend section 6 of the Defense Highway Act of 1941, as amended.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

REIMBURSING NAVAL PERSONNEL FOR LOSS IN FIRE AT NORFOLK NAVY YARD

The Clerk called the bill (H. R. 2615) to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, such sum or sums, amounting in the aggregate not to exceed $1,884.69, as may be required by the Secretary of the Navy to reimburse, under such regulations as he may prescribe, certain Navy personnel and former Navy personnel for the value of personal property lost or damaged in a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COOPERATION WITH STATE AGENCIES FOR CONTROL OF INDUSTRIAL HEALTH HAZARDS

The Clerk called the bill (H. R. 525), to provide for cooperation with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry and in the preparation, promulgation, and enforcement of regulations to control industrial health hazards.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MILLER of Nebraska. Mr. Speaker, I object to the consideration of House bill 525 at this time. This bill would affect every State health department in the country. The bill proposes to establish an Industrial Safety Commission in the Department of Labor and would authorize the annual appropriation of $5,000,000 for grants-in-aid to State labor departments to assist them in establishing safe and healthful working conditions in industry. The program would be administered by the Labor Department.

My objection to this bill is that it would place public-health functions in labor departments. At the present time there are 37 State health departments which have full-time divisions of industrial hygiene. Sixteen of these States have by law placed exclusive industrial hygiene jurisdiction in the health departments. There are only two State labor departments which attempt any general service in industrial hygiene. It is obvious that the administration of this bill in at least 16 of the States would be impossible.

The United States Public Health Service makes grants-in-aid to State health agencies for industrial hygiene purposes. These grants are under title 6 of the Social Security Act. The administration of industrial health should be in State health departments and not in labor departments. The administrative machinery at the present time is being efficiently operated with industrial hygiene responsibilities placed in the field of health. If this bill, H. R. 525, would go into effect, it would upset or duplicate the present health activities.

Certainly industrial hygiene should be within the field of health.

The Division of Industrial Hygiene of the United States Public Health Service has been functioning for 31 years and is equipped and staffed with trained personnel. This Congress has recognized the importance of this work by appropriating special emergency funds with which to carry on this activity in health

departments. The Public Health Service now makes grants to State health agencies for industrial hygiene work. This bill would duplicate this work. It seems to me that such duplication would not only be wasteful of public funds but would create confusion and rivalries. Public health work should remain in State departments of health. Industrial hygiene, as a part of the public health field, includes whatever might be done to maintain the health of the employees. Many of the 37 States and 11 large cities have developed an enviable record in the industrial hygiene activities of their State departments of health. It would be unfortunate to hamper such progressive activities by divided authority and interdepartmental friction. If additional funds are needed, they should be provided through the State health departments with their industrial hygiene divisions.

Mr. Speaker, there can be no objection to that portion of the bill which relates to certain safety procedures. We should remember, however, that many of the accidents in labor today are due to the fact that older men, sometimes with poor eyesight, hearing, and less resistance, are working in industry and, thus, have contributed to the number of accidents and injuries occurring in industry. The Labor Department should continue every means possible to reduce accidents. They are not equipped, however, to enter the field of health. While it is true that they have placed a provision in the bill which provides that plans and services of the present public health services in the field of industrial hygiene shall be utilized by the labor departments of the States, it is equally plain that the provision does not safeguard the present activities by the public health services in the States.

I am certain, Mr. Speaker, that this is too important a bill to come up on the Consent Calendar and it is for that reason that I object to its consideration at this time.

The SPEAKER pro tempore. Does the gentleman object to the present consideration of the bill?

Mr. MILLER of Nebraska. Yes; Mr. Speaker, I do.

PURCHASE OF PUBLIC LANDS FOR HOME AND OTHER SITES

The Clerk called the bill (S. 497), to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 State. 609), is hereby amended by striking out the words "prescribed: *Provided further*, That this act shall not apply to any lands in the Territory of Alaska," and by inserting in lieu thereof the words "prescribe: *Provided further*, That any employee of the Department of the Interior, stationed in Alaska, notwithstanding such employment may, in the discretion of the Secretary, purchase or lease one such tract in the Territory of Alaska, except business sites, under this act."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRANSFER OF CERTAIN LANDS IN LOUISIANA

The Clerk called the bill (S. 660) to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, upon the written consent of the majority of directors of the Louisiana Rural Rehabilitation Corporation, the Secretary of Agriculture is hereby directed to convey, grant, transfer, and quitclaim forthwith to the board of supervisors of Louisiana State University and Agricultural and Mechanical College, subject to a covenant on the part of such board to use such property for the establishment and maintenance of an agricultural and vocational school, all right, title, claim, interest, equity, and estate in and to the following-described lands administered by the Secretary as trustee under an agreement of transfer, dated March 31, 1937, with the Louisiana Rural Rehabilitation Corporation and situated in the Parish of Rapides, State of Louisiana, together with the improvements thereon and the rights and the appurtenances thereunto belonging or appertaining, to wit:

Three thousand one hundred and thirteen acres, more or less, located in Rapides Parish, La., and known as the Boeuf Bayou farms project of the Farm Security Administration of the War Food Administration, within the United States Department of Agriculture.

SEC. 2. Until such time as the functions, powers, and duties of the War Food Administrator or the War Food Administration are terminated, the authority vested in the Secretary of Agriculture by this act shall be exercised by the War Food Administrator.

SEC. 3. The transfer of such lands under this act is hereby found to be in the general interest of rural rehabilitation and shall not be deemed to impose any liability upon the Secretary of Agriculture (or War Food Administrator, as the case may be) with respect to his obligations under such agreement of transfer of March 31, 1937.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ALLEN of Louisiana. Mr. Speaker, the passage of this bill to transfer a plantation in Rapides Parish, La., to the Louisiana State University and Agricultural and Mechanical College means a great deal to the State of Louisiana, and I want to express my appreciation to the members of the Agriculture Committee who gave such careful consideration to the bill, and also to the House for passing it today. It involves a river plantation consisting of 3,113 acres, situated about 6 miles south of Alexandria, in the parish of Rapides. It is the purpose of the Louisiana State University to establish there a school of agriculture to fit students for effective employment in agriculture. The training program will include instruction in livestock production, dairy production, poultry production, crop production, and soil management. Instructon will also be given in the operation, care, and maintenance of farm equipment and machinery. Farm economics, farm forestry, meat processing, and food preservation will also be taught. The program is to include gardening and orchard production, farm carpentry, and all necessary related subjects.

Of course, this is to cover the ultimate program. At the present time the plantation does not have facilities for this work. I am informed that the State of Louisiana has immediately available the sum of $400,000 to begin the process of converting this farm into a very fine school of agriculture, which we hope eventually will include all of the above matters, and more.

It is thought that this plantation is peculiarly well placed for the launching of this very fine project. The land lies in the very fine Red River Valley and is situated almost in the geographic center of the State. A fine concrete State highway runs through it. It is above overflow. It is within easy reach of the Louisiana State University, just to the south in Baton Rouge. It is within a few minutes' drive of the very thriving city of Alexandria.

It is contemplated that a great many soldiers returning from the armed services will receive, in this school, proper foundation to enable them to go out in life and engage in the various phases of agriculture. Louisiana is a great agricultural State. It is making rapid strides in improving the agricultural interests. We are developing dairying and livestock production rapidly. Fine herds of purebred and grade cattle have developed within the past very few years. We have the climate and the range. This great school that we propose to establish on this land, included in the bill which you have just passed, will unquestionably be a great central point for the dissemination of knowledge and information along all of these lines.

Again, Mr. Speaker, I express my gratitude to the Committee on Agriculture and to the entire House for the passage of this bill.

DOUBLE TIME CREDITS IN DETERMINING RETIRED PAY

The Clerk called the bill (H. R. 1512) to amend section 9 of the Pay Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the third paragraph of section 9 of the Pay Readjustment Act of 1942 (Public Law 607) approved June 16, 1942, is amended to read as follows:

"Every enlisted man paid under the provisions of this section shall receive an increase of 5 percent of the base pay of his grade for each 3 years of service up to 30 years. Such service shall be active Federal service in any of the services mentioned in the title of this act or reserve components thereof; service in the National Guard of the several States, Territories, and the District of Columbia; and service in the Enlisted Reserve Corps of the Army, the Naval Reserve, the Marine Corps Reserve, and the Coast Guard Reserve: *Provided*, That retired enlisted men heretofore or hereinafter retired with credit for 30 years' service in the Army, Navy, or Marine Corps and who served be-

yond the continental limits of the United States between 1898 and 1912, such service having been computed under previous laws as double time toward retirement, shall be entitled to receive the maximum retired pay now provided for the grade in which retired."

With the following committee amendment:

Page 2, line 5, after the word "Army", insert "the Officers' Reserve Corps of the Army."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CIVIL SERVICE RETIREMENT ACT OF MAY 29, 1930

The Clerk called the next bill (H. R. 3256) to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding after the second paragraph thereof a new paragraph as follows:

"During the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, no officer or employee to whom this act applies who has left or leaves his position to enter the armed forces of the United States shall be considered as separated from such position for the purposes of this act by reason of his service with the armed forces of the United States. This paragraph shall not be so construed as to prevent the payment of refunds as provided by section 7 (a) or 12 (b) of this act."

SEC. 2. There are hereby authorized to be appropriated annually to the civil-service retirement and disability fund such sums as may be necessary to meet the cost of this amendment.

SEC. 3. The amendment made by the first section of this act shall become effective as of September 8, 1939.

With the following committee amendment:

Page 1, line 6, strike out all of lines 6 and 7 and the words "the Congress" in line 8; line 9, after the word "who", insert "during the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SETTLING CLAIMS TO CERTAIN LANDS IN NEW MEXICO

The Clerk called the bill (H. R. 2613) to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands in the State of New Mexico.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That either the War Food Administrator or the Secretary of Agriculture be, and either of them is hereby, authorized to adjust claims to any portions of the so-called Sebastian Martin grant lands, situated between State Highway No. 64 and the western boundary of said grant, and between the fence constructed by the Government on the west side of Ojo Sarco Creek and the eastern boundary of said grant, in the State of New Mexico, which are administered under title III of the Bankhead-Jones Farm Tenant Act of July 22, 1937 (50 Stat. 522, 525; 7 U. S. C., secs. 1010–1012).

SEC. 2. That for the purpose of carrying out the provisions of this act, if the War Food Administrator or the Secretary of Agriculture shall find, within 20 years after the acquisition by the United States of the lands described in section 1, that the title to any portion or portions of the aforesaid lands is in dispute, and that the person or persons claiming the same or their predecessors in the occupancy thereof and under whom the right thereto is claimed, have been in open, actual, visible, exclusive, hostile, continuous, and adverse possession thereof, for a period of 10 years previous to the date on which the United States acquired such land or interest, irrespective of whether color of title during such possession can be established or not, either the War Food Administrator or the Secretary of Agriculture is hereby authorized to execute and deliver, on behalf of and in the name of the United States, to the person or persons so occupying said lands, whom either of them finds entitled thereto under the provisions of this act, a quitclaim deed to such land or interest.

SEC. 3. Either the War Food Administrator or the Secretray of Agriculture is further authorized, upon a finding by either of them, that any lands situated within the areas described in section 1, which are not claimed by any person or persons as aforesaid, or right to which cannot be established as aforesaid, are not suitable for use and administration in connection with the land-conservation and land-utilization program administered under title III of the Bankhead-Jones Farm Tenant Act, to sell such lands so situated, under such terms and conditions as either of them deems will best accomplish the purposes of title III of the Bankhead-Jones Farm Tenant Act: *Provided, however*, That the consideration to be paid for such lands shall not be less than the value as appraised by authorized representatives of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERRING JURISDICTION UPON THE UNITED STATES COURT OF CLAIMS TO CONSIDER CERTAIN CLAIMS UNDER THE TARIFF ACT OF 1922

The Clerk called the bill (H. R. 3437), conferring jurisdiction upon the Court of Claims of the United States to consider certain claims arising after January 1, 1926, out of the Tariff Act of 1922.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, in view of the fact that the Treasury Department is opposed to the bill it should not be passed by unanimous consent. I therefore ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDING THE BONNEVILLE PROJECT ACT

The Clerk called the bill (H. R. 2690) to amend the Bonneville Project Act.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 (f) of the act of August 20, 1937 (50 Stat. 731), as amended by the act of March 6, 1940 (54 Stat. 47), is hereby amended to read as follows:

"Subject only to the provisions of this act, the Administrator is authorized to enter into such contracts, agreements, and arrangements, including the amendment, modification, adjustment, or cancellation thereof and the compromise or final settlement of any claim arising thereunder, and to make such expenditures, upon such terms and conditions and in such manner as he may deem necessary; and the Secretary of the Interior may prescribe by regulation the Administrator's procedure for authorizing or approving such contracts, agreements, arrangements, and expenditures. Notwithstanding the provisions of any other law governing the expenditure of public funds, the General Accounting Office in the settlement of the accounts of the Administrator shall not disallow credit for nor withhold funds because of any expenditure, not in violation of any regulation which the Secretary of the Interior may have prescribed, which the Administrator shall determine to have been necessary to carry out the provisions of this act."

SEC. 2. Section 5 (a) of the said act is hereby amended by inserting before the period at the end of the first sentence the words "and for the disposition of electric energy to Federal agencies."

SEC. 3. Section 6 of the said act is hereby amended by changing the period at the end of the first sentence to a semicolon and adding the following: "and such rates and charges shall also be applicable to dispositions of electric energy to Federal agencies."

SEC. 4. Section 9 (a) of the said act is hereby amended by changing the period to a comma and adding: "and in the maintenance of such accounts, appropriate obligations shall be established for annual and sick leave of absence as earned. The Administrator shall, after the close of each fiscal year, obtain an independent commercial-type audit of such accounts. The forms, systems, and procedures prescribed by the Comptroller General for the Administrator's appropriation and fund accounting shall be in accordance with the requirements of the Federal Water Power Act with respect to accounts of electric operations of public utilities and the regulations of the Federal Power Commission pursuant thereto."

SEC. 5. Section 2 (a) of the said act is hereby amended by striking the language inserted by section 1 of the act of March 6, 1940 (54 Stat. 47); and section 10 of the said act is hereby amended to read as follows:

"(a) The Secretary of the Interior shall appoint, without regard to the civil-service laws, an Assistant Administrator, chief engineer, and general counsel and shall fix the compensation of each in accordance with the Classification Act of 1923, as amended. The Assistant Administrator shall perform the duties and exercise the powers of the Administrator, in the event of the absence or sickness of the Administrator until such absence or sickness shall cease, and in the event of a vacancy in the office of Administrator, until a successor is appointed.

"(b) The Administrator, the Secretary of War, and the Federal Power Commission, respectively, are authorized to appoint, subject to the civil-service laws, such officers and employees as may be necessary to carry out the purposes of this act, the appointment of whom is not otherwise provided for, and to fix their compensation in acordance with the

Classification Act of 1923, as amended: *Provided, however,* That to the extent that the civil-service laws, Classification Act, and other laws or regulations governing the employment or payment of employees of the United States are inconsistent with agreements made by the Administrator with representatives of laborers, mechanics, and workmen employed in connection with the construction work or the operation and maintenance of electric facilities, the said act, laws, and regulations shall not apply to matters covered by such agreements; but in connection with the selection, promotion, or retention of any employee, no political test or qualifications shall be permitted or given consideration, but all such actions shall be taken on the basis of the employee's merit and efficiency: *Provided, further,* That so long as any such contract provides that employees performing services for the Administrator pursuant thereto shall be entitled to the benefits of the Social Security Act, such services shall be deemed to be 'employment' within the meaning of the Social Security Act and sections 1400 through 1432 of the Internal Revenue Code, and such employees, if they otherwise would be so classified, shall not be deemed to be employees within the meaning of the Act of May 22, 1920 (41 Stat. 614), and all acts amendatory thereof or supplementary thereto, and so long as any such contract provides that employees performing services for the Administrator pursuant thereto shall be entitled to unemployment compensation benefits, such services shall be deemed to be 'employment' within the meaning of sections 1600 through 1611 of the Internal Revenue Code if contributions upon the basis of the compensation due for such services are required to be paid under a State unemployment compensation act, and consent hereby is given to the States to require the Administrator to make payments to State unemployment compensation funds for services performed for him under any such contract; the Administrator is authorized to comply with the provisions of the Social Security Act, the Internal Revenue Code, and any applicable State unemployment compensation act on behalf of the United States as the employer of individuals whose service constitutes employment under such act, code, and laws by reason of this section. The Administrator is further authorized to employ physicians, under agreement and without regard to civil-service laws or regulations, to make physical examinations of employees or prospective employees who are or may become laborers, mechanics, and workmen engaged on construction work or the operation and maintenance of electrical facilities. The Administrator, the Secretary of War, and the Federal Power Commission, respectively, are also authorized to appoint, without regard to the civil-service laws, such experts as may be necessary for carying out the functions entrusted to them under this act and to fix the compensation of each of such experts without regard to the Classification Act of 1923, as amended, but at not to exceed $7,500 per annum.

"(c) The Administrator may accept and utilize such voluntary and uncompensated services and with the consent of the agency concerned may utilize such officers, employees, or equipment of any agency of the Federal, State, or local governments which he finds helpful in carrying out the purposes of this act; in connection with the utilization of such services, reasonable payments may be allowed for necessary travel and other expenses."

SEC. 6. Section 12 of the said act is hereby amended to read as follows:

"(a) The Administrator is hereby authorized to determine, settle, compromise, and pay claims and demands against the United States which are not in excess of $1,000 and are presented to the Administrator in writing within one year from the date of accrual thereof, for any losses, injuries, or damages to persons or property, or for the death of persons, resulting from acts or omissions of employees acting within the scope of their employment pursuant to this act. The Administrator is also authorized to determine, compromise, and settle any claims and demands of the United States for any losses, injuries, or damages to property under the Administrator's control, against other persons or public or private corporations. The Administrator's determination, compromise, settlement, or payment of any of the claims referred to in this subsection shall be final and conclusive upon all officers of the Government, notwithstanding the provisions of any other act to the contrary. When claims presented to the Administrator under this subsection arise, in whole or in part, out of any damage done to private property, the Administrator may repair all or any part of such damage in lieu of making such payments.

"(b) The Administrator may, in the name of the United States, bring such suits at law or in equity as in his judgment may be necessary to carry out the purposes of this act; and he shall be represented in the prosecution and defense of all litigation, including condemnation proceedings, affecting the status of operation of the Bonneville project by his attorneys: *Provided, however,* That such attorneys shall supply the Attorney General with copies of the pleadings in all such cases and that the handling of litigation which, in the Attorney General's opinion, involves interpretation volves interpretation of the Constitution of the United States or which involves appearance in any United States circuit court of appeals or the United States Supreme Court shall be subject to the Attorney General's direction or supervision. The Administrator may compromise and make final settlement of such litigation and pay the amount due under any compromise or judgment. Complaints in condemnation proceedings permitted by section 2 (c) and 2 (d) of this act shall be signed, verified, and filed by the Administrator."

With the following committee amendments:

Page 2, line 1, change the semicolon to a period and strike the balance of the line and all of lines 2 through 12.

Page 3, strike lines 24 and 25; pages 4 and 5, strike the entire page; page 6, strike lines 1 through 9; and substitute the following in lieu thereof:

"(b) The Administrator, the Secretary of War, and the Federal Power Commission, respectively, are authorized to appoint, subject to the civil-service laws, such officers and employees as may be necessary to carry out the purposes of this act, the appointment of whom is not otherwise provided for, and to fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may employ laborers, mechanics, and workmen in connection with construction work or the operation and maintenance of electrical facilities (hereinafter called "laborers, mechanics, and workmen") subject to the civil-service laws, and fix their compensation without regard to the Classification Act of 1923, as amended, and any other laws, rules, or regulations relating to the payment of employees of the United States except the act of May 29, 1930 (46 Stat. 468), as amended, to the extent that it otherwise is applicable. The Administrator is further authorized to employ physicians, under agreement and without regard to the civil-service laws or regulations, to make physical examinations of employees or prospective employees who are or may become laborers, mechanics, and workmen. The Administrator, the Secretary of War, and the Federal Power Commission, respectively, are also authorized to appoint, without regard to the civil-service laws, such experts as may be necessary for carrying out the functions entrusted to them under this act and to fix the compensation of each of such experts without regard to the Classification Act of 1923, as amended, but at not to exceed $7,500 per annum."

Page 8, add a new section, to be designated section 7, as follows:

"SEC. 7. (a) Section 1426 of the Internal Revenue Code, as amended, is amended by adding at the end thereof the following new subsection:

"'(j) Certain Employees of Bonneville Power Administrator: The term "employment" shall include such service as is determined by the Bonneville Power Administrator (hereinafter called the Administrator) to be performed after December 31, 1945, by a laborer, mechanic, or workman, in connection with construction work or the operation and maintenance of electrical facilities, as an employee performing service for the Administrator, but shall not include any service performed by such a laborer, mechanic, or workman, to whom the act of May 29, 1930 (46 Stat. 468), as amended, applies. The term "wages" means, with respect to service which constitutes employment by reason of this subsection, such amount of remuneration as is determined (subject to the provisions of this section) by the Administrator be paid for such service. The Administrator is authorized and directed to comply with the provisions of the internal revenue laws on behalf of the United States as the employer of individuals whose service constitutes employment by reason of this subsection.'

"(b) Section 209 of the Social Security Act, as amended, is amended by adding at the end thereof the following new subsection:

"'(p) (1) The term "employment" shall include such service as is determined by the Bonneville Power Administrator (hereinafter called the Administrator) to be performed after December 31, 1945, by a laborer, mechanic, or workman, in connection with construction work or the operation and maintenance of electrical facilities, as an employee performing service for the Administrator, but shall not include any service performed by such a laborer, mechanic, or workman to whom the act of May 29, 1930 (46 Stat. 468), as amended, applies.

"'(2) The Social Security Board shall not make determinations as to whether an individual has performed services which are employment by reason of this subsection, the periods of such services, the amounts of remuneration for such services which constitutes "wages" under the provisiuons of this section, or the periods in which or for which such wages were paid, but shall accept the determinations with respect thereto of the Administrator, and such agents as he may designate, as evidenced by returns filed by the Administrator as an employer pursuant to section 1426 (j) of the Internal Revenue Code and certifications made pursuant to this subsection. Such determinations shall be final and conclusive.

"'(3) The Administrator is authorized and directed, upon written request of the Social Security Board, to make certification to it with respect to any matter determinable for the Board by the Administrator under this subsection, which the Board finds necessary in administering this title.'

"(c) Section 1606 of the Internal Revenue Code, as amended, is amended by adding at the end thereof the following new subsection:

"'(e) The legislature of any State may, with respect to service to be performed after December 31, 1945, by a laborer, mechanic, or workman, in connection with construction work or the operation and maintenance of electrical facilities, as an employee performing service for the Bonneville Power Administrator (hereinafter called the Administrator), require the Administrator, who, for the purposes of this subsection, is desig-

nated an instrumentality of the United States, and any such employee, to make contributions to an unemployment fund under a State unemployment compensation law approved by the Board under section 1603 and to comply otherwise with such law. Such permission is subject to the conditions imposed by subsection (b) of this section upon permission to State legislatures to require contributions from instrumentalities of the United States. The Administrator is authorized and directed to comply with the provisions of any applicable State unemployment compensation law on behalf of the United States as the employee of individuals whose service constitutes employment under such law by reason of this subsection.'

"(d) Section 1607 of the Internal Revenue Code, as amended, is amended by adding at the end thereof the following new subsection:

"'(m) Certain employees of Bonneville Power Administrator: The term "employment" shall include such service as is determined by the Bonneville Power Administrator (hereinafter called the Administrator) to be performed after December 31, 1945, by a laborer, mechanic, or workman, in connection with construction work or the operation and maintenance of electrical facilities, as an employee performing service for the Administrator. The term "wages" means, with respect to service which constitutes employment by reason of this subsection, such amount of remuneration as is determined (subject to the provisions of this section) by the Administrator to be paid for such service. The Administrator is authorized and directed to comply with the provisions of the internal revenue laws on behalf of the United States as the employer of individuals whose service constitutes employment by reason of this subsection.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TRUCKEE-CARSON IRRIGATION DISTRICT

The Clerk called the bill (S. 24) for the relief of the Truckee-Carson irrigation district.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proposed contract approved as to form by the Secretary of the Interior on January 9, 1945, between the United States of America and the Truckee-Carson irrigation district is approved and, after said contract shall have been duly executed for and in behalf of the Truckee-Carson irrigation district, the said Secretary is hereby authorized to execute it on behalf of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYANCE TO STATE OF IOWA OF AGRICULTURAL BYPRODUCTS LABORATORY

The Clerk called the bill (H. R. 1765) to provide for the conveyance to the State of Iowa of the Agricultural Byproducts Laboratory on the campus of the Iowa State College of Agriculture and Mechanic Arts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to donate and convey to the State of Iowa all right, title, and interest of the United States in and to certain premises, situate on the campus of the Iowa State College of Agriculture and Mechanic Arts, Ames, Iowa, conveyed to the United States by the State of Iowa by warranty deed dated January 12, 1934, recorded in deed book 76, page 374, of the records of Story County, Iowa, and the laboratory building which the United States has erected thereon for farm waste investigations.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WEATHER BUREAU PROPERTY, NORTHFIELD, VT.

The Clerk called the bill (H. R. 3549) to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of Commerce is authorized and directed to donate and convey to Norwich University, Northfield, Vt., all right, title, and interest of the United States in and to the property adjacent to the campus of such university, which was conveyed to the United States by such university by warranty deed dated December 19, 1908, recorded in deed book 37, page 72, in the office of the town clerk, Northfield, Vt., together with all improvements thereon, and also to donate to the said university all of the weather station equipment and facilities on such property and in the buildings thereon (exclusive of office supplies and equipment).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BRIDGE ACROSS MISSOURI RIVER IN McLEAN COUNTY, N. DAK.

The Clerk called the bill (S. 233) granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, as indicated by the title, this bill would authorize the construction of a free bridge across certain navigable waters. It has apparently been the practice or policy of the Committee on Interstate and Foreign Commerce to place a time limitation for the construction of these bridges, yet this bill does not contain the usual time limitation. I have prepared an amendment which would require the construction to be started within 2 years from the date of the enactment of this bill and be completed within 4 years. If no one objects to such an amendment, I will withdraw my reservation and offer the amendment.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of North Dakota to construct, maintain, and operate a free highway bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, from McLean County to either Mercer County or Oliver County, N. Dak., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: Page 2, line 2, after the word "act", strike out the period, insert a colon and the following: "*Provided*, That this act shall be null and void unless actual construction of the bridge herein referred to be commenced within 2 years and completed within 4 years from the date of the approval hereof."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HIGHWAY BRIDGE ACROSS YELLOWSTONE RIVER NEAR FAIRVIEW, MONT.

The Clerk called the bill (S. 234) authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the States of North Dakota and Montana, jointly or severally, are hereby authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Yellowstone River, at a point suitable to the interests of navigation, near Fairview, Mont., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There are hereby conferred upon the States of North Dakota and Montana all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railrod purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. COLE of New York. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COLE of New York: On page 2, line 2, after the word "act", strike out the period, insert a colon and the following: "*Provided*, That this act shall be null and void unless actual construction of the bridge herein referred be commenced within 2 years and completed within 4 years from the date of approval of this act."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and

passed, and a motion to reconsider was laid on the table.

ARKANSAS-MISSISSIPPI BRIDGE COMMISSION

The Clerk called the bill (S. 454) to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved May 17, 1939, heretofore extended by acts of Congress approved May 27, 1940, and July 14, 1941, and February 12, 1944, creating the Arkansas-Mississippi Bridge Commission and authorizing such commission to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at or near Friar Point, Miss., and Helena, Ark., be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 1 year and completed within 3 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be read a third time, was read the third time, and passed.

BRIDGE ACROSS THE ST. CROIX RIVER (HUDSON, WIS.)

The Clerk called the bill (S. 527) to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis., authorized to be built by the States of Minnesota and Wisconsin, jointly or separately, by an act of Congress approved July 17, 1942, as extended by the act of Congress approved June 22, 1943, are hereby extended until the end of 1 and 3 years, respectively, after the date of the termination of the unlimited national emergency proclaimed by the President on May 27, 1941.

The bill was ordered to be read a third time, was read the third time, and passed.

BRIDGE ACROSS THE COLUMBIA RIVER (CLATSOP COUNTY, OREG.)

The Clerk called the bill (S. 574) to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg., authorized to be built by the Oregon-Washington Bridge Board of Trustees by an act of Congress approved June 13, 1934, as amended, as heretofore extended by acts of Congress approved August 30, 1935, January 27, 1936, August 5, 1937, May 26, 1938, August 5, 1939, December 16, 1940, and May 3, 1945, are further extended 2 and 4 years, respectively, from May 3, 1945.

With the following committee amendments:

Page 2, line 1, strike out "1945" and insert "1943."

Page 2, line 2, strike out "two" and insert "one" and strike out "four" and insert "three."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed.

ST. LAWRENCE BRIDGE COMMISSION

The Clerk called the bill (H. R. 476) to revive and reenact the act entitled "An act creating the St. Lawrence Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Lawrence River at or near Ogdensburg, N .Y.," approved June 14, 1933, as amended.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved June 14, 1933, as amended (heretofore extended by acts of Congress approved June 8, 1934, May 28, 1935, April 11, 1936, August 12, 1937, April 26, 1939, June 8, 1940, and August 21, 1941), creating the St. Lawrence Bridge Commission and authorizing said commission and its successors to construct, maintain, and operate a bridge across the St. Lawrence River at or near Ogdensburg, N. Y., be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 2 years and completed within 4 years from the date of approval hereof.

The right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendments:

Page 2, line 7, strike out "two years" and insert "one year."

Page 2, line 8, strike out "four" and insert "three."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TOLL BRIDGE ACROSS ST. LOUIS RIVER BETWEEN STATES OF MINNESOTA AND WISCONSIN

The Clerk called the bill (H. R. 3150) to revive and reenact the act entitled "An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes," approved August 7, 1939.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COLE of New York. Mr. Speaker, reserving the right to object, this bill would renew the authorization for the construction of a toll bridge. During the past few years, in connection with toll bridges it has been suggested and I thought that the Committee on Interstate and Foreign Commerce had adopted it as a matter of policy, that legislation authorizing the construction of toll bridges would contain a limitation prohibiting the levying of any toll against a vehicle owned by the United States Government, having in mind principally our military operations. This bill does not carry such provision, so until an appropriate amendment can be prepared which would cover it I suggest that the bill be passed over.

Mr. O'HARA. Would the gentleman consent to offering such an amendment? I am sure the author of the bill, the gentleman from Minnesota [Mr. PITTENGER] would have no objection.

Mr. PITTENGER. I have no objection. I am just wondering why this bill is singled out.

Mr. COLE of New York. This is a toll bridge.

Mr. PITTENGER. This is going to be a toll-free bridge after it is paid for.

Mr. COLE of New York. That is true of all of them.

Mr. PITTENGER. It is a self-liquidating proposition.

Mr. COLE of New York. The gentleman agrees that no toll should be charged the United States Government for vehicles owned by the United States Government?

Mr. PITTENGER. Yes. I would like to see you collect one from the War Department in this war emergency.

Mr. COLE of New York. Then offer an amendment.

Mr. PITTENGER. I am not as capable as the gentleman is to do that. If he has an amendment, offer it.

Mr. COLE of New York. If there is no objection to offering it orally, I shall offer the following amendment:

Page 2, line 7, after the word "hereof", strike out the period, insert a colon and the following: "*Provided further*, That no toll shall be charged to any vehicle owned by the United States Government."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act approved August 7, 1939 (heretofore amended and extended by an act of Congress approved April 30, 1940, and further extended and amended by an act of Congress approved May 9, 1941), authorizing the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River between the States of Minnesota and Wisconsin, and for other purposes, be, and is hereby, revived and reenacted: *Provided*, That this act shall be null and void unless the actual construction of the bridge herein referred to be commenced within 2 years and completed within 4 years from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

Mr. COLE of New York. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. COLE of New York: On page 2, line 7, strike out the period, and insert "*Provided further*, That no toll shall be charged to any vehicle owned by the United States Government."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, the bill which has just passed, H. R. 3150, is a bill to revive and reenact, and so forth, the act of August 7, 1939, providing for a toll-free bridge across the St. Louis River between Duluth, Minn., and Superior, Wis. This bill is identical with the provisions of Public Law No. 333, Seventy-sixth Congress, approved August 7, 1939, excepting that the time to begin construction of the new bridge in the proposed bill is stated to be 1 year and the time when the bridge shall be finished is 2 years. There is another slight amendment to the effect that vehicles owned by the United States Government shall not be required to pay tolls.

It should be observed that the proposed legislation required the payment of tolls and the revenue thus obtained is to be used in retiring bonds issued for the purpose of constructing the new bridge. When those bonds are retired, the bridge is to be operated by proper agencies and is to be toll free.

It is interesting to note that the existing bridge was constructed under legislation enacted in 1894 and was completed within 2 or 3 years thereafter. Authority to recapture the bridge was contained in the legislation, but the municipalities which acquire the bridge have to pay for it in cash and also support the expense of operation of the bridge. As I pointed out in my remarks in the CONGRESSIONAL RECORD, July 6, 1939, the practical effect of the legislation was to permit the present owners of the bridge to collect tolls because there was no municipality which could issue additional bonds with which to get money to pay for the bridge all at once, or which had sufficient cash on hand to pay for the bridge. The bridge has paid for itself several times, and if any opposition develops to this proposed legislation, it will come from those people who collect large dividends from the revenue provided by the charge of tolls for going across this bridge.

When this legislation was considered in 1939 we had no difficulty in the House, but there were some questions raised in the Senate committee and as a result of hearings before the Senate Committee on Commerce, certain amendments were made to the House legislation so as to meet the objections raised by some folks in Superior, Wis. Section 5 of the act of August 7, 1939, provides that the city of Superior, Wis., and the city of Duluth, should share equally in the consideration and determination of all questions in connection with power conferred upon the city of Duluth by the said act.

Anyone interested in the committee hearings in the Senate will find the printed hearings on H. R. 6475, Seventy-sixth Congress, first session. These hearings were printed for the use of the Senate Committee on Commerce. The Wisconsin Senators were interested and were consulted in connection with the hearings. The bill was amended by the Senate Commerce Committee and as passed by the Senate in 1939 had the approval of the people of the city of Superior, Wis., and the people of the city of Duluth, as well as the officials of the respective municipalities.

Following the passage of this law approved August 7, 1939, delays were encountered and in time World War II commenced. There were two extensions of the act and both were approved by Congress. When it became evident that it would not be possible to get materials or labor for the construction of a new bridge, during the war period, the matter was abandoned. It is now being revived because every argument that existed in 1939 in favor of the legislation is in point today in connection with this new bill. Further this is an excellent project for postwar work and will furnish employment for a large number of men.

SPRING COMMON BRIDGE

The Clerk called the bill (H. R. 3373) authorizing the reconstruction of the Spring Common Bridge on Mahoning Avenue, across the Mahoning River in the municipality of Youngstown, Mahoning County, Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Ohio Department of Highways be, and is hereby, authorized to construct, and that the county of Mahoning in the State of Ohio, acting by and through its duly elected board of county commissioners be, and is hereby, authorized to operate and maintain a new free highway bridge (commonly known as the Spring Common Bridge), and approaches thereto, across the Mahoning River on Mahoning Avenue in the city of Youngstown, Mahoning County, Ohio, and to remove the existing structure, such construction work to start before or during the first full post-war calendar year and to be completed within 2 years after the end of such first full post-war calendar year. Such bridge shall be of a design suitable to the interests of navigation in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

With the following committee amendment:

Page 1, line 7, after the word "new", insert "free highway."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill authorizing the reconstruction of the Spring Common Bridge on Mahoning Avenue, across the Mahoning River in the municipality of Youngstown, Mahoning County, Ohio."

AUTHORIZING SALE OF PUBLIC LANDS IN ALASKA

The Clerk called the bill (H. R. 1992) to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Catholic bishop of Alaska, in trust for the Roman Catholic Church, is hereby authorized for a period of 1 year from and after the effective date of this act to purchase, and the Secretary of the Interior is hereby authorized and directed to convey to the bishop, for use as a shrine and for religious and recreational purposes, the following-described public lands situated in the Tongass National Forest, in Alaska:

Parcel 1. Beginning at corner numbered 4, United States survey numbered 2517, Alaska, latitude fifty-eight degrees twenty-eight minutes north, longitude one hundred and thirty-four degrees forty-eight minutes west, on line of ordinary high tide, Pearl Harbor, Favorite Channel; east, three and two-tenths chains, to corner numbered 3, United States survey numbered 2517; east, four and eight-tenths chains; south eleven degrees fifteen minutes west, fourteen and five-tenths chains; east, fifteen chains; south, thirteen degrees forty-five minutes east, ninety-seven chains; west, thirty-two chains, to line of ordinary high tide, Favorite Channel; northwesterly, along line of ordinary high tide, Favorite Channel and Pearl Harbor, to the place of beginning, containing three hundred and six acres.

Parcel 2. Shrine Island, on the south side of Pearl Harbor, about six chains off shore, designated lot 13, containg one and fifteen one-hundredths acres, special use case, on Forest Service map, section 12, Glacier Highway Plan for Development of Land Resources, Tongass National Forest, Alaska (1935).

SEC. 2. That the conveyance shall be made upon the payment by the said bishop for the land at its reasonable appraised price of not less than $1.25 per acre, to be fixed jointly by the Secretary of the Interior and the Secretary of Agriculture: *Provided*, That the conveyance hereby authorized shall not include any land covered by a valid existing right initiated under the public-land laws or found by the Secretary of the Interior or the Secretary of Agriculture to be needed for public purposes: *Provided further*, That the coal and other mineral deposits in the land shall be reserved to the United States, together with the right to prospect for, mine, and remove the same under regulations to be prescribed by the Secretary of the Interior.

With the following committee amendment:

Page 2, beginning with line 3, strike out down through line 22, and insert:

"Two tracts of land situated at approximately latitude fifty-eight degrees twenty-eight minutes north, longitude one hundred and thirty-four degrees forty-eight minutes west, the said tracts consisting of tract A, of which the area is forty-five and twenty-seven one-hundredths acres, and tract B, or Shrine Island, of which the area is one and fourteen one-hundredths acres, the specific boundaries of said tracts to be those defined by a survey executed by Charles H. Forward, forester, on May 19, 1945, the field notes and plat of said survey being of record in the office of the Forest Service of Juneau, Alaska."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING EXCHANGE OF CERTAIN LANDS

The Clerk called the bill (S. 100) to authorize an exchange of certain lands

with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc. That upon submission of satisfactory evidence of title the Secretary of the Interior is hereby authorized, in his discretion, to accept title on behalf of the United States to the following described land conveyed to William W. Kiskadden by warranty need No. 174403 from Mrs. Arah Chapman, recorded August 24, 1916, in book 339, page 231, records of Larimer County, Colo.: Beginning at the northeast corner of the southwest quarter of section 31, township 5 north, range 73 west, sixth principal meridian, Colorado; thence south four hundred and eighty feet; thence west two hundred feet; thence north 27 degrees 30 minutes west five hundred and forty-one feet; thence east four hundred and fifty feet to the place of beginning, containing approximately three and fifty-eight one-hundredths acres, and in exchange therefor to issue a patent for that portion of the northeast quarter of the southwest quarter and that portion of the southeast quarter of the northwest quarter of section 31, township 5 north, range 73 west, sixth principal meridian, Colorado, more particularly described as follows: Beginning at a point from whence the center quarter-section corner of section 31 bears south 79 degrees no minutes east, three hundred and sixty and nine-tenths feet; thence south four hundred and eighty feet to a point from whence the east quarter corner of section 31 bears north 79 degrees 22 minutes east, two thousand six hundred and seventy-three and six-tenths feet; thence west two hundred feet; thence north 27 degrees 30 minutes west, five hundred and forty-one feet; thence east four hundred and fifty feet to the point of beginning, containing approximately three and five-tenths acres: *Provided*, That the land conveyed to the United States, other than the land to be patented, shall, upon acceptance of title thereto, become a part of the Rocky Mountain National Park, Colo., and become subject to all laws and regulations applicable to said park.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONVEYING CERTAIN LANDS TO THE CITY OF CHEYENNE, WYO.

The Clerk called the bill (S. 911), authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to convey to the city of Cheyenne, Wyo., subject to any and all valid existing rights or claims, for use in connection with the water supply system of the city, and for the protection of its reservoirs, the following-described lands: The north half of section 2, township 13 north, range 70 west, containing three hundred and twenty-six and eighty-six one-hundredths acres, more or less; the northwest quarter of section 4, township 13 north, range 70 west, containing one hundred and sixty-one and twenty-nine one-hundredths acres, more or less; the south half of the north half, the northeast quarter of the northeast quarter, the south half of the southeast quarter, and the southeast quarter of the southwest quarter of section 22, township 14 north, range 70 west, aggregating three hundred and twenty acres, more or less; the west half of the northwest quarter, the southeast quarter of the northeast quarter, and the north half of the south half of section 26, township 14 north, range 70 west, aggregating two hundred and eighty acres, more or less; the southeast quarter of the southwest quarter of section 30, township 15 north, range 70 west, containing forty acres, more or less; and the southeast quarter of the northwest quarter of section 30, township 15 north, range 70 west, containing forty acres, more or less, sixth principal meridian, Wyoming, upon condition that the city shall make payment for the said lands at their appraised price as fixed by the Secretary of the Interior, but at not less than $1.25 per acre, within 6 months after the approval of this act: *Provided*, That there shall be reserved to the United States all oil, gas, coal, or other mineral deposits in the lands, together with the right to prospect for, mine, and remove the same under regulations to be issued by the Secretary of the Interior.

SEC. 2. The lands granted pursuant to this act shall be used by the city of Cheyenne, Wyo., for the purposes of its water supply system and the protection of its reservoirs, and for no other purpose, and if said lands or any part thereof shall be abandoned for such use, said lands or such parts shall revert to the United States. The Secretary of the Interior is hereby authorized and empowered to declare a forfeiture of the grant if at any time he shall determine that the city has for more than 1 year abandoned the lands for the use herein indicated, and such order of the Secretary shall be final and conclusive, and thereupon and thereby the lands shall be restored to the pubic domain free from the operation of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COUNCIL BLUFFS, IOWA

The Clerk called the bill (H. R. 1634) for the relief of the city of Council Bluffs, Iowa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of Council Bluffs, Iowa, the sum of $8,750.13. Such sum shall be in reimbursement of the payment of an equal amount by the city of Council Bluffs, Iowa, for 50,144 sacks which were used with 120,000 other sacks furnished by the United States Army engineers to strengthen the embankments along the Missouri River in order to avert the great flood which threatened the city during the period from April 6 to April 12, 1943.

With the following committee amendments:

Page 1, line 6, after the word "in", strike out the remainder of the line, all of line 7, and down to the word "Iowa" in line 8, and insert "full settlement of all claims against the United States."

At the end of the bill insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person, violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

REQUISITIONING CERTAIN MATERIAL

The Clerk called the bill (H. R. 538) a bill to empower the Secretary of Agriculture to requisition certain material, equipment, and supplies not needed for the prosecution of the war and for the national defense and to use such material, equipment, and supplies in soil and water conservation work and to distribute such material, equipment, and supplies by grant or loan to public bodies, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, this question was discussed thoroughly in the House committee, in the Senate committee, on the House floor, on the Senate floor, and by the conferees at the time the surplus property bill was under consideration; in fact, an amendment was offered on the floor of the House similar to this provision. That amendment was defeated. The House and the Senate took the position that surplus property should not be given away. This bill will repeal the provisions of the Surplus Property Act. I think it is a mistake.

Let us remember that the States of the Union are in excellent financial condition. Almost every State has a surplus while the Federal Government has a national debt, the amount of which no one at any time ever felt would reach such a tremendous figure. We are going to have to pay that debt and we are likewise going to have to pay interest on that debt. If we should pass this legislation you would immediately have requests of every character along the same line. For instance, the States and municipalities would want the Government to donate all the fire apparatus. In fact, that suggestion has already been advanced.

The Committee on Naval Affairs recently brought in a bill amending the Surplus Property Act and it was passed. It had to do with the disposition of property declared surplus by the Navy and required that before certain types of property could be disposed of, such as vessels over 1,000 tons, shore stations, and so forth, the Congress would have to pass on the sale. I was ill at the time that bill passed but had I been present I certainly would have opposed it. You are going to have other bills submitted to the House, but I think that we should retain the principle that surplus property is not going to be given away but must be sold, although I believe that it is proper that priority be given to the States and the subdivisions of States to purchase any surplus property that might be needed before it is sold to the general public.

Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

Mr. CASE of South Dakota. Mr. Speaker, further reserving the right to object, I would like to ask the gentleman from Missouri if he is satisfied with the progress being made by the Surplus Property Board in the disposition of this property?

Mr. COCHRAN. No; I am not. The Surplus Property Board under the act is

required to give certain priorities. Among those are priorities to the States and subdivisions of the States, which includes the counties and the municipalities. They have priority in purchasing this type of material. For instance, the department of agriculture of a State could ask for a pricrity or the roads department of a State could ask for a priority, to buy such material.

Then there are certain priorities for veterans.

Mr. CASE of South Dakota. I recognize that is all true. I must confess, however, I have been considerably disappointed in the lack of progress that has been made by the Surplus Property Board in getting this material out and getting it into the hands of potential users.

Also I have been impressed by the statement of the members of the Board that after World War I of the values recovered in the sale of surplus property 80 percent was recovered in the first year and that if the property was not sold in the first year there was a corresponding decrease in value and possibility of recovery. In view of that development in the situation, it seems to me that reconsideration of some of the Surplus Property Board's powers might be in order and if that is to be done, the action proposed in this bill should be among the first items considered.

Mr. COCHRAN. I will say to the gentleman there is no doubt but that the Congress should immediately rewrite the Surplus Property Act. If the bill that was brought into this House by your committee had been accepted by the Senate you would not have had the situation that confronts us today. Your conferees fought for 2 weeks trying to get the provisions of the House bill enacted. We had to agree to a compromise. One of the most important compromises was with respect to the Board. You will recall this House wanted an administrator and we held out for one, but the Senate at the outset wanted a board of seven. We finally compromised on a board of three. It was the best we could get.

Mr. CASE of South Dakota. And that board of three has not agreed.

Mr. COCHRAN. Then what happened? Two members of the Board overrode the Administrator and the Administrator, former Senator Gillette, of Iowa, resigned.

The Surplus Property Act as it is today will not work, and we might just as well understand the situation and rewrite it.

Mr. CASE of South Dakota. I am glad to have that statement by the gentleman from Missouri. He is one of the leaders in the House. I hope his expression at this time receives consideration. When the Surplus Property Board members were before the Committee on Appropriations, the question of whether or not the act is workable was one of the things taken up in some of their testimony. That was shortly followed by the resignation of Senator Gillette. Certainly progress is not being made today as it should be. Time is passing and the potential value of what might be recovered is decreasing. Action is indicated.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. POAGE. I think we might keep the record straight. The gentleman from Missouri suggested that in his opinion this would break down the Surplus Property Act. I do not want to take the time to read a long letter from the Chairman of the Surplus Property Board which is in the report on this bill and is to be found on page 5 of the report, but I do want to call attention to this statement by former Senator Gillette, Chairman of the Surplus Property Board.

The letter says:

> You will have in mind, I am sure, that I am heartily in accord with the purposes and goals of the proposed legislation, and I do not see how we would be inconsistent with the provisions of the Surplus Property Act. On the contrary, it would seem to strengthen the position of the Secretary of Agriculture as the claiming agency under the provisions of the Surplus Property Act.

Further down in the letter, at the very end, he says:

> It would seem to me that there is real merit in the purposes of your bill, and I cannot see how it would hamper the administration of the Surplus Property Act.

That letter was written on June 9, 1945, by the Chairman of the Surplus Property Board.

Mr. CASE of South Dakota. Does it carry the signature of Senator Gillette?

Mr. POAGE. It carries the signature of Senator Gillette. I have the original of it, and if anybody would like to see it, it is printed in the report.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. COCHRAN. I will say to the gentleman, it will not hamper the Surplus Property Act, but it will hamper the United States Treasury by giving hundreds of millions of dollars of property away. That is the principle involved.

Mr. CASE of South Dakota. If the property is not sold and if the value is decreasing all the time, it will eventually lose all value. It may be a question of whether the United States might not be better off to put it in the hands of subdivisions of the Government which would get some use out of it and put it to work.

Mr. COCHRAN. Property of this type is not depreciating because they do not have any of it to sell, but they will have plenty of it in the future.

Mr. CASE of South Dakota. Then it should be disposed of before the time comes when it loses its value.

Mr. COCHRAN. You are right, and when it is declared surplus you will have 100 buyers who would want each machine.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN] that the bill be passed over without prejudice?

There was no objection.

Mr. MADDEN. Mr. Speaker, that completes the call of the Consent Calendar.

EXTENSION OF REMARKS

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD and include a short letter from one of his constituents.

Mr. RABAUT asked and was given permission to extend his remarks in the Appendix of the RECORD and include a speech he made in California recently.

Mr. COCHRAN asked and was given permission to extend his remarks in the RECORD and include an article from a magazine.

Mr. NORRELL asked and was given permission to extend his remarks in the Appendix of the RECORD and to include a short letter.

Mr. O'KONSKI asked and was given permission to extend his remarks in the RECORD in three instances on three different subjects, and to include certain newspaper articles.

Mr. HAND asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD and to include letters and newspaper articles.

PRIVATE CALENDAR

The SPEAKER pro tempore. The Clerk will call the first bill on the Private Calendar.

MADELINE WINTER

The Clerk called the first bill on the calendar, H. R. 1301, for the relief of Madeline Winter.

There being no objection, the Clerk read the bill, as follows:

> *Be it enacted, etc.*, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Madeline Winter, of Caribou, Maine, the sum of $20,000, in full satisfaction of her claim against the United States for compensation for the death of her husband, Alfred Winter, and minor son, Alfred Winter, Jr., who were killed on June 26, 1943, by a United States Army airplane while in a field at Caribou, Maine: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

> Page 1, line 5, after the word "Winter", strike out the balance of line 5, all of lines 6 and 7, down to and including the word "Junior" in line 8, and insert: "the sum of $10,000; to pay to Ethel Newton the sum of $5,160, both of Caribou, Maine, in full settlement of all claims against the United States for the deaths of Alfred Winter, Sr., Alfred Winter, Jr., and Elouise May Newton."

Mr. SPRINGER. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

> Amendment offered by Mr. SPRINGER: On line 9, page 1, strike out "$10,000" and insert "$8,340."

The amendment to the committee amendment was agreed to.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Madeline Winter and Ethel Newton."

BEN W. COLBURN

The Clerk called the bill (H. R. 1145) for the relief of Ben W. Colburn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ben W. Colburn, of Tulare, Calif., the sum of $4,529.55. The said Ben W. Colburn, under contracts dated May 12, 1944, purchased certain smoke generators from the Treasury Department, and the amount above specified represents loss suffered by him by reason of the fact that, notwithstanding representations made as to the usable condition of such generators, most of them were so rusted, broken, or bent as to be beyond repair for any use.

With the following committee amendment:

Page 2, line 3, insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

D. T. GEORGE

The Clerk called the bill (H. R. 786) for the relief of D. T. George.

Mr. McGREGOR and Mr. DOLLIVER objected; and the bill, under the rule, was recommitted to the Committee on Claims.

PAULINE SMALLWOOD

The Clerk called the bill (H. R. 799) for the relief of Pauline Smallwood.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of money in the Treasury not otherwise appropriated, to Pauline V. Smallwood, the sum of $10,000 for the wrongful death of her husband, Stanley E. Smallwood, who met his death by reason of a United States Army truck having proceeded against a red light and having collided with the truck which Mr. Smallwood was driving. The accident occurred at the intersection of Edgewood Road and United States Route No. 40, 2 miles north of Edgewood, Md., on July 21, 1943.

With the following committee amendment:

Page 1, line 5, after the word "appropriated", strike out the balance of the page and line 1, page 2, and insert "to the estate of Stanley E. Smallwood the sum of $5,388.50; to the legal guardian of Frank Carter, Jr., a minor, the sum of $1,000; to the legal guardian of Donald Keithley, a minor, the sum of $206; to the Keithley Bros. Garage the sum of $525, in full settlement of all claims against the United States for the death of Stanley E. Smallwood, and on behalf of the said Frank Carter, Jr., and Donald R. Keithley for personal injuries sustained by them and for medical and hospital expenses incurred for treatment; and by the said Keithley Bros. Garage for the property damage sustained by them as the result of an accident involving an Army truck at the intersection of United States Highway No. 40 and Highway No. 408, near Edgewood, Md., on July 21, 1943.

"SEC. 2. That no part of the sum appropriated under this act to the estate of Stanley E. Smallwood shall be paid to the General Transportation Casualty & Surety Co., as subrogee: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of the estate of Stanley E. Smallwood; to the legal guardian of Frank Carter, Jr., a minor; to the legal guardian of Donald R. Keithley, a minor; to Keithley Bros. Garage."

GEORGE E. BAKER

The Clerk called the bill (H. R. 1456) for the relief of George E. Baker.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of money in the Treasury not otherwise appropriated, to George E. Baker the sum of $360, in full compensation and settlement for all claims and demands of George E. Baker, an employee of the United States post office, Portland, Oreg., by reason of the payment by him to the United States, the sum of $360 on or about July 22, 1943, to cover an alleged shortage of automobile stamps which were reported missing while he was absent from duty, owing to illness, and which were lost through no fault or dereliction of duty of George E. Baker.

With the following committee amendment:

Page 2, line 3, after the word "Baker", insert "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM J. DEBLER

The Clerk called the bill (H. R. 2398) for the relief of William J. Debler.

Mr. McGREGOR and Mr. SPRINGER objected; and the bill, under the rule, was recommitted to the Committee on Claims.

CLARA BLACK

The Clerk called the bill (H. R. 2737) for the relief of Clara Black.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Clara Black, of Alhambra, Calif., the sum of $10,000, in full satisfaction of all claims against the United States arising out of the death of her husband, Leon Black, who was killed by a truck owned by the War Department and being operated in connection with War Department business on Highway No. 99, near Indio, Calif., on April 11, 1944, at 1:30 a. m.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 6, strike out "$10,000" and insert "$5,000."

Page 1, line 8, after the word "husband", insert the word "Harry."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL W. MANKIN

The Clerk called the bill (H. R. 3363) for the relief of Paul W. Mankin.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Paul W. Mankin, of Knoxville, Tenn., the sum of $379.55, in full satisfaction of his claim against the United States for damages sustained by him as a result of his Dodge four-door automobile being run into and wrecked by a Civilian Conservation Corps truck, No. 82862, on the 26th day of July 1940, on the public highway between Knoxville, Tenn., and Sunshine, Tenn., said Civilian Conservation Corps truck at the time of said collision being operated by a member of the Civilian Conservation Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this

act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF MRS. MARY KARALIS

The Clerk called the bill (H. R. 3419) for the relief of the estate of Mrs. Mary Karalis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Mrs. Mary Karalis, Minneapolis, Minn., the sum of $240, in full settlement of all claims against the United States for personal injuries, medical and hospital expenses sustained as the result of a collision between the automobile in which she was a passenger, and a United States Army truck on United States Route No. 12, near Baraboo, Wis., on May 2, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OTTO KRAUS

The Clerk called the bill (H. R. 3443) for the relief of Otto Kraus, receiver of the Neafie & Levy Ship & Engine Building Co.

Mr. SPRINGER and Mr. DOLLIVER objected, and the bill, under the rule, was recommitted to the Committee on Claims.

JOHN W. FARRELL

The Clerk called the bill (H. R. 3453) for the relief of John W. Farrell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John W. Farrell, of New York, N. Y., the sum of $1,000 in full settlement of all claims against the Government of the United States for damages received to an automobile truck owned by the said John W. Farrell on the 6th day of June 1938, when the said truck was completely damaged as a result of the careless and negligent manner in which the Works Progress Administration was constructing and repairing the roadway on Summit Avenue, between One Hundred and Sixty-second and One Hundred and Sixty-third Streets, in the Borough of the Bronx, city and State of New York: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CLARENCE J. SPIKER AND FRED W. JANDREY

The Clerk called the bill (H. R. 3417) for the relief of Clarence J. Spiker and Fred W. Jandrey.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That there is authorized to be appropriated and there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $175 to reimburse Clarence J. Spiker, American consul general, for Australian £36:12:4, the equivalent of $117, and Fred W. Jandrey, American consul, for Australian £18:6:1, the equivalent of $58, deposited by them in the American consulate at Melbourne, Australia, in replacement of Australian £54:18:5, the equivalent of $175, which disappeared from the consulate sometime between 11 o'clock antemeridian, December 23 and the morning of December 27, 1944.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ADOLPH PFANNENSTIEHL

The Clerk called the bill (H. R. 1953) for the relief of Adolph Pfannenstiehl.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill.

Mr. SPRINGER and Mr. McGREGOR objected, and, under the rule, the bill was recommitted to the Committee on Claims.

SETTLERS ON THE INTERNATIONAL STRIP AT NOGALES, ARIZ.

The Clerk called the bill (S. 69) for the relief of settlers on the International Strip at Nogales, Ariz.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

THOMAS C. LOCKE

The Clerk called the bill (S. 75) for the relief of Thomas C. Locke.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Thomas C. Locke, lieutenant colonel, United States Army, retired, is hereby relieved of liability for all charges entered against him as post quartermaster at Chanute Field, Rantoul, Ill., for the loss of public funds and property which were stolen from the commissary at Chanute Field on or about December 2, 1924, and for losses alleged to have been sustained in the operation of such commissary during the period from December 1926 to April 1927.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Thomas C. Locke, the sum of $1,037.99, in full satisfaction of his claim against the United States for reimbursement of amounts paid by him in settlement of such charges.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 2, line 2, strike out "$1,037.99" and insert "$313."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IDA E. LAURIE AND ZELLA RICKARD

The Clerk called the bill (S. 134) for the relief of Ida E. Laurie and Zella Rickard.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ida E. Laurie, of Marshfield, Oreg., the sum of $1,000, in full satisfaction of her claims against the United States, and to Zella Rickard, of Marshfield, Oreg., the sum of $250, in full satisfaction of her claims against the United States, for compensation for personal injuries sustained by them as a result of an accident which occurred when the Army vehicle in which they were riding as passengers collided with another Army vehicle near Marshfield, Oreg., on or about May 7, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, strike out "or about May 7, 1943" and insert: "May 8, 1943."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. JAMES E. McGHEE

The Clerk called the bill (S. 301) for the relief of Mr. and Mrs. James E. McGhee.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. James E. McGhee, of Jacksonville, Fla., the sum of $5,760, in full satisfaction of their claim against the United States for compensation for the death of their son, Millard E. McGhee, who was killed when he was struck by the motor falling from a United States Army aircraft which crashed at Jacksonville, Fla., on July 20, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the

contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CATHOLIC CHANCERY OFFICE, INC.

The Clerk called the bill (S. 501) for the relief of the Catholic Chancery Office, Inc.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Catholic Chancery Office,, Inc., of Sioux Falls, S. Dak., the sum of $11,980.33, in full satisfaction of its claims against the United States (1) for compensation for the use by the War Department of a building owned by it, possession of which was taken by the War Department under an option to purchase which the War Department subsequently failed to exercise, and for losses sustained by it as a result of the occupancy of such building by the War Department, and (2) for reimbursement of expenses incurred by it in vacating and making such building available for use by the War Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. ARTHUR R. BROOKS

The Clerk called the bill (S. 512) for the relief of Mr. and Mrs. Arthur R. Brooks.

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur R. Brooks, of Hampton, N. H., the sum of $827, and to Sara H. Brooks, of Hampton, N. H., the sum of $6,679, in full satisfaction of their respective claims against the United States for compensation for personal injuries and property damage sustained by them, and for reimbursement of medical, hospital, and other expenses incurred by them, as a result of an accident which occurred when they were struck by a United States Army vehicle while crossing a street in North Hampton Beach, N. H., on September 22, 1942: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with these claims, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 7, strike out "$6,679" and insert "$4,579."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEGAL GUARDIAN OF CLIFTON R. WEIR

The Clerk called the bill (S. 672) for the relief of the legal guardian of Clifton R. Weir.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of Clifton R. Weir, a minor, the sum of $1,500, in full settlement of all claims against the United States for compensation for personal injuries sustained by said Clifton R. Weir, on May 24, 1944, at Brunswick, Ga., when he dropped an unexploded rifle grenade which had been found outside a United States Army rifle range and had come into the possession of said Clifton R. Weir: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 6, strike out "$1,500" and insert "$1,000."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLIAM B. SCOTT

The Clerk called the bill (S. 712) for the relief of William B. Scott.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Civil Aeronautics is authorized and directed to provide for the transportation from Norfolk, Va., to Jacksonville, Fla., of the furniture and other household effects of William B. Scott, which were transported by the Navy Department to Norfolk, Va., from the naval operating base at Guantanamo Bay, Cuba, where the said William B. Scott was formerly stationed as an employee of the Civil Aeronautics Administration, and (1) to pay the cost of transporting such furniture and other household effects from Norfolk, Va., to Jacksonville, Fla., and (2) to reimburse the said William B. Scott for expenses incurred by him in providing for the storage of such furniture and other household effects from the date of arrival thereof in Norfolk, Va., to the date of transportation thereof to Jacksonville, Fla., as herein provided, from any appropriation available for paying traveling expenses of employees of the Civil Aeronautics Administration.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NITA RODLUN

The Clerk called the next bill, S. 748, for the relief of Nita Rodlun.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Nita Rodlun, of Portland, Oreg., the sum of $83.48, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her when the automobile in which she was riding collided with a United States Army vehicle at the intersection of Southwest Sixteenth Avenue and Southwest Morrison Street, in Portland, Oreg., on September 26, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. JOHN T. WEBB, SR.

The Clerk called the bill (S. 784) for the relief of Mr. and Mrs. John T. Webb, Sr.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mr. and Mrs. John T. Webb, Sr., of Delaware City, Del., the sum of $7,519.95, in full satisfaction of their claims against the United States (1) for compensation for the deaths of their minor sons, John T. Webb, Jr., and Henry P. Webb, due to personal injuries resulting from the explosion of a rocket projectile which had come into their possession through the negligence of United States military personnel, and (2) for reimbursement of funeral expenses incurred by them on account of such deaths: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. McGREGOR. Mr. Speaker, I offer an amendment. The Clerk read as follows:

Amendment offered by Mr. MCGREGOR: Page 1, line 6, strike out "$7,519.95" and insert "$6,519.95."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUBY DORIS CALVERT

The Clerk called the bill (S. 867) for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased, the sum of $2,421, in full settlement of all claims against the United States on account of the death of the said Frederick Calvert as the result of an accident involving a vehicle of the United States Army in Reykjavik, Iceland, on November 14, 1942: *Provided*, That the claimant accepts such sum in full settlement of all claims against the United States on account of the death of the said Frederick Calvert: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. STEPHEN E. SANDERS

The Clerk called the bill (S. 956) for the relief of Mr. and Mrs. Stephen E. Sanders.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, (1) to Mrs. Stephen E. Sanders, of Kittery Point, Maine, the sum of $1,000, in full satisfaction of her claim against the United States for compensation for personal injuries sustained and for medical and hospital expenses incurred by her as the result of an accident which occurred when the automobile which she was driving was struck by a United States Army vehicle in Kittery Point, Maine, on September 3, 1942, and (2) to Stephen E. Sanders, of Kittery Point, Maine, the sum of $50, in full satisfaction of his claim against the United States for compensation for damages to his automobile not covered by insurance as a result of such accident: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 6, strike out "$1,000" and insert "$677."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

OSCAR R. STEINERT

The Clerk called the bill (H. R. 851) for the relief of Oscar R. Steinert.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Oscar R. Steinert, the sum of $5,000, out of any money in the Treasury not otherwise appropriated, as compensation for and in full settlement of all claims for damages against the United States on account of personal injuries sustained by him and expenses incident thereto, as a result of his being struck and injured by a Government automobile which was driven by an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claims. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of any services rendered in connection with said claims, any contract to the contrary notwithstanding. And person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 4, strike out the word "the", all of lines 5 to 10, inclusive, and line 1 on page 2 and insert the following: "of Chicago, Ill., the sum of $5,000, in full settlement of all claims against the United States for personal injuries, medical and hospital expenses, loss of earnings, and property damage sustained as the result of an accident involving a United States post-office vehicle, on June 25, 1943, in Chicago, Ill."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAMAR OXLEY

The Clerk called the bill (H. R. 1563) for the relief of Lamar Oxley, a minor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Owen Oxley, father of Lamar Oxley, a minor, the sum of $3,970.62, in full settlement of all claims against the United States on account of personal injuries received by the minor, Lamar Oxley, when an antitank mine fuze, which had been found by Lamar Oxley in an Army bivouac area near Kirthwood, parish of Vernon, State of Louisiana, exploded while it was in his possession on March 14, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out the words "Owen Oxley, father," all of lines 6 to 10, inclusive, and lines 1 and 2, on page 2, and insert the following: "N. Owen Oxley, of Kurthwood, La., the sum of $301.22, and to the legal guardian of Lamar Oxley, a minor, of Kurthwood, La., the sum of $3,669.40, the said sums to be in full settlement of all claims against the United States of the said N. Owen Oxley for expenses incurred and losses sustained by him as the result of the injury of his minor son, Lamar Oxley, and of the said Lamar Oxley for the personal injuries sustained by him on March 14, 1944, as the result of the explosion of an antitank mine fuze found by Lamar Oxley in an abandoned United States Army maneuver area near Kurthwood, La."

Mr. DOLLIVER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOLLIVER: Page 2, line 5, strike out "$3,669.40" and insert "$3,169.40."

The amendment to the amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of N. Owen Oxley and the legal guardian of Lamar Oxley, a minor."

INGLIS CONSTRUCTION CO., A CORPORATION

The Clerk called the bill (H. R. 1565) for the relief of Inglis Construction Co., a corporation.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Inglis Construction Co., a corporation of the State of Florida and doing business in Louisiana, with headquarters at Leesville, La., the sum of $3,055, in full settlement of all claims against the United States on account of destruction of machinery and supplies by the United States Army at Norco, in the parish of St. Charles, State of Louisiana, on or about May 4, 1943: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, attorney or attorneys, on account of services rendered in connection with said claim. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum of the amount appropriated in this act in excess of 10 percent thereof on account of services rendered in connection with said claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. SPRINGER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPRINGER: Page 1, line 8, strike out "$3,055" and insert "$1,500."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. OLLIE PATTON

The Clerk called the bill (H. R. 1674) for the relief of Mrs. Ollie Patton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $5,000, to Mrs. Ollie Patton, of Columbia, La., in full settlement of all claims against the United States for the death of her son, John Leon Patton, as a result of being struck and killed by a United States Army truck on United States Highway No. 165, near Corey, La., on January 19, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ESTATE OF GREENFIELD PAYNE

The Clerk called the bill (H. R. 1851) for the relief of the widow and three children of Greenfield Payne.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Charles H. Rutherford, Jr., of Nashville, Tenn., the duly qualified and acting administrator of the estate of Greenfield Payne, the sum of $15,000, in full satisfaction of his claim against the United States for compensation for the death of Greenfield Payne on September 21, 1944, when he was struck by a bomber of the United States Army north of Berry Field in Nashville, Tenn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

Page 1, line 5, strike out "Charles H. Rutherford, of Nashville, Tenn., the duly qualified and acting administrator of."

Page 1, line 7, strike out "$15,000" and insert "$5,270."

Page 1, line 8, strike out "his claim" and insert "all claims."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

G. HINDERS

The Clerk called the bill (H. R. 2193) for the relief of G. Hinders.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. DOLLIVER and Mr. SPRINGER objected; and, under the rule, the bill was recommitted to the Committee on Claims.

MRS. VIRGINIA M. KISER

The Clerk called the bill (H. R. 2317) for the relief of Mrs. Virginia M. Kiser.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the time limitations prescribed in sections 10 and 11 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended (U. S. C., 1940 edition, title 5, secs. 760 and 761), shall not apply with respect to the death of James U. Kiser of Olive Hill, Ky., who sustained an injury on May 5, 1936, while in the performance of his duty as an employee of the Works Progress Administration and who died as a result of such injury on June 26, 1943. The claim of Mrs. Virginia M. Kiser, widow of the said James U. Kiser, on account of his death shall be considered and acted upon by the United States Employees' Compensation Commission under the remaining provisions of law applicable in her case as if the death of the said James U. Kiser had resulted within the time prescribed by such sections 10 and 11, but only if such claim is filed with the United States Employees' Compensation Commission not later than 60 days after the date of enactment of this act.

SEC. 2. If the United States Employees' Compensation Commission should determine pursuant to section 1 of this act that the said Mrs. Virginia M. Kiser is entitled to compensation for the death of her husband, she shall be entitled to receive within 60 days after the date of enactment of this act, in addition to compensation payable after the date of the award to her of death compensation, in a lump sum, back compensation for the period beginning with the death of her husband and ending on the date of the award to her of death compensation.

With the following committee amendments:

Page 2, line 2, after the word "who", insert "is alleged to have."

Page 2, line 4, after the comma, insert "alleged."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EARL J. SHOWS

The Clerk called the bill (H. R. 2529) for the relief of Earl J. Shows.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, as amended (U. S. C., 1934 edition, title 5, secs. 767 and 770), are hereby waived in favor of Earl J. Shows, who allegedly was disabled as the result of a back injury received while lifting a panel to a prefabricated building during February 1943, while employed by the Laurel Army Air Base, Laurel, Miss., as a road helper, and his claim for compensation is authorized to be considered and acted upon under the remaining provisions of such act, as amended, if he files such claim with the United States Employees' Compensation Commission not later than 6 months after the date of enactment of this act: *Provided*, That no benefits hereunder shall accrue prior to the approval of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FLORIDA RHONE BURCH

The Clerk called the bill (H. R. 2545) for the relief of Florida Rhone Burch.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Florida Rhone Burch, of De Land, Fla., the sum of $5,000, in full satisfaction of all claims against the United States for the death of her son, Donald Rhone, which resulted from personal injuries received on August 26, 1941, when a United States Civilian Conservation Corps truck ran into a truck going in the opposite direction along a public street of De Land, Fla., causing it to run upon the sidewalk and to strike the said Donald Rhone: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. RITA CHAUVIN GREEN

The Clerk called the bill (H. R. 2866) for the relief of Mrs. Rita Chauvin Green.

There being no objection, the Clerk read the bill, a follows:

Be it enacted, etc., That notwithstanding any other provision in the act entitled "An act to provide compensation for the employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended (U. S. C., 1934 ed., title 5, secs. 767 and 770), are hereby waived in favor of Mrs. Rita Chauvin Green, of New Orleans (Algiers), La., and that she be considered as the lawful and legal wife of George W. Green, who was killed on December 22, 1942, while operating a portable crane for the United States Navy at the Naval station, New Orleans, La.

SEC. 2. That the said Mrs. Rita Chauvin Green shall receive all the benefits extended under the Employees' Compensation Act as the legal wife of George W. Green.

With the following committee amendment:

Strike out all after the enacting clause and insert: "That in the administration of the act entitled 'An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes', approved September 7, 1916, as amended (5

U. S. C. 751–791), Rita Cauvin Green shall be deemed to be the widow of George Washington Green, who died on December 22, 1922, as the result of an accident which occurred while he was operating a crane for the Navy Department at the United States naval station, New Orleans, La., notwithstanding any finding to the contrary which may have been made under such act with respect to her marital status: *Provided*, That claim for compensation for death by reason of this act shall be filed within 1 year from the approval of this act: *Provided further*, That no benefits shall accrue by reason of this act prior to the date of approval hereof."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill for the relief of Mrs. Rita Cauvin Green."

REVERE SUGAR REFINERY

The Clerk called the bill (H. R. 1955) for the relief of the Revere Sugar Refinery.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. McGREGOR. Mr. Speaker, owing to the fact that this bill gives authorization in excess of $115,000, and is establishing a precedent relative to the OPA, a precedent that I think this House as a whole should determine in debate, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

PHILIP KLEINMAN

The Clerk called the bill (S. 311) for the relief of Philip Kleinman.

There being no objection, the Clerk read the Senate bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Philip Kleinman, of Salem, Oreg., the sum of $495 in full satisfaction of his claim against the United States for payment of medical and hospital expenses incurred by him in securing medical and hospital treatment of his physical disabilities attributable to injuries sustained by him, in the course of duty, while he was a member of Company G, Twenty-sixth Infantry, United States Army: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAUNDERS MEMORIAL HOSPITAL

The Clerk called the bill (S. 693) for the relief of the Saunders Memorial Hospital.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, that concludes the call of the Private Calendar.

EXTENSION OF REMARKS

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD following the passage of S. 660 on the Consent Calendar of today.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. KEEFE] is recognized for 40 minutes.

COMMODITY EXCHANGE ACT

Mr. KEEFE. Mr. Speaker, the Commodity Exchange Act, chapter 1 of title 7 of the United States Code, was enacted into law for a specific purpose. It is well to understand that this legislation deals generally with transactions in commodities involving the sale thereof for future delivery as commonly conducted on boards of trade and known as futures. The statute declares such transactions to be affected with a public interest, and because they are carried on in large volume by the public generally and by persons engaged in the business of buying and selling commodities and the products and byproducts thereof, the prices involved are generally quoted throughout the United States and in foreign countries. These prices are used as the base for determining commodity prices to the producer and consumer. Such transactions have been indulged in for years by shippers, dealers, millers and others engaged in interstate commerce. History records that prices on such boards of trade are subject to speculation, manipulation, and control. Sudden fluctuations in prices quoted frequently occur, and constitute a burden on interstate commerce.

The Commodity Exchange Act was designed to protect the public and to bring products upon the commodity exchanges of the Nation under control. The law, among other things, specifically prohibits the manipulation of the price of a commodity in interstate commerce. Section 13 of title 7 provides:

Any person who shall violate the provisions of section 6, section 6 (a), section 6 (b), section 6 (c), section 6 (d), section 6 (e), section 6 (h), or section 6 (i) of this title, or who shall manipulate or attempt to manipulate the price of any commodity in interstate commerce or for future delivery on or subject to the rules of any board of trade, or who shall corner or attempt to corner any such commodity, etc., shall be deemed guilty of a misdemeanor and upon conviction thereof be fined not more than $10,000 or imprisoned for not more than 1 year or both, together with the costs of prosecution.

Thus, responsive to public demand, this legislation became law on June 15, 1936. Persons dealing in commodities affected by this legislation had a right to assume that the law would be vigorously enforced and that the public interest would be protected.

Mr. Speaker, time will not permit me to go into all of the ramifications incident to the administration of this law. I do, however, desire to make some comment with respect to the rye market on the Chicago Board of Trade. On May 26, 1945, Mr. Ashley Sellers, Assistant War Food Administrator, filed a complaint and notice of hearing under section 6b of the Commodity Exchange Act, against General Foods Corporation, Charles W. Metcalfe, Daniel F. Rice & Co., Daniel F. Rice, Lawrence J. Ryan, and Philip O'Brien. In this complaint, it is alleged that these respondents and, may I add, those collaborating with them, manipulated a corner on rye as of May 27, 1944, and accumulated under their control 89 percent of the total deliverable supply of rye in Chicago. The complaint further alleges that the price of rye futures on the Chicago Board of Trade advanced approximately 52 cents per bushel between December 1942 and December 1943; that from December 1943 to May 1944 the price was maintained by the respondents and those collaborating with them at a level ranging approximately from $1.25 to $1.35 per bushel, or 50 to 70 cents above a normal price range. The complaint further alleges that the respondents named in the complaint not only attempted to corner the rye market in Chicago but that they actually did effect a corner of the actual rye in Chicago and particularly grades of rye declared by the Chicago Board of Trade as deliverable and stored in those public elevators at Chicago from which delivery could be made in satisfaction of futures contracts. The complaint further charges that these respondents, and I charge that those affiliated with them, manipulated the price of rye futures and actual rye on and subject to the rules of the Chicago Board of Trade.

In passing, it may be noted that as a result of this unlawful action on the part of this group and their associates, the short sellers of rye on the Chicago Board of Trade lost many millions of dollars, and many of them were wiped out, solely because of the unlawful and reprehensible corner which was obtained by the respondents named by the War Food Administration and others not named who were working in concert with them.

An examination of the price of rye on the Chicago market and on the Winnipeg market shows how this group and those associated with them manipulated the market by causing unconscionable increases in the price of rye and how they prevented "sort sellers" from satisfying their delivery contracts except through the payment of extortionate prices controlled by this group. It will be noted that the War Food Administration itself has been compelled to take this action as a result of the unlawful manipulations of both rye and rye futures on the Chicago Board of Trade. The complaint alleges that in May 1944 the respondents named in the complaint held or controlled approximately 11,805,000 bushels of cash rye, amounting to 89 percent of the total deliverable supply in Chicago. Of this quantity, approximately 3,000,000

bushels had been imported from Canada and delivered by "shorts" in satisfaction of May 1944 Chicago futures contracts. Thus we have on the word of the War Food Administration itself a direct allegation that the rye market on the Chicago Board of Trade in 1942–43, and up to May 1944, was rigged and manipulated so as to bring about a corner on the rye market, causing an unreasonable and reprehensible increase in the price of cash rye which has caused those in the pool to make millions and has caused those who had sold "short" to lose millions.

Some months ago, I charged on the floor of this House that the War Food Administration and the Commodity Credit Corporation had been used by manipulators in the grain market so that these manipulators have been able to extract millions of profit out of transactions on the Chicago Board of Trade. I want to expand and enlarge somewhat on that statement.

It will be noted that the complaint, heretofore referred to, limits the scope of its investigation to May 27, 1944, and does not relate to what I conceive to be the unlawful actions of this group, in the period following that date. The fact of the matter is that this group, with tentacles reaching into Washington, could not have maintained their position in the rye market if the normal and ordinary process of trade prevailed. Certainly the holders of this tremendous amount of cash rye in the elevators at Chicago had to move some of this grain. The tremendously high price charged by these manipulators for rye was all out of line with corn and wheat, and a market at these extremely high prices had to be rigged in order that they could continue in the corner and maintain the prices to which they had boosted cash rye.

How did they operate? We find that on June 23, 1944, the War Production Board issued a directive to all industrial alcohol distillers requiring them to use rye and/or granular rye flour to the extent of not less than 10 percent of their total monthly grain bill. Although this order was vigorously protested by the producers of industrial alcohol, it was nevertheless imposed by the War Production Board. The order states that it was issued at the request of the War Food Administration and was to terminate on September 30, 1944, unless later extended. The order was extended to continue this practice for another 3 months, beginning September 30, but was withdrawn on November 13 at the suggestion of Judge Jones, War Food Administrator.

The figures as supplied to me by the War Production Board indicate that in the months of July, August, and September 1944, 4,906,820 bushels of rye, or approximately 12.6 percent of the total grain used by the alcohol distillers, was used, and it is safe to assume that approximately the same amount was consumed in the period between September 30 and November 13, 1944. Those manipulators, these gentlemen who had effected a corner on the rye market, were able to sell to the alcohol distillers through the imposition of this order 6,000,000 plus bushels of rye upon which they realized a most handsome profit, all of said profit in the end being paid by the United States Government that used industrial alcohol.

You will observe I stated that Judge Jones, in the face of the tremendous pressure that was brought upon him to cancel this order, did instruct the War Production Board to cancel this order. It was suspended as of November 13, 1944. But these manipulators did not stop there. They are pretty well entrenched. They have their tentacles reaching out in all directions. The millions which they are making there on that board of trade were not going to be lost if they could help it.

What did they do? Again in the face of a short rye crop, barely enough rye to provide for domestic needs, the same influences that secured this order from the War Production Board and the War Food Administration prevailed upon the Commodity Credit Corporation to purchase rye for use by the Foreign Economic Administration in connection with the relief work of UNRRA. Think of it. With corn rotting on the ground, with untold bushels of surplus wheat, some influence was powerful enough to get the Commodity Credit Corporation to purchase rye for foreign shipment.

The figures which have been furnished to me indicate that in March 1945 between four and five million bushels of cash rye were purchased by the Commodity Credit Corporation for export at prices ranging from $1.18¼ to $1.29 a bushel, rye that could have been bought in the Argentine for 65 cents a bushel, if you please. Oh, but these manipulators had to sell some of this great hoard of rye and move it out of the elevators in Chicago. Thus they were able to get rid of over 5,000,000 bushels to the Commodity Credit Corporation. They were paid a tremendous profit out of the Treasury of the United States. This was possible because they had so manipulated and rigged the market at Chicago that they had a corner upon the deliverable cash rye.

The domestic users of rye were likewise forced to pay through the nose as a result, and the poor people of this country who look upon rye bread as a staple article of diet were faced with the prospect of seeing rye go from 65 cents a bushel to $1.57 a bushel through the manipulations of this gang that have become so powerful that they can reach right here into the Government at Washington and use the agencies of Government for their own benefit.

I make no appeal for those who lost their millions selling short on the Chicago Board of Trade. They will have their day in court, I assume, and I believe they have good grounds for action when their losses came about as a result of the unlawful corner of the rye market effected by those who have been named in the complaint filed by the War Food Administration.

I do protest vigorously, however, the action of the War Food Administration in requesting the War Production Board to issue the orders heretofore referred to, and I most vigorously protest the action of the Commodity Credit Corporation in purchasing the rye for foreign export upon the request of the Foreign Economic Administration. When these agencies purchased this rye they should have known of the existence of a corner in the rye market which would enable the inside group and their associates and collaborators to take unreasonable and unconscionable profits out of rye, the price of which had been boosted beyond all reason on the Chicago Board of Trade through their unlawful monopoly. Who are the people who benefited as the result of this transaction? Who are the people who were collaborating with this group that has been cited before the War Food Administration? What man in public life holding high official position in either the War Food Administration, the Commodity Credit Corporation, or the Foreign Economic Administration profited as a result of these manipulations in the rye market?

Mr. Speaker, what Members of Congress, if you please, exercised their powers of persuasion on the War Food Administration and the Foreign Economic Administration to put through the orders which vitally affected the rye market and which were in large measure responsible for the maintenance of this corner right up to the present hour? Who were the men in and out of Congress and government who dragged down huge profits as a result of this transaction? In God's name, how long are the American people going to tolerate a situation where a small inside group in the War Food Administration or the Commodity Credit Corporation, or the Foreign Economic Administration can, by their actions, offer inside tips as to marketing manipulations that result in huge profits to those on the inside?

Mr. Speaker, this situation with respect to the manipulation in the rye market on the Chicago Board of Trade amounts to nothing short of a national scandal. It should be investigated with all the investigatory powers possessed by the Congress of the United States. We should know what, if any, tie-up there has been between these agencies and the group who effected the corner on the rye market. We should know and expose to the public any Member of Congress who has enriched himself as a result of his power to influence decisions of these agencies of government. It is high time that the Congress itself took a look at this situation and orders should be issued immediately banning any further export of rye when we have such large surpluses of exportable corn and wheat.

Mr. Speaker, it is manifestly impossible for a single Member of Congress to put his finger definitely upon the exact profits that have been taken out of this transaction, but I assure you and I assure the people of this country that a suitable and proper investigatory committee, with authority to subpena records, documents, telephone and telegraph information, together with the books of those trading on the Chicago Board of Trade, in rye, would develop the truth of this situation. I have repeatedly made the charge, and I reiterate it again, that the Commodity Credit Corporation, the War Food Administration and the Foreign Economic Administration, acting singly or in concert, have it within their power to know-

ingly or unknowingly, wittingly or unwittingly, rig the grain markets of America so that those on the inside have been able to profit enormously at public expense while those not on the inside have suffered tremendous and irretrievable losses. This situation is the very thing that the Commodity Exchange Act was designed to prevent.

Is it not high time, therefore, that a committee of this House go into these facts thoroughly in order that the honesty and integrity of the Congress itself may not be impugned? I refer to both Houses of the Congress when I make that statement.

Is it not high time for the criminal division of the Department of Justice to sift this scandal and bring those guilty of willful violations to justice?

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the distinguished gentleman from Illinois.

Mr. SABATH. Some time ago I listened with a great deal of interest to the gentleman's statement relative to these unjustifiable conditions, as well as to the statement of the gentleman from New York. I said that I for one shall continue to try to obtain information and that the guilty people should be punished. I have tried to bring about the elimination of the original order by which they forced the distillers, for whom I have no special love, to use 10 percent of the rye when there was about twenty-five times the amount of that grain as compared with corn and wheat, when we had plenty of wheat and corn. Since that time I have learned that these orders that they have placed and the purchases that have been made of rye for Belgium and other countries were forced upon the people who originally wanted to buy wheat but somehow they were convinced that rye would be better for them to buy, notwithstanding that the price has gone up, as I noticed yesterday, to $1.57 a bushel, and corn is $1.18, when wheat and corn both have greater food value than rye, and rye is nearly 37 or 38 cents above the price of corn.

I think there is something wrong somewhere, and the gentleman from Wisconsin [Mr. KEEFE] is justified in the statement he is making demanding an investigation.

Mr. KEEFE. I am glad to hear the distinguished gentleman from Illinois [Mr. SABATH] make that statement. I am sure the gentleman is quite familiar with this situation in view of the fact he comes from Chicago. I know he is aware of the situation of which I have spoken this afternoon.

The gentleman from Illinois is chairman of the Committee on Rules of the House. Would the gentleman say this afternoon whether or not as chairman of the Committee on Rules he would favor the passage of a resolution to provide for a special investigating committee of this House to go into this unholy tie-up between the Commodity Credit Corporation, the War Food Administration, and the FEA on the manner in which they have permitted to grow up the very corner which they themselves now denounce and which has caused the situation that the gentleman knows about so well and which I have attempted in a small way to describe this afternoon?

Mr. SABATH. Charges have already been made and the investigation is on. If they do not go on and if they do not extend the investigation and prosecution up to June 1945, I will do everything I can to bring out a resolution to investigate the whole situation which has existed and now exists.

Mr. KEEFE. I am glad to hear the gentleman say that, because it appears that the complaint filed by the War Food Administration only goes to May 1944. These orders and these purchases have all happened since that time, and the corner which exists, exists as of this date—today. They should investigate subsequent to May 1944, in order to drag the real skeletons out of the closet.

Mr. SABATH. I am not interested in short sellers, but I have been and I am interested in the rye-bread users, those poor people in the country that use mostly rye bread. Because of this unjustifiable increase, rye flour has increased tremendously.

Mr. STEFAN. Will the gentleman yield to me?

Mr. KEEFE. I yield.

Mr. STEFAN. I would like to observe that the chairman of the Rules Committee indicates that an investigation is now on and if something is not done about that effectively, he assures the gentleman from Wisconsin he will do everything possible to see that a resolution is introduced and passed in this House to investigate this scandal. The gentleman referred to the Department of Justice. I happen to be a member of the subcommittee which makes appropriations for the Department of Justice. I will ask the gentleman whether anything has been done toward referring to the Department of Justice this terrible condition that exists.

Mr. KEEFE. I assume the situation is simply this: The War Food Administration, as I indicated in my statement a few moments ago, has filed a complaint under the Commodities and Exchange Act, and has required certain individuals, together with General Foods, to appear and show cause why their trading privileges should not be revoked. That hearing was scheduled to take place on July 2. I understand it has been postponed until August. That hearing, as far as the complaint filed is concerned, only covers transactions up to May 1944. The real date which ties the War Food Administration itself and the Commodity Credit Corporation into this picture, took place after May 1944, and unless they continue their investigation and file further and amended complaints, it will be up to the Department of Justice to see to it that the criminal prohibitions of the Commodities and Exchange Act are carried out and imposed.

Mr. STEFAN. Will the gentleman yield further?

Mr. KEEFE. I yield.

Mr. STEFAN. In our hearings making appropriations for the Department of Justice it has been asserted time after time that the agencies of the Government are opposed to profiteers during the war, opposed to commercializing on the war. I ask the gentleman what information has been furnished the Department of Justice in order that the Department of Justice can also make some investigation.

Mr. KEEFE. I have every reason to believe that the Department of Justice has all of the information at hand, with all of its investigatory authority found by the Federal Bureau of Investigation. It seems to me rather purile for the gentleman to ask me to furnish the Department of Justice with information with respect to violations which have been so notorious that they are common gossip here on Capitol Hill; so notorious that the War Food Administration itself was forced to begin action, which I understand only means cancellation of the trading privilege of these people on the board of trade. Can it be that I, as a Member of Congress, must be required to bring to the Department of Justice the books, records and statistics of the board of trade? Certainly not. The gentleman knows I could not do that. What I want the gentleman to understand is that what I am asking is that the investigatory power lodged in the Department of Justice be brought to play on this situation and in collaboration with the investigators of the War Food Administration, that they not only file this civil proceedings but that they institute criminal proceedings against those people who are alleged, in violation of the plain provisions of the Commodities and Exchange Act to have actually brought about a corner in the rye market.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 10 additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. STEFAN. Will the gentleman yield to me in order not to place me in an embarrassing position?

Mr. KEEFE. I certainly will yield. I do not want to do that.

Mr. STEFAN. Of course, I do not expect the gentleman from Wisconsin to furnish the Department of Justice with voluminous documents and so on. But the gentleman, who is rendering a great contribution to the taxpayers of America today, a great contribution to those who say they are going to eliminate monopolies and eliminate profiteering in war, certainly must have some information when he gives me the impression from what he has said today that somebody has been making millions of dollars out of a corner on the rye market of America. I assure the gentleman I will ask someone in authority in the Department of Justice whether or not the Department of Justice has taken some notice of what the gentleman has said today.

Mr. KEEFE. I call the gentleman's attention in order that he may have additional information to the fact that the case to which I referred, pending before the Department of Agriculture,

before the War Food Administrator, is entitled:

In re General Foods Corp., Charles W. Metcalf, Daniel F. Rice & Co., Daniel F. Rice, Lawrence J. Ryan, and Philip R. O'Brien, respondents.

CE-A Docket No. 34. Complaint and notice of hearing under section 6 (b) of the Commodity Exchange Act.

If the gentleman will get a copy of that complaint he will find the entire picture and will not have to take my word for it. It is signed by Mr. Ashley Sellers, Assistant War Food Administrator, and was filed on the 28th day of May 1945. There is the information from the War Food Administration itself. The trouble is, it does not go where it should go; it ends in May 1945, and the real facts ought to be investigated as to what took place after that time when these orders from the War Production Board to which I have referred and the purchase orders of the Commodity Credit Corporation were issued, in the fall of 1944 and in the spring of 1945.

I hope the gentleman with his power and influence down at the Department of Justice will set the wheels in motion so that these people may be brought to trial and exposed to the American people.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Did I understand the gentleman correctly as saying that wheat and corn had a higher food value per pound than rye?

Mr. KEEFE. The gentleman from Illinois [Mr. SABATH] made that statement.

Mr. HOFFMAN. And that rye was selling for more than either corn or wheat?

Mr. KEEFE. That is true; very much more.

Mr. HOFFMAN. How is it that OPA does not regulate that?

Mr. KEEFE. I cannot answer that question. Perhaps the same influences that were brought to bear to secure these orders and purchase orders may have had some influence with OPA, for all I know. They boosted the price of rye from 65 cents a bushel to $1.57 a bushel; and as a result of this corner which they have brought about in the rye market they are making Uncle Sam and everybody in America pay through the nose. They even went so far as to go to Canada and control the market in Winnipeg so that the shorts could not have rye at a fair price to fulfill their commitments. Or, this is a powerful group, and when in the face of the positive criminal prohibition of the Commodity Exchange Act they can bring about such a situation as that in America during wartime I think it is high time something ought to be done about it.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield further?

Mr. KEEFE. I yield.

Mr. HOFFMAN. Could not OPA control the situation by holding down the price of rye?

Mr. KEEFE. The gentleman, who is a great student of OPA——

Mr. HOFFMAN. No; I have always been against it. What little I learned, convinced me that it was not any good.

Mr. KEEFE. The gentleman is in a better position to answer that than I am. My answer would be merely cumulative of what the gentleman said. I assume that OPA could, if they saw fit to do so. I make no charges against OPA in connection with the matter at all.

Mr. HOFFMAN. Yes; but they could have controlled the whole situation if they wanted to. Last week we continued their life for another year and let that situation go on.

Mr. KEEFE. May I say to the gentleman from Michigan that we passed the Commodity Exchange Act which was designed to control this situation. We have a law, the Commodity Exchange Act which was designed by this Congress and passed in 1936, to handle this very situation. It is not necessary for OPA to go into this situation if that act is enforced. There is plenty of law in the statute books today under that act to govern and control this situation so that we will have an orderly and legal price range on the markets of this country with respect to transactions in grain.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield further?

Mr. KEEFE. I yield.

Mr. HOFFMAN. But we gave OPA authority to hold down prices, and everyone knows if they held down the price of the rye market at the present time these manipulators could not do this thing.

Mr. KEEFE. What OPA has done is to hold down the price of rye bread in the country, and bakers of rye bread are compelled to pay the differential. I assume what has happened is that they have been unwilling to pay this price for rye so they have been trying to use corn and wheat instead, because the bakers who furnish the rye bread to the poor people of this country could not afford to pay $1.57 as against 65 cents a bushel and furnish their bread at the OPA ceiling. I merely state that as a conjecture and an observation. I do not know whether it is the fact or not—I have not gone into it—but it would seem a reasonable conclusion to deduce.

EXTENSION OF REMARKS

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. MURDOCK (at the request of Mr. PATMAN) was given permission to extend his remarks in the Appendix of the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include therein certain statements.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[Mr. PATMAN addressed the House. His remarks appear in the Appendix.]

STRIKES AT AKRON, OHIO

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, a shameful thing is taking place in this country. Why does not the President of the United States do something about it? If legislation is needed, he should ask for it at once. May I read from an article appearing in the Washington Daily News as of today bearing the date line Akron, Ohio:

AKRON, OHIO, July 3.—The Goodyear Tire & Rubber Co.'s plant here, largest producer of airplane tires and tubes in the Nation's rubber capital, has stood idle now for 14 days. Each of those days has cost Army and Navy fliers who are paving the way for invasion of Japan's homeland, 2,600 tires and 1,600 tubes.

As of last night, Allied bombers and fighters in the Pacific war zones have been deprived by the 16,700 striking Goodyear workers of 39,000 tires and 24,000 tubes.

The Navy warned publicly, when the strike was only 1 week old, that even then it had been forced to send retreated and damaged tires, including some with bad side walls, to fliers in the Pacific.

PRODUCTION HOLD-UP

Six days later the Army and Navy, in a joint statement, said that otherwise completed Corsairs and Avengers were being held back from the Pacific front for lack of tires, brake material, and self-sealing gasoline tanks that the Goodyear plant was to have manufactured.

Both statements said flatly that the strike is costing the lives of American soldiers, sailors, and marines.

Meanwhile, workers at Firestone, another of the big three in Akron, have voted to strike.

GREATER LOSS THREATENED

Firestone and Goodrich each employs almost as many factory workers as Goodyear does in its tire and rubber division.

The evidence available in Akron appears to support the Army-Navy contention that the Goodyear strike is shutting off from the Pacific front, tires that are badly needed for blasting Japan out of the war with a minimum loss of American lives.

Why can we not get on with the war? We on the home front must not desert our brave men in the Pacific. No one has a right to stop production in wartime.

The SPEAKER. The time of the gentleman from Nebraska has expired.

EXTENSION OF REMARKS

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD in two instances and to include editorials in both.

Mr. DE LACY and Mr. FOLGER asked and were given permission to extend their remarks in the RECORD and include editorials.

NEEDLESS KILLINGS?

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, a few days before the Yalta Conference there

was a persistent rumor in Washington that the Japanese had offered to surrender all of the territory they had conquered, their fleet, their arms, their military power, and to deliver up a certain number of war criminals.

Again, the Capital hears that Japan wants an end to the war; that she has offered to surrender all of the territory she conquered and which she still holds; that she has offered to surrender her armed forces, dismantle her war industries, and refrain from production of war munitions; that she asks but to retain her national existence, her own form of government, and religion.

No less an authority than Senator CAPEHART has publicly declared that Japan has sued for peace. His assertion was denied by the State Department, which insists that no official communication has come from Japan asking for peace. But the Senator insists he is right. Both the Senator and the State Department may be correct, for it is well known that defeated governments seeking peace, an end to war, almost invariably put out unofficial, indirect offers.

So the question arises: What price shall America pay for a continuation of this war and what is to be gained by the utter and complete destruction of Japanese cities and industries after her armed resistance becomes ineffective and she is rendered helpless to make war?

Just what is our ultimate goal? If Japan gives up all of the territory which she has overrun, if her armed forces are disbanded, if what is left of her navy and her air force is destroyed, if her munition plans are put out of existence—and we have the power to keep them out—what have we to gain by a continuation of a war which, according to well-informed authorities, is costing 8,000 casualties a week? However much we may dislike or even hate the Japanese, it is not within us when once they have been completely whipped to exterminate the race, to kill every man, woman, and child who has Japanese blood. If we believe—as we have so often professed—that every people should have the right to their own form of government, their own religion, certainly we do not intend, when a complete victory has been won, to attempt to compel the Japanese to accept a form of government or of religion which is abhorrent to them.

Is it not true that if Japan is now willing to surrender her air and naval forces, her armies, with all of their equipment, is willing to put her munition plants out of existence and to permit us to hereafter prevent their reestablishment, we have gained everything that can be obtained through the making of war? Who can reasonably object to that kind of a peace? No one other than those who do none of the fighting, who never shed a drop of blood but who, directly or indirectly, make a profit out of the continuation of a war.

There are altogether too many people in this country of ours who stand on the sidelines and yell, "Sic 'em, kill 'em" but who never do any fighting, who never sacrifice anything, and who yell just as loudly when they cannot get their liquor, their porterhouse steaks, their butter, their silk stockings—in fact, anything and everything they, at the moment, happen to want.

Upon the heads of those who insist upon unnecessary fighting, upon the sacrificing of hundreds of thousands of additional young Americans, after we have the opportunity to obtain everything of value which can come to us at the end of a war, must the responsibility rest.

The administration should tell us the objectives of our armed forces; just what must be done, what must be accomplished before the killing off of the best of American youth will be ended.

We have often said that we, as a nation, want nothing for ourselves out of this war except peace hereafter. Our only armed enemy at present is Japan. If she is ready to quit and to submit to regulations which will prevent her rearming, is willing to yield to us—as it is now announced—the island bases which we need for protection, why should the war continue? Will someone in authority make answer?

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SIMPSON of Illinois, indefinitely, on account of important business.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 136. An act for the relief of the Oregon Caves Resort; to the Committee on Claims.

S. 401. An act for the relief of sundry fruit growers of the State of Delaware who sustained losses as the result of the fumigation of apples with methyl bromide in order to comply with the requirements of the United States Department of Agriculture relating to the Japanese-beetle quarantine; to the Committee on Claims.

S. 559. An act to amend the act entitled "An act to provide for reimbursement of offices, enlisted men, and others, in the naval service of the United States for property lost, damaged, or destroyed in such service," approved October 27, 1943, so as to make the provisions thereof effective with respect to losses occurring on or after October 31, 1941; to the Committee on Claims.

S. 573. An act for the relief of Lee D. Hoseley; to the Committee on Claims.

S. 694. An act for the relief of Dan C. Rodgers; to the Committee on Claims.

S. 714. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; to the Committee on the Judiciary.

S. 729. An act for the relief of William Andrew Evans; to the Committee on Claims.

S. 762. An act for the relief of Everett McLendon, Sr.; Mrs. Everett McLendon, Sr.; Mr. and Mrs. Everett McLendon, Sr., for the benefit of their minor daughter, Nadine McLendon; and Everett McLendon, Jr.; to the Committee on Claims.

S. 787. An act for the relief of Oliver Jensen; to the Committee on Claims.

S. 902. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in a Quonset hut at Harrowbeer Airport, Yelverton, South Devon, England, on December 26, 1944; to the Committee on Claims.

S. 909. An act for the relief of Hugh Egan; to the Committee on Claims.

S. 929. An act for the relief of Henry H. Huffman and Mrs. Marie J. Huffman; to the Committee on Claims.

S. 985. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of fires occurring at various naval shore activities; to the Committee on Claims.

S. 986. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in administration building at the naval air station, Bunker Hill, Ind., on December 28, 1944; to the Committee on Claims.

S. 994. An act for the relief of the Central Leaf Tobacco Co., Inc.; to the Committee on Claims.

S. 996. An act for the relief of Lt. (jg) William Augustus White, United States Naval Reserve; to the Committee on Claims.

S. 1007. An act for the relief of Mr. and Mrs. Edward P. Standley; to the Committee on Claims.

S. 1062. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; to the Committee on Claims.

S. 1117. An act to authorize the Secretary of the Navy to convey Casa Dorinda Estate in Santa Barbara County, Calif., to Robert Woods Bliss and Mildred B. Bliss; to the Committee on Naval Affairs.

S. J. Res. 78. Joint resolution to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as "Franklin Delano Roosevelt Hospital"; to the Committee on World War Veterans' Legislation.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government";

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 1007. An act for the relief of Mrs. Beatrice Brown Waggoner;

H. R. 1008. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.;

H. R. 1917. An act for the relief of John R. Jennings;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army;

H. R. 2515. An act for the relief of Harland Bartholomew and associates;

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944.

H. R. 2856. An act to provide for better enforcement of law within the District of Columbia, and for other purposes;

H. R. 2995. An act to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended;

H. R. 3024. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, and for other purposes;

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3201. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes;

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes;

H. R. 3269. An act further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945;

H. R. 3436. An act providing for a medal for service in the armed forces during the present war;

H. R. 3550. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3607. An act to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites;

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945; and

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 15 minutes p. m.), pursuant to special order heretofore agreed to, the House adjourned until Thursday, July 5, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Friday, July 6, 1945, for consideration of House Joint Resolution 31.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3649. A bill making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 851). Referred to the Committee of the Whole on the State of the Union.

Mr. COLMER: Special Committee on Postwar Economic Policy and Planning. Seventh report pursuant to House Resolution 60. Resolution continuing the Special Committee on Postwar Economic Policy and Planning (Rept. No. 852). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Naval Affairs. H. R. 1862. A bill relating to the rank of chiefs of bureaus in the Navy Department, and for other purposes; with amendment (Rept. No. 853). Referred to the Committee of the Whole House on the State of the Union.

Mr. MASON: Committee on Immigration and Naturalization. H. R. 3517. A bill to authorize the admission into the United States of persons of races indigenous to India, to make them racially eligible for naturalization, and for other purposes; without amendment (Rept. No. 854). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BOREN:

H. R. 3650. A bill to enlarge Arlington National Cemetery, and for other purposes; to the Committee on Military Affairs.

By Mr. CLASON:

H. R. 3651. A bill to authorize the naturalization of parents of veterans without regard to certain requirements of the naturalization laws; to the Committee on Immigration and Naturalization.

By Mr. FARRINGTON:

H. R. 3652. A bill to increase the compensation of certain officials in the Territory of Hawaii; to the Committee on the Territories.

H. R. 3653. A bill to increase the pay of post-office employees in the Territory of Hawaii; to the Committee on the Post Office and Post Roads.

H. R. 3654. A bill to amend section 73 of the Organic Act of Hawaii, relating to opening of agricultural lands for settlement; to the Committee on the Territories.

H. R. 3655. A bill to amend the National Defense Act of 1940, so as to include the Hawaii Territorial Guard as part of the armed forces of the United States; to the Committee on Military Affairs.

H. R. 3656. A bill to amend section 203 of Hawaiian Homes Commission Act, designating certain public lands as available home lands; to the Committee on the Territories.

H. R. 3657. A bill to ratify and confirm Act 32 of the Session Laws of Hawaii, 1945; to the Committee on the Territories.

By Mr. FELLOWS:

H. R. 3658. A bill to amend subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food; to the Committee on Banking and Currency.

By Mr. HALE:

H. R. 3659. A bill to enable the people of Hawaii to form a constitution and State government to be admitted into the Union on an equal footing with the original States; to the Committee on the Territories.

By Mr. WHITTINGTON:

H. R. 3660. A bill to provide for financial control of Government corporations; to the Committee on Expenditures in the Executive Departments.

By Mr. BARTLETT:

H. R. 3661. A bill making further provision for the protection of the fisheries of Alaska, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. FARRINGTON:

H. R. 3662. A bill to provide for the appointment of the adjutant general of the Territory of Hawaii; to the Committee on the Territories.

By Mr. GOSSETT:

H. R. 3663. A bill to amend the immigration and naturalization laws to deny admission to the United States of certain aliens who have served in the armed forces of countries at war with the United States, also members of certain parties and organizations, and to deny naturalization to such persons, and to reduce immigration quotas; to the Committee on Immigration and Naturalization.

By Mr. WICKERSHAM:

H. R. 3664. A bill to repeal the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended; to the Committee on the Judiciary.

By Mr. CURTIS:

H. J. Res. 226. Joint resolution authorizing a reduction in the rate of interest to be paid on certain loans made to States, municipalities, or other public bodies by the United States of America through the Federal Emergency Administration of Public Works and Public Works Administration, or their successors in liquidation, and the repayment of such loans prior to their due dates; to the Committee on Banking and Currency.

By Mr. COFFEE:

H. Res. 312. Resolution urging the President to sever diplomatic and commercial relations between the United States and Franco Fascist Spain; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of Louisiana:

H. R. 3665. A bill for the relief of Needom Rashal, father of William Needom Rashal, a minor; to the Committee on Claims.

H. R. 3666. A bill for the relief of Mrs. Margaret Guillory Gaspard, mother and natural tutrix of the minors, Curtis Joseph Gaspard, Jr., and Margaret Ann Gaspard, children of Curtis Joseph Gaspard, deceased; to the Committee on Claims.

H. R. 3667. A bill for the relief of Mrs. Ollie Gaspard, widow of Curtis Joseph Gaspard, deceased; to the Committee on Claims.

By Mr. BARTLETT:

H. R. 3668. A bill to confer jurisdiction upon the Court of Claims to hear, deter-

mine, and render judgment upon the claim or claims of the Aleutian Livestock Co., Inc.; to the Committee on Claims.

By Mr. BENNET of New York:

H. R. 3669. A bill for the relief of Maj. John B. Westcott, Jr.; to the Committee on Claims.

By Mr. FARRINGTON:

H. R. 3670. A bill for the relief of Venacio Cadiz Llacuna, In Sun Kwon, Sang Woon Kim, Matias Simon Miguel, Sabas Lagac Teanio, the legal guardian of Benjamin Ramelb, and the legal guardian of Santiago Sabado; to the Committee on Claims.

By Mr. FELLOWS:

H. R. 3671. A bill for the relief of Charles H. Hicks; to the Committee on Claims.

By Mr. JENNINGS:

H. R. 3672. A bill for the relief of Dimple Benoit; to the Committee on Claims.

By Mr. LEA:

H. R. 3673. A bill for the relief of Filiberto A. Bonaventura; to the Committee on Immigration and Naturalization.

By Mr. McCORMACK:

H. R. 3674. A bill for the relief of the Marden Construction Co., Inc.; to the Committee on Claims.

By Mr. PATRICK:

H. R. 3675. A bill for the relief of Johnnie Damico; to the Committee on Claims.

H. R. 3676. A bill for the relief of Pershing W. Ridgeway; to the Committee on Claims.

By Mr. SIKES:

H. R. 3677. A bill for the relief of J. Tom Stephenson; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1039. By Mr. COCHRAN: Petition of E. C. Elsey and 297 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1040. Also, petition of A. B. Thieman and 312 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1041. By Mr. CLASON: Resolutions by the General Court of Massachusetts, apprising the President of the United States that further decreases in existing tariff rates, if made by him under authority of the Tariff Act of 1930, as amended, may adversely affect the textile industry of Massachusetts; to the Committee on Ways and Means.

1042. By Mr. LARCADE: Petition of Richard Broussard and 363 other citizens of Iota, La., urging the passage of House bill 2229; to the Committee on Ways and Means.

1043. By Mr. BRYSON: Petition of Herman J. Gorman and 21 other citizens of Tunkhannock, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

1044. By Mr. SMITH of Wisconsin: Petition of the Navy Club, of Kenosha, Wis., protesting the granting of commissions as officers in the armed forces of the United States to those persons who are not in full accord and are not supporters of the democratic form of government; to the Committee on Naval Affairs.

1045. By Mr. LEWIS: Petition of Bellaire Aerie, No. 371, Fraternal Order of Eagles, Bellaire, Ohio, petitioning the Congress of the United States to designate January 31, the birth date of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

1046. Also, petition of Leetonia Aerie, No. 1496, Fraternal Order of Eagles, Leetonia, Ohio, petitioning the Congress of the United States to designate January 31, the birth date of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

1047. By the SPEAKER: Petition of Arthur J. Keefe and sundry others, petitioning consideration of their resolution with reference to their support of House bill 2346; to the Committee on the Merchant Marine and Fisheries.

1048. Also, petition of various members of Harmon Baptist Church, Red River Parish, La., petitioning consideration of their resolution with reference to their endorsement of House bill 2082; to the Committee on the Judiciary.

1049. Also, petition of various citizens of the parish of Caddo, State of Louisiana, petitioning consideration of their resolution with reference to their endorsement of House bill 2082; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 5, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou gracious benefactor, whose heart responds to every human need, we praise Thee for the beautiful and manifold testimonies of Thy love and care. Grant that we may receive them with due appreciation and devout thanksgiving.

Strengthen us by Thy grace during all the hours of this day. We know that Thou wilt never forsake us in our weakness and failures or abandon us in our waywardness and follies.

Encourage and inspire us with confidence when we are afraid and apprehensive. Refresh and cheer us when we are faint-hearted and tired. Rebuke and restrain us when we are unfaithful and recreant to any duty. May we lay hold on Thee more tenaciously when some insurgent impulse tempts us to be faithless and cynical. May the keynote of our life be that of trust in the Lord—that perfect trust which casts out fear and enables us to meet every experience and responsibility with courage and gladness.

Deepen within us a desire to seek Thy glory and to serve needy humanity. May we have the mind and mood of the Master. Fill our hearts with His spirit of good will and good cheer. Hear us for His sake. Amen.

The Journal of the proceedings of Tuesday, July 3, 1945, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On July 3, 1945:

H. R. 2875. An act to amend an act entitled "An act to fix the salaries of officers and members of the Metropolitan Police force and the Fire Department of the District of Columbia";

H. R. 3024. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1946, and for other purposes;

H. R 3278. An act to amend section 204 of the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, to increase the amount authorized to be appropriated therein, and for other purposes;

H. R. 3550. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes; and

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945.

On July 5, 1945:

H. R. 2995. An act to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended;

H. R. 3201. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R 3240. An act to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes;

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes;

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes; and

H R. 3607. An act to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites.

COMMITTEE ON THE JUDICIARY

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 305) to provide for further expenses of investigation authorized by H. R. 138, Seventy-ninth Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the further expenses of conducting the investigation authorized by House Resolution 406 of the Seventy-eighth Congress and continued by House Resolution 138 of the Seventy-ninth Congress, incurred by the Committee on the Judiciary to investigate the official conduct of Albert W. Johnson and Albert L. Watson, district judges of the United States District Court for the Middle District of Pennsylvania, not to exceed $7,500 in addition to the unexpended balance of the sum heretofore made available, including such printing and binding and the employment of such clerical, stenographic, and other assistance as the committee may deem necessary, shall be paid out of the contingent

fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I read in the newspapers that this judge had resigned. Would that have anything to do with the request for this additional money?

Mr. COCHRAN. None whatever. The House instructed the Committee on the Judiciary to investigate the conduct of two Federal judges in Pennsylvania. The committee received $2,500 for expenses, which was all they asked for.

They have a balance of $1,400. They have now found something which they feel is of great importance. They are continuing their investigation. They made one trip to Pennsylvania and they are going to make two more. Last week one of the judges resigned, but that will not prevent the House from impeaching that judge if they find justification for impeachment proceedings.

The chairman of the subcommittee asked for $10,000 additional. The chairman of the committee asked for $7,500. As they have $1,400 left, the committee gave them $7,500 additional.

Mr. MARTIN of Massachusetts. The committee is taking the resignation of the judge into consideration?

Mr. COCHRAN. No; the committee did not take the resignation of the judge into consideration at all. He draws full pay.

Mr. MARTIN of Massachusetts. I mean that in giving this amount of money they had that fact before them?

Mr. COCHRAN. No; we did not. We did not know at the time that the judge had resigned.

Mr. MARTIN of Massachusetts. Does the gentleman think they need as much money now as they did previously?

Mr. COCHRAN. Yes; because the judge is involved in the investigation. If they find in the end that they are justified in doing so, they can impeach the judge who resigned as well as the other judge.

The committee has a staff of counsel, two assistants and a stenographer, all of whom are busily engaged at Scranton. The expense of this staff is approximately $1,200 per month. It will be impossible for the committee to present its report to the whole committee until after the summer recess. During the summer the staff will be busily engaged in getting the record in shape, preparing the committee's report, making further inquiries, and getting ready for conducting the committee hearing, which is to be held immediately after the recess.

The fact that the judge resigned does not alter the situation in any way insofar as the investigation is concerned. It must be remembered that this judge still draws his full salary for the remainder of his life. As I said before, if the committee finds that his conduct warrants them in instituting impeachment proceedings, the committee can take such action and if the judge was impeached, then of course he would not draw any pay. If a judge would be immune from impeachment proceedings simply because he resigned, naturally judges under investigation might take that course.

The House, as I say, ordered this investigation and it must have expenses to carry out the provisions of the resolution. That is why this matter is before you today.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DISPOSITION OF NAVAL VESSELS AND FACILITIES

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3180) entitled "An act to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes," with Senate amendments thereto, disagree to the Senate amendments and ask for a conference.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. COCHRAN. Mr. Speaker, reserving the right to object, is this the bill that the House passed several weeks ago?

Mr. VINSON. The Senate has passed the bill also.

Mr. COCHRAN. This is the bill that amends the Surplus Property Act?

Mr. VINSON. No.

Mr. COCHRAN. In other words, the bill is so drawn that it does not amend the Surplus Property Act but it destroys a very important provision in the Surplus Property Act?

Mr. VINSON. Mr. Speaker, I disagree with the gentleman from Missouri entirely. This bill has no relation to the Surplus Property Act. I am asking that the Senate amendments be referred to a conference between the two Houses.

Mr. COCHRAN. May I say to the gentleman that I read the debate in the Senate. I was in the hospital when the bill was considered in the House. I read the argument of the gentleman from Mississippi [Mr. WHITTINGTON], and it does destroy a very important provision of the Surplus Property Act. If this bill passes and sets a precedent, you are going to have the Army and other Government agencies in here urging the passage of legislation which will, in effect, repeal the Surplus Property Act so far as their departments are concerned. You already have a bill reported by the Committee on Agriculture that would destroy a most important provision of the Surplus Property Act in that it would give the Secretary of Agriculture the power to secure without cost mechanical equipment that he would be permitted to donate to the various States. You also have a bill pending before the Committee on Military Affairs that would exempt the Army as it is proposed to exempt the Navy in the bill now before us.

Mr. VINSON. May I say to the gentleman from Missouri that I am asking that the bill be sent to conference. The fate of the bill was decided in the House and in the Senate. I am asking that it go to conference now for consideration of the Senate amendments.

Mr. COCHRAN. I am not going to object to sending the bill to conference, but I want to say that I read the RECORD of the proceedings in the Senate. I want to say the Senator from Maryland [Mr. TYDINGS] did not by any means inform the Senate of the contents of the bill. He indicated he was going to protect the vessels and going to keep the Navy from giving them away. The Surplus Property Act now protects them.

Despite the fact that there is a specific provision in the act which prevents not only giving away of any surplus property of the Navy or the Army but even transferring the surplus property to a Government agency unless it was paid for, the Senator from Maryland removed all objection to the bill in the Senate by using language which would lead someone to believe that there was a movement on foot to give away Navy property. I quote from the CONGRESSIONAL RECORD:

> Mr. TYDINGS. Mr. President, the chairman of the committee is not present, but I hope an objection will not be made to the bill, in view of the fact that it restricts the giving away or the use of naval vessels. I cannot conceive that it would be the desire of anyone to hold up a bill which restricts the giving away of our Navy vessels.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman from Missouri yield?

Mr. COCHRAN. I yield.

Mr. WHITTINGTON. May I say to the gentleman from Missouri that I have conferred with the gentleman from Georgia. When the conference report is submitted the gentleman from Georgia has agreed that I may have time, and I am sure the gentleman from Missouri may have time to speak on the conference report.

Mr. COCHRAN. As I said, I am not going to object to sending the bill to conference, but I do want to call to the attention of the House just what this bill is.

Mr. VINSON. Mr. Speaker, may I say that I think the House and Senate are well informed on the subject matter of the bill.

Mr. COCHRAN. The Director of the Office of War Mobilization and Reconversion, Hon. Fred M. Vinson, wrote a letter under date of June 8 to the chairman of the Senate Naval Affairs Committee. Under the permission granted me, I include that letter as part of my remarks.

> OFFICE OF WAR MOBILIZATION
> AND RECONVERSION,
> *Washington, D. C., June 8, 1945.*
>
> Hon. DAVID I. WALSH,
> *Chairman, Senate Naval Affairs Committee, Senate Office Building, Washington, D. C.*
>
> DEAR SENATOR WALSH: I note that yesterday the Senate Committee on Naval Affairs opened hearings on H. R. 3180, which was passed by the House on May 31, 1945. In my opinion, this bill is open to basic and fundamental objections and for that reason I am taking the liberty of submitting this statement of my views. I feel especially constrained to do so in view of the fact that it was reported out by the House committee

after the briefest of hearings, in which the comments of only the Navy Department were solicited. While it is true that the Secretary of the Navy did not object to the legislation, apparently no opportunity was afforded for ascertaining its relation to the legislative program of the President, a matter on which, of course, the Secretary of the Navy could not and did not comment. The bill passed the House without amendment after serious opposition led by Congressman WHITTINGTON.

If H. R. 3180 became law, it would be a serious blow to speedy and orderly reconversion and it would undermine the effort to set up an efficient and systematic scheme of surplus property disposal. After many months of serious study and prolonged deliberation, the Seventy-eighth Congress passed the Surplus Property Act. Although many have felt that the act was a far from perfect instrument, few would deny that it is a long step in the right direction. H. R. 3180 is just as definitely a move backward.

Under the bill substantially no vessels of over 1,000 tons, no real estate, and no plants owned or controlled by the Navy Department could be disposed of as now provided in the Surplus Property Act. The bill provides that before any such property can be sold or leased, 60 days shall elapse after the Secretary of the Navy shall make a report to Congress while both Houses are in session stating why the property is no longer needed. In addition to making Congress itself in effect a disposal agency, the bill may well grant new disposal powers to the Navy Department in derogation of the centralized disposal system contemplated in the Surplus Property Act of 1944. Amendments proposed in the House to meet this latter objection were voted down.

The Surplus Property Act provides that no property of any kind under the control and supervision of the Navy Department can be disposed of until it is declared surplus by the Navy. When so declared, any such property is sold under the centralized disposal system set up in accordance with the policies laid down by Congress itself. Under those policies certain priorities to Government agencies, State and local governments, veterans, small business, and farmers are to be provided; tendencies toward creation of monopolies are to be avoided; postwar employment opportunities are to be encouraged; wide and equitable distribution is to be fostered; and the transition to peacetime production and employment is to be facilitated.

Under the bill now being considered, these and additional policies prescribed by Congress might in large measure be made inapplicable in the case of plants and real estate costing well over $2,000,000,000. In addition, a considerable volume of noncombat vessels of all sorts will be affected. This will also mean that identical types of surplus property may be disposed of through wholly unconnected disposal channels and under entirely different standards. For example, the Navy owns or controls many types of vessels identical in kind with shipping held by the Maritime Commission. This bill can result in the Navy and the Maritime Commission taking separate and possibly conflicting paths for disposal. More significant, the same diverse results may be possible in the case of identical kinds of industrial plants.

It is said that the legislation would restore to Congress the constitutional responsibility of maintaining a Navy. This argument has no more force with respect to the Navy than it has with respect to the Army and with respect to other Government property. Carried to its logical conclusion, it would reduce the Government's disposal program to chaos. Already a bill has been introduced in the House which could have effects in the case of the War Department similar to the present bill in the case of the Navy. The drastic effect of the policy being proposed in this Congress on the machinery so laboriously fashioned by the last Congress cannot be exaggerated.

The Surplus Property Act became effective October 3, 1944. In the intervening months no claim has been made so far as I am aware that it has been administered in a manner to hamper the Navy Department. You will recall that combat vessels are not included within the scope of that law. As experience is gained under the act, it is quite possible that amendatory legislation will be necessary. In the absence of persuasive present evidence, however, there appears no occasion for anticipating that need. And, in any case, I am strongly of the view that legislative action in the field of property disposal should be by amendment to the Surplus Property Act rather than by piecemeal legislation.

Sincerely,

FRED M. VINSON,
Director.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, DREWRY, and MOTT.

AUTO-USE TAX

Mr. BROWN of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Mr. Speaker, I have today introduced a bill to abolish the $5 auto-use tax. The bill is not retroactive. It merely repeals the tax at the end of the present fiscal year. It does not interfere with the tax structure this year. I believe the cost of collecting this tax will almost equal the amount of revenue. Besides, it is such a nuisance and irritates everyone. So many fail to buy the stamps and this is certainly unjust and unfair to those who comply with the law.

I received a letter a day or two ago from one of the most outstanding Baptist ministers in my State and in the South, Rev. W. H. Faust. He said, in effect, the idea of paying $5 for a slip of paper to put on the windshield of your car when nobody knows whether it is on or off is ridiculous. No one is responsible for collecting the $5 from anyone else. Surely the masses of people are not buying them at all. There seems to be no satisfactory way on the part of the Government of finding out who carries them and who does not. I certainly wish you, Mr. Congressman, would use your influence to have this worthless, senseless, useless, and unobserved law repealed.

I think it is foolish to pass any law that is not and cannot be enforced. As I have heretofore stated, I doubt seriously that the revenue will amount to any more than the expense of collecting the tax, and besides it irritates everyone who complies with the law to know that nearly half the people buy no stamp at all.

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include a portion from a broadcast by the Analyzer.

Mr. SPENCE asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from Daniel W. Bell, Under Secretary of the Treasury, to John W. Snyder, Chairman of the Board of Directors of the Reconstruction Finance Corporation, and his reply thereto.

TRANSPORTATION OF COMBAT TROOPS IN DAY COACHES

Mr. MAY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, in the Washington Post today there is an article on the subject of supposed ill-treatment of 500 combat veterans who traveled across the country and who were recently from the European theater on their way to Camp Beale, Calif. I do not know the facts at this time with respect to the matter, but the War Department is making a complete investigation of the charges that veterans were required to ride in uncomfortable coaches while German prisoners of war were permitted to ride in Pullmans.

The War Department informs me that the Secretary of War has just made a statement of the facts relating to that subject.

I ask unanimous consent, Mr. Speaker, to extend my remarks in the RECORD to include the Secretary's statement.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

LEAVE OF ABSENCE

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Wisconsin, Mr. HENRY, may be granted an indefinite leave of absence, due to a death in his family.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD to include an article edited by Jim Brady entitled "Inside Washington"; secondly, to include a radio address which he delivered over Station WLAW; third, to include three newspaper editorials on the remarks of James A. Farley.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include an editorial from the Eastern Star Democrat in opposition to the FEPC.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD in four separate instances, in the first to include a petition by the Massachusetts Congregational Conference and Missionary Society; second, to include a speech which he recently delivered at Winchendon, Mass.; third, to

include a certain letter from a veteran; and, fourth, to include some articles from Mr. Hurd, correspondent of the New York Times.

Mr. LARCADE asked and was given permission to extend his own remarks in the RECORD.

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD and include therein a short newspaper article.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD and include therein a political message which first appeared in the New York Post of June 7, 1945.

Mr. H. CARL ANDERSEN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. STEVENSON asked and was given permission to extend his remarks in the RECORD and to include therein a letter from a constituent.

Mr. MASON asked and was given permission to extend his remarks in the RECORD on the recent action of Congress on the OPA and to include therein a short editorial on the same subject.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that after the legislative program of the day has been completed and any other special orders heretofore granted, I may address the House today for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that on tomorrow, following the regular business of the day and any special orders heretofore agreed to, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

BRETTON WOODS ACT OF ACCEPTANCE

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KUNKEL. Mr. Speaker, recently attention has been focused closely on the necessity of passing the war agencies appropriation bill as quickly as possible. The somewhat critical and dangerous predicament which has arisen in connection with the bill accepting the articles of agreement signed by 44 nations at Bretton Woods has been overlooked.

The Senate Banking and Currency Committee has added three amendments and has ordered it reported to the other body. It will not be debated in the other body until July 16 and will probably not pass until 4 or 5 days later.

According to statements of the House leadership and general understanding, the House will recess shortly, as soon as the war agencies bill is sent to the White House. If this happens prior to passage of Bretton Woods with amendments by the other body, then conferees cannot be appointed. Then the bill will necessarily go over until over the recess, a delay of at least 2 months.

This would be most unfortunate. The House has shown its overwhelming approval by its vote of 345 to 18. Sentiment in the other body is said to be strongly for it. I feel strongly that the United States should act first, particularly in view of the statements of our interpretations contained in our bill of acceptance, through which we state our views to other nations. Also, my discussion in England led me to believe that the United Kingdom will defer consideration until we in America have acted. Probably other nations will do the same. Hence, our failure to act will force a postponement all along the line.

This should be kept in mind. This bill should be made final law prior to any recess. The President has frequently indicated his approval. Let us make sure this is sent to the President quickly.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

AUTO-USE TAX

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, I want to concur in the statement made by the gentleman from Georgia relative to the repeal of the auto-use tax. I respectfully call attention to the fact that on March 21, 1945, I introduced in this House H. R. 2707, to repeal the auto-use tax. Up to this date I have never been able to get a hearing. The bill was referred to the Ways and Means Committee, and I have contacted that committee a number of times, by letter and personally, but get the same answer—no hearings are scheduled.

Late this afternoon or tomorrow we are expected to have before us a tax bill. I hope that bill will come in under an open rule and give us a chance to offer amendments. Let this Congress, and not one committee, decide what bills shall be passed in this House. I hope the membership will be present so that we can defeat the closed or "gag" rule and allow this bill to be amended.

The SPEAKER. The time of the gentleman from Ohio has expired.

WARTIME STRIKES

Mr. HOPE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. HOPE. Mr. Speaker, the disgraceful strike in the rubber industry is a direct blow to our war effort. Every day of its continuance holds up the prosecution of the war and results in the loss of lives among America's fighting men. It is sabotage of the worst sort and those engaged in it are morally lower than enemy saboteurs whom we have executed and imprisoned.

But it does no good to simply condemn this particular group of strikers. Their action is the logical result of the labor policies which this country has followed during the past few years. If these policies are continued, this country will within the next few months find itself in the most severe labor crisis in its history. The present strike is but a sample of what we may expect and there is in existence no policy and no machinery adequate to cope with the situation. What this country needs more than anything else is labor statesmanship and labor policies which will be fair not only to the laboring man and the employer but to the great percentage of our people who are neither organized workers nor employers of the same. If legislation is necessary to meet this situation, and it probably is, then the President should so advise Congress. Congress in turn should be willing to stay in Washington until such legislation can be enacted.

EXTENSION OF REMARKS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on three subjects and in each to include newspaper items.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include some articles by Mr. J. L. Welch, of Omaha, in Minneapolis on the subject of the manufacture of alcohol from corn and wheat.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include therein extraneous matter.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. HILL (at the request of Mr. CHENOWETH) was given permission to extend his remarks in the RECORD on the sugar situation.

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BONNER asked and was given permission to extend his remarks in the RECORD and include an article written by Lt. Charles H. Wheatley, United States Naval Reserve, from my home town of Washington, N. C., now overseas, on the subject Let's Have Universal Military Training in Our Schools.

Mr. COCHRAN asked and was given permission to revise and extend the remarks he made this morning and include therein a letter from Fred Vinson.

Mr. LYLE asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein order No. 1 issued by the new Secretary of Agriculture.

Mr. WICKERSHAM asked and was given permission to extend his remarks in the RECORD and include a letter from the Under Secretary of War.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENNET of New York. Mr. Speaker, I ask unanimous consent to ad-

dress the House for 15 minutes tomorrow, July 6, after the legislative business of the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from New York.

There was no objection.

HON. KARL STEFAN

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks in the Appendix of the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, a well-deserved honor was bestowed upon our colleague the gentleman from Nebraska, the Honorable KARL STEFAN, when he recently received the honorary degree of doctor of laws from the National University of Washington, D. C.

The gentleman from Nebraska, Representative STEFAN, is the dean of the Nebraska delegation in Congress. He was born on a farm near Zebravkov, Bohemia, March 1, 1884. He came to the United States in 1885 and received his education in the public schools at Omaha, Nebr. The gentleman from Nebraska, KARL STEFAN, began at the bottom of the ladder of life. He started as a messenger and check boy for the Western Union Telegraph Co., of Omaha, Nebr. He worked nights in order to complete his education.

The gentleman from Nebraska, KARL STEFAN, is an accomplished telegraph operator, a newswriter, a reporter, and a radio commentator. He served in the Telegraph Division of the Philippine Army in 1904–06. He is an honorary colonel in the National Volunteers of the Philippines. He is an honorary member of the Spanish War Veterans and a member of the Military Order of the Carabao.

Our colleague from Nebraska is a world traveler and speaks several foreign languages. He has just recently returned from the San Francisco Conference where he gave valuable advice on the necessary appropriations for this Conference. He is serving his sixth term in Congress. The gentleman from Nebraska [Mr. STEFAN] has served on many important committees, including Education, Patents, Insular Affairs, Roads, Public Buildings and Grounds, and Appropriations. He was a member of the Committee Inaugurating the Philippine Commonwealth Government in 1935. He was a member of the American group, Interparliamentary Union of 1939, and a member of the committee for the Department of State who inspected foreign services in Norway, France, Germany, Czechoslovakia, Austria, Hungary, and Yugoslavia. Our colleague the gentleman from Nebraska, KARL STEFAN, has rendered distinguished and eminent service as a statesman with a wide knowledge of world affairs. His generous contributions to the cause of good government qualify him for the well deserved honorary degree of doctor of laws.

AUTO-USE STAMP SHOULD BE REPEALED

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Last Friday I called attention to the need for the repeal of the automobile-use stamp. I want to emphasize today what I said then. Last year only 63 percent of the autoists of the country purchased these stamps, and as of today, fewer than 25 percent of the automobile owners of the country have purchased them. The Treasury Department has extended the time for 30 days, for the purchase of these nuisance stamps. This nuisance tax is utterly useless, and a burden on the automobile driver, which is wholly unjustifiable. With hundreds of thousands of automobile drivers strictly limited to A-card driving, this tax adds insult to injury. There is neither revenue nor a supervisory purpose behind this tax, and since Federal officials openly admit that they lack the means of enforcing it, there is only one place for it, and that is out the window.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield.

Mr. BROWN of Georgia. I have just introduced a bill repealing this tax, to take effect from the 30th of June next year. The 1st of July is now past and many people have already purchased the stamps and paid the tax. I have talked to the chairman of the Ways and Means Committee, the gentleman from North Carolina [Mr. DOUGHTON] and he will support my bill wholeheartedly. That is to do away with the stamp tax on the 30th of June next year.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, I wish to join our colleagues from Ohio and Georgia in asking for the repeal of the automobile-use stamp. I think it is one of the meanest little things ever imposed upon the people of this country, because it cannot be and is not being enforced. Why do we keep such a thing on the books when only 15 or 25, or 40 percent of the people obey and the others absolutely ignore it? There is no way to equitably administer the proposition. If you propose to pay someone to get out and do the policing it eats up the value of the revenue. So let us get rid of the thing just as quickly as possible and redeem ourselves with the people of the United States.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. CRAWFORD. I yield.

Mr. PITTENGER. Does not the gentleman believe that the Ways and Means Committee ought to take it up right away.

Mr. CRAWFORD. I certainly do. Such revenue as may be involved, can be raised in a more equitable manner and in a more acceptable way to our people.

TRANSPORTATION OF TROOPS AND PRISONERS OF WAR

Mr. HARLESS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. HARLESS of Arizona. Mr. Speaker, I wish to call the attention of the House to the matter which the distinguished gentleman from Kentucky [Mr. MAY], chairman of the Military Affairs Committee, just spoke about. As a Member of this Congress, I protest against the War Department permitting prisoners of war to have sleeping accommodations on trains while the American service men and women are forced to ride in day coaches. Such an incident was reported in this morning's Washington Post. For several months I have had in my possession letters from individuals who have been removed from compartments and other accommodations in trains to make room for prisoners of war. I have offered to appear before the Military Affairs Committee to present this evidence, but have not had that opportunity thus far.

Mr. Speaker, the time has come when this Congress should be informed who is responsible for the bungling that is going on in the War Department which permits the pampering of prisoners of war. It is time we stopped the demoralizing effect that such incidents have on the American people and on the American soldiers.

The SPEAKER. The time of the gentleman from Arizona has expired.

EXTENSION OF REMARKS

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a statement and several editorials.

Mr. LUDLOW, Mr. THOM and Mr. BOYKIN asked and were given permission to extend their own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent that on Saturday next, after disposition of the legislative business and other special orders, I may be permitted to address the House for 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

POSTAGE RATES ON BOOKS

Mr. BURCH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

[Mr. BURCH addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein a statement recently made by Secretary of State James F. Byrnes.

RAIL TRANSPORTATION OF TROOPS AND PRISONERS OF WAR

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

[Mr. BROOKS addressed the House. His remarks appear in the Appendix.

EXTENSION OF REMARKS

Mr. CHURCH asked and was given permission to revise and extend the remarks he expects to make today and include four or five letters.

Mr. TARVER. Mr. Speaker, I ask unanimous consent that in connection with the remarks I hope to make later in the day, perhaps in the Committee of the Whole, on the pending war agencies bill, I may be permitted to include brief excerpts from portions of the CONGRESSIONAL RECORD and from hearings on the agricultural appropriation bill for 1946.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CORRECTION OF THE RECORD

Mr. TARVER. Mr. Speaker, I arise to correct the RECORD. The Appendix of the daily RECORD of July 2, 1945, pages A3448 and A3449, contains what purports to be a record of remarks delivered by the Honorable JOHN E. RANKIN, of Mississippi, in the House of Representatives on June 27, 1945.

The daily RECORD of June 27, 1945, page 6964, contains this statement:

Mr. RANKIN addressed the Committee. His remarks will appear hereafter in the Appendix.

The remarks in question consisted almost entirely of a colloquy between the gentleman from Mississippi [Mr. RANKIN] and myself. When they were brought to me by the House messenger, I redelivered them to him with the request that I might have the opportunity to review them after they had been submitted to Mr. RANKIN. This was not accorded me; probably through no fault of the messenger.

Upon reading the remarks in the Appendix of the daily RECORD of July 2, I found they had been materially changed and enlarged insofar as the statements therein reported to have been made by the gentleman from Mississippi are concerned. While no changes were made in my statements by him yet the changes in statements reported to have been made by him to which my statements were made in reply are of such character as to misrepresent materially the position assumed by me in the colloquy.

I had the Government Printing Office return for examination the transcript which had been sent to that Office by the gentleman from Mississippi [Mr. RANKIN]. Upon receiving it I was surprised to find that it consisted of eight pages instead of four pages, as it did when the original transcript was brought to me by the House messenger. While, of course, I had no objection to the correction of any mere clerical errors by the gentleman from Mississippi, I found that in making the changes which he did make, he did not send down to the Government Printing Office all of the original transcript as is customary, so that the original version and the changed version might be apparent at a glance, but that he had deleted therefrom, apparently with scissors, portions of pages and had rewritten other pages in their entirety. Since the original was not available in the Government Printing Office, I requested the official stenographer who had reported the colloquy to retranscribe the official version. This he has done, and I have here, for inspection by anyone who may be interested, the official version as thus reported, consisting of four pages, and the revised version sent by the gentleman from Mississippi [Mr. RANKIN] to the Government Printing Office, consisting of eight pages.

There are many changes which have been made by the gentleman from Mississippi [Mr. RANKIN]. I shall not refer to all of them, although I have them marked here in the daily RECORD of July 2, 1945, for examination by anyone who may be concerned. Some of the small changes are the most material.

I exhibit to you here the published RECORD in question with the portions that have been added or changed indicated in ink.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. The gentleman from Georgia is speaking out of order. He rose and said he wanted to correct the RECORD. He has not pointed out a single instance in which he proposes to correct it. If he wants to correct the RECORD, let him point out where there is any misstatement in it, and I will show to the House that the RECORD is correct.

I make the point of order that he is speaking out of order and has no right to get up and make these charges without pointing out exactly what changes have been made and asking permission to correct the RECORD.

Mr. TARVER. I shall be glad to satisfy the gentleman on that point.

The SPEAKER. The gentleman from Georgia will proceed in order.

Mr. RANKIN. Mr. Speaker, I ask for a ruling on my point of order.

The SPEAKER. The Chair has asked the gentleman to proceed in order. He made a request that the RECORD be corrected.

Mr. RANKIN. I make the point of order that he is not proceeding in order. He has not pointed out a single change that has been made in the RECORD that was illegal or inequitable.

Mr. TARVER. I am just about to do it if the gentleman will be patient with me.

Mr. RANKIN. The gentleman is undertaking to make a speech.

Mr. TARVER. For example, on page A3449 of the Appendix of the daily RECORD, the gentleman from Mississippi [Mr. RANKIN] is quoted as having said:

What we are trying to do is to offset the opposition of the gentleman from Georgia, who seems to be trying to kill the appropriation for rural electrification in this bill.

What the gentleman from Mississippi [Mr. RANKIN] really said, as shown by the official transcript, was, "What we are trying to do is to offset the attitude of the gentleman from Georgia, who is trying to kill any appropriation."

The materiality of this change is apparent when it is realized that immediately preceding this colloquy, and as shown in the daily RECORD of June 27, 1945, page 6963, I had made a speech in opposition to the amendment proposing to add $120,000,000 additional funds for rural electrification for the 1946 fiscal year, and in my remarks I had stated that in the agricultural appropriation act for 1946 provision had been made for $80,000,000 for rural electrification, as against $26,000,000, approximately, available for the present fiscal year. I had pointed out that I served as chairman of the subcommittee writing the Agricultural Appropriation bill and that we had made what we conceived to be adequate appropriation for REA. When the gentleman from Mississippi said that I was trying to kill any appropriation, I stated to him, as shown by the transcript, "That is another falsehood." The official transcript shows that he continued to so insist. He has now changed the transcript so as to substitute for the words "any appropriation" the words "the appropriation for rural electrification in this bill," which changes the entire sense of what he said and of what I denied.

The gentleman from Mississippi has also inserted in his colloquy the following language:

I am afraid that if we waited until the gentleman from Georgia thought funds were "needed" for rural electrification before we provided them, our rural-electrification program would be at an end. He does not think we need even $50,000,000 now while the Administration thinks we need $160,000,000. The subcommittee thinks we need $120,000,000, and that is what we are asking for in this amendment.

I have neither the time nor the desire to quarrel with the gentleman from Georgia; but I am not going to let him kill this amendment if I can help it.

These words were not spoken by the gentleman from Mississippi, and the official transcript so shows. I have no objection whatever to his stating them at any time or place other than as a reply to a statement made by me in this colloquy which he did not make and which he inserted in the RECORD as if he did make it, and as if I had allowed it to go unchallenged.

After the conclusion of the colloquy the gentleman from Mississippi [Mr. RANKIN] has rewritten the last statement made by him which consisted of three lines so that it now consists of almost a column in the Appendix of the RECORD, beginning about the middle of the second column on page A3449 of the Appendix of the daily RECORD.

I have no objection to the insertion by the gentleman of any remarks that

he may feel are justified in laudation of his services to REA and his alleged leadership in the REA program, but when the gentleman, in his laudation of himself, inserts language referring to me and to a statement I had made, as if he had replied to me on the floor with this language, when as a matter of fact, the language was not spoken at all by him, I have the right to have it eliminated from the permanent, or bound, copies of the CONGRESSIONAL RECORD, as a part of this colloquy.

After the conclusion of his remarks, as he has reported them to the Government Printing Office, the gentleman from Mississippi has inserted what he states is an extension of those remarks under permission granted for that purpose. I have no objection whatever to that portion of the RECORD, but I insist that that portion of the RECORD which purports to report the colloquy between the gentleman from Mississippi and myself should be corrected to show exactly what transpired and what was said. I understand I am entitled to that consideration under the rules of the House which have been violated by the gentleman from Mississippi in the manner which I have indicated.

I shall at a later time, however, give to the House the exact facts upon the basis of which I charged the gentleman from Mississippi with falsifying my position, and those facts will sustain in detail every statement I made.

Mr. Speaker, I point out from the Appendix of the daily RECORD of July 2, on page A3449, the language in the first column, line 22 to line 43. That language was not spoken by the gentleman from Mississippi on the floor of the House and yet it appears in the official transcript which he sent to the Government Printing Office as having been spoken by him in the course of a colloquy which occurred with me.

I point out in line 46 of the same column he has changed the figure "$25,000,000" which appeared in the original colloquy, as shown by the official reporter's report, to "$20,000,000."

I point out that in the same column, lines 54 and 63, he has inserted language which he did not utter in the course of the colloquy on the floor of the House. I wish to point out also—and this is a very material change—that in lines 67 and 68 in column 1 on the page mentioned, he has inserted in lieu of the language "the gentleman from Georgia seems to be trying to kill any appropriation," the language "the gentleman from Georgia seems to be trying to kill the appropriation for rural electrification in this bill."

Of course, I was trying to kill the appropriation for rural electrification in the second deficiency bill, but that is a very different matter from stating that I was trying to kill any appropriation. Yet, the gentleman has changed the official transcript so as to show an entirely different statement which appears in the CONGRESSIONAL RECORD, and therefore puts me in the light of having charged something as a falsehood which, as he stated in the transcript sent to the Government Printing Office was patently correct. I was trying to kill the appropriation in that bill, but when he said I was trying to kill any appropriation for rural electrification, I denied that, because I had brought in myself, as chairman of the subcommittee on appropriations for the Department of Agriculture an appropriation for $80,000,000 for the next fiscal year, as against $26,000,000 available for the present fiscal year.

The language on that page from line 81 down through line 12 in the second column is language which was not uttered by the gentleman in the course of this colloquy. The language in the second column and in the third column beginning in line 38 in the second column and ending with the gentleman's alleged extension of remarks at the top of the third column, was not uttered by the gentleman in the course of that colloquy.

I can point out a dozen or more changes made. Some of them are important.

Here is one that I wish to direct particular attention to. At the bottom of the third column, on page A3448 of the Appendix of the daily RECORD, he has so changed the RECORD as to have himself saying:

> The gentleman from Georgia has opposed our rural electrification program for years.

What he really said, and what I denied, as shown by the official transcript, was: "The gentleman from Georgia has talked against rural electrification for 10 years."

Talking against rural electrification and opposing the program advocated by the gentleman from Mississippi in connection with rural electrification are two entirely different things.

All I want is that the RECORD be corrected in accordance with the official transcript, to place in there exactly what was said by the gentleman from Mississippi and what was said by me. Anything more than that would be unfair. Anything less than that would not be in accordance with the rules of the House.

Mr. Speaker, I wish to submit a parliamentary inquiry.

Am I or not entitled to have the record of the colloquy between the gentleman from Mississippi [Mr. RANKIN] and myself corrected so as to conform to the official stenographic transcript of that colloquy?

The SPEAKER. The gentleman can do it in one of two ways—by unanimous consent or by a motion. Does the gentleman desire to submit a unanimous-consent request?

Mr. TARVER. May I ask whether any Member, under permission to revise and extend his remarks, has the right to change the language of the colloquy occurring between himself and another member?

The SPEAKER. That would be a matter of conscience, the Chair would think. Extending remarks means one thing, and changing remarks means another.

Mr. TARVER. Mr. Speaker, I ask unanimous consent that the record of the colloquy between myself and the gentleman from Mississippi [Mr. RANKIN], on June 27, 1945, appearing on pages A3448 and A3449 of the Appendix of the daily RECORD of July 2, 1945, may be corrected so as to conform exactly to the official stenographer's transcript of that colloquy.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. RANKIN. Mr. Speaker, I reserve the right to object. I am going to rise to a question of personal privilege when this fiasco is over and answer him. I am going to object, of course, for the time being. I am going to answer all this under a question of privilege.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. RANKIN. Yes, Mr. Speaker; I object.

Mr. TARVER. Mr. Speaker, I move that the daily RECORD of July 2, 1945, which contains in the Appendix on pages A3448 and A3449 a speech entitled "$120,000,000 for Rural Electrification," purporting to have been delivered by the gentleman from Mississippi, Hon. JOHN E. RANKIN, be corrected for the permanent or bound copy of the RECORD, so as to show the exact stenographic report of the colloquy which occurred between myself and the gentleman from Mississippi on that date and as a part of that speech.

Mr. RANKIN. Mr. Speaker——

The SPEAKER. The gentleman from Georgia is making a motion.

Mr. TARVER. I make that as a motion.

Mr. RANKIN. Mr. Speaker——

The SPEAKER. The gentleman from Georgia makes the motion as stated by him.

Mr. TARVER. Shall I repeat it?

Mr. RANKIN. Mr. Speaker, I rise in opposition to the motion.

The SPEAKER. The gentleman from Georgia has the floor on the motion.

Mr. RANKIN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman cannot take the gentleman from Georgia off the floor by a question of personal privilege. The only way he could do it would be by a point of order that a quorum is not present.

Mr. TARVER. Mr. Speaker, I have made the motion which the membership of the House has heard stated. It is not a question with me as to whether or not the gentleman from Mississippi in his position on rural electrification is right or wrong, nor as to whether I in my position in regard to rural electrification and the provision of funds therefor may be right or wrong. It is my belief——

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TARVER. That the true and official transcript of the colloquy which occurred between the gentleman from Mississippi and myself should appear in the CONGRESSIONAL RECORD in view of the mutilated, enlarged, and changed transcript which was submitted to the Government Printing Office; and I am appealing to you in the name of fairness merely to have that done so that the true facts may appear in the RECORD.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Pennsylvania.

Mr. RICH. With your request to have this voted upon now do you not believe that we should hear from the gentleman from Mississippi?

Mr. TARVER. I certainly do; yes. I will be through presently and I expect us to hear from the gentleman from Mississippi.

Mr. WOODRUM of Virginia. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. The gentleman from Georgia puts, unconsciously I am sure, many Members of the House in a most embarrasing and unfortunate situation. The gentleman himself, a distinguished and useful Member of the House, and the gentleman from Mississippi, an active, distinguished, and useful Member of the House——

Mr. RANKIN. Mr. Speaker, I object to all this colloquy until I have an opportunity to be heard.

The SPEAKER. The gentleman from Georgia has the floor and has the right to yield.

Mr. WOODRUM of Virginia. I may say to the gentleman from Mississippi I was going to suggest this, Mr. Speaker, that it seems to me that this matter could be adjusted without causing the membership of the House to vote on a matter that personally I would not know how to vote on because I do not know what is in the RECORD. I have listened to the gentleman carefully. Here is the suggestion I was going to make: The gentleman has made a full statement now of his position on this. Would not the gentleman be willing to withdraw his motion now until the Members of the House could take a look at it and the gentleman from Mississippi should have a chance to make a statement and we try to settle the matter without causing the House to vote on a matter that many of us would not know how to vote on?

Mr. TARVER. May I point out this to my friend: I would, of course, be very glad indeed if there could be an amicable adjustment of the matter, but the gentleman knows that is not possible. What I have asked is that the official transcript of that colloquy be inserted in the RECORD.

May I ask why the gentleman would not know how to vote on whether or not the RECORD should speak the truth?

Mr. MAY. Mr. Speaker, will the gentleman yield?

The SPEAKER. Just a moment. The gentleman from Georgia has yielded to the gentleman from Virginia.

Mr. WOODRUM of Virginia. He has just yielded to me.

The SPEAKER. The gentleman from Virginia was interrogating the gentleman from Georgia.

Mr. TARVER. Mr. Speaker, I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. I may say to my friend from Georgia that my whole interest in it was one of trying to preserve the integrity of the RECORD as well as to deal fairly between these two gentlemen; and it seems to me that the RECORD having been made if the matter could be held in abeyance for just a little while perhaps the gentleman from Georgia and the gentleman from Mississippi, or their friends, could adjust this matter without the House being called upon to vote on a matter of this kind.

Mr. TARVER. I may say to the gentleman that I hold here the official transcript of the RECORD. I am simply asking to put this in the RECORD. This is what the official stenographer of this House says occurred and what was said. What objection could the gentleman have to putting in the official transcript of the colloquy between the gentleman from Mississippi and myself?

Mr. WOODRUM of Virginia. There is a controversy that will develop as soon as the gentleman from Mississippi takes the floor as to what is a transcript of the RECORD.

Mr. TARVER. Would you care to deny this?

Mr. WOODRUM of Virginia. Well, there are——

Mr. SABATH rose.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I do not know——

The SPEAKER. The gentleman from Georgia has the floor and nobody else is going to be recognized without they are recognized in order. Does the gentleman from Georgia yield to his colleague from Georgia?

Mr. SABATH. He yielded to me, Mr. Speaker.

Mr. TARVER. I yield to the gentleman from Illinois.

Mr. SABATH. Mr. Speaker, I am of the opinion that the gentleman who has the floor has followed the usual request whenever there is any correction to be made in the CONGRESSIONAL RECORD. A motion is made or request is made by unanimous consent that the RECORD might be corrected.

Mr. TARVER. And that consent is usually granted.

Mr. SABATH. That the gentleman has done, but unfortunately someone has objected to the unanimous-consent request, something unusual when a Member asks that the CONGRESSIONAL RECORD be corrected so that the real facts and truth be had; and that is proper.

Mr. TARVER. Mr. Speaker, I now yield to the gentleman from Kentucky.

Mr. MAY. Mr. Speaker, I only raise this question with my colleague, and it is a very simple matter. I am afraid that the request of the gentleman sets a precedent that will make it impossible for a Member who addresses the House to even correct an error in the official reporter's report of the thing, if he makes an error.

Mr. TARVER. No. Nobody would object or ever has objected to the changing of clerical errors. It is these changes which alter the sense of what has been said. The gentleman from Mississippi did not change what I said. He changed what he said so as to make my response to what he said appear utterly ridiculous. I am merely insisting that there be inserted in the RECORD the true and official transcript of what he said. If anybody objects to the truth appearing in the CONGRESSIONAL RECORD he ought to object to this. If he does not object to it, then he ought to agree with my motion.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. TARVER. I yield to the gentleman from Georgia.

Mr. COX. The gentleman has not proposed an unreasonable request, still an unfortunate controversy has arisen and I wish the gentleman might find it pleasing to himself to adopt the suggestion made by the gentleman from Virginia.

Mr. TARVER. I appreciate the disposition of my colleague from Georgia [Mr. COX], but I think the gentleman knows that the gentleman from Mississippi and myself will not be able to compose our differences and that there is nothing to be accomplished by any postponement of this matter. I have served with my colleagues here for 18 years, during which time I have never made an attack upon any colleague, nor heretofore has a colleague ever made an attack on me, and I am merely seeking now to have the RECORD corrected so that it will speak the truth. If you believe that ought to be done, support my motion. If you think it should not be done, vote against it.

Mr. Speaker, I yield the floor.

Mr. RANKIN. Mr. Speaker, I ask for recognition.

The SPEAKER. The gentleman is recognized.

Mr. RANKIN. For how long?

The SPEAKER. The gentleman may speak for an hour if he wishes.

Mr. RANKIN. Mr. Speaker, we have just witnessed what appears to me to be a most ridiculous performance, as I will show before I close these remarks.

On last Wednesday, June 27, we had a deficiency appropriation bill before the House. The Rural Electrification Administration had asked for $230,000,000 to be appropriated for rural electrification for the coming year, in addition to $80,000,000 they already have, in order that they might have it all for allocation among various cooperative power associations, so that they might move forward with their program.

As I stated on the floor at that time, I went to the White House and discussed this program with President Truman, and he asked me to wait until the Bureau of the Budget passed upon it. The Bureau of the Budget recommended $160,000,000. I went before the Deficiency Subcommittee on Appropriations and supported the Budget's request, but the subcommittee reduced that amount to $120,000,000. When the bill came out, however, the amount had been cut down to $50,000,000. We went to the gentleman from Oklahoma [Mr. JOHNSON], the distinguished gentleman who is about to leave this House, and whose leaving we all regret, and asked him to offer an amendment to raise it back to $120,000,000.

The gentleman from Georgia [Mr. TARVER] took the floor and opposed that amendment and after he got through I was yielded 3 minutes. Here is what the RECORD shows:

The CHAIRMAN. The gentleman from Mississippi [Mr. RANKIN] is recognized.

Mr. RANKIN. Mr. Chairman, I agree with what the distinguished gentleman from Kansas [Mr. HOPE] has said.

In the correction of my remarks I struck out the expression "every word," and inserted the word "what," because I could not remember every word my distinguished colleague from Kansas said. But I certainly agreed with him in appealing to the House to adopt this amendment. I had obtained unanimous consent to revise and extend my remarks, as you will see from page 7000 of the daily RECORD of June 28.

I said further:

If you will turn to page A3308 of the Appendix of the [daily] RECORD of yesterday—

I really said "today's RECORD" but I was wrong, I meant the RECORD of yesterday, and I so corrected it. Where did I get the authority to correct that remark? Of all the things of which I have ever been charged by a Member of the House, to stand up and accuse me of changing the RECORD without authority is simply ridiculous.

The next day I thought I had permission to extend my remarks, and to make "assurance doubly sure," on July 28, the following day, on page 7000 of the daily RECORD, you will find where I said:

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I made yesterday.

The Speaker asked:

Is there objection to the request of the gentleman from Mississippi?

The RECORD shows that there was no objection.

Everything I put in that RECORD was absolutely in accordance with the rules of the House, and every statement I made was correct, and I will prove it as I go along. I had a right to revise and extend my remarks.

In that speech I said:

You will find a letter from the Secretary of Agriculture setting out the facts with reference to the need for this appropriation.

In my correction of remarks I added:

of an additional $120,000,000 for the next fiscal year, which this amendment would provide. This money is badly needed, and the farmers are pleading for it all over the country.

Then I said—and here is where I mentioned the gentleman from Georgia:

The gentleman from Georgia [Mr. TARVER] talks about what a great friend he is of rural electrification. I happen to know his record.

Listen to this. I am quoting now from the official transcript of the record:

I happen to know his record. He not only offered the amendment to cut this down to $50,000,000, but he tried to cut it out altogether.

Then the gentleman from Georgia [Mr. TARVER] said:

Will the gentleman yield?

I first said I would not yield to him because he had not yielded to me, and he said he did, so I yielded, and here is what he said. Now see if I misrepresented him here. He said:

The statement of the gentleman is absolutely correct as to what happened in the Appropriations Committee.

I had stated that he tried to cut out even the $50,000,000 of appropriations for rural electrification, and that is what we were talking about. The RECORD shows the following:

Mr. RANKIN. The gentleman has verified what I have said. I do not yield any further.

Without asking me to yield, he continued to interrupt me, and tried to disrupt my speech and disturb the proceedings. He said:

But somebody violated the rules by telling what happened in the committee.

I said:

Mr. RANKIN. I am talking for the farmers of America. The gentleman from Georgia has—

I said, "opposed." The RECORD said "talked against." I said:

The gentleman from Georgia has opposed—

And I say yet he opposed our rural-electrification program for years. The RECORD said I said, "10 years." If I did, that was inadvertent. However, I might have had in mind his opposition to some power legislation 10 years ago. I simply said——

Mr. TARVER. Mr. Speaker, will the gentleman yield?

Mr RANKIN. No; I cannot yield. I am going to get through with this proposition first.

I simply said he had been opposing our rural-electrification program for years. The gentleman from Georgia [Mr. TARVER] arose and said:

That is not true. That is absolutely false—

Interrupting, and without asking me to yield. I said:

I will show you it is true.

And in my correction of remarks I inserted the word "by the RECORD."

He said:

It is absolutely false.

I said:

In 1938 when we were trying to get the first appropriation—

In my correction I inserted the amount, $100,000,000—

the gentleman voted against it.

Now, listen to this. He said:

That is not true.

I said:

Oh, yes; it is. I will cite the RECORD.

I included those words, "I will cite the RECORD," because that is what I have done. I have the RECORD here now.

In 1938 when we were trying to get the first $100,000,000 appropriation—

I said—

he voted against it.

I inserted the words "first $100,000,000."

He said:

That statement is not true.

Then when he got the RECORD he added these words to his remarks:

I have only voted against excessive amounts.

Mr. TARVER. Will the gentleman show where I added those words?

Mr. RANKIN. Yes.

Mr. TARVER. Here is the RECORD you sent down to the Government Printing Office for. Show me where I added those words.

Mr. RANKIN. That is the recopy. I have the original transcript here.

Mr. TARVER. No, this is the Government Printing Office copy.

Mr. RANKIN. Here it is; right there written in the gentleman's own handwriting.

Mr. TARVER. This is the Government Printing Office copy.

Mr. RANKIN. This is what you had corrected, and I kept the original transcript.

I just leave it to any expert if that is not his handwriting.

At that point under permission to extend my remarks I added this language. The RECORD shows he invariably voted against it. Then I said:

Turn to page 6833 of the CONGRESSIONAL RECORD of Thursday, May 12, 1938, roll call No. 74, on the amendment providing for $100,000,000 for rural electrification for the next fiscal year, and you will see one of the Members who voted "nay" on that roll call was the gentleman from Georgia [Mr. TARVER].

Does he deny that? He had just denied it then. But I submit to the Members of the House that here is roll call No. 74, on page 6833 of the RECORD of May 12, 1938, which shows that he voted against it, just as I said he did in my extension of remarks.

Mr. TARVER. Mr. Speaker, now will the gentleman yield?

Mr. RANKIN. No; I cannot yield now.

It was my amendment, as you will see from reading the RECORD on that day, that raised the amount to $100,000,000. The adoption of that amendment really started rural electrification on its way. And I might add that this is the most important provision or amendment, so far as rural electrification is concerned, that has been proposed from that day to this; and I do not propose for the gentleman from Georgia to defeat it, or emasculate it, if I can prevent it.

I was speaking of the amendment then before the House, providing for this extra $120,000,000.

Last year when we tried to raise the amount providing from $20,000,000 to $30,000,000—the official first transcript shows from $25,000,000 to $30,000,000—I corrected that to read from $20,000,000 to $30,000,000. When we attempted to raise it from—but here are my exact words:

Last year when we tried to raise the amount provided for rural electrification from $20,000,000 to $30,000,000, he fought that. Yet he comes here and says he is as good a friend of rural electrification as I am. I will take the RECORD on roll calls.

Then the gentleman from Georgia rose up and said, without my permission:

The gentleman's statement as made is not correct.

Now, when this manuscript went to him, it read:

The gentleman's statement to the contrary, that is absolutely false.

But when he corrected his remarks, in his own handwriting, he made it read:

The gentleman's statement as made is not correct.

Then I proceeded to say, "The gentleman can rear"—I said "rant." The stenographer made it read "rear." I used the word "rant" under permission to extend my remarks. I said, "The gentleman can rant all he wants to."

Then I added in my extension of remarks:

But the RECORD of June 23, 1943, shows, on page 6361, roll call No. 113, that the gentleman from Georgia [Mr. TARVER] voted against concurring in the Senate amendment which would have increased the amount provided for rural electrification from $20,000,000 to $30,000,000. And the same RECORD shows that he led the fight against it.

There is the RECORD, if you want to read it. It is right here. For any of you who want to look at it, there it is. I was merely citing the RECORD.

I said further:

What we are trying to do is to offset the attitude of the gentleman from Georgia, who is trying to kill any appropriation.

I added in my extension of remarks what I intended to say then "any appropriation for rural electrification in this bill."

He said, "That is not true." He first said, "That is another falsehood," but he changed that in his own handwriting, and made it read, "That is not true."

The RECORD continues:

Mr. RANKIN. All right. You just admitted it.

Mr. TARVER. I have not.

Mr. RANKIN. You just admitted you voted in committee to strike out the entire appropriation.

Mr. TARVER. Oh, no, no.

Mr. RANKIN. You voted to strike out even the $50,000,000.

That is what I was charging him with.

Then, when he got this RECORD, he corrected it, and here it is in his own handwriting:

Mr. TARVER. Because it is not needed.

Then, when he said "it is not needed," I said in my extension of remarks:

I am afraid that if we waited until the gentleman from Georgia thought funds were needed for rural electrification before we provided them, our rural-electrification program would be at an end. He does not think we need even $50,000,000 now, while the Administration thinks we need $160,000,000.

The subcommittee thinks we need $120,000,000, and that is what we are asking for in this amendment.

I have neither the time nor the desire to quarrel with the gentleman from Georgia; but I am not going to let him kill this amendment if I can help it.

I meant exactly what I said.

Under my permission to extend my remarks I went ahead and said:

The war in Europe is over, and we can get the materials for building these lines. We are ready to go forward with this program, and I, for one, am not willing for the gentleman from Georgia to stand here and say that he is as good a friend of rural electrification as I am, and at the same time reduce this amount below the danger point or strike this needed and necessary item from the bill.

After all the fighting I have gone through here with Senator Norris—

You will find that in the original transcript—

After all the fighting I have gone through here with Senator Norris and other friends of the REA, to build up this rural-electrification program from the beginning, I cannot sit idly by and see it destroyed or paralyzed by cutting off the necessary funds.

Then the gentleman from Georgia said:

You have been tied to the tail of the kite of George Norris.

That was his statement. He did not ask me to yield.

In my extension of remarks I corrected my remarks to read as follows, and I stand by every word I said:

Mr. RANKIN. Senator Norris and I fought for this program during the hard, trying years when he was in the Senate. I am doing now just what Senator Norris would do if he were alive and here today to help me. In his autobiography Senator Norris gives me credit for saving the REA in 1935.

The power question is one issue on which Senator Norris and I always agreed. He led the fight in the Senate and I led it here in the House; and as a result of our efforts we have a public-power program the like of which our people had scarcely dreamed 12 year ago. By our joint efforts we succeeded in passing the bill creating the TVA, which has proved to be the greatest single development of all time. It has provided the American people with a yardstick, showing what electricity should cost them, and in that way has brought about reductions in light and power rates amounting to hundreds of millions of dollars annually.

If it had not been for the fights we waged, there would have been a rising tide of power rates over the country, and the average family would have been denied the use of many of those electrical appliances they now enjoy.

If it had not been for the fights I waged and won, here on this floor in 1938—

And I might say that is the one in which he voted against me. I might also say that at that time we Democrats had a majority of more than 200 Members in the House. Yet, if it had not been for a few men on the other side of the aisle who rose and walked through the line with me I would have lost the amendment, because I just won on tellers by six votes.

One of the opposition, as I remember, was the gentleman from Georgia.

I want to call the names of some of those men. I did not agree with them on many problems, but in that line was Mr. Allan Treadway, of Massachusetts. He walked down the line, and he said, "Why, we are spending money for everything else, keeping people on relief who never worked in their lives, why not take this chance and do something for the farmers?"

My distinguished friend the gentleman from Pennsylvania [Mr. RICH] was another one. The distinguished gentleman from New York [Mr. REED] was another one. The distinguished gentleman from Michigan [Mr. MICHENER] was another one. The distinguished gentleman from Minnesota [Mr. KNUTSON] was another one who joined with our forces on this side and kept the gentleman from Georgia and others who voted with him from crippling the greatest program ever created for the benefit of the American farmer.

If you will look at the roll call of the next day, you will see that we beat them by 121 votes, and one of the men who voted "nay" on the roll call was the distinguished gentleman from Georgia, as you will see on Roll Call No. 74, on the page to which I have referred.

I said:

The gentleman from Gerogia may call me the tail of the kite if he wants to.

He called me the tail of George Norris' kite.

But my answer—

I said—

is that was a glorious kite—one that lifted the farmers of the Nation into a brighter existence and a higher standard of living than they ever had enjoyed before in all the history of mankind.

Senator Norris has gone; God bless his sacred memory. The work he did for this power program and for rural electrification will live forever, and his name will remain enshrined in the hearts of a grateful people for centuries to come.

In his name, and in the names of the millions of farm men and women who are pleading for electricity in their homes, I appeal to you to vote for this amendment and help us to carry this great program forward until we electrify every farm home in America at rates the farmers can afford to pay.

He, the Chairman, said:

The time of the gentleman from Mississippi has expired.

And in my extension of remarks I said further, Mr. Speaker, under permission to extend my remarks:

I wish to call attention to the fact that the amendment providing for the $120,000,000 for rural electrification was adopted by a vote of 102 to 29 and was unanimously approved by the Senate.

This is the greatest victory for rural electrification we have won since 1938. It means that we can now go forward with this great rural electrification program that means more to the toiling farm men, women, and children of this Nation than anything else that Congress has ever done for them.

That is my speech, carrying my extension of remarks, and there is the RECORD showing where I got permission to revise and extend. I never changed a word he said, although he was interrupting me in violation of every rule of the House, if not all other rules. So I let him go on, because I realized that here was something at stake that meant more to the farmers I represented than the amenities of this House, and I was not going to let him stampede me and wreck this program of rural electrificatioi by striking out the $120,000,000 that we are then proposing. We carried it by an overwhelming majority, and the Senate adopted it by a unanimous vote.

Now, Mr. Speaker, under those conditions it is not in order—and I say this in all deference—I did not have any thought, I will say to the Speaker, of reflecting on the Speaker or of criticizing him—but the gentleman from Georgia has made a motion that is out of order. He has never announced his intention; he did not ask unanimous consent, but took up the time and made a motion to strike from the RECORD materials that are in there legitimately, and I repeat to every Member of the House that if you strike these remarks out; if you yield to that kind of innovation, then you never will know what can stand in the CONGRESSIONAL RECORD and what cannot.

I sent these remarks to him; I had the messenger take them over to him, and he corrected them as I have shown you now. I never changed a word he inserted, although some of the things he said when he was interrupting me were without my permission and in violation of the rules of the House.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. MAY. Did the gentleman send the remarks which he had inserted to the gentleman from Georgia after they were made?

Mr. RANKIN. I did not.

Mr. MAY. I mean after.

Mr. RANKIN. You mean after they were corrected? No; because I did not yield. They were not properly in my remarks. The gentleman from Georgia was interjecting in my speech, without permission.

Mr. MAY. Another question, did the gentleman from Georgia also extend his remarks without reporting them to you?

Mr. RANKIN. I sent them over to him. They had to come back to me because I had not approved them.

Now, Mr. Speaker, that is the question; that is the matter as it now stands.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. RICH. In the statement that was made on the floor of the House that the gentleman from Georgia was against all appropriations, your thought in mind at that time was on rural electrification?

Mr. RANKIN. Why, of course; and I corrected my remarks to show that. That is what I had in mind, and everybody understood it.

Mr. RICH. And there was no thought in your mind that he was against all appropriations.

Mr. RANKIN. Why, certainly not. Such remarks would have been ridiculous and everybody would have known it. I only had one motive, and that was to save this amendment providing $120,000,000 for rural electrification. He was interrupting all the time, and yet when we took a vote the House sustained my position by 102 to 28 on the record.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Miss SUMNER of Illinois. I wish to ask a question because I do not remember the rule. Is this supposed to be a true record? Again and again Members get up here and make a statement of a sentence on the floor and ask to revise and extend their remarks. Sometimes it is not their own remarks. Maybe they will have a whole speech in the RECORD. It seems to me we ought to have a policy and follow it.

Mr. RANKIN. Where you get permission to revise and extend you may do so.

Miss SUMNER of Illinois. If the policy is that we are supposed to keep a true record, then we are going to have a performance like this every day.

Mr. RANKIN. I understand; but the lady from Illinois knows there is a rule of the House that you may get permission to revise and extend your remarks, and then you have a right to do it.

Mr. POAGE. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Texas.

Mr. POAGE. It occurs to me that if we were to follow the policy suggested by the gentleman from Georgia that the Member would have to rise to correct the RECORD every day of the world, particularly those who have the unfortunate habit of talking as fast as I sometimes do. There is not a reporter on earth who ever reports every word I say, and that is no criticism of the reporters. I find time and time again that if I want the RECORD actually to record the words that I actually said on the floor that I must read it over and see that some of them are not omitted; and I thought that was exactly the purpose of having the speech come back to the Members, to see that it was correctly reported.

Mr. RANKIN. Certainly; I got permission to extend my remarks in order that I might answer that charge that I was the tail of the Norris kite. God knows if there ever was a man who supported Senator Norris in his struggle for the development of our water power and for rural electrification, I am the man; and if you do not believe that, read his memoirs.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. RICH. I want to say insofar as the reporters are concerned, I always find that they are absolutely correct; and many times if things are wrong it was not the mistake of the reporter, it was because I did not complete the sentence.

Mr. RANKIN. That is right.

Mr. RICH. They always have it right. Sometimes, of course, I do not agree with the way it was completed by the reporter and then I do correct it to make it mean exactly what I intended it to mean.

Mr. RANKIN. Mr. Speaker, I make the point of order that this motion is not properly before the House; that the RECORD, to which I have just referred, shows that I was within my rights in making these extensions of remarks, revising and correcting. Therefore this motion is not properly before the House.

The SPEAKER. If the point of order had been good before debate it would not be good now because points of order must be made before debate.

Mr. TARVER. Mr. Speaker, may I be heard?

The SPEAKER. The Chair has ruled.

Mr. TARVER. Mr. Speaker, I want to call attention to a fact.

The SPEAKER. Does the gentleman from Mississippi yield to the gentleman from Georgia?

Mr. RANKIN. I yield to the gentleman.

Mr. TARVER. Mr. Speaker, I have not moved to strike out any portion of the gentleman's remarks. I have simply moved that for the colloquy between the gentleman and myself appearing on pages A3448 and A3449 of the Appendix of the daily RECORD of July 2, 1945, and which is reported in that RECORD, there may be substituted the official stenographic transcript. I have not asked to strike out any remarks of the gentleman.

Mr. RANKIN. Mr. Speaker, I am not going to let the gentleman from Georgia correct the remarks I made for the RECORD to show what he intended. I am not going to let the gentleman from Georgia rewrite them, nor do I propose to let anyone else do that. When I was making those remarks he was jumping up and interrupting me and denouncing my statements as false, and here is the rest of that RECORD. So I am going to let the RECORD stand as it is today. You have no right to correct my remarks and you are not going to correct them. I read the RECORD again here in order that my statements might stand in the CONGRESSIONAL RECORD for all time.

Mr. Speaker, I am just as careful of the feelings of the other Members of this House as anyone and I do not propose to have the gentleman from Georgia or anyone else come here and lead the House to believe that I have violated the rules of the House when the RECORD shows that I was absolutely within the rules of the House in every statement I made. Every time I referred to the RECORD I cited the RECORD and I could have cited more if I had desired to do so.

Mr. Speaker, that being the case I move the previous question. I want this motion voted down if we are going to have a CONGRESSIONAL RECORD from now on.

Mr. TARVER. Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. TARVER. Mr. Speaker, I ask unanimous consent that my motion may again be reported.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. RANKIN. Mr. Speaker, I object. He has already read that stuff in the RECORD and I have shown it is not legitimate.

Mr. NEELY. Mr. Speaker, in behalf of peace in the House and the orderly progress of legislation, I move that the motion of the gentleman from Georgia be referred to the Committee on Rules.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The question was taken; and on a division (demanded by Mr. TARVER) there were—ayes 66, noes 57.

Mr. TARVER. Mr. Speaker, I object to the vote on the ground a quorum is not present, and I make the point of order a quorum is not present.

The SPEAKER. The Chair will count.

Mr. TARVER. Mr. Speaker, I withdraw the point of no quorum.

The SPEAKER. The question is on the motion offered by the gentleman from West Virginia.

The motion was agreed to.

A motion to reconsider was laid on the table.

COWDEN MANUFACTURING CO.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was

read and referred to the Committee on Claims and ordered to be printed:

To the House of Representatives:

I return herewith, without my approval, H. R. 2158, entitled "An act for the relief of the Cowden Manufacturing Co."

The bill authorizes and directs the Secretary of the Treasury to pay to the Cowden Manufacturing Co. the sum of $4,469.98 in full settlement of all claims against the United States for the amount of payments made by the company pursuant to certain subcontracts.

To perform its contract with the War Department for the manufacture of mechanic's suits, the Cowden Manufacturing Co. in 1933 entered into agreements to purchase certain materials from subcontractors. Pursuant to such agreements, the company reimbursed its subcontractors for cotton-processing taxes which the latter were required under the Agricultural Adjustment Act to pay on the materials furnished the company. The company then filed a claim for refund with the Bureau of Internal Revenue, on the ground that its contract with the War Department provided for reimbursement of amounts paid by the company for taxes which were made applicable directly upon the production, manufacture, or sale of the supplies covered by the contract. This claim was rejected in 1937.

A subsequent claim filed with the Comptroller General was similarly rejected. Suit was brought in the Court of Claims and a judgment was rendered in 1940 in favor of the company. In 1941, the Supreme Court reversed this decision, holding that the materials upon which the processing taxes were paid were not the supplies covered by the contract with the War Department, and that in addition, the company was not the person who was directly obligated to and did pay the processing taxes to the Government.

The provisions in the company's contract with the War Department relating to reimbursement for taxes paid are contained in numerous other contracts entered into by the Government. The Supreme Court has determined that these provisions do not entitle a party to such a contract to be reimbursed by the Government. In addition, this bill selects a single taxpayer for special treatment by directing the payment to it of a refund denied to others. All others similarly situated are thus discriminated against. There appear to be no circumstances which would warrant the granting of the relief authorized by this bill. I am, therefore, constrained to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 3, 1945.*

WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3649), making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent to dispense with general debate in the Committee of the Whole.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Mr. Speaker, if, as in this case, the bill contains many items that are subject to a point of order, is it not in order to make a point of order against sending this bill to the Committee of the Whole?

The SPEAKER. Under the rules of the House, it is not.

Mr. MARCANTONIO. Then the procedure to make the point of order is to make it as the bill is being read for amendment?

The SPEAKER. As the paragraphs in the bill are reached.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3649) with Mr. SPARKMAN in the chair.

The Clerk read the title of the bill.

On motion of Mr. CANNON of Missouri the first reading of the bill was dispensed with.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that the bill be considered as read and that all Members desiring to submit amendments or points of order have leave to submit them at this time.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MARCANTONIO. Mr. Chairman, in view of the unanimous consent request that has just been granted, I make the point of order against the first item, National War Labor Board, on the ground that it is an appropriation not authorized by law.

Mr. CANNON of Missouri. Mr. Chairman, I concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. MARCANTONIO. Mr. Chairman, I make a point of order on the same grounds against the item for the Office of Defense Transportation on page 5.

Mr. CANNON of Missouri. The point of order is conceded, Mr. Chairman.

The CHAIRMAN. The gentleman from New York [Mr. MARCANTONIO] makes a point of order which the gentleman from Missouri [Mr. CANNON] concedes. The Chair sustains the point of order.

Mr. RANKIN. Mr. Chairman, we do not all have to concede the point of order. I want to ask the gentleman from Missouri a question.

Is this Office of Defense Transportation one of the necessary agencies for the carrying on of the war?

Mr. CANNON of Missouri. It is indispensable to the early conclusion of the war.

Mr. MARCANTONIO. Mr. Chairman, I demand the regular order.

Mr. RANKIN. The regular order is that I want to be heard on the point of order.

Mr. MARCANTONIO. Mr. Chairman, I believe the Chair has already ruled on my point of order?

The CHAIRMAN. The Chair sustained the point of order made by the gentleman from New York [Mr. MARCANTONIO] against the appropriation for the Office of Defense Transportation.

Mr. BROOKS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROOKS. When the chairman of the committee concedes the point of order, is it in order for any other Member to debate the point of order?

The CHAIRMAN. Any Member who wants to be heard on the point of order may be recognized to be heard.

Mr. RANKIN. Mr. Chairman, I ask to be heard on the point of order.

Mr. MARCANTONIO. Mr. Chairman, I make the point of order that the request comes too late. The Chair has ruled on my point of order.

Mr. RANKIN. Mr. Chairman, I was standing when the gentleman from New York finished his statement.

Mr. MARCANTONIO. Mr. Chairman, I ask for the regular order. The Chair has already ruled on the point of order.

The CHAIRMAN. The Chair has already sustained the point of order. However, the Chair will be glad to hear the gentleman from Mississippi briefly on the point of order.

Mr. RANKIN. Mr. Chairman, I of course dislike to disagree with my distinguished friend from Missouri, [Mr. CANNON] the chairman of the committee, whom I regard as one of the ablest parliamentarians in the world, as he knows,

If these were times of peace and this agency had been created by Executive order, as it was, I submit that a point of order would lie against it. But the President of the United States is the commander in chief of the armed forces. One of the necessary incidents to that position is the ability and the power to see that our troops and the materials to support them are transported. For that reason, in order to break a bottleneck in our transportation system, the President of the United States set up the Office of Defense Transportation.

Mr. DE LACY. Mr. Chairman, will the gentleman yield?

Mr. RANKIN. I certainly will.

Mr. DE LACY. Does the distinguished gentleman from Mississippi also realize that the same argument precisely is in favor of including an appropriation for the FEPC?

Mr. RANKIN. Oh, no. That is ridiculous.

If the gentleman is that far off I hope he will not interrupt me again.

Mr. Chairman, it is necessary. Suppose no law had been passed—and there was no law passed—to set up this Office of Defense Transportation; suppose there were strikes and break-downs and stagnation of transportation; men were dying all over the world for the want

of materials which these railroads were to transport.

Mr. MARCANTONIO. Mr. Chairman, a point of order. I make the point of order, Mr. Chairman, that the gentleman from Mississippi is not confining himself to the question before us, that is, whether or not the point of order should be sustained.

Mr. RANKIN. I do not yield, Mr. Chairman. I yield to the gentleman from Kentucky.

Mr. MARCANTONIO. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from New York has made a point of order that the gentleman is not addressing himself to the point of order.

The gentleman from Mississippi will proceed in order.

Mr. RANKIN. That is exactly what I was doing, Mr. Chairman, but it is hard to convince the gentleman from New York [Mr. MARCANTONIO]. At the time this organization was created we were having trouble to get some Members to vote the necessary money to carry on the war.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. RANKIN. No; I do not yield.

The CHAIRMAN. The gentleman from Mississippi declines to yield.

Mr. RANKIN. I yield to the gentleman from Kentucky [Mr. MAY].

Mr. MAY. I would like to call attention to a statement just made by the Secretary of War that the Army handled 875,000 troops during the month of May across the continent, and were greatly hampered for railroad supplies and cars, both Pullmans and day coaches. They expect to have to handle considerably more than a million men next month. The very purpose of this Office of Defense Transportation was to meet such bottlenecks as that. Those bottlenecks are coming back to us when we are trying to get our men home.

Mr. RANKIN. Why, certainly. We also had to transport these materials across the continents and these men across the continents, and then ship these men and materials 5,000 miles overseas.

The question here is whether or not the President of the United States had the right to step in when our transportation problem was breaking down and issue an Executive order setting up this Office of Defense Transportation in order to protect the lives of our boys on the various fighting fronts and in order to protect this country when we were at war on both oceans. Now that Germany has collapsed it is necessary, probably more necessary than before, that these transcontinental railroads be kept going. Suppose we had strikes such as we had in some other defense industries——

Mr. MARCANTONIO. Mr. Chairman, a point of order. I submit the gentleman is not discussing the point of order. It is entirely within the discretion of the Chair to stop this filibuster.

The CHAIRMAN. The gentleman from Mississippi will suspend. The gentleman from New York makes a point of order that the gentleman from Mississippi is not discussing the point of order. It seems to the Chair that the argument of the gentleman from Mississippi goes to the merits of the Office of Defense Transportation and not to the point of order. The Chair would ask the gentleman from Mississippi to speak in order.

Mr. RANKIN. My contention is that there are certain powers that are carried with the office of Chief Executive and Commander in Chief in time of war, and one of those is the power to see that we get our men to the front and get materials to those men, and also food and medical supplies to take care of them. At that time we were having a great many strikes over the country. It is well known to the Chair and to everybody else. We were also threatened with strikes on the railroads. The President issued this order for the purpose of carrying out his duty as Chief Executive, in seeing that these men were transported rapidly and safely; that materials with which they were to fight were transported rapidly and safely; that the food and medicine and hospital supplies were transported rapidly and safely. As I pointed out, we have to transport them farther by rail today than we did before Germany collapsed.

For these reasons, regardless of the merits of this appropriation, I say that this outfit was set up in accordance with law and in accordance with the duties of the Chief Executive, and the point of order should be overruled.

Mr. MAY. Mr. Chairman, may I be heard on the point of order for a minute or two?

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. MAY. Mr. Chairman, I do not remember the style of the case, but Chief Justice Hughes decided in some case that the power to declare war and to carry on war carried with it the right of the Government and the Commander in Chief, who is the President of the United States, to see to it that supplies and men were transported to the battle theaters. Otherwise a campaign to wage war could not be carried on. That has been decided definitely by the Supreme Court. It is my view that if the President, as Commander in Chief of the armed forces under the Constitution, has to resort to an Executive order to make it possible that the law as declared by the Supreme Court may be carried into effect, that is sufficient authority to authorize an appropriation for the Office of Defense Transportation.

The CHAIRMAN (Mr. SPARKMAN). The Chairman again states his opinion, regardless of his own beliefs as to the merits of this particular office, that the point of order must be sustained.

The rule is very explicit to the effect that no appropriation shall be reported in any general appropriation bill or be in order as an amendment thereto, for any expenditure not previously authorized by law.

In this present Congress, the present occupant of the chair ruled that an Executive order was not a law such as could comply with this rule.

The Chair sees no reason for departing from that holding. The Chair feels constrained to sustain the point of order.

The point of order is sustained.

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

Mr. CELLER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. CELLER. Mr. Chairman, I make the point of order that the appropriations involved in the current bill on page 6, lines 18 to 25, and page 7, lines 1 to 5, for the Office of Economic Stabilization, since there is no authority for that Office, are not authorized, and the House is without authority to appropriate any money for that Office under the provisions of this section 2, rule 21.

The CHAIRMAN. Does the gentleman from Missouri care to be heard on the point of order?

Mr. CANNON of Missouri. The point of order is conceded.

The CHAIRMAN. Does the gentleman from Georgia care to be heard on the point of order?

Mr. TARVER. Not on the point of order. I move to strike out the last word, Mr. Chairman.

The CHAIRMAN. The Chair suggests that we dispose of the points of order first.

A point of order is made by the gentleman from New York against the appropriation for the Office of Economic Stabilization. The point of order is conceded by the gentleman from Missouri.

The point of order is sustained.

Mr. CELLER. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. CELLER. Mr. Chairman, I make a point of order against the item on pages 7, 8, and 9 for the Office of Scientific Research and Development under rule 21, clause 2.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. Mr. Chairman, the point of order is conceded.

The CHAIRMAN. The point of order is conceded. The Chair sustains the point of order

Mr. MARCANTONIO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MARCANTONIO. I make a point of order——

Mr. McGREGOR. Mr. Chairman, a point of order.

The CHAIRMAN. The Chair has recognized the gentleman from New York [Mr. MARCANTONIO] to make a point of order. The gentleman from New York has the floor.

Mr. MARCANTONIO. Mr. Chairman, I make a point of order to the item——

Mr. McGREGOR. We cannot hear the gentleman; that was my point of order. Use the microphone.

Mr. MARCANTONIO. I do not have to use the microphone. Mr. Chairman, I make a point of order to the item on page 9, Office of Inter-American Affairs,

on the ground that there is no authorization for the appropriation.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. The point of order is conceded, Mr. Chairman.

The CHAIRMAN. The Chair sustains the point of order.

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. MARCANTONIO. Mr. Chairman, a point of order.

The CHAIRMAN. The Chair suggests that we dispose of points of order first.

The gentleman from New York is recognized.

Mr. MARCANTONIO. Mr. Chairman, I make a point of order against the item appearing on page 12 for the Office of War Information on the ground that there is no authorization of law.

Mr. CANNON of Missouri. The point of order is well taken.

The CHAIRMAN. The point of order just made by the gentleman from New York is conceded.

The Chair sustains the point of order.

Mr. HOFFMAN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that this side is entitled to hear what is going on; and we cannot and have not been for the last 5 minutes.

The CHAIRMAN. The Chair will do the Chair's best to keep order.

Mrs. NORTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentlewoman will state it.

Mrs. NORTON. Mr. Chairman, I make a point of order against the item on page 17 of the bill, line 10, the War Production Board, on the ground that it is not authorized by law.

Mr. HOFFMAN. Mr. Chairman, I make the point of order that we cannot hear over here and we are entitled to know what is going on.

The CHAIRMAN. The gentlewoman from New Jersey makes the point of order against the item for the War Production Board appearing on pages 17 and 18 of the bill.

Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. The point of order is conceded.

The CHAIRMAN. The point of order is conceded. The point of order is sustained.

Mr. MARCANTONIO. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. MARCANTONIO. Mr. Chairman, I make a point of order against the appropriation for the War Shipping Administration appearing on pages 20 to 24 of the bill on the ground there is no authorization of law.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. Mr. Chairman, may I call attention to the fact that the item on page 23, beginning at line 24, providing for State marine schools, is not subject to a point of order, and I suggest that the gentleman perhaps wants to exempt this item in submitting his point of order.

Mr. MARCANTONIO. Which item on page 23?

Mr. CANNON of Missouri. The provision for State marine schools appearing at the bottom of page 23, line 24.

Mr. MARCANTONIO. Mr. Chairman, I exclude that item from my point of order and make my point of order against the balance of the item.

Mr. CANNON of Missouri. The point of order against the remainder of the paragraph is conceded.

The CHAIRMAN. The gentleman from New York, as the Chair understands him, makes a point of order against the item for the War Shipping Administration beginning on page 20 and extending through line 23 on page 23. Is that correct?

Mr. MARCANTONIO. The Chair is correct.

The CHAIRMAN. The gentleman from Missouri concedes the point of order. The point of order is sustained.

Mrs. NORTON. Mr. Chairman, I make a point of order against the item on page 26 for the Office of Strategic Services for the same reason.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. The point of order is good.

The CHAIRMAN. The gentleman from Missouri concedes the point of order. The point of order is sustained.

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The Chair has suggested that we dispose of points of order first.

Mr. CELLER. Mr. Chairman, I make the same point of order against the item for the Petroleum Administration for War appearing in line 25, on page 28.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON of Missouri. The point of order is well taken, Mr. Chairman.

The CHAIRMAN. The point of order is conceded.

The Chair sustains the point of order. Are there other points of order?

The CHAIRMAN. For what purpose does the gentleman from Georgia [Mr. TARVER] rise?

Mr. TARVER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. May the Chair state that no other points of order will be considered.

Mr. MARTIN of Massachusetts. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN of Massachusetts. Are there any words left to strike out?

The CHAIRMAN. All amendments are in order under the unanimous consent agreement.

Mr. MARCANTONIO. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARCANTONIO. Under the unanimous consent agreement requested by the gentleman from Missouri, points of order may be made at any time before the committee rises?

The CHAIRMAN. The Chair will say that early in the proceeding it was announced that points of order would be disposed of first and then any amendments that might be offered from the floor could be offered. The Chair will ask at this time if there are any other points of order to be made to the bill?

Mr. BROOKS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROOKS. Does that cover points of order to amendments to be offered that have not been read?

The CHAIRMAN. It applies only to the bill as presented to the committee.

Mr. BROOKS. We will have a right to offer objections to amendments?

The CHAIRMAN. Yes. Are there any other points of order to be offered to the bill as presented to the Committee of the Whole?

Mr. RIVERS. Mr. Chairman, would the Chair state to the House what agencies have been stricken on points of order before we go any further? Frankly, I do not know what they are.

The CHAIRMAN. The Chair states that the following items have been stricken on points of order: The National War Labor Board, commencing on page 2; the Office of Defense Transportation, commencing on page 5; the Office of Economic Stabilization, commencing on page 6; the Office of Scientific Research and Development, commencing on page 7; the Office of Inter-American Affairs, commencing on page 9; the Office of War Information, commencing on page 12; the War Production Board, commencing on page 17; so much of the War Shipping Administration as may be found on pages 20, 21, 22, and through line 23; the Office of Strategic Services, on page 26; the Office of Petroleum Administration for War, commencing on page 28.

Are there any further points of order?

Mr. TABER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Was any point of order made against the item appearing on page 33, lines 21 and 22?

The CHAIRMAN. There was not. Are there further points of order? If not, it will be assumed that no other points of order are to be offered and none will be entertained by the Chair to any parts of the bill as presented to the Committee of the Whole. The gentleman from George [Mr. TARVER] is recognized.

Mr. TARVER. Mr. Chairman, I do not desire to consume the time of the Committee. I understand there has been substantial agreement on both sides of the aisle that there will not be any debate on the pending measure. Frankly, I wish to talk about another matter, which is not related to the bill, and I ask, Mr. Chairman, that I may be permitted to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. TARVER. Mr. Chairman, in connection with a colloquy which occurred in the Committee of the Whole on June 27, 1945, between the gentleman from Mississippi [Mr. RANKIN] and myself, it is, in my judgment, my duty to give a brief statement of facts upon the basis of which I charged that the gentleman from Mississippi had falsely stated my position. It was manifestly impossible in the course of the 3-minute speech of the gentleman from Mississippi, when I was subject to his pleasure when allowed to talk at all, to state in detail the facts which justified me in unqualifiedly branding as false the statements made by him in his attack upon me and upon my record in support of rural electrification.

I desire to point out again here, as I have previously pointed out in correcting the daily RECORD of July 2, 1945, pages A3448-3449 of the Appendix, in which RECORD the alleged remarks of the gentleman from Mississippi made on June 27, 1945, were reported—their publication having been delayed by him—that this reported version of his colloquy with me is erroneous in many particulars and that the transcript thereof sent by him to the Government Printing Office had been so changed and mutilated and enlarged that eight typewritten pages were required to carry matter which in the official transcript made by the official stenographer, required only four such pages. In view of the mutilation of the official RECORD in this manner, I shall in what I say today, make quotations only from the official stenographer's transcript of the colloquy in question, instead of from the mutilated and enlarged version sent down by the gentleman from Mississippi [Mr. RANKIN] to the Government Printing Office for publication.

I wish to say at the outset that during more than 18 years of service in Congress I have never found it necessary to make an attack upon any colleague, nor, until now, have I found it necessary to defend myself from attack by any colleague. I especially regret the necessity which has now been forced upon me. The gentleman from Mississippi [Mr. RANKIN] and I have long been close personal friends. For many years we have been near neighbors and live together now in the same apartment building. I have never failed to recognize his many fine qualities, and if there has been a tendency on his part toward erratic and unsound conclusions with regard to some subject matters, I have not felt it my duty to criticize him on that account. If he has had a tendency to enlarge upon his alleged contributions to the service of his country in this body, both in his autobiography of himself written for the Congressional Directory and in his frequent laudatory remarks concerning himself made upon this floor, this failing has merely been the subject matter of amused comment by his friends and has not been something concerning which they desired to take him to task.

But when the gentleman, in the course of what I feel may be properly referred to as superegoism, undertakes to not only take for himself the major portion of credit, so far as the House side of the Capitol is concerned, for the development of the REA program, and at the same time undertakes to falsify and misstate the position of a colleague who has been equally interested in the development of that program, it becomes, in my judgment, essential that a factual statement be inserted in the RECORD, thoroughly justifying the emphatic denial which I made in the course of the colloquy to which I have referred of the unfounded statements made by the gentleman from Mississippi concerning myself and my own record.

In the course of his remarks, the gentleman from Mississippi [Mr. RANKIN] made the following statement, which I quote from official stenographers' record:

Mr. RANKIN. In 1938 when we were trying to get the first appropriation, he fought that—

To which I replied—

Mr. TARVER. That statement is not true.

The interchange had reference, of course, to the first appropriation for REA. I insert at this point a table from the hearings on the agricultural appropriation bill for 1946, page 802, supplied to our Subcommittee on Agricultural Appropriations by the REA showing the amounts of funds made available to the REA for fiscal years to date beginning with the fiscal year 1935:

Appropriations and allotments

Fiscal year—	Appropriations		As of end of month
	Source	Amount	
1935	ERA	$13,928,288	June 1936.
1937	RFC	46,500,000	June 1937.
1938	REA	30,000,000	June 1938.
1939	do	40,000,000	June 1939.
	RFC	100,000,000	June 1940.
1940	REA	40,000,000	June 1941.
1941	RFC	100,000,000	June 1942.
1942	do	100,000,000	June 1943.
1943	do	10,000,000	June 1944.
1944	REA	20,000,000	October 1944.
1945	RFC	25,000,000	November 1944.
Total		525,428,288	

It will be observed from this that funds were made available by congressional action to the REA for the fiscal years from 1935 to date. As a matter of fact, $100,000,000 was made available in the Emergency Relief Act of 1935 but this statement from REA shows that of that amount only $13,928,288 was actually used in that year. Thus it will be seen that at the earliest stages of its development there was a tendency on the part of extremists to provide for more money for REA and its activities than could be used. In that connection I quote also from the testimony of Mr. W. J. Neal, Acting Administrator, REA, on page 809 of the same hearings, as follows:

Up to December 31, 1944, we had allotted $517,699,947 which is divided as indicated in this chart, which gives you an idea of the proportions of the total allotments—$406,370,722 have been advanced and $111,329,225 are unadvanced.

Thus it will be seen that in 1938 we were not trying to get the first appropriation as stated by the gentleman from Mississippi [Mr. RANKIN] nor even the first $100,000,000 appropriation but that 3 years prior to that time appropriations for REA had been begun by Congress and have been continued. In the meantime, there has been enacted the act of May 20, 1936, "An act to provide for REA and for other purposes," authorizing an initial appropriation, "not exceeding an aggregate amount of $50,000,000 for the fiscal year ending June 30, 1937, and for each of the 8 years thereafter the sum of $40,000,000," which funds were duly provided by the Congress. The amendment which the gentleman from Mississippi [Mr. RANKIN] urged on May 12, 1938, and which I opposed but which was adopted was an amendment to an amendment offered by the gentleman from Virginia [Mr. WOODRUM]. A colloquy between the gentleman from Virginia [Mr. WOODRUM] and the present Speaker of the House the gentleman from Texas [Mr. RAYBURN], appearing on page 6832, volume 83, part 6, CONGRESSIONAL RECORD, Seventy-fifth Congress, third session, at that time was as follows:

Mr. WOODRUM. Mr. Chairman, this will take a very few minutes and I ask the attention of the Committee. Under the general law we have provided for the Rural Electrification Administration $40,000,000 for loans for the next year, which is the full amount now authorized by law. There has been a great interest, a great demand for additional funds for rural electrification. They now have on hand $90,000,000 worth of applications. The amendment which I have offered as a new title authorizes the Reconstruction Finance Corporation to let the Rural Electrification Administration have an additional sum of $60,000,000, which gives them $100,000,000 in loans for rural electrification, more than an ample amount to take care of the applications on hand. I have discussed the matter with many gentlemen and I hope very much that it will be satisfactory and that the Committee will adopt the amendment.

Mr. RAYBURN. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM. Yes.

Mr. RAYBURN. I may say that being one of the coauthors of the Rural Electrification Act, it provided an authorization of $420,000,000 over a period of 9 years, being $40,000,000 a year. The committees of the House and Senate have already met the $40,000,000. There are on file in the Rural Electrification Administration applications for $90,000,000. A great deal of misinformation has gone out with respect to this matter, to the effect that $90,000,000 of applications have been approved. That is not true. Is that correct?

Mr. WOODRUM. That is correct.

Mr. RAYBURN. It may be that not more than $50,000,000 or $60,000,000 or $70,000,000 may be approved but in order that in addition to the $40,000,000 every community in the land that has made application may have a chance, the committee has generously offered an amendment authorizing the Reconstruction Finance Corporation to lend to the Rural Electrification Administration $60,000,000,000 additional, and if all applications on hand were approved, even then they would have an additional $10,000,000 to take care of contingencies.

It will thus be observed that the gentleman from Virginia [Mr. WOODRUM] sought to add $60,000,000 to $40,000,000 already available for the next year in order to make the total amount $100,000,000 and that the gentleman from

Texas [Mr. RAYBURN], one of the coauthors of the REA Act, thought that this amount would be sufficient. It is shown that the gentleman from Mississippi [Mr. RANKIN] offered an amendment to Mr. WOODRUM's amendment to make the additional amount $100,000,000 instead of $60,000,000, thus making provision for $140,000,000 for the next fiscal year instead of $100,000,000 as proposed by the gentleman from Virginia [Mr. WOODRUM]. The amendment of the gentleman from Mississippi [Mr. RANKIN] was adopted. I voted against it. I did not vote against making $100,000,000 available but against making $140,000,000 available. Time has shown that the provision of funds in excess of its needs has resulted in the REA accumulating a surplus of unexpended funds in excess of $111,000,000.

I have no apology to offer for having opposed the appropriation of unnecessarily large sums and despite my deep interest in the success of REA I shall not vote to appropriate more money than it reasonably needs for its purposes. I brought in the conference report on this year's Agricultural Appropriation bill fixing the amount of REA loan funds for the next fiscal year at $80,000,000 which is more than three times the amount made available to it in the Agricultural Appropriation Act of 1945, which amount was approximately $26,000,000. I do not think the provision of $120,000,000 additional as made in the recently enacted deficiency bill was necessary and I have, in my judgment, some duty to perform in endeavoring to protect the Public Treasury against unreasonable demands, but the facts stated show conclusively the falsity of the statement made by the gentleman from Mississippi [Mr. RANKIN] on June 27, 1945, in this House, which I have quoted from the official stenographer's report, and which I then denied and now emphatically deny. In the course of his remarks on the date mentioned the gentleman from Mississippi [Mr. RANKIN] stated I had opposed REA for years. I have served as chairman of the subcommittee on Agricultural Appropriations for the last several years and every annual appropriation for REA has been brought in by that subcommittee. I have continually and earnestly supported the REA program and I do so now but those who have provided in the past more funds than REA could possibly use have neither been fair to the REA nor to the Federal Treasury.

In the course of his remarks on June 27, the gentleman from Mississippi [Mr. RANKIN] stated, according to the official stenographer's transcript:

> What we are trying to do is to offset the attitude of the gentleman from Georgia, who is trying to kill any appropriation.

He changed this in the version of his speech which he sent down to the Government Printing Office to read:

> What we are trying to do is to offset the opposition of the gentleman from Georgia, who seems to be trying to kill the appropriation for REA in this bill.

That, of course, was very material, since I had served as the chairman of the subcommittee which had provided $80,000,000 for the next fiscal year for REA in the annual appropriation bill. Killing the additional appropriation carried in the deficiency bill pending on June 27 when the gentleman made his speech, and killing "any appropriation," which is what he actually said, are two entirely different matters. Of course, I was resisting the provision of $120,000,000 more in the deficiency bill and had just made a speech opposing it—see page 6963, daily CONGRESSIONAL RECORD, June 27, 1945—but the statement that I was trying to kill "any appropriation" for REA was untrue and I so stated. The gentleman further, in the course of his remarks on June 27, made this statement, according to the official stenographer's report:

> Last year when we tried to raise it from $25,000,000 to $30,000,000 he fought that.

Realizing his error, the gentlemen in the transcript of his remarks which he sent down to the Government Printing Office struck out the "$25,000,000" and inserted "$20,000,000." He neglected, however, to point out that in the conference report on the agricultural appropriation bill for 1945 the House conferees, headed by myself, agreed to the sum of $25,000,000 together with an unexpended balance of approximately $1,000,000. If gentlemen who are interested will examine the hearings on this year's agricultural appropriation bill for 1946 they will find that this amount has been ample for the needs of REA, and that as of the date of the hearings only slightly in excess of $22,000,000 had even been allocated and only slightly in excess of $2,000,000 had been actually expended. I repeat, I have no apology to offer for endeavoring to protect the taxpayers of the United States from the unnecessary appropriation of funds in excess of the needs of any Government organization, however worthy.

Perhaps in the course of debate I offended the gentleman's vanity by stating that he had been tied to the tail of the kite of George Norris. That circumstance and the gentleman's attempt to shine in the reflected glory of the deceased Senator from Nebraska, Mr. Norris, has been the subject of so much amused comment among the gentleman's colleagues that I could not resist, in the heat of debate, making reference to it.

I do not discount the gentleman's deep interest in the success of REA, nor the earnestness with which he has pursued his efforts to be helpful to it. I have pointed out, however, that one of the coauthors of the Rural Electrification Act, Speaker RAYBURN, stated in debate in 1938 that the gentleman from Mississippi was asking for more money than was reasonably needed for the REA. Some of the gentleman's efforts, made ostensibly in the interest of REA have been so fumbling in character as to be ludicrous. If any gentleman has doubt of this fact I refer him to pages 3588–3589 of the CONGRESSIONAL RECORD of April 19, 1943, volume 89, part 3, Seventy-eighth Congress, first session. It will be observed therefrom that in the consideration of the agricultural appropriation bill for 1944 fiscal year the gentleman from Mississippi [Mr. RANKIN], after having permitted the part of the bill to which he desired to propose an amendment to be passed, sought to offer an amendment making an increase in REA administrative expenses which was ruled out of order by the Chair. He thereupon offered an amendment to the figure stated at the end of the paragraph as the total for REA. Of course the total is merely the arithmetical calculation of the sums which have been made available and changing the total would in no way change the funds provided. However, the gentleman from Mississippi not only proposed to change the total, but proposed to change it to $2,477,510 when the correct total was $22,258,000. After this was pointed out and I had offered an amendment to his amendment, inserting the correct amount, the gentleman from Mississippi [Mr. RANKIN] insisted that the Clerk had misread his amendment, but the Chairman of the Committee of the Whole stated:

> The gentleman from Mississippi is informed that the language the Clerk read is the language that was sent up to the desk by him. If there was a mistake, it was not the mistake of the Clerk.

Thereupon my substitute for the amendment of the gentleman from Mississippi was adopted by the Committee of the Whole. I only cite this incident to show that the efforts of the gentleman from Mississippi to be helpful to REA, although unquestionably of the most sincere nature, are oftentimes misguided and fumbling in character.

This concludes what I have to say with reference to the colloquy of June 27. I do not know why the gentleman from Mississippi withheld his remarks from the RECORD until July 2, publishing them in the Appendix of the RECORD as is provided in such cases under the rules, unless he may have thought that I would not observe the changes and additions he had made to the remarks as reported by the official stenographer. I have felt it necessary to have the RECORD speak the truth, however, and for that reason have taken this time today.

Mr. HENDRICKS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, we have just witnessed quite a spectacle, but these things have happened before. I understand that perhaps a motion will be offered to recommit this bill to the Appropriations Committee. If it is so recommitted I am sure I know what will happen to it in committee.

Mr. Chairman, I have no intentions of discussing the merits or demerits of the FEPC. I would not even take the floor except that I have noticed statements in the newspapers recently by the proponents of FEPC that they are ready to fight it out all the summer in order to provide funds for the operation of this agency. In these statements it seems to me that there is an implication that if the House wants to take a recess, the opponents of FEPC better retreat. As far as my desire to take a recess is concerned, I very much want to take one. I have some private business matters I would like to handle and I have some matters for my committee that I wish to handle and I would also like very much

to visit with my constituents, in addition to taking a little time for relaxation. But may I say that I believe when it comes to avoirdupois that I am carrying no excess weight, that my blood is about as thin as any Member's here and I can stand this heat as well as, or perhaps better than any other Member. So in reply to that implication let me say to those who have made the statement that we are ready to fight it out here on these lines until Christmas.

There are two methods which can be employed to prevent the appropriation of funds for further activity of this agency. One is that the Rules Committee can decline to grant a rule sending any bill containing the item to conference. I have checked with the members of the Rules Committee and find that there is not the slightest inclination on their part to change their attitude and grant such a rule. Therefore the bill then of necessity must be referred to the Appropriations Committee. The Appropriations Committee has defeated this item by a vote of approximately two to one. I have checked with those who voted against this item, with the exception of a very few, and in every instance have found them ready to stand by their guns.

Of course, somebody may immediately say that this is not democracy. I may reply that the proponents of this bill have had two methods by which they could secure a vote on the bill: The first is that the Committee on Labor could have brought this up when that committee was called on Calendar Wednesday. Calendar Wednesday has been suspended by unanimous consent from time to time. Therefore, the proponents did not take advantage of their opportunities. The second method is one which has been employed frequently since I have been in Congress, and that is a discharge petition discharging the Rules Committee and bringing the bill directly to the floor. The gentleman from New York [Mr. MARCANTONIO], who has made the statement that the proponents are ready to fight all summer to secure funds for this agency, is no doubt aware of the fact that he was recently one of the floor leaders for the anti-poll-tax bill, which was brought to the floor of this House by way of the discharge petition. He is also well aware of the fact that if the proponents of this agency were so anxious to have it continued that they have had ample opportunity to bring it to the floor of the House by this method.

The truth of the matter is that if this bill were brought to the floor of the House and the Members could vote on it secretly, it would be defeated by an overwhelming majority. The Members simply do not want the agency established, but may vote for it under pressure if it were brought to the floor.

I simply wanted to say that if there is any implied threat that we must make appropriations for this agency if we are to get a recess, then, so far as I am concerned, and so far as many members of my committee are concerned, there will be no recess this year. Let me add further that it has been the habit of some of the proponents in nearby States to leave the Capital for home early each week end and return the following week. If we are to be kept in session, some of these Members may find it extremely difficult to continue this practice.

Mr. WHITTINGTON. Mr. Chairman, under leave to extend, permit me to say there has been agitation for legislation for fair employment practice. An Executive order to provide antidiscrimination in employment has been in force for several years and bills to promote fair-employment practice have been introduced and reported.

There has been no adequate discussion of the bills, and the public is not aware of the far-reaching provisions of the proposed bills. They constitute an innovation, and when the public becomes aware of the drastic provisions of the so-called fair-employment practice bills the public will be greatly shocked. If passed, the people of the United States would find themselves subjected to regulation and compulsion unknown in the United States. It is time for plain speaking and straight-from-the-shoulder discussion. Such legislation would plague the Nation with an unworkable law, and national discrimination would be intensified instead of lessened.

Those who advocate the bills insist that the Commission to be created would uproot discriminatory practice by force. The Commission authorized by the bills could summon employers before it on charges of refusing to hire or of discharging or other discrimination against a person because of his race, creed, color, national origin, or ancestry. Employers found guilty could be ordered to desist. The orders could be enforced by courts. Back pay is authorized. One great difficulty is the impossibility of determining whether racial or religious discrimination exists. If a Protestant applies and a Catholic is hired, the Protestant would likely feel that he had been discriminated against. On what basis could a decision be made?

There are ample jobs for all now, but after the war employment may be difficult for many. The bills create no jobs, and would hinder or delay employment.

The advocates of the legislation make the grave mistake of not discriminating between business, large and small, and public institutions. Many employers have set up small plants. Members of their family are employed, and neighbors, and often members of the same church are employed. Such is the right in a democratic country. The sponsors of the bill, whether they know it or not, are promoting Government control over our economy. We had better face the issue with our eyes open. We might as well realize that we are destroying the conditions under which business, and especially small business, can function successfully.

There is something in a name with which to conjure. It sounds all right to provide for fair employment practice. All desire to be fair. But a name may be deceptive. The proposal is by legislation to require all employers of six or more persons and all Federal departments and agencies to eliminate discrimination in regard to hiring and terms or conditions of employment because of race, creed, color, or national origin. The proposal sounds well. A name may be misleading. The important matter is not the name, but the idea back of the name. Both the Executive order and the proposed bills sound well. They are entitled "fair employment practice." They might better be called "unfair employment practice."

SENATE AMENDMENT

The Senate amendment under consideration provides an appropriation of $250,000 for the next fiscal year for the Fair Employment Practice Committee. The amount is substantially one-half the appropriation for the current year. The Committee was originally set up under Executive Order No. 8202, June 25, 1941, amended by Executive Order No. 8823, July 18, 1941, and finally amended by Executive Order No. 9346, May 27, 1943. Under the Executive order all Government contracts are to contain provisions against discriminating against any employee or applicant because of race, creed, color, or national origin. All departments of the Government are to be administered without such discrimination. There is a committee consisting of a chairman and not more than six other members. The Committee is authorized to achieve the purposes of the Executive order and to make recommendations to the Federal departments and agencies to make effective the provisions of the order. The Committee is also authorized to make recommendations to the War Manpower Commission for appropriate measures to prevent discrimination. Complaints are to be received and investigation made. Voluntary and uncompensated services, as well as the services and facilities of the Federal departments, may be used, and the Committee is authorized to promulgate rules and regulations to carry out the provisions of the order. Under the Executive order the Committee is without constitutional power to enforce its findings. They must be enforced by the agencies of the Government. These are the only teeth for the enforcement of the Executive order. Those who did not comply would be excluded from Government contracts. There is no criminal penalty for a violation of the rules and regulations of the Committee.

THE PURPOSE

It is intended to prohibit discrimination because of races and creeds. There are prejudices against creeds. There are prejudices against races. These prejudices were not created by law, and they cannot be changed by law. Such prejudices should be eliminated, but the approach is the voluntary method. Compulsion will defeat the purpose. The method is wrong. Voluntary efforts will be more helpful.

The relation between employer and employee, like the relation between master and servant, under the common law, is intimate. We all like to select our associates. We like to employ those who are congenial. We want to know about their fitness. We are to be the judges. The liberty of choosing employees is a

part of free enterprise. It is a liberty protected by the Constitution. Under the fifth amendment a citizen cannot be deprived of his life, liberty, or property without due process of law.

The Executive order and the pending appropriation are intended to benefit the Negro race. It is said that more than 85 percent of the complaints and 85 percent of the investigations made by the Committee appointed under the Executive order have been in behalf of Negroes. But employment contemplates fitness. Employment is a contractual relation. The remedy for discrimination is understanding, tolerance, and education. Instead of benefiting the Negro race, instead of benefiting the so-called minorities, the Executive order will have the opposite effect. The worst race disturbances in recent years have not been in the South but in the northern industrial districts.

I oppose religious prejudices. I oppose racial prejudices. I believe, however, in the freedom of religion. I believe in fairness for all races. Force and compulsion is the wrong way to correct. They will stir up racial and religious prejudices. The proposal strikes at the fundamentals of liberty and of free enterprise.

Through the ages moral and ethical values cannot be frozen at a new level by the passage of a statute. The proposal will set the clock back, and will hurt the people it is intended to help. It will make the life of every employer miserable. It will result in unhappy if not violent disturbances everywhere.

History and experience prove that you cannot legislate tolerance and morals into people. Compulsion injures the cause to eliminate discriminations. Force will retard the educational progress now being made. Man has always responded more willingly to a plea than to a command. I know of no better ethics than the Sermon on the Mount. I know of no finer philosophy than the Golden Rule. I am not a Socialist. But if a citizen believes in the principles of the Socialist Party I accord him the freedom of his convictions. I think it would be a mistake to force any creed, any ethics, or any philosophy on any people. The better way is the voluntary way. The better way is the freedom of choice and the tolerance of view.

Burning resentment from forced employment will furnish fuel for racial disturbances and will foment rather than eliminate racial prejudices.

The Executive order is an attempt to change customs by force. It is a fallacy to believe that customs and habits of peoples can be changed by law. Injustices, inefficiencies, and misunderstandings will result from such a law.

Racial feeling will be accentuated. The proposal is social and political dynamite. We are throwing the experience of the ages to the winds. The proposal plays into the hands of those who would re-make and re-form our institutions and our economy to conform to their social views. The purpose to eliminate discrimination can best be achieved by cooperation. While the Executive order carries with it no criminal penalties, it is patterned on the bills that have been reported for permanent legislation, both in the House and in the Senate. The vice of the continued appropriation is that under the guise of preventing discrimination, business will be hampered and harassed. Places of business may be entered without probable cause, and businessmen may be summoned to produce their books and their records in distant parts of the country, and they may be required to defend proceedings against them far away from their places of business or places of residence. There are no qualifications for the agents or agencies. They may be social dreamers. They may not believe in the competitive system or in free enterprise. Grave injustices will be done. Inefficiencies will result. The centralized bureaucratic control, especially of the small businessman with six or more employees, is enough to condemn the proposal. The great objection is that the proposal will regiment and destroy small business.

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The above bills have been reported to the House and to the Senate. They undertake to implement the Executive order establishing the Committee on Fair Employment Practice and to make it permanent law with power and authority to enforce. As is commonly said, the bill has teeth in it to enforce the findings of the Committee. The bill delegates to a Federal agency dangerous powers of regimentation over millions of citizens. Its orders and decisions are really final.

Many otherwise good men and organizations are petitioning for the passage of the act. They do not know the contents of the bill. They have been misled by the name and by the title.

A minister of the gospel recently wrote to a Member of the House asking him to sign the petition for the discharge of the Rules Committee on the above House bill. The Member of the House, in answer, advised the minister as to the provisions of the bill, as to the vast powers of the Commission, its unequalled authority, its regimentation of all businessmen with six or more employees, and its farcical appeals. The minister promptly wrote back to the Member of the House that he never dreamed the bill contained the provisions for fine and imprisonment without a trial by jury, the summary provisions for contempt, and generally the power to control all employees by hiring and discharge. He congratulated the Member of the House in not signing the petition for discharge, and urged him to vote against passage of the bill. The same situation applies to many others who have endorsed the bill. They believe in fair employment, but they do not know that under the guise of the name of Fair Employment Practice there is the power to destroy the businessmen of the country, and especially the small businessmen. The large business firm is able to take care of itself. These firms are familiar with labor problems. They have their lawyers. The small businessman has trouble enough with bureaucracy now. There are too many rules and regulations. There are too many investigators. The crux of the pending bill is that it will absolutely paralyze small business.

The argument that the bill implements fair labor practice is pure hypocrisy. The bill takes away the right that every American enjoys of choosing his own employees. It subjects the employer to the charge of prejudice and discrimination every time he hires or discharges. But that is not all. It makes the charge a criminal offense and at the same time deprives the citizen of the right of trial by jury. No bill should deprive the citizen of the right of trial by jury in a criminal prosecution.

THE HOUSE BILL

The bill provides for a Commission to be composed of five members at salaries of $10,000 annually. It defines as an unfair employment practice the refusal to hire any individual because of race, creed, color, national origin, or ancestry. The Socialist has his creed. The Mennonite has his creed. The patriotic American does not desire a Communist in his employment. He knows that his business would be disrupted. If Mennonites desire to associate with Mennonites in their business, that should be their privilege. The Negroes might not want white employees. The white employer might not want a Negro employee. A French-American might not want to employ a German-American. Labor unions are not permitted to deny membership because of an individual's race, creed, color, national origin, or ancestry.

The bill recognizes that Congress is without power to provide employment practices. Such legislation is for the State. Federal legislation is without constitutional warrant. The bill recognizes this fact. It undertakes to relate employment to commerce. Section 5 defines unfair employment practices, and section 7 undertakes to implement such practices so defined with commerce. The commerce clause of the Constitution is invoked in behalf of the constitutionality of the legislation.

Under section 6 of the bill, the Commission has power—and I quote—"to appoint such officers and employees as it deems necessary to assist it in the performance of its functions," "to cooperate with or utilize regional, State, local, and other agencies, and to utilize voluntary and uncompensated services." No qualifications are prescribed. There is no limit upon the number of employees.

Under section 7b the Commission is authorized to appoint referees, agents, or agencies, with power to serve complaints at the request of a person not employed, and with power to require the employer to appear before a designated referee or agent or agency at a place to be fixed. No qualifications are prescribed for such agents. The ordinary rules of evidence do not obtain. Judicial procedure is cast aside. The Commission may find that there has been discrimination. It may order back pay.

JUDICIAL REVIEW

Section 8 provides for a judicial review. The proposed review is a misnomer. It provides, and I quote from section 8, "judicial review in the same manner, to the same extent, and subject to the same provisions of law, as in the

case of orders of the National Labor Relations Board." Under section 10e of the act establishing that Board, it is provided, and I quote, "the findings of the Board as to facts, if supported by the evidence, shall be conclusive." The Commission is the sole judge of facts. Their findings are conclusive. The appeal court would have no power to reverse the finding on the facts.

POWER

Under section 6g the Commission has the power to establish regional offices—such regional offices as it may deem necessary. And the Commission, by one or more of its members, or by such agents or agencies as it may designate, may conduct any investigations, proceedings, or hearings necessary to its functions in any part of the United States. The employer could well be required to appear at a distant place. I emphasize that no qualifications are prescribed for the agents. Such is not true for judicial officers. An ordinary Federal judge must possess basic qualifications for the discharge of their duties. Hearsay evidence would be admissible. Ex parte statements could be heard. The hearings could really be a travesty on justice. No ordinary judge can do what a Fair Employment Practice Committee agent is empowered to do.

JUDGE AND PROSECUTOR

The Fair Employment Practice Commission agents are at once both prosecutor and judge. Ordinarily a person charged with crime is presumed to be innocent, but a person charged with violating the Fair Employment Practice Act would be presumed to be guilty. The agent is judge, prosecutor, and jury.

Under section 13 any person who willfully resists, prevents, impedes, or interferes with any member of the Commission or any of its referees, agents, or agencies, shall be punished by a fine of not more than $5,000 or by imprisonment of not more than a year, or both.

NO JURY TRIAL

The citizen can thus be imprisoned without a jury trial. How many people who advocate the passage of the bill to promote fair employment practice know that if an agent believes that the employer has interfered with his star chamber investigations, without probable cause, the citizen can be fined and imprisoned?

BACK PAY AND CONTEMPT

Under the terms of the bill if a person applies for employment and is not employed and his complaint is upheld by the Commission, the Commission can order the employer to pay back pay for services never rendered. Under the investigatory powers in section 9 the Commission can apply for an order in the district Federal court. If the order is disobeyed the citizen can be punished for contempt. The encroachment upon fundamental rights will bring down upon the proposed legislation the wrath of an aroused America.

PRESENT EMPLOYEES

Section 6f of the bill is unprecedented. It provides that all the employees of the present Committee shall be transferred to and become employees of the Commission that would be created. All of the present employees, regardless of their qualifications, regardless of their creeds, regardless of their fitness, would be transferred into the permanent Commission.

VETERANS

Under the laws passed by Congress veterans are entitled to preference in employment. There is no exemption for veterans' employment in the pending bill. Nothing is said about preferences to veterans. Preference to veterans would be repealed by implication.

When the veterans find out that the preferences accorded to them are destroyed by the terms of the bill, there will be a rude awakening for those who support it.

FREE ENTERPRISE

The bill is applicable to all employers, including merchants and farmers, with six or more employees. It strikes a fatal blow at private enterprise. A man's success or failure in business and in farming depends upon his employees, upon his ability to select dependable, loyal, and industrious employees to assist him in the operation of his business or enterprise. Under the terms of the bill, the Commission could say, "You must hire this man, you must fire that man, you must promote the other man."

Under the bill, regimentation would obtain. Whether intended or not, the bill would revolutionize free enterprise and establish the supervision by the State of all business and of all agriculture.

UNENFORCEABLE

A moment's reflection will convince a thoughtful citizen that the bill is unenforcable. How can a Commission of five in Washington regulate, investigate, and provide employees for all of the employers in the 48 States of the Union? It would be the superduper bureaucracy of the age.

RACKETEERS

The enactment of the bill would provide a fertile field for racketeers, blackmailers, and shysters. Merchants and farmers would be subjected to harassment by troublemakers and disgruntled job seekers. The average citizen, the small businessman, is troubled enough now with requests for reports. He is troubled enough by investigations by Government agencies. He is fed up on bureaucracy in Washington. It would be an easy matter for a disgruntled employee to file a complaint. The employer, rather than hire a lawyer, rather than go to court, rather than take the matter up with Washington, would pay the disgruntled employee, rather than be supervised by the Commission. The system of American enterprise that has made America great would be undermined.

CONSTITUTIONALITY

There are grave constitutional objections to the bill. Section 4 declares that the right to work without discrimination because of race, creed, color, national origin, or ancestry, is an immunity. The immunities and privileges of citizens can only be provided by the Constitution. They cannot be provided by statute. The said section undertakes to declare by statute that which can only be declared by the Constitution. This section is senseless, ineffective, and unconstitutional. It has no place in the bill. No reference is made in any other part of the bill to the immunities of citizens. I have racked my brain in an effort to understand what connection section 4 has with the remainder of the bill. It could only serve, however, to show that the sponsors are grabbing at straws for constitutional warrant for the legislation.

As I have said, section 5 of the bill defines fair-employment practices. The bill recognizes that Congress has no power to act with respect to employment practices. Section 7 attempts to relate employment to commerce. But the commerce clause of the Constitution is the first hurdle. The fifth amendment still obtains. The right to employ, I assert, is liberty within the meaning of the fifth amendment. No citizen, as I have stated, can be deprived of his liberty without due process of law. The constitutionality of the bill is open to serious question. I am aware that the National Labor Relations Act has been declared to be constitutional. That act contemplates that the refusal to hire because of union membership would lead to strikes. Experience demonstrates such to be the case, but the pending bill is not parallel. The pending bill would go on the theory that hiring would lead to strikes. It is the converse of the reason assigned by the Supreme Court in approving the National Labor Relations Act.

Neither is the decision of the Supreme Court upholding the Fair Labor Standards Act in point. As a result of experience the Court held that commerce was affected by hours and wages. There is no such experience respecting the pending bill.

PARTY PLATFORMS

It has been said that the Republican Party platform endorsed a Fair Employment Practice Commission. Senator TAFT, of Ohio, was the chairman of the platform committee. The Republican Party did endorse the principle of fair employment practice. But it did not endorse the pending bill. It did not endorse the Norton version of fair employment practice. Senator TAFT introduced S. 459. It constitutes an entirely different approach to fair employment from the pending bill. It does not provide for compulsion. It utilizes voluntary methods. Education and cooperation, without force, is evidently the fair employment practice that the Republican Party had in mind when it adopted its platform. The Democratic platform made no reference to the Fair Employment Committee or Commission. I am frank to say, however, that the principle of fair employment was endorsed. The pending bill was not endorsed. The Norton force bill was not approved. It is fair to say, therefore, that neither of the two great political parties has ever endorsed the pending bill with its force and with its compulsion.

I conclude as I began. Discrimination should not obtain. There is a proper approach. That approach is by education, by tolerance. That approach is

voluntary. Discrimination cannot be removed by force.

There is no occasion for legislation. The remedy is good will. The remedy is voluntary and not compulsory. All Americans believe in the Constitution. That Constitution protects the privileges and immunities of all citizens, regardless of race or creed. Any statute that undertook to restrict or deprive a citizen of such privileges and immunities would be in violation of the Constitution.

Commissions and associations whose aim is to prevent discrimination by cooperation is one thing. But commissions and associations to force employment and by compulsion to prevent discrimination is another thing. The Norton bill is not only unconstitutional, not only unworkable, but it is destructive to the American system of free enterprise. It is destructive to American business. It is un-American and ought never to be enacted.

Mr. RICH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RICH. I understood that after the points of order were disposed of that if we wanted to strike out the last word to proceed for 5 minutes, we would be permitted to do so. Under that assumption, I wish to strike out the last word, Mr. Chairman.

The CHAIRMAN. Amendments are in order to the bill at any time. Any Member has the right to offer amendments. Does the gentleman desire to offer an amendment?

Mr. RICH. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, when we had this bill on the floor on June 7 I strenuously opposed the rule that was brought in here owing to the fact that we were appropriating money for Executive orders, and it was not legislation authorized by law. I believed then as now it was unconstitutional. I find out now I was right. I felt then that we were doing the wrong thing in bringing the rule in here at that time, and today we find that the very substance of that statement is being brought home in a manner that very few of you on the Democratic side of the aisle are enjoying. We have here a bill making appropriations for many war agencies for 1945–46. Many of these agencies can be eliminated and dispensed with, and this is the first time that I have seen certain people in this House trying to eliminate them, and they are putting the eliminator on in pretty good shape. Furthermore, this bill carries with it $752,544,850, as it is presented to you this afternoon. Many millions can be saved from the appropriation and certainly the war effort will not be hindered.

Take the statement of the Treasury on June 25 and you will find we are in debt $259,115,345,802.36. That is one of the greatest monuments, the most colossal monument the New Deal ever built in this Nation to extravagance, waste, and inefficiency. What a monument that is going to stand generation after generation before the people of this country are going to be able to eliminate it. You had a lot of it eliminated here in a way that you did not like this afternoon but notwithstanding that it may be a good thing. I think the President of the United States will be able to handle the affairs that are in progress now and do so in such a way that will not interfere with the war effort. It is certainly going to be a benefit to the American people and to future generations to cut out many of these agencies not authorized by law. It seems to me that some of the other legislation which is contemplated being tacked onto this bill should be left off of our legislation and our appropriations at this particular time, because I believe in treating everybody right and honest. I do not think we can enforce righteousness upon the American people by legislation. I do not think we are going to help the colored people as many of you would have us believe this bill is intended to do if you put FEPC onto it. I think it is only an illusion by some people to still further the interest of communism in this country of ours. I do not want any of it. I think the Congress ought to be wide awake as to what they are doing here today.

As Booker T. Washington said:

> Let all the people who want to have recognition in this country gain recognition by their own act and by their own deed.

That is the thing I believe we ought to be very careful of now in trying to let the people of this country get into a certain position because they earned the right to be in that position. We do not want enforced righteousness or position. I want to do everything I can for all the people regardless of religion or race. I think, however, that the things the New Deal Congress has been trying to do in the last 8 or 10 years now are coming back to haunt you. Many of you men who voted for a lot of this legislation in the last 10 years and increased the number of Government employees from 500,000 to 3,500,000 now discover that you wish you had not voted for a lot of those things. Do not you wish you had not done so? I am sure you do. I think if you were to hold your hand up you would find that many of the hands of sorrow would be held up here today would come from the Democratic side of the aisle. Let us not put something foolish here in this bill that we are considering at this time. Let us be careful of what we do. When the time comes that you are going to enforce anything on the American people just remember that the American people want to be taught, and they want to be shown that the right thing is to do thus and so. I think you will find the American people will be in that frame of mind and do things by education not by force or coercion. But when the time comes that you think you can drive the people then they are not going to be driven to enforced position of goodness or righteousness.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in view of the seriousness of the issue, I ask unanimous consent to be permitted to proceed for five additional minutes.

Mr. VURSELL. Mr. Chairman, I object.

Mr. MARCANTONIO. Mr. Chairman, I believe the people of the country and the Members of the House are not going to be fooled by any of the protestations made by the opponents of the FEPC to the effect that those of us who are its proponents and who have made points of order must take the responsibility for killing appropriations for war agencies. The facts should be known. They are known. They should be repeated.

First of all, we know of the provision in the deficiency appropriation act which permits these agencies to continue on the basis of anticipated appropriations.

Second, we also know that when this bill goes to the Senate, the Senate will restore funds for these agencies. What will that do? It will place on the shoulders of FEPC opponents who objected to sending the previous war agencies bill to conference the additional responsibility of refusing a second time to send a War Agencies Appropriation Act to conference, thereby again depriving these agencies of necessary funds.

Let us see what the record shows. This bill is not necessary. This bill is simply a device to circumvent the majority of the House of Representatives from exercising its will to vote appropriations for the FEPC. And why? We passed the war agencies appropriation bill in this House just 2 or 3 weeks ago. It went to the Senate. The Senate passed it, appropriating for these war agencies and for FEPC. Who killed those appropriations? All that was necessary last Saturday was unanimous consent to send that war agencies appropriation bill to conference to complete legislative action. Who objected to that unanimous consent request? The opponents of FEPC.

On Monday a request was made to the Rules Committee to send the war agencies appropriation bill to conference and complete congressional action. Who refused to report out a rule to make that possible? The opponents of FEPC.

Further than that, on Monday afternoon that bill was sent by the Speaker to the Committee on Appropriations. The bill had been passed by the House and had been passed by the Senate, the same identical bill, making appropriations for these war agencies. What happened to the bill? By a vote of 21 to 11 the opponents of FEPC tabled that bill. Instead of bringing out that bill which had been passed by the House and the Senate, what did you, the opponents of FEPC do? You did not bring it out. You tabled it and you brought out this piece of paper which is unnecessary and which, I repeat, is simply a device to circumvent the will of the majority of this House to vote on FEPC appropriations. Again, on Tuesday afternoon the opponents of FEPC in the Rules Committee refused to vote out a rule to protect these agencies, because they feared that a majority of the House would amend the rule and make FEPC in order. So do not say that we are killing appropriations for war agencies. You did the job on Saturday. You did it on Monday. You did it on Tuesday, now do not try

to place the responsibility on us on Thursday.

Let me go a step further than that. Let us see who are these gentlemen who pretend to be so enamored of these war agencies today. Let us look at the record. On May 26, 1944, we passed the war agencies appropriation bill. Let us see how the gentleman from Mississippi [Mr. COLMER] voted on those particular appropriations. Page 5067, CONGRESSIONAL RECORD, May 26, 1944, the gentleman from Mississippi voted "no."

Let us see how the gentleman from Georgia [Mr. COX] voted on these particular appropriations. On the same roll call the gentleman from Georgia [Mr. COX] voted "no."

The gentleman from Mississippi [Mr. RANKIN] voted "no."

The gentleman from Virginia [Mr. SMITH] voted "no."

No. We are not killing these war agencies. You did the job.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MARCANTONIO. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROE of Maryland. Mr. Chairman, I object.

The CHAIRMAN. The Chair believes the objection comes too late. The gentleman is recognized for two additional minutes.

Mr. MARCANTONIO. Mr. Chairman, this is a most serious proposition. The opponents of FEPC are not fooling anyone. The American people know that we, the friends of FEPC, are supporters, past and present of the war agencies. The only reason why we took the action we did today is to insure that this bill goes to conference; to insure that not only all of these war agencies will be appropriated for, but to insure that this House will have an opportunity to vote on the appropriations for FEPC. That is why we took the action and everybody knows it. You are not going to get away with the attempt to put the onus on us.

Mr. LAFOLLETTE. Will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. LAFOLLETTE. I simply want to say for myself as an individual Member, I endorse the statement of the gentleman from New York.

Mr. MARCANTONIO. I thank the gentleman.

The action of the opponents of FEPC has placed this House in an ignominious position. You think you have killed FEPC. You have not. FEPC can and will continue, irrespective of whether you give it funds. It was established by Executive order and it will continue as long as the President continues the Executive order. You will have it recorded that for the first time in the history of America a Government agency will have to be supported by contributions from the people, from the overwhelming majority of the American people who want this agency, who know that it is necessary in war and in peace; who know that on this issue we are beginning to determine whether or not the peace that follows this war shall be a peace that shall belong to the people or whether it shall be a peace belonging to the few who are practicing the same doctrines of Hitlerism in America that American boys crushed in Europe.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from South Dakota is recognized for 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, I shall not use the 5 minutes.

Mr. Chairman, I merely wish to have the RECORD right and so I rise to correct one statement made by the gentleman from New York. The vote to table the earlier bill for the war agencies was not, as he stated, 21 to 11 in the Appropriations Committee. Without revealing what the action in executive session was, I will merely say that the vote was not 21 to 11. I presume the gentleman was merely repeating what he had read in the papers. That report was not correct.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. Mr. Chairman, I yield back the balance of my time.

Mr. MARCANTONIO. If the gentleman will yield, it was tabled, was it not?

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I did not intend to say anything on the consideration of this bill today until the distinguished gentleman from New York [Mr. MARCANTONIO] brought my name into this discussion. I am glad as well as sorry that he saw fit to do that, because he raises a question of how some of us voted previously on matters affecting these war agencies. Yes; I voted against this appropriation bill on a previous occasion when it carried an authorization for the FEPC. My record is thoroughly consistent on that.

I was not surprised that the whip-cracking leader from New York, who is neither Democrat nor Republican but who has assumed a place of leadership——

Mrs. NORTON. Will the gentleman yield?

Mr. COLMER. In this House of Representatives—Mr. Chairman, my time is very limited; I do not care to yield to anyone.

The CHAIRMAN. The gentleman from Mississippi declines to yield.

Mr. COLMER. Who as I was observing, has assumed a place of leadership in this House, and who frequently cracks the whip because of his so-called minority-group leadership to tell the Membership of this House which side of the hoop to jump through, I say I am not surprised that it is he who takes the leadership here today in objection to these war agency appropriation items. Why do I say that? It is not necessary to remind the Membership on the floor, Mr. Chairman, why I say that, because if you will go back into the annals of the CONGRESSIONAL RECORD when we were trying to prepare this country for the war that was coming on, when we had the Selective Service Act up, when we had the appropriations for the battleships, when we had the appropriations for the strategic war materials, when we had the billions of dollars of appropriations for the Navy, at that time when one Benito Mussolini was striking his breast and parading across the stage over there, when Marshal Stalin had not yet been attacked by Adolf Hitler, the gentleman from New York [Mr. MARCANTONIO] voted against every dollar of appropriation and every item for war preparedness. It was not until Russia came into the war that the gentleman took a different stand. Now Russia is no longer in the war; so it is not surprising that the gentleman is taking such a stand.

Mr. MARCANTONIO. Now, will the gentleman yield?

Mr. COLMER. The gentleman did not yield to me.

Mr. MARCANTONIO. The gentleman did not ask.

Mr. COLMER. Mr. Chairman, I repeat, I am not surprised at the action just taken by the gentleman from New York [Mr. MARCANTONIO]. And as far as I am concerned, as a member of the Rules Committee and as a member of this body who does not have to jump through the hoop when he cracks the whip, there will be no compromise.

Mr. COX. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. COX. Mr. Chairman, there is nothing in my war record which shall ever bring shame to the cheeks of my children or my children's children. I do not take offense at the gentleman from New York [Mr. MARCANTONIO] for trying to patch up his war record by attacking the particular vote by me to which he made reference. The gentleman from Mississippi has called attention to the fact that the gentleman who has led the attack upon this bill is the same gentleman who was voting against every appropriation bill for the carrying on of the war effort prior to Russia's having entered the contest.

The gentleman from New York [Mr. MARCANTONIO] has evidenced by his behavior on the floor today that he and his group are more concerned in forcing upon the people of this country some form of communistic control than they are in bringing this deadly conflict to a speedy and victorious end.

Let the country take notice, let the soldiers who are bleeding and dying take notice, let their mothers, their fathers, and their loved ones back home take notice, who, upon this floor today, is sabotaging the war effort.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I congratulate the Appropriations Committee for not including in the war agencies appropriation bill an item for the FEPC.

This agency should never have been created, and has served no useful purpose, and I have always opposed it, and voted against its continuance at every opportunity, and by the action of the committee today, am hopeful that it may be discontinued.

I am opposed to the continuance of a temporary FEPC during the war, and am also opposed to the creation of a permanent FEPC. The provisions of such a bill are unenforceable during wartimes, and would be even more so during normal times. How could the Government prove that a company or an individual had refused to hire a man because of the color of his skin?

This legislation sets a new precedent for Government control in matters that hitherto have been considered solely for individual discretion. The existince of a law like FEPC, instead of helping to solve the race problem, will make it more difficult of solution, and those who advocate it are ignorant of the problem with which they are dealing, and are prescribing a remedy that will be hurtful rather than helpful in maintaining equity and fair dealing between the races.

An agency like FEPC is bureaucracy in its worst form and the sooner it is terminated the better for America and our democratic way of life.

Mr. CANNON of Missouri. I move that all debate on the bill and all amendments thereto be now closed.

The question was taken; and on a division (demanded by Mr. HOOK) there were—ayes 169, noes 83.

So the motion was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee rise and report the bill back to the House without amendment and with the recommendation that the bill be passed.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 3649, making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill be passed.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. Yes.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the Committee on Appropriations with instructions to report the same back forthwith with the following amendment, namely, strike out line 24, page 4, to page 5, line 2, the following: "not to exceed $70,000 for the temporary employment of persons or organizations by contract or otherwise for special services without regard to the civil-service classification laws."

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recommit.

Mr. MARCANTONIO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARCANTONIO. Was not that language stricken out on a point of order?

The SPEAKER. The language that the gentleman seeks to strike out is on page 4, line 24, beginning with the words "not to exceed." That is in the bill.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that the motion to recommit be again read.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk again read the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

LEAVE TO PRINT

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken on the bill may be permitted to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to revise and extend his remarks in the RECORD and include two newspaper articles.

Mr. LATHAM (at the request of Mr. LAFOLLETTE) was given permission to extend his remarks in the RECORD and include an article.

Mr. LAFOLLETTE asked and was given permission to revise and extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. BATES of Massachusetts. Mr. Speaker, I ask unanimous consent that today, after the disposition of all special orders, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TWENTY-FIVE PERCENT TAX LIMITATION

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain tables.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ALABAMA RESCINDS FORMER ENDORSEMENT OF PROPOSED TWENTY-SECOND AMENDMENT—THE FIFTH OF SEVENTEEN ENDORSING STATES TO TAKE THIS STEP

Mr. PATMAN. Mr. Speaker, a year ago 17 States memorialized Congress to adopt what was called the twenty-second amendment to the Constitution, which would limit Federal taxes to 25 percent. The movement was exposed, and since it was exposed no State has endorsed such a proposal, although nearly all the State legislatures have been in session. Five of those States have rescinded their actions.

Mr. Speaker, there are countless people in this Nation who have expressed their interest most emphatically on the subject of the proposed twenty-second amendment—the proposal that has been so strongly advocated by the group which so patriotically calls itself the Committee for Constitutional Government. For some strange reason there has always seemed to be a decided lack of publicity connected with any reversals suffered by this sponsoring group and I wish to take this opportunity to call attention to another instance in which a State legislature has reversed its former endorsement of the proposed amendment which would repeal the sixteenth amendment to our Constitution and substitute therefor an amendment limiting the power of the Federal Government to levy taxes to a maximum of 25 percent on incomes, gifts and inheritances.

I believe that this is an action which will be taken by the other State legislatures which have endorsed the proposal after they have given serious thought to the consequences which would arise if such a vicious amendment were actually made a part of our Federal Constitution. Unfortunately, many people gave their approval to this proposal without giving any study to the inevitable results or to the motives which prompted its proponents to work so tirelessly for its inclusion in our Constitution. They did not stop to think that those who were most actively engaged in its promotion would be those who would be the most benefited—naturally they were anxious to get taxes reduced to 25 percent. What these proponents did not "bother" to explain, however, was that a reduction in their taxes would of necessity mean raising the tax on lower income brackets to make up the loss in revenue to the Government. Not only would the income taxes of the low-income group be raised but as a report of the Division of Tax Research of the Treasury Department pointed out, the tremendous loss in revenue to the Government resulting from the 25 percent tax limit on high incomes would make it necessary to explore such other fields of revenue sources as sales taxes and excises.

Ever since early last year when this proposal came to my attention and I made a study of its implications, I have been convinced that it was nothing more and nothing less than a foul, vicious plot sponsored by a group of selfish, greedy, very rich people—a foul, vicious plot which was well on its way to success last year before it was brought out in the open and shown up for what it actually was.

To begin with, as soon as I found out who the mainsprings were in the most active sponsoring group, the Committee for Constitutional Government, I began to suspect that the activities of the group were not exactly prompted by motives which one would naturally expect from an organization with such a high-sounding name. Those mainsprings were Edward A. Rumely, who was sentenced

to a year in a Federal penitentiary after the last war for his dealings with the German Government; Frank Gannett, the newspaper publisher whose efforts have been so religiously devoted to getting his tax cut down to 25 percent; Samuel B. Pettengill, former Member of Congress, whose talents as an orator have been used by the group in spreading its propaganda; and S. S. McClure, former publisher, who evidently spent a little too much time in Italy studying fascism.

When I first found out about this group's activities, 14 State legislatures had already put their stamp of approval on the proposed amendment by adopting resolutions memorializing Congress to call a convention for proposing amendments. This clever campaign which was being waged, backed by an almost unlimited source of lobbying funds, was feverishly being directed at many other State legislatures in order to obtain another 18 endorsements to bring the total endorsements up to 32, the required number for forcing the Congress to call the convention. They were successful in bringing 3 more into line before we were able to get into action and halt their propaganda machine by focusing some rather startling publicity on the true nature of their scheme. This brought the total of the endorsing States to 17. No State legislature has endorsed it since our campaign really got under way.

After making several speeches on this subject on the floor of the House, letters by the hundreds came in to me asking for additional information. Requests by the thousands came in for copies of the speeches I had made. Many of these requests came in from legislators who had voted for endorsing resolutions but who were now frank enough to admit that they had not realized who and what was behind the movement.

It was not long before rescinding resolutions began to appear in those legislatures that had previously passed endorsing resolutions.

Then came the big surprise to the Committee for Constitutional Government and other proponents—the Legislature of the State of Arkansas passed a rescinding resolution. That was something that Gannett and his crowd were not prepared for. They knew that it might take a long time to get the endorsements of 32 States, but the stakes were high and they were willing to devote themselves to a long-range program, with the view of accumulating the endorsements slowly—one by one, if necessary.

I doubt if it ever occurred to them that such a drastic step as that taken by Arkansas would upset this long-range program. Then came another blow—and you can imagine what their feelings were when Iowa also passed a rescinding resolution, which brought the score of endorsements down to 15; then along came Wisconsin with its rescission, bringing the score down to 14; next came Illinois, bringing the score down still further to 13.

And now we have the news that Alabama has also passed a rescinding resolution, leaving only 12 endorsements on the honor roll of the Committee for Constitutional Government.

A telegram from the secretary of state of Alabama reads as follows:

Retel date. Governors No. 138, House Joint Resolution 10, by Dodson, rescinding action of legislature during 1943 in adopting House Joint Resolution No. 66, adopted by House June 6 and by Senate June 13, approved by Governor June 16. No recorded vote. Copy by mail.

The resolution itself is as follows for your information:

A joint resolution of the Legislature of the State of Alabama; to the committee on the judiciary

Whereas in 1943 the Legislature of Alabama adopted House Joint Resolution No. 66, petitioning the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States which would place limitations on taxes which Congress may levy on incomes and on taxes, duties, and levies which Congress may levy on transfers of property in contemplation of, at, or after death or by way of gift, except in time of war, and directed that copies of the joint resolution be sent by the secretary of state of Alabama to the Senate and House of Representatives of the Congress; and

Whereas the Legislature of Alabama now considers that the amendment to the Constitution of the United States contemplated by the aforementioned House Joint Resolution No. 66 would be an arbitrary and unwise restriction of the rights which the Congress requires to perform its constitutional duty of providing for the general welfare of the United States: Now, therefore, be it

Resolved by the House of Representatives of the State of Alabama (the senate concurring), That the Legislature of Alabama hereby rescinds the action of the legislature during 1943 in adopting House Joint Resolution No. 66; be it further

Resolved, That the secretary of state of Alabama is directed hereby to transmit copies of this house joint resolution rescinding House Joint Resolution No. 66 of 1943 to the Senate and House of Representatives of the Congress of the United States.

Approved June 16, 1945.

While it looks pretty certain that the tide has turned and that there is little likelihood of any degree of success by the proponents in getting this scheme "back in the running," let us profit by the experience we have just been through with this gang and let us not be too complacent.

Any group which is clever enough to get the endorsement of 17 State legislatures on such a vicious plot as this is to be respected for its abilities—its leaders are by no means amateurs. They will surely attempt to salvage something out of the wreckage—the investment in both time and money has been enormous and it would be foolish to expect them to sit idly by and watch their little empire topple over without at least an attempt to save the foundation for future building.

The group has been active in many State legislatures during the past session and came very near to gaining an endorsement in New York. An endorsing resolution failed of passage in the senate by a tie vote; shortly thereafter the proponents rallied together and passed it through the senate. Only the vigorous action by alert members in the house saved another endorsing resolution from being added to the proponents' list.

The group was also instrumental in having endorsing resolutions introduced in other States. Those which have come to my attention are Connecticut, Georgia, Kansas, Maryland, Montana, Nebraska, New Mexico, Ohio, Oregon, South Dakota, Tennessee, Texas, Vermont, Washington, and West Virginia. None of these States passed the resolution, however.

In addition to the five States passing rescinding resolutions—Arkansas, Iowa, Wisconsin, Illinois, and Alabama—the following States also had rescinding resolutions before their legislatures during the last session: Delaware, Indiana, Massachusetts, Michigan, New Jersey, Pennsylvania, and Wyoming.

I believe that these States will again consider rescinding resolutions at their next session of the legislature and that they will remove their names from the list which the Committee for Constitutional Government considers its supporters, and I believe that the few other States which still carry an endorsement of the proposed twenty-second amendment will take the same stand.

I would like to read an article which appeared in a newspaper a short time back on this subject. It is by Lowell Mellett and I think it will be of interest to the Members and to the readers of the RECORD:

"ON THE OTHER HAND"—SAY STATE LEGISLATURES FINDING FLAW IN PROPOSED CONSTITUTIONAL AMENDMENT

(By Lowell Mellett)

The tide of reaction in this country seems to be receding.

* * * * *

The best evidence that the tide has turned is not found in the national scene. It is found in the States. When this year opened 17 State legislatures were on record with resolutions calling on Congress to submit to the people a constitutional amendment which would make 25 percent the maximum income, inheritance, and estate tax that could be levied by the Federal Government.

HOW COMMITTEE OPERATED

It was an idea born in the brain of the Committee for Constitutional Government, an organization which devotes its time and talents to the worries of the well-to-do, an organization that has been remarkably successful in a way. Its operation has been fairly simple. Starting with a small mailing list of people likely to be worried about taxes, the C. for C. G. gave them a lot of new reasons for worrying—and then collected from them donations to extend the worrying to more people. The new funds were then used to extend the mailing list still further, as well as the list of reasons for worrying and donating—and so on, not quite ad infinitum.

You've no idea how many reasons for worrying a man can conjure up while basking on a Florida beach; no idea how clearly he can see the dangers besetting the Constitution.

Starting back in the early days of the New Deal, the self-perpetuating C. for C. G. had become a hardy, experienced worry-promoting outfit by 1939. It was in that year that the plan to put a ceiling of 25 percent on taxes was conceived and the plan to put it over on the country. This involved bypassing Washington. There were too many people in Washington who would see instantly the fix in which the country would be left if the tax restriction was imposed on Congress. The managing trio, Messrs. Frank

Gannett, Samuel Pettengill, and Edward A. Rumely, saw that the place to start was back in the States. Joining up with them was one Vance Muse, organizer of something he called the Christian American Movement. Muse had discovered that while it may be easier for a camel to go through the eye of a needle than for a rich man to enter into the Kingdom of Heaven, there was no such barrier against the rich in the State legislatures.

PERSUASIVE LINE

The evangels had a persuasive line for the legislatures. If a limit were put on the taxing power of the Federal Government, they said, the States would be able to collect a lot more taxes. By the beginning of this year, as said above, 17 State legislatures had accepted this argument and adopted resolutions calling on Congress to submit to the people a 25-percent limitation amendment. The States were Alabama, Arkansas, Delaware, Illinois, Indiana, Iowa, Kentucky, Maine, Massachusetts, Michigan, Mississippi, New Hampshire, New Jersey, Pennsylvania, Rhode Island, Wisconsin, and Wyoming.

Then somebody in Washington, namely, Representative WRIGHT PATMAN, of Texas, woke up to what was going on. He started bombarding the State legislators with the other side of the argument, indicating what the States would lose through the cutting off of Federal assistance if Congress were unable to raise the needed money. This apparently turned the trick and the tide. No more legislatures adopted the Christian resolution. Four legislatures—those of Iowa, Illinois, Arkansas, and Wisconsin—rescinded their previous action and more are expected to follow suit during the coming winter.

Mr. Speaker, I would like to submit for the RECORD a chart showing the status of the endorsing and rescinding resolutions in the various States. I have had numerous requests for late information in this respect and I have therefore compiled the following chart from the information in my files. I have necessarily had to depend largely upon information coming to me from people in the various States who have known of my interest and activities in this connection. It is possible, therefore, that there may be some changes in status which have been overlooked and I would very much appreciate having any errors called to my attention so that they may be corrected.

	Endorsing resolution introduced	Passed House	Passed Senate	Endorsing resolution adopted	Rescinding resolution introduced	Action on rescinding resolution
Alabama [1]	June 22, 1943 (H. J. R. No. 66)	Yes	Yes	July 8, 1943 [2]	1945 (H. J. R. No. 10)	Passed House June 6, 1945; Passed Senate June 13, 1945. Approved by Governor June 16, 1945.
Arizona	None					
Arkansas	1943 (S. C. R. No. 10)	Yes	Yes	1943 [2]	1945 (H. C. R. No. 4)	Feb. 14, 1945. Rescinding resolution adopted.
California	June 7, 1944 (A. J. R. No. 5)	No	No			
Colorado	1943 (H. J. M. No. 5)	No	No			
Connecticut	Jan. 17, 1945 (S. J. R. No. 11) [3]	No	No			
Do	Jan. 31, 1945 (H. J. R. No. 155) [3]	No	No			
Do	Jan. 31, 1945 (H. J. R. No. 221) [3]	No	No			
Delaware	1943 (S. C. R. No. 6)	Yes (23-0)	Yes (10-6)	Apr. 22, 1943	Mar. 12, 1945 (H. C. R. No. 5).	Did not pass House, 14-17; No Senate action.
Florida	1941	No	No			
Do	1945 (H. J. R. No. 84 and S. J. R. No. 498). [4]	No	No			
Georgia [5]	1945	No action to date	No action to date			
Idaho	None					
Illinois [1]	Apr. 13, 1943 (H. J. R. No. 32)	Yes (May 15, 1943)	Yes (May 26, 1943)	May 26, 1943 [2]	Jan. 8, 1945 (H. J. R. No. 7)	Rescinding resolution adopted.
Indiana	Feb. 5, 1943 (H. C. R. No. 10)	Yes	Yes	1943	Jan. 17, 1945 (H. C. R. No. 5).	Died in committee.
Iowa	1941 (H. C. R. No. 15)	Yes	Yes	1941 [2]	Jan. 23, 1945 (H. C. R. No. 9).	Passed House, Feb. 14, 1945. Passed Senate Mar. 14, 1945.
Kansas	1945	No	No			
Kentucky	Mar. 8, 1944 (H. R. No. 79)	Yes	Yes	Mar. 20, 1944 [6]		
Louisiana	May 15, 1944 (S. C. R. No. 2)	No (23-54) (May 18, 1944).	Yes (30-7) (May 16, 1944).			
Maine	Apr. 10, 1941	Yes (Apr. 17, 1941)	Yes (Apr. 15, 1941)	Apr. 17, 1941		
Maryland	Jan. 24, 1945 (S. J. R. No. 2) [7]	No	No			
Massachusetts [1]	Apr. 24, 1941 (S. No. 658)	Yes (Apr. 29, 1941)	Yes (Apr. 29, 1941)	Apr. 29, 1941	Feb. 20, 1945 (H. No. 1081).	No action to date.
Michigan	1941 (S. C. R. No. 20)	Yes (May 16, 1941)	Yes (Apr 29, 1941)	May 16, 1941	H. C. R. No. 23 and H. C. R. No. 24.	Died in committee.
Minnesota	None					
Mississippi	1940 (S. C. R. No. 14)	Yes (Apr. 29, 1940)	Yes (Apr. 29, 1940)	Apr. 29, 1940		
Missouri [1]	None					
Montana	1941 (H. J. R. No. 4)	No	No			
Do	Feb. 1, 1945 (H. J. R. No. 6) [8]	No	No			
Nebraska	Jan. 29, 1945 (Res. No. 5)	No	No			
Nevada	None					
New Hampshire	Apr. 1, 1943	Yes (Apr. 13, 1943)	Yes (Apr. 22, 1943)	Apr. 24, 1943		
New Jersey	1944	Yes	Yes	Feb. 25, 1944	Jan. 22, 1945 (A. J. R. No. 1).	Died in committee.
New Mexico	1945 (H. J. R. No. 13)	No	No			
Do	1945 (S. J. R. No. 9)	No	No			
New York	1944	No	No			
Do	Feb. 7, 1945 (S. 1068) [9]	No	Yes			
Do	1945 (assembly No. 1122)	No	No			
North Carolina	None					
North Dakota	do					
Ohio [1]	1943 (H. J. R. No. 48)	No	No			
Do	1943 (S. J. R. No. 19)	No	Yes			
Do	Jan. 30, 1945 (H. J. R. No. 16) [4]	No	No			
Do	1945 (S. J. R. No. 16) [4]	No	No			
Oklahoma	None					
Oregon	Feb. 2, 1945 (H. J. R. No. 5) [10]	No	No			
Pennsylvania	Mar. 31, 1943	Yes	Yes	1943 [11]	Feb. 21, 1945 (H. R. No. 30).	Resolution to discharge from committee lost 76-92, Mar. 6, 1945, died in committee.
Rhode Island	1940 (S. 80)	Yes	Yes	Mar. 15, 1940	1945 (H. 626)	Died in committee.
South Carolina	Feb. 3, 1944 (S. 753)	No	No			
South Dakota	Jan. 17, 1945 (H. C. R. No. 1)	No (22-51)	No			
Tennessee	1945	No	Yes			
Texas	1943 (H. C. R. No. 37)	No	Yes			
Do	1945 (H. C. R. No. 39)	No	No			
Utah	None					
Vermont	1945 (J. R. H. No. 31)	No (59-153)	No			
Virginia	Feb. 23, 1944 (H. J. R. No. 19)	Yes	No			

[1] Still in session.
[2] Killed by subsequent passage of rescinding resolution.
[3] Formal request to committee to withdraw bills approved. Withdrawn 2 days before public hearing.
[4] Killed in committee.
[5] Recessed, to reconvene Jan. 7, 1946 (endorsing resolution still pending).
[6] Rescinded by house.
[7] At conference between proponents and opponents, proponents conceded defeat if vote were taken on floor on S. J. R. No. 2. Therefore, it was decided to recommit to committee with general understanding that this action would kill the resolution.
[8] Killed at suggestion of author and recommendation of committee.
[9] Feb. 20, 1945, failed to pass senate (tie vote, 24-24); Mar. 21, 1945, reconsidered by senate, passed (30-22); March 1945, defeated in house.
[10] Came out of committee but was indefinitely postponed by majority vote of house.
[11] Vetoed by Governor but this did not constitute annulment.

	Endorsing resolution introduced	Passed House	Passed Senate	Endorsing resolution adopted	Rescinding resolution introduced	Action on rescinding resolution
Washington	1945 (H. J. M. No. 8)	No	No			
West Virginia	1945 (H. C. R. No. 5)	No (16-69)	No			
Wisconsin [12]	Apr. 14, 1943 (J. R. No. 75)	Yes (44-34)	Yes (17-9)	1943 [2]	Jan. 18, 1945 (J. R. No. 11A).	Rescinding resolution adopted.
Wyoming	1939 (H. J. M. No. 6)	Yes	Yes	Feb. 23, 1939	1945	Failed to pass.

[2] Killed by subsequent passage of rescinding resolution.
[12] Recessed, to reconvene Sept. 5, 1945.

EXTENSION OF REMARKS

Mr. DONDERO. Mr. Speaker, on Tuesday last, the Commissioner of the Philippines, General Romulo, asked unanimous consent to extend his remarks in the Appendix of the RECORD and include therein an address delivered by President Osmeña, of the Philippine Nation. The Public Printer advises that it exceeds the limit by $156. In behalf of General Romulo and at his request, I ask that the article be printed, notwithstanding the cost.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. CASE of South Dakota asked and was given permission to extend his remarks in the Appendix of the RECORD and to include certain language from the text of a bill which he introduced today.

Mr. GAMBLE asked and was given permission to extend his remarks in the RECORD and include two letters from a constituent.

Mr. LEFEVRE asked and was given permission to extend his remarks in the RECORD.

Mr. HAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a legislative bill, notwithstanding it is estimated by the Public Printer to cost $242.80.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

Mr. ENGLE of California asked and was given permission to revise and extend his remarks in the RECORD.

Mr. STARKEY asked and was given permission to revise and extend his remarks in the RECORD.

Mr. COFFEE asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein excerpts from letters and newspapers.

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD.

Mr. ERVIN asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a history of the FEPC.

FACILITATING RECONVERSION

Mr. SABATH. Mr. Speaker, I call up House Resolution 311 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3633) to facilitate reconversion, and for other purposes, and all points of order against said bill are hereby waived; that after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill, except one amendment that will make the $25,000 credit against excess-profits taxes a credit against 1945 income and a proportionate amount of 1945 income for corporations reporting on a basis of a fiscal year. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendment, if any, as may have been adopted, and the previous question shall be considered as ordered on the bill and one amendment, if any, thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, in the brief time I have been able to reserve to myself all I can say is that this rule makes in order, as I view it, an extremely vicious bill. Its proponents claim that it is in the interest of the small businessmen, but for the life of me, after a close scrutiny and study of its provisions, I cannot find anything in its for their relief or benefit. I do find that it provides for the refund of excess profits to some large corporations and railroads. No such refunds are provided to individuals but only to corporations. It is an extremely complicated bill and many members of the Committee on Ways and Means which reported the bill are opposed to it. The most vicious provision in the bill is that for the relief of the railroads that are not by themselves entitled to any refunds; nevertheless, the Wabash Railroad alone will be the recipient of refunds to the extent of $8,500,000, and other railroads will be greatly benefited in this respect.

Only a few days ago my colleague the gentleman from Illinois [Mr. REED] called attention to the fact that certain bondholders and stockholders of some railroads, due to some stock maneuver or manipulation, will enjoy a profit of 8,900 percent. Of course, he referred only to the Chicago & North Western Railroad, but many other railroads have been similarly favored.

Just a few months ago the House passed a bill providing for the abolishing of the land-grant freight rates, relieving the railroads of their contract to provide low freight rates on Government shipments in return for the millions of acres of land which the Government granted to them free of charge when the railroads were built. This bill will give the roads millions of dollars annually in higher freight rates at the expense of the Government and the taxpayers.

Mr. Speaker, I observe that a supplemental report on this bill is signed by 10 Republican members of the Committee on Ways and Means who advocate these refunds running into the millions of dollars to the railroads and other corporations. I submit that these 10 Republican Members are very magnanimous to the railroads, especially in view of their concern for the small businessmen and the taxpayers in the lower income brackets for whom they state they will urge relief of their tax burden as soon as possible after the war, and I now quote excerpts from their report, as follows:

> We desire also to direct the attention of the House to the urgent need for assuring individual taxpayers in the lower income brackets that as soon as possible after the war they, too, will receive relief from their present staggering tax burden. At the present time more than * * * 21,000,000 persons, whose income is $1,000 or less per annum, are paying approximately $500,000,000 in taxes to local, State, and National governments. Almost half this number are married persons or heads of families. More than 24,000,000 persons receive an income from $1,000 to $2,000 per annum and pay in excess of $4,000,000,000 in taxes to these governments.
>
> In these low-income groups will be found the millions of so-called white-collared employees—school teachers, clergymen, shopkeepers, salespeople, bookkeepers, barbers, clerks, and professional or semiprofessional workers, not to mention small-farm operators, mechanics, janitors, caretakers, skilled and unskilled laborers, many of whom are self-employed individuals. Most of these individuals are not organized and none of them has experienced any measurable wartime prosperity. The purchasing power of their dollar, moreover, has shrunk by more than 4.0 percent below 1939 levels.

Mr. Speaker, instead of giving the small businessmen and the people in the lower income-tax brackets lip service why do they not propose relief in the present bill for these worthy and hard-pressed groups and, I repeat, their present concern is for the welfare and well-being of the railroads and corporations. Whenever I find the Republicans are for a proposition I naturally become suspicious, because invariably it has been my experience that the legislation which they espouse is not in the interest of the masses or wage earners, but in the interest of the vested interests, the railroads, the banks, financial institutions, and other large combinations, as is the case with this bill.

Mr. Speaker, if this bill would in any way aid the small businessmen I would be heart and soul for it, but it does not. It aims to assist in reconverting as I have stated on the floor many times, nearly all those manufacturers who have been reconverting their plants for the last

year and a half for change-over to civilian production, charging such reconversion costs to production of war materials while holding war contracts.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. SABATH. I reserve the balance of my time and yield 30 minutes to the gentleman from Michigan [Mr. MICHENER].

Mr. MICHENER. Mr. Speaker, I yield such time as he may require to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the Appendix and include a table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. MICHENER. Mr. Speaker, I shall support this rule. It is a closed rule of a nature to which I usually object, but I am convinced, after years of experience, that the only thing to do with a tax bill is to grant a closed rule. For that reason I voted for this rule and shall support it.

Mr. SABATH. Will the gentleman yield for a question?

Mr. MICHENER. Yes; I yield.

Mr. SABATH. The gentleman is nearly always right and desires to give the House real information. Does the gentleman consider this a tax bill or a tax relief bill? It is not a tax bill. It is a relief bill.

Mr. MICHENER. I cannot think of any greater relief that we might give our people than justifiable tax relief. The very purpose of this bill is to help the economy of the country; to help the little businessman, the big businessman, and indirectly all taxpayers. So I will not take any more time to discuss that with my friend the chairman of the Rules Committee, because he generally is right, but when he is wrong, oh, he is so wrong from my standpoint.

Mr. EBERHARTER. Will the gentleman yield for a question?

Mr. MICHENER. A very brief one.

Mr. EBERHARTER. I wonder if the gentleman can inform the House whether any member of the Ways and Means Committee appeared before the Rules Committee to ask that this phraseology be put into the rule:

> No amendment shall be in order to said bill, except one amendment that will make the $25,000 credit against excess-profits taxes a credit against 1945 income and a proportionate amount of 1945 income for corporations reporting on a basis of a fiscal year.

Mr. MICHENER. I know what the gentleman is referring to. That clause was inserted for the benefit of the small businessman functioning through a corporation.

Mr. EBERHARTER. Did any member of the Ways and Means Committee ask for that phraseology?

Mr. MICHENER. I am not distinct at the moment as to just the details of what was asked by the Ways and Means Committee concerning the $25,000 provision. A number of members appeared. As I understood, there was a unanimous request by the committee for a closed rule. It is true that the Rules Committee did liberalize the closed gag rule asked for by the Ways and Means Committee, of which the gentleman is a member; but just a little bit. Maybe we should have been more liberal.

Now I cannot take any more time.

I do not mean that the gentleman from Pennsylvania [Mr. EBERHARTER] appeared in person and asked for this closed rule. It was represented by the members of the Ways and Means Committee who did appear, as I recall, that the rule as written was asked for, with the possible exception of the provision to which the gentleman from Pennsylvania has referred.

Closed or gag rules should only be reported by the Committee on Rules when this is necessary to bring about good legislation on the floor of the House. When tax bills and tariff bills are reported by the Ways and Means Committee, in my opinion, this type of rule is justified. Experience has taught, not only the wisdom of such a rule, but the absolute necessity for such procedure, when tax and tariff laws are being written. If one of these bills is thrown open to amendment on the floor, the whole tax structure is likely to be upset, interfered with, and the necessary revenues of the Government seriously depleted. Every Member will feel that he is duty bound to present the claim of his particular group, industry and sectional activities for preference over some others. Of course, I believe in rendering every assistance to small business, incorporated or otherwise. This bill deals only with excess profits of corporations. I wish it contemplated relief for partnerships and individuals. Nevertheless, the Ways and Means Committee, after much consideration, advises us that this bill is as far as we can safely go at the moment. That committee is now working on a follow-up bill covering the whole tax field. While I want to help the others, yet it does not seem reasonable that we should deny equitable relief to those covered in this bill, just because the Ways and Means Committee has not had the time to bring out a more comprehensive measure.

Mr. Speaker, we must be fair and candid with the taxpayers, and they must not be lead to believe that there is going to be any great tax reduction, at least as long as the war is in progress. Taxes are bad. Unnecessary taxes are abominable, yet the expenses of the Government must be met. The tax collector is a necessary evil. The Congress can help much by eliminating waste and practicing economy.

This rule permits 4 hours' general debate, at the conclusion of which every Member can express his approval or disapproval by his vote. The rule certainly should be granted. There can be no question about that. After explanation of the bill by the Ways and Means Committee and those conversant with its provisions and the relationship of those provisions to the general tax structure, individual Members can vote as their own good judgment dictates. It is not easy to vote for any tax bill. It is very easy to vote against any tax bill. Our job, however, requires courage and economy. The Congress has measured up to this responsibility in the past and will do so on this occasion.

I yield 5 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Speaker, I rather resent the implied innuendoes of the gentleman from Illinois [Mr. SABATH]. I most emphatically deny that this bill will prove unduly favorable to any group or interest in this country.

The gentleman from North Carolina, Chairman DOUGHTON, Mr. REED of New New York, and myself appeared before the Rules Committee, of which the gentleman is chairman. We answered all the questions that were put to us; we explained the purpose of this bill, and at that time the gentleman did not raise the objections he hsa raised today. The gentleman by innuendo accuses the Ways and Means Committee of bad faith, and I hurl the charges back to him. They are unworthy of a man who has been a Member of this body as long as he has; also it is unworthy of him to cast aspersions upon a committee that is headed by the venerable, honest, and patriotic gentleman from North Carolina [Mr. DOUGHTON]; and I take the charges and give them back whence they came because they are utterly false and without the least basis.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. Yes; I yield.

Mr. SABATH. In view of the great compliment the gentleman has paid me I ask whether or not the railroad provision in this bill will grant and permit refunds to some of the railroads of millions of dollars?

Mr. KNUTSON. It will not grant refunds to railroads; and if the gentleman will permit, I will explain it to him to the best of my ability.

Mr. SABATH. How much will it refund? As I have been informed one railroad, I think it is the Wabash——

Mr. KNUTSON. It is the Wabash.

Mr. SABATH. Will receive benefit, or gift, or deduction under this bill of $8,500,000; and that is only one of many that will come under this bill.

Mr. KNUTSON. The gentleman is in error when he says there are many. He is also in error when he speaks of refunds. That is not involved. This is the situation, and I wish the gentleman would listen, because he apparently stands in need of being enlightened. All railroads are incorporated under State laws. Some State laws provide that when a railroad is reorganized following receivership it must surrender its charter and start as a new entity. Other States permit a railroad incorporated under its laws to reorganize and at the same time retain its charter, the old charter, and to operate as though no reorganization had been had. What is the result? The railroads that have to start from scratch with a new charter lose all benefits in the way of carry-backs and carry-forwards in profit and loss that a railroad, perhaps, reorganized in an adjoining State receives. I could cite the gentleman cases like the Erie and the Northwestern, that went right along without any loss of benefit in their re-

organization. On the other hand, the Wabash, because it will be compelled to surrender its charter under the laws of the State in which it was originally incorporated, will lose all such benefits, and therefore is handicapped to the extent of such loss. Certainly the Federal Government is treating different reorganized railroads differently in the matter of tax benefits and allowances as the law now stands. The purpose of this paragraph or section in the bill is to treat all American railroads alike where they have gone through reorganization. Anything unfair in that? Certainly not.

Mr. FORAND. Mr. Speaker, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Rhode Island.

Mr. FORAND. Does the gentleman still believe in States' rights like he has been preaching before?

Mr. KNUTSON. This does not involve States' rights.

Mr. FORAND. The gentleman just stated it.

Mr. KNUTSON. I cannot hope to give the gentleman understanding in the few minutes that have been allotted me.

The SPEAKER. The gentleman from Minnesota has consumed 5 minutes.

Mr. MICHENER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, House Resolution 311 makes in order H. R. 3633 under a closed rule with one single amendment being subject to introduction and vote. That amendment is exactly the same as the Robertson amendment, which was offered in the Ways and Means Committee by the distinguished gentleman from Virginia [Mr. ROBERTSON] which would increase the exemption for excess-profits tax from $10,000 to $25,000, and would make it applicable to 1945 income rather than 1946 income as is now provided in the committee draft of the bill. There has been a great deal of talk about doing something for small business. This amendment, which will be voted upon later after we go into the Committee of the Whole to consider the bill by sections, will make the increased exemption effective this year so that the small corporations of the country may draw the benefits therefrom in 1945, at the end of this year, especially when they need it, rather than at the end of 1946.

This is exactly in line with the recommendations of the now Secretary of State, then War Mobilizer, James F. Byrnes, who on three different occasions recommended to the Congress of the United States that these excess-profits tax exemptions be lifted in order to help little business and that the same be made effective on this year's income. If little business needs relief at all it needs that relief now. If we wait until the end of 1946 or early in 1947 before giving relief either the average small concern will be broke or it will be over the hump of reconversion.

Mr. PATRICK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Alabama.

Mr. PATRICK. Does the gentleman know if Mr. Byrnes has discussed this particular bill?

Mr. BROWN of Ohio. He has discussed this particular amendment and recommended it three different times.

Mr. KNUTSON. Yes; three times.

Mr. BROWN of Ohio. Likewise the Joint Committee on Taxation has recommended it.

Mr. KNUTSON. Is it not also true that a vote against this rule will imperil this legislation and lay those who vote against the rule open to the charge of being against small business?

Mr. BROWN of Ohio. Certainly. If you are in favor of taking care of small business you will vote for this rule. If you want to open up this thing and try to write a new tax bill on the floor, a thing that cannot be done, then you will vote against the rule.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Michigan.

Mr. HOOK. Is there anything in this bill that will give relief to the individual in the low-income group?

Mr. BROWN of Ohio. No. This bill deals solely with corporation income taxes and not with individual taxes. The subject matter is corporation taxes only. I understand the Ways and Means Committee will probably consider another bill later covering individual income-tax relief.

May I say there has been some talk about the cost of this tax relief. Remember, if a corporation does not pay an excess-profits tax, on the difference between the $10,000 and $15,000, it will be paying the regular corporation tax, and the greatest benefit that can possibly be given to any corporation under this amendment would be $6,750 a year.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. MICHENER. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. BROWN of Ohio. Mr. Speaker, there are 30,000 corporations in the United States paying taxes. If every corporation in the United States paid excess-profits taxes on this $15,000 difference, the top limit possible, the amendment would reduce their taxes only $6,750 each. Of course, all corporations do not have such earnings, but if they did have, and all received the top saving under this amendment, then the total cost would be less than $200,000,000 to the Treasury. If you fail to give this tax relief, and a number of these small corporations are forced out of business, or are unable to reconvert or to give employment, then the loss to the Government in the payment of unemployment compensation, in taxes from the normal earnings of the company, and on the taxes paid by the individual wage earners who would be working if the company were continuing in business, would far more than equal the $200,000,000 this tax relief would cost.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Indiana.

Mr. HALLECK. It has been suggested there is some opposition to the adoption of this rule and some desire to have it changed. My understanding is some of that opposition comes from people who do not want the amendment, about which the gentleman is talking, voted upon. Others would like to see the rule opened up so that all sorts of other matters might be voted on. Is it not a fact, if this rule is not adopted, it might result in that part of the rule being taken out which provides for the adoption of the amendment to which the gentleman refers?

Mr. BROWN of Ohio. Certainly. In order to protect this amendment you must vote for the rule.

I would like to quote, if I may, from a statement Mr. Byrnes made on January 3, 1945, in which he specifically recommends we should increase the specific exemption for excess-profits taxes from $10,000 to $25,000. His words were these:

> While an excess-profits tax is justified in time of war, it is recognized that such a tax discourages small and new enterprises. I do not believe that Congress would be justified in removing this tax during the continuation of the war with Japan.

He means the excess-profits tax on all corporations.

> However, its impact on the smaller corporations and new enterprises may be mitigated to some extent by an increase in the excess-profits tax specific exemption from the present $10,000 to $25,000. Such an increase will enable many small and new concerns to become established during the transition period.

On March 31, just before he left office as War Mobilizer, Justice Byrnes again recommended as follows:

> The easing of the financial condition of corporations, handicapped through lack of capital in carrying out their reconversion plans, by making immediately available after VE-day—

Not after victory over Japan; but after victory over Germany—

> a part of their postwar refund of excess-profits tax, and by reducing correspondingly the compulsory savings provision in the excess-profits tax; and an increase in the excess-profits tax specific exemption from the present $10,000 to $25,000.

Mr. Byrnes has asked that such be done now, not next year, and the Ways and Means Committee, in its wisdom saw fit, finally, after a great discussion, not to make it applicable until next year.

I am informed, and I do not believe I am giving away any committee secret, that the vote in the Committee on Ways and Means on this particular amendment was 14 to 11; 14 wanted the exemption increased in 1946, and 11 wanted it in 1945. The Committee on Rules inquired into this whole matter rather thoroughly, questioned members of the Committee on Ways and Means, and reported this rule with this special provision to give the House the opportunity to decide for itself whether it wants this increased exemption, from $10,000 to $25,000 on excess profits, to help small business and the little corporation to become effective this year or not to become effective until next year.

I ask for the adoption of this rule, and will later ask for the adoption of the amendment.

Mr. SABATH. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. SLAUGHTER].

Mr. SLAUGHTER. Mr. Speaker, the matters that I wish to discuss very briefly in discussing this rule are of the utmost importance. It may be that my presentation may not be very entertaining, but I do ask for your attention because I think that the mechanics of the rule to be adopted and the matters in connection with it are of sufficient importance to trespass upon your time for 10 full minutes.

In the first place I want to say that as a member of the Committee on Rules I have every confidence in the Committee on Ways and Means. That, of course, is a superfluous statement, because it is a matter of general knowledge that the very cream of the House on both sides of the aisle is on that committee. It is always the practice, or almost always has been the practice, of the Committee on Rules to give this distinguished Committee on Ways and Means almost anything it wants by way of a rule. As a general proposition, the Committee on Ways and Means asks for a closed rule, which means that in this Chamber with 435 Members the ordinary Member cannot offer an amendment. The Committee on Rules acquiesces in the propriety of such a request as a general proposition. We on the Rules Committee did think however, this time, that the situation was a little bit different, and since I was the author of the particular amendment that went into this rule, I want to discuss it.

We gave the usual closed rule; that is to say, that upon the adoption of this rule the consideration of the Committee on Ways and Means bill will start and no amendment will be in order, except that by this rule one amendment can be offered. I intend to offer such an amendment in the event that this rule is adopted, which will advance the effective date of the excess-profit provision from 1945 to 1946. Briefly, this provision in the bill provides that the specific exemption shall be increased from $10,000 to $25,000, but that it shall be effective starting with the year 1946.

As you have heard from some other speakers, it is my understanding that there was a rather sharp division of opinion within the committee itself on this important question.

It seems to me that this is one matter that is not of sufficient technical importance but what it can be comprehended by the average Member of this House. I do not say that in a sarcastic or facetious way. As a general proposition we must give the Committee on Ways and Means an almost free hand in the framing of legislation because they are dealing with technical matters and technical interpretations. The Committee on Ways and Means is dealing with the most technical of all subjects, to wit: Taxation. But here we come to a proposition which any of us, whether we are experts or not, are able to think about and to mull over and decide whether in the wisdom of the House this relief for small business shall become effective in 1945 or in 1946.

In that connection and in the course of my remarks, I propose to back up my opinion on this by the statements of certain distinguished members of the Government of the United States.

There are certain objections that are contained in the committee report. That committee report, incidentally, is worth the time and trouble of every Member of the House to read. It is most exhaustive and it is extremely well prepared.

Here are some of the objections the committee has to putting this provision into effect this year. For instance, the Ways and Means Committee says that Federal expenditures will remain high and no substantial change should be made in tax revenues this year.

Of course, the same argument will prevail even in 1946, if the Japanese war is still going on. Yet, the Committee on Ways and Means proposes to give this relief in 1946 regardless of the course of the Japanese war. If the war ends during 1945 it is generally thought that the excess-profits tax should be repealed. Mr. Justice Byrnes, who is now Secretary of State, when he was Director of War Mobilization and Reconversion, said beyond any question that this whole tax, the tax on excess profits, must be removed the minute or the day the Japanese war ended. The Committee says that to take off any tax burdens at this time might be inflationary. But the same argument would apply in the event the Japanese war is still going on in 1946, the date that the Committee o Ways and Means proposes to give relief.

I wan to read to you very briefly from some statements by Mr. Justice Byrnes, who is now Secretary of State. I do not think it is any secret to say there is no man in the Government whose opinion and judgment carries more weight with Members of Congress than the opinion and judgment of Secretary of State Byrnes.

You will recall, under the War Mobilization and Reconversion Act, Mr. Byrnes filed reports from time to time.

Here is what he said on one occasion:

Before the manufacturer returns to production he will want to know something more than the ceiling price. He will want some idea about taxes in order to determine whether there will be a profit in his business. Everybody cannot be an employee. There must be an employer if people are going to get jobs. Before a man puts his own money and asks his friends to put money in a business, he wants to know that there is some prospect of his making a profit.

The excess-profit tax is a war tax. With the ending of the war there should be an end to excess-profits taxes. It cannot be done upon VE-day because we will still have war production and war profits, but the administration and the leaders of the congressional committees might well announce an intention to urge the elimination of the excess-profits taxes when the war with Japan is at an end.

If I understand the situation correctly, the Committee on Ways and Means is in accord with Justice Byrnes on the proposition that the excess-profits tax must go when the war, that is, the Japanese war, comes to an end.

Under date of January 3, 1945, Mr. Justice Byrnes filed another report, House Document No. 9, and laid out a 3-point program. He said, among other things:

There are certain tax revisions which would not greatly reduce revenues, but would materially aid business recovery and expansion if adopted immediately upon the close of the European war. Among them are increasing the specific exemption for excess-profits tax purposes from $10,000 to $25,000.

Note the words he uses: "immediately upon the close of the European war." The European war has closed. One of the things Justice Byrnes said should be done immediately upon the close of the European war is to increase specific exemptions for excess-profits tax purposes from $10,000 to $25,000, which is precisely what my amendment seeks to do if and when this rule is adopted.

He goes on to say:

While an excess-profits tax is justified, in time of war it is recognized that such a tax discourages small and new enterprises.

I do not believe that Congress would be justified in removing this tax during the continuation of the war with Japan. However, its impact on the smaller corporations and new enterprises may be mitigated to some extent by an increase in the excess-profits tax specific exemption from the present $10,000 to $25,000. Such an increase will enable many small and new concerns to become established during the transition period.

That is Mr. Byrnes speaking on January 3, 1945.

On March 31, 1945, Mr. Byrnes filed another report in accordance with the provisions of this act, House Document No. 137, page 36:

In my report to the President and the Congress on January 1, I stated that a major reduction in tax rates should not be made until Japan has been defeated. At that time I recommended three tax revisions which I believe would not significantly reduce tax revenues but would encourage business to prepare for expanded output after the war is won.

These three measures include: (1) The acceleration of depreciation allowances—the President has publicly approved this suggestion; (2) the easing of the financial condition of corporations, handicapped through lack of capital in carrying out their reconversion plans, by making immediately available after VE-day a part of their post-war refund of excess-profits tax, and by reducing correspondingly the compulsory savings provision in the excess-profits tax; and (3) an increase in the excess-profits tax specific exemption from the present $10,000 to $25,000.

These revisions are desirable in the period between VE-day and VJ-day and I renew my recommendation for their early consideration by the Congress.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. MICHENER. Mr. Speaker, I yield the gentleman three additional minutes.

Mr. SLAUGHTER. As everyone knows, Mr. Byrnes was succeeded as the Director of War Mobilization and Reconversion by Mr. Vinson. Mr. Vinson has filed a report, the ink on which is scarcely dry, and which came to your offices 2 or 3 days ago, wherein he says:

The excess-profit tax should be repealed after VJ-day. Taxes on business earnings should be modified, bearing in mind, on the one hand, the revenue needs of the Government and, on the other hand, the incentive for risk taking and expansion to be gained by modification.

It is the position of those of us who are in favor of this amendment that there is no time like the present. The very distinguished Ways and Means Committee, by a very narow vote, failed to put in the provision making it effective for 1945. Mr. Byrnes and Mr. Vinson endorsed it and it seems to me it is not presumptuous for an ordinary Member of the House to propose it.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. DOUGHTON of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. SLAUGHTER. I decline to yield. I have declined to yield, Mr. Speaker. The statement speaks for itself. I read the statement and every Member has a copy of it which he can read.

Mr. DOUGHTON of North Carolina. Will the gentleman yield?

Mr. SLAUGHTER. I yield.

Mr. DOUGHTON of North Carolina. You read this statement, but you just made the broad statement that he favored it.

Mr. SLAUGHTER. Oh, no. I said the statement speaks for itself. I never talked to Mr. Vinson about it.

Mr. DOUGHTON of North Carolina. Then why did you make that statement?

Mr. SLAUGHTER. I go by the record and his statements.

Mr. COOPER. Will the gentleman yield?

Mr. SLAUGHTER. I yield.

Mr. COOPER. The gentleman did not read anything in either of those statements, and he cannot offer any proof that either Judge Vinson or Judge Byrnes favored this for 1945.

Mr. SLAUGHTER. The gentleman is stating a bare, naked conclusion on his own responsibility. I think the statement of Mr. Byrnes speaks for itself when he urges them to do it. As to what Mr. Vinson's statement means, I think the House as well as the distinguished gentleman from Tennessee are entitled to place their own construction upon it.

Mr. COOPER. 1945 is not mentioned in either one of them.

Mr. SLAUGHTER. When Mr. Byrnes urges this reduction after the end of the European war I submit that means 1945. The European war is certainly over.

The SPEAKER. The time of the gentleman from Missouri has again expired.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter dated June 28, and a plan for veterans for postwar.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Speaker, I am very strongly opposed to this rule. In the first place, not a single member of the Committee on Ways and Means, either of the majority or the minority, asked for this type of rule. The Ways and Means Committee, after weeks of study and after weeks of executive committee hearings decided upon making certain provision in order to help in the reconversion period. Now, what do we have today? The Rules Committee, after probably one-half hour of study or something like that, comes in here and wants to upset what the Ways and Means Committee decided to do with respect to helping business during the reconversion period.

Mr. Speaker, I submit that the Rules Committee has no right to change what the Ways and Means Committee has done. The Rules Committee was set up to permit legislation to come to the floor of the House, not to issue directives to legislative committees. In this case the Rules Committee does not give the House an opportunity to vote on this luscious melon that is being given to the railroads of the country. No; they deny the House a right to offer an amendment to strike that out. But they want to put in this bill something that was not agreed upon by the Ways and Means Committee; they want an opportunity to give to corporations money which they have already received in profits and charged to the people of the country when they sold their goods and were paid by the Army and Navy in the war effort, on the basis of the taxes that they are paying in 1945.

Mr. Speaker, this brings our memories back to the days of the great Secretary of the Treasury from my home city, Andrew W. Mellon. You all remember the refunds that he gave during that period and you remember how the corporations waxed fat and strong; and right here some of the members of the Rules Committee want you to hand back the corporation profits, that is, excess profits. This bill deals only with excess profits; they want to give these excess profits back to these corporations. It does not take care of individuals; it refers only to corporations and only to those corporations that have made excess profits. But the bill in the first place was only supposed to be of aid in reconversion. Somebody is interested in the railroads. The poor railroads! So they put in an extra provision to hand back to them—hand back, mind you, millions and millions of dollars, and it might amount to billions of dollars; no one knows how much it will amount to.

Mr. Speaker, the Rules Committee certainly has gone far beyond what it was set up to do. I submit that the committee studying the reorganization of Congress should look into the matter and see whether the Rules Committee is not undoing and overturning the work of the legislative committees and the results that have come about as the result of weeks and weeks of study on the part of the legislative committees. Mr. Speaker, the Joint Committee on Taxation of the House and Senate, the Secretary of the Treasury, the Bureau of Internal Revenue, and the Ways and Means Committee all are against this 1945 refund about which the gentleman from Missouri spoke so eloquently. They have studied it, the Ways and Means Committee has studied it, and has rejected it by a substantial majority. No, Mr. Speaker; they want to give back millions while the war is still going on.

Who gets these luscious melons? Only those, remember, Mr. Speaker, who have made excessive profits. Nobody who has not made excessive profits during the war is touched by the proposed amendment of the gentleman from Missouri.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. SABATH. Mr. Speaker, I yield one additional minute to the gentleman from Pennsylvania.

Mr. EBERHARTER. I submit that the only way to get fair treatment is to vote down this rule. Let me call your attention further to the fact that the other body definitely cannot take up this legislation for at least 2 months, because a great number of the Members of that body who are on the Finance Committee are also on the Foreign Relations Committee, and I submit that the other body will not take this legislation up until fall. So the thing to do is to defeat this rule. Then let us go into the whole matter in an honest, and fair, and just manner to all of the taxpayers of the country.

The SPEAKER. The time of the gentleman from Pennsylvania has again expired.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, let me demonstrate to you in just a word how confused the gentleman must be in the remarks he has just submitted. He attacks the Rules Committee upon the basis that it has endeavored to do something for the railroads of this country which good conscience cannot support. Now let me say to you that the Rules Committee did not fabricate or construct this bill; it had absolutely nothing in the world to do with putting the bill together. The gentleman from Pennsylvania who has just addressed the House is a member of the Committee on Ways and Means that sponsor the bill. It is the Ways and Means Committee that constructed the measure. The gentlemen who came before the Rules Committee stated that they appeared in obedience to the demand of their committee to ask for a closed rule on this bill. So, this provision affecting the railroads is something for which the gentleman himself was responsible. That is the gentleman's position. The gentleman is endeavoring to evade responsibility for what he says is an outrageous proposal by calling attention to the fact that the Rules Committee did not completely comply with the request made by the gentleman and his committee. That does not make sense.

Mr. DOUGHTON of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman.

Mr. DOUGHTON of North Carolina. The gentleman recalls that when we appeared two members of the minority and myself requested a rule as directed by the Committee on Ways and Means.

Mr. COX. That is very true.

Mr. DOUGHTON of North Carolina. There was some question raised, even by the gentleman from Missouri, in reference to liberalizing the rule so as to permit a separate vote on an amendment to be offered with respect to this

$25,000 exemption and whether it should be applied to 1945 or 1946.

Mr. COX. Yes.

Mr. DOUGHTON of North Carolina. And in asking for the rule we requested that it be not liberalized but in case the rule was liberalized then we asked that it be made possible to offer an amendment relative to the railroad provision.

Mr. COX. I regret to take issue with my dear friend. I do not recall any such request having been made by the distinguished chairman of the Ways and Means Committee. I do recall that he protested vigorously making any exception, in other words to the granting of anything other than a completely closed rule. I recall he said further it would be difficult for him to operate under a rule which made the exemption that is proposed and, if I remember correctly, he said he would rather have no rule at all.

Mr. DOUGHTON of North Carolina. Who said that?

Mr. COX. The gentleman did, as I so understood him—I may be mistaken. If the gentleman had requested the Rules Committee for a further amendment making in order an amendment with respect to this railroad item, I am confident the Rules Commitee would have complied. If I had understood this to have been the gentleman's position, I would have favored it.

Let me say again that the gentleman who calls upon the Committee on Reorganization to take particular note of the Rules Committee is here seeking to shed from his shoulder a sin he himself committed and shift it off to the Rules Committee. The gentleman ought to stand up like a courageous statesman and accept responsibility for his own acts—not try to seek cover in any such manner as this.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. MICHENER. Mr. Speaker, I yield the gentleman 1 minute.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. May I ask the gentleman whether or not the gentleman from Ohio now addressing him did not specifically bring up the question of a railroad amendment and ask of the committee members who appeared as witnesses before the Rules Committee why they were giving this particular relief to railroads and large corporations and refusing to give relief to small corporations?

Mr. COX. I do not remember the gentleman's exact language, but I do recall distinctly he made some observation which, according to my recollection, is substantially as he states.

Mr. EBERHARTER. Will the gentleman yield?

Mr. COX. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. In case this rule is voted down, would the gentleman himself favor giving the House an opportunity to cast a vote on this railroad amendment?

Mr. COX. I do not know anything about the merits or demerits of it. The gentleman said he reported the bill as a good bill. He is fostering the bill. Either stand up and substantiate what you did behind closed doors or confess to error.

The SPEAKER. The time of the gentleman from Georgia has again expired.

Mr. SABATH. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Speaker, I am unalterably opposed to, and shall vote against, the granting of this gag rule, because its passage means that we would be breaking faith with the individual taxpayer of America, to whom we promised first relief from the already too burdensome taxes but would, ipso facto, be pouring millions upon millions of dollars into the treasuries of certain preferred railroad corporations without valid or sane reason. I want tax relief for the individual taxpayer of this country before treating any huge corporations to such relief. We have not as yet done anything about repeal of the automobile use tax, which should be the first item deleted from our tax laws, or for the relief of small businessmen. When the fancy piece of cake contained in H. R. 3633 is cut and presented to these hungry railroads as this rule proposes, who will have to foot the bill to make up the deficiency in tax income? Why, no one but John Q. Citizen, as usual, who will patriotically subscribe for more war bonds and thus unwittingly replace the cake taken from Uncle Sam's breadbox. I am going to vote a vehement "No."

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HOOK].

Mr. HOOK. Mr. Speaker, I have listened to this debate very closely and there seems to be some difference of opinion. The thing we ought to do is vote down this rule and let them bring in a rule on which they can agree.

There is one thing that interests me. We are trying to give relief to small business, yet I see nothing in this whole bill that will give relief to a partnership or to an individual that may be classified as a small businessman. I know that many partnerships and individuals that are in business need relief. I hope we help the small independent businessman. However they have included refunds and other favors to the railroad corporations that I cannot with good conscience vote for and under this rule I must either vote millions, or maybe billions, to the railroads who do not deserve it or vote against the bill and therefore against those whom I wish to help, to wit, small business. All it provides for is relief for some corporations. I am in favor of relief for small business corporations, but I cannot understand why you should not give relief to partnerships as well.

Mr. FORAND. Mr. Speaker, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Rhode Island.

Mr. FORAND. Has the gentleman given any consideration to where the money will come from to refund all of this money by the Treasury? We are going to sell war bonds and ask the little fellows to buy them.

Mr. HOOK. Oh, I understand we are going to ask the little fellows to buy war bonds, and then we are going to return the excess war profits to the big corporations and refund possibly billions to some railroad corporations. That is my understanding. If I am wrong, I would like to have somebody correct me.

Mr. CAMP. Mr. Speaker, will the gentleman yield?

Mr. HOOK. I yield to the gentleman from Georgia.

Mr. CAMP. Partnerships do not pay excess profits taxes as such. They file returns as individuals. This excess profits tax is not imposed on partnerships.

Mr. HOOK. There is no individual relief here at all.

Mr. MICHENER. Mr. Speaker, I yield such time as he may desire to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I have profound respect for the gentleman from Georgia, and also the chairman of the committee. In justice to them I feel that I ought to say this, that it is my vivid recollection that the chairman said that if they were going to open up this rule at all, then they ought to have it broad enough so that the railroad amendment could be considered. I know that the gentleman from Georgia is perfectly honest, and I know that we can all err occasionally.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Georgia.

Mr. COX. Mr. Speaker, I seem to have been in error in the statement that I made that no request was made of the Committee on Rules. I do not recall it, but the gentlemen say it was submitted, and I gladly yield on the proposition. Certainly, I will not challenge the statements of the gentlemen.

Mr. MICHENER. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Speaker, I find myself in a somewhat very peculiar position at this time. I first want to make my position clear. I certainly favor this bill (H. R. 3633), and I also favor the amendment, as shown on page 2 of the bill, that this rule makes possible. We certainly must give aid to the small businessmen. My record will justify the statement that I have always favored this type of legislation. But I certainly do object to any form of gag rule coming on the floor of the House. Since I came here I found it to be the policy of this great Committee on Ways and Means, and I pay respects to them, to bring bills on the floor under a gag rule that prohibits any amendments being offered.

Mr. Speaker, we are not children in this House, and we certainly should be given the opportunity to vote on every paragraph in every bill, and each one of those paragraphs should be defeated or passed on its own merits. I wonder what we are supposed to do when we introduce a bill and it is referred to the great Committee on Ways and Means and the majority clerk of that committee informs us, as he informed me when I called him, that "We are never going to have any hearings on your legislation." I refer, Mr. Speaker, to a bill that I

introduced on March 21, 1945 (H. R. 2707), which is a bill tc repeal the auto use tax. Mr. Speaker, I include at this point a copy of a letter I wrote to the gentleman from North Carolina [Mr. DOUGHTON], chairman of the Ways and Means Committee on April 23, 1945, and which I put in the RECORD on April 23.

Mr. Speaker, on March 21, 1945, I introduced H. R. 2707, a bill to terminate the use tax on motor vehicles and boats. This bill was referred to the Ways and Means Committee, and I am asking that the membership of the House aid me in carefully analyzing this legislation and assisting me in having this discriminatory tax removed from our statute books.

Following is a letter I have sent to the Honorable ROBERT L. DOUGHTON, Chairman of the Ways and Means Committee, under date of April 20:

DEAR MR. CHAIRMAN: On March 21 I introduced H. R. 2707, which reads as follows:

"A bill to terminate the use tax on motor vehicles and boats

"*Be it enacted, etc.*, That section 3540 of the Internal Revenue Ccde (relating to the tax on the use of motor vehicles and boats) is amended by inserting at the end thereof a new subsection reading as follows:

"'(k) Termination of tax: The tax imposed by this section shall not apply with respect to any period after June 30, 1945.'"

I would respectfully ask that you advise me the earliest possible date on which this bill can be given consideration by your commitee.

Under the present law a $5 Federal use tax is imposed on all motor vehicles. I am of the opinion, Mr. Chairman, that this is unfair and discriminatory. The use tax is not based upon a value of the motor vehicle or the number of miles traveled by that vehicle. For example, Mr. A may own an automobile worth $3,000 which has traveled 30,000 miles per year, and Mr. B may own an automobile worth $100 which travels 1,000 miles per year—yet both are forced to pay the same tax, namely $5.

The records prove, Mr. Chairman, this law has never been enforced and I think you will find upon careful study that only approximately 65 to 75 percent pay this tax. I am of the opinion if we are going to have the tax, let us see that it is enforced and all pay it, or do away with the tax entirely.

A few days ago there appeared in two of the major newspapers of my district, editorials as follows:

From the Mount Vernon News (Republican), Mt. Vernon, Ohio. "Representative J. HARRY MCGREGOR, of the Seventeenth Ohio District, of which Knox County is a part, has introduced in the House of Representatives a bill to repeal the auto use tax. A similar bill has been introduced in the Senate. Action by Congress should be favorable. There never has been any good reason why this tax should be maintained, and there is less now than when it was levied. It is not strictly enforced. Consequently some motorists buy their stamps annually and duly display them on the windshields of their cars, and some do not. Those who do not drive just as freely as those who have paid their tax, apparently without fear of detection and punishment. As far as that is concerned, it is preposterous to require a motorist to pay a use tax for the privilege of driving his car after he has paid the innumerable levies which are necessary before he can run it out of the garage."

From the Mansfield News-Journal (Democrat), Mansfield, Ohio. "Slow recognition of the unfairness of that Federal $5 automobile use tax is gradually developing in Congress, it appears, as three bills to abolish this tax have been introduced, including one by Congressman J. HARRY MCGREGOR, of this district. This tax is easily and widely evaded and doubt has been expressed by Secretary Morgenthau as to whether receipts from it are worth the cost of collection. Then, too, gasoline and tire shortages make such a tax obviously unfair, as an A card holder is required to pay the same tax as B and C card holders. And, frankly, many motorists—possibly a majority—feel no obligation to pay this tax, and, so far as can be learned no effort to collect it has ever been made in this vicinity."

I believe these two editorials accurately and adequately give the opinions of the majority of the people of this Nation. Trusting that you will be able to see your way clear to give consideration to this legislation at the earliest possible date,

I am respectfully yours,

J. HARRY MCGREGOR,
Member of Congress.

Is this gag rule procedure a Republican form of government operating under a democracy? What are our boys and girls over there fighting for? Are they not fighting to give us a right to express our opinions, not only here as Members of Congress, but the American people as a whole? I do not know whether this clerk spoke by authority of the Chairman of the Committee on Ways and Means, I do not think so, but I tell you, Mr. Speaker, this gestapo method should stop. Our boys and girls are fighting that you and I be given the right of democratic legislative procedure. Yet this rule prohibits just that. I certainly do not agree with some of the things that have been said that we cannot draft tax legislation on this floor. I certainly think that if we had been given the opportunity to amend some of the tax legislation which has been presented and passed by this House in the past under a gag rule, we would not have fouhd ourselves in such a peculiar situation as we were in when we did pass some of that legislation. I hope this gag rule will not be accepted. Let us consider the bill under an open rule and consider any amendments that might be offered.

Mr. MICHENER. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Speaker, it is important for us to adopt this rule. We tried once in the 12 years that I have been a Member of Congress to write a tax bill on the floor of the House without a rule, and we spent a week on it and the bill was recommitted to our committee.

I offered in the Committee on Ways and Means the amendment which the gentleman from Missouri [Mr. SLAUGHTER] discussed. Then I voted, as did other members of our committtee, for a closed rule. I will not, after voting that way, offer any amendment. But with the exception of the railroad provision, everything in this bill has the unanimous support of every Government agency, as well as the Joint Committee on Internal Revenue Taxation, and of most of the members of our committee.

Mr. MICHENER. Mr. Speaker, I yield the balance of the time to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, it seems that membership on the Committee on Rules these days is something of a perilous adventure. However, with reference to what the gentleman from Pennsylvania had to say about the Committee on Rules and its action on this rule, it strike me that what he had to say was more an indictment of the Committee on Ways and Means than of the Committee on Rules. He complains of certain items in the bill. They were put there by his committee, not the Rules Committee. The fact of the matter is that the Committee on Ways and Means consistently asks the Committee on Rules for what is known as a gag rule, it being alleged by them, and there being much argument to support it, that it is an extremely difficult matter to handle a tax bill on the floor or to write a tax bill on the floor. They say, and it is true, that it has been tried and in times past has resulted in much difficulty in completing action on tax bills.

The Committee on Ways and Means asks the Committee on Rules for closed rules on its tax bills. As far as I know, it is the only legislative committee which seeks consistently to have that degree of protection on its measures which come to the floor for consideration.

What did the Committee on Rules do in this particular instance? It was suggested and known generally that in respect to the so-called Robertson amendment, which is this business of changing from 1946 to 1945 the effective date of the increase in allowable excess-profits exemption, that in the Committee on Ways and Means there was a very close vote on that amendment. A number of us thought that no harm could be done and the passage of a proper bill would not be jeopardized by making it possible for the House to vote on that one specific matter. That is what we have done. I think this rule should be adopted and that we should proceed to the consideration of the bill.

Mr. SABATH. Mr. Speaker, I yield the balance of the time, 4 minutes, to the gentleman from North Carolina [Mr. DOUGHTON].

Mr. DOUGHTON of North Carolina. Mr. Speaker, I regret very much that this controversy has risen over this rule. I have no desire nor right to criticize the Committee on Rules for their action with respect to any action making in order any bill. That is their prerogative. In the past that committee has been very generous with the Committee on Ways and Means, and so far as my recollection serves me correctly, that committee has always granted the type of rule that our committee has requested. This time we made the same request and the committee granted a different rule from what we requested. Usually they have granted a rule allowing committee amendments. But I see they passed a rule allowing no committee amendments. I do not know that we made any request about that. But I am thinking of all the other previous rules that they have granted allowing committee amendments.

I am not fighting for or against the rule. But the record should be kept straight so far as our Committee on Rules is concerned. It has been stated here twice, and correctly, although I do not know where the information came

from, that there was a division in the Committee on Ways and Means with respect to this exemption of $25,000 on excess-profits taxes, making the exemption effective for 1945, instead of 1946.

There was likewise a division in our committee about the railroad provisions. That has been mentioned. That is the reason I was so surprised, when we were discussing this rule before the Rules Committee, when the question was raised by my good friend the distinguished gentleman from Missouri [Mr. SLAUGHTER] about providing for a rule whereby the House could vote on the railroad provision. I mentioned that if they liberalized the rule so as to make possible a vote on the effective date of the $25,000 amendment, then I requested that they also liberalize the rule so as to give an opportunity to have a vote on the railroad provision. There was division in the committee about that. That is the reason I was so surprised, inasmuch as they did not provide for that amendment too. If the Rules Committee did not grant the type of rule we requested, then I was surprised that they made one exception and did not make two exceptions.

Mr. REED of New York. Will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. REED of New York. The gentleman understood the explanation made by the distinguished gentleman from Georgia [Mr. Cox], did he not, that he thought perhaps he was in error?

Mr. DOUGHTON of North Carolina. No; I am sorry I did not hear the gentleman from Georgia say that. What I was surprised about was that if the gentleman from Georgia [Mr. Cox] had said he did not hear me or if he did not recollect any such request that would have been entirely satisfactory, because I have a profound respect for the gentleman from Georgia. But when he looked me square in the face and said I made no such request, that is what got under my shirt.

Mr. COX. If I offended the gentleman from North Carolina, I am profoundly sorry.

The SPEAKER. All time has expired.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. EBERHARTER) there were ayes 77 and noes 59.

Mr. EBERHARTER. Mr. Speaker, I object to the vote on the ground there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 211, nays 131, answered "present" 1, not voting 89, as follows:

[Roll No. 136]

YEAS—211

Abernethy	Andresen,	Angell
Allen, La.	August H.	Arends
Anderson, Calif.	Andrews, Ala.	Arnold
Auchincloss	Fulton	McMillen, Ill.
Baldwin, Md.	Gamble	Martin, Iowa
Barrett, Wyo.	Gary	Martin, Mass.
Bates, Ky.	Gathings	Mason
Bates, Mass.	Gavin	May
Beall	Gearhart	Merrow
Bender	Gerlach	Michener
Bennet, N. Y.	Gibson	Miller, Nebr.
Bennett, Mo.	Gillespie	Mott
Bishop	Gillie	Mundt
Blackney	Goodwin	Murray, Tenn.
Bolton	Gossett	Murray, Wis.
Bonner	Graham	Norrell
Boren	Grant, Ala.	O'Neal
Boykin	Griffiths	Pace
Brehm	Gross	Peterson, Fla.
Brooks	Gwinn, N. Y.	Phillips
Brown, Ohio	Hagen	Pickett
Brumbaugh	Hall,	Pittenger
Buck	Leonard W.	Poage
Buffet	Halleck	Price, Fla.
Bulwinkle	Hancock	Randolph
Bunker	Hand	Rankin
Burch	Hare	Reed, N. Y.
Butler	Harness, Ind.	Rees, Kans.
Byrnes, Wis.	Hays	Riley
Campbell	Hedrick	Rivers
Canfield	Hendricks	Rizley
Carlson	Herter	Robertson,
Case, S. Dak.	Heselton	N. Dak.
Chelf	Hess	Robertson, Va.
Chenoweth	Hinshaw	Robsion, Ky.
Church	Hoffman	Rockwell
Clason	Holmes, Mass.	Roe, Md.
Clements	Holmes, Wash.	Rogers, Mass.
Clevenger	Hope	Sasscer
Cole, Kans.	Horan	Schwabe, Mo.
Cole, Mo.	Howell	Schwabe, Okla.
Cole, N. Y.	Jenkins	Scrivner
Colmer	Jennings	Shafer
Combs	Jensen	Short
Cooley	Johnson, Calif.	Slaughter
Corbett	Johnson, Ill.	Smith, Maine
Cox	Jones	Smith, Va.
Crawford	Jonkman	Smith, Wis.
Cunningham	Judd	Springer
Curtis	Kean	Stefan
Daughton, Va.	Keefe	Stevenson
D'Ewart	Kilday	Stewart
Dolliver	Kinzer	Stockman
Domengeaux	Knutson	Sumner, Ill.
Dondero	Kunkel	Sundstrom
Doughton, N. C.	LaFollette	Taber
Drewry	Landis	Talle
Durham	Larcade	Tibbott
Dworshak	Latham	Vorys, Ohio
Earthman	LeCompte	Vursell
Elliott	LeFevre	Walter
Ellis	Lemke	Wasielewski
Elsaesser	Lewis	Weichel
Elston	Luce	West
Engel, Mich.	Ludlow	Wigglesworth
Ervin	Lyle	Winstead
Fallon	McConnell	Wolfenden, Pa.
Fellows	McCowen	Wolverton, N. J.
Fenton	McDonough	Woodruff, Mich.
Fernandez	McGehee	Woodrum, Va.
Flannagan	McKenzie	
Fogarty	McMillan, S. C.	

NAYS—131

Andersen,	Doyle	Kirwan
H. Carl	Eberharter	Kopplemann
Barden	Engle, Calif.	Lane
Barrett, Pa.	Feighan	Lanham
Beckworth	Flood	Lea
Biemiller	Folger	Link
Bland	Forand	McCormack
Bloom	Gallagher	McGlinchey
Bradley, Pa.	Geelan	McGregor
Brown, Ga.	Gordon	Madden
Bryson	Gore	Mahon
Buckley	Gorski	Manasco
Burgin	Granahan	Mansfield,
Byrne, N. Y.	Green	Mont.
Camp	Gregory	Marcantonio
Cannon, Mo.	Harless, Ariz.	Miller, Calif.
Carnahan	Harris	Mills
Celler	Havenner	Monroney
Chapman	Healy	Morgan
Cochran	Hoch	Murdock
Coffee	Holifield	Murphy
Cooper	Hook	Neely
Crosser	Huber	Norton
Curley	Hull	O'Brien, Ill.
D'Alesandro	Izac	O'Brien, Mich.
Davis	Jackson	O'Hara
De Lacy	Johnson,	O'Konski
Delaney,	Luther A.	O'Toole
James J.	Johnson,	Outland
Delaney,	Lyndon B.	Patman
John J.	Johnson, Okla.	Patrick
Dickstein	Kelley, Pa.	Patterson
Dingell	Kelly, Ill.	Philbin
Douglas, Calif.	Kerr	Price, Ill.
Douglas, Ill.	King	Priest
Quinn, N. Y.	Savage	Torrens
Rabaut	Sheridan	Trimble
Rabin	Somers, N. Y.	Vinson
Ramspeck	Sparkman	Voorhis, Calif.
Resa	Spence	Weaver
Richards	Starkey	Weiss
Rooney	Stigler	Whittington
Rowan	Sullivan	Wickersham
Ryter	Thom	Woodhouse
Sabath	Thomas, Tex.	Zimmerman
Sadowski	Thomason	

ANSWERED "PRESENT"—1

Case, N. J.

NOT VOTING—89

Adams	Hébert	Robinson, Utah
Allen, Ill.	Heffernan	Rodgers, Pa.
Andrews, N. Y.	Henry	Roe, N. Y.
Bailey	Hill	Rogers, Fla.
Baldwin, N. Y.	Hobbs	Rogers, N. Y.
Barry	Hoeven	Russell
Bell	Jarman	Sharp
Bradley, Mich.	Johnson, Ind.	Sheppard
Cannon, Fla.	Kearney	Sikes
Chiperfield	Kee	Simpson, Ill.
Clark	Kefauver	Simpson, Pa.
Courtney	Keogh	Smith, Ohio
Cravens	Kilburn	Snyder
Dawson	Lesinski	Sumners, Tex.
Dirksen	Lynch	Talbot
Eaton	Maloney	Tarver
Ellsworth	Mansfield, Tex.	Taylor
Fisher	Morrison	Thomas, N. J.
Fuller	Peterson, Ga.	Tolan
Gardner	Pfeifer	Towe
Gifford	Ploeser	Traynor
Gillette	Plumley	Wadsworth
Granger	Powell	Welch
Grant, Ind.	Powers	White
Gwynne, Iowa	Rains	Whitten
Hale	Ramey	Wilson
Hall,	Rayfiel	Winter
Edwin Arthur	Reece, Tenn.	Wolcott
Hart	Reed, Ill.	Wood
Hartley	Rich	Worley

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Reed of Illinois for, with Mr. Pfeifer against.

Mr. Adams for, with Mr. Heffernan against.

General pairs until further notice:

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Barry with Mr. Wolcott.

Mr. Morrison with Mr. Baldwin of New York.

Mr. Keogh with Mr. Hoeven.

Mr. Hart with Mr. Gifford.

Mr. Lynch with Mr. Hill.

Mr. Bailey with Mr. Fuller.

Mr. Peterson of Georgia with Mr. Edwin Arthur Hall.

Mr. Powell with Mr. Ellsworth.

Mr. Tolan with Mr. Dirksen.

Mr. Rogers of New York with Mr. Chiperfield.

Mr. Rayfiel with Mr. Kilburn.

Mr. Mansfield of Texas with Mr. Powers.

Mr. Robinson of Utah with Mr. Simpson of Illinois.

Mr. Maloney with Mr. Taylor.

Mr. Cravens with Mr. Wilson.

Mr. Hobbs with Mr. Towe.

Mr. Roe of New York with Mr. Talbot.

Mr. Dawson with Mr. Thomas of New Jersey.

Mr. Snyder with Mr. Smith of Ohio.

Mr. Lesinski with Mr. Rodgers of Pennsylvania.

Mr Gardner with Mr. Gwynne of Iowa.

Mr. Worley with Mr. Reece of Tennessee.

Mr Clark with Mr. Eaton.

Mr. Sikes with Mr. Allen of Illinois.

Mr. Wood with Mr. Hartley.

Mr. Courtney with Mr. Andrews of New York.

Mr. Traynor with Mr. Henry.

Mr. Rains with Mr. Bradley of Michigan.

Mr. HAYS changed his vote from "no" to "aye."

Mr. ENGLE of California changed his vote from "aye" to "no."

Mr. PETERSON of Florida changed his vote from "no" to "aye."

Mr. ALLEN of Louisiana changed his vote from "no" to "aye."

Mr. POAGE changed his vote from "no" to "aye."

Mr. BROOKS changed his vote from "no" to "aye."

Mr. RANKIN changed his vote from "no" to "aye."

Mr. DWORSHAK changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 a. m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANNOUNCEMENT

The SPEAKER. The Chair will state that the House will not resolve itself into the Committee of the Whole for the consideration of the so-called tax bill today.

CORRECTION

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute in order to correct the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, before the membership disperses I wish to be permitted to quote from the record of the testimony taken on the application for a rule by the Rules Committee on this bill and say something which supports the statement of the chairman of the Ways and Means Committee.

When the gentleman from North Carolina [Mr. DOUGHTON] was before the committee he said:

> Mr. DOUGHTON. Those who favored the Robertson amendment were mostly of the minority. That amendment would make the $25,000 exemption apply to 1945 taxes rather than 1946 taxes. The same is true of the railroad provision. I opposed it because I did not believe it had a place in the bill and I could not thoroughly understand it. Our experts could not fully explain it. But I am willing to go along and swallow the railroad amendment, but if you make exemptions and allow a separate vote on the Robertson amendment having to do with the $25,000 specific exemption, we want the rule liberalized to allow votes on other sections. As I have stated, I want the rule just as it is, without any change of any kind. I am always willing to take a chance with the majority vote of our committee. We are asking for a rule without any exception in it, so that the House can vote the bill up or down.

Mr. Speaker, I am very glad to make this correction, which the gentleman from North Carolina [Mr. DOUGHTON] is entitled to.

COMMITTEE ON EDUCATION

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the Committee on Education may be permitted to sit during general debate during the session of the House tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. STEVENSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include an item on the subject of FEA forbidding shipment of steel rails to Spain.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in three instances and in each to include statements or letters.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD.

Mr. HARE asked and was given permission to extend his remarks and include a statement made before the Committee on Interstate and Foreign Commerce.

Mrs. NORTON asked and was given permission to extend her remarks in the RECORD and include an article.

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a set of resolutions.

PERMISSION TO ADDRESS THE HOUSE

Mr. SPRINGER. Mr. Speaker, I have a special order for today. I ask unanimous consent that it may be transferred to tomorrow; that tomorrow I may address the House for 5 minutes after the disposition of the business of the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

INTERNATIONAL AIR ROUTES

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, the Civil Aeronautics Board today announced that it has issued certificates authorizing the Pan American Airways, American Export Lines, Inc., and the Transcontinental & Western Air, Inc., to operate international air routes. TWA is awarded two prize routes over the North and South Atlantic.

This is all very intersting in view of the fact that only last January two Civil Aeronautics Board examiners, Thomas L. Wrenn and a Mr. Ferdinand, reported on months of investigation and recommended that American Export Airlines, Inc., and Pan American Airways be the sole lines authorized to fly the Atlantic Ocean. The examiners at that time turned down Transcontinental & Western Air, Inc., Pennsylvania-Central Airlines, National Airlines, U. S. Midnight Sun Airlines, Moore-McCormick Airlines, and the U. N. Airships, Inc., all of which had filed applications to operate ocean routes.

In awarding these certificates today the CAB apparently has bypassed the Senate Commerce subcommittee, which has formulated the air policy for the administration, and which has been divided on the question of permitting domestic air lines to fly internationally. Such a decision, of course, would have kept TWA out of world routes.

In awarding TWA a certificate today, it appears to me that CAB has singled out this organization for special favors which I do not believe Congress should overlook. All facts surrounding the issuance of the certificates to TWA should be explored.

Anyone interested will recall that last November Elliott Roosevelt, then a colonel and since a brigadier general, returned to the United States on one of his frequent leaves. He was feted at the swanky New York night club, El Morocco, by John Meyer, spokesman for Howard Hughes, owner of Transcontinental & Western Airlines, Inc. Meyer also became spokesman for Elliott in that he announced to the press that the colonel would remain in New York for 2 days and then fly to the west coast.

On the west coast it was announced that the second son of the late President Franklin D. Roosevelt was to marry Faye Emerson, a motion-picture actress. The wedding party was flown to the rim of the Grand Canyon by Jack Frye, president of Transcontinental & Western Airlines, Inc. Later, Frye also flew Elliott and his new bride east to meet the family. At about this same time Mr. Meyer was accorded a meeting with Mr. Roosevelt at Hyde Park, New York.

While Colonel Roosevelt was consorting with TWA officials, their application for permission to fly the North Atlantic was pending before the Civil Aeronautics Board. This application was rejected in January, but later CAB was, in some manner, persuaded to change this decision to permit TWA to operate North Atlantic routes. The recommendation, I am advised, was made by three public counsels of CAB, Merle P. Lyon, V. Rock Grundman, and Russell S. Bernard. They recommended to the Board that TWA be selected as the carrier to fly the North Pacific-to-Asia route from the Chicago gateway, unless TWA be awarded an Atlantic route, in which case the Pacific route should go to the Pennsylvania Central Airlines. This would appear unusual solicitude. Under CAB's decision, TWA has now been awarded the choice international air routes.

In making this statement, Mr. Speaker, I make no direct accusation, but I am forced to admit I am suspicious that some undue influence was brought to bear to cause the favorable reconsideration of TWA's application to fly the Atlantic routes.

The SPEAKER. Under the previous order of the House the gentleman from Indiana [Mr. GILLIE] is recognized for 20 minutes.

COMPULSORY MILITARY TRAINING IN PEACETIME

Mr. GILLIE. Mr. Speaker, it is anticipated that in a short time, the Military Affairs Committee will conduct hearings on the compulsory military training bill. Therefore, I should like to make a statement in regard to my views on this very important peacetime problem.

I am opposed to compulsory military training in peacetime, for the reasons that it is contrary to the common moral sense of most Americans—it is undemocratic—it is unnecessary as a means of obtaining the objectives sought and it is a substitution of one of the Old World's methods for the American way.

I wish it understood however that I am not opposed to military training, nor am I opposed to building our national defenses to the strongest point possible as long as this can be done without violating fundamental rights of citizens.

In times of war, a nation has the right to compel its able-bodied men to serve in its armed forces, because a nation is entitled to take whatever means are necessary to save its own life, but the rights which a nation has when its existence is obviously threatened do not obtain when the nation is at peace and the danger to its future existence is remote.

It is my opinion that compulsory military training is desired in this country for several reasons, other than those piously stated. There are some who, making a private career of the profession of arms, want that profession aggrandized by the means of compulsory military training as an opportunity for the indoctrination into the minds of American youth of the European principle of exaggerated statism. I have been an advocate of widespread military training and for years was an active reserve officer in the United States Army. I probably would be serving in this war, if I had not experienced the advantage or disadvantage of having been born just a few years too soon. So none of my opposition to compulsory military training stems from any pacifistic sentiments. I am opposed to compulsory military training because it is not the means in this country to secure what we wish to accomplish.

It is unsound to argue that compulsory military training is essential to future military security for this country. The worst defeated nations in this war, among them France, have long had compulsory military training in peacetime. Nations which have had compulsory military training have lost many wars, and we, who have no such training, up to now, have lost none.

It is unsound to argue that compulsory military training is the solution for the Nation's problem of physical unfitness. Those to be trained will be not the unfit, but the fit. Solving the problem of unfitness in this country must begin at the early childhood stage. It cannot be deferred until the physically unfit have reached the age of 18.

It is also unsound to argue that compulsory military training will provide a desirable discipline leading to better moral character. I know and you know that the armed forces are not in the business of substituting for the school, the church and the home. They are in the business of developing fighting men, not in the business of developing moral character, except incidentally. Admittedly some of the discipline is highly desirable, but this discipline should be provided in an atmosphere where the influences of church and the family still operate. It is significant to me that almost every voice of the institutions of church and home in this country is protesting compulsory military training in peacetime. We should not ignore those voices. The principle of religious freedom is deeply ingrained in our national character. Many of the first pilgrims to this country came here seeking to escape the lash and oppression of religious intolerance in Europe. Their courage and indomitable will to worship as they pleased has written an indelible chapter in our Nation's history and has been instrumental in strengthening the burning desires for religious freedom and liberty. Their early efforts inspired this Nation and kindled the flame for freedom of the individual which has burned brightly throughout our glorious history.

It is also unsound to argue that because the future may see this country under constant danger of quick, unexpected attack from long-range rocket bombs that we must have compulsory military training. The answer to new techniques of war is not more manpower particularly, but constant research in development of instruments of war. Rather than great masses of soldiers, we need encouragement of specialized research by military technicians.

Six months after a soldier has been discharged he needs a long period of retraining before he is again useful as a soldier. It is not reasonable to think that young men trained as soldiers and discharged after a year will be instantly available for national defense when 3, 4, or 5 years have passed.

The armed forces in this war have insisted that 3 months' active training or less is sufficient for a man going overseas into active combat. Why should it now be insisted upon that compulsory military training in peacetime should be for a year?

Another argument which is used for immediate passage of compulsory military training is that it must be done before the people change their minds. The people now are not for it, but even if they were, and it was indicated that they might change their minds about it, why should we try to anticipate that change of mind and pass the law. We do not do things like that in this kind of a country.

It is also unsound to argue that compulsory military training is an education in democracy. As one who has some knowledge of and considerable respect for the military, I know that there is nothing more undemocratic than an army or a navy. It is an authoritarian institution, where laws are quickly made without consent of those affected and where instant, unquestioning obedience is demanded. An army or a navy cannot operate on what we understand as a democratic basis. Democracy is the privilege and the right of the civilian, not the soldier. Men are court-martialed in the Army for exercising freedom of speech about a commander in chief or anyone else in authority. They are specially trained to accept a lien upon their interest in the Bill of Rights.

My emigrant father and mother came to this country from Scotland because of the freedom and liberty enjoyed by the people of this Nation. They had read about it. The Scots love freedom too and so they set sail for this country because they knew of the blessed heritage that was America's. It is for the continuation of these rights and privileges as freemen that our sons and daughters are fighting. The united strength we mustered after the Japanese struck their dastardly blow at Pearl Harbor is an historical record for all of the aggressors and war-thirsty demagogues to remember. When we are forced to battle for righteous and just causes, all of the loyalty and patriotism of our people unites into one strong arm for victory. We lay aside our political and personal feelings. When Congress, voicing the will of the people votes for a declaration of war, it is done as freemen welding our strength in the cause of freedom. It has been the heritage and struggle for liberty and the defense of justice that has given this Nation such overwhelming power—so clearly manifested in our military power against the Axis which has brought the Germans to their knees and is hammering full force toward victory over the Japanese.

We discovered that the German might be a better soldier because of his compulsory military training and discipline but the American soldier is the better fighter. The influences of the free institutions he was brought up in, the inherent knowledge and opportunity which he has enjoyed as a freedom loving American, have given him greater loyalty to principles, greater resourcefulness in adverse circumstances, and the stout heart and courageous mind stimulated by intelligent independent thinking. When America speaks, it is not merely the dictates of the military leaders, or any particular military clique, it is the determination and the unanimous voice of the people which is heard.

I believe that we can assure our defense strength and development to keep in stride with the rest of the world in a democratic and voluntary way. Without question the full utilization of our service schools—the naval and military academies—the ROTC in the land-grant colleges and universities, and the continuation and possible expansion of the National Guard will provide for sufficient officer candidate material for whatever military power we may need.

It is with the greatest reverence and the highest respect that we speak of Marshall, Eisenhower, Nimitz, Clark, Bradley, and Patton. There are no greater military leaders in history. Their leadership, their abilities, and their authority in military science will go down in American history as an unforgettable record for the world to see. Their military qualifications are unchallenged, and no one is better qualified to speak on military problems. But com-

pulsory military training is not a matter of military science. It is a problem of the greatest concern to our citizenship and our Government. And to illustrate this fact, may I present the viewpoint of the editor of This Week magazine, which is distributed widely throughout the United States, and which was one of the 15 newspapers sending editors to Europe at the invitation of General Eisenhower to witness at first-hand the Axis defeat and the Nazi war machine, a product of compulsory military training. The editor stated:

I brought back with me an unbounded confidence in the American GI's. They're a rangy, resourceful, competent lot. * * * These men were American soldiers with overflowing energy, ingenuity, and downright intelligence in every job they tackle. To the Nazi officers with their heel-clicking, spit-and-polish ways, it must have been a baffling thing to watch this oddly informal American Army beat the living daylights out of them. But that has to happen when human robots meet men who have been trained in their homes and schools and jobs to think and feel for themselves.

I also wish to cite these two brilliant excerpts from a recent article by Lt. Col. Roscoe S. Conkling which clarify the viewpoint of the soldier on the question of peacetime military training. Lieutenant Colonel Conkling said:

They know that at the conclusion of hostilities the millions of actual fighting men won't want to listen to agitation for more soldiering. Their first thought will be to forget their harrowing experiences and be freemen again, not uniformed robots to be told where and when and what, 24 hours a day. That unquestionably will be the attitude of those who come back to us whole in body and sound in mind.

The colonel added:

America fights, how well our enemies twice within a quarter of a century and to their sorrow have learned, when it has to, or is dragged into war. But it is not a warrior nation and certainly, in its normal life, frowns dourly upon grandiose militaristic activity. Yet its doctrines and traditions have proved the most successful of all the nations of history.

In looking back over our shoulder at the historical advancements and progress of our Nation, I am reminded of the old familiar quotation, "No one can tether time nor tide," but I am sure that the greatness of this Nation stands sharply before us as we compare its richness and tolerance for civil liberties, and the ability of our people to learn and recognize progressive government in the light of significant experiences.

I think that most of us remember how aggrieved returning soldiers from World War I felt when they came home to find that so important a piece of legislation as the prohibition amendment had been passed in their absence. They felt that they who were away fighting for their country should have been granted the right to express opinion on that legislation. In this matter, today, we are again attempting to pass a similarly important piece of legislation without waiting for those who are fighting abroad to return and tell us what they think of it. They also are citizens, not merely soldiers.

I also wish to stress that in peacetime, a State must not unduly interfere in the ways of life of its citizens. A year of time is a priceless thing to youth or any age. The boy of 18, coming out of high school, has a right to get started in his training as a plumber, a brickmason, a carpenter, a toolmaker, a minister, a lawyer, a doctor, or whatever trade or profession he wishes to follow. For less than real danger to the state, we have no right to take a year out of youth's life and substitute nothing except training as a soldier.

Let us have the best physical-fitness training program any nation ever had. Let it begin in the prenursery schools if feasible. Let it be carried out in all schools and colleges directly under the influence of church, school, and family. Let us have the largest armed forces possible, but let us have them under an American, not a European banner. Let us continue not to interfere needlessly and for trivial reasons in the lives of our citizens. Let us have military preparedness, but do not let us have compulsory military training in peacetime. It is contrary to all of our best political and moral traditions. It is distinctly not a part of our American way of doing things.

I would like to conclude with this thought from a prayer recently presented by a Navy chaplain before the House: "In tune with the will of a great people and with hearts on fire with a love for freedom, justice, and truth, let us with courage, patience, and hope labor tirelessly for the better world our hands can build."

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. BATES] is recognized for 15 minutes.

THE IMPORTANCE OF FISHERIES TO THE FOOD SUPPLY OF THE COUNTRY

Mr. BATES of Massachusetts. Mr. Speaker, during this most critical war period, much is being said and written in respect to the shortage of food facing the people of this country and the entire world. To that end, Congress has given a great deal of attention to the acceleration of our meat supply and agricultural products. Relatively little is being said, or done, in Government circles, in respect to one of the most important branches of our food-supply system—namely, those sources from which our food in the form of fishery products comes in such abundance.

The contribution that the fisheries of this country are making to our food-supply needs is but little understood by the public at large, and if we take into consideration how little recognition the Government gives to the importance of this industry, we sometimes wonder how it has grown to its present stature in providing food in—I again repeat—such great abundance for the people of this country.

From the very days that the early settlers landed on the shores of this country, the fishery industry has played an important part in our economic well-being. In other countries, the fishery industry is recognized for its preeminence in the field of food supply by the establishment of responsible agencies of the government with appropriations sufficiently large enough to carry out what they consider to be one of the outstanding and most important governmental activities. However, in this country, the fisheries have received no such important recognition. It is considered to be but a small division within a number of other activities of the Department of the Interior. The production of fish in this country, in recent years, has reached such stupendous proportions in the value of fish landings that it should no longer be considered as an industry of but small importance to the welfare of this Nation.

Fish is a food of the highest nutritional value. According to Government reports, a pound of fish protein has more growth value than has a pound of beef protein.

In the determination of the problems confronting the food requirements of this Nation, fish should be considered in the same category as agricultural products. It has long been my opinion that the fisheries should come under the jurisdiction of the Department of Agriculture and it should receive from the hands of our Government officials the same care and attention as the Department of Agriculture gives to every other part of the food supply system of the country. The production of fish and the important part it is playing in our food supply can be better understood when I state that it is estimated that nearly 5,000,000,000 pounds of fish will be produced in this country during the current year. The estimated production of meats, including beef, veal, lamb and pork, will be about 22,000,000,000 pounds this year.

In the 5 years prior to the war the catch of fishery products in the United States and Alaska averaged 4,400,000,000 pounds annually. In 1941 in response to the needs for increased supplies of fish the catch was increased to 5,100,000,000 pounds. Upon our entry into the war about 700 of the larger modern vessels were requisitioned by the Army and Navy for military service. These included many of the industry's fastest, most productive boats. The loss temporarily placed severe handicaps on the salmon, tuna, pilchard, menhaden, and New England vessel fisheries, which yield the bulk of the industry's production. Only within the past year have enough boats been returned, or been replaced by new construction, to restore the fleet to approximately its prewar catching capacity.

In 1942, because of the difficult conditions of wartime operation, the catch declined to 3,900,000,000 pounds. In 1943 the industry was able to increase its production to 4,200,000,000, and last year it did still better with 4,500,000,000 pounds. Total production in 1945 should be about normal, although this does not mean "normal" production of all classes of fishery products.

Available data indicate that in 1944 the following disposition was made of the domestic catch of fishery products:

	Pounds
Used fresh and frozen	1,589,000,000
Used for canning	1,225,000,000
Used for curing	110,000,000
Used in the production of fishery byproducts	1,580,000,000
Total	4,504,000,000

Over a third of the industry's catch was marketed fresh and frozen, a fourth was canned, 2 percent was used for curing and slightly over a third was used in the production of fishery byproducts, principally oil and meal.

Fish meal is one of the principal protein feeds for hogs and poultry; liver oils, as is well known, play an important role in the nutrition of human beings and livestock; other fish oils are also used in animal feeding and serve a long list of useful purposes in industry and art where they are used in paint, soap, and oilcloth manufacture, as core oil in making castings, in the production of oleomargarine, and so forth. Miscellaneous byproducts include crushed shells for poultry feeding and road construction, pearl essence, buttons, and various ornamental objects.

Looking beyond 1945, and even further to the postwar period, important and significant developments are expected in the fisheries. American per capita consumption of fish in prewar days averaged only about 13.3 pounds, but varied widely from about 30 pounds in coastal cities to negligible quantities in many sections of the interior. Technical progress will change this. Quick freezing will revolutionize the marketing of fish as it has already done for fruits and vegetables. Air transportation will carry ocean fish and shellfish to interior communities within a few hours' time. The fisheries up to the present time have made only a dent in the potential American market. These markets will open wide to the products of the fisheries, if more encouragement and attention is given to these industries by the authorities of our Government.

GLOUCESTER PRINCIPAL FRESH-FISH PORT IN NORTH AMERICA

My interest in the fisheries, aside from my general interest in the food supply needs of the country, stems from the fact that the major portion of our supply of fresh fish is taken off the New England States. The city of Gloucester, which lies within my district, is the principal fishing port at which fish destined to be marketed fresh and frozen are landed in North America. In 1944 landings at Gloucester totaled 188,661,000 pounds; during the first 6 months of 1945 landings at Gloucester totaled 105,086,000 pounds as compared with 81,418,000 pounds during the first 6 months of 1944. It is thus apparent that the record landings of last year will be exceeded by a wide margin during the current year. Prior to 1942 Boston was the principal fishing port in the New England States based on volume of landings. During the past 2 years, Gloucester has taken the lead, and its apparent that the 1945 Gloucester landings will be far in excess of those delivered to Boston. During the first 6 months of the current year 93,124,000 pounds of fishery products were landed at Boston as compared with 76,284,000 pounds during the same period last year.

From the date of its first settlement in 1623 Gloucester has been a fishing port. The first fishing pier built in America was built in Gloucester. The explorer Champlain sailed into Gloucester Harbor in 1606, stayed there several weeks, and upon his return to France reported that the seas about Gloucester were filled plentifully with fish. It is fitting that today the "sacred cod" still occupies a place of honor in the State legislature, for Massachusetts still claims fishing as one of its chief industries, and Gloucester, for several centuries, has been one of the chief centers of that industry.

Visitors to Gloucester are greatly impressed as they enter that old fishing community to observe the splendid fisherman's monument immortalizing the spirit of sacrifice, "They that go down to the sea in ships." This monument was dedicated in honor of those who have lost their lives at sea. Hundreds of times vessels have left this port to be lost in storm and shipwrecked never to return. Each year services are held at this monument and flowers are strewn upon the nearby waters of the north Atlantic in sacred memory of those who have given their lives in the preceding months.

Fishermen follow the life of the most hazardous occupation, and seldom a year goes by that some of the men in this adventurious work do not give their lives in quest of food for the American people. The noteworthy film, "Captain Courageous," was developed around the theme of the Gloucester fishermen and the hazardous employment that they follow through the years. It was a splendid tribute to the courage and adventure of these stalwart men.

At this point I wish to make a part of the RECORD the following table giving a summary of landings by fishing vessels at Gloucester from 1931 to 1944, inclusive:

	Fresh	Salted
	Pounds	*Pounds*
1931	21, 263, 000	3, 587, 000
1932	23, 444, 000	1, 884, 000
1933	18, 309, 000	3, 428, 000
1934	37, 298, 000	2, 832, 000
1935	46, 932, 000	4, 333, 000
1936	57, 063, 000	2, 074, 000
1937	44, 700, 000	1, 539, 000
1938	60, 698, 000	2, 311, 000
1939	75, 661, 000	3, 522, 000
1940	96, 161, 000	3, 048, 000
1941	148, 445, 000	2, 906, 000
1942	157, 741, 000	----------
1943	170, 099, 000	----------
1944	188, 661, 000	----------

I submit also for the RECORD, a chart showing the quantity and value of catch of the United States and Alaskan fisheries for the years 1940 through 1944.

Fisheries of the United States and Alaska, quantity and value of catch

Year	Pounds	Value
1940	4, 059, 524, 000	$98, 957, 000
1941	5, 080, 340, 869	134, 172, 054
1942	3, 876, 523, 539	170, 338, 431
1943	4, 202, 281, 261	204, 029, 461
1944	4, 504, 521, 662	207, 291, 574

The remarkable production record of fish landings in Gloucester and the growth of that industry down through the preceding years reveal the splendid contribution being made by the fishermen in my district to the critical food needs of the country. It is my fervent hope that Congress will recognize, at an early date, the relation of the fisheries to our food supply needs, and in legislation to be considered in the future will place them in the same category and to be given the same treatment as agricultural products. Fisheries and their importance to this country have been long overlooked, and it is high time that the Government give them the special consideration that they deserve.

PERMISSION TO ADDRESS THE HOUSE

Mr. ANGELL. Mr. Speaker, I ask unanimous consent that on tomorrow, after the completion of the legislative business and any other special orders, I be allowed to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oregon.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. OUTLAND] is recognized for 1 hour.

FULL EMPLOYMENT IN AMERICA

Mr. OUTLAND. Mr. Speaker, I have asked for this time this afternoon in order that I might make a statement on what is undoubtedly the single most important postwar problem on the American home front, the problem of full employment. Already we are beginning to see many signs that the specter of unemployment is again beginning to haunt our people, the lines outside of Government employment offices are getting longer and longer, the cut-backs in war production are getting bigger and bigger, industrial unrest is increasing daily. War Manpower Commissioner McNutt announced last week that 2,000,000 workers will be without jobs early in August. The American people are asking—and rightly so—what we, their elected Representatives, are going to do about the situation. We in this Congress do have a solemn responsibility to see that in the days ahead there is an absolute minimum of unemployment in the United States. If we do not take all possible steps toward this end, we are being derelict in one of our gravest responsibilities.

By full employment I mean a state of affairs in which there is not involuntary unemployment except for a normal amount which one writer has termed "frictional unemployment." I mean that condition where every American wishing to work and capable of working will find the opportunity to do so. Negatively speaking, I mean a condition where bread lines and flop houses will not be necessary to give food and bed to those of our citizens who sincerely and honestly seek to earn their own living and the living of their families through their own efforts.

To me, employment is the very essence of our whole democratic system of life. Unemployment, on the other hand, is the biggest possible step toward some of the many "isms" which we constantly hear being denounced on the floor of this House.

Democracy is not simply a political creed; it is a way of life, a way of life that encompasses all that we do and are

and think. It is social, educational, and economic as well as political. Democracy means respect for the rights of the individual; it says that each person, regardless of his sex, his color, his religion, or his national background has certain inalienable rights which cannot be taken away from him by any human power. Moreover, it contemplates that there should be equality of opportunity to develop those abilities, talents, and capacities with which he has been endowed by an Almighty Creator. This does not mean any gross equality; it does not mean $70 every Saturday for everybody; it does not mean a tearing down of our economic structure, and an arbitrary division of income and wealth; it does not mean a college education for all. It means exactly what I said, namely, equality of opportunity, without any barriers. Such barriers may be racial; they may be economic, such as cartels or monopolies; or they may take other form. All such barriers which stand in the way of the individual realizing his abilities are undemocratic, and it is the responsibility of the people's representatives in a democratic state to see that these barriers are minimized or eliminated altogether.

Democracy has one further implication, I think, that of peaceful, orderly change. In our system of life we do not rely upon revolution to achieve our objectives. We believe they can be achieved through legal, orderly processes, through political action, through collective bargaining, through constitutional amendment. Ours is not the path of violence; ours is the path of a civilized people, who contend that changes in our system are frequently necessary, but that such changes need not entail the sufferings and injustices of violence.

American history has been filled with the struggles of our people to attain a more decent standard of living for all. Originally we were an agrarian people—Jefferson thought we would probably continue in this state of development for several hundred years. But the influx of millions upon millions of immigrants from all over the world, the concentration of population in great cities, the conquering of the frontier, and especially the tremendous technological advances that came with mechanical inventions have made us now primarily an industrial nation. As we went through this industrialization process we found more and greater economic problems on our hands than Jefferson would ever have dreamed of. Problems of concentration, not only of population but of wealth; problems of rapid depletion of our seemingly inexhaustible resources, and, inevitably, problems of great disparity of income. Worst of all, as we continued to go through the various phases of the economic cycle, we found recurring problems of unemployment, each time more severe than the last. 1873, 1893, 1907, and 1921 were all bad enough, but starting with the bank crash in 1929 we had mass unemployment such as this country has never known. I recall as one of the most vivid pictures of a few years ago the hundreds of thousands of men, women, and boys riding the freight trains over America—looking for work.

I know it was said then and it will be said again: "Some folks won't work." There is always in any society a minute segment of the population who, because of physical, mental, or emotional maladjustment, will be unable to work or will refuse to look for work. But, Mr. Speaker, I assure you from personal experience this number is so exceedingly small that it need not be considered in an over-all evaluation of the problem. Most Americans, the great majority of them, ask only the chance, only the opportunity, to stand on their own two feet and take care of themselves and their families in the traditional American way. But they do ask that chance.

I said a minute ago that the history of America has been filled with the struggle of our people toward a greater degree of economic democracy. Look at some of the aspects of it. Jackson's struggle against the Bank, the Homestead Act, free silver, the Sherman antitrust law, Woodrow Wilson's many reforms. Then came World War I, and the demand of a war-weary people to get back to what a Presidential candidate ungrammatically referred to as "normalcy." During this so-called normalcy of the 1920's economic democracy in this country suffered a serious setback as monopoly ran wild, speculation gripped our people, and we went blithely through what was falsely called prosperity. Then came our biggest depression, and for years we saw as much as one-fifth of our population walking the streets looking for work. Yes, looking for work in the richest Nation in the world. This is the spectacle that we in this Congress must not permit to happen again.

Unemployment was decreasing during the later 1930's, but it did not cease to became a national problem until the war production program took every available American and put him into a job. The reality that we must constantly bear in front of us now is: What is going to happen when we no longer need to produce the implements of war? That, Mr. Speaker, is not an academic question nor is it a remote one; it is immediate and real, and a great part of the answer to it must fall directly on the heads of those of us in this House of Representatives.

I like to think that this Congress will take its stand squarely on the new bill of rights, originally stated by our late great President Roosevelt and later restated by the National Resources Planning Board; to me this bill of rights is the keystone to a genuine democracy. Permit me to quote them, and note how they tie in closely to this whole problem of full employment:

First. The right to work, usefully and creatively through the productive years;

Second. The right to fair pay; adequate to command the necessities and amenities of life in exchange for work, ideas, thrift, and other socially valuable service;

Third. The right to adequate food, clothing, shelter, and medical care;

Fourth. The right to security, with freedom from fear of old age, want, dependency, sickness, unemployment, and accident;

Fifth. The right to live in a system of free enterprise, free from compulsory labor, irresponsible private power, arbitrary public authority, and unregulated monopolies;

Sixth. The right to come and go, to speak or be silent, free from the spyings of secret political police;

Seventh. The right to equality before the law, with equal access to justice in fact;

Eighth. The right to education, for work, for citizenship, and for personal growth and happiness; and

Ninth. The right to rest, recreation, and adventure, and the opportunity to enjoy life and take part in an advancing civilization.

This bill of rights, I repeat, is one of the most adequate statements of democratic idealism that I have ever heard. How much of it depends on that one little word "jobs."

PHASES OF THE POSTWAR ECONOMY RELATED TO FULL EMPLOYMENT

The word "jobs" may be little, but the implications are stupendous. How many, many things enter this picture of full employment as we go from a two-front war to a one-front war and then to a peacetime economy. It would take much more time than I have on this floor this afternoon to discuss all the implications; let me mention only a few of the factors that must be taken into consideration. The proper disposal of Government surplus goods, materials, and plants is a vital point. Are we merely going to turn them over to the highest bidder, or is our policy going to be one that will help to encourage small business, prevent monopoly, and in the long run encourage an expanding economy which automatically will mean more job opportunities? I realize that we in this Congress have already passed an act stating policy and procedure on this point, but we must not stop there; we must be constantly vigilant to see that the administrative agencies dealing with fifty billion and more dollars worth of Government supplies and equipment carry out the mandate of Congress. This will be one concrete step in helping to prevent unemployment.

Our whole program of veterans' legislation falls in the same category. Our plans for reabsorbing more than 10,000,000 servicemen and women into our economic structure will vitally affect employment. Veterans and nonveterans alike will have their biggest economic stake in seeing that our system as a whole is healthy; all legislation for bonuses and for education and for other specific purposes for veterans themselves will not help the veterans in the long run if the national economic machinery breaks down.

Our structure of taxation is tremendously important. The call is going to become louder and louder for us in this House to reduce taxes. Naturally we all want to reduce taxes. But how we reduce them is going to be one of the big determinants in over-all employment. Our tax policy must certainly encourage business initiative, but it must not encourage monopolistic practices. It must take as much of a burden as possible off the shoulders of our business concerns, but that must not be done at the expense of merely adding to the tax burden of our low-income individuals and

groups. I trust that when we are called upon to vote on various tax measures during the coming year we will continually bear in mind the possible relationship between each particular tax bill and the whole problem of employment in the United States.

The ending of wartime controls has an extremely important bearing on employment. Last time the big inflation did not come until after the signing of the armistice. In the rush to get back to normalcy, we removed nearly all of our wartime controls, and the aftermath was economic chaos, culminating in the sharp depression of 1921. This time I hope we in Congress have the courage not to yield to the various pressure groups, which, thinking only of themselves and not of the economic future of America as a whole, will demand that all wartime controls be removed as soon as the war with Japan is over. If that does take place, we can look forward to temporary boom, then crash, then depression, and, of course, greatly increased unemployment. In other words, our success in holding employment at a high national level will depend to a large extent on the way in which we maintain our entire economic stability, and the gradual, sensible easing of wartime controls is one of the most important factors in this connection.

I should say also that it is important that we realize the implications of the concept "economy of scarcity." If we go back to traditional economy and think only in terms of restricting production in order to lessen supply and thus raise prices, we can never in this world have full production or anything nearly like it. We must channel our thinking into full realization that, broadly speaking, there is no such thing as overproduction. There may be temporary overproduction of certain goods in certain fields; but our over-all demands are limitless; human beings are not restricted as to needs and wants. If we accept that premise, then we go naturally to the next step of an expanding, ever-increasing productive system, and in that way we are making probably the biggest move of all toward an America where unemployment is at a minimum. There may be temporary overproduction of certain things in certain fields but our over-all demands are limitless.

Mr. BIEMILLER. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to my good friend from Wisconsin.

Mr. BIEMILLER. I want to congratulate the gentleman on the very fine work that he has obviously done on this question and the foresight he has shown in bringing the question on the floor of the Congress. I agree that it is one of the most important problems that the Congress will have to face in the next 4 or 5 months.

I want to call to the attention of the House at this point that one of the important considerations that enters into the field of full production and full employment is the very fine teamwork that has been established during the war between Government, labor, and management. That teamwork has enabled us to turn out the great flood of war matériel as well as the high level of civilian goods that has been maintained during the war.

That teamwork must be continued. It will have a tremendous influence in providing full employment. We should all be interested in continuing that teamwork. The leaders of labor and management alike have very many fine and constructive suggestions to offer. They have done that during the war and can do the same in peacetime. Continued teamwork, in my humble opinion, is the key to full production and full employment. I hope that later on the gentleman will enlighten us further along this line.

Mr. OUTLAND. I am very glad the distinguished gentleman raised that point, because, using the words of my distinguished colleague from California [Mr. VOORHIS] the gentleman was anticipating me.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I shall be pleased to yield to my friend whose words I have just quoted.

Mr. VOORHIS of California. I express the earnest hope that I will not be anticipating the gentleman, but I wish to ask whether in connection with his remarks just made about there never having been any total over-all overproduction, whether he does not believe that the experience during the war is demonstration of that fact? There, merely because there was an adequacy or closer adequacy of buying power in the Nation than had ever existed before, you got into a situation where, although there was a greater supply of commodities left over for the civilian economy even after war supplies were met than there had ever been before, we have been experiencing what we call scarcity due to the fact that millions of people in this country had jobs who did not have them before, and therefore had opportunity to purchase some of the many essentials of life. I take it the purport of the gentleman's remarks is that the supplying of jobs in peacetime is our most important duty to the people of America.

Mr. OUTLAND. Exactly so. I may say to the gentleman from California who I know is very much interested in the whole problem of taxation and income that when we start talking about our national debt the implications of that debt are going to be more serious or less serious in proportion to what our national income is going to be.

Mr. VOORHIS of California. A computation that is relatively simple on that very point is briefly this: If it were possible to maintain production at its present level and if we should desire, which we will not, to maintain tax rates at their present level, we would then be able to have $20,000,000,000 per year for our Government Budget and enough left over to pay off the entire $300,000,000,000 national debt in a period of 20 years. That is only a theoretical point because we will not levy tax rates that high, but it shows what can be done, given a full production economy.

Mr. ANGELL. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I shall be delighted to yield to the gentleman from Oregon [Mr. ANGELL] who I am glad to say is a member of our steering committee on this bill.

Mr. ANGELL. I am intensely interested in the problem the gentleman is discussing. May I not ask if it is a problem doubly significant to us who represent districts on the Pacific coast because we have thousands, yes, I may say hundreds of thousands, of men and women who have come out there during the war years, many of whom will stay there and when we attempt to pass from a war economy to a peace economy, we will have a heavy problem, more so than many other districts, in keeping with that great influx of population that has been employed and for that reason these problems which the gentleman is discussing are doubly important to us on the Pacific coast.

Mr. OUTLAND. I agree with the gentleman thoroughly, and I should like to make this one qualifying statement. While we out there are going to face the problem perhaps more quickly and more intensely, we cannot separate the problem of unemployment in any 1 State from the other 47. Unemployment is not going to be limited by State lines. It is true, as the gentleman stated, that in certain sections of the country, especially where there has been a concentration of war industry, those problems are going to become more acute and they are going to become acute more quickly.

Mr. ANGELL. A hundred thousand or more have come into my congressional district, many of whom have stated that they intend to remain there after the war is over and many of the war industries ended. It will be a difficult problem to keep those people employed.

Mr. OUTLAND. The gentleman will agree with me that you can hardly blame people for staying on the Pacific Coast after they have been there a while.

Mr. ANGELL. That goes without saying.

Mr. SAVAGE. Mr. Speaker, will the gentleman yield further?

Mr. OUTLAND. I yield to the gentleman from Washington, who is also a hard-working member of our steering committee.

Mr. SAVAGE. In addition to the remarks of the gentleman from California [Mr. VOORHIS], and the gentleman from Oregon [Mr. ANGELL], we have another thing in this connection. The security of the Nation practically depends on full employment because when the earning power of the Nation was cut down to one-fifth approximately in the depression to what it is now the health of our people suffered to such an extent that we have had the great amount of rejections of boys who were drafted into the service or were subject to draft. I think the gentleman is bringing out a fine point; he is bringing something to the attention of the House that is very important. It seems to me our security from the health angle alone would be worth all it will cost to maintain full employment.

Mr. OUTLAND. I thank the gentleman. Later on in my remarks I should like to direct myself for a few moments to the subject of health in connection with this whole employment program.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I am glad to yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Has the gentleman brought out the problem of the disabled?

Mr. OUTLAND. I may say to the gentlewoman that I have not taken that up, but I intend to take up that problem of unemployment for veterans, and I shall be glad to have her comment.

Mrs. ROGERS of Massachusetts. It seems to me there must be a special program for them and special provisions. I have been working this afternoon on having special automobiles built for double-amputees, for men who cannot go without transportation, and additional gas rationing. That all fits into the gentleman's program.

Mr. OUTLAND. It certainly does. I may say, and I hope the gentlewoman will agree with me, and I know she is so very much interested in the whole problem of the veterans——

Mrs. ROGERS of Massachusetts. And so is the gentleman.

Mr. OUTLAND. I thank the gentlewoman. In the long run, the best interests of the veterans, disabled and otherwise, so far as employment is concerned, depends on having a healthful economic system for America as a whole. We cannot take care of the problem that affects the veterans alone unless all of this country of ours has a minimum of unemployment.

Mrs. ROGERS of Massachusetts. And economic health.

Mr. OUTLAND. Yes; that is exactly what I mean.

Mr. CANFIELD. Will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from New Jersey.

Mr. CANFIELD. That is further emphasized by the fact that in New York City today the metropolitan newspapers are running free ads for returning veterans who are without jobs.

Mr. OUTLAND. Yes; and that is true, I am sure, in other parts of the United States.

Mr. SAVAGE. The gentleman stated that we must have an over-all employment program. I would like to comment on that statement. I recently returned from Europe on a transport ship with several thousand servicemen who have been in the German war camps. Of course, my interest was to find out what they desired in the way of a postwar program. They said they did not want to be set off by themselves particularly in any program for employment, a program just for veterans; they wanted to be a part of an entire better nation; they would like to see a full program of employment for all the people; then they know they will have a job and opportunity. They said this, that if they as veterans were given full employment or given jobs, that outside of the realm of the veterans there would be no opportunity for employment. So they hope that this one thing that the Congress will take care of. They told me that they did not have the whole answer, but that was up to the Congress to decide, and that they wanted to see full employment.

Mr. OUTLAND. I am sure the gentleman will agree with me that it is up to the Congress to help provide full employment.

OUR ASSETS AND OUR LIABILITIES

It is well to look frankly at the tools with which we have to work if we are to achieve a full-employment goal; it is equally wise to look at some of the obstacles that stand in the way. Again I regret that my time does not permit the elaboration of these assets and these liabilities; again I can do little more than enumerate them, realizing that those of you here today cannot only develop them in greater detail, but will also add many items to each list. Let us look at the darker side of the picture first; just what are some of our economic liabilities at the present time?

Several points come immediately to mind. Our national debt is tremendous, and growing daily. Never in the history of the world has a nation assumed a debt such as is now burdening this country. The reasons for it we do not need to analyze at this time; in the most part they consist of those factors which kept us from so planning on an international scale as to make aggression and, consequently, war impossible. It is all very easy to say that we owe this money to ourselves, but the point is we do owe it. Only by a complete change in our economic system can we avoid paying it back to ourselves. This means a heavy tax program for generations to come, and a tax program which consists in large part of paying interest means fewer jobs.

At a national-income level of more than $165,000,000,000, interest service on a debt of $300,000,000,000 will impose no heavy burden. But, if by our failure to plan and to provide for full production and employment, we permit our national income to drop to $100,000,000,000, service on such a debt would be difficult.

If we are to keep faith with the purchasers of war bonds, with all holders of securities, and solve our postwar problems without recourse to inflation or repudiation, we must insure a national income at least in the neighborood of $165,000,000,000 or higher if, due to technological advances, a higher figure is necessary to insure jobs for all, consuming power for all.

We have the liability of a world-devastated economy due to the war. The productive capacity of most European nations has been sharply reduced. For years to come, the attaining of full employment in other parts of the world will be hampered by this devastation, and we in this country will be certain to feel some of the effects. The need for the greatest possible cooperation with our allies in the rebuilding of their own economies is paramount; in doing so we also help to promote our own interests here at home. I am gratified that this House has already passed the Reciprocal Trade Treaties Act and the Bretton Woods bill, since I am firmly convinced that both of these measures are directly related to our own full-employment situation.

One of our liabilities might be said to be our extremely complex economic system itself; the strings are so intertwined that it is very difficult for many people fully to grasp all of the intricacies. The relationship between the Bank of England and the corn crop in Iowa may not be readily apparent, but it is there just the same. The Aluminum Trust may seem something very remote to the average housewife but it has a direct bearing on her pocketbook. I think we may really cite as a liability the complexity which so frequently causes people to throw up their hands and say, in effect, "We have always had depressions, we always will have them"; by this they generally mean that the causes of depression seem to them personally so difficult to ascertain that they do not wish to bother to do so and thus take the easiest escape.

Finally, I should say that there stand in the way of the realization of full employment in America many traditions, psychological factors, shall we say. For example, racial prejudice. Full employment does not discriminate between black and white—it means all Americans regardless of race. Yet, our traditional racial prejudices may seriously impair this phase of a full-employment program. I list this simply as one example. Think of some of the others that might be mentioned—extreme partisanship, selfishness, sectionalism. Also, I would list here that trait which we sometimes term "perfectionism," meaning that attitude which says in effect, "Oh, we do not want that because it does not accomplish everything," which very frequently really signified, "Oh, we don't want that because you do not do it my way, or because I did not think of it first."

But let us turn for a moment to the brighter side of the picture. Liabilities we do have, and one of our tasks is to reduce them to a minimum. But fortunately, we in this country have assets, tremendous assets which give us a wonderful start in any full-employment drive. First of all, we have been blessed with the most magnificent natural resources of any nation in the world. Soil and mineral wealth and forests and water power we have had in great abundance. True, we have let much of our soil be washed away or blown away or one-cropped away. True also, we have let our forests be squandered, our minerals wasted, and we have as yet hardly begun to realize the potentialities of our power. In spite of all these facts we do have the greatest natural resources of any nation in the world, and are more self-sustaining than any other because of this fact. This is only emphasized when we suddenly realize that in a few critical materials such as tin and rubber we are not self-sufficient. No country can really achieve a high plane of living without a minimum of natural resources; we have far more than that minimum, we have them in such abundance that a higher plane of living than any nation in the world has ever attained is within our grasp, if we only have the intelligence, the far-sightedness and the wisdom to plan.

Not only do we have the resources, but we also have the technological skill, the managerial "know how" and the over-all educational system to take advantage

of these resources. The inventive genius of America is never so recognized as when it turns its efforts into industrial channels. More than any nation has ever been before we are in a position to utilize the land, the minerals, the power, and all the other parts of our natural heritage. The same resources we now have, more in fact, were here for hundreds of years before the United States became a Nation; increasingly as we have expanded our physical borders so have we expanded our knowledge of how to use that which is within our borders. In this regard we do not differ from other great industrial countries; the combination of resources and technological skill, however, is found in this country alone among all the nations of the world today.

I should cite as a third specific asset in our drive toward the achievement of full employment the increasing cooperation to be found among labor, management, and Government. Even with resources and skill we could fall far short of our goal without such cooperation. Fortunately, the war has taught us many lessons as to the values of this type of cooperation, and I hope I am not being unduly optimistic when I predict that there will be a great amount of carry-over after the last shot has been fired. True, we have signs now of increasing labor strife, but this, I think, is but a natural reaction to war cut-backs and to the temporary phase of labor development which might be termed jurisdictional disputes. I am confident that, if for no other reason than mutual self-preservation, labor and capital will cooperate in the postwar period more than ever has been the case before, and that the third party, Government, will cooperate increasingly with both of them. Here is the third big asset in our drive for full employment, but it is an asset which must be fully developed if that goal is to even be approximated.

A further asset, although one which has frequently been overemphasized, has been the fact that the war has seen a huge backlog of consumer demands accumulate, backed by the highest amount of savings in our history. I say this is an asset, but I realize that demand in itself means nothing; that we have always had and always will. Demand backed by adequate purchasing power is a real asset, and how much of one it turns out to be depends upon how much of this purchasing power is actually available, and in what segments of the population it is concentrated. As a matter of fact there is good reason to think that there has been great exaggeration of the amount of war savings that is actually in the hands of those people who can and will want to spend it when war controls are removed. Mr. Philip Murray, using figures of Mr. Alvin Hanson, analyzed the figure $165,000,000,000 which is sometimes given as the amount of Government bonds outstanding, and showed that only about $16,000,000,000 was really in the hands of those who would spend it for consumer goods in the immediate postwar period. This figure should be cause for reflection to those who have been so glibly assuming that "savings and accumulated demand" will solve all of our postwar economic ills.

Finally, I should say that one of the biggest assets that the American people has at the present time is a national administration in Washington which is sympathetic to and will really work for a program of full employment. Please make no mistake about my point here; full employment is not a partisan goal and it must not be approached in a partisan manner. It is a goal which completely obliterates party lines, and the approach here in this Congress should not make the mistake of becoming a Democratic or a Republican issue as such. But it cannot be denied that the first big impetus to the concept of full employment was given by the late President Roosevelt, and that President Truman is now carrying through along the same line. The letter of Judge Vinson, Director of the Office of War Mobilization and Reconversion, to Senator WAGNER, eloquently states the position of our national administration on this point. Because I believe it to be so important, I am inserting here as part of my remarks that letter, which was written on May 30 of this year:

MAY 30, 1945.

Hon. ROBERT F. WAGNER,
United States Senate,
Washington, D. C.

DEAR BOB: This is in response to your letter of April 9 concerning S. 380, a bill to establish a national policy and program for assuring continuing full employment in a free competitive economy through the concerted efforts of industry, agriculture, labor, State, and local governments, and the Federal Government.

Next to a speedy and complete victory over Japan, a steady, well-paid job after the war is first in the minds and hearts of most Americans. The war has demonstrated that our economic system can provide jobs when demand for its product exists. It has done more. It has opened the eyes of all of us to the vast productivity of which American labor and the American genius for organization and management—working as a team—are capable.

But these jobs—this productivity—has been achieved in wartime through the creation of an unlimited market by the Government. To reach and maintain high levels of employment and a steadily rising standard of living in peacetime will call for a program suited to peacetime conditions and needs. In this program, business, agriculture, labor, and local, State, and Federal Governments must all play their parts.

We know we have an abundance of resources, plant, manpower, and managerial know-how to produce a standard of living far higher than anything we have ever known. Likewise, we know that we have unfilled needs in America so diverse and so great as to challenge the capacity of even the greatest producing nation on earth.

But needs are not demands, in the economic sense. People must have steady income and they must want to spend their income before needs become demands and people become customers.

Business management, large and small, has a great opportunity and a great challenge to help create these steady incomes, and to actuate demand by expanding their businesses, offering better goods and services at attractive prices. Labor and agriculture, through their efforts to increase production per man-hour, can contribute importantly to higher incomes and a higher standard of living.

But history shows us that business, labor, and agriculture cannot in themselves assure the maintenance of high levels of production and employment. The Government, acting on behalf of all the people, must assume this responsibility and take measures broad enough to meet the issues. Only by looking at the economy as a whole, and adopting national economic policies which will actively promote and encourage the expansion of business and the maintenance of markets and consumer spending, can we hope to achieve full employment. S. 380 recognizes this responsibility of Government and seeks to provide a definite vehicle for the Congress and the President to measure the size of the employment need of the country and to provide specific programs for meeting it.

It would be idle to pretend that it will be easy to reach and hold full employment levels. It would be folly, on the other hand, to pretend that it is impossible. The American people will not be content to go back to protracted large-scale unemployment. It is imperative that we find ways and means to provide jobs for those willing and able to work. Depressions are not acts of God, any more than wars are. They are the product of our man-made institutions and the way we organize our society. We can and must organize to prevent both.

We must be prepared to make changes. At the same time we must be jealous of any encroachment on our freedoms. National economic policies must not be allowed to develop into regimentation of business, or labor, or agriculture, nor of the people. Direction of private output by public authority in peacetime is repugnant to American ways of thought. Instead the maximum possible freedom must be afforded every producer to produce what he wishes, in the amounts for which he can best find a profitable market. Given an adequate market, our producers will supply the goods and the employment. We can be sure of that.

We cannot, however, leave the creation of that market to chance. We must start now to find out what measures are needed to maintain markets and steady jobs. S. 380 does not profess to present a fully conceived program for the achievement of full employment. It is the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem.

As a former Member of Congress, I have certain general reactions to the bill. I regard it as desirable that such a bill should limit itself to providing the machinery to be followed to assist in arriving at national policy and full employment, rather than attempting to specify in advance policy measures to be used to meet future conditions. I believe it wise to leave to the President full discretion in the matter of preparing estimates of the national production and employment budget. And I regard the consideration of proposed measures by a congressional joint committee, which can analyze the inter-relationships between the various matters of special concern to the House and Senate committees represented, as an important step in the process of preparing national policy to maintain full employment.

I heartily endorse the purposes and principles of the bill.

Sincerely,

_____,
Director.

THE NEED FOR COMPREHENSIVE PLANNING

This very brief summary of some of our more important assets and liabilities adds up to one important conclusion: full employment is certainly possible, but we have to plan for it; it will not simply happen by saying that it is around the

corner. Whenever we in Congress start making plans, immediately writers and broadcasters start to "view with alarm." Planning becomes a "road to serfdom" or the predecessor of fascism or the underlying enemy of the system of free enterprise, they tell us. They do not say why every successful business plans for its future, why every educational or medical or legal institution would not think of not planning, why any individual or any group cannot think of the future without automatically having plans as part of that thinking. But for the National Government to even think of the word—that is the road to serfdom, fascism, communism, and ruin.

During the war period, when we have broken all world records for industrial and farm production, the word "planning" has been frowned upon and ridiculed. In the beginning of the war, Congress committed what in my opinion was a great error, it abolished the National Resources Planning Board by cutting off its funds. Yet the Board left behind a great legacy which in years to come will be of inestimable value to the Nation—its proposals for regional development and so forth.

It is ironic that this scorn of planning became fashionable in the midst of more planning than we had ever had. This planning was the secret of our success in stepping up production; it was the secret of our military successes in north Africa, in Sicily, in Italy, in the South Pacific, in Europe, in the Philippines; and it will be the reason for our final total victory over Japan.

The late President Roosevelt courageously and properly brought the word "planning" back into our official vocabulary when in making his report on the Yalta Conference he said:

I know that the word "planning" is not looked upon with favor in some quarters. In domestic affairs, tragic mistakes have been made by reason of lack of planning; and on the other hand, many great improvements in living and many benefits to the human race, have been accomplished as a result of adequate, intelligent planning—reclamations of desert areas, developments of whole river valleys, provisions for adequate housing.

The same will be true in relations between nations. For a second time, this generation is face to face with the objective of preventing wars. To meet that objective, the nations of the world will either have a plan or they will not. The groundwork of a plan has now been furnished and has been submitted to humanity for discussion and decision.

DETERMINANTS IN A PROGRAM OF FULL EMPLOYMENT

Full employment, as I have pointed out earlier, has some wide ramifications; it cannot be achieved merely by passing a law about it. To achieve it, it will be necessary to take into consideration, in addition to the assets and liabilities which I have already mentioned, such important factors as the disposal of our surplus property, the world economic situation, the comprehensive development of our natural resources, and the expansion of our social security system. I would like to comment briefly on some of the implications for full employment of each of these factors.

SURPLUS PROPERTY

One of the greatest assets in the achievement of full industrial employment is the Government-owned manufacturing plant that has been built during the war. One-fifth of the Nation's industrial capacity, an investment of $16,000,000,000 of public funds, some 1,400 individual factories are involved, not to mention the equipment and machinery.

As one indication of the vital part these plants will play in any program of postwar employment, the latest available employment figures show that 3,695,000 men and women were employed by these facilities. And here are a few figures to show how important the factories are in basic industries:

The Government today owns 98 percent of our synthetic rubber capacity, 90 percent of our magnesium, 90 percent of our aircraft plants, and 55 percent of aluminum capacity.

Obviously, therefore, the Government is in a position to break forever such monopolies as that long exercised by the Aluminum Corp. of America. Furthermore, such action is enjoined upon the Government by the Surplus Property Act. Wise policies adopted by the Surplus Property Board are needed to carry out the intent of Congress, and such policies will result in that new era of light metals which some of our scientists have predicted.

Now, this is not altogether a problem of small business versus large business. The magnesium plant in Louisiana, the steel plant in California, the aluminum plants in the West are not small business operations and never can be. But if disposal policies are adopted to insure the use of these properties on a nonmonopolistic, freely competitive basis, the result will be jobs.

It is my understanding that the Surplus Property Board is proposing that local and regional groups should be encouraged to take over these plants. If the Board is not, it should be. But the announced thinking of the members is that sales to such groups will be encouraged over sales to the big companies already in the field. The extension of credit, even up to 90 percent of the selling price, would be preferred to a cash sale that would tend to concentrate ownership in a few hands.

Some of the gigantic plants built for war will be susceptible to use under a multiple tenancy program, which will find a whole community of small businesses grouped under one roof. But many huge factories—and this is particularly true of primary producers in the metals industries—cannot be split up in this way. The solution is to turn them over to the men who will make full use of their productive capacity. For that is the road to jobs.

A tremendous task of industrial engineering, industrial architecture, and industrial ingenuity is required. Many of the finest plants in the country were not built where the demands of peacetime economy would have placed them. In some cases they were put up some miles from the seacoast as a protection against possible raids, although normally they would have been within throwing distance of the water. In other cases, they were not fully integrated industrial units from the standpoint of a peacetime economy.

All these things must be taken into consideration. But it will be a national tragedy and a national disgrace if for the want of boldness, talent, and skill, Government-owned plants are allowed to remain idle while industry reverts to prewar levels of production or duplicates the Government-owned facilities without real reason. We are none too soon in starting active plans for the postwar operation of this national asset. Such a program takes time. Mr. A. E. Howse, Administrator of the Surplus Property Board, has summed up the problem:

Speed in disposal must be subordinated to care and judgment to guard against monopoly, to convert to useful production, to safeguard employment, and to protect a war reserve policy.

But that does not mean unnecessary delay. In disposal of surplus industrial facilities as in so many other phases of the crisis through which we are passing, the watchword should be: "It is later than you think."

WORLD-WIDE ECONOMIC STABILITY

Americans will not remain employed for long in a world of stagnating trade, economic barriers, closed markets, and international idleness. The only real result of crawling into a hole to hide from a world-wide storm is that the hole will fall in and smother us.

Nor can we survive by attempting to export unemployment. Any lasting and beneficial international trade must be carried on along a two-way street. About 1 out of every 10 jobs in industry and agriculture normally depends upon our foreign trade, and the 10 percent includes an even greater proportion of certain basic sources of jobs.

Everyone is in favor of exports. But there is less unanimity on the desirability of imports. Yet, the two are different sides of the same thing—foreign trade. There are just two ways to achieve a high level of exports. One is to give the stuff away. That is what the United States did, in effect, during the giddy twenties. The other way is to take something in exchange. That is what we propose to do after this war.

Three great steps have been taken in recent months to achieve the goal for which we are striving. The Bretton Woods agreements provide the basis for a sound medium of international exchange and credit in much the same way that the Federal Reserve System has done domestically. The Reciprocal Trade Act enables us to trade on an expanding scale with the countries which wish to do business with us on mutually profitable terms. The Economic and Social Council of the new world organization provides the machinery for general world-wide cooperation in improving economic standards.

All three of these steps are leading directly to more jobs for more Americans. The Bretton Woods agreements safeguard the currency stability without

which American exports will shrivel and die. We have seen this happen. As foreign nations faced exchange difficulties, they adopted exchange depreciation, import quotas, clearing agreements, and other devices which were, in effect, impassable barriers to United States trade. Now, those devices can be eliminated. When a Frenchman wants to buy an American typewriter, his government will not say to him that he must get one in Germany because dollars are not available though marks are. When a Pole wants to buy an American truck, his government will not tell him he must get one in Germany because the Polish clearing agreement with Germany requires it.

Another feature of the Bretton Woods agreements will delight anyone who lost money in Peruvian bonds or Kreuger and Toll. This is the safeguard which is set up around international loans. Borrowing countries will not be trapped into monopolistic agreements, as many were with the infamous Kreuger. Borrowing countries will not be high pressured into loans they do not want for wasteful or useless purposes, so that a few bankers can make a big profit marketing them to gullible investors. Lenders will have the guaranty of an international bank that the loan is sound, that its purpose is productive, and that the borrowing country is responsible.

The advantages of the reciprocal trade program are proved by experience. While the full benefits were interrupted by the war, we have seen enough of them to know that in every case our trade with those nations who have signed agreements with us went up. In those areas of the world where all trade improved, it improved most with those nations who had signed the agreements. That trade meant jobs. The continuation of the Reciprocal Trade Act is, in the last analysis, a simple formula of job insurance.

The Economic and Social Council has all the world before it. Our hopes can hardly run too high if our fears do not cause us to betray them. The Charter which President Truman delivered with his own hands into the care of the Senate on Monday contains the first definite international recognition of the right to work. For the first time, full employment is the avowed and pledged goal of 50 sovereign nations. And for the first time 50 sovereign nations have agreed to work together to achieve it.

DEVELOPMENT OF OUR NATURAL RESOURCES AND FACILITIES

If we are to have full employment throughout the Nation, we must plan in advance for the maximum development of all our material resources and facilities. I hardly need point out that such development would make its own contribution to the maintenance of full employment.

This development, to be achieved by cooperation with private enterprise and with public agencies, should include urban redevelopment, housing, the modernization of transportation, the development of energy and power, and land conservation and utilization.

During the war, most of the State governments and many city governments have set objectives and made plans for local projects of this sort. These plans have been made, however, with relatively little consideration of their impact on other communities. If we are to satisfy and solve the human, institutional, and physical problems that will follow the war, now is the time for these plans to be integrated into a long-range program. I might say that the old National Resources Planning Board was doing a really excellent job here when it came to such an untimely end.

URBAN REDEVELOPMENT

In order to stabilize employment and investment in local communities, urban areas should set their objectives now with the technical assistance and necessary grants-in-aid from Federal and State agencies. Urban communities should establish agencies with sufficient responsibility and authority to deal promptly with the basic problems of urban reconstruction. I believe that Federal legislation should be enacted as a specific program, so that the Federal Government can participate in promoting the development of urban communities through providing technical assistance and, where necessary, financial aid.

MODERNIZATION OF TRANSPORTATION

Closely connected with the problems of our cities are the problems of transportation. We must have adequate terminal facilities in urban areas if we are to improve the standards of urban living and if we are to have adequate working conditions. We must also have reconsideration and perhaps reorganization of our railroad system, highway transportation, and air transport. The development of rivers and harbors, both for internal and foreign trade, should be pushed in order to round out our existing transportation systems. Similarly, the network of major pipe lines should be expanded to assure proper distribution of liquid fuel throughout the Nation.

These industries present a most promising future for investment, both private and public. It is perhaps in this field and that of the development of energy resources that wise advance planning can do most to secure ample spending and investment on the part of non-Federal groups to maintain continuing full employment without Federal public works.

DEVELOPMENT OF ENERGY AND WATER POWER

Much has already been done in this field. The Columbia River, Boulder Dam, and TVA operations have been a magnificent start. The proposed Missouri Valley Authority and the anticipated development of other water resources augur well for the future. Out in California we are especially interested in the great Central Valley project.

I believe that in addition to these regional programs our next major step must be to devise some means for better cooperation between private and public power systems.

I also believe that there should be an expanded program of rural electrification. There will be no difficulty in financing rural-electrification cooperatives if our farmers have adequate income, as they will if continuing full employment is maintained in this country.

HOUSING

Another major outlet for postwar investment, both public and private, is the field of housing and other construction. We have new productive capacity which can be converted, at least in part, to construction, and we have an enormous accumulated demand for better housing facilities.

One of the specific programs which will require legislation within the framework of the full-employment bill is that designed to expand and stabilize the construction industry. The possibilities here are practically unlimited.

LAND CONSERVATION AND UTILIZATION

Projects for irrigation, drainage, land improvements, and conservation of land resources have been cut to a minimum during the war—and properly so, since there were more urgent manpower needs for direct war purposes. To ignore the needs of land conservation in the postwar era would be shortsighted, indeed. The problems of submarginal areas, soil conservation, fire control, and all kinds of land improvements require continuing study and continuing work. Here, too, is a fruitful field for postwar employment in a full-employment economy.

All of these phases in the development of our natural resources should be predicated upon the greatest possible utilization of private industry. However, it is by no means certain that private industry can do the job unaided; the more far-seeing of industrial leaders are frank to admit that this task may be too great without some governmental assistance. Consequently, we must frankly face the need for a comprehensive program, a flexible program of public works which will be ready to be put into operation when and to the degree that the need for employment is not being met through private industry. Congress has by implication recognized this need through legislation already passed authorizing postwar construction of rivers, harbors, roads, and other public works. Similar authorization is pending for other projects and will probably be passed by this Congress. The seventh report of the House Special Committee on Postwar Economic Policy and Planning, published earlier this week, has some interesting observations on this point.

When I point out the need for this feature in our drive for full employment, I am not unduly emphasizing the deficit-spending concept; I am simply pointing out that if and when maximum employment does not come about through the efforts of private industry alone then the Government must step into the picture. I am not nearly so afraid of deficit-spending as I am of starvation; unemployment of millions of our fellow citizens worries me considerably more than a flexible program of public works. I do believe that it is wise to face frankly the necessity of some public works being necessary in the whole scheme of things, and I urge this Congress to take appropriate steps to see that such public works

are truly needed, will add to the wealth of the community, and wherever possible will in turn become the means of producing additional wealth, which is another way of saying producing additional jobs. This last type of public works is especially well exemplified by the great public power projects such as TVA. Personally, I hope for the time when we shall have valley authorities in every one of our great river valleys, producing low rate power, furnishing water for irrigation where possible, as well as preventing floods, erosion, and more waste of our resources.

SERVICES AND SECURITY IN A FULL EMPLOYMENT PROGRAM

In its last report, the National Resources Planning Board wisely pointed out that in the full development of American resources it was necessary to plan measures for services and security as well as for our physical welfare. Access to education and to health, assurance of adequate medical care, and a comprehensive social-insurance program to care for the crippled, the handicapped, the aged, and the unemployed is an important phase of this whole problem. The recent recommendations of President Truman about unemployment compensation are excellent and should by all means be adopted by this House at the earliest possible moment. Personally, I had hoped that some initial action would be taken before we recess for the summer, but such is evidently not going to be the case. As the lines lengthen before the employment offices and as the numbers on social security steadily rise with the coming cut-backs in war contracts, I am of the firm opinion that the American people are going to point out to us our responsibility in this connection in an ever-rising chorus.

Most important, we shall thereby strengthen democracy for all our people by getting its necessary operations, the application of basic policies laid down by Congress, back to the regions, States, and localities to the people themselves, so close that, as in the TVA region they can participate in its daily operation.

THE FULL EMPLOYMENT BILL

I have taken this time to give this general and broad overview of the employment situation in order to set the stage for a discussion of a specific bill that is now before us, the so-called full employment bill. In the House it is H. R. 2202 and was introduced by our colleague from Texas, the Honorable WRIGHT PATMAN. In the Senate it is S. 380, and is being sponsored by Senators MURRAY, ELBERT THOMAS, WAGNER, and O'MAHONEY. Already the Senate Committee on Banking and Currency, to which S. 380 has been referred, has been gathering information on this problem, and a comprehensive bibliography, together with excerpts of many statements to the committee are available or will soon be available. In the House the measure has been referred to the Committee on Executive Expenditures.

Soon after introducing H. R. 2202 in the House the gentleman from Texas, Representative PATMAN, sent out a letter to a considerable number of Representatives, asking them to join him as "a coauthor and a cosponsor" of the measure. When some 70 Congressmen and Congresswomen had accepted this invitation, the gentleman from Texas [Mr. PATMAN] called a meeting and formally organized this group into a steering committee, which had as its primary purpose the mobilizing of public sentiment behind H. R. 2202 and the furthering of that measure in its progress through the House. An executive committee of 11 was selected, and that group has honored me by asking me to serve as the permanent chairman of the committee. I may say that that committee now numbers 94 members and we expect to see it hit the hundred mark before we recess for the summer. I would like to say further that there is nothing partisan or nothing exclusive about this list of cosponsors. We welcome all who are interested to join us in that same capacity, regardless of partisan affiliation. We do ask those that join us to not only have a deep and sincere interest in this whole problem of unemployment but to join with us actively and enthusiastically in furthering this particular bill which we firmly believe is the first, although by no means the last step, that this Congress must take if full employment is to become a continuing reality in the United States. Any member who wishes to join our steering committee will be heartily welcomed, and if he will only drop me a note signifying his desire, we shall be only too happy to add his name to the list.

Mr. Speaker, I ask unanimous consent to insert at this point in my remarks the cosponsors and coauthors of H. R. 2202.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. OUTLAND. For the benefit of the House, I am listing here, by States, those who are already listed as cosponsors and coauthors of H. R. 2202:

COAUTHORS AND COSPONSORS OF H. R. 2202

Alabama: PATRICK, LUTHER.

Arizona: MURDOCK, JOHN R.

California: DOUGLAS, HELEN GAHAGAN; DOYLE, CLYDE; ENGLE, CLAIR; HAVENNER, FRANCK R.; HEALY, NED R.; HOLIFIELD, CHET; IZAC, ED. V.; KING, CECIL R.; MILLER, G. P.; OUTLAND, GEORGE E.; PATTERSON, E. E.; SHEPPARD, HARRY R.; TOLAN, JOHN H.; VOORHIS, JERRY; WELCH, RICHARD J.

Connecticut: GEELAN, JAMES P.; KOPPLEMANN, H. P.; RYTER, JOSEPH H.; WOODHOUSE, CHASE GOING.

Delaware: TRAYNOR, PHILIP A.

Illinois: DOUGLAS, EMILY TAFT; GORDON, THOMAS S.; LINK, W. W.; O'BRIEN, THOMAS J.; PRICE, MELVIN; RESA, A. J.; ROWAN, W. A.; SABATH, A. J.

Indiana: MADDEN, R. J.

Kentucky: BATES, JOE B.

Massachusetts: LANE, THOMAS J.

Michigan: LESINSKI, JOHN; DINGELL, JOHN D.; HOOK, FRANK E.; O'BRIEN, GEORGE D.; RABAUT, LOUIS C.; SADOWSKI, G. G.

Minnesota: GALLAGHER, WILLIAM J.; STARKEY, FRANK T.

Missouri: CARNAHAN, A. S. J.

New Jersey: HART, E. J.; NORTON, MARY T.; WOLVERTON, CHARLES A.

New York: BYRNE, WILLIAM T.; CELLER, EMANUEL; DELANEY, JAMES J.; DICKSTEIN, SAMUEL; MARCANTONIO, VITO; PFEIFER, JOSEPH L.; POWELL, ADAM C., Jr.; QUINN, PETER A.; RAYFIEL, LEO F.; ROGERS, G. F.; ROONEY, JOHN J.; TORRENS, J. H.

Ohio: BENDER, GEORGE H.; BREHM, WALTER E.; GARDNER, EDWARD J.; HUBER, WALTER B.; KIRWAN, MICHAEL J.; RAMEY, HOMER A.

Oklahoma: STIGLER, W. G.; WICKERSHAM, VICTOR.

Oregon: ANGELL, HOMER D.

Pennsylvania: BARRETT, WILLIAM A.; EBERHARTER, HERMAN P.; FLOOD, DANIEL J.; GERLACH, CHAS. L.; GRANAHAN, WILLIAM T.; GREEN, WILLIAM J., Jr.; HOCH, DANIEL K.; KELLEY, AUGUSTINE B.; WEISS, SAMUEL A.

Rhode Island: FOGARTY, JOHN E.; FORAND, AIME J.

Tennessee: KEFAUVER, ESTES.

Texas: COMBS, J. M.; PATMAN, WRIGHT.

Utah: GRANGER, W. K.; ROBINSON, J. WILL.

Washington: COFFEE, JOHN M.; DE LACY, HUGH; JACKSON, HENRY M.; SAVAGE, CHARLES R.

West Virginia: BAILEY, CLEVELAND M.; HEDRICK, E. H.; KEE, JOHN; NEELY, M. M.; RANDOLPH, JENNINGS.

Wisconsin: BIEMILLER, ANDREW J.; O'KONSKI, ALVIN E.

Let me state very clearly that those of us who are sponsoring H. R. 2202 do not believe that in itself it will solve the problem of unemployment in America. Many additional measures will be necessary. Moreover, the cosponsors of the bill not only welcome additional Members to join their ranks but they also welcome suggestions as to how the bill can be improved. I feel certain that before final action is taken by this House changes will be made which will improve H. R. 2202.

As a matter of fact, some of those whose names are listed as cosponsors have frankly reserved the right to vote for changes which they believe would improve the bill.

You will note by referring to this list that both political parties are represented. As I stated earlier, employment in this country is not a partisan matter and it should never be permitted to become a partisan issue. For that reason, as chairman of the executive committee of the steering group, I frankly extend to as many members of the minority party as are interested a cordial invitation to join us in working for the passage of H. R. 2202.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from California, who I know has such a deep interest in the providing of full employment for all Americans.

Mr. HAVENNER. Has the gentleman read the article by Beardsley Ruml in the current issue of a magazine on the subject of full employment?

Mr. OUTLAND. I have read several articles by Mr. Ruml. I am not sure I have read the one to which the gentleman refers.

Mr. HAVENNER. The one which I read was placed on my desk yesterday. Mr. Ruml said this bill, referring to the Murray-Patman bill, was of responsible origin, that it was not of partisan origin, and that it deserved bipartisan support, and he hoped that it would get bipartisan support.

Mr. OUTLAND. I thank the gentleman. I know he is correct in that statement.

I should like to bring before you now an analysis of certain facts on the full employment bill itself—what it means in terms of national policy, Government responsibility, and coordinate action by the Executive and the Congress—so that

you may judge if the bill really meets the people's demand for action.

THE TWIN OBJECTIVES OF THE BILL

In its declaration of national policy, the bill sets forth twin objectives—"to foster free competitive enterprise and the investment of private capital in trade and commerce and in the development of the natural resources of the United States," and "to assure the maintenance of continuing full employment opportunities." These twin objectives, I believe, are prerequisite to the attainment of those other objectives in which we believe—an increasing standard of living, greater cultural and educational advantages, more leisure, and above all, greater opportunity for every American to fulfill his own maximum capacities.

In the simplest terms, the bill seems to me to mean by these twin objectives that, although society does not owe any man a living, it does owe every man a chance to earn a living. If this is not true in a land as rich as ours, then something is wrong. It is intolerable that the opportunity to earn a decent living should be withheld from any American who wants to work and can work, when ways can be found that will provide such opportunities. It is our considered opinion that ways can be found for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State, and local governments and the Federal Government.

The objective is to provide opportunities. We believe that this is the will of the American people—workers, businessmen, farmers, housewives, and the rest.

This, I think, does not mean to guarantee individual jobs and wages any more than it means to guarantee individual profits.

Businessmen do not ask that they be guaranteed profits. They do want to have confidence—confidence that there will be customers available for them to go and get, and keep, if they can. They will take care of the profits by competitive effort.

Similarly, and for the same good reasons, workers do not ask that their individual jobs be "guaranteed." They do ask to have confidence that there will be jobs available for them to go and get, and keep if they can. They will take care of the wages by competitive effort, including collective bargaining.

THE MAINTENANCE OF FULL EMPLOYMENT OPPORTUNITIES

The words "full employment," "the maintenance of full-employment opportunities," and variations on these phrases have been bandied about without a clear understanding of their meaning. It is written into the bill that it is Government policy "to assure the existence at all times of sufficient employment opportunities to enable all Americans who have finished their schooling and do not have full-time housekeeping responsibilities freely to exercise" their "right to useful, remunerative, regular, and full-time employment." The emphasis here is on two words, "opportunities" and "right."

As I have said, it is not the intention of the sponsors of the bill, and we are sure that it would not be the intention of the Government, to guarantee to each individual personally a specific job in a specific place at a specific salary and with specific working conditions. Neither is it the intention to say to any worker, "Yes; we have a job for you; this is it and you take it—or else!" Neither of these two contingencies would be consistent with the freedom of movement which is not only desirable to labor, but which is essential to the development of free enterprise.

What is intended by this legislation is to afford employment opportunities—a sufficient demand for labor so that everyone who really wants a job can find one. Let me here assure skeptics that we do not mean by this a number of jobs at less than subsistence wages to force down the standard of living of workers; we do not mean by this any change in the continuing trend toward better working conditions. We do mean, however, that useful employment opportunities must exist through the existence of a "full employment volume of production"—a volume of production large enough to provide these employment opportunities. We are talking here of remunerative, regular, and full-time employment, all of which mean a steadily rising standard of living for American labor, for our farmers, for all of us.

We are talking here also of employment opportunities for independent businessmen and farmers. The self-employed must also find opportunities for their employment. Their chances cannot be separated from the chances of wage workers.

I repeat there is no intention of freezing labor in jobs. The existence of full-employment opportunity includes the concept of labor mobility. It is consistent with the existence of frictional unemployment, that unemployment which results when workers move from one job to another for whatever reason.

I wish to digress a minute on this point. Some people who, I believe, are very sympathetic with this legislation, have been dubious about the words "full employment opportunities," wishing to substitute for them "high and stable levels of employment" or some similar phrase in order to include a margin to take care of frictional unemployment and mobility of labor. If this is all that is meant by "high and stable levels" I have no quarrel; frictional unemployment and labor mobility are inevitable.

But I think that we must be on our guard against those critics of the proposed legislation who really do not want full employment, who believe that "private competitive capitalism requires a floating number of unemployed" in order that wage rates may be kept low and hours high. Few of the critics of the bill are willing to commit themselves explicitly to this view. But many of them subscribe to it and it is implicit in their criticism of the phrase "full-employment opportunities."

THE RIGHT TO WORK

In addition to the emphasis on opportunities, the bill emphasizes the right to work.

There are precedents for this kind of legislation in American law. Even before the existence of American law, the rights to life, liberty, and the pursuit of happiness were specified in the Declaration of Independence, and have become a part of our tradition. The right to the pursuit of happiness becomes a hollow mockery if we deprive man of the means for that pursuit—an opportunity to earn a living.

The general welfare and the commerce clauses in the Constitution are, we believe, clear authorization to Congress to legislate for full employment as a right of the people.

At the San Francisco Conference, a commission on human rights has been proposed, to work out an international bill of rights. In commenting on this proposal former Secretary of State Stettinius has said: "The 'four freedoms' stated by our great President, Franklin D. Roosevelt—freedom of speech, freedom of religion, freedom from want, and freedom from fear—are, from the point of view of the United States, the fundamental freedoms which encompass all other rights and freedoms." Mr. Stettinius then went on to say, and again I quote, that "freedom from want encompasses the right to work, the right to social security, and the right to opportunity for advancement."

It is clear, then, that the "right to work" is not a new or radical idea. As with the right to education, which was established legally only after there was growth of public pressure for it, and which is now accepted without question, the time has now come when the American people—and the people of the world—believe in the right to employment, and will not accept less.

In establishing the right to work, the full-employment bill does not provide for legal redress in the courts. It is a right which can be made effective only through responsibility taken by the Government—the people's Government. If this right is to be made effective, how then can redress be obtained? Through political action by the people to change their elected representatives and officials.

I have digressed for a few moments to indicate that the right to work, associated in the full-employment bill with the objective of maintaining full employment opportunities, is a logical development from our history as a nation. Let me return now to the objectives of the bill.

ARE THE TWIN OBJECTIVES COMPATIBLE?

Some of the critics of H. R. 2202 have stated that its two aims, encouragement of free competitive enterprises and the maintenance of full-employment opportunities, are incompatible. The sponsors of this bill are convinced that they are not only compatible and of equal importance, but are actually prerequisite one to the other. Categorically, I say that free competitive enterprise in this country can survive only if there is adequate purchasing power to buy the products and services which this country can and will produce.

The necessary purchasing power, however, will exist only if full-employment opportunities are maintained. On the

other hand, it is obvious that the maintenance of full-employment opportunities, while it can be attained by Government regimentation, must be attained through the exercise of free competitive enterprise if we are to preserve the American way of life.

I cannot see how these aims can be considered incompatible; I cannot see how one or the other of these two aims can be considered subordinate; I am firmly convinced that they are equally important, thoroughly consistent, and, more than that, both essential.

That these two aims are demanded by the people was made abundantly clear in the last Presidential campaign. The leaders of both political parties took a firm stand on them.

President Roosevelt, in accepting the Presidential nomination, asserted that a major part of the job before us was "to build an economy for our returning veterans and for all Americans which will provide employment and decent standards of living." In an October speech he said:

America must remain the land of high wages and efficient production. Every full-time job in America must provide enough for a decent living. And that goes for jobs in mines, offices, factories, stores, canneries, and everywhere where men and women are employed * * *. I believe that private enterprise can give full employment to our people."

It is Franklin Roosevelt's faith in private enterprise, Mr. Speaker, that is shared by the sponsors of H. R. 2202.

President Truman has expressed confidence that—

We can travel the road away from war, and we can accomplish this without falling into the old spiral of depression for business and unemployment for labor.

Perhaps the most categorical statements on behalf of full employment were made by Governor Dewey. On September 18 he said:

We must have full employment. It must be at a high wage level. We must have protection of the individual from loss of his earning power through no fault of his own. * * * Those who come home from the war and those who have produced for war—all our people—have earned a future with jobs for all. Nothing less can be considered victory at home to match our victory abroad.

Three days later he gave further emphasis to the Government responsibility in making full employment a reality:

Yet if there is one thing we are all agreed upon, it is that in the coming peacetime years we in this country must have jobs and opportunity for all. That is everybody's business. Therefore it is the business of government. * * * There can be jobs for all only if business, industry, and agriculture are able to provide those jobs. * * * We will achieve our objective only if we create an economic climate in which business, industry, and agriculture can grow and flourish.

It is clear, I think, that it is the general belief of the public that employment and prosperity are a major responsibility of the Government. Certainly, if we have another depression, whatever administration holds office in Washington will be voted out of office, because the electorate will hold that administration guilty of not having lived up to its responsibilities and not having lived up to its promises.

THE GOVERNMENT'S RESPONSIBILITY

Doubtless, the Federal Government could guarantee to both businessmen and workers that it will by its own action alone make business available and jobs available for them. We do not think this is the will of the people, because we think they want a free society and a free competitive economy. We do believe, and we think the people believe, that the objective of opportunity can be attained and maintained in a free society and in a free competitive economy if the Federal Government does its fair share.

In addition to the normal risks of competition, businessmen today face two additional risks: (1) The risk of unemployment which deprives them of markets, and (2) the risk of inconsistent and capricious Government policies. If independent business must continue to face these two risks also, it cannot properly cope with the risks of competition and as in the past will trend toward national monopoly, international cartels, and domination and control of Government and people. The full-employment bill therefore makes it the Government's responsibility to eliminate these extra two risks in order to allow business to concentrate upon the production of goods and services in accord with our best traditions of business competition.

Why should the Government take this responsibility, you may ask. The Government must take this responsibility. The prevention of unemployment is everybody's business and consequently the business of Government. The responsibility for maintaining employment is too large for business alone or for any one economic group to assume.

In its June 1, 1938, issue the most famous business magazine of the United States, namely, Fortune, frankly stated:

Every businessman who is not kidding himself knows that he does not know how to guarantee, without Government intervention, the markets with which alone his free competitive capitalism can function. Every businessman who is not kidding himself knows that, if left to its own devices, business would sooner or later run headlong into another 1930.

Business not only does not want this responsibility, but cannot undertake it. For business to prevent unemployment would be inconsistent with the individual's drive for profit. Moreover, the only way in which business could succeed in such an undertaking would be by organizing to do so—and such an organization, if adequate to do the job, would undoubtedly violate the antitrust laws.

Similarly, this is a responsibility that State and local governments by themselves cannot discharge because of factors beyond their control. The problem is basically not a local one, though it may be more acute in some areas than others. State and local governments have a responsibility to recognize the danger points, to apply all local remedies, and to assimilate their own preventive and relief activities into the national picture, but obviously they can act only within a limited sphere. It should be pointed out, however, that some States, including my own State of California, are already working on full-employment bills of their own.

PRECEDENTS FOR THIS RESPONSIBILITY

During the last big depression the responsibility for preventing destitution, previously regarded as the province of private charity and local government, was literally forced upon the Federal Government. This responsibility is now generally accepted by everyone. But the prevention of destitution, the dole, WPA—these are not enough. Americans do not want relief; they do not want unemployment insurances as a substitute for real jobs. They want the opportunity to work and earn a living—a good living.

The delegation of this responsibility by the people to the Government, together with the cooperation of all basic economic groups and State and local governments, is a logical development from American precedents.

The Second Industrial Conference called in 1921, of which Herbert Hoover was the vice chairman, recognized in its report that the problem of unemployment is the fundamental problem which underlies any consideration of the effective use of the productive capacities of our Nation. The report said:

The Nation has so vital and persisting an interest in maintaining the industrial product, and in reducing the hardships due to unemployment, that it must interest itself in the problem.

The Federal Employment Stabilization Act, introduced in 1928 by Senator WAGNER, was passed in 1931. The responsibility of the Federal Government in preventing unemployment was clearly recognized in the preamble of the act which read:

To provide for the advance planning and regulated construction of public works, for the stabilization of industry, and for aiding in the prevention of unemployment during periods of business depression.

The Stabilization Act of 1931 might well have prevented the mass unemployment of the early thirties if it had been passed when it was introduced. As it was, its passage in 1931, after 2 years of continued collapse, was merely a gesture in the direction of advance planning by a despairing Congress attempting to relieve a Nation foundering in mass unemployment and depression.

The means of prevention were at hand in 1930. But the Congress of that day did not recognize the danger. We cannot let this happen again.

COOPERATION IS NEEDED

A question deserving our serious attention is this: Can this responsibility be effectively discharged? My answer to this is that it can be. But only if we have sound policies, machinery, and administration. These steps depend upon the wisdom of our political leaders, of our political parties, of Congress, and ultimately of the electorate.

We should only be fooling ourselves, however, if we thought that the Federal Government independently could assume this responsibility without unjustifiable

interference with the American way of life. We have seen full employment achieved safely by Government action—without cooperation—in Fascist Italy and Nazi Germany. This is not what we want. It is basic to the full-employment bill that the Federal Government in cooperation with all economic groups and with State and local governments and with other nations can and must assume the responsibility.

The responsibility can be effectively discharged only if we have the cooperation of business, agriculture, labor State and local governments. The bill provides the machinery for such cooperation through an advisory board which I shall discuss later. But more important, are the purposes and objectives upon which such cooperation must be based. To illustrate:

Business cooperation means high volume production at low prices and high wages.

Labor cooperation means full use of peaceful methods of adjusting differences with employers and removal of restraints upon productivity.

Farmers' cooperation means full production to meet dietary needs at fair prices, and with good farm income.

State and local cooperation means participation with the Federal Government in long-range planning of Government construction programs, the removal of interstate barriers to trade and commerce, and the integration of fiscal policies.

I should like to quote to you a statement on this cooperation which is part of a letter to Senator WAGNER from Ralph Flanders, president of the Federal Reserve Bank of Boston and chairman of the Research Committee of the Committee for Economic Development and head of the Jones and Lamson Machine Tool Co. Speaking of the duties associated with the right to work, Mr. Flanders says:

Some of these duties, without which the right cannot be implemented, devolve on the individual. Some devolve on business enterprise, some on organized labor, others on local and State governments, and still others on the Federal Government.

The individual has no right to a job unless he is productive and self-reliant, and energetically seeks employment. To assign the right to individuals who do not possess these qualities is to subsidize idleness and social parasitism.

On business devolves the duty of operating at its best possible efficiency and of thereby making it possible for it to expand production and employment, which it should do to the limit of its capacities for solid, sustained growth. It has no duty to furnish employment at a continued loss, since this would reduce the volume of employment furnished, rather than increase it. Business can likewise properly be curbed in activities which seeks to contract employment and expansion by eliminating competition.

Organized labor has serious responsibilities in implementing the right to a job. That right cannot be established without the cooperation of labor unions and the abandonment of practices which in some instances defeat the objective of this bill. Besides specific practices of this sort, there is a general responsibility resting on union negotiators to see to it that wage, hour, and production standards sought by the union do not form parts of a total aggregate which so upsets the wage-cost-price relationship as to decrease the total volume of employment.

Local and State governments have duties in connection with the wisdom of their tax policies, the effectiveness of their preservation of human and property rights and, in particular, the timing of construction work and any other expenditures which are not on a current basis.

The Federal Government has very large and serious duties to perform if the right to a job is to be made effective. It must do much more than store up work for release when unemployment is large. It must prevent the growth of that unemployment by policies which encourage business to expand and investors to undertake new ventures.

To this statement I would add this friendly comment: All the restrictive practices of labor and farm groups have been copied in miniature from the large-scale practices of finance, industry, and business, each seeking to survive in an atmosphere of all-pervading chronic fear, a hang-over of an economy of scarcity, lingering on in the final phases of the industrial revolution, when the production of abundance presses upon us all. Once we accept and act to insure full production and employment, the restrictive practices of finance, industry, business, agriculture, and labor will have lost their seeming reasons and validity. Men will lose their fear of overproduction, of working themselves out of a job. The release of productive energy, efficiency, and goodwill will be tremendous.

COST TO THE GOVERNMENT

What will all this cost the Federal Government? The full-employment bill is so worded as to insure that this responsibility will be discharged with the minimum amount of Federal investment or expenditure.

The primary orientation of the bill is toward stimulating adequate non-Federal expenditures—that is, expenditures by business, consumers, State and local governments.

When the sponsors of this bill say that the first step is to encourage private enterprise, we are not speaking with tongue in cheek. We have faith, Mr. Speaker—faith that given a favorable climate within which to function, private enterprise can do the job. Look at some of the sponsors of the bill. Senator MURRAY and the gentleman from Texas, Representative PATMAN, are chairmen of the two Congressional Small Business Committees. Can you doubt their interest and belief in private enterprise? Senator O'MAHONEY's brilliant and continuing battle against monopoly domination of business should be sufficient evidence of his faith in free competition. Those who charge that H. R. 2202 is an ill-concealed effort to substitute a high-deficit public-works economy for our American tradition of business enterprise, are just not facing the facts.

Let me repeat, then, everything possible is to be done to prevent a "gap" or a "deficiency." Federal investment and expenditure are to be used only to fill whatever gaps may develop. And only after all means to prevent such gaps have been exhausted.

There are some who may object to this policy on the ground that the gap may be too large. Let me emphasize that this objection is based upon one of two assumptions—either that private enterprise will break down, that it will not respond to a favorable climate and to positive stimuli, or that the American people will be satisfied with "jobs for some" instead of "jobs for all." I do not believe, Mr. Speaker—I cannot believe—that anyone thinks that either of those two assumptions is true.

CONSISTENT AND OPENLY ARRIVED AT POLICIES AND PROGRAMS

During the last 20 years, peacetime functions of the Government have expanded in all directions. Before the war, we found many policies and programs that were in conflict, many that overlapped and duplicated. What the Government did with one hand was often undone with the other hand.

After the war, even with wartime functions discarded, there is the danger of similar and possibly still greater inconsistency in economic policies and programs of the Federal Government. Section 2 (d) of the full-employment bill makes it the responsibility of the Federal Government to develop "consistent economic policies and programs." It provides the orientation of specific objectives without which consistency would be impossible. It also provides specific machinery for the review of Federal policies and programs as a whole by the President and Congress.

Since 1929—and before—there has been a tendency for Government decisions to be made behind closed doors rather than on an openly arrived at basis with the knowledge and understanding of the general public. This has been due to the growing dependence upon emergency action and the declining role of Congress in making policy decisions through the open processes of legislative action.

By emphasizing foresight and prevention, the bill lays the basis for avoiding emergency actions and making them unnecessary. To the extent that the Government's responsibility for preventing unemployment is properly exercised, there will be sufficient time within which to make decisions on an openly arrived at basis, as called for in section 2 (d) of the full-employment bill. This means also that the responsibility for establishing of policy will be returned to Congress where it belongs.

COORDINATE ACTION BY THE EXECUTIVE AND THE CONGRESS

In putting this policy into effect, the full-employment bill depends on the principle of the separation of powers, upon our American tradition that it is the responsibility of Congress to determine national policies, and that of the Executive to propose and administer. Also in line with the American tradition, the bill provides a specific definition of the responsibility of the President and of the Congress, a definition which, in keeping with the requirements of modern industrial society, provides for coordinate action by the separate branches within their proper spheres as defined by the Constitution.

THE JOB OF THE PRESIDENT—PREPARING THE FULL-EMPLOYMENT PROGRAM

The first job of the President under this bill is the preparation of the full-

employment program. This program is to be embodied in an annual message to Congress to be called the National Employment and Production Budget.

Section 3 of the Constitution requires the President to submit to Congress from time to time messages on the "state of the Union" and to recommend legislation which he deems necessary or expedient. However, on very few occasions have "state of the Union" messages directly addressed themselves to the problem of maintaining long-run opportunities or employment and preventing depression.

The Budget and Accounting Act of 1921 requires the President to submit an annual Budget message to Congress on the anticipated level of Federal expenditures, Federal revenue, and possible deficits. However, the Budget and Accounting Act does not call for an appraisal of the impact of the Federal Budget upon the economy as a whole. The Federal Budget includes, of course, only that portion of the national income stream that is channeled through the Government.

The full-employment bill, on the other hand, provides for a "state of the Union" message, which is to be sent to Congress at the beginning of each session rather than from time to time, and which will really appraise the "state of the Union" with respect to the level of employment and economic activity. The message will also relate the Federal Budget to the economy as a whole.

This approach is new. It starts with a view to the security and opportunity of the individual citizen and his job, and on that basis builds the entire structure of economic policy. Hitherto it has been the other way around.

The National Employment and Production Budget contemplated by the bill will contain three things. First, goals for employment, for total production of goods and services, and for total demand for goods and services. The goal for employment will, of course, be to provide enough job opportunities for the estimated labor force available, including the self-employed. The goal for total production of goods and services will be what we call the "full-employment volume of production"—that volume of production which will provide job opportunities for all those able and willing to work. And the goal for the demand for goods and services is sufficient demand to absorb the full-employment volume of production.

Second, there will be included in the national employment and production budget an appraisal of current economic trends of employment, of total production of goods and services and of total demand for goods and services. This means an appraisal also of spending plans of business and consumers and Government, in order to compare anticipated demand for goods and services with the demand necessary to assure full employment.

And third, the national employment and production budget is to include the President's program for meeting these goals, expressed both as proposals for congressional action and as plans for administrative activity.

This program would make use of the whole tool kit of Federal functions—taxation, labor policy, interest rates, foreign trade policy, housing, assistance to new industries, and so on. It would be oriented toward raising the total demand of goods and services if there were any danger of unemployment—and toward decreasing the demand for goods and services if there were any danger of inflation. It would include whatever measures the President might deem necessary to prevent monopolistic practices from interfering with the program. It would include also an analysis of the effect of the program upon income distribution.

The President's message must apply at least to the coming fiscal year. In the discretion of the President, the message, or any part of it, may cover any longer period, and could, therefore, deal with long-range problems as well as short-range problems. Moreover, the bill provides that supplementary messages may be transmitted from time to time at the President's discretion.

The employment and production budget is to be prepared "in the Executive Office of the President" and "in consultation with the members of his Cabinet and other heads of departments and establishments." To facilitate agency work in preparing the necessary plans, the President is to transmit preliminary estimates and other information to the various executive departments. It is assumed that such information will be sent to the departments in July of every year so that they may work with the President in completing the employment and production budget by December each year.

The bill provides that the President may establish "such advisory boards or committees composed of representatives of industry, agriculture, labor, and State and local governments and others as he may deem advisable for the purpose of advising and consulting on methods of achieving the objectives of this act." My own feeling is that it should be mandatory on the President to establish such boards, in order that the cooperation I have stressed can be achieved. I agree that the specific number, character and composition of these boards should be left to the President's discretion as they are in the present draft of the bill. Let me assure you, at this point, that groups representing different phases of our economy will be as free under House Resolution 2202 to do research, to counsel and advise, as ever before. The bill confers no monopoly on any group to advise and press for legislation.

It is also the thought of the sponsors that the President would consult with Members of Congress in preparation of his message, particularly with those Members who will work on the joint committee, which I shall discuss later.

ADMINISTRATION OF THE FULL-EMPLOYMENT PROGRAM

In administering the full-employment program, the President is specifically required to make a quarterly review of the economic scene, so that all estimates set forth in the message at the beginning of the calendar year can be revised to meet changing conditions. Moreover, in keeping with any changes in the economic situation and subject to congressional policies as established by legislation, the President may vary the rate of Federal investment and expenditure within the maximum authorized by Congress, to the extent required to help assure continuing full employment and to maintain economic equilibrium.

THE JOB OF THE CONGRESS—CONSIDERATION OF THE PRESIDENT'S PROGRAM BY A JOINT COMMITTEE

At present no committee in either House of Congress studies the regular annual Budget message with reference to the relationship between expenditure and revenue, or the relationship between the Federal Budget and the economy of the country, or the interaction of Federal, State, and local government activities with private policies. The full-employment bill remedies this present defect in congressional procedure. It provides that a joint committee on the National Budget consider the President's message as a whole.

In 1926 Congress decided that there was not close enough action between the two Houses on revenue policies. It, therefore, set up the Joint Committee on Internal Revenue Taxation. Today, since there is no procedure for joint congressional consideration of fiscal policy as a whole and a fiscal policy as it affects the economy, we need a joint committee of the character proposed in the full-employment bill.

The joint committee is to be composed of the chairmen and ranking minority members of important standing committees of both Houses—in the Senate, the Committees on Appropriations, Banking and Currency, Education and Labor, and Finance, together with seven additional members to be appointed by the President of the Senate; in the House, the Committees on Appropriations, Banking and Currency, Labor, and Ways and Means, together with seven additional members to be appointed by the Speaker. The joint committee is also to reflect relative party strength.

After studying the President's message, the joint committee will present to the House of Representatives and the Senate every year a joint resolution on the National Employment and Production Budget. This resolution may represent committee acceptance, modification, or rejection of the President's program.

While the bill does not set forth any detailed requirements for the joint resolution, it is clear that it will have to include, at least, the joint committee's recommendations on both the desired levels of employment and economic activity, and the character of the Federal Budget. Whether it includes policy statements will depend upon the discretion of the joint committee and upon the particular situation in any given year.

The joint resolution is to be reported out by March 1 of each year. The purpose of the time limit is to allow sufficient opportunity for debate and the implementing decisions by standing committees before the end of the fiscal year.

ANNUAL DEBATE AND DECISION ON THE FULL-EMPLOYMENT PROGRAM

The annual debate on the joint resolution would soon become a central part of the operations of Congress. It would make a tremendous contribution to the prestige of Congress, and to general public understanding of national problems and national issues. Not only would the joint resolution become central to congressional operations, but it would also put Congress back in the center of things.

Debate in Congress, however, is meaningless without a decision. At the present moment Congress decides only specific policies in individual fields, too often unrelated and sometimes without intention, conflicting in effect. It does not make decisions on the general direction of Federal policy and program for the simple reason that there is, at present, no method, no machinery, for making such decisions.

The joint resolution provides the method for annual congressional decision on the general policy of the Federal Government. This resolution, when agreed to, would serve as a framework and guide for the development of specific measures by the committees of Congress, for the action upon those specific measures by the Congress, and for the development of specific proposals by the executive branch. Set forth in this manner, the Government's policy would be coherent, yet flexible and subject to whatever changes may be needed to meet changing conditions.

RELATIONS BETWEEN THE CONGRESS AND THE EXECUTIVE

If the principle of the separation of powers among the coordinate branches of Government is to be preserved, then we must develop more coordinate action between Congress and the executive branch. This cannot be done through any organizational trick or gadget. There can be no basis for coordinate action between the President and the Congress other than that of mutual trust, exchange of information and plans, and hard work.

The executive branch is run by a President who is the titular head of his party. The men who hold the key posts in Congress may be representatives either of the same or the opposing party.

The sponsors of the full-employment bill do not assume that it will provide a miraculous two-way bridge between Capitol Hill and the White House. But they do assume—and rightly so, I believe—that if a basic framework is established, it will be easier to secure cooperative action between Congress and the President, as well as between the two parties.

At present, the bill provides that the President's message be developed in consultation "with the members of his Cabinet and other heads of departments and establishments." Advisory boards composed of "representatives of industry, agriculture, labor, and States and local governments" are also to be consulted. I believe that consideration should also be given to having the President's program developed in consultation with both the majority and minority leadership of Congress as well. After all, the President's program is the responsibility not only of his appointees in the executive branch but also, if it is to be made effective, of the people's elected representatives in Congress.

WHAT THE BILL DOES NOT DO

It is as important to know what a bill does not do as what it does do. H. R. 2202 very specifically states its own limitations, and these I call to the attention of the membership of the House.

The bill does not call for 60,000,000 jobs or any other specific amount of employment in any given year. It does provide that the President and the Congress shall make an annual appraisal of the number of jobs needed for full employment.

The bill does not propose to guarantee specific jobs to anyone. It does present a definition of full employment in terms of employment opportunity for all who are able to work and are seeking work.

The bill does not call for made work such as leaf raking. It requires that any program of public works must be through private contract and must contribute to national wealth.

The bill does not provide for the Government to set production quotas for any industry. It does aim at the maintenance of sufficient over-all demand and the preservation of our market economy.

The bill does not authorize unlimited Government spending and deficit financing. It does set forth a policy aimed at controlling Federal expenditures and subordinating them to non-Federal expenditures.

The bill does not authorize either the continuation of wartime controls or the imposition of new economic controls. It does establish policies and procedures under which we can work more effectively toward minimizing the need for economic controls by the Government.

The bill does not set forth any specific set of programs for maintaining full employment. It does recognize the fact that our economic needs are ever-changing. It does establish a framework within which all of the various specific programs that may be proposed by various parties, various economic groups, and various individuals, may be more carefully appraised in terms of their total effect upon production and employment.

The bill does not give the Government complete responsibility for maintaining full-employment opportunity. It does attempt to provide for joint responsibility by business, agriculture, labor, State, and local governments and the Federal Government.

OBJECTIONS TO THE FULL-EMPLOYMENT BILL

During the coming months, when H. R. 2202 is receiving increasing attention from the American people, many criticisms will arise. Some of them will be genuine, some of them will be but rationalizations from those, who for one reason or another, do not want to see the bill passed. To those who do not believe in full employment I shall not direct my attention, but to those individuals who do want to see the maximum number of jobs in this country but who raise in all sincerity objections to this particular approach, I think we should listen. In a democratic society all sides must be given the opportunity to be heard, and whether this particular bill is adopted or not, it is important that we do listen to some of the objections that have already been raised. I have tried to analyze these objections, and I think they can be grouped under four principal headings; I should like to direct our attention briefly to each of these groups.

First. The objection that Federal action toward full employment is dangerous. This point is frequently raised; it is contended that it would destroy free enterprise, that it would be too expensive, that business would not cooperate, that it would lead to certain regimentation, that it puts an impossible burden upon both the Congress and the President. In my judgment, the assurance of markets through steady employment would stimulate genuine free enterprise; not destroy it. The expense would surely not be as great as the alternative which would eventually be a combination of the dole and made-work. Regimentation and the road to serfdom come about because of inaction, not because of prudent, timely action. In my judgment, the full-employment bill is a big step toward freedom and away from the regimentation which results when a large percentage of a nation's manpower are walking the streets looking for jobs. Finally, the bill confers no novel powers whatever upon the President. It does provide for a badly needed systematic procedure to help coordinate the work of the executive branch. The budgetary approach is the approach of modern business management, and surely we cannot be criticized if we suggest a similar approach for our National Government.

Second. The objection that it is unnecessary. This objection is usually found hand in hand with the preceding one. The assumption is that we are going to have prosperity anyway for a while after the war, and that if a crisis does arise Congress will deal with the problem when the time comes. But, Mr. Speaker, the time is now. The problem is already upon us, although fortunately it has not yet reached the staggering proportions which it did after the bank crash of 1929. A postwar boom of any size will have within itself the seeds of its own destruction. Prosperity will not just happen any more than jobs will just happen. To assume this would be to really return to the doctrine of laissez-faire. We dare not wait until a real crisis arises; we must be prepared in advance. I have already mentioned some of the phases involved in this preparation, and one of the most immediate steps that we can take would be for us in this House to pass H. R. 2202 at the earliest possible moment.

Third. The objection that the bill goes too far. Some unemployment, like the poor, we shall always have with us, the pessimists tell us. Some even say it is a good thing to have a reserve of unemployed upon which to draw. Moreover, it is said, the Government should not guarantee full employment, but only assist indirectly private enterprise toward this end. I believe the time has come when the American people will tell us that this

bill not only does not go too far, that it in itself is only an initial step. Our people will no longer tolerate poverty and misery in the midst of plenty; they do not want a dole and they do not want a useless work project. They want real jobs at real wages, and when their Congress tells them that from now on this is to be a governmental policy I think we shall hear a tremendous cheer from all over America.

Fourth. The objection that the bill does not go far enough. I have heard the statement made that the bill should not exclude housewives, and I have no doubt but that we shall hear much more on this particular point in the future. I have heard it said that the bill should deal with working conditions, that it should provide definitely for increased standards of living, that it should institute direct economic controls over monopolies. Concerning the first point, I would state that the bill is not intended to exclude housewives whose household responsibilities permit outside activities. Working conditions and standards of living and monopoly are all important economic problems, and I would do nothing to detract from working toward their solution. However, this bill deals specifically with full employment and for the moment I think it well to confine our attention to this one particular phase of the problem. We cannot achieve all goals at once, and while I do not suggest piecemeal approaches I do believe that it would but confuse the issue and perhaps injure the progress of this bill if we brought in all of the other economic problems that need to be met.

WHAT SOME OF THE AMERICAN PEOPLE HAVE TO SAY ABOUT THE FULL-EMPLOYMENT BILL

I have discussed with you some of the major objections to this bill, and indicated briefly what the answers are. The supporters of the bill have not been silent. Many Members of the Congress here have already received enthusiastic and encouraging comments on it.

Senator WAGNER, chairman of the Senate Banking and Currency Committee, which will hold hearings shortly on the Senate version of the bill, S. 380, has received letters representing a wide cross-section of public opinion throughout the Nation.

Senator WAGNER has been good enough to make available to me some of the answers to these questions, indicating what public figures and organizations throughout the country have to say with respect to this bill.

I should like to quote to you from some of these letters, referring principally to the responsibilities which the Government must assume in the postwar period with respect to maintaining full-employment opportunities.

Mr. Henry S. Dennison, of the Dennison Manufacturing Co., points out that:

The basic responsibility of the Federal Government is to prevent by sufficiently early action the building up of any volume of unemployment large enough to threaten the social stability of the Nation. This minimum of responsibility would seem now to be widely admitted, though in 1931 and most of 1932 it was not. As one lifts one's sights above the minimum the questions and complications increase; even at the minimum point there would be argument about how seriously social stability was threatened.

Above the minimum there is plenty of room for argument about the extent to which the Federal Government should go to encourage private business, the precise measures of encouragement it should take, and the volume of unemployment—the "cushion"—which should cause the Federal Government to undertake more direct schemes to reduce unemployment.

But as I read S. 380 it provides that the President shall annually or more often provide for the collection of just the vital factual information upon which such arguments should be based, and make his own recommendations for congressional action based upon it. It provides further that the Congress shall organize and equip itself to study the facts and recommendations thoroughly and so prepare itself for wise action. Since conditions change always from one time to another, and may change more rapidly than ever during the next few years, such a method is the only one possible for wise evolutionary steps toward betterment.

A banker, Mr. F. R. Von Windegger, president of the Plaza Bank, of St. Louis, has the following comments:

In my opinion the basic law of this land, the Constitution of the United States, requires the Federal Government to "promote the general welfare" and the Government cannot escape that responsibility. Certainly we should know by now that reasonable, full employment is essential to the general welfare. In these days when the means of production have come and are still coming more under the control of smaller groups, and these groups are necessarily primarily interested in profits for themselves, the very life of our Republic is becoming dependent upon the willingness of Government to accept its responsibility for the general welfare.

My common sense tells me that something such as has been already incorporated in the measure is absolutely essential for the well-being and freedom of the people of our country. Undoubtedly whatever is adopted would have to be modified from time to time, the modifications to be based on experience over the years. The important thing is to get started on the right road, and I believe that S. 380 is such a start.

Wesley E. Sharer, of Chicago, emphasizes the connection between full employment and markets:

Our problem for the reconversion and postwar period will be to create the markets necessary for the goods that can be produced by our national economy. When markets are available, businessmen, in an effort to meet the demand created by these markets, will have to employ as many people as possible.

The question in my mind is how to create and guarantee new markets which will take the place of the tremendous demand that was created by war contracts. Full employment is the first step toward guaranteeing the broadest domestic market, because of the broader distribution of purchasing power.

A literary agent in New York, Mr. Diarmuid Russell, emphasizes the need for security:

There is no doubt in my mind that the Government will have to take responsibility for employment. In the previous two centuries the idea that animated the minds of men was freedom, representative government—all flowing from the conception of the worth of the individual. All of this was good but we have now come to the time when the freedom of the individual has begun to threaten the safety of society because so many individuals have obtained so much power.

The idea that dominates men's minds now is security. They want to be free from the threat of starvation for themselves and their families, they want medical attention in case of illness, they want work for work is part of life and the denial of this by any economic means is a denial of part of their vitality. I do not see how this can fail to be recognized nor how the Government can be denied an interest in the happiness or health of those who make up the country and in whose talents the real wealth of the country resides. So I am for anything the country can do which will assure full employment and give to its citizens opportunity.

One of the most interesting comments I have seen on the full-employment bill comes from a small businessman in Pittsburgh, Mr. J. S. Crutchfield:

In reply S. 380 approaches the problem of employment in the right way, in the present crisis, and I am confident that industry, labor, agriculture, and other responsible groups will faithfully cooperate with the Government in making this measure effective. In fact, the bill would seem to challenge all the above factors to prove that private enterpirse, under the capitalistic system, can furnish full employment with a minimum of Government assistance or participation. The measure in its present form should be considered a temporary expedient, which private enterprise in due course should prove to be unnecessary in normal times.

It seems to me that this quotation is a most cogent answer to all of those businessmen who object to the full-employment bill as a usurpation of the prerogative of private business. The bill is a challenge to private enterprise. The greatest success that can be achieved under the bill would be to prove that Government spending and investment to fill the gap is unnecessary.

Awareness of the problem of employment is likely to be particularly acute in the cities which frequently have to deal with it. I have here comments from three mayors in widely separated parts of the country who have given serious consideration to the implication of the full-employment bill. Mayor William F. Devin, of Seattle, Wash., says:

It has become increasingly apparent to me that the people of our Nation are looking to the Federal Government to assume considerable responsibility for full employment after the war. I think the people as a whole have no definite or concrete suggestions as to how this should be done, but they do feel that there must be full employment. I think they lack confidence that it can be accomplished except by the aid of the Government.

I further feel that this responsibility of the Government is not to take over full employment but to create an atmosphere wherein private enterprise may be encouraged to provide that employment. Further, I believe that full employment is necessary if we are to prevent the Government from taking over much of the business and industry of the Nation. Maximum employment after the war cannot be obtained without full confidence of employers, and it seems to me that legislation such as this bill would do much to supply that confidence which both employers and employees need. No doubt many businesses would not hesitate to invest their capital in a new enterprise if they were assured that the people of the

community would be employed so that they could purchase the commodity. Without this confidence, the business might not be started, which, in turn, would create more unemployment.

I am unable to see how private business is able to guarantee these benefits. If such a guaranty is to be made, the Federal Government is the one to make it. Therefore, it would seem to be the responsibility of the Federal Government to provide a safety net under the free enterprise of our Nation and to encourage the citizens in every way possible to establish businesses and through individual industry and initiative develop those enterprises to the greatest possible extent.

Mayor W. Cooper Green, president of the city commission, Birmingham, Ala., points out that:

To my mind, the greatest feature of the bill aims to eliminate business uncertainty over the Government's fiscal policies. Business cannot plan effectively for full employment without knowing the Government's plans. The bill provides for specific plans long in advance of actual execution. Nothing could be more beneficial to business than this policy.

Mayor C. H. Bloom, of Rockford, Ill., directs his remarks to the abilities of city officials to maintain employment:

City officials realize that cities cannot, by themselves, finance any large-scale projects for employment without Federal aid. We hope that industry may continue to keep large numbers of men and women at work, but we realize that with labor-saving machinery and stepped-up production, it will take less employees to produce civilian goods than before the war. Hence, neither cities nor private enterprise will be able to absorb the millions now in the armed forces and war work in peacetime production.

I believe, therefore, that it is essential for Congress to pass the full-employment bill for any other measure that may furnish our millions of workers employment after the war. Only in that way will we prosper as a nation.

Organized labor has been almost unanimous in supporting the full-employment bill. I should like to quote, briefly, from representative letters received from an AFL international union, a CIO national union, and one of the railroad brotherhoods.

The president of the Building Service Employee's International Union, affiliated with the AFL, says:

I am particularly pleased that the bill seeks to foster free competitive enterprise in the investment of private capital and commerce in the development of the natural resources of the United States. * * * In my opinion, the Federal Government is the proper agency to spearhead this program in cooperation with labor, industry, consumers, and State and local governments.

From the president of the United Rubber Workers of America, CIO, comes the statement:

Although the responsibilities of our Federal Government have never been clearly defined in the direction of maintaining full employment, I contend that the obligation is a very definite one. Years ago the responsibility was clearly enunciated in this phraseology, "Government of the people, by the people, and for the people." The meaning of this is incontrovertible. The Government exists for the sole purpose of functioning in behalf of and in the interests of our people by improving our national economic conditions, with a related improvement in the direction of health, security, and happiness.

Mr. H. W. Fraser, president of the Order of Railway Conductors of America, has written to Senator WAGNER:

I want to assure you of my sympathy with the purposes of this bill and to assure you also that I believe our future economy and the success of our effort to meet the postwar situation will depend entirely upon our ability to function on a cooperative basis as contemplated in this measure. * * * I believe that S. 380 should be enacted.

I should like also to quote briefly from public organizations throughout the country. Mr. Charles G. Bolte, chairman of the American Veterans' Committee, writes, In hearty agreement with the basic objectives of S. 380, saying:

S. 380 clearly implements the proposition that the Government must accept responsibility for maintaining full employment. Government planning is to be conducted and Federal assistance is to be rendered with primary reliance on private enterprise. We endorse this program as being a reasonable first step toward providing full employment in the postwar era not only to the veterans but to all who are able and wish to work.

The Wives, an organization of the wives of servicemen of every rank, say:

We are particularly concerned that persons who are working during the war years for the first time may have an opportunity to continue to utilize the skills they have learned for war production, and that the veteran will find immediate absorption as an income-earning citizen in the community upon his discharge

We feel that bill S. 380 is an excellent one, and by its encouragement of free enterprise will equip the United States to fulfill its responsibilities in a world of international trade and cooperation.

It will do a great deal toward the prevention of inflation, and by encouragement of private enterprise in fields of public necessity—example, housing, education, hospitals, sanitation—can do much to provide a proper and healthy standard of living for our people. The full-employment bill will be a hollow law unless the President demands of the Congress the passage of certain companion legislation—example, fair-employment-practice legislation, nationally and throughout the States, so that there will be no discriminatory policies in the provision of employment under S. 380.

Finally, I should like to quote a letter from Ray Gibbons, director for the Council for Social Action of the Congregational Christian Churches of the United States of America, which formulates opinions and points of views on important, international, economic, and racial issues. Mr. Gibbons says:

The full-employment bill of 1945 (S. 380) appears to me to be the most important bill on domestic policy likely to come before the Seventy-ninth Congress. I would like to register my very vigorous support of its aims to provide employment opportunities, to appraise the national economy in a national budget, to assign responsibilities to the President and the Congress and, in general, to declare the function and responsibility of the Federal Government in providing employment opportunities.

Such a forthright declaration of policy would do more than any other single act to give support to the international political organization now being formed. More than any other single move it would show our intention to keep our own house in order and live as a good neighbor in the community of nations. I warmly commend your efforts on behalf of such a national policy for full employment.

All of the agencies of the executive department of the Government have been canvassed with respect to the implication of the full-employment bill. Their replies, I am told, will be incorporated in a report to the Senate Banking and Currency Committee, and will be made public in a short time.

I have already quoted at length the letter of Judge Vinson. I may say, further, that I have talked personally with President Truman, and that I know he is fully in sympathy with the objectives of this full-employment bill. His own record as Senator would in itself indicate that.

SOME DANGERS AND SOME WARNINGS

Mr. Speaker, before concluding this afternoon I should like to point out a few potential dangers that face those of us who are vitally interested in this whole problem of full employment, and in the passing of this bill in particular. We must beware of regarding the measure as a panacea for our economic ills; it definitely is not that, and one of the worst things that could happen would be for its proponents to make that exaggerated claim. We do claim that it is one important, essential step toward solving our employment problems; we do not look upon it as a cure-all.

May I warn the friends of this measure, too, against going overboard on the figure of 60,000,000 jobs. There is no magic in this particular number; it is but one of many estimates that have been made as to our postwar job needs, and whether the eventual number will prove to be more or less is a very small point. The important thing is to keep our minds on the phrase "full employment," and not to get backed into an argumentative corner over the figure 60,000,000.

It is always important to be certain that there is public understanding of and support of a measure as comprehensive as this. During the summer it is up to every cosponsor of this measure and every other Member of this House who is deeply interested in this bill to speak about it in his own home district; to tell his people what the purposes of the bill are, its provisions, and its limitations. In this way the people of the United States will hear from their own elected Representatives about what I firmly believe to be one of the most important proposals ever to be brought before this Congress. By such work, each of us will be making a special contribution toward solving unemployment in America.

Finally I want to point out again that prompt action is necessary. Unemployment is not a vague condition that may arise at some distant future date. It is here now, and is daily growing in intensity. We in this Congress cannot shift responsibility; we cannot evade the issue. Our people want action, and the demands will increase as the roles of the unemployed mount during the coming months. I beg of the membership of this House not to postpone action. I beg of the chairman and the members of the great Committee on Executive Expenditures not to wait for the other body to act. Let us act now. This House, by its favorable action on such measures as the

Bretton Woods bill, has demonstrated to the people of America that it is wholeheartedly back of a policy of international cooperation. Let us now demonstrate that we are also wholeheartedly back of a program of jobs for all here on the domestic front. Mr. Speaker, through our action on this and additional measures, let us eventually put unemployment in America in the same category as isolationism in America—out of the picture.

UNEMPLOYMENT AND WORLD PEACE

Unemployment is far more than a domestic problem. It is a world problem, whether or not we choose to insure full employment after the war and beginning as the war ends. On whether or not we decide and act, here in this House and in the Congress, to banish chronic mass unemployment here in the U. S. A. depends the world's hope of lasting peace. A United States of America operating at full production and employment levels means a prosperous nation and a prosperous people; a prosperous U. S. A. is an essential to prosperity throughout the world. It does not insure prosperity everywhere, but it makes it possible. On the other hand, depression in the United States will make prosperity elsewhere impossible. If, after the war, we ride the devil's scenic railway of unregulated boom and bust or head straight into depression without even the false boom of runaway inflation, the world goes with us into the vicious spiral. And with us goes the world's hope for a just and lasting peace.

Properly, full employment is now written into the Charter of the United Nations, now before the Senate for ratification. That Charter will be ratified by an overwhelming vote. Our ratification commits us to the purposes and objectives of that Charter, including the attainment and maintenance of full employment. It is high time that we in this country put our own house in order, that we prepared to make good, here at home in our own economy, on the high promises which we have undertaken at San Francisco in the sight of all men and of our God.

With full employment, we can be good neighbors; with unemployment, we can neither be friendly and cooperative with other nations, nor can we, here in our own country, be decent, fair, and democratic toward each other. Just as, among ourselves, depressions produce fear, discrimination, hate, and division among classes, groups, races, colors, sexes, and ages, so world depression leads down the same road to war. Therefore, in talking full employment, in examining the problems and the opportunities it presents to us, and in proposing that we, here in this House, do something about it without further delay, I believe I am proposing to implement, in a very practical and fundamental way, the United Nations Charter now before the Senate. The Senate may ratify the Charter; the House can still be the first to give it insurance of life by enacting the full employment bill of 1945. And, Mr. Speaker, the time for effective action is very short, and growing shorter daily.

RECOGNITION OF LEADERSHIP OF MEN IN ACTION

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I realize that I am not an authority on the question as to who should be granted promotions in the armed forces. I do feel, however, that there are a good many men who have shown outstanding qualities of leadership and responsibility who have not been given the consideration to which they are entitled. I have in mind today, for example, Pfc Harold Johnson, of Wamego, Kans., who has been a member of the armed forces for more than 2 years. Private Johnson is a company medical-aid man serving with the Seventh Infantry Division in Okinawa.

I am including herewith a statement that appeared in one of my local papers concerning Pfc Harold Johnson. It reads as follows:

WITH THE SEVENTH INFANTRY DIVISION ON OKINAWA, June 12.—The history of heroism in the medics of this famed Pacific division of four major campaigns is long and valiant and near the top is the deed of Pfc Harold Johnson, 20, of Wamego, Kans.

In the battle for Conical Hill, the highest peak on this home island of Japan, an entire rifle company was pinned down in the assault by Jap defenders on the crest. Faced with the threat of being cut off, the company began withdrawing to the main force of Americans.

In the action 11 men were trapped and unable to pull back because of intense enemy small-arms fire.

Johnson, a company medical-aid man, who was familiar with the rugged terrain, volunteered to go out under fire and lead the apparently doomed men back to safety.

Upon reaching them, the Kansan learned 4 of the 11 had been wounded by enemy fire. Taking one of the wounded with him, he led the other seven to safety before returning for the other three on separate trips.

Private Johnson entered the Army in 1943.

It occurs to me, Mr. Speaker, that while we are granting commissions and promotions to men in the Pentagon and other places, it might be well to give more consideration to young men like Pfc Harold Johnson, who has been in the Army for more than 2 years and who has shown outstanding leadership and gallantry of service under enemy fire, but who still remains a private first class.

ADDITIONAL RATION POINTS FOR MINERS

Mr. HOOK. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOOK. Mr. Speaker, on Saturday, June 30, a statement was released by the Office of Price Administration with regard to additional ration points for meat and fats for miners. I notice that under the plan put into effect the miners in the San Francisco and Denver areas will be eligible for supplementary rations based on the number of days worked during the month, in addition to quantities available through use of the regular ration book, with a monthly maximum of 50 meat-fat points and 1 pound of sugar per man. These amounts may be adjusted upward or downward later as more complete studies are made.

I am very much in favor of additional points for miners and those working in the logging industry, but I cannot understand how the OPA can differentiate between miners in the San Francisco and Denver areas and miners of iron ore in northern Michigan, northern Wisconsin, and northern Minnesota, where the greatest production of iron ore in the world comes from. The largest and deepest iron mines in the world are in that area. Eighty-five percent of all the iron ore that went into the war effort came from that area. Certainly the miners working deep down in the bowels of the earth in northern Michigan, northern Minnesota, and northern Wisconsin work just as hard and need just as much meat as the miners who work in the San Francisco and Denver areas.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. HOOK. I yield.

Mr. HAVENNER. I do not know what the OPA definition of the San Francisco area is, but to my knowledge there is no important mining industry around San Francisco Bay.

Mr. HOOK. I do not know what it is, but I certainly feel that the miners of iron ore and who are producing iron ore in my district of northern Michigan are certainly entitled to the additional ration points if any miners in the United States are entitled to them. Our men who work in the mines are entitled to more meat. I hope the OPA will recognize it.

The OPA release is as follows:

A further step in a developing Government program to provide extra food rations to workers employed in heavy industry was announced today by Administrator Chester Bowles of the Office of Price Administration.

A test plan has been put in operation in the country's western mining regions providing additional meats, fats, and sugar rations to individual coal and ore miners, except those served by on-the-job eating places. (For the time being, canned foods are not included, although additional rations may be provided later on.)

The plan is directed at carrying out the findings by the National Research Council on behalf of the War Food Administration, that the heavy, muscular work done by miners calls for an unusually high intake of calories. It is effective at once in the San Francisco and Denver regions, and, after experience in the test area, will be extended nationally to cover all coal and ore-mining regions.

The plan announced today, Mr. Bowles said, and steps in preparation are in keeping with earlier actions taken by OPA. Loggers, who do the heaviest work of all—usually in isolated places—were provided with additional rations last year. Deep-sea fishermen, seamen on inland waterways, miners, and some heavy construction workers who are fed by their employers under conditions of isolation have been provided more recently with extra rations.

Further consideration is being given to the food requirements of loggers, miners, construction workers, foundry workers, deep-sea

fishermen, and seamen on inland waterways. It is planned to provide extra rations for all of these groups not already provided for when they are fed in in-plant feeding places. In addition, individual rations will be issued to such workers if they live and work under isolated conditions and are not fed in in-plant feeding establishments.

Mr. Bowles pointed out that while it is relatively easy for moderately active people, through the use of such items as cereals and other grain products, to supplement rationed foods so as to fill out their daily caloric requirements, heavy workers such as loggers and miners find this extremely difficult. Most grain products foods are bulky. Following the normal habit of taking three meals daily, the worker in heavy industry could not eat enough of these bulky foods to meet his requirements.

Under the plan put into effect today, miners in the San Francisco and Denver areas will be eligible for supplemental rations based on the number of days worked during the month, in addition to quantities available through use of the regular ration book, with a monthly maximum of 50 meat-fats points and 1 pound of sugar per man. These amounts may be adjusted upward or downward later as more complete studies are made. For the time being the extra rations will be issued by OPA district offices. One-point and five-point red coupons and 1 pound sugar coupons will be issued. These are the coupons regularly used for furlough rations.

Eligible miners (that is, miners who are not served by in-plant feeding establishments) will not apply directly. Instead application will be made for them by one of the following: (1) The transportation committee at the mine, which certifies mileage rations; (2) a joint management-labor production committee; (3) the local union mine committee; (4) the superintendent in charge and two employee representatives. The committee will certify that each miner listed on the application is eligible for the supplemental rations, and will show the number of days during the month that each miner will work.

Applications received during the first 10 days of July will be approved for the full number of days listed for each miner. Those received after the 10th day and before the 21st day will be approved for two-thirds of the number of days shown for each miner. No application will be received after the 20th day of the month for which rations are sought.

Explaining the action announced today, Mr. Bowles said:

"For some time Government agencies have been working to determine the food needs of different classes of industrial workers and to learn whether some workers might need extra rationed foods to keep them in good health under the strain of heavy muscular labor day after day.

"The War Food Administration obtained the aid of the National Research Council in determining what groups of industrial workers definitely need a lot more calories each day than people doing work that is only moderately active. Those included are loggers, miners, foundry workers, longshoremen and stevedores, heavy construction workers, deep-sea fishermen, and seamen on inland waterways, all requiring substantially more calories per day than the average worker.

"Loggers, who were at the top of the list, were provided for early in 1944. Additional ration buying power was made available to in-plant feeding places serving loggers while on the job. Before plans were completed for making additional rationed foods available to miners and other workers in the same category, however, meat rationing was eased substantially, and it became unnecessary to take this further step.

"Now, with increasing tightness of rationed food supplies, it has become imperative that we provide miners and other heavy industrial workers in the same class with more rationed foods than their ration books will provide.

"OPA has always believed that the only practicable way to provide supplemental rations to workers was through in-plant feeding places, such as canteens and cafeterias. It was felt that it would be almost an impossible task to issue supplemental rations individually to all of the people doing heavy industrial work.

"The in-plant feeding method of providing extra rations, however, will not take care of the miners adequately. After many discussions with representatives of coal and ore mining groups, we have been compelled to conclude that, in spite of these administrative difficulties, rations must be issued to individual miners if they are to get enough food each day to keep them fit for their heavy work. There aren't enough pit-head canteens and other in-plant feeding places to do the job.

"Plans are under way for the issuance of supplemental rations to in-plant feeding places serving foundry workers, longshoremen and stevedores, construction workers, and some other workers in heavy industries. On the basis of information now available to OPA, it does not seem that it will be necessary for the most part, to issue rations to individual workers in these industries."

(Amendment 27 to Second Revised Ration Order 3—Sugar: Amendment 57 to Revised Ration Order 16—Meats, Fats, Fish, and Chese—both effective June 30, 1945.)

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President for his approval bills and joint resolutions of the House of the following titles:

July 3, 1945:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government";

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 1007. An act for the relief of Mrs. Beatrice Brown Waggoner;

H. R. 1008. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.;

H. R. 1917. An act for the relief of John R. Jennings;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army;

H. R. 2515. An act for the relief of Harland Bartholomew & Associates;

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944;

H. R. 2856. An act to provide for better enforcement of law within the District of Columbia, and for other purposes;

H. R. 2995. An act to amend an act entitled "An act to create a revenue in the District of Columbia by levying a tax upon all dogs therein, to make such dogs personal property, and for other purposes," approved June 19, 1878, as amended;

H. R. 3024. An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, and for other purposes;

H. R. 3199. An act making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3201. An act to amend the District of Columbia Alley Dwelling Act, approved June 12, 1934, as amended;

H. R. 3257. An act to remove restrictions to the appointment of retired officers of the United States Public Health Service or retired civilian employees of the United States Government or District of Columbia government as Superintendent of Gallinger Municipal Hospital in the District of Columbia, and for other purposes;

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes;

H. R. 3269. An act further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945;

H. R. 3436. An act providing for a medal for service in the armed forces during the present war;

H. R. 3550. An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3579. An act making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1945, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1945, and June 30, 1946, to provide appropriations for the fiscal year ending June 30, 1946, and for other purposes;

H. R. 3607. An act to authorize the President to appoint Gen. Omar N. Bradley to the office of Administrator of Veterans' Affairs, without affecting his military status and perquisites;

H. J. Res. 202. Joint resolution reducing certain appropriations available in the fiscal year ending June 30, 1945; and

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve No. 1.

On July 5, 1945:

H. R. 3240. An act to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

ADJOURNMENT

Mr. OUTLAND. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.), under its previous order, the House adjourned until tomorrow, Friday, July 6, 1945, at 11 o'clock a. m.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

There will be a meeting of the Committee on World War Veterans' Legislation, in executive session, on Friday, July

6, 1945, at 10 o'clock, a. m., in the committee room 356, Old House Office Building.

COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Friday, July 6, 1945, for consideration of House Joint Resolution 31.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXV, executive communications were taken from the Speaker's table and referred as follows:

601. A letter from the Director, Bureau of the Budget, transmitting a report containing five tables, covering the determinations by the Director of the Bureau of the Budget during the fourth quarter of the fiscal year 1945, of the numbers of employees required by the executive departments and agencies for the proper and efficient exercise of their respective functions; to the Committee on the Civil Service

602. A letter from the Administrator, National Housing Agency, transmitting the third annual report of the National Housing Agency for the calendar year 1944; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 305. Resolution to provide for further expenses of investigation authorized by House Resolution 138, Seventy-ninth Congress; without amendment (Rept. No. 855). Referred to the House Calendar.

Mr. WHITTINGTON: Committee on Expenditures in the Executive Departments. H. R. 3660. A bill to provide for financial control of Government corporations; without amendment (Rept. No. 856). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOODRUM of Virginia: Select Committee on Postwar Military Policy. Report pursuant to House Resolution 465 of the Seventy-eighth Congress, second session, and House Resolution 55 of the Seventy-ninth Congress, concerning, universal military training (Rept. No. 857). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS: Committee on Military Affairs. H. R. 2240. A bill to amend the Pay Readjustment Act of 1942, as amended, and for other purposes; with amendment (Rept. No. 858). Referred to the Committee of the Whole House on the State of the Union.

Mr. McGEHEE: Committee on Claims. H. R. 3111. A bill to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; without amendment (Rept. No. 859). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. STIGLER: Committee on Claims. S. 90 An act for the relief of the estate of George O'Hara; without amendment (Rept. No. 860). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on Claims. S. 620. An act for the relief of the widow of Joseph C. Akin; without amendment (Rept. No. 861). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3574. A bill for the relief of certain claimants who suffered loss by flood in, at, or near Bean Lake in Platte County, in the State of Missouri, during the month of March 1934; without amendment (Rept. No. 862). Referred to the Committee of the Whole House.

Mr. DAVIS: Committee on Military Affairs. H. R. 239. A bill for the relief of Dr. Ernest H. Stark; without amendment (Rept. No. 863). Referred to the Committee of the Whole House.

Mr. DAVIS: Committee on Military Affairs. H. R. 240. A bill for the relief of Dr. James M. Hooks; without amendment (Rept. No. 864). Referred to the Committee of the Whole House.

Mr. MAY: Committee on Military Affairs. H. R. 1236. A bill to authorize the Secretary of War to quitclaim to Chanslor-Canfield Midway Oil Co. subsurface mineral and water rights in 211.36 acres of land in the county of Los Angeles, Calif.: with amendment (Rept. No. 865). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bill and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Georgia:

H. R. 3678. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. CANNON of Missouri:

H. R. 3679. A bill to restore standard time; to the Committee on Interstate and Foreign Commerce.

By Mr. CASE of South Dakota:

H. R. 3680. A bill to provide for the purchase of restricted Indian lands from heirs or from any Indian over 60 years of age; to the Committee on Indian Affairs.

H. R. 3681. A bill to provide for removal of restrictions on property of Indians who serve in the armed forces; to the Committee on Indian Affairs.

By Mr. KILDAY:

H. R. 3682. A bill to amend section 302 (a) of Public Law 346, Seventy-eighth Congress; to the Committee on World War Veterans' Legislation.

H. R. 3683. A bill to provide retirement from active service of Army, Navy, Marine Corps, and Coast Guard personnel under certain conditions; to the Committee on Military Affairs.

By Mr. TRIMBLE:

H. R. 3684. A bill to permit the use of clerk hire for contributing to the compensation of individuals appointed by State delegations to assist such delegations in matters relating to veterans; to the Committee on Accounts.

By Mrs. ROGERS of Massachusetts:

H. R. 3685. A bill to provide adequate nurse or attendant allowance to service disabled veterans, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BARTLETT:

H. R. 3686. A bill to authorize the Commissioner of the General Land Office and the registers of the land offices in Alaska to perform functions under the Alaska real property ownership declaration law; to the Committee on the Public Lands.

By Mr. CLASON:

H. R. 3687. A bill to provide for the retraining and care of dogs who have served with the Army during World War II; to the Committee on Military Affairs.

By Mr. ENGLE of California:

H. R. 3688. A bill to authorize the Secretary of the Interior to make certain mining and geological data available to the several States; to the Committee on Mines and Mining.

By Mr. HERTER:

H. R. 3689. A bill relating to the application of section 251 of the Internal Revenue Code in the case of individuals in possessions of the United States receiving wages from the United States; to the Committee on Ways and Means.

By Mr. LAFOLLETTE:

H. R. 3690. A bill to enable the people of Hawaii to form a constitution and State government to be admitted into the Union on an equal footing with the original States; to the Committee on the Territories.

By Mr. LEA:

H. R. 3691. A bill to amend the Investment Advisers Act of 1940; to the Committee on Interstate and Foreign Commerce.

By Mr. McGREGOR:

H. R. 3692. A bill to terminate the use tax on motor vehicles and boats; to the Committee on Ways and Means.

By Mr. HARTLEY:

H. R. 3693. A bill to provide for the transfer of books from fourth-class mail matter (parcel post) to second-class mail matter; to the Committee on the Post Office and Post Roads.

H. R. 3694. A bill to declare the national policy regarding the test for determining invention; to the Committee on Patents.

By Mr. LAFOLLETTE:

H. R. 3695. A bill to safeguard the health, efficiency, and morale of the American people; to provide for improved nutrition through a more effective distribution of food supplies through a food-allotment program; to assist in maintaining fair prices and incomes to farmers by providing adequate outlets for agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. VOORHIS of California:

H. R. 3696. A bill to safeguard the health, efficiency, and morale of the American people; to provide for improved nutrition through a more effective distribution of food supplies through a food-allotment program; to assist in maintaining fair prices and incomes to farmers by providing adequate outlets for agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes; to the Committee on Agriculture.

By Mr. LUDLOW:

H. Con. Res. 65. Concurrent resolution to provide an appropriate citation for American prisoners of war; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to enact legislation providing for the prompt return to their homes of runaway, transient, or vagrant children of juvenile age, going from one State to another without proper legal consent, through the use of funds appropriated under the provisions of the Social Security Act for aid to dependent children; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANGELL:

H. R. 3697. A bill for the relief of Mr. and Mrs. J. F. Brokaw, Mr. and Mrs. Earl Gunther, and James G. Cooney; to the Committee on Claims.

By Mr. GORE:

H. R. 3698. A bill for the relief of Mrs. Lucille Scarlett and Charles Scarlett; to the Committee on Claims.

By Mr. HAVENNER:

H. R. 3699. A bill to settle certain war claims and accounts growing out of a war contract made between Metals Reserve Co. (and later transferred by it to the Foreign Economic Administration) and H. I. Altshuler (and later assigned by him to the Urania Tungsten Corp.); to the Committee on War Claims.

By Mr. HERTER:

H. R. 3700. A bill for the relief of Mariano Joaquin Lorente; to the Committee on Claims.

By Mr. KELLY of Illinois:

H. R. 3701. A bill granting a pension to Joseph J. Mann; to the Committee on Invalid Pensions.

By Mr. KUNKEL:

H. R. 3702. A bill for the relief of Maurice C. Ritter, of Camp Hill, Pa.; to the Committee on Claims.

By Mr. WELCH:

H. R. 3703. A bill for the relief of the city and county of San Francisco; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1050. By Mr. COCHRAN: Petition of M. L. Hunt and 311 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1051. Also, petition of A. T. Christian and 304 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1052. By the SPEAKER: Petition of the National Society of New England Women, petitioning consideration of their resolution with reference to national cooperation; to the Committee on Ways and Means.

SENATE

FRIDAY, JULY 6, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all mercy, bowing at this noontide altar, may we be vividly conscious that we need turn not back to bygone centuries to hear Thy voice, as if Thou dost speak no longer to us now. Give us ears to hear Thy imperial imperatives above the noise of crashing systems, yea, in and through the change and confusion of our day. May we not imagine that the judgment which shall search the secrets of our hearts is postponed to some far-off future assize, when in this day, by our response to the want and woe of Thy world and of Thy children, our brothers, Thy thrones are set: Thou art searching out the souls of men before Thy judgment seat.

So hearing and heeding the voice divine, may our compassion help to heal the open sores of the world as we serve the present age, our calling to fulfill. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HATCH, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, July 3, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 24. An act for the relief of the Truckee-Carson irrigation district;

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 311. An act for the relief of Philip Kleinman;

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609);

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S. 527. An act to extend the time for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 660. An act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodiun;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475-476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944;

S. 824. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E-172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945;

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; and

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

The message also announced that the House had passed the following bills of the Senate, severally with an amendment in which it requested the concurrence of the Senate:

S. 75. An act for the relief of Thomas C. Locke;

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River;

S. 234. An act authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.;

S. 512. An act for the relief of Mr. and Mrs. Arthur R. Brooks;

S. 672. An act for the relief of the legal guardian of Clifton R. Weir;

S. 784. An act for the relief of Mr. and Mrs. John T. Webb, Sr.; and

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders.

The message further announced that the House had passed the bill (S. 574) to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg., with amendments in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. VINSON, Mr. DREWRY, and Mr. MOTT were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 476. An act to revive and reenact the act entitled "An act creating the St. Lawrence Bridge Commission and authorizing said Commission and its successors to construct, maintain, and operate a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.," approved June 14, 1933, as amended;

H. R. 799. An act for the relief of the estate of Stanley E. Smallwood; to the legal guardian of Frank Carter, Jr., a minor; to the legal guardian of Donald R. Keithley, a minor; to Keithley Bros. Garage;

H. R. 851. An act for the relief of Oscar R. Steinert;

H. R. 1145. An act for the relief of Ben W. Colburn;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1456. An act for the relief of George E. Baker;

H. R. 1512. An act to amend section 9 of the Pay Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay;

H. R. 1563. An act for the relief of S. Owen Oxley and the legal guardian of Lamar Oxley, a minor;

H. R. 1565. An act for the relief of Inglis Construction Co., a corporation;

H. R. 1634. An act for the relief of the city of Council Bluffs, Iowa;

H. R. 1674. An act for the relief of Mrs. Ollie Patton;

H. R. 1765. An act to provide for the conveyance to the State of Iowa of the Agricultural Byproducts Laboratory on the campus of the Iowa State College of Agriculture and Mechanic Arts;

H. R. 1851. An act for the relief of the widow and three children of Greenfield Payne;

H. R. 1922. An act to authorize the sale of certain public lands in Alaska to the Cath-

olic bishop of Alaska, in trust for the Roman Catholic Church;

H. R. 2317. An act for the relief of Mrs. Virginia M. Kiser;

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2545. An act for the relief of Florida Rhone Burch;

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico;

H. R. 2615. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying regaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942;

H. R. 2690. An act to amend the Bonneville Project Act;

H. R. 2737. An act for the relief of Clara Black;

H. R. 2853. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green;

H. R. 3150. An act to revive and reenact the act entitled "An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes," approved August 7, 1939;

H. R. 3256. An act to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States;

H. R. 3363. An act for the relief of Paul W. Mankin;

H. R. 3373. An act authorizing the reconstruction of the Spring Common Bridge on Mahoning Avenue, across the Mahoning River in the municipality of Youngstown, Mahoning County, Ohio;

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey;

H. R. 3419. An act for the relief of the estate of Mrs. Mary Karalis;

H. R. 3453. An act for the relief of John W. Farrell;

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; and

H. R. 3649. An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

ENROLLED BILLS SIGNED

The message also anounced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 842. An act for the relief of Mrs. Sadie L. Dance;

H. R. 1309. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943;

H. R. 1606. An act for the relief of Mrs. Ethel Farkas;

H. R. 1668. An act for the relief of Mrs. Mary Ellen Keegan Herzog, Francis James Keegan, and Sergeant John Keegan;

H. R. 2336. An act for the relief of Osborne E. McKay; and

H. R. 3291. An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

DAYLIGHT-SAVING TIME

The PRESIDENT pro tempore laid before the Senate a letter from the Chairman of the War Production Board relating to the act providing daylight-saving time, which was referred to the Committee on Interstate Commerce.

LOANS IN NORTH DAKOTA BY FEDERAL LAND BANK

Mr. LANGER. Mr. President, I present and ask to have appropriately referred a resolution adopted by the board of directors of the Mountrail County National Farm Loan Association, of Stanley, N. Dak. I may add the resolution is in connection with a bill recently introduced by me which requires the Federal land bank for the district of North Dakota, which has its office in St. Paul, Minn., to make loans in North Dakota even though some of the Federal laws conflict with the State laws, as the Federal land bank maintains, but which the State of North Dakota denies.

The PRESIDENT pro tempore. The resolution presented by the Senator from North Dakota will be received and referred to the Committee on Banking and Currency.

BRETTON WOODS AGREEMENTS—RESOLUTION OF WASHINGTON (D. C.) CHAPTER OF AMERICAN VETERANS' COMMITTEE

Mr. BALL. Mr. President, I present a resolution adopted by the Washington (D. C.) Chapter of the American Veterans' Committee favoring the enactment of the Bretton Woods agreements, and I ask that it be appropriately referred and printed in the RECORD.

There being no objection, the resolution presented by Mr. BALL was ordered to lie on the table and to be printed in the RECORD, as follows:

As a veterans' organization with a fundamental interest in the maintenance of peace and full employment, we recommend the immediate approval of the Bretton Woods monetary agreements.

Final victory over the Axis Powers will find a world in which much of the territory of our allies is devastated and in which the economies of even the most fortunate will face serious readjustments. Rapid revival of international trade and investment is essential.

The experience of the thirties shows the folly and the danger of competitive currency depreciation, discriminatory and restrictive money devices, and unstable money. Cutthroat competition between nations results in decreased world trade and investment, contributing to unemployment, low living standards, political unrest, and ultimately to war.

The creation of more stable conditions for the expansion of international trade will be made feasible through the International Monetary Fund. Similarly, improvement of the conditions of foreign lending will permit rapid rehabilitation and development of war-torn countries, thus opening up overseas markets for American enterprise. The International Bank for Reconstruction and Development will play an important role in encouraging private investment abroad.

The American Veterans Committee, Washington Chapter, recognizes that the Bretton Woods agreements, at best, are only a partial solution to world economic problems and that there are a number of objections to specific phrases therein. In particular, it would be desirable if the United States representatives were instructed to press for relaxation of existing exchange controls as promptly as possible rather than delaying action for a minimum of 3 years, as the agreements provide. Nevertheless, we recommend that these agreements, made jointly by over 40 independent countries, be adopted now without any emasculating amendments, so that other nations may be assured of our abandonment of isolationism and our willingness to cooperate in the achievement and maintenance of world stability.

FINANCIAL CONTROL OF GOVERNMENT CORPORATIONS

Mr. CAPPER. Mr. President, I have received a letter from Edward A. O'Neal, president of the American Farm Bureau Federation, Washington, D. C., together with a statement, suggesting certain amendments to the so-called Byrd-Butler bill, providing for financial control of Government corporations. I ask unanimous consent that Mr. O'Neal's letter and statement be appropriately referred and printed in the RECORD.

There being no objection, the letter and statement were referred to the Committee on Banking and Currency and ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION
Washington D. C., July 3, 1945.

Hon. ARTHUR CAPPER,
Member, Committee on Banking and Currency,
United States Senate,
Washington, D. C.

MY DEAR SENATOR CAPPER: I enclose a copy of a statement concerning the Byrd-Butler bill (S. 469) and the Whittington bill (H. R. 2177), which I am submitting to every Member of the Senate Banking and Currency Committee and the House Committee on Expenditures in Executive Departments.

As you will note, we are for the general objectives of these bills, but we are very much concerned about the effects on certain agricultural agencies. I sincerely hope that our recommendations for amendments will meet with your approval.

Sincerely yours,

EDW. A. O'NEAL,
President.

STATEMENT OF PRESIDENT EDWARD A. O'NEAL ON BEHALF OF THE AMERICAN FARM BUREAU FEDERATION CONCERNING THE BYRD-BUTLER BILL (S. 469) AND THE WHITTINGTON BILL (H. R. 2177) SUBMITTED TO ALL MEMBERS OF THE SENATE BANKING AND CURRENCY COMMITTEE AND THE HOUSE COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS

There is pending before your committee S. 469 and H. R. 2177, the purpose of which is to bring Government corporations and their transactions and operations under annual scrutiny by the Congress, and thus provide financial control thereof.

We recognize the need of congressional scrutiny of many of the Government corporations set up and operated by Government order without proper limitations and safeguards which would be required if they were established by acts of Congress. Such corporations need supervision, as they operate with almost unlimited discretion and without check or restraint except that involved by their own administrators.

The American Farm Bureau Federation approves the general objectives of this legislation, but in its present form it is too far-reaching in scope. This legislation would hamper the operations of several important agencies serving agriculture whose activities are already adequately safeguarded by statutory requirements enacted by Congress. I

refer specifically to the Commodity Credit Corporation, the Tennessee Valley Authority, and the farm-credit agencies under the supervision of the Farm Credit Administration.

On behalf of the American Farm Bureau Federation, therefore, I wish to strongly urge that this legislation be amended, as follows:

(1) That the Commodity Credit Corporation be exempted from the budget provisions of the bill insofar as its loans, purchases, storage, sales, and other price-supporting functions and activities are concerned.

The Commodity Credit Corporation is the keystone of the entire national farm program. It is the primary agency through which the Government carries on its price support commitments through commodity loans to farmers, and through purchase and resale of agricultural commodities pursuant to various laws enacted by Congress. Under the Agricultural Adjustment Act, as amended, Congress has directed that mandatory commodity loans be made available to producers of six basic commodities—corn, wheat, cotton, rice, tobacco, and peanuts—under conditions and terms specified by Congress in the statute. As long as any farmer is in compliance with the Agricultural Adjustment Agency program, the Commodity Credit Corporation is required to make available to him a loan of 90 percent of parity (92½ percent in the case of cotton). The Corporation, under the law, has no discretion, and must be prepared to make available a loan on whatever portion of the farmer's crop is offered to it, if he is in compliance. The loan is a nonrecourse price-supporting loan.

Under the so-called Steagall Act, as amended, the Government is also obligated to support prices of nonbasic commodities at not less than 90 percent of parity whenever the Secretary of Agriculture requests farmers to increase their production for war purposes; and the law further requires the Government to maintain this minimum price support guarantee for a period of 2 years after the 1st of January following the termination of the present emergency by proclamation of the President or by concurrent resolution of Congress. Again, this is a mandatory commitment on the part of the Government to farmers who cooperate in expanding or maintaining the increased production required for war purposes. In addition, under the Steagall Act, the Government, through the Commodity Credit Corporation, carries out lending and purchase operations for various other agricultural commodities for the purpose of bringing the income of producers of such commodities into a fair relationship with the so-called basic commodities.

Thus, the operations of the Commodity Credit Corporation are an integral part of the entire national farm program. The restrictions and limitations contained in the budgeting provisions of the proposed legislation, when applied to the Commodity Credit Corporation's price-supporting operations through loans, purchases, storage, and sale of agricultural commodities, are inconsistent with the intent and purposes of the laws already enacted by Congress for the benefit of agriculture. Unless modified, these provisions constitute a serious threat to the whole farm program. It is fundamental to the success of the farm program that the Government be prepared to carry out its commitment under the law, provided the farmer does his part and meets the conditions whereby he qualifies for the benefits of these laws.

The size of a crop, its quality, and the markets available determine largely the extent of the operations of the Commodity Credit Corporation during any year It is impossible to estimate these contingencies 18 months in advance as would be necessary if the Corporation were required to comply with the budget provisions of the bills. An estimated budget to carry out the mandates of Congress on loan and support programs on crops which would not be planted until several months in the future would be meaningless. The Corporation to meet the extreme conditions, which could arise, would have to submit a budget anticipating maximum crop yields throughout the country, together with a minimum market for the crops produced. These are the conditions they are required by law to meet Year in and year out the actual conditions which the Corporation would have to meet would be something different than this extreme condition.

If an annual budget is approved by Congress on a basis that will be large enough to meet most extreme conditions, then the budgeting requirement is of little value or significance. On the other hand, in any year that Congress made a bad guess as to the need for these funds and placed a limitation upon the funds for loans and other price-supporting operations inadequate to carry out its commitments to farmers due to abnormally high yields or a decreased demand, or both, then the Corporation would be put in the anomalous position of being unable to carry out the mandatory provisions of law and unable to fulfill its promises to farmers who cooperate in the farm program.

In this connection it should be pointed out that these budget estimates would probably be approved by Congress on or before June 30, and Congress likely would be in recess during the fall months, when most of the crops are ready to go to market and the demand for commodity loans is at the peak. Under such circumstances, if available funds proved inadequate, the only way relief could be obtained would be through the reconvening of Congress to provide additional funds.

The administrative expenses of the Corporation are now reviewed and approved annually by Congress. We believe that Congress should continue to review and approve these expenditures annually

Congress now also exercises several means of examining and reviewing the activities and plans of the Commodity Credit Corporation. They are reviewed annually when consideration is given by the Congress to the annual appropriation item for administrative expenses of the Corporation, as is already required by law Moreover, the Corporation appears at least every 2 years before the Congress in connection with the extension of its life as an agency of the United States Congress has a further opportunity to review and examine the Corporation's activities and plans when changes in the Corporation's borrowing power are requested and when appropriations are requested, pursuant to the act of March 8, 1938.

(2) That the farm-credit agencies under the supervision of the Farm Credit Administration be completely exempted from the provisions of this legislation.

The credit and financial needs of agriculture are unique, and are greatly affected by conditions over which the farmer has no control—drought, flood. wind, hail, insect infestation, and the withdrawal of commercial credit at the time when farmers are most in need of financial assistance. Congress has recognized the peculiar credit needs of agriculture and has established numerous farm-credit agencies under the supervision of the Farm Credit Administration for the purpose of aiding farmers in obtaining adequate credit on terms and conditions suited to the requirements of agriculture.

During the past 25 years Congress has enacted a great many farm-credit laws, determining the extent and character of Government supervision of these various farm-credit agencies, and spelling out in great detail restrictions and safeguards to protect farmer borrowers and the investing public. We can see no justifiable need for the inclusion in this legislation of the various farm-credit agencies which are under the supervision of the Farm Credit Administration. On the contrary, we believe that the inclusion of these agencies will seriously interfere with the operations of these agencies and hamper them in carrying out their statutory responsibilities to farmers and farmers' cooperative organizations.

Among the most important of these farm-credit agencies are the 12 Federal land banks, which make long-term mortgage loans on farm real estate through national farm-loan associations, which are cooperatives owned by and composed of borrowers from the banks. All of these Federal land banks are at least partly owned by the association, and in three of the banks the Government has no capital or paid-in surplus at all. The budget requirements of the bill do not directly affect the operations of the Federal land banks, but indirectly the effect is serious, as these institutions rely partly upon the Federal Farm Mortgage Corporation, which is a wholly owned Government corporation, to assist them in obtaining funds for the credit which they provide to farmers.

Other farm-credit agencies under the supervision of the Farm Credit Administration are the Federal Farm Mortgage Corporation, which not only assists the Federal land banks i their financing but also provides funds for Commissioner loans on real estate, largely supplementing the Federal land-bank loans and handled through the medium of the Federal land-bank system; the 12 regional banks for cooperatives and the central bank for cooperatives, which extend credit to farmers' cooperative associations, and are partly owned by the associations; the 12 Federal Intermediate Credit banks, which are chiefly banks of discount for short-term and intermediate-term agricultural paper; the 12 production credit corporations, which supply part of the capital of local production-credit associations, which are farmers' cooperative associations, composed of borrowers who contribute to their capital stock, and which make short-term production loans to their members.

While some of these corporations at the present time are wholly owned by the Government it must be recognized that all of these agencies comprise one unified system to provide agricultural credit to farmers and farmers' cooperative associations. Furthermore, Congress, in numerous laws, has already specifically provided, in great detail, for the supervision and regulation of these corporations.

The farm-credit agencies at the district level are already subject to audit, as required by the Federal statute. The effect of the legislation in its present form would be to require another audit, which would impose additional cost to the stockholders of the corporation which, in the case of the cooperative credit agencies, would mean the farmer borrowers.

The proposed legislation would restrict the depositories of these farm credit institutions to those to be approved by the Treasury Department. This deprives these institutions of the discretion ordinarily invested in business institutions in the selection of depositories. Existing farm credit laws already provide proper regulation of this matter through the Farm Credit Administration. We do not believe that such authority with respect to farm credit agencies should be given to the Treasury Department.

The provisions of this legislation giving the Treasury Department control over the issuance of securities is likewise very unwise and might result in increased rates of interest to farmers. The interest rates charged to farmer borrowers through the Federal Land Bank System are based upon the interest cost of the last issue of Federal land bank bonds. Furthermore, a sound fiscal policy, coordinating the maturities of bonds with the maturities of average outstanding loans of banks, is important to the success-

ful operation of the Federal Land Bank System. Thus, the control of the issuance of securities and the interest rates and maturity dates are matters of basic importance to the successful operation of farm credit agencies and to the welfare of farmer borrowers. We therefore strongly oppose transferring this authority from the Farm Credit Administration to the Treasury Department. Under existing procedure, the Treasury Department is consulted by the Farm Credit Administration with respect to the issuance of all securities. This is appropriate and adequate.

Both as to wholly owned Government corporations and mixed-ownership corporations this legislation would provide that no additional Government capital or paid-in surplus may be subscribed except pursuant to a specific appropriation. There are several revolving funds available for subscriptions of this character in the four classes of farm credit district units and this requirement would, in effect, destroy the revolving character of these funds as congressional action would be required before any further subscription could be made.

This legislation would also subject all purchases and sales of Government obligations by the Farm Credit district offices to approval of the Federal Treasury. The addition of this further control over the district institutions is inconsistent with the local character of their operations and contrary to the objective of their becoming farmer-owned and farmer-controlled cooperatives.

Among the major objectives of farm credit legislation and of the major farm organizations have been to develop a cooperative credit system, farmer-owned and farmer-controlled, and to avoid centralized Federal control of farm credit. To apply the provisions of the proposed legislation to farm credit agencies under the Farm Credit Administration would represent a reversal of this policy, and would subject these agencies to further governmental controls, interference, and injection of political influences in the supervision and administration of farm credit. Nothing should be done which would retard or disrupt the established policy of Congress to encourage and aid agriculture to build its own cooperative credit system—free from political influences and without centralized governmental control.

Centralization of control of these farm credit agencies would be disastrous not only to these cooperative institutions, but to their successful operation in meeting the varying needs and problems growing out of the diversified character of agriculture in the many different areas of the country. The multiple controls provided in this legislation, if applied to these farm credit agencies, would lessen their ability to meet promptly and adequately the widely fluctuating credit needs of agriculture.

(3) That the provisions of this bill with respect to auditing and budgetary requirements be clarified insofar as they affect the Tennessee Valley Authority, so as to assure that the provisions and procedures established pursuant to section 9 (b) and section 26 of the Tennessee Valley Authority Act be continued.

We are concerned likewise with the far-reaching effects of this legislation upon the operations of the Tennessee Valley Authority. In effect, this legislation would repeal the permanent charter contained in the Tennessee Valley Act, which prescribes the method by which its program for electrification and other operations are conducted and would leave the year-to-year operations dependent upon whatever Congress might choose to authorize each year.

This would be a serious blow to the TVA program. Tens of thousands of farms in the Tennessee Valley are served by cooperative associations which purchase their power from TVA under long-term contracts which require that the low TVA rates be passed on to the consumers. With these low rates the use of electricity is rapidly being built right into the economy of farm operations affecting the detailed plans of many individual farmers and producing a significant result in higher individual income.

The development in the Tennessee Valley which has taken place in the last 12 years has been a reflection of the confidence of the people of the Tennessee Valley in the continuing ability of the TVA to meet their needs. Any uncertainty about TVA's ability to continue to serve the people and consumers of the Tennessee Valley will have far-reaching blighting effects.

We believe that the TVA, as well as all other Government corporations, should have its operations and transactions under the annual scrutiny of Congress, but we believe the present TVA Charter enacted by Congress already accomplishes this purpose, and at the same time permits stability and continuity of TVA's operations. Section 9 (b) of the TVA Act already provides for auditing by the General Accounting Office and spells out in detail the procedures and requirements governing the auditing of TVA operations.

Likewise, in section 26 of the TVA Act, Congress provides a plan of operations for TVA which permits stability and continuity of TVA's operations, while at the same time detailed reports of the corporate activities and expenditures of TVA are submitted annually to Congress.

In conclusion, I wish to reiterate our support of the broad objectives of this proposed legislation, particularly as applied to Government corporations which are established by executive order and whose powers, activities, and limitations have not been specifically prescribed in legislation by Congress; but I wish to strongly urge your support of the foregoing recommendations for amendments to this legislation as it affects the Commodity Credit Corporation, the various farm credit agencies under the Farm Credit Administration, and the Tennessee Valley Authority.

THE UNITED NATIONS CHARTER

Mr. CAPPER. Mr. President, I ask unanimous consent to place in the RECORD at this point a letter to me from Edward N. Scheiberling, national commander of the American Legion, urging support for the United Nations Charter adopted at San Francisco, and my reply to Commander Scheiberling. I send the letters to the desk for printing in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE AMERICAN LEGION,
Indianapolis, Ind., July 3, 1945.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: At the last three national conventions of the American Legion the delegates voted unanimously in favor of the establishment and maintenance of an association of free and sovereign nations to maintain peace and prevent recurrence of war. In 1943 and 1944 the convention declared that such association should be implemented with whatever force may be necessary for such purpose.

Soon after the Dumbarton Oaks agreement was reached by representatives of participating powers, the State Department, by all usual media, gave widest publicity not only to the agreement, but to the reasons advanced by such representatives for the inclusion of the various provisions of the agreement, as well as the reasons for exclusion of some provisions which certain groups or individuals thought should be included.

The American Legion, with more than 100 other representative American organizations, participated in several discussions of the Dumbarton Oaks proposal either initiated by the State Department or held with State Department cooperation, and American Legion representatives participated as consultants at the UNCIO at San Francisco, together with representatives of more than 40 other American organizations. The American Legion feels that the charter produced at the San Francisco Conference is a charter arrived at through unprecedented participation of American people, after unprecedented opportunity for every American to know that which preceded and that which occurred at the Conference.

The American Legion feels that the San Francisco Charter is an honest and able attempt to create a workable association of free and sovereign nations implemented with force to maintain peace and prevent recurrence of war.

Obviously it is the best and only charter which can be produced at this time.

The American Legion believes that the President's hand should be strengthened for the grave and difficult tasks which lie ahead of him in the field of foreign relations, by early ratification of the charter. It believes that such action is strongly desired by the American people, more thoroughly informed upon the subject matter than they have ever been informed heretofore on any important international undertaking. The American Legion therefore respectfully requests that you support ratification of the charter at the earliest date consistent with due and proper procedure.

Sincerely yours,

EDWARD N. SCHEIBERLING,
National Commander.

UNITED STATES SENATE,
Washington, D. C., July 6, 1945.

Mr. EDWARD N. SCHEIBERLING,
National Commander, American Legion,
Indianapolis, Ind.

DEAR MR. SCHEIBERLING: It pleased me very much to receive your interesting letter of July 3d advising me that the American Legion approves of the charter adopted at the San Francisco Conference. I am a member of the Senate Foreign Relations Committee, which now has this charter before it. Our meetings will begin next Monday. I don't mind advising you that I am already committed to the San Francisco Charter and will do my best to secure its approval by the United States Senate.

I am anxious to be of service to the American Legion at all times and will welcome your suggestions whenever you think I can be of assistance to you.

Cordially yours,

ARTHUR CAPPER.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEWART, from the Committee on Agriculture and Forestry:

H. J. Res. 93. Joint resolution relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended; with an amendment (Rept. No. 453).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

H. R. 169. A bill to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943; without amendment (Rept. No. 454).

THE BRETTON WOODS AGREEMENTS—REPORT OF BANKING AND CURRENCY COMMITTEE

Mr. WAGNER. Mr. President, on behalf of the Senator from New Hampshire

[Mr. TOBEY] and myself, from the Committee on Banking and Currency, I report back favorably with amendments the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, and I submit a report (No. 452) thereon.

Mr. President, I wish to give notice that at the next meeting of the Senate I shall ask that July 16 be fixed as the day when the Senate will start consideration of the so-called Bretton Woods bill. I shall also ask that at the opening of the session on that day I may be permitted to make an explanation of the bill itself.

Mr. CONNALLY. Mr. President, I do not expect to object——

Mr. WAGNER. I am merely giving notice.

Mr. CONNALLY. I desire to suggest to the Senator that if he expects to get the Bretton Woods matter up soon I very much wish he would get it up next week, because next week we shall start hearings in the Senate Committee on Foreign Relations on the United Nations treaty, and we are hoping to conclude the hearings perhaps in a week. If we do, we shall wish to come back to the Senate and go to work on the treaty in the Senate. If the Senator sets his bill for the 16th, which will be Monday week, it might interfere with our plans. I was wondering if the Senator could not have his bill taken up the coming week, starting the 9th. Why could he not do that?

Mr. MURDOCK. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. MURDOCK. I call the attention of the chairman of the Committee on Banking and Currency to the fact that as I understand, on the suggestion of the Senator from Kentucky [Mr. BARKLEY], the procedure suggested by the chairman of the committee this morning was adopted. Is not that correct?

Mr. CONNALLY. That may be, but the Senator from Kentucky is not present, and if he were present I should make the same suggestion to him. I do not wish to interfere at all with the program suggested by the Senator from New York, but suppose we got along with our hearings and reported the treaty. As I understand, the Senator from Kentucky has indicated that nothing shall interfere with the consideration of the treaty. If Bretton Woods conflicts, Bretton Woods will have to go off on the side track. That is the way I understood it.

Mr. WAGNER. Our reason for fixing the 16th was that there was an understanding of all the members of the Committee on Foreign Relations that, particularly through next week, we should devote our time to nothing else except listening to the hearings before that committee.

Mr. CONNALLY. I am merely making a suggestion to the Senator. I do not intend to make any objection or create any trouble. It may be we will not conclude the hearings within a week, but we hope to do so.

Mr. WHITE. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. WHITE. If I understood the suggestion of the Senator from New York, it was not to fix now a definite time for the consideration of the Bretton Woods agreements. I understood he was merely giving notice that later on he would ask that a time be fixed.

Mr. WAGNER. That was the statement I made.

Mr. WHITE. It seems to me, with great respect, that would be the appropriate time for determining the matter.

Mr. CONNALLY. I am not objecting. I merely wanted to throw out the suggestion.

Mr. WAGNER. If we could begin at an earlier date, it would be perfectly agreeable to our committee, but it is intended, during the first week particularly, that we shall devote all our time to the hearings on the charter, and we were afraid considering proposed legislation in the Senate would interfere with that.

Mr. HATCH. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. HATCH. I merely wish to ask the Senator from New York a question, because the matter is not quite clear in my mind. I did not understand the Senator from New York as the Senator from Maine did. I thought the Senator was requesting that the bill be taken up on the 16th.

Mr. WAGNER. No; I said that at a later time I would ask that that be done. I gave notice that I would make the request later on.

Mr. HATCH. At this time there is no specific request to take up the bill at any certain time?

Mr. WAGNER. There is not. Our only interest in suggesting the 16th was that we did not want any interference with the hearings on the charter, particularly during the first week, which will be next week. It may be that the charter hearings will be practically over within a week; I do not know.

Mr. MILLIKIN. Mr. President, will the Senator yield to me?

Mr. WAGNER. I yield.

Mr. MILLIKIN. May I understand that if the Senator should ask for consideration in the Senate of the Bretton Woods matter at any date other than the 16th, he will take it up with his own committee? We had a definite understanding on this subject in the committee.

Mr. WAGNER. Yes; I would do so. Of course, if I should give notice of any earlier date, I would first refer the matter to the Committee on Banking and Currency, because the understanding in the committee was as I stated earlier.

Mr. MILLIKIN. That is what I understood.

The PRESIDENT pro tempore. Without objection, the report submitted by the Senator from New York will be received, and the bill will be placed on the calendar.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of June 1945, from the acting chairman of the Committee on Appropriations, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

COMMITTEE ON APPROPRIATIONS

JULY 2, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of June 1945, in compliance with the terms of Senate Resolution No. 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
John F. Feeney	1425 Rhode Island Ave. NW	General Accounting Office, Washington, D. C.	$6,400
Harold E. Merrick	906 Aspen St. NW	do	4,800
Thomas J. Scott	1210 34th St. SE	Federal Bureau of Investigation, Department of Justice, Washington, D. C.	4,800
Mrs. Mamie L. Mizen	1434 Saratoga Ave	District of Columbia government	3,500

KENNETH MCKELLAR, *Acting Chairman.*

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON:

S. 1227. A bill to be known as the General Welfare Act or General Welfare Act Amendments to the Social Security Act, to amend the Social Security Act so as to extend coverage thereunder to all groups and all classes, to amend the Internal Revenue Code so as to provide the revenue for an all-inclusive system of matured annuities for America's senior citizens, and for other purposes; to the Committee on Finance.

By Mr. DOWNEY:

S. 1228. A bill to remove restrictions on the holding by retired officers of certain civilian offices and positions; to the Committee on Appropriations.

S. 1229. A bill for the relief of Wilbur W. Cragg;

S. 1230. A bill for the relief of H. Bluestone; and

S. 1231. A bill for the relief of Paul E. Tacy; to the Committee on Claims.

By Mr. McCARRAN:

S. 1232. A bill to protect mining companies from any administrative requirements inconsistent with settled law respecting the depletion of ore reserves or mineral deposits; to the Committee on Mines and Mining.

(Mr. McCARRAN also introduced Senate bill 1233, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. STEWART:

S. 1234. A bill to double the authorized number of cadets and midshipmen at the United States Military Academy and the United States Naval Academy for the purpose of providing a highly trained group of Reserve officers available for call to active duty with the armed forces; to the Committee on Military Affairs.

By Mr. O'MAHONEY (by request):

S. 1235. A bill to authorize the use of the funds of any tribe of Indians for insurance premiums; to the Committee on Indian Affairs.

(Mr. O'MAHONEY (for himself and Mr. HATCH) introduced Senate bill 1236, which was referred to the Committee on Public Lands and Surveys, and appears under a separate heading.)

(Mr. WILEY introduced Senate bill 1237, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a seperate heading.)

By Mr. BILBO:

S. 1238. A bill to amend the Social Security Act so as to provide benefits for individuals who were employed during the war, and who were over the age of 55 on December 7, 1941; to the Committee on Finance.

By Mr. CHAVEZ:

S. 1239. A bill to provide for the retirement of certain officers and former officers of the National Guard of the several States, Territories, and the District of Columbia; to the Committee on Military Affairs.

By Mr. MURDOCK:

S. 1240. A bill to provide for disposition of the unexpended balance of funds paid to the Adjutant General of the State of Utah under the act of July 8, 1898, as amended, for disbursement to officers and men of the National Guard or State militia who performed service prior to being mustered into the armed forces of the United States during the Spanish-American War; to the Committee on Military Affairs.

By Mr. TYDINGS:

S. 1241. A bill for the payment of claims of the Fidelity Trust Co. of Baltimore, Md., and others, covered by findings of fact made by the United States Court of Claims, dated June 5, 1944, and contained in Senate Document No. 229, Seventy-eighth Congress, second session; to the Committee on Claims.

By Mr. MYERS:

S. 1242. A bill to provide for an appeal to the Supreme Court of the United States from the decision of the Court of Claims in a suit instituted by George A. Carden and Anderson T. Herd; to the Committee on the Judiciary.

ADDITIONAL DISTRICT JUDGE FOR KANSAS

Mr. McCARRAN. Mr. President, at the suggestion of the Judicial Council, and as chairman of the Committee on the Judiciary, I introduce a bill to create an additional judgeship in the State of Kansas.

The bill (S. 1233) to provide for the appointment of an additional district judge for the district of Kansas, was read twice by its title and referred to the Committee on the Judiciary.

DEVELOPMENT OF OIL AND GAS ON THE PUBLIC DOMAIN

Mr. O'MAHONEY. Mr. President, on behalf of the senior Senator from New Mexico [Mr. HATCH] and myself, I introduce a bill amending the General Leasing Act and ask that it be referred to the Committee on Public Lands and Surveys.

The bill (S. 1236) to promote the development of oil and gas on the public domain and on lands acquired for the Appalachian National Forest, and for other purposes, introduced by Mr. O'MAHONEY (for himself and Mr. HATCH), was read twice by its title and referred to the Committee on Public Lands and Surveys.

Mr. O'MAHONEY. Mr. President, I should like to state that this bill has been drafted tentatively after conferences with representatives of the Department of the Interior, representatives of the industry, and other who are interested in the development of oil upon the public lands. An opportunity has not been afforded the independents in the petroleum industry to review this measure. It is the purpose of the Committee on Public Lands and Surveys, as I understand the chairman to say, and of the Special Petroleum Committee, to invite scrutiny of this measure not only by independent operators but by all others interested in the development of oil upon the public domain. Hearings will be held later this summer, probably in the West, where that opportunity will be extended.

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. O'MAHONEY. I yield.

Mr. HATCH. In connection with what the Senator from Wyoming has just said I wish to add that this measure which is introduced today is an amendment of the Mineral Leasing Act, an act of vast importance to the people of the Western States where the public domain is located. Amendments have been under consideration for several years. There has been much discussion of proposals back and forth and this particular measure now makes concrete suggestions upon which we hope we may have, in committee meetings to be held both in Washington and in the West, full discussion, suggestions, and recommendations, for it is an important measure, and certainly we want to hear from all groups of the industry affected.

PROPOSED DEPARTMENT OF PEACE

Mr. WILEY. Mr. President, on June 27, 1945, I spoke on the floor of the Senate on behalf of the creation of a Department of Peace. This Department would be headed by a Secretary of Peace, a man of Cabinet rank. Included in my remarks of June 27 was a column by David Lawrence commending this idea.

This speech brought up to date the suggestion which I had first made on the floor of the Senate on July 7, 1943. Thus, it was 2 years ago from tomorrow that I first advanced this idea.

On June 29, 1945, Representative RANDOLPH, of West Virginia, introduced H. R. 3628, a bill to create a Department of Peace. This bill has been referred to the Committee on Foreign Affairs of the House.

Today, Mr. President, I am introducing a bill somewhat different from that of Mr. RANDOLPH, but it is one which squares up with the suggestion I have made on the floor of this Chamber heretofore.

I should like to invite attention to the following unique features of my bill:

First. It establishes a Department of Peace, a new Cabinet Department. If so established, this would be the first new Cabinet Department set up since 1913, when the Departments of Commerce and Labor were created.

Second. The head of this Department, the Secretary of Peace, would be ex-officio the delegate of the United States on the United Nations Security Council.

Third. This Department would not be set up to be another lop-sided, bureaucratic machine or a vast propaganda headquarters. It would be staffed by a small group of experts who would assist the Secretary of Peace in specializing and concentrating on the maintenance of world peace.

I believe that passage of this bill would be a "shot in the arm" to our own people and all other peoples in inspiring our mutual efforts to find the way to a just and lasting peace. In particular, this bill would have the following advantages:

(a) It would be the most significant possible manner by which we could confer prestige upon the United States delegate to the United Nations Security Council. It would restore Ed Stettinius to the Cabinet alongside plain-speaking, straight-shooting Jimmy Byrnes. By virtue of modern facilities, Mr. Stettinius could fly back from international sessions to Washington and could sit in on Cabinet meetings all in one day. His presence would increase the value of the Cabinet "family" of our new President, who, to our good fortune, also is a plain, frank, and forthright individual.

(b) It would reassert to the world that this time America means business; that she is going all-out in her support of the plan to insure a peaceful world, and that she expects other nations to do the same. It would reassert that behind the signature of our delegates to the San Francisco Conference on the United Nations Charter, there is the unanimous voice of America which is backing up that Charter. We have the will, the intent, and the purpose to live up to our obligations, and we expect the rest of the world to evidence the same.

(c) It would encourage other nations to send their highest diplomatic representatives to the United Nations Security Council and the United Nations Assembly. It would encourage them to confer similar prestige upon their representatives. It would add still another element which would make for hope and faith in the minds of those other nations, and God knows that they need hope and faith. They would sense the strength, the vitality, the eagerness of our young nation to lead the way in the international picture—a way of righteousness.

(d) It would help to breathe the spirit of life into the United Nations Charter. Of itself, that charter has no vitality. It is only, in the words of our President,

the first step; or, in the words of Marshal Jan Christian Smuts, the San Francisco Conference is only the beginning of a "monumental task to rebuild a sad and disillusioned world." Senator VANDENBERG has said the charter is only an acorn which has the potentialities of a great oak. And, Mr. President, if that acorn is to grow into full fruition, it must have good soil, sufficient rain and sunshine. Such soil, rain, and sunshine would, in this instance, consist of the understanding, the vision, the faith, and the determination of our people and other peoples that the charter must bear fruit.

If this bill were enacted into law, it could whip up the flagging spirits of all the peoples of the world who have been scourged so terribly by war. It would show to all of us that we have a true sense of value, that we are willing to spend a small amount of money directly for the purpose of maintaining peace, just as we are willing to spend billions for battleships and planes, the instruments of war.

It would show that we are eager, as provided in this bill, to use the full weight of moral force for peace, that we are eager to encourage an international free press, to foster international understanding and trust, to remove sources of misunderstanding and friction between peoples.

I ask, therefore, at this time, that my bill for the creation of a Department of Peace be appropriately referred and printed in the RECORD.

There being no objection, the bill (S. 1237) to create an executive department of the Government to be known as the Department of Peace, introduced by Mr. WILEY, was read twice by its title, referred to the Committee on Expenditures in the Executive Departments, was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) there is hereby created a Department of Peace. The head of that Department shall have Cabinet rank and shall be known as the Secretary of Peace. He shall be appointed by the President by and with the advice and consent of the Senate, and shall receive compensation at the rate of $15,000 per annum. The Secretary of Peace shall ex officio be the representative of the United States on the United Nations Security Council.

(b) Section 158 of the Revised Statutes is hereby amended to include the Department of Peace, and the provisions of title IV of the Revised Statutes, including all amendments thereto, are hereby made applicable to the department. The Secretary shall cause a seal of office to be made for the Department of such device as the President shall approve, and judicial notice shall be taken of such seal.

SEC. 2. There shall be in the Department of Peace an Under Secretary of Peace, who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $10,000 per annum. The Under Secretary shall perform such duties as may be prescribed by the Secretary or required by law.

SEC. 3. The Secretary of Peace shall have the duty (a) of concentrating and specializing on the maintenance of world peace; (b) of promoting better understanding of the other peoples of the world and better understanding of the fundamental principles of international relations and of cooperation among nations; and (c) of using the full weight of moral force in encouraging international freedom of the press, in removing frictions and misunderstandings which make for war.

SEC. 4. The Secretary of Peace is authorized to make such expenditures (including expenditures for personal services and rent at the seat of Government and elsewhere, for law books, books of reference and periodicals, and for printing and binding) as may be necessary to carry out the provisions of this act, and as may be provided for by the Congress from time to time.

SEC. 5. The Secretary of Peace shall annually, at the close of each fiscal year, make a report in writing to the Congress, giving an account of all moneys received and disbursed by the Department of Peace, and describing the work done by the Department.

SEC. 6. There are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Department of Peace to carry out the provisions of this act and to perform any other duties which may be imposed upon it by law.

SEC. 7. This act shall take effect — days after the date of its enactment.

FEDERAL AID TO AIRPORTS IN THE UNITED STATES—AMENDMENTS

Mr. BREWSTER submitted amendments intended to be proposed by him to the bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes, which were ordered to lie on the table and to be printed.

CLAIMS OF ALDERSON REPORTING CO.

Mr. McCARRAN submitted the following resolution (S. Res. 151), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the District of Columbia hereby is authorized to expend from the contingent fund of the Senate the sum of $2,598.75 for payment to the Alderson Reporting Co. for services performed in stenographically reporting and transcribing hearings held from January 24 to June 10, 1944, incident to the investigation of the slum clearance and housing programs of the National Capital Housing Authority: *Provided*, That such payment shall be charged to the original allotment of $5,000 authorized to be expended during the Seventy-eighth Congress for stenographic reporting on subjects referred to the committee.

Mr. McCARRAN submitted the following resolution (S. Res. 152), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the District of Columbia, authorized by Senate Resolution No. 178, agreed to September 17, 1943, to investigate conditions at Gallinger Municipal Hospital, hereby is authorized to expend from the contingent fund of the Senate the sum of $749 for payment to the Alderson Reporting Co. for services performed in stenographically reporting and transcribing hearings held from September 27 to October 1, 1943, incident to such investigation: *Provided*, That such payment shall be charged to the original allotment of $5,000 authorized to be expended during the Seventy-eighth Congress for stenographic reporting on subjects referred to the committee.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 476. An act to revive and reenact the act entitled "An act creating the St. Lawrence Bridge Commission and authorizing said Commission and its successors to construct, maintain, and operate a bridge across the St. Lawrence River at or near Ogdensburg, N. Y.," approved June 14, 1933, as amended;

H. R. 2690. An act to amend the Bonneville Project Act;

H. R. 3150. An act to revive and reenact the act entitled "An act to authorize the city of Duluth, in the State of Minnesota, to construct a toll bridge across the St. Louis River, between the States of Minnesota and Wisconsin, and for other purposes," approved August 7, 1939;

H. R. 3373. An act authorizing the reconstruction of the Spring Common Bridge on Mahoning Avenue, across the Mahoning River in the municipality of Youngstown, Mahoning County, Ohio; and

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; to the Committee on Commerce.

H. R. 799. An act for the relief of the estate of Stanley E. Smallwood; to the legal guardian of Frank Carter, Jr., a minor; to the legal guardian of Donald R. Keithley, a minor; to Keithley Bros. Garage;

H. R. 851 An act for the relief of Oscar R. Steinert;

H. R. 1145. An act for the relief of Ben W. Colburn;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1456. An act for the relief of George E. Baker;

H. R. 1563. An act for the relief of N. Owen Oxley and the legal guardian of Lamar Oxley, a minor;

H. R. 1565. An act for the relief of Inglis Construction Co., a corporation;

H. R. 1634. An act for the relief of the city of Council Bluffs, Iowa;

H. R. 1674. An act for the relief of Mrs. Ollie Patton;

H. R. 1851. An act for the relief of the widow and three children of Greenfield Payne;

H. R. 2317. An act for the relief of Mrs. Virginia M. Kiser;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2545. An act for the relief of Florida Rhone Burch;

H. R. 2737. An act for the relief of Clara Black;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green;

H. R. 3363. An act for the relief of Paul W. Mankin;

H. R. 3419. An act for the relief of the estate of Mrs. Mary Karalis; and

H. R. 3453. An act for the relief of John W. Farrell; to the Committee on Claims.

H. R. 1512. An act to amend section 9 of the Pay Readjustment Act of 1942 (Public Law 607) by providing for the computation of double-time credits awarded between 1898 and 1912 in determining retired pay; to the Committee on Military Affairs.

H. R. 1765. An act to provide for the conveyance to the State of Iowa of the Agricultural Byproducts Laboratory on the campus of the Iowa State College of Agriculture and Mechanic Arts;

H. R. 1992. An act to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church; and

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by set-

tling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico; to the Committee on Public Lands and Surveys.

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States; to the Committee on Printing.

H. R. 3256. An act to amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States; to the Committee on Civil Service.

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey; to the Committee on Foreign Relations.

H. R. 3649. A bill making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes; to the Committee on Appropriations.

MR. AND MRS. STEPHEN E. SANDERS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 956) for the relief of Mr. and Mrs. Stephen E. Sanders, which was, on page 1, line 6, to strike out "$1,000" and insert "$677."

Mr. BREWSTER. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

CHINA'S FUTURE

Mr. THOMAS of Utah. Mr. President, tomorrow, July 7, marks the completion of 8 years of war against the aggressor, Japan, by China. The suffering of China during these 8 years is known to the whole world. China's ability to resist has gained the admiration of all peoples. The fact that in 8 long years Japan has not exceeded in her plans to dominate the Orient proves to us that ultimately she will fail completely. Those thoughts are thoughts of the present and the past. I think that we should think of the future.

China has been given the position of one of the Big Five in the council of the nations of the world. China's peoples and China's ideals and her economic strength all make her worthy of this position, but I, as a friend of China, would never be satisfied in assuming that she has no more problems. To me, China is the world's biggest problem. If happiness can come to the mass of her people, if security can be made certain there, the whole world can succeed in making the prayer of the peoples of the whole earth at this time successful. In the final analysis, even the great friends and allies of China can only help. China herself must solve her internal problems. This her present-day leadership understands.

The Chinese people are practical. In many senses they are idealistic. Ultimately, they, of course, will succeed because her civilization is today the longest lived of any civilization in the world. That she will be thoughtful, I have full confidence. That she may ask for too much is merely a reflection of a new nationalism that may be strong at heart but weak in its extremities. As an American, I do not pat myself on the chest and say, "Be like us." I do not give advice, but I do pray that China's future may reflect in a glorious history the opportunities her allies and her friends and the well-wishers of the world have now given her.

THE UNITED NATIONS CHARTER—NOTICE OF HEARINGS BEFORE COMMITTEE ON FOREIGN RELATIONS

Mr. CONNALLY. Mr. President, I wish to make a brief announcement. The Committee on Foreign Relations will begin hearings on the United Nations charter next Monday, the 9th, at 10 o'clock a. m., in the caucus room of the Senate Office Building. The committee has directed me to invite all Senators who possibly can to attend the hearing, especially in the early stages, because we believe their attendance will contribute greatly to an understanding of the treaty by Senators and will possibly shorten the discussion in the Senate. I also wish to suggest that the committee advises that it is hoped that many of those who desire to appear before the committee will file their views in writing rather than take up the time of the committee in oral arguments. It is believed that this will greatly shorten the hearings, and it will not in any way impair the full consideration by the committee of all pertinent matters.

The committee is extremely anxious to make all due speed, having regard, of course, to the wishes of the Senate and proper consideration and proper debate. I am glad to make this statement and this announcement for the information and guidance of the Senate.

Mr. JOHNSON of California. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. JOHNSON of California. At what hour did the Senator from Texas say the committee would meet?

Mr. CONNALLY. At 10 o'clock a. m., on Monday next.

Mr. JOHNSON of California. Oh——

Mr. CONNALLY. If the Senator would prefer, I will make it 10:30.

Mr. JOHNSON of California. Yes.

Mr. CONNALLY. Very well. The committee will meet on Monday morning at 10:30 o'clock. My desire is always to accommodate the Senator from California. He is a very valuable and important member of the committee, and I am delighted to accede to his wishes.

Mr. JOHNSON of California. Yes; the Senator from California is extremely valuable.

Mr. CONNALLY. The Senator is very valuable. He has a great record, and I hold him in the highest admiration and esteem.

Mr. JOHNSON of California. I thank the Senator.

THE UNITED NATIONS CHARTER—ADDRESS BY HON. HAROLD E. STASSEN

Mr. FERGUSON. Mr. President, in the years to come we will look for the things which were said in relation to the work of the San Francisco Conference and in relation to the United Nations Charter as we today look to the record of the constitutional convention and the articles which were written about it in considering the Constitution of the United States. We will have to interpret the United Nations Charter in the light of the things that were going on at the time it was made. No one is better able to tell us what it means or what was done at San Francisco than those who were there. The Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG] have returned and have given us their statement as to the interpretation of various articles of the United Nations Charter.

Last night I had the good fortune to hear Commander Harold E. Stassen, who was also a delegate of the United States at San Francisco, deliver an address on the charter at the auditorium of the Department of Commerce in Washington, D. C., and I think as a part of the RECORD we should have his interpretation and his language and understanding.

Therefore, I ask unanimous consent that I may place in the RECORD what he had to say on the charter last evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

The address is as follows:

Mr. Chairman, fellow citizens, having completed my assignment as a delegate, I will resume my naval duties within a few days.

But tonight I speak to you as an individual citizen, and will frankly discuss the results of the San Francisco Conference and the future world policy of our United States.

History, of course, must be the real judge of the San Francisco Conference and of the United Nations Charter that was drafted there. But some things can and should be said now. It was a thrilling moment on the afternoon of June 23 when the question was put to the steering committee as to the approval of the Charter as it then lay before them, the result of hours and days and weeks of discussion and dissension, of conference and of compromise, of translation, and revision. It was late in the afternoon in room 223 of the Veterans' Building, where so many earnest discussions had taken place. The arguments over clauses had been carried right up to the hour immediately preceding this vote. Chairman Stettinius asked if there was any further discussion. There was no response. Then he said, "Those who approve of the Charter will raise their hands." The interpreter immediately restated the question in French, and down the long tables the hands of the chairmen of delegations began to arise. The secretaries quickly counted and turned to the chairman and said, "With your vote, Sir, it's 50 votes, or unanimous!" Somehow, in the atmosphere of that room, as you looked from face to face, as you thought of the billion and a half of the world's peoples that were represented, of all colors, and of many races, tongues, and creeds, as you realized that most of them had stood together through extremely difficult years of bitter fighting and suffering in the war, there was a definite inner feeling that the Conference had been a real success; that this United Nation Charter might well become one of the truly great documents of all time.

As you read this charter, and I sincerely commend its reading to every citizen of our country and to every boy and girl who looks forward to being a citizen, you will find that it sets forth, in black and white, in five languages, in a curious blend of idealism and realism, the fervent hopes and aspirations of the 2,000,000,000 peoples of the world.

The measure of its greatness may well be found not so much in its immediate clauses but in the fact that it has within it the room for growth and adjustment and change under future world transitions and experiences. It is drafted, not for a world standing still but for a world that is dynamic and living. It provides the means for peaceful change with justice and without war. It has many open pathways for progress within its own broad terms.

It also provides for future revisionary conventions, which may be held after the millions of men who are now in the armed services have returned to their civilian occupations throughout the world and can take part in the deliberations of their countries.

The very opening words of the Charter are significant. They are: "We the people of the United Nations, determined to save succeeding generations from the scourge of war." Contrast this with the opening words of the League of Nations Covenant: "The high contracting parties, in order to promote international cooperation" etc.

This Charter recognizes that if there is to be peace—a lasting peace—a just peace—then all the peoples of the world must have the hope of gradually improving their conditions while at peace. It recognizes indirectly that peace cannot endure where conditions of political, economic, or social tyranny are widespread. Therefore, it establishes for the first time in history a worldwide social and economic council of 18 members, elected by the general assembly, and gives to them broad objectives and a wide field of activity, even though admittedly, very little direct power. Here will be an instrumentality for a continuing, constructive approach to the underlying causes of economic warfare and injustice which impede the progress and threaten the peace of men. If this economic and social council has constructive and vigorous and far-sighted leadership—if its recommendations are sound and world public opinion is mobilized behind them—this section of the Charter will become one of the most important.

It can have a direct bearing on the jobs and the food and the shelter and the clothing and the literacy and the health and the happiness of the peoples of the United States of America, and of the world.

Another significant underlying principle will be found expressed most clearly in the chapters on the trusteeship of nonselfgoverning people. This is the principle that the whole world is entitled to know what is happening to the men and women and children in all parts of the world. The responsibilities of those more advanced states who are administering peoples who are not yet capable of governing themselves are stated in very strong and direct terms, and a specific provision is included for reports to the world through the organization as to the general welfare of the people who live in these territories. In other words, just as we so correctly emphasized that all the people in the world must recognize that this is one world and must be concerned with what happens to other parts of the world, just so the world as a whole must be interested in and must be informed about what is happening to the various peoples of the world.

We recognize that this great principle, stated for the first time, will not be fully and suddenly realized, but this is a significant start. The United States should take the lead by sending to the new organization, within the limits of security considerations, full information as to the health and mortality and educational and literacy and civil rights of all of the peoples that are now or hereafter come under its jurisdiction.

The United Nations Security Council is the body which will be looked to for the direct maintenance of peace and security. Its 11 members, which include the 5 major powers, China, France, Great Britain, Russia, and the United States, and 6 others to be elected by the General Assembly, will have the primary responsibility for the maintenance of peace and security. It will have the right and the duty to step into serious disputes at an early state. The measure of its success will be in accordance with the speed and decisiveness with which it intervenes early in the situations. When a dispute or situation arises, which threatens world peace, any 7 of the 11 members may invite before the Security Council any of the parties to the dispute and any other interested states. Any 7 of the members of the Security Council may place this dispute on their calendar for discussion with the interested parties, and for extensive hearings and consideration. Any 7 members of the Security Council may decide to meet at the scene of a dispute. These actions are all under articles 28 to 32, which are procedural articles of the Security Council, and no veto can be exercised. If after these discussions and consideration and hearings there is a desire to order an investigation to go more fully into the facts, the Security Council may order an investigation and in that decision, any member of the Security Council who is itself a party to the dispute cannot vote and must stand aside. The major powers who are not parties to the dispute, plus enough of the other members to make a total of at least 7, may order the investigation. Likewise, if it is desired that a recommendation of the terms of settlement should be made, any parties to the dispute who are members of the Security Council cannot vote and must stand aside. The other major powers, plus a sufficient number of the other members, to total at least 7, may recommend the terms of a settlement to the parties. At this point, he Security Council will, in effect, be passing judgment upon the merits of the dispute. It will be doing so without the vote of any party to the dispute, whether it be a major power or a minor power. Thus the full facts of the dispute can be brought before the world and the full moral force of the world and the full persuasive power of world public opinion will be brought to bear at an early stage.

If this is not enough, then the Security Council may begin to take measures to maintain or restore peace. These may include economic sanctions, or the actual application of military force. The members of the organization are to make agreements with the Security Council as to what forces they will hold available for these purposes. The decision to use force, either economic or military, requires the unanimous vote of the five major powers and at least two of the other six members of the Security Council. This, of course, means that if a major power acts arbitrarily and aggressively, contrary to the full force of world public opinion and contrary to its obligations under the charter, then the Security Council itself will not be able to bring economic or military force to bear. This is in some ways a point at which the organization falls short, or a point of weakness. But in other ways, it is a realistic recognition of the situation that actually exists in the world. If such arbitrary and wilfull and illegal action is ever taken by a major power, then it will be a bad situation in the world—with—or without—a world organization. Furthermore, the charter specifically provides in article 51 that when an armed attack occurs, nothing in the charter shall impair the right of individual or collective self-defense, so that the other nations of the world may then make their decisions as to the method by which they will restore international peace and justice.

This particular voting provision which was agreed upon at Yalta by President Roosevelt, Prime Minister Churchill, and Marshal Stalin, and which is included in the final charter, emphasizes the importance of joint agreement between the major powers of the world in the use of force if there is to be peace and security. It has been correctly called a right of veto on the part of each of the major powers. It can also correctly be called a rule of unanimity and it should be emphasized that it places a solemn duty upon each of the major powers to find the basis for a just agreement, consistent with the principles and obligations of the charter.

The Charter's provisions for the General Assembly, which will be the world forum of the future, are complete and comprehensive, and establishes this vital body with 50 seats, one for each member. It has the power to discuss and make recommendations on any international subject within the scope of the entire charter.

The World Court section is likewise well drafted. It revises the old World Court statute and makes the new court an integral part of the entire organization with 15 judges, not more than 1 from any 1 member.

The Trusteeship Council will have very significant responsibilities for dependent peoples. Its membership will be divided equally between members who are administering dependent peoples and others who are not administering dependent peoples. It should be noted that there is no veto in the General Assembly, or the Social and Economic Council, or the World Court, or the Trusteeship Council. These bodies all reach their decisions on either a majority or a two-thirds vote.

Taken as a whole, the charter is a human document. It is a realistic document. It is not perfect. It has weakneses. The voting procedure has two extremes varying from one equal vote for each member in the General Assembly, regardless of size or strength or population, to the veto requirement of the affirmative vote of each of the five major powers on nearly all important decisions in the Security Council. The jurisdiction of the very excellent world court is still optional, and the States are not required to submit to it. The General Assembly and the Economic and Social Council can only recommend and they cannot directly legislate rules for world conduct. The organization will have no individual direct source of revenue or taxation, and must rely on appropriations from its members. The Bill of Rights is not spelled out specifically in exact terms. The organization does not have an international police force of its own, but must rely upon the forces which the members are to agree to furnish. The mutual asistance treaties of Europe are not brought under the organization's jurisdiction to the desirable degree. The organization will not have direct jurisdiction over the airways of the future nor over the gateways to the seas.

But in each of these instances of what I term weaknesses, there is room for growth and development and correction of them at such time as their necessity is apparent provided that the American people, as expressed by two-thirds or more of the Senate, so decide, and provided that the governments of the other major powers, and of at least two-thirds of all the members, join in the decision.

These weaknesses or shortcomings should not cause us to minimize the great measure of advance that has been made. Is it not clear that of utmost importance is the fact that the organization, with these high goals and objectives to which all mankind subscribes, is actually being formed with such an overwhelming support? I do not believe that we should ever go beyond the point in our world policy to which at least two-thirds of our people are convinced we should go. This, of course, makes it all the more important that we talk frankly to the people about the world problems and about our viewpoints on them, so that they are in a position to form their opinions.

I should like to pay a special tribute tonight to those of the leadership of our country, including so many of the officers of the

national organizations that are represented here tonight, and including many individuals in the Senate and the House and in public life, for the part they have played in the very thorough discussion of our participation in a world organization and in the formation of the plan for this charter. This unusual discussion of high national policy, participated in so thoroughly by the American press and radio and movies, has brought us to the point where the country is united as never before on this issue.

Through the long difficult weeks of negotiation in San Francisco, the consulting groups that were represented there were very helpful and accomplished definite results. I also wish to express a very sincere word of appreciation of my fellow members on the United States delegation—Mr. Hull, Senators Connally and Vandenberg, Representatives Bloom and Eaton, and Dean Gildersleeve—and to the very able, determined chairman, Mr. Stettinius. These members of the delegation frequently started discussion of a problem with each of them holding a different viewpoint. But by a constructive and thorough consideration they reached in every instance unanimous decisions. In that process they never yielded to anyone on any basic principle of this country. But they did seek the area of agreement with the other nations of the world. The result is the document that is now before the Senate. I have been very much encouraged by the reception that it has been accorded. It is very significant that not a single Member of the United States Senate has thus far stated that he would vote against it. I hope that not only will the charter obtain the necessary two-thirds ratification but that, in fact, without a single reservation, it will in the final vote receive the unanimous support of the United States Senate. This would have a tremendously important psychological effect throughout the world. The United States Senate was unanimous in its declaration of war. I hope it can be unanimous in its declaration for a just and lasting peace.

But when the Charter is ratified by the United States Senate, by the other four major powers, and by at least a majority of the other members, it is of terrific importance that the people of this country and of the world do not feel that they have thereby automatically insured future peace, or that they have ipso facto solved the problems of tomorrow. Even at its greatest significance the charter only establishes a framework, a machinery, a code. The success in obtaining the goal will depend upon the good faith and continued alert interest of the peoples of the world. No charter and no machinery can overcome widespread bad faith or ill will or malice or complacency. That is why our adherence to the charter is only one step in the whole field of our world policy.

We in the United States are now thoroughly and almost unanimously agreed that the walls of isolation are gone forever, that as that great American, Wendell Willkie, so vividly said, "This is one world," and that we should join in a United Nations organization dedicated to peace and progress.

But we have not yet thought through the manifold problems of the reorientation of our entire world policy that must result from these agreed facts. This thinking through and definite formulation of our future world policy is one of the most urgent tasks before our country. We must find in both broad and specific terms what our view is on the problems of world relationship. I do not claim to have the final answers, but to stimulate the discussion and search for the answer I frankly present these as suggested broad principles of our world policy:

First. That we will follow through to complete, decisive victory over Japan and to the reestablishment of peace and stability in the Pacific.

Second. That we not only ratify the United Nations Charter but that we also give the new organization full support in all its activities and grant to our representative on the Security Council broad powers when he acts with the approval of the President.

Third. That we accept the responsibilities of participating in world leadership; that we develop an intelligent, informed, American viewpoint on major world problems; and that we mediate and work out solutions between contending viewpoints in the world.

Fourth. That we consider the future welfare and peace and happiness of the people of America as inseparably intertwined with the future welfare and peace and happiness of the men and women and children of the world.

Fifth. That we remain strong in our domestic economy, with sound liberal policies within an economic system of private capital and individual enterprise, and that we use this enormous productive capacity and the great reservoirs of capital and of credit and technical skill which that system gives to us, to contribute to the gradual advancement of the standards of living of the peoples of the world, not as recipients of charity, but as self-respecting men and women of dignity and of pride.

Sixth. That we enter into agreements for the use of our armed forces in support of the stability and security of the world through the United Nations Organization, and to that same end we remain strong on land and sea and in the air and obtain complete authority for the necessary administration or use of essential bases and airfields throughout the Pacific, from Japan to the Indian Ocean, from the coast of China to South America, and throughout the Atlantic, from north to south, from the Mediterranean to the Panama Canal.

Seventh. That those who are aggressors in this war shall be stripped of all means to make war and shall remain so stripped.

Eighth. That we believe that freedom of information through press and radio and school and forum, and freedom of worship, are vital factors in the peace and progress of the world; that we will seek constantly to increase the area of the world in which these freedoms are specifically recognized, and we will urge their ultimate specific inclusion as among the fundamental freedoms of the United Nations Charter.

Ninth. That we support the new world court and at an early date accept its continuing obligatory jurisdiction over appropriate international legal questions of the United States of America.

Tenth. That we take the position that the world is entitled to know what is happening to dependent people; that we make appropriate reports of all peoples in our jurisdiction; that we expect similar reports to be made by others; and that we extend in a practical way a helping hand to these peoples in their struggle for progress.

Eleventh. That we are and propose to remain a democracy of free citizens, that we will explain our system to the world, but that we will leave it to the peoples of each nation to decide for themselves their own form of government so long as they do not trample on basic human rights or threaten the peace of the world or transgress upon their neighbors; that we will permit our own citizens to learn of any other form of government that they wish to study, but will not permit any other government to seek actively to undermine our own.

Twelfth. That through it all, we will constantly emphasize and recognize the basic dignity of man and his inalienable right to life, liberty, and the pursuit of happiness.

The methods by which we seek to advance these principles of our world policy are almost as important as the principles themselves. It was my observation at San Francisco that the best results were obtained in our conferences with the other nations of the world when we were frank and friendly and firm. These should be the watchwords of our methods in our future dealings with the United Nations of the world—be frank and friendly and firm.

We should carefully analyze the economic, social, and political basis on which we can expect to maintain continuing good relationships to each of the other United Nations and discuss these principles plainly with the other nations concerned, inviting at the same time their views of the basis for such long-range friendship.

We should make it clear that friendship to each and every one of the United Nations does not mean that we will take a friendly attitude toward any of our own citizens who demonstrate a greater loyalty to some other country than they do to our own.

We should make it equally clear that those of our citizens who deliberately or carelessly repeat and publish half-truths and distortions which are calculated to injure our relations with any one of the United Nations are not serving the best interests of America.

The unfaithful sons and the common gossipmongers are both just as harmful to harmonious world relationships as they are harmful to harmonious family relationships.

As a democracy, our world policy should also be conducted with a maximum of direct information to the American people. In fact, our world policy can be successful only if the people are thoroughly informed and the reasons and difficulties are interpreted to them. This should be carried to the point that, except for military security, the American people should be promptly informed of every definite international proposal that is made by our Government. Obviously, preliminary discussions and exploratory negotiations and studies will need to take place before a definite proposal can be made. But as soon as the stage is reached where a definite proposal of our Government is to be made, it should be released to the press and the radio and given to the people of the country. This will mean frequently, of course, that our original proposal as announced will subsequently need to be changed or adjusted or modified to meet the other governments that are involved, or to meet new facts that were not taken into account in the original proposal. But I am confident that the American people will understand these things. They know that similar adjustments and compromises take place in everyday life and they will recognize the necessity of harmonious world relations.

There will, of course, be some disadvantages to this method of conducting our foreign affairs. At times it may handicap our negotiations. But in my judgment these disadvantages will not be as great as are the disadvantages of the other course of not informing the people. In fact, I would give a good portion of the credit for the successful conclusion of the San Francisco Conference to the fact that during the last half of the Conference, either through direct release or through their enterprising search for news, the press of America and of the world attained an unusual degree of accuracy and of promptness in reporting the course of deliberations and the result of conferences. I believe this also has a direct bearing upon the unusual support that is now present for the final result in the United States. This policy of keeping the people informed will, of course, mean an end to some of the old methods of devious diplomacy. It will mean that there cannot be international combinations of friends versus friends. There cannot be special blocs. There cannot be secret agreements. It means we must be open, strong, friendly, progressive, and humble leaders among and toward the peoples of all the world.

Such a policy also emphasizes the responsibility of the press. If a free press is to be true to its own great privileges, it must exercise a high sense of responsibility and of self-discipline. It must use its own columns and its own headlines with careful thought as to

their accuracy and their effect upon the welfare of the people of its country and of the world. Such self-discipline will assist in the spreading of free press throughout the world. Inaccurate scare headlines, false and twisted columns, are not the best salesmen of free press to other nations which are now considering their press policies. We can and do point out the overwhelming advantages, but self-discipline would make the salesmanship easier.

If we are to follow through on these broad principles of world policy, we will need to move promptly to formulate considered constructive viewpoints of this country upon the major problems of the world. This could best be done by the appointment by the President of bipartisan policy groups upon each of the major problems. These policy groups ought to include representation from the State Department, from both Republicans and Democrats in the Senate and in Congress, from the military and the veterans, and some of the other leaders of our citizenry, including representation from the economic groups of labor and management and agriculture. These special policy groups should begin promptly to study the respective problems assigned to them and seek to evolve a recommended viewpoint for the United States. Among the major world problems that urgently need this special extended and careful consideration are the Japanese surrender terms; the rebuilding of war-torn Europe; the Near East and the Arab Federation; the Dardanelles; world shipping after the war; postwar world aviation; China's future; India and her new constitution; the Balkans; world trade with the British Empire; world trade with the Soviet Union; future development of the Pan-American Union; our economic relations with South America; human rights throughout the world; Africa's role in the world of tomorrow; and the long-range administration of Germany.

These special policy groups would definitely not be administrative in their functioning. But they would be policy-recommending conferences and they would play a definite part in the development of informed public opinion and they would increase the prospect of intelligent governmental decisions when specific issues arose within the field of each of these major world-wide questions. If we fail to move forward upon these problems, we fail in the responsibility that is ours. We drift along. We leave vacuums that create confusion and distrust. This is a large order—yes—but not too large, and it is essential to the future well-being of the people of this country and of the world. Nothing less than this is worthy of this Nation which opened its fields, its prairies and cities to the sons and daughters of all nations, and through the very rights and opportunities it gave them and the duties it placed upon them became the powerful leader that it is today.

I am so extremely desirous that we do proceed to study these problems because I am fundamentally convinced that if our policies are wise and if the American people understand what we are doing, we will be able to live at peace in a world at peace. With wisdom and foresight we will be able to live on friendly terms with all of the other United Nations of the world. This will particularly require an increased understanding between the major powers of the world. It will require an increased understanding between the peoples of each of them. Here again the press and the radio and the movies have a special responsibility. I hope that our newspapers and our radio and motion picture companies send increased numbers of correspondents and representatives throughout the world to learn of other peoples and their problems and their attitudes, and report back to the American people. I hope that other countries of the world will send representatives of their press and their radio and their movies to this country and to other parts of the world and report back to their people. I hope that there is increased travel of the peoples of all countries. I hope that there is an increased exchange of students between the institutions of higher learning from the various parts of the world. We must basically recognize that there is room on the world for all the peoples in it. There is need in the world for all the world's production, and new producers will mean new consumers.

I know that there will be cynics who will say that goals such as these discussed tonight cannot be realized. They will scoff at the very idea of the United States of America playing a role such as this in world affairs. But let us not forget that the real progress of the world has always come because some men have done what others said could not be done. We have won the European war and are on our way to victory over Japan because time and again men have accomplished the impossible. We must not forget that the cynics said that Stalingrad could not stand, but it did. The cynics said the Rhine could not be crossed, but it was. They said that with those small forces Guadalcanal could not be held, but it was. They said the RAF could not survive, but it did.

Back in 1787 when this country was being formed, an eminent spokesman, Josiah Tucker, said, "As to the future grandeur of America, and its being a rising empire under one head, whether republican or monarchial, it is one of the idlest and most visionary notions that ever was conceived even by writers of romance. The mutual antipathies and clashing interests of the Americans, their differences of governments, habitudes, and manners, indicate that they will have no center of union and no common interest. They never can be united into one compact empire under any species of government whatever; a disunited people till the end of time, suspicious and distrustful of each other, they will be divided and subdivided into little commonwealths or principalities, according to natural boundaries, by great bays of the sea, and by vast rivers, lakes, and ridges of mountains."

May the cynics of today who scoff at the United Nations be as wrong as this cynic of yesterday who scoffed at the United States.

And may these United States of America meet the challenge of a just peace as thoroughly and effectively as they met the challenge of war.

With all of our industrial and military strength today, peace loving nations do not fear us. Aggressors do. So must it ever be.

May this Nation, under God, with its precious freedom and liberty, recognize and strive mightily to fulfill its new responsibilities to mankind and its new opportunities for mankind.

INDEPENDENCE DAY ADDRESS BY SENATOR GUFFEY

[Mr. MYERS asked and obtained leave to have printed in the RECORD an address delivered by Senator GUFFEY on July 4, 1945, before the nineteenth annual Independence Day celebration under the auspices of the Soho Community Association, which appears in the Appendix.]

POSTWAR INTERNATIONAL AIR TRANSPORTATION—ADDRESS BY COL. J. CARROLL CONE

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD an address entitled "Postwar International Air Transportation," delivered by Col. J. Carroll Cone, assistant vice president, Pan American Airways System, at a meeting of the Aviation Writer's Association at Chicago, Ill., on June 9, 1945, which appears in the Appendix.]

FLAG DAY ADDRESS BY EDWARD M. CONNELLY

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a Flag Day address by Edward M. Connelly, United States Attorney at Spokane, Wash., before the Elks Lodge, at Spokane, June 13, 1945, which appears in the Appendix.]

PROGRAM AT EXHIBITION OF PHOTOMURALS DEPICTING ATROCITIES IN NAZI CONCENTRATION CAMPS

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD the program at the opening of an exhibition of photomurals depicting atrocities in Nazi concentration camps for political prisoners, held at the Library of Congress, Washington, D. C., June 30, 1945, which appears in the Appendix.]

TRAVELING CONDITIONS FOR SOLDIERS—WAR DEPARTMENT PRESS RELEASE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a press release issued by the Under Secretary of War, Hon. Robert P. Patterson, relative to traveling conditions for members of the armed forces, which appears in the Appendix.]

PERFORMANCE OF NEGRO SOLDIERS AT THE FRONT

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a press release of the War Department dated July 5, 1945, in regard to the performance of Negro soldiers at the front, which appears in the Appendix.]

REVIEW BY DR. EDWARD WHITING FOX OF THE BOOK, THE FOUR FEARS

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a review written by Dr. Edward Whiting Fox, of Harvard University, published in the New York Times, of the book, The Four Fears, written by Senator THOMAS of Utah, which appears in the Appendix.]

FEDERAL HEALTH INSURANCE—LETTER TO DR. MORRIS FISHBEIN

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a letter from two of his constituents addressed to Dr. Morris Fishbein, dealing with the health insurance provisions of the social security bill, which appears in the Appendix.]

NAVY ISLAND AS PROPOSED SITE FOR UNITED NATIONS SECURITY COUNCIL HEADQUARTERS

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial entitled "Navy Island Ideal Site," published in the Buffalo Courier-Express, which appears in the Appendix.]

FEPC, A GESTAPO FOR AMERICA—EDITORIAL FROM WEST HARTFORD (CONN.) METROPOLITAN NEWS

[Mr. BILBO asked and obtained leave to have printed in the RECORD an editorial entitled "FEPC, a Gestapo for America," published in the West Hartford (Conn.) Metropolitan News of May 17, 1945, which appears in the Appendix.]

PRESIDENTIAL SUCCESSION—ARTICLE BY ARTHUR KROCK

[Mr. HATCH asked and obtained leave to have printed in the RECORD an article entitled "House Succession Bill Faces Fight in the Senate," written by Arthur Krock and published in the New York Times of July 1, 1945, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—NEWSPAPER COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article entitled "Remedial Legislation" by Mark Sullivan, published in the Washington Post of July 2, 1945, and an article entitled "Says Labor Bill in Senate 'Would Correct Many

Evils,'" by Westbrook Pegler, published in the Cleveland Press of June 28, 1945, which appear in the Appendix.]

THE CHURCHES AND THE CHARTER OF THE UNITED NATIONS

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a statement entitled "The Churches and the Charter of the United Nations," adopted by the Executive Committee of the Federal Council of the Churches of Christ in America on June 26, 1945, which appears in the Appendix.]

MEMO FOR A SPEECH—ARTICLE BY MALVINA LINDSAY

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "Memo for a Speech," by Malvina Lindsay, published in the Washington Post of July 3, 1945, which appears in the Appendix.]

OWNERSHIP OF FOREST LANDS—EDITORIAL BY W. F. McCULLOCH

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial entitled "The Ownership of Forest Lands," written by W. F. McCulloch and published in the Timberman, of Portland, Oreg., which appears in the Appendix.]

ONE FLAG—POEM BY MRS. MAE URBANEK

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a poem entitled "One Flag," written by Mrs. Mae Urbanek, of Lusk, Wyo., which appears in the Appendix.]

TERMS OF SURRENDER FOR THE JAPANESE

Mr. BROOKS. Mr. President, there has been, and is, a growing feeling that some action might be taken by the United States Government to hasten the successful conclusion of the war against Japan in a manner that would save countless lives and treasure.

I am in receipt today of a letter from the president, vice president, and secretary of Wheaton College, located at Wheaton, Ill., who express their views as outlined in the letter. I ask unanimous consent to have this letter printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD as follows:

Hon. C. WAYLAND BROOKS,
United States Senate,
Washington, D. C.

DEAR SENATOR BROOKS: May I volunteer to you the fact that under the circumstances I agree with Commissioner Vanderhoof on the Charter of United Nations.

But to me a more urgent matter just now should not be delayed. I read a credible report that Japan has asked for terms of peace. The power to declare war implies in Congress the power to declare specifications of peace.

Patriotism in an American says, "Fight till the last armed foe expires." But unconditional surrender may mean extermination. To the Nazi it seemed to mean torture, as you saw the evidence. To an American a Japanese child born on American soil is an American citizen by the Constitution with all the rights of a white child.

Now the Japs have reached the stage of suicide. We should save the untold millions yet involved by stating specific terms of peace, for instance:

1. Cease fighting forthwith.
2. Surrender all military equipment.
3. Resign title to all property except in Japan.
4. Convert all military enterprise to objects of peace.
5. Grant free inspection of all industry.
6. Within 3 months vacate all invaded territory.
7. Adopt as a principle of justice and education Galatians 5: 14.
8. Hold the Mikado responsible for getting these done.

Such a response is rational and in keeping with the United Nations Conference.

Enthusiastically yours,
V. RAYMOND EDMAN,
President.
ENOCH C. DYONESS,
Vice President.
DARIEN A. STRAW,
Secretary, Wheaton College.

FAIR EMPLOYMENT PRACTICE COMMITTEE

Mr. BILBO. Mr. President, yesterday I received a letter from West Hartford, Conn., and it is so interesting that I called the writer of the letter over the long distance and obtained his permission to read it to the Senate. I invite the attention of my colleagues to the reading of this letter, and I ask those who are not here to listen to my reading of it to read it in the CONGRESSIONAL RECORD. The letter is dated July 2, 1945, and is as follows:

DEAR SENATOR BILBO: During your remarks on the FEPC bill, this writer notes that you include the remarks of many good people of the South; as a matter of fact, one is inclined to think that only the people of the South are against this despicable measure.

This gentleman is the editor of the Metropolitan News of West Hartford, Conn.

Let me say to you, sir, we here in the North are just as much against this communistic measure as you are. Hell, we can't all move to Mississippi.

Your truth that the northerners are unaware to a great degree regarding this vicious measure is sadly true. Don't forget, the bulk of our business comes from proponents of this sort of legislation. Being in the newspaper business, I know that the truth about this dirty measure hasn't been given much space.

Here in Connecticut this measure came up, and the pressure was terrific; it was defeated by the legislature, the lower house being composed of he-men from back in our hills and small towns. These members are practically as independent as any southerner when it comes to defending our sacred right to think old-fashioned Americanism is a bit of all right.

It would be a great American tragedy if this sort of legislation persists. We would be selling out the rights of our sons now fighting if we let this thing continue to fester.

Real Christian Americans are just as numerous in the North as they are in the South; the only difference is that we can't seem to elect representatives with as much gumption. It seems that the Johnny-come-lately's out of Europe outnumber us at the polls. If a man speaks without a broken accent, he hasn't much of a chance in city politics.

You are doing a grand job for America. The white Christians of the North are looking toward you and your friends to save this great country. Our sons deserve this protection, and millions up here are ready to join you. If this measure came to a vote, it would be defeated by the greatest majority ever recorded.

With all best wishes,
THOMAS B. DAWSON.

To show how far this alien element in the larger cities of the North and East are going in their efforts to impose upon the American people this monstrosity of FEPC, I will read from a copy of the PM dated July 5, 1945. The headline is as follows:

RALLY CALLED TO FIGHT BILBO

A To Hell With Bilbo mass meeting was called for the impeachment of Senator THEODORE G. BILBO, Democrat, Mississippi, on the grounds of his villification of Negroes, Jews, and Catholics during his filibuster last week against the Fair Employment Practice Committee will be held at 3 p. m. Sunday at the Abyssinian Baptist Church, 132 West One Hundred and Thirty-eighth Street.

The idea of that kind of a mass meeting, Mr. President, being held at a Baptist Church—the church of which I am a member.

The rally was announced by Representative ADAM CLAYTON POWELL, Jr., Democrat, New York, pastor of the church and chairman of the people's committee. A group of civic nonpartisan organizations is sponsoring the meeting.

In addition to POWELL, speakers will include Henry Epstein, former State solicitor general—

A New York Jew—

Michael J. Quill, and Benjamin Davis., Jr.—

A Negro—

members of the city council, and Mrs. Angelina Blocker, Harlem civic leader—

Another Negro—

Josh White will sing.

I do not know what he is.

I read this item from PM to answer one statement. A mass meeting is being called to demand my impeachment. The slogan of the mass meeting is "To hell with BILBO," because it is alleged that I vilified Negroes, Jews, and Catholics. I call upon the country and upon my colleagues to read my 2-day speech of last week, and I defy anyone to find in it any denouncement of Jews as Jews, Catholics as Catholics or Negroes as Negroes.

Yesterday I received a letter from a professor in one of the leading colleges of Connecticut, in which he said that he had read the PM account of my 2-day speech, and he thought it was pretty bad. "But," he said, "I got the CONGRESSIONAL RECORD and read your speech alongside the report of PM, and I found that PM had lied in every statement it made about your speech."

That is the trouble. Many persons have been led to believe that I have denounced Catholics, Jews, and Negroes. I have not done anything of the kind. Others may do it, but I do not denounce them as a class, or as races. God knows, I am not that narrow or bigoted. I said in my speech last week that some of the best friends I have in the world are members of the Catholic Church. Nearly all the Catholics vote for me in Mississippi. I campaigned in seven States for Al Smith, in the face of the Protestant wave against him because he was a Catholic. I have never denounced the Negroes as

a race. I have discussed the characteristics of the race. My remarks last week were directed to some particular Negroes—for example, A. Philip Randolph, who threatened to bring 200,000 Negroes into Washington, and in that way persuaded the President to issue the original Executive order which created the damnable FEPC. I was talking about individuals. I sometimes discuss white men. I sometimes give a white man hell, but I am not talking about the white race. I belong to that race.

I have said something about certain Catholic priests who were busy trying to organize the Negroes in their churches for their own selfish interests. That is not denouncing the Catholic Church or its members or priests. The best friend I have in the world is a Catholic priest who lives in Mississippi. In my speech I stated that every year I send him a birthday present. PM stated that the Catholic priest sent me a present every year. It could not tell the truth to save its life. That newspaper was never intended to tell the truth.

So far as the Jews are concerned, we have Jews in my State, and some of my best friends are Jews. I am a great admirer of the Jewish race. Jesus Christ was a Jew. Some of my associates are Jews. But there is a certain class of "kike" Jews in New York, organized with the CIO and the Negroes in a drive to cram this piece of legislation down the throats of the American people. That is the point about it. That is the class to which I refer. What I am talking about is their perniciousness and officiousness in trying to drive through this kind of fanatical legislation. There were 40 or 50 of them down here from New York yesterday. To show that there is a dead cat on the line and a "nigger in the woodpile," while they were down here trying to get the Congress to pass this law, which would affect 48 States in the Union, New York had enacted a strong FEPC law. It went into effect July 1. If New York wants such a law, let the people of New York have it. If they like it, let them keep it. That is no concern of mine. But they have no right to try to cram it down the throats of the people of my State, or any other State.

As the American people become informed about the viciousness of this damnable law, the tide is rising against it. An attempt was made to cram it through the Illinois Legislature the other day. The Illinois Legislature killed it. The proponents of such legislation tried to put it through the legislature of Massachusetts, and the legislature of Massachusetts killed it. The same thing happened in Connecticut.

If Senators have any fear that Governor Dewey, of New York may run for President in 1948, they can forget it, because Dewey is dead politically. In 90 days, when the people of New York find out what he has put over on them in the form of the FEPC law, he will not be able to muster a corporal's guard to vote for him for President.

This is not a southern issue. This is a national issue. The record shows that 75 percent of the complaints filed with the so-called FEPC come from the North and East, and not from the South. So perhaps this sort of a law may be needed in New York; I do not know. It may be needed in New Jersey; I do not know. That is the business of the people of those States. I am only fighting for the American way of life; and I am representing on the floor of the Senate the wishes of more than 100,000,000 American citizens. If I see fit to filibuster until Christmas, I shall be fighting for the majority of the American people, because this legislation is being sponsored and urged through the Congress by a little handful——

The PRESIDENT pro tempore. The Senator will suspend. This is the morning hour.

Mr. BILBO. Let me finish one sentence.

The PRESIDENT pro tempore. Just a moment. The Chair admonishes not only the Senator from Mississippi, but other Senators who speak during the morning hour, that it is against the rules of the Senate, and those rules are going to be enforced. The Chair hopes the Senator will postpone his remarks.

Mr. BILBO. I most humbly beg the Chair's pardon. I thought the morning hour had been concluded. I heard my old friend from Wisconsin [Mr. WILEY] speaking.

Let me say this, and I will conclude: There are only about 13,000,000 Negroes in the United States, and 5,000,000 Jews. That makes a total of 18,000,000. There are 138,000,000 people in the United States, and 18,000,000 of them are trying to cram this damnable thing down the throats of 120,000,000 American people. I am speaking for 120,000,000 Americans.

The PRESIDENT pro tempore. Morning business is concluded.

FEDERAL AID FOR CONSTRUCTION, ETC., OF PUBLIC AIRPORTS

Mr. McCARRAN. Mr. President, I move that the Senate proceed to the consideration of Senate bill 2. I wish to state in furtherance of the motion that I intend to have the bill made the unfinished business, but not to be considered today, because of the absence of the Senator from Massachusetts [Mr. SALTONSTALL].

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes.

Mr. WHITE. Mr. President, I hope the Senator from Nevada will not press his motion at this time. I think he must have clearly in mind that at the close of the week immediately following the 4th of July many Senators who are interested in this legislation are absent.

I feel that a motion of this character with respect to legislation so important as this is should not be pressed at this time. I appeal to the Senator not to press such a motion.

Mr. McCARRAN. Mr. President, let me say to the Senator that I tried to make it clear that I wish to have the bill made the unfinished business, to be taken up on Monday. That is my object. I suppose Senators who are absent and who wish to return will have returned by that time. But this measure is an exceedingly important piece of legislation. Over a month and a half ago, when I had the bill before the Senate, at the request of the Senator from Ohio I had action on it go over, notwithstanding the fact of its importance. Now it has gone over and gone over. I am not pressing for action on it today. I only wish to have it made the unfinished business, so that it may be taken up on Monday.

Mr. WHITE. Mr. President, that does not reach my objection. Of course, if the bill is now made the unfinished business, to be taken up on Monday, that is a matter of great concern to many Senators.

Mr. McCARRAN. That will get the Senators back, perhaps, if it is of great concern, and I think they should be back.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I will yield to the Senator in a moment. I am now yielding to the Senator from Maine. When he has concluded I will yield to the Senator from Colorado.

Mr. WHITE. Mr. President, I have said all I care to say at this moment. I do not feel that my appeal has been very productive of results.

Mr. McCARRAN. I am not saying that it has not been productive of results. I wish to conform to the request if I can do so, but I wish to have the bill considered next week.

Mr. WHITE. I think it would be a courtesy, to which absent Senators are entitled, to have notice given that the Senator intends at a later time to make such a motion, rather than to make the motion now.

Mr. McCARRAN. Well, may we have an agreement as to when the bill may be taken up?

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I yield.

Mr. HATCH. I have no objection to taking up the bill at any time except, of course, I do not wish it discussed today.

It is my understanding, Mr. President—and I think that is what the Senator from Maine has been referring to—that nearly all the Senators who now are away left the city over the week end with the understanding that nothing but routine matters would be taken up. On the basis of that understanding, some Senators might even wish to resist the motion.

Is that the position of the Senator from Maine?

Mr. WHITE. I think that is perfectly true. I think there are Senators who may have amendments in which they are interested; and, as the Senator from New Mexico has said, it was very definitely understood that we were to be at ease this week and that no business of importance would be transacted. I think the proposal to make this measure the unfinished business, involving as it does all sections of the country and involving an expenditure of $500,000,000 of Federal money and a like expenditure by the States of the Union, is of very great importance. I simply cannot help regard it as of importance.

Mr. McCARRAN. Mr. President, let me say to the Senator from Maine, in

keeping with his expression that we were to be at ease, that we could not be more at ease than to be at ease on Senate bill No. 2, because it is a most important bill.

Mr. HATCH. Mr. President, will the Senator yield to me again for a moment?

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I yield first to the Senator from New Mexico.

Mr. HATCH. I was about to propose a unanimous-consent agreement, to which I think perhaps the Senator from Nevada will be agreeable. It simply is that the Senate now give its consent that on Monday the Senator from Nevada will be recognized when the Senate convenes, for the purpose of making his motion to take up the bill at that time.

Mr. WHITE. Mr. President, that is a matter within the jurisdiction of the Chair. I, myself, have no objection to such an understanding.

Mr. JOHNSON of Colorado. Mr. President, reserving the right to object, let me say that I have no objection to the consideration of Senate bill No. 2, and perhaps I shall vote for it—I do not know—when I hear it discussed. At least, my mind is open at the present time. There may be amendments which I shall be very anxious to have adopted. But the situation, as I understand it, is that certain members of the Committee on Interstate Commerce, including the Senator from Arizona [Mr. McFARLAND], the Senator from South Carolina [Mr. JOHNSTON], and perhaps the chairman of the committee, the Senator from Montana [Mr. WHEELER]—I do not know—are desirous of making a motion to have the bill referred to the Committee on Interstate Commerce for further study and deliberation before action is taken on it by the Senate. I do not wish anything to happen today that will interfere with their right so to move, if they wish to do so. I am not speaking for them, because I am not authorized to speak for them; but I happen to know that that was their intention when the bill was before the Senate some weeks ago.

The PRESIDENT pro tempore. The Chair will state to the Senator from Colorado that a motion to refer or change the reference of a bill is in order at any time.

Mr. HATCH. Mr. President, will the Senator from Nevada further yield to me?

Mr. McCARRAN. I yield.

Mr. HATCH. I was about to observe, Mr. President, that the agreement which I have proposed would amply protect every Senator who is away from the city and is not expecting to have important business come up in the Senate during his absence. The agreement would also protect any Senator who wishes to make a motion relative to reference of the measure. If the Senator from Nevada has no objection, I should like to have that agreement made.

Mr. McCARRAN. Mr. President, let me say first that if in connection with important legislation of this kind we are to defer every time a Senator is absent, and then defer again when some other Senator is absent, and so on and so forth, as we have done with this proposed legislation, we shall never reach its consideration. I am perfectly willing to have this matter go over, so long as it may be understood that I shall move to make the bill the unfinished business and move its consideration on Monday next.

Mr. WHITE. Mr. President, so far as I am concerned—and I can speak only for myself—I will interpose no objection to a motion of that character on Monday.

Mr. McCARRAN. That will be all right; I have no desire to force it at this time.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BREWSTER. I may say in respect to what was said by the Senator from Colorado [Mr. JOHNSON] that an amendment dealing with the position of the States in connection with that situation, following out the recommendations of the governors' conference recently held at Mackinac, Mich., has been put on the desk and will be printed this afternoon; so it will be available tomorrow morning. The amendment is designed to coordinate the State and city activities in connection with airport construction. Whether that meets the views of some of the Senators, I do not pretend to say; but I know it is a matter in which they have expressed interest.

Mr. JOHNSON of Colorado. Mr. President, if the Senator from Nevada will further yield to me, I should like to say that I am not speaking for the members of the Committee on Interstate Commerce, but I understand there is some sort of a jurisdictional dispute as to whether the Interstate Commerce Committee or the Commerce Committee should handle this bill, or whether both of them should do so.

Mr. McCARRAN. Mr. President, in my judgment the Senator from Colorado is in error. This bill was not the subject of controversy as regards jurisdiction. One or two other bills—different bills—are the subject of such controversy, and that has been pending on the floor of the Senate for months. But it does not involve this bill. I think we have decided the matter, namely, that on Monday I shall move for the consideration of Senate bill No. 2.

Mr. WHERRY. Mr. President, I should like to ask the distinguished senior Senator from Nevada a question, if he will yield to me.

Mr. McCARRAN. I yield.

Mr. WHERRY. I wish to be sure that I understand the procedure proposed relative to the Senate bill; I wish to obtain accurate information. Does the Senator mean that on Monday he will have the Senate consider the motion to make the bill the unfinished business, or does the Senator expect to have immediate consideration of the bill on Monday?

Mr. McCARRAN. I should like very much to have immediate consideration of the bill on Monday, and my motion will be that the Senate proceed to the consideration of Senate bill No. 2.

Mr. WHERRY. On Monday?

Mr. McCARRAN. Yes; on Monday. It may be that it will go over until the next day.

Mr. WHERRY. I understand that.

Mr. McCARRAN. But I should like to have it made the unfinished business.

Mr. WHERRY. Mr. President, if the Senator will yield further, I should like to say that today is Friday; and the acting majority leader the distinguished Senator from New Mexico [Mr. HATCH], and the minority leader the distinguished senior Senator from Maine [Mr. WHITE], will recall that it was very definitely stated on the floor of the Senate at the end of last week that no important business would be taken up during the week end.

Mr. McCARRAN. Monday is not a week end.

Mr. WHERRY. I understand that, but various Senators will not return until Monday morning, and the motion would be to take up the measure for immediate consideration. I simply wish to be sure that we understand ourselves.

Mr. McCARRAN. That is right.

Mr. WHERRY. Because if that is what the Senator wishes, it does not seem to me that it would help very much the Senators who now are absent.

I should like to say that I agree with the Senator from Nevada that we should be able to do business any day in the week in the Senate of the United States, and I have never held up any Senator on that point. But in view of the fact that a number of Senators are absent, and in view of the importance of the pending legislation, I think Senators should know now that on Monday the Senator from Nevada will proceed to move to make the bill the unfinished business, and to have it taken up if he can.

Mr. McCARRAN. That is right, and I give that notice now.

ADDITIONAL REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM ON INVESTIGATION OVERSEAS (PART II OF REPORT NO. 110)

Mr. KILGORE. Mr. President, I should like to have the opportunity of making what few remarks I have to make without being interrupted except in connection with the subject matter of my report.

On May 17 last, a subcommittee of the Special Committee to Investigate the National Defense Program departed for Europe. Its purpose was to hold hearings, and to inspect facilities and supplies in the European and Mediterranean theaters of operation.

Previously here at home, the committee had traced the production of war supplies from the raw-material stage through the facilities, the production line and the pipe line, up to the depots and ports of embarkation in the United States. During combat operations, the committee did not desire to proceed beyond the ports of embarkation into any active theater of warfare. But in the course of its domestic investigations the committee found many important matters which could not be resolved without obtaining material which we were informed was available only in the theaters of operations. Most important of these matters was the question of the amount, the condition, and the distribution of supplies held by the theater commanders. This information obviously is most vital

to any analysis of the operations of the supply pipe line and to any study of surpluses.

To investigate this and other problems overseas, a subcommittee was constituted. I was honored with the chairmanship of this subcommittee. The other members were my able colleagues, the Senator from Delaware [Mr. TUNNELL] the Senator from Washington [Mr. MITCHELL] the Senator from Maine [Mr. BREWSTER], the Senator from Minnesota [Mr. BALL], and the Senator from Michigan [Mr. FERGUSON].

We received written instructions from the Senator from New York [Mr. MEAD] the chairman of the main committee, in a letter of May 11 addressed to me. That letter instructed the subcommittee to look into the following matters:

First. The nature and amount of American supplies which have been shipped overseas to the European theater of operations.

Second. The nature and cost of installations either erected by the United States or at the expense of the United States in the European theater of operations. In this connection the subcommittee should ascertain in each case the provisions with respect to the use and disposition of these facilities after the cessatior of hostilities.

Third. The plans for the deployment of material now in the European theater of operations to the Pacific theater, and for occupation of conquered countries.

Fourth. The plans for disposition of all matériel which will become surplus.

Fifth. Transportation, shipping loading and unloading of American supplies in the European theater of operations.

Sixth. Activities of civilian agencies, and particularly any confusion of function therein.

Seventh. Arrangements for the distribution of American supplies among civilian populations and plans for rehabilitation and reconstruction.

Before departing our subcommittee sought to educate itself for the task. We held hearings with the War Department, the Navy Department, the State Department, the Foreign Economic Administration, the Army-Navy Liquidation Commission, the UNRRA, and with Judge Samuel I. Rosenman, who had just completed a study of civilian conditions overseas. We accumulated all of the pertinent literature and material relating to the matters we sought to investigate.

We agreed before departing to devote ourselves exclusively to the task in hand. We informed the War Department, which arranged the trip, that we did not want any formal entertainment abroad. We agreed not to announce any individual conclusions, but to wait until we had completed our entire task and conferred with the full committee at home, at which time we would report our unanimous conclusions to the Senate. In this way we were able to devote our energies entirely to the business at hand and to proceed with our investigations in the same orderly fashion which we have always attempted to follow both at home and overseas. In this way we were able, within the period of 3½ weeks to which we limited our trip, to obtain, within reasonable limits, all the information pertinent to our inquiry.

Before departing we arranged to divide into three subcommittees after our arrival in Europe, so as to cover the largest number of installations, and to question the largest number of witnesses within the time available to us. In this way we, in effect, accomplished as much as one committee could have accomplished in a period three times as long. For this purpose we took with us three of our counsel so that each subcommittee would have the benefit of a trained and experienced investigator to assist it in its work. I should like to give the Senate their names. They are Rudolph Halley, the committee's chief counsel; George Meader, executive assistant to the chief counsel of the committee; and Francis D. Flanagan, the committee's chief investigator. Each subcommittee was accompanied by an experienced court reporter in order to assure ourselves of a proper record.

We proceeded to Paris by way of Bermuda and the Azores, stopping at each of those islands for the purpose of holding a hearing concerning American facilities located there. The entire subcommittee held hearings in Paris and at Rheims. In Paris we heard the chiefs of supply for the entire European theater of operations, receiving from them a fine measure of cooperation. They were prepared with and gave us full and carefully prepared statistics on many matters concerning which the subcommittee desired information, and on which no information was available in the United States. On other matters, they agreed to assemble the information and forward it to the committee in Washington. We also heard from each of the civilian agencies in Paris, including the State Department, the Treasury Department, the Foreign Economic Administration, the War Shipping Administration, the Office of War Information, the Office of Strategic Services, UNRRA, and the American Red Cross. Then we divided into subcommittees.

Group I of the subcommittee, consisting of the Senator from Maine [Mr. BREWSTER] and myself, held hearings at Cherbourg, LeHarve, Paris, St. Germain, Frankfurt, Mannheim, Augsburg, Burtonwood, America's great air supply depot in England, and then proceeded to London.

Group II, including the Senator from Delaware [Mr. TUNNELL] and the Senator from Michigan [Mr. FERGUSON] held hearings at Marseille, Nice, Dijon, Nancy, France; Munich, Dachau, Munchengladbach, Cologne, Germany; Hull, England; Prestwick, Glasgow, Scotland.

Group III, including the Senator from Washington [Mr. MITCHELL] and the Senator from Minnesota [Mr. BALL] held hearings at Antwerp, Liege, Belgium; Brunswick, Germany; and Bristol, England.

The full subcommittee reunited in London and held hearings with the State Department, Foreign Economic Administration, the War Shipping Administration, the Office of War Information, the Office of Strategic Services, the War Department, the Navy Department, and UNRRA.

During a part of this period the Senator from Washington [Mr. MITCHELL] and the Senator from Michigan [Mr. FERGUSON] flew to Norway, Sweden, and Denmark for the purpose of checking civilian supply requirements and our economic operations in these countries. The entire subcommittee then proceeded to Italy where hearings were held in Florence with the Army, in Rome with the civilian agencies, and in Casserta with the Army again.

We returned home through North Africa, the Azores, and Newfoundland, arriving in the United States on June 9. A few weeks later we again held hearings in Washington with the various agencies involved in the matters pertaining to our investigations.

In a period of a little more than a month both at home and abroad we were thus able to hold a total of about 40 hearings, to hear more than 300 witnesses, and to take more than 2,500 pages of testimony. We conferred with such persons as General Eisenhower, Ambassador Winant, Ambassador Caffrey, Ambassador Kirk, and Myron G. Taylor. We questioned General Lee, Chief of Supply, and his entire staff. We questioned General Spaatz and General Knerr, of the Air Corps and the heads of their entire technical supply staff. We questioned the supply officers wherever we went. We even took testimony from the newly appointed burgomeister of Augsburg, Germany.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. BREWSTER. While it may seem somewhat outside of the scope of our report, since it deals with the administrative problems in Germany, I think it would be of interest to the Senate to know that the burgomeister to whom the Senator from West Virginia has just referred, and with whom we spent a most interesting evening, had been a civil servant in the German Government during the past 25 years, including 10 years under the Hitler regime. During the recent period he had been commissioner in charge of finance and of the police in Augsburg, a city of, I believe, approximately 300,000 people. It developed in his testimony before us that 145 out of the 160 local police now functioning were formerly, as he termed them, state police. When I asked him who was the chief of the state police, he testified it was Heinrich Himmler. I would not express a conclusion for the committee, but it appeared that the distinguished chairman of the subcommittee himself, and some of the others of us were at least startled to discover that 145 out of 160 local police, who were at present enforcing order there in Augsberg, had been policemen under the discredited Nazi regime. It might well be difficult for citizens of Augsburg to understand how very much change had been brought about under American administration with the same old cops walking the beat, enforcing order.

Mr. KILGORE. I thank the Senator from Maine. I may say further along the same line that it was interesting to note that the German cities seemed helpless without those civil servants. They

seemed unable to get any one but the civil servants to hold jobs, and practically all the men of civil service classification had served during the entire Nazi regime. Even the civil servants themselves seemed willing to lean back and desire us to assume the burden of taking care of them. The Senator from Maine will remember that on the question of coal the burgomeister folded his hands and his arms and said in effect, "Well, it is up to them to ascertain how much coal I shall need, and how much I shall receive." That seemed to me very much the attitude of the German officials toward us.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. KILGORE. I yield.

Mr. BREWSTER. In the matter of currency fluctuation we asked the burgomeister how the city of Augsberg paid its bills and he testified that the army of occupation printed the currency in German marks and sent it to them to take care of the city's expenses. How this currency would be redeemed was apparently a matter for someone else to worry about.

Mr. KILGORE. Yes; the situation as to currency is rather confusing. There seems to be no limit. It goes around in trade like cigarette coupons, with no apparent effort made to see how eventually it may be redeemed. Apparently civil servants and the banks are assuring that our attitude following this war will be the same as that after the last war, and we will take care of the problem of stabilization. They are willing to go ahead and let us do anything we want, but they feel in the back of their minds that there will be an accounting eventually, and they will be repaid when America has had time to forget the conditions of this war.

In addition to the major task of completing our information on the supply pipe-line system, we cleared up many vital points concerning which we had carefully inquired back at home without obtaining satisfactory answers. All too frequently we were told that the only information was abroad, and it had not as yet filtered back to the United States. We were able to get information on the jet plane, on the alleged artillery ammunition shortages, on the aerial bomb question, and on the Army's transportation problems in France. We obtained information which had been theretofore unavailable.

These matters are all covered in the report which the subcommittee has submitted to the full committee and which I shall a little later ask unanimous consent to file with the Senate. In the report we drew these major conclusions:

Conclusion No. 1: The supplying of our armed forces in Europe has been a remarkable achievement involving the delivery across the ocean and over beaches and through demolished ports, and then over a war-torn countryside into France and Germany of tonnages far in excess of anything previously within the conception of man.

It was very impressive to note that in the only two ports we had—and we only had one of those for a short time—the tides rose 24 feet. For ships not lying in open roadsteads unloading was a terrific task. It was hard to appreciate that unless you saw the water level rising 24 feet every working day.

Conclusion No. 2: This supply function could be improved by increasing the sensitivity of the mechanisms designed to reflect in the procurement system changes of requirements on the fighting fronts, without, however, any abdication by the procurement authorities of the exercise of their judgment in the light of over-all procurement problems. One result of the lack of sensitivity was an accumulation in the European theater of 110,000 tons of two types of aerial bombs which were delivered to the theater, although the Air Corps in the theater testified that they had no use for one type and a very limited use for the other.

I may say in passing that those deliveries were made over a period of some 9 months in the face of constantly diminishing usage in that theater even down to as low as a usage of less than 100 tons a month.

Conclusion No. 3: The program for redeployment of materials to the Pacific theater is proceeding well, providing that plans now formulated are properly executed.

In other words, the plans are excellent, the start is fine, and, if the plans are properly executed, redeployment will be well carried out.

Conclusion No. 4: The disposition of surpluses abroad requires further intensive study. As it is now proceeding, it is apt to result in the disposal of these surpluses without proper assurances that the highest return is being obtained or that the most imporant needs are being filled. Disposal of surpluses abroad should be entirely in the hands of a single agency which in turn should operate under the direct control of the Surplus Property Board. In this way, policy at home and abroad will be coordinated. It will also eliminate the present situation in which American surplus property is disposed of by a multiplicity of agencies.

That is getting into a mess now, and will be in a far worse mess if allowed to continue.

Conclusion No. 5: American rights to fixed installations which we have erected abroad have not been clearly defined. It is essential that immediate and careful study be given to the future disposition of installations which we have erected abroad.

Almost universally the agency that took over the installation or erected it in getting their lease or deed, or whatever papers they got to operate under, looked only to their personal needs without seeing the needs of other agencies.

Conclusion No. 6: Large quantities of captured goods and munitions have not yet been inventoried. There is as yet no plan for the disposal of this material, nor is there any coordination between our plans and those of our allies. This condition should be remedied immediately.

It must be realized that there is an agreement to the effect that captured material may be pooled and disposed of under a uniform agreement.

Conclusion No. 7: As a result of the impending evacuation of our troops in France and their occupation of Germany, the Army has shown a disposition to have no further interest in the French economy, while it finds it necessary to strengthen the German transportation and industrial system in order to assure itself of proper supply in Germany. While this is a natural attitude on the part of the armed forces, it must be counteracted if we are to avoid a situation where our enemies fare better at our hands than our friends.

Conclusion No. 8: The division of Germany into four zones of occupation has resulted up to this time in vesting the control of what has been a closely integrated nation into four wholly uncoordinated elements. With respect to at least one part of Germany, that held by the Russians, our armies were completely uninformed. It is absolutely necessary that the policies with respect to the four occupational zones be coordinated by some joint action and that there be a free exchange of information with respect to the policies and actions of each of the occupying forces.

Conclusion No. 9: Itemized invoices of services and materials supplied under reverse lend-lease have not been furnished. Consequently, no reliable accounts of lend-lease and reverse lend-lease transactions are available. Some progress has been made, particularly by the Navy, in securing itemized invoices; however, immediate attention must be given to the clarification of lend-lease accounting if a clear, factual basis for the settlement of lend-lease accounts is to be achieved.

Conclusion No. 10: Artificially fixed rates of foreign exchange applicable to American nationals in Europe have resulted in these persons, of whom the vast majority are members of our armed forces, taking a serious financial loss on their purchases abroad. They impose upon the American soldiers a burden which they should not be asked to assume. The alleged purpose of these exchange regulations, which is to prevent a flood of American money from breaking markets abroad, could be achieved in other and fairer ways. These rates create serious problems in the settlement of lend-lease accounts and in the disposal of surpluses abroad. A great deal of currency issued by the Axis and Axis-dominated governments was in the hands of collaborators who had produced war materials for our enemies. Adequate measures to isolate such war profits and impound them have not been taken. Each passing day since the invasion renders the impounding of such funds more difficult.

Mr. McMAHON. Mr. President——

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from West Virginia yield to the Senator from Connecticut?

Mr. KILGORE. I yield.

Mr. McMAHON. Will the Senator tell me who set the rate of exchange for our troops in France?

Mr. KILGORE. It was set by agreement, arranged by the State Department, with the advice of Treasury officials. Let me go further and explain that to the Senator. The franc rate was artificially fixed at 2 cents by an agreement with France. The French stated they desired to stabilize it at that rate, 2 cents for a franc, or 50 francs to a dollar.

Mr. McMAHON. Was there not a rate of 75 to the dollar in North Africa, and did they not reduce it to a rate of 50 to the dollar?

Mr. KILGORE. Yes; it was 75 in north Africa and was reduced to 50, and is now 50 in north Africa.

The trouble with the exchange rate is that the French Government makes no effort to handle the black market in money. As a result, we pay 2 cents apiece for the franc, whereas on the curbstone, on the street, the newsboys, the bootblacks, the porters, or anybody else who is acting as agent, may go as

high as 150 to the dollar. The prices of commodities in France are based on the black-market value of the franc rather than the fixed value.

On the other hand, England agreed with us on a value of $4.03½ to the pound, and in England, in any part of their territory our forces may be located, they hold to that value, and they refuse to permit black marketing, they refuse to permit bidding on the pound in American dollars. Although a pound at one time when we were abroad was down to $3.60 in the United States, they held it up by saying one could not bring more than 25 pounds into England, and one gentleman who went over there with some hundred-pound notes had trouble about it.

Mr. McMAHON. It results in the American soldier being the only one who is stuck in this situation?

Mr. KILGORE. The American soldier and the American civilian on business over there are stuck with that rate of exchange. The same condition exists in Italy, where the value of the lira is fixed at 1 cent by this artificial agreement.

The trouble is that the agreement, as originally entered into, was started in good faith by us, but the other governments have not been strong enough to hold their nationals to the agreement.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. BREWSTER. I appreciate the suggestion of the Senator from Connecticut. It works out very adversely. We send a couple of million of our boys over there on a certain rate of pay. They have to live in that country. That is the only place where they can spend the money they have. They are absolutely forbidden having an American dollar in their pockets. They will be court martialed if they are found with an American dollar in their pockets. Yet their pay in French francs will not buy in France more than one-third of what it would buy in this country. The result is that the American soldier is seriously prejudiced. Our own American Ambassador appeared before us and testified that it was possible to buy freely French francs anywhere in Paris at 130 to 150 for a dollar, while our boys could get only 50, and are paid at the rate of 50 francs to the dollar.

Mr. McMAHON. Mr. President, will the Senator yield further?

Mr. KILGORE. I yield.

Mr. McMAHON. I think that is an outrageous situation, and that something should be done about it. I am not clear in my own mind as to what can be done, but I hope the Senator from West Virginia will proceed to try to do something to remedy the situation, through legislation, if necessary.

Mr. KILGORE. Mr. President, the War Investigating Committee agrees with the Senator, unanimously, that something has to be done at once. What it amounts to is cutting the soldier's pay abroad for the benefit of the other nations. It would be bad enough to cut his pay if we took the money, but we do not take the money; they take the money.

Mr. McMAHON. I certainly do not think it is up to the American soldier to stabilize the French national economy.

Mr. KILGORE. I agree with the Senator.

Mr. McMAHON. That is a very poor reward for what he has been through.

Mr. KILGORE. Let me say a further word as to that. In its inception it was done to prevent gambling in the franc, and had France lived up to its obligations, we would have had no trouble. Had she held the france at 2 cents, and not permitted the black market, it would have been all right. The same applies to Italy and the lira. We have to change the francs back into American money when the troops return, but we do not know the value, and the result will be gambling in the black market if we do not watch out.

Mr. BREWSTER. Will the Senator yield further?

Mr. KILGORE. I yield.

Mr. BREWSTER. The matter has far more serious repercussions than the simple injustice to the American soldier overseas, who is deprived of home and family and everything else he loves, and, in addition, is put on a pay rate of one-third of what he was supposed to get. Instead of getting more, he gets much less. The American soldiers do not understand this, and they attribute it all to France, justly or otherwise. The result is that they are prejudiced unfortunately against the French and this is not good for our future relations.

Recognizing this problem, there was a proposal that a few restaurants were to be opened in Paris under Army auspices, where the American soldier could buy, if he were on leave, at a fair rate. It is certainly a most unhappy situation for one who wants perhaps to buy a little reminder of the country to send home, and is entirely dependent on these depreciated francs in order to make any purchases outside the post exchange.

Mr. KILGORE. It is most unfair, and offers an opportunity to speculators to make huge profits.

Mr. MEAD. Mr. President, will the Senator from West Virginia yield?

Mr. KILGORE. I yield.

Mr. MEAD. First I wish to commend my able colleague for the splendid report he is submitting to the Senate on his own behalf, and on behalf of his colleagues.

In connection with the matter which is now being discussed, I wonder if the Senator would tell us if, either as a result of his committee's activities, or of the hearings they held with the Army officials after they returned, the Army is taking any steps to compensate our boys in any way for this unevenness in the currency the Senator has so well presented to the Senate.

Mr. KILGORE. I must say in fairness to the Army that they are arranging to purchase souvenirs, Belgian lace, gifts of all kinds, and sell them to the soldier at the post exchange, or to the sailor at the ship's stores at a fair value for his francs. However, I saw one interesting illustration. One of the large handkerchiefs such as girls wear gypsy style on their hair, which retail in the United States for about $1.50 or $2, was priced in the post exchange at 715 francs, or about $14.30. So they cannot push the prices down too much. It is the best step they know of taking at the present time, until some negotiations are carried on and stabilization is brought about.

There is another bad feature. Not only is enmity growing up, but, frankly, the whole thing is hurting France's economy. It is building up inflation, because we are sending 3,000,000 men through France, who are buying with deflated francs. They are dissatisfied, and it is building up a market which should not exist.

There is one other thing in our conclusions about that. We agreed that some steps must be taken to freeze some of the profits of the collaborators, who are the only people in many cases able to furnish the materials the soldier wants to buy; in other words, furnish our PX or ship's store the materials he wants to buy. Some steps should be taken to stabilize that. It is definitely a bad situation.

Frankly, the French could remedy that condition in a moment by stabilizing the franc at 2 cents and putting a few people in the penitentiary for curbstone racketeering, and by stopping the black market. Indeed, every market over there is black. I failed to find one, except the ship's store and the Army PX, that was not black.

Mr. MEAD. Mr. President, I want the able chairman of the subcommittee to tell the Senate something about the offer, about which I heard when attending one of the committee meetings, whereby the French Government might reimburse our soldiers to the extent of some 750 francs a month.

Mr. KILGORE. I have the testimony here that covers that point, by Mr. Coe, of the Treasury Department, who was being questioned about that. We were discussing the restaurants of which the Senator from Maine has spoken, and Mr. Coe was being questioned by the junior Senator from Michigan [Mr. FERGUSON]. I read from the testimony:

Senator FERGUSON. * * * If we get a restaurant where they can eat at a different rate, do we subsidize that restaurant?

Mr. COE. No, sir. The program that Mr. Collado alludes to, which is being negotiated by the War Department with some Treasury and State assistance in Paris at the present time, includes the following features: First, a system of centers to be set up by the French Government like our USO centers. Two of them have been opened already and I understand have been quite successful. Second, certain abatement on taxes, gift taxes, etc., which hit the soldiers very hard when they buy things to bring home. Third, there is under discussion and not settled at the present time a troop pay adjustment or gift, depending upon the side from which you look at it, of a very substantial amount, five and one-half billion francs for 1 year which the French are offering us for the troops on leave. It would amount to about 750 francs per month per man, lump sum. The details of that have not yet been worked out, so that these are expenses, all of them, to be met by the French.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. McMAHON. If we were to pay our troops in dollars that would bring about a very quick correction of the situation, would it not?

Mr. KILGORE. No; unfortunately it would not. That would result in loading up the foreign market with American dollars, which is a thing we are trying to avoid as much as possible. We are getting into a situation where the people are gambling on our dollars, and a bad market and treasury problems result, and the first thing we know we will have so much of our currency abroad and so much demand on us that a difficult situation will result. Already demands have been made for $6,500,000,000 of American currency in the United States. Concealed bank accounts, for instance, under key names in Swiss banks amount to a billion an a half dollars. We think they are Nazi accounts. They are building up this foreign exchange abroad to deal with us in the future. We have to control that situation in some way. That will hit the soldiers. I well remember that at Pisa a woman tried to sell me some little jimcrack for which she wanted a dollar. The driver said to me, "Do not give it to her." He said, "She is entitled only to 100 lire. That is the price marked on it." Of course, I did not give her the dollar and she proceeded to give the driver a good cussing in very fluent Italian. The driver turned around and said to me, "Why, she can go downtown and get $8 for that green-seal dollar you have there. If it had been a gold-seal dollar she could get $6 for it downtown."

Mr. President, over there we have a green-seal dollar and another kind of dollar, a gold-seal dollar. The green-seal dollar, which is the standard American dollar, bears a higher valuation in Italy and France than the gold-seal dollar which was originally intended for invasion purposes.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. FERGUSON. Children on the streets, when they see an American, will try to exchange lire for American dollars, and I think we might be able to say that the American dollar is so valuable that one can almost place his own price on the dollar in demanding lire.

Mr. KILGORE. Yes. I well remember one instance in Italy when the Senator from Michigan wanted to see how high the market was. In dealing with a small boy he ran the price up to 400 lire for a gold seal-dollar before he declined to sell. I do not know how much higher the price would have gone had we had time to haggle.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr KILGORE. I yield.

Mr. BREWSTER. Whether or not our soldiers abroad should want to see French life or the interior of a French restaurant is a matter of discussion, but it certainly does not seem to me an unwise and improper interest. Yet if the American soldier goes into any French restaurant to buy a meal, he will have to pay an extraordinarily high price. An officer of our forces told me that a meal for two cost him 140 American dollars.

Mr. KILGORE. Yes. I may say we were warned, upon arriving in Paris, that we could get a fairly good 50-cent meal for $40 or the equivalent of $40 at our rate of exchange in France.

Conclusion No. 11: The difficulties recited in conclusions Nos. 4, 5, 6, 7, 8, 9, and 10 result from the failure of our Government agencies abroad to obtain all the considerations we should have received in return for the huge contribution we have made in this war. Lack of a clearly established foreign policy over a very long period of years is a major contributing cause. Lack of coordination and confusion among American agencies abroad—

In other words, agencies which parallel others—

has exaggerated this condition. These conditions can be remedied by concentrating authority for each area in a single individual, by strengthening personnel which represents the United States abroad and by providing them with adequate funds.

With which to operate. In fact, in the matter of operating funds we are the paupers of Europe.

There must be the closest coordination among the various agencies participating in foreign affairs, so that they can operate as a single efficient unit in the promotion of clearly defined objectives.

I noticed a news item the other day which illustrates this exchange situation: Our people in Russia were buying rubles at one price and the British were buying them at one-fourth of what we were paying for them.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. KILGORE. I yield.

Mr. BREWSTER. In connection with what the Senator said about our situation and our property abroad, I want to refer to one item in connection with the airfields, which are some of our most important installations. The State Department in commenting on our report apparently depreciated some of our discussion. The State Department said:

The fact that these and many other types of installations cost the United States hundreds of millions of dollars does not make them investments. * * * The committee exaggerates the bargaining position of the United States with foreign countries.

I do not know whether we exaggerated or not, but it was brought out for us very clearly that they are seeking from us in other countries some $20,000,000,000 additional advances—$3,000,000,000 to France, and other amounts to England and Russia. They told us that under the agreement already in effect, known as the protocol, they were contemplating asking Congress for authority for the Export-Import Bank to increase its loan power so as to make these advances under the so-called 3–C agreements.

The State Department continues:

The committee appears to believe that the United States should bargain with foreign countries to secure postwar rights, particularly in the field of aviation.

I should certainly say that was the position of the committee, and that it seems to be justified.

Mr. KILGORE. May I interrupt the Senator at that point? The Senator from Maine came to the conclusion, and he had come to the conclusion on previous trips that every other nation bargained with us about what we were going to give them, and why should not we bargain with them respecting what we should receive in return.

Mr. BREWSTER. Yes. They are all seeking very earnestly for these vast advances. I am not saying that we should not grant them, but I say that in return it seems to me we have a right to expect that they will give us some recognition of some character that is within their economic power.

Mr. KILGORE. I agree.

Mr. BREWSTER. We were told that we did not know what the value of these air fields was. So we asked about it, and this is the report which I have received from the various authorities. We have now 370 air fields in foreign countries. We received the cost figures on 36 of these, or a little less than one-tenth, and the total cost of these 36 air fields, according to the official figures, was $413,804,690, or nearly half a billion dollars for 36 fields, and we have 370 fields in various parts of the world. It seemed to the committee that we were entitled to some consideration in the postwar world—perhaps to use some of these fields more than 6 months after the termination of the war—in return for this vast investment which we had made when these countries at the same time are asking us for consideration in a variety of ways to which we are giving most sympathetic attention.

Is it unconscionable for us to ask that we shall be permited to use a $25,000,000 airfield that we have built to help save the country in question and civilization as well when they are asking us for a loan of $3,000,000,000?

Mr. KILGORE. I thank the Senator from Maine.

In conclusion, the committee intends to continue to study these matters carefully and to give particular attention to our surplus properties overseas and to the functioning of our supply organization overseas. It is our clear duty to the taxpayers of the Nation to insist that these matters be handled efficiently and economically. It is our duty similarly to the entire Nation to insist that the vast expenditures which have been made in this war be utilized with the greatest degree of efficiency to the end of winning complete victory at the least cost in lives and property and to secure the fruits of that victory in an era of peace and prosperity.

At this time, Mr. President, I ask unanimous consent to file the formal report of the committee.

The PRESIDING OFFICER. The report will be received and printed.

Mr. MEAD. Mr. President, I wish to comment briefly on the report which has just been submitted to the Senate by my able colleague from West Virginia, who was chairman of the overseas committee of the Special Committee to Investigate the National Defense Program. I believe that the work of this subcommittee and other subcommittees of the Special Committee to Investigate the National Defense Program which have traveled abroad has been very helpful. I think the protection of American interests will

be enhanced as a result of these reports. I believe that we shall be enlightened with reference to our rights in air bases, naval bases, and military bases abroad.

Mr. KILGORE. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. KILGORE. Our agencies were in a hurry. We must not condemn them. One illustration of how an agency fails to think was in connection with a particular communications center which we constructed in the Middle East. We took the right to send only military messages. As a result, the State Department, the Treasury Department, the Department of Justice, and every other Government agency had to pay commercial rates to a foreign-owned station, while we had a top-notch station of our own, with an abundance of time to send the messages. In obtaining the lease or procuring the deed to the land, a clause had been permitted to be inserted which provided that nothing but military messages could be sent over those facilities.

Mr. MEAD. I believe that the gathering of information all over the world, which has been so well accomplished by the able Senator's subcommittee, has been illuminating and very helpful to the Senate and to the country. I know that it will be helpful to the Senate and to the standing committees of the Senate in their legislative efforts in the future. I wish to compliment the subcommittee, because any subcommittee which can establish such a record as that of this subcommittee deserves the commendation of the Senate. I quote from the statement of the Senator from West Virginia:

> In a period of a little over a month both at home and abroad we were thus able to hold a total of about 40 hearings, to hear over 300 witnesses, and to take more than 2,000 pages of testimony.

Think of it, Mr. President. Their work is not yet finished. They are still holding hearings. They are still engaging the agencies of Government in conferences, and from it I am sure will come a very wholesome and helpful contribution.

Mr. KILGORE. I thank the Senator from New York.

SERVICE OF NEGROES IN THE NAVY

Mr. MEAD. Mr. President, during the past few days we have been treated to some very laudable and exemplary speeches—speeches delivered by the able Senators who returned from the San Francisco Conference. In my judgment those speeches rank with the very best which have been delivered in the Senate. They were sound and logical. They were effectively delivered, and I believe in each case they were received with practically unanimous approval.

But, Mr. President, we have also listened to other speeches which in my judgment did not rank so high. Sometimes I felt that we had reached a new low. At times I believed that the speakers may have pulled all the stops. In the course of those speeches some persons were embarrassed. Others may have been humiliated.

Mr. President, I feel that I ought to say a word for a group which I believe is entitled to commendation. They do not need defense, but I believe they are entitled to commendation at this time in this body. I wish to read, not from hearsay evidence, not from what someone may have learned here, there, or somewhere else. I wish to read from the official records of World War II:

WORLD WAR II

On April 7, 1942, Secretary of the Navy Frank Knox announced that Negro volunteers would be accepted for general service in reserve components of the Navy, Marine Corps, and Coast Guard, and said that all ratings would be open to them in each of those branches of the naval service. The Secretary also announced that the same physical and medical entrance standards would be required as for all other Navy personnel.

Negro sailors, he said, would be utilized for duty in district craft of various kinds, in maritime activities, around shore establishments, in navy yards, and in the Navy's new construction or Seabee battalions to develop bases outside the continental limits of the United States.

Recruiting began June 1, 1942, at all recruiting stations throughout the country. More than 93,000 Negroes have joined the naval service.

On April 28, 1943, the Navy Department issued a press release announcing that increasingly greater numbers of Negroes would enter the Navy through the selective-service procedure.

Of those who had volunteered before the ban on voluntary enlistments of men between 18 and 38 years of age, imposed by the Executive order of December 5, 1942, most by April 1943, had completed their basic training and many had finished their advanced training at Navy vocational schools and had been assigned to active duty.

Camp Robert Smalls, naval training station, Great Lakes, Ill., and the United States naval training station, Hampton Institute, Hampton, Va., were established to train Negro recruits. The facilities at Great Lakes and at Hampton Institute for training Negro sailors for technical billets carrying ratings was expanded to meet the needs occasioned by expansion of the enlistment of Negroes.

The first group of Negroes to complete basic training, 222 in number, left Camp Robert Smalls on September 3, 1942. Of these 102 were chosen for advanced training to become specialists. Ninety-seven Negro bluejackets, the first of their race to complete instruction in the various trades offered by the Navy graduated from service school at the United States naval training station, Great Lakes, January 7, 1943. Subsequently, similar classes have graduated from that school at regular intervals.

Mr. President, these thousands of loyal, faithful Negro citizens who took advantage of these opportunities, and who were trained in the established naval schools of the country, gave a good account of themselves. They showed a heroism under fire which was most exemplary and laudable, and which compared favorably the heroism under similar circumstances of any other group in this great united enterprise which the United Nations of the world have been carrying on successfully against our common foe.

HEROISM OF NEGROES IN THIS WAR

Doris Miller

Doris Miller, mess attendant, first class, United States Navy, 23 years old, of route 1, box 339, Waco, Tex., was the first Negro to be commended in World War II. He was awarded the Navy Cross for heroism displayed during the Japanese attack upon Pearl Harbor, December 7, 1941. He is now listed as missing in action following the sinking of the U. S. S. *Liscome Bay* on November 24, 1943.

Miller was cited for his distinguished devotion to duty, extraordinary courage and disregard for his own personal safety during the attack. Earlier in a letter of commendation awarded Miller, the Secretary of the Navy stated that "while at the side of his captain on the bridge, Miller, despite enemy strafing and bombing and in the face of serious fire, assisted in moving his captain, who had been mortally wounded, to a place of greater safety, and later manned and operated a machine gun until ordered to leave the bridge."

Elvin Bell

Elvin Bell, mess attendant, third class, United States Navy, 20 years old, of Jamaica, N. Y., on February 2, 1943, was awarded the Navy and Marine Corps Medal with the following citation:

"For distinguished heroism while serving aboard the U. S. S. *Lexington* during the Battle of the Coral Sea on May 8, 1942. Voluntarily joining a repair party fighting a fire in an area frequented by violent explosions of gasoline vapor and ammunition, Bell, although emerging in an exhausted condition, unhesitatingly entered the most dangerous section of the stricken carrier and assisted in removing injured personnel who had been trapped below decks. His courageous initiative and utter disregard for his own safety were in keeping with the highest traditions of the United States Naval Service."

Charles Jackson French

Charles Jackson French, mess attendant, second class, United States Navy, 23 years old, of Foreman, Ark., was commended by Admiral William F. Halsey, United States Navy, commander, South Pacific Area and South Pacific Force, for heroism while serving on a destroyer in the Pacific Area.

His commendation, announced May 18, 1943, reads as follows:

"For meritorious conduct in action while serving on board a destroyer transport which was badly damaged during the engagement with Japanese forces in the British Solomon Islands on September 5, 1942. After the engagement a group of about 15 men were adrift on a raft which was being deliberately shelled by Japanese naval forces. French tied a line to himself and swam for more than 2 hours without rest, thus attempting to tow the raft. His conduct was in keeping with the highest traditions of the naval service."

U. S. S. Campbell

A gun crew of 11 Negro enlisted men was attached to the United States Coast Guard cutter *Campbell* when that vessel engaged a submarine pack, ramming and sinking one U-boat and depth charging five others, while protecting an Atlantic convoy several months ago.

Reports received at United States Coast Guard headquarters revealed that the Negro gun crew fired several rounds at the U-boat, which was sunk, and scored telling hits which aided in the destruction of the underseas vessel. The attack was announced by the Navy Department on March 17, 1943. (See press release included later.)

Leonard Roy Harmon (the U. S. S. Harmon)

Secretary of the Navy Frank Knox on June 8, 1943, designated Mrs. Naunita Harmon Carroll, whose address was P. O. Box 381, Cuero, Tex., to sponsor the destroyer escort U. S. S. *Harmon*, which she did when the vessel was launched July 10, 1943, at Hingham, Mass.

The *Harmon* received its name in honor of Mrs. Carroll's son, the late Leonard Roy Harmon, mess attendant, first class, United States Navy, who was awarded the Navy Cross posthumously for heroism while serving on

the U. S. S. *San Francisco*. This is the first vessel to bear the name "Harmon."

Harmon's citation issued with the award of the Navy Cross reads as follows:

"For extraordinary heroism while serving aboard the U. S. S. *San Francisco* during action against enemy Japanese forces in the Solomon Islands area on November 12 and 13, 1942. With persistent disregard for his own personal safety, Harmon rendered invaluable assistance in caring for the wounded and evacuating them to a dressing station. In addition to displaying unusual loyalty in behalf of the injured executive officer, he deliberately exposed himself to hostile gunfire in order to protect a shipmate, and as a result of this courageous deed, was killed in action. His heroic spirit of self-sacrifice, maintained above and beyond the call of duty, was in keeping with the highest traditions of the United States naval service. He gallantly gave up his life in the defense of his country."

William Pinckney

The Secretary of the Navy, on behalf of the President of the United States, awarded the Navy Cross to William Pinckney, cook, third class, United States Navy, on June 10, 1943. Pinckney, 28 years old, was the son of Mr. and Mrs. Renty Pinckney, box 92, Beaufort, S. C. The Navy Cross was given with the following citation:

"For extraordinary heroism while serving aboard the U. S. S. *Enterprise* during the engagement with enemy Japanese naval forces near the Santa Cruz Islands on October 26, 1942. When a heavy bomb exploded in the near vicinity, Pinckney, standing at his battle station in the ammunition handling room, was knocked unconscious. With several compartments completely wrecked and four of his five companions killed, Pinckney, regaining consciousness, groped his way through the burning and tangled wreckage to a point under an open hangar deck hatch. Just as he was about to escape, he found a shipmate, the only other survivor of his party, struggling up through the hatch. When the man fell unconscious, either from his wounds or from smoke and fumes, Pinckney, unmindful of his own danger, lifted his comrade through the hatch to safety before he himself battled his way out of the burning and smoke-filled compartment. By his dauntless courage in saving his comrade's life at great risk to his own, Pinckney upheld the highest traditions of the United States naval service."

Joseph Cross

The Secretary of the Navy, in the name of the President of the United States, awarded the Navy and Marine Corps Medal to Joseph Cross, steward's mate, first class, United States Naval Reserve, of 2510 Thalia Street, New Orleans, La.

The citation says:

"For heroic conduct during four submarine war patrols in enemy-controlled waters, performing his duties with excellent judgment and conscientious skill, Cross contributed materially to the destruction by his ship of an important amount of Japanese shipping. His resolute courage was in keeping with the highest traditions of the United States naval service."

Elbert H. Oliver

A Silver Star Medal was awarded Elbert H. Oliver, steward's mate, first class, United States Navy, by the Secretary of the Navy, in the name of the President of the United States. Oliver, who has been wounded in action, resided at 1112 Locust Street N., Little Rock, Ark.

His citation reads:

"For conspicuous gallantry and intrepidity while serving aboard a United States warship during a raid upon that vessel by approximately 25 Japanese torpedo planes in the vicinity of the Solomon Islands on June 30, 1943. When members of his 20-millimeter gun crew were severely wounded by a bursting projectile, Oliver quickly took over the station of the injured gunner and, although he himself was bleeding profusely, maintained accurate fire against the attacking planes until eventually compelled to give way to a relief gunner. His aggressive fighting spirit and grim determination to carry on in the face of acute pain and waning strength were in keeping with the highest traditions of the United States naval service."

Mr. President, I have a long list of Army heroes, but I shall read their names at some other time.

As I said in the beginning, I really believe the Senate should take time to take cognizance of the heroism and bravery of the men of this particular group, especially because of what has been said in the Chamber in the very recent past.

Mr. MAGNUSON. Mr. President, will the Senator yield to me?

Mr. MEAD. I am glad to yield.

Mr. MAGNUSON. I wish to compliment the Senator from New York on calling this matter to the attention of the public and the Senate. A great deal has been said in the past few days about Negroes and their ability to fight in battle and their heroism and other attributes. Most of the remarks have been directed to Negroes in the Army. Therefore, I am particularly glad that the Senator from New York has brought out the records of Negroes in the Navy. The Senator from New York referred to those who have been decorated. In my time I have served on some ships on which Negroes have also served, and there are literally thousands of Negroes serving in the United States Navy who have received no decorations but who have been an integral part of the mechanism which is a ship in battle, and they have performed their part well.

As a matter of fact, Mr. President, there has been less difficulty in the United States Navy with Negro enlisted personnel, insofar as patriotism, discipline, courts martial, and bringing them before the masters are concerned, than with any other single group. They are to be complimented. I hope the day will come—because the Negro group is a great, patriotic group—when the United States Navy will see fit to add more Negroes to the personnel of the ships of the fleet. They have served well in the armed forces.

Mr. MEAD. Mr. President, I am glad to have the observations of my distinguished colleague from Washington, because they come from one who has served in the Navy, and served gallantly, and who knows of the record of which he speaks.

I wish to say further, Mr. President, that I agree heartily with everything my colleague has said. I myself have traveled around the world; I have visited many of the battlefields and many of the colored units located in various fighting areas. I have learned at first hand from the officers in charge of those units, and from higher officers in charge of Army corps, of the records and the distinguished services of those colored units.

As my colleague has said, I hope they will be encouraged; I hope the splendid efforts they have made and the wonderful contribution they have given will be recognized. I am sure they will be recognized by the Senate, as they have been recognized by the Army and Navy authorities, and I am sure they are well appreciated by the country itself.

OVERSEAS INVESTIGATION OF SPECIAL COMMITTEE—MACHINE TOOLS

Mr. FERGUSON. Mr. President, I should like to make a few remarks about the report which was filed by the subcommittee of the Mead committee, and I should like to say something regarding the sale of lend-lease machine tools to the United Kingdom. It is not a question whether we agree about the interest remaining in the tools to be sold; the question is whether the Foreign Economic Administration had authority to sell them, under the circumstances.

An examination of lend-lease, and particularly of reverse lend-lease, will disclose, I think that in some cases there is a disregard of the property rights of the respective countries. I think at times some of our officers treat reverse lend-lease as being nothing; they seem to take the attitude that lend-lease in the beginning is never to be returned, that no accounting is ever to be made; and we find that the value of reverse lend-lease is not kept, but lump sums are entered. Under those circumstances, I think the Senate and the House of Representatives should know about the situation and determine whether that is really our policy.

That is why I wish to say something about the sale of machine tools to the United Kingdom. The reason why I think it is important is that I receive from Michigan complaints by persons who say they are having difficulty in obtaining tools for refitting plants for civilian production.

I think we may consider the question of furnishing other supplies to our allies during the war. I wish it to be understood that I believe in lend-lease if it is used for aiding us in our defense, and in the prosecution of the war. However, I believe that those who are dealing with lend-lease should look twice before they give away certain material of which we are in need.

Only recently I received a personal call from one of the high officials of an automobile concern, who had been told that the company could return to the production of automobiles for civilian use. If there is anything needed in this country, it is transportation. That is true whether the transportation be needed by the civilian in traveling from his home to a war plant, or in any other way which may be necessary in connection with the production of the Nation's war material. We need locomotives, cars, and railroad supplies. But we hear that countries like Argentina are to receive 2,500 boxcars and other types of railroad cars next year. I think a survey should be made. We must understand that when this country is short of railroad cars, and when other countries are in need of railroad cars, the proper officials should be consulted in order to determine whether

the needs of this country are greater than those of foreign countries. Many persons are willing to do without sugar if they know that the sugar being shipped abroad on lend-lease or otherwise is really essential in the economy of those who are going to help in our war effort.

I return again to the sales of machine tools to the United Kingdom.

On January 19, 1945, the Foreign Economic Administration concluded the sale of 58,000 machine tools to Great Britain. Mr. President, a company the size of General Motors, with all its ramifications, has only approximately 75,000 machines. The number of machine tools sold to Great Britain represented practically four-fifths as many machine tools as General Motors has in the United States of America. So we are not talking about small items; we are talking about very large items. Those machine tools were not offered to any Government agency in the United States, nor were they offered to any private concern in the United States.

Mr. President, what do we find? These machine tools have been supplied to the United Kingdom under lend-lease. We will assume that that supply was a proper one. The original cost was estimated to be $166,000,000. The machine tools were sold to Great Britain for $31,500,000. How was the price arrived at? I believe the answer is important to the Senate and to the people of the United States. What care was exercised in arriving at a proper price, assuming that the sale was proper?

What was sold to the United Kingdom was the estimated residual value of tools after the expiration of their lend-lease use in war production. The price was arrived at by the following formula, as suggested by Sir Percy Mills, United Kingdom Comptroller General of Machine Tools, in a memorandum dated October 4, 1944:

> Since 31,666 tools were delivered by the end of 1942, 20,144 during the year 1943, and 6,195 during 1944, all used on war production during the German war and one-half being necessary for the Japanese war—

I should like to know how they arrived at one-half for the Japanese war—

> it was assumed that the lend-lease use would not be less than 3 years.
>
> Some tools were lost in transit—

You will notice, Mr. President, that the word "some" is used. It should not be difficult to determine how many tools were lost in transit—

> some destroyed by the enemy—

It should not be difficult to determine what had been destroyed by the enemy.

> some in bad condition—

It should not be difficult to ascertain what the condition was—

> and some would not be needed, for all of which an allowance of 25 percent of the original value of $166,000,000 was made, reducing the value to $124,500,000.
>
> The tools were then divided into four classes:
>
> 1. $18,000,000 worth of these tools were suitable for civilian work, to which the formula of the War Surplus Property Administration valuing such tools at 50 percent of the original cost is applied, resulting in a sales price of $9,000,000.
>
> 2. $45,000,000 worth of machines having British equivalents, also suitable for civilian production, reduced first to the price level of British equivalents (estimated to be 50 percent)—

It will be noticed, Mr. President, that there was a reduction to the price at which Great Britain could have produced them, but they cost us, the American taxpayers, the American price. So a reduction was made, estimated at 50 percent. In other words, it was estimated that it would cost 50 percent more to produce the tools here than to produce them in Great Britain and if we were going to sell them to Great Britain we would have to cut the price 50 percent as though they had been produced in Great Britain.

I continue reading—

> and then further reduced by the War Surplus Property Administration pricing formula by another 50 percent, resulting in a sales price of $11,250,000.
>
> 3. $2,500,000 worth of armament manufacturing machines, suitable only for military production, desired solely as a reserve for defense, valued at 10 percent of original cost, resulting in a sales price of $250,000.
>
> 4. $59,000,000 worth of miscellaneous tools, having British equivalents, at price ranges of 50 percent of the American price levels, valued at 37½ percent of that value, resulting in a sales price of $11,000,000.

The total value was $31,500,000.

Mr. President, the Foreign Economic Administration replied to the committee's question in relation to those tools. The reply was dated March 28, 1945. The question was as follows:

> The committee desires an expression of opinion as to whether or not this transaction is in any way covered by the terms of the Surplus Property Act of 1944, and the reasons for that opinion.

In other words, we wanted to know whether or not they were selling those tools under the Surplus Property Act which the Congress had passed, covering all surplus property. The residuary interest of the United States in those tools, after they were used for defense purposes, was in the United States of America. The only way by which the interest could be taken from the United States was to sell it or dispose of it. Therefore, I am of the humble opinion that the property was surplus property. The committee wanted to know whether or not it was treated as surplus property.

I now read the answer received from the FEA:

> In the opinion of this Administration, this transaction was in no way covered by the terms of the Surplus Property Act of 1944 for the reason that the machine tools in question were not surplus and have not yet become surplus, in view of their continued use in war production in the United Kingdom. The transaction represents a sale of the machine tools pursuant to the powers conferred by section 3 (a) of the Lend-Lease Act, to sell, transfer title to, etc., defense articles on terms of payment by the United Kingdom for the residual postwar value of the tools, and of settlement for their war use in accordance with the principles set forth below in our answer to question 10. It may be noted that section 34 of the Surplus Property Act of 1944 provides that nothing in that act shall impair or affect the provisions of the Lend-Lease Act."

The committee is not satisfied that the answer adequately shows authority in the Foreign Economic Administration to make this sale. In the first place, what was being sold to the British was the residual value after use for war production had ceased, as stated by the Foreign Economic Administration in its letter to the committee dated March 17, 1945, as follows:

> Finally, it is important to note that the amount paid in accordance with the foregoing considerations is the estimated residual value after the machines have ceased to be used in the war effort.

Mr. President, if they ceased to be used in the war effort and were not to be used in the war effort, no title could be transferred under lend-lease. That is the point I want to make. When they are sold after the war effort, then there is no authority to sell them under lend-lease.

> The remainder of the original cost stands on the lend-lease accounts, to be dealt with in accordance with whatever general settlement for lend-lease aid will ultimately be made.

By its very terms, therefore, the sale excluded a transaction for lend-lease purposes.

I shall now read section 3 (a) (2) of the Lend-Lease Act, which is relied upon by the Foreign Economic Administration for its authority. The section is as follows:

> SEC. 3. (a) Notwithstanding the provisions of any other law, the President may, from time to time, when he deems it in the interest of national defense—

In the interest, Mr. President, of national defense—that was the purpose of lend-lease—

> authorize the Secretary of War, the Secretary of the Navy, or the head of any other department or agency of the Government.
>
> (2) To sell, transfer title to, exchange, lease, lend, or otherwise dispose of, to any such government any defense article—

Mr. President, again I say that after the war is over—and that is when we are selling them—these tools are not defense articles—

> but no defense article not manufactured or procured under paragraph (1) shall in any way be disposed of under this paragraph, except after consultation with the Chief of Staff of the Army or the Chief of Naval Operations of the Navy, or both. The value of defense articles disposed of in any way under authority of this paragraph, and procured from funds heretofore appropriated, shall not exceed $1,300,000,000. The value of such defense articles shall be determined by the head of the department or agency concerned or such other department, agency, or officer as shall be designated in the manner provided in the rules and regulations issued hereunder. Defense articles procured from funds hereafter appropriated to any department or agency of the Government, other than from funds authorized to be appropriated under this act, shall not be disposed of in any way under authority of this paragraph except to the extent hereafter authorized by the Congress in the acts appropriating such funds or otherwise.

It will thus be observed that subsection 2 of section 3 is limited by the purposes set forth in the opening clause of section 3 (a), particularly by the phrase "when he deems it in the interest of na-

tional defense." In other words, it is my humble opinion that the authority conferred upon the President under the Lend-Lease Act was for the purpose of the defense of the United States and that the powers so conferred could not, therefore, be passed on to another and exercised for another purpose in which the objective of the defense of the United States is expressly excluded, as was the case in the sale of these machine tools to Great Britain.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield for a question.

Mr. WHERRY. In the inventory made by the Surplus Property Disposal Agency is the value given in American dollars?

Mr. FERGUSON. It is in American dollars.

Mr. WHERRY. That surplus property is to be sold where it is now, is it not?

Mr. FERGUSON. That is correct.

Mr. WHERRY. Then who makes the determination of the value of the exchange?

Mr. FERGUSON. The exchange, as I understand, is set now at $4.03. We automatically and dogmatically set the exchange of the British pound at $4.03; we set the franc at 2 cents; and we set the lira at 1 cent.

Mr. WHERRY. But it is true, is it not, that the Senator found from his observations while he was abroad with the committee investigating surplus-property disposal that the legal rate of exchange which our representatives made in the valuation of other currencies, say, the franc, was not the actual valuation of the franc in the open market?

Mr. FERGUSON. There is no doubt about that.

Mr. WHERRY. Then let me ask this question: When a sale is made of surplus property, who determines what money shall be accepted and what the value of that money is?

Mr. FERGUSON. We were paid, as I said, $31,000,000; we were paid in dollars.

Mr. WHERRY. The Senator means under reverse lend-lease we were paid in dollars and were not paid in francs or in pounds.

Mr. FERGUSON. This is a cash transaction or supposed to be.

Mr. WHERRY. Where surplus property is sold overseas we receive currency at one value, and when credit is made on lend-lease another value is used. It seems so to me, if I understand the report correctly. On page 20, the committee states:

> A further consideration is the effect of the rate of exchange upon the settlement of lend-lease accounts. The committee was told that the valuation agreed upon in the fixing of the rate of exchange was agreed to be controlling for purposes of reverse lend-lease and lend-lease accounts.

In other words, when it comes to lend-lease the value of the franc is taken as one basis, and when our representatives sell surplus property they take another value. Is that right?

Mr. FERGUSON. That could be done.

Mr. HATCH. Mr. President, I have not so understood the Senator's statement about the transaction.

Mr. FERGUSON. This particular deal was a cash, a dollar transaction. The Senator from Nebraska, I think, is referring to another page of the report.

Mr. WHERRY. What I am trying to bring out in the RECORD is this: I am not referring to any one particular transaction, but in the sale of surplus property certainly the Department of State, the Treasury Department, or some other department of Government should fix the value of exchange on the money our Government takes for the property we sell. It is not so done today. In order to call attention to it I refer to page 20 where there is a value placed upon the currency in lend-lease, but the value of the money does not even come into the consideration evidently with reference to reverse lend-lease. The legal value of the franc is taken. Is that right? But in a sale the Government gets whatever it can get out of the property. The legal value set to pay the men of our fighting force is 50 francs for $1. The black-market value runs as high as 130 francs for $1.

Mr. HATCH. Mr. President, I do not wish to enter into the discussion, because I have not studied the report.

Mr. WHERRY. Nor have I.

Mr. HATCH. I was just reading page 20. I do not think the Senator has correctly interpreted what the committee said. It points out the possibilities as to what might happen, and the confusion which may exist about the situation. I do not think the committee has reported as to what has actually transpired.

Mr. WHERRY. If the Senator from Michigan will yield, I shall answer the distinguished Senator from New Mexico with this observation. The paragraph I just read definitely states that the committee was told by someone, I suppose the Department of State or some other agency, perhaps the Surplus Property Disposal agency, that in the valuation of any property which was purchased by the Allied Governments and paid for by them through reverse lend lease, the valuation agreed upon in the fixing of the rate of exchange was not the controlling factor for purposes of reverse lend lease and lend-lease accounts. I take it that it did not make any difference. These purchasers asked to be credited in their accounts at a legal rate. On page 19 it is said the francs were valued at 2 cents. I suppose that is the basis upon which the credits were made. Yet, if I recall correctly, when I was in Europe it took 130 francs on the street to get an American dollar.

What I am asking is: Did the committee find in its examination into the sale of surplus property that the inventory was made in dollars? Then, when the property is sold over there, do our representatives take the legal rate, or what the franc is actually worth in the open market? That makes all the difference in the world in the disposal of surplus property, the legal rate being 50 francs for $1, the black-market rate 130 francs for $1.

Mr. FERGUSON. Mr. President, I can answer the Senator's question. Outside the sales I mentioned, we found no record of the sale of surplus property. But the Senator raises the exact point the committee raised. That was one of the difficult questions. Because we have placed the value on the franc, the dollar, and the lira, are we going to use that price when we sell surplus property, or are we going to use a new price we might make as of that date? That is one of the questions we raise now. In my opinion, we should not use the price we had already made, which has resulted in a great hardship to our soldiers, whose compensation has been depreciated sometimes as much as 50 percent, when they have to pay 130 francs for the dollar.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. To show that there is a very unjust valuation on the franc, our Government, in order to hold down inflation, because goods were scarce, paid our soldiers in France in francs. Yet they could take a dollar on the street and get for the dollar four times what they were paid in francs. There is a black market over there.

Coming back to what we were discussing, there is, in connection with the sale of surplus property, a point I wish to bring to the attention of the committee; though I am not sure what they can do about it. It is my thought that the United States Treasury should place a value on the foreign currency being paid in the sale of surplus property, and we should follow their suggestion from time to time. Otherwise, when we sell the property, we might be giving it away.

I suggest to the distinguished Senator from New Mexico that I went out into the country and inquired of one of the mayors, one of the officials who govern at little villages, the price of a horse. I looked at the horse. I do not know whether the distinguished Senator from New Mexico has ever traded in horses, but I know something about horses.

Mr. HATCH. The Senator from New Mexico has spent all his life, up to now, in the Southwest.

Mr. WHERRY. In this country that horse would not have brought $25. I had a very distinguished associate with me from the United States Senate, from Illinois, who is on the Senate floor at this moment, and he will recall that when I finally obtained from the mayor, a farmer in France, information as to what the value of that horse was, he said it would take 80,000 francs to buy the horse. That would be $1,600 in American money. In this country the horse would not have brought $25.

I say that in the sale of surplus property which has to be sold in Europe, it is one thing to inventory it in American dollars, it is another thing to say we are going to give credit at the legal value of the franc, and then another thing to know what we are actually getting on the basis of American money. Either the State Department, if it is their job, or the United States Treasury should be able to fix what the rate of exchange should be.

Mr. HATCH. Mr. President, my only reason for interrupting was to call attention to the exact language of the report, and to point out that the

conditions to which the Senator from Nebraska has referred had not actually arisen. What the committee actually said was this:

The committee was told that the valuation agreed upon in the fixing of the rate of exchange was agreed not to be controlling for purposes of reverse lend-lease and lend-lease accounts.

The committee added this:

Having recognized the valuation for one purpose, however, our representatives will be in a weak position to urge a lower valuation rate for the foreign currency in the settlement of lend-lease accounts.

That is what the committee actually said, what the committee was pointing out, and the only actual instance referred to was the one the Senator from Michigan has given, which was on a cash dollar basis.

Mr. WHERRY. Mr. President, will the Senator from Michigan further yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. I understand perfectly what the distinguished Senator from New Mexico had reference to concerning the statement in the report on page 20. I merely called the attention of the Senate to the fact that in this one transaction, which was for dollars, that was perfectly agreeable. I am pointing out to Senators what will arise in the future in the sale of surplus property. I should like to include in my remarks at this point the last paragraph on page 20, which reads:

Likewise, in sales of surpluses in foreign currencies, exchange problems will arise and present our disposal agents with the alternative of fixing prices in foreign currency at a higher level than would be indicated by the official rate of exchange on the one hand, or the acceptance of less than the true value of the goods disposed of if priced in foreign currencies at the official rate. The committee feels that our representatives erroneously attempted to use the fixing of the rate of exchange as a means of accomplishing some political objectives which are not altogether clear and, as a result, have created problems which may be most difficult of solution and very embarrassing to our representatives in a variety of future transactions in the countries where an artificially high rate of exchange was agreed upon.

I do not care to go into that further. I had not read that in the report when I made my observation. I was simply giving a statement relative to my own observations while I was in Europe.

I wish to suggest to the distinguished Senator from Michigan that my views concur absolutely with the report of the committee. Problems have been created because of the failure to establish a real basis of exchange by an agency of this Government, so that in the sale of surplus property we can get back American dollars, or their equivalent, to help pay the national debt, and to pay back to the taxpayers the money they will be called upon to pay in the future.

Mr. FERGUSON. Mr. President, I wish to thank the Senator from Nebraska for his observations, because they are in accord with what the committee found. We recommended on page 21:

The committee believes that United States Treasury representatives and their views on currency problems should have been accorded greater weight, and that the rates should have been fixed on a more realistic basis with sound, businesslike fiscal practices as the major consideration, rather than political objectives of dubious merit.

Mr. President, the committee in this language condemned political objectives of dubious merit. In the future in our trade with Italy we are going to be faced with the results. Under the Bretton Woods proposals we will feel the result of basing these prices on political considerations and objectives of dubious merit, and not on sound fiscal considerations.

The Senator from Nebraska is correct in his statement in respect to that matter. We are going to feel the result of the prices we have fixed with respect to Britain when we do business with Britain in the future.

Mr. President, the machine tools I was talking about are in large volume. We have attached to this report a statement showing that in the period from March 1941 through March 1945 we furnished $675,000,000 worth of machine tools to various countries. Yes, Mr. President, under lend-lease we gave them to other nations to help win the war, but the Congress of the United States did not in the lend-lease legislation say, "If you have not used the machines, or if you have used them and they are not worn out, they belong to you." We reserved to the United States of America and to the Congress the right to say later what should be done with the $675,000,000 worth of machine tools. Thus, Mr. President, it is important to the United States and it is important to the economy of the world what shall be done with these tools.

Mr. President, that brings me to the consideration of another matter. Just prior to the ending of the war I received complaint that we were making new machine tools for one of the Allied Nations which helped in the winning of the war. We looked into the facts as to those machine tools and found very similar tools in storage as surplus in the city of Detroit. Of the 100-inch milling machines I was talking about the RFC had 20 surplus ones. None of them had been disposed of by the RFC. But, Mr. President, Russia came to our authorities and said, "We want tools." The tools required were very similar to the tools we had in storage in Detroit. They were for the making of tanks. It was proper for Russia to make that request under lend-lease. But did any one question our authorities to determine whether we could ship from Detroit the tools which were then in storage there and which had been in storage from September 1943, when the Ford tank plant was closed down? No, Mr. President, no one did. There were $900,000 worth of machine tools in storage. When we called that matter to the attention of Government officials we received this word after much work had been done on the tools requested:

On April 14th the War Production Board granted an AA-1 rating to Russian requisition No. 43361 with the following conditions: This requisition originally requested twenty 100-inch King boring mills, but the War Production Board authorized this requisition with the proviso that 100-inch Betts boring mills be substituted for the King machines requested and provided the Betts machines be taken from DPC surplus under negotiations with RFC disposal agent, Detroit, Mich.

The full order of machines for Russia was for 20 machines at $45,000. We got in on the last 10 machines, which would be $450,000. Then the Government insisted that they take the second-hand machines and they took them from Detroit.

In other words, Mr. President, it was possible that these second-hand machines which were in storage at Detroit could be used. The new machines ordered would cost the Government $900,000—almost $1,000,000.

The entire lend-lease program has not received the consideration it should have received. Every machine tool we have as surplus—and we have millions of dollars worth in this country—should have been checked and thoroughly checked with the procurement agencies to ascertain whether we could send such machine tools, whether they had been partially used or not, to another country to help with the war.

Mr. President, there is another appendix to the report concerning which I wish to speak a few words. That is appendix No. 6:

APPENDIX VI

The amounts provided in the French lend-lease agreements, including both lend-lease and 3-C clause transfers for various types of materials, have been furnished to the committee by the State Department, the terminology used being that of the State Department, as follows:

Mr. President, this lend-lease agreement and 3-C clause provide for $600,000,000 of machine tools to be sent to France. Let us look at this method of giving out the statements to the public by the State Department. Here is one item, but it is not clear. I want to know what it means. We have not received the answer yet. This was released to the press:

Short-life manufacturing equipment for war production.

I read that again:

Short-life manufacturing equipment for war production.

What is that? Is it machine tools, or what is it? What is France going to furnish for the war with Japan? This item is for 1946. We are going to furnish France "short-life manufacturing equipment for war production" in the amount of $250,000,000.

Further on we find:

Metal-working machinery, $100,000,000.

To me, Mr. President, that sounds like machine tools.

Industrial equipment, $150,000,000.

That sounds like machine tools.

The next item:

Machinery for mines, arsenals, etc., $100,000,000.

Mr. President, the war in Europe is over. Are we now furnishing tools to France so that she may rearm? If we are, I think the Congress of the United States should determine the matter. But Senators will notice that item "machin-

ery for mines, arsenals, and so forth." In all, we find $600,000,000 of property which can be considered as machine tools.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BREWSTER. I believe there are also contained in Exhibit VI two other items, one covering locomotives, $200,000,000, and the other railway cars, $100,000,000. Are there not?

Mr. FERGUSON. Yes, Mr. President. The first item is "locomotives, $200,000,000," and the second is "railroad cars, $120,000,000."

Mr. BREWSTER. And is it not true that we have a very considerable amount of locomotives and cars there which we have ourselves sent over incident to the movement of our troops?

Mr. FERGUSON. Mr. President, the Senator from Maine is correct. There is a great amount of railroad equipment which we sent over with our Army and the Navy, and it will be used as equipment on the roads over there, and has been so used.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BROOKS. We were informed by the transportation division that we had sent 24,000 boxcars and 1,800 locomotives to Europe to support the Army. That was in number equal to the total boxcar and locomotive strength of the Santa Fe Railroad in the United States of America. The official figures which were given us show that we had over there by the time the war closed 24,000 boxcars and 1,800 locomotives.

Mr. FERGUSON. I am glad to have that contribution from the Senator from Illinois.

In the Marseilles railroad shop prisoners of war were producing railroad cars and assembling them. They had assembled 9,000, and the next month they would assemble 3,000, which would make 12,000 new cars in that one shop alone. I was not reading from the report. That was what I actually saw in Marseilles.

Mr. President, I believe that we should have clear statements by the State Department. I believe that if we are to get anywhere in diplomacy we must be fair, frank, and firm. But I think the time has come when the people ought to know what we are furnishing under lend-lease. They ought to know what we are furnishing under 3–C. By way of explanation in the RECORD at this time, I think it is fair to say that the 3–C agreement means that France will be able to pay for certain articles not considered to be exactly lend-lease, on the basis of 20 percent down and the balance in 30 years, with interest at 2⅜ percent.

There are some further items. For example, with reference to Belgium, there is an item of $77,000,000 for short-life equipment for industrial and transport facilities used in war production. There is also an item of $18,000,000 for agricultural supplies. That is an unusual way to state it, if it means farm machinery.

On the next page, in connection with the Netherlands, there is an item of $13,000,000 for agricultural supplies and equipment; also an item of $47,000,000 for short-life equipment and repair parts for use in war production and transportation.

Mr. President, I am not saying now that we should not furnish machine tools, but I believe that the time has come in our relations with other countries when we ought to tell the American people just what we are doing. I think the time has come when the agencies should ask the Senate and the House just what our policy is. Our policy is to use lend-lease strictly for lend-lease purposes. We should use the Export-Import Bank for the purposes for which it was established. When we approve the Bretton Woods agreement, we should be sure that we use the stabilization fund for stabilization, and for no other purposes. We should use the bank for the purpose of rehabilitation. There should be loans with the expectation that they will be repaid at some time. If we furnish lend-lease materials, we should obtain an accounting at the end, so that the American people and all people of the world may know what has been furnished in connection with lend-lease. When we receive reverse lend-lease, we should know exactly the valuation in American dollars of what we receive. Our Army and Navy and the various other agencies should not treat reverse lend-lease lightly. They should keep track of it, so that at the end we may know what we have done in this war effort.

IDA E. LAURIE AND ZELLA RICKARD

The PRESIDING OFFICER (Mr. TAYLOR in the chair) laid before the Senate the amendment of the House of Representatives to the bill (S. 134) for the relief of Ida E. Laurie and Zella Rickard, which was on page 2, line 2, to strike out "or about May 7, 1943" and insert "May 8, 1943."

Mr. CORDON. Mr. President, I move that the Senate concur in the amendment of the House. The amendment is simply a correction of a date in the bill as it passed the Senate.

The motion was agreed to.

BRIDGE ACROSS COLUMBIA RIVER IN CLATSOP COUNTY, OREG.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 574) to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oregon, which were in line 10, to strike out "1945" and insert "1943"; in line 11, to strike out "two" and insert "one", and in the same line, to strike out "four" and insert "three."

Mr. CORDON. Mr. President, I have conferred with the chairman of the Committee on Commerce, the Senator from North Carolina [Mr. BAILEY], which had this bill under consideration, and I have his authority to move that the Senate now concur in the amendments made by the House.

The motion was agreed to.

PROPOSED INVESTIGATION OF OPA ACTIVITIES

Mr. CAPEHART. Mr. President, on behalf of the Senator from Maryland [Mr. TYDINGS] and myself I submit a resolution and ask that it be read at this point.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The resolution (S. Res. 153) was read, as follows:

Resolved, That a special committee to be composed of five Senators appointed by the President of the Senate is authorized and directed to make a full and complete study and investigation with respect to the policies and activities of the Office of Price Administration and the Office of Economic Stabilization in establishing prices for merchandise intended for civilian use and other commodities, with a view to ascertaining (1) what policies and methods are being followed in the determination of such prices, (2) whether such policies and methods are desirable and proper, and (3) the effect of such policies and methods (a) on the production and the supply of civilian goods and (b) on reconversion to a peace economy, the expansion of industry, and the increase or decrease of employment. The committee shall report to the Senate not later than 4 months after the date of approval of this resolution and the results of its study and investigation, together with such recommendations as to legislation as it may deem advisable.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $15,000 shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The PRESIDING OFFICER. Does the Senator desire to have the resolution referred to a committee?

Mr. CAPEHART. Yes.

The PRESIDING OFFICER. The resolution will be appropriately referred.

The resolution (S. Res. 153), submitted by Mr. CAPEHART (for himself and Mr. TYDINGS), was referred to the Committee on Banking and Currency.

Mr. CAPEHART. Mr. President, first, I wish to state that the purpose of this resolution is not to do the following things:

First. It is not a "witch hunt."

Second. It is not intended to embarrass the administration.

Third. It certainly is not intended to be political.

Fourth. It is not intended in any way to cripple or eliminate the OPA.

Rather, Mr. President, the purpose of this resolution is to try to do—and I believe it will do—the following things:

First. Help every American, because OPA touches the lives of all Americans.

Second. Be of great help to the President of the United States and to the Administrator of OPA.

Third. Find a way to encourage and help employment which is so vital to some 50,000,000 American wage earners.

Fourth. Assist in establishing a philosophy of plenty rather than a philosophy of scarcity.

Fifth. Help establish a peacetime prosperity.

Sixth. Aid in establishing a price-fixing policy that will encourage employers, farmers and producers to manufacture, produce, and grow more—thereby creating more jobs.

Mr. President, it is my firm conviction that in the success or failure of the OPA in its price fixing policies in respect to civilian merchandise during our reconversion period lies the difference between a strong, prosperous, healthy Nation when this war is over, and one that will be thrown into confusion, chaos, and widespread unemployment.

Permit me to say with all the sincerity at my command that I know of no problem so complex and difficult as the administration and execution of the OPA Act. Congress has given OPA the responsibility of setting the prices on literally thousands and thousands of civilian items of merchandise. These prices affect, either for good or bad, the following:

First. Number of people that will be gainfully employed.

Second. Our national income.

Third. Profits of all those in business.

Fourth. Prosperity of our farmers.

Fifth. Whether wage earners enjoy high wages or low wages.

Sixth. The standard of living of all our people.

Seventh. The amount of taxes available to our Federal Government.

Mr. President, if the OPA price-fixing policies deny the manufacturer, the businessman, and the farmer a legitimate profit, a small profit, or any profit at all, then I should like to ask Members of this body the following questions:

First. Who is going to employ some 50,000,000 Americans?

Second. What will happen to the one hundred and twenty to one hundred and forty billion dollars national income that most of our economists claim we must enjoy after the war in order to survive as a prosperous Nation?

Third. Where is the Federal Government going to secure twenty to twenty-five billion dollars in taxes, which every expert has warned we must expect in order to maintain our Federal Government during peacetimes?

Mr. President, will someone please answer the following questions?

First. How can this Nation survive on an eighty to eighty-five billion dollar income with a twenty to twenty-five billion dollar tax load?

Second. Will someone please tell me how we can maintain a one hundred twenty to one hundred forty billion-dollar income without high wages, high prices for farm products, and long profits to our manufacturers and businessmen? It is these groups that earn and produce the national income, and it is these groups that must pay the twenty to twenty-five billion dollars in taxes.

Mr. President, I shall take but little time. There is not a Member of the United States Senate who could not spend a great deal of time talking about the many, many complaints he receives almost daily from his constituents in every nook and corner of his own particular State.

I could stand here today, Mr. President, and fill the CONGRESSIONAL RECORD with complaints against the OPA, as could any other Senator. But, Mr. President, that is not the purpose of my remarks in respect to my resolution. Rather, my purpose is to set up a committee within the Senate that can advise with and be helpful to the Administrator of the OPA.

It is my profound belief that the United States Senate owes a responsibility to the future and to the well-being of our 135,000,000 people, to advise with the Administrator of OPA in the drafting and enforcement of a sane, sensible, practical, workable price-fixing policy in respect to our national economy. I respectfully and earnestly urge that every Senator support this resolution and insist upon its immediate adoption.

I do this in the name of all of our people who are hoping and praying that our last enemy will soon be decisively and completely defeated, and that they may then return to a peacetime economy; and that our Government through wise counsel and policies will provide a peacetime economy, through private enterprise, which will insure full employment, high wages, profits to our farmers and business interests, and the maintenance of a sound financial policy, a high national income, and a reasonable and adequate tax structure.

Mr. President, it is impossible to do the things the American people are praying for unless the best possible judgment and the best possible practices are adopted and used in connection with OPA's price-fixing policies in respect to all civilian merchandise.

Some of the issues to be determined by the committee I am suggesting are as follows:

First. Whether OPA's methods of establishing maximum prices are stifling production and producing unemployment.

Second. Whether OPA's methods of establishing maximum prices conform to the requirements of the Price Control Act that maximum prices must be "generally fair and equitable"; or whether, on the contrary, its methods are based on its own notions of limiting profits.

Third. Whether OPA's methods of establishing maximum profits on the basis of aggregate industry earnings result in a fair determination of costs throughout a particular industry; or whether, on the contrary, they result in an unbalanced estimate of costs that are valid only for a limited number of selected companies.

Fourth. Whether OPA's methods of establishing maximum prices result in monopolies in particular industries through price ceilings that are favorable to a few large business firms, but detrimental to thousands of smaller business firms.

Fifth. Whether OPA's methods of establishing maximum prices require the absorption of cost increases and squeeze wholesalers and distributors out of business.

Sixth. Whether OPA's methods of tablishing maximum prices conform to the requirement of Price Control Act that costs shall be determined not otherwise than "in accordance with established accounting methods."

Seventh. Whether OPA's methods of establishing maximum prices have permitted adequate consideration of hardships imposed upon individual business firms dealing in needed civilian merchandise.

Eighth. Whether OPA's methods of establishing maximum prices have caused losses in production or employment, through administrative delays in establishing ceilings or in adjusting ceilings.

Ninth. Whether OPA's methods of establishing maximum prices are based on the real facts of current costs of material and labor; or whether, on the contrary, they are based on OPA's imagination of what certain things should cost if such things could be bought.

Tenth. Whether OPA's methods of establishing maximum prices have diverted business firms from dealing in lines of needed civilian merchandise into other lines where profits are possible.

In as constructive a way as I know how, and with the best interests of our people at heart, Mr. President, I submit this resolution and urge its speedy adoption.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Indiana yield to the Senator from Oregon?

Mr. CAPEHART. I am glad to yield.

Mr. MORSE. I wish to say to the Senator that I appreciate very much the discussion of OPA which he has presented to the Senate this afternoon. Mr. President, I should like to have unanimous consent to have printed in the RECORD, as a part of the very brief remarks which I now wish to make, a statement regarding the western lamb-marketing problem as it relates to the OPA. The statement was presented by R. C. Burkhart, president of the Western Oregon Livestock Association, to the Secretary of Agriculture, at Seattle, Wash., on June 14, 1945. I also submit a statement prepared by the Oregon State Department of Agriculture relative to the livestock situation in Oregon and an editorial from the Portland Journal.

There being no objection, the statements and editorial were ordered to be printed in the RECORD, as follows:

STATEMENT ON WESTERN OREGON LAMB MARKETING

(Presented by R. C. Burkhart, president, Western Oregon Livestock Association, to the Secretary of Agriculture, Seattle, Wash., June 14, 1945)

MEAT TO SELL

Western Oregon has meat to sell. News accounts indicate that the public wants more meat. Western Oregon sheepmen are satisfied with any live-animal prices which are based upon present ceiling or near ceiling prices for dressed lamb.

WESTERN OREGON PRODUCTION

Western Oregon will have to market from 40,000 to 55,000 lambs and sheep per month for the next 3 or 4 months. Roughly 10 percent of this amount will be old ewes. The remainder will be lambs with some short yearlings.

MUST SELL WHEN READY

Milk-fed lambs, when ready, must go to market within the short period of 2 to 3 weeks or a rapid loss in condition results.

Western Oregon feeder lambs have proved uneconomical in the feed lot, necessitating carrying the bulk of the lambs not marketed when they are milk fat over to yearlings. This results in heavy death and losses and in uneconomical use of feed critically needed for other livestock. Part of the 1945 lamb problem is the 1944 lambs that could not be marketed in 1944.

Western Oregon lambs are pasture lambs that are too soft to stand shipment to Eastern markets alive. No lamb carcass will keep long enough to stand shipping across the continent in the dressed form.

OREGON MARKETS FROZEN

The killing plants in Oregon that do not operate under Federal inspection will have a total possible quota, under existing regulations, of 3,107 for July, 3,218 for August, and 3,607 for September. The plants operating under Federal inspection are not limited by quotas, but the amount killed during the summer in 1944 ranged from 13,000 to 14,000. These plants have claimed for 2 years that they cannot get labor to increase their kill and as this is written the situation is no better.

During the past 2 years, various governmental agencies have repeatedly promised this association that the federally inspected kill in Oregon would be increased. The fact remains, however, that the Federally inspected kill has not been increased and that no means of increasing that kill is now in sight.

This failure of the federally inspected plants to increase their kill, combined with the quotas placed upon the kill of the plants not under Federal inspection, serves to freeze the entire Oregon kill at the very time when the largest possible slaughter is desired.

THE CALIFORNIA AND WASHINGTON MOVEMENT

The slaughtering plants in Oregon cannot handle all the western Oregon lambs and they are not normally expected to do so. We usually expect to ship 20,000–25,000 lambs a month during the summer to California and from 3,000–8,000 a month to Puget Sound points.

The ability of western Oregon to move lambs to California depends upon a variety of factors: quotas, ration points, labor conditions in killing plants and transportation. Transportation to California has been particularly difficult and subject to much delay. Growers are frequently unable to get their lambs moved until it is too late. Lambs shipped by railroad to San Francisco are routed by Eugene and Klamath Falls, even from Douglas, Coos, and Curry Counties. The service cannot be otherwise than slow. Rail shipments from Roseburg or North Bend to San Francisco now require a minimum of 5 days and from Coquille, Bendon, or Gold Beach, 6 to 7 days. The shrinkage resulting from this long time en route is very heavy.

Truck transportation to California is subject to all of the difficulties involved in truck transportation everywhere plus the conflict in truck regulations between California and Oregon. These differences in regulations might not be so important when the haulers are looking for business, but when they already have more than they can do and are in a position to pick and choose, their decisions will be seriously influenced by slight irritations.

Shipments to the Puget Sound points are much smaller than to California. Killers there are subject to the same difficulties of labor, quotas, ration points, and so forth, but transportation has been less difficult since the routing is direct. Any slowing down of the movement of lambs to out-of-State points increases the pressure on the Oregon markets, but as previously indicated, the Oregon outlet under present regulations is frozen and cannot increase regardless of pressure.

LAMB PRICES

Lambs in Portland under existing prices for the meat and pelts are worth from $12 for utilities up to $16 for choice. (See Oregon Experiment Station Circular 317). The ceiling prices on dressed carcasses has not been changed since June 7, 1943.

The prices of lambs in Portland during the summer months of 1944 and of 1943 were for the most part about $4 per hundred pounds below the prices which were justified by the prices of meat and pelts. The prices for 1945 are now about $2 per hundred pounds below the prices justified by the prices on meats and pelts with every indication of going lower as the season advances.

STOCKMEN'S RECOMMENDATION

The position of the Western Oregon Livestock Association may be stated briefly as follows:

1. That in view of existing shortages of meat there is no justification for frozen market outlets or for forcing producers to sell at prices far below the value of the dressed product.

2. That since the Federal Government has undertaken to regulate the marketing and slaughter of meat animals, it is the duty of the Federal Government to make such adjustments in quotas, ration points, and buying policies as may be necessary in order to permit the marketing and slaughter of lambs when they are ready and to permit free competition for these lambs by all killers who need them in their trade.

3. That the Federal Government should recognize frankly that its efforts of the past 2 years to increase the kill of plants in Oregon under Federal inspection have failed to produce the desired increase and that policies for the present calendar years should be based upon the assumption that the total Federally inspected kill in Oregon will not be materially different from that of 1944 or 1943.

4. The disastrous lamb market congestions which occurred in 1943 and 1944 should not be permitted to occur again in 1945.

5. That in view of the variety of complicated conditions and markets involved, no one adjustment may be expected to meet the situation in all places and at all times. On the contrary, the Government must adopt a flexible up-to-the-minute policy that will not only meet but anticipate the various situations as they arise. The movement of live animals to market changes from week to week, but the changes follow the calendar rather closely and can be forecast with much accuracy.

6. That the producers are satisfied with existing ceiling prices on dressed meats but would like to receive live animal prices that are in line with these ceiling prices on meats.

7. That Oregon producers have lambs to sell and that, in view of publicly announced needs of Army, Navy, lend-lease and civilians, these lambs should be permitted to move freely in consumptive channels when they are in the proper condition for market.

STATEMENT OF THE OREGON LIVESTOCK SITUATION

(Prepared by the Oregon State Department of Agriculture)

OREGON PRODUCES A SURPLUS OF MEAT

According to the United States Department of Agriculture, Bureau of Agriculture Statistics, there were on farms January 1 each year as follows:

	1930	1935	1940	1945
All beef cattle	423,000	535,000	629,000	746,000
All dairy cattle	334,000	393,000	383,000	436,000
Hogs	195,000	152,000	274,000	194,000
Lambs and sheep	2,576,000	2,497,000	1,975,000	1,082,000

With a population of slightly in excess of 1,100,000 as of November 1943—and somewhat in excess thereof as of now—it is obvious that Oregon is producing a heavy surplus of meat. It is likewise obvious that in the case of cattle, including dairy cattle, there has been a backing up on farms since 1940. We are carrying more livestock at present than we should with safety when livestock numbers are related to the available feed supply. Our hay acreage harvested has reduced from 1,151,000 acres in 1930 to 1,090,000 acres in 1944, while our hay production has reduced from 1,979,000 tons in 1930 to 1,862,000 tons in 1944. The 1944 production was more than average per acre of hay harvested because of extremely favorable crop year. Likewise, the amount of livestock carried on the pasture the past 3 years has been heavier than normally due to extremely favorable crop years. Oregon must export meat in the form of dressed beef, hogs, and lambs, as well as in the form of live animals.

PRESENT REGULATIONS CREATE A HARDSHIP IN OREGON

The reestablishing of the slaughter quota system by the Office of Price Administration creates a situation with respect to the movement of Oregon livestock which is not common to other States. The stated purpose of the slaughter quota system is to channel meat through federally inspected slaughter plants. There are only 8 such plants in Oregon, mostly concentrated in or near the Portland area, while there are approximately 400 class 2 slaughterers who slaughter meat animals in approximately 175 plants well distributed over the State. Under normal conditions about 70 percent of the total slaughtering done in Oregon is accomplished in the locally situated, nonfederally inspected plants. Under rationing and wartime restrictions, this figure is estimated to be closer to 60 percent. Besides this, a considerable amount of farm slaughter has been done throughout the State under normal conditions. The recent slaughter quota regulations established by the Office of Price Administration effectively stopped farm slaughter and limit nonfederally inspected plants to fixed percentages of their 1944 kill. For example, if a local plant killed no lambs in 1944, it has no quota and can kill no lambs in 1945, although it is reported that adjustments will be made in situations of that character. It may be expected, however, that slaughterers will be hesitant to apply for adjustments because of red tape and difficulties—real or imagined—together with their general dislike of OPA policies. The result of the establishment of fixed slaughter quota against nonfederally inspected plants creates a serious problem as far as Oregon producers are concerned. For 2 years the federally inspected plants, through their management, had generally taken the position that they could not increase their kill for lack of labor. If this is true, and local plants are forced to a reduced kill, obviously there will be a backing up of livestock in producers' hands. Furthermore, in western Oregon especially, there are many small producers having from one to one-half dozen animals at different times of the year available for market. Because of transportation difficulties and the small numbers in each lot, the Portland market is effectively closed to such producers. If they have no local market because of slaughter restrictions, they will either discontinue producing or have their production back up on their farms, creating a surplus of live animals during a period of meat shortage; and under conditions of surplus, the producer is at the mercy of the buyer and must take whatever price is offered. Another factor of importance in this picture is that much of the cattle moving to market during the fall and early winter months is of cutter, canning, and utility grades. This class of meats cannot possibly be shipped out of State in the absence of available market

here. Neither is the capacity of federally inspected plants great enough to absorb the overage which would occur. The logical conclusion is a demoralizing market picture would result. To a considerable degree, the same conclusion may be drawn with respect to hogs, although Oregon hog production has dropped very materially within the past year due to the failure of the Government to maintain its originally announced support prices. Further, producers in outlying areas are accustomed to market their livestock locally and do not have facilities for transporting them to Portland or other distant markets. In sum and substance, the program of reducing class 2 slaughterers constitutes an obstruction to marketing and tends to depress producer prices.

RECENTLY ANNOUNCED OPA REGULATIONS WILL EFFECTIVELY STOP REMAINING CLASS 2 SLAUGHTER OPERATIONS

RMPR 169–1, amendment 55, provides that meat distributors having live animals to slaughter and taking them to a slaughter plant for custom killing shall receive from the custom killer fixed rates per 100 pounds, hot dressed weight basis for each grade and slaughtered in accordance with its grade and weight. In return the slaughterer retains the hide together with the edible and nonedible byproducts, when such slaughterer has rendering facilities. Different rates are established for the slaughterer who does not have such rendering facilities. It has long been the custom for slaughterers to do custom killing at established rates varying from $1.50 to $5 per beef animal with the average approximately $2.75. These rates were charged the owner of the animals and the slaughterer retained the hide and nonedible byproducts. The edible products went to the owner of the animal together with the dressed carcass. Under the new regulations, the slaughterers of the type common to Oregon will lose money and cannot, therefore, do custom killing. The result is a complete break-down in local meat distribution, contributing further to the backing up of supplies in producers' hands. Local meat shops and restaurants are already closing in substantial numbers. There appears evidence that the large federally inspected meat dealers—notably Swift and Armour—who formerly distributed meat throughtout the State, are not now distributing unfabricated beef, preferring to utilize their labor in developing fabricated meats in order to take advantage of the higher markets. The entire burden of local supply thus falls on local plants. Hospitals, logging camps, and various commissaries are unable to secure meats for which they have available points. During our summer and fall seasons, there is a considerable amount of transient agricultural labor in our State. Most of these people eat in restaurants or in group-feeding establishments. A break-down in meat distribution will make it all but impossible to feed these people, particularly as retail meat shops and restaurants are now closing. Furthermore, the quotas available to local slaughterers appear at this time to be insufficient to supply legitimate and lawful demand.

MANPOWER AND SLAUGHTER INDUSTRY

The federally inspected plants are understood to be short of manpower and for that reason among others are unable to increase their slaughter capacity. On the other hand, the Butchers' Workmen Union, Local No. 565, of the A. F. of L., is reported by their secretary, Mr. Lyle Augee, to be working 30 to 40 hours per week. With an increase to 48 hours per week, there would be a 30-percent increase in production with the same manpower as under the present out put. There have been observations to the effect that the larger packers' policy is to back livestock up in producers' hands so as to be able to purchase their supplies at prices substantially below the ceilings. One large plant in Portland is reported to have a wage scale which will not permit the employ of additional help in a high-wage area, and as being reluctant to open this question because it would affect the wage scale in their plants located in other areas throughout the Nation. This situation bears investigation.

WESTERN OREGON LAMB SITUATION

Annual lamb production in western Oregon approximates 200,000 head. These lambs reach their prime normally during the months of June, July, and August, but this year will probably not start moving in volume until about July 1, the season being from late June to mid-September. These are milk-fed lambs raised on lush pastures and must move to market when ready or suffer a rapid loss in conditions. These lambs have proven uneconomical in the feed lot, necessitating carrying the bulk of the lambs not marketed when ready over to yearlings. This results in heavy death losses and in uneconomical use of feed badly needed by other livestock. Likewise, it discourages production. Part of the 1945 lamb problem are the 1944 lambs that could not be moved during that year. Western Oregon lambs are pasture lambs that are too soft to stand distant shipment alive. Neither will these lamb carcasses stand shipment across the continent in dressed form. Normally they are marketed entirely on the west coast. The volume to be marketed during the next 3 months will approximate 50,000 per month. About 10 percent of this amount will be old ewes, the remainder mostly lambs, with some short yearlings. Under existing regulations, killing plants in Oregon not operating under Federal inspection will have a total possible quota of about 10,000 head for the 3-month marketing period. While the Federal plants are not limited by quota, their kill in 1944 ranged from 13 to 14,000 head per month during the period when these lambs should have gone to market. Thus there is a surplus of approximately 35,000 head per month of lambs, together with some old ewes and short yearlings in western Oregon. The problem is to get these animals slaughtered when they are ready in order that there shall be the maximum production of meat, which the public wants and can use. Under normal conditions, twenty to twenty-five thousand lambs per month during the marketing season are moved to California and some three to eight thousand per month to Puget Sound points. In the face of existing meat shortages, probably a greater amount than heretofore can be utilized locally, thus reducing the necessity for out shipments. Movement to out-of-State points likewise at this time depends upon a variety of factors—transportation, quotas, ration points, and labor conditions in out-of-State markets. Transportation to California is particularly difficult, subject to excessive delay. From some points in southern Oregon, shipments to San Francisco take from 7 to 10 days, resulting in shrinkage that makes such movement uneconomical. However, the Oregon outlet under present regulations is frozen and cannot increase regardless of pressure. Recent statements by the War Food Administration that Army purchases will take on lambs offered is not an answer. The Army will purchase from only federally inspected plants, and their capacity based upon the past 2 years' experience is insufficient by at least 35,000 head per month during the 3-month marketing period. Existing lamb prices are likewise not equitable. According to the Oregon Experiment Station Circular No. 317, lambs in Portland, under existing prices for meats and pelts, are worth from $12 to $16 per hundredweight, and the ceiling prices on dressed carcasses have not been changed since June 7, 1943. Lamb prices in Portland during the summer months of 1943 and 1944 were for the most part about $4 per 100 pounds below the prices which were justified by the price of meats and pelts. The present price is about $2 per 100 pounds below the justified price, and as the market becomes glutted, it may be expected to go even below those prices existing during 1943 and 1944.

CORRECTIVE MEASURES NECESSARY

One of the extreme difficulties of the Oregon livestock industry in operating under wartime regulations has been the inflexibility of those regulations and the time element involved in securing adjustments of regulations imposing hardships because of local conditions. It would seem logical that national policies might be established in Washington and that under such policies regional and district offices of the various control agencies be authorized to make on-the-spot adjustments where national policies work local hardships and where such adjustments obviously would result in more food being available not only to our military forces but also to our civilian population, with the further effect of encouraging producers to operate at the maximum of their capacities. Immediate changes necessary are adjustments of quotas applicable to nonfederally inspected plants. It would seem that with the veterinary personnel in this State, through the United States Department of Agriculture, Bureau of Animal Industry, and through local veterinarians accredited by the United States Department of Agriculture, Bureau of Animal Industry, that some of the nonfederally inspected plants could kill for interstate shipment for Army purchase. There is no reason why such a program could not be worked out. The lamb situation is essentially a regional matter which should be possible of solution through the regional office of OPA. The announced RMPR 169–1, amendment 55, should be rescinded. There are many other small matters needing correction. For instance, ceiling price on hogs at Portland is $15.75 at the stockyards. Local killers situated outside of Portland, however, are not permitted to buy hogs at the Portland yards above the local ceiling, which in the Salem area, for example, is $15.35. Obviously, therefore, no hogs move from the Portland yard to local killers throughout the State even though this movement is legitimate and lawful. It would also mean reasonable that OPA and other Federal agencies should have closer contacts and seek advice and counsel from State agricultural departments and organized agricultural groups who are familiar with local conditions because of long experience with them. OPA particularly has apparently lacked confidence in any but its hand-picked advisers; and if OPA's actions are indicative, its advisers are lacking in understanding and information of the problems with which they are dealing.

The long-time interest of agriculture demands the retention of price control. The foolish and unworkable practices of the price-control agency has seriously impaired the confidence of consumers and producers alike in this agency. Unless corrective steps are taken soon, it appears the growing undercurrent of resentment may result in the premature abolition of price control. The obvious result would be a skyrocketing of prices and a serious degree of inflation. Under such a program, agriculture has more to lose than most other segments of the national economy for the reason that it is reasonable to assume agricultural production will reach consumer demand much more rapidly than industrial production, with a resultant discrepancy in agricultural prices in relation to industrial prices. Thus the effective purchasing power of the agricultural segment of our economy would be out of balance with the industrial purchasing power; and at least one of the factors which contributed to the depression of 1931–40 would again be set in motion. It is, therefore, most important to agriculture that abuses of price control and the obvious

foolish and impracticable regulations imposed by the price-control agency be immediately corrected.

Another factor of long-range importance to agriculture is the policy of the Federal Government to maintain artificially low consumer prices through the use of subsidies. The consuming public generally is reported to have the opinion that these are producer subsidies. It is not reasonable to suppose that at the conclusion of the war, with high taxes, the taxpaying public will stand for a continuing handout to agriculture (the public apparently has the opinion that the subsidy program is a handout to agriculture). Therefore the agricultural policy on the part of the Federal Government should include steps pointing toward elimination of all subsidies programs through a series of gradual price adjustments to permit the accomplishment of such elimination. The sudden shock of subsidy elimination would have far-reaching and adverse repercussion in agriculture and could be expected to produce an unfavorable producer-consumer relationship. It is not too early to begin now to eliminate subsidies, particularly as consumer purchasing power is bringing increasing pressure against price control.

[From the Oregon Daily Journal, Portland, Oreg.]

MEAT FOR THE TABLE

News from Washington indicates that perhaps even the brass hats of bureaucracy can turn their faces from the darkness of preformed opinion to the bright light of fact. At least we have assurance from Senators CORDON and MORSE that Economic Stabilizer William H. Davis has been appealed to and has given assurance that the fiasco of the last 2 years over the slaughter of "soft lambs" will not be repeated.

Sheepmen of the Northwest have lost heavily during these years because of the unduly high point values of lamb, maintained at a level beyond the ability of householders to buy. Unwilling to be caught again with supplies of slaughtered but nonsalable meat, the whole industry called upon the Government for relief. The new Secretary of Agriculture lately visited the Northwest and learned, first-hand, of the tragedy which the OPA and WFA could have averted but did not because of unwillingness to modify for this locality a directive that covered less favored areas.

Just what the actual lamb situation will be must depend upon the wisdom of Mr. Davis, who has taken the trouble of conferring with persons who understand the problems of the sheepmen and realize the importance of correct point values and distributive measures from the standpoint of the public. This was not done by the heads of the OPA and WFA, in spite of submitted evidence that lambs ready for slaughter were growing fatter and heavier while lamb already slaughtered was spoiling because meat-hungry humans could not make their red points stretch to the artificial token value set upon it.

Coincidentally comes word from Washington that the OPA is to revise the pricing method, whereby custom slaughterers may operate profitably. It is believed that this will provide more meat of all kinds—in effect, breaking the deadlock whereby killers simply have not operated. This applies chiefly to various grades of beef. The OPA meat expert for this area informed slaughterers that "adjustments must inevitably be made to fit a particular section"—a principle of economics which apparently had not occurred to the regulatory authority hitherto.

All this should add up to more meat for the home table.

Mr. MORSE. Mr. President, I should like to say that although the Senate has heard me before on the Oregon lamb problem it may be necessary for me at a later date to speak again at considerable length on the problem, because I have been busily engaged in recent days in a very thorough analysis of OPA practices as they relate to the Oregon lamb marketing problem. I find that OPA policies in connection with this problem are just as unsatisfactory as they were at the time when I first addressed the Senate on the issue.

However, Mr. President, my confidence in the fairness of President Truman and of the new Secretary of Agriculture, Mr. Anderson, is so complete that I am satisfied that in a very short time a satisfactory solution of the Oregon lamb problem will be forthcoming. I believe it will be a solution which will do the thing which needs to be done, namely, to solve the problem in such a way that the Oregon lamb producers will not suffer the great losses which the OPA has foisted upon them for the past 2 years.

So, Mr. President, I put this material into the RECORD for future reference, because it sets forth some basic facts which must be considered by the OPA and by the Secretary of Agriculture if fair dealing is to be done in correcting this injustice of which my colleague the able senior Senator from Oregon [Mr. CORDON] and I have been complaining.

I close my remarks by inviting attention to three steps which will have to be taken, in my judgment, in order to correct the injustice. We will have to face the fact that the marketing of Oregon lamb, approximating 250,000 head, represents a local problem, inasmuch as these lambs cannot be shipped. They cannot stand shipment because of the nature of the feed in the Willamette Valley which produces what is known as a soft lamb. These lambs are of exceedingly high meat quality, but when shipped the loss from shrinkage is so great that they cannot be shipped at a profit. Therefore, they must be slaughtered and consumed locally. To do so it will be necessary to lift the ration points for a period of from 60 to 90 days. I do not believe the problem can be solved by any other method and at the same time protect the producers of those lambs from financial losses.

Second, the slaughterhouse quota will have to be lifted in order that the lambs may be slaughtered locally. The reports point out that it will be impossible to slaughter these lambs unless the slaughterhouse quotas are lifted.

Third, the Government, in my judgment, must stand ready to buy the necessary quantities of these lambs at ceiling prices if the producers of the lambs are to be protected from sacrifice sales below ceiling prices.

I do not think it will be necessary, and I hope it will not be necessary, for me to take the time of the Senate at a later date with a long detailed account of the gross incompetency which has characterized the OPA's conduct throughout the handling of the Oregon lamb problem for the past 2 years. But, if it becomes necessary for me to do so, Mr. President, I shall do so because I think it must be made a cause celebre. I believe that we must demonstrate that when an injustice such as the one to which I have referred is brought to light, with all its supporting facts which cannot be controverted, our Government will see to it that such an injustice is righted. Hence I have put the material into the RECORD for the consideration of the Senate and for further reference if necessary.

I repeat that my confidence in the fairness of President Truman and of the Secretary of Agriculture is so complete that I believe they will not permit this injustice to continue for long.

Mr. WHERRY. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. WHERRY. I ask the Senator from Indiana if the resolution asking for an investigation of the activities of the Office of Price Administration and of the Office of Economic Stabilization in establishing prices of merchandise, includes also an investigation of the food situation in this country, as well as an investigation into the production not only of meat which is being sold, but meat which is in the process of production in the feed yards.

Mr. CAPEHART. The resolution is intended to cover an investigation into the OPA's price-fixing policies which have to do not only with food, but with all civilian merchandise. The investigation would cover all civilian merchandise, including food, on which the OPA fixes prices.

Mr. WHERRY. I thank the Senator.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. HICKENLOOPER. I was about to ask the Senator from Indiana approximately the same question which was asked by the Senator from Nebraska. I am happy to hear him say that the purpose of the resolution is to make a fair and honest inquiry into all the various fields to which the Senator has referred.

If I may consume a few moments of the time of the Senate I should like to read into the RECORD a statement appearing in the current issue of Life magazine with regard to what is happening in the meat situation in this country.

The article to which I refer is accompanied by some very fine pictures of cattle production. On page 74 of the magazine is a statement entitled "The Feeders Have Taken Bad Beating."

A short paragraph or two of the statement reads as follows:

A feeder figures that 9 pounds of corn put 1 pound of meat on a steer. When, cattle raisers and packers. But the men hardest hit by regulation were the thousands of United States feed-lot operators. Cattle raisers produced not meat but "frames for meat." It is scientific feeding that turns a 700-pound "grasser" into a square-built, heavily fleshed 1,200 pound steer. This "finishing," which produces the choice roasts and sirloins, is done by feeder-lot operators, the full-time commercial feeders like Arthur Clausen and the farm feeder like Hans Neilsen who fatten cattle as a side line to farming.

A feeder figures that nine pounds of corn put one pound of meat on a steer. When, as happened last year because of OPA's ceiling juggling, nine pounds of corn cost more than a feeder gets for a pound of flesh, he stops feeding. Then most young

steers are marketed without finishing—utility beef. This greatly reduces the meat supply, for a finished steer produces as much usable meat as two grassers. Last year many feeders stopped operations but the recent adjustment of corn-meat ceiling inequalities are encouraging some to resume.

That article, Mr. President, points out the very thing about which the Senator from Nebraska has spoken on this floor from time to time, prior to and following the hearings on the bill extending the OPA legislation. Other Senators, including the Senator from Oklahoma, have also repeatedly discussed the same subject. The price-juggling practices of OPA are resulting in a very substantially reduced poundage of meat available to the American public.

Mr. President, this matter is a public one and of vital interest to the people who must have a diet upon which they can exist. Time and again the OPA has brought magnificent charts into the committee rooms and, at Government expense, has published such charts as propaganda of its claimed success throughout the United States. The propaganda has shown, for example, the number of cattle walking to market. It makes little difference, Mr. President, how many cattle walk to market, but it does make a difference how many pounds of meat reach the market for the consumption of the American public. The article which I have read points out very clearly that because of the discouragement of feeder operations it requires two grassers, as they are called, to equal the poundage of meat furnished by one well-finished steer.

On page 75 of the magazine appears a picture of what I am sure the Senators from Indiana, Oklahoma, and Nebraska will recognize as the Midwest corn-cattle-hog farmer. His name is Hans Neilsen. On the same page, under a picture illustrating what is taking place in the feed-belt region, is the following statement:

Stalwart Hans Neilsen, shown here before his corncrib, is a farm feeder near Fremont, Nebr. He feeds a few hundred head each year in addition to his farm work, whereas commercial feeders may feed thousands. Neilsen, who is 56 years old, has been feeding cattle for 20 years. This season he bought 133 head—

Mr. President, if these figures are analyzed, it will be found that they are exceedingly significant and give substantial reasons for some of the conditions now existing in the Midwest.

I continue reading—

paying an average price of $104.94 each. To fatten them from 792 to 1,096 pounds, he gave each 3,580 pounds of corn, 1,350 of alfalfa, 180 of protein, plus lime and salt—$86.99 worth in all to each animal. Other costs—labor, taxes, and the like—amounted to $17.52 per head. He sold for an average of only $179.20 per head. Wet, muddy weather reduced the expected gain in weight by almost a pound a day. Neilsen thus lost $30.25 per head.

There is the answer in great measure to the meat shortage in this country. With more meat on the hoof than we have ever had before in the history of the country, no feeder, no farmer, whether he feeds as an incident to a diversified farming operation or whether he feeds as a principal activity, can continue in business long and lose $30.25 a head on every head of cattle he markets, unless he should go into the black market and accept the black-market prices from the black-market operators who are still running rampant over this country like a swarm of consuming locusts.

I believe the resolution of the Senator from Indiana [Mr. CAPEHART] is timely. I do not believe there is anyone in this Chamber who would today too vigorously advocate the complete abolition of OPA. I think the overwhelming number of Members of the Senate is convinced that OPA and a reasonable and practical control of prices in this time of emergency are necessary; but I do believe that there is an increasing number of people who believe that the incomprehensible present policies and philosophies of the OPA should be seriously looked into in the interest of American economy and especially in the interest of reconversion, the employment of labor, and the encouragement to those who would look to the future as one of a growing America and a growing independent economy.

EXECUTIVE SESSION

Mr. HATCH. Mr. President, unless there are other Senators who desire to speak, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. DONNELL in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing a nomination, which nominations were referred to the appropriate committees.

(For nominations and withdrawal of a nomination this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. HATCH. Mr. President, I ask that all nominations in the Army be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the Army nominations are confirmed en bloc.

Mr. HATCH. I ask unanimous consent that the President be notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

That completes the calendar.

ADJOURNMENT TO MONDAY

Mr. HATCH. Mr. President, I move that the Senate stand adjourned until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 7 minutes p. m.) the Senate adjourned until Monday, July 9, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 6, 1945:

ADMINISTRATOR OF VETERANS' AFFAIRS

Gen. Omar N. Bradley, United States Army, to be Administrator of Veterans' Affairs.

FEDERAL HOUSING ADMINISTRATOR

Raymond Michael Foley, of Michigan, to be Federal Housing Administrator in the National Housing Agency for the unexpired term of 4 years from June 30, 1942. Vice Abner H. Ferguson, resigned.

FIRST ASSISTANT POSTMASTER GENERAL

Jesse M. Donaldson, of Illinois, to be First Assistant Postmaster General.

REGISTER OF THE LAND OFFICE

Thomas F. Britt, of Arizona, to be register of the land office at Phoenix, Ariz. Reappointment.

APPOINTMENT IN THE REGULAR ARMY

Col. William Henry Kasten (lieutenant colonel, Finance Department), Army of the United States, for appointment in the Regular Army of the United States as Chief of Finance, with the rank of major general, for a period of 4 years from date of acceptance, vice Maj. Gen. Howard Kendall Loughry, formerly Chief of Finance, whose term of office expired April 22, 1944.

IN THE NAVY

TEMPORARY SERVICE

Capt. James L. Holloway, Jr., United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 4th day of September 1943.

Capt. Penn L. Carroll, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as deputy chief of staff to commander, Seventh Fleet, and until reporting for other permanent duty.

Capt. George H. Bowdey, United States Navy, retired, to be a commodore in the Navy, on the retired list, for temporary service, to continue while serving as chief of staff to the President, Naval War College.

Capt. Lewis L. Strauss, United States Naval Reserve, to be a commodore in the Naval Reserve, for temporary service, to continue while serving as a member of the Joint Army and Navy Munitions Board.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 6, 1945:

IN THE ARMY

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

To be major general

Edward Fuller Witsell

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

To be second lieutenants, Infantry

Frederick Griffith Bohannon
John Edwin Murphy

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

The nominations of Hardin Cleveland Sweeney et al., for promotion in the Regular Army.

(NOTE.—A full list of the persons whose nominations for promotion in the Regular Army were confirmed today, may be found in the Senate proceedings of the CONGRESSIONAL RECORD for July 2, 1945, under the caption "Nominations," beginning with the name of

Hardin Cleveland Sweeney on p. 7130 and ending with the name of Ivan Loveridge Bennett on p. 7132.)

WITHDRAWAL

Executive nomination withdrawn from the Senate July 6, 1945:

FEDERAL HOUSING COMMISSIONER

Raymond Michael Foley to be Federal Housing Commissioner in the National Housing Agency.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 6, 1945

The House met at 11 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Infinite and eternal God, we thank Thee for the innumerable tokens of Thy paternal goodness; for the joys that cheer us and the trials that teach us to put our trust in Thee; for daily work and its rewards; for friendship and its blessedness; for home and loved ones; for our country and its freedom and glorious mission among the nations of the earth.

Whatever experiences come to us during this day, may we have the assurance of Thy guiding and sustaining presence; enable us to carry our burdens bravely and perform our duties faithfully; may we have high motives for even the humblest task; courage when fears and anxieties assail us; consolation when our heads are bowed in sorrow and distress; patience and hope in the presence of doubt and uncertainty; Thy peace when our minds are baffled and perplexed; self-control and forbearance in the hour of provocation; mercy and forgiveness when tempted to seek retaliation and revenge. Grant that we may have an interpretation of life that centers in an earnest desire to do Thy will, a noble purpose to serve our generation, and a lofty aspiration to gain for ourselves a character that is rich and strong in every Christlike virtue. In His name we bring our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. HARE asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. LANE asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances, in one to include reprint of a newspaper article and in the other to include an address he delivered at the Hotel Pennsylvania, New York City, before the Anti-Nazi League.

Mr. BUCK asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an excerpt from a letter.

Mr. PHILLIPS asked and was given permission to extend his remarks in the RECORD and to include a statement of his published in the China Daily News.

Mr. HOFFMAN asked and was given permission to extend his remarks in the RECORD and include letters.

Mr. HAND asked and was given permission to extend his remarks in the RECORD and include a statement by a constituent on pending legislation.

Mr. MERROW asked and was given permission to extend his remarks in the Appendix of the RECORD and to include an article entitled "Can We Rationalize Egg Prices?" written by Leavitt C. Parsons.

HON. HENRY MORGENTHAU, JR.

Mr. THOM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. THOM. Mr. Speaker, the Honorable Henry Morgenthau, Jr., has resigned from the Treasury Department at a time when the American dollar is the soundest money in the world. This is so even though World War II compelled the greatest Government expenditures in our national history. This accomplishment is a great tribute to him. Like his distinguished father, Henry Morgenthau, Sr., the retiring Secretary of the Treasury has served his country with rare intelligence and high integrity.

Newspaper reports say that the identity of the new Secretary of the Treasury has been determined upon by the President, but that his name will not be divulged until after the forthcoming Berlin conference. I express the hope, in which I know many Members of this body join, that his name will be Judge Fred Vinson, our former colleague, who, through his handling of tariff tax matters in this House, is ably equipped for this Cabinet position.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to ask the majority leader if he can advise us about the program for next week.

Mr. McCORMACK. Mr. Speaker, I understand there is a bill reported by the District Committee which the members of that committee are anxious to have action on, providing for an increase in the pay of the school teachers of the District. In the previous legislation that has been considered and passed they were not considered because they have been given separate consideration. The committee has reported this bill and it is only fair that the matter should be acted upon promptly, if it can be.

Outside of that there is no other program for next week, except the hope that the FEPC situation will be cleared up and concluded. If the bill we are considering today is disposed of, I shall ask unanimous consent that when the House adjourns today it adjourn to meet on Monday.

Mr. MARTIN of Massachusetts. There will be no session tomorrow if the pending tax bill is finally acted on today?

Mr. McCORMACK. That is correct. I have been informed that a bill may come out of the Banking and Currency Committee relating to the Export and Import Bank. If that is so, I will give notice to the leadership on the gentleman's side about bringing it up and disposing of it. That is information I have just received.

Mr. MARTIN of Massachusetts. I thank the gentleman.

EXTENSION OF REMARKS

Mr. REED of New York (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his own remarks in the RECORD.

CALL OF THE HOUSE

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. BLOOM] is recognized for 15 minutes.

Mr. HOFFMAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. RAMSPECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 137]

Andrews, N. Y.	Gwinn, N. Y.	Rains
Bailey	Gwynne, Iowa	Ramey
Baldwin, N. Y.	Hale	Rayfiel
Barry	Hall, Edwin Arthur	Reed, Ill.
Beall	Hancock	Russell
Bell	Harless, Ariz.	Sharp
Bender	Hart	Sheppard
Bennett, Mo.	Hébert	Sheridan
Bland	Heffernan	Sikes
Bradley, Mich.	Hendricks	Simpson, Ill.
Bradley, Pa.	Henry	Simpson, Pa.
Buckley	Hill	Smith, Ohio
Burch	Hobbs	Snyder
Butler	Hoeven	Somers, N. Y.
Byrne, N. Y.	Hope	Starkey
Campbell	Jarman	Talbot
Cannon, Mo.	Johnson, Ind.	Taylor
Case, N. J.	Kearney	Thomas, N. J.
Celler	Kee	Tolan
Chapman	Keefe	Torrens
Chiperfield	Kefauver	Towe
Cole, N. Y.	Latham	Traynor
Cravens	Luce	Voorhis, Calif.
Curley	Lynch	Vursell
Dawson	Maloney	Wadsworth
De Lacy	Mansfield, Tex.	Walter
Dirksen	Morrison	Weiss
Dondero	Norrell	White
Ellsworth	Patman	Whitten
Fellows	Peterson, Ga.	Whittington
Fogerty	Pfeifer	Wilson
Fuller	Ploeser	Winter
Gifford	Plumley	Wolverton, N. J.
Gore	Powell	Worley
Granger	Powers	
Grant, Ind.		

The SPEAKER. On this roll call 319 Members have answered to their names, a quorum.

On motion of Mr. RAMSPECK, further proceedings under the call were dispensed with.

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. BLOOM] is recognized for 15 minutes.

UNITED NATIONS CHARTER

Mr. BLOOM. Mr. Speaker—

We the peoples of the United Nations determined to save succeeding generations from the scourge of war—

With these earnest words the Charter of the United Nations begins. They express the fervent hope for lasting peace and security so ardently desired by the people of the 50 United Nations whose accredited representatives labored at San Francisco in the greatest single collective effort for world security ever attempted by mankind.

In spite of many complex difficulties and widely divergent views, language barriers which required the use of more than a hundred interpreters and translators, delegates of the 50 United Nations finally agreed on the framework of the United Nations organization. They produced at San Francisco a Charter designed to prevent war and to develop international cooperation in the fields of justice, economics, finance, health, education, and social welfare—cooperation to insure the rights, protection, and development of human beings as well as of nations.

The United Nations Charter is based on a common-sense realization of the interdependence of the nations of the world, but at the same time, no sacrifice of national sovereignty is made in the charter. The United Nations Charter offers a workable means of providing for the self-protection and self-preservation of civilization without encroaching upon those ideals of freedom and liberty which are so dear to all Americans.

One of the greatest hindrances to human progress is the refusal to welcome new truths and to accept new ways and methods of life.

However, the delegates of the United Nations at San Francisco proved the unquenchable optimism of the peoples of the world in their refusal to admit that permanent peace was an unobtainable and fanciful goal. All of the delegates were acutely conscious that when the United Nations Conference began, their nations were still fighting in a war which, including its predecessor of 30 years ago, had killed some 40,000,000 human beings. They were likewise well aware that progress in methods of war spelled the absolute doom of civilization if we did not prevent World War III.

So, for more than 2 months, the United Nations delegates labored to draft a charter which would provide the means for achieving lasting peace and security for mankind. To belittle the finished document because it is not perfect, is to run the risk of destroying something which, by orderly process of evolution and amendment, can develop, in the years to come, into something more nearly perfect, in the same manner that our own Constitution has evolved throughout the years of our existence as a Nation.

We must remember that the progress of humanity to our present stage of development has only been won by persistent, patient effort against conditions far less encouraging.

It is not too much to say that the United Nations Charter has been written as the logical sequence of events conceived in the same spirit of good-will and mutual cooperation which led to our own Declaration of Independence and our own Constitution.

The Atlantic Charter, the United Nations Declaration, the Moscow Declaration, Dumbarton Oaks, and Yalta, were all preliminary conference meetings held in a sincere effort to find a workable formula that would keep the United Nations united in victory to maintain peace as they had been united in war to win peace.

The great powers linked together and supported by the opinion of mankind, have annihilated the most formidable aggression that has ever appeared in Europe; and we now see the most formidable aggressive power in Asia crumbling before our eyes. For the first time in the sad history of humanity, overwhelming power is arranged on the side of freedom and peace. Great nations linked together in victorious war are now joined in an unbreakable chain of unity for the preservation of the peace they have won.

We have learned from the lessons of history. The weaknesses and the defects of the old League of Nations have been avoided. The United Nations Charter offers to the world an absolutely new political and social organism for insuring the steady progress of civilized mankind through security and peace.

The new United Nations organization is based upon four principal agencies:

First. A Security Council, with the Big Five—the United States, the United Kingdom, Russia, China, and France—as permanent members. It is to have authority to investigate international disputes, attempt peaceful settlements, and take necessary economic or military action against aggressions.

Second. A General Assembly in which all member nations will be represented, having authority to discuss any matters coming within the scope of the charter, and to elect six of the members of the Security Council.

Third. An Economic and Social Council of 18 members elected by the General Assembly to solve basic problems which might cause wars.

Fourth. An International Court of Justice to decide legal aspects of issues between nations. In addition, there will be a military staff and technical and specialized agencies in the organization, or affiliated with it.

The entire United Nations organization is built around the great powers of the world—the powers capable of making aggressive war and of maintaining peace.

Realistically, the peace of the world depends on the unity and cooperation between the United States, Great Britain, Russia, China, and France, and these five nations are the permanent members of the Security Council. The veto power, contained in the "Yalta voting formula" agreed to by the late President Roosevelt, Prime Minister Churchill, and Marshal Stalin is implicit in every decision of the Security Council to use economic sanctions and force to end international disputes.

The Economic and Social Council, with its many commissions of study and investigation, provides a scientific approach to those economic and social ills which are the deadly seeds of war. The curative powers of the United Nations organization are those of conciliation, mediation, and adjudication.

They are entrusted to the Security Council and to the International Court of Justice. Force will never be used except as a final resort. Only when all other measures for the maintenance of peace have failed, and when the Five Great Powers agree that force is necessary, the military staff, with tremendous air, army, and naval forces placed at its command, may take military action.

The aims of the Economic and Social Council are to promote higher standards of living, full employment, and conditions of economic and social progress; to promote educational cooperation; to promote universal respect for, and observance of, human rights, without distinction as to race, language, religion or sex. It has, in effect, tremendous potentialities to help make this world a better place to live in for all human beings.

Within the framework of the United Nations organization is also a trusteeship plan. In the trusteeship chapter certain duties to advance the condition of dependent peoples are explicitly written, with a pledge of ultimate self-government and independence of these peoples if and when warranted. Nothing is contained which would deprive us of necessary defense bases.

America's chief contribution to the Charter is the inclusion of an international bill of rights, so that the individual, no matter of what race or creed, shall be protected anywhere and everywhere on earth. And, Mr. Speaker, in mentioning America's contribution to the results achieved at San Francisco, I would like to refer briefly to the procedure followed by the delegates at the United Nations Conference.

The work of the Conference was apportioned among and assigned to 4 commissions, which in turn were divided into 12 technical committees, and they in turn into special subcommittees. Commission I, of which I was chairman of the American delegation group, dealt with general provisions; Commission II with matters pertaining to the general assembly; Commission III with the Security Council; and Commission IV was concerned with the judicial organization. In addition to these 4 commissions and 12 technical committees, there were a steering committee, an executive committee, and a coordination committee, whose names indicate their functions.

The technical committees met at different times during the day and evening, and their sessions were always attended by representatives from each of the 50 United Nations.

An average day began with a meeting of the American delegates at 8:30 or 9 a. m., followed by technical committee meetings, which began at 10:30 a. m. Further meetings were held by the American delegation usually at 6 or 8 p. m. and were followed by more technical committee meetings at 8:30 p. m. Spe-

cial executive session meetings of the Big Five group were held whenever necessary. These meetings were presided over by Mr. Stettinius as chairman, and were always attended by the other members of the American delegation, who participated fully and were kept advised at all times of what was going on. Representatives of our War and Navy Departments were always present in an advisory capacity at meetings of the American delegation and they were kept fully informed of all developments.

I could not let this moment pass without paying tribute to our dear colleague and my fellow delegate to the United Nations Conference, the gentleman from New Jersey, CHARLES A. EATON, who did a wonderful job and whose accomplishments were many and noteworthy, in spite of the many difficult situations and obstacles which confronted us. I also want to say that Senator TOM CONNALLY and Senator ARTHUR H. VANDENBERG were always ready to add to their already heavy burden of work and come to the assistance of other technical committees in addition to their own.

I also want to pay the highest tribute to Commander Harold E. Stassen, particularly for his great work on trusteeship matters, which were entirely in his hands, and an adequate idea of the magnitude of his task can only be gained by reading the reports of the trusteeship committee.

Dean Virginia C. Gildersleeve did a great piece of work on her committee and her untiring efforts contributed greatly to the essential essence of the Charter. And, last, but not least, I do not know of any man who could have worked harder or more patiently and conscientiously to make a success of the Conference than Edward R. Stettinius, Jr., who served so ably as American president of the United Nations Conference, chairman of the steering committee and chairman of the executive committee.

Our one great regret was that former Secretary of State Cordell Hull could not have been with us at the San Francisco Conference.

During the sessions of both the closed meetings of the technical committees and the public meetings of the Conference, the delegates of each of the 50 United Nations had the right to raise questions and propose amendments. At the beginning of the work of the Conference, a dead line was set for the submission of amendments to the Dumbarton Oaks proposals, which, of course, constituted the working draft for the United Nations Conference.

However, in actual practice, no delegate was denied the privilege of raising further questions or even taking exception to decisions which had been voted upon by the technical committees, where in each case of substance, a two-thirds majority had been required.

Upon the motion of any delegate, any question passed upon by a technical committee could be referred for further action to either the steering committee or the executive committee, where it was deliberated and either referred back again to the commission or committee or to a plenary session of all the delegates.

We must remember that the United Nations Charter was written to a large extent by delegates of countries which have either been threatened in their very existence or were living under the yoke of the most cruel conqueror in history. It is based on practical experience and it recognizes that war can be prevented by economic and political as well as by military means. The acceptance of this fact is a revolutionary step in the field of international relations.

The new Charter has all the machinery we need to make a brave beginning for a new and a better world. No one claims it is either final or perfect, but its principles have been tested and found successful in war and we are now about to test and prove them in peace.

Through their respresentatives, the peoples of the world have produced an international constitution. The signing of this human document and its adoption is a turning point in the history of civilization. It is my fervent prayer, and, I believe, the earnest prayer of mankind, that the splendid plans evolved at San Francisco may live and grow, and not become mere reverberating echoes of a once hopeful dream of peace. May their inspiration guide mankind through future centuries of peaceful development and progress. May the Congress of the United States lead the rest of the world in ratifying this new magna carta of peace and security for mankind.

The SPEAKER. Under the previous order of the House, the gentleman from New Jersey [Mr. EATON] is recognized for 15 minutes.

Mr. EATON. Mr. Speaker, the United Nations Charter is printed in full in the CONGRESSIONAL RECORD of July 2 which makes it immediately available for study by all Members of both Houses.

In our own and many other associated countries the popular judgment seems to be that this Charter is the most hopeful and important document in the history of world statesmanship. In that judgment I concur without reservation. Apart from its constructive provisions, for which, of course, no one will claim perfection, my faith in the Charter and in the organization which it creates is strengthened by the fact that both are anchored in, and will take nourishment and expanding authority from, the constitutional governmental processes of all the sovereign member nations and from the moral judgment of their citizens.

In the time allotted me today by courtesy of our honored and beloved Speaker, I shall attempt only a preliminary and more or less personal report of the San Francisco Conference.

I am most happy to record that our United States delegation, together with our able and devoted advisers and consultants worked from start to finish as a true all-American team. Through eight long weeks of gruelling toil, on every vital issue we acted in complete unity of concept and purpose.

The work of Dean Gildersleeve will reflect utmost honor not only upon her gifted self but upon the entire womanhood of America and, in a real sense, of the world.

Commander Stassen brought to his important assignments a penetrating and powerful legal mind; real homespun practical common sense, and rare executive ability.

Senators CONNALLY and VANDENBERG and Representative BLOOM and myself, as ranking members of the Foreign Relations and Foreign Affairs Committees, had for several years actively cooperated in preparing the groundwork for the San Francisco Conference, under the leadership of that fine American gentleman and far-seeing statesman, Cordell Hull.

The constructive leadership in all the important deliberations of the Conference, by our two Senators and by our devoted and distinguished colleague, Representative BLOOM, richly deserves the public gratitude and acclaim which it has received.

While many men and women of many nations made noteworthy contributions, it was generally recognized that the one man most completely responsible for the final success of the Conference was Edward R. Stettinius, Jr. Mr. Stettinius was not only chairman of our American delegation. He was, in addition, senior president of the Conference and chairman of the all-powerful executive and steering committees. With tireless physical energy, unfaltering patience, fortitude, and faith, he spent sleepless days and nights resolving technical controversies, and reconciling fundamentally opposed racial, national, and ideological interests. His was almost a superhuman task. He has earned and deserves the honor and gratitude not only of his home folks but also of all the peoples represented at the Conference.

The magnitude and complexity of the job we had to do can be more easily understood by the recital of a few facts and figures.

There were present some 1,500 delegates representing 50 nations of an almost infinite variety of political, social, economic, and spiritual standards and conditions. While the Dumbarton Oaks proposals, presented by the great sponsoring powers formed the basis of our deliberations, there were some 700 pages of amendments proposed, supported by 800,000 documents. There were written during the Conference 3,000,000 pages of official documentation. Four commissions and 12 technical committees working in conjunction with almost daily and nightly conferences of the heads of the five great powers, hammered out upon the anvil of free and unlimited discussion the Charter in its final form.

This vast army of delegates, advisers, consultants, and employees had to be housed, fed, and transported by the Government and people of the city of San Francisco, already overburdened and taxed to the limit of their resources by an enormous influx of military forces and an uncounted army of defense workers. We owe an immeasurable debt to the governments and citizens of San Francisco and the State of California for their patriotic and self-sacrificing cooperation in making the Conference a success.

In an address before a plenary session of the Conference, I ventured to give my

personal convictions as to our reasons for being there and as to the real significance of what we were trying to accomplish in the writing of the Charter. These convictions I have held for many years.

We were not in San Francisco to determine terms of peace with the brutal and beaten enemies of all fundamental freedoms.

We were not there to find a solution, other than upon an international basis for the multitudinous social, economic, and spiritual problems which now vex and baffle every peace-loving society.

We did not meet in San Francisco to set up a super world government to which all sovereign states and peoples must give allegiance.

We, the united 50 nations, were there for the primary purpose of finding ways and means to prevent future wars and to insure and maintain peace and security throughout the world.

But above and beyond these most urgent and desirable objectives we were assembled in San Francisco to lay the foundations of a new world civilization, in which national and international relations should be determined by law and justice and fair dealing, rather than by brute force.

I recognize that in the great Charter we adopted with complete unanimity we were only making a beginning. It will take generations of trial and error and free cooperation among all peoples before there will finally be evolved the new world civilization envisioned in the Charter. The great reassuring fact remains that men and women representing the governments and peoples of 50 peace-loving and peace-desiring nations have in their united wisdom and moral purpose made such a real beginning.

In my judgment the San Francisco Conference and the Charter it created, regardless of whatever imperfections it may develop in practice, is the greatest and most hopeful public event in history. Upon the success or failure of what we did in San Francisco hangs the fate for good or ill of all mankind. We have been carried forward to this Conference by the inexorable tides of destiny which, from the dawn of time, have been sweeping the human race either toward final failure and self-imposed extinction; or toward a golden age of freedom, justice, peace, and social well-being, envisioned by the immortal Burns, when—

> Man to man the world o'er
> Shall brothers be for a' that.

Let us not forget that the great ideals embodied in the Charter of the United Nations can never be achieved simply by the writing of laws nor by organizations of force.

The last court of appeal in human affairs is the moral sense and trained intelligence of the whole people. All real progress is the expression of, and is measured by, the spiritual resources of the people. This is why the words of Sacred Writ remain eternally true, "Without vision the people perish."

At times, during the Conference, various individuals and delegations were spoken of as representing this or that political party, special interest, or ideology. It is true that each delegation did represent the government which sent it to San Francisco. But our representation included something far above and beyond any political government, party, or ideology. We represented as a sacred trust every white cross marking the burial place of every man and woman at every battle front who like their divine Redeemer in saving others could not save themselves. We represented every sorrowing home and heart from the sheltering love of which these honored dead went forth to fight and die for freedom's sake. We represented the passionate longings of men and women everywhere for a life free from tyranny and fear in which by their own efforts they can achieve for themselves and their posterity a worthwhile life.

Mr. Speaker, the United Nations Charter is now before the Senate of the United States and before the governments of 49 other nations for ratification. But it has already been ratified by the American people regardless of party or condition, and by the peace-loving peoples of other lands. Ratification by the various governments will merely stamp with official approval what the great masses of the people have already welcomed and accepted as the fulfillment of their age-long hope for the final banishment of brute force, and the enthronement of justice in all human relations.

The ratification of this Charter at the earliest possible date by our Senate will not only satisfy the will and wish of our citizenship of all parties, interests, and sections. It will also confirm the position of our great and free country in its acknowledged place of leadership in the supreme task of reconstructing a shattered civilization, and establishing permanent peace and security, throughout the world. When the dread necessity was upon us, we have always been first in war. From now on let us be first in peace.

CHINESE PERSEVERANCE

Mr. McCORMACK. Mr. Speaker, tomorrow being the eighth anniversary of the Japanese attack on China, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, we are all proud of the great work done by the representatives of our country at the Peace Conference in San Francisco. We are particularly proud of the contribution and the work done by our distinguished colleagues the gentleman from New York [Mr. BLOOM] and the gentleman from New Jersey [Mr. EATON], outstanding Members of the House, men of vision and courage. We, of the House, are very proud of the great contribution that they have made to the success of the San Francisco Conference; contributions that are now a part of history, and contributions which inure not only to the benefit of themselves, but to this great body of which they are both such prominent Members.

Mr. Speaker, tomorrow, July 7, is a day when all Americans should pause to pay tribute to the gallant people of China. On that date in 1937, the Japanese began their planned attack on a peace-loving nation at the Marco Polo Bridge in Peiping. By mid-August, their bombers were over Shanghai, pouring death on the teeming, defenseless population of that great city. There was no declaration of war. There was only the flimsiest pretext for this wanton attack on a friendly neighbor. It was a foretaste of the treachery which we, too, were to feel 4½ years later at Pearl Harbor.

For 8 long years, under the magnificent leadership of Generalissimo Chiang Kai-shek, China has carried on a cruelly unequal struggle against the military power of Japan. He is the head of the properly constituted Government of China. The China of today, the powerful China of tomorrow is and will be due to his vision, his courage, and his leadership. He merits our encouragement and support. During those years the courage and fortitude of the Chinese people have aroused the admiration of democratic nations everywhere. Mr. Speaker, here was a nation which had few of the tools of war to oppose an enemy determined on her subjugation. Yet China refused to bow to the invading horde. While, one by one, her coastal cities fell, her armies fell back, fighting stubbornly, never surrendering.

The epic of the strategic retreat to Chungking will live always in the history of proud peoples. Until she could train armies and arm them, China's only defense was her own vastness. The mountains and flooding rivers which lie between the coast and Chungking were barriers which the enemy could not hope to penetrate in sufficient force to hold the territory to which they denied the way. I have no doubt that the war lords in Tokyo were content for the time being to enjoy the fruits of their easy conquests, deluded by the thought that China would slowly sicken and die. The Burma Road was closed. China was almost cut off from the outside world. She was a nation without present means to equip armies which could move out from her vast hinterland to attack the invader.

But China had moved not only armies to Chungking. She had moved her industry as well—whole factories to be set up and put into production for a day when opportunity might come to strike a blow for freedom. It must have seemed remote in those anxious days. But, rallied by the spirit of the Generalissimo, the Chinese did not recognize even the possibility of defeat.

Mr. Speaker, the noble spirit of this people won the heart of our own Nation in the years when China fought alone. There could be no question where our sympathy lay from the start of this undeclared war. We listened with anstonishment to the news of Japan's treacherous attack. Unbelieving, we heard evidence of atrocities committed by a supposedly enlightened member of the family of nations against a people who wanted only to live at peace.

As we look back now on those years between the incident at Marco Polo Bridge

and the attack at Pearl Harbor, the advantage of hindsight shows all too plainly the intent of the Japanese. They counted on the reluctance of the democratic nations to oppose their aggressions. They counted on their unpreparedness to counter a sudden, well-prepared attack. They counted on our willingness to accept an accomplished fact on the other side of the broad Pacific. They thought they could take their conquests and weary us with the gigantic task of building up military power to cross the Pacific and take them back.

Our eyes were opened in 1941. From a friend for whose suffering we sorrowed, China became our great ally in the Pacific. Her sorrows were now our sorrows, and in her increasing strength we could measure the day when the invaders would at least be driven from her rich coastal cities into the sea. The bonds of friendship between our two nations were drawn closer as we set about ministering to China's needs.

You know the situation we faced. Denied her ports, her armies could be furnished only by a road through the tortuous mountains below Kunming, and the one existing road was firmly held by the enemy. There were two courses open: to build another road and to build up China's dwindling resources by hazardous air flight over the Hump.

We took them both. Construction on the Ledo Road began, and our courageous pilots began the dangerous course over the Himalayas to Kunming. At first, the air supply was a trickle. But the hazard of China's position was great. Her service was immense in immobilizing Japanese divisions which the enemy was beginning to need sorely in other sectors of his vast conquests. More transports were put on the route across the Hump until, by January 1945, 44,000 tons of supplies a month were being carried by air to bolster operations in the China theater.

The road progressed, too. Through forbidding, almost impenetrable terrain the bulldozers were driving it steadily forward until at last, on February 4, 1945, the Ledo Road joined the Burma Road. The overland route to China was reopened when the first convoy drove into Kunming.

There were ceremonies when the first of the trucks came in, bringing supplies which had been unloaded at shipside in Calcutta and traversed the dusty, muddy miles over the twisting road. From Chungking, Chiang Kai-shek decreed that the road should have a new name for the American general who had fought tirelessly for China and for this route through mountain and jungle to strengthen the Chinese armies. So it became the Stilwell Road, and I am sure, Mr. Speaker, that Gen. Joseph W. Stilwell must have felt great pride that this new lifeline to China would carry his name. He is back in the Pacific once more, commanding an army which has already overcome a force of well over 100,000 Japs on Okinawa and will have an opportunity to destroy many more before we have forced the final surrender of Japan. This great leader, this great American, has won the respect and admiration of all our people.

Slowly now the military power is rearming to drive out the invader. We have set up schools there to teach Chinese leaders our military doctrines and our weapons. We are instructing them in our tactics and teaching the lessons we have learned against the Japanese. In spite of the tremendous toll of casualties which the enemy has inflicted on China during 8 years of fighting, the Chinese people can furnish great armies. But their training and their supply take time.

We have learned well in this war the vital importance of thorough training and knowledge of weapons before we commit men to battle. The Chinese found its value, too, in the Salween River campaign which began in May 1944 and ended on January 20, 1945. This Chinese expeditionary force, with the assistance of American supplies, tactical and operational advisers, and technicians, drove the Japanese out of western Yunnan Province in southwest China in conjunction with a similar drive to eject the enemy from northern Burma. This operation was a vital preliminary to the opening of the Stilwell Road. Had it failed the road must have failed with it.

During that campaign the Chinese proved himself to be a courageous and resourceful soldier. His conspicuous success against the Japanese enemy is a foretaste of the day when more and more of his divisions are capable of taking the field. Already he is pressing against the Japanese in three sectors, and in the south he has begun to take back some of the territory which the Japs overran when our own Fourteenth Air Force was made to retire from its bases in the face of a determined offensive. I am sure that every American hopes to see the day when the growing weight of China's military power will roll back the invading horde.

Of one thing I am certain. The friendship which our Nation has cemented with the Chinese people during these years of our common cause will continue to flourish in the era of peace which lies ahead. Many Americans have had an opportunity through the military service to live in China during these fateful years and to know her people. From such friendships, closer cooperation between our two nations for our mutual welfare is bound to endure.

In Chungking our present Ambassador, Maj. Gen. Patrick M. Hurley, has quickly won the friendship of Generalissimo Chiang Kai-shek. His broad Americanism is a constant assurance of the quality of his service. The commander of our military forces in China, Lt. Gen. Albert C. Wedemeyer, has likewise won the respect of the Chinese, not only for his professional skill, but for his earnestness and devotion to their cause. With such representatives as these, I am sure that our country will be placed before the Chinese in its most favorable light.

Mr. JUDD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to join with the gentleman in his excellent statement in appreciation of the seven long years in which the Chinese have held the line almost single-handed. While he is enumerating our great Americans over there, we must not forget the one who, long before any of the rest of them saw it, was the genius—the prophet—General Chennault, who, as an individual American citizen, went in there and by the force of his personality—his courage and magnetism—welded together, without any military power, this great American organization called the Flying Tigers, and held the line until the others could come along. We are grateful to China for what she has done for us, and with our respect and admiration for what she has been through there is rejoicing today at the beginning of the ninth year of her war resistance that at long last, with the war finished in Europe, we really can come to her aid and end the night of her terror, because it is to her advantage, and, even more, it is to our advantage.

Mr. McCORMACK. I appreciate the contribution made by the distinguished gentleman from Minnesota [Mr. JUDD], who has spent a number of years as missionary among the people of China.

Mr. Speaker, for about 100 years there has been a real friendship existing between the people of the United States and China. That friendship should be cemented, and if we extend to China—our friend—the consideration it is entitled to, during the continuance of the war in the Far East, and in the postwar era, that friendship will be cemented for countless of generations. Outside of friendship, such a relationship is for the national interest of both countries. China is the key nation of the Far East. It is potentially strong today. It is only a matter of time when it will be actually strong. It is for the national interest of generations of Americans to come that you and I of today do those things that will cement the friendship that exists so strongly between the people of China and our own people so that, for countless generations, there will be ties between the peoples of the two great countries that cannot be broken.

Mr. Speaker, the conduct of the Chinese people during these awful years of war has been an example of the most heroic fortitude. They have been fortunate, indeed, to have such a leader as the great Generalissimo to inspire and steel them. With his land torn by a cruel and heartless invader, he has stood firm, relentless in his determination to build victory from disaster. We are proud to salute such a gallant ally. It will be a proud moment when, with the destruction of our common foe, his great nation is restored once more to the dignity of freedom and peace.

We are pround of the friendship that exists between us. We should do, and we shall do, everything within our power to cement that friendship so that for countless generations to come China and America will go forward together in the progress of mankind, with true friendship existing between the two peoples and the two nations.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

CHINA'S PLACE IN THE WORLD OF TOMORROW

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the subject of China's Place in the World of Tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, July 7, 1945, marks the eighth anniversary of the uncalled for brutal attack of an aggressor nation, Japan, upon the peace-loving, long-suffering people of China. This anniversary should be set aside as a day upon which all decent Christian people, the world over, should pause in their daily tasks to ponder over and review the world events since July 7, 1937, and try to determine the relationship that exists between those events. In reviewing these events we must not forget that the aftermath of Japan's act of aggression in her attempt to grab new territory from a peace-loving neighbor was:

(a) Mussolini's attack upon Ethiopia in his attempt to establish an African empire as an adjunct to his Fascist totalitarian government at Rome.

(b) Hitler's brutal and unprovoked attack upon the nations of Europe in his mad ambition to establish himself as the supreme dictator over the entire continent of Europe, and perhaps over all the world.

Japan's act of aggression in 1937 has world significance, therefore, because of the world repercussions that followed, resulting in World War II.

Mr. Speaker, as an American citizen, with the added responsibilities that pertain to, and are a part of, a Representative in Congress, I cannot avoid on this occasion the obligation to review and evaluate the part my country, the United States of America, has played in these world events, in order to point out the credit or discredit that must be attached to America's actions in connection therewith.

First. I give full approval to Mr. Stimson, our Secretary of State in 1931, for his forthright vigorous protest against Japan's brutal attack upon China. It should be noted in this connection that had Mr. Stimson's protest been heeded and supported by the other peace-loving nations, especially by Great Britain, the world might have been spared World War II, the terrible aftermath of Japan's attack upon China in 1937.

Second. I acknowledge with shame as an American citizen and a Member of Congress that we as a Nation, including our leaders, adopted at that time an appeasement policy toward Japan, and followed that policy from 1937 until December 7, 1941, when Japan made her surprise attack upon Pearl Harbor. Her attack upon us forced our administration to drop its appeasement policy and forthwith declare war. However, during the 4 years that followed our appeasement policy toward Japan we very foolishly furnished her with the weapons of war, war materials of all kinds, and the bulk of our scrap iron, which enabled Japan not only to wage war successfully against China but also to get ready to attack us eventually. Of course, some of us—a small minority in Congress—did protest vigorously against this dangerous and short-sighted policy of furnishing Japan the sinews of war. However, our protests went unheeded. It took the shock of Pearl Harbor to awaken our leaders and our people to the Japanese menace to the entire world.

Third. Since Pearl Harbor we have done everything possible to help China because our own safety demanded it. Under tremendous transportation handicaps we have furnished a meager amount of war materials and war equipment to our ally, China, performing real miracles of transportation in this respect—miracles made necessary because of our short-sighted policy earlier in the war. We are proud of the part our military leaders have had in helping China in her seemingly hopeless efforts against her ruthless foe, especially the direct part General Chennault and his Flying Tigers took; and also the part General Stilwell and his men played in opening the Lido Road—a very necessary supply life line to China. These two leaders did more to back up and sustain the magnificent and self-sacrificing efforts of the Chinese soldiers during their period of blackness and almost despair than any other outsiders.

Mr. Speaker, future history is bound to pay a glowing tribute to the Chinese people for their remarkable courage, stamina, endurance, and the selflessness that enabled them to stand off the brutal marauders from Japan while the Occident was getting prepared for its death struggle with the same foe. China's heroic efforts and the terrible sacrifices that she has been forced to endure during these eight long years—in the cause of world freedom—rate a glowing page in the future history of the world. These efforts and sacrifices in a mutual cause have earned for China a prominent and honored place in the new world peace organization, lately fashioned at San Francisco. As Americans we owe it to our most friendly ally to do all we can to see that China is given her rightful place in the world of tomorrow.

PERMISSION TO ADDRESS THE HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that on Tuesday, after the regular program and any other special orders, the gentleman from Indiana [Mr. LAFOLLETTE] may address the House for 20 minutes. The gentleman from Indiana will not use the time assigned to him for today.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

EXTENSION OF REMARKS

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend the remarks I expect to make in Committee of the Whole today and to include certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file a report on the bill H. R. 3376.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GEELAN asked and was given permission to revise and extend his remarks at this point in the RECORD.

Mr. GEELAN. Mr. Speaker, I regret exceedingly that I am forced to take the floor at this time, but I have a report to make to the House on a situation which I sincerely feel should be brought to their attention.

As a result of information received by Senator BRIEN MCMAHON and myself, I introduced in the House on May 7 a bill which would make the profits of nonresident aliens made as the result of stock-market transactions taxable. This bill is known as H. R. 3138, and it amends section 211 (b) of the Internal Revenue Code in the manner in which I have indicated.

The fact that since 1938 probably 250,000 nonresident aliens have been admitted to this country and in most instances are no doubt still in this country under temporary visas or passports may be news to most of the Members of the House, and it may never have occurred to you, my colleagues, that a large number of these people were people of considerable means.

Under the Internal Revenue Code as it is now written a nonresident alien may freely engage in transactions on the stock market through a resident broker, commissioned agent, or custodian and provided he does not maintain an office, is not subject to our income-tax or capital-gains-tax laws. Nor for that matter subject to any other income-tax law.

So. here we have a situation in which, as a result of the inability on the part of these people to return to their native lands by reason of the war, they are not only enjoying the sanctity of protection offered by our friendly and hospitable shores but are doing it at the expense of the American taxpayer, a situation which I am sure these refugees themselves do not wish to take advantage of. It is just regrettable and would be corrected if H. R. 3138 were adopted.

Now comes the funny part. Although, as I have previously stated, this measure was introduced on May 7, 1945, and a request made to the chairman of the committee to which it was referred for an early hearing, no such hearing has been held to date. I was advised, however, by the chairman when I made the request for a hearing, that he would contact the Treasury Department for a report, upon receipt of which he would advise me further. To the best of my knowledge and belief this report has never been submitted but on Thursday, June 28, Mr. Joseph D. Nunan, Jr., Commissioner of Internal Revenue, issued a statement which I will not take the time to read here but will request that it be

inserted in full in the RECORD at this point. I will, however, take excerpts from it to show that it is an ineffectual, meaningless statement and will accomplish nothing. I quote from Mr. Nunan's statement as follows:

Noting that the income-tax laws exempt nonresident aliens not engaged in a trade or business in the United States from taxation on profits from transactions upon securities or commodities exchanges, the commissioner directed careful scrutiny of claim for such exemptions. Before allowing such exemptions, proof will be required that the individuals concerned were not, in fact, residents of the United States and were not engaged in a trade or business in this country.

So, instead of passing a law which would actually correct the situation the commissioner has directed his field agents to carefully scrutinize the claims for exemptions made under a law which specifically exempts them.

I wish to especially call attention of the Members of the House to the fact that this condition has been in existence since prior to 1940 and nothing was done by the Treasury or Internal Revenue Departments concerning it. Now with the introduction of this bill they claim that they can handle it under the present law.

I would like to further state at this point that in a telephone conversation with an official of the Treasury Department, I was told that two different interpretations were being placed upon the law—one by the field agents and one by the Washington office. The Washington office, which does not directly collect the taxes, claims they were holding that these people were actually residents and therefore subject to the tax. At the same time they admitted their field agents who were actually collecting the taxes were recognizing the temporary visas which these nonresident aliens were legally in possession of as being prima facie evidence that such people were entitled to exemption as nonresident aliens under the law and therefore no tax was collected. They further stated they were calling their field agents in and would instruct them in the new interpretation of the law following the introduction of this bill and then, of course, as I stated, we have the statement of June 28, from Mr. Nunan, which I submit contributes nothing to clarify this situation.

I would like to quote further from Mr. Nunan's statement and will ask you to reconcile this quote with the statement made in a letter to me by Mr. Ugo Carusi, Commissioner of Immigration and Naturalization, under date of May 29, on this same subject. Mr. Nunan's statement is as follows, and I quote:

Such interviews are advised particularly in the case of aliens planning to return to foreign countries inasmuch as they are required to obtain tax clearance certificates before departing.

Mr. Carusi's statement of May 29, in reply to a request from me for such information as to the number of aliens admitted and departing in the years 1938 to 1944, is as follows:

Although there is no record of the departure, foreign, of these 10,848 aliens admitted as visitors, it is reasonably certain that many have long since left the United States without reporting their departure.

This clearly indicates that thousands of these people have already left the United States with their untaxed gains and this delay on the part of the Internal Revenue and Treasury Departments it seems would indicate either that they do not wish to be embarrassed by calling this to the attention at this time, or for some other unknown reason are willing to have American citizens and residents taxed but are unwilling to have these nonresident aliens, who are not only inbebted to the United States for their very lives but are not making any contribution to the support of the Government which so graciosuly came to their rescue in their hour of need.

I have literally thousands of letters from individuals and organizations concerning this bill. The American public wants this bill enacted into law without delay.

Among the things which have been brought to my attention in these letters are the activities of these people in that some of them are engaged in what we might call the money discount brokerage business. That is, black market operators and other types of racketeers, I have been told, receive in return for their illegal and illicit operations bills of large denomination, $10,000, and so forth, and they cannot successfully change these bills in legitimate trade channels but are able to change them at a discount of 25 percent through these channels. In other words I am told a $10,000 bill in such a transaction brings $7,500. It has also been called to my attention that certain American citizens who would ordinarily be subject to our tax laws are doing business through the brokerage accounts of these nonresident aliens and thereby evading the tax.

I am calling upon the citizens of America, therefore, to demand an immediate and favorable report from the committee on this bill so that it may be brought to the floor of the House without further delay, and this ridiculous situation immediately corrected.

EXTENSION OF REMARKS

Mr. CHURCH asked and was given permission to extend the remarks which he expects to make in Committee of the Whole and include four or five letters.

Mr. MILLS asked and was given permission to extend his own remarks in the RECORD.

Mr. FARRINGTON asked and was given permission to extend his remarks in the RECORD and include therein a letter.

Mr. CANFIELD asked and was given permission to extend his own remarks in the Appendix of the RECORD.

TAX ADJUSTMENT BILL OF 1945

Mr. DOUGHTON of North Carolina. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3633) to facilitate reconversion, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3633), to facilitate reconversion, and for other purposes, with Mr. O'NEAL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield myself 20 minutes and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON of North Carolina. Mr. Chairman, in the preparation of the bill now under consideration, H. R. 3633, to facilitate reconversion, and for other purposes, our committee had the benefit of studies made by the Joint Committee on Postwar Taxation of which committee I have served as chairman since its organization in June 1944. This committee has been giving diligent study to this bill and other related bills, and to matters of postwar legislation for more than a year, so you may know that this bill does not come before this body without having had careful and diligent consideration by our committee. This Postwar Tax Committee had the assistance in its studies and deliberations of the Treasury staff, the staff of the Joint Committee on Internal Revenue Taxation of which Mr. Stam is chief of staff—and I do not believe there is a better tax man in the United States than Mr. Stam, more conscientious, or with fuller knowledge of taxation—and, also the staff of the Bureau of Internal Revenue. We have been giving constant study to an interim tax bill, that is a tax bill to provide relief after the German war, and while the Japanese war is still in progress.

The bill, with the exception of the railroad provision, carries out the unanimous report made by the Joint Committee on Internal Revenue Taxation for Postwar Taxation. That special Committee on Postwar Internal Revenue Taxation did not give study to or make a report concerning the provision now in the bill relative to railroads, although the railroad provision was inserted in the bill by a majority vote in our committee. This postwar taxation committee is composed of 12 members, 6 from the Committee on Ways and Means, 3 Democrats and 3 Republicans, and 6 from the Committee on Finance of the Senate, 3 Democrats and 3 Republicans, making the committee entirely nonpartisan. It has been my definite purpose, especially since we got into the war and it was necessary to impose this heavy burden of taxation, to eliminate politics from the consideration of tax bills, and I am proud, happy, and thankful that this has been accomplished. The Republicans have cooperated wholeheartedly and patriotically in the preparation of tax bills. I am very glad to say that.

This bill is not intended to be a solution of our postwar problems, of which there will be many, or even the problems arising during the transition period immediately following the end of the war with Japan. These problems are constantly being studied and will be the subject of future legislation proposed by

our committee. One of the most important questions to be considered in the postwar period is tax relief for individuals—who have had to bear the highest taxes ever imposed in order that we could successfully wage the greatest war in the history of the world against tyranny and against oppression.

Tax reduction must be considered in relation to our entire tax structure so that the tax burden may be adjusted in a fair and equitable manner. As I have previously stated, the pending bill is not a cure-all for the tax problems with which we must deal in respect to the postwar period. It is not a perfect tax bill. In fact, there has never been a perfect tax bill in my opinion. There are doubtless provisions in the bill that some would prefer not to be in the bill while there are other provisions that some think should be in the bill.

For instance, we now have a use tax on automobiles, enacted for war purposes, as a war emergency tax. The only justification for this automobile use tax is the need for revenues for carrying on the war, and it raises about $125,000,000 annually. That is the only justification for it. Something has been said about the repeal of this tax in the present bill, but before such a bill could be prepared and presented the tax which was due July 1, 1945, would have been paid. The users of automobiles have bought the stamps and placed them on their automobiles. But so far as my vote and my voice can go this is the last year that the users of automobiles will be required to pay that tax. There are many other taxes that we would like to lighten or remove.

This bill provides changes for the interim period between the end of the war with Germany and prior to the end of the war with Japan and thereafter. During this period the Government expenditures will remain at a high level, the expenditures for war alone amounting to about $70,000,000,000 in the fiscal year 1946, and we need not expect any lightening of that burden until the war with Japan is over, which we hope will be soon. Our armed forces will still be called upon during this period to make sacrifices on the field of battle and will continue to endure personal and economic hardships, and as long as our armed forces are continuing to make these sacrifices on the field of battle we should not complain too much about burdens on the home front. Also, during this period full employment, with minor exceptions, is expected to be maintained, since the pent-up demand for goods and services is expected to offset the anticipated cut-backs in war production. I think this can be reasonably expected, because there has been a shortage of almost every type of consumers' goods and materials. There is this shortage which will take up the slack and offset, we hope, the cut-backs from war production.

While our committee did not deem it advisable to make tax reductions during this period, it was believed essential that the cash position of business should be improved by advancing the time for payment of money owing by the Government to taxpayers, but which, under existing law, will not be paid to them for some time.

With only two exceptions, which will be discussed later, the bill provides for speeding up the payment of moneys which, under the existing law, will eventually have to be paid to the taxpayers. I cannot too highly emphasize that this is the taxpayers' own money and not the Government's money which is being made available for reconversion under this bill in order that the industries that have had war orders and war contracts canceled may reconvert their plants and utilize them for peacetime production. If they have this money made available to them, they can reconvert their plants and expand their industries in order to prevent unemployment.

The changes proposed by the bill are as follows:

First. The excess-profit tax exemption is increased from $10,000 to $25,000, effective for 1946 and subsequent years. That is in the bill and that was recommended by the Committee on Postwar Taxation.

Second. Instead of a corporation having to pay a gross excess-profits tax of 95 percent, as is the case now, with a postwar credit of 10 percent to be converted into bonds payable after the war, it can take this 10-percent credit currently in immediate reduction of its tax liability for 1944 and subsequent years. In other words, instead of paying the 95 percent excess-profits tax and receiving bonds for 10 percent, payable 2 or 3 years after the termination of the war as provided by the present law, it can take this 10 percent as a deduction and only pay an excess-profits tax of 85½ percent. It can take the 10 percent currently and use this for reconversion purposes. I hope that is clear.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Pennsylvania.

Mr. RICH. Do I understand then that instead of the 95-percent excess-profits tax that corporations pay, they will only pay 85 percent?

Mr. DOUGHTON of North Carolina. Approximately 85½ percent.

Mr. RICH. And they can use the difference between 85 percent and 95 percent in their plants at the present time for reconversion?

Mr. DOUGHTON of North Carolina. They will pay only 85½ percent and they can use the difference between the 95 percent and that for reconversion purposes. They can use this money to promptly reconvert their plants which will enable them to give employment to our returning soldiers and prevent unemployment.

Mr. RICH. Just one more question. Will that money be permitted to be used for expansion and renewal of machinery?

Mr. DOUGHTON of North Carolina. It is their own money. They can put it in their pockets if they are dishonest enough to do it. It is their own money. It is provided for in the present law.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from California.

Mr. VOORHIS of California. I think the gentleman has answered my question. I was going to ask whether this was a new provision in law, which I understood it was not. I understood that the 10-percent postwar refund was already a matter of law, and this bill merely makes it currently available; is that not correct?

Mr. DOUGHTON of North Carolina. That is correct, but it is not payable under present law until 2 or 3 years after the termination of the war, while this bill makes it available now for reconversion purposes.

Mr. VOORHIS of California. That is what I understood.

Mr. DOUGHTON of North Carolina. It is available now in order to strengthen their cash position; in order that they may be better prepared to take care of and prevent unemployment. I hope that is clear. This will be of immediate benefit to corporations in the payment of their third and fourth installments of 1944 taxes, payable on September 15 and December 15, 1945. For example, suppose corporation B reported an excess-profits tax liability of $100,000 for 1944, payable in installments of $25,000 each. If this bill is passed promptly, corporation B will be able to offset against its installment due on September 15 one-half of its postwar credit of $10,000. It will, therefore, have immediately available $5,000 of additional cash for reconversion.

Mr. RICH. Mr. Chairman, if the gentleman will yield further, I want to say to the chairman of the committee that I think that is a wise provision.

Mr. DOUGHTON of North Carolina. I thank the gentleman. I am glad to know that the gentleman thinks we have been wise on one thing.

Mr. RICH. Corporations today are paying practically all their earnings over to the Government outside of the amount necessary to pay dividends, and they have nothing left for reconversion. This is going to help a lot, it seems to me.

Mr. DOUGHTON of North Carolina. Some people think that corporations have been let off too lightly and that they do not have to pay their share of the taxes. That is easy to assume. But, corporations first pay an excess-profits tax, normal tax, surtax, capital-stock tax, and declared value excess-profits tax. In addition, they are subject to renegotiation and repricing, and after their earnings have been so taxed, these same earnings are again taxed in the hands of their shareholders. After all, the corporations are not escaping taxation. We have not forgotten them.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the gentleman from Ohio.

Mr. JENKINS. I would like to add also to what the distinguished chairman has said that this provision which the gentleman has so lucidly explained has a very desirable effect especially on these corporations that have sold out or quit business or gone into bankruptcy. Many of them have these postwar bonds that have been deducted from their payments in times gone by. These bonds will all be available and can be cashed in and

they can settle up their business and make proper financial distribution.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to the distinguished gentleman from Illinois whom there is no abler, no more diligent or patriotic Member of the House, the chairman of the Committee on Rules.

Mr. SABATH. I greatly appreciate the compliment.

In view of the statement of the gentleman from Ohio, may I inquire if there was any evidence before your committee as to the number of corporation that have gone into bankruptcy, to which, corporations this will apply? This is merely a refund to the corporations that have paid excess-profits tax. If that is so, how is it possible that they have gone into bankruptcy? I cannot quite understand it. I would appreciate it if the chairman of that great Committee on Ways and Means would explain that, in view of the statement that was made by the gentleman from Ohio.

Mr. DOUGHTON of North Carolina. Mr. Chairman, if there is anything in this bill on which the chairman of the Committee on Ways and Means is trying to make an explanation and which the gentleman from Illinois cannot understand, I would think it would be very difficult for anyone to understand. With his splendid mind and his ability at comprehension, I do not know how I could explain anything which he does not fully understand. I say that not facetiously but sincerely.

These corporations which have outstanding postwar refund bonds with respect to 1942 and 1943 liabilities are able to cash such bonds on or after January 1, 1946.

These are the bonds, may I say to my good friend the gentleman from Pennsylvania, which you have, because you have paid excess-profits taxes. I know you are a successful businessman.

Mr. RICH. I can assure the gentleman I do not hold enough of them. I am kept busy keeping one step ahead of the sheriff.

Mr. DOUGHTON of North Carolina. If the gentleman does hold them, then they would be good for philanthropic purposes.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. JENKINS. In order to clarify the situation. It is true, as the gentleman has so clearly stated, that this bill does not give anything to anybody with respect to this paragraph about which they are talking.

Mr. DOUGHTON of North Carolina. It gives very little.

Mr. JENKINS. These bonds belong to the people, and if the company has failed and is in liquidation, then the bonds belong to that company and to the stockholders. Now, this will enable them to get cash for their own bonds.

Mr. DOUGHTON of North Carolina. That is correct.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield myself 15 additional minutes.

Third. Corporations which have outstanding postwar refund bonds in respect of 1942 and 1943 liabilities will be able to cash these bonds on or after January 1, 1946, instead of waiting until after the second and third year following the end of the Japanese war.

Fourth. The bill provides for a speed-up of refunds resulting from carry-backs of net operating losses and of unused excess-profits credits. This is a very important provision. So far as the net loss carry-back is concerned, it will apply to the individual in business, as well as the corporation, and will afford relief not only from the excess-profits tax but also from the income tax.

Suppose a corporation estimates it will incur a net loss of $100,000 for the calendar year 1945, which will result in an overpayment of tax of $50,000 with respect to prior year taxes. The third installment of its tax for 1944 is due on September 15, and amounts to $50,000. The corporation can, under the procedure contained in this bill, defer the payment of this installment and utilize this $50,000 for reconversion purposes.

Fifth. Refunds arising from the recomputation of amortization deductions on emergency facilities certified to be no longer necessary for national defense will become available immediately. This provision will help individuals as well as corporations and will apply to income taxes as well as to excess-profits taxes.

With the exception of the first change, all the provisions discussed above do not result in any reduction in tax liabilities. They merely speed up the payment of moneys which the taxpayers are entitled to under existing law, but which would not be made available soon enough to meet reconversion problems.

The provision increasing the specific exemption from $10,000 to $25,000, effective for 1946, will involve a net loss in revenue of $160,000,000. Experience has shown that the excess-profits tax tends to be especially burdensome for many small corporations. For the taxable year 1943, when the specific exemption was $5,000, approximately 68,000 corporations filed returns showing excess profits-tax liability. For 1944, when the specific exemption was increased to $10,000, it has been estimated that the number of corporations liable for excess-profits taxes was reduced by about 17,000 or to a total of 51,000. For the calendar year 1945, the number of corporations liable to excess-profits tax is estimated at approximately 45,000. For the calendar year 1946, it is estimated that under existing law 31,000 corporations will be liable for the excess-profits tax. This bill, in increasing the specific exemption to $25,000 will reduce the number of corporations liable to excess-profits tax to 19,000. Thus this bill reduces by 12,000 the number of corporations liable for excess-profits tax in 1946. Under the action taken by Congress in the Revenue Act of 1943, increasing the exemption to $10,000 and the action in this bill increasing the exemption to $25,000, about 29,000 corporations have been relieved of excess-profits-tax liability.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. JENKINS. The gentleman is giving some very vital information and I did not quite get it. I wish the gentleman would tell us again just exactly how many corporations will be relieved by reason of this increase to $25,000. There are not very many, but I would just like to have that figure again.

Mr. DOUGHTON of North Carolina. It is estimated about 12,000.

Mr. JENKINS. In the whole United States?

Mr. DOUGHTON of North Carolina. In the whole United States.

While our committee thought it unwise to reduce taxes during the war with Japan, it was felt that this change was justified for the year 1946. It is reasonable to assume that the war with Japan will be terminated early in 1946, so that this reduction will embrace the year in which the war with Japan has ended. To make this change effective for 1945, however, would mean reduction of taxes for a whole year while the war with Japan is going on, and our soldiers and sailors are making supreme sacrifices on the battlefields. The revenue loss for 1945 would also be much heavier than for 1946, because 1945 will be a year of higher profits. It is estimated that if this change is made effective for 1945, the revenue loss for that year alone will amount to $235,000,000.

If we adopt the amendment provided for in the rule, before the war is over with Japan, while we are spending for war purposes $70,000,000,000, we will lose $235,000,000. This, added to the $160,000,000 for 1946, will make the loss in revenue about $400,000,000 for the 2 years, or $235,000,000 for this year and $160,000,000 for 1946 if the amendment is adopted.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield.

Mr. RICH. I think the gentleman's provision is wise, provided Japan is going to continue with the war, but I predict with the great bombing we are giving Japan, by September 15 Japan is going to crack.

I want to say also to the chairman of the Ways and Means Committee, the best way we have in the United States now to raise money, to try to keep our country in good position, will be for the Congress to stop spending money. That is the best way because I do not think you have any other sources of revenue that you can tap. I hope the chairman of the Ways and Means Committee will tell the Congress that the only way to keep this country from going into bankruptcy ourselves is to stop spending a lot of money foolishly.

Mr. DOUGHTON of North Carolina. One man might as well take a pint cup and try to stop the Potomac River as to try to stop the Congress when we vote these expenditures. We vote these expenditures and then we complain about the extravagance and waste of money.

I am willing to make what little contribution I can. I have always been opposed to extravagance, either personally or in the Government, as far as that is concerned. The gentleman has given me a big order in my capacity as chairman of this committee.

Mr. RICH. I will get behind you and I think we can get others, but the gentleman is a big man in this House, and if he will take the lead, then we will all get behind him.

Mr. DOUGHTON of North Carolina. The gentleman should get after the Committee on Appropriations. They are the big men. They are the Samsons in this House.

Mr. RICH. I tried it there and could not do anything, so I am appealing to the gentleman.

Mr. DOUGHTON of North Carolina. Of course I am not criticizing the Committee on Appropriations at all. I have great respect for that committee. It is the easiest thing in the world to criticize, but to give constructive recommendations and advice is a different thing.

Mr. KNUTSON. Will the gentleman yield?

Mr. DOUGHTON of North Carolina. I yield to my distinguished colleague from Minnesota.

Mr. KNUTSON. The gentleman from Pennsylvania should know by this time that there cannot be any economy or balanced budget until we have had a change in the control of the House; and I think the gentleman will agree with that statement.

Mr. DOUGHTON of North Carolina. Not in that one, although I agree with my friend frequently. I find I can get along easier by agreeing with the gentleman when I can do it without surrendering a principle than to argue with him. I never argue with him without cause. The gentleman is very adroit in any argument in which he engages.

Furthermore, because the year 1945 is more than one-half over, and we all know that as a rule, corporations being business people, properly and rightly take their taxes into consideration as part of the cost of doing business; for the year 1945 I think I am safe in saying they have passed on to the consumer in the price of their goods the taxes they expect to have to pay for this year. Those taxes have been passed on to the consumers and collected from the consumers. Some of us feel that if they are refunded now, we will give a windfall to the excess-profit taxpayers.

Another difficulty about making the change is that some corporations doing business on the fiscal-year basis have already paid their excess-profits taxes and these taxes would have to be refunded. Keep that in mind if you vote for the amendment. Sometimes I make humble suggestions; that is as far as I go. I am too modest to give advice because I am not capable of giving it; but you should keep in mind that not only has this tax been passed on to the consumer in the form of increased prices, but at the same time some of these taxes have already been paid by fiscal-year corporations and are now in the Treasury; and if the exemption is made effective for 1945, those taxes that have been paid will have to be refunded, which will cause considerable difficulty for the Treasury Department.

The only other change in the bill involving a loss of revenue, is the one giving relief to the railroads in reorganization and that was not considered by the Joint Committee on Postwar Taxation but was put in the bill by a majority vote of the Ways and Means Committee; but, of course, I am supporting the bill as is. I did not think it had fair consideration in our committee or that the committee had made sufficient study of it. In fact, the experts were not given sufficient time to thoroughly examine the effects of this proposal. However, our committee after some consideration and discussion put it in the bill; and I am giving the bill my support. This provision is made retroactive to the years beginning after December 31, 1938. It reminds me of an experience Jim and his brother had. Jim and his brother were having lunch one day and the menu carried the item "Oxtail soup." Jim's brother saw it and commenting on it said: "Jim, that is going pretty far back on the ox." So 1938 is going pretty far back in the matter of making a law retroactive. It may be perfectly all right, but still, as Jim says, it is going pretty far back.

The immediate loss of revenue would be about $8,500,000. Further losses would depend upon how great a drop is made in the earnings of railroads after they come out of receivership.

In conclusion, the bill in the main furnishes substantial relief by speeding up payments to taxpayers of around $5,500,000,000. This $5,500,000,000 will be spread over this year, next year, and the year following, 3 years in all. The early passage of this bill will enable business immediately to take advantage of these provisions and thus facilitate reconversion to peacetime production.

One objection I have had to any amendment to the bill as reported by the committee is that if this bill is going to be helpful in reconversion and in preventing unemployment it is essential and necessary that it be speedily enacted. Every amendment we put on the bill is liable to delay it in the other body. I have discussed the matter with the chairman of the Finance Committee of the Senate and he has said that if we were to send the bill over there as recommended to the Ways and Means Committee by the Postwar Committee, it would be less difficult to pass it promptly. If we send it over there with amendments or changes there is less chance of early enactment, and the bill will lose its benefits.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield myself five additional minutes.

Mr. Chairman, if this bill is not enacted into law speedily and before the time that these September installments are due, it will come too late to be of much help this year. My principal objection to this bill or to anything being put in the bill of a controversial nature that has not been well considered by the Postwar Committee is that it might delay the passage of the bill. We have made a thorough study and this is only a temporary relief bill. If we put anything controversial in it it will be delayed and there is the certainty that it will be delayed too long to give any benefit this year to the taxpayers whom we are trying to give relief to.

Mr. Chairman, that is my statement in respect to this bill and if there are any questions that I can answer I will be glad to do so.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON of North Carolina. I am glad to yield to the gentleman from Pennsylvania, who is entitled to all the praise that could possibly go to a man who consistently, hourly, daily, weekly, and monthly, stands up and makes an honest, conscientious, earnest, and I hope effective fight for more rigid economy in Government and to prevent the waste of public money.

Mr. RICH. I thank the gentleman. While many people may think that the corporations enjoy the benefits under this bill and that these small corporations we are trying to help get no actual relief at all, it is the corporations that furnish jobs to the people in this country and if we kill these large corporations and small corporations now we will not have anybody to create jobs as soon as war is over. This is one of the finest things that the chairman of the Committee on Ways and Means and this committee can do, by the passage of this bill, in order to preserve the free flow or labor into industry when the war is over and which are now furnishing the greatest number of jobs for the American people. I congratulate the gentleman.

Mr. DOUGHTON of North Carolina. I thank the gentleman. If the only purpose of this bill were to give relief to the big corporations I would not even give it consideration but we hope and expect that the relief provided in this bill will extend beyond the corporations and aid and promote the public welfare by preventing unemployment. Should unemployment appear, this bill will aid in curing that unemployment.

Mr. KNUTSON. Mr. Chairman, I yield myself as much time as I may desire.

Mr. Chairman, the unanimity with which this bill has been received by this great body is, of course, very gratifying to the members of the Ways and Means Committee. It demonstrates that the Congress is aware of the need for providing a cushion for all industry and more particularly for so-called small business during reconversion to peacetime production.

The distinguished chairman of the Committee on Ways and Means has explained the bill in great detail to the committee and for me to add to what he has said would be very much like gilding the lily. May I express the hope, however, that general support of the bill which it has enjoyed up to this moment continue and I think I express the desire of every Member of the House when I ask that everything possible be done to facilitate its passage this afternoon so that the many Members who wish to go home over the week end may have an opportunity to do so.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not true that the real reason which motivated the committee in bringing out this bill at the present time was the urge from the country to give a financial cushion to the small businessmen?

Mr. KNUTSON. There is no question about that. The bill was brought out at the insistence of the country at large. I do not recall a measure that has been before this body during the present Congress behind which there is such general unanimity and approval.

Mr. JENKINS. And it is a further fact that the Ways and Means Committee has been pressured by taxpayers of various kinds, especially the users of automobiles and various other people to do something about the use tax an automobiles, but the tax problem is such a big one and the tax structure is so big and complicated that the committee could not take up all these suggestions at this time, but we did deal thoroughly with the one thing that the gentleman is speaking of.

Mr. KNUTSON. Of course, first things must come first, and the first thing for the Congress to do is to provide a cushion that will give the easiest possible transition from war to peacetime production.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Has the committee given any thought to the fact that Secretary Morgenthau resigned yesterday? He became Secretary of the Treasury when the national debt was about $25,000,000,000, and today it is $259,500,000,000 or an increase of 1,000 percent, the greatest monument that any Treasurer ever built up for himself and the country. I want to say here that if you are going to consider a new United States Treasurer—and I do not know how he is going to handle the job; and I am not serious in this I assure you—I suggest that it might be wise for them to appoint as Treasurer Elliott Roosevelt. He knows how to get the money and how to settle a debt. He would probably get the United States out of this great debt of ours in a hurry.

Mr. KNUTSON. May I suggest to the gentleman that the suggestion is certainly worthy of consideration, and I hope that the distinguished gentlemen on the majority side will pass it on to the President.

Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Our distinguished chairman, the gentleman from North Carolina [Mr. DOUGHTON] has just given a splendid analysis of this bill. Our committee followed largely the recommendations of the members of the Joint Committee on Internal Revenue and Taxation in working out this particular bill. There were, of course, differences of opinion and the chairman has just mentioned one or two items on which there was not complete agreement. Despite these disagreements most of the members are in general accord with the provisions as reported by the committee.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. The gentleman did not understand that I was opposed to the bill. I said I would support the bill.

Mr. CARLSON. Certainly. The chairman has raised some points on which there was not unanimous agreement. I expect to discuss some of them.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Ohio.

Mr. JENKINS. Is this not a fact also that while in most revenue bills there might be some place for politics, in this bill, so far as the Republicans are concerned, there is absolutely no manifestation of any political advantages of any kind. We are for this bill.

Mr. CARLSON. I just want to say this, that in our committee we often have differences of opinion and respect each other's views. I would not want to serve on a committee where I could not disagree with the majority or the minority, but after we reach a conclusion I notice we go down the line together. We had disagreements on this bill. We had several votes, and I was generally on the losing side, which quite often happens.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I yield to the gentleman from Minnesota.

Mr. KNUTSON. While it is true that there were disagreements in committee, they were of a very minor nature, and while the gentleman and I were on the losing side in most instances, we have not squawked about it.

Mr. CARLSON. Mr. Chairman, today Congress has its first opportunity to enact legislation that will encourage industry in its reconversion program. The legislation we are considering must be justified on the basis that our industrial machine must be converted and expanded as rapidly as possible in order to take care of the men and women who will be forced to transfer from war jobs to peacetime production.

Our Nation will not only be faced with the transfer of millions of employees from war work to civilian production, but we will have millions of returning veterans who will not only expect jobs, but must have jobs. This is the justification for this legislation.

There is a decline in general business activity. According to the index of Business Week our cut-backs and cancellations in production were easily proven by their studies. Their index for the week was 224.2, compared with 225.2 for last week, and 234.8 a year ago. There is genuine concern over the fact that many of our small corporations are in no financial position to move rapidly into civilian production.

Already our Nation is feeling the effects of unemployment in various sections of the United States. VE-day has come and gone. We, of course, are all looking forward to VJ-day, but in the meantime we must make plans for the postwar period. Congress has a definite responsibility and I hope we will meet it as able legislators who have only our country's concern at heart.

Legislation affecting reconversion is vital to labor, agriculture, and industry. Every segment of our national economy will be affected. Labor will have jobs. Agriculture will have a market for products. Industry will be in a position to expand production and with new inventions bring about a new era in American life.

In the final analysis it will determine whether we are to continue our free enterprise system which has made our Nation the outstanding one of the world. We have demonstrated that we can convert our industries into factories of war, certainly we can do no less than reconvert them to production centers of peace.

The pending bill provides for approximately $6,000,000,000 for improving the cash position of corporations. A very small amount of this is an actual cash outlay from the Federal Treasury. The balance comes from carry-over and carry-backs in existing revenue legislation and changes in existing law affecting amortization. There is only one provision of this bill which calls for a direct reduction in receipts of revenue in 1947 from corporations. This amount would be approximately $160,000,000 as a result of increasing the specific exemptions on excess-profits taxes from ten to twenty-five thousand dollars. Let us keep in mind that this $160,000,000 reduction will not affect the Treasury revenues until the year 1947. The reduction applies to the revenues of 1947 because the act states specifically that the changed tax liability under the increased excess-profits tax exemption will be effective January 1, 1946.

Can we afford to reduce our revenue take for 1946? What about our receipts and expenditures for the fiscal year 1946?

First. Let us keep in mind that Secretary Morgenthau stated at the beginning of the war that he hoped we could collect 50 percent of the war costs in current taxes. You will note by the report that the President, in his Budget message to Congress, stated we should spend approximately $70,000,000,000 during the fiscal year 1946 for war purposes. In the fiscal year 1945 we collected $46,000,000,000 in taxes. It is estimated that in the fiscal year 1946 the collections may be $5,000,000,000 less, or approximately $41,000,000,000. On this basis we would be collecting in taxes this year approximately 60 percent of our expenditures for war purposes as presented to Congress by the Bureau of the Budget. Following VE-day we have had announced cut-backs and cancellations in aircraft which total $4,000,000,000. It is reasonable to assume that we will have several billion dollars in cut-backs and cancellations in shipbuilding, tanks, ordnance, and munitions. It is quite possible that these reductions will reduce our expenditures for war purposes for the fiscal year 1946 to $60,000,000,000. If this situation prevails and our revenue collections continue at the rate of $41,000,000,000 for the year we would be collecting 65 to 70 percent of our war expenditures. It is

my contention that Congress should immediately appraise our present tax program with a view of correlating it with the reconversion period which is now in progress.

Small business has demonstrated its ability to produce during the war period. We need to continue this expanded production during the postwar. We must create a favorable tax climate for small business. It is only natural for tax legislation to get lopsided in favor of large corporations. We need tax reforms that will insure small business an opportunity to survive, although every competitive advantage seems to be with big business. The transition now taking place will determine whether or not small business can survive.

In the pending bill the increased exemption in the excess-profits tax of from ten to twenty-five thousand dollars will be especially helpful to small business. As the bill is drawn the increase in exemption will provide absolutely no cash relief until 1947, when the 1946 tax liability is due. It seems to me that the funds for reconversion are needed now and should be made available as soon as possible. If this is not done employment will suffer. If we make the increase in exemption from excess-profits tax for the 1945 income it will give immediate relief. The tax savings which in the average case would result from the increase in exemption would mean a great deal to small corporations. Under the amendment some 15,000 small corporations would be relieved of the immense amount of paper work involved in filing their excess-profits-tax returns on March 15, 1946.

Let us keep in mind that it takes from five to six thousand dollars' worth of capital investment to furnish employment for one employee. The cash position of small corporations must be encouraged if they are to provide employment for our people.

It is my contention that this date should be moved back to January 1, 1945. There are several reasons for this:

First. Many small corporations are already in the process of reconversion and need this additional money now, not in 1947.

Second. There is a great possibility that the war in the South Pacific will be over before 1947 and the excess-profits tax might be entirely repealed before that date.

Third. The tax savings which in the average case would result from the increased exemption would mean much to a small corporation.

Fourth. While the cost in changing this date to January 1, 1945, is estimated to be $235,000,000, that is a very small item when it comes to dealing with the jobs of millions.

Let us not forget that in February 1935 this Congress voted $4,500,000,000 for relief purposes. That situation must not be allowed to confront us again.

The section effecting railroad reorganization clarifies existing law regarding the net operating loss carry-over and carry-back provided under section 122 (b) of the code, as well as the unused excess profits credit carry-over or carry-back provided under section 710 (c) (3), as effecting railroad reorganization.

Where a railroad reorganization can be effected without resorting to a new corporate charter the existing law operates to give the acquiring corporation the benefits of the present Revenue act. Certain of these railroad corporations are organized under the laws of the States which make it possible for the reorganizations to be consummated without surrendering the existing charter. In these cases the corporate entity survives the reorganization and the reorganized corporation is the same taxpayer within the letter of sections 122 (b) and 710 (c) (3), which gives the carry-back and carry-over privileges. Such laws are in effect in Wisconsin, Illinois, Delaware, and perhaps certain other States. Other railroad corporations, including those owning lines extending from St. Louis, Missouri, into Kansas, Oklahoma, and Texas, and those in New England and southern territories, are obliged to seek new charters to effect their reorganizations. In consequence, there is discrimination in respect of these very important carry-back and carry-over provisions based solely on the librality of existing State laws.

This amendment eliminates this discrimination and makes certain that the transferee corporation, in those instances where the reorganization is required to be carried out under a new charter, is placed on the same basis as where the reorganization can be effected under the old charter.

The Revenue Act of 1942 contained two provisions relating to reorganized railroad corporations, one a provision for nonrecognition of gain or loss incident to transfers in reorganization made after December 31, 1939, the other giving a transferee the property basis of its transferor.

Included in the Internal Revenue Code, as amended by the Revenue Act of 1942, are provisions, in part dating back to taxable years beginning after December 31, 1939, for carrying back and carrying forward net operating losses and unused excess-profits credits so as to effect a leveling or averaging of income within a maximum period of 5 years.

By operation of Section 113 (a) (20), the acquiring corporation acquired the tax base of its predecessor for measuring depreciation and for determining its excess-profits credit, and, in those cases where the reorganization could be effected without resorting to a new corporate charter, it also acquired the net operating loss carry-back and carry-over given by section 122 (b) and the unused excess-profits credit carry-back and carry-over given by section 710 (c) (3). Unless, however, they are given by implication, these carry-back and carry-over prvileges are not available to a reorganized corporation if it has been obliged, by reason of the inadequacy of the law of its domicile, to incorporate anew.

During all of the taxable years beginning after December 31, 1939, which is the critical period from the standpoint of Federal taxation at abnormal rates, there were pending in the district courts of the United States, either under section 77 of the Bankrupcy Act or in equity, a number of reorganization proceedings affecting major railroad properties.

What effect will the proposed amendment have on the revenue of the Treasury? This is a fair question and should be answered.

If this amendment is not adopted the Treasury will, in a limited number of cases, profit by denying the leveling process and the carry-back to rail carriers unfortunate enough to have been obliged to reorganize under new charters during the wartime period. On balance, however, the Treasury in all probability would lose.

In a study submitted to the Treasury and to the staff of the Joint Committee on Reorganization of Railroads, we find that 8 have been reorganized (6 under new charters and 2 with operations being resumed by the old companies), 19 are still in the process of reorganization, and 1 has resumed operations upon release of its receivers following a voluntary capital readjustment.

In a special study of the eight roads which have consummated their reorganization it is interesting to note, first, the increased tax payments made by them as a result of the consummation of the reorganization, and second, the probable loss of revenue to the Treasury involved in the application of the carry-over provisions to the six roads reorganized under new charters. It was found that the amount of income and excess-profits taxes shown on the returns of the eight reorganized roads for the first taxable year of operations as reorganized companies was $36,494,427. This figure includes estimates by 3 roads for 1944, and is adjusted to include the taking of the available carry-overs by all eight roads.

On the other hand, the estimated amount of income and excess-profits taxes payable by these same railroads after reorganization for the same year, if no reorganization had occurred, would have been $29,059,042. From this study you will note that the net effect of the consummation of the reorganization was to increase the taxes paid by them by $7,435,385. This increase is almost, if not entirely, attributable to the scaling down of their indebtedness in the reorganization, with the consequent reduction in the deduction for interest paid.

To state this finding another way it can be said that round $7,500,000 in revenue would have been lost to the Treasury in the first year of operations as reorganized companies had not the reorganizations been consummated. Further tax losses would have occurred to the Treasury each year that the reorganization was delayed.

Now let us discuss the revenue loss from application of carry-over provisions to railroads reorganized under the new charters. This study pointed out that of the eight roads which have been reorganized, six effected their reorganization under new charters. We asked these six companies to make an estimate of the total income and excess-profits taxes payable by them for the first 2 years of their operations following reor-

ganization, first, on the basis of not allowing net operating loss carry-over and unused excess profits credit carry-over; and second, on the basis of allowing such carry-overs.

On the basis of not allowing the carry-overs, the estimated income and excess-profits taxes of these six companies for the first 2 years of their operations following reorganization would be $37,429,892.

If the carry-overs were allowed, the estimated total income and excess-profits taxes paid by them for these 2 years would be $28,823,104.

Thus the approximate amount of revenue involved in the carry-over provisions which would be lost to the Treasury should the legislation we are seeking be enacted into law, would be $8,606,788 over a 2-year period, in the case of the six roads reorganized under new charters. However, this apparent loss must be set off against the increased taxes paid by the reorganization roads as a result of the scaling down of their indebtedness which, for a single year, was approximately $7,500,000 in the case of the eight roads already reorganized.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. I shall be glad to yield.

Mr. REED of New York. As a matter of fact, when they are reorganized and get on their feet as good-going concerns, the country gains in taxes which the Treasury gets from the company?

Mr. CARLSON. There is no question about it. If you want to get tax revenue from railroads you want to get them reorganized, because as long as they are in reorganization they carry a heavy burden of debt on which they deduct the interest from their income before taxes. When they become solvent and operate on a current tax paying basis this deduction for interest is decreased and the Treasury gains in revenue.

Mr. JENKINS. Mr. Chairman, will the gentleman yield?

Mr. CARLSON. Yes.

Mr. JENKINS. Before the gentleman leaves the proposition concerning the railroads, let us get the figure clear. Does the gentleman say, as I understood him to say, that the most the Government can possibly lose by these transactions will be $4,000,000 a year for 2 years?

Mr. CARLSON. No, I am not saying that. I am saying that the only basis on which we can tell how much the Government will lose, if they lose anything, and I contend that this amendment will inure to the benefit of the Treasury. I base that contention on financial statements of roads that have gone through reorganization. We have such roads which effected reorganization under new charters. Those six roads increased their tax payments to the Federal Government by $7,500,000 in the first year of reorganization. The carry-backs on those six railroads, if it were allowed, would be $4,000,000 for 2 years, or a total of approximately $8,000,000.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas.

Mr. JENKINS. I would like to develop that because the gentleman has studied this problem and given it more attention than anyone else on the committee. Let us see what the gentleman's conclusions are. You say that if this process is carried on with the same average that the other six railroads have been carried on, there will be a gain to the Treasury.

Mr. CARLSON. In my opinion, there will be a gain, depending on the earnings, of course, for every year after the reorganization.

Mr. JENKINS. As I understand it, the only possible advantage this amendment will give, or the bill as it is written, is $4,000,000 over 2 years?

Mr. CARLSON. I would not say that. I will say that the records show that of the six roads reorganized, that would be the approximate amount. The gain to the Treasury in increased taxes would approximate $7,500,000 the first year of reorganization.

Mr. JENKINS. Are there any facts, either historical or real, that would indicate that those other railroads are any different from these?

Mr. CARLSON. There are not. In some instances the Government will gain; in some instances it will lose; but we will come through with a strong reorganized railroad structure, and the Government and the Nation will gain permanently.

Mr. JENKINS. I felt it was the duty to give these railroads that now, if it is allowed. There has been discrimination against them, and it is our duty to clarify it so they can have a chance to be put on the same basis.

Mr. CARLSON. It is not only our duty but it is a matter of justice. Why should a railroad in my State have to operate under the present reorganization plan and not get the benefits of these carry-backs when they get it in a few other States? There are only a few States in the Union which permit reorganization under the old charter.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Chairman, the great burden of providir g the jobs necessary to the full employment which we must have in the post-war period, if we are to weather successfully the readjustments and consequent economic strains, will fall on small business and small industry. In the service industries in 1930, more than 47 percent of all the jobs were provided. Big manufacturing industry, so-called, provides only some 25 to 30 percent of the jobs. This land, before the war, was dotted with businesses operated by small corporations which gave millions of jobs to millions of American citizens. The rising taxes incident to the war—and, may I be permitted to add, incidental to a wasteful, spending administration, which for 12 years tossed the people's dollars around with reckless abandon—have hit the smaller corporations and hit them hard.

Congress must provide some measure of relief for the smaller businesses of this country from the heavy burdens of taxation they have been bearing during this war. We must adopt a practical program which will enable them to readjust to peacetime conditions, and to provide good American jobs at good American wages for our returning veterans, and our displaced war workers. These corporations must be able to provide these jobs during the reconversion period. This bill is a step in the right direction. I hope we will adopt the amendment making it effective in 1945.

It is unfortunate the committee itself did not go further and give the relief to small business this year instead of delaying its effectiveness until the calendar year of 1946. If this were done, the little fellow would have his relief when he needs it most—at the beginning of his reconversion difficulties. We want him to provide the jobs for the workers and we must give him a real chance. Reduce the taxes and strike from his wrists the chains of regimentation and repressive regulations so that he can do his job well.

We should also at this time have given some relief to the smallest paid workers.

Mr. Chairman, there is no question about the necessity for the smaller businesses of this country to be given such tax relief as is necessary for them to absorb both the veterans and the displaced war workers—at least, a large percentage of them.

We must not let our reconversion and postwar prosperity become bogged down around social theories and vain schemes which in themselves can provide no jobs for American wage earners. We must consider our tax program from the constructive and positive standpoint of what it will do, and how much it will do, to help the businesses of this country provide the jobs the wage earners must have. We must not permit tax schedules to be used to accomplish punitive purposes, to discourage independent business, to hamstring our free economy, to paralyze private industry, or to prolong, expand, or perpetuate the control of governmental bureaus over the business, the jobs, the lives, and the welfare of the American people. We must not permit any tax enactment which would maintain heavy taxation in order to destroy the profit system. We must not force upon the people governmental control and operation—I mean to say socialization—of American industry. We must not forget that to the extent that we put the smaller businesses in the power of the governmental bureaucrats or to just the extent that we leave smaller business in the toils of governmental red tape, to just that extent we are destroying the independence of the American wage earner and putting labor farther and farther under the domination of Federal bureaucrats. Effort to give tax relief to smaller businesses is not being done for the benefit of the businessman; it is being done for the benefit of the wage earners—the men and women of this Nation. It is true, of course, that as

the wage earners of this Nation benefit, smaller businesses will also benefit. That is as it should be, because the real interests of wage earners and invested capital and business management are one and inseparable. Contented wage earners, satisfied workers, getting good wages, working under good conditions, living at high levels, mean prosperous business and prosperous business firms, and vice versa.

I know something about small businesses. There are a lot of them in my own district. I know their problems. I know their difficulties. I know how they have staggered under this burden of taxation while trying patriotically to meet the demands—the requirements of their country. What is true in my own district is true all over this Nation.

The very power of this Nation has stemmed, in its real essence, from the people and from small industry as well as from the great industries of the Nation.

The facts of the past century bear out my contention that the dominant reason for the growth and success of this Nation has been not alone political and religious freedom, but economic freedom as well. We have fostered in this country a strong economy because it was based on a competitive system of private enterprise. We have always kept the portals of opportunity open to every man and every woman in every walk of life. From the ranks of the laboring men and women of this country have risen the foremen, the superintendents, and the managers of industry. From among the farmers and the laborers of this country have come those who today sit in the business offices and who are managing the technical details of this great structure of small business in the United States. Initiative, imagination, energy, and capacity will always find their opportunity in free enterprise while governmental control and domination of business have always placed the destiny of the wage-earners and the business in the grasp of the dead hand of bureaucracy. Only in free enterprise can those opportunties which have been the very essence and the very glory of the American system be found.

Not one of you could go the length and breadth of my own district and see the mills, and the factories, and the shops, and not realize that in those establishments lies the real future of America.

We must never, through burdensome taxation, permit the doors of opportunity to be closed to those who want to strike out on their own. At the turn of the twentieth century the average investment required to start a new venture was approximately $300. Just before the war, the average was around $3,000. These averages would tend to show the small business man as having less opportunity to strike out for himself in the postwar era than he did in the days gone by.

Averages do not always tell the story, however. One of the reasons for the increase in the average investment in the past decade has been the number of punitive regulations and the great complexity of legislation affecting both the launching and the operation of new enterprise.

Many potential small-business owners have been frightened away by the complications this Government has placed upon even the smallest business. Not the least of these obstructions has been the tax schedule.

I want to point out to you that this Congress may lead the country forward to postwar years of unparalleled economic activity and prosperity, or we may doom our country to economic stagnation.

If we do not provide conditions favorable to the launching of new businesses, and the expansion of established businesses—especially small businesses—we will betray our trust to our fighting men and women all over the world. We must remember that they are fighting on the battlefields of foreign countries, on the far shores of the Seven Seas, not alone for the principles of religious and political freedom and the protection of their loved ones at home; they are fighting, too, for the right, upon their return, to marry and to establish themselves in their life's work; many of them to establish themselves in business; to raise families; to provide those loved ones with the same high standards of living which have always been available to the great majority in these United States. All of them want good jobs, or their own businesses, on their return.

If we expect these veterans, and the displaced munitions workers to have jobs in postwar America, if we expect them to be able to carry on through the readjustment period, we simply have got to put business in a position to provide the jobs. We have got to end the doctrine of punitive taxation, which has too long been a factor in our consideration of tax schedules. We must go to the constructive principle of incentive taxation—the kind of taxation which will provide the necessary revenues for the operation of the Government, but which at the same time will not tend to diminish revenues by killing off and withering established businesses or new businesses.

Let me remind you that at the end of the First World War the Republican Party, then in power, through the decade of the twenties, reduced tax rates four times, and so increased the Federal revenues that we paid off the then monumental debt at the rate of a billion dollars a year for 10 straight years.

So, it is not for the businessman primarily I speak; it is for the wage-earners; it is for an America with higher wages than we have ever known before; it is for a country in which the working hours will be the shortest, and the working conditions the best, that we have ever known in this, the best of all countries in the world. It is for living levels for all working people which will be far better than anything we have approximated at any time in the past. It is for an America to which the veterans may return and be wholly satisfied, proud and pleased that they were able to fight for a country which gives them so much. I am pleading for consideration for the smaller businesses in these tax schedules, not that the businesses may make more money, but that they can make more jobs at more wages for more people; that they can make more money to pay more taxes to the Government—on a basis that will encourage and not discourage them.

I do not need to remind you that the conversion of the small factories to the manufacture of arms, ammunition, and machine gun parts required considerable adaptation. There is a vast difference between making pots and pans and producing hand grenades. Our business enterprisers literally turned themselves inside out to produce the weapons and munitions of war. We must turn them outside in again, they must be enabled tc stand right side up if they are going to provide the vast streams of goods and services, the production and distribution of which not only will provide the wages for the workers, but the purchasing power by which the people may procure those goods and services to make their lives richer and happier.

Such a reconversion of the smaller businesses not only will require capital; it will require planning. A businessman must know what he will face tomorrow and day after tomorrow. He must know what facilities will be available to him; what financial program he may be able to follow; what resources he may be able to tap; what promotional funds may be available, and so on through the whole gamut of problems which every businessman must face. He must solve those problems in order to provide jobs. He must have working capital in order to provide jobs. He must have confidence to provide jobs. He must know where he stands.

Personally, I would favor granting business an excess profits exemption up to $40,000 right now in order to enable management to secure working capital necessary to convert. Certainly, whatever the figure may be, it must be given this year. We must not wait until next year. Already it is late for the businessman to find out what his tax requirements are going to be throughout the reconversion period.

Let us put small business in a position to provide real American jobs; let us give small business an opportunity to live.

It was these things, these important factors which will determine the success or the failure of this Nation to reconvert to a prosperous peacetime basis, that motivated my appointment of the Small Business Study Committee sometime ago. It was this motive which prompted the appointment of a Republican Tax Study Committee. In small business is the hope of the country. Let us start a new tax program to provide the opportunity and the encouragement which will enable small businesses to provide the jobs for returning veterans and for dislocated war workers; the incentive that will enable thousands of those veterans and workers to engage in business on their own and to provide still additional jobs for their buddies and their fellow workers. Let us take the tax shackles off the opportunities for business expansion in this country. Let us remove the manacles and free the hands of initiative.

Therefore, I urge upon my colleagues that we take every measure possible at

this time. Let us face the fact that the future of this country, its growth, its prosperity, and, yes, its very freedom depend upon the continuance and the expansion of free enterprise and free labor. Let us give free enterprise and free labor their chance now. Let us clear the road for opportunity for jobs, and give the green light to prosperity for America.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from West Virginia [Mr. ELLIS].

Mr. ELLIS. Mr. Chairman, in bringing out this bill increasing the excess-profits-tax exemption it is evident the Ways and Means Committee, and I think a majority of the House, believe that the time for decision in tax matters is now at hand in order that some postwar pattern of our American economy may be glimpsed by businessmen, industry, labor, and agriculture, which must furnish the jobs that will be required on demobilization of the war workers at home and the men and women in the armed forces.

It is unanimously agreed that after the war we must have a business activity of well over $120,000,000,000 a year in order to service our enormous national debt and to provide employment for fifty or sixty million workers. This is indeed fundamental. If this high level is not maintained we face state socialism, bankruptcy, or even worse alternatives.

To make this increase in business activities over prewar levels possible, it is obvious that thousands of private businesses must undertake expansion programs and they must embark upon these programs without benefit of a ready-made war materials market and without a Government standing by to finance them, take over the risk, or guarantee cost-plus profits.

The industry of this great Nation appreciates the magnitude of this problem and is now strenuously preparing to solve it. There is scarcely a firm that is not applying its best thinking to postwar problems. New materials have been developed, new machines, new products, and civilian conveniences are in the making. Better and cheaper manufacturing methods are being evolved that will lower the cost of goods to the consumer. There is tremendous public demand for these products and this demand increases every day the war continues.

It is evident to all of us that this administration is not overly friendly to private enterprise. Government control and public works are the biggest things in their life. Their philosophy was well expressed in a statement by the Director, Office of War Mobilization and Reconversion, published a day or so ago.

According to the news item, he said, in effect, that higher wages, lower taxes, and public works was the hope of the postwar period. That statement is not compatible with sound American thinking and holds little promise for the business of this country. It indicates that administration thinking is still geared to public spending while the thoughts and actions of every citizen in this country should be directed toward encouraging higher production through free enterprise. There are no clear-cut actions of the Federal Government which commit it to a program of individual enterprise.

It is my sincere hope that the Congress in its wisdom will take the shackles off of business and let it do the job it is capable of doing. And when I speak of business in this sense I mean labor and management.

The legislation before us today is a step toward releasing our tremendous energies to the end that our transition from war to peacetime production can be geared and made responsive to our military and civilian needs. With this relief and encouragement, business will be in a better position to maintain the high level of employment after the cessation of hostilities in the Pacific.

The tax relief proposed in this measure is entirely consistent with the expanding scale of war against Japan. The major purpose of this act is to facilitate reconversion by improving the cash position of business and by relieving smaller businesses of some of the burdens of the excess-profits tax. To accomplish this desired result the following changes are proposed:

First. Increase the specific exemption under the excess-profits tax from $10,000 to $25,000, effective for 1946.

This alone among the five proposals would reduce ultimate tax liabilities. Under the original excess-profits tax law of 1940, the first $5,000 of net income of all corporations, regardless of size, was exempted from excess-profits tax, and for 1944 this exemption was raised to $10,000. The number of corporations subject to excess-profits taxes was approximately 68,000 for the taxable year 1943, while under the larger exemption it was reduced to an estimated 51,000 for 1944, and—apparently reflecting an expected decline in corporate income—is estimated at 31,000 for 1946. Raising the exemption to $25,000, as now proposed, would reduce the number paying excess-profits taxes for next year to an estimated 19,000, out of a total of some 469,000 active corporations. This step would especially aid the large number of small corporations, many of which have experienced difficulty in building up adequate liquid resources for reconversion in the face of the high excess-profits taxes.

While the proposed increase in excess-profits tax exemption would provide important benefits to large numbers of small concerns, the great body of corporate income, produced mainly by the larger corporations, would be relatively little affected. It is estimated that the increased exemption would reduce excess-profits tax liabilities by only $300,000,000; and since the income thus released from excess-profits taxes would then become subject to the corporate normal and surtaxes, the net reduction in taxes would be only $160,000,000. This is less than 2 percent of the total revenue receipts from corporate income and excess-profits taxes.

Second. Make the postwar credit of 10 percent of the excess-profits tax currently available for tax liabilities of 1944 and subsequent years.

Under the present law, the 95 percent excess-profits tax must be paid each year in full, subject to a 10-percent refund at stated years after the war. Under the proposed formula, the credit could be taken immediately, thus having the effect of reducing the net cash outlay for excess-profits taxes by this amount.

Third. Advance to January 1, 1946, the maturity date of outstanding postwar refund bonds.

This proposal follows logically from proposal 2 above and would advance the date of payment of the 10-percent refund on excess profits taxes paid in 1942 and 1943, now represented by special non-interest-bearing bonds issued by the Treasury and payable at intervals of 2 and 3 years after the war.

Fourth. Speed up refunds resulting from the "carry-back" of net operating losses and of unused excess profits tax credits.

Under existing law, business concerns which experience a sharp drop in earnings resulting either in a net operating loss or a level of earnings below that subject to excess-profits taxes are permitted under a provision known as the "carry-back" to offset such loss or deficiency of earnings against the net income subject to taxes in the two preceding years, thus entitling them to recompute taxes and file a claim for refund. At present, however, such claims cannot be filed until after the close of the year, and normally take a protracted period before they can be audited and approved by the Bureau of Internal Revenue.

Under the new proposal, corporate taxpayers which anticipate a drop in current income would be permitted, on the basis of their own estimate, to take immediate credit for the carry-back and to make a deduction from the current installments due on the preceding year's taxes. As a protection to the Treasury, such action would be subject to a later audit by the Revenue Bureau, to an interest charge of 3 percent to discourage unnecessary use, and, in the event of overestimating the credit, to a penalty payment of 6 percent. Furthermore, the Commissioner of Internal Revenue would be empowered to disallow immediately any such claims which in his judgment were clearly excessive.

Fifth. Speed up refunds resulting from the accelerated amortization of emergency plant facilities.

Companies which have invested in emergency plant and equipment for war production are now allowed to amortize, or charge off, for tax purposes the cost of such facilities over a period of 5 years, or over a shorter period if the war ends or the facilities are certified as no longer needed for national defense. In the latter event the taxpayer may recompute the amortization deductions on the basis of the shorter period, which will result in larger deductions for preceding years and give rise to claims for tax refunds. Since the handling of these claims through the usual administrative procedure involves considerable delay, it is proposed to pay such refunds within 90 days, subject to subsequent audit and adjustment.

A discussion of the railroad question will be omitted here as it has been so ably discussed by the gentleman from Kansas a few moments ago.

All of these proposals have met with almost universal approval. The need is urgent and the passage of this bill will indicate a healthy pattern for postwar reconversion.

In any consideration of tax relief it must, of course, be borne in mind that the extent of any reduction in tax rates is going to depend upon how far we are willing to go in reducing Government spending after the war. Continued spending cannot be reconciled with the idea of lower taxes—everywhere agreed to be necessary after the war.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. ANGELL].

Mr. ANGELL. Mr. Chairman, the bill under consideration, H. R. 3633, has for its purpose aiding reconversion and permitting small-business concerns to continue in business. By keeping small business from bankruptcy we will provide jobs for veterans and war workers. I will support the bill, also the amendment making it effective January 1, 1945.

In this connection and to keep the wheels of industry turning in the Northwest States we from the West are interested in the hydroelectric power facilities of the Columbia River. We also want to keep those great industries working in the postwar period.

During the debate on the last Interior supply bill before this House, the Bonneville power rates were discussed briefly. This debate can be found on pages 3881 and 3882 of the CONGRESSIONAL RECORD of April 26, 1945. My contribution to this same debate can also be found on page 3879 of the same RECORD. Power rates are directly related to reclamation and industrial development. In my remarks, it will be found that I stressed balanced utilization. Without balance I feel and know that the future development of reclamation and the Western States will suffer. I am approaching this discussion entirely from a sympathetic and constructive viewpoint and do not intend to be critical, but I do find it necessary to point out fundamentals that will have a far-reaching effect on the entire western development program. I favor reclamation development in the West as well as industrial development. We must provide the lowest power rates possible consistent with repaying construction costs and upkeep.

I must repeat again, which I have pointed out numerous times on this floor and in appearance before the Interior Subappropriation Committee, that without balance the whole western development program will be curtailed.

As a result of the war, and this will be accentuated with increasing operations in the Pacific, the population growth in the States of the Pacific Northwest for the past 5 years has been 15 times the national average. This increase is almost entirely represented by industrial growth. This outstanding growth will carry with it reconversion impacts of large proportions, as I have also previously covered.

On page 3880 of the RECORD of April 26, 1945, I discussed at length the population increases and war employment. What I then outlined is an immediate problem and one that cannot be projected into the era covered by the Grand Coulee report.

An analysis of population statistics during the years of the greatest American prosperity establishes the fact that in order to secure a balanced economy, there must be around six industrial and small-business workers for each person gainfully employed on the farm. It is the consumptive demands created by the other six workers that create the incentive and the need for farm production.

Because of existing freight-rate levels, the average farm products cannot be moved long distances. If we neglect the specialized crops, we must come to the conclusion that it is fundamental that regional consumptive demands can only be met by regional farm production.

Unless there is a balance between demand and production, the regional economic structure will collapse. If all the components of the over-all regional economic problem are not considered, the electric demands necessary to pay out the reclamation projects will not exist. If such condition arises, the final result will be "fumigation" instead of "irrigation."

In order to make such a project as Grand Coulee worth while, there must be simultaneously created an incentive for industrial employment. Without industrial employment, the produce raised on a million acres in the Columbia Basin project will become a drug on the western markets.

The cost of power is one of the principal elements in promoting balanced utilization. If power costs are overloaded with subsidies, both the farmer and the industrial worker will be penalized.

Mr. Chairman, the Senate Small Business Committee has recently investigated the Canadian Shipshaw transactions. This investigation brought out that the American taxpayers built and subsidized a large hydro-generating plant in the Province of Quebec. The Canadian Parliament completed the subsidy by giving capital charge relief through tax amortization. The net result of this war-agency transaction is a foreign power plant which has been constructed and paid for by the American taxpayer which can produce power, without capital charges, for around $3.50 per kilowatt-year.

In addition to being a matter of economics, the entire relationship of power costs and metal-resource production vitally touches the future security of this Nation. The Shipshaw transaction has eliminated this country from the postwar foreign light-metal market unless Congress applies remedial measures. The effect, over a long period of time, will be that our national security will be placed in the hands of a foreign power, and we will find American raw materials, vital for defense, going into foreign lands for processing. The English "order in council" protects England and its colonies against such an eventuality.

If the war agencies had approached the problem constructively, the Columbia River power and the light-metal plants would have become just as much an arm of our future defense as the airplane carrier, the battleship, and our standing Army.

If Shipshaw had been built without capital relief, since it is an ideal power site, its power could have been produced and transmitted reasonable distances for around $10 per kilowatt-year. The Aluminum Co. of America, in its best privately owned United States plants, produces power for around $10 per kilowatt year.

In the hearings before the Rivers and Harbors Committee, covering the proposed St. Lawrence development, it was pointed out that power produced at the International Rapids could be prudently sold for $12.50 per kilowatt-year. The Aluminum Co. of America buys power at Niagara, for aluminum production, at between $12 and $13 per kilowatt-year, and produces the same type of power in its own Massena plant for about the same figure.

The Canadian Aluminum Co. purchases supplementary power from Canadian Hydro utilities for around $18 a kilowatt-year. The combined cost to the Aluminum Co. in its Tennessee plant is around $21 per kilowatt-year. This cost figure is arrived at by combining Alcoa's own production costs with purchased power from the Tennessee Valley Authority. High-pressure steam plants in Arkansas gas field can produce competitive power for around $25 per kilowatt-year, as I pointed out before the House Appropriation Subcommittee. Modern high-pressure steam plants in the California oil fields can produce power for around $33 per kilowatt-year. These comparisons show that there is a definite limit to power rates applied to metal production.

In 1938 the Bonneville $17.50 kilowatt-year rate was put into effect. Press releases at that time showed the factors upon which the Federal Power Commission's approval of such a rate was based. Also at that time the Portland Chamber of Commerce took an exception to this rate as being too high which was possible for them to do under the existing law. The Portland commercial organization then pointed out that a $14.50 rate would safely cover all of Bonneville's costs to insure the full return demanded by the Bonneville Act. Portland's contention was sound, being based on the testimony given by the Army engineers before the Rivers and Harbors Committee at the time the Bonneville Act was under consideration in 1937. Rate analysis, by competent authorities, indicates that if Bonneville were operating alone, a $14.50 rate could be established which would meet all of the business requirements of the Bonneville Act and repay construction costs with interest.

Congress by the act of 1937 placed the Bonneville project—which embraced only the Bonneville plant and its accessory transmission—on a sound business basis. Grand Coulee does not have such a policy established by law. The Grand Coulee allocation report before Congress sets out a combination of results which flow

from a mixture of law and executive order. When the report is considered, we must make certain that Oregon rate payers are not penalized by having subsidies in their rate base to pay reclamation costs in other districts.

Benefits will accrue to the State of Oregon as a result of the Grand Coulee project, but no measure of the value of these benefits has yet been presented to Congress, or are known. It must also be conceded that the western arid States must cooperate and work together if the common objective of resource development and additional reclamation are to be obtained. Therefore any discussion of this problem must be approached in a spirit of cooperation. Nevertheless, such willingness carries with it an obligation to maintain the economic balance I have stressed as well as remove any interstate discrimination. It should be further pointed out that the Bonneville Act definitely provides against rate discrimination. In addition there is a deeper obligation resting on all the Western States that are the beneficiaries of congressional development policies. This further obligation consists of fully investigating fundamentals to the extent that repayment insurance is provided and that the projects are soundly conceived and soundly administered, in order that they will never become a burden to the Federal Treasury.

Mr. Chairman, Henry Ford has demonstrated in the automobile industry that low prices produce large volumes and over-all profit. His philosophy of business has been widely accepted and publicly approved. I am told that New York business executives have recently conducted a public opinion poll on American business executives. This poll shows that Ford heads the list of American business executives. This same poll also indicated that those executives at the bottom of the public-opinion list embrace the philosophy of large prices and lower volumes and wages. It can therefore be stated as an axiomatic business principle that the best business course is to tie rates to volume and resource development. This principle, of course, is predicated on price levels at least equal to or slightly above actual production costs.

It is apparent that the Bonneville rate approved by the Federal Power Commission in 1938—$17.50 per kilowatt-year—applied to Bonneville alone. I am firmly convinced that a thoroughgoing analysis will show that Oregon is entitled to a wholesale rate lower than $17.50 per kilowatt-year.

The inference is put out on page 3881 of the RECORD of April 26, 1945, that the $17.50 rate should be increased to provide further subsidies. Such a suggestion is only wishful thinking based on inadequate information and a lack of realization of what is contained in the Bonneville Act and what this Nation's future defense requires. It is unsound reasoning from the standpoint of the national interest; the interest of the State of Oregon and the future well-being of the entire reclamation and western development program. A rate elevation would in the postwar period throw the entire light metals production into foreign hands, thereby making this Nation dependent on others for its air fleet, which in time would reduce this Nation to a secondary position. Again, a rate elevation would curtail increases in electric demand which would in the end result in the large reclamation projects being unable to pay out. Furthermore, such a procedure would drastically curtail western development and deny reemployment opportunities to our returning veterans and discharged war workers. This is an immediate problem, and one not to be projected into the year 2017.

Mr. Chairman, since Oregon's position is secure from the standpoints of law, equity, and fact, I feel certain that the entire State will, for the reasons that I have cited today, aggressively oppose any move to elevate electric rates to provide further subsidies. I sincerely hope that the indicated wishful thinking of the few will not force such a position upon the representatives of the State of Oregon, as there is a way open to cooperatively solve this problem. If this is not done, Oregon will and must insist on being allowed the benefits that law and its position warrant. Such course represents both sound business and fair treatment.

The Grand Coulee report, as required by law, covers both allocation and repayment on the Grand Coulee project. It was submitted to Congress recently. Accompanying the report was a letter from the President dated April 21, 1945. In this letter the precedent importance of the report was stressed. Therefore this House cannot accept this report without full investigation. My purpose today is to preserve the record so that all angles can be analyzed and our people fully informed.

The Presidential letter of April 21, 1945, points out three situations created by the transmission of this report. These three items are, first, the report contains proposals which are not covered by existing legislation; secondly, because of precedent importance further legislation should be considered by the Congress; thirdly, there are certain omissions in the report.

Bonneville and Grand Coulee are electrically tied together. It is physically impossible to separate these combined kilowatt-hours which flow into the transmission pool. Therefore, since the Bonneville Act applies, any investigation and analysis must be referred to the House Rivers and Harbors Committee, which processed the Bonneville Act.

The record that I have cited shows that there is at least a $3 per killowatt-year irrigation subsidy in the rate being paid by Oregon rate payers, in spite of the fact that the Oregon farmers have to carry their own water use charges as a farm expense. This subsidy should not be increased by raising the rate structure for reclamation purposes.

During the debate on the Interior supply bill, it was pointed out that the irrigators on the Oregon Owyhee project had to assume $180 per acre charge; on the Deschutes project, $120 per acre, and on the Roza extension of the Yakima, Wash., project the cost ran $244 per acre.

It was indicated in the April 26 debate in the House that $273 per acre represents the cost of placing water on the approximate million acres in the Columbia Basin project. The allocation report submitted to Congress shows that the per-acre cost largely exceeds this figure. The report submitted to Congress shows on page 13 that the net irrigation acreage amounts to 1,029,000 acres. On page 43 the proposed final allocation is set out, showing an allocation to irrigation including pumping power in the amount of $341,929,994. This amount divided by 1,029,000 acres gives a per-acre cost of $331.

Bonneville power users are only interested in the maintenance of rate levels for power no higher than would have existed if the Bonneville plant operated alone. This is reasonable, as the Bonneville plant has no irrigation subsidies to assume.

Mr. Chairman, an analysis of this report shows that the Grand Coulee plant has a natural advantage in power-plant costs to the extent of around $2.50 to $3 per kilowatt-year. It must be admitted that this advantage belongs to the project and can be used without question for repayment. Compared to Bonneville costs, there is, in addition, approximately, $3 per kilowatt-year included in the electric rate charged Oregon rate payers, which covers subsidy.

It would, therefore, appear that there are a number of legislative points open covering allocation, nondiscrimination, uniform cost accounting, rate insurance, "balance," and rate-level protection. Any additional legislation should result in a formula that will provide a yearly report to Congress as is presently being done in the case of the Boulder Dam project. There is no information on which to establish a measure of benefits.

It is definitely evident that any move to elevate the $17.50 power rate as applied to Oregon, would curtail the future opportunities that would accrue to my State because of its advantages of location and resources.

It is, therefore, apparent that before such a report can be accepted as a precedent, further investigation and legislation are necessary. The irrigation features of this report naturally fall within the jurisdiction of the House Committee on Reclamation, whereas the power rate features definitely come within the jurisdiction of the House Rivers and Harbors Committee, which was responsible for the Bonneville Act.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, I cannot help but sympathize with the chairman of the Committee on Ways and Means today because I think he finds himself in the same position the chairman of the Committee on Rules frequently finds himself. I have, of course, the utmost confidence in the gentleman from North Carolina and in the entire membership of the Ways and Means Committee. The only trouble I find is that our Republican friends seem to vote as a unit on all matters that will help

the vested interests, special interests, or the favored few. I read the report of the minority——

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. WOODRUFF of Michigan. The gentleman is not implying, of course—at least I think he is not—that the great chairman of the Committee on Ways and Means of this House would bring a bill before the House that was drawn for the benefit of the vested interests.

Mr. SABATH. As the bill was originally drafted I would not have much objection to it; and perhaps it is satisfactory to some people to relieve some of these poor corporations which have such a tremendous surplus tax to refund part of their excess profits for reconversion purposes. In that connection I believe the gentleman from Michigan will agree with me that most of those corporations have been reconverting for the last year and a half or 2 years at the expense of Uncle Sam. They have been making many changes, preparations, and readjustments in their plants, and charging them to the cost of production on war contracts they have with the Government, so that today most of them have already reconverted at the expense of the taxpayers and the Government. I read only yesterday——

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SABATH. No; this comes right close home to the gentleman: I read only yesterday that Mr. Ford is already prepared to start to produce about 200,000 automobiles next week. That shows he has done some reconversion while he was working for the Governrment. I would not, of course, accuse him of doing it wilfully and deliberately, because many times his men have had nothing to do; but they remained on the pay roll at the expense of Uncle Sam, and in that way they were put to work to readjust things so that when the war ended they would be in position to start the manufacture of automobiles rolling again.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield to the gentleman, of course.

Mr. WOODRUFF of Michigan. I believe the gentleman from Illinois will agree that the additional exemption of $15,000 from the corporate excess-profits tax carried in this bill is a small item for the Ford Motor Co., of Michigan. Further than that, I wish to say to him that the Ford Co. always——

Mr. SABATH. I am not speaking of them except generally; I am merely giving an illustration that came to my mind because I read it in the newspapers, and having read it I figured there must have been some justification for the article.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SABATH. No; pardon me, I have yielded now twice; I should like to proceed with the few things I have to say.

Mr. WOODRUFF of Michigan. I can assure the gentleman from Illinois that he can get additional time from the Republican side of the House if too much time is consumed in yielding to me.

Mr. SABATH. I would take the gentleman's word for almost anything, and if he assures me that I can have additional time without imposing upon the Committee, naturally I shall yield.

Mr. WOODRUFF of Michigan. The point I was making is that this question of an additional exemption of $15,000 on corporate excess-profits taxes is a mighty small matter to big corporations, but it is a vital matter to thousands upon thousands of small corporations in this country that have been struggling to get along, and many of them have gone to the wall during the past few years. This bill is drawn solely in their interest.

Mr. SABATH. Is the gentleman asking me a question or making a speech?

Mr. WOODRUFF of Michigan. I have asked the gentleman a question, he has submitted remarks that inspire further remarks from me and he has yielded to me.

Mr. SABATH. And I have yielded. Let me proceed.

Mr. WOODRUFF of Michigan. Another point I am making is this——

Mr. SABATH. I cannot yield any further, not for a speech, please.

Mr. WOODRUFF of Michigan. I will stay within the bounds of reason, may I say to the gentleman from Illinois.

Mr. SABATH. I may say to the gentleman that I have no objection to, in fact I am in favor of, aiding and relieving small corporations. Does the gentleman understand that?

Mr. WOODRUFF of Michigan. I agree with the gentleman.

Mr. SABATH. But I feel that when corporations are obliged to pay excess-profits taxes in addition to the regular profits tax they are not in such bad shape that they need this immediate aid. I will tell the gentleman why. In the minority report it is stated that you favor this legislation because it will help these corporations to get some refund a year or 2 years in advance which by law they will be entitled to later on. You also call attention to what you are planning to do for the small businessman, for the wage earner, for the white-collar people, for the school teachers, for the bookkeepers, for the clerks, and so forth after the war is over.

I quote excerpts from the supplemental views of the minority in the report on the bill, as follows:

> We desire also to direct the attention of the House to the urgent need for assuring individual taxpayers in the lower income brackets that as soon as possible after the war they too will receive relief from their present staggering tax burden. At the present time more than 21,000,000 persons, whose income is $1,000 or less per annum, are paying approximately $500,000,000 in taxes to local, State, and National Governments. Almost half this number are married persons or heads of families. More than 24,000,000 persons receive an income from $1,000 to $2,000 per annum and pay in excess of $4,000,000,000 in taxes to these governments.
>
> In these low-income groups will be found the millions of so-called white-collared employees—school teachers, clergymen, shopkeepers, salespeople, bookkeepers, barbers, clerks, and professional or semiprofessional workers, not to mention small-farm operators, mechanics, janitors, caretakers, skilled and unskilled laborers, many of whom are self-employed individuals. Most of these individuals are not organized and none of them has experienced any measurable wartime prosperity. The purchasing power of their dollar, moreover, has shrunk by more than 40 percent below 1939 levels.

I think we should have considered giving relief to those people to whom you have urged relief after the war is over. They need it now because the cost of living has gone up and, as your minority report shows, they are the people who are earning between $1,200 and $2,000 a year. May I correct that statement. We have about 20,000,000 people who are earning less than $1,500 a year and with the ever-increasing cost of living because of the manufacturers coming in here and demanding a higher and higher ceiling, these people cannot exist. They find themselves in a very unbearable situation. So relief should be granted to them now instead of holding out promises that they will be helped after the war is over.

Mr. WOODRUFF of Michigan. May I inform the gentleman that in the committee we offered an amendment to do that very thing.

Mr. SABATH. You control the committee.

Mr. WOODRUFF of Michigan. Oh, no. There never has been a time in the House of Representatives when a minority can control the majority.

Mr. SABATH. But you are in the majority.

Mr. WOODRUFF of Michigan. We are nothing of the sort.

Mr. SABATH. The 10 Republicans with the 3 or 4 reactionary Democrats constitute a majority in the vote of the committee. I know that the progressive Democrats were not for it; not those Democrats who have the interest of the taxpayers at heart. But let us get away from that.

Mr. WOODRUFF of Michigan. I want to congratulate and thank the gentleman from Illinois for his stated opinion that a minority of the Ways and Means Committee controls the majority.

Mr. SABATH. May I say this: I happen to be the chairman of the Committee on Rules and serving on that committee are eight Democratic members and four Republican members. Frequently, when controversial legislation is before us for a rule and there is a division between the Democratic members, the Republican minority holds a balance of power and in that way controls the action of the committee. The same situation exists at times in the Committee on Ways and Means over which the chairman has no control and, as I have stated, I sympathize with him because I find myself on occasions in the same position with my committee when rules are obtained on legislation which I believe are not in the best interest of the country.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As I understand this bill, a majority of the Committee on Ways and Means voted it out. There was a provision in it which I am informed is a benefit of some millions of dollars to certain railroad corporations and then the Rules Committee in report-

ing a rule authorized an amendment which, if adopted, would provide for a windfall for about $235,000,000; is that correct, if the amendment is adopted?

Mr. SABATH. Yes. If the amendment is adopted it will take out of the Treasury at this time a small amount, around $200,000,000 or approximately the amount the gentleman states.

Mr. McCORMACK. Certain railroads will benefit to the extent of several millions of dollars. The gentleman from Illinois is opposed to that provision and also the provision with reference to the windfall of about $235,000,000?

Mr. SABATH. Yes, I am.

Mr. WOODRUFF of Michigan. Mr. Chairman, will the gentleman yield to clarify that situation?

Mr. SABATH. The gentleman from Massachusetts [Mr. McCORMACK] is correct. I regret I cannot yield further to the gentleman now.

Mr. WOODRUFF of Michigan. Let the majority leader read what the gentleman from Kansas [Mr. CARLSON] stated on the floor this afternoon.

Mr. SABATH. I have not been present during the entire proceedings, and I regret exceedingly that I have been deprived of the pleasure of hearing what was said by some of the other gentlemen who are advocating the bill. But I am thankful to the gentleman from Massachusetts for calling my attention to the railroad provision which has been railroaded through the Committee on Ways and Means.

Mr. WOODRUFF of Michigan. How about the Committee on Rules?

Mr. SABATH. I will come to that, too.

Mr. WOODRUFF of Michigan. The Committee on Rules did not provide for offering amendments the gentleman would like to offer on the floor.

Mr. SABATH. I fully agree with the gentleman that the Committee on Rules is nearly as guilty as the Committee on Ways and Means.

Take the railroad provision. It was not in the original bill, as I understand. That provision will give the Wabash Railroad about $8,500,000, which is a gift, and will give to some other railroads additional millions of dollars. When I say "Wabash" it will not all go to the Wabash, because most of it, I think, will go to the poor Pennsylvania Railroad that is always ready and willing to grab anything that is in sight. That provision has no place in this bill.

How was it put in? Who put it in? Why was it put in? Sometimes we hear things. I never accuse anyone of wrongdoing at any time. I may criticize the Republican Party and I may even at times criticize the actions of my own party, which is very seldom, because most of the time it is right. Consequently I am constrained in calling attention to some rumored activity in connection with this legislation, and I should like to know whether there is any truth in it. I am not making the accusation, but I want to know whether it is not a fact that the former minority clerk of the Committee on Ways and Means, who received three or four thousand dollars a year, has obtained a position with some people in New York who are paying him twelve or fifteen thousand dollars to devote his time down here in an endeavor to bring about the adoption of this railroad provision. Now, I do not know. I am only asking the question. If it is not so, I would like to be enlightened, but if it is true I think something should be done about it in the future, Mr. Chairman. You know, we provided a provision in the Revenue Act some years ago that any man who left the Bureau of Internal Revenue after he had attained a great deal of experience, should not be allowed to practice before that department for 2 years.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. SABATH. No; I cannot.

Mr. JENSEN. I think the gentleman should.

Mr. SABATH. Pardon me.

Mr. JENSEN. I just wanted to remind the gentleman of something.

Mr. SABATH. The gentleman cannot remind me of anything just now. I have several other matters on which I desire to enlighten the Membership and I do not desire to yield now.

Mr. Chairman, we have a provision in the law as I have stated, whereby no person can practice before the Revenue Department until 2 years have elapsed after his resignation. I think perhaps the gentleman from New York [Mr. REED] is familiar with that provision. That is what we should do here. We should provide that no employee of the House, or any other department, after he has gained a great deal of experience and knowledge and knows about conditions, should be permitted to practice or appear before the congressional committees or departments in connection with legislation or business until 2 years have elapsed from the time that he became separated from the Government service. Otherwise I think it is manifestly unfair. If no one will introduce such a bill, I shall take it upon myself to draft one and introduce it, and I hope I will have the support of all the well-meaning Members on both sides of the aisle.

I am thankful to the chairman of the Committee on Ways and Means for the time extended me and for the kind words that he has spoken. I am sorry that I am obliged to disagree with the Committee on Ways and Means on this railroad provision pertaining to the tax refund. Perhaps it may help a few of the smaller corporations, but when you gentlemen seek to make the country believe or place statements in the RECORD that it has been done because many corporations have gone into bankruptcy, I would like to have some information as to what corporations have gone into bankruptcy.

Mr. Chairman, I never in my life heard where corporations or people making too much money, as under the present tax law, and paying an excess-profits tax, have gone into bankruptcy. I know that those whom you state have gone into bankruptcy did not do so with the intention of defrauding anyone, but there might have been some other reason for their so doing and not because they paid a large excess-profits tax. The same is true with respect to the railroad companies which went into bankruptcy under section 77B of the Bankruptcy Act. They are now making large earnings and are being taken over and controlled by the larger railroads and the big Wall Street banking interests. The benefit of their high earnings will go to the new corporations and the railroads which have acquired the control of the railroads which became defunct in years past, and this at the expense of the old stockholders and bondholders. No one can justly claim that the large railroads and financial interests that came into the ownership of the defunct railroads need any relief, aid, or refunds. They are making more money than ever before, and it is all due to the movement of Government traffic. We have passed acts heretofore benefitting the railroads but they were to some extent justifiable. I do not refer to the railroad grant bill. That was not. But this provision cannot possibly be justified. We are not for it. I feel we should eliminate it from the bill. But we cannot do it under the rule which has been so cleverly drafted by my colleague the gentleman from Missouri, which will not permit any amendment or the striking out of any provision of the bill.

Mr. SLAUGHTER. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield.

Mr. SLAUGHTER. May I ask the distinguished chairman of the Committee on Rules, as a member of that committee, if he made any effort to modify this rule or to change it in any way so as to permit the striking out or modification of the railroad amendment?

Mr. SABATH. I called attention to the railroad amendment right away. I say it was a gag rule, a closed rule, and I have been opposed to gag rules during all the time that I have been a Member of this House.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield three additional minutes to the gentleman from Illinois.

Mr. SABATH. I have voted for closed rules on tax bills and revenue bills. But this, ladies and gentlemen, is not a tax bill, it is not a revenue bill, but a bill to refund moneys from the Treasury, and therefore there is no justification for a closed or gag rule such as this one. I know that when the committee voted to grant the rule and I was obliged to leave, some of you gentlemen got together with the clerk of the committee and prepared the rule. Is that correct?

Mr. SLAUGHTER. No; that is not correct.

Mr. SABATH. Wherein am I wrong?

Mr. SLAUGHTER. Permit me to propound this inquiry preparatory to answering your question. I ask the distinguished chairman of the Committee on Rules this question: Did you or did you not attempt or even suggest that the rule be prepared in such a way that an effort could be made to strike out the railroad provision?

Mr. SABATH. The gentleman from Ohio [Mr. BROWN] and I both called attention to that provision and to the fact

that it does not belong in the bill. Consequently, I thought we should not grant a gag rule such as this rule is. Unfortunately, the rush act was on and you know what happened. You gentlemen preferred that rule. As it was decided that the bill should be taken up the next day, and with the House adjourning, I had to ask unanimous consent that I be permitted to file the rule. It was filed. Unfortunately, I had no time to go over it. Had I had the time I would have opposed the rule as it was prepared. Perhaps I am guilty in not glancing over the gentleman's work in preparation of the rule. It is a mighty strong rule, I admit. I hope we will never be obliged to ever report a rule of that kind preventing Members from offering any amendment to a bill such as this which takes out of the Treasury millions of dollars and which will deprive the Members of the right to vote on such a proposition. I think the amendment should be defeated and the bill be recommitted to the Committee on Ways and Means.

Mr. KNUTSON. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we always listen with a great deal of interest to the gentleman from Illinois [Mr. SABATH]. He is always diverting, but never more so than when he bases his position upon hearsay information.

When the gentleman from Illinois attacks this bill of course he attacks his own party; he attacks his own committees, because they are in full control of both. One would think, to listen to the gentleman from Illinois, that this bill was a sort of Christmas grab bag for rich and fat corporations. I wonder if the distinguished gentleman from Illinois is aware of the fact that not a single corporation will benefit more than $6,825 from the operation of the bill we have before us, which is a godsend to the smaller ones, and merely a drop in the bucket to the big ones. Does he know that? I am afraid he does not.

Mr. SABATH. No; I do not.

Mr. KNUTSON. I did not think the gentleman did.

Mr. SABATH. Will the gentleman yield?

Mr. KNUTSON. I was praising the gentleman for the magnificent effort he made on the little information that he had.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. EBERHARTER. Will the gentleman yield?

Mr. KNUTSON. I cannot yield. I only have 2 minutes and I do not want to ask the minority leader to give me more time.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. KNUTSON. I will have to yield myself three additional minutes.

Now I just want to say a word about the former clerk on the Ways and Means Committee, Mr. Rapp. Mr. Rapp was with this committee for more than 20 years. He was one of the best authorities on taxation that has ever served on the Hill. Notwithstanding the fact that he was minority clerk, the majority used him a great deal, and we were glad, of course, that that was the case.

Mr. Rapp was paid $3,000 a year. I do not know how many times he turned down offers to go with some large tax firms, but let it be said that in his desire to serve his country he turned down a number of them. Finally, as his family came on and he took on years, it was necessary for him to make provision for old age. So he resigned as minority clerk and took a position with one of the leading firms of attorneys in the city of New York, and I am happy to say to the House that he is now making many times the $3,000 that a generous Uncle Sam paid him. Unlike some, I rejoice when an employee of the Congress can better his condition. It afforded me a great deal of pleasure when Mr. Rapp came and told me of this offer, and I recommended that he accept it, although I did so knowing that it represented a very serious loss to the Ways and Means Committee.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. KNUTSON. I yield myself two additional minutes, Mr. Chairman.

Mr. JENSEN. Will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. JENSEN. Mr. Rapp comes from the district which I have the honor to represent in Iowa. I have known Mr. Rapp for many, many years. I know he is one of the finest, ablest, and most outstanding and upstanding patriotic Americans I have ever had the privilege of knowing. I resent very much the gentleman from Illinois, by inference at least, saying that this fine man, Mr. Rapp, might have sold out.

Mr. SABATH. I did not say so.

Mr. JENSEN. You made that inference.

Mr. SABATH. Well, he quit. The gentleman states the same thing, that he quit the committee and is with an outstanding firm of lawyers in New York.

Mr. JENSEN. You know why you were up here saying the things you were.

Mr. SABATH. No. It just came to me, and I thought you ought to know it.

Mr. JENSEN. Oh, we understand that kind of stuff.

Mr. SABATH. I think he has earned that increase.

Mr. KNUTSON. The gentleman from Iowa may have misunderstood the gentleman from Illinois [Mr. SABATH].

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. GALLAGHER].

Mr. GALLAGHER. Mr. Chairman, the war is not over. I am opposed to any tax relief to the "fat boys" until victory is won and a substantial part of the American war debt is paid so that it will not all have to be paid by the soldiers. I made that promise to the mothers and the wives of soldiers in my campaign for election and at that time I did not hear any objection from any source.

It seems to me I have heard these corporations squeal before and say they were going bankrupt if certain priorities were not lifted or certain regulations of the OPA abrogated. Their representatives came into my office with such complaints of poverty, but in no case when I looked them in the eye and asked them if they were not now and had not been making good money did they answer anything but "Yes?"

Business in this country is in better shape today than it has ever been; the banks are in better shape; and I do not believe that now is the time to pass this bill. A year after the war perhaps such a bill as this would be all right, for that might be a time when the corporations of this country were not making the money they are today.

At the present time our Treasury needs these taxes. We know the taxes are high, there is no question about that, but some men are giving their all, their very lives, for their country. All we are asking of the corporations is that they pay some of the taxes of this Nation. We believe they can do that and continue to do that and continue to grow strong. We know that in adding up the cost of doing business there is one gum concern that advertises an empty gum wrapper to the extent of over a million dollars a year. There are other concerns of like nature. And so I close by using a phrase of an old Republican friend: "I am standing pat and hoping for the defeat of this tax bill."

Mr. Chairman, I yield back the balance of my time.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Chairman, I have listened with a great deal of interest to the speeches that have been made here on the floor and I wish to congratulate our fine and distinguished chairman of the committee for his presentation of this bill without indulging in any mud slinging or demagoguery. It has been just the type of speech one would expect from him after he had sat in committee throughout a period of weeks and concentrated on the problem of trying to do something to help this country in the postwar period. I listened to the gentleman from Chicago as he made his remarks. I remember the time when there were certain bond investigations in Chicago when it was impossible for a respectable person to go near that city without a disinfectant, and the stench did not come from the stockyards.

Mr. Chairman, I am going to analyze this matter and see if I cannot place some information before the House that may be helpful to Members on both sides. This bill is highly technical, as are all bills that have any relationship to the excess-profits tax.

Mr. Chairman, the bill H. R. 2633 states as its objective "to facilitate reconversion, and for other purposes," and further states "that this act may be cited as the 'Tax Adjustment Act of 1945.'"

It will be recalled that on June 15, 1944, the Joint Committee on Internal Revenue Taxation adopted the following resolution:

Resolved, That the committee direct its staff, in collaboration with the Treasury staff and the staff of the Bureau of Internal Revenue, to make a special study of postwar taxation.

Resolved, That the chairman of the Committee on Finance and the chairman of the Committee on Ways and Means each be re-

quested to designate a minority member of his committee to sit, act with, and cooperate with the committee in its study of postwar taxation.

It was pursuant to these resolutions that the Joint Committee on Internal Revenue Taxation for Postwar Taxation was organized. I may add that the majority and the minority were given equal representation of this committee in order to remove any questions of partisanship in the conduct of studies.

I may add that the staffs of the Joint Committee on Internal Revenue Taxation and the Treasury Department, including the Bureau of Internal Revenue, spent many weeks preparing data relating to postwar taxation. Groups and individuals representing industry, agriculture, labor, and others were consulted to obtain their views on postwar problems.

These studies were submitted to and considered by the Joint Committee on Internal Revenue Taxation for Postwar Taxation, the members of which are:

House of Representatives: ROBERT L. DOUGHTON, North Carolina, chairman; JERE COOPER, Tennessee; JOHN D. DINGELL, Michigan; HAROLD KNUTSON, Minnesota; DANIEL A. REED, New York; ROY O. WOODRUFF, Michigan.

United States Senate: WALTER F. GEORGE, Georgia, vice chairman; DAVID I. WALSH, Massachusetts; ALBEN W. BARKLEY, Kentucky; ROBERT M. LA FOLLETTE, Jr., Wisconsin; ARTHUR H. VANDENBERG, Michigan; ROBERT A. TAFT, Ohio

The major recommendations by the Joint Committee on Internal Revenue Taxation for Postwar Taxation made to the Ways and Means Committee for its consideration were these:

First. Increase the excess-profits tax specific exemption from $10,000 to $25,000, effective beginning with the tax year 1946.

Second. Provide that the postwar credit of 10 percent of the excess-profits tax be taken currently with respect to tax liabilities of 1944 and subsequent years.

Third. Advance to January 1, 1946, the maturity date of outstanding postwar refund bonds.

Fourth. Provide for speed-up of refunds resulting from carry-backs of net operating losses and of unused excess-profits credits.

Fifth. Provide for speed-up of refunds resulting from the recomputation of deductions for amortization of emergency facilities.

In harmony with the recommendations made to the Ways and Means Committee, the bill (H. R. 3633), the purpose of which is to facilitate reconversion by improving the cash position of business enterprise, especially small business was reported out of committee.

There are a few pertinent inquiries that might be made to clarify the provision as well as the purpose of the bill, I shall submit the questions relating to some of the relief provisions:

First. What is the theory of the excess-profits tax?

Answer. The theory of the excess-profits tax is to levy a tax on corporate earnings which are in excess of certain base figures. To put it another way the excess-profits tax has as its aim the taxation of all corporate profits which are not normal profits according to standards established by the act.

Second. Is there some flexibility in the standard established in the act; if so what are they?

Answer. Most taxpayers each year may use whichever of two different bases will result in the lesser tax.

Third. Upon whom is the excess-profits tax imposed?

Answer. It is imposed upon corporations only; not upon other classes of taxpayers, such as partnerships, individuals, estates, or trusts.

Fourth. What are these standards or base figures?

Answer. The standards of base figures are known as (1) the income credit on average earnings, and (2) the invested capital credit.

Fifth. From what is the income credit derived?

Answer. The income credit is derived fundamentally from the average earnings of the corporation for the taxable years 1936 to 1939, inclusive, or a percentage of the corporation's capital investment, that is, investment in plant and equipment, patents, and so forth, the purpose being to allow the corporation a fair return on its investment.

Sixth. What specific exemption is permitted before the excess-profits tax rate is applied?

Answer. A specific exemption of $10,000 is permitted.

Seventh. What is the excess-profits tax rate, regardless of whether the income credit—average earnings—or the invested capital credit is used?

Answer. Whichever method is used, the excess-profits tax rate is 95 percent.

Eighth. Is a limitation placed upon the excess-profits tax and if so, what is the limit?

Answer. The limitation placed upon the excess-profits tax is that the total of the (1) normal tax, (2) surtax, and (3) excess-profits tax may not exceed 80 percent of the corporation's surtax net income—computed without the credit for adjusted excess-profits net income.

Ninth. What will be the effect on corporate returns if the excess-profits tax exemption is increased from $10,000 to $25,000?

Answer. A corporation will be exempt from the requirement of filing a return if its excess-profits net income, after the adjustments provided under the invested capital method, is not more than $25,000 for the full calendar year 1944.

Tenth. How many corporations is it estimated will be free from liability under the excess-profits tax if exemption is increased from $10,000 to $25,000?

Answer. The 31,000 corporations paying excess-profits taxes under the $10,000 exemption will, under the $25,000 exemption, be reduced to 19,000 corporations liable to an excess-profits tax.

Eleventh. If the specific excess-profits tax exemption is increased to $25,000, what will be the reduction in excess-profits tax liabilities?

Answer. About $300,000,000.

Twelfth. Will the income released from excess-profits tax liability be subject to a normal tax and surtax?

Answer. Yes. Thus the net loss in revenue as a result of the increase in the specific excess-profits-tax exemption to $25,000 would be about $160,000,000.

Thirteenth. What is the postwar refund?

Answer. Under present law, corporations which pay excess-profits taxes are credited with an amount generally equal to 10 percent of the excess-profits tax.

Fourteenth. How may this credit be taken by corporations subject to an excess-profits credit?

Answer. The 10-percent credit may be taken currently to the extent of 40 percent of net debt retirement.

Fifteenth. What is the procedure in dealing with the credit that is not taken currently?

Answer. To the extent that the credit is not taken currently, bonds are issued by the Government to the taxpayer.

Sixteenth. What are the terms of these bonds?

Answer. They bear no interest. They are nonnegotiable until after the cessation of hostilities. They are redeemable before maturity at the option of the United States in 3 months' notice. If not redeemed, they mature in from 2 to 6 years after cessation of hostilities, the length of time depending upon the year for which issued.

Seventeenth. Give an example of the maturity of these credit bonds under the law as it now exists.

Answer. For example, if the war should end in 1946, bonds based on 1942 taxes would not mature until December 31, 1948, and bonds based on 1945 taxes would not mature until December 31, 1951.

Eighteenth. What is it proposed to do to make the postwar credits fully available for reconversion?

Answer. It is proposed that: (a) the postwar credit of 10 percent of excess-profits taxes be taken currently with respect to tax liabilities of 1944 and subsequent years, and (b) the maturity date for outstanding postwar refund bonds be advanced to January 1, 1946, thus advancing the maturity date of these bonds by at least 2 to 3 years in the case of 1942 bonds and at least 3 to 4 years in the case of 1943 bonds.

Mr. KEEFE. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from Wisconsin.

Mr. KEEFE. The gentleman will recall that some time ago, in response to a letter which I received from one of the outstanding tax authorities in my State, I submitted to the gentleman some computations based upon two corporations, corporation A and corporation B, one with a net income of $250,000; the other with a net income of $150,000. Those computations were carried forward under existing law and compared with the situation as it would exist under the law that is now proposed to be passed. We arrived at a situation that the net tax burden under existing law in the case of the corporations described in this computation would be greater under the proposal to increase the specific exemption from $10,000 to $25,000 than it is today.

The gentleman indicated that he would take that matter up with the joint committee and be in a position to answer the question which these figures produce.

In connection with the question I am going to ask, I ask the gentleman to insert in the RECORD at this point, when we get back in the House, the letter to which I have made reference. My question to the gentleman is whether or not he has been able to work out an answer to the problem submitted by this letter so that my constituent and others similarly situated may have an answer to the questions raised.

KIMBALL, LAMB, RIECKMAN & CO.,
Oshkosh, Wis., May 8, 1945.

Mr. MARTIN MONDL,
Mondl Manufacturing Co.,
Oshkosh, Wis.

DEAR MARTIN: Confirming our telephone conversation, the simple calculation below illustrates that the proposed increase in the excess profits specific exemption from $10,000 to $25,000 would not decrease, but would increase the net tax burden when the excess-profits tax is determined by the over-all 80-percent limitation.

	Corporation A		Corporation B	
Net income	$250,000	$250,000	$150,000	$150,000
Excess-profits credit	15,000	15,000	5,000	5,000
Specific exemption	10,000	25,000	10,000	25,000
Subject to excess-profits tax	225,000	210,000	135,000	120,000
Excess-profits tax, at 95 percent	213,750	199,500	128,250	114,000
Subject to normal tax and surtax	25,000	40,000	15,000	30,000
$5,000 at 15 and 10 percent	1,250	1,250	1,250	1,250
$15,000 at 17 and 10 percent	4,050	4,050	2,700	4,050
$5,000 at 19 and 10 percent	1,450	1,450		1,450
$15,000 at 31 and 22 percent		7,950		2,650
Total normal tax and surtax	6,750	14,700	3,950	9,400
80-percent limitation on $250,000	200,000	200,000	120,000	120,000
Deduct normal tax and surtax	6,750	14,700	3,950	9,400
Balance is excess-profits tax	193,250	185,300	116,050	110,600
80-percent limitation	200,000	200,000	120,000	120,000
Deduct postwar refund of 10 percent of excess-profits tax	19,325	18,530	11,605	11,060
Net tax burden	180,675	181,470	108,395	108,940

The difference of course arises, not in the tax to be paid, but in the postwar refund provided under section 780 IRC. The excess-profits tax rate is built up of 85 percent tax and 10 percent loan to the Government to be repaid through the redemption of the postwar refund certificates.

If the postwar contribution is eliminated coincidentally with the increase in the exemption, no inequity will result. But if the present scheme of tax payments is continued, the increase in exemption will actually increase the tax burden of those corporations who come under the 80 percent limitation.

These latter are chiefly corporations with small invested capital, as indicated by the above two illustrations. In many cases, the small invested capital has resulted from operating losses sustained through 1930–38 which have wiped out their previously accumulated surplus. While the detrimental effect may not be large, it is a fair question as to whether such small corporations should be at all penalized in a change in the law intended to grant relief to smaller enterprises.

Very truly yours,
KIMBALL, LAMB, RIECKMAN & CO.,
By FRANCIS S. LAMB.

Mr. REED of New York. I wish to say to the distinguished gentleman from Wisconsin that I was very, very much interested in the proposition which was presented to the gentleman from Wisconsin by a very able tax expert. I did take the matter up and gave it personal study. I also took it up with the experts on the Joint Committee on Taxation. I will say that the same situation arises in this case as it did when we increased the exemption from $5,000 to $10,000. There were certain corporations upon which it did impose a slight increase in taxes. The same holds true now. I have prepared, with the aid of experts, a step-by-step analysis showing just why this occurs and how it could not be avoided. I would like to insert it in the RECORD following the gentleman's letter, because I do not want to take the time to read a rather voluminous analysis of it. I am also putting in a table by which the gentleman and his constituent can see how the problem has worked out. The constituent of the gentleman from Wisconsin is absolutely right.

Mr. KEEFE. The situation may briefly be stated, as I understand the matter now, that there are certain classes of corporations who, because of the low credit which they now have as against excess profits and because of the increase in net income, are in effect penalized?

Mr. REED of New York. That is right. I will say in that respect, however, that many of those are companies with small capitalizations upon which they made terrific earnings. They are really war babies and do not deserve a great deal of sympathy, so far as that is concerned.

Mr. KEEFE. I thank the gentleman. May I say that when we go back into the House I assume, when I ask leave to extend my remarks and include this letter, the gentleman's remarks and answer will follow?

Mr. REED of New York. Yes, indeed.

Mr. KEEFE. I thank the gentleman.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent to extend my answer to the gentleman's inquiry and letter at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. O'HARA. May I say that I have a very high regard for the gentleman from New York who is now addressing the Committee. I have been very seriously troubled by this problem. In our endeavor to solve the reconversion problem we are only treating the problem in part. We are not meeting the problem of the small businessman and small industry. Their problem also must be solved.

I would appreciate an expression from the gentleman from New York on that phase of the problem, as I know it will help me to come to a decision in voting on this bill.

Mr. REED of New York. I believe I can do so. In the first place, we have spent many months of study on this question dealing entirely with the excess profits tax. The industries to which the gentleman refers are the smaller industries which do not come within the category of the excess profits tax companies. I realize that. But this is a reconversion bill and our aim is to make it possible for those companies to have the money with which they can start reconversion now and begin to take up the slack. When the wheels begin to turn in these enterprises these small businesses are going to immediately feel the thrill of new orders and contracts from the business which will be transacted by these corporation which are getting this reconversion relief. Unless these corporations are in a position to reconvert and reconvert quickly, and I would say there are thousands of them, the smaller industries in which you and I are interested will not turn a wheel. They will not be able to operate because they are dependent for their business in thousands of instances upon the success of these other enterprises which are entitled to this relief under the law. We are not giving them anything. They are entitled to this money under the law. They really loaned it to the Government and they are entitled to have it. The question is whether they are going to have it now or whether we are going to hold them up for 6 or 7 years and wait until the men are walking the streets without jobs. No, we want to let them have these funds at the earliest possible moment. That is why we want to see this $25,000 exemption moved up to 1945 instead of 1946.

Mr. O'HARA. What troubles me is that unless we provide some buffer for these little businesses they are never going to feel the thrill which the gentleman speaks of because they are going to be dead; that is, their business is going to close down.

Mr. REED of New York. I agree with the gentleman. A great many of them are already dead.

There are probably 500,000 enterprises that have gone to the wall during this war. I think those are the Treasury figures. We cannot hope to improve our economic situation by depriving a large group of corporations of the money to which they are entitled by law, and which should be used for reconversion. All the Congress is doing is saying, "Now we have won the war in Europe. We want these corporations to begin to reconvert in order to give employment to the boys coming back; we want to build up those very industries so that they can begin to do business."

There was complaint made today about Ford, that he was going to build a lot of automobiles. This activity is going to reach into every corner of the country, because he draws his supplies

from all over the country. That will be true of the other automobile concerns, if and when they reconvert. There is no use carrying on a strangulation process here as far as these particular businesses are concerned.

I offered an amendment in committee, which was voted down, to extend this exemption to $30,000 and to make it applicable in 1945. I offered an amendment to increase individual exemptions to help out the individual, single and married. I introduced a bill long ago to reduce the excess-profits taxes to 60 percent at the close of the European war; also to relieve the individual of 20 percent of his taxes following the Japanese war.

This is nothing new. We Republicans have been offering these incentives to private enterprise and trying to get them enacted into law for many, many months. This bill is perfectly sound.

One more word, and that is on this railroad situation. I do not care how many millions are involved, if millions are involved. If this Government is going to have the character that will cause it to survive among nations—in other words, an honest government—then it should see to it that its laws operate equally upon all people and companies similarly situated. When State laws prevent some companies from getting the carry back simply because a new charter is required under their laws, then it is time for us to act. That is all this amounts to.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. RICH. Is it not a fact that if private individuals are in business or partnerships, if they are in business only pay income on their partnership or their individual business in respect to the income tax on individuals, while if a man has his business incorporated he is penalized because of the fact that he pays normal and surtax of 40 percent? Then he pays for everything over and above that 40 percent, 95 percent. Then he pays his income tax in addition to that if he receives dividends. Therefore he is penalizes if his company is a corporation.

Mr. REED of New York. Well, we have had a committee that is working and we have decided that there should be legislation to stop this double taxation of corporate dividends. Of course, there is relief that should be brought about. I know the economy of this country cannot move forward in private enterprises unless there is some tax relief all along the line.

Mr. RICH. And if we do not be careful we will kill private initiative and private enterprise.

Mr. REED of New York. Yes.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KNUTSON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. REED of New York. I yield.

Mr. ROBSION of Kentucky. Will a member of your committee offer an amendment making this law operative in 1945 instead of 1946?

Mr. REED of New York. That is the only amendment that can be offered. I do not say it will be offered by the committee, but it will be offered evidently by somebody. If it is not offered by somebody outside the committee, I may offer it myself.

Mr. ROBSION of Kentucky. You are definitely of the opinion, from your careful study of this question, that that amendment should be adopted?

Mr. REED of New York. It should be, in my judgment.

Mr. ROBSION of Kentucky. Is that the opinion of the majority of your committee?

Mr. REED of New York. Well, I do not know whether it would be the opinion of the majority of the committee. I cannot say. It is very close.

Mr. ROBSION of Kentucky. But you are definitely of the opinion that it should be adopted?

Mr. REED of New York. Yes.

I realize that many Members on the floor would like to know just how this proposal to increase the excess-profits tax specific exemption from $10,000 to $25,000 will affect corporations. In other words, whether it will benefit all corporations within the excess-profits-tax group, or only a portion of them. If it will not benefit all corporations within the excess-profits-tax class, why will it not do so? In order to answer this question, suppose we take an example and analyze it.

Let us assume a corporation with an excess-profits net income under the present law of $250,000, an excess-profits credit of $15,000, with the specific exemption of $10,000.

As a first step, we subtract from the net income the specific exemption of $10,000, and the excess-profits credit of $15,000. This gives us income subject to excess-profits tax amounting to $225,000. Now then, we all know that the excess-profits tax rate is 95 percent. We next apply this rate of 95 percent to the income subject to the tax, and arrive at an excess-profits tax of $213,750. Our next step is to get the income subject to the normal and surtax. To arrive at this, we take the net income of $250,000, and subtract from this the income subject to the excess-profits tax of $225,000, leaving an amount of $25,000, which is the normal and surtax net income. We must next find the normal and surtax, the rates of which are graduated. I shall not bother the House with going into the details of how these rates apply, but the normal tax and surtax on the $25,000 is $6,750.

Now we come to one of the most important steps in the computation: the law provides that no corporation shall pay an over-all tax amounting to more than 80 percent of its surtax net income. For purposes of this example, I am assuming that the surtax net income and the net income for excess-profits-tax purposes are the same. We now apply this 80-percent limitation to our net income figure of $250,000, and find that the over-all tax burden for this corporation cannot amount to more than $200,000. To arrive at the excess-profits tax limited by this provision, we subtract from the $200,000 the normal and surtax of $6,750 arrived at previously. This leaves an excess-profits tax of $193,250. Next we must find the amount of the postwar credit due this corporation. This credit is 10 percent of the excess-profits tax, and under present law is provided for in the form of bonds. By applying this 10 percent to the excess-profits tax of $193,250, we arrive at the figure of $19,325. Now, to arrive at the net tax this corporation pays, making allowance for the postwar credit, we subtract from the $200,000 over-all limitation, the postwar credit of $19,325, leaving the ultimate tax that this corporation will pay, of $180,675.

Now that I have taken you step by step through the process of arriving at the excess-profits tax and the normal and surtax for a corporation with a net income of $250,000 and a specific exemption of $10,000, as provided under existing law, let us step by step compute the tax for a corporation with a net income of $250,000, and with an excess-profits tax specific exemption of $25,000, as proposed in H. R. 3633 now before the House.

As a first step we subtract from the net income the specific exemption of $25,000, and the excess-profits credit of $15,000. This gives us income subject to the excess-profits tax of $210,000. Now then, we all know that the excess-profits tax rate is 95 percent. We next apply this rate of 95 percent to the income subject to the tax, and arrive at an excess-profits tax of $199,500. Our next step is to get the income subject to the normal and surtax. To arrive at this, we take the net income of $250,000, and subtract from this the income subject to the excess-profits tax of $210,000, leaving an amount of $40,000, which is the normal and surtax net income. We must next find the normal and surtax which rates are graduated, and I shall not bother the House with going into the details of how these rates apply, but the normal tax and surtax on the $40,000 is $14,700.

Now we come to one of the most important steps in the computation: the law provides that no corporation shall pay an overall tax amounting to more than 80 percent of its surtax net income. For purposes of this example, I am assuming that the surtax net income and the net income for excess-profits tax purposes are the same. We now apply this 80 percent limitation to our net income figure of $250,000, and find that the overall tax burden for this corporation cannot amount to more than $200,000. To arrive at the excess-profits tax limited by this provision, we subtract from the $200,000 the normal and surtax of $14,700 arrived at previously. This leaves an excess-profits tax of $185,300. Next we must find the amount of the postwar credit due this corporation. This credit is 10 percent of the excess-profits tax, and under present law is provided for in the form of bonds. By applying this 10 percent to the excess-profits tax of $185,300, we arrived at the figure of $18,530. Now, to arrive at the net tax this corporation pays, making allowance for the postwar credit, we subtract from the

$200,000 overall limitation, the postwar credit of $18,530, leaving the ultimate tax that this corporation will pay, of $181,470.

I now wish to make it clear that I have been giving you an example under the law as it now exists, which has only an excess-profits tax specific exemption of $10,000. To present the matter more graphically in connection with this corporation, I shall insert a break-down in the form of a table, indicating each step in the process by which the excess-profits tax is found, and the effect of the $10,000 excess-profits tax specific exemption as compared with the $25,000 specific exemption, as provided for in H. R. 3633.

	Present law	Proposed bill
Excess-profits net income	$250,000	$250,000
(1) Net income	250,000	250,000
(2) Excess-profits credit	15,000	15,000
(3) Specific exemption	10,000	25,000
(4) Income subject to excess-profits tax, ((1)−(2)−(3))	225,000	210,000
(5) Tentative excess-profits tax (95 percent of (4))	213,750	199,500
(6) Income subject to normal and surtax, ((1)−(4))	25,000	40,000
(7) Normal and surtax (rates × (6))	6,750	14,700
(8) The increase in the normal and surtax as shown in (7) is ($14,700−$6,750), or $7,950.		
(9) 80-percent limitation applied to net income (80 percent×(1))	200,000	200,000
(10) Deduct normal and surtax ((7) above)	6,750	14,700
(11) Balance is the gross excess-profits tax (the excess-profits tax in (5) above has been reduced to this figure by the effect of the 80-percent limitation)	193,250	185,300
(12) Postwar refund (10 percent of (11), the gross excess profits tax)	19,325	18,530
(13) The decrease in the postwar refund as shown in (12) is ($19,325−$18,530), or $795.		
(14) The gross tax is limited to 80 percent of the surtax net income (80 percent of (1))	200,000	200,000
(15) Postwar refund (12)	19,325	18,530
(16) Net tax ((14)−(15))	180,675	181,470

By subtracting the $180,675, the tax under present law, from $181,470, the tax under the proposed bill, we find that the increase in the net tax for this corporation amounts to $795. This increase is the maximum amount that any corporation's tax will be increased, and the corporations thus affected are those with small excess-profits credits in relation to their net incomes. It was for these corporations that the Congress provided the 80-percent limitation as a relief provision. Many of these corporations, specifically those small ones with excess-profits net income of $25,000 or less after deducting their excess-profits credit, will be entirely relieved from paying any excess-profits tax under the bill now before the House.

The reason for the increase in certain cases grows out of the operation of the two taxes—the excess-profits tax and the normal tax and surtax. Under the operation of the two taxes, the adjusted excess-profits tax net income is subtracted from the total net income to arrive at the income subject to the normal tax and surtax. Increasing the specific exemption to $25,000 decreases the income subject to excess-profits tax, thereby decreasing the amount of the postwar credit of 10 percent of excess-profits tax paid. Decreasing the income subject to excess-profits tax in turn increases the income subject to normal tax and surtax, thus increasing the amount of the latter. The net effect of the increase in the normal tax and surtax, plus the effect of decreasing the postwar credit, thus results, as shown by the table, in a small increase in ultimate tax liability in certain cases.

Under the specific excess-profits tax exemption, 68,000 corporations filed returns showing excess-profits tax liability.

When the specific exemption was increased to $10,000 the number of corporations liable for excess-profits tax was reduced by about 17,000 to a total of 51,000.

It has been estimated that for the taxable year 1946, with the present exemption of $10,000, approximately 31,000 corporations would be liable for excess-profits tax.

If the specific exemption as is proposed in H. R. 3633, the number liable for excess-profits tax will be reduced by an estimated 12,000 to a total of about 19,000.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may care to consume, up to the 55 minutes remaining on this side, to the gentleman from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON of Virginia. Mr. Chairman, on yesterday I urged the adoption of the rule designed to bring H. R. 3633 before the House under what is called a closed rule, with the exception of one amendment dealing with the effective date of the proposed $25,000 credit against excess-profits taxes. I was gratified, therefore, when the House, by a vote of nearly 2 to 1, adopted that rule. One Member of the House, speaking in opposition to the rule, said that Members of the House were not children and should be given the privilege of offering from the floor any amendment to a tax bill they saw fit. It is no reflection upon the ability of Members of the House to say that the writing of a tax bill is such a highly technical matter that it could not be successfully be done on the floor of the House. Members of the Ways and Means Committee who have spent years in tax studies could not successfully perform that feat, and certainly Members who have not specialized in taxes could not hope to do so.

The subject matter of H. R. 3633 was studied for approximately 6 months by our tax staff and by Treasury officials. Then the subject was further studied by the Joint Committee on Internal Revenue Taxation, composed of the six senior members of the Ways and Means Committee and the six senior members of the Senate Finance Committee. Then the full membership of the Ways and Means Committee spent several weeks with the aid of tax experts studying the provisions that had previously been agreed upon by Treasury officials, members of our tax staff and the Joint Committee of Internal Revenue Taxation. In my remarks yesterday on the adoption of the rule, I called attention to that fact and stated that everything included in H. R. 3633 except the amendment relating to reorganizing railroads had been agreed upon in that manner. I, therefore, respectfully submit that the objections voiced on yesterday against the consideration of this bill under a closed rule were not well-founded.

Neither were the objections made to giving relief to corporations when no relief was being given to individuals well-founded. In the first place, the pending bill is not a tax relief bill for corporations. The opening statement of the committee report says:

> The major purpose of H. R. 3633 is to facilitate reconversion by improving the cash position of business enterprises and by relieving smaller businesses from some of the burdens of the excess-profits tax.

On page 3 the report further states:

> Businessmen are now planning for reconversion and readjustment to peacetime operations. The immediate enactment of this bill would facilitate this planning. Delay in the enactment of this bill would continue the present uncertainty and would therefore render planning more difficult.
>
> Speedy enactment of the bill would be favorable to business confidence. It would be interpreted as an indication of the desire of Congress to encourage timely reconversion and vigorous business expansion.
>
> Inevitably, there must be some lapse of time between the date of enactment and the time when the Bureau of Internal Revenue can have its administrative machinery set up to handle claims for tax deferments and current credits. With immediate enactment of the bill, the Bureau should be in a position to handle these matters by September 15.

What is meant by facilitating reconversion? It means, of course, that corporations engaged in war production must, as cut-backs occur in the war production program until VJ-day when the War and Navy Departments will cancel within 24 hours every outstanding war contract, turn to the production of peacetime goods, or else go out of business. To the extent that industry fails or is unable to reconvert, workers previously employed on war contracts will be unemployed. The primary purpose, therefore, of the pending bill is to prevent unemployment, which the War Manpower Commissioner recently announced may reach the figure of 5,000,000 or more by the spring of next year even if the war against Japan be at that time still in progress.

Another objective of the bill is to meet the pressing demand for consumer goods. We may have postwar inflation in spite of everything we can do. In his report to the Congress on July 1, War Mobilizer Vinson said that liquid assets had now reached the staggering total of $200,000,000,000. A simple, if nontechnical, definition of a liquid asset is money that can be spent. If $200,000,000,000 of spending money goes into the market

for $75,000,000,000 of purchasable goods the high bidder gets the goods. Throughout the world and throughout recorded history prices have been inflated when purchasing power greatly exceeded the supply of purchasable goods. On many occasions I have pointed out the fact that the present increase in the cost of living, variously estimated at from 27 to 30 percent, exceeds the war taxes being paid by the small-income earner. Every point of increase in the cost of living is a concealed tax and one that cannot be evaded. The Congress could give no better tax relief to the rank and file of the 50,000,000 now paying income taxes than to facilitate reconversion and the speeding up of an adequate production of durable and consumer goods.

In fact, we all know that the Congress does not intend for this country of great resources and great wealth to have bread lines after this war, nor do we intend for those who have risked their lives on far-flung battlefields for the preservation of our way of life to return home to become fruit vendors. While I have never regarded a program of 60,000,000 postwar jobs as anything more than a political shibboleth, I have wholeheartedly underwritten the proposition that we must take steps to provide reasonably full employment at reasonably satisfactory wages in the postwar era. The pending bill is a major step in that direction because it will make available to industry approximately five and a half billion dollars of capital for reconversion purposes. Is that tax relief for corporations? It certainly is not. On page 2 of the committee report you will read:

> An important purpose of this bill is to improve the cash position of business by advancing the time of payment of postwar tax refunds and credits provided under existing law. This will reduce the danger that reconversion might be impeded by shortages of cash.

Whose cash are we talking about? We are talking about the forced loans that we required corporations to make to the Government as a source of war revenue. We said that an effective rate of 80 percent was all that any corporation should be charged during the war period. But we first fixed the top excess-profits tax rate at 90 percent, later raised it to 95 percent with the provision that 10 percent of that tax would be evidenced by non-interest-bearing Government bonds which would be payable to the tax-paying corporations after the war. All are agreed that industry needs the present repayment of these forced loans. Otherwise, the RFC, the Smaller War Plants Corporation, and other lending agencies of the Government will have to furnish the money and they can only secure it through the issuance of additional Government bonds. What could be simpler than to permit corporations now to use their own money? When Government finances business Government is in a position to control business. When the Government furnishes jobs by going into business it is the beginning of the end of our system of private enterprise.

Again, we read on page 3 of the committee report:

> With the steadily increasing tempo of cutbacks and war contracts cancellations, many businesses will need cash immediately. Prompt enactment of this bill is necessary if business is to be allowed to take full advantage this year of the provisions for speed-up of refunds and credits.

Is that a tax relief for corporations? No; not in the sense that we give them something that they owe the Government. The present law permits corporations to carry forward and to carry back, as occasion may require, provable losses, and the current bill, incidentally, extends the same privilege to partnerships and individuals who do not pay excess-profits taxes, but do have the privilege under existing law of the loss carry-back and carry-forward provisions. To that extent, therefore, individuals are placed on a par with corporations in the pending bill. The money involved runs into hundreds of millions of dollars and is money that belongs to the corporations, who, to the extent of provable losses, have already overpaid their war taxes. And it belongs to them so strongly that the Government is required to pay interest on the amount from the time a provable claim has been filed. It is estimated that the revenue that will be saved by the Government in the prompter payment of these tax refunds will offset the amount of interest the Government will pay on the issuance of new bonds to replace the non-interest-bearing excess-profits tax refund bonds, which will become due and payable upon the enactment of this bill.

A companion relief measure carried in the bill is that corporations may take currently against current income taxes the postwar credit of 10 percent against excess-profits taxes. That provision, of course, is just in line with the general policy of not requiring future forced loans from corporations without interest to help finance the war.

Section 7 of the bill provides for prompt tax adjustments in the case of the recomputation of the amortization deductions as provided in section 124 of the Internal Revenue Code. The committee report on page 36 says:

> The principal purpose of this section of the bill is to accelerate the crediting or payment of refunds arising from the recomputation of taxes reflecting such increased amortization deductions. This provision is fundamentally similar to section 3780 of the code, added by section 4 of this bill.

Whose money is involved? It belongs to the taxpayer who built a war plant and who was promised accelerated depletion thereon. And, incidentally, this form of relief does not actually cost the Treasury any money and is extended to partnerships and to individuals as well as to corporations.

The only real controversy in the pending bill occurs over the proposal to increase the specific exemption against excess-profits taxes from $10,000 to $25,000, with pro rata relief for corporations reporting on a fiscal-year basis. With respect to that provision the committee report on page 4 states:

> This would give increased incentives for the expansion of small and the creation of new enterprises. Experience with the excess-profits tax has shown that it tends to be especially burdensome for many small corporations. The increase in the specific exemption would (a) remove a large number of these smaller corporations from liability under the excess-profits tax; and (b) reduce the burden on those corporations still subject to the tax, the reduction being relatively more important to smaller corporations.
>
> It has been estimated that for the calendar year 1946 an increase in the specific exemption from $10,000 to $25,000 would result in a net revenue loss of about $160,000,000, or less than 2 percent of the total revenue from the corporate income and excess-profits taxes.

It will be observed that this provision of the bill gives actual tax relief to corporations if applicable to 1946 income to the estimated amount of $160,000,000. All Government officials and most members of our committee did not think that would be a high price to pay to facilitate reconversion for the purposes I have previously indicated. On the contrary, what worries many small corporations, as well as many Members of the House, is the fear that this proposed relief will come too late to be of any value. With that thought in mind I offered in an executive session of our committee an amendment to make the relief applicable to 1945 income. On yesterday I stated that as I had subsequently voted for a closed rule, I did not intend to offer that amendment from the floor. However, I expressly reserved the right to vote for the amendment should a rule be adopted that permitted it to be offered. I understand the gentleman from Missouri [Mr. SLAUGHTER] will offer the amendment and if he does I intend to support it. As he pointed out on yesterday, former War Mobilizer Byrnes made that specific recommendation to the Congress in September 1944, in January 1945, and again in March 1945.

Our committee report on page 4 lists five objections to making the $25,000 credit applicable to 1945 income. Each of those objections, except the first, in my opinion, would apply with equal effect to 1946 should the war against Japan last throughout that year. Objection No. 1, in estimating that the Treasury would lose the revenue from excess-profits taxes in 1946 as well as in 1945, evidently contemplates that the war against Japan will last through 1946. On three different occasions War Mobilizer Byrnes recommended that the entire excess-profits tax be repealed after VJ-day, to wit the defeat of Japan. On July 1, 1945, War Mobilizer Vinson renewed that recommendation. It is, therefore, reasonable to assume that should the war against Japan end this year the entire excess-profits tax for all corporations will be wiped out effective, I assume, on January 1 of the following year. No one, of course, knows when the war with Japan will end, and it is difficult for the occidental mind to interpret the mental processes of the oriental mind.

I have been told that the Chief of our Air Corps recently told a member of the Military Affairs Committee that he did not believe Japan could take the type of bombing he planned to give her for more than 6 months. It is generally believed that in 6 months or less we will be able to destroy every above-ground structure on the homeland of Japan. If the Japanese continue to fight after that time it will be from underground caves with nothing left to fight for except their so-called honor. I can understand how a

nation can train fanatical youth to die rather than surrender, but it is difficult for me to understand how any nation can induce its entire civilian population to commit national suicide. Naturally, I approve the plans of our military leaders to proceed against Japan on the assumption that the Japanese will fight on their homeland beaches or in their homeland caves as long as a man lives to fight. I do not wish to see any relaxation of the pressure upon Japan. I do not wish to see any relaxation of the war effort on the home front. Every step must be taken here and abroad to bring to bear upon Japan the maximum of our fighting power. To assume that Japan may decide to quit this unequal struggle before everything of value in her homeland has been destroyed is just a guess, and my guess is no better than that of any other Member of the House. My guess is that if unconditional surrender, which of course, I favor, means to the Japanese the capture or the death of their Emperor, who to most of them is their god, the Japanese as a nation will emulate Horatio, who said:

> And how can man die better
> Than facing fearful odds
> For the ashes of his fathers,
> And the temples of his gods?

But if it does not include that provision, my guess is that Japan will quit before the end of the current year. Should that happy contingency occur, I respectfully submit that we would be fully justified in giving the small industries of this Nation the aid to peacetime reconversion which would result from making the $25,000 credit apply to 1945 income.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman stated that this is their money; that it is coming to them, but not now. The bill makes it payable to them now, 1 or 2 years in advance; is that not right?

Mr. ROBERTSON of Virginia. Yes; but we will save money by paying it now, because this tax refund money is bearing interest after a claim has been filed and we will get rid of that interest, and we will get rid of more interest than we will pay on refunding the noninterest bearing bonds which evidence the 10 percent excess profits tax refund.

Mr. SABATH. So that the gentleman will understand me, I have not made my remarks for the purpose of attacking that very thing with the exception that I have called attention to the fact that it is an aid to the corporations. My objection to the bill is that railroad provision which did not belong in the bill and should not be in there. I think it is an outrageous provision, and I am hopeful that the bill will be sent back to the committee with instructions to strike out that railroad provision.

Mr. ROBERTSON of Virginia. I am very happy to have the gentleman make it clear that he does not object to making available cash money to corporations that really belongs to them and which they urgently need for reconversion purposes. I regret that I cannot concur in the gentleman's position that we should throw all of this program overboard because there is a provision in here which permits a reorganized railroad to have the same tax consideration as it would have if it had remained in receivership or as it would have if it had been reorganized with the same charter instead of taking a new charter. I am not going to argue the fact that the bondholders who took over the Wabash were not the ones who lost the money and that they will get a tax benefit of $8,000,000 or so, that the gentleman from Illinois thinks should have gone to the stockholders. After all is said and done it does not cost the Government any more for the new owners to have gotten it than it would have cost had it not been reorganized or if the stockholders had remained in control and they would have gotten it. The gentleman from New York [Mr. REED], said that the experience with some reorganized railroads that had received the advantage of their carry-backs shows that when they were reorganized and going good, their increased taxes more than made up for the losses suffered by reason of this so-called tax advantage.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Michigan.

Mr. CRAWFORD. First, I want to congratulate the gentleman for his statement, and particularly that portion of it which refers to production and employment in this country. I want to join with the gentleman in saying that to me it is inconceivable that any informed man in this country would oppose any legislation which would bring about production in this country. So far as I am concerned, I am supporting the bill.

Mr. ROBERTSON of Virginia. I am glad to have that statement. This permits the corporations to use their own money. We are trying to head off unemployment; we are trying to head off inflation; and last, but, in my opinion, by no means least, we are trying to preserve the private enterprise situation in this Nation.

Mr. VOORHIS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. To one who has not followed it as closely as the gentleman has, would this be a fair statement?—that this legislation will permit business to use its own money for reconversion and that the alternatives are either to have business borrow from the Government or borrow from other private lenders.

Mr. ROBERTSON of Virginia. I think that is a fair statement. If you will read the splendid report made on July 1 by War Mobilizer Vinson, you will find that he said that we must maintain our present lending agencies, especially the Smaller War Plant Corporation, because he said that these small corporations need capital and that we must help them. I agree that we must maintain them, and what better help can you give a company than to permit it to use its own money? If the Government lends you money, the Government soon gets in a position to control you, and if the Government gives jobs through acquiring the instrumentalities of production, you have Government in competition with private industry, and in the end Government always wins, because you cannot beat the Government.

Mr. VORYS of Ohio. It is probably better and more conducive to individual enterprise for a corporation to use its own money than to have to borrow from other private sources, such as banks and so on, is it not?

Mr. ROBERTSON of Virginia. Indubitably.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Arkansas.

Mr. HAYS. What is the gentleman's opinion with reference to the assertion that the change in the excess-profits tax specific exemption will actually result in some of the smaller corporations having to pay a larger sum in taxes?

Mr. ROBERTSON of Virginia. Only those who have been doing what might be called a land-office business will have to pay any increased taxes. The maximum is a little over $700, and they can stand it. They have to be up to the maximum 80 percent effective rate and they have to be operating on a basis that is so much above what they ever did before that they have swollen profits and they certainly are not going to be hurt.

Mr. HAYS. Then this assertion does not apply to any other type of corporation?

Mr. ROBERTSON of Virginia. No, sir. The tax experts of the Committee on Internal Revenue taxation who worked this thing out were careful and they gave the relief where it was needed and they gave it to those who are entitled to it, the small corporations that have not been making the excessive profits.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. ROBERTSON of Virginia. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. As I understand, the fundamental purpose of this legislation is to aid reconversion from war production to peactime production.

Mr. ROBERTSON of Virginia. That is correct.

Mr. ROBSION of Kentucky. If we do not pass this law, we merely delay the process of reconversion.

Mr. ROBERTSON of Virginia. In four different places in the committee report, if the gentleman will be good enough to read it, he will find fully set out and repeated time after time, that we are faced with a reconversion problem and that this legislation is "must" legislation and that it will help the working capital of corporations without expense to the Government to the extent of approximately five and one-half billion dollars. It is a splendidly conceived program and ought to have the unanimous support of the House.

Mr. JENKINS. Mr. Chairman, I yield myself such time as I may require.

Mr. JENKINS. Mr. Chairman, I think the distinguished gentleman from Virginia [Mr. ROBERTSON] has epitomized the arguments for and against this bill

very succinctly and completely. As he has brought out and as I wish to emphasize, I think the ultimate benefits that will come from the passage of this bill will inure to the benefit of the common people. I mean it will inure to those who consume and to those who are employed in the production of necessary commodities. When we pass legislation that will contribute to a more easy reconversion from war economy to the economy of peace and normalcy we are contributing directly to the benefit of the general public.

The debates up to this time have been directed to the provisions of this bill and the implications of those provisions, but most of the time has been spent in discussing two or three propositions involved in the bill. There are two or three other propositions that have not been discussed and while they are important, still they are not as directly of interest to the people as the other propositions are. I presume that the reason these propositions have not been discussed is that they are very complicated.

It is unfortunate that the tax bills are always very complicated and very difficult to read. That is also true of tax forms and of tax regulations. Somehow I feel that the whole income-tax structure should be revamped and simplified. You will notice in the bill that we have before us for consideration today there are so many references and cross references that no one can read the bill intelligently without having before him a copy of all of the income tax laws and of many of their regulations. Likewise it seems that the reports put out by the Ways and Means Committee intending to explain the bills are also very complicated. They are so complicated that it takes a long time and the looking up of a lot of cross references in order to understand what the report is trying to explain. This is no reflection on those who prepare the reports and neither is it a reflection on those who prepared the context of the laws. I presume that the real reason is that the income tax structure has gotten to be so comprehensive and far reaching that it is impossible to encompass all of the income-tax laws and regulations within reasonable space and in understandable language.

A complete discussion of this bill and proposed amendments would fall under six separate branches. Let me give you these classifications as briefly as possible.

First. Increase of the exemption against excess-profit tax from $10,000 to $35,000.

Second. Permission for early cashing of postwar refund bonds.

Third. Carry-overs and carry-backs.

Fourth. Amortization credits.

Fifth. Railroad carry-overs and carry-backs.

Sixth. Proposed amendment to the pending bill providing that the bill apply to taxes assessed for the year 1945. Under the bill as it is written at present the tax will not apply until the year 1946 and thereby would not be collected until 1947.

Practically all of the above subjects have been ably discussed. I shall not take the time of the membership to go into an exhaustive discussion of any of these subjects. The purpose sought to be achieved in the adoption of the legislation dealing with the first subject is to encourage the smaller business corporations by increasing the exemptions against excess-profits tax from $10,000 to $25,000. This will make little difference to any of the big corporations but it will benefit the smaller corporations. An increase of $15,000 in the taxes of a corporation that will pay a tax of a million dollars is very little. On the other hand, an increase of $15,000 will mean to many smaller companies the difference between staying in the black or going into the red.

The purpose sought to be achieved by legislation dealing with the second subject above referred to is to give permission to corporations to cash their postwar refund bonds earlier than the time provided in the present law. It is not the intention under this subject to give any reduction of taxes, or any other concession to the taxpayer except to give him an opportunity to cash the bonds which he owns at an earlier date.

The subject of carry-overs and carry-backs is too complicated for me to discuss at this time. There is no special financial favor granted to the taxpayer in these proposed changes in this carry-over and carry-back program, but it does facilitate the physical activities of corporations and does enable them to better prepare themselves for their tax-carrying ordeals. Private individuals know by experience that tax paying is quite an ordeal. The vicissitudes of a corporation when it comes to paying its taxes, are more annoying than the vicissitudes of a private individual.

The provisions of this law applicable to concessions granted to those concerns which, during the wartime-built additions to their plants, and so forth, with Government loans which were to be amortized through profits, and so forth, have not been discussed in this debate. I shall not go into a complicated discussion of them at this time because they are complicated. I will only say that these provisions do not relieve the taxpaying corporation from paying its full taxes but it does give the corporation the chance to clear up and pay up under its contract for amortization. These amortization programs are incidents of the war program and in order for a corporation to reconvert and to be free from its Government contracts, it is sensible to grant to that corporation the privileges which this bill gives in that respect.

Much has been said with reference to amending the law with reference to carry backs and carry-overs for the benefit of railroad companies. I felt that it would probably have been better if the committee had not taken this matter up at this time, but I voted for it in the committee and I shall vote for it today. The railroads have always been a sort of a whipping boy concerning which much demagogery is indulged in by those speaking on the subject. In this case, as I understand it, the railroads are asking for no special concession. The purpose of this provision is to put all railroads on the same basis. Under the present law some railroads that are in the hands of a court through any kind of reorganization programs are given preference over others in other States which are in the same identical situation. The present law discriminates against certain railroads. As I have stated the purpose of this provision is not to grant any special concessions to any railroads, but rather to remove some discriminations that the present law places on some railroads.

I appreciate that it would be more logical if I were to withhold any discussions with reference to the proposed amendment that is to claim our attention until that amendment is presented. However, I will state now that the proposed amendment should be supported because it brings the relief attempted to be made under this bill 1 year sooner than it would come under the present law. If it is advantageous to give this relief in the year 1947 for the year 1946 tax, why would it not be as reasonable to grant the relief in 1946 for the 1945 taxes. As we know corporations pay their taxes in the year following the year in which they are levied. For instance a corporation does not pay its 1945 tax until 1946. The withholding law does not apply against a corporation like it does against an individual. The Ruml plan which changed the system of tax paying as far as the individual is concerned, does not appply to corporations. None of the tax accruing against a corporation in this year 1945 will be paid by these corporations until March 1946. Would it not therefore be advisable to say to the corporations through this bill that when they come to compute their taxes for the year 1945 which will be some time before March of 1946 that they will be allowed to increase this excess-profits-tax exemptions from $10,000 to $25,000. As I have heretofore stated this will mean practically nothing to the big corporations and there are many smaller corporations to which it will mean nothing because many of them will not be paying excess-profits tax. It makes no difference to that corporation whether the exemption against excess-profit tax is $10,000 or $25,000. Many corporations do not pay any excess-profits tax consequently they do not come within the provisions of this law.

I expect to support the proposed amendment and the bill and in doing so I think I am assisting the smaller corporations without seriously affecting the revenues of the Nation.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHURCH].

Mr. CHURCH. Mr. Chairman, I consider this bill, H. R. 3633, one of the most constructive measures presented at this session of Congress. It represents what I consider an American approach to a solution of the problems inherent in the transition from a war to a peacetime economy. The bill is designed to adjust our tax laws so as to afford a part of American business enterprises, particularly the small establishments, some relief from the existing tax burdens. While in my opinion the bill does not go far enough in its objective, I think the Committee on Ways and Means should be

congratulated on the wisdom shown in reporting legislation of this character.

Unless we are able to develop an effective program to facilitate the transition from war to peacetime production, economic forces may be set in motion which will mean national chaos and we will experience large-scale unemployment such as never experienced in history. One cannot overmagnify the difficulties that lie ahead, nor can we overemphasize our responsibilities. If allowance is made for necessary policing abroad and the maintenance of a larger military establishment at home than before the war, we shall be faced with the problem of demobilizing from eight to nine million men who will seek peacetime employment. And, likewise, we shall be faced with the problem of demobilizing around 18,000,000 civilian workers engaged in the production of goods and services for war, of which number approximately 6,000,000 are producing end product combat munitions. Experts are generally agreed that in order to have full employment there must be between fifty-four and fifty-six million civilian jobs, or an employment level about 20 percent higher than the country has ever before reached in peacetime.

How are these jobs to be provided? Where are they to be found? Some have advocated that war production be continued after the war for the period necessary to allow for gradual reconversion. It is my view that such a policy would be extremely wasteful, necessitating continued large-scale expenditures and using up much-needed materials for productive civilian work. Others have advocated large-scale Government spending. While there is value in public works programs as a stimulant to industrial activity, I am opposed to the theory that Government spending in itself can create sustained production. I have always been opposed to such a theory, and I believe our experience with such programs has clearly demonstrated its limitations.

It should be borne in mind that our national debt is approximately $300,000,000,000, and the interest on this debt alone will probably equal the total Federal tax of the immediate prewar years. Any substantial increase in deficit spending is likely to undermine our whole national economy. I hold to the view that further debt expansion must be halted and that Federal expenditures should be reduced to a minimum.

Clearly, the way to facilitate the transition from war to peacetime production, to provide jobs for returning veterans and civilian war workers, to increase our national income and reduce the national debt, is to encourage American business enterprises in developing new products, new markets, and new plants. The first step in such a program is a revision of our Federal tax structure. Heavy corporate taxes amount to a direct tax on employment. They restrict business expansion and destroy incentive. Our whole Federal tax structure should be reviewed and revised so as to provide adequate incentives for venture capital and business growth.

The pending bill does not, of course, purport to be a complete revision of the Federal tax laws. It is designed merely to improve the cash position of business enterprises for the reconversion period. The five specific provisions of the bill are: First, increase the excess-profits tax specific exemption from $10,000 to $25,000, effective beginning the tax year 1946; second, provide that the postwar credit of 10 percent of excess-profits tax be taken currently with respect to tax liabilities in 1944 and subsequent years; third advance to January 1, 1946, the maturity date of outstanding postwar refund bonds; fourth, provide for speed-up of refunds resulting from carry-backs of net operating losses and of unused excess-profits credits; and fifth, provide for speed-up of refunds resulting from the recomputation of deductions for amortization of emergency facilities.

According to the report of the Joint Committee on Internal Revenue for Postwar Taxation, increasing the specific exemption from $10,000 to $25,000, as proposed by the pending bill, the number of corporations liable for excess-profits tax would be reduced by 12,000 to a total of about 19,000. It is expected that the proposed increase in the specific exemption would free about one-third to one-half of all corporations otherwise subject to the excess-profits tax.

Mr. Chairman, I hope that the specific exemption from the excess-profits tax be increased in the Senate to $50,000 instead of to the $25,000 recommended by the Committee on Ways and Means. As you know, the rule adopted by the House, prevents offering such an amendment in the House. By so doing a larger number of American enterprises will be relieved from the excess-profits tax liability, and thereby have funds with which to reconvert to peacetime production. When the Honorable Maury Maverick, former Member of this House, and Chairman of the Smaller War Plants Corporation, testified before the Special Committee on Postwar Economic Policy and Planning about a year ago, he advocated the increase in the specific exemption of the excess-profits tax to $50,000. He stated that the increase would assist business of small and moderate size. I need not remind you that small and moderate size business furnishes the great bulk of employment in the United States. I hope also that the effective date of the proposed increase in excess-profits tax exemption is changed from January 1, 1946, to January 1, 1945.

The excess-profits tax is strictly a war measure and it is my view that it should be repealed at the earliest practicable date. The tax places the growing companies with small capital bases and poor base period earnings at a serious disadvantage as compared with the large established businesses. Our objective should be the encouragement of small enterprises, the creation of new ones, and an essential step in such a program is the repeal of the excess-profits tax.

Our tax system should be so revised as to induce "risk capital" to resume its place in American industrial development. Under existing taxes there is no incentive for people to risk investment in new and uncertain undertakings. Taxes take away whatever may be gained and little compensation is given for whatever may be lost. Specific investment incentives in the form of preferred rates on dividend income of new equities might be granted. Special treatment under the income tax law might be granted new corporations with a view to encouraging new enterprises and their growth.

It has been estimated that in the period from 1941 to 1944 the liquid savings of individuals increased from $54,000,000,000 to $111,000,000,000, and by the end of the war will doubtless reach a total of $150,000,000,000. This enormous volume of individual savings, together with the accumulation of funds by business, afford a ready source of capital to satisfy any legitimate demands for funds for new enterprises. A major step in stimulating the flow of capital will be taken if, through an intelligent revision of our tax system, an incentive is furnished for capital risks.

As I stated at the outset, the pending bill is a constructive contribution to the postwar transition to normalcy. I intend to vote for it. But in my opinion the bill represents only a beginning of what should be done in a program of tax revision that stimulates American business and thereby furnishes employment for our people. My interest is in making certain that when our boys return home there will be jobs for them and in making certain that we will not again experience the hardships and heartaches of large-scale unemployment.

ALDEN, LATHAM & LUTKIN,
Chicago, July 3, 1945.

Hon. RALPH E. CHURCH,
House of Representatives,
Washington, D. C.

DEAR RALPH: It is my understanding that on Thursday or Friday, of this week, the House is to vote on the proposal to amend the interim tax bill so as to make the effective date of the proposed increase in the excess-profits tax exemption on corporate earnings to $25,000, January 1, 1945, instead of January 1, 1946. It impresses me that this is a highly desirable change and would be particularly helpful to small corporations during any period of slackening of business due to reconversion.

Yours very truly,

CARL LATHAM.

BOBB SPOERRI BOURLAND & HARRIS,
Chicago, July 3, 1945.

Hon. RALPH E. CHURCH,
House Office Building,
Washington, D. C.

DEAR RALPH: I understand the House of Representatives on Thursday, July 5, is to vote on the interim tax bill and that there is an amendment pending to change the effective date of the proposed increase in excess profits-tax exemption from January 1, 1946, to January 1, 1945.

I hope very much that you can see your way clear to vote for this amendment. It will do a great deal to help small business get on its feet after the war and provide employment that the country needs for prosperity.

Sincerely yours,

DWIGHT S. BOBB.

CHICAGO, ILL., *July 3, 1945.*

Hon. RALPH E. CHURCH,
Representative, Washington, D. C.:

We hope you will support and vote for amendment to interim tax increasing ex-

emption and changing effective date from January 1946 to January 1945.

V. J. DOLAN AND CO., INC.

HILD FLOOR MACHINE CO.,
Chicago, Ill., July 3, 1945.

Hon. RALPH E. CHURCH,
House Office Building,
Washington, D. C.

DEAR SIR: On March 9, 1945, the Honorable JOHN M. COFFEE, of Washington, introduced a bill (H. R. 2548) to increase the specific excess-profit tax credit from $10,000 to $25,000 to apply to taxable years beginning after December 31, 1944, and this bill was referred to the Committee on Ways and Means.

Now we learn that a few days ago the committee introduced a bill, H. R. 3487, to make the same increase, but effective January 1, 1946, and that such a change in the law will cost the Treasury Department about $160,000,000 in tax revenue.

In our humble opinion, based on careful figuring, the suggested increase in the specific excess-profit tax credit will actually increase the taxes that the Internal Revenue Department will collect since it gives small corporations the incentive to earn more and thus pay more taxes. Want proof? Here it is:

For example, our corporation has an invested capital excess profit tax credit of $13,600. To this we add the present specific credit of $10,000, making our total excess profit tax credit $23,600. The normal and surtax on $23,600 is $6,344. We keep $17,256. By increasing the specific credit to $25,000, our total excess profit tax credit would be increased to $38,600. On this sum our total normal and surtax would amount to $13,958. We keep $24,642. The Treasury gets $7,614 more taxes, because we have been given the incentive to earn $15,000 more.

Last year our corporation paid a dividend of $3,800 to its stockholders, and based on the increased contemplated earnings for 1945, the dividend would be doubled and out of that dividend increase of $3,800 the Treasury Department would collect $2,000 additional taxes. Add this sum to the $7,614 additional for the corporation, and you get a grand total of $9,614 additional tax.

Why not increase the specific excess profit tax credit from $10,000 to $50,000? Give the small corporation the incentive to earn more, for the more they earn the more taxes they will pay.

We sincerely hope that you are in favor of a substantial increase in the specific excess profit tax credit to apply to taxable years beginning after December 31, 1944, and give small corporations the incentive to earn more in 1945.

Yours very truly,
HILD FLOOR MACHINE CO.,
FRED C. HILD, *President.*

Mr. KNUTSON. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, those of us who come pretty far down on the list are relieved of the burden of explaining most of the complicated details in a bill such as this. However, if there is anyone who does not understand all of the details or who was not here when it was explained, I will be glad to do my best to explain it when I have completed my short talk.

Mr. Chairman, the chief purpose of this legislation is to make available promptly to corporations and individuals engaged in business funds which will ultimately belong to them anyway, so that they may be in a position to employ as many workers as possible during the reconversion period.

Except for the increase in the excess-profits tax exemption, which will cost the Treasury some $180,000,000 in 1947, and a small amount provided by the railroad amendment which is but simple justice of equal treatment for all, this legislation will cost the Treasury nothing. But making available five and a half billion dollars in ready cash should aid greatly in providing employment.

I would have preferred to have left untouched the excess-profits tax exemption until VJ-day, but as we all hope, in fact believe, that the Japanese war will end sometime during the year 1946, there is considerable justification for that provision which is applicable only to earnings for that calendar year. However, I will oppose making this exemption retroactive to January 1, 1945. Today it is high time for us to think about the entire subject of postwar taxation.

It is my firm belief that Congress should let the country know promptly what tax relief it may expect after the war is over.

In order that American workingmen may be employed to the fullest possible extent, someone must make plans. Jobs just do not grow on trees. Every job in private industry is the result of plans carefully made by a business executive who has confidence in his own ability to produce goods for which there will be a demand by the public, at a reasonable profit.

Jobs for our workers are a result of these plans involved in the brains of these business executives. But they cannot lay these plans unless they have some knowledge of what the future will hold. They must know what will be the rules of the game.

Today the tax structure, makes it impossible for anyone to venture with any fair chance of success. No one will take risks if the cards are stacked against him.

The administration has been urging cities, counties, and States to make plans for postwar projects, but even those who are the greatest believers in this form of pump priming set 12 percent as the maximum amount of employment which will result from such projects, and leave 88 percent of the jobs to be provided by private employers.

It is therefore of the utmost importance that we lay the pattern as soon as possible for postwar taxation.

It was with this thought in mind that I was glad to support in committee the amendment of the gentleman from Virginia [Mr. ROBERTSON] assuring those who are trying to plan a future which will make jobs, that after the fighting is over the excess-profits tax will be promptly eliminated. I regret that administration supporters saw fit to vote this amendment down.

Mr. ROBERTSON of Virginia. Will the gentleman yield?

Mr. KEAN. I yield.

Mr. ROBERTSON of Virginia. I think the country can be assured of that action eventually, because on three different occasions ex-Senator, ex-Justice, ex-War Mobilizer Byrnes recommended the repeal of all excess-profits taxes after VJ-day, and on July 1 of this year War Mobilizer Vinson submitted to us the same recommendation. So I think you and I, on behalf of our committee, can say to the businessmen of this Nation, "Do not worry about that. We are going to carry out those recommendations."

Mr. KEAN. The gentleman from Virginia is correct, but I would have liked to see the votes in the committee.

Mr. KNUTSON. Will the gentleman yield?

Mr. KEAN. I yield.

Mr. KNUTSON. I think the RECORD should be clear at this point, that Mr. Byrnes has upon three different occasions recommended repeal of the excess-profits taxes.

Mr. ROBERTSON of Virginia. That is what I said, and that was concurred in just this month by War Mobilizer Vinson. He made that a part of his report to Congress.

Mr. KNUTSON. Mr. Byrnes realizes it must be done if the country is going to return to normal production after the war.

Mr. ROBERTSON of Virginia. Of course.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KEAN. I yield.

Mr. CRAWFORD. May I submit this question? If I understood the gentleman correctly he did not favor making the change from $10,000 to $25,000 retroactive back to January 1 of this year.

Mr. KEAN. The gentleman is correct.

Mr. CRAWFORD. Where is industry with respect to this particular item if, say by the first of September VJ does occur and no action is taken on excess-profits taxes until as of January 1, 1946?

Mr. KEAN. I am sure if VJ-day comes Congress will immediately come back here and act promptly.

Mr. CRAWFORD. On this particular subject.

Mr. KEAN. Yes.

Mr. CRAWFORD. I thank the gentleman.

Mr. KEAN. Consideration should also be given to modifying the present 40-percent corporation tax.

Some may say, "What of the revenue loss?" But there will be no income at all to tax if rates are so high that it does not pay businessmen to expand and devote their energies to producing goods.

As far as the individual income tax rate is concerned, the approximate 20-percent rate on small incomes is perhaps justified in wartime, but with the rise in cost of living, which seems permanent, this tax is an intolerable burden on those whose incomes have not been increased as a result of the war. These persons should be given the courage to carry on through assurance that this rate will at least be cut in half after VJ-day.

Today many of the best brains in this country—our highly paid business executives—are putting their full energy into productive business for patriotic reasons, but when this incentive is removed and they realize that any added income which they may earn will be taxed at 90 percent or over, will they continue to do productive work, or will they not decide that it is hardly worth while to do anything but enjoy themselves?

Under present tax schedules will not their initiative, ability, and enterprise,

which results in creating new jobs, be lost?

I believe that these very high brackets which are fully justified in wartime should be modified for the good of the Nation.

These are only a few of the questions to which the people want an answer. They should have it promptly.

Of course, if VJ-day is several years off, there is no hurry. But if victory is to come in 1946, or even sooner, as some optimists think, it is urgent that we set the pattern of postwar taxation soon if we are to avoid delay in reconversion.

The longer employers remain in the dark, the greater the danger that by our neglect to act we will have contributed to postwar unemployment.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, taxes are going to be high for several generations to come. If the debts created in the era of 1933 to 1949 are to be paid, there is no escape from this burden. Any honest individual knows that there is no short-cut or sleight-of-hand performance whereby he can pay his debts. Debts have to be paid the hard way. It is no different with a nation, for a nation is but a group of individuals.

The problem in the field of taxation in the years to come will be to determine what rates of taxation will give us a strong growing economy and prevent unemployment and at the same time enable us to retire the debt at the maximum rate possible.

If tax rates are such that citizens no longer engage in enterprise, unemployment and chaos become greater and our problem increases; in other words, destructive taxation will not provide full employment and pay the public debt even though greater sums might be collected for a short period. Our beloved chairman of the Ways and Means Committee has said, "You can shear a sheep many times, but you can only skin him once." This is very true. The drain of taxes on the economy of America can be likened unto the giving of blood by an individual for transfusion purposes. Certain amounts of blood can be taken from an individual, and that individual can remain strong and active. He lives to give more blood. His giving of blood is a blessing to others, but if the doctors take too much blood and take it too often, the individual loses his health and vigor, and perhaps his life, and all concerned are the losers.

The United States has become a great Nation under the profit system. Men dream dreams, plan inventions, secure patents, build factories, and employ laborers because of this incentive for profits. Other men, who are employees, deny themselves and save their money to the end that they can go into business for themselves and make a bigger profit. If the profit incentive is removed, individuals will not be so motivated to go into business. Every time an employee leaves his job to engage in an enterprise on his own, he leaves a job that can be filled by someone else. If his enterprise succeeds, he will need more workers, thus because of the profit motive he becomes an employer and makes many jobs available to others. This natural process is the only process that can prevent unemployment in the country.

Whenever a Government embarks upon a destructive program of taxation and a program of big government with countless hundreds of boards, bureaus, and agencies ruling and regulating every human activity, it can only result in unemployment, unbalanced budgets, and chaos.

No nation can long survive half regimented and half free. There can be no economy made up of a mixture of private enterprise and socialism. Either private enterprise or socialism will be eliminated. If we are to survive as a nation of free men and give opportunity to the boys and girls of tomorrow, we must reduce our Government to a minimum. We must adjust and lessen the burdens of Government that rests on the backs of our people.

The demagogue will tell you that high rates of taxation affect only the rich. There never was a greater falsehood. The middle class and the poor are the ones who suffer. Henry Ford has been held up as an example of what can be accomplished by a man with in idea, character, and ambition. If our present and future rates of taxation are so high as to take practically all of Mr. Ford's earnings, he still will have established a great industrial empire. He still will have been a captain of industry. But how does it affect the young man of today who stands where Henry Ford stood 40 years ago. The young man of today cannot secure venture capital, start a business, expand, and expand his plant and produce a low-price article that will bless all mankind, if our present and future rates of taxation are unreasonably high. In other words high taxes keep the poor poor, and freezes the status of the individual of moderate wealth. It was the humble Lincoln, the poor country boy, the debt-ladened businessman, who said:

> I do not believe in a law to prevent a man from being rich. It would do more harm than good. So while we do not propose any war upon capital, we do wish to allow the humblest man an equal chance to get rich with everybody else.

And again he said:

> That men who are industrious, sober, and honest in the pursuit of their own interests should, after a while, accumulate property and, after that, should be allowed to enjoy it in peace, is right.

Lincoln also said:

> Property is the fruit of labor, property is desirable; it is a positive good in the world. That some should be rich shows that others may become rich, and it is just an encouragement to industry and enterprise. Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, and thus, by example, assuring that his own is safe from violence when built.

Mr. Chairman, I wish to extend my remarks by including the statement of the Republican members of the Ways and Means Committee in reference to this bill:

SUPPLEMENTAL VIEWS OF THE MINORITY

The Republican minority of the Ways and Means Committee subscribe to the favorable report of the committee on this bill, the provisions of which conform in general with recommendations made more than a year ago by the 25-man Republican Postwar Tax Study Committee, appointed by the minority leader of the House, Hon. JOSEPH W. MARTIN. At the same time, however, we desire to amplify our views with respect to the scope of the measure and to point out the urgent need for an early determination of additional tax adjustments. Such adjustments should be made now in order that the postwar pattern of our American economy may be disclosed to agricultural, business, and labor groups, who will bear the brunt of a successful reconversion to a peacetime economy.

If we are to avoid unemployment and huge relief expenditures following the defeat of Japan, productive enterprises must be in a position to reconvert as speedily as possible in order to provide jobs in sufficient numbers. To accomplish this we must provide the necessary incentive for speedy reconversion of plants and facilities in order to develop new products, new markets, and new processes. Without such incentive we cannot hope to attain full employment. Idle capital means idle men.

Minority members of the committee urged adoption of several amendments while the bill was in the committee. These amendments were designed to provide the necessary incentives for maximum speed in reconversion with a view to obviating unemployment. Among them was an amendment to make section 2 applicable to 1945 income, another to fix the termination date for the excess-profits tax, and one to increase the excess-profits-tax exemption to $30,000. These proposals were definitely in the interests of a speedy reconversion by small business concerns and the continued employment of workers dependent upon these concerns for their income.

Whether the exemption from the excess-profits tax is $10,000, $25,000, or $30,000 is of trifling concern to the relatively few large industrial enterprises of the country. To the small concern, however, the amount of exemption is highly important. In thousands of cases it will determine the ability and speed of plant reconversion and the ability to maintain a full pay roll in the all-important interim period of reconversion. To overlook the vital needs of this most important segment of American economy is unthinkable. Such concerns employ close to half of all employed personnel in the country and make up 92 percent of all our commercial establishments. While the bill under consideration will greatly assist small business to reconvert, it is our view the bill does not go far enough in this direction.

We desire also to direct the attention of the House to the urgent need for assuring individual taxpayers in the lower income brackets that as soon as possible after the war they too will receive relief from their present staggering tax burden. At the present time more than *21,000,000 persons, whose income is $1,000 or less per annum, are paying approximately $500,000,000* in taxes to local, State, and national governments. Almost half this number are married persons or heads of families. *More than 24,000,000 persons receive an income from $1,000 to $2,000 per annum and pay in excess of $4,000,000,000* in taxes to these governments.

In these low-income groups will be found the millions of so-called white-collared employees—school teachers, clergymen, shopkeepers, salespeople, bookkeepers, barbers, clerks, and professional or semi-professional workers, not to mention small-farm opera-

tors, mechanics, janitors, caretakers, skilled and unskilled laborers, many of whom are self-employed individuals. Most of these individuals are not organized, and none of them has experienced any measurable wartime prosperity. The purchasing power of their dollar, moreover, has shrunk by more than 40 percent below 1939 levels. With the heavy rates of taxation now in effect, and with living costs constantly increasing, these groups have either been reduced to a substandard of living or are rapidly approaching that level.

The successful solution of our entire reconversion problem will very largely depend upon the resources of this particular segment of the tax-paying public. Within this group we find the bulk of the American market for the products of agriculture and industry, not to mention the sources of capital used in the production of agricultural and manufactured goods and maintenance of essential services. If tax demands continue for too long to empty the pockets of these citizens, the results can be serious on a broad scale.

As heretofore stated, Republican members of the Ways and Means Committee sought to amend the pending bill to include in its provisions some measure of relief for this splendid group of citizens. It is our belief that the burdens of government are falling disproportionately upon them, thereby defeating rather than promoting the very ends we seek to attain.

HAROLD KNUTSON.
DANIEL A. REED.
ROY O. WOODRUFF.
THOMAS A. JENKINS.
BERTRAND W. GEARHART.
FRANK CARLSON.
RICHARD M. SIMPSON.
ROBERT W. KEAN.
CHARLES L. GIFFORD.
CARL T. CURTIS.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Nebraska [Mr. STEFAN].

Mr. STEFAN. Mr. Chairman, it is highly important that in writing tax legislation we do everything possible to give small business an opportunity to live and grow, to provide jobs, and to contribute to postwar economic rehabilitation. I agree with the views of the minority that if we are to avoid unemployment and huge relief expenditures, following the defeat of Japan, productive enterprises must be in position to reconvert as speedily as possible. To accomplish this, incentive for speedy reconversion of plants and facilities to develop new processes, new products, and new markets must be provided. I agree with the minority that without such incentive, we cannot hope to attain full employment.

I have only recently returned from San Francisco, where I was sent as an advisor on budgetary matters to the United Nations Conference. During my stay in San Francisco, I took the opportunity to make a study of the employment situation there, and after conferences with the commanding officer, on Mare Island and with Henry J. Kaiser, the builder of Victory ships at Richmond, Calif., and a number of California small businessmen, I feel that a great responsibility rests upon this Congress at this very moment.

The commanding officer at the Mare Island Shipbuilding Yards informed me that the Navy has approximately 102,000 civilians repairing ships in the bay area. However, he expressed some concern because hundreds of these civilians were quitting their jobs and leaving for home in order to secure jobs in their home communities before the end of the war with Japan. What I was told at Mare Island gave me the impression that many of these civilians engaged in repairing ships wanted to get back home before some of their own colleagues and before the discharged servicemen reached home. In other words, they seemed to be leaving in order to entrench themselves in their home communities. This may be one argument in favor of small business all over the United States which will be asked to furnish the employment in normal life for men and women who have been employed by the Federal Government.

The things that Henry J. Kaiser, the shipbuilder, told me indicated his belief that the United States would be faced with a serious unemployment problem within 6 months. I had the impression from what he said that our reconversion program is more than half a year late and that our postwar planning program is also 6 months in arrears. As an illustration, I was informed that at one time Mr. Kaiser had over 90,000 people employed constructing ships, and at this time about 40,000 are employed at the Permanente plant where Victory ships are being constructed. About 17 ships were under construction and these 17 Victory ships will soon be completed with the result that more than 30,000 people will be laid off because no more construction is scheduled for that yard. There were predictions that many of the shipbuilding towns would be ghost towns in a short time. If private industry is to take up the slack when the Government-subsidized yards and factories are closed, it is high time to give private industry some incentive to expand and inaugurate programs to give these idle workers jobs.

In my conversations with the owners of small businesses in San Francisco, I found that many of them were either planning to close down their factories or move to other locations because of various reasons. One of the reasons given to me by the owners of these small factories was that the labor situation in San Francisco was so critical that they could not continue operation. One of the oldest strikes in the United States is that of the machinists in the San Francisco area, and as soon as some of these factories complete their war jobs, they undoubtedly will be faced with handicaps due to labor strikes. The owners of these small factories also complained of the three income taxes that they are required to pay in the San Francisco area. They also complained about OPA regulations and the tax burdens which do not give them an incentive to reconvert or expand. This seems to be true in the durable-goods factories in the Bay area. Undoubtedly these conditions exist elsewhere over the United States where many laborers are employed. Therefore, I feel that this Congress should do everything possible at this time to follow the suggestions of the minority in adopting helpful amendments in this and future tax bills.

The supplemental views of the minority contained in the report on H. R. 3633 should be read by every Member of the House because I feel the suggestions contained in these views are the views of small business of America, and unless some of these recommendations are utilized, I fear another Nation-wide WPA for the United States. I agree with the minority views that whether the exemption from the excess-profits tax is $10,000 or $25,000, is not of much concern to the few large industrial enterprisers of our country, but to the small concern, this amount of exemption is very important. It is true that in thousands of cases, it will determine the ability and speed of plant reconversion and the ability to maintain a full pay roll in the all-important interim period of reconversion. These small concerns employ close to half of all the employed personnel in our country, and I am informed that they make up 92 percent of all our commercial establishments.

The bill under consideration will greatly assist small business to reconvert, but I do not believe it goes far enough in this direction. The minority has directed the attention of the House to another urgent need. That is to assure individual taxpayers in the lower income brackets that as soon as possible after the war, they, too, will receive relief from their present staggering tax burden. At the present time, more than 21,000,000 persons whose income is $1,000 or less per annum, are paying about $500,000,000 in taxes to local, State, and National Governments. My information is that almost half of this number are married persons or heads of families and that more than 24,000,000 persons receive an income from one thousand to two thousand dollars per annum, and these persons pay in excess of $4,000,000,000 in taxes to the local, State, and National Governments. In these low-income groups are the millions of so-called white-collar employees—the schoolteachers, clergymen, shopkeepers, salespeople, bookkeepers, barbers, clerks, and professional or semiprofessional workers, not to mention small-farm operators, mechanics, janitors, caretakers, skilled and unskilled laborers, many of whom are self-employed individuals. Many of these individuals are not organized and none of them have experienced any measurable wartime prosperity. The purchasing power of their dollar has shrunk by more than 40 percent below 1939 levels. And now with the heavy rates of taxation in effect and with living costs constantly increasing, these low-income groups have become the forgotten people and they have either been reduced to substandard living or they are rapidly approaching that level. No tax bill should be written without taking these forgotten people into consideration. I do not believe that we can successfully solve our entire reconversion problem without giving this group of tax-paying people some real consideration. It is within this group where we find the bulk of the American market for the products of our farmers and our industry—not to mention the sources of capital used in the production of

agricultural and manufactured goods, and maintenance of essential services. Therefore, I commend the statement of the minority to the effect: "If tax demands continue for too long to empty the pockets of these citizens, the results can be serious on a broad scale."

Mr. DOUGHTON of North Carolina. I yield such time as he may desire to the gentleman from Rhode Island [Mr. FORAND].

Mr. FORAND. Mr. Chairman, the bill now before the House, H. R. 3633, merits most serious consideration. Not so much because of what appears on the surface but because of what it will do.

The title of the bill is "The Tax Adjustment Act of 1945." Its correct title should be "An act to provide relief for corporations who have made excessive war profits." It is true that for the most part, as stated in the report on this bill, that the first five points will not materially affect ultimate tax liabilities but it is also true that enactment of this bill into law will provide for the refund of billions of dollars, 2 to 6 years before such refund would be due under existing law.

We are still at war and we are facing during the current year an expenditure for war purposes alone of better than $70,000,000,000, and we are taking in, in taxes, approximately $46,000,000,000, leaving a deficit of approximately $25,000,000,000. To meet this deficit we are asking all American citizens, little people and big people, members of our Armed Forces as well as civilian, to purchase war bonds. For what? To help our Government finance the war.

Yet, here we have a bill that would refund long before these refunds are due, billions of dollars to corporations on excise profits taxes levied upon their excess profits made during the war and at a time when men by the thousands are dying on the battlefields to protect our way of life. This, to me is most unfair.

It is argued that this bill is to help business to reconvert and to provide jobs. The truth of the matter is that through the purchase of war bonds to finance these refunds we are asking the workers to finance their own jobs. The purpose of this bill is for the benefit of the corporations who have made excessive war profits. It will not help the little corporation that has not made excessive profits because they have not paid an excess-profits tax.

This bill also carries an amendment that if enacted into law would mean a windfall of $8,600,000 for 1 railroad that has come out of receivership and is now operating under a new charter. Yet, as a result of the reorganization, I am informed that this railroad is now owned by an entirely new group. The old bondholders and stockholders were frozen out and the debts of the old corporation wiped out. A very effective lobby for this and other railroads has been active on the Hill during the past few weeks. Not only have some of us been called by attorneys representing railroads in our own districts, but a representative of the railroad which will benefit to the tune of $8,600,000 and a former employee of the Committee on Ways and Means were very active in contacting members of our committee on behalf of this bill. Let us not forget that railroads operating under a new charter are classified by the Bureau of Internal Revenue as new taxpayers, and justly so. Yet, under the provisions of this bill such railroad corporations would be eligible to all the tax relief that would have accrued to its predecessor corporation, despite the fact that it acquired the railroad at a bargain, as is the case in bankruptcy proceedings, and that it has been relieved of the debts of its predecessor.

If we are to provide such windfalls for railroads, surely, in fairness, we should provide the same relief for corporations engaged in other lines of business or commerce.

I am of the firm belief that this is a most inappropriate time for the consideration of this type of legislation and I sincerely hope that the bill will be defeated.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, I am going to support this bill and the reasons for my supporting it have been most ably delineated here in the splendid speeches made by the chairman of the Committee on Ways and Means and other Members, especially in the speech by the gentleman from Virginia [Mr. ROBERTSON].

Many Members have asked me why we are not doing something for individual taxpayers, why this relief is given only to corporations. I would like to stress, Mr. Chairman, that there is no lowering of tax rates involved in this bill whatsoever. It deals with excess-profits taxes and excess-profits taxes were and are levied only on corporations. The bill deals with carry-back and carry-forward tax credits and also with the payment of tax-refund bonds which have been issued to excess-profits taxpayers and which are to be paid after the war is over.

Mr. Chairman, I want to give one illustration of how much this means to small corporations to have these credits now or within the next year rather than after 1946 or 1947. I have a small contractor in my district who built a factory to manufacture some small wooden articles for the Government. The factory building and machinery were furnished to him by the Government. On the 1st of July his contract was canceled. He is now out of the war contracting business. The factory in which he has been working will be declared surplus Government property and will be sold, as will the machinery. That contractor wishes to buy the factory building and those machines; he has already made plans for starting there a small furniture business. If he had the credits that will be paid and are due him, and as he will get them under this bill, that money may be applied on the purchase of the factory and those machines and the 300 people working in that factory now will soon be working in a new industry. That new industry will become a taxpayer and the Government will win instead of lose by this arrangement.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Minnesota.

Mr. KNUTSON. The gentleman from Georgia is making one of his usually clear, lucid, and understanding statements. At this point I think his remarks should show that no corporation can possibly benefit more than $6,825, which is only a drop in the bucket for the big ones, but it may prove a godsend to the small fellow. It is the small fellow that provides 60 percent of the employment in this country.

Mr. CAMP. I thank the gentleman for his observation. As has been said here, the benefits under this bill mean nothing whatsoever to the large corporations. It is the small man, the man who is struggling to get money to finance his business, who will reap the benefits under this bill.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If the gentleman speaking were a proprietor running his own shop or business, large industry or small industry, owning it outright, his profits can reach the sky so far as the excess-profits-tax laws are concerned?

Mr. CAMP. That is right.

Mr. CRAWFORD. That is also true if the gentleman speaking in the well and the gentleman from Michigan speaking were two partners in a business which they owned outright. There would be no excess profits whatsoever?

Mr. CAMP. There are no excess-profit taxes levied on partnerships nor on individuals.

Mr. CRAWFORD. So this bill could not possibly reach down to individual proprietors and partners and still be equitable to other citizens not engaged in any of those activities, could it?

Mr. CAMP. That is true.

Mr. CRAWFORD. When Members stand up here and argue against the bill simply because it does not give relief to the individual proprietor or the partner, they are simply proceeding in somewhat of a senseless manner.

Mr. CAMP. Well, they do not understand.

Mr. DOUGHTON of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield to the gentleman from North Carolina.

Mr. DOUGHTON of North Carolina. Outside of excess-profit taxes, there is no income tax levied on partnerships as such, is there?

Mr. CAMP. That is true. Partnerships as such pay no taxes. The profit goes to each individual member and he returns it as an individual taxpayer.

As to the railroad amendment, that amendment simply equalizes the benefits that are paid to these railroads that have been in receivership for some years. If they reorganize and obtain a new charter under the ruling of the Internal Revenue Department and the courts they are an entirely new corporation and do not have their loss credits carried forward, or backward, but those who are not out from under the receivership, those who are still operating under receivers, get those credits, and if they are situated in States which do not require them to have a new charter when they reorganize under section 77 or sec-

tion 77 (b) of the Bankruptcy Act, they still get those credits. I think it is unfair and unreasonable and I do not think it is just for one of these railroads to be treated differently from another simply because their charter comes from a State that has laws different from another State. They are all public service corporations.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I want to call the attention of the House to a speech that will appear in the Appendix of the RECORD tomorrow, which I am inserting, dealing with the farmer and the OPA, in which I will show that the farmers of the country in 1937, before there ever was an OPA, and before the American wage scale increased to the high levels that prevail today, were far better off than today. It will show you that there is no group in this country that has fared worse due to OPA regulations than the farmer, and I will explain the reason for the food shortage, and put the blame where it rightfully belongs.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Chairman, on yesterday I voted against the rule, which brings this bill before us for consideration and I did it for one reason, namely, I am unalterably opposed to any type of gag rule. I feel that legislation should come before Congress subject to amendments that Members of Congress care to present—let these amendments be accepted or rejected on their merits. I do not want my vote on the rule to be construed that I am opposed to this legislation. I am in favor of this bill and in complete accord with it and favor the amendment, as it makes it retroactive to 1945. This bill in my opinion will facilitate reconversion by improving the cash position of business enterprises and by relieving smaller businesses—in this way we will hold unemployment to a minimum. If this bill is not passed I firmly believe that reconversion will be hindered by shortages of cash. I trust we will be given the opportunity not only to vote on the amendment but on the final passage of the bill so that we can all be recorded—then the people will know just who really want to help small business and prevent unemployment.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Oklahoma [Mr. BOREN].

Mr. BOREN. Mr. Chairman, I expect to support this legislation. I want to compliment this great committee on its diligence in connection with this bill as it has always shown diligence in all its work.

The chairman of the Committee on Interstate and Foreign Commerce has asked a subcommittee of three to undertake a review of the operations of the Holding Company Act of 1935, with particular reference to loopholes that may have developed in the 10 years of its life due to changed tax, economic, and financial circumstances.

We know that this law, sponsored in this House by our distinguished Speaker the gentleman from Texas [Mr. RAYBURN] when he was chairman of the Interstate Commerce Committee, has been tested by time. It was and is a sound and wholesome law. It is one of the great reform bills of the thirties which experience has proven to be one of the most salutary of that era.

However, times have changed and new circumstances have arisen. Shrewd manipulators of finance seem to have discovered ways of reaping fortunes out of the law by some of the very methods it was enacted to correct.

The fact is that they have found a hole in the law big enough to drive a 40-mule team through and to convert to their own pockets a half-billion-dollar annual revenue now supporting the Federal Treasury. Meanwhile, the small and legitimate investor is frozen out.

It is a simple scheme: Wall Street bankers would convert the $18,000,000,000 private utility industry to a form of tax-free but fake public ownership by the formation of "nonprofit" corporations. These corporations then issue bonds against the revenue of the property. But the bankers, in estimating annual revenue to determine the amount of bonds that can be issued, include as revenue the amount of money formerly collected from customers and paid to the Federal Government.

The former tax revenue would not be passed on to the public in reduced electric rates, but diverted to their own pockets in the form of interest on these revenue bonds.

The stakes are high—this bonanza is bigger than Credit Mobilier, the whiskey ring, and it dwarfs the swag of Teapot Dome. But with this difference: it appears to be legal. Unless an effective legislative plug against this legal loophole is enacted—and that soon—we will helplessly witness what undoubtedly will be the biggest rape of industry and raid on the Federal Treasury ever dreamed up by mind of man.

To give you an idea of the size of this scheme, here are some simple statistics:

The electric utility industry is worth, on the market, about $18,000,000,000. In 1944 it paid in taxes to the Federal Government $463,000,000—or enough to support approximately $20,000,000,000 of the national debt. If this sum were taken away from the Federal Treasury by conversion of the industry to some form of tax-exempt public ownership, this $468,000,000 of annual revenue could be capitalized in revenue bonds at 2 to 3 percent. The total sum of such issues which such a revenue would support would be from $15,600,000,000, at 3 percent, to $23,000,000,000, at 2 percent.

In other words, the $18,000,000,000 industry could be sold to the public at a 100-percent write-up, more or less, or from $33,000,000,000 to $41,000,000,000. Of course, I do not contend that the public would be milked quite that dry. The bankers would have to sweeten these deals with enough sugar to attract public interest. But if they cut the gravy evenly, they still would reap many billions.

This scheme already has worked in Omaha, where the $32,000,000 Nebraska Power Co. has been sold to a fake nonprofit corporation of four men for the swindle price of $45,000,000. It is believed to be in the process of negotiation in Seattle, Portland, and Spokane. It will sweep the country unless stopped. Louisville, Ky., and Cincinnati, Ohio, are listed on the bankers' books.

This conspiracy against the Treasury was hatched in Wall Street. It is the instrument of the very men who milked the public in the gay twenties when they assembled these holding companies at inflated prices and who now are going to milk us again in unscrambling their pyramided and hypothecated monopolies. They would hook us coming and going.

As a matter of fact, I have a short title for this trick corporation plan. I called it "Swindle, Inc.," with apologies to the New York prosecutor of "Murder, Inc." It is a pat term, because it is a unique method of swindling the Federal taxpayer of billions by a new application of the corporate device.

For some months now I have learned this story, bit by bit, as complaints of these abuses came to me as a member of the Securities Subcommittee of the Interstate Commerce Committee. I have had conferences with some of the persons affected. Only after learning the amazing ramifications of this widespread scheme did I suggest to the chairman of the Interstate Commerce Committee that a fuller and official study would be required. Information brought to me indicates that two men, one a Wall Street promoter with a questionable past, and the other the president of a holding company, are the chief instigators of "Swindle, Inc." The first and most important figure is a Wall Street financial agent, one Guy C. Myers—known as "Flash" Myers to his friends back in Montana before he made a hurried exit from that State some years ago. His opposite number among the holding-company gang is Howard L. Aller, president of American Power & Light Co., of New York City.

It was Aller who unloaded the common stock of Nebraska Power Co. on Myers' synthetic "nonprofit" corporation, the Omaha Electric Committee, Inc., for $14,400,000—stock that cost the American Power $815,000 and which had a legitimate earning value that might possibly justify a price of $5,000,000.

The Omaha Electric Committee, Inc., sets the pattern for "Swindle, Inc." Aller's company received three times the rightful price for his property. And "Flash" Myers got an agent's commission of a known $530,000. A sweet deal for everybody—except for you and me and the rest of the taxpayers. And they have got a capital base so high that substantial rate reductions in Omaha are far away now.

The Omaha Citizens Committee, Inc., is ostensibly only a middleman, a corporate vehicle which will buy Nebraska Power and resell it to public-utility districts. But it deliberately purchased the property at a fictitiously high price—if we include Federal tax revenues—and must resell to a publicly owned district

at the same or a higher price. It is an almost incredible, but true, story.

Meantime Aller and his pal "Flash" are cooking up a couple of other and even more ambitious deals. There is sound reason to believe that Aller is secretly negotiating the sale of Washington Water Power Co. in and around Spokane to one of Myers' "Swindle, Inc." type corporations.

Washington Water Power Co. is owned by American Power. Its common stock has an earning value of about $20,000,000. But Myers, by capitalization of Federal-tax avoidance, can pay $50,000,000, the price referred to recently in a report in the very reliable Wall Street Journal.

Another deal reported to be on the fire between these two men involves the Pacific Power & Light Co. and the Northwestern Electric Co., adjacent companies of the American Power System with headquarters in Portland, Oreg.

Still another Swindle, Inc., deal involves the Puget Sound Power and Light Co., of Portland—a property Myers has sought to acquire by hook or crook for years. When, under the Holding Company Act, this company was up for sale, Myers tried to get his hands on Puget Sound through a series of contracts with local Public Utility Districts. But Dr. Paul Raver, Bonneville Administrator, was called in by the districts to act as an appraiser of the value.

Raver set the price at $90,000,000. The parent company, Engineers Public Service Co., held out for $95,000,000. The deal fell through and Engineers severed its interests in Puget Sound by distributing the common to its stockholders. Now Myers is reliably reported to have formed a syndicate of Wall Street banking houses to buy up the stock of Puget Sound at $130,000,000 through the agency of another of his fake nonprofit corporations of the Swindle, Inc. type. The deal is designed to net the common stockholders $112,000,000 after deductions for capital gains taxes. This is $40,000,000 or about 45 percent more than Dr. Raver found to be the legitimate value of the property.

It should be borne in mind that this prostitution of the cause of public ownership by a boodle bund of Wall Street promoters, holding company executives and their investment banker allies, finds no support from sincere and honest believers in public ownership. No more succinct summary of the attitude of such people can be found than in the statement of Dr. Raver on June 25 when he is reported by the Associated Press as asserting that—and I quote here:

> If the savings inherent in public ownership—

Refers, of course, to freedom from Federal taxation. Again I quote:

> If the savings inherent in public ownership and operation are passed on to the absentee owners of the private utilities in the purchase price, the primary purpose of public ownership is defeated.

I should like to explain one more angle in the Swindle, Inc., boodle bund and then I am done. That is the investment banker interest in Swindle, Inc. The investment bankers are the immediate market for these revenue bonds. Some of the blue chip banking outfits of the country are involved: Blythe & Co., Nuveen & Co., First Boston, Dillon-Reed, and others.

These companies are in business to float stock and bond issues—to sell them to the public. If they float a privately owned utility issue they must submit to the SEC regulated and supervised conditions of open, competitive bidding. This results in a middleman's margin of between one and two percent. But revenue bonds issued by another instrumentality of government—at a lower-than-Federal level—are not subject to SEC control. The result is that cozy little negotiated deals usually result inasmuch as a six or even seven point spread. It is the differences between rags and riches. And it leaves a wide margin for promotional expenditures in the field of local politics.

I may have oversimplified my explanation of this situation. But any detailed explanation would require hours of your time and properly belongs in the records of a committee hearing. But I might add here that I have in my files a large collection of revealing data on the whole subject. This study of ours is not going to be a witch hunt. I do not blame the SEC, the FPC, or even the bankers and holding companies. This is a situation that developed in recent years due to the quadrupled Federal taxes on the private utility industry as a wartime burden. But the same plan could readily be applied to almost any other industry. This is a condition that must be explored and reported to Congress. We passed this law and we must make it work the way we intended it to work.

This wholly unforeseen development has resulted in the miscegenation of the worst elements of the Marxian and the capitalisitc thinking. These worst elements are dedicated to the premise that the end justifies the means.

They are joined in a temporary mating, seeking different ends. The one seeks public ownership at any price—and high though it may be, this is one way to get it. The other seeks to make money without regard to the source. The Marxians care not how high the price, so they attain their end. The bankers care not how they foul the nest of capitalism, if they can turn an "honest" penny.

Swindle, Inc., today is legally foolproof. There is no statute to my knowledge that can stop this swindle of the Federal Treasury. If there were this study would not be needed.

It is my purpose to probe deeply into the techinques of these people and seek to discover the best means of preventing what amounts to legal thievery from the Federal Treasury of a half billion dollars annually. At least if these properties are to go to public ownership, then the tax avoidance involved should be passed on to the public in reduced rates and not to Wall Street bankers, who will then have caught the public twice—coming and going.

Mr. KNUTSON. Mr. Chairman, I yield such time as he may desire to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, on Tuesday of this week I addressed the House with reference to the corner in the rye market on the Chicago Board of Trade. I stated at that time I proposed to offer a resolution to investigate the entire situation. I wish to announce I am offering that resolution today. I hope the members of the Committee on Rules will give it prompt consideration.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may care to consume to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, I desire to make only a few observations with respect to one or two features of the bill for the purpose of going on record so that my constituents at least will know how I feel about certain provisions of the bill.

This measure was first brought to the attention of the Committee on Ways and Means because it involved the question of aiding business in the reconversion period. That was the sole purpose in considering this legislation at this time. We considered the propositions that were put before the committee for 2 or 3 weeks in executive sessions and listened to the expert testimony and advice of the revenue experts and tax and Treasury experts. At the very last moment, it was very much of a surprise to me, because the matter had hardly been discussed at all, somebody brought in this proposition giving this windfall to the railroads of the country which were reorganized or will be reorganized.

It really is a very complicated proposition. The experts were unable to tell us with any degree of accuracy how many railroads would be affected by it. There was some talk about its affecting perhaps 23 railroads or 24 railroads. They knew one railroad would get $8,500,000. They knew a couple of other railroads would get anywhere from $200,000 to $400,000 handed back to them at least in credits. The way the bill is drawn they can carry back their losses to the year 1938.

Now, it would not be quite so bad if this money would go to the people who owned the stock in the old railroads, the poor widows and orphans who were frozen out in the reorganization. But those are not the people who get the money. The ones who get the credit and get the money are the ones who bought or will buy the railroads for perhaps one-half or one-third or even one-tenth of their real value.

Take the case of the Wabash Railroad. I was informed yesterday that it is wholly owned by the Pennsylvania System. In other words, they bought that railroad in for a song, and all of this refund goes to the Pennsylvania System, which is wholly owned by the Pennsylvania Railroad. There is no justice in that. If the money were going to the people who invested their money in the railroad or held the stock in the Wabash Railroad one could not object to it so much, but I think what is being done here today is an unconscionable thing to do. For that reason I certainly cannot support this measure. I think it would be unjust to the taxpayers of the country to hand back these many, many millions of dollars to these companies.

There is another feature of it. If this reorganization, under various State laws and under various plans of reorganization, is going to apply to the railroad companies, in a few months we are going to be confronted with the proposition, "Why do you not extend it to every other corporation in the country? If railroads are entitled to this particular treatment why is not every other company which is going through reorganization entitled to the same benefits and the same privileges?" We simply will not have any answer. We will just have to say, "Well, we did it for the railroads and we will have to do it for every other company in the country." It will have to go all the way back to 1938 and it will cost many billions of dollars of money that has already been paid into the Federal Treasury. I think it is a very unwise move for this Congress to make.

Mr. JACKSON. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I am glad to yield to the gentleman from Washington.

Mr. JACKSON. Is not the situation similar in the case of steamship companies which are reorganized because they were in receivership or some other situation?

Mr. EBERHARTER. That is right. That question was asked of the experts of the Treasury and the Revenue Bureau. They said, "We do not know how many companies should be entitled to this same thing." If we are going to give it to all companies we do not know how many billions of dollars may have to go out in refunds of taxes. We are just going to pass the load on to the poor taxpayer. That is what we are doing.

Mr. JACKSON. On what theory can you grant this right to the railroads and at the same time discriminate against other carriers, such as steamship lines or bus lines or any other corporate enterprise that may have had to reorganize under certain circumstances?

Mr. EBERHARTER. I am sure the gentleman will agree with me in principle it is unjust to discriminate in the manner. I do hope that something can be done.

There is something else I want to call to the attention of the committee, Mr. Chairman. This bill would go to the Finance Committee of the other body. On that Finance Committee of the other body there are seven members who are also members of the Committee on Foreign Relations of that body. To me, that is conclusive of the fact that this bill will not be considered by the other body until next fall. It certainly is not going to cut in on the Foreign Relations Committee program over there. There is no hurry about our passing a measure of this sort, because it will simply lie over there in the other body and it probably will not be passsed until the end of the year. This House should give more study to some of the provisions of this measure.

Mr. PATRICK. Will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. PATRICK. I have not heard a direct estimate as to how much money this refund will cost, if the bill is passed.

Mr. EBERHARTER. As I said before, the experts were not able to tell us. They have not had the time to study the matter.

Mr. PATRICK. Have they not given anything like an adequate estimate?

Mr. EBERHARTER. They have not had time. It came up so suddenly and unexpectedly that they were not prepared to give us any advice on it. But it was railroaded through after a couple hours' discussion.

Mr. PATRICK. If we were to support the measure as Congressmen, we would not know how much we were voting upon as a refund?

Mr. EBERHARTER. That is it exactly. We would not.

Now, as to the proposed amendment making specific exemption up to $25,000 applicable to the tax year 1945, that would not be a fair thing to do either, because all of the corporations that have been doing business, have been charging prices based on the tax rate for this year. They have already gotten that money in their treasury to pay the taxes for this year. If we rebate those taxes now they just keep that money and we are making a gift to all those companies that sold war goods to the Army, the Navy, and the merchant marine, and to private individuals. They set up their costs according to the taxes they have to pay. They have been collecting that and will continue to collect on that basis for the balance of this year.

According to the Rules Committee, we are going to have to vote on that proposition to let them keep all of that money they now have in their treasuries. Somebody has to bear the tax load. I remember when we increased the debt limit to $300,000,000,000, many Members stood here almost with tears in their eyes and said, "How are you going to pay it?" Now they turn around and want to rebate to those who made excess profits out of the war. That is who you are returning the money to, war profiteers.

Mr. KNUTSON. Will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. KNUTSON. The gentleman from Pennsylvania, for whom I have affection and high regard, will not deny that the purpose of the provision that the committee wrote into the bill is to put all railroads in reorganization on the same level as far as taxes go? Will the gentleman deny that?

Mr. EBERHARTER. Put all railroads on the same basis?

Mr. KNUTSON. Yes.

Mr. EBERHARTER. The gentleman knows that one railroad——

Mr. KNUTSON. The gentleman can say either "Yes" or "No."

Mr. EBERHARTER. Yes; I will deny it on this assumption: When a railroad or any other company reorganizes or goes through a receivership, they consider the advantages and disadvantages of various plans of reorganization. Taxes is one of the things that was considered and will be considered at all times in deciding upon what plan of reorganization the company follows. So that feature has been considered and written off. To some of these railroad companies you are handing a luscious melon. As I stated yesterday, Mr. Chairman, it reminds me of the Secretary of the Treasury who came from my home town, Pittsburgh, who served here so many years, Mr. Andrew W. Mellon. Today, the House of Representatives evidently intends to pass out some "melons." You remember those days when all the refunds were being made to the very rich corporations? We still hear about that once in a while.

Mr. KNUTSON. The gentleman has not answered my question yet.

Mr. EBERHARTER. I do not yield further, Mr. Chairman. I hope the Committee will recommit this bill.

Mr. GROSS. Will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. GROSS. Does not the gentleman think it would be a good thing, now that Mr. Morgenthau has resigned as Secretary of the Treasury, if we could get a man like Andy Mellon back?

Mr. EBERHARTER. Oh, I think it would be disastrous to the country.

Mr. COFFEE. Will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. COFFEE. Is there not such a thing as having it so drawn that one corporation will be the beneficiary of the largesse handed out by the bill just the same as when specifications are drawn in such a way that the benefits thereunder will accrue to certain corporations, the only ones who can qualify?

Mr. EBERHARTER. I do not know whether it was so drawn or not.

Mr. COFFEE. So that the Wabash Railroad will be the principal beneficiary of the benefits to be derived under this bill?

Mr. EBERHARTER. That is all we have been able to discover so far.

Mr. COFFEE. Although other railroads, if they fall within that category, would get the same benefit. It just so happens that other railroads do not fall within that category.

Mr. EBERHARTER. It is a question as to whether there may not be other railroads who are entitled to more than the Wabash. Our experts have not had time to find out.

Mr. PATRICK. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Alabama.

Mr. PATRICK. I wish to ask the gentleman if this would not answer the gentleman from Minnesota [Mr. KNUTSON] most adequately: That the folks who would get the money back are not the ones who paid it out; and the refund payments or credits, as the gentleman from Pennsylvania called attention to, is entirely out of line. Considering the source which paid it, it would not be a reimbursement at all; and it is not relief, because in the main those who paid the taxes, or might be entitled to credit, would never get the benefit at all.

Mr. EBERHARTER. The gentleman is correct.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to my colleague, a member of the committee.

Mr. FORAND. Can the gentleman from Pennsylvania tell us where we are going to get the money with which to make these refunds?

Mr. EBERHARTER. I believe the gentleman himself on yesterday made the observation that in order to get the money to make these refunds the Treasury Department would have to get out another bond issue.

Mr. FORAND. Sell more war bonds.

Mr. EBERHARTER. Sell more war bonds to pay back money or at least give credit to those who have made excess profits. The gentleman from Rhode Island made that observation yesterday.

Mr. D'ALESANDRO. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. D'ALESANDRO. Did the committee give any further consideration to the men in the armed forces in the way of exemptions?

Mr. EBERHARTER. No; we really did not give any consideration to individuals at all, the poor people, the Army boys, the Navy boys, the Marine Corps boys; we did not do anything about them at all.

Mr. D'ALESANDRO. I am sorry to hear that.

Mr. SAVAGE. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. SAVAGE. Under the rule granted on this bill are we permitted to correct it in any manner, for instance, to take out the provision relating to railroads?

Mr. EBERHARTER. No; under the rule which the Rules Committee granted the Members cannot vote on the proposition of striking out this provision pertaining to railroads. The Rules Committee did not grant the request made by the chairman of the Committee on Ways and Means with respect to the type of rule desired by the committee.

Mr. SAVAGE. Does that mean that in order to vote against this particular provision we are compelled to vote against the entire bill?

Mr. EBERHARTER. The only thing to do is to vote to recommit the bill to the Committee on Ways and Means.

Mr. FOLGER. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I am glad to yield to the gentleman from North Carolina.

Mr. FOLGER. I will ask if this statement in the report with respect to railroads does not exactly set forth the truth?

The effect of this amendment is to make available to a successor railroad corporation—

Successor. It does not give anything to the people who have lost their money in the defunct railroad, does it?

Mr. EBERHARTER. It does not give any money to the people who lost their money; it does not provide any refund for those who owned the original stock; it goes to the reorganized company.

Mr. FOLGER. So that what has happened in the case of a $500,000,000 railroad which is sold for $50,000,000, is that the people who get this relief are the purchasers of the railroad at $50,000,000?

Mr. EBERHARTER. That is exactly the situation, and the persons who owned the stock originally get nothing.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. SABATH. Is it not also a fact that the railroads that have been in receivership and those stockholders and bondholders who lost will not derive any benefit? It is these big railroads that have acquired their rights.

Mr. EBERHARTER. It is the syndicates and the bankers who buy in the new railroad and reorganize it; they are the ones that get this refund.

Mr. COFFEE. Mr. Chairman, will the gentleman yield? I wish to ask just one question.

Mr. EBERHARTER. I yield just this once; this will be the last time.

Mr. COFFEE. Did the chairman of the Ways and Means Committee ask for a rule which would permit us to vote separately on these things?

Mr. EBERHARTER. As I understand, the chairman of the Committee on Ways and Means acting under instructions of the committee membership asked for a closed rule. Then he made the request that if the Rules Committee intended to open the rule at all to any amendment he would like to have it provide that the membership could vote on this railroad provision.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DOUGHTON of North Carolina. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. Mr. Chairman, I ask unanimous consent to speak out of order. I will not consume much time of the House.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BRADLEY of Pennsylvania. Mr. Chairman, the Committee on Postwar Military Policy has filed, or very shortly will file, a report with the House recommending the enactment of postwar military conscription. I understand that 16 out of the 22 members of that committee have signed that report. I am one of those who refrained from signing that recommendation. I understand that no minority report will be submitted, and for that reason I desire to make a brief and concise statement for the RECORD so that my own position will be clearly understood.

I do not believe this is the appropriate time to pass on legislation which would enact compulsory postwar military service. I do not believe that during the hysteria of war this question can be calmly considered in all its aspects and with its tremendous implications. I did not, unfortunately, have the advantage of attending the hearings which were held by the committee of which the chairman is the distinguished gentleman from Virginia [Mr. WOODRUM].

However, when those hearings were being held I as a member of a subcommittee of the Naval Affairs Committee did have the advantage of seeing the war-torn countries of Europe and of being in close contact with the men of the American forces who fought over there. I may say that I think history will record that practically all of the countries of the continent of Europe, our allies and our enemies, did have compulsory military training and we see today what destruction that policy has brought to Europe.

Until peace has come we have no means of knowing what our military needs might be in the postwar world. I think, too, that this question could well be deferred until the boys serving in the armed forces are returned to this country and have an opportunity to express their views. The report of the Woodrum committee, in my opinion, definitely recommends passage of legislation making compulsory military training part of our way of life, and this action, in my opinion, is premature for the reasons above stated.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Under the rule adopted by the House, the bill is considered read and only one amendment is in order.

Mr. SLAUGHTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SLAUGHTER:

Page 1, line 11, strike out "1945" and insert "1944" and strike out "1946" and insert "1945."

Page 2, line 4, strike out "1946" and insert "1945."

Page 2, line 7, strike out "1945" and insert "1944."

Page 2, line 24, strike out "1945" and insert "1944."

Page 2, line 25, strike out "1945" and insert "1944" and strike out "1946" and insert "1945."

Mr. ROBERTSON of Virginia. Mr. Chairman, for the benefit of Members who have made reservations to leave the city this evening, I ask unanimous consent that all debate on this amendment end in not to exceed 30 minutes, the last 5 minutes to be reserved to some member of the committee who desires to speak in opposition to the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SLAUGHTER. Mr. Chairman, the bill which we have under consideration and discussion is well entitled a reconversion bill and the amendment which I have offered and which is now before the committee for consideration is an amendment to facilitate reconversion, so far as small companies and small corporations are concerned. It has been stated several times by members of the Ways and Means Committee that no corporation can possibly gain an advantage under this provision that will exceed $6,800. Six thousand and eight hundred dollars means nothing to a $1,000,000 corporation or to a $10,000,000 corporation or to a $100,000,000 corporation; but to a little comany that is going along on a shoestring basis, as we say, it can well mean the difference between staying in business and going out of business.

Under the committee's own bill this provision which works to the advantage of little corporations would be available for the year 1946, while under my amendment it becomes effective and can be taken advantage of for the year 1945. To keep this in suspense or to postpone it until 1946 will in many instances deny relief because lots of these small companies and corporations will be out of business before that time.

Yesterday the gentleman from Tennessee [Mr. COOPER], in his remarks and in a colloquy that transpired on the floor made the statement, in response to my argument, that Mr. Byrnes when he was Director of Mobilization and Reconversion had never said that this should be made available for 1945. Let me read again, at the risk of redundancy, from Mr. Byrnes' report and leave it up to the committee what Mr. Byrnes said and what he meant.

Mr. Byrnes, in House Document No. 137, March 31, 1945, in a report he filed with the Congress, stated:

> In my report to the President and the Congress on January 1, I stated that a major reduction in tax rates should not be made until Japan has been defeated. At that time, I recommended three tax revisions which I believe would not significantly reduce tax revenues but would encourage business to prepare for expanded output after the war is won.

One of the three points he stressed was an increase in the exemption covering excess profit tax from the present $10,000 to $25,000.

Then says Mr. Byrnes:

> These revisions are desirable in the period between VE-day and VJ-day, and I renew my recommendation for their early consideration by the Congress.

I leave to the membership whether that means 1945. He does not use the figure 1945, but when he recommends the very thing that my amendment does, that is, to give relief between VE-day and VJ-day, I submit that is just about as clear-cut a statement as you could have as to when Mr. Byrnes recommended that this tax program be put into effect.

It is the fixed policy of this House and it has been for a long time, and properly so, to give every possible and legitimate aid to small business. We have set up committees. We have the committee headed by the gentleman from Texas [Mr. PATMAN], which from time to time files voluminous reports, and good reports, but they are still reports. They are recommendations. This is not a recommendation. This is a concrete proposition into which little business can sink its teeth. It is a concrete proposition that will keep little business in business, and will strengthen the small companies which provide 60 percent of employment in this country.

I urge the adoption of this amendment.

Mr. COOPER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe this amendment should receive very careful consideration. I invite attention to page 4 of the committee report on the pending bill and would suggest that the Members read the information contained there before voting on this amendment.

The adoption of this amendment will mean the loss of badly needed revenues to the Government in time of war. The adoption of this amendment making it retroactive to last January will mean a loss of about $235,000,000 of revenue to the Treasury, and for the year 1946 it will mean $160,000,000; therefore, for the 2 years it will mean a loss of about $400,000,000. $400,000,000 loss of revenue from what? From excess-profits during time of war. I submit that it is unsound to come here today and talk about giving back this enormous sum of money out of the Treasury of the United States in time of war when every dollar of it came from excessive profits during wartime.

It should also be borne in mind that this is retroactive to last January, which would mean that although the corporations have passed on the cost to the consumers and have already received the benefit of these excessive profits, that now we are undertaking to give it back to them, which would amount in many cases to a clear windfall. Bear in mind that it applies to the war contractors the same as the others. Talk about now giving $235,000,000 out of the Treasury of the United States in time of war, much of it going to war contractors, and all of it coming from excessive profits during wartime. The Committee on Ways and Means rejected this amendment by a vote of 14 to 11. Your Joint Committee on Internal Revenue Taxation for Postwar Taxation did not include it in its program. The staff of the Joint Committee on Internal Revenue Taxation did not include it. The staff of the Treasury Department and the staff of the Bureau of Internal Revenue failed to include it. Now by way of an amendment here on the floor it is sought to give these corporations $235,000,000 out of the Treasury of the United States from excessive profits during wartime, and I submit that this amendment should not be adopted.

Mr. COCHRAN. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Missouri.

Mr. COCHRAN. As I heard the statement read by the gentleman from Missouri [Mr. SLAUGHTER] a recommendation of Mr. Byrnes, wherein Mr. Byrnes indicated it would be well to enact legislation at this time, but he did not, so far as the language read by the gentleman from Missouri is concerned, indicate that he wanted it made effective this year.

Mr. COOPER. Certainly he did not indicate it ought to be retroactive for more than half of the year. More than half of the year is now gone. It is quite a different thing recommending something last January and enacting it into law after more than half of the year is gone. Before this bill can become law more than half of the year will be gone and this money in some instances has already been paid into the Treasury of the United States. It would mean refunding this money which consists of excessive profits made during time of war.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield to the gentleman from Michigan.

Mr. MICHENER. I was interested in where the money was coming from to make these payments. Am I correct in saying that that money never has been placed in the Treasury of the United States and is not in the Treasury today and will not have to be raised in order to be returned?

Mr. COOPER. Why, some of it is in the Treasury of the United States and has already been paid and will have to be refunded under this amendment.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment. I have listened with a great deal of interest to the argument made by the gentleman from Tennessee. I have also read with a great deal of interest page 4 of the report in which the statement is made that the possible cost of the adoption of this amendment might be as much as $400,000,000 for the years 1945 and 1946. That might be so, providing every corporation in America would get the full benefit of this tax reduction or increase in exemption during these years. However, the gentleman from Tennessee fails to point out, that if the war ends between now and 1946, or early in 1946, it is the pledge and intention of the administration that all excess-profits taxes on all corporations will be lifted and done away with, and there will no longer be a need for the exemption, or the lifting of the exemption, on little corporations. Instead the entire excess-profits tax will be eliminated and excess-profits taxes will no longer be levied.

Mr. Chairman, I yield to the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. I think we should have a qualification of the statement made by the gentleman from Tennessee. He says if this amendment is approved and it goes back to 1945 the tax will be refunded to the corporations. The truth is that the corporate taxes for 1945 become due on January 1, 1946.

Mr BROWN of Ohio. And the tax is not payable until March 15.

Mr. CARLSON. Therefore, not a dollar is paid into the Treasury until 1946. Therefore, no refund can be made.

Mr. BROWN of Ohio. Under this amendment you would not be refunding one single penny to these corporations. You simply would not be collecting quite as much tax from them during 1946 as you would if this amendment does not prevail.

Mr. Chairman, I yield to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. I listened to the statement of the gentleman from Tennessee about the money that might be lost to the Treasury if this amendment is adopted. The thought occurred to me that by failing to adopt this amendment we might be penny-wise and pound-foolish, because the provision that will be made by this amendment may well save us in the months and years to come from the expenditure of vast sums of public money, because little corporations across the country will be permitted to aid in the problem of reconversion and putting men back to work.

Mr. BROWN of Ohio. The gentleman from Indiana, who has served with distinction upon the Small Business Committee of the House, knows full well that it is necessary to give this relief to these small business organizations if they are to meet their postwar and transition problems.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Tennessee.

Mr. COOPER. Of course the small corporations the gentleman is talking about already get a $10,000 exemption.

Mr. BROWN of Ohio. Yes; that is right.

Mr. COOPER. May I say with all deference that I think the distinguished gentleman from Ohio and the distinguished gentleman from Kansas are in error, because I have it on the word of Mr. Stam, the Chief of Staff, that corporations which keep their books on the basis of the fiscal year in many instances have paid this money, and in such instances refunds will have to be made.

Mr. CARLSON. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CARLSON. May I say to the gentleman from Tennessee I agree with him so far as fiscal corporations are concerned, but that is only a drop in the bucket when compared to all the corporations.

Mr. BROWN of Ohio. The gentleman from Tennessee said something about Judge Byrnes talking about tax relief on a proportionate basis. There is no such statement. He simply made the flat statement that after VE-day this relief should be given to small-business corporations, through immediately increasing the excess-profits-tax exemption.

Let us consider the situation under the present tax structure as to the taxes which would have to be paid by an individual who established a $100,000 business, of which he borrowed $50,000, and another man who also had a $100,000 business—exactly the same kind of business except that it was incorporated—and issued $50,000 of preferred stock in his corporation in order to get the capital he needed. Each business made $25,000 a year. Out of the $25,000 made by the individual, after he paid interest on his loan, which would be deductible, and after all of this other deductions, he would have approximately $15,000 left for himself after paying his income taxes. But the corporation owner would only have $6,000 left after taxes. In other words, the small corporation is paying two and one-half times as much in taxes as an individual would pay on exactly the same earnings from exactly the same kind and size business.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The CHAIRMAN. The gentleman from New Jersey [Mr. KEAN] is recognized.

Mr. KEAN. Mr. Chairman, I rise in opposition to this amendment. We are still engaged in one desperate war. For the first 4 months of the year 1945 in which this amendment would be effective, we were still engaged on two fronts.

It is my firm belief that no one should make excessive profits in wartime, and I have favored, and will continue to favor, the highest practicable excess-profits tax as long as profits derived from war are being made. When these profits resulting from the war economy have ended, the excess-profits tax should be promptly repealed; and I will be glad to support any legislation which assures the country now that this will be done.

It is urged in behalf of this amendment that it will help little business. Of course, we all want to help little business, for it is the backbone of our free economy.

But a corporation with a capital of half a million dollars is not little business as I see it. And under this amendment an established corporation of that size could earn 13 percent in 1945 and pay no excess-profits tax; likewise a corporation with a quarter of a million dollars capital could earn 18 percent; while a hundred thousand dollar corporation—and here perhaps we are reaching down to what might be called small business—could earn 33 percent. Under present law such a corporation could earn 18 percent before paying an excess-profits tax. Is this not enough?

Personally I would have preferred that this legislation leave the excess-profits tax alone, but there is some merit in the bill as written for we all hope and believe it is probable that, at least, during the year 1946 the war with Japan will be over.

Mr. Chairman, let us not forget. During the period for which this amendment would free many corporations from the excess-profits tax, the Germans had not as yet been driven out of the "bulge." During this period the First and Ninth Armies in bloody fighting broke the Siegfried Line and the Third and Seventh Armies cleared up the Saar. During the same period the First Army seized the Remagen bridgehead and all our armies crossed the Rhine.

During this same period we fought the bloody battle of Okinawa. Thousands of men died in battle in these months. Tens of thousands were wounded and may be crippled for life. Many more will die in the Orient during the balance of this year in which this amendment would seek to allow medium-sized corporations to make excessive profits.

Mr. Chairman, it is my firm belief that there is no justification for anyone to make excess profits out of war—anywhere, anytime—while men are bleeding and dying on the field of battle.

I trust that this amendment will be defeated.

Mr. H. CARL ANDERSEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Minnesota is recognized.

Mr. H. CARL ANDERSEN. Mr. Chairman, in view of the fact that I intend to offer a motion to recommit to the committee for further study, if possible for me to do so, I would like to make my position clear at this time.

Ever since the outbreak of war I have consistently opposed reduction of taxes in any form, feeling that it is very poor policy to do so while we are at war. I was one of those in the House who voted consistently against the Ruml plan; one of those who voted to support the action of the late President in vetoing the tax bill, on the ground that it did not produce sufficient revenue. Today I am not going to be a party to voting for any legislation or any amendment which will have the effect of leaving further amounts of money for the servicemen who come back to help pay in the future, rather than to have people pay it today who are able to do so. This sort of legislation today is premature.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. COOPER. Mr. Chairman, a parliamentary inquiry. The committee is entitled to close debate, is it not?

The CHAIRMAN. The gentleman is correct.

The gentleman from Minnesota [Mr. KNUTSON] is recognized for 5 minutes.

Mr. KNUTSON. Mr. Chairman, in listening to the debate that has been had upon this bill I am impressed with one angle that so many Members seem to cling to and that is that while the war is on we must not make any provision for the postwar era. Without passing upon the merits of the amendment immediately before the House I do want to say that it is the part of wisdom to leave the corporations of this country, big and small, in as good position as we possibly can when the war is over so that they may absorb the shock that peace will bring. We recall that during the depression we spent $18,000,000,000 for relief—get that, eighteen thousand million dollars for relief, which is $18 for every minute since the dawn of the Christian era. The amount involved in this amendment is $400,000,000 or one thirty-second of that amount.

Understand, I am not passing upon the merits of this amendment, but I do want to say that if Congress will live up to its obligations, if Congress will realize its responsibility to the country and to the people they will overlook no opportunity to have all forms of business that gives employment on the very soundest business basis when the final shot of this war is fired and as we return to a peacetime basis.

Mr. JENNINGS. Mr. Chairman, will the gentleman yield?

Mr. KNUTSON. I yield.

Mr. JENNINGS. In other words you are just undertaking to keep somebody from killing the goose that lays the golden egg?

Mr. KNUTSON. Of course. We learned that when we were little bits of tots at our mother's knee. But to hear some of the arguments—should I call them arguments or should I call them displays of demagoguery? And, by the way, I think that the Demagogue Club at its next meeting should pass a vote of thanks to the Ways and Means Committee for having made it possible for them to have made such an exhibition of themselves today.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. EBERHARTER] is recognized for 5 minutes.

Mr. COOPER. Does this close debate on this amendment?

The CHAIRMAN. This closes debate on this amendment.

Mr. EBERHARTER. Mr. Chairman, I believe the issue is pretty clear. We have had a very fine explanation by the gentleman from Tennessee who I think put the issue just as it should be put. The individuals and the corporations that have been selling war goods, munitions, and everything else to the Army and the Navy, and those corporations that have been selling civilian supplies to the people of the country have based their price on the present tax structure; they have already collected the money and will continue to collect for the rest of the year, including the tax cost. Do we want to turn around now and give them this windfall? For my part, Mr. Chairman, I do not want to be put in the position of passing a greater burden of taxation on to the future.

At the present time the Government is operating at a deficit of about $45,000,000,000 a year. Is this any time to turn money back to the war profiteers? To that I say no, Mr. Chairman.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to my colleague from Tennessee.

Mr. COOPER. Much reference has been made here to the statements of Justice Byrnes and Judge Vinson. As of June 30, 1945, Judge Vinson had this to say:

> Reconversion, tax assistance. Raise the specific excess-profits-tax exemption from $10,000 to $25,000 beginning in 1946 to encourage new and small businesses.

Mr. EBERHARTER. Then we can have a proper base on which to go. I agree with Judge Vinson 100 percent; and that is the recommendation that was followed by the Committee on Ways and Means; they have insisted on Judge Vinson's recommendation.

Mr. COOPER. Certainly. This is to assist corporations in making their plans for reconversion.

Mr. EBERHARTER. That is correct.

Mr. COOPER. Planning for the immediate future, not for time which is past.

Mr. EBERHARTER. The gentleman is absolutely correct.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the majority leader with pleasure.

Mr. McCORMACK. The House might just as well realize what the practical situation is. A majority of the Ways and Means Committee voted the bill without the amendment that is now before the committee. They went before the Rules Committee and asked for a closed rule. The Rules Committee reported out a rule permitting this amendment, making it in order. I say that in no criticism, but we are faced with a practical situation. There is one other provision of the bill which many Members object to. If this amendment is defeated then a lot of us, most of us, will vote for the bill as reported out despite the unsatisfactory provision with reference to the railroads.

So the practical thing to do, it seems to me, is to support the majority of the Ways and Means Committee, and defeat this amendment, then pass the bill as reported by the Committee on Ways and Means.

Mr. WASIELEWSKI. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield to the gentleman from Wisconsin, a member of the committee.

Mr. WASIELEWSKI. We have just gone through the Seventh War Loan drive and we have had considerable difficulty selling bonds especially to individuals. I understand that very shortly the Eighth War Loan drive will begin. If we are going to begin making refunds or cutting taxes, which this actually means, by making this applicable as of January 1, 1945, does not the gentleman believe we will experience greater difficulty in selling bonds in the next war bond drive?

Mr. EBERHARTER. We will be under the necessity of selling war bonds or of getting more money by collecting it from some other tax sources. I do not want to be among those to whom the returning war veteran can say: "You were in that group in the Halls of Congress who voted to return excess war profits to the war profiteers."

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Missouri [Mr. SLAUGHTER].

The question was taken; and (the Chair being in doubt) the Committee divided; and there were—ayes 80, noes 91.

Mr. SLAUGHTER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. DOUGHTON of North Carolina and Mr. SLAUGHTER.

The Committee again divided; and the tellers reported that there were—ayes 95, noes 120.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. O'NEAL, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3633) to facilitate reconversion, and for other purposes, pursuant to House Resolution 311, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. H. CARL ANDERSEN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. H. CARL ANDERSEN. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. H. CARL ANDERSEN of Minnesota moves to recommit the bill to the Committee on Ways and Means.

Mr. COOPER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. GALLAGHER) there were—ayes 29, noes 157.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. KNUTSON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 246, nays 91, answered "present" 1, not voting 94, as follows:

[Roll No. 138]

YEAS—246

Adams	Fisher	McCormack
Allen, Ill.	Flannagan	McCowen
Anderson, Calif.	Flood	McDonough
Andresen, August H.	Fulton	McGehee
Andrews, Ala.	Gamble	McGregor
Angell	Gary	McMillan, S. C.
Arends	Gathings	McMillen, Ill.
Arnold	Gavin	Mahon
Auchincloss	Gearhart	Manasco
Baldwin, Md.	Geriach	Martin, Iowa
Barden	Gibson	Martin, Mass.
Barrett, Wyo.	Gillespie	Mason
Beckworth	Gillette	May
Bennet, N. Y.	Gillie	Merrow
Bennett, Mo.	Goodwin	Michener
Bishop	Gossett	Miller, Nebr.
Blackney	Graham	Monroney
Bloom	Grant, Ala.	Mott
Bolton	Gregory	Mundt
Bonner	Griffiths	Murphy
Boren	Gross	Murray, Tenn.
Brehm	Gwinn, N. Y.	Murray, Wis.
Brown, Ga.	Hagen	Neely
Brown, Ohio	Hall, Leonard W.	Norrell
Braumbaugh	Halleck	O'Neal
Bryson	Hancock	Pace
Buch	Hand	Peterson, Fla.
Buffett	Hare	Phillips
Bulwinkle	Harness, Ind.	Pickett
Bunker	Harris	Pittenger
Burch	Hays	Poage
Burgin	Hedrick	Price, Fla.
Byrnes, Wis.	Hendricks	Priest
Camp	Herter	Rains
Campbell	Heselton	Ramspeck
Canfield	Hess	Randolph
Carlson	Hinshaw	Reece, Tenn.
Chapman	Holmes, Mass.	Reed, N. Y.
Chelf	Holmes, Wash.	Rees, Kans.
Chenoweth	Hope	Rich
Church	Horan	Richards
Clark	Howell	Riley
Clason	Jenkins	Rivers
Clements	Jennings	Rizley
Clevenger	Jensen	Robertson, N. Dak.
Cole, Mo.	Johnson, Calif.	Robertson, Va.
Colmer	Johnson, Ill.	Robsion, Ky.
Combs	Johnson, Luther A.	Rockwell
Cooley	Johnson, Lyndon B.	Roe, Md.
Cooper	Johnson, Okla.	Roe, N. Y.
Corbett	Jones	Rogers, Fla.
Courtney	Jonkman	Rogers, Mass.
Cox	Judd	Ryter
Crawford	Kean	Sasscer
Cunningham	Keefe	Schwabe, Mo.
Curtis	Kerr	Schwabe, Okla.
D'Ewart	Kilday	Scrivner
Dingell	Kinzer	Shafer
Dolliver	Knutson	Sheridan
Dondero	Kunkel	Short
Doughton, N. C.	LaFollette	Slaughter
Drewry	Landis	Smith, Maine
Durham	Lanham	Smith, Va.
Earthman	Latham	Smith, Wis.
Elliott	LeCompte	Sparkman
Ellis	LeFevre	Springer
Elston	Lemke	Stefan
Engel, Mich.	Lewis	Stevenson
Engle, Calif.	Luce	Stewart
Ervin	Ludlow	Stigler
Fallon	Lyle	Sumner, Ill.
Fellows	McConnell	Sumners, Tex.
Fenton		Sundstrom
Fernandez		Taber

Talle	Vursell	Wilson
Tarver	Wadsworth	Wolcott
Thomas, Tex.	Wasielewski	Wolfenden, Pa.
Thomason	Weaver	Wolverton, N. J.
Tibbott	Weichel	Wood
Traynor	West	Woodruff, Mich.
Trimble	White	Woodrum, Va.
Vinson	Wickersham	Zimmerman
Vorys, Ohio	Wigglesworth	

NAYS—91

Abernethy	Granahan	O'Brien, Ill.
Allen, La.	Green	O'Brien, Mich.
Andersen, H. Carl	Harless, Ariz.	O'Hara
	Havenner	O'Konski
Barrett, Pa.	Healy	O'Toole
Biemiller	Hoch	Outland
Bland	Holifield	Patrick
Bradley, Pa.	Hook	Patterson
Brooks	Huber	Philbin
Cannon, Mo.	Hull	Price, Ill.
Carnahan	Izac	Quinn, N. Y.
Cochran	Jackson	Rabaut
Coffee	Kelley, Pa.	Rabin
Crosser	Kelly, Ill.	Rankin
Curley	Keogh	Resa
D'Alesandro	King	Rogers N. Y.
De Lacy	Kirwan	Rooney
Delaney, James J.	Kopplemann	Rowan
	Lane	Sabath
Delaney, John J.	Larcade	Sadowski
	Lesinksi	Savage
Domengeaux	Link	Somers, N. Y.
Douglas, Calif.	McGlinchey	Spence
Douglas, Ill.	Madden	Starkey
Doyle	Mansfield, Mont.	Sullivan
Eberharter		Thom
Feighan	Marcantonio	Torrens
Folger	Miller, Calif.	Voorhis, Calif.
Forand	Mills	Welch
Gallagher	Morgan	Winstead
Gordon	Murdock	Woodhouse
Gorski	Norton	

ANSWERED "PRESENT"—1

Case, N. J.

NOT VOTING—94

Andrews, N. Y.	Gardner	Peterson, Ga.
Bailey	Geelan	Pfeifer
Baldwin, N. Y.	Gifford	Ploeser
Barry	Gore	Plumley
Bates, Ky.	Granger	Powell
Bates, Mass.	Grant, Ind.	Powers
Beall	Gwynne, Iowa	Ramey
Bell	Hale	Rayfiel
Bender	Hall, Edwin Arthur	Reed, Ill.
Boykin		Robinson, Utah
Bradley, Mich.	Hart	Rodgers, Pa.
Buckley	Hartley	Russell
Butler	Hébert	Sharp
Byrne, N. Y.	Heffernan	Sheppard
Cannon, Fla.	Henry	Sikes
Case, S. Dak.	Hill	Simpson, Ill.
Celler	Hobbs	Simpson, Pa.
Chiperfield	Hoeven	Smith, Ohio
Cole, Kans.	Hoffman	Snyder
Cole, N. Y.	Jarman	Stockman
Cravens	Johnson, Ind.	Talbot
Daughton, Va.	Kearney	Taylor
Davis	Kee	Thomas, N. J.
Dawson	Kefauver	Tolan
Dickstein	Kilburn	Towe
Dirksen	Lea	Walter
Dworshak	Lynch	Weiss
Eaton	McKenzie	Whitten
Ellsworth	Maloney	Whittington
Elsaesser	Mansfield, Tex.	Winter
Fogarty	Morrison	Worley
Fuller	Patman	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Beall for, with Mr. Celler against.

Mr. Robinson of Utah for, with Mr. Powell against.

Mr. Reed of Illinois for, with Mr. Pfeifer against.

Mr. Henry for, with Mr. Dickstein against.

Mr. Fogarty for, with Mr. Heffernan against.

Mr. Hartley for, with Mr. Weiss against.

General pairs until further notice:

Mr. Whitten with Mr. Ploeser.

Mr. Sheppard with Mr. Johnson of Indiana.

Mr. Jarman with Mr. Grant of Indiana.

Mr. Patman with Mr. Baldwin of New York.

Mr. Tolan with Mr. Ellsworth.

Mr. Russell with Mr. Kilburn.

Mr. Cannon of Florida with Mr. Taylor.

Mr. Kee with Mr. Hoeven.

Mr. Hobbs with Mr. Hoffman.

Mr. Maloney with Mr. Chiperfield.

Mr. Bates of Kentucky with Mr. Gifford.

Mr. Lynch with Mr. Edwin Arthur Hall.

Mr. Byrne of New York with Mr. Fuller.

Mr. Rayfiel with Mr. Hill.

Mr. Barry with Mr. Dworshak.

Mr. Buckley with Mr. Stockman.

Mr. Hart with Mr. Dirksen.

Mr. Boykin with Mr. Rodgers of Pennsylvania.

Mr. Walter with Mr. Powers.

Mr. Bailey with Mr. Eaton.

Mr. Lea with Mr. Bradley of Michigan.

Mr. Snyder with Mr. Andrews of New York.

Mr. Whittington with Mr. Towe.

Mr. Gardner with Mr. Smith of Ohio.

Mr. Worley with Mr. Thomas of New Jersey.

Mr. Morrison with Mr. Simpson of Illinois.

Mr. Cravens with Mr. Talbot.

Mr. Mansfield of Texas with Mr. Butler.

Mr. Dawson with Mr. Bender.

Mr. McKenzie with Mr. Simpson of Pennsylvania.

Mr. CANNON of Missouri changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SELECT COMMITTEE APPOINTED TO STUDY AND INVESTIGATE SUPPLIES AND SHORTAGES OF FOOD, PARTICULARLY MEAT

The SPEAKER. Pursuant to the provisions of House Resolution 195, Seventy-ninth Congress, the Chair appoints as chairman of the select committee appointed to study and investigate supplies and shortages of food, particularly meat, the gentleman from Georgia [Mr. PACE].

Pursuant to the provisions of House Resolution 195, Seventy-ninth Congress, the Chair appoints as a member of the select committee appointed to study and investigate supplies and shortages of food, particularly meat, to fill the existing vacancy thereon, the gentleman from Oklahoma [Mr. STIGLER].

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include an editorial from the Daily Missoulian, Missoula, Mont.

Mr. D'ALESANDRO asked and was given permission to extend his remarks in the RECORD and include an address delivered by Mr. Herbert H. Lehman, Director General, United Nations Relief and Rehabilitation Administration.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include a report of the Naval Food Committee.

Mr. VURSELL and Mr. SABATH asked and were given permission to extend their remarks in the RECORD.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD made this afternoon in the Committee of the Whole in connection with the colloquy with the gentleman from New York and include therein a letter and some statistical information.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. HULL asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. ANDERSON of California asked and was given permission to extend his remarks in the RECORD and include two letters.

MAJ. GEN. FRANK A. KEATING

Mr. CANFIELD. Mr. Speaker, the eagle screams in Passaic, N. J., today.

It is everything but an all-out holiday because Maj. Gen. Frank A. Keating is coming back home.

Frank was a buck private in World War I, serving with the Blue and Gray Division. Today, in World War II, he is the commanding general of the One Hundred and Second—Ozark—Division. His record of service includes action on the Mexican border, the Philippines, Hawaii, and through two wars in Europe.

After many parades and receptions, the general will be honored at a dinner tonight in the Botany Worsted Mills dining hall. Col. Charles F. H. Johnson, president of Botany, will introduce the guest of honor as buck private, major general, honorary mayor, and citizen extraordinary. Then Acting Governor Frank S. Farley will sum up the pent-up feeling of the people of Passaic, following which scores of General Keating's old comrade-pals of the Blue and Gray will tear off the roof.

I had hoped to attend tonight's celebration, but late House votes today prevent. The general and all would want me to stick at my post. Had I been present, I would have emphasized my pride in my constituency symbolized by men of the Keating character and patriotism and I would have told of the innumerable members of that old Blue and Gray outfit who fought like hell in World War I and immediately after Pearl Harbor wired or wrote me demanding an opportunity to fight in this second world conflict. The military said "too old" to most of them, but Frank Keating proved they were wrong.

EXTENSION OF REMARKS

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD and include a radio address which he will make Saturday evening.

Mrs. LUCE asked and was given permission to revise and extend her remarks in the RECORD.

Mr. HORAN (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in three instances and include some newspaper articles.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent that the special order I have for tomorrow be carried over until Monday.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDERS

Mr. VOORHIS of California. Mr. Speaker, the gentleman from New York [Mr. BENNET] has a special order to follow me. The gentleman is in a great hurry to complete his special order and for that reason I ask unanimous consent that he be allowed to speak now and that I be allowed to follow him.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. BENNET] is recognized for 15 minutes.

THE IMPORT MYTH

Mr. BENNET of New York. Mr. Speaker, at this time, when the world is slowly and painfully trying to emerge from the economic strait-jacket imposed on it by total war, I should like to set the record straight on a disturbing factor in our international trade which has fastened on the United States like a leech of early medicine.

Indeed, like the leech, this disturbing factor is a hang-over from colonial days and has no more place in our economy of today than the flintlock. I shall call this leech on our trade the import myth, but before I try to debunk it as the myth it is, permit me to review the economic patterns which have marked our Nation's industrial progress.

America, since colonial days, has moved ever forward as a manufacturing Nation until today our inventions, designs, and finished products lead the world. The machine age was conceived in American ingenuity, born in experimental travail and matured in mechanical perfection.

American industrial history is rich in examples of creative talent and power. Among the invention marvels originated by Americans, I point to the lightning rod by Franklin in 1752, the steamboat by Fulton in 1787, the cotton gin by Whitney in 1793. In 1832, Morse perfected the telegraph; McCormick brought forth the reaper in 1833 and Goodyear vulcanized rubber in 1839.

As early as 1845, Thompson invented the pneumatic tire; while, in 1846, Hoe gave the world the first rotary printing press. The humble safety pin came from Hunt in 1849 and the first motion-picture projector was given us by Sellers in 1861. In that year, Ericsson invented the first modern warship—the *Monitor*.

Westinghouse's air brake was invented in 1869 and Simon Lake made the first even keel submarine in 1894. Stubblefield invented the radio broadcaster in 1902. These and a thousand and one others made by American brains and hands read like a tale of Industrial Arabian Nights.

Even in textiles, which had been the economic keystone of England's prosperity for centuries, the United States was a strong factor in the eighteenth and nineteenth centuries. Prior to the American Revolution, and for many years thereafter, England was opposed to the development of the textile industry in the United States, even going so far as to prohibit the export of textile machinery to America.

But one Samuel Slater, a textile apprentice, came to America disguised as a seaman and on his arrival here produced from memory some crude textile machinery. This was the birth of the cotton mill in the new world and soon after the first woolen mills were built.

From this humble beginning the woolen industry today ranks seventh in the number of manufacturers with 583 firms and fourteenth in value of manufactured products with a gross of $685,-311,713 annually.

With this mechanical empire, plus American talent in design and fashion, the great American woolen industry should prosper far beyond the dreams of avarice. And it will if American consumers will banish the intangible factor known as the import myth—the illusion that imported goods are superior to American products.

I speak on this subject of the Import Myth from first hand knowledge, for in my constituency are located the great mills of S. Stroock & Co., one of America's top woolen manufacturers. And, because I am so familiar with this company and its product, I will use it throughout this talk as a exemplar of American industry faced with artificial handicaps brought about by ignorance of the facts.

This import myth is an indication that even after almost two centuries of independence and progress we still are suffering from a colonial hang-over. This hang-over, this woolen umbilical cord, can be traced back to the days when we were a British colony. We have seen how English manufacturers fought to prevent our looms from becoming too potent. Let us look further. The products that came from the mother country in those days were superior to those that were confected in the New World, whose ways were crude, whose workmen were rough, and who, consequently, could only turn out correspondingly rough, crude fabrics. The dandies of the era, early American snobs, would sooner have walked the streets of our infant Nation attired in feathers and war paint than have worn a coat whose cloth was not imported. And the unsnobbish, nondandies, the well-to-do people who could afford to pay more for their wearing apparel—they, too, sought the finer fabrics from abroad. These 200-year-old prejudices have their reflection in the import myth of today.

There exists, without question, the misconception, based on shrewd merchandising, snob appeal, and the fact that much good wool fabric does come from abroad, that unless cloth is imported it is inferior. It is my carefully considered judgment, after not inconsiderable investigation, that the products of American looms and American weavers are as good or better than fabrics made anywhere.

It is impossible, let me add, to find two identical fabrics—there are only similar, or comparable materials. But it would be possible to take the finest woolen import you could find and compare it with a product of such a woolen manufacturer as S. Stroock & Co., Inc., and see the import myth exploded in a flash.

Let us—bearing in mind that there are minute differences in two pieces of cloth coming out of the same vat—examine two different pieces of fabric. I will use—in this oral comparison—the product of the Stroock mill, whose reputation for quality is possibly the finest in America. We will compare the Stroock quality with the X company, somewhere overseas.

The Stroock mill and the X company obtain their raw material from identical places throughout the world. Camel hair from Persia, Egypt, and Arabia; llama from Peru; kashmir from Turkestan, and vicuña—the most precious cloth existing—from our Latin-American neighbors. All right, there is one point. The sources of the raw material are one and the same.

The next point is the machinery—the intricate metallic fingers and hands which perform the delicate more-than-a-dozen processes that transfer the wool from the back of an animal, dirty, greasy, to the back of the human animal, clean, smooth, luxurious. I believe I do not at this time—or any time—have to prepare a brief that would document this Nation's ability to tool a plant. We can do it. And the world recognizes the fact so well that the machinery on which American woolens are made has been exported to many different nations. The Stroock company and the X company therefore have comparable mechanical advantages.

Another point is that the colors of imported fabrics are supposed to be better than ours, the water, or the foggy climate—these intangible factors are said to make a difference. Elsie Murphy, Stroock vice president, expresses graphically this delicate theory:

> Nature herself supposedly conspired against American manufacturers in imbuing the waters and mists of distant lands with magic powers to produce colors of indescribable beauty and distinction, which put our color palette to shame.

Following the First World War, the American chemical industry made great strides. Our dyestuffs are not surpassed anywhere in the world today. And when foreign dyes are wanted for some reason, they are available to all. So the X company and our own American mill have the same dyes.

We come now to design—one of the most important of all the various aspects that contribute to the pleasure a purchaser derives. It is my belief that our designers are on a par with any in the world. Recently, a group of French stylists came to America to study American manufacturing methods and creations—a significant fact. Certainly our own designers are much better equipped to fashion styles for American consumers, with their intimate knowledge of the aspirations, habits, and vogues of our people. With our higher wage level it is logical to assume that with his rewards greater, the man with the talent for design will go into fabrics quicker in this country, than would a man with similar talent abroad. There is no proof

that Mr. X has reason to be more proud of his designers than Mr. Stroock is of his.

I think we have seen that the question of American woolens being inferior to those with a foreign label is legitimately at home under the heading of the import myth. British royalty, on a recent visit to New York, purchased clothing tailored in America from materials loomed by the Stroock mill.

The textile industry is progressive, possesses initiative, creative ability, and is constantly seeking to attract more and more skilled workmen to its roster of thousands of capable craftsmen. The American textile industry is producing clothing as fine or finer than any made anywhere in the world.

I call on the American people to destroy the import myth. I want to say here parenthetically that I am not in any way attempting to decry the quality of imports; I am not asking for a boycott of material coming from across the sea. I reject any kind of commercial chauvinism. I am stating unequivocally that the mumbo-jumbo, the black magic, that is supposed through a mere sea voyage to make a piece of camel hair better than say the camel hair manufactured by the Stroock Co. is nonsense. Let us recognize once and for all the stature of our own craftsmen. Let the word "domestic" come quickly to mean what, to too many, "import" means today. Let us have pride in our own efforts, let us dispel the clouded air, the murky magic, the bated-breath attitude that surrounds the import myth.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 20 minutes.

THE NATIONAL FOOD ALLOTMENT BILL

Mr. VOORHIS of California. Mr. Speaker, between 1929 and 1932 the American economy took a terrific tailspin. In those 4 years the production of agricultural machinery declined 86 percent, the price of agricultural machinery fell 12 percent, the production of farm crops declined 6 percent, and the price of farm crops declined 54 percent. These figures which have always stayed with me ever since I first saw them illustrate the point of my speech today and a bill which I have just introduced. What they mean is that American agriculture produces an abundance of foodstuffs year in and year out, in good times and in bad. The farmer plants, anyway, whatever the economic outlook, and if nature is kind he produces an abundant yield. Industry, on the other hand, decides from day to day how much it is going to produce, and decides that on the basis of what the economic outlook is. The darker the economic outlook and, therefore, the greater the need of the Nation as a whole for abundant production and increased employment the less likely it is on the whole that any individual industrial producer will find it desirable or, shall we say, possible from his personal point of view to produce abundantly. The farmer, however, produces an abundance under all circumstances. The supply of foodstuffs in our country is always ample. And in time of depression the farmer follows the one economic practice, namely, abundant production, upon which recovery of the whole Nation can be built.

When the depression of 1929 began, and when later a new administration came into power under President Roosevelt, there were people looking for a solution of that agricultural problem. There has been criticism of some of the devices hit upon at that time. Roughly speaking, those measures aimed to enable the farmer to have some control over his own economic destiny by making it possible to control the supply of the basic agricultural commodities at any rate in accordance with what the demand was going to be. The criticism that was directed against that program was in some respects, I think, not valid; that is, I believe, it left out of account the central fact which I have already attempted to give you; namely, that it was no more wrong for farmers to be able to restrict their production in order that it should not far exceed the effective demand than it was for industry to do precisely the same thing, as it does year in and year out. Nonetheless, the best answer to the agricultural problem obviously would have been to have expanded the demand for food rather than to have curtailed the supply; and, furthermore, an expansion of the demand could have been accomplished without the necessity of governmental controls over the farmer and the farmer's activities, such as were involved in some of these programs. As time went on, therefore, there were developed other methods of trying to answer the problem, the school-lunch program and the so-called stamp plan, notably, which did operate from the other end and attempted to increase demand instead of restricting supply.

Not long ago a subcommittee of the Committee on Postwar Policy and Planning, namely the subcommittee on agriculture, of which the gentleman from Missouri [Mr. ZIMMERMAN] is chairman, held some hearings in Chicago at which were heard some of the outstanding leaders of the agricultural organizations in this country as well as some of the leading agricultural economists of the country. The testimony of all those people was to the effect that the one most sound answer to the future problem of American agriculture lay in an expansion of demand in this country for food rather than in any other direction. To that philosophy I most heartily subscribe, and I subscribe to it the more heartily because we know now that of all the men rejected by the draft for physical reasons approximately half were rejected because of disabilities that were directly traceable to the fact that they were undernourished probably in childhood.

So, for all these reasons, I have asked for this time in order to inform the House that on yesterday the gentleman from Indiana [Mr. LAFOLLETTE] and I introduced jointly a bill known as the National Food Allotment bill, which was introduced by Senator AIKEN, of Vermont and Senator LA FOLLETTE, of Wisconsin, on June 15.

This bill represents the most constructive method of solution of the problem of American agriculture that exists. It represents also, in one field of our national economy, the kind of answer that must be given all along the line to the general problem which our whole country will face a short time after the close of the war with Japan.

Throughout all history mankind has progressed or retrogressed, depending upon whether the people in any age grasped the full significance of the fundamental forces at work during their time. God lays upon us the insistent duty of having sufficient vision to recognize the possibility of advancement of humankind from one level of civilization to a next higher one. No one can properly evaluate the forces at work in the world over the last 150 years without realizing that the Almighty Power which gives us life and intelligence has brought mankind today to a point where me must either enable the peoples of the world to free themselves from want and poverty or else we must look forward to continuous war and conflict.

We have produced more than $160,000,000,000 worth of wealth annually in the United States during the years of this war. There is no logical reason why we should not continue with such a high level of production in the years of peace peace—no reason except our own lack of vision and understanding.

What we must provide for is a policy which takes account of the fundamental fact that only an economy of abundance can make possible a world of peace—that only an economy of abundance can keep our industry and our workers employed—that only an economy of abundance can make safe the free democratic institutions of our great country. We are called upon to achieve one of the greatest advances which mankind has ever made throughout all the millenniums. If we turn our back on that challenge we shall inevitably suffer the consequences of our action. If we accept it we can draw the pattern for a new and better life for all mankind.

The farmers of America produced last year over than one-third more than the average for the 5 years before the war. Once wartime controls are removed and new machinery becomes available, and the present shortage of manpower on our farms is turned insteac into an abundant supply of such manpower, it is altogether likely that our farm production will go up rather than down.

The outstanding difference between American agriculture, on the one hand, and American industry, on the other, is briefly this: the farmers of this country produce an abundance of food all the time. They produce that abundance in times of depression the same as they produce it in times of prosperity. Even in the depths of the depression of the thirties the volume of farm production was not appreciably less than it had been in such years as the boom year of 1929. But the demand for farm crops was seriously curtailed by general depression conditions in the country and consequently the prices received by farmers fell to ruinously low levels. We have our choice, therefore, between, first, widespread distress for the farmers of our country on the one hand, or, second, far-

reaching measures of governmental control of our farmers' production activities, together with a sharp artificial curtailment of output, or, third, the taking of measures to keep the demand for farm crops at a level reasonably commensurate with what we know our farmers will constantly produce. Obviously the third of these alternatives is the only sound and right one, both from an economic and from a moral point of view.

The bill which I have introduced definitely takes the position that so long as the farmers of America produce an abundance of food crops every family in this Nation must be enabled to obtain at least a minimum decent diet to sustain its health and vigor.

This bill would enable low-income families to increase their food purchases and thus to provide their children with a reasonably adequate American diet for their health and strength. It brings together the needs of the consumers of this Nation for better nutrition and the needs of the farmers for a broader and more dependable home market.

Under the bill, it would first be determined by scientific methods what level of nutrition is needed to keep an average person strong and healthy and then to translate those findings into actual amounts of lower cost foods. After this had been done it would then be determined what the value of such a low-cost adequate diet would be at current retail food prices, and this cost figured on a yearly basis would be known as the food allotment.

The third step under the bill would be to supplement the buying power of families which were not able to afford adequate low-cost diets. But the bill would not set aside one group of people in the population from the others. Every single family in the United States under the terms of this bill would be eligible to purchase sufficient food coupons to give that family its necessary food allotment by spending 40 percent of its family income for that purpose. Of course, it is true that no well-to-do family would find it to its interest to do this, since 40 percent of its income would amount to more than the value of the food coupons which would purchase the minimum diet needed for adequate nutrition. The way the bill would work is as follows:

Suppose the food allotment per person were $15 per month. In that case a family of four would be entitled to buy food coupons worth $60. If the family had an income of $150 per month it would then be required to pay $60 for the $60 worth of coupons and probably would find no advantage in doing so. But if this family had an income of only $100 per month, then it would be privileged under the bill to purchase $60 worth of food coupons by paying 40 percent of its income, which in this case would be $40 for them. The other $20 would be made up by the Government when it redeemed the food coupons presented by the retail merchants.

It is evident, therefore, that it would be to the interest of every low-income family to participate in this plan. In order to obtain eligibility to do so the family would need to go through no means test, nor long investigation by welfare agencies. It would simply have to make a showing of what its income was in the same manner that it would have to do anyway in filing an income-tax return.

But someone will say, what about the family that has little or no income at all. Will the bill provide for feeding them for nothing? The answer to that question is "No." For no family could purchase coupons at all unless it paid for them at least one-fourth of their face value. And neither would any man be able to purchase any food coupons unless he was registered with the Employment Service and prepared to take work offered to him. If he refused such work, his entitlement to participate in this program would be removed. It will be seen that under the terms of this bill it would be impossible for a shiftless father in a family to divert a family income which ought to go for the purchase of food into the purchase, let us say, of liquor or something of that sort. Since the average family expenditure of middle- and low-income families for food is 40 percent, therefore the bill assumes that that amount would be spent for food, and whenever the food coupons had been purchased it could not be spent for any other purposes.

Under the terms of the bill as much as one-third of the food coupons could be earmarked so that they would be expendible only for certain kinds of food, the supply of which was currently adequate or in surplus. This would give the means of balancing our consumption of food against our supply—a better way than we have ever found to do it so far. Except for this possibility of earmarking up to one-third of the coupons, however, families would be free to exchange them for any foods they wished.

There can be no doubt that the operation of this bill would open a wide sustained additional market for the products of America's farms and that it would also assure us a well-nourished nation. We must not forget that approximately half of all the men rejected for service in the armed forces for physical reasons were rejected for disabilities directly traceable to malnutrition.

The operation of the bill would be the best antidote to both inflation and deflation that could be devised, for the governmental supplement to family expenditures would be greatest in times of hardship and unemployment and they would be least in good times. The cost to the Government would run somewhere between $750,000,000 in good times to possibly $2,500,000,000 in times of a severe depression, if we are foolish enough to permit one.

But while the bill would not provide a complete answer to the problems of our agriculture, nor to our other problems, it certainly would render unnecessary a very considerable portion of so-called relief activities heretofore carried on in times of depression and would render unnecessary many of the controls over our farmers which have been exercised in the past. Obviously, the effect of the bill would be to stabilize prices received by farmers in good times and in bad ones.

The real question is whether we will carry out our absolute commitment to maintain farm prices and farm income after the war by a constructive method of this kind, or whether we will go back to a system of compulsory crop reduction programs to reduce the supply. The further question is whether we are going to attempt to provide the jobs we have pledged to returning veterans by some attempt to lift ourselves by our own bootstraps or whether we will see clearly that the one constructive way to do this is to maintain the demand of our people in line with their own production.

Finally, the operation of this bill would be a tremendously powerful influence leading to a better balanced farm production in the United States. For the demand exercised by our people under the terms of this bill would greatly increase the demand for those commodities most valuable in the human diet and this in turn would lead to greater diversification of our agricultural production, to better farm practices, to the growing of more crops which can be consumed at home and less crops which must be disposed of by selling them in world markets at prices less than American cost of production.

This bill cannot be regarded as a cure-all for all America's problems, or even for all her agricultural problems. But it will be certainly, if enacted, a very long step in that direction and exactly the right kind of approach toward the establishment in our country of an economy of full production and full consumption, upon which our best hope for maintaining and strengthening the free institutions of our country must always rest.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Idaho.

Mr. WHITE. Under the gentleman's plan, I would like to have him state what becomes of the frugal family that raises some if not all of its own food, as compared with the extravagant family who, perhaps, wants to live expensively? How would the gentleman handle the 40 percent?

Mr. VOORHIS of California. It would take care of itself. The frugal family would get the advantage of its own frugality, obviously. The frugal family would still be privileged under those circumstances to purchase for 40 percent of their income whatever was their national food allotment.

Mr. WHITE. I thank the gentleman.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 15 minutes.

WORLD SECURITY AND A FREE PRESS

Mr. REES of Kansas. Mr. Speaker, at the conclusion of the San Francisco Conference President Truman stated:

> The world has learned again that nations, like individuals, must know the truth if they would be free—must read and hear the truth, learn and teach the truth.

This statement symbolizes the strength of America and all Americans join in the belief that "only the truth shall make men free."

As we enter what we hope will be the final phase of this devastating World War we should give careful consideration to the problem of whether the peace machinery which was set up as a result of the San Francisco Conference will be sufficient in and of itself to prevent future wars. The setting up of a world organization for the arbitration of all disputes is of primary importance, but unless there is a determination among the peoples of the world to prevent war, which determination is founded upon mutual cooperation and trust, any peace machinery will fail.

A broad education of our people creates an enlightened republic, so also is universal education of the peoples of the world the key to lasting peace and world security. The media through which people of the world will become informed and enlightened in the next century are the newspapers, the periodicals, and books, and the radio. It should be the aim of those persons rssponsible for the dissemination of information through these media to see that the truth is never again concealed from the peoples of the world. Total lack of education is a serious matter, but not nearly so serious as false education and misinformation. Only in the past few years we have seen the Nazi and Fascist rise to power through the simple device of false propaganda, miseducation, and misinformation. A world-wide freedom of the press is the only way in which we can prevent history from repeating itself and the way in which we may hope to obtain ultimate world peace and security.

Perhaps we do not understand Russian Communism and perhaps the Russians do not understand the American form of self-government, but I am sure that unless Russia permits the press of the United States free access to all parts of Russia, including the countries which have been occupied or are now dominated by Russia, a mutual distrust will arise between the two nations which will sow the seeds of future disputes. Even though Mr. Stalin was not a party to the Atlantic Charter, I do not think that our desire to make the freedom of the press a worldwide policy should be lessened.

To illustrate further Russia's lack of understanding of the free American press, I call the attention of the Members of the House to an article appearing in the official newspaper Pravda on May 27, 1945, which attacked the American press for what it termed "slander and provocational headlines and reports" concerning the activities of the Soviet Union. Apparently the state-dominated Soviet press does not understand that the people of America are interested in what is happening in Europe from various points of view and that our people make up their minds regarding these situations in their own way and in their own time. If the nations of the world where the press is suppressed could understand it is for their own best interests that the press of other countries be given free access, we would have less difficulty in reaching a common understanding with respect to this problem.

I am advised that a committee of the American Society of Newspaper Editors has completed a worldwide tour to build up good will among the newspapers of the world in order to assure a factual reporting and a freer interchange of information. I trust this mission was successful although it is my understanding that we have a long road to travel before we may have a completely free flow of news. Attempts to sway the minds of the peoples of the world by distorting and suppressing the facts continues in too many countries of the world. I hope the day is not too far distant when a premium will be placed on honest and factual reporting with respect to the news of the world.

Mr. Speaker, right here I call attention to a concurrent resolution adopted by the State legislature of my own Kansas during its recent session where it memorialized Congress as follows:

Be it resolved by the Senate of the State of Kansas (the house of representatives concurring therein), That the Congress of the United States and the Secretary of State are hereby memorialized to seek international agreements to guarantee the free flow of news between nations.

Mutual respect and trust among the peoples of the world will be encouraged more than anything else by a world-wide free press. It is not my intention to advocate that the Soviet Union or any other country have a free press, but I am strongly opposed to the refusal of any country to allow Amercan newspapermen to observe for themselves the conditions which exist in Europe and report the facts to the American people.

In America we have always allowed newspapermen from foreign countries to go into all parts of the country and report to the people at home what they see and hear. We do not now, nor will we ever, censor their reports. Since we allow this procedure in America, Russia and all countries should accord the same rights and privileges to American correspondents.

Agreements among nations will not mean very much unless they are supported and enforced honestly and fairly. This will require a mutual and complete understanding among the nations involved. Even since the war there has been a certain amount of mistrust among the Allies. It is true in particular as regards Russia. We get reports about the methods that are applied in the Balkans, Bulgaria, Romania, and Poland. We are not permitted, however, to freely send our newspaper correspondents in these countries and report the facts. This is not a very satisfactory situation between countries who are allies and whose men have fought and suffered and died to defeat a common enemy. Even now attacks are made on the American press reports largely because foreign countries do not understand the freedom of press in this country. It is difficult to secure friendly relations among the countries of the world when reports are based upon hearsay information.

Russia is one of the most important countries of the world. She was a strong ally in this war, and, although a few of our correspondents are permitted to go into Russia and countries occupied by her, they do not feel free to tell the story as they see it. So long as any country provides for a strict censorship of news by foreign correspondents there is bound to be intolerance and continued misunderstanding with peoples of other countries.

Mr. Speaker, you do not cultivate friendship and understanding by hearsay. I cannot emphasize too strongly the importance of the world freedom of the press as a preventive of mutual distrust and suspicion among the peoples of the earth which must be eliminated before any peace machinery will really be effective.

There must be a realization that the effectiveness of any agreement among the nations of the world to provide for an enduring peace will be in proportion to a mutual understanding and trust among such nations. This understanding will be brought about more than anything else through a free, unsuppressed, and uncensored freedom of the press everywhere in the world.

Any lasting agreement among nations must be based on justice, good will, and mutual understanding and friendliness. It cannot be obtained with a suppressed, censored, or propagandized press. Again I say, "It is only the truth that can make men free."

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from California.

Mr. VOORHIS of California. In other words, the other side of the coin of freedom of speech is the problem of access on the part of the people to the truth, is it not, and that freedom of access to the truth is one of the greatest guaranties of world peace? Does not the gentleman agree with that? I take it that is the central theme of what he is saying.

Mr. REES of Kansas. The gentleman is right. I appreciate his contribution.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from North Carolina.

Mr. FOLGER. May I ask the gentleman if he heard Commander Stassen's address last night?

Mr. REES of Kansas. I did not have the pleasure of hearing the commander.

Mr. FOLGER. I did, and I want to suggest to the gentleman that he is following a line with great force precisely as Commander Stassen expressed in his speech, and that is the need for information, friendliness, and frankness, and a free but fair speech as one of the things that we must build within the framework of the San Francisco Charter to obtain and maintain peace in the world.

Mr. REES of Kansas. I appreciate the gentleman's statement.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. WHITE. Is the gentleman optimistic enough to think that under this freedom of the press principle which he advocates we will ever get the real truth out of Russia on the handling of their own nationals and dealing with people in that country?

Mr. REES of Kansas. Of course, that is a difficult question to answer directly, but the thing I am advocating is that we

will come nearer to having an understanding with Russia as well as the other nations of the world in proportion as we are able to have our newsmen and reporters go into Russia and report conditions there in just the same manner as they are allowed to come into this country and report news here. I do not mean to infer that we do not have newspapermen and reporters in Russia. We do have them. The difficulty lies in the fact that too many of the news items sent out by our own newspaper reporters from Russia and Russian-occupied areas are censored too much or are, shall I say, more or less controlled or influenced by the Russian officials who want us of course to get the news and reports as they would like us to have it.

Mr. WHITE. Of course the war in Europe is over. But do we have any information or are there any reporters in the section of Germany which is occupied by Russian troops who can give us the facts of what is happening over there now?

Mr. REES of Kansas. Of course, that is a difficult question to answer. I say that that is what we ought to have. We ought to know the facts as they are. Our reporters should have just as free access as we accord their reporters in areas occupied by our forces.

Mr. WHITE. If the gentleman reads the newspapers he knows we do not get the facts and we do not know what is going on over there.

Mr. REES of Kansas. Of course, that is what we want, after all. We want to get the facts. We want the complete story.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I know the gentleman regrets very much, as I do, that the provision for the freedom of the press is not in the San Francisco Charter.

Mr. REES of Kansas. Freedom of the press, as I recall, was one of the "four freedoms" which were agreed upon a long time ago. I am not sure that all the nations agreed to that proposal, but, nevertheless, it was a part of the Atlantic Charter.

Mrs. ROGERS of Massachusetts. But in San Francisco, I think, that is not included in complete fashion.

Mr. REES of Kansas. It should have been included definitely and completely.

MERIT VERSUS QUOTA IN AWARDING MILITARY DECORATIONS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. SPRINGER] is recognized for 5 minutes.

Mr. SPRINGER. Mr. Speaker, I have just received a letter from T5c Kay H. Aylor, now serving in Belgium and Germany, in which he refers to the awards made to the men who have faced the enemy in combat, and to the limited awards issued to those brave soldiers. May I say that T5c Aylor resides in Muncie, Ind., which is in the district I have the honor to represent. He enclosed to me an article written by Capt. George L. Wetzel, of the Three Hundred and Fifty-ninth Infantry, which was published in the Stars and Stripes, which is entitled "Merit Versus Quota," which is as follows:

MERIT VERSUS QUOTA

I was just informed that many boys who were recommended for awards would not get them because our regiment was over its quota. Many of the men in our company deserve Bronze Stars and Silver Stars.

In many cases they were not recommended because there was no time to write them up. Now that it is all over, we have time to gather all the facts of their feats and to put in the recommendations only to find that our quota is filled.

There was no quota on the number of the enemy that they had to meet, kill, and conquer or the number of bullets and enemy shells that came toward them with their ear-piercing screams and nerve-wracking explosions. There was no quota on the number of attacks they had to make and the miles they had to walk or the yards they had to crawl, the number of nights that they had to sleep in muddy or frozen fox holes. There was no quota on the sacrifices that they had to make in order that victory was made possible.

Is there a quota on the number of awards that an Infantry regiment or even a division can have for acts done by men above and beyond the call of duty?—Capt. George L. Wetzel, Three Hundred and Fifty-ninth Infantry.

Mr. Speaker, it appears that the limited quota of these awards prevents many of our deserving boys from receiving the recognition to which they are justly entitled. It is my hope that the War Department will correct this error, and that the awards for distinguished service be made to all those who are justly entitled to receive the same. It would be a travesty upon the fine record established in this European war if the bestowal of medals of honor are not granted to all those who have won the same at such a great cost and sacrifice.

It is my hope that this grievous error may be promptly corrected, and that these medals of distinction and honor may be bestowed upon our boys in accordance with their bravery exemplified during this frightful war.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. BEALL (at the request of Mr. MARTIN of Massachusetts), for July 6, 7, and 9, on account of official business.

To Mr. FOGARTY, for 10 days on account of official business.

To Mr. COMBS (at the request of Mr. LYLE), indefinitely, on account of official business.

Mr. BIEMILLER, for July 9 to August 15, on account of official business, Naval Affairs Committee.

To Mr. TAYLOR (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness.

To Mr. ROONEY, indefinitely, on account of official business.

To Mr. GEELAN, on account of official business with committee investigating beach erosion and statehood for Alaska.

To Mr. ANGELL and Mr. COLE of Missouri (at the request of Mr. MARTIN of Massachusetts), on account of official business with the Committee on Rivers and Harbors.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 842. An act for the relief of Mrs. Sadie L. Dance;

H. R. 1309. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the naval air station, Norfolk, Va., on September 17, 1943;

H. R. 1606. An act for the relief of Mrs. Ethel Farkas;

H. R. 1668. An act for the relief of Mrs. Mary Ellen Keegan Herzog, Francis James Keegan, and Sgt. John Keegan;

H. R. 2336. An act for the relief of Osborne E. McKay; and

H. R. 3291. An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia;

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 24. An act for the relief of the Truckee-Carson irrigation district;

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 311. An act for the relief of Philip Kleinman;

S. 454. To revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609);

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 660. To transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodlun;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 22, 1944;

S. 822. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E–172, at the amphibious training base, Camp Bradford,

naval operating base, Norfolk, Va., on January 20, 1945;

S. 867 An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; and

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 842. An act for the relief of Mrs. Sadie L. Dance;

H. R. 1309. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the Naval Air Station, Norfolk, Va., on September 17, 1943;

H. R. 1606. An act for the relief of Mrs. Ethel Farkas;

H. R. 1668. An act for the relief of Mrs. Mary Ellen Keegan Herzog, Francis James Keegan, and Sgt. John Keegan;

H.R. 2336. An act for the relief of Osborne E. McKay; and

H. R. 3291. An act for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

ADJOURNMENT

Mr. FOLGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.), under its previous order, the House adjourned until Monday, July 9, 1945, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. WEAVER: Committee on the Judiciary. S. 374. A bill to amend the act of October 29, 1919, entitled "An act to punish the transportation of stolen motor vehicles in interstate or foreign commerce"; without amendment (Rept. No. 866). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. H. R. 1128. A bill to incorporate the Regular Veterans Association; without amendment (Rept. No. 867). Referred to the House Calendar.

Mr. WALTER: Committee on the Judiciary. H. R. 3294. A bill to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; without amendment (Rept. No. 868). Referred to the House Calendar.

Mr. KNUTSON: Committee on Ways and Means. H. R. 122. A bill to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns; without amendment (Rept. No. 869). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURCH: Committee on the Post Office and Post Roads. H. R. 3235. A bill readjusting the rates of postage on books of fourth-class mail, and for other purposes; with amendment (Rept. No. 870). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'TOOLE: Committee on the Library. House Joint Resolution 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville; with amendment (Rept. No. 871). Referred to the Committee of the Whole House on the State of the Union.

Mr. JACKSON: Committee on Indian Affairs: H. R. 2637. A bill to cancel drainage charges against certain lands within the Uintah Indian irrigation project, Utah; without amendment (Rept. No. 872). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANDOLPH: Committee on the District of Columbia. H. R. 3376. A bill to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes; with amendment (Rept. No. 873). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H. R. 3704. A bill to amend section 1 of the Federal Power Act, with respect to the terms of office of members of the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN:

H. R. 3705. A bill to amend the Selective Training and Service Act of 1940; to the Committee on Military Affairs.

By Mr. FULTON:

H. R. 3706. A bill to provide means of reuniting families in the various military theaters, bases, and commands outside of the continental United States; to the Committee on Military Affairs.

By Mr. VINSON:

H. R. 3707. A bill authorizing the acquisition and conversion of certain auxiliary vessels for the United States Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. WHITE:

H. R. 3708. A bill to provide for construction of the uncompleted portion of the Salmon River Highway between the cities of Salmon and Riggins, State of Idaho; to the Committee on Roads.

By Mr. BURCH:

H. R. 3709. A bill to amend section 2 of the act of May 29, 1928, and section 3 of the act of March 29, 1944, affecting the compensation of postmasters; to the Committee on the Post Office and Post Roads.

By Mr. CASE of South Dakota:

H. R. 3710. A bill to emancipate the Indians of the United States; to the Committee on Indian Affairs.

By Mr. FERNANDEZ:

H. R. 3711. A bill to promote the development of oil and gas on the public domain and on lands acquired for Appalachian National Forest; to amend sections 1, 17, 27, 30, and 36 of the act approved February 25, 1920 (41 Stat. 437), as amended; and to repeal the act approved March 4, 1917 (39 Stat. 1150) insofar as inconsistent herewith; to the Committee on the Public Lands.

By Mr. LESINSKI:

H. R. 3712. A bill to provide that a veteran's pension, compensation, or retirement pay shall not be reduced during his hospitalization or domiciliary care; to the Committee on Invalid Pensions.

By Mr. RAMSPECK (by request):

H. R. 3713. A bill to amend section 2 of the Veterans' Preference Act of 1944, Public Law 359, Seventy-eighth Congress, approved June 27, 1944; to the Committee on the Civil Service.

By Mr. RANDOLPH:

H. R. 3714. A bill to provide for the appointment of a conservator under certain circumstances, for property of persons serving in or with the armed forces of the United States; to the Committee on the District of Columbia.

By Mr. RANKIN (by request):

H. R. 3715. A bill to amend title III of the Servicemen's Readjustment Act of 1944; to the Committee on World War Veterans' Legislation.

By Mr. WIGGLESWORTH:

H. R. 3716. A bill to further protect freedom of speech over radio; to the Committee on Interstate and Foreign Commerce.

By Mr. O'KONSKI:

H. R. 3717. A bill to repeal certain acts of Congress, known as Indian liquor laws, in certain parts of Wisconsin; to the Committee on Indian Affairs.

H. R. 3718. A bill to subject Indians and Indian reservations in the State of Wisconsin to the laws of the State, with certain exceptions; to the Committee on Indian Affairs.

By Mr. PATTERSON:

H. R. 3719. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. RANKIN:

H. Con. Res. 66. Concurrent resolution authorizing the printing of the pamphlet entitled "Manual Explanatory of the Privileges, Rights, and Benefits Provided for All Persons Who Are, or Have Been, Members of the Armed Forces of the United States and of Those Dependent Upon Them," as a House document, and providing for additional copies thereof; to the Committee on Printing.

By Mr. LANDIS:

H. Res. 313. Resolution providing for an investigation with respect to the handling and disposition of surplus trucks; to the Committee on Rules.

By Mr. KEEFE:

H. Res. 314. Resolution for appointment of a special investigation committee to investigate the rye market and commodity exchanges; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 3720. A bill for the relief of Florence M. Porter; to the Committee on Claims.

By Mr. LANE:

H. R. 3721. A bill for the relief of Mrs. Harry E. Hewitt; to the Committee on Claims.

H. R. 3722. A bill for the relief of Benjamin Gordon; to the Committee on Claims.

By Mr. LESINSKI:

H. R. 3723. A bill for the relief of Patrick James O'Connor; to the Committee on Immigration and Naturalization.

By Mr. LYNCH (by request):

H. R. 3724. A bill for the relief of Garry Kelly; to the Committee on Claims.

By Mr. PHILLIPS:

H. R. 3725. A bill for the relief of Miss Jacqueline Friedrich; to the Committee on Claims.

By Mr. POAGE:

H. R. 3726. A bill for the relief of Marvin Marshall and Fred C. Mitchell; to the Committee on Claims.

H. R. 3727. A bill for the relief of the estate of George J. Ross; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1053. By Mr. BLAND: Petition of 31 citizens of Newport News and Hampton, Va.,

urging passage of the Bryson bill, H. R. 2082, at the earliest possible opportunity; to the Committee on the Judiciary.

1054. By Mr. COCHRAN: Petition of R. A. Howard and 315 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1055. Also, petition of George H. Lear and 310 other citizens of Misscuri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1056. By Mr. LUDLOW: Petition of members of the Third Christian Church of Indianapolis, Ind., in opposition to compulsory military training legislation; to the Committee on Military Affairs.

1057. Also, petition of members of the Third Christian Church of Indianapolis, Ind., in opposition to curtailment of sugar allotments for table and canning purposes while liquor industries are allowed full quotas; to the Committee on Banking and Currency.

1058. By Mr. WELCH: Assembly Joint Resolution 49, relating to commending the general intent and purposes of the Servicemen's Readjustment Act of 1944 and urging early enactment by Congress of pending legislation to remedy incidental defects in said act and to remove initial administrative difficulties thus far encountered; to the Committee on World War Veterans' Legislation.

1059. Also, Assembly Joint Resolution 27, relative to memoralizing Congress to enact legislation providing for the prompt return to their homes of runaway, transient, or vagrant children of juvenile age, going from one State to another without proper legal consent, through the use of funds appropriated under the provisions of the Social Security Act for aid to dependent children; to the Committee on Ways and Means.

1060. Also, Assembly Joint Resolution 48, relative to memorializing the President and Congress to enact Senate bill 807, providing for increases in compensation to Federal employees; to the Committee on the Civil Service.

1061. Also, Assembly Joint Resolution 41, relative to Indian claims for lands taken from them by the United States without compensation; to the Committee on Indian Affairs.

1062. Also, Assembly Joint Resolution 16, relative to memorializing Congress to enact legislation to establish permanent military and naval academies on the Pacific and Gulf coasts; to the Committee on Military Affairs.

SENATE

MONDAY, JULY 9, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Dear God and Father of us all, in the miracle of another dawning our grateful hearts rejoice that, fairer than morning, lovelier than daybreak, steals upon us the sustaining consciousness that we are with Thee. Go thou with us into this strange new day.

We thank Thee for the stirrings of discontent within us with things as they are: for visions of a glory still to transfigure the earth, for the hope of brotherhood and justice and abiding peace. Keep us true to our highest and to Thy unceasing challenge to our best.

"Direct, control, suggest, this day,
All we design or hope or say;
That all our powers, with all their might
In Thy sole glory may unite."

In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Friday, July 6, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 3633) to facilitate reconversion, and for other purposes, in which it requested the concurrence of the Senate.

CONGRATULATIONS OF SENATE OF NORTHERN IRELAND ON VICTORY IN EUROPE

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of State, transmitting a resolution of the Senate of Northern Ireland extending congratulations on completion of the war in Europe, which, with the accompanying resolution, was referred to the Committee on Military Affairs.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF NATIONAL HOUSING AGENCY

A letter from the Administrator of the National Housing Agency, transmitting, pursuant to law, the third annual report of the Agency for the calendar year 1944, with an accompanying report; to the Committee on Education and Labor.

PERSONNEL REQUIREMENTS

A letter from the executive assistant to the Secretary of Commerce, transmitting, pursuant to law, a revised estimate of personnel requirements for the ceiling unit, Census of Agriculture, Bureau of the Census, for the quarter ended June 30, 1945, with an accompanying paper; to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the General Assembly of the State of Ohio; to the Committee on Commerce:

"Resolution relative to naming certain reservoirs located in Mahoning and Trumbull Counties, Ohio

"Be it resolved, That the members of the Senate of the Ninety-sixth General Assembly of Ohio hereby memorialize the Congress of the United States that it take suitable action to change the name of Berlin Reservoir, located in Mahoning County, to Roosevelt Reservoir, and that it change the name of Mosquito Creek Reservoir, located in Trumbull County, to Kirwan Reservoir; and be it further

"Resolved, That the clerk of the senate transmit a copy of this resolution to President Harry S. Truman, to the President of the United States Senate, to the Speaker of the House of Representatives, and to the two United States Senators, and to each Member of Congress from Ohio."

The petition of Rochester (N. Y.) Chapter, No. 59, National Committee, Americans of Polish Descent, Inc., remonstrating against recognition of the Communist Polish Provisional Government in Warsaw; to the Committee on Foreign Relations.

The petition of Albert M. Kunze, of New Rochelle, N. Y., praying for prompt ratification of the United Nations Charter; to the Committee on Foreign Relations.

A resolution adopted by members of the congregation of the First Unitarian Church, of Pittsburgh, Pa., favoring prompt consideration of the United Nations Charter; to the Committee on Foreign Relations.

A resolution adopted by the Filipino Council of Honolulu, T. H., favoring the enactment of the bill (H. R. 776) authorizing the naturalization of Filipinos; to the Committee on Immigration.

A resolution adopted by the National Society of New England Women, Worcester, Mass., commending the public expression of the President of the United States respecting future cooperation between the executive and legislative branches of the Government; ordered to lie on the table.

By Mr. CAPPER:

A letter in the nature of a petition from Ruth Amend, of Atchison, Kans., praying for the enactment of legislation to improve labor industrial relations and to prevent strikes; to the Committee on Education and Labor.

A petition of sundry citizens of Parsons, Kans., praying for the enactment of legislation to prohibit the advertisement of alcoholic beverages in periodicals, newspapers, radio, motion pictures, or any other form of advertising; to the Committee on Interstate Commerce.

INTERNATIONAL POSTWAR PROBLEMS—RESOLUTIONS BY SPECIAL COMMITTEE OF CHAMBER OF COMMERCE OF THE UNITED STATES

Mr. CAPPER. Mr. President, I present for appropriate reference and printing in the RECORD a letter from the president of the Chamber of Commerce of the United States, Washington, D. C., transmitting resolutions adopted by the chamber's special committee on international postwar problems.

There being no objection, the letter and resolutions presented by Mr. CAPPER were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE OF
THE UNITED STATES,
Washington, June 30, 1945.

Hon. ARTHUR CAPPER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAPPER: The board of directors of the Chamber of Commerce of the United States, upon the recommendation of the chamber's special committee on international postwar problems, adopted the enclosed resolution in reference to the Charter of United Nations at its regular meeting on June 29. The resolutions are in line with chamber policy established by referendum.

I respectfully submit this report of the chamber's board of directors for your earnest consideration as a member of the Senate Foreign Relations Committee.

Sincerely,

ERIC JOHNSTON, *President.*

To the Board of Directors:

The United States Chamber Special Committee on International Postwar Problems presents to the board of directors the following recommendations adopted at its meeting on June 28:

UNITED NATIONS CHARTER

On January 3, 1944, the membership of the Chamber of Commerce of the United States in referendum No. 76 took the affirmative position that "an international political organization is necessary for the purpose of maintaining peace and security among nations." This vote was thereupon officially reported to the Department of State of the United States Government and to the appropriate committees of Congress.

On June 26, 1945, 50 United Nations, after meeting for 9 weeks of intensive study and debate, unanimously adopted a new Charter for a general international organization to promote and to maintain world peace.

Happily, at the invitation of the Secretary of State, the special committee of this chamber was represented at the San Francisco Conference by its chairman, acting as consultant to the United States delegation, as well as by other members of the committee.

Now, therefore, this special committee, having read the full text of this new charter, and having listened to the reports of its members who were present at the United Nations Conference, recommends that, inasmuch as this document clearly conforms in principle to the position taken by the chamber in said referendum No. 76, the board of directors of the Chamber of Commerce of the United States expresses its approval of the Charter of the new international organization, to be established for the promotion of world peace and security; and further,

That the board of directors of the Chamber of Commerce of the United States urge the Members of the Senate without delay to consent to the ratification of this Charter of the United Nations.

SECURITY COUNCIL

The membership of the Chamber of Commerce of the United States in paragraph 2 of said referendum 76 approved the following statement: "This peace and security may best be safeguarded through the use of the armed forces of peace-loving nations acting through the Combined Chiefs of Staff organization developed to meet future conditions."

Pursuant to this resolution, your chamber committee recommends that the board of directors of the Chamber of Commerce of the United States urge that the United States assume its responsibilities as a permanent member of the Security Council and that the United States, by a special agreement or agreements to be entered into with the Security Council and duly ratified, agree to provide an appropriate contingent of armed forces for the purpose of maintaining peace and security. Further, that the United States representative on the Security Council, acting as the representative of the President of the United States, should be authorized to vote with the Council as to the use of such national contingents as shall have been established by international agreement.

INTERNATIONAL COURT OF JUSTICE

The Chamber of Commerce of the United States has always advocated membership by the United States in the World Court and reaffirmed this position last year in referendum 78. The board of directors of the Chamber of Commerce of the United States is gratified that the International Court of Justice has been made a major organ of the United Nations.

INTERIM ARRANGEMENTS

Referendum 78 stated that: "The Chamber of Commerce of the United States favors the exercise of interim powers by the United States and other United Nations, in close collaboration as trustees of the peace, during the period between the cessation of hostilities and the establishment of a general international political organization, such powers to be designed to prevent further resort to arms by the defeated enemy and to restore and maintain a regime of freedom under international law and order."

The board of directors of the Chamber of Commerce of the United States is gratified to recognize that pending the completion of all the agreements necessary to permit the Security Council to function as intended, the parties to the four-nation declaration of Moscow and France shall consult with one another, and as occasion arises with other members of the organization, with a view to such joint action on behalf of the organization as may be necessary to maintain international peace and security.

UNITED NATIONS FOOD AND AGRICULTURE ORGANIZATION

The committee recommends that the board of directors of the Chamber of Commerce of the United States favor membership by the United States in the Food and Agriculture Organizations of the United Nations as outlined at the Hot Springs Conference, which organization will become one of the specialized agencies to be brought into relationship with the new United Nations Organization, and advocates passage by the Senate of House Joint Resolution 145, providing for such membership by the United States, which resolution was passed by the House of Representatives on April 30, 1945.

CONSULTATION AMONG UNITED STATES GOVERNMENT AGENCIES CONCERNED WITH FOREIGN AFFAIRS

In the new responsibilities which the United States is undertaking in the family of nations, the committee recommends that the board of directors of the Chamber of Commerce of the United States emphasize that, to form a proper basis for the instructions to be given the American representative on the Security Council, there be maintained by the United States Government effective machinery for consultation between high officers of the Department of State, the Department of Commerce, the Army, the Navy, and other interested Government agencies.

CONSULTANTS

The committee recommends that the board of directors of the Chamber of Commerce of the United States congratulate the Department of State on the arrangements made at San Francisco for representatives of national organizations to act as consultants to the United States delegation, and recommend that this program for consultation which proved constructive at the United Nations Conference be continued in the future, when appropriate.

FAIR EMPLOYMENT PRACTICE COMMITTEE—TELEGRAM FROM WALTER WHITE

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram from Walter White, secretary, National Association for the Advancement of Colored People, which was printed on Wednesday in the St. Louis Post-Dispatch. It contains information which I think should be brought to the attention of every Member of Congress.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

THE FEPC FILIBUSTER

To the EDITOR OF THE POST-DISPATCH:

The present disgraceful filibuster against FEPC in United States Senate would be appalling in peacetime. But in time of war when future of world depends upon cooperation of all peoples, including 1,000,000,000 colored humans in Pacific and Asia, it approaches close to treason.

Shameful falsehoods regarding Negro troops and civilians are expected from Senators from certain Southern States. But we ask, Where is conscience of America when such a spectacle can be staged while a charter for human freedom is pending before the Senate and not one word of condemnation of filibuster has been uttered by any United States Senator and press is silent?

More than 700,000 Negroes are serving overseas in United States armed forces and total of more than 1,000,000 are in Army, Navy, Marine Corps, and Coast Guard while Senators from poll-tax States use congressional immunity to utter falsehoods regarding their right to preserve a democracy which they seldom share.

WALTER WHITE,
Secretary, National Association for the Advancement of Colored People, New York.

GOVERNORS' CONFERENCE RESOLUTIONS

Mr. SALTONSTALL. Mr. President, as one who has attended six Governors' Conferences and has been much interested in their work, I should like to present for printing in the RECORD and appropriate reference the resolutions adopted at the thirty-seventh annual meeting of the Governors' Conference held at Mackinac Island, Mich., July 1 to 4, 1945. The senior Senator from Missouri [Mr. DONNELL] joins me in presenting these resolutions.

The PRESIDENT pro tempore. Without objection, the resolutions presented by the Senator from Massachusetts for himself and the Senator from Missouri will be appropriately referred and printed in the RECORD.

To the Committee on Agriculture and Forestry:

FOOD

Whereas the situation surrounding food production, processing, and distribution is such that the people of the United States are now unable to purchase the necessary items upon an equitable basis: Now, therefore, be it

Resolved, That we pledge our support to the Congress and to the Federal agencies involved in their efforts to solve this very important problem and pledge the facilities of the several States to that end; be it further

Resolved, That the executive committee select a committee of not less than three to call on the proper agencies and officials in Washington in an effort to bring about as speedy a solution to the problem as possible.

To the Committee on Commerce:

AVIATION

Whereas there are now pending in Congress certain bills intended to establish a national system of airports and to provide Federal aid for their construction; and

Whereas a number of these bills, particularly Senate 2 and House 3170, establish an entirely new method of Federal-State-local cooperation by providing for direct Federal grants to political subdivisions of the States; and

Whereas for more than 30 years we have developed and administered effectively a Federal-State-local cooperative pattern for the construction and operation of public works and for the administration of public services in the fields of agriculture, highways, public health, vocational education, and social security, which pattern, without exception, has been based upon cooperation and participation on the part of all levels of government; and

Whereas the new governmental system contemplated in the pending legislation would duplicate existing State organizations and agencies in the field of aviation, would require enormous expansion in the Federal agency and the employment of thousands of

additional Federal officials and agents, would be both ineffective and uneconomical in operation, and would establish an entirely new system of intergovernmental operation: Now, therefore, be it

Resolved, That the Governors' Conference hereby urges the Congress of the United States, in the development of a national airport system to follow the long-established and effectively operated pattern of channelling aid to local communities exclusively through the respective State governments; be it further

Resolved, That the States are hereby urged to perfect and if necessary to expand their aviation facilities in order to provide within the several States necessary resources and necessary services for the development of an adequate and effective national airport system.

To the Committee on Education and Labor:

EMPLOYMENT OFFICES

Whereas the President of the United States more than 3 years ago requested the governors of the several States, as an emergency measure, to loan their employment offices to the National Government in order to facilitate the fullest use of all of our manpower for war; and

Whereas the governors of all the States agreed to this emergency measure, with the understanding that at the proper time the employment offices would be returned to the States; and

Whereas all realize that the problem of employment can be handled effectively only through the integration of the employment services with State unemployment-compensation systems in a single agency; and

Whereas in many areas of the country we have an increasing degree of reconversion unemployment, primarily as a result of cutbacks in war production; and

Whereas the Director of the Office of War Mobilization and Reconversion has just stated that the drop in munitions production will be rapid from now on and will be accompanied by increases in unemployment: Now, therefore, be it

Resolved, That in order to insure the development of the most effective plans to meet an unemployment problem which is already upon us, and which will increase with the transition of industry from war to peace, the employment services should be returned to the States as soon as effective arrangements for such transfer can be made; and be it further

Resolved, That the executive committee of the Governors' Conference be directed to urge the immediate return of the employment service to the States and to take all possible steps to that end.

To the Committee on Finance:

VETERANS' AFFAIRS

Whereas the States, through legislative and administrative action, have established effective veterans' agencies t work with the National Government in assisting veterans to obtain all rights and benefits to which they are entitled; and

Whereas these agencies are now successfully administering State laws pertaining to veterans, as well as cooperating with the Federal program: Now, therefore, be it

Resolved, That the various Federal agencies charged with the administration of veterans' affairs be required to cooperate with State agencies; to avoid overlapping, duplication of effort, and confusion on the part of the veterans themselves; and to insure the closest coordination of all governmental organizations and agencies dealing with veterans' affairs.

TAX AND FISCAL POLICY

Whereas the equitable division or the revenue sources among the Federal, State, and local governments is absolutely essential to the proper functioning of each of the levels of governments; and

Whereas we deem it most advisable to attempt through cooperative effort to reach a solution in this pressing matter: Now, therefore, be it

Resolved, That the Governors' Conference request the Council of State Governments to make in conjunction with the tax experts of the several States a complete survey of the sources of revenue of the National, State, and local governments for the purpose of recommending to the governors a program for separation and allocation of the various sources of tax revenues to the National, State, and local governments.

GENERAL ADMINISTRATIVE POLICY

Whereas the end of the war in Europe has caused a number of war activities and war agencies to be curtailed; and

Whereas with the end of the war in Asia most of the emergency agencies established for the prosecution of the war will be abolished; and

Whereas plans and programs are already being made and legislation considered concerning the development of a constructive postwar program involving cooperative effort on the part of Federal, State, and local governments: Now, therefore, be it

Resolved, That the Governors' Conference reiterates and reaffirms its belief that the following principles having to do with the administration of peacetime public services involving cooperation of National, State, and local governments should prevail:

(1) Policies and programs should be developed cooperatively;

(2) General policy and over-all programs should be set forth explicitly in the statutes after due consideration by Congress, so that the respective parts of the program to be performed by the several levels of governments are clearly defined, and due recognition given to the rights and duties of each;

(3) The immediate supervision and direction of such cooperative programs should be in the hands of the States;

(4) Responsibility for the local operation thereof should be given to the subordinate units of government; and

(5) Necessary authority should be commensurate with responsibility and lines of direction should be scrupulously followed.

ADMINISTRATION OF UNEMPLOYMENT INSURANCE

Whereas a constantly increasing volume of reconversion and demobilization unemployment is occuring as a result of the successful conclusion of the European war and it is imperative that State unemployment insurance agencies be largely expanded from their present minimum levels in order that unemployed workers may receive their checks promptly; and

Whereas the amount of the tax collected by the Federal Government for this express purpose is greatly in excess of the amount allocated by the Congress; and

Whereas it is imperative to avoid great hardship among our people that the funds collected for the purpose be made available forthwith so that unemployment insurance benefits may be distributed as needed: Now, therefore, be it

Resolved, That the Social Security Board should forthwith make its allocations to the State agencies on the basis of the imperative necessities of the existing situation so that the agencies may meet present needs and be prepared for the impact of reconversion; and be it further

Resolved, That the Congress should at the earliest possible moment appropriate from the funds collected for this express purpose adequate moneys to meet these urgent human needs.

To the Committee on Foreign Relations:

UNITED NATIONS CHARTER

The attainment of world peace has ever been the aim of civilized peoples. The recent San Francisco Conference has produced a Charter, representing the determination of fifty peace-loving nations, that war be prevented.

We, as governors, declare our belief that the people of the several States are wholeheartedly in favor of the entry of the United States into this proposed international organization for world security.

We believe that the San Francisco Charter lays a firm foundation upon which continued progress toward justice and permanent peace can be made. No more worth-while achievement could be realized by freedom-loving men and women.

We endorse the United Nations Charter, as drafted, and urge its prompt approval by the United States Senate so that the United States can lead the way in this greatest of man's efforts.

LOCATION OF UNITED NATIONS CAPITOL

Be it resolved, by the Thirty-Seventh Annual Governors' Conference, That a memorial be adopted, published, and distributed as follows:

"To the United Nations of the World and Their Interim, Preparatory, and Executive Commissions; and to the President and Congress of the United States of America; and to All Others Whom It May Concern:

"A MEMORIAL

"We the governors of the sovereign States of the United States of America do hereby represent to, and memorialize you as follows:

"That we respectfully invite and urge all of you to use your good offices to locate the headquarters and capitol site of the United Nations organization at some place within the United States of America."

Be it further resolved, That the executive secretary be instructed to address appropriate communications to the President and the Congress of the United States and to other officials of the United Nations advising of our action in this respect.

To the Committee on Military Affairs:

NATIONAL GUARD

Whereas the National Guard is a necessary and integral part of the operation of State government, and has contributed mightily to the strength of the Nation in times of emergency: Now, therefore, be it

Resolved, That the governors of the several States endorse the continuation of the national policy of maintaining a strong, effective, and well-trained National Guard within each of the several States.

PROSECUTION OF THE WAR

Whereas the United States, in close collaboration with the other United Nations, within recent months has achieved total victory over Germany and its satellites; and

Whereas there still remains Japan, a powerful and ruthless enemy bent and determined to destroy freedom and justice and all of those democratic principles for which we fight this war: Now, therefore, be it

Resolved, That the Governors' Conference urge full speed ahead to final victory in this world-wide war until imperialistic Japan, like Nazi Germany, shall capitulate in unconditional surrender; and be it further

Resolved, That all of the States again pledge all of their resources, all of their facilities, and their complete cooperation to this end.

To the Committee on Post Offices and Post Roads:

CONSTRUCTION OF HIGHWAY PROGRAM

Whereas an adequate system of highways is essential to the future progress of this country; and

Whereas highway construction has been curtailed during the war, and the highways have deteriorated; and

Whereas the Congress of the United States has enacted legislation providing for an extensive postwar public highway building program: Now, therefore, be it

Resolved, That the Congress be urged to make necessary provision to implement the aforesaid program as rapidly as manpower and critical materials necessary for highway construction are available.

HIGHWAY TRAFFIC

Whereas efficient and safe highway transportation is vital to the future of our country and of every State; and

Whereas the condition of vehicles, tires, and roadways is continuing to deteriorate due to wartime scarcities of materials and manpower; and

Whereas future removal of wartime restrictions will stimulate highway traffic to a very considerable degree, and which will present a potential increase in highway deaths, accidents, and injuries of alarming proportions; and

Whereas the expediting and safeguarding of highway traffic is primarily the responsibility of State, county, and city governments; and

Whereas the American Association of Motor Vehicle Administrators, the American Association of State Highway Officials, the International Association of Chiefs of Police, National Safety Council, and the National Education Association have joined with other organizations in forming the National Committee for Traffic Safety in order to approach the solution of these problems on a cooperative basis: Now, therefore, be it

Resolved, That the Thirty-seventh Annual Conference of Governors, meeting on Mackinac Island, does hereby voice its continued recognition of the problems involved and the serious potentialities in connection with highway traffic of the near future, and further, that the conference pledges continued and aggressive programs and official support in behalf of highway-traffic safety.

REPORT OF COMMITTEE ON COMMERCE

Mr. RADCLIFFE, from the Committee on Commerce, to which was referred the bill (H. R. 2581) to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes, reported it without amendment and submitted a report (No. 455) thereon.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of June 1945, from the chairman of the Committee on Banking and Currency in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON BANKING AND CURRENCY,
July 1, 1945.

Hon. KENNETH MCKELLAR,
President pro tempore of the Senate, Senate Office Building, Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the Senate Banking and Currency Committee who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,
ROBERT F. WAGNER,
Chairman, Banking and Currency Committee.

SENATE BANKING AND CURRENCY COMMITTEE,
July 1, 1945.

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Violet Abraham	2300 19th St. NW., Washington, D. C.	Reconstruction Finance Corporation	$2,000
Betti C. Goldwasser	305 East George Mason Rd., Falls Church, Va.	Smaller War Plants Corporation	4,600
Bertram M. Gross [1]	613 South Quincy, Arlington, Va.	Navy Department	8,000
Doris Phippen [1]	McLean Gardens, Washington, D. C.	do	2,300
Edna M. Ruben	4110 14th St. NW., Washington, D. C.	Reconstruction Finance Corporation	2,300

[1] Temporarily borrowed from Surplus Property Subcommittee (S. R. 129).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McCARRAN (by request):

S. 1243. A bill regulating the commitment of insane persons to veterans' and other United States institutions and making applicable to Federal reservations certain State laws pertaining to administration of estates of decedents, guardianship of minors and insane persons, commitment of insane persons, and for other purposes;

S. 1244. A bill to provide for a jury commission for each district court of the United States, to regulate its compensation, to prescribe its duties, and for other purposes;

S. 1245. A bill to establish uniform qualifications of jurors in the Federal courts, and for other purposes; and

S. 1246. A bill relating to the payment of fees, expenses, and costs of jurors; to the Committee on the Judiciary.

By Mr. GURNEY:

S. 1247. A bill providing for the conveyance to the State of South Dakota of the Canton Insane Asylum, located in Lincoln County, S. Dak.; to the Committee on Indian Affairs.

By Mr. FULBRIGHT:

S. 1248. A bill to establish a Bureau of Scientific Research, and for other purposes; to the Committee on Commerce.

By Mr. WILEY:

S. 1249. A bill for the relief of Anna Soucek; to the Committee on Immigration.

(Mr. MORSE introduced Senate Joint Resolution 82, which was referred to the Committee on the Judiciary, and appears under a separate heading.)

TERM OF OFFICE OF THE PRESIDENT

Mr. MORSE. Mr. President, I introduce for appropriate reference a joint resolution proposing to amend the Constitution in relation to the term of office of the President of the United States. I shall speak at some length on this resolution at a later date.

The joint resolution (S. J. Res. 82) proposing an amendment to the Constitution of the United States relating to the term of office of the President, was read twice by its title and referred to the Committee on the Judiciary.

FEDERAL AID FOR CONSTRUCTION, ETC., OF PUBLIC AIRPORTS—AMENDMENT

Mr. GURNEY submitted an amendment intended to be proposed by him to the bill (S. 2) to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT OF TRANSPORTATION ACT OF 1940—MOVEMENT OF GOVERNMENT TRAFFIC

Mr. WHEELER submitted an amendment, in the nature of a substitute, intended to be proposed by him to the bill (H. R. 694) to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic, which was referred to the Committee on Interstate Commerce, and ordered to be printed.

ELIMINATION OF RESTRICTIONS ON INTERNATIONAL NEWS

Mr. WILEY. Mr. President, I am today submitting a concurrent resolution which would express the desire of Congress for the immediate ending of censorship and of other measures now abridging international freedom of the press in many areas abroad.

This resolution would strive to eliminate immediately the gravest single menace to the peace of the world today, namely, the misinformation and the lack of information between Allied peoples. It is against this menace that I have humbly fought on many previous occasions.

This resolution would implement Senate Concurrent Resolution 53, passed by the Seventy-eighth Congress. In that resolution Congress expressed its will for the free, world-wide interchange of news by news-gathering and distributing agencies.

Since that resolution was adopted the news black-out in western Europe has lifted considerably. The end of the

European war made this possible. But some censorship still prevails there, presumably to screen military matters in connection with our Pacific operations.

The news black-out in eastern Europe remains as dark as it ever was. There, in areas occupied by or under the domination of our Russian ally, journalists of the United Nations are denied even the right of entry.

Russia has imposed so tight a news black-out there that some may regard my resolution as impractical. But it is for this very reason that I am submitting it. We are so ill-informed and misinformed about what is going on in eastern and southeastern Europe that it is absolutely essential that we begin now to get reliable information from there. We must head off any explosions in that area, and we can do so only by getting the facts.

This fact we do know: that the Balkans are a powder keg, not only because of ancient national rivalries there but because of the conflicting interests of Russia and Britain.

Mr. President, today I sat at the opening meeting of the Foreign Relations Committee and heard the presentation of the San Francisco Charter by Mr. Stettinius. A large concourse of people were present, and shortly we will have before us the United Nations Charter. The people of America and the people of the world are entitled to know what is going on in the world.

The menacing news black-out, which is not confined, by the way, to the Russian-dominated area of Europe, involves one freedom. The Charter which we all want to see made a dynamic force for peace must be built upon the "five freedoms," if you please, included in which is the freedom of the press.

Recently, three renowned United States journalists completed an epoch-making 40,000-mile trip around the world on behalf of world press freedom. Their trip was made under the sponsorship of the American Society of Newspaper Editors. It was the first time in history that such a mission was undertaken. Its purpose was to obtain a pledge in the peace treaties:

Of governments not to censor news at the source, nor to use the press as an instrument of national policy, and to permit the free flow of news in and out of signatory countries.

The three Americans reported that they found in editors of most nations a real desire for more freedom of the press than most nations have before enjoyed or permitted.

The three men received, too, many pledges from government leaders for postwar press freedom. But some of these pledges were described as "lip service."

Mr. President, mere "lip service" to this vital ideal is a betrayal of the millions of allied fighting men whose bodies lie riddled and mangled in the soil of Europe.

Mere promises of press freedom at some future mythical date will not suffice. The time for international press freedom is now, before more regrettable episodes such as the civil war in Greece occur.

We do not know what "incidents" even now are brewing. We do not know the state of mind of other peoples in the blacked-out areas. Nor do they know our state of mind in view of the fact that their correspondents here, for example, the Russian correspondents, often send out distorted dispatches. This situation does not make for peace. It does not make for understanding. It must be corrected.

The State Department has appealed in vain to the Russian Government to permit American journalists to enter and work freely in Russian-dominated areas. It is time Congress added its weight to the Government's appeal. We should be the voice of America, the voice of 135,000,000 people.

My resolution definitely states that the freedom for foreign journalists which is actually—and I emphasize the word "actually"—permitted within the area of any one United Nation will be regarded as:

First. A mark of friendship to the government and people of every other United Nation; and

Second. As a sign of true fidelity to principles of freedom agreed to in previous international gatherings.

We want freedom for the fourth estate now in fact, and not merely in promises.

I well know of the excuses that will be advanced for further censorship. Some governments will say that conditions are too unsettled and confused to permit foreign journalists to file uncensored dispatches. Others, such as the Russians, will say, as they did to the three American editors, that the American press cannot be trusted because it is a press "controlled" by private advertisers.

In answer to these excuses I say this:

First. It is because world conditions are so unsettled that we must get the truest possible picture of them in order to give our sympathetic understanding and aid; and

Second. The American press is the freest, the most responsible, the most respected press in the world. Every nation might hold up our reporting of news as a model for its own. It is the revenue from private advertising which has helped us to achieve the greatness, the independence, the integrity of our press. The American press throws a fearless spotlight into the dark recesses of foreign conniving. Our press is one of the foremost institutions making for the peace and progress of the world's peoples.

The world cannot exist half in news darkness, half in news light, any more than it can exist half-slave, half-free. We must end the black-out of information.

The purpose of my resolution is not to embarrass or irritate the Russians or any other government practicing censorship; it is simply to make known in blunt, unmistakable terms that America feels that such censorship is:

First. Contrary to all that those governments profess in the declaration of the United Nations and other international documents for freedom; and

Second. That such censorship is contrary to our mutual efforts for a better understanding and cooperation, and that therefore those governments should open up and maintain open their areas to our journalists and restrain their censors from "using the scissors" except for purposes of military security.

This is the appropriate time—with all nations watching America because of our dominance in the world picture—for the Congress of the United States to voice its emphatic conviction of the vital and immediate need for international freedom of the press.

Mr. President, I ask unanimous consent that my concurrent resolution be printed in the RECORD at this point, and be appropriately referred.

There being no objection, the concurrent resolution (S. Con. Res. 19) was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the Congress, in approving Senate Concurrent Resolution 53, Seventy-eighth Congress, has already expressed its belief in the world right of free interchange of news by news-gathering and distributing agencies;

Whereas such freedom is essential to enlightened understanding and cooperation between the peoples and governments of the United Nations;

Whereas such freedom is not now existent in many former enemy areas now occupied by the United Nations, in areas liberated by the United Nations, and in the territories of several of the United Nations themselves; and

Whereas the present abridgment of such freedom is often not required by reasons of military security: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that all areas of or occupied by the United Nations should be opened up immediately and held open continuously to journalists of the United Nations, that such journalists should be permitted to file dispatches unhampered by censorship for reasons other than those of military security and that international freedom of the press be otherwise observed, and that the fidelity with which this international freedom of the press is actually observed in any one United Nation should be regarded as a mark of friendship to the people and government of every other United Nation and as a sign of true fidelity to principles of freedom agreed to in previous international gatherings.

HOUSE BILL REFERRED

The bill (H. R. 3633) to facilitate reconversion, and for other purposes, was read twice by its title and referred to the Committee on Finance.

UNITED STATES MARITIME COMMISSION CONTRACTS

Mr. BAILEY. Mr. President, I have received two letters, which I wish to have printed in the RECORD. One is from Admiral Land, the Chairman of the United States Maritime Commission. It relates to some statements made in the Senate by the junior Senator from Vermont [Mr. AIKEN] concerning certain contracts. I notice that the Senator from Vermont is not present at the moment, but I am sure he would not object to the letter being printed in the RECORD, as it is a matter of factuality.

I also have a letter from the Pennsylvania Shipyards, Inc., on the same subject. They feel that they should be allowed to state the facts as they see them, in view of what was said on the floor of the Senate.

I send these letters to the desk and ask to have them printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES MARITIME COMMISSION,
Washington, D. C., July 3, 1945.

Hon. JOSIAH W. BAILEY,
United States Senate.

MY DEAR SENATOR BAILEY: This is in reply to your oral request for the facts in respect to Commission contracts referred to by Senator AIKEN in his remarks on the floor of the Senate on Wednesday.

Senator AIKEN introduced in the CONGRESSIONAL RECORD an agreement, dated December 31, 1944, between the Commission and Pennsylvania Shipyards, Inc. This agreement provided for a lump-sum settlement of amounts due under four contracts with this company, and was entered into in connection with the renegotiation of profits derived from the performance of these contracts. The contractor's costs and fees which it was entitled to be paid under the four contracts was the sum of $111,969,706. The contractor agreed to accept in settlement of the entire obligation of the Commission the sum of $111,213,553, and concurrently to pay back to the Government from this amount the sum of $773,553 as excessive profits. Thus, by this transaction the taxpayers were saved approximately a million and a half dollars.

Senator AIKEN indicates that the agreement was entered into for the purpose of avoiding the necessity of submitting to the Comptroller General the Commission's auditors' report of cost. Such is not the case. The Commission at all times had auditors in the shipyard of the contractor, and the calculation of the amount due under the four contracts settled was checked by such auditors, and found to be correct and in agreement with their preliminary report of costs prior to the making of the agreement. Moreover the definitive report of costs of the Commission's auditors has been received, agrees with the figures used and a copy thereof has been give nto a representative of the General Accounting Office.

This, or a similar agreement, appears to have been referred to in a recent article of Drew Pearson. Such article is highly misleading in that it implies that certain of the provisions contained in the agreements are being included in shipbuilding contracts of the Commission, which, of course, is not the case. For instance, the agreement contains a release of the contractor's guarantee liability. This was done as all the vessels had been delivered and had been found to be satisfactory. Minor defects were either corrected prior to entering into the agreement, or a deduction made therefor in the price to be paid to the contractor.

It may be noted that Senator AIKEN in referring to this agreement states that the contractor "can deliver ships which will not float or which are not fully equipped." This, of course, would not be possible, since all the ships had been delivered and not only floated, but performed in a satisfactory manner. Of course the Commission has never included a clause in a shipbuilding contract, or other executory agreement, similar to the one quoted by Senator AIKEN and Mr. Pearson. Yet, their remarks might well be construed as meaning that such clauses were included in the Commission's shipbuilding contract.

The next document referred to by Senator AIKEN is a so-called selective price form of contract. This form of contract is one whereunder the Commission agrees to pay a fixed price for the performance of the contract work, subject to certain increases or decerases which can be made by the contractor at its option. Profits under the contract are subject to recapture. If the contractor chooses to increase the price, which increase is always subject to a maximum limit, the amount of profits which he can retain is reduced. If he reduces the price, the amount of profits which he can retain is increased. In no event, however, can the contractor receive more than the maximum contract price specified even though this may not cover his costs. The contract in essence is very similar to the so-called incentive-price contract of the Navy Department, although the profit limitations contained in the Commission contracts are much more restrictive, the highest profit which the contractor may make being limited to less than 7 percent of the lowest price which he may choose.

The Comptroller General appears to believe that the particular contract with Pennsylvania Shipyards, Inc., was improper in view of the amount of work which had been performed as of the date the contract was entered into, his reason being that the contractor having performed a certain portion of the contract work did not assume the same risk as would otherwise have been assumed had the contract been entered into at an earlier date. As a matter of fact, however, a substantial amount of work had not been performed under the contract. The first of the 19 ships to be built under the contract was not delivered until April 9, 1945, and the last of such ships is not scheduled for delivery until September 25, 1945, that is approximately 9 months after the terms and conditions of the contract were agreed to, and 8 months after it was signed. It may be noted that the Comptroller General appears to confuse the launching of a vessel with delivery in the letter quoted by Mr. AIKEN. Some of the most involved work, the cost of which is extremely difficult to estimate, is performed after launching.

You will note that the Comptroller General raised certain other questions in regard to this contract. I believe that these are fully discussed in my letter dated June 26, 1945, a copy of which is attached hereto. I should like to point out specifically that there has not been an overpayment as is stated by Senator AIKEN. The contractor has been paid no more than the value of the contract work completed, based upon the contract price. It does, however, appear that there will be a large return of profits to the Commission, and in order to protect the Government's interests in these profits, payments have been reduced.

The question of whether it would have been in the best interests of the Commission to continue having the vessels built at the shipyard of Pennsylvania Shipyards, Inc., under cost-plus-a-fee contracts, rather than convert such contracts to a fixed-price basis, is, of course, one for the exercise of judgment by this Commission. It may be pointed out, however, that such conversion is in accordance with the policies advocated by most Members of Congress who have studied the questions involving Government procurement, and also by the Office of Reconversion and War Mobilization. Furthermore, the experience of the Commission in cases where contracts have been converted from a cost-plus-a-fee basis to a fixed-price basis under conditions very similar to those involved in the case of the agreements with Pennsylvania Shipyards, Inc., has shown that there has been a remarkable saving to the taxpayers due to reductions in cost. I am attaching a table showing some of the costs under cost-plus-a-fee and fixed-price contracts, which I thought you might find valuable.

Senator AIKEN states that the Commission failed to include provisions for recapture of profits in 20,000 contracts. The recapture provision referred to is that required by section 505 (b) of the Merchant Marine Act, 1936, and is similar to that provided for in the case of Navy contracts under the Vinson-Trammell Act. The provisions for recapture in the Vinson-Trammell Act were suspended for the war period and the war legislation under which the contracts referred to by Senator AIKEN were entered into by the Commission does not require the inclusion of section 505 (b) recapture provisions. It may be noted that the Comptroller General has rendered a decision to this effect. It should also be borne in mind that the contracts referred to are subject to renegotiation under the Renegotiation Act.

All of the contracts referred to by Senator AIKEN are for materials and not for the ships themselves. Although not required by law to do so, the Commission has included recapture provisions in practically all of its shipbuilding contracts. This has been in accordance with the Commission's policy to avoid, so far as possible, entering into contracts under which excessive profits may be made.

I should like to point out that the Commission has at all times exercised its best endeavors to reduce so far as possible the cost to the taxpayers of the shipbuilding program. Practically every cost-plus-a-fee type of contract entered into by the Commission was on an incentive-fee basis whereunder the contractor was penalized for high costs. Furthermore, as soon as conditions permitted, the Commission made every effort to have all contracts on a fixed-price basis, and as of the present date most of the work being performed is under contracts which are on such basis. The results of the Commission's endeavors along these lines have usually, but not always, met with success, and it is believed that if the contracts of the Commission are considered as a whole, they will compare favorably with those of other procurement agencies. In fact the Commission's shipbuilding program was carried out at a remarkably low cost to the taxpayers, when account is taken of the fact that speed of production was a paramount issue. Ton per ton, similar ships have cost less in this war than during the last war, notwithstanding the fact that average hourly earnings of labor has been twice that which prevailed during the last war. Furthermore, the cost of ships has declined during the war period, notwithstanding increases in the amount paid to labor and the loss of many skilled workers to the armed forces.

Sincerely yours,

E. S. LAND, *Chairman.*

UNITED STATES MARITIME COMMISSION,
Washington, D. C., June 26, 1945.

Hon. LINDSAY C. WARREN,
Comptroller General of the United States.

MY DEAR MR. WARREN: This will acknowledge your letter of June 7, 1945, relative to certain contracts between the Commission and Pennsylvania Shipyards, Inc.

The conversion of the two cost-plus-a-fixed-fee type contracts to the so-called selective-price type of fixed-price contract was made at a time when very little work had been performed under one of such contracts, and a substantial portion of the work remained to be performed on the other of such contracts. In this connection, it may be pointed out that the contractor agreed to enter into this type of contract prior to the date of the Commission's action of January 2, 1945, that is the date as of which the contract was executed.

The selective-price type of contract is one under which there is a fixed price for the performance of all the work called for, sub-

ject to certain adjustments, including that which the contractor may make by reducing the "unadjusted vessel price" referred to therein. When the contract was executed, by virtue of the fact that the keels of certain of the vessels had been previously laid, the contractor was precluded from making all the adjustments which might have been made had the contract been entered into prior to the laying of the keel of any vessel.

Furthermore, in view of the fact that only a minor portion of the total work to be performed under the contract had been completed, it would appear that the contractor assumed practically the same risks as it would have assumed had the contract been entered into at an earlier date.

The value of Commission-furnished material stated in article 4 of the contract was the amount used in determining the contract price and is approximately, but not exactly, equal to the actual cost of such material by the Commission. Instructions have been issued to the effect that a check shall be made to determine, in all cases where the Commission is furnishing materials under fixed-price contracts, that no more materials than those specified in the exhibit attached to the contract shall be furnished the shipyard, except in certain specified cases such as where changes have been made in plans and specifications, or working plans, with the approval of the Commission. Every effort will be made to preclude the furnishing to the contractor of materials in excess of those required to be furnished under the terms of the contract or the diversion of the contractor of any surplus material furnished by the Commission to other work without the payment to the Commission of compensation therefor.

The Legal Division of the Commission does not concur in the opinion expressed in your letter to the effect that the profits to be derived under the contract could not "be determined with reasonable certainty when the contract price was established" for the purposes of section 403 of the Sixth Supplemental Defense Appropriation Act, 1942, as amended. It is, of course, true, as pointed out in your letter, that the exact dollar amount of profits which the contractor might derive under the contract was not known at the time the contract was entered into. However, it was known that the contractor under no conditions could derive an amount of profit in excess of 6 percent of the lowest contract price which might result as a result of decreases in the "unadjusted vessel price." So far as I have been able to ascertain in the renegotiation of fixed-price shipbuilding contracts by both the Navy Department and this Commission, 6 percent of the adjusted selling price has not in any instance been considered to be excessive. Therefore, it could be determined with reasonable certainty at the time the contract was entered into that the maximum profit which the contractor might derive thereunder would not result in any excessive profits within the meaning of section 403 of the Sixth Supplemental Defense Appropriation Act.

A further consideration for my decision to exempt the contract from the provisions of the Renegotiation Act is found in subparagraph (4) (A) of subsection (a) of said section 403, as amended, which provides that in renegotiation account shall be taken of the costs incurred by the contractor and the efficiency of the contractor. The selective-price form of contract in effect automatically adjusts the profit which the contractor is entitled to retain in accordance with the principles set forth in such subparagraph.

In connection with the exemption of the contract from the provisions of the Renegotiation Act, attention is called to the provisions of subparagraph (4) (C) of subsection (i) of said section 403. If the opinion to the effect that the Commission may exempt profits derived under the contract from renegotiation under the provisions of subparagraph (4) (B) is incorrect, it would appear that the exemption may be granted under the provisions of subparagraph (4) (C).

The payments under the contract appear to have been made in accordance with the terms and conditions thereof. It is realized, however, that in view of the apparent reductions in cost which are being effected by the contractor, some adjustment of the basis for progress payments is desirable and arrangements are being made with the contractor to withhold further payments until the payments made approximate the cost of the work performed plus the maximum profit which the contractor is entitled to retain.

Sincerely yours,

E. S. LAND, *Chairman.*

Table comparing costs and profits under cost-plus-a-fee contracts with those under fixed-price contracts in all shipyards constructing vessels for the Commission under the latter type of contract, which are identical in design to those constructed under the former type of contract

Shipbuilder and type vessel	Contract type	MC hull No. —	Contractor's cost	Commission material	Profit	Total	Difference	Number of vessels to be completed
Alabama Drydock & Shipbuilding Co., T2-SE-A1	Cost plus	2060	$1,621,000	$1,465,000	$40,000	$3,126,000		
Do	Lump sum	2615	1,504,000	1,300,000		[1] 2,800,000	$326,000	12
California Shipbuilding Corp., VC-2S-AP2	Cost plus	V82	1,280,000	1,175,000	100,000	2,555,000		
Do	Selective price	V793	990,000	1,175,000	124,000	2,289,000	266,000	40
Froemming Bros., Inc., C1-M-AV1	Cost plus	2144	1,087,000	802,000	20,000	1,909,000		
Do	Selective price	2150	1,027,000	802,000	100,000	1,929,000	−20,000	5
Globe Shipbuilding Co., C1-M-AV1	Cost plus	2155	[2] 1,065,000	773,000	66,000	1,904,000		
Do	Selective price	2505	790,000	773,000	100,000	1,663,000	241,000	3
Leathem D. Smith Shipbuilding Co., C1-M-AV1	Cost plus	2166	1,121,000	802,000	20,000	1,943,000		
Do	Selective price	2172	902,000	802,000	25,000	1,729,000	214,000	3
Kaiser Cargo, Inc., C1-M-AV1	Cost plus	2112	1,144,000	802,000	20,000	1,966,000		
Do	Selective price	2380	980,000	802,000	25,000	1,807,000	159,000	6
Marinship Corp., T2-SE-A1	Cost plus	2096	1,206,000	1,465,000	100,000	2,771,000		
Do	Lump sum	2540	1,064,000	1,300,000	200,000	2,564,000	207,000	10
Oregon Shipbuilding Co., VC2-S-AP3	Cost plus	V164	1,078,000	1,311,000	100,000	2,489,000		
Do	Selective price	V688	1,040,000	1,311,000	135,000	2,486,000	3,000	39
Permanente Metals Corp., VC2-S-AP2	Cost plus	V734	1,048,000	1,175,000	100,000	2,323,000		
Do	Selective price	766	921,000	1,175,000	152,000	2,248,000	75,000	16
Kaiser Co., Inc. (Swan Island), T2-SE-A1	Cost plus	2408	1,177,000	1,465,000	100,000	2,742,000		
Do	Lump sum	2423	1,115,000	1,300,000	245,000	2,660,000	82,000	19
North Carolina Shipbuilding Co., C2-S-AJ1	Cost plus	1377	967,000	1,235,000	90,000	2,292,000		
Do	Selective price	2599	[3] 2,040,000		160,000	2,200,000	92,000	39

[1] Contract price.
[2] Average cost 8 vessels.
[3] Includes all material.

Total estimated savings $25,304,000.

NOTES ON OTHER CONTRACTS MADE ON FIXED-PRICE BASIS WITH SHIPYARDS FORMERLY PERFORMING WORK FOR THE COMMISSION ON COST-PLUS-A-FEE BASIS

The Commission has recently entered into a number of fixed-price contracts with shipyards previously performing work on a cost-plus-a-fee basis which are not included in the above table, either due to the fact that the type of vessel being constructed is different from that which the yard constructed under the cost-plus-a-fee contract or because no return costs are available under the fixed-price contract. A summary of these contracts is as follows:

(*a*) Two contracts with Kaiser Co., Inc., one of which covers the construction of 5, and the other of which covers the construction of 25 design C4 vessels. The contract price under the first of these contracts is $8,538,000 per vessel, and under the second is $8,000,000 per vessel. The costs and fees earned by the contractor under its cost-plus-a-fee contract for C4 vessels was approximately $10,100,000 per vessel. However, there were many design changes in the course of construction which caused delay in the cost-plus-a-fee work.

(*b*) Contract with Sun Shipbuilding & Dry Dock Co. for the construction of design T2 tankers at a fixed-price of $2,700,000 per tanker. The first 82 tankers constructed by this company on the cost-plus-a-fee basis cost an average of $2,830,000 per tanker. Return costs are not available on later vessels constructed under cost-plus-a-fee contracts, nor on the vessels being constructed under the fixed-price contract.

(*c*) Two contracts, each covering the construction of 12 design ZEC2-S-C5 vessels, one of which is with J. A. Jones Construction Co. and the other with New England Shipbuilding Corp. This vessel is a vessel of new design, and therefore comparison cannot be made with costs incurred under previous contracts.

(*d*) Contracts with Southeastern Shipbuilding Corp. and J. A. Jones Construction Co. for the construction of C1-M-AV1 vessels. These companies have never constructed vessels of this design on a cost-plus-a-fee basis.

(*e*) A contract with Consolidated Steel Corp., Ltd., for the construction of design C2-S-E1 vessels and R2-S-BV1 vessels. This company has never constructed vessels of this design on a cost-plus-a-fee basis.

PENNSYLVANIA SHIPYARDS, INC.,
Beaumont, Tex., July 5, 1945.

HON. JOSIAH W. BAILEY,
Chairman, Commerce Committee,
United States Senate, Washington.

DEAR SENATOR BAILEY: The CONGRESSIONAL RECORD of June 27, 1945, page 6798, sets forth a certain contract between the United States Maritime Commission and the Pennsylvania Shipyards, Inc., of Beaumont, Tex., and refers to others between the same parties.

In order that there may be no misunderstanding of the company's position under these contracts, the following is respectfully submitted for your consideration:

Emphasis is placed on article III of the contract of January 31, 1944, which reads as follows:

"The contractor shall have no obligation to make any statements or returns of costs to the Commission or to make available to the Commission any of its books, records, or

accounts pertaining to the performance of work under the vessel contracts."

This contract is in the nature of a settlement contract for work which had already been performed. All the ships covered by the contract had been delivered before its execution. All books and records of the company relating to the work covered by this contract had been subjected to a continuing audit by a corps of Maritime Commission auditors who, with changes in personnel from time to time, had been in the yard since the inception of the work. Not only did these auditors review the books and records of the company pertaining to this work, to which they had access at all times, but they were also familiar with the operations of the company, and had access to the work during its progress from inception to completion. The company's books now, as in the past, are available for inspection and audit by any authorized Government agency.

Emphasis is also placed on part of article II of the same contract which reads as follows (from the same CONGRESSIONAL RECORD, p. 6799):

"ART. II. The contractor shall have no further or other obligations under the vessel contracts or on account of the performance of work thereunder, including any obligation to repair, remedy, replace, or make good any defects, break-down, or deterioration occurring in any vessel delivered under the vessel contracts."

Again, it is pointed out that the contract referred to is a settlement contract for work previously performed. It is not an executory contract for ship construction. The contracts for ship construction of which the foregoing is in settlement, contained guaranties of material and workmanship for a period of 6 months following delivery, after which the ships were surveyed by a board appointed for this purpose. The responsibility of the company was thereby fixed for any deficiencies for which it was liable under the original construction contracts. These deficiencies were small, I am glad to say, and all were paid for by the contractor at prices fixed by the Commission, and such prices were deducted from amounts due the company. The cost or repairing deficiencies in the few ships which had not been surveyed at the time of settlement was estimated, and the sum thereof was likewise deducted from the amount due the company. All ships covered by the foregoing contracts had therefore been delivered, and the deficiencies, if any, have been paid for by the company.

It is stated that an overpayment of $6,172,618 has been made on a contract of $35,900,000 (from the same CONGRESSIONAL RECORD, p. 6799). The contract referred to is a current ship-construction contract and is separate and apart from the settlement contract referred to above. Payment under this contract has only been made in accordance with the terms thereof, and does not constitute overpayment. Payment is based on a percentage-of-completion method commonly used in fixed-sum contracts, nevertheless the company is agreeable to a change in method of payment, if such is desired by the Commission.

In cooperation with the Maritime Commission in placing all its work on a fixed-price basis, the company entered into fixed-price contracts, replacing cost-plus-fee contracts, and thereby assumed risk of loss which is incident to fixed-price contracts. Because of low overhead and other economies, which must be realized to assure successful operations under this type of contract, the company has made large savings which it is required to return to the Government.

It is true that the Pennsylvania Shipyards is owned by the American Republics Corp. (same CONGRESSIONAL RECORD, p. 6798), which was organized in 1916 and has been active ever since. The Fidelity Trust Co., referred to on the same page of the CONGRESSIONAL RECORD, is a small concern chartered under the banking laws of Texas and handles a few estates. It is not engaged in the general banking or investment business, nor do its directors interlock with those of the Pennsylvania Shipyards. Its attorneys and auditors have handled the legal affairs and have audited the books of the company on a cost basis since the organization of the shipyards in 1922; otherwise, it has no connection with the shipyards.

If an investigation is desired, I assure the committee that our books and records and our performance of war contracts are open to investigation by any authorized Government agency.

All our assets were made available for Government work. The amount of facilities loaned by the Government was relatively low. Our ships were reasonable in cost, delivered on schedule, and were of high excellence. It is believed that the Commission, the Navy, and the operators will verify this statement.

Respectfully yours,

L. B. COPPINGER,
President, Pennsylvania Shipyards Co.

AMERICAN-RUSSIAN RELATIONS—ADDRESSES BY SENATOR MORSE AND BRUCE BLIVEN

[Mr. MORSE asked and obtained leave to have printed in the RECORD two radio addresses on the subject The Next Steps in American-Russian Relations, one by himself and the other by Bruce Bliven, editor of the New Republic, which appear in the Appendix.]

THE UNITED NATIONS CHARTER—ADDRESS BY HENRY H. TURNER

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an address on the United Nations Charter, delivered by Henry H. Turner at a meeting of the Atlanta Women's Republican Study Club, on June 12, 1945, which appears in the Appendix.]

THE UNITED NATIONS CHARTER—EDITORIAL FROM THE WASHINGTON POST

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial from the Washington Post, relating to the United Nations Charter, which appears in the Appendix.]

COMPULSORY PEACETIME MILITARY TRAINING—STATEMENT BY NORMAN THOMAS

[Mr. LANGER asked and obtained leave to have printed in the RECORD a statement regarding compulsory peacetime military training, by Norman Thomas, president of the Postwar World Council, before the Select Committee of the House of Representatives on Postwar Military Policy, which appears in the Appendix.]

AMERICANISM—ARTICLE BY LT. COL. JAMES M. HANLEY

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article on Americanism by Lt. Col. James M. Hanley and an editorial entitled "In Defense of Mr. Pierce," both from the Bismarck (N. Dak.) Tribune of July 5, 1945, which appear in the Appendix.]

ORDER DISPENSING WITH CALL OF THE CALENDAR

The PRESIDENT pro tempore. Morning business is concluded. The calendar, under rule VIII, is in order.

Mr. BARKLEY. I ask unanimous consent that the call of the calendar be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

HEARINGS ON UNITED NATIONS CHARTER

Mr. CONNALLY. Mr. President, I desire to advise all Senators that the Committee on Foreign Relations began hearings this morning in the caucus room on the Charter of the United Nations for peace and security, and we were honored by the presence of a number of Senators. We should be very glad to have all Senators attend who can do so. We will resume the hearings again at 2 o'clock this afternoon.

In this connection I desire to say that the Committee on Foreign Relations has made special arrangements whereby every morning each Senator will have a copy of the hearings of the day before. Heretofore the printing has always been delayed, so that it was a week or 10 days, perhaps, after the hearings began before the committee could secure copies. We have gone to unusual pains to see that every morning each Senator shall have a copy in his office of what transpired the day before so that he can keep currently advised.

MATTHEW MATTAS

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H. R. 1031) for the relief of Matthew Mattas, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. ELLENDER. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ELLENDER, Mr. O'DANIEL, and Mr. MORSE conferees on the part of the Senate.

CLIFTON R. WEIR

The PRESIDENT pro tempore laid befor the Senate the amendment of the House of Representatives to the bill (S. 672) for the relief of the legal guardian of Clifton R. Weir, which was, on page 1, line 6, to strike out "$1,500" and insert "$1,000."

Mr. RUSSELL. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

FREE HIGHWAY BRIDGE ACROSS MISSOURI RIVER

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 233) granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River, which was, on page 2, line 2, after the word "act" to insert a colon and the following proviso:

Provided, That this act shall be null and void unless actual construction of the bridge herein referred to be commenced within 2 years and completed within 4 years from the date of approval hereof.

Mr. BAILEY. Mr. President, I move that the Senate concur in the amendment of the House. I may state, briefly, that Senate bill 233 grants the consent of Congress to the State of North Da-

kota to construct, maintain, and operate a free highway bridge across the Missouri River. The House amendment provides that the act shall be null and void unless actual construction of the bridge be commenced within 2 years and completed within 4 years. It is the usual type of amendment.

Mr. LANGER. Mr. President, I wish to compliment the distinguished Senator from North Carolina in reporting so promptly this bill, and one about which he will presently make a motion, relating to the State of Montana. The people of North Dakota need the bridge over the Missouri very badly, and I know the people of Montana need the bridge provided for in the other bill. The Senator certainly did good work in getting the bills out so quickly.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to.

FREE HIGHWAY BRIDGE ACROSS YELLOWSTONE RIVER NEAR FAIRVIEW, MONT.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 234) authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont., which was, on page 2, line 2, after the word "act", to insert a colon and the following proviso:

Provided, That this act shall be null and void unless actual construction of the bridge herein referred to be commenced within 2 years and completed within 4 years from the date of approval hereof.

Mr. BAILEY. Mr. President, this bill is similar to the one on which the Senate has just taken action. The same amendment was made in the House, that the act shall be null and void unless the bridge referred to be commenced within 2 years and completed within 4 years. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

LEGISLATIVE PROGRAM

Mr. McCARRAN. Mr. President, on Friday last I gave notice that today I would move that the Senate proceed to consider Senate bill 2. Since that time I have had opportunity to confer with the majority leader, and I am advised that certain understandings, or partial understandings were entered into by the majority leader and the chairman of the Committee on Foreign Relations with reference to the hearings on the San Francisco Charter, whereby an opportunity might be given to all Senators to attend the hearings which are now being conducted in the caucus room of the Senate Office Building.

It is not my desire to interfere with any direct agreements or tentative understandings along that line. Senate bill 2 will probably involve some controversies. I do not think they are serious, but there will be some. The measure is very important. It is one which was called for by President Roosevelt during his lifetime. The States and municipalities throughout the country are interested in the passage of a bill of this kind.

Mr. President, I do not want to present that bill for consideration at a time when there is not a very substantial attendance in the Senate. I would rather have it taken up at a time when Senators were not attending to outside matters quite so much as now, and, naturally, the San Francisco Charter, now under hearing, does attract Members of the Senate and the public generally as well.

For that reason I now withdraw the notice which I gave on last Friday, and I respectfully give notice that I am trying to arrange with the leadership of the majority and the minority that I may, if possible, get the bill before the Senate for consideration before either the Bretton Woods agreements or the San Francisco Charter are considered. I am trying to make that arrangement because I think it would be better to take up the bill, if possible, before those long, controversial matters are taken up for consideration.

Mr. BARKLEY. Mr. President, I appreciate the Senator's courtesy and consideration in withholding his motion today for the reasons which he has explained. I might say that in attempting in his absence last week to arrange a program, in view of the importance of the San Francisco Charter, and also the Bretton Woods agreements bill, which had been reported from the Committee on Banking and Currency, I had at first thought that we might take up the Bretton Woods agreements this week and dispose of that matter before the treaty came to the floor of the Senate. On second consideration, and upon the determination of the Committee on Foreign Relations to hold hearings mornings and afternoons of this week in order to conclude them as rapidly as possible, and in view of the desire of members of the Committee on Foreign Relations and other Senators to be in attendance in the Senate when the Bretton Woods matter is taken up, I announced that I would not attempt to have the Bretton Woods agreements taken up this week.

It now appears possible that the hearings on the San Francisco Charter may conclude before the end of the week. I do not guarantee that, but it looks possible, and in that event it may be that the committee will desire to take it up before the Bretton Woods agreements are considered. I will say frankly that if by next Monday the treaty is ready to be taken up on the floor of the Senate I would certainly not desire to interfere with that program, because I think it is of primary importance, though I have felt that it would be better to dispose of the Bretton Woods matter first on the theory that when the Charter is out of the way many Senators may desire to leave, and we might not have a full attendance in the Senate.

I am not able now to say which will be taken up first, but I shall be glad to talk with the Senator from Nevada and the chairman of the Commitee on Foreign Relations with a view of arriving at an understanding as to a time when the motion of the Senator from Nevada will be more appropriate than today, and I want to thank the Senator from Nevada for his consideration.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McFARLAND. I do not want to make a statement now, but at the time the Senator from Nevada makes his motion I shall have a statement to make with regard to the matter.

Mr. BARKLEY. Yes. We might as well agree, I suppose, that the bill to which the Senator from Nevada has referred is controversial; that there will be controversy over it.

Mr. McCARRAN. I may say that what the Senator from Arizona has in mind does not address itself to this bill at all. What he has in mind is a jurisdictional matter, and addresses itself to other bills. He has allowed that jurisdictional question to sleep for months and months, and Senators do not move to settle it.

Mr. BARKLEY. I was not able to read the mind of the Senator from Arizona so as to know what was in his mind when he spoke, so I could not speak about that.

Mr. McCARRAN. I am in a little different situation in that regard.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McFARLAND. I must take exception to the statement made by the Senator from Nevada. I am glad to know that the Senator from Nevada is a mind reader. I have a very high regard for him and for his ability in most respects, but in regard to this matter I cannot say that he is entirely correct.

Mr. BARKLEY. I am sure the Senator from Arizona will join with me in hoping that the Senator from Nevada cannot always read our minds on all subjects.

Mr. McFARLAND. That is correct. I would not want the Senator from Nevada to read my mind on everything, perhaps not even on the subject under discussion, as to which he is not entirely correct in his statement.

The Senator from Nevada said we had allowed this matter to sleep. That is not correct, Mr. President. The matter has slept only because the distinguished Senator from North Carolina [Mr. BAILEY] has allowed it to sleep. I went to the Senator from North Carolina several times and told him I wanted to have this question taken up for consideration, but either the Senator from Nevada was out of town or some other members of the committee were out of town and it could not be brought up. We did not want to take advantage of them, and we do not want to be placed in the position or put the Senate in the position of two committees holding hearings on the same subject at the same time. We respect the motion which the Senator from North Carolina had made.

Mr. President, the jurisdictional question is an important one and should be disposed of before Senate bill 2 is considered. But that question has nothing to do with the bill of the Senator from Nevada, except that I think the hearings

are not complete. We will go into that subject when the Senator makes his motion. I do not want to become involved in a controversial discussion of the matter this morning because I realize that the object in postponing the motion to take up the bill was to avoid such controversial discussion. But I cannot leave the statement of my good friend the Senator from Nevada unchallenged—either that we have slept or that he can entirely read my mind.

Mr. BARKLEY. Mr. President, I merely wish to say that if it has been asleep it has been doing a good deal of walking in its sleep around here for the last several months. [Laughter.]

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. I should like to ask the distinguished majority leader a question, in view of the statement made by the senior Senator from New York [Mr. WAGNER] when he served notice that he would move that the Bretton Woods matter be made the special order of business on Monday next. Are we to understand now that if the hearings on the San Francisco Charter are concluded prior to next Monday the Charter will have the right-of-way, or are we to understand that the Bretton Woods matter will be taken up before that?

Mr. BARKLEY. Mr. President, I was not aware that the senior Senator from New York had served notice that he would ask to have the Bretton Woods matter taken up.

Mr. WHERRY. Yes; on the 16th of July.

Mr. BARKLEY. I have been away from town since before the 4th of July and just came back this morning, so I have not had an opportunity to confer about the matter. I am not in a position to make a dogmatic announcement about it now. It will depend a good deal on what happens this week. I would rather leave things in their present posture because I cannot state for certain which one will come up first.

Mr. BAILEY. Mr. President, I wish to respond to the rather general accusation made by my honored friend the Senator from Arizona [Mr. MCFARLAND], who just now accused the Senator from Nevada [Mr. MCCARRAN] of mind reading and then proceeded to accuse me of administering narcotics. I do not know that all this is so very serious, but I think a statement is in order.

Mr. President, I did make a motion in the Senate respecting a jurisdictional matter, I think some time in February, and we promptly proceeded to argue it, as the Senator from Montana [Mr. WHEELER] will testify, but we could not complete the argument within the morning hour, as the rule requires, and the matter went over. Thereafter the Senate recessed from day to day and the matter could not come up again unless there should be an adjournment. I think Senators are familiar with the rule. There were other matters which I could have pressed in an effort to have the Senate adjourn in order to bring the resolution up. But at one time I was absent. At another time the Senator from Montana [Mr. WHEELER] was absent. I believe he was absent on two occasions. I think he went to Montana on one occasion, and it was said that he tried to get to Moscow on the other, but I do not think he got that far. Then the Senator from Arizona was absent. I do not know whether he reached Moscow or not, but he certainly came back in a frame of mind to accuse his brethren of rather innocent things, such as mind reading. [Laughter.]

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. McFARLAND. I did not start this mind-reading business. The Senator from Nevada started it. I do not claim to be a mind reader. All I was doing was relating our conversation.

Mr. BAILEY. I believe it to be true that the Senator from Nevada acoused the Senator from Arizona of undertaking to read minds.

However, I am perfectly willing to plead guilty for not having brought this matter up. I merely wish to say a few words in extenuation. I should be glad to have the question settled, but it has not been convenient. It is a rather important question. I have been present practically all the time. On one occasion I went home because of a death in my family. I think I can be excused for that. I may have remained away a little longer than is usual under such circumstances, but I have no apologies to offer.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. McFARLAND. I was not blaming the Senator. I do not wish to be put in the position of blaming the Senator from North Carolina. I was merely explaining that we have not been guilty of laches. From time to time there were circumstances which caused this matter to be postponed. I am not blaming anyone; but I do not wish to be accused of laches.

Mr. BAILEY. If my friend is not guilty of laches, then I am not guilty of lullabies, or putting bills or resolutions to sleep. I have been present practically all the time this year, and I bear witness that for the past 3 or 4 months it has been very difficult to have 60 Senators present in the Chamber for longer than 30 minutes on any day. I am not accusing any Senator of absenteeism, either. I believe that every Senator who has been absent has had some good excuse.

I am perfectly willing to agree on a time when the Senate is willing to hear us and settle the question. I believe that the Senator from Montana is of the same mind. But what have we before us this week? We have already been notified that there will be no important business transacted this week. I should like to go home this week. It is the only opportunity I shall have for some time to go home. I have some very good reasons for wishing to go home, and I intend to ask unanimous consent to leave the city to attend to some personal business in my home town. I think the Senate will grant my request. I have already spoken to the majority leader about it.

Next week I suppose we shall have before us one treaty or another. So far as I am concerned, I am perfectly willing to settle the question at issue, but it has not been convenient to bring it up. I would not have brought it up in the absence of the Senator from Montana, as he well knows.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. WHEELER. What the Senator from North Carolina has said is entirely accurate. We have talked about trying to agree upon a time, but the Senator had to leave the city, and I was out of the city for some time. We have simply been unable to get together.

Mr. BAILEY. Mr. President, the Senator greatly relieves me. I suggest that the Senator from Arizona amend his statement by saying that the Senator from Montana and the Senator from North Carolina were both guilty of putting the question to sleep, insofar as it was put to sleep.

Mr. McFARLAND. I am perfectly willing to amend my statement.

Mr. BAILEY. I think we are all agreed, and that no harm has been done.

Mr. BARKLEY. Mr. President, in view of the general situation, I think it might be advisable for me to say that my statement of last week was made before I had any information from the Senator from Nevada, through his secretary, that on his return he desired to move to take up a certain bill.

In view of the fact that this week the Committee on Foreign Relations will be busy with hearings, morning and afternoon, and the general statement which I made in answer to personal inquiries—that we would not take up the Bretton Woods matter or any other important matters this week—I think I might as well say that, barring some contingencies or emergencies which I do not now foresee, no important legislation will be considered this week. There is an appropriation bill still floating around over the Capitol dome. There is one bill in one House and one in another. I do not know just what will happen in that connection. I am not in a position to make a statement, but it is obvious that nothing will be done before Thursday. For that reason, it is my purpose, when we complete today's business, to move that the Senate adjourn until Thursday.

The PRESIDENT pro tempore. The Chair suggests that there are a few executive nominations which should be laid before the Senate.

Mr. BARKLEY. It is not my purpose to move for an adjournment at this moment. I expect to do so when we finish the day's business.

The PRESIDENT pro tempore. Very well.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the Presi-

dent of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BAILEY, from the Committee on Commerce:

Emerson E. Jones, to be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from July 11, 1945.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

CONVENTION WITH GREAT BRITAIN AND NORTHERN IRELAND WITH RESPECT TO TAXES ON INCOME

The PRESIDENT pro tempore. The first business on the Executive Calendar is Executive D (79th Cong., 1st sess.), a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on April 16, 1945.

Mr. REVERCOMB. Mr. President, is it the intention of the leader to take up at this time the treaties on the Executive Calendar?

Mr. BARKLEY. Mr. President, the treaties on the Executive Calendar were reported by the Committee on Foreign Relations, I believe without opposition, after exhaustive hearings before a subcommittee. They have been pending for some time, and it is important to dispose of them. It had been my hope that we might do so at this time.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. I merely wish to supplement what the Senator from Kentucky has said about these treaties. Of course, they deal with a very technical matter. They were referred to a subcommittee of the Committee on Foreign Relations, of which subcommittee I believe the Senator from Illinois [Mr. LUCAS] was chairman.

Mr. BARKLEY. I was made chairman by the chairman of the full committee, but I was unable to serve, and the Senator from Illinois acted in my stead, as chairman of the subcommittee. Hearings were held, and a report was made to the full committee.

Mr. WHITE. As the Senator from Kentucky has said, hearings were held. The subcommittee heard witnesses from the Treasury and witnesses from outside the Government. Mr. Stam, the chief of staff of the Joint Committee on Internal Revenue Taxation, also appeared as a witness. I believe it was the unanimous judgment of the subcommittee that the treaties ought to be ratified. A report was made by the full committee, and I believe the full committee unanimously reported the treaties to the Senate.

Mr. REVERCOMB. Mr. President, the only point I make is that we are dealing with treaties on the question of taxation, relating both to income taxes and inheritance taxes. I take it that the treaties must be ratified, in the usual course, by a vote of two-thirds of the Senators present and voting.

I feel that at least we ought to have some time to understand the nature of these treaties. While they deal, the Senator says, with the subject of taxation as between Great Britain and this country, I would prefer to see action on the treaties deferred to some day when we may give proper study to these questions. I hope the leader will not insist on having the treaties taken up at this time.

Mr. BARKLEY. Mr. President, I shall not insist on having them taken up at this time, but I hope when we have another executive session we may dispose of the two treaties.

Mr. REVERCOMB. I thank the Senator.

The PRESIDENT pro tempore. Without objection, the treaties will go over.

The clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read the sundry nominations of postmasters.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc; and without objection, the President will be notified forthwith of the confirmations.

That completes the calendar.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 195) to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 24. An act for the relief of the Truckee-Carson irrigation district;

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 311. An act for the relief of Philip Kleinman;

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said commission; and authorizing said commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609);

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 660. To transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodlun;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Fort Hueneme, Calif., on December 22, 1944;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property lost or damaged in a fire at naval base 2, Rosneath, Scotland, on October 22, 1944;

S. 824. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E-172, at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945;

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; and

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

POSTWAR IMPORTS AND DOMESTIC PRODUCTION OF MAJOR COMMODITIES—PRINTING OF ADDITIONAL COPIES OF SENATE DOCUMENT NO. 38

Mr. GEORGE. Mr. President, I send forward a resolution and ask unanimous consent for its present consideration. Actually, the resolution would go to the Committee on Printing. I do not see the chairman of that committee, the Senator from Arizona [Mr. HAYDEN], present. However, I am advised that he probably would not object to it, because the resolution calls for the printing of some 300 copies of an important document, and the type is now set up, and if we do not now take advantage of the opportunity to have additional copies printed, the printing of such copies at a later time will involve considerable additional expense.

Mr. WHITE. Mr. President, I wish to make objection merely in order to have an opportunity to find out precisely what the resolution is. Is it on the calendar?

Mr. GEORGE. No; but it explains itself. It relates to certain information furnished by the Tariff Commission relative to the resolution originally offered by the Senator's colleague, the junior Senator from Maine [Mr. BREWSTER], as the Senator will recall.

Mr. WHITE. Mr. President, I have no objection, in view of the fact that the recommendation of my colleague is ample justification.

The PRESIDENT pro tempore. The resolution will be read, for the information of the Senate.

The resolution was read, as follows:

Resolved, That 300 additional copies of Senate Document No. 38, current session, a

report of the United States Tariff Commission in response to Senate Resolution 341 (78th Cong.) entitled "Postwar Imports and Domestic Production of Major Commodities," be printed for the use of the Committee on Finance.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Res. 154) was considered and agreed to.

MARKETING OF FIRE-CURED AND DARK AIR-CURED TOBACCO

Mr. BARKLEY. Mr. President, there is on the calendar House Joint Resolution 98, Calendar No. 453, dealing with the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act. The resolution was reported a few days ago by the Committee on Agriculture and Forestry. It is an important measure for the tobacco growers of the region where what is known as dark-fired or air-cured tobacco is produced. That is a type of tobacco which is different from burley tobacco and different from flue-cured tobacco.

The joint resolution would authorize the tobacco growers in those regions to vote as to whether they desire to have a quota placed upon the production of the tobacco. At the present time they have no quota and they desire to vote on that question.

All the tobacco growers or their representatives met in Washington and agreed on the program. The joint resolution would provide an amendment to the law which would authorize them to vote on the question of having a quota for dark-fired tobacco.

Also there is an amendment with reference to the Commodity Credit Corporation loan funds. The crop is now in the field, and it is necessary that the tobacco growers vote, if possible, so as to determine whether there will be quotas. I should like to ask unanimous consent that the Senate proceed to the consideration of the joint resolution.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. As I understand, the joint resolution relates only to tobacco and tobacco growers' problems; is that true?

Mr. BARKLEY. That is true.

Mr. VANDENBERG. Mr. President, let me inquire whether there is any surplus of this particular type of tobacco.

Mr. BARKLEY. No. This particular type of tobacco, which is dark-fired tobacco, used in the making of chewing and smoking tobacco—it does not go into the making of cigarettes at all, and up to the war 85 percent of the market for this tobacco was abroad—was largely an export crop. There are two farmers' organizations, one of which is in east Tennessee. Those two organizations represent the growers in the dark-fired tobacco region. That region affects very largely Tennessee and Kentucky. It affects small portions of air-cured tobacco grown in Virginia. There was a surplus of that tobacco over a period of 3 or 4 years, due to the fact that, for reasons which I have explained in regard to the war, the foreign market was destroyed. It is desirable that if there should be a threat of a surplus during the postwar period, the farmers who produce this crop could vote on the imposition of a quota, because the crop is one of the basic crops under the Agricultural Adjustment Act.

During this period the associations have been able to dispose of most of the hang-over crop which existed 3 or 4 years ago. So I cannot now say that there is an excessive surplus of this crop available for the market.

Mr. VANDENBERG. Who decides whether there is a surplus which would be cause for the application of the subsidy?

Mr. BARKLEY. It is not a subsidy. The joint resolution in the main would permit the farmers to vote on whether they will limit production by acreage. They would vote that upon themselves, and it would have to be carried by a three-fourths vote. Seventy-five percent of all the producers would have to vote to impose this quota upon themselves; otherwise it would not be imposed.

So far as the quota is concerned, it is a self-operating machinery, the same as applies to cotton, wheat, rice, and peanuts. It is not a question of a subsidy. It involves the question of allowing the farmers to vote regarding the imposition of a quota upon themselves, and by way of an amendment it provides the basis for the Commodity Credit Corporation to make loans on this type of tobacco.

I may say the Corporation has made them heretofore and has never lost a penny on such loans.

Mr. WHEELER. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. WHEELER. What the joint resolution really would do would be to change the formula under which the Commodity Credit Corporation has operated with respect to all other commodities. In other words, the Corporation loans up to a certain percentage of the parity price of the crop. The price of this particular crop, like that of a great many other farm crops, is way above parity at the present time.

The farm organizations are asking that the Commodity Credit Corporation, instead of loaning 90 percent of the parity price, loan 90 percent of the increased price for which the crop is selling today. In other words, if it is selling for 34 cents and if the parity price was 24 cents they are asking that a change be made for this particular commodity, so that the Corporation may loan up to the higher price rather than the parity price.

Mr. BARKLEY. Mr. President, the Senator is mistaken about that.

Mr. WHEELER. Let me say that statement was made before the Committee on Agriculture and Forestry.

Mr. BARKLEY. I think I can set the Senator aright on that point. The law fixing the loan value of this tobacco is based upon the parity price. The Commodity Credit Corporation can loan 90 percent of the parity price on this tobacco.

Mr. WHEELER. That is correct.

Mr. BARKLEY. As to the burley tobacco, which goes into the manufacture of cigarettes, along with the flue-cured tobacco—which is raised largely in North Carolina, South Carolina, and Georgia, and some in Florida and some in Virginia—regardless of the price of tobacco in the market, the parity price is fixed by law and is announced every so often—every 6 months, as I recall—by the Secretary of Agriculture, who bases the parity price upon the cost to the farmer of producing his crop.

Mr. WHEELER. Not the cost of producing it.

Mr. BARKLEY. I refer to the cost to the farmer in buying the things which he must have in order to operate his farm. Ninety percent of the parity price may be loaned on Burley. Burley tobacco is of a type differing from that of other tobaccos and has always sold, even in normal times, at a higher price than has the dark-fired tobacco of which I am speaking. Burley has a foreign market, but most of its consumption is in the United States. The consumption of Burley tobacco has been increased of late on account of the increase in the manufacturing and consumption of cigarettes.

The amendment which the Senate committee put into the bill provides that the dark-fired tobacco shall be entitled to a loan from the Commodity Credit Corporation equal to 75 percent of the loan value of burley, which would be 75 percent of 90 percent of parity. That is what it amounts to.

Mr. WHEELER. The effect of the amendment would be to change the policy of the Government with reference to all other products. I do not know much about tobacco, but, so far as I am concerned, I am sympathetic with the growers of tobacco. However, I wish to invite the attention of the Senate to the fact that we are being asked to accept a proposal which would change the policy of the Government with respect to loaning a certain amount of money on the basis of the parity price of tobacco. If that is done in the present instance, my fear is that the producers of all other commodities in the United States will be coming to Washington and asking that the policy with reference to every other product be changed. The cotton growers, the meat producers, as well as others will be asking that the entire policy with respect to loans on the basis of parity be broken down.

Mr. BARKLEY. I do not believe there is any danger in that respect. These various types of tobacco are grown alongside of one another. There is a relationship between the crops which does not exist between corn and wheat, for example. There exists a relationship between all the various types of tobacco. There is a relationship between the burley, the flue-cured, the air-cured, the dark-fired, and the air-fired types of tobacco which does not exist in connection with any other crop in the United States. What the amendment seeks to do is to recognize that relationship by providing an opportunity for the farmers themselves to vote whether they shall impose restrictions on the production of this tobacco. It also provides, in the case of the dark-fired tobacco, that the Commodity Credit Corporation may loan

up to 75 percent of the basis of loan value of burley, which is 90 percent of parity, and that the air-cured tobacco in Virginia, where a small portion of the total production is grown, shall be entitled to a loan value of 65 percent of the 90 percent of parity.

Mr. VANDENBERG. Mr. President, is the loan rule to which the Senator referred a new one?

Mr. BARKLEY. It provides for a larger percentage of loan on the dark-fired tobacco than has been fixed heretofore by the Commodity Credit Corporation. However, it is absolutely essential that the relationship between the two crops be preserved.

I may also say that the production of dark-fired tobacco, which until recent years had 85 percent of its market abroad, should not decline to the extent of destroying the basis of international trade which has existed between our people and those of the countries to which the tobacco has been regularly sold.

Mr. WHEELER. As I understand, the production of this particular kind of tobacco has declined very greatly. The contention has been made that the parity price for this particular type of tobacco was not fixed on a basis of the period of years with reference to which it should have been fixed. I stated very frankly in the committee that some other formula should be adopted, because if we change the policy with reference to this particular type of crop, the producers of every other type of crop will come to us and say that they want a higher loan price to be established with regard to their products, such as wheat and other commodities. I assert frankly that today the farmers of this country, generally speaking, are more prosperous than they have ever been in the history of the United States. If we start increasing the loan price of wheat, for example, and of this crop and that crop, the first thing we will find will be the United States Government loaded up with a great burden of crops. If a depression should take place following the war and the prices of various crops should decline, the Government of the United States would have a great quantity of farm products on its hands.

Mr. BARKLEY. The farmers who produce this particular type of tobacco have organized themselves in order to hold their crops off the market in the event of a depression. They have two successful farm organizations, and by the laws which Congress has enacted they, as well as other farm cooperatives, have been encouraged. The production of this particular crop requires more manual labor than does almost any other crop grown in America. Frequently I have detailed in the Senate the process by which the crop is produced, harvested, marketed, and so forth. The producers of this type of tobacco need encouragement, and they need stabilization. That is all the proposal would provide, namely, stabilization of the marketing prices for which the tobacco is sold.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. CAPEHART. Would the Government, under the proposal, be loaning more money on certain types of tobaccos than the market price of the tobaccos?

Mr. BARKLEY. No; the amendment would not bring forth that result. The amendment means merely that dark-fired tobacco shall be entitled to a loan of 75 percent of the 90 percent of parity which is loaned on burley. I am sure the Senator is familiar with burley tobacco, because some of it is raised in southern Indiana. The amendment does not mean that the loan value would be more than the market price. The purpose is merely to create a proportionate relationship between two or three types of tobacco, which proportionate relationship does not now exist. To be frank, I may say that it might result in the loan value of the dark-fired and air-cured tobaccos being a little higher than the loan value at the present time, but the loan value would not be higher than the market price of the flue-cured tobacco; indeed, it would still be far below the loan value of the burley and the flue-cured tobaccos.

Mr. CAPEHART. What is the market price of burley today?

Mr. BARKLEY. Burley is a crop which sells in the winter, and I think the market closes in March. I believe the average price in my State was approximately 44 cents a pound.

Mr. CAPEHART. What is the price of the air-cured tobacco?

Mr. BARKLEY. The flue-cured tobacco, which is also a cigarette tobacco and raised in North Carolina and adjacent sections, sold for a little higher than the price which I have stated. Yesterday I saw in a newspaper a statement to the effect that the OPA had allowed the growers of that type of tobacco to increase the price of this year's crop by 1 cent a pound, or $1 a hundred pounds. The average price for the dark-fired tobacco during the market season which has recently closed, was between 21 cents and 22 cents a pound. The Senator from Tennessee [Mr. STEWART], who is present in the Chamber, is in position to give us the exact figures.

Mr. STEWART. I do not have the figures on all the dark-fired tobaccos, but I may say to the Senator from Indiana that the parity price on burley tobacco is, I believe, 32 cents a pound, and the market price, as the Senator from Kentucky has stated, is about 44 cents a pound. The market price of dark-fired tobacco is approximately 25 cents a pound.

Mr. BARKLEY. I wish to correct my statement that the market price of dark-fired tobacco was between 21 cents and 22 cents a pound. As I now recall, it was between 24 cents and 25 cents a pound.

Mr. STEWART. It is between 24 and 25 cents, in fact it is now a few cents more a pound than the loan would permit if it became necessary to put it on loan. The parity, of course, on dark-fired tobaccos is about 15 cents due to the selection of a period when the price at which dark-fired tobacco sold in this country had fallen to a very low ebb, as the Senator from Kentucky has stated. The sales of dark-fired tobacco depend principally upon the foreign market. I think we sold some to France, quite a lot to Portugal and Spain, and a great deal at one time to Italy. Many years ago, I believe, immediately before the last World War, Italy, at least, and I think Spain, sent men to this country for the purpose of learning how to grow this tobacco, and to the fact that they made quite a success of it may be attributed a great deal of the loss of the foreign trade of and the low prices received for dark-fired tobacco in the base period, which, as I understand, is the period between 1919 and 1929.

The Commodity Credit Corporation has never lost anything at all, I believe, in loaning money on tobacco. That has been their experience. I do not think there is any danger of losing anything by lending money on tobacco at this time even though the loaning rate would be above the present parity rate. The parity, I believe, on dark-fired tobacco is only 15 cents, and 90 percent of that is 13½ cents.

Mr. CAPEHART. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield to the Senator from Indiana.

Mr. CAPEHART. The objection I heard was that they might be loaning more than the market price. That is not true, is it?

Mr. BARKLEY. No; that is not true.

Mr. CAPEHART. They might be loaning more than the parity price, but not more than the market price.

Mr. BARKLEY. The loan rate would be more than the present parity price, but not more than the market price.

Mr. CAPEHART. That is what I wanted to have made clear.

Mr. LANGER. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. LANGER. What is the percentage of increase?

Mr. BARKLEY. About one-third; that is there would be an increase in the loanability of this type of tobacco of about one-third above parity. The present loanable value is based on parity, which is about 15 cents a pound; 90 percent is 13½ cents, and the loans which could be made on this tobacco, which is now bringing an average of 25 cents a pound, would be about 21 and a fraction cents a pound.

Mr. LANGER. Will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. LANGER. Is it the opinion of the Senator that in case it is not done it may harm the farmers who produce burley tobacco?

Mr. BARKLEY. Undoubtedly it would harm the farmers and will discourage them, because all the farmers, through their representatives and organizations, met here in Washington a couple of weeks ago with the Department of Agriculture, and they arrived unanimously at a program which included this legislation, and they feel very keenly that unless it is passed, and passed at once, they will be irreparably damaged in regard not only to the marketing of their tobacco but also in regard to the loans

which they can obtain upon it to enable them to pay it out to the market as the market needs it rather than to dump it on the market at one time.

Mr. LANGER. Is it the opinion of the Senator that the Government will not lose any money?

Mr. BARKLEY. I do not think the Government will lose a penny. It has been loaning on tobacco for the last 10 years, and has not lost a dime as yet.

Mr. LANGER. Even if the loan rate is above the parity rate, the Senator still thinks that the loan would be perfectly safe for the Government to make?

Mr. BARKLEY. I do.

Mr. WHERRY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. WHERRY. I should like to ask the Senator a question. Is this done because it is desired to establish a relationship between the different grades that is not established in the parity price, or is it because in the case of this particular variety of tobacco it is desired to increase the lending power on the parity price so as to help the farmers meet an increase in the cost of production?

Mr. BARKLEY. Both those reasons, I will say to the Senator, actuate those who are sponsoring this legislation. It is contemplated to stabilize this crop and stabilize the market for it and to encourage the farmers to continue its production until there is a reopening of the foreign markets, which used to take 85 percent of this crop. It is also desired for the purpose of letting the farmers know that not only as to the present crop but as to next year's crop this loan value will be available and ready. When the foreign market opens, I think the price will go even higher than it is now.

I will also state to the Senator from Nebraska and other Senators that, as we all know, there has been a terrific shortage of cigarettes in this country, and the cigarette manufacturers want this type of tobacco produced. While it is not particularly a cigarette type of tobacco, it goes into smoking and chewing types of manufactured tobacco, and thus affords to many people a substitute for the cigarettes which they have not been able to obtain during the war. But the two main things in behalf of this legislation are the desire to stabilize this crop with relationship to other crops with which it is in some sense a competitor, and to give the farmers advance notice that, if they preserve the crop and continue to produce it until the markets throughout the world reopen to them, they can obtain this amount of loan upon it.

I wish also to state—I think probably I did not answer the Senator fully—that the ceiling prices on these tobaccos are higher than the parity price. On all these types where there is a ceiling it is usually higher than parity. The loan value is based not on the ceiling price, not the market price, but on the parity price. So, in my judgment, there would not be a chance in a hundred years so long as this situation exists that the Government could lose any money on any loan it might make.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. BARKLEY. I yield.

Mr. WHERRY. My first observation is correct, is it not, that in order to harmonize the cost of production between particular varities of tobacco and to encourage farmers to produce it, it is necessary to raise the loan value instead of the parity price of tobacco? I heartily agree with that; I am not in opposition to that. I think it is sound. I have tried to do that for other agricultural products. That is what would have happened in the case of cattle, if the Wherry amendment had been adopted.

Furthermore, I think it will be a protection in the years to come, in that it will tend to stabilize the market and encourage the farmers to produce tobacco. I think I am correct, and if I am not I want the Senator to tell me. While I think we are departing from our regular line of procedure, and I do not know how long the measure will remain in effect—I did not ask the majority leader—yet the farmers would know what they would get for their tobacco next year and the following year and during the life of this legislation.

Mr. BARKLEY. They would know what the loan value would be.

Mr. WHERRY. Yes; and it would help stabilize production if the farmers knew what the loan value would be.

Mr. BARKLEY. I wish to say also that it is just as expensive to produce the types of tobacco covered by the joint resolution as any other type that is grown. There is more hand work in connection with them. The production of these types of tobacco in Tennessee, Kentucky, and other places has come down from generation to generation. It requires a special knowledge about sowing in the beds in the spring, planting the crop and cultivating it, housing it, and firing it. Instead of the tobacco being cured out in the open air, or in a barn full of windows and doors, the barns in which this tobacco is housed are made as nearly airtight as possible, so that the smoke and heat cannot escape, since it has to be cured by fire. It is an art within itself to produce and cure and house and market this tobacco. It costs more, on account of the labor involved, than the higher-priced tobacco.

Mr. WHERRY. May I impose on the Senator's time long enough to ask one more question?

Mr. BARKLEY. Certainly.

Mr. WHERRY. Why were the parity price and the loan value established as they were?

Mr. BARKLEY. When we passed the Agricultural Adjustment Act, we fixed a base period in which the average price was taken as the basis of parity. Originally we picked, apparently, the wrong period for this particular kind of tobacco, because the base period was at a time when the market was greatly depressed, when the price was low, and therefore the parity was low and the loan value was low. We are seeking now to correct that.

Mr. WHERRY. So now, when the cost of production runs over the parity price, it is all right for us to take a new parity price which reflects the cost of production to the producers of this variety of tobacco. This is exactly what we attempted to do in the Wherry amendment, establishing a price for cattle.

Mr. BARKLEY. I could not disagree with the general principle laid down by the Senator from Nebraska.

Mr. LANGER. Mr. President, may I inquire of the Senator from Kentucky to whom the loan is made; is it made to the producer?

Mr. BARKLEY. The loan is made to the producer by the Commodity Credit Corporation. In the case of dark tobacco, it is made through the cooperative marketing association, the agency through which the loan is made. They represent the farmer. The farmers put their tobacco in the association, and the association, as we call it, the cooperative, then acts as their agent in getting the loan and in selling the tobacco; and when they sell it, the Commodity Credit Corporation is paid what has been borrowed on the crop of tobacco in the association.

Mr. LANGER. But the loan is made on the application of the producer?

Mr. BARKLEY. It is made to the producer by the cooperative.

Mr. CORDON. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. CORDON. I should be strongly inclined to oppose the passage of this joint resolution if it clearly appeared that it was a sharp departure from the policy adopted under the Commodity Credit Corporation Loan Act, where the basis of loans is a percentage of a parity price.

However, after having heard the testimony presented before the committee, and having discussed the matter at some length, as a member of the subcommittee, with the representatives of the Department of Agriculture, I have gained the impression—and I ask the distinguished Senator from Kentucky to correct me if I am wrong—that at this moment the relationship between the market price of the dark cured tobacco and the burley or lighter tobacco is uncertain. Due to a sharp reduction of from about 360,000 acres to, I believe, around 60,000 acres of plantings of the dark or fire-cured tobacco, dut to a demoralization of the foreign trade in that type of tobacco, due to increased demands for the light tobacco, and due to other factors, it is not possible to find an exact price basis upon which to figure the loan on the fire-cured tobacco. It is believed, from the available evidence, that the 75-percent loan base fixed for light tobacco is probably the right basis for a loan on the dark tobacco, and that when the market does finally stabilize the market price of the dark or fire-cured tobacco will be in the neighborhood of 75 percent of the market price of the light tobacco, and that in truth this is not a departure from the parity basis.

Mr. BARKLEY. I would not say it would be 75 percent of the market price of the burley, but it would be 75 percent of the 90 percent of parity, which is the loan basis. So that we do not think the increase in the loanability of this type of tobacco will bring about a requirement that the loan value should be higher than the price it would bring from year to year.

Mr. CORDON. What I am particularly interested in is the Senator's conclusion as to whether the joint resolution introduces a departure from the present parity loan policy.

Mr. BARKLEY. Fundamentally, it does not. There is merely a technical difference in arriving at the loanable value of this particular crop as it relates itself to the other types of tobacco grown in the same territory.

Mr. CORDON. And that is due to uncertainty, at the present time, as to what the future price will be?

Mr. BARKLEY. That is true. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 98), relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, which had been reported from the Committee on Agriculture and Forestry with an amendment, to strike out all after the enacting clause and insert the following:

That notwithstanding the provisions of section 312 (a) of the Agricultural Adjustment Act of 1938, as amended, relating to the finding of the total supply of tobacco, the reserve supply level, and the amount of the national marketing quota, and the provisions of section 313 of said act relating to the apportionment of the national marketing quota for tobacco among the States and farms, national marketing quotas for fire-cured and dark air-cured tobacco for the marketing years 1946–47, 1947–48, and 1948–49, shall be proclaimed and the national marketing quota and State and farm acreage allotments shall be the same for the marketing year 1946–47 as were established for the marketing year 1943–44, and the farm acreage allotments for the marketing years 1947–48 and 1948–49 shall be increased or decreased in the ratio which the national marketing quota for the 1943–44 marketing year bears to the amount of tobacco which the Secretary determines to be required to make the carry-over at the beginning of the marketing year equal the reserve supply level: *Provided, however*, That an additional acreage not in excess of 5 percent of the total acreage allotted to all farms in each State for the 1943–44 marketing year shall be allotted each year by the local committees among farms in the State in accordance with regulations prescribed by the Secretary so as to establish allotments which the committee find will be fair and equitable in relation to the past acreage of tobacco (harvested and diverted); land, labor, and equipment available for the production of tobacco; and crop-rotation practices, and an additional acreage equal to not more than 5 percent of the acreage allotted to all farms for the 1943–44 marketing year shall be allotted each year to farms on which no tobacco was produced in the last 5 years in accordance with the provisions of subsection (g) of section 313 applicable to farms on which no tobacco was produced during the last 5 years. The foregoing provisions of this section shall not have the effect of modifying or repealing any other provisions of said act.

SEC. 2. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized and directed, beginning with the 1945 crop, to make available upon any crop of fire-cured, dark air-cured, and Virginia sun-cured tobacco, if producers have not disapproved marketing quotas for such tobacco for the marketing year beginning with the calendar year in which such crop is harvested, loans or other price support at, in the case of fire-cured tobacco, 75 percent of the loan rate for burley tobacco for the corresponding crop and, in the case of dark air-cured and Virginia sun-cured tobacco, at 66⅔ percent of such burley tobacco loan rate.

The amendment was agreed to.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H. J. Res. 98) was read the third time and passed.

Mr. WHERRY subsequently said: Mr. President, further commenting on the passage of House Joint Resolution 98, Calendar 453, which was passed by the Senate a few moments ago, I wish to have the RECORD show that while the joint resolution was passed by a voice vote, I voted for it. I am in absolute agreement with it.

I wish to point out that in this instance we have done the very thing which some of us have advocated relative to the production of other farm commodities. We have permitted a group producing a particular kind of fire-cured and dark air-cured tobacco to change the parity base price on which loans are made, because, as the distinguished majority leader has stated, the base price was too low. We have permitted the price to be raised to a level which will permit the maximum production of that type of tobacco. I believe that a good showing was made before the committee, and that the producers are entitled to the increase.

I invite the attention of Members of the Senate to the CONGRESSIONAL RECORD of last Friday. The distinguished Senator from Iowa [Mr. HICKENLOOPER] introduced into the RECORD statements found in Life magazine of the issue of July 9 relative to the losses being sustained in the production of meat in the feed lots of this country. On page 75 will be found the picture, in a feed lot, of a man by the name of Hans Nielsen, of Fremont, Nebr. He said:

This season he bought 133 head, paying an average price of $104.94 each. To fatten them from 792 to 1,096 pounds, he gave each 3,580 pounds of corn, 1,350 of alfalfa, 180 of protein, plus lime and salt—$86.99 worth in all to each animal. Other costs—labor, taxes, and the like—amounted to $17.52 per head. He sold for an average of only $179.20 per head. Wet, muddy weather reduced the expected gain in weight by almost a pound a day. Neilsen thus lost $30.25 per head.

On page 74 will be found the picture, in a feed lot, of a man by the name of Arthur Clausen, of Nashville, Nebr. I know both these men. Mr. Clausen stated he "bought his steers at 12 cents a pound last February; that he must get 17 cents a pound next January to break even." The reason there is a loss is that the Government agencies, which have the right and authority to establish prices have permitted price levels which are unlawful and which do not result in production. They simply prevent cattle from going into the feed lots. That is all there is to it.

Recently the Senate adopted the so-called Wherry amendment, which would have made it unlawful for any agency of the Government to set a maximum price below the cost of production of the farmer. It was approved by the Senate and went to the House. It did not come back as an amendment to the bill extending the OPA.

I serve notice on the Senate now that under the new formula which we have adopted today, which permits adjustments in price levels in the case of certain producers who cannot produce at a profit, I expect to introduce legislation in the Senate which will do for those who feed cattle or lambs the same thing which House Joint Resolution 98 does for the farmers who produce tobacco. I believe that those producers are entitled to the same consideration as the producers of tobacco. In the case of the tobacco producers, we changed from a low-cost parity period to a period which would reflect the cost of production, plus a profit.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF SIGNING OF TREATY OF GREENE VILLE

The PRESIDENT pro tempore laid before the Senate the joint resolution (H. J. Res. 195) to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville, which was read twice by its title.

Mr. BARKLEY. Mr. President, the House has just sent to the Senate a House joint resolution providing for the observance of the celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville. The senior Senator from Ohio [Mr. TAFT] had introduced a Senate joint resolution to the same effect. I have not had an opportunity to lay this House measure before the Committee on the Library, to which it would be referred, but I think I can say with some confidence that the committee would approve it if it had time to act upon it.

I ask unanimous consent that the House joint resolution be considered without being referred to the Committee on the Library.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

There being no objection, the joint resolution (H. J. Res. 195) to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville, was considered, ordered to a third reading, read the third time, and passed.

Mr. BURTON subsequently said: Mr. President, reverting for a moment to House Joint Resolution 195, which was passed by the Senate a few moments ago, I ask unanimous consent to have printed in the RECORD at this point a statement with regard to the Greene Ville Treaty and the purpose of the celebration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The Greene Ville Treaty was signed on August 3, 1795. The Sesquicentennial Commission composed of a group of citizens of Greenville are planning to commemorate the one

hundred and fiftieth anniversary of the signing of the treaty on August 3, 1945. The legislature of Ohio has made two appropriations to help this commemoration.

Shortly after the Revolutionary War, misunderstandings developed between Britain and the United States relative to compliance with the terms of the Treaty of Paris and the Revolutionary War. The British refused to cede the territory to us which had been agreed upon. The Indians were increasing their attacks upon the settlers in middle and southern Ohio. Though not to be emphasized, the British were encouraging the Indians and furnishing them with weapons. A General Hamer led American forces against the Indians about 1790 or 1791 and was defeated; and then in 1791, Gen. Arthur Sinclair led another expedition against the Indians and he was defeated. There was a growing clamor in our country for war with Great Britain. The situation was extremely tense. In 1793, President Washington sent Gen. Anthony Wayne, at the head of about 3,000 Federal troops, into the area. He defeated the Indians at the Battle of Fallen Timbers. England would not give open aid to the Indians and, in fact, withdrew what support she had given. Wayne executed a series of movements, erected some forts, carried on long negotiations with the Indians, and finally on August 3, 1795 the Greenville Treaty was executed. This ceded to the United States all of the Northwest Territory including the present States of Illinois, Indiana, Michigan, Wisconsin, Ohio, and a part of Minnesota. Kentucky troops aided in the campaigns above mentioned, as well as troops from old Virginia which is now West Virginia. These two States are also interested in the planned commemoration as well as the States of the Northwest Territory. Pennsylvania will manifest interest because General Wayne was born in Pennsylvania.

The significance of this treaty upon the national development of our country has been widely recognized by students of history during the past many years. For instance, the Paterson News of Paterson, N. J., in an editorial of December 12, 1935 in part said the following:

"This treaty, negotiated by Gen. Anthony Wayne with the Indian tribes through the famous warrior, Little Turtle, ceded full control of the Northwest Territory to the United States. This action forced surrender of the British forts at Detroit and elsewhere in American territory. It opened the Northwest Territory to peaceful settlement." There marked the true beginning of the continental United States.

The Baltimore News in an editorial relative to the Greene Ville Treaty observed that:

"Had British intrigues continued to be successful, the Ohio River, instead of the Pacific Ocean, might now be a boundary of this republic."

The Tulsa World published in Tulsa, Okla., commented about this treaty in this language:

"The Greene Ville Treaty opened the way for the settlement of the Northwest Territory and it was speedily settled. The United States could not have been the United States of today without this great wedge. Its acquisition ranks along with the Louisiana purchase."

The Morning Examiner, of Bartlesville, Okla., referring to the treaty editorially said:

"It actually marked the full maturity of the young American nation."

The Lynchburg, Va., Advance said:

"The vast territory opened up by the Greene Ville Treaty actually was a part of Virginia at one time. * * * Many of the soldiers in General Wayne's army were Virginians and they played an important part in the successful campaign against the confederated Indian tribes."

The above are but a few outstanding newspapers that recognize the importance of the signing of the Greene Ville Treaty in the development of the United States.

Other newspapers that have commented editorially upon this great treaty are the San Francisco Chronicle, the Charleston (S. C.) Evening Post, the Hartford Courant, the Baltimore News and the Post, the Washington Times-Herald, the Grand Island Daily Independent of Nebraska, the Arkansas Democrat of Little Rock, and numerous other newspapers.

AIRPLANE ACCIDENTS

Mr. LUCAS. Mr. President, from time to time for a good many weeks the senior Senator from North Dakota [Mr. LANGER] has been addressing the Senate about the Curtiss-Wright airplane plant in Buffalo, N. Y., contending that this plant had been making defective planes and engines, and that as a result a number of American boys had died because of airplane accidents. I have heard the Senator speak from time to time, but I did not hear the remarks he made on June 30, 1945. It seems that the Senator from North Dakota was extended an invitation to go to Buffalo with the Mead committee for the purpose of aiding that committee in its investigation of the Curtiss-Wright Co. As I recall, the Senator from New York [Mr. MEAD], who is chairman of the committee, came to me and asked whether the Committee to Audit and Control the Contingent Expenses of the Senate could pay the expenses of the senior Senator from North Dakota to help make this investigation. I informed the Senator from New York that the rules of the Senate prohibit a special committee of any kind from taking along with it a Senator who is not a member of the committee, in the expectation that the Committee to Audit and Control the Contingent Expenses of the Senate would authorize payment of the expenses of such Senator.

Mr. President, the rule has been in effect for a long time, and it is a good rule. Senators can readily understand that if a special committee which was making investigation of a subject matter of general interest to the country could take along with it one Senator who was not a member of the committee it could take all Senators.

Not only do we have that rule, Mr. President, but we also have precedents which have been established since I have been chairman of the committee. About 2 years ago the distinguished President of the United States, who was then chairman of the committee which is now known as the Mead committee, caused a Member of the Senate whom he needed in connection with the investigation to go with the committee to California, and later that Senator who accompanied the committee, a Democrat, a Senator on this side of the aisle, put in his expense account, but under the rule I was obliged to disallow it, and the Committee to Audit and Control the Contingent Expenses of the Senate upheld me in my ruling.

Mr. President, the senior Senator from North Dakota apparently cared little or nothing about that rule, or at least he made no investigation to ascertain just what the rule was. But on June 30 he stated on the floor of the Senate:

> I talked with that Senator * * * .
>
> The Senator from New York [Mr. MEAD].
>
> When I endeavored to make arrangements to attend the Buffalo sessions on July 9, I was later notified by Mr. Flanagan, chief inspector of the Mead committee, that I would be expected to pay all my expenses. He told me that there was no money available to pay my rail fare or my hotel bill. Upon informing committee members that I expected to go up there 2 days ahead of the time to interview nine witnesses whom I wished to produce, I was told that the Army was going to fly a plane to Buffalo on the ninth and that I could get a ride up there and a ride back; but, that they were not going up there on July 6 or 7. In addition, I would like to add that Mr. Flanagan brought me a message that the distinguished senior Senator from Illinois [Mr. LUCAS] had stated that as chairman of the Committee to Audit and Control the Contingent Expenses of the Senate he would not approve the necessary expense involved.

Before I read the next paragraph I wish to say that it is not the Senator from Illinois who disapproves of any Senator accompanying one of these investigating committees. It is the rule of the Senate which disapproves. It is the rule which the Committee to Audit and Control the Contingent Expenses of the Senate adopted long years ago. The Senator from Illinois is merely attempting to play the game the way it ought to be played in the Senate so far as rules are concerned.

The Senator from North Dakota [Mr. LANGER] proceeded to say:

> The Mead committee was perfectly willing to have me come to the hearing. The distinguished junior Senator from Michigan [Mr. FERGUSON] gave me a warm personal invitation to attend, but, of course, in view of the fact that he is not a member of the Committee to Audit and Control the Contingent Expenses of the Senate, it was impossible for him to arrange to pay my expenses in connection with the hearing.

In other words, the inference there is that had the Senator from Michigan [Mr. FERGUSON], who issued the invitation, been a member of the Committee to Audit and Control the Contingent Expenses of the Senate, he could have readily arranged for the expenses of the Senator from North Dakota in going to Buffalo and returning, which, of course, is not the case at all. Neither the Senator from Michigan nor any other Senator would have any right or any authority to try to have the Committee to Audit and Control the Contingent Expenses of the Senate pay expenses incurred in a trip of this kind, which it is against the rule to pay.

Mr. President, I read that statement and did not think much about it, but then the Senator from North Dakota, not satisfied, on July 3, in another one of his fulminations against Curtiss-Wright Co. on the floor of the Senate, said:

> I offered, I repeat, to go to Buffalo. I offered to go there and submit the names of the witnesses and their street addresses. The distinguished senior Senator from Illinois [Mr. LUCAS], the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, said "No." Why, Mr. President, it would cost $37.50. Human life is cheap. What if a few more hundred air pilots die?

In other words, leaving the implication that he would save lives if only he could go to Buffalo, and that, because I refused to permit the payment of the expense account, I am more or less responsible for the situation of which he complains.

Mr. President, it is hardly cricket for the Senator to make such a statement in the United States Senate. The Senator from North Dakota continued:

> We are not going to send the senior Senator from North Dakota to Buffalo, N. Y., to make any investigation.

Then the Senator from North Dakota read a letter which he wrote to the Senator from New York [Mr. MEAD], after which he said:

> Then, Mr. President, Mr. FLANNAGAN of the Mead committee came to see me, and he said, "No, you cannot go with us unless you pay your own expenses." The Senate has appropriated $100,000 for this and similar investigations. It would cost only $37.50 for me to go to Buffalo and back, and to stay there in a hotel, and eat for 2 days, but the distinguished senior Senator from Illinois says that it is too much.

Mr. President, all I want to do is merely to keep the record straight in the Senate so far as my duties as chairman of the committee are concerned. All I want to do is to follow the rules of the Senate insofar as the administration of this committee's functions is concerned. There are some who do not want to follow the rules. Some individuals never want to follow the rules and play the game the way it ought to be played.

I understand that the Senator from North Dakota has done a great deal of work in connection with the investigation of the Curtiss-Wright Co. I know he has spent a good deal of time on it. I know he has the background and the qualifications to make a good investigator. He was governor of his State, he was attorney general of his State, and was State's attorney of his county. He has the qualifications for making investigations, Mr. President, and I have been a little bit disturbed over why he did not go, or why the leadership on the Republican side of the aisle did not place the Senator from North Dakota on some of these investigating committees. It is not my job to see that he is appointed a member of any such committee. I have nothing to do with the appointment of members to special committees. It is my understanding that when the Mead committee was created the leadership on both sides of the aisle more or less selected the personnel of the committee, and is continuing to do so in filling vacancies. I know that the Mead committee, which was formerly known as the Truman committee, has done a magnificent job in investigations it has made throughout the country. The Committee to Audit and Control the Contingent Expenses of the Senate has never hesitated to give the Special Committee to Investigate the National Defense Program the necessary funds to continue the constructive and meritorious work it has been doing over the period of years.

I know that the Senator from North Dakota was very much disappointed because he could not go to Buffalo and have his expenses paid, which, as he stated in his statement, would amount to only $37.50. But the Senator said that I am the one who is keeping him from investigating conditions at the plant in Buffalo. If the matter is as important as the Senator from North Dakota claims it is—and he has spoken about it in the Senate at considerable length during the last 6 weeks or 2 months—I will say for myself that $37.50 would not stand in my way; that I would pay it out of my own pocket in order to go to Buffalo and uncover the activities of those whom he describes as crooks.

Mr. President, I merely bring this matter up in order to keep the record straight. I want the Senator from North Dakota to know that the Senator from Illinois never kept him from going to Buffalo to investigate the Curtiss-Wright Co. I do not like to have statements of this kind in the RECORD. Had I been present at the time they were made, I would have challenged them. I regret to say that the Senator has an unrealistic approach to the powers and the duties and the functions of the Committee to Audit and Control the Contingent Expenses of the Senate. His conception of what my duty is as chairman makes me a little unhappy. That is the reason why I am now answering the statements of the senior Senator from North Dakota. I hope he will not make similar statements in the future.

Mr. LANGER. Mr. President, in reply to the remarks of the senior Senator from Illinois, I merely wish to inform the Senate that I was invited in writing by the Mead committee to go to Buffalo, N. Y., on this investigation. If any one is unfamiliar with the rules, it is not the senior Senator from North Dakota, because the invitation was extended to me in writing by the distinguished junior Senator from New York [Mr. MEAD]. Several others also signed the request.

After I received the invitation, I got in touch with some of the witnesses in Buffalo and nearby places. Those men very frankly stated to me in their letters—and I have their letters—that they chose to talk only to me. I, therefore, made all the arrangements. I told them that I was coming. I told the press that I was coming. Then, just a day or two before we were to go Mr. FLANNAGAN, of the Mead committee, came to me and said, "We would like to have you go, but the senior Senator from Illinois, who is chairman of the Committee to Audit and Control the Contingent Expenses of the Senate, refuses to approve the expense account."

If anyone is to blame, I submit that it is not the senior Senator from North Dakota. I did not seek the opportunity to go to Buffalo and spend a great deal of time and do a great deal of work. I was invited to go by the Mead committee.

I do not blame the senior Senator from Illinois at all. If such a trip would be in violation of the rules of the Senate, I do not wish to be one of the first to violate the rules, but I want the Senate to know that it was the Mead committee that invited me to go to Buffalo. Frankly, I do not believe that any Senator, when he goes to any part of the United States to assist a committee, should be obliged to pay his own expenses, and naturally I did not wish to pay them in this instance.

MILITARY JUSTICE

Mr. LUCAS. Mr. President, we have been hearing a good deal lately about Army courts martial, and everyone sees the exceptional cases which get into the newspapers and make the headlines. The discussion has indicated a lack of public understanding as to how courts martial work, and the efforts the Army makes to restore to duty those of its soldiers who have got into trouble.

Recognizing the need for a better public understanding of this problem, the War Department has prepared a detailed statement on military justice, setting out the manner in which courts martial are conducted and the rights and safeguards given to the accused. I have been able to obtain a copy of this statement. It is clear and comprehensive, and I ask unanimous consent that it be inserted in the body of the RECORD at the close of my remarks. I commend it to the attention of Senators.

The PRESIDENT pro tempore. Without objection, the statement will be printed in the RECORD, as requested.

(See exhibit A.)

Mr. LUCAS. I think one of the most interesting and significant parts of the statement is that telling of developments since the last war in the training of men who have been convicted of crime, a training designed to restore them to full duty as soldiers.

The most important development has been the creation of rehabilitation centers for soldiers who have been convicted by a general court martial—the type of court martial which handles offenses comparable to felonies in civil life. The system of rehabilitation centers was started in 1942.

There are five rehabilitation centers, located at Fort Slocum, N. Y., Fort Knox, Ky., Fort Jackson, S. C., Camp Bowie, Tex., and Turlock, Calif. The purpose of these institutions is to restore as many men as possible to military service, and the men sent to rehabilitation centers are those who are considered most capable of being restored to military service. Since the first rehabilitation center was opened, 31,131 men have been admitted. Of this number, 23,674 have been discharged from the centers and 7,457 are still undergoing training.

Of those who have been transferred from rehabilitation centers more than one-half, or 12,206, have been returned to duty as soldiers, one-third, 8,370, have been sent to disciplinary barracks for further confinement and training, and the remainder, 3,098, have been discharged from the service.

This record of restoring to duty the equivalent of almost a full division of soldiers is one of the bright spots in the Army's handling of its men. When soldiers are sent to duty from rehabilitation centers they are placed in the Infantry, if qualified physically. Many have served under fire, and a number have distinguished themselves with battlefield promotions and decorations for combat under fire.

It does not matter how long the term for which a man was sentenced to a rehabilitation center. If he proves that he has the stuff of a soldier, that he has learned his lesson, and can make good, he is put back into service with other soldiers.

Normally a man does not stay in the rehabilitation center for more than 8 months. The course of training lasts 8 months. If a man does not make good within that time, he is transferred, in most cases to a disciplinary barracks. There he is given further training and can still earn the right to serve again as a soldier and to clear his record.

I should like to mention a second major provision by the War Department in extending clemency to its soldiers who have committed offenses against either civil or military law. The case of every soldier in a disciplinary barracks or a Federal prison in this country automatically goes to the Under Secretary of War for review of the sentence within 6 months of the time the soldier is committed. Once a year from that time on, the case comes in for additional review by the Under Secretary automatically, without any action by the prisoner or his family and solely to extend clemency if the man's record indicates clemency is warranted.

To aid the Under Secretary in this review, a Clemency Board was recently established. President Truman wisely selected as Chairman of the Board, Judge Sherman Minton, of the United States Circuit Court of Appeals, who distinguished himself as a Member of the Senate and who was known to his colleagues in this Chamber for his fairness and his consideration of the rights of others. Judge Minton was an Infantry officer in the last war and served overseas. He knows well the life and the problems of the GI, and I am certain that he will be a great aid to the Under Secretary in handling this important task.

This committee is one of two which the War Department has created to help it in the administration of military justice. The other is a Board of Consultants on Correctional Problems. It was appointed last fall, and its membership of 12 includes some of the country's most distinguished penologists. Its head is Mr. Austin MacCormick, who was formerly commissioner of correction for New York City.

As one who served as a private and later as an officer in the last war, I find the War Department's report on military justice very heartening. I believe that the Congress can have faith in the administration of military justice under the Articles of War, and that the families of soldiers can have confidence in the fairness and justness with which individual soldiers are treated when they get into difficulty.

EXHIBIT A

[War Department, Bureau of Public Relations, Press Branch. For release July 8, 1945]

(The following background statement on courts martial, showing how the courts function, how many soldiers convicted by courts martial are in confinement, and the steps the Army takes to restore soldiers to duty after they have committed offenses, was issued today by Under Secretary of War Robert P. Patterson.)

MILITARY JUSTICE

An army without discipline is a mob, worthless in battle. Congress has enacted the laws under which justice is administered by the Army. They specify the offenses for which soldiers may be tried. These are crimes of a civil nature, such as robbery, murder, and rape, and also those military offenses, which would not be crimes in civil life, such as absence without leave, disobedience of orders, and being asleep on sentry duty. The protection of society requires law enforcement for the first group of offenses and protection of other soldiers requires punishment for those who commit military offenses.

The Nation is proud of the fine record that its soldiers have made in this war. The victories they have won in combat are the result of character, training, and discipline. The manner in which they have conducted themselves has reflected the highest credit on the American Army. Offenses by soldiers against either civil or military law are the exception rather than the rule. Our men have won the respect and admiration of civilians with whom they have been in contact, both at home and overseas.

ARTICLES OF WAR

The rules governing the administration of justice in the Army are contained in the Articles of War. They are enacted by Congress. They are based on authority written in the Constitution, and basically they are older than the Constitution itself. They cover not only the commission of military offenses but of civilian offenses as well.

The first Articles of War were prepared by a committee headed by George Washington. They were adopted by the Continental Congress in 1775, 3 days before Washington took command of the Continental Army. They have been amended from time to time by Congress to meet changing needs and changing conditions. They form a legal code made by civilian authority for the government of the Army.

The Articles of War specify the offenses for which a soldier may be punished. They prescribe the manner of trial. They set up safeguards to protect the accused. They incorporate the basic rights of any accused person given in the Bill of Rights and administered in civilian courts. They provide additional safeguards and protecton not available to persons tried before civilian courts.

The Articles of War, themselves, provide that soldiers must be given every opportunity to be familiar with the ground rules governing their conduct. Within 6 days after a man joins the Army, the Articles of War must be read and explained to him. Once each 6 months this is repeated.

The periodic reading and explanation are required by Congress, but the Army takes additional steps to see that soldiers understand military law. It is the responsibility of the soldier's commanding officer to see that he is fully informed. As an aid, three motion picture training films are shown. One covers the Articles of War, another is on the administration of military justice and courts martial, and a third is on AWOL (absence without leave) and desertion.

OFFENSES IN WAR

Thorough instruction on military law is given because of the importance of impressing upon the soldier the fact that his newly acquired status has given him additional responsibilities. A man who leaves his job in civil life is merely an absentee. He has broken no law. But in the Army, being absent without leave is an offense, which may subject a soldier to severe penalties. He must be made to realize that if he goes AWOL or deserts, he has shirked his duty, weakened his outfit, abandoned his fellow soldiers, and made it necessary to get another soldier to take his place. If he disobeys an order or leaves his post, his action may endanger the lives of his fellow soldiers. Other soldiers and their families must be protected from the consequences of the acts of a shirker or coward.

The soldier who commits such an offense must pay the penalty, and the penalty must be severe enough to act as a deterrent on others. His fellow soldiers are entitled to the assurance that no soldier can dodge the perils of battle without paying a heavy price. A military prison is safer than the battlefield, but it should not be made into a soft berth, and certainly no soldier who commits a serious offense should be sent back to civilian life ahead of the steady soldier who does his duty. We owe it to our fighting men who maintain clear records to deal effectively with those few who commit offenses.

SOME CRIME INEVITABLE

Most men make the transition to Army life without incident. Some do not and find themselves in trouble. Many of these would have run afoul of the law if they had remained civilians. In peacetime, 80 percent of men sentenced to Federal and State institutions for felony were between 18 and 40—the age from which the Army draws its men.

It is a matter of mathematical certainty that from any group of 8,000,000 young men in civilian life, a certain number will commit crimes ranging from simple misdemeanors to rape and murder. In an Army during wartime these men are exposed to stresses and hazards not encountered in civilian peacetime existence.

It is not surprising, therefore, that last year in the United States approximately 18,000 soldiers were convicted by general courts martial or that 33,519 soldiers are now in confinement here and overseas under sentences of general courts martial. This, it should be remembered, represents the total number from the 10,000,000 men who have joined the Army since the Selective Service Act was passed in 1940. It also includes a few still serving under sentences prior to 1940.

General Eisenhower has just reported on the record of the troops who have served in the European theater of operations from January 1942, when the first American troops arrived overseas, until June 1, 1945. In this period 4,182,261 American soldiers served in his theater. Of this rumber only 10,289—or less than 1 in 400—were sentenced to confinement by general courts martial. In reporting these figures, General Eisenhower stated that the administration of military justice "receives my constant personal care." He added that "particularly in the serious cases in which I am called upon for personal review, I give a tremendous amount of time and thought."

This record is a tribute to the men who have gone through the greatest military campaign in history and evidence of their fine training and leadership.

DEATH SENTENCES

In most States, extreme crimes of murder or rape are punishable by death. Before the war, about 150 men a year, convicted in civilian courts for rape or murder, were executed in this country. Like civilian courts, military courts may direct the death sentence for extreme crimes. During the entire length of this war, the Army has executed 102 of its soldiers. All executions but one were for murder or rape. One was for desertion, the first execution for a purely military crime since the Civil War. This man, serving in the European theater, deserted twice under fire.

No American soldier can be executed until his case has been reviewed and the sentence approved by the President of the United States, if the soldier is in the United States; or by the theater commander, if the offense was committed overseas.

COURTS MARTIAL

The great diversity of conditions facing our troops is reflected by the wide variety of offenses committed. A soldier gets drunk in North Africa and shoots an Arab. Another steals from the Red Cross while on furlough in London. Another violates a girl in Italy. Another holds up a lunch counter in Denver. A lieutenant overstays his leave for a month, leaving a trail of bad checks. A sergeant shoots a companion in a crap game in New Caledonia. A soldier runs away from his outfit in the front lines at Salerno. Another gives himself up at Fort Devens, Mass., after being AWOL for 8 months. Several steal Army supplies and sell them in the black market in Paris.

Whatever the offense, whether it is a crime that would be punishable under civil law or a crime against military discipline, the soldier is subject to trial by court martial. The words "court martial" merely mean a military court operating under rules set by Congress. It operates according to the highest standards of justice. Its proceedings are open to any interested observer, subject to necessary wartime restrictions on the movement of persons in areas under Army control. Officers who sit as the court are under sworn obligation to assure a fair trial and to safeguard fully the rights of the accused.

The Articles of War make it the duty of the appointing authority to detail as members of the court those officers who are best qualified for the duty by reason of age, training, experience, and judicial temperament. Most of the officers serving on the court and as judge advocates were civilians a short time ago. Boards of review in the office of the Judge Advocate General, here and abroad, examine records of general court-martial trials. The boards are composed solely of officers from civilian life. The members include former judges, law-school professors, and other outstanding lawyers. All but 16,000 of the 900,000 officers now in the Army were civilians 5 years ago. That is, 59 out of 60 officers are from civilian life.

There are three kinds of courts martial:

A summary court martial consists of one officer. It may not order confinement for more than 1 month or forfeiture of more than two-thirds of 1 month's pay.

A special court martial may consist of any number of officers not less than three. It has no power to adjudge confinement in excess of 6 months nor forfeiture of pay exceeding 6 months.

A general court martial consists of any number of officers not less than five and is the only court empowered to try the more serious offenses. The general court martial handles cases of gravity comparable to felonies in civilian courts.

The verdict and sentence of the court are not final. They must first be passed upon by the officer appointing the court (known as the reviewing authority), on whom rests the responsibility for enforcing discipline and seeing that justice is done. He may approve or disapprove the verdict and may cut down the sentence, but he can never increase it. The reviewing authority is usually a high-ranking officer. His action is subject to further reviews, which will be described later.

A TRIAL UNDER MILITARY LAW

To show how the court-martial system works, what happened in one of these cases will be described. It is the case of the soldier who gave himself up at Fort Devens. It is an actual case, although the dates, names of the persons, places, and some details are purposely changed.

John Johnson was inducted in May 1942. He was 25 at the time; had been working in a restaurant in Middletown, Ill. In civilian life he had been arrested five times for petty thefts and drunkenness. In July he went AWOL for 1 day. As a result he missed some training on the use of the rifle. He was called before his captain, who explained the seriousness of the offense and gave him a company punishment—restriction to the post for 1 week. This was not a serious punishment but it was an annoyance to Johnson who had a date with a girl in town the following evening.

Up to this point, Johnson was not a court-martial case, and for a while he settled down. But his good behavior did not last long. He was AWOL three more times during the year. Since company punishments had not brought him into line, he was given court martial by a summary court for the next AWOL. The summary court is limited to a maximum sentence of confinement for 1 month and forfeiture of two-thirds of pay for 1 month. That was what Johnson was given. He was lucky to get only a summary court. The offense might well have warranted a special court martial, which could have imposed a 6-month sentence.

In June 1943, Private Johnson left his organization at Fort Benning, Ga., without leave and remained absent for 8 months. During this time his outfit had gone overseas and was now engaged in combat. Another soldier was taking Johnson's place under fire. Johnson, on the other hand, had taken a job clerking in a retail store. He was earning $120 a month, and could earn more if he wanted to work overtime. He was living more comfortably than he had ever lived before. However, for reasons which he would not divulge, he surrendered himself at Fort Devens, Mass., in February 1944.

Corporal Archer, of the Fort Benning military police, was sent to Fort Devens to bring Johnson back. In March, Lieutenant James of Fort Benning brought charges of desertion. They were written out and a copy handed to Johnson. They not only informed him of the charges against him but gave him the names of witnesses and other pertinent information, including reference to documents to be used against him.

INVESTIGATION BEFORE TRIAL

The case was referred to Captain Brown to conduct a pretrial investigation. This is similar to a grand jury investigation, except that in the Army's pretrial investigation the accused has the right to be present and examine witnesses either personally or through counsel. Lieutenant James testified as to the absence; Corporal Archer testified that when Johnson surrendered himself he was in uniform and sober. Johnson stated that he did not care for army life; that he had "stood it as long as he could" and left.

It was Captain Brown's duty to investigate carefully and recommend the least drastic action possible. He was required to take into consideration Johnson's age, his military service, the necessity of salvaging all possible military personnel, the established policy that trial by court martial may not be used unless it is indicated as the only way to preserve military discipline, and then the lowest type of court capable of giving adequate punishment for this offense must be used.

After considering all the evidence, and the fact that an AWOL or desertion for 8 months is among the most serious of military offenses, Captain Brown recommended a general court martial. General Smith, who commanded all troops at Fort Benning, after getting the advice of his staff judge advocate, his top legal officer, ordered a general court martial.

THE TRIAL

Captain Rupert, who had been a lawyer in civilian life before joining the Army, was designated as defense counsel after Private Johnson was advised of his right to obtain a civilian lawyer or a military lawyer whom he knew personally. He said he was satisfied with Captain Rupert. It became Captain Rupert's duty as public defender to do his utmost to defend Johnson.

It was Johnson's right to have a prompt trial. On March 15 the case came before the general court martial. It was composed of eight officers—a colonel, a lieutenant colonel, three majors, and three captains. The colonel, as the senior officer, was president of the court. One of the captains, a lawyer, was the law member to advise the court on purely legal aspects during the trial.

At the trial Johnson had the rights a civilian would have had before a United States district court. He was entitled to a lawyer; he could not be compelled to testify against himself; he could compel the appearance of witnesses in his favor; he could plead that the offense was outlawed by the statute of limitations (usually 2 years); he could not be tried twice for the same offense; if convicted, his sentence could not exceed what is prescribed by an act of Congress or the table of maximum punishments prescribed by the President. He was entitled to challenge any member of the court for bias or prejudice, and, in addition, he was given one free disqualification for which he did not need to give any reason.

The case proceeded in a manner similar to a criminal trial in civilian courts. The witnesses against Johnson were Lieutenant James and Corporal Archer, who testified as they had on the pretrial investigation, and a WAC lieutenant, who was put on the witness stand to prove the absence by the official records.

Defense counsel called as a witness on Johnson's behalf a medical officer who testified as to Johnson's mental condition; reported him a psychopathic personality. The prosecution on cross-examination brought out that Johnson had been examined, both before he went absent without leave in 1943 and after his return in 1944, and both examinations showed he was not insane and that he knew the difference between right and wrong.

The president of the court then advised Johnson of his right to testify on his own behalf, stating that his failure to do so would not be used against him. He also advised him that if he desired he could make an unsworn statement and not be subjected to cross-examination. Johnson said he understood his rights, and he declined to testify.

In summing up, the prosecution stressed the length of the absence and the fact that Johnson took off his uniform and took a civilian job. The prosecution sought to show an intent to desert. The defense, admitting the absence, stressed the mental limitations of Johnson and the fact of his voluntary return showed he had never intended to desert. This was for the purpose of trying to cut down the offense from desertion to the less serious offense of absent without official leave.

VERDICT AND SENTENCE

The court was then closed and a ballot was taken in secrecy, no member knowing how the other voted. By more than the required two-thirds vote, Johnson was found guilty of desertion.

Had Johnson been found not guilty, that would have been the end of the case. Since he was found guilty, however, the court was reopened to look into his military record for the purpose of aiding in determining the sentence. In a civilian court, prior convictions may sometimes be considered in determining guilt. But in a court martial such evidence is not permitted until after the guilt or innocence of the accused has been determined. If he is found guilty, previous convictions may be shown to aid the court in determining the length of the sentence to be imposed. But such evidence is limited to convictions within the immediate preceeding year. Evidence was given of Johnson's summary court martial for absent without official leave. The court was closed again;

a second secret ballot taken, which, by the required three-fourths vote, fixed the sentence at dishonorable discharge, total forfeiture of pay, and 15 years' confinement.

REVIEW OF CASE AND REDUCTION OF SENTENCE

Here the proceeding in a civilian court would have ended, unless the accused had appealed the case to a higher court—paying all expenses of the appeal. In a general court martial, the conviction and sentence are not final until action is taken by the reviewing authority.

The record of the trial, including the full testimony, was transcribed and a copy of it given to Johnson. The record then went to the judge advocate on General Smith's staff. The staff judge advocate carefully checked the record and reviewed the evidence. He gave a written opinion to General Smith, in which he stated that since Johnson had voluntarily surrendered himself, he did not deem the evidence sufficient to sustain the charge of desertion, which included as an element an intent not to return. He accordingly recommended that the finding of guilty of desertion be disapproved but a finding of guilty of the lesser offense of AWOL be approved. He also recommended that the sentence be cut from 15 years to 10 years, and that the execution of the dishonorable discharge be suspended. If approved by General Smith, the suspension of the dishonorable discharge would facilitate the restoration to duty if Johnson's later conduct was good, and would enable him to earn an honorable discharge.

General Smith approved the recommendation and cut down the sentence to 10 years. He had no authority, under any circumstances, to increase it.

The complete record of trial, including the opinion of the staff judge advocate and the action of General Smith, was then sent to the Judge Advocate General in Washington. It was there examined by experienced lawyers in the Military Justice Division. They reported to the Judge Advocate General, who decided that the record was legally sufficient to support General Smith's action. Had Johnson been convicted overseas, his case would have been reviewed by the Judge Advocate General for the theater.

General Smith then issued a general court-martial order finding Johnson guilty of AWOL and sentencing him to 10 years at a disciplinary barracks. This court-martial order was published throughout Fort Benning, where Johnson had served, and posted on the bulletin board in all orderly rooms of the fort.

CLEMENCY ACTION

After Johnson had served 6 months in the disciplinary barracks his case was sent to the Under Secretary of War for clemency consideration. The case of every soldier sentenced by a general court martial to a disciplinary barracks or Federal prison or reformatory is thus reviewed for clemency within 6 months after date of confinement. A similar review for clemency is made annually thereafter. This procedure is automatic and is not the result of any request from the prisoner or his family. It is for the purpose of enabling the Army to review constantly its court-martial cases, to correct any injustice and to give deserving prisoners the opportunity of being restored to duty and becoming soldiers again.

The record submitted to the Under Secretary, in addition to including a description of the court-martial proceedings, contained a full report from the disciplinary barracks as to Johnson's home conditions, family, and behavior before and since entering the Army. It included the recommendations of the Psychiatry and Sociology Board, and the Commandant as well as the recommendations of the Correction Division of the Adjutant General Office and of the Judge Advocate General.

The commandant reported that while Johnson had experienced some trouble at the start, his conduct was now excellent and he recommended a further cut in the sentence. This recommendation was concurred in by both the Judge Advocate General and the Correction Division.

The Under Secretary approved and remitted 5 years of the sentence. The case will be reexamined next year and in the meanwhile Johnson will be under constant training at the disciplinary barracks with a view toward possible restoration or other clemency action, should such action be deemed warranted before the next annual clemency date.

SAFEGUARDS IN MILITARY JUSTICE

That, briefly, is the proceeding in the typical case of a man sentenced by general court martial. It is intended to give the accused a fair and speedy trial. If he is found guilty, the sentence will be commensurate with the nature of the offense, and, if the offense is a serious one, the penalty will be severe in order to act as a deterrent on others.

The system is a fair one, both to the accused and to the Army. It is fully realized that the system is dependent upon the manner in which it is administered. Everything is done that is humanly possible to assure justice to the individual and enforcement of the discipline necessary to an army.

It should be noted that in the Johnson trial, in addition to the rights that he would have been assured before a civilian court, he also had the following safeguards:

(a) Before trial he had the right to give evidence and to face and cross-examine witnesses in order to show that he was innocent or to minimize his guilt.

(b) The type of trial was chosen which would give him the least, not the greatest, punishment consistent with military discipline.

(c) Johnson was given, at no expense to himself, a defense counsel.

(d) At the trial he had the right to make an unsworn statement without subjecting himself to cross-examination.

(e) His previous convictions were not allowed to be considered in determining his guilt.

(f) He was given a typewritten record of the trial.

(g) He was given an automatic appeal from the court martial to the reviewing authority and from the reviewing authority to the Judge Advocate General before the sentence was effective.

(h) Six months after confinement to a disciplinary barracks his case was reviewed for clemency by the Under Secretary of War and further review will be had every year thereafter until he is released from confinement.

(i) At any time during his confinement he can, by showing proper conduct, attitude, and ability, be restored to duty as a soldier and become entitled to an honorable discharge.

REHABILITATION OF THE MILITARY PRISONER

Policies on the custody and correction of military prisoners and the administration of institutions of confinement are supervised by the Correction Division of the Adjutant General's Office, whose director is Col. Marion Rushton, formerly a lawyer in Montgomery, Ala., and an artillery officer in the last war. The deputy director is Lt. Col. F. Lovell Bixby, who until recently was warden of the Federal Reformatory at Chillicothe, Ohio.

The War Department is assisted by a board of consultants on correctional problems, appointed in October 1944. Its membership includes some of the country's most distinguished penologists. The board consists of: Austin H. MacCormick, executive director, Osborne Association, New York City, chairman; Stanley P. Ashe, warden, Western State Penitentiary, Pittsburgh; Sanford Bates, commissioner, Department of Institutions and Agencies, Trenton, N. J.; James V. Bennett, Director, Bureau of Prisons, Department of Justice, Washington, D. C.; Edward R. Cass, general secretary, American Prison Association, New York City; Reed Cozart, warden, Federal Correctional Institution, Seagoville, Tex.; Garrett Heyns, director, State Department of Corrections, Lansing, Mich.; Walter A. Hunter, warden, United States Penitentiary, Leavenworth, Kans.; Richard A. McGee, director, State Department of Corrections, Sacramento, Calif.; Joseph W. Sanford, warden, United States Penitentiary, Atlanta; Allan L. Shank, warden, Federal Reformatory, Chillicothe, Ohio; Walter W. Wallack, warden, Wallkill State Prison, New York.

The type of institution to which a convicted soldier is sent depends primarily on the seriousness of the offense. Minor offenders who receive sentences of 6 months or less are placed in post guardhouses. These are located at camps and other military posts, and correspond to a city or county jail. General prisoners (that is, prisoners convicted by general court martial, with sentences over 6 months) can be put in any one of three types of institutions:

Rehabilitation center (or its overseas counterpart, the disciplinary training center).

Disciplinary barracks.

Federal penitentiary or reformatory.

Rehabilitation centers are for soldiers considered to have the best prospect of making good and being restored to duty. Disciplinary barracks are for soldiers less likely to be restored to duty and those first sent to rehabilitation centers and failing to make good there. Federal penitentiaries and reformatories are used for those convicted of serious crimes punishable under civilian law.

The aim of the Army's prison program is to restore to honorable status in the Army all prisoners, regardless of their place of confinement, who give evidence of their fitness for further service, and to provide, for those to be discharged because of unfitness, a program of educational and vocational training which will help them to meet their obligations as citizens.

At each place of confinement the individual capacities, skills, potentialities, and needs of the prisoners are studied. Individuals considered capable of restoration to military service engage in an intensive military training program designed to fit them to become soldiers again. Upon completion of the training program each restored soldier is assigned to military service according to his physical qualifications, previous experience, and attained military skills.

On May 31, 1945, a total of 33,519 general prisoners were in confinement in the following types of installations:

Guardhouses and stockades, awaiting transfer	1,054
Rehabilitation centers	7,457
Disciplinary barracks	11,804
Federal penitentiaries and reformatories	2,459
Overseas installations	10,745
Total	33,519

REHABILITATION CENTERS

Rehabilitation centers were established in December 1942. There are now five, located at Fort Slocum, N. Y.; Fort Jackson, S. C.; Fort Knox, Ky.; Camp Bowie, Tex.; and Turlock, Calif.

The primary purpose of rehabilitation centers is to reclaim for military service as many men as possible. For this reason, a larger than average proportion of men in rehabilitation centers are those who committed strictly military offenses, such as AWOL.

For the Army as a whole, about 60 percent of those convicted by general courts-martial had committed military offenses. The remaining 40 percent committed crimes punishable under civilian law. The break-down for a typical rehabilitation center shows that 82 percent of the men are serving time for

military offenses and 18 percent for civilian offenses. The break-down follows:

	Percent
Military offenses	82
Absent without leave	47
Desertion	18
Other military offenses	17
Nonmilitary offenses	18

Since the main objective of the rehabilitation centers is to restore men to military duty in the quickest possible time, military training receives the major emphasis in the program. The inmate has at least 12 weeks in prehonor company status, where the schedule is divided equally between work and training. This is followed by at least 12 weeks in an honor company on a full-time training basis. Usually a prisoner takes 8 months to complete his training.

The military training program includes technical training. Among the schools in the various rehabilitation centers are the signal and communications school, clerical and administrative school, literacy school, cooks' and bakers' school, and automotive mechanics' school. Classes are also conducted in academic subjects, and prisoners may register for a wide selection of correspondence courses offered by the United States Armed Forces Institute. Several of the centers conduct bands and drum and bugle corps as part of the training program.

The period in prehonor company status is used not only for preliminary training and conditioning but also as a screening period to determine the suitability of the prisoner for restoration to duty. It also serves as a settling-down period, during which feelings of tension and aggression tend to decrease, while self-confidence and desire to go back to duty gradually increase.

Honor company training includes basic military training, Army orientation, individual and group therapy, and technical training to retain previously acquired skills.

Military training of men in the honor company includes instruction in weapons, village fighting, marches, bivouacs, and patrol operations. They wear regular uniforms, with the exception of insignia, live in standard barracks outside the stockade, and in some instances have the freedom of the post evenings and Sundays.

When the prisoner has successfully completed the honor company military training program, he is recommended for restoration to duty. If he is physically qualified for combat duty, he is classified as a rifleman. This places him in the Infantry, the hardest and one of the most grueling combat arms. If physically qualified for overseas but not for combat, he is classified in accordance with his physical capabilities in related classifications approprate for the Infantry. Those qualified for overseas are sent to Infantry replacement training centers. Those not qualified are sent to Army Service Forces replacement centers.

Soldiers restored from rehabilitation centers are released under suspended sentence. If a man becomes involved in further difficulty, he is returned to a disciplinary barracks to complete his sentence.

Restored soldiers who make good eventually will receive an honorable discharge and will return to their communities with a sense of achievement, self-respect, self-confidence, and the knowledge that they overcame the stigma of a military offense and court-martial sentence by concluding their military service with honorable participation in the war.

The success of this system is shown by its record. Since the establishment of rehabilitation centers in December 1942 to June 1, 1945, a total of 23,674 men have passed through these institutions.

More than half of this number have again become soldiers. The break-down follows:

Restored to duty as soldiers	12,206
Transferred to disciplinary barracks	8,370
Discharged from the service	3,098

It is a noteworthy fact that of the 12,206 restored to duty from rehabilitation centers in this country, 90 percent have acquitted themselves well on their second try in active service. The majority have gone overseas and have done their part in combat.

Those discharged from the service were dropped for one of several reasons. Most of these, having served their sentences, were let out on the dishonorable discharge ordered at the time of conviction. A few, because of pronounced mental or physical disqualifications, were discharged before completing their sentences.

On the first of June 7,457 were under training in rehabilitation centers, and many of them will be restored to duty.

A large number of soldiers sentenced overseas have also been restored to duty. Of the 10,289 soldiers in the European theater of operations sentenced by general courts-martial from January 1942 to June 1945, a total of 2,335 already have been restored to duty. It is noteworthy that only 54 of these, or 2 percent, have proved unworthy of the new opportunity. Many of those restored to duty have distinguished themselves in combat and received promotions and decorations for bravery.

In addition, 2,807 convicted soldiers have been returned from Europe to the United States for confinement and possible rehabilitation, and 5,147 are being screened for restoration to duty or for return to the United States for confinement and possible later rehabilitation.

Rehabilitation centers have won the support of the local communities. The rehabilitation center at Fort Slocum, N. Y., near New Rochelle, is an example. When Fort Slocum was selected for this purpose last year, its location provoked a storm of protest from local residents. After the center had been in operation and citizens saw what it was doing to help men reestablish themselves, those who had opposed the location expressed their commendation to the War Department on the method of treatment and said they were glad to have the rehabilitation center there. The mayor of New Rochelle was among those expressing commendation.

PARIS BLACK MARKET

The handling of the soldiers convicted last winter for stealing Army supplies and selling these on the black market in Paris is an example of the length to which the Army goes to restore men who prove they can make good as soldiers. The offense was serious. Members of two railway operating battalions stole gasoline, rations, and vital war supplies that were under their care, diverting large quantities from soldiers in the front lines to civilians in the black market. Stolen gasoline brought $7 a gallon, a carton of cigarettes $10, and a bar of chocolate candy $1. The temptation of soldiers to enrich themselves was great, but the hazard to the Army was equally great. Prosecution was pressed, long sentences of confinement were imposed, and the thefts were stopped.

The offense of soldiers in pillaging military trains in their custody bound for the front was one of the most reprehensible of the war, but the Army is restoring to duty every man who proves he is worthy of consideration. Of those sentenced 115 soldiers petitioned for clemency, agreeing to make full restitution and to have their pay stopped for this purpose. Those men have been restored to duty and placed in a special company for active combat service.

DISCIPLINARY BARRACKS

Intractable offenders, prisoners convicted of the more serious offenses, those suffering from mental and neurological disorders but not insane, and others of more doubtful restorability are committed or transferred to disciplinary barracks.

The most serious offenders are sent to one of the three maximum security disciplinary barracks, walled institutions with cell blocks. These are at Fort Leavenworth, Kans., and the former civilian prisons at Green Haven, N. Y., and Milwaukee, Wis.

The others are sent to the medium security disciplinary barracks at North Camp Hood, Tex.; Fort Missoula, Mont.; Fort Benjamin Harrison, Ind.; Camp Gordon, Ga.; Camp Haan, Calif.; Jefferson Barracks, Mo.; New Cumberland Army Service Forces Depot, Pa.; and Pine Camp, N. Y. The last three were established in the past month and all are ordinary barracks within stockades, similar to rehabilitation centers. The break-down of offenses for Fort Leavenworth is as follows:

	Percent
Military offenses	75
AWOL	26
Desertion	17
Other	32
Nonmilitary offenses	25

Since January 1, 1943, a total of 16,233 prisoners have been committed to disciplinary barracks. Of these, 8,370 were received from rehabilitation centers after it was determined that they were not capable of restoration to duty.

Even in the case of prisoners confined in a disciplinary barracks, the Army places primary emphasis on restoration to duty. From January 1, 1943, to mid-June 1945, a total of 1,882 were restored to military duty as soldiers from disciplinary barracks. In addition, eight former officers were released from confinement for immediate induction as privates. Other former officers are now being considered for this type of release.

Prisoners considered restorable are assigned to a disciplinary company (comparable to the honor company in a rehabilitation center), where they undergo a military training program similar to that given in rehabilitation centers.

When it is determined that a military prisoner cannot be remade into a soldier, every effort is made to give him work with vocational training value with a view to his eventual return to civilian life. It is recognized that a prison full of semi-idle men is potential dynamite, and that the worse the prisoners are, the worse idleness is for them. It is cheaper both from the standpoint of social and financial costs to occupy prisoners in a program of education and worth-while vocational training than it is to guard them in idleness while trouble foments.

It would be most unfair to release dishonorably discharged men to their home communities while others are serving honorably and are still exposed to the dangers of combat. It is therefore necessary that the nonrestorables be kept in confinement, but they must not be permitted to deteriorate. The very effort of learning a trade helps develop the prisoner's sense of accomplishment and gives him a certain amount of self-respect.

Work projects at the various disciplinary barracks include clothing and equipment salvage shops; shoe-repair shops; laundries; motor servicing, salvage, and repair; production of camouflage nets; construction and maintenance of rifle ranges; labor at ammunition dumps; and other production, salvage, and maintenance work. At institutions located on Army posts, the prisoners do a great variety of skilled and unskilled work about the post.

FEDERAL PRISONS

Federal penitentiaries and reformatories may be designated by the court-martial reviewing authority as the place of confinement for prisoners with sentences of more

than 1 year for convictions of treason, murder, rape, kidnapping, arson, sodomy, pandering, trafficking in drugs or other felonies.

Soldiers sent to these institutions go through a varied rehabilitation program designed to train them for return to civil life. Even in a Federal institution it is possible for the military prisoner to earn restoration to duty. Since January 1942, a total of 19 have been restored to duty directly from Federal prisons, and 62 others have been restored after transfer to a disciplinary barracks for the purpose of restoration.

PROCESSING CENTERS

A processing center has been established on the east coast and another on the west coast to hold and prepare "ship jumpers" for overseas shipment. As of March 31, 1945, these processing centers had received 38,444 absentees and deserters. Of these, 29,026 were sent to personnel replacement depots or points of embarkation for immediate service overseas. A total of 3,015 were in confinement as of March 31, 1945.

CLEMENCY BOARD

The Army's business is fighting a war. It must maintain discipline for the men in uniform. But, beyond that, it seeks to draw out the best in every soldier who is serving time. Never before has the Army gone to such lengths to help men reestablish themselves as soldiers and as citizens.

Consideration of clemency is woven constantly through the procedure for military justice. The sentence of each soldier is reviewed at least once a year. If a man proves that he has the stuff of a soldier, he will be restored to duty without being required to serve out whatever remains of his term. This system of indeterminate sentence is unmatched by any civilian courts or institutions in the Nation.

The Under Secretary of War is charged with the duty of exercising clemency. He may reduce or remit sentences of men serving time in disciplinary barracks, Federal pentitentiaries, and reformatories. To aid him in performing these duties, a clemency board was recently established. The chairman of the board is Judge Sherman Minton, of the United States Circuit Court of Appeals. Other members are Austin H. MacCormack, vice chairman; Brigadier General Rufus S. Ramey, Col. Hubert D. Hoover, and Lt. Col. James P. Hendrick.

The board will recommend to the Under Secretary policies on the exercise of clemency during and after the war and will also examine individual cases when necessary.

The creation of the board is another step in the development of a firm but understanding policy in handling soldiers who commit crimes and in helping men to clean their slate and restore themselves as American soldiers.

SUMMARY

The Army has been confronted with the unprecedented task of administering military justice throughout the world to the 10,000,000 men who have joined it in the present emergency.

The Articles of War laid down by Congress are its authority for so doing. They provide the means for enforcing discipline with safeguards to the accused, who is assured a speedy and fair trial.

It is the Army's purpose to restore as soon as possible all those convicted who give indication of their ability to again become soldiers. To accomplish this the Army utilizes the most approved and modern methods. It is proud of its record of accomplishment. It will continue to do everything within its power to administer a fair and just system of military justice.

Offenses of prisoners confined at a typical rehabilitation center

	Percent
Military offenses	82
AWOL	47
Desertion	18
All other	17
Nonmilitary offenses	18

The record of the Army's rehabilitation centers

Of the 31,131 admissions from December 1942 to June 1945, 23,674 have been transferred. Of those transferred, more than one-half (12,206) have been returned to duty; one-third (8,370) have been sent to disciplinary barracks; and 3,098 have been discharged (dishonorable, medical, etc.). The remainder (7,457), now in confinement are undergoing training with the likelihood that half will be returned to duty.

The Army's record in the European theater

Since 1942 only 1 man in 400 sentenced by general courts-martial. Of the 4,182,261 soliders in ETO from January 1942 to June 1945, only 10,289 have been senteced by general courts-martial. Of these 10,289 cases: Two thousand three hundred and thirty-five have already been restored to duty; 2,807 have been returned to the United States for confinement and further opportunity for rehabilitation. The 5,147 remaining are being screened in the theater of restoration to duty or confinement in the United States.

POLICIES AND ACTIVITIES OF THE OFFICE OF PRICE ADMINISTRATION

Mr. MORSE. Mr. President, last Friday the junior Senator from Indiana [Mr. CAPEHART] submitted a resolution providing for a special committee, to be composed of five Senators appointed by the President of the Senate, to be authorized and directed to make a full and complete study and investigation with respect to the policies and activities of the Office of Price Administration and the Office of Economic Stabilization in establishing prices for merchandise intended for civilian use, and other commodities. At the time I stated that I found myself in agreement with the resolution. I wish to reenforce that statement today by an additional statement.

The Senate and House have passed the OPA Act and the President has signed it. However, OPA, in spite of Chester Bowles' promises continues to bungle the marketing of the Nation's meat supply.

In the course of the debate on the OPA Act, I pointed out that one of the things which we needed to watch out for was that after the act was passed the OPA, in its high and mighty attitude, might continue with its maladministration, without taking the necessary steps to protect the domestic food supply and its marketing.

Already, Mr. President, we see that maladministration continuing in an ever greater degree. As a Member of the Senate I intend to continue to focus the attention of the Senate and of the country, to the extent that I can do so from this desk, upon the gross incompetency which characterizes OPA at its national office level. I shall continue to call attention to its bungling policies until OPA provides the Nation with the necessary changes in its policies.

The other day I discussed with the President the problem which confronts the lamb producers of my State in regard to marketing Oregon lambs. I was given assurances that steps would be taken to correct those injustices. I believe those assurances will be kept; because, as I said on this floor the other day, I have complete confidence in the fairness and good faith of President Truman and Secretary of Agriculture Anderson. The latest proposals to come out of the OPA in regard to this problem can best be characterized as stupid and asinine. Not only that, but they are not made, in my judgment, Mr. President, even in good faith. They appear to be made to embarrass the Senators from Oregon. The suggestion coming out of the OPA this morning is that if the slaughterhouse quotas are increased to handle the slaughtering of lambs, that must be done with the understanding, however, that the quotas will be reduced correspondingly on beef. The politicians in OPA apparently think they would embarrass the senior Senator from Oregon and the junior Senator from Oregon by getting such a proposal accepted, in that after solving the problem for the sheepmen, we, as Senators from the State, would then have the cattlemen on our necks. Well, Mr. President, I intend to fight for all branches of the livestock interests of my State because they are being done a rank injustice by the OPA. Consumers generally are suffering also from OPA's injustices. I think these injustices will continue as long as Mr. Bowles maintains his stiff neck and unreasonable attitude in regard to this problem.

Therefore, Mr. President, I serve notice that on Thursday and on each day that the Senate meets I am going to continue to call attention to the incompetency of OPA in the handling of the food problems of this country unless and until some definite steps are taken by OPA to correct the injustices of which I complain. I shall submit either on Thursday or next Monday a resolution giving the Senate of the United States an opportunity to fulfill its full responsibilities in regard to seeing to it that justice is done the American people in regard to the handling of our food problems by OPA. That resolution will supplement the one already introduced by the Senator from Indiana. I shall ask the appointment of a special committee to investigate the food policies of OPA. I think such a Senate committee should be appointed to investigate and keep in contact with the OPA and its food policies until such time as OPA corrects its maladministration of our food supply. We cannot pass appropriation bills, Mr. President, and, having passed them, take the attitude that we can shuffle off our responsibility for all of the administrative consequences of those bills. One of the serious threats to a responsible administration of the American Government in recent years has been the trend of the Congress to pass a bill which creates an executive agency, give it broad sweeping powers, and then to forget about the activities of that agency until the next year, when its representatives come before the Congress and ask for a new appropriation. O Mr. President, these agency representatives are very reasonable when they are before us

asking for appropriations. They make promises, just as we found Mr. Bowles making promises when the appropriation bill was before us this year. Unfortunately Congress fails to check as carefully as it should during the year to make certain that agencies such a. OPA carry out their statutory mandates. I say that the Senate of the United States has the solemn obligation of seeing to it 12 months out of the year that the executive agencies are properly administered. I, for one, say that the Congress of the United States has not been living up to that responsibility; it has not been keeping a close check upon these executive agencies. The result is that gross maladministration has occurred and unbelievable injustices are being done the American people, and the Congress of the United States is not doing anything effective about it. If we are to prevent the OPA from becoming a superlegislature; if we are to stop OFA from exercising arbitrary and capricious power; if we are going to hold OPA to the purposes of the OPA statute then we must appoint a special committee of the Senate to keep a close check upon OPA the year around. It has clearly demonstrated that its national office will try to get away with doing whatever it pleases unless Congress maintains a watchdog check upon it at all times.

Today we have before the American people a set of facts on OPA's failure to administer a fair food policy which all must admit, if they will go into an investigation of those facts, show great maladministration by the OPA in the handling of the food problems of this country. The city editor of the Portland Oregonian, one of the great newspapers of the West, communicated with me this morning. He pointed out that the food policies of the OPA have resulted in the storing of a tremendous suply of butter in the storehouses of the Pacific Northwest, but the housewives cannot get the butter because of the rationing point system of OPA. Much of the butter is spoiling. The OPA has taken the attitude, Mr. President, that its rationing policies are almost sacrosanct and that no one should raise any question whether those policies are proper and fitting. I say it is the duty of the Congress of the United States to have functioning at all times a special committee constantly checking into the policies of OPA to see whether they are functioning in the interests of the American people. If we do it, I am satisfied that any fair and impartial committee will find voluminous evidence that OPA reeks with incompetence.

There is no excuse for great quantities of butter going to waste in this country simply because OPA refuses to modify its ration point system so that it can be sold before it spoils. Too frequently OPA makes a gesture to remedy a situation after the damage has been done. Let me read a typical newspaper story on the butter problem as the housewives find it in Oregon. The managing editor of the Oregonian submitted it to me this morning. It reads, as follows:

POINT LACK LETS BUTTER GO UNSOLD—PRODUCT PILING UP IN STORAGE, WITH SOME SPOILING

Portland housewives go without butter because they cannot afford to give 24 points a pound for it, while Portland warehouses are bulging with Government and private stocks, and butter is spoiling in the refrigerators of many retail outlets.

This was revealed when the Oregonian investigated complaints that some housewives have found butter rancid or tainted with odors from other food, when they have abandoned their search for the elusive, point-saving margarine and sacrificed the red points that would buy several pounds of meat.

POINT LACK BLAMED

Wholesale and retail outlets explained that butter is backing up in the warehouses because the housewife will not—or cannot—spare the red points required for its purchase. However, because of the "quota headache," some grocers are buying more butter than they need. The slow movement of this butter, held too long in refrigerators not designed for such storage, causes the spoilage which brings complaint from housewives. Older butter, naturally, is sold first.

Growing stocks of butter in Portland warehouses are revealed in reports of the dairy and poultry branch of the United States Department of Agriculture. The figures include both Government and private holdings, but the trade reported that the Government takes about 70 percent of the butter stock here.

On April 28 Portland butter storage was 179,346 pounds, against 758,777 pounds a year ago on that date.

SLOW TURN-OVER CITED

On May 25 there were 482,214 pounds, compared to 809,097 pounds a year ago.

On June 23 the storage figure was 1,268,328 pounds, compared to 1,790,501 pounds on the same day in 1944.

The Army recently indicated that it probably would be out of the butter market for the summer. Storage figures show that butter is accumulating more rapidly than during last year.

Arthur Ness, of the Ness Produce Co., 525 Southeast Oak Street, declared that while retailers are worrying about their next winter quotas, they are curtailing orders for butter as much as possible because of its slow movement. He said that 10 of his accounts ordered but 70 pounds of butter for Thursday delivery, when ordinarily they would buy 350 to 600 pounds.

PRICE FACTOR DISCOUNTED

"Price has nothing to do with the movement of butter at this time," Ness said. "I doubt that you could sell butter at 20 cents a pound now, because the housewife does not have the points."

A. G. Ames, operator of the Ames Grocery and Market, 8101 North Fessenden Street, said that his store usually handled 18 cases of butter, 30 pounds to the case, a week, and that "now it is hard to move two cases a week."

Ames said some grocers will buy more butter than they need now because quotas next winter will be based on present purchases. They will then stand to take a loss from spoilage, because 2 weeks is the limit that butter may be held with ordinary grocery-store refrigeration.

I know that when one criticizes OPA there is a danger that those who have not investigated the facts will jump to the conclusion that he is not in favor of the objectives of OPA. I have tried to make clear on the floor of the Senate time and time again that I will back to the limit the statutory objectives of OPA; but I again charge, Mr. President, that OPA is not carrying out its statutory objectives. I will make no apology to any man in the Senate for my record of fighting to maintain the economic stabilization program of this Government during this war. As a member of the War Labor Board, I said in decision after decision that that stabilization program must be maintained if we are to protect the American people from the ravages of a great inflation. But, Mr. President, I tell you that the OPA is not protecting us from that inflation. I tell you that some of the phony statistics that are coming out of OPA are hiding the inflationary trends in this country which are already on their way. Those trends must be stopped. It is the obligation of every Member of the Senate to see to it that a special investigating committee is appointed without delay to constantly keep tab on the policies of OPA. It is the duty of this administration, on the executive side, to see to it that the maladministration of OPA in its handling of our food problems is corrected without delay.

Mr. President, I do not find it pleasant to continually have to bring criticism under the head of OPA; but as long as the senior Senator from Oregon and the junior Senator from Oregon receive the lack of consideration that they are receiving from OPA, as long as we continue to find the officials of OPA failing to make a sincere attempt to eliminate once and for all the great injustice that is being done to the sheep producers of my State, we intend to make it a cause célèbre. I think the American people are entitled to know, in terms of a specific case, what the OPA is doing in its mishandling and bungling of the food resources of this country.

I hope that between now and next Thursday the necessary steps will be taken to see to it that the great loss which the Oregon sheepmen are suffering again this year, which is for the third year in succession, will be remedied without further delay.

The senior Senator from Oregon [Mr. CORDON] and I have made specific suggestions to the OPA, to the War Food Administration, to the Director of Economic Stabilization, and to the Secretary of Agriculture. The Secretary of Agriculture has a great opportunity—and I believe he will avail himself of it—of seeing that the food problems of this country are solved in the interest of the public. But, in order to do that I think he will need at all times the support of the Congress. I think the best way by which to give him such support is to carry out the suggestion which I made earlier in these remarks of having a special committee appointed which will be charged with the obligation of constantly checking on OPA policy, reexamining the rationing policies of OPA, and making certain that OPA is, in fact, carrying out the statutory objectives of the act.

Why, Mr. President, the apparently blind devotion of OPA to a doctrine of uniformity in connection with the handling of food products in this country is sufficient to convince anyone who will look into the facts that the OPA is not competent, on the national office level, to handle our food problems.

The senior Senator from Oregon and I have suggested over and over again that OPA must meet the lamb problem on a regional basis. The immediate lamb problem of the Pacific Northwest cannot be solved by any such suggestion as was made this morning to the effect that the quota on beef must be reduced to

the same extent that the quota on lamb is increased. It cannot be solved by the suggestion that the quota be lifted on class 2 slaughterhouses unless, in coordination and cooperation, the OPA, the Bureau of Animal Industry, and the Army provide the class 2 slaughterhouses with the required number of veterinarians which will permit necessary inspections. What I resent is the buck passing, the stalling, and procrastination which characterize the handling of these problems by OPA, the War Food Administration, and the Office of the Director of Economic Stabilization. They do not seem to be able to get together on any coordinated program. I assert that it is not solely an executive problem, but that it is a congressional problem as well. It is up to us, as Members of the Congress, to carry through and see to it that those agencies which the Congress has sanctioned adopt a coordinated policy which will protect the American people from the great food losses which they are now suffering.

I close my remarks with the notice, Mr. President, that I do not intend, if I can prevent it, to allow OPA to "get by" with its maladministration of the Oregon lamb problem. I do not intend to permit Mr. Chester Bowles who, in my opinion, has clearly demonstrated his complete incompetency to handle his job, to continue to evade, duck, weave, and hedge. I for one, as a Member of the Senate, intend to continue to say to OPA—I think the same responsibility rests upon the shoulders of the remaining Members of the Senate—that it shall not continue its present ineffective policies. We have a public obligation to perform in making sure that this agency—after all, it is an arm of the Senate, because whatever powers it exercises are exercised at the discretion of the Senate—shall be held clearly responsible to the Senate through a special Senate investigating committee which will continue to function as long as the OPA is in existence. If the Senate of the United States does not appoint such a committee, Mr. President, I assert here and now that public opinion in America should put the responsibility for OPA's mistakes where it belongs, namely, on the Congress which passed the legislation in the first instance. At the time the legislation was before the Senate it refused to adopt any amendments which would have placed a check upon the operations of the OPA. The leaders on the other side of the aisle argued that OPA's administrative shortcomings would be corrected administratively if we did not pass any amendments. I say it is time to bring about the housecleaning in the OPA which is so sorely needed. It is time for the Congress of the United States to insist upon policies and regulations of OPA which will serve and not injure the public interest.

AUTHORIZATION TO RECEIVE MESSAGES AND TO SIGN BILLS

Mr. HAYDEN. Mr. President, I ask unanimous consent that during the impending recess of the Senate the Secretary of the Senate be authorized to receive messages from the House of Representatives, and that the President pro tempore of the Senate be authorized to sign duly enrolled bills.

The PRESIDING OFFICER (Mr. WHERRY in the chair). Is there objection? The Chair hears none, and it is so ordered.

RECESS TO THURSDAY

Mr. HAYDEN. Mr. President, I move that the Senate take a recess until Thursday next at 12 o'clock noon.

The motion was agreed to; and (at 1 o'clock and 58 minutes p. m.) the Senate took a recess until Thursday, July 12, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 9, 1945:

ATTORNEY GENERAL OF PUERTO RICO

Enrique Campos del Toro, of Puerto Rico, to be attorney general of Pureto Rico, vice George A. Malcolm.

UNITED STATES ATTORNEY

Ray J. O'Brien, of Hawaii, to be United States attorney for the Territory of Hawaii, vice G. Douglas Crozier, resigned.

PUBLIC HEALTH SERVICE

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

Temporary surgeons to be temporary senior surgeons effective dates indicated:
Dale C. Cameron, June 16, 1945.
James V. Lowry, July 1, 1945.
Eugene A. Gillis, July 1, 1945.
James C. Archer, June 15, 1945.

Assistant surgeons to be temporary passed assistant surgeons effective July 1, 1945:
Ira Avrin
Jacob Wagner

Passed assistant surgeons to be temporary surgeons effective dates indicated:
Avery B. Wight, May 1, 1945.
Edward C. Jenkins, July 1, 1945.
Walter S. Mozden, August 1, 1945.
William D. Hazlehurst, July 1, 1945.

Surgeons to be temporary senior surgeons effective July 1, 1945:
Seymour D. Vestermark
Gordon A. Abbott
Chapman H. Binford
Waldemar C. Dreessen
Edward C. Rinck

Dental surgeons to be temporary senior dental surgeons effective dates indicated:
Ray P. Breaux, August 1, 1945.
Thomas L. Hagan, August 1, 1945.
Joseph J. Dunlay, March 1, 1945.

Surgeons to be senior surgeons effective dates indicated:
George G. Holdt, July 1, 1945.
James B. Ryon, October 14, 1945.
William H. Sebrell, Jr., June 29, 1945.
Homer L. Skinner, June 29, 1945.

Assistant dental surgeons to be passed assistant dental surgeons effective July 20, 1945:
Dennis E. Singleton, Howard K. Wyatt, and Norman L. Zwickel.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

Chaplain (temporary brigadier general; permanent colonel) Luther Deck Miller, Army of the United States, to be chief of chaplains for a period of 4 years from date of acceptance, with the temporary rank of brigadier general, Regular Army, under the provisions of Public Law 314, Seventy-seventh Congress, Vice Chaplain (Maj. Gen.) William Richard Arnold who retired on June 30, 1945.

Lt. Gen. Daniel Isom Sultan (brigadier general, U. S. Army), Army of the United States, for appointment in the Regular Army of the United States as the inspector general, with the rank of major general, for a period of 4 years from date of acceptance, Vice Maj. Gen. Virgil Lee Peterson, formerly the inspector general, whose term of office expired February 26, 1944. (This appointment will not vacate his earlier appointment as lieutenant general in the Army of the United States.)

TEMPORARY APPOINTMENTS IN THE NAVY

Pay Director William C. Wallace to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as fleet supply officer, Service Force, United States Atlantic Fleet, and until reporting for other permanent duty.

Pay Director Thomas A. Durham to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as officer in charge, naval supply depot, aviation annex, Oakland, Calif., and until reporting for other permanent duty.

Pay Director John E. Wood to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as senior assistant to the aviation supply officer, Philadelphia, and until reporting for other permanent duty.

Pay Director Gerald A. Eubank to be a pay director in the United States Naval Reserve, with the rank of commodore, for temporary service, to continue while serving as fiscal director, Bureau of Supplies and Accounts.

Pay Director James B. Ricketts to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as force supply officer, Staff of Commander Air Force, United States Pacific Fleet, and until reporting for other permanent duty.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 9, 1945:

POSTMASTERS

GEORGIA

Emma L. Slater, Brookiet.
Myron R. Leard, Colbert.
Zelan T. Wills, Smyrna.

NEBRASKA

Ruth H. Carlson, Loomis.
James L. McCarty, Red Cloud.

OHIO

Katherine Matson, Maynard.

VIRGINIA

Muriel M. Crews, Madison Heights.

HOUSE OF REPRESENTATIVES

MONDAY, JULY 9, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Lord God Almighty, we are coming unto Thee with reverence and gratitude, for in Thy kind and gracious providence Thou hast been unfailingly mindful of all our needs. May we joyously and confidently lay hold of the eternal promise that no good thing wilt Thou withhold from those who walk before Thee humbly and uprightly.

Grant that we may be more sensitive and responsive to the persuasions and pleadings of Thy Holy Spirit, calling us to live worthily and to perform our duties conscientiously and with an eye single to Thy glory. Purge us from that

which dwarfs and deadens our capacities for being equal to the challenge of every task, no matter how high and hard. May we have grace and strength to repel every selfish propensity, every willful purpose, every unkind feeling, every thought and word and deed of anger and impatience.

We pray that Thou will lift our minds to the contemplation of Thy beloved Son; and as we think of the beauty and strength of His character, may our hearts expand with a longing to cultivate and cherish His same spirit of kindness, considerateness, good will, and love. May it be the goal of all our aspirations to have our own spirits fashioned into His glorious likeness. To Thy name we shall give all the praise. Amen.

The Journal of the proceedings of Friday, July 6, 1945, was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on Friday, July 6, 1945, the President approved and signed bills and a joint resolution of the House of the following titles:

On July 6, 1945:

H. R. 44. An act to amend the act entitled "An act to provide for the disposal of certain records of the United States Government;

H. R. 842. An act for the relief of Mrs. Sadie L. Dance;

H. R. 852. An act for the relief of Betty Jane Ritter;

H. R. 1007. An act for the relief of Mrs. Beatrice Brown Waggoner;

H. R. 1008. An act for the relief of Mrs. Harriette E. Harris;

H. R. 1309. An act to provide reimbursement for personal property lost, damaged, or destroyed as the result of an explosion at the naval air station, Norfolk, Va., on September 17, 1943;

H. R. 1601. An act for the relief of Dorothy M. Moon;

H. R. 1606. An act for the relief of Mrs. Ethel Farkas;

H. R. 1647. An act to authorize the Secretary of War to convey to the Captain William Edmiston Chapter of the Daughters of the American Revolution a certain building and tract or parcel of land situated in Montgomery County, Tenn.;

H. R. 1668. An act for the relief of Mrs. Mary Ellen Keegan Herzog, Frances James Keegan, and Sgt. John Keegan;

H. R. 2060. An act for the relief of D. W. Key;

H. R. 2336. An act for the relief of Osborne E. McKay;

H. R. 2477. An act to give recognition to the noncombatant services under enemy fire performed by officers and enlisted men of the Medical Corps of the Army;

H. R. 2515. An act for the relief of Harland Bartholomew and Associates;

H. R. 2685. An act to reimburse certain naval personnel and former naval personnel for personal property lost or damaged as a result of a fire in the bachelor officers' quarters known as Macqueripe Annex, located at the United States naval operating base, Trinidad, British West Indies, on June 11, 1944;

H. R. 3035. An act to reclassify the salaries of postmasters, officers, and employees of the postal service; to establish uniform procedures for computing compensation, and for other purposes;

H. R. 3118. An act to amend section 100 of Public Law No. 346, Seventy-eighth Congress, June 22, 1944, to grant certain priorities to the Veterans' Administration, and for other purposes;

H. R. 3266. An act to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of penicillin or any derivative thereof, and for other purposes;

H. R. 3269. An act further amending the part of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, as amended, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves;

H. R. 3287. An act to authorize the attendance of the Marine Band at the national encampment of the Grand Army of the Republic to be held at Columbus, Ohio, September 9 to 14, inclusive, 1945;

H. R. 3436. An act providing for a medal for service in the armed forces during the present war; and

H. J. Res. 215. Joint resolution authorizing the production of petroleum for the national defense from Naval Petroleum Reserve, No. 1.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 574. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.; and

S. 956. An act for the relief of Mr. and Mrs. Stephen E Sanders.

The message also announced that the Senate insists upon its amendment to the bill (H. R. 1031) entitled "An act for the relief of Matthew Mattas," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. O'DANIEL, and Mr. MORSE to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River; and

S. 234. An act authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF SIGNING OF TREATY WITH INDIANS OF NORTHWEST TERRITORY KNOWN AS TREATY OF GREENE VILLE

Mr. HESELTON. Mr. Speaker, I have been requested by the Committee on the Library to ask unanimous consent for the immediate consideration of House Joint Resolution 195.

The Clerk read the resolution, as follows:

Resolved, etc., That there is hereby established a commission to be known as the Treaty of Greene Ville Celebration Commission (hereinafter referred to as the "Commission") and to be composed of eight commissioners, as follows: The President of the United States; two Members of the Senate, one from each of the two major parties, to be appointed by the President pro tempore of the Senate; two Members of the House of Representatives, one from each of the two major parties, to be appointed by the Speaker of the House of Representatives; and three individuals from private life, to be appointed by the President of the United States. The commissioners shall serve without compensation and shall select a chairman from among their number.

SEC. 2. It shall be the duty of the Commission to prepare and carry out a comprehensive plan for the observance and celebration of the one hundred and fiftieth anniversary of the signing on August 3, 1795, in what is now the State of Ohio, the Treaty of Greene Ville by Gen. Anthony Wayne and representatives of the Indians of the Northwest Territory. In the preparation of such plan, the Commission shall cooperate with the Treaty of Greene Ville Sesquicentennial Commission, Inc., in order that there may be proper coordination and correlation of plans for such observance and celebration.

SEC. 3. (a) Without regard to the civil-service laws or the Classification Act of 1923, as amended, the Commission is authorized to appoint and prescribe the duties and fix the compensation of a director and such other employees as are necessary in the execution of its functions.

(b) The Commission may make such expenditures as are necessary to carry out the purposes of this joint resolution, including all necessary traveling expenses and subsistence expenses incurred by the commissioners. All expenditures of the Commission shall be allowed and paid upon presentation of itemized vouchers therefor, approved by the Chairman of the Commission.

(c) The Commission shall cease to exist within 6 months after the date of the expiration of the celebration.

SEC. 4. There is authorized to be appropriated the sum of $15,000, or so much thereof as may be necessary, to carry out the purposes of this joint resolution.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. RICH. Mr. Speaker, reserving the right to object, what does this bill do?

Mr. HESELTON. Mr. Speaker, this resolution provides for the observance and celebration of the one hundred and fiftieth anniversary of the signing of a treaty with the Indians in the Northwest Territory. It is known as the Treaty of Greene Ville. The State of Ohio has incorporated the Greene Ville Centennial Commission, and they have made extensive plans for this observance which is to take place on August 3 next.

Mr. RANKIN. Mr. Speaker, reserving the right to object, have the Indians been consulted?

Mr. HESELTON. Not by me.

Mr. RANKIN. Is there included in the resolution any proposal to return this territory to the Indians?

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The Clerk read the following committee amendment:

Page 3, beginning in line 8, strike out section 4.

The committee amendment was agreed to.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN R. JENNINGS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following veto message from the President of the United States, which was read, referred to the Committee on Claims, and ordered to be printed:

The House of Representatives:

I return herewith, without my approval, H. R. 1917, for the relief of John R. Jennings.

It is the purpose of the bill to pay the sum of $7,628 to John R. Jennings, of South Jacksonville, Fla., in settlement of his claim against the United States by reason of personal injuries and damage to his automobile sustained on April 22, 1943, near Camp Blanding, Fla., when his automobile was struck by an Army vehicle. The proposed payment includes an allowance of $128 for damage to the claimant's automobile and $7,500 for personal injuries sustained by him.

The claimant apparently has recovered from the injuries sustained, except that he has lost the vision of his right eye and has some weakness in the muscles of his left arm.

While there appears to be no question but what the Government should assume responsibility for the accident in question and award compensation to the claimant commensurate with the injuries sustained, it is not believed that the proposed payment of $7,500 for the injuries sustained by him, which consist primarily of the loss of an eye, is justified.

During the last several years, the Congress has enacted and the President has approved a number of bills involving payment to claimants by reason of the loss of an eye. These payments have varied in amount, depending upon the extent to which the loss of vision affected the person's earning capacity, from $1,250 to $5,000.

I feel obliged, in accordance with the compensation policy thus established, to withhold approval of this bill, but I would be glad to approve a measure which would provide compensation to the claimant in an amount not in excess of $5,000.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 6, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

BETTER ENFORCEMENT OF LAW WITHIN THE DISTRICT OF COLUMBIA—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

The enrolled bill (H. R. 2856) to provide for better enforcement of law within the District of Columbia, and for other purposes, is returned herewith without my approval.

The language of section 1 of the bill, although obscure and indefinite, is apparently intended to transfer jurisdiction over felonies committed within the park areas in the District of Columbia from the United States Park Police to the Metropolitan Police of the District of Columbia in situations where detective services are required. I am convinced that the effect of such legislation would be to impair rather than to improve law enforcement in these park areas. In the event that felonies are committed on park lands without the perpetrators being immediately apprehended, the provisions of section 1 would seem to place any members of the United States Park Police, functioning in connection with the solution of such felonies, under the control of the detective force of the Metropolitan Police. During this time the United States officers, regardless of rank, would be subject to the orders of the Detective Bureau and precinct detectives of the Metropolitan Police force. This would require the members of the United States Park Police force to serve two masters whose authority over them would be uncertainly divided and would necessarily have a demoralizing effect on that organization.

The Federal Bureau of Investigation of the Department of Justice and the Metropolitan Police are now authorized to participate with the United States Park Police in solving felony cases wherever their services are necessary. Approval of the bill would unsettle the practical working arrangements already set up for this purpose without adding to the means available for the detection and apprehension of offenders.

An additional objection to the provisions of section 1 is that they would remove full authority over the United States Park Police force from the Secretary of the Interior, who is charged by law with the exclusive charge and control of the National Capital park system.

Section 2 of the bill declares that no appropriation from the revenues of the District of Columbia shall be used to pay the salaries or for equipment of the United States Park Police, and section 3 would make this requirement effective from July 1, 1945. Although the reports of the committees which considered the bill state that the practical effect of section 2 is merely to require that members of the Park Police force who perform truly Federal services and are under the control of Federal authorities be paid out of the funds of the Federal Government, nevertheless the fact of the matter is that the appropriation for this purpose contained in the District of Columbia Appropriation Act for the fiscal year beginning July 1, 1945, has not been made from Federal funds. Because of the terms of section 3, approval of the bill might well be construed as a repeal of so much of this appropriation as would otherwise be available for the salaries and equipment of the personnel involved.

Both the Department of the Interior Appropriation Act for the fiscal year beginning July 1, 1945, and the Second Deficiency Appropriation Act have been passed by the Congress in a form which makes no provision for the 70 members of the United States Park Police force—a majority of that organization—whose salaries and equipment are, under the terms of the District of Columbia Appropriation Act, payable from revenues of the District of Columbia rather than from Federal funds. Hence the effect of a repeal of the appropriation for this purpose contained in that act would be to deprive the United States Park Police of the necessary means for the pay of its personnel, and to jeopardize the performance of its essential protective functions.

For these reasons, I feel that it is my duty to withhold my approval from H. R. 2856.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 6, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Mr. RANDOLPH. Mr. Speaker, I move that the bill and message be referred to the Committee on the District of Columbia and ordered to be printed.

The motion was agreed to.

VICTOR MURDOCK

Mr. REES of Kansas. Mr. Speaker, it is with profound sorrow I announce the passing of a former member of this House, Victor Murdock of Wichita, Kans. Representative Murdock served with distinction and honor in this body during a period of 12 years from 1903 to 1915. He was a member of the Federal Trade Commission from 1917 to 1924, having served as chairman during a part of his term. He returned to Wichita where he continued in active charge of the Wichita Eagle of which he had been editor and manager since he was a young man. He was the author of several books, China, the Mysterious and Marvelous being among them.

Representative Murdock was a leader in the Progressive Party. He headed that group as a Member of Congress. He was effective. He was fearless. He fought a clean hard fight on the floor of this House.

It is with deep sense of personal loss I pay my tribute to the life, the achievements, and the character of a great American.

Victor Murdock was loyal to his Nation. He loved his native State of Kansas. He was a friend of the people. He rubbed shoulders with the common folks. Their problems were his problems. Their sorrows were his sorrows.

Victor Murdock was a good citizen. He was an outstanding statesman, a great patriot. He was a constant humanitarian, and a devoted and loyal friend. He had a deep sense of justice. He was, indeed, a Christian gentleman.

I cannot say, I will not say
That he is dead; he is just away.
With a cheery smile and a wave of the hand,
He has wandered into an unknown land
And left us dreaming how very fair
It needs must be, since he lingers there.
Think of him still the same, I say
He is not dead, he is just away.

The SPEAKER. The Chair recognizes the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, this morning's papers carry a dispatch announcing the death of Victor Murdock on yesterday at his home in Wichita, Kans.

Victor Murdock was a Member of the House of Representatives from May 26, 1904, to March 3, 1915. He was elected

first from the Seventh Kansas District, which included 36 counties in south central and southwestern Kansas. Thirty-three of those counties now comprise the congressional district which I have the honor to represent. Mr. Murdock was reelected from the Seventh District for the term beginning March 4, 1905, and was thereafter relected for four terms to represent the newly-created Eighth Kansas District. He was not a candidate for reelection in 1914. In 1917 he was appointed by President Wilson as a member of the Federal Trade Commission and served until 1924. In 1919, 1920, 1922, and 1923 he was chairman of the Commission.

During all of his mature life, with the exception of the time he spent as a Government official, Victor Murdock was associated with the Wichita Eagle, established by the Murdock family and long one of the leading newspapers of Kansas and the Southwest. From the time he retired from the Federal Trade Commission in 1924 until his death, he was editor in chief of the Eagle.

Victor Murdock has always been one of my heroes. When I was a boy and a young man he was one of the leading political figures of the day. He served in Congress during one of the most interesting and exciting periods in congressional history. He was one of the leaders, along with George W. Norris, in the fight to liberalize the rules of the House which resulted in the overthrow of Speaker Cannon and the adoption of substantially the same rules which govern the House today. Mr. Murdock left the Republican Party as a follower of Theodore Roosevelt in 1912. He was the leader of the Progressive Party in the House during his last term from 1913 to March 3, 1915, and in 1915 and 1916 served as national chairman of the Progressive Party. He was the Progressive candidate for the Senate from Kansas in 1914.

Victor Murdock was a man of great courage and great vision. This combination made him a militant crusader during the years he was in public life. He was a genuine progressive in politics and in business.

In recent years Mr. Murdock has taken little outward interest in politics. After his retirement from political life his great energies and talents were in the main devoted to the building and development of Wichita and the great Southwest. More than anyone else, he foresaw the agricultural and industrial development which has taken place in this area during the last three decades, a development which reached its climax during the present war effort. It must have been a great satisfaction to him to have lived to see his predictions as to the resources and possibilities of this area come true.

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, it was my pleasure and satisfaction to serve with Victor Murdock. He was one of the ablest and most resourceful Members of the House. As has been stated, he was the leader of the progressive group, and I hope that in the future we will have from the State of Kansas and other Western States more men like Victor Murdock who always try to be of maximum service to his people and the country. I know that he led very effectively about 25 progressives, including Mr. Norris, of Nebraska, Mr. Cooper, Mr. Esch, and Mr. Nelson, of Wisconsin; Mr. Davis, of Minnesota; Mr. Hamilton, of Michigan; and Mr. Madison, of Iowa, in taking from the Speaker the great power that gained for him the sobriquet "czar." The Speaker was the chairman of the Rules Committee, and, although he appointed two other Members to serve with him on that committee, he was the one who controlled there absolutely. Nobody could get a committee assignment without his approval.

All this was changed by the new rules of the House, which are a monument to Victor Murdock and his kind, and these gentlemen were stripped of their great inordinate powers.

I recall the great struggle to effect these changes that kept the House in continuous session 2 days and 2 nights, and it was only the energy and determination of the Democrats, aided by progressive Republicans, that this great power that was exercised so long and tyrannically by the Speaker was wrested from him and the rules of the House were liberalized.

Some day in the near future I hope to describe on the floor of the House the historic 2 days and 2 nights struggle.

It is to be regretted that the States of Kansas, Iowa, Minnesota, Nebraska, and Wisconsin do not send to Congress more progressives like the subject of eulogies that are so well merited.

I, as a progressive Democrat, always regretted that when the Republicans gained control of the House the standpatters elected Nick Longworth Speaker, and he immediately started to purge the progressives which in a few years caused defeat of the Republican Party, which cannot regain power unless it divorces itself from the reactionary, stand-pat Republicans controlled by the special interests. I feel sure that if we had more splendid, able, and courageous progressives like Victor Murdock we could cooperate with them and they with us in the interest of beneficial legislation, and the reactionary groups would not be able to stifle or thwart the will of the people.

Although the rules of the House have been liberalized to expedite legislation and give Members of the House the right to pass on legislation reported by the various legislative committees as was originally intended, unfortunately, now and then, the Rules Committee fails to live up to the original purpose and refuses to grant rules for bills reported by legislative committees.

I join with the gentlemen who have preceded me in lamenting the death of a truly good man, Victor Murdock, and I do hope that many in the interest of our country will follow the lessons and admonitions of his long and honorable career as a valiant citizen and progressive legislator.

The SPEAKER. The Chair recognizes the gentleman from Kansas [Mr. CARLSON].

Mr. CARLSON. Mr. Speaker, the State of Kansas has lost one of its outstanding citizens by the passing of Victor Murdock. He served with distinction and honor in the House of Representatives and as Chairman of the Federal Trade Commission. On his return to Kansas he was continually active in the affairs of our State and of our Nation. We are going to miss him very much. His life was devoted to service and he never hesitated to take a definite stand on any question or ideal. He was forthright in his dealings with his fellow men. Truly it may be said of him that he charted a course and pursued it to the end. He was a personal friend of mine, and I want to extend my sincerest sympathy to the remaining family.

The SPEAKER. The Chair recognizes the gentleman from Michigan [Mr. WOODRUFF].

Mr. WOODRUFF of Michigan. Mr. Speaker, I happen to be the only follower of Victor Murdock's leadership in this House who is still serving here. I was one of that little band of 13 men who were elected to Congress in 1913 on the Progressive ticket. We selected Mr. Murdock as our leader. I want to say to you folks listening to me now that we had a leader in Mr. Murdock who had everything on the ball. He was redheaded. He had the characteristics and the ability that that fact might indicate to the discerning mind. He was well informed. He had a brand of courage which was rare even in the Halls of Congress. He lived a life of action and his every thought was for the welfare of his country. I am proud to have served under Murdock. He was a great man and a great Kansan. He was a great American.

EXTENSION OF REMARKS

Mr. WOODRUFF of Michigan asked and was given permission to extend his remarks in the RECORD and include a letter from a constituent, and also to extend his remarks in three more instances on three subjects.

SERVICE RIBBONS FOR AMERICAN PRISONERS OF WAR

Mr. POAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker and Members of the House, the armed services have properly provided identification ribbons for those who have engaged in the various campaigns of this war. I think that is a proper recognition of their services.

It has occurred to me that those who have served as prisoners of war in the concentration camps of our enemies and who have now returned should be given some similar recognition. Surely the man who has spent months in a prison camp in Germany has gone through enough to entitle him to the same kind of recognition that we give to those who have gone through other campaigns. I simply want to suggest to the public and to the War Department that such recognition be given those who have been in prisoner-of-war camps.

EXTENSION OF REMARKS

Mr. PLUMLEY (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD by printing a statement by Jim Brody, of the International Labor Council.

Mr. BECKWORTH asked and was given permission to extend his remarks in the RECORD and include a statement by Hubert Harrison; and to further extend his remarks and include some excerpts from the 1944 report of the Alien Property Custodian.

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include a newspaper article from the Washington Post of July 7.

Mr. HOCH asked and was given permission to extend his remarks in the RECORD and include extracts from a timely sermon on Shall We Have Peacetime Conscription?

PERMISSION TO ADDRESS THE HOUSE

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative business today and following any special orders heretofore entered, I may be allowed to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes following my colleague from California.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include an article by Joseph M. Lawyer, of Indianapolis, Ind.

Mr. ALLEN of Illinois asked and was given permission to extend his remarks in the RECORD and include a resolution passed by the Carroll County Farm Bureau.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an article, the Cost of Peace, from Sunshine magazine.

Mr. RAMEY asked and was given permission to extend his remarks in the RECORD and include an address by Kenneth D. Tooill, editor of he Toledo Blade.

Mr. McDONOUGH asked and was given permission to extend his remarks in the RECORD on the subject of California needs the Montana steel mills.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include therein an interesting statement by a prominent woman publicist on the question of equal rights.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an editorial regarding the cadet nurses.

Mr. HINSHAW asked and was given permission to extend his remarks in the RECORD and include a description of the Sterling Club.

PVT. RICHARD G. ZURBRICK

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. McDONOUGH addressed the House. His remarks appear in the Appendix.]

BUTTER

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

[Mr. STEVENSON addressed the House. His remarks appear in the Appendix.]

GASOLINE FOR WOUNDED SERVICEMEN

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I was shocked when I found last week that the OPA was allowing men who had given their arms and their legs, even sometimes an arm and both legs to their country, only one gallon of gasoline per day, when they are on furlough from a hospital, which is the amount given to all veterans at home on furlough. In order for them to get about when they are home on furloughs the amputees must ride.

I have taken up the matter with the OPA and I am convinced they will allow them more, perhaps several gallons a day, which should be given to those men who have given so much for us.

Also I have taken up the matter of priorities for the disabled, in the matter of securing automobiles. The manufacturers of automobiles are designing a special automobile for the use of amputees. This work should be speeded up and the OPA should grant disabled veterans priorities in their purchase.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. CASE of South Dakota (at the request of Mr. BENNETT of Missouri) was given permission to extend his remarks in the RECORD.

Mr. WEICHEL (at the request of Mr. MICHENER) was given permission to extend his own remarks in the RECORD.

Mr. HOPE asked and was given permission to extend his own remarks in the RECORD and to include therein a newspaper article and a letter which he wrote to Elmer Davis, Director of the Office of War Information.

PERMISSION TO ADDRESS THE HOUSE

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes today following the regular business of the day and the other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. LAFOLLETTE. Mr. Speaker, I ask unanimous consent that the special order I have for tomorrow, Tuesday, may be vacated, and that I may address the House for 40 minutes on Thursday, July 12, after the disposition of the legislative business of the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE PATMAN AMENDMENT TO THE OPA BILL

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, in the RECORD of June 30, at page 7083, the distinguished gentleman from Texas [Mr. PATMAN] and I had a colloquy with reference to an amendment which the gentleman from Texas [Mr. PATMAN] had offered to the bill which was then pending. I had understood from the distinguished gentleman from Virginia [Mr. ROBERTSON] that he was the author of that amendment which he showed to me and which was later introduced by the gentleman from Texas [Mr. PATMAN].

It now develops that both of these distinguished gentleman had given consideration to the substance of the matter referred to in that amendment, but that the amendment itself had been prepared by the gentleman from Texas [Mr. PATMAN]. I make this statement to correct the RECORD in that respect.

EMERGENCY TREATMENT OF SHELL-SHOCKED VETERANS

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[Mr. GEARHART addressed the House. His remarks appear in the Appendix.]

STRIKERS NOT FIGHTERS

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, those who strike hinder the fight.

Mr. Speaker, when I read of the number of strikes that have taken place in this country during the past week it

makes me wonder what our boys returning from Europe and being transported to the west coast think about it. What do they think of what is happening in the rubber plants that were closed by strikes? What do they think when they see strikes in the steel mills which manufacture shells? What do they think when they see strikes in the industries connected with the manufacture of airplanes? It must make them shudder to think that they are going into battle in the far eastern islands when the people at home are not going to furnish them with the implements of war. We are told that we have but a 12-day rubber-tire supply for the Army. Then we read of two large strikes in Akron, Ohio. I wonder what these boys are thinking about. And I wonder if they do not think that this administration, its leaders and the Congress are now on a sit-down strike because they do not do anything. It seems to me that is the case. Why should enforcement laws forbidding strikes in war industries not be passed. The boys going to the front must have a feeling of insecurity in his own country, to think he is going to the front to battle and put his life in jeopardy and when he knows those in war industries strike and the administration in power is on a sit-down, do-nothing attitude. Oh, why? Oh, why? It is not the American way of life. It is foreign. It is not right. Let us do something in Congress to correct it.

THE SPECIAL COMMITTEE TO INVESTIGATE FOOD SHORTAGES

Mr. PACE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a statement issued by me.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

[Mr. PACE addressed the House. His remarks appear in the Appendix.]

ENGLAND'S PART IN THE WAR WITH JAPAN

Mr. ALLEN of Louisiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. ALLEN of Louisiana. Mr. Speaker, we have had all sorts of promises from Great Britain that she would get into the Japanese war and help us. I have looked in vain in the press to find where a single British foot soldier has been landed in that territory. She does have some naval units there. This morning's American press gives us the information that even the influential London Times is now demanding that England get in there and play her part in the Pacific. I think the time is here that President Truman ought to demand that Great Britain fulfill Churchill's promises in the Pacific.

I have tried to find out just what England intended to do to help us finish the job against Japan. Our War Department was not in a position to give me any definite information on the subject. I pointed out to the Department that there was no reason why England should not now let the world know what she intended doing. It would certainly be heartening to the American people, and it would probably hasten the decision of the Japanese to quit the fight, if such is possible, if England would let the world know now that she intended to go into the Pacific, not only with strong naval forces but also with very strong ground forces.

The London Times, conceding a lack of effort upon the part of England in the war against Japan, has said that "the time has come to make amends. The war in the Far East is a trial test for our Empire and for our alliances." The Times appealed to England not "to default on the Allies." The American people have a right to expect the full weight of the British Empire, on land, on sea, and in the air, to be thrown into the Pacific conflict as speedily as possible.

ENGLAND'S PART IN THE WAR WITH JAPAN

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ENGEL of Michigan. Mr. Speaker, I was very much interested in the statement just made by my good friend the gentleman from Louisiana [Mr. ALLEN]. I felt much as he did when Gen. George C. Marshall, Chief of Staff of the United States Army, appeared before the War Department Subcommittee of the Appropriations Committee, of which I am a member. I asked General Marshall whether or not Great Britain was doing her part in the war; whether Great Britain was going to take her part in the war in the Southwest Pacific now that the European war is over. I asked him specifically just what part England was going to take in cleaning the Japs out of the islands which they still occupy in that area. Would we be expected to take Singapore? While General Marshall was not and could not, of course, be specific without giving away plans, he assured our subcommittee that Great Britain was doing everything within her power to win this war. That she was very anxious to do her part, particularly in the Southwest Pacific because of her interests there. Again, while I cannot go into detail for obvious reasons, I believe he satisfied every member of our subcommittee not only that Great Britain would do her part in the future but that she had in the past made the greatest contribution she could possibly make, taking into consideration her manpower and resources. We sometimes measure Britain's war activity by the work of her ground forces. We forget the magnificent work of the great air force she has had and the less spectacular but no less important work her navy has done. England's success and continuation as a colonial power will depend upon her ability to regain some of the prestige she has lost in this war and we can depend upon her to do everything in her power to regain that prestige which is so necessary if she is to continue as a great colonial power. The British troops in Italy and Africa did a splendid job as did those in Europe. The difficulty was that Britain did not have enough manpower to furnish proper replacements for the ground troops. Some of these troops had to stay in the line much longer than they should have. I am not defending Great Britain. However, twisting the lion's tail has become a favorite indoor sport. But when the lion is fighting on our side and doing a good job, I believe it is time to stop twisting that tail.

The SPEAKER. The time of the gentleman from Michigan has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House today for 10 minutes following the disposition of business on the Speaker's desk and at the conclusion of any other special orders.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include a committee report which he filed this morning.

Mr. CANNON of Missouri asked and was given permission to extend his remarks in the RECORD and to include a letter received from a soldier in the Pacific on the preservation of migratory waterfowl.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, as acting chairman of the Committee on Un-American Activities, I wish to make a short statement.

For the last few days the smear bund, including Walter Winchell and Drew Pearson, and that element of the press that plays up communistic ideals, have been misrepresenting the Committee on Un-American Activities over the radio and in the press.

They would have you believe that this committee is getting ready to take a joy ride to California. That is not true. Our resolution providing for investigation of un-American activities in California is being carried out. It is not a "witch hunt" as Drew Pearson calls it. We are gathering information on un-American activities, not only through our own representatives, our own

agencies, but through other governmental and State agencies in that area.

We are not trying to hound legitimate producers, we are not trying to hound legitimate writers, but we are out to expose those elements that are insidiously trying to spread subversive propaganda, poison the minds of your children, distort the history of our country, and discredit Christianity—those elements that are trying to betray the American people and encourage the enemies of our country to dig in and plan for the overthrow of this Government; so they can set up in its place a system through which they can control the country and regiment our people.

The Committee on Un-American Activities is doing its duty and patriotic Americans everywhere are behind us.

The SPEAKER. The time of the gentleman from Mississippi has expired.

SALARIES OF SCHOOL TEACHERS AND OTHER EMPLOYEES OF BOARD OF EDUCATION, DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I call up the bill (H. R. 3376) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, and ask unanimous consent that it may be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc.—

TITLE I—SALARY SCHEDULES

SECTION 1. That on and after July 1, 1945, the salaries of teachers, school officers, and certain other employees of the Board of Education of the District of Columbia shall be as follows, and wherever the term "other employees" is used in this act, it shall be interpreted to include only those employees of the Board of Education whose positions are included in the following schedule:

ARTICLE I—SALARIES OF TEACHERS, SCHOOL LIBRARIANS, AND RESEARCH ASSISTANTS

Class 1—Teachers in elementary schools

Group A: A basic salary of $1,900 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,900 per year is reached.

Group B: A basic salary of $3,000 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,300 per year is reached.

Class 2—Teachers in junior high schools

Group A: A basic salary of $1,900 per year with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,900 per year is reached.

Group B: A basic salary of $3,000 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,300 per year is reached.

Group C: A basic salary of $2,100 per year, with an annual increase in salary of $100 for 12 years, or until a maximum salary of $3,300 per year is reached.

Group D: A basic salary of $3,400 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,700 per year is reached.

Class 3—Teachers in senior high schools

Group A: A basic salary of $2,100 per year, with an annual increase in salary of $100 for 12 years, or until a maximum salary of $3,300 per year is reached.

Group B: A basic salary of $3,400 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,700 per year is reached.

Class 4—School librarians

Group A: A basic salary of $1,900 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,900 per year is reached.

Group B: A basic salary of $3,000 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,300 per year is reached.

Class 5—Teachers in vocational high schools

Group A: A basic salary of $1,900 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,900 per year is reached.

Group B: A basic salary of $3,000 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,300 per year is reached.

Group C: A basic salary of $2,100 per year, with an annual increase in salary of $100 for 12 years, or until a maximum salary of $3,300 per year is reached.

Group D: A basic salary of $3,400 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,700 per year is reached.

Class 6—Research assistants

Group A: A basic salary of $1,900 per year, with an annual increase in salary of $100 for 10 years, or until a maximum salary of $2,900 per year is reached.

Group B: A basic salary of $3,000 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,300 per year is reached.

Group C: A basic salary of $2,100 per year, with an annual increase in salary of $100 for 12 years, or until a maximum salary of $3,300 per year is reached.

Group D: A basic salary of $3,400 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,700 per year is reached.

Class 7—Instructors in teachers colleges

Group A: A basic salary of $2,100 per year, with an annual increase in salary of $100 for 12 years, or until a maximum salary of $3,300 per year is reached.

Group B: A basic salary of $3,400 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,700 per year is reached.

Class 8—Assistant librarians in teachers colleges

Group A: A basic salary of $2,100 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $2,900 per year is reached.

Group B: A basic salary of $3,000 per year, with an annual increase in salary of $100 for 3 years, or until a maximum salary of $3,300 per year is reached.

Class 9—Chief librarians in teachers colleges

A basic salary of $3,400 per year, with an annual increase in salary of $100 for 4 years, or until a maximum salary of $3,800 per year is reached.

Class 10—Assistant professors in teachers colleges

A basic salary of $3,400 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,200 per year is reached.

Class 11—Associate professors in teachers colleges

A basic salary of $3,900 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,700 per year is reached.

Class 12—Professors in teachers colleges

A basic salary of $4,400 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,200 per year is reached.

ARTICLE II—SALARIES OF ADMINISTRATIVE AND SUPERVISORY OFFICERS AND EMPLOYEES IN THE DEPARTMENT OF SCHOOL ATTENDANCE AND WORK PERMITS

Class 13—Principals in elementary schools with 16 or more rooms, and principals in Americanization schools

A basic salary of $3,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,500 per year is reached.

Class 14—Assistant principals in junior high schools

A basic salary of $3,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,500 per year is reached.

Class 15—Assistant principals in vocational high schools

A basic salary of $3,900 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,700 per year is reached.

Class 16—Assistant principals in senior high schools

A basic salary of $3,900 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,700 per year is reached.

Class 17—Heads of departments

A basic salary of $3,900 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,700 per year is reached.

Class 18—Principals of junior high schools

A basic salary of $4,200 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,000 per year is reached.

Class 19—Principals of vocational high schools

A basic salary of $4,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,500 per year is reached.

Class 20—Principals of senior high schools

A basic salary of $4,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,500 per year is reached.

Class 21—Assistant directors

A basic salary of $3,900 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,700 per year is reached.

Class 22—Directors

A basic salary of $4,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,500 per year is reached.

Class 23—Divisional directors

A basic salary of $4,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,500 per year is reached.

Class 24—Chief examiner

A basic salary of $4,700 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $5,500 per year is reached.

Class 25—Presidents of teachers colleges

A basic salary of $6,000 per year, with an annual increase in salary of $200 for 5 years, or until a maximum salary of $7,000 per year is reached.

Class 26—Associate superintendents

A basic salary of $6,000 per year, with an annual increase in salary of $200 for 5 years,

or until a maximum salary of $7,000 per year is reached.

Class 27—Assistant to the superintendent (in charge of business administration)

A basic salary of $7,000 per year, with an annual increase in salary of $200 for 5 years, or until a maximum salary of $8,000 per year is reached.

Class 28—First assistant superintendents

A basic salary of $7,000 per year, with an annual increase in salary of $200 for 5 years, or until a maximum salary of $8,000 per year is reached.

Class 29—Superintendent of schools

A basic salary of $10,000 per year, with an annual increase in salary of $1,000 for 2 years, or until a maximum salary of $12,000 per year is reached.

DEPARTMENT OF SCHOOL ATTENDANCE AND WORK PERMITS

Class 30—Director

A basic salary of $3,800 per year, with an annual increase in salary of $100 for 8 years, or until a maximum salary of $4,600 per year is reached.

Class 31—Chief attendance officers

A basic salary of $2,700 per year, with an annual increase in salary of $100 for 7 years, or until a maximum salary of $3,400 per year is reached.

Class 32—Attendance officers

A basic salary of $1,900 per year, with an annual increase in salary of $100 for 7 years, or until a maximum salary of $2,600 per year is reached.

Class 33—Census supervisors

A basic salary of $1,900 per year, with an annual increase in salary of $100 for 7 years, or until a maximum salary of $2,600 per year is reached.

Class 34—Child labor inspectors

A basic salary of $1,900 per year, with an annual increase in salary of $100 for 7 years, or until a maximum salary of $2,600 per year is reached.

The teachers, school officers, and other employees provided for in this title, during the first year of service after the effective date of this act shall receive compensation in accordance with the provisions of sections 4, 5, 6, and 7 of this act.

TITLE II—CLASSIFICATION AND ASSIGNMENT OF EMPLOYEES

SEC. 2. The Board of Education is hereby authorized to establish the eligibility requirements and prescribe such methods of appointment or promotion for teachers, officers, and other employees as it may deem proper. The Board of Education is hereby authorized, empowered, and directed, on written recommendation of the Superintendent of Schools, to classify and assign all teachers, school officers, and other employees to the salary classes and positions in the foregoing salary schedule: *Provided*, That teachers, school officers, and other employees on probationary or permanent status shall not be required to take any examinations, either mental or physical, to be continued in the positions in which they are employed on June 30, 1945, or to which they may be transferred and assigned under the provisions of section 6 of this act.

SEC. 3. The Board of Education, on recommendation of the Superintendent of Schools, is authorized, empowered, and directed to assign, at the time of appointment, teachers, school officers, or other employees hereafter appointed to the salary classes and positions in the foregoing salary schedule in accordance with previous experience, eligibility qualifications possessed, and the character of the duties to be performed by such persons: *Provided*, That the first year of service of any newly appointed teacher, school officer, or other employees shall be probationary: *And provided further*, That such teacher, school officer, or other employee shall receive his first longevity increase on the date of his permanent appointment.

TITLE III—METHOD OF ASSIGNMENT OF EMPLOYEES TO SALARIES

SEC. 4. For the fiscal year ending June 30, 1946, every teacher, school officer, or other employee in the service of the Board of Education on permanent tenure on June 30, 1945, shall receive the salary provided in the foregoing schedule for his class or position in accordance with the following rules:

(a) For the purposes of the following provisions of this section, the annual compensation received by any teacher, school officer, or other employee shall be defined as the annual compensation received by such employee on June 30, 1945, under the provisions of articles I to V, inclusive, of the act of June 4, 1924, as amended, exclusive of any additional compensation or wartime bonus.

(b) Teachers, school officers, or other employees except those assigned to salary class 25 shall receive an increase in their annual compensation at the rate of $300 at the beginning of the fiscal year ending June 30, 1946, and shall be placed in the salary schedule of the class and group to which they shall be transferred and assigned under provisions of section 6, so they will receive this rate of increase in compensation: *Provided*, That all teachers, school officers, and other employees shall receive during the fiscal year ending June 30, 1946, the minimum or basic salary of the class and group to which they shall be transferred and assigned in all instances where the minimum or basic salary of said class and group exceeds by more than $300 the annual compensation received by any such employee on June 30, 1945: *Provided further*, That all school officers assigned to salary class 25 shall receive during the fiscal year ending June 30, 1946, the basic salary of the class plus two annual increases as provided for this class: *Provided further*, That all teachers, schools officers, and other employees whose salaries are increased at the rate of not more than $300 per anum during the fiscal year ending June 30, 1946, and who are entitled to one longevity increase on July 1, 1945, under the provisions of the act of June 4, 1924, as amended, shall receive in lieu of such increase one longevity increase provided in section 7 of this act in addition to the foregoing compensation increases provided for in this section: *Provided further*, That the salaries assigned to teachers, school officers, and other employees under the provisions of this section shall be in lieu of the compensation to which said employees are entitled during the fiscal year ending June 30, 1945, as provided by the act of June 4, 1924, as amended, and the act approved April 1, 1943 (57 Stat. 57), and the act approved March 11, 1944 (— Stat. —), which provide temporary increases for certain employees of the Board of Education: *And provided further*, That no teacher, school officer, or other employee shall receive compensation during the fiscal year ending June 30, 1946, at a rate less than his annual compensation as of June 30, 1945, plus one longevity increase if entitled to it under the provisions of the act of June 4, 1924, as amended, and the temporary increases in compensation provided under the said acts of April 1, 1943, and March 11, 1944.

SEC. 5. Every teacher, school officer, or other employee in the service of the Board of Education on probationary tenure on June 30, 1945, or who may be appointed or promoted thereafter shall receive his first longevity increase on the date of his permanent appointment or promotion.

SEC. 6. Teachers, school officers, and other employees in the service of the Board of Education on July 1, 1945, shall be placed in the salary classes and positions of the foregoing salary schedules, as follows:

(a) Teachers in kindergartens and elementary schools, assigned to salary class 1, group A, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 1, group A, of the foregoing schedule;

(b) Teachers in kindergartens and elementary schools, assigned to salary class 1, group B, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 1, group B, of the foregoing schedule;

(c) Teachers in junior high schools, assigned to salary class 2, group A, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 2, group A, of the foregoing schedule;

(d) Teachers in junior high schools, assigned to salary class 2, group B, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 2, group B, of the foregoing schedule;

(e) Teachers in junior high schools, assigned to salary class 2, group C, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 2, group C, of the foregoing schedule;

(f) Teachers in junior high schools, assigned to salary class 2, group D, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 2, group D, of the foregoing schedule;

(g) Teachers in senior high schools, assigned to salary class 3, group A, under the Act of June 4, 1924, as amended, shall be transferred and assigned to salary class 3, group A, of the foregoing schedule;

(h) Teachers in senior high schools, assigned to salary class 3, group B, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 3, group B, of the foregoing schedule;

(i) Librarians in senior high school and visual instruction libraries, assigned to salary class 4, group A, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 4, group A, of the foregoing schedule;

(j) Librarians in senior high school and visual instruction libraries, assigned to salary class 4, group B, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 4, group B, of the foregoing schedule;

(k) Teachers in vocational or trade schools, assigned by the Board of Education to salary class 2 of article I of the act of June 4, 1924, as amended, under the authority of the act of April 10, 1936, shall be transferred and assigned as follows:

(1) Vocational school teachers in salary class 2, group A, shall be assigned to salary class 5, group A, of the foregoing schedule;

(2) Vocational school teachers in salary class 2, group B, shall be assigned to salary class 5, group B, of the foregoing schedule;

(3) Vocational school teachers in salary class 2, group C, shall be assigned to salary class 5, group C, of the foregoing schedule; and

(4) Vocational school teachers in salary class 2, group D, shall be assigned to salary class 5, group D, of the foregoing schedule;

(l) Research assistants, assigned by the Board of Education to salary class 2 of article I of the act of June 4, 1924, as amended, under the authority of the act of April 5, 1939, shall be transferred and assigned as follows:

(1) Research assistants in salary class 2, group A, shall be assigned to salary class 6, group A, of the foregoing schedule;

(2) Research assistants in salary class 2, group B, shall be assigned to salary class 6, group B, of the foregoing schedule;

(3) Research assistants in salary class 2, group C, shall be assigned to salary class 6, group C, of the foregoing schedule; and

(4) Research assistants in salary class 2, group D, shall be assigned to salary class 6, group D, of the foregoing schedule;

(m) Teachers in the teachers colleges, established under the act of February 25, 1929,

assigned to salary class 3, group A, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 7, group A, of the foregoing schedule;

(n) Teachers in the teachers colleges, established under the act of February 25, 1929, assigned to salary class 3, group B, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 7, group B, of the foregoing schedule;

(o) Librarians in the teachers colleges, established under the act of February 25, 1929, assigned to salary class 4, group A, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 8, group A, of the foregoing schedule;

(p) Librarians in the teachers colleges, established under the act of February 25, 1929, assigned to salary class 4, group B, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 8, group B, of the foregoing schedule;

(q) Assistant professors, assigned by the Board of Education to salary class 11 of article II of the act of June 4, 1924, under the authority of the 1934 and subsequent District of Columbia Appropriation Acts, shall be transferred and assigned to salary class 10 of the foregoing schedule;

(r) Professors, assigned by the Board of Education to salary class 12 of article II of the act of June 4, 1924, under the authority of the 1932 and subsequent District of Columbia appropriation acts, shall be transferred and assigned to salary class 12 of the foregoing schedule:

(s) Teaching principals with from four to seven rooms, assigned to salary class 5 under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 1, group B, of the foregoing schedule;

(t) Teaching principals with from 8 to 15 rooms, assigned to salary class 6 under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 1, group B, of the foregoing schedule;

(u) Administrative principals with 16 or more rooms, and principals in Americanization schools, assigned to salary class 7, under the act of June 4, 1942, as amended, shall be transferred and assigned to salary class 13 of the foregoing schedule:

(v) Assistant principals in junior high schools, assigned to salary class 11, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 14 of the foregoing schedule;

(w) Assistant principals in senior high schools, assigned to salary class 11, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 16 of the foregoing schedule;

(x) Heads of departments, assigned to salary class 11, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 17 of the foregoing schedule;

(y) Principals of junior high schools, assigned to salary class 8, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 18 of the foregoing schedule;

(z) Principals of vocational or trade schools, assigned by the Board of Education to salary class 8 of article II of the act of June 4, 1924, as amended, under the authority of the act of April 10, 1936, shall be transferred and assigned to salary class 19 of the foregoing schedule;

(aa) Principals of senior high schools, assigned to salary class 9, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 20 of the foregoing schedule;

(ab) Directors of evening and summer schools, directors of manual arts, and any other directors, assigned to salary class 10, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 21 of the foregoing schedule;

(ac) The employees with the title of teacher in the normal school and director of penmanship in the elementary schools and junior high schools, established under the provisions of section 2 of the act of June 4, 1924, and assigned to salary class 3, group B, in article I of that act, shall be transferred and assigned to salary class 7, group B, of the foregoing schedule, with the title of supervisor of penmanship;

(ad) Supervising principals, assigned to salary class 12, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 23 of the foregoing schedule;

(ae) Chief Examiner of the Board of Examiners, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 24 of the foregoing schedule;

(af) Presidents of teachers colleges, assigned by the Board of Education, to the salary class for first assistant superintendents, in article II of the act of June 4, 1924, under the authority of the 1931 and subsequent District of Columbia Appropriation Acts, shall be transferred and assigned to salary class 25 of the foregoing schedule;

(ag) Assistant superintendents, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 26 of the foregoing schedule;

(ah) First assistant superintendents, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 28 of the foregoing schedule;

(aj) Director of Department of School Attendance and Work Permits, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 30 of the foregoing schedule;

(ak) Chief attendance officers, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 31 of the foregoing schedule;

(al) Attendance officers, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 32 of the foregoing schedule;

(am) Child-labor inspectors, assigned by the Board of Education to the salary class for census inspectors, under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 34 of the foregoing schedule;

(an) Teachers in salary classes 1, 2, and 3, under the act of June 4, 1924, as amended, not otherwise herein provided for, shall be placed in salary class 1, group A; salary class 2, group A or group C; salary class 3, group A; salary class 5, group A or group C; or salary class 7, group A, of the foregoing schedule, as determined by the Board of Education in accordance with the eligibility qualifications possessed and the character of duties to be performed by such teachers;

(ao) All teachers, school officers, and other employees in the service of the Board of Education on July 1, 1945, not specifically mentioned in the provisions of this section shall be placed in the salary classes and positions in the foregoing schedule as determined by the Board in accordance with the eligibility qualifications possessed and the character of duties to be performed by such teachers, school officers, and other employees;

(ap) All teachers, school officers, or other employees, appointed after the effective date of this act, shall be placed in the salary classes and positions in the foregoing schedule by the said Board, and all teachers, librarians, research assistants, instructors in the teachers colleges, attendance officers, census supervisors, and child-labor inspectors appointed after the effective date of this act shall receive longevity increases for placement either according to the number of years of experience required by the Board of Education or the number of years of like experience acceptable to and approved by the Board of Education in accredited schools, school systems, colleges, universities, other recognized institutions, trades and industries, previous to probationary appointment in the public schools of the District of Columbia: *Provided*, That in crediting previous experience of any person who has been absent from his duties because of naval or military service in the armed forces of the United States or its allies, the Board of Education is hereby authorized to include such naval or military service as the equivalent of approved experience: *Provided further*, That on July 1, 1945, and thereafter, no teacher or any other employee entitled to longevity increases for placement shall be placed in the foregoing salary schedule for more than the fifth year of accepted and approved experience in salary class 1, group A; salary class 2, group A or group C; salary class 3; group A; salary class 4, group A; salary class 5, group A or group C; salary class 6, group A or group C; salary class 7, group A; and salary class 8, group A, or for more than the fourth year of accepted and approved experience in salary classes 32, 33, and 34 in the foregoing schedule. *And provided further*, That any increase in the number of years of previous experience allowable for placement credit or any new allowances for longevity increases for placement provided for in this section which were not included in the act of June 4, 1924, as amended, shall not apply to any probationary or permanent teacher or other probationary or permanent employee in the service of the Board of Education on June 30, 1945;

(aq) No provision in this act shall be interpreted as preventing any teacher, school officer, or other employee of the Board of Education who has been granted leave to enter the armed forces of the United States or its allies from receiving any annual longevity increase or increases to which he otherwise would be entitled when he returns to service in the public schools.

TITLE IV—METHOD OF PROMOTION OF EMPLOYEES

SEC. 7. On July 1, 1946, and on the first day of each fiscal year thereafter, if his work is satisfactory, every permanent teacher, school officer, or other employee shall receive an annual increase in salary within his salary class or position as hereinbefore provided without action of the Board of Education.

SEC. 8. On and after July 1, 1945, teachers, school officers, and other employees promoted from a lower to a higher salary class or position shall receive a salary in the salary class or position to which promoted which is next above the salary in the salary class or position from which promoted.

SEC. 9. Every teacher, instructor, librarian, and research assistant in the service on July 1, 1945, except as herein otherwise provided, and every teacher, instructor, librarian, and research assistant thereafter appointed shall be assigned according to eligibility to group A or group C, and shall be promoted to group B or group D according to eligibiltiy on the basis of such evidence of superior teaching or other superior service and of increased professional attainments as the Board of Education may prescribe: *Provided*, That teachers, instructors, librarians, and research assistants receiving salaries in group B or group D on June 30, 1945, shall be transferred and assigned to group B or group D in their respective salary classes in accordance with section 6 without further examinations or additional qualifications, and teachers, instructors, librarians, and research assistants receiving salaries in group A or group C, who are on eligible lists for promotions to group B or group D on June 30, 1945, shall be eligible during the period of their eligibility for promotions to group B or group D in those classes in the foregoing salary schedule which have replaced the classes in which they were eligible on June 30, 1945: *Provided further*, That any person who has not received for at least 1 year the maximum salary of group A in any

salary class, or group C in salary classes 2, 5, or 6, shall not be eligible for promotion to group B in any salary class, or group D in salary classes 2, 5, or 6, but this provision shall not apply during the period of eligibility to teachers, instructors, librarians, and research assistants who on July 1, 1945, are on the Board of Education's approved eligible lists for promotion to group B or group D. The Board of Education is authorized to adopt rules or regulations providing for the voluntary transfer of teachers, instructors, librarians, and research assistants from group B or group D to group A or group C at such salary rates within the salary class to which transferred as will result in the least possible loss in salary. Any school officer who has been permanently appointed or promoted and who may be transferred at his request by the Board of Education upon the recommendation of the Superintendent of Schools to any teaching position included in article I of the foregoing schedule shall receive the maximum salary of the class to which transferred including group B or group D, wherever such groups are established in the schedule. The number of group B and group D salaries shall be divided proportionately between the teachers, instructors, librarians, and research assistants in the white schools, and the teachers, instructors, librarians, and research assistants in the colored schools on the basis of the enrollment of pupils in the respective white and colored schools on the last school day of the first advisory period of the first semester in each school year, or as near that day as practicable.

SEC. 10. Teachers shall be prmoted to be principals in the elementary schools, on the basis of such evidence of superior teaching, of administrative ability, and of increased professional attainments as the Board of Education may prescribe.

TITLE V—ACCOMPANYING LEGISLATION

SEC. 11. For the purpose of determining the classification of principals in the elementary schools, it shall be the duty of the Board of Education, on the recommendation of the Superintendent of Schools, to designate the number of rooms in each elementary school building or approved combination of elementary school buildings.

SEC. 12. There shall be two First Assistant Superintendents of Schools, one white First Assistant Superintendent for the white schools who, under the direction of the Superintendent of Schools, shall have general supervision over the white schools; and one colored First Assistant Superintendent for the colored schools who, under the direction of the Superintendent of Schools, shall have sole charge of all employees, classes, and schools in which colored children are taught. The First Assistant Superintendents shall perform such other duties as may be prescribed by the Superintendent of Schools.

SEC. 13. Boards of examiners for carrying out the provisions of the statutes with reference to examinations of teachers shall consist of the Superintendent of Schools and not less than four nor more than six members of the supervisory or teaching staff of the white schools for the white schools, and of the Superintendent of Schools and not less than four nor more than six members of the supervisory or teaching staff of the colored schools for the colored schools. The designations of members of the supervisory or teaching staff for membership on these boards shall be made annually by the Board of Education on the recommendation of the Superintendent of Schools.

SEC. 14. There shall be appointed by the Board of Education, on the recommendation of the Superintendent of Schools, a chief examiner for the board of examiners for white schools: *Provided,* That an Assistant Superintendent in the colored schools shall be designated by the Superintendent of Schools as chief examiner for the board of examiners for the colored schools: *Provided further,* That except as herein otherwise provided, all members of the respective boards of examiners shall serve without additional compensation.

SEC. 15. The Board of Education, on recommendation of the Superintendent of Schools, is hereby authorized to appoint annual substitute teachers, who shall qualify for said positions by meeting such eligibility requirements as the said board may prescribe and who shall be assigned to the lowest class to which eligible for the type of work to be performed, but who shall not be entitled to the longevity allowance of said class: *Provided,* That the said board shall prescribe the amount to be deducted from the salary of any absent teacher for whom an annual substitute may perform service: *And provided further,* That the above authorization for the appointment of annual substitute teachers shall not be construed to prevent the Board of Education from the employment of other substitute teachers under regulations to be prescribed by the said board.

SEC. 16. When necessary the Board of Education, on written recommendation of the Superintendent of Schools, is authorized and empowered to appoint temporary teachers: *Provided,* That such appointments shall be made for a limited period not to extend beyond June 30 of the fiscal year in which the appointments are made, and the Board of Education is authorized to terminate the services of any temporary teachers at any time on the written recommendation of the Superintendent of Schools: *And provided further,* That all temporary teachers shall be assigned to the basic salary of the class in which service is to be performed and shall not be entitled to longevity allowance in said class.

SEC. 17. The Board of Education is hereby authorized to conduct as parts of the public-school system a department of school attendance and work permits, night schools, vacation schools, Americanization schools, and other activities, under and within appropriations made by Congress, and on the written recommendation of the Superintendent of Schools to fix and prescribe the salaries, other than those herein specified, to be paid to the employees of the said departments and activities.

SEC. 18. All employees assigned to salary classes 1 to 12, inclusive, and all attendance officers assigned to salary class 32 in the foregoing schedule, shall be classified as teachers for pay-roll purposes and their annual salaries shall be paid in 10 monthly installments in accordance with existing law.

SEC. 19. Attendance officers in the department of school attendance and work permits assigned to class 32 in the foregoing schedule shall be entitled, in accordance with regulations made by the Board of Education, to cumulative sick leave with pay at the rate of 10 days per calendar year, the total accumulation not to exceed 60 days; and in the event of any further absence of any attendance officer the Board of Education, on written recommendation of the Superintendent, is hereby authorized to appoint a substitute who shall be paid at a rate fixed by the said Board and the amount paid to such substitute shall be deducted from the salary of the absent attendance officer. Such attendance officers shall not be entitled to annual or sick leave under any other law.

SEC. 20. The rates of salary herein designated shall become effective on July 1, 1945, and the estimates of the expenditures for the operation of the public-school system of the District of Columbia shall hereafter be prepared in conformity with the classification and compensation of employees herein provided. During the fiscal year ending June 30, 1946, no teacher, school officer, or other employee of the Board of Education whose salary is included in the foregoing schedule shall receive any increase in compensation other than as provided in this Act.

SEC. 21. The following acts or parts of acts are hereby repealed:

So much of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, as is inconsistent herewith.

All of the act entitled "An act to amend the act entitled 'An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia,' approved June 20, 1906, as amended, and for other purposes," approved June 4, 1924.

So much of section 2 of article III of the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925, as reads: "and who shall be paid the same salary as said directors,".

All of the act entitled "An act to amend certain sections of the Teachers' Salary Act, approved June 4, 1924, and for other purposes," approved February 28, 1929.

All of the act entitled "An act to amend the Teachers' Salary Act of the District of Columbia, approved June 4, 1924, as amended, in relation to raising the trade or vocational schools to the level of junior high schools, and for other purposes," approved April 10, 1936, with the exception of section 4 thereof.

All of the act entitled "An act to provide for the appointment of research assistants in the public schools of the District of Columbia, and for other purposes," approved April 5, 1939, with the exception of section 4 thereof.

All of the act entitled "An act to amend section 9, article V, of an act entitled 'An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes,' " approved April 5, 1939.

So much of the District of Columbia Appropriation Act, 1944, as reads:

"Hereafter the salaries of the presidents of the teachers' colleges shall be included in the salary schedule for the First Assistant Superintendent; the salaries of teachers-college professors shall be included in salary class 12 for supervising principals; and the salaries of teachers-college assistant professors shall be included in salary class 11 for heads of departments and assistant principals; said schedule and classes being prescribed in the act of June 4, 1924 (43 Stat. 367)."

All of the act entitled "An act to amend section 16 of the act entitled 'An act to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes,' approved June 4, 1924.", approved April 27, 1945.

SEC. 22. After the effective date of this act the act entitled "An act to provide educational employees of the public schools of the District of Columbia with leave of absence, with part pay, for purposes of educational improvement, and for other purposes," approved June 12, 1940, shall apply to employees of the Board of Education whose salaries are fixed by this act.

SEC. 23. This act may be cited as "District of Columbia Teachers' Salary Act of 1945."

With the following committee amendments:

Page 10, line 6, strike out the word and figure "and 7" and insert in lieu thereof the following: "8 and 9."

Page 11, line 17, insert after the word "permanent" the words "or probationary."

Page 12, line 21, insert after the word "all" the word "permanent."

Page 12, lines 24 and 25, strike out the words "and who are entitled to one longevity increase on July 1, 1945, under the provisions of the act."

Page 13, lines 1–3, strike out the words "of June 4, 1924, as amended, shall receive in lieu of such increase one longevity increase provided in section 7 of this act" and insert in lieu thereof the words "shall receive one annual increase in salary in the amount provided in title I of this act for his class or class and group."

Page 13, lines 16–18, strike out the words "longevity increase if entitled to it under the provisions of the act of June 4, 1924, as amended", and insert in lieu thereof the words "annual increase in salary in the amount provided in title I of this act for his class or class and group."

Page 21, line 8, change the semicolon to a comma and insert inmmediately after the comma the following: "and the First Assistant Superintendent in charge of Business Affairs shall be transferred and assigned to salary class 27 of the foregoing schedule;".

Page 24, line 20, change the period to a colon and insert the following: "*Provided*, That in the case of trade teachers in the vocational schools the board of education is authorized and directed to credit approved training and experience in the trades in the same manner and in the same extent as though it were experience in and training for teaching."

Page 25, line 18, insert after the word "who" the following: "on July 1, 1945."

Page 25, line 19, strike out the words and figures "on June 30, 1945."

Page 25, line 23, strike out the word and figures "June 30," and insert in lieu thereof the following: "July 1,".

Page 26, lines 8 to 21, strike out the following:

"The board of education is authorized to adopt rules or regulations providing for the voluntary transfer of teachers, instructors, librarians and research assistants from group B or group D to group A or group C at such salary rates within the salary class to which transferred as will result in the least possible loss in salary. Any school officer who has been permanently appointed or promoted and who may be transferred at his request by the board of education upon the recommendation of the superintendent of schools to any teaching position included in article 1 of the foregoing schedule shall receive the maximum salary of the class to which transferred, including group B or group D, wherever such groups are established in the schedule."

Page 28, line 18, strike cut the word "Assistant" and insert in lieu thereof the word "Associate."

Page 34, line 7, strike out section 24 and insert in lieu thereof the following:

"SEC. 24. This act shall become effective as of July 1, 1945, except that sections 18 and 19, insofar as they apply to attendance officers, shall become effective July 1, 1946."

The committee amendments were agreed to.

Mr. RANDOLPH. Mr. Speaker, I direct the attention of the membership of the House briefly to the reasons why your Committee on the District of Columbia has brought this legislation to your attention for what we believe to be favorable action at this time.

By way of presenting this legislation I wish to read a letter which I wrote to the Commissioners of the District of Columbia on January 23, 1945:

On November 27, 1944, I wrote Mr. Haycock, Superintendent of Schools, requesting information regarding the salaries paid to teachers in the school system of the District of Columbia. He replied on December 12, and subsequently, at my request, a conference was held with Mr. Haycock and Mr. Heinmiller, who is in charge of the school budget. At that time I studied carefully the inequities in pay under which our teaching and administrative school personnel work.

I have come to the conclusion that these people are grossly underpaid for the important services which they carry forward as the instructors of boys and girls. Within their hands and hearts are the molding of educational and citizenship processes which cannot be overestimated when we think in terms of our future leadership.

I am aware that the Board of Commissioners is weighing the merits of a recommended upward revision of salaries for this group. I trust that you will find it possible to take this favorable and desired action promptly. Such a stimulus is vitally necessary now to the most efficient functioning of our educational program here.

This expresses my arguments in favor an increase in salary for the teachers then and now. I attended the hearings on this subject and counseled with the subcommittee members as well as the teachers. I believe it a fair and equitable bill.

I believe that it is important—and this is no disparagement of the rates paid by the Federal Government to the employees that come to Washington—to point out that at the present time we have a teacher in the District of Columbia who begins his or her work in the elementary-school system at a salary of $1,400 a year. For permanent teaching positions in the elementary schools, the school law requires that the applicant pass an examination by the board of examiners of the public schools. To qualify for this examination the candidate must have completed a bachelor's degree, or its equivalent, involving 4 years of professional preparation. That is $40 less than we give through the Federal Government to a typist or to a file clerk who would begin his or her service in the Federal Government. Those individuals working for the Federal Government—and, again, this is no disparagement of them. They come into those jobs with no high-school training. That teacher in the elementary schools in the District of Columbia has to have a college degree before he or she can engage in that type of instruction; in other words, time and money and training have gone into the training of that teacher for the job.

It is also important, I think, to point out that a stenographer coming into the Federal service can begin at $1,620 a year. In the District of Columbia a teacher who begins service in the junior-high schools would begin, under our present system at $1,600 a year.

In the junior-high school the teachers are admitted to examinations on two levels. Requirements for the lower level are similar to those of the elementary schools except that the teachers must be prepared professionally on the content of the courses taught, and on teaching methods in the junior-high school. They must be qualified to teach two major subjects.

Teachers entering the junior-high school examination on the upper level must have a master's degree and the professional qualifications pertaining to knowledge of content as well as teaching methods on the junior- and senior-high level.

The starting salary paid is $1,600 a year.

All teachers admitted to the examination for positions in the senior high schools must have the master's degree, must meet all of the content requirements for a major and a minor subject, and must be versed in the teaching techniques on the senior high school level. The beginning salary for this group is $1,800.

Under the wartime living costs we did in the District of Columbia what has been done throughout the Federal system, and that was to give roughly a $300 bonus to take care of the impact of this emergency. Under the legislation which is brought to you today we make permanent that $300 temporary bonus to those within the school system of the District of Columbia.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Texas.

Mr. LANHAM. May I ask the distinguished gentleman from West Virginia, the chairman of the committee, if the increased cost of the salaries of these teachers—and I think we all realize the necessity for the increase—is to be borne wholly by revenues of the District of Columbia and not by the taxpayers over the country generally?

Mr. RANDOLPH. These costs will be paid by the taxpayers of the District of Columbia.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to the gentleman from Arkansas.

Mr. HARRIS. Would it not be fairer to state that the Federal Government makes a contribution to the expenses of the District of Columbia of $6,000,000 a year and that it is not anticipated that this increase will increase the amount of the contribution the Federal Government will make?

Mr. RANDOLPH. Yes. I should have mentioned that also. The Federal Government makes a lump-sum contribution of $6,000,000 a year. From time to time it has been suggested it should be more. But we have now a $6,000,000 lump sum payment by the Federal Government for the operation of the District of Columbia government.

I might say that the District Commissioners have approved this legislation. They feel that these costs can be met out of the revenue which they receive within the District.

I yield to the gentleman from Texas [Mr. LANHAM].

Mr. LANHAM. The gentleman will recall that in propounding my inquiry I asked if they would be wholly paid out of revenues of the District of Columbia which I think included the question asked by the distinguished gentleman from Arkansas. If they are wholly paid from the revenues of the District of Columbia then there would be no contribution from the taxpayers over the country.

Mr. RANDOLPH. We would continue our $6,000,000 Federal contribution

to the District, which is used for many purposes.

I now yield to the gentleman from Michigan [Mr. DONDERO].

The SPEAKER. The gentleman from West Virginia has consumed 5 minutes.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for an additional 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. DONDERO. In other words, the teachers of the District of Columbia have nowhere to go for an increase in salary except to the Congress?

Mr. RANDOLPH. That is correct.

Mr. DONDERO. But the taxpayers of the United States make a lump-sum contribution of only $6,000,000 to the District budget, and the taxpayers of the District of Columbia pay the balance?

Mr. RANDOLPH. The gentleman from Michigan is correct.

Mr. DONDERO. What part of the total sum is the Federal contribution of $6,000,000; that is, with reference to the cost of operating the government of the District of Columbia?

Mr. RANDOLPH. The gentleman means the cost of operating the District government of the District of Columbia per year? One of the gentlemen on the Appropriations Subcommittee for the District of Columbia, the gentleman from Nebraska, could answer that question.

Mr. STEFAN. Approximately $78,000,000. But the gentleman should bear in mind that the $6,000,000 Federal contribution is divided among all the agencies of the District of Columbia government. That does not represent all the picture. It should be borne in mind that the taxpayers of the District of Columbia pay approximately $400,000 a year for free tuition for people who come here for educational purposes and get that education free of charge.

Mr. DONDERO. In other words, we pay about 7 percent of the total amount?

Mr. RANDOLPH. Yes; approximately.

Mr. DONDERO. Do the salaries of teachers in the District compare favorably with other large cities of the United States?

Mr RANDOLPH. I should like to say to the gentleman that we have made a very comprehensive report on this legislation and we set out tables which indicate if this legislation is passed we would be somewhat comparable to the other cities. We are now far below approximately 20 cities of comparable size and importance where studies were made.

Mr. DONDERO. The teachers as a rule have not been overpaid.

The SPEAKER. The time of the gentleman from West Virgina has expired.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to proceed for another 3 minutes, in order to accommodate my colleagues.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, I yield to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. I was delighted to hear what the gentleman had to say with regard to the training of teachers as compared with war workers. We find many young girls, who often have had only a business course of 6 or 8 months beyond high school, coming in here and getting the same base pay that these teachers are getting who have had 4 years of college training above high school and who have a master's degree on top of that. Five or more years of expensive training beyond high school are required of our teachers. Apparently in the pay of teachers we have given too little consideration to their invested capital on which they are rightfully entitled to a fair return.

Mr. RANDOLPH. I appreciate the gentleman's observation.

I desire to say further to the House that no basic increase has been given to teachers within the District of Columbia school system in 21 years. This is the first time in that long period of years that we have brought in a basic pay-raise bill.

I yield to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. I compliment the committee on bringing this legislation to the House because I think these teachers deserve the pay raise which has been long overdue.

May I call the attention of the House to this rather paradoxical situation which was called to my attention the other day by one of the Members of the House, who told of his 16-year-old boy taking one of these summer jobs, working for the Government, and getting a starting base wage of $150 a month. That boy will earn more money than the teacher who was instructing him in school. To me it is a very ridiculous sort of situation.

Mr. RANDOLPH. The gentleman from Wisconsin is correct. Not only in the District of Columbia but throughout the United States the school teachers are underpaid.

I yield to my friend the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. Since the war has been injected into the picture, I would like to say to the distinguished gentleman from West Virginia it appears to me that we should be rather hesitant before we do this, because we still have people frozen under the Little Steel formula, who are in the low-income brackets, and we have not made any direct step to get them out from under the Little Steel formula. Therefore, day after day we take people with above-average incomes, and increase those incomes. We have done it several times. Yet, we do not make any move at all to help those unfortunate people who are frozen at 40 cents an hour when they should be getting 60 cents an hour.

Mr. RANDOLPH. I should like to join with the gentleman from Wisconsin in raising the white-collar worker to a living wage. In this bill we are merely attempting to bring about justice. The revised salary schedule proposed is adequate in its minimum provisions and the number of increases so that the maximum of the scale establishes a fair recompense for long and efficient service. It has been developed to bring the salaries in Washington on a plane comparable to other cities of similar size.

The SPEAKER. The time of the gentleman from West Virginia has again expired.

Mr. HARRIS. Mr. Speaker, I ask unanimous consent that the gentleman may have two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. DONDERO. Will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. DONDERO. In figuring the percentage, I was in error. That is about 7 percent.

Mr. RANDOLPH. I understood the gentleman to say that.

Mr. DONDERO. I said 12 percent. But it should be about 7 percent. I think the increase allowed to teachers under this bill is justified, in view of the increased living conditions existing, caused by the war. I shall support the bill.

Mr. RANDOLPH. I appreciate the gentleman's position.

The elementary-school teachers compose about 45 percent of our over-all school system in the District. About 48 percent of the increase will go to that group.

Mr. HARRIS. Will the gentleman yield?

Mr. RANDOLPH. I yield.

Mr. HARRIS. Is it not fair to state that this bill will do for the school teachers what the postal pay bill did for the postal employees and the Federal pay bill did for the Federal employees?

Mr. RANDOLPH. I think that statement is generally correct. We are attempting to bring the teachers' salaries up to the level of the groups we have helped within the District and the Federal Government.

Before I close I should like to pay tribute to the members of the Subcommittee on Education and Fiscal Affairs of the District of Columbia Committee of the House. The gentleman from Ohio [Mr. FEIGHAN], the gentleman from Pennsylvania [Mr. MURPHY], the gentleman from Ohio [Mr. GRIFFITHS], the gentleman from Mississippi [Mr. ABERNETHY], the gentleman from Arkansas [Mr. HARRIS], the gentleman from Texas [Mr. COMBS], the gentleman from California [Mr. MCDONOUGH], the gentleman from California [Mr. HEALY], the gentleman from Illinois [Mr. DIRKSEN], the gentleman from Massachusetts [Mr. BATES], and the gentleman from Minnesota [Mr. O'HARA]. They have done a tremendous amount of work on this subject. They have conducted exhaustive hearings and have arrived at a fair conclusion.

Mr. MURRAY of Wisconsin. I understand we are going to freeze the $300 as a permanent salary?

Mr. RANDOLPH. Yes, sir.

Mr. MURRAY of Wisconsin. The cost-of-living bonus—this is permanent legislation?

Mr. RANDOLPH. Yes, sir. We have given no increase to the teachers within the District in 21 years.

The SPEAKER. The time of the gentleman from West Virginia has again expired.

Mr. COOLEY. Mr. Speaker, I move to strike out the last word.

The SPEAKER. The gentleman from North Carolina is recognized for 5 minutes.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to speak for five additional minutes and to speak out of order.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. COOLEY]?

There was no objection.

Mr. COOLEY. Mr. Speaker, I recently made a rather extended yet hurried tour of some of the European countries. My mission was to study food and agriculture in Europe. My colleagues and I tried very diligently to keep our minds fastened upon the subjects of our study, but one cannot travel long in Europe without becoming keenly conscious of the political implications which have followed VE-day in Europe. Many of the people who have been liberated are still very unhappy and greatly distressed over their situations and many others are even afraid to return to their former homes. There is tremendous unrest in the liberated countries of Europe, and the immediate postwar period is presenting problems of greatest magnitude, problems which challenge the ingenuity of all of the liberty-loving people of the world.

Frankly, I am disturbed and distressed over the political implications which have followed in the wake of war in Europe. America and Great Britain must take a very definite and firm stand and insist upon a redemption of the pledges contained in the Yalta agreement or communism will envelop the entire Continent. The Yalta agreement means what it says or it does not mean anything at all. Its specific provisions must be made effectual or the entire document will be as "sounding brass and tinkling cymbals." Platitudes and pious pronouncements will not suffice. Definite and positive action must be taken to insure free and unfettered elections in all of the liberated democracies of Europe.

On January 6, 1945, the Congress and the country applauded the following statement by President Roosevelt:

> The duties of the Allies are to use their influence to the end that no temporary or provisional authorities in the liberated countries block the eventual exercise of the people's right to choose freely the government and institutions under which as freemen they are to live.

In the Yalta agreement we find this very significant language:

> Free and unfettered elections in which all democratic and anti-Nazi parties shall have the right to take part and put forward candidates.

Certainly these elections should be held as soon as possible on the basis of universal suffrage and secret ballots.

For Yugoslavia it was specifically provided that a previous internal Yugoslav political agreement, signed in Belgrade on November 1, 1944, should be put into effect in the country immediately. This agreement, among other political provisions, contains the sentence:

> Guaranteeing * * * personal freedom, freedom from fear, freedom of worship, freedom of speech, liberty of the press, freedom of assembly and association.

The agreement likewise contains the following language:

> Elections for Constituent Assembly will be decided within 3 months of the liberation of the whole country. Election will be held in accordance with the election laws for Constituent Assembly which will be enacted in good time. This law will guarantee complete freedom of elections, freedom of assembly and speech, and franchise for all and secret ballot as well as the right of independent or united political parties, corporations, groups, individuals—who have not collaborated with the enemy—to present lists of candidates for election.

With specific reference to the present situation in Yugoslavia, from the best information I have been able to obtain from sources which I consider in all respects reliable and trustworthy, the people of Yugoslavia are very apprehensive and with fear and trembling wonder whether their powerful allies will be faithful to the letter and the spirit of the Yalta Agreement. This little country with a population of 16,000,000 suffered the loss of 1,700,000 of its sons and daughters, to say nothing of the property losses involved. Certainly the liberty-loving people of Yugoslavia have a right to a government which is responsive to their will. But what is the actual situation?

Yugoslavia is today experiencing a reign of terror and ruthless and unwarranted cruelty which is being visited upon those who are unwilling to accept the communism of Tito who made his appearance in Belgrade in the ranks of the Russian army. Political opponents are exterminated without trial. Thousands of people have been murdered and others have been placed in concentration camps, institutions never known in the country before the war. All personal liberties are suppressed in Yugoslavia. Courts of law are not permitted to function. The life of every individual depends upon the mercy of Tito and his totalitation regime. Work is a privilege to the favored and obedient subjects of Tito's will, yet only those who work may eat. Spies or agents snoop upon the citizens and woe unto one who makes an unwise remark in a public place or insists upon the right of free speech. I am advised that 57 professors of the University of Belgrade have either been placed in concentration camps or put to death as Tito extends his reign of terror over the political and economic life of the country.

Tito suppresses political activities and his agents boast that "the National Liberation Front is the only political organization in our country." In spite of the Yalta decisions there is a total absence of personal liberty and economic freedom, and free and unfettered elections will not be held if Tito has his way. Because citizens fail to accept communism they are accused as collaborators with the enemy and are dealt with according to Tito's directive. How can Yugoslavia have free and unfettered elections if all candidates must be approved by Tito's supreme political committee? A citizen who fails to vote will be considered unpatriotic and will be forced to bear the consequences of having displeased the dictator.

The big powers should insist that all political parties should be accorded the customary facilities of preelection activities, especially freedom of the press, freedom of assembly, freedom of speech, and communications and freedom to move from place to place, and the freedom of a secret ballot, and upon all of the other freedoms enumerated in the agreement which was confirmed by the Yalta decisions. The existing blackout on all news dispatches to and from the country should be lifted immediately. Courts of justice should be reestablished and slaughter by dictator methods should be stopped and the people should be liberated from the concentration camps in which they are imprisoned, and all of these steps should be taken forthwith and without further delay. A failure to provide free and unfettered elections for the people of Yugoslavia will have a devastating effect upon the Yalta agreement.

The situation in Yugoslavia presents to the big powers a real opportunity to demonstrate an intention to insist upon an execution of the provisions of the Yalta agreement, the very definite pledges of which must be, in all respects, vindicated. Free and unfettered elections must be held in the occupied areas of Europe. If we fail with regard to Yugoslavia—if we fail to provide free and unfettered elections—the people in other countries and liberated areas will look with great apprehension upon the entire Yalta agreement. Yugoslavia perhaps means very little to us economically, but politically at this moment she provides the proving ground upon which the Yalta agreement will be tested.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. MASON. The picture the gentleman has presented covering Yugoslavia is just as true of Poland, of Austria, of Romania, and of Bulgaria; there is the same picture.

Mr. COOLEY. I am inclined to agree with the gentleman's statement.

Mr. DONDERO. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Mr. DONDERO. What will be the effect upon the rest of the world if we fail to live up to our agreements made at Yalta?

Mr. COOLEY. I think the effect will be devastating upon the Yalta agreement, and it will become a mere scrap of paper unless we are firm enough in our position to say that every pledge must be completely vindicated.

Mr. DONDERO. And does the gentleman not believe we shall lose prestige and face, at least in the respect and opinion of the people of the world, if we do not live up to our agreement, we, the most powerful nation on the face of the earth, from both a military and naval standpoint.

Mr. COOLEY. Undoubtedly, and I agree with the gentleman's conclusion.

Mr. FEIGHAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FEIGHAN:

Page 13, after the word "one", strike out the words "annual increase in salary in the amount provided in title I of this act for his class or class and group" and insert in lieu thereof the following: "longevity increase if entitled to it under the provisions of the act of June 4, 1924, as amended."

In line 20, after "1944", strike out "." and add "plus an increment of $100 for all teachers and other employees in salary classes I through XII inclusive."

Mr. FEIGHAN. Mr. Speaker, the purpose of this amendment is to give a $100 increase in the increment to those school teachers who have not up to this year reached the maximum number of increments to which they are entitled under the existing law. The proposed bill, without this amendment, would give a $100 increase to all those teachers who have reached their maximum, which comprise about two-thirds of the teachers in the District of Columbia school system.

This amendment is planned to aid the classroom teachers. I think it is essential that this amendment be accepted because we should give the raises where they will do the most good. The greatest shortage of teachers in the school system has been among the elementary classes. In the entire system of about 3,200 school teachers there has been a turn-over of about 10 percent during the last year and nearly 23 percent of the teachers in the white elementary schools are temporary teachers.

I feel that we should make it attractive to those teachers in order to keep them in our schools, especially those teachers who are teaching the younger as well as the older pupils.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield to the gentleman from Nebraska.

Mr. STEFAN. How many teachers will this affect?

Mr. FEIGHAN. The testimony is to the effect that about 1,000 will be affected which at $100 each would cost about $100,000.

Mr. STEFAN. That would be a permanent increase, would it not?

Mr. FEIGHAN. What it would do is this: Their ordinary maximum increment would be reached a year earlier by getting the extra $100 this school year.

Mr. STEFAN. But that would be a permanent annual expenditure, would it not?

Mr. FEIGHAN. No. That would be for the next year only.

Mr. STEFAN. Only for 1 year?

Mr. FEIGHAN. Only for 1 year.

Mr. STEFAN. What does the committee have to say about that? Did the gentleman take it up in committee?

Mr. FEIGHAN. This was discussed in the subcommittee and the subcommittee did not accept it. It was not taken up in the full committee. The amendment was not offered there, as I had anticipated offering it, because of the time element. We just could not get to it and I felt it would get more justice by being brought to the floor of the House.

According to Mr. Haycock, Superintendent of Schools, there are 416 temporary teachers among more than 3,200. Testimony indicated that nearly 23 percent of the elementary teachers in the white schools have a temporary status. This large turn-over in the elementary classes may be attributed in part to the fact that the Washington schools have not provided for the single salary schedule for elementary teachers. The single salary schedule provides equal pay for equal preparation and service by teachers. Under the single salary schedule, the teacher may better her own qualifications by further study, and in recognition therefor receive additional compensation. Pursuant to this further study, having obtained an M. A. or other degree, the teacher could receive an increase in salary and remain teaching in the elementary schools. In the proposed bill, in order to obtain the maximum salary based on educational qualifications, the teacher would have to discontinue teaching in the elementary classes and teach in the junior or senior high schools.

No one will doubt that the teaching of the pupils in the elementary grades has a most profound effect upon them, and it is desirable that well-qualified teachers continue to teach in the lower grades. The fact that an elementary teacher, by further study, could better her qualifications and obtain increased salary and still remain teaching in the lower grades, should, in my opinion, have a tendency to reduce the heavy turn-over in the elementary schools, and what is also important, to reduce the elementary schools the large number of temporary teachers who are not required to have the same qualifications which are required for the permanent teachers. Data was presented to the subcommittee that 38 percent of the cities throughout the country have adopted the single-salary schedule.

It is my belief that the education of the children in the elementary schools would be best promoted by the adoption of the single salary schedule.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. GRIFFITHS. Mr. Speaker, I rise in opposition to the amendment offered by the gentleman from Ohio [Mr. FEIGHAN].

Mr. Speaker, it might be a sort of an unpleasant task to oppose any raises at all. I attended every single meeting that was held by the subcommittee.

This bill was approved by the Joint Legislative Council of Educational Organizations as appears on page 3 of the report.

The elementary teachers get the highest rate of increase of any group. In fact, as shown by a survey of 21 cities of over 300,000 population, we moved them from twenty-second place up to sixth. This bill does not do that for any group except the librarians in junior high schools which also went up to sixth place. This amendment was proposed in the subcommittee and, of course, we voted it down. It really gives a $200 raise instead of $100 for the first year. We felt it would be equitable that everybody should receive a $100 increase this year over what they received last year.

I would just like to read a letter which I received from the Elementary Classroom Teachers Association of the District of Columbia:

The Elementary Classroom Teachers Association, with a membership of approximately 650 teachers, respectfully urges your favorable consideration of H. R. 3376, introduced by the Honorable JENNINGS RANDOLPH (Democrat, West Virginia), to raise the salaries of teachers and officers of the public schools of the District of Columbia.

We, in the elementary schools, whose salaries have been in the lowest bracket believe that this bill gives just consideration to our teachers in its recognition of equal pay for equal qualifications required by the Board of Education. No other teacher group is receiving a greater increase in base pay or in maximum pay. Under H. R. 3376 the elementary teacher's salary shows a $500 step-up in the minimum and a $700 increase in the maximum, higher than for any other teacher group. This, we believe to be just and equitable in view of inequities in the existing law.

We earnestly solicit your active support of H. R. 3376. We feel that the passage of this legislation is urgent at this time and we hope that you will aid in its early enactment into law.

I do not think the primary teachers want to be made an exception of. This amendment will throw the whole scale completely out of adjustment. If we are going to give it to one, we should give it to all.

Mr. FEIGHAN. Mr. Speaker, will the gentleman yield?

Mr. GRIFFITHS. I yield to the gentleman from Ohio.

Mr. FEIGHAN. I disagree with the gentleman with reference to throwing the schedule out of adjustment because by the terms of the bill as now proposed you are giving an additional $100 to every teacher who has reached his or her maximum under the present law.

Mr. GRIFFITHS. That is correct.

Mr. FEIGHAN. Whereas with reference to the amendment I have offered, those teachers who have not presently reached their maximum increment would get an additional increase of $100 for this year over and above what they would ordinarily get if the law as of June 30 was in effect.

Mr. GRIFFITHS. It will give some of them a $200 increase next year, will it not?

Mr. FEIGHAN. That is correct, but they would have received a $100 increase by virtue of their yearly increment.

Mr. GRIFFITHS. As an additional amount as carried in here, that is true, but it would single some out. I think the bill is fair and equitable and hope the amendment is defeated.

Mr. MURRAY of Wisconsin. Mr. Speaker, I move to strike out the last two words.

Mr. Speaker, I do not like to take this opportunity on account of the educational bill to bring this point before the House, but I do think it is a pretty serious situation. Here we are going to provide

today to give one more minority group of people several hundred dollars increase in salary. For the basis of the argument I will grant that it is perfectly desirable and that the bill should be approved. However, we are doing this at the very time we are telling millions of our citizens that are getting 50 cents an hour that they cannot get 60 cents per hour or inflation will be the result. We are telling millions of others that are getting 60 cents per hour that they cannot get 70 cents per hour or we are sure to have inflation. I hope that before the administration takes us down this road very much farther and provides increases for small minorities, that we will do something about the Little Steel formula. At least, we should do enough to it so that the people can get somewhere near as much as a total salary as we are giving in the form of increases in salary to other groups in our country.

With the legislation for business proposed and already passed, with the increases provided for Federal employees, in the form of a cost of a living bonus; where the higher bracket Federal employees are provided a $628.32 cost-of-living bonus; it would appear more than appropriate that the Little Steel formula be immediately changed and have it kept in conformity to the formula provided for these other groups. We cannot and should not expect the large numbers of our citizens to have their low wages frozen while we as a Congress provide increases for others that exceed the total income of these lower wage groups. If we are to have a managed economy let us see that it is managed fairly.

The SPEAKER. The question is on the amendment offered by the gentleman from Ohio.

The amendment was rejected.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANDOLPH. Mr. Speaker, that concludes the business on the District of Columbia Calendar.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 98. Joint resolution relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 672. An act for the relief of the legal guardian of Clifton R. Weir.

TENURE OF OFFICE OF PRESIDENT

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, a vigorous effort is being made to restore Congress to its old position of influence in our Government; to make this in fact a Government of three independent branches, the executive, the legislative, and the judiciary, as conceived by the founding fathers.

The first step in this program to restore popular Government in America should be the submission by Congress to the several States of a constitutional amendment to limit the tenure of office of a President to two terms of 4 years each.

This question should be one of the first items on the agenda of the fall legislative session. If Congress fails to act then, the people in the several States must initiate the movement through their several State legislative bodies.

Now is the time to put this reform into effect. It can be done now in a nonpartisan way, when it will have no effect on the immediate political program of any party.

At the same time, we might well give full consideration to the future status of men who will have held the office of President. It is inconceivable that we shall continue a policy which prevents the country from utilizing the vast experience and knowledge which men have gained in the office of President. We might well consider giving them a seat in either the Senate or the House, where in the role of elder statesmen, they can make an important contribution to the Government of their country.

In any event, there is one thing we should do. We should make sure their remaining years are free from want and insecurity by granting them a pension of $25,000 a year. We pension the members of our Supreme Court, and common fairness should persuade us to do as much for the men who have borne the burdens and the strains of a Presidential tenure of office. This would be in keeping with our American tradition that a man in the most modest circumstances may seek the Presidency of his country and be secure in the knowledge that the country which he has served will provide for his welfare after he leaves the office.

The underlying philosophy of our American Republic has always been that no man is indispensable, that there are many men in every generation qualified and competent to fill any job in America, from the Presidency down. America's strength lies in that principle. In government this principle has always been our greatest bulwark against totalitarianism. It has been our springboard to growth and progress. It has kept our people strong; it has kept them free.

No man is indispensable. Let us at a time when this fact is clear before us pass legislation that will enable the people to give effect to the dreams and hopes of the men who founded this Republic.

It has been demonstrated that the rich traditions of a people can be overcome. By writing into our organic law the ban on too long a tenure of the Presidency desired by Washington, Jefferson, Jackson, and many other great Americans, we can assure ourselves of the preservation of a republican form of government.

During the course of the years, this question has been hotly debated several times. During the Constitutional Convention itself, it was discussed by the delegates in their establishment of the term of office of the President. Thomas Jefferson did not fail to see the dangers inherent in an unlimited number of terms. He recorded his opinion that the term should be limited to 7 years. In later life, after his own experience as President had matured his wisdom still further, he felt a President should serve no more than two terms of 4 years each. The first 4-year term should be considered a trial period. One of the distinctions of Jefferson's life which he most highly prized was his establishment of the tradition against a third term. He discussed it openly and freely. It appears in his correspondence in later years as one of the most important acts he took as President. Washington, too, opposed more than two terms, and the Presidents who came immediately after Jefferson more firmly fixed the tradition. This tradition became so deeply entrenched that while it has never been a statutory law, it virtually developed into an unwritten law and was observed as such.

Andrew Jackson saw serious dangers in the violation of this principle. He upheld the intent of the Constitution to separate the three main functions of government and to make them independent of each other. "The agent," he said, "most likely to contravene this design of the Constitution is the chief magistrate." Jackson recommended that the President's term of office be limited to one.

We have had much experience in the operation of this Government since the days of Andrew Jackson. His view was that a President of the United States, who did not wish to conform to the no third term tradition, would build up political machines and distribute patronage in such a manner as to obtain support for himself. Thus great decisions of state might be subordinated to the personal interests of the occupant of the White House. The deliberations of the Congress profoundly affect the fortunes of a President. Jackson foresaw the possibility that an ambitious executive might use political favors to cajole, to bully, and even to purge from political life those members who would not conform to his personal desires.

Lincoln, too, saw the danger we see. This Government is a government of laws and not of men. It gains and maintains its strength through principles, not individuals. It is, therefore, not the President of the United States, but the Presidency which is all important. It is not the individual, but the office we revere. There are constitutional functions attached to that office, however, and it should be above the personal ambition of any individual to attempt to change or to

modify those functions. We should consider elevation to the Presidency such a high honor its recipient would be satisfied at the end of a limited term to step down from that high position, the greatest within the gift of 130,000,000 people, and not seek permanent, lifetime occupancy through tricks of chance, patronage, and manipulation.

It should likewise be beyond the power of a President to use the influence of his office and the great army of Federal employees to accomplish purposes to which a Congress does not subscribe. It should not be possible for the President to build up so vast and ramified a political organization that he alone can be considered a candidate to succeed himself in office.

Four years allows sufficient time for any administration to formulate its policies and sufficient time for the people to judge those policies. If his record in his first term is approved by the people, another 4 years would be sufficient to establish his policies, and at the end of his second term, he would step out of office with the good will of his fellow citizens.

Throughout most of our history, it has worked out this way. We have always been able to count on a turn-over of public officials in administrative offices at reasonable periods. In the past, it was not possible for an administration to build itself up into a political monopoly under which individuals acquired a sense of proprietorship and personal privilege. Periodic changes in the administration brought new blood and new vision into the performance of public functions. It prevented the establishment of vested interests in public office and personal ambition.

This session of Congress is recessing at a time when the greatest issue before the country is the question of the restoration to the Congress and to the people of the rights and privileges temporarily yielded to the Executive for the successful prosecution of this war. As Lincoln foresaw, there are always some who would accomplish devious purposes unwholesome in our constitutional Government. Such men will always try to conceal from the people their intent to perpetuate bureaucracy and personal power in all its lavish, extravagant, and bungling forms. They will always cite emergency situations, make appeals to class prejudice, and promise everything in the world to accomplish their ends.

I say, Mr. Speaker, that the ambitions and purposes of such schemers must be thwarted. We must insure that our Government will be conducted on the highest plane of dignity, responsibility, and integrity.

As a first measure, I urge that we go to the root of the trouble by preventing use of the office of the Presidency for self-perpetuation in public jobs. I, therefore, urge the Members of this House to give serious consideration to the submission of a constitutional amendment to the people which would limit any President of the United States to two terms.

EXTENSION OF REMARKS

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the necessity of a further expansion of our air transportation system to include smaller cities and towns, and include therein a breakdown by congressional districts of services that have been requested in communities within those districts.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. MANSFIELD] is recognized for 20 minutes.

JAPAN'S ECONOMY

Mr. MANSFIELD of Montana. Mr. Speaker, the homeland of Japan now faces blockade by sea, bombardment from the air, and invasion by land. The industrial areas of the main islands are more and more the targets for American air power. Japan proper is more and more subject to the blockade of the armadas of the United Nations. The Japanese homeland must eventually face an invasion by the Allies in the Pacific war. The length of the conflict will be greatly influenced by the factors of strength and weakness in the Japanese economy.

Japan proper consists of four main islands—Hokkaido, Honshu, Shikoku, and Kyushu. These extend for 1,200 miles or roughly the distance from southern Maine to northern Florida. The islands average 120 miles in width but no place is more than 70 miles from the coast.

The shore line, characterized by peninsulas, bays, islands, and straits, is over 18,000 miles. Among the islands of Old Japan—Honshu, Kyushu, and Shikoku—is the Inland Sea, extending for a beeline length of 200 miles. The Japanese Islands are volcanic with Fujiyama the most famous of the volcanoes. Nippon in general presents a picturesque landscape of mountains and sea.

The Japanese population of 73,000,000 is relatively young with over 45 percent under the age of 20. However, the average Japanese male at 20 may expect to live only another 40.4 years, according to Sumner Welles in his recent book, A Guide to the Peace. The birth rate has risen to 29.9 per 1,000 and the death rate reaches 17.6 per 1,000. The Japanese population has doubled in the last 60 years. The population was growing at almost a million a year before the war. In 1970 Japan will possibly have about 95,000,000 people.

The population density of Japan proper in 1938 was 490 per square mile. For each square mile of tilled land there were 3,116 people. One of the great problems of the future concerns the growing population of Japan. Treaties relating to boundaries can be made, but pacts concerning population growth are practically impossible. Several suggestions have been presented for the relief of the Japanese population, such as industrialization on a large scale, additional expansion and intensification of agriculture, the practice of birth control, and migration to other areas. All of these involve complex and controversial topics. National tariffs against Japanese goods and immigration laws against Japanese settlers will probably remain for a long time. Many years will pass before the peoples of the Pacific and the Far East will forget the greater east Asia coprosperity sphere created at the point of the Japanese bayonet.

The mainland of Japan has 147,707 square miles, or roughly the area of Montana. Honshu, the most important islan, is larger than the combined area of Ohio and Indiana, but Hokkaido, the northern pioneer island, is a little larger than Maine. Highly significant is the fact that only 16 percent of the total area of Japan proper is fertile. The Kwanto and Yamato plains, located in southeastern and southern Honshu, are the most fertile parts of the country. Almost half of the people of Nippon who are gainfully employed are engaged in farming. Although the average farm is only 2.5 acres, any future increase in the cultivated acreage of Japan will necessitate costly irrigation or fertilization.

Rice is produced on half of the arable land while grains, fruits, and vegetables are grown on the other half. Rice is the chief staple in the diet of the Japanese. However, the domestic supply is not adequate to meet the requirements of the country. Almost one-fifth of the rice consumed in Nippon is imported from Korea and Formosa. Japan has conquered other rice-producing areas like Indochina and Thailand. Wheat, millet, and barley are the leading grain crops of the Nipponese farmer. The production of wheat has risen 60 percent since 1932 and the growing of potatoes and soya beans has been stimulated. Oranges, apples, grapes, pears, and peaches are among the fruits while radishes, peas, and beans are among the vegetables found in Japan. Furthermore, Nippon used to produce 10 percent of the tea supply of the world.

About a third of the Japanese farmers own their farms while the other two-thirds are share croppers and tenants. The average income of the farmer is less than $150 a year. Very little machinery is used and hardly more than 2,000,000 farm animals are found in the country. The leading cash crop was silk with a fourth of the crop fields of the uplands devoted to raising mulberry leaves to feed the silkworms. The collapse of the silk market in the early 1930's seriously injured the farmer. In addition, the Japanese tiller of the soil has faced the burden of added taxation and increased mortgages.

Fish is an important item in the diet of the Japanese. One and one-half million people are engaged in fisheries but about half of them are seasonal workers. Around 30 percent of the fisheries of the world are Nipponese. Coastwise fishing shares 61 percent of the industry, deep-sea fishing 28 percent, and whaling, pearl and coral collecting almost the rest. The chief fish are the cod, sardine, shark, mackerel, tuna, and bonito. Large amounts of crab and salmon were canned in floating canneries for export. Japanese ships even operated along the shores of Alaska.

Nipponese fishing activities along the coasts of Kamchatka, Sakhalin, and the Soviet maritime provinces have been a source of friction between the Soviet Union and Japan. The treaty of Portsmouth, ending the first Russo-Japanese war 40 years ago, contained provisions relating to fishing rights which have tested the diplomatic skill of both countries. In March 1944 an agreement between Japan and the Soviet Union extended for 5 years provisions relating to Japanese fishing in the Soviet waters.

The food supply of Japan proper is not sufficient to prevent malnutrition. The diet includes only a small quantity of meat and dairy products, while fat and sugars are deficient. On the other hand, an unduly large consumption of cereals is noticeable. The outbreak of the war has certainly not improved the diet of Nippon.

Japan is not blessed with a large supply of many mineral resources like the United States and the Soviet Union. The power resources of a country are coal, oil, and developed water power. Coal supplies 72 percent of the total power of the world; oil, 21 percent; and water, only 7 percent.

Japan proper is moderately supplied with coal, but the quality is mediocre. The coal is found in Hokkaido, Kyushu, and Honshu. If Japan proper used its coal at the per capita rate of the United States in 1936, the reserves would be ended in 30 years. However, the coal reserves would last almost 200 years if the per capita consumption of Japan in 1936 were kept.

Oil is important in mechanized warfare—in planes, ships, tanks. Japan proper produced in 1941 only 2,659,000 barrels of oil. This is comparable to the daily production of the United States and represents a mere one-tenth of 1 percent of the world production. The oil is largely produced in the Hokkaido, Akita, and Echigo fields that are roughly parallel to the Sea of Japan. An additional million barrels of oil used to come from the island of Formosa, under the Japanese flag since 1895, and from concessions in Soviet Sakhalin. In March 1944 the Japanese surrendered all their coal and oil concessions in Soviet Sakhalin in exchange for the extension of fishing rights. The Nipponese Navy has acquired much of its fuel oil from the distillation of oil shales in Manchuria.

The Japanese have greatly developed their water-power resources produced by the rugged topography of the country and the generous rainfall in the central mountains. Four-fifths of the developed water power of Asia is utilized by Japan. Yet Nippon has less than one-twentieth of the total water-power potential of Asia. In 1936 the Japanese in their four main islands led the countries of the Far East in the production and consumption of coal and hydroelectric power and in the refining and consumption of oil. However, if the potentiality of the combined resources of oil, coal, and water power is measured, Japan is surpassed by China and India and probably by Siberia and Australia.

Outside of Japan proper, the Nipponese have acquired sources of higher-grade coal from Korea, Manchuria, and North China. They have conquered the oil-producing areas of the Netherlands East Indies and British Borneo. Yet, these power resources will not always be at the disposal of the militarists in Tokyo.

The main islands of Japan are poorly supplied with iron ore. In 1941 the domestic output from the Nipponese mainland was 13 percent of the requirements of the country. The 935,000 metric tons came largely from Hokkaido. The iron ore production of Japan is about 2 percent of that of the United States. The peninsula of Korea and the central Yangtze Valley of China, both under Japanese control before Pearl Harbor, furnished iron for the Nipponese mainland. After December 7, 1941, the Japanese seized the iron-producing areas in British Malaya and the Philippines but those of India and Australia were not subjected to Japanese exploitation.

Japan proper is better supplied with copper, ranking seventh in world production. Nipponese copper was supplemented by supplies from Korea and Formosa within the Empire and for a while from the conquered Philippines. Japan has a sizable local production of silver and gold with additional supplies chiefly from Korea. The main islands do not produce bauxite, the source of aluminium, but the Netherlands East Indies and Malaya have important supplies. Bauxite has also been discovered in the Palu islands. Japan proper produces some tin, manganese, and chromium. Excellent supplies of tin were acquired by the conquest of Malaya and the Netherlands East Indies. Tokyo acquired chromium from the Philippines. A little zinc and less lead are produced in the mainland of Japan. Salt obtained from the sea meets only half of the needs of the Japanese islands. On the other hand, Nippon is self-sufficient in sulphur. Japan proper does not produce natural rubber, manila hemp, kapok, or quinine, but areas supplying these items were conquered after Pearl Harbor.

The industrial centers of Japan are excellent targets for Allied bombers. Many of these places are becoming familiar to the American public. Four industrial areas predominate. The first is the Osaka-Kobe-Kyoto region, the second is the Tokyo-Yokohama area, the third is Nagoya, and the fourth is northern Kyushu.

The Osaka area specializes in the production of cotton textiles. Shipbuilding and iron and steel manufactures are important. The area lacks raw materials and cheap power. Kobe is the leading port in the nation while Osaka is third. Kyoto, which is inland, specializes in artistic work such as pottery, toys, and bronzes. In the second industrial area is Tokyo, the capital of the empire, and Yokohama, the second port of the country, handling most of the shipping to Tokyo. The hinterland is the leading silk area of Japan. The production of machinery and electrical goods along with silk reeling and weaving center in the area of Tokyo and Yokohama. Nagoya, the third industrial area, is the fourth seaport of Japan. Making cotton cloth, wool weaving, and silk reeling account for more than half of the output of Nagoya.

The fourth industrial center of Nippon is located between Nagasaki and Moji in the northern part of Kyushu. Here is the base of heavy industry where coal is the ruler. The area accounts for three-fourths of the pigiron of Japan. The leading steel center is Yawata with its large government plants. In 1937 the northern area of Kyushu produced about 2,900,000 metric tons of steel, while the Osaka-Kobe region and Tokyo-Yokohama area produced 1,000,000 tons each.

Most of the industry of Japan is in the hands of a few families, as the Mitsui, Mitsubishi, Sumitomo, and the Yasuda. These families control textile factories, shipping establishments, heavy industries, banks, and import and export firms. The Mitsubishi have been closely associated with the navy, while the Mitsui have been closely connected with the army. The industry of Nippon is very monopolistic and greatly subsidized by the Government.

A large amount of small-scale factory production is still found in Japan. Almost two-thirds of the workers of the country are in places that employ five or less people. The workers labor long hours with poor wages. Over 90 percent of the laborers before 1940 received less than $7 a week and worked about 56 hours. The rapid industrialization of Japan inside the life span of some of the living Nipponese is one of the most amazing developments of the Far East.

Within easy range of each other are the six large cities of Nippon. Tokyo, with a population of over six and one-half million; Osaka, with over 3,000,000; Nagoya and Kyoto, with over 1,000,000 each; and Yokohama and Kobe, with over 960,000 each. Forty-five cities have over 100,000 people, but all of them, except 3, are within the range of 16-inch naval guns.

In the transportation system of Japan, the heavy freight goes by water. The railroads get more revenue from passengers. Shipping is aided by the many harbors, while railroad construction is hindered by the mountainous land. The great historic road of Japan is the Tokaido, extending from the old capital at Kyoto for 300 miles to the new capital at Tokyo. There are over 621,400 miles of roads in Japan, mostly in the cities and towns. The average Nipponese does not have an automobile, but bus lines are very busy. Japan had a dense railroad network of 13,581 miles in 1938. The usual gage is 3 feet 6 inches, while only 2 percent of the railroads are electrified, chiefly near Osaka and Tokyo. A tunnel unites Honshu and Kyush under the Straits of Shimonoseki. In 1938 Japan held third place among the maritime nations of the world. The leading naval and air bases of Japan proper in 1941 were Yokosuka, Kure, Sasebo, Ominato, Muroran, and Maizuru.

In this study of the economy of Japan we have to, as a matter of necessity, take into consideration the status of Manchukuo. This is very important because of the part it has played in the development of Japan's industry since the acquisition by that country of the Kwantung tip of the Liaotung Peninsula in 1905, and the

subsequent enlarging of Japanese holdings from then down to the complete conquest of Manchuria in 1931 and the creation of the Japanese dominated puppet state of Manchukuo in 1933.

The press and radio have in recent weeks emphasized the shifting of war industries from Japan proper to Manchukuo. To read and hear this, one would think that this development has just occurred, but actually such has not been the case. I have said repeatedly on the floor of this House—the last time on January 16, 1945, when I made a report on my China mission—that Japan was and had been moving much of her heavy industry to Manchukuo. This was a logical move for her to make because she had already built up a strong economic nucleus there and many of the raw materials needed to operate heavy industries were to be found in abundance. Furthermore, the first air attack on Japan—Doolittle's raid—accentuated this transfer of industry as the Japanese realized just how susceptible their crowded industrial areas were to air assault and will be, in the very near future, to naval assault as well.

The show-down of this war is approaching and the final phases of the struggle will take place in northern China and in Manchukuo where this war began almost 14 years ago on the night of September 18, 1931. I should not be surprised if the Japanese move their seat of government to Manchukuo as we step up our attacks against Japan itself, and I feel a long struggle is in prospect for us against this most fanatical and determined of enemies. The only alternative to a drawn-out war, in my opinion, is Russia's entry. My position on this is well known; it is not a question of "if" but only a matter of "when" the U.S.S.R. and Japan will clash. There have been almost 3,000 incidents along the Amur River boundary since 1931, as well as numerous other causes of conflict based on a long-standing antipathy on the part of the two Governments which makes it inevitable that these countries will go to war. It might be well to point out at this time that at the request of our military authorities, lend-lease goods are sill being shipped to Siberia. This is evidently being done to reinforce an already strong ally there and is another indication that we expect the U.S.S.R. to enter the war against Japan.

Even though Japan realizes—as she must now—that she cannot win, it is possible that she will prolong the war as long as she can in the hope that we will grow weary of its costs, length, and especially its sacrifices and agree to a soft peace. If this is the attitude of the Japanese I feel they have misjudged the determination of the American people to go through with this war to the bitter and complete end. So far as we are concerned, we propose to see to it that the Pacific lives up to its name and do not intend ever again to make another Pearl Harbor possible. Prolonging the war means the continued redistribution of much of Japan's home industries to the homes and farms of its people throughout the length and breadth of Japan proper and it also means the continuing building up of the industrial potential in Manchukuo. Some targets there such as Mukden, Dairen, and Anshan have already felt the weight of our B-29's based in China and India. These and other strategic locations in Manchukuo are going to get their share of punishment as we increase our bases and get closer to the Japanese islands and the Asiatic mainland. As these bases increase in number so will our bombers increase in effectiveness because we realize the need for the destruction of all these sources of supply. Our purpose will be to knock out Manchukuo's coal and iron mines, her granaries, her war factories, and her oil plants. As she is driven out of supply areas in Indonesia and southeast Asia, she is going to have to, as a matter of necessity, fall back more and more on the resources Manchukuo possesses. Because of the military and industrial strength of Manchukuo we cannot afford to treat it lightly.

With the capture of Okinawa and the tremendous amount of Japanese ship sinkings by American submarines—which already exceeds 1,170—we are in a position to isolate Japan by sea from her conquests in the Dutch East Indies and southeast Asia. The recent successes of the Chinese Army have been responsible for cutting the land route from southeast Asia to northern China and Manchukuo. The renewed activities of American air and naval units in North Pacific waters have had the effect of further depleting Japan's fish resources and all these factors, put together, give definite shape to the precarious economic position Japan finds herself in at this time. As we squeeze Japan away from her conquests in the southeast and north, we make her position that much more economically insecure, and the more we throttle her resources the closer she is to eventual defeat.

Most wars start because of economic reasons and many wars end because of the loss of vital economic resources. As these losses become more apparent, the will of the people to resist is reduced proportionately. While this does not mean an early or easy victory, it does mean that the day of reckoning for Japan is approaching.

The material progress of Nippon has been phenomenal. If Japan had chosen a path of peace she would have been an important stabilizing factor in the Far East. However, Nippon has chosen the road to war. The Japanese will have to pay dearly for their aggression in the Pacific and the Far East; they may be forced to relinquish all their possessions outside the four main islands. A political, economic, and educational reconstruction of the country will be necessary. One thing is certain: The flag of the Rising Sun will no longer spill a trail of blood across the Pacific and Japan will cease to play the role of a great power in the councils of the world.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman spoke of the power of Japan's coal, gas, and waterpower. If I remember correctly, her waterpower is practically all on the mainland?

Mr. MANSFIELD of Montana. On the main islands.

Mr. RANKIN. I pointed out in a speech I made last year the progress Japan had made in building up her waterpower resources. On the Yalu River in Manchukuo you will find she has built dams which will compare favorably with the largest dams in the United States. If I am not mistaken, one of them is almost on a parity with Boulder Dam. Has the gentleman gone into that phase of the proposition?

Mr. MANSFIELD of Montana. Not the dam on the Yalu River, but as far as the Japanese islands themselves are concerned, they are the leading hydroelectric producers of power in all of Asia, though potentially they can and will be exceeded in time by both China and India.

Mr. RANKIN. Japan also electrified her rural sections. In 1936, when the International Power Conference met here, their report showed that while we only had about 10.9 percent of our farms electrified in the United States, Japan had 90 percent or more of her farms electrified. Since that time this great development of hydroelectric power on the Asiatic continent, and particularly on the Yalu River, has taken place, and if the gentleman will get a speech I made here last year, in which I went into the proposition in detail, he will find that one of our great problems is the destruction of those power plants, including her hydroelectric plants on the mainland now controlled by the Japanese.

Mr. MANSFIELD of Montana. The Army and Navy will take care of those power plants which the Japanese have built.

Mr. RANKIN. I think so too, but I point out that this is one of our main problems, just as it was in Germany. One of the main problems in Germany was to knock out her transportation system and also to paralyze her power-production facilities.

Mr. MANSFIELD of Montana. That is right.

Mr. MURDOCK. Will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from Arizona.

Mr. MURDOCK. Did I understand the gentleman to say that the hydroelectric power facilities in China are in excess of those of Japan?

Mr. MANSFIELD of Montana. Potentially. They have a plan for a postwar dam in the upper reaches of the Yangtze, above Ichang, that will produce 10,500,000 kilowatts yearly.

Mr. MURDOCK. At a hearing before the Committee on Irrigation and Reclamation not long ago, it was stated that one of the best engineers of that service, Dr. Savage, was in China making that survey. Of course, I approve of our lending that famous engineer to China for a short time. Does it not occur to the gentleman that we ought to have such engineers as Dr. Savage doing that same work and much more of it in the western part of the United States or in some part of the United States?

Mr. MANSFIELD of Montana. I should like to tell the gentleman that

Mr. Savage, who is the originator of this plan, this big dam in China, has also done a lot of work for the Bureau of Reclamation in the western part of the United States, and I think we should continue to use his services because he is, without doubt, the foremost engineer along those lines. Furtherfore, Mr. Savage's plan and vision have caught the imagination of the Chinese people to such an extent that they are really serious about carrying out his proposal in the postwar period. Incidentally, one of the most enthusiastic proponents of this plan is the Generalissimo, Chiang Kai-shek, who discussed the matter with Donald Nelson during my stay in China last year.

Mr. MURDOCK. He has retired, but I think we ought to consult him continually. He is rightfully credited with some of the biggest projects in the West.

Mr. MANSFIELD of Montana. He should be consulted continually.

Mr. MURDOCK. Does it not seem strange that Japan can exceed the United States in the matter of rural electrification? Where have we been in that respect as a Nation? Have we been relatively asleep all these years in spite of the great projects in which we take pride?

Mr. MANSFIELD of Montana. It is not to our credit that Japan has exceeded us in this respect.

Mr. MURDOCK. Certainly not. Being outstripped by several other nations in development and use of hydroelectric power, which our own geniuses have pioneered, is to me disgusting.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. As I view the Far East, it is my opinion, and I was wondering if the gentleman agrees with it, that the great nation of tomorrow, potentially great today but actually great tomorrow in the Far East, will be China.

Mr. MANSFIELD of Montana. The gentleman is correct.

Mr. McCORMACK. There is a strong feeling of friendship on the part of the people of China for the people and the Government of the United States; is that not correct?

Mr. MANSFIELD of Montana. That is absolutely correct.

Mr. McCORMACK. It is a real, sincere friendship. In bygone years we have built up the Japs as the Yankees of the Far East, overlooking the fact that there was a real sincere friendship on the part of China, a nation numbering from four hundred and fifty to five hundred million people. Has the gentleman any opinion that he can express on this occasion as to the importance of the doing of those things on the part of our Government during the continuance of the war and in the postwar period that will cement the friendship that exists between the people of China and the people of the United States for generations to come, a friendship that will go along the pathway of sincerity, where the two nations and the two peoples will cooperate as real friends do, with benefits accruing not only to the people of China but to the people of the United States today and tomorrow?

Mr. MANSFIELD of Montana. I wish to say to our distinguished majority leader, the gentleman from Massachusetts, that I think there is a great future between the Chinese and the American people. There is a good deal of similarity between the average Chinese and the American. They are both cheerful; they are both willing to take their share of the hard knocks, and they are able to maintain their courage as they go along. I feel that in the past, while we have treated China well, we have been a little too philanthropic about it. I think that in the future we ought to change our attitude a little bit and recognize the Chinese as people who have the same kind of aspirations that we have, and help them to develop their country which they, as yet, have hardly touched. There is a great future in China, not only for the continued friendship of the two peoples, but also in the way of business opportunities whereby our people can go there and help China to a position which she must have if she is going to become, as we want her to be, the bastion for peace in the Far East.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from Mississippi.

Mr. RANKIN. The greatest contribution we can make to the Chinese people and to the civilization of the world is to destroy the Japanese menace.

Mr. MANSFIELD of Montana. I think that is going to be done.

Mr. RANKIN. I think so, too. When that great territory with all this potential waterpower development is turned back to the people it belongs to, and Japan is eliminated as a menace to world civilization, then China can develop her own resources to suit herself.

Mr. MANSFIELD of Montana. China is going to need outside help, and China will encourage American capital to come into her country in the postwar period, because China realizes that this country, of all the countries in the world, has absolutely no ulterior motives in that part of the world.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I have been intensely interested and have listened with approval to what the gentleman has said. In connection with the colloquy with certain Members regarding the development of China as a commercial power and the cooperation which the gentleman says will be necessary by other nations with China toward that end, does the gentleman not believe that one of the quickest and very best ways we can do this is to develop our air-transportation system between the United States and China so that a company in this country going into the development of China could send out the necessary personnel, including engineers, and they could go there and spend 6 months and then come back home for 2 or 3 weeks, and then again spend 6 months over there, whereas if we do not develop our air-transportation system we cannot expect the cream of our engineers, for example, to go there and stay for a number of years? But if we develop air transportation they will spend 6 months over there, come back for 2 or 3 weeks, maybe, and then go back again. I think that is one of the facilities that should be developed in connection with working agreements between our two countries in the development of industry in China.

Mr. MANSFIELD of Montana. May I say to the gentleman from West Virginia that he is touching a tender spot so far as I am concerned, because I think the age of the future, especially in that part of the world, is going to be the air age. What I would like to see continued is this great army route that we have running from Great Falls, Mont., up to Fairbanks, Alaska, over into Siberia, because that means by using that great circle route we can develop a good deal of trade with all the peoples of the Orient. To me it is the wise thing to not only do what we have already set about to do, but to transship back and forth badly needed goods. I look forward to the day when we will have a number of air routes to the Orient and I want the gentleman from West Virginia, one of America's foremost authorities on aviation, to know that I agree with him completely.

Mr. MANSFIELD of Montana. I yield to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. The gentleman has spoken a number of times about the importance of outside help for China. Does not the gentleman feel that it is necessary when we talk about outside help for China that the help be given in such fashion as to develop the resources of China for the benefit of China? What I am trying to get at is this, that the type of long-term credit, for instance, which I understand was contemplated by the International Bank for Reconstruction and Development under the Bretton Woods agreements, the type of credit where you extend credit for a long time on the condition that it be used only for developmental work which will increase the productive capacity of the borrowing country is the only kind of credit that can really be of assistance to a nation like China in contradistinction to short-term credit at a high interest rate which the country then uses up for the purchase of consumable commodities.

I would appreciate the gentleman's commenting on that.

Mr. MANSFIELD of Montana. I would agree with what the gentleman has said. At the appropriate time we should make available to China credit on a long-term basis and do what we can to help China to become self-sustaining and to develop its resources.

We have talked about the proposed Savage Dam which will produce 10,500,000 kilowatts of electricity per year. That will take care of an area of 1,000 miles in diameter in which approximately 200,000,000 Chinese live. Not only will that be used to develop the industry of China but it will also be used to manufacture fertilizer and reclaim the soil and give

to millions of Chinese a chance to achieve a decent livelihood. That is only one way in which the Chinese people can be helped, but it is a very important way.

Mr. VOORHIS of California. We hope it will result in raising the standard of living and the wage standards of China, which is definitely in our own selfish interest; is it not?

Mr. MANSFIELD of Montana. That is correct.

Mr. VOORHIS of California. I would just like to make a distinction between that sort of thing on the one hand and the attempt on the part of American corporations, for instance, to go into China and establish factories there for the sole purpose of getting cheap Chinese labor to produce commodities in competition with well-paid American labor which I take it is not what the gentleman is talking about and does not help either country very much.

Mr. MANSFIELD of Montana. That is correct.

The SPEAKER pro tempore. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, notwithstanding the cost which I am informed by the Public Printer is $121.40, I ask unanimous consent to extend my remarks in the RECORD and include therein an oration recently delivered by Archbishop Cushing, of Boston.

The SPEAKER. Notwithstanding and without objection, the extension may be made.

There was no objection.

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks and include a brief editorial commending the action of the House in passing the Presidential succession bill.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. HAVENNER] is recognized for 15 minutes.

COMMITTEE ON UN-AMERICAN ACTIVITIES

Mr. HAVENNER. Mr. Speaker, I have read in the daily press that the standing Committee on Un-American Activities of this House has voted to send one of its investigators to the Pacific coast to investigate reports of communistic activities in southern California.

On January 11, 1945, I reported to the membership of this House that a secret meeting of a subcommittee of the Special Commitee on Un-American Activities of the House of Representatives, under the chairmanship of former Representative Martin Dies, was held in Beaumont, Tex., on July 16, 1940. At that secret meeting, sworn testimony was given by a witness named John L. Leech, alleged to be a former member of the State committee of the Communist Party of California, to the effect that I had been, and was at that time, a member of the Communist Party.

Mr. Speaker, at the time of this secret meeting of the subcommittee of the Special Committee on Un-American Activities on July 16, 1940, I was a Member of the House of Representatives and had been for 3½ years preceding that date. I had never received any notice of this hearing prior to the time it was held and have never received any notice of such a hearing from the Special Committee on Un-American Activities up to the present time. The first knowledge that I had that such a subcommittee meeting was held was more than 4 years later, when I read of it in a political advertisement printed in several San Francisco daily newspapers during the months of October and November 1944. This advertisement contained excerpts from the testimony given by the witness Leech. I was never given an opportunity to appear before that committee to face my accuser or reply to his testimony.

The then chairman of the Special Committee on Un-American Activities did not even notify all of the other members of his special committee that this damaging testimony had been given against a Member of Congress. Instead, the record of this secret meeting held down in Beaumont, Tex., was pigeon-holed for more than 4 years, when, suddenly and mysteriously, it was made available for use against me in a political campaign. Mr. Speaker, I stated to the Members of the House last January that the sworn testimony of the witness Leech, as contained in the printed report of the secret subcommittee meeting in Beaumont, Tex., was false in its entirety and constituted perjury of the most vicious and malicious type. I repeat that statement now.

I am not and never have been a member of the Communist Party, nor have I had any connections or associations with that party or its activities in any manner whatever. I do not subscribe, and never have subscribed, to the platform or program of the Communist Party. I am now and always have been a devout believer in and supporter of the fundamental principles and institutions upon which the American Government is founded.

Mr. Speaker, when I made this statement last January a number of prominent Members of this House, including several member of the old Special Committee on Un-American Activities, and members of the new standing Committee on Un-American Activities, did me the honor to express confidence in my character and integrity, and in my record as a Member of Congress. At that time the distinguished majority leader the gentleman from Massachusetts [Mr. McCORMACK] stated that there should be an investigation of the conspiracy to smear the reputation of a Member of Congress, who happened to be myself.

Mr. Speaker, on the occasion of my previous statement to the House concerning this matter, I said that witnesses like Leech did not appear by mere accident at a secret meeting of a subcommittee of the House of Representatives in a place remote from the Capitol of the United States, to attack the reputation of a Member of Congress who was at his post of duty at the Capitol. Someone brought this witness Leech to that secret meeting in Beaumont, Tex., by prearrangement, and whoever brought him there was undoubtedly thoroughly familiar with the testimony he was prepared to give. And if his testimony concerning me was, as I now solemnly assure the House, perjured in its entirety, then someone was guilty of subordination of perjury.

The circumstances surrounding the ultimate release of this perjured testimony for publication as a paid political advertisement during the last congressional campaign are as myterious and surreptitious as the conduct of the subcommittee meeting down in Beaumont, Tex., when this perjury was permitted to be perpetrated. I do not know and have not been able to ascertain the identity of the person or persons to whom this perjured testimony was first released, after it had been kept secret from public scrutiny for more than 4 years. I can only surmise that the person or persons to whom this release was made were the same individuals who paid for the political advertisement in which its first publication occurred.

As a matter of personal privilege, Mr. Speaker, I now publicly request the members of the new standing Committee on Un-American Activities to direct their investigator, when he is sent to the Pacific coast, to investigate this whole conspiracy to smear my reputation by presenting perjured testimony against me at a secret meeting of a former committee of this House, without even giving me any notice of the meeting or affording me any opportunity to confront my accusers.

I respectfully request the members of the present standing Committee on Un-American Activities to direct their investigator to do the following:

First. Ascertain, if possible, the present whereabouts of the witness, John L. Leech, who testified against me.

Second. Issue a subpena for this witness, directing him to appear before the present standing Committee on Un-American Activities, so that I may have an opportunity to question him concerning the secret perjured testimony which he gave against me in Beaumont, Tex., 5 years ago.

Third, Ascertain, if possible, the name or names and present whereabouts of the person or persons who arranged to have the witness Leech attend the secret subcommittee meeting in Beaumont, Tex., and give this perjured testimony against me.

Fourth. Investigate and make a full report to the present standing Committee on Un-American Activities of all of the circumstances surrounding the mysterious release of this perjured testimony last year, 4 years after it had been secretly given for use in a paid political advertisement. I would particularly like to know the name or names of the person or persons to whom this perjured testimony was first released from the files of the former Special Committee on Un-American Activities of the House of Representatives, and the name or names of the person or persons who authorized this release.

I ask for this last information, Mr. Speaker, because the individuals who arranged for the publication of this perjured and libelous testimony in a political advertisement did not disclose their

identity. The only indication of the origin of this advertisement was a line in parentheses at the bottom of the advertisement reading as follows:

The cost of this advertisement was paid for by a group of citizens who believe in good government and the American way of life.

May I repeat now, Mr. Speaker, what I said to the House on January 11, 1945:

God help good government and the American way of life if they must depend upon secret-character assassination.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HAVENNER. I yield.

Mr. RANKIN. I wish to say to the gentleman from California that, as I said when we had this case up before, none of us, that is nobody who knows the gentleman from California, ever suspects him of being Communist.

The members of our Committee on Un-American Activities are not going to California to hold a hearing. It is our intention to gather the information, and we are gathering it now very rapidly, and to bring witnesses here. We propose to hold the hearings in Washington.

As the gentleman perhaps knows, I am the acting chairman of the committee at this time. If the gentleman will write me a letter asking that we have this man looked up, I shall see that his request is complied with, as far as possible. The chances are we will find him in that same Communist group that he said he was running with and that is now carrying on its subversive activities.

Mr. HAVENNER. I will be very glad to do that; and I should like to say to the gentleman from Mississippi that I have personally requested the former chairman of the committee, the gentleman from New Jersey [Mr. HART], who has now resigned, for a hearing before the committee. As the gentleman knows, I have not had an opportunity to present the facts, due, no doubt, to the illness of the former chairman, the gentleman from New Jersey [Mr. HART]. The investigator of the gentleman's committee is starting west now, so I have made this public request.

Mr. RANKIN. I know nothing about the proceedings back 4 or 5 years ago; but I will say this to the gentleman from California, that whether we find this individual or not, I shall be glad, as far as I am personally concerned, to give the gentleman an opportunity to come before the committee at some future date. But I want to say to the gentleman from California that these appeals are coming to us from the best people in California, some of the best producers in California are very much disturbed because they are having to take responsibility for some of the loathsome, filthy, insinuating, un-American undercurrents that are running through various pictures sent throughout the country to be shown to the children of this Nation.

They also have Communist schools for the purpose of indoctrinating or teaching the script writers to write those insidious subversive lines into the scripts that go into the picture shows that have become a part of the life of almost every child in America. So we are going to the bottom of it, we are going to use every resource at our command; all the governmental agencies—the FBI, Military Intelligence, Naval Intelligence, and the un-American activities committees of the State of California. While our young men are fighting to save this country, we are not going to permit subversive, alien-minded groups to undermine and destroy everything those boys are fighting for. And I shall be glad as far as the gentleman from California is concerned—he knows my attitude toward him—I shall be glad to give him an opportunity to come before the committee at any time.

Mr. HAVENNER. I thank the gentleman.

Mr. RANKIN. But all these attempts of Drew Pearson and Walter Winchell, the Communist Daily Worker, and other similar publications to malign and smear, and destroy the Un-American Activities Committee is wasted time. That committee is written into the rules of the House of Representatives; it is here to stay, and it is going to be used not to persecute individuals, but to protect American institutions from subversive activities.

Mr. HAVENNER. I thank the gentleman for his offer to investigate my own matter. I would say to him that the district which I have the honor to represent is about 500 miles away from the motion-picture center of California, and I am not familiar with the conditions and point of view down there; but I am sure the gentleman's committee will not permit testimony to be given by witnesses of the character of this man Leech.

Mr. RANKIN. I will say another thing to the gentleman from California: If any attack is made on a Member of Congress by witnesses before that committee, I will guarantee now that the Member will be given an opportunity to appear and answer the charges; and, also, let me say to the Members of Congress who are writing letters to the committee: Do not be writing letters asking for investigation unless you have something to base them on, because we are trying now with our corps of investigators and our counsel to do a real job to help save American institutions when this war is over.

Mr. HAVENNER. I thank the gentleman for his statement.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 15 minutes.

SURPLUS GOVERNMENT PROPERTY DISPOSAL

Mr. VOORHIS of California. Mr. Speaker, one of the most crucial problems of the reconversion period is the problem of the disposal of surplus Government property. The heart of this problem will be found in the disposal of plants which have been built at Government expense during the war in order to make the carrying on of the war possible but which, unless they are disposed of carefully and their future use guaranteed as far as possible by small-scale business, may become the means of fastening tighter and tighter a greater and greater degree of economic control and monopoly upon the country than we have ever known before. In some lines of business these Government-owned plants account for as much as 90 percent of the total productive capacity. In other cases corporations already occupying predominant positions may appear as the most likely purchasers but may use the facilities built at public expense for the purpose of stifling effective competition. The danger from this thing is much too obvious to require any further expansion on my part. What I want to do today is to give some encouraging aspects to the situation, three in number.

The first of them I take from an official release of the Surplus Property Board, which I should like to read. It is dated June 23 and states as follows:

Union Grove, Wis., is not going to give up its war-born industry centered in the $296,000 hemp processing plant that the Government has been operating, the Surplus Property Board said today. A group of local businessmen, including farmers, bankers, and merchants, have organized the Union Grove Hemp Co. to operate the plant privately after the Government gives it up as no longer necessary to the war effort, about August 15.

SPB has approved leasing the plant to the newly formed company for a trial period of 10 months at $874 per month, the company to pay taxes, insurance, and maintenance costs, and to pay for protection of buildings and machinery, including watchmen. It is estimated that maintenance of the property, if the plant closed down, would cost the Government $350 to $450 a month.

The plant is equipped to process 4,000 to 5,000 acres of hemp. The lease rental is based on an expected 1,100 acres operation with privilege of increasing the acreage at $15 per acre additional rental. At peak production the plant would employ up to about 150 workers. Under Government operation peak employment was about 70. The new company expects to employ about 50 at the start.

George Kalb, a Rochester, Wis., farm implement dealer, is one of the stockholders of the new company. He is manager of the plant for War Hemp Industries, Inc., operating as lessees for the Government, and will continue in that capacity for the new group.

The Union Grove plant is one of 42 hemp-processing establishments set up by the Government to provide cordage and rope after the prewar sources of supply—mainly in the Philippines and the Mediterranean countries—were cut off by the Japanese and the Axis. With the recapture of those sources of raw materials by Allied armies the need for domestic production has passed the critical stage, and Government operation of the plants is being gradually discontinued.

Several processing plants have shut down. Some are currently being used for drying corn. But farmers who have expanded their hemp plantings in the Union Grove area believe they can make a success of continuing production, and the businessmen in the community decided to operate the processing plant. If the current year's operation under the lease approved by SPB proves successful, negotiations may be started for purchase of the plant from the Reconstruction Finance Corporation.

To my mind, Mr. Speaker, that is an altogether encouraging development. Here is a plant for the processing of hemp that was built at Government expense in a community in the State of Wisconsin. When the war necessity for that plant has passed, there is a group of local citizens in that community with whom a contract has been made to lease the plant in order to see if they cannot go ahead and continue the business and,

to my mind, the lease is made under such circumstances that there is an excellent chance they will succeed. Better to do this than to have put this plant up for sale to some huge corporation which might have purchased it and increased its degree of control over the economic life of America, or, worse still, junked it in order to reduce the productive capacity of the industry.

In the second place, and as a general observation, I should like to quote with complete and enthusiastic approbation from a release issued on July 4, appropriately enough, by the Surplus Property Board dealing with its policies as to the disposal of Government-owned plants.

Here is what it says:

The Surplus Property Act of 1944 requires the Board to obtain fair value for surplus property rather than the highest price obtainable. It is the policy of the Board that insofar as possible Government-owned plants, and especially medium-sized and small plants be sold or leased to local and small rather than national and large concerns. To attain this objective the disposal agency should accept an offer from a responsible local group with adequate working capital and know-how, even if extended credit over a long period of years, up to 90 percent of the purchase price, is necessary rather than an equal cash offer from a firm or group which would tend to concentrate economic power. It should also, in consultation with the Board, seriously weigh lower offers to purchase or lease emanating from local groups if it appears that the American system of free competitive enterprise will benefit thereby. It should be especially vigilant against accepting offers which may result in the closing of plants by purchasers who would wish to prevent healthy competition.

Mr. Speaker, some time ago I introduced a bill in the House prohibiting disposal of Government-owned plants by sale in cases where in the judgment of the Antitrust Division of the Department of Justice that sale would increase monopolistic control. The Board apparently intends to follow a policy very much along those lines, and I believe it to be most encouraging.

I now come to the third portion of my speech today which has to do with a report to Congress of the Attorney General dated June 29. This is one of the reports which he is required to make under section 205 of the War Mobilization and Reconversion Act. This was perhaps the last report made to the Congress by retiring Attorney General Francis Biddle, and I believe it a most worthy conclusion of his public service in that office. This report deals with the steel industry on the west coast, which is a matter that the west coast Members of Congress have been very profoundly concerned about. For steel, after all, is the very heart of the modern industrial system.

During the war the steel industry has for the first time been established on the west coast to any considerable extent, the two main plants being the Geneva plant at Provo, Utah, which is owned outright by the Government and has a capacity of 1,280,000 tons, and the plant owned by the Kaiser Co. at Fontana, Calif., capacity 675,000 tons. I might remark parenthetically that before Mr. Kaiser could get the necessary material to build this plant, and when he needed just a few tons of additional material, he found opposition among very powerful interests who had representatives in positions of authority in the War Production Board. I am convinced these people were serving the interest of the Steel Trust. This opposition was so great that he had a long and arduous task in getting the necessary steel. He did get it, however, he built his plant, and he has been producing a most important output of steel for ship construction during this war period.

What does the Attorney General's report say about the future of the steel industry?

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. HOLIFIELD. I appreciate very much the interesting message the gentleman is bringing to the House. It might be well to add to that particular point about the Fontana plant that at the time Mr. Kaiser built this plant he was prevented from building all the necessary components of a steel plant to make for a thorough integrated plant. He is now negotiating for further finances and further support for the putting in of the additional processes which will make that a fully integrated plant for the Pacific coast, and which will be very valuable to industry located there.

Mr. VOORHIS of California. I am much obliged to the gentleman, and what he says is, of course, exactly true. I might add that Mr. Kaiser has, I believe, the united and very enthusiastic support of the entire California delegation in his effort to do the thing which the gentleman has just mentioned.

Mr. HOLIFIELD. I am sure that is true.

Mr. VOORHIS of California. I thank the gentleman very much for the point he has made, because it was better said by him than I could have done.

I want to review some of the high points of the report of the Attorney General of the United States about this. This is not a California Congressman speaking. This is the report of the Attorney General of the United States about the west coast steel industry. Here is one sentence from the Attorney General's letter of transmittal:

The future of the present wartime capacity for large-scale western steel production is of the utmost importance to the future economy of this country.

Believe me, Mr. Speaker, that is true, because steel is the heart and center of industry, and without a west coast steel industry we cannot expect to build independent industry on the west coast, which we must have if we are going to come anywhere near meeting the reconversion problem or providing employment for the millions of people who have gone to our west coast area during the war period.

To a considerable extent, the future of the steel industry in the West may be dependent upon its ability to supply the market demand for tin plate for the container industry in the West.

That is the point that my colleague the gentleman from California [Mr. HOLIFIELD] just made. The Attorney General General further points out:

Large-scale production of basic steel products in the West has more than doubled during the war.

Then he further says:

When the demands of the war production program diminish, in no section of the United States will there be a reconversion problem of greater relative magnitude.

Then he proceeds with this point, which I think is very essential:

The report finds that the probable market for tin plate in the West will be sufficient to provide the basis for a large-scale western steel industry provided certain requirements are met. Of these requirements, the most important are, first: That the western steel industry be free from monopolistic control so that it can adopt pricing policies which will permit it to compete aggressively with the eastern mills. Up to the present time, tin plate has not been sold on a competitive basis in the West.

And he might have added "or anywhere else."

A concentration of producers and of consumers has resulted in high and rigid prices. The future owners of the newly developed western steel plants should have the opportunity to enter into this market on a competitive basis.

May I point out that if they can do that, they will then benefit not only the economy of the West, but the economy of the entire Nation by making it possible for tin plate to be competitively priced in the United States for the first time.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from California.

Mr. MILLER of California. I think the gentleman should stress this fact that the economy of the country is affected by this, because the cost of containers is borne by the people throughout the country as a whole, and that that is a sizable increment in the cost of California canned goods, or western canned goods, for that matter.

Mr. VOORHIS of California. Precisely, and not only that but it is a part of that spread between what the farmer receives for his raw-product crop, on the one hand, and what the consumer pays for consumable food commodities which has during the years been inordinately great. And this is one of the reasons for the fact that the farmers of America have gotten less than their due share of the national income.

The gentleman will also corroborate my statement that there were times in periods of business depression when farmers who grew peaches, for instance, and brought them to the cannery found that after they were put in tin cans they actually owed money to the canner, and that they had to give the peaches away and pay the canner a proportionate part of the cost of canning the peaches besides.

Why is this true? One reason, which is rather a dramatic explanation of why this thing is true, is given right here in

a paragraph of this report of the Attorney General—and I read:

Historically, tin-plate prices have been determined principally by negotiation by the American Can Co., the principal buyer, and the United States Steel Corp., the principal seller. Both the purchasing of tin plate and the selling of cans is normally done under long-term contracts from 3 to 5 years' duration, and the price of cans is controlled by the price of tin plate through these contracts. The fact that both the selling and the buying of tin plate has been highly concentrated has made for these effective contract-control arrangements and has served to eliminate price competition. The elimination of price competition, in additon, has been furthered by the common use of a basing-point system in the sale of tin plate. This basing-point system has made for artificially high prices on the west coast.

In other words, it has made the price of "Pittsburgh plus." That is what we are trying to break. We are trying to have a balanced industrial and agricultural economy in the West. We want to contribute our part in bringing about competitive pricing of steel commodities and notably tin plate as a byproduct or perhaps a major product of that effort.

The Attorney General continues with the second condition under which there can be a market for tin plate for our west-coast industries. He says it is this:

It is of the utmost importance that the future railway rates reflect the competitive advantages of location and bear logical relationship to transportation costs on raw materials and semifinished products within or into the region.

In other words, railroad rates ought to be based on how far railroads have to carry freight and not upon the particular part of the country from which a shipment originates and where it goes.

I am sure we will all agree with that. And it is high time rates were brought completely into accord with that principle.

Of course, another major point which the Attorney General's report makes is this one sentence:

All the information now available appears to point toward favorable operating costs for western tin-plate production.

In other words, those operating costs will not be higher than the cost of producing it elsewhere, and therefore western tin plate can compete with tin plate produced elsewhere.

I might add another note on this matter of the concentration of control of the tin-plate industries.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that the gentleman from California have an additional 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. I am very much obliged to my colleague, the distinguished gentleman from California [Mr. HOLIFIELD].

Reading again from the report, it says:

As early as 1938, 84 percent of the tin-plate producing capacity in the United States was in the hands of eight integrated steel-producing companies, and of this number three concerns controlled about 60 percent of the capacity. It is estimated that 95 percent of the current capacity is controlled by the eight integrated companies, of which four companies now control approximately 75 percent of the capacity.

So we are not fooling ourselves about either of these two facts: First, there is going to be a terrific opposition, which I may personally say I do not believe will be successful, to prevent the Kaiser Co. from developing the steel industry at Fontana. In the second place, there is going to be a terrific effort made to see that the Geneva plant falls into the hands of the Steel Trust instead of into the hands of an independent manufacturer, best of all in the hands of western capital which will be most interested in the development of this facility.

We earnestly hope that neither of those things is going to happen. We do not believe they will.

The Attorney General points out if western steel plants are going to succeed and if this industry is going to make its proper contribution to the welfare of the entire Nation, first to balance the economy of the West and for the employment of our people, and, second, to break the monopoly hold of the steel industry that one of the most important things that must be prevented is:

Control of western operation by eastern steel industries must not be permitted to take place, for it does not promise independent and competitive pricing.

Mr. Speaker, I ask unanimous consent to include at the end of my remarks this letter to the Senate and House of Representatives from the Attorney General. It is not the entire report. It is rather brief.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. HOLIFIELD. I would like the gentleman also to comment upon the fact that until this war came upon us there was little western steel production. Therefore this country needs western coast steel production in case of invasion of the eastern coast and the destruction of eastern facilities from a national protection point of view.

Mr. VOORHIS of California. I thank the gentleman for his contribution. I believe it to be a very pertinent statement, and it is very obviously true.

I might conclude simply by saying that, in my judgment, the future of American free institutions and American democracy depends in very large measure upon the outcome of this struggle for power between monopoly forces on the one hand and small-scale industries and the public interest on the other.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. MILLER of California. I think the gentleman should also bring out the fact that whereas we speak of the California industry, the industry to which the gentleman directs his remarks affects the whole western part of the United States and the agriculture of the whole West.

Mr. VOORHIS of California. If I use the word "California" too much rather than "the western part of the United States," I am sorry. I hope it can be put down to local patriotism or something of that sort. What I have said obviously is of great importance to the whole West. The Geneva plant, for example, is located in the State of Utah.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Arizona.

Mr. MURDOCK. I was going to make that same observation. We would like to have you include the entire Pacific Southwest when you say "California."

Mr. VOORHIS of California. We would be very glad to do that. In fact we would be very glad to include the gentleman's great State as part of our great commonwealth of California.

Mr. MURDOCK. I want to say further in regard to this great industry on the west coast or near the west coast we are at the same time solving the great transportation problem of carrying these goods as raw materials one way and then as finished products another way by having them developed in finished form right where they are needed.

Mr. VOORHIS of California. Exactly, which at the moment is certainly contributing to the terrific transportation problem to the west coast and back again. May I point out again in that connection that one of the outstanding examples of that very thing was the trouble we had, unfortunately unsuccessful, in trying to get an integrated aluminum industry in southern California. The aluminum sheet mill, instead of being located there, where we already had the aluminum ingot mill, and a great many of the aircraft factories, was located at Chicago, Ill., and Spokane, Wash. So that we had to have freight move back and forth for that reason, utterly unnecessarily.

Now I ask that the Attorney General's letter of transmittal be included at this point:

REPORT OF THE ATTORNEY GENERAL UNDER SECTION 205 OF THE WAR MOBILIZATION AND RECONVERSION ACT OF 1944

WASHINGTON, D. C., *June 29, 1945.*

To the Senate and House of Representatives of America in Congress assembled:

I submit herewith as my fourth report, pursuant to section 205 of Public Law 458, Seventy-eighth Congress, known as the War Mobilization and Reconversion Act of 1944, a survey entitled "Western Steel Plants and the Tin Plate Industry." Under section 205, the Attorney General "is directed to make surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote under concentration of economic power in the course of war mobilization and during the period of transition from war to peace and thereafter. The Attorney General shall submit to the Congress within 90 days after the approval of this act, and at such times thereafter as he deems desirable, reports setting forth the results of such surveys and including recommendations for such legislation as he may deem necessary or desirable."

The future of the present wartime capacity for large-scale western steel production is of

the utmost importance to the future economy of this country. To a considerable extent, the future of the steel industry in the West may be dependent upon its ability to supply the market demand for tin plate for the container industry in the West.

Large-scale production of basic steel products in the West has more than doubled during the war. The Government-owned Geneva (Utah) steel plant, with ingot capacity of 1,280,000 tons, and the Government-financed plant of the Kaiser Co., at Fontana, Calif., with ingot capacity of 675,000 tons, represent most of this increase. Most of the capacity of the new integrated steel plants in the West has been used to meet the requirements of the wartime shipbuilding program. When the demands of the war-production program diminish, in no section of the United States will there be a reconversion problem of greater relative magnitude.

The two most important types of products which can be produced by the new large-scale western steel industry are pipes and tubes, and tin plate. Of these two types, tin plate is the more important to the future of large-scale continuous production. Approximately 20 percent of all of the tin plate used in the United States is consumed in the West. Prior to the war almost all of this tin plate was supplied by eastern producers.

The report finds that the probable market for tin plate in the West will be sufficient to provide the basis for a large-scale western steel industry provided certain requirements are met. Of these requirements, the most important are first, that the western steel industry be free from monopolistic control so that it can adopt pricing policies which will permit it to compete aggressively with the eastern mills. Up to the present time, tin plate has not been sold on a competitive basis in the West. A concentration of producers and of consumers has resulted in high and rigid prices. The future owners of the newly developed western steel plants should have the opportunity to enter into this market on a competitive basis.

Second, it is of the utmost importance that the future railway rates reflect the competitive advantages of location and bear logical relationship to transportation costs on raw materials and semifinished products within or into the region.

These factors are of the utmost importance for the future of the Government-owned steel plant at Geneva, Utah. The future disposition of this plant with its 1,280,000 tons of ingots is crucial to the reconversion program in the West. The policies and purposes of those who buy this Government plant may well be the determining factor in the future of the western steel industry. Everything possible should be done to assist potential purchasers of the Geneva steel plant to draw plans for its operation.

The conclusion that the western tin plate industry will provide the basis for the continuation of large-scale continuous steel production in the West is, of course, dependent upon certain findings as to relative operating costs. All the information now available appears to point toward favorable operating costs for western tin-plate production. But potential purchasers of the Geneva steel plant should have made available to them an adequate appraisal of its operating costs. A cost study of the Geneva steel plant has been undertaken for the Defense Plant Corporation and is expected to be completed by October. It is recommended that the results of this study be made available on a widespread basis, and that in the meantime as much interim information on the results of the study as possible be given to potential purchasers.

The report points out that tin plate is today almost exclusively produced by large integrated steel-making companies whose operations extend from ore mining to the manufacture of pig iron, ingot steel, and the rolling of a wide variety of steel products, in addition to the coating of the finished steel with tin to make the finished product tin plates. Independent nonintegrated producers of tin plate have virtually been eliminated from the tin-plate business. As early as 1938, 84 percent of the tin plate producing capacity in the United States was in the hands of 8 integrated steel-producing companies and of this number 3 concerns controlled about 60 percent of the capacity. The analysis shows that with the advent of the newer methods of producing tin plate the degree of concentration in the industry has increased. It is estimated that 95 percent of the current capacity is controlled by the 8 integrated companies, of which 4 companies now control approximately 75 percent of the capacity.

Practically all of the tin plate produced is used in the manufacture of containers. The container industry is also characterized by a high degree of concentration of control. The American Can Co. and the Continental Can Co. have approximately 85 percent of all can sales and control almost the same percentage of the purchases of tin plate from the steel companies. In the western area, approximately 90 percent of the purchases of tin plate is estimated to be controlled by 3 principal producers of containers.

Historically, tin-plate prices have been determined principally by negotiation by the American Can Co., the principal buyer, and the United States Steel Corporation, the principal seller. Both the purchasing of tin plate and the selling of cans is normally done under long-term contracts from 3 to 5 years' duration, and the price of cans is controlled by the price of tin plate through these contracts. The fact that both the selling and the buying of tin plate has been selling concentrated has made for these effective contract-control arrangements and has served to eliminate price competition. The elimination of price competition in addition has been furthered by the common use of a basing point system in the sale of tin plate. This basing point system has made for artificially high prices on the west coast.

It is estimated that a potential market amounting to approximately 500,000 tons per year will exist in the West for the consumption of tin plate. It is concluded that western steel mills should be able to sell about half of this amount. This conclusion is based upon such relative cost figures as have been obtainable, upon the assumption that competitive freight rates will be established, and that there will be effective competitive pricing in the West. It is believed that in the postwar market eastern tin plate shipped from plants having all-water access to western markets, principally Birmingham, Ala., and Sparrows Point, Md., can provide effective competition for the western mills and at the same time opportunity will be afforded for the maintenance and growth of a healthy western steel industry.

The conclusions reached in the survey of western steel plants and the tin-plate industry are summarized in the report in 15 points, which are as follows:

1. Basic steel-making capacity has been more than doubled in the West since 1938. Most of this increase is accounted for by two new integrated companies—Geneva and Fontana.

2. Prior to the war there were no integrated large scale steel-making plants in the West except for the Colorado Fuel & Iron Corp. works, east of the Rocky Mountains at Minnequa, Colo. The principal products produced in the West prior to the war were rails, bars, shapes, and wire products. In most of these categories western capacity was sufficient for western demand in those sizes for which rolling facilities were available, but for other principal items of steel consumption there was almost complete dependence upon eastern production. Two of the most important of these categories were tubular products and tin plate (1937 consumption of these items in 11 Western States was approximately 430,000 and 450,000 tons respectively).

3. The great increase in steel productive capacity in the West during war years was occasioned largely by the requirements of the western shipbuilding program. In 1938 western plate capacity was approximately 25,000 tons, in 1944 it was 1,025,000 tons.

4. Most of the increase in plate capacity is at the Government-owned plant at Geneva, Utah, and the Government-financed plant of the Kaiser Co. at Fontana, Calif. At Geneva, the larger plant (ingot capacity 1,280,000 tons) plates are produced by continuous operation, so that with the addition of two more stands of rolls, light flat-rolled products by continuous methods would require what in effect would be duplication of much of the present plate-rolling facilities.

5. Postwar-plate requirements in the West, even under the most optimistic estimates, could sustain only a small fraction of present western plate-making capacity, so that conversion to other products is required for continued operation of the new plants.

6. Continuous production of steel products in the West affords the most promising possibility for utilizing the large investment at Geneva, but such operation must be able to envisage a substantial market for light flat-rolled products (sheets, strip, and tin plate).

7. Participation in western tin-plate requirements is the key to successful continuous operation in the West. Demand for this product is substantial and has been increasing each year.

8. The relative cost data available, including assembled raw materials and probable transportation costs to principal markets, are favorable, even in comparison to eastern seaboard producers.

9. Early determination of reasonable commercial rates on western rail movement of steel is essential.

10. Market participation will not, however, be achieved without aggressive independent pricing. The tin-plate market is concentrated both with respect to production and consumption. Successful operation of Geneva, therefore, requires western tin-plate prices which are unattractive to inland eastern producers.

11. Control of western operation by eastern steel interests does not promise independent and competitive pricing.

12. Basic facts such as western operating costs, future transportation rates, market possibilities, and disposal terms should be immediately made widely available to insure the widest possible independent interest.

13 Even on the basis of 1937 demand for steel, continuous production in the West is justified if independent operators are not saddled with excessive investment costs.

14. Competition can be expected from eastern producers with all water access to Pacific ports. Continuous production at Geneva would be complementary to the producing facilities in the West.

15. Successful continuous steel-making operations in the West afford the soundest basis for future industrial expansion in that area. Western fabricating industries can be expected to develop only when the cost of steel is competitive with similar costs in other sections of the country.

Respectfully submitted.

FRANCIS BIDDLE,
Attorney General.

The SPEAKER pro tempore (Mr. MILLS). The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to insert in the RECORD a telegram dated June 29, signed by Mr. Charles Rozmarek, president of the Polish-American Congress, to President Harry S. Truman, and an attached declaration issued by this same organization on this same occasion, reflecting the attitude of the organization on the present Polish situation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDDRESS THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that on tomorrow, after the legislative business on the Speaker's desk has been disposed of and any other special orders, I may address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Nebraska [Mr. BUFFETT] is recognized for 10 minutes.

NEBRASKA POWER

Mr. BUFFETT. Mr. Speaker, on Friday last, the gentleman from Oklahoma [Mr. BOREN] notified the House of a review of the results of the Holding Company Act about to be undertaken by a subcommittee of the Committee on Interstate and Foreign Commerce. His remarks in this connection in effect assailed the integrity of many outstanding citizens of my congressional district and my State. As these statements in the RECORD have reflected unfairly and unfavorably upon these citizens, my State, and my home town, and as these constituents of mine have no practical opportunity to answer this attack, I feel constrained to speak in their behalf.

However, in so doing, I wish to make one point clear at the outset. I hold no brief for Mr. Aller, Mr. Myers, or any eastern interests involved in this deal or similar transactions. Furthermore, I hope the committee will genuinely endeavor to stop rascality in the utility industry. The record of this administration in this respect has been mostly bark and little bite.

I have for many years despised the financial immorality of some top figures in the utility business, believing them a greater threat to our free enterprise system than any collectible assortment of communists to be found in America.

Likewise, I should point out that I have not taken any part in the local controveries regarding municipal ownership of Nebraska power. However, the integrity and progressive character of numerous public-spirited citizens of Nebraska, who have worked to bring Nebraska power into true public ownership, have long commanded my admiration and respect.

The gentleman from Oklahoma [Mr. BOREN] has charged that the Omaha electric committee is a fake nonprofit corporation, set up for the purpose of evading Federal taxes. The facts are as follows:

Some years ago, the people of Omaha were advised that under the 1935 Holding Company Act, the American Power & Light Co. must divest itself of Nebraska Power. Immediately, leading citizens became active in efforts looking toward the acquisition of Nebaska Power by the city of Omaha.

Despite apparently insurmountable difficulties, these efforts have now reached a point where Nebraska Power is currently owned by the Omaha Electric Committee. This Omaha Electric Committee is now functioning as a temporary vehicle between private and public ownership.

During this period the property is paying full Federal taxes the same as a private corporation would do. Actually, the recognized function of this temporary organization is to bridge the gap pending the completion of a public power district. This public power district has been authorized by the Nebraska Legislature, approved by the Governor, and thoroughly discussed in the area affected.

Whether the price paid was high or low, it was the Federal Government that is largely responsible for the legal obstacles and trick hurdles used by the seller to make difficult the consummation of public ownership.

Until this property is actually in the hands of the planned public power district, it will continue to pay Federal taxes. After that commission takes over its operation, Nebraska Power, under public ownership, will and should enjoy the same tax exemption as TVA, Bonneville, and other governmentally owned utilities throughout the country. The Administration of which the gentleman from Oklahoma is a part has long espoused the cause of public power—which makes tax exemption automatic. They should be the last to oppose such benefits becoming available to the city of Omaha and neighboring communities.

As a matter of record, Nebraska has for years occupied a position of leadership in progressive legislation. In the field of public ownership of utilities, the Metropolitan Utilities District of Omaha, serving water, gas, and ice, has demonstrated to the Nation competence and efficiency in public ownership.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. BUFFETT. I yield.

Mr. MILLER of Nebraska. It is my understanding that the American Power & Light Co. which in the past has been serving Omaha with electric power has been—I think I will use the word "gypping" the people of Omaha out of large sums of money by excessive light rates to the people; and the Omaha Electric Co. now is merely an intermediary committee set up to facilitate the public ownership of the electric light facility in Omaha, Nebr. Is that right?

Mr. BUFFETT. The gentleman is correct.

Mr. MILLER of Nebraska. It is also my understanding that the gentleman from Oklahoma [Mr. BOREN], who made the statement about the operation of the Omaha district, got his information from Mr. William Ritchie whom it is at least reported in Nebraska wants to be the next Senator from Nebraska. He came to Washington and without consulting the Nebraska delegation in Washington merely consulted the gentleman from Oklahoma [Mr. BOREN] to get some dirt or mud or whatever he could that might smear some of the citizens in Omaha who are trying to protect the people of Omaha from the excessive light rates of the American Power & Light Co.

Mr. BUFFETT. I have heard that rumor but I cannot vouch for its authenticity.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

THE OWI AND MISINFORMATION

Mr. REES of Kansas. Mr. Speaker, I want to call the attention of the House and of the country to an article of 100-percent misinformation that has been sent out by the OWI to a Russian magazine entitled "America Illustrated." It is under the head of "Prairie States" and I am informed, is printed in the Russian with respect to America. This magazine, I am informed, is printed in the Russian language and is sent by the OWI to 20,000 key Russian readers. This OWI magazine, for which Congress has appropriated millions of dollars, tells the Russians—and I quote:

To the west of the Mississippi stretches an immense land of prairies, the so-called Great Plains.

This prairie land includes the following States: Kansas, Nebraska, North and South Dakota, Wyoming, Montana, Colorado, and Utah. This region, covering almost one-quarter of the whole territory of the United States, supports only one-twentieth part of the population of the country. The people in it are almost exclusively farmers. Livestock raising is carried on only in the mountainous parts of Montana and Wyoming. Industry is almost nonexistent. Raw materials and fabricated goods must be imported from other States. The rich natural resources of the region are as yet untouched.

The climate of the region is very dry, and it sometimes happens that a drought lasts for 10 years in a row. Atmospheric precipitations do not exceed, on the average, 44.2 centimeters (17 inches) during the year. The agronomists are working hard to find new plants suitable for this arid land. As a result of their labors, hundreds of thousands of hectares have already been turned into fertile fields.

In the same region are also Oklahoma and the comparatively sparsely populated States of New Mexico and Arizona.

The article is absolutely wrong and unfounded and misleading. It says people of this area are almost exclusively farmers. Kansas is proud of its farmers and its farm operations. It should be observed, though, that whereas 604,000 Kansas people live on farms, 1,196,000 reside in cities and towns.

The statement goes on to say that livestock is raised only in mountainous regions of Montana and Wyoming. Kansas has between four and five million head of cattle. It is the second State in the Union in the total number of pure bred beef cattle. It is third in

the number of cattle on farms in the United States. Not only that, but Kansas produces 3,000,000 eggs every day in the year. This statement says that industry is also nonexistent.

How in the world the writer arrived at that conclusion is beyond me. He ignores the fact that in Wichita, Kans., alone we have three big airplane plants where thousands of people are employed. One of these plants had long ago turned out more than 1,000 B–29 bombers which helped to bring Germany to her knees and now is blasting Tokyo night and day. There are scores of other important industries in Wichita and other cities in Kansas. Kansas, like other States, has turned her industries to war production and since the beginning of the war none of them has failed to meet the quotas in any way. Millions of dollars worth of industrial products from Kansas have gone to Russia.

This so-called authority says natural resources are untouched, yet he probably burns Kansas or Oklahoma oil in his car and gets his salt from the third largest salt mines in the world, from Hutchinson, Kans. He has not even heard of a score of big oil refineries at El Dorado, Augusta, McPherson, Independence, and other places in Kansas.

He does not know that Kansas is outstanding in the production of petroleum, natural gas, helium, zinc, and salt. Last year the production of petroleum alone totaled $120,000,000. The Hugoton, Kans., gas field is the largest reservoir of gas in the world and is the cheapest fuel in the world.

Talking of incompetency, the fellow who wrote that article does not even know about food production in the West. He does not know that Kansas is right now harvesting a wheat crop valued at more than $300,000,000 and will produce this year one-fourth of the wheat in the United States. Incidentally, he neglects to tell the Russians how Kansas farmers gave 3,000 bushels of high-test seed wheat to Russian farmers 2 years ago so they could reseed their war-devastated acres.

He does not know that Kansas is first among the States in flour milling, averaging more than 13,000,000 barrels per annum, and that Kansas has the largest wheat-storage capacity in the Nation. Incidentally he might also tell the Russians there are more than 250,000 radio sets in the State and 13 commercial broadcasting stations in operation. It might be well also for him to tell them that newspapers are printed in more than 400 towns in Kansas alone, and that we have more than a score of daily newspapers, supplying almost every home in the State.

Moreover, he might also tell them that of the people between 5 and 17 years of age, 86 percent are enrolled in public and elementary schools.

The author of this article could have secured this information and more, too, if he had taken the trouble to consult the Department of Agriculture or the Department of Commerce. If this is a fair sample of reporting by the Office of War Information, it is a pretty good reason why the thing ought to be investigated before we spend any more of the taxpayers' money on it.

In any event, this information is worse than useless. It is another outstanding example of absolute waste of taxpayers' money by governmental agencies.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WORLEY (at the request of Mr. THOMASON), for last week and this week, on account of illness in family.

To Mr. POWELL, for 2 weeks, on account of illness.

ADJOURNMENT

Mr. MANSFIELD of Montana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 38 minutes p. m.) the House adjourned until tomorrow, Tuesday, July 10, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON PUBLIC BUILDINGS AND LANDS

There will be a meeting of the Committee on Public Buildings and Grounds at 10:30 a. m. on Tuesday, July 10, 1945, for the consideration of House Joint Resolution 31.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

603. A letter from the executive assistant to the Secretary, Department of Commerce, transmitting a revision of the estimate of personnel requirements for the ceiling unit Census of Agriculture, Bureau of the Census, requesting an increase of 300 positions; to the Committee on the Civil Service.

604. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

605. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill authorizing the acquisition and conversion of certain auxiliary vessels for the United States Navy, and for other purposes; to the Committee on Naval Affairs.

606. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to provide the Navy with a system of laws for the settlement of claims, uniform with that of the Army; to the Committee on Claims.

REPORTS OF COMMITTEES ON PUBLIC BILLS and RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 3384. A bill to protect honorably discharged veterans in their rights to join or refrain from joining labor and other organizations; without amendment (Rept. No. 874). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANHAM: Committee on Public Buildings and Grounds. Senate Joint Resolution 31. Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes; with amendment (Rept. No. 875). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 876. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 877. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRYSON:

H. R. 3728. A bill to provide for a service credit for veterans for the purposes of title II of the Social Security Act; to the Committee on Ways and Means.

By Mr. COMBS:

H. R. 3729. A bill modifying the existing project for the Neches and Angelina Rivers, Tex.; to the Committee on Rivers and Harbors.

By Mr. RANDOLPH:

H. R. 3730. A bill granting the consent of Congress to the State of West Virginia to construct, maintain, and operate a free highway bridge across the Monongahela River at or near Star City, W. Va.; to the Committee on Interstate and Foreign Commerce.

H. R. 3731. A bill to amend the Budget and Accounting Act, 1921, to require the inclusion in the budget of certain estimates and information with respect to payments on account of disability or death of employees resulting from personal injuries sustained in the performance of duty; to the Committee on Expenditures in the Executive Departments.

By Mr. RANKIN (by request):

H. R. 3732. A bill to provide that, in determining the dependency of any parent of any deceased veteran under any law administered by the Veterans' Administration, income received of any such parent from or through any governmental agency shall be disregarded; to the Committee on World War Veterans' Legislation.

By Mr. REED of New York:

H. R. 3733. A bill to terminate the use tax on motor vehicles and boats; to the Committee on Ways and Means.

By Mr. VOORHIS of California:

H. R. 3734. A bill to incorporate the National Committee for All War Widows, and for other purposes; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 3735. A bill to provide funds for acquisition of a site, erection of buildings, and the furnishing thereof, for the use of the diplomatic and consular establishment of the United States at Warsaw, Poland; to the Committee on Foreign Affairs.

By Mr. DOUGHTON of North Carolina (by request):

H. R. 3736. A bill to amend the War Mobilization and Reconversion Act of 1944 to provide for an orderly transition from a war to a peacetime economy through supplementation of unemployment compensation payable under State laws, and for other purposes; to the Committee on Ways and Means.

By Mr. KELLY of Illinois:

H. R. 3737. A bill to incorporate the Marine Mothers Club of America; to the Committee on the Judiciary.

By Mr. LECOMPTE:

H. R. 3738. A bill to provide for a reexamination and resurvey of the Chariton River, in the States of Iowa and Missouri, for flood control; to the Committee on Flood Control.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Chamber of Deputies of Chile, relative to the death of Franklin Delano Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BULWINKLE:

H. R. 3739. A bill for the relief of the Western Union Telegraph Co.; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 3740. A bill for the relief of Isidore Greenberg; to the Committee on Claims.

By Mr. McDONOUGH:

H. R. 3741. A bill for the relief of John A. Watson; to the Committee on Military Affairs.

By Mr. MAHON:

H. R. 3742. A bill for the relief of Kay Tomlinson and Larry Max Tomlinson; to the Committee on Claims.

By Mr. O'BRIEN of Michigan:

H. R. 3743. A bill for the relief of Frank J. Sheets; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 3744. A bill for the relief of Alfred E. Dudley and Eva L. Dudley; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1063. By Mr. ANDREWS of New York: Petition by the Board of Supervisors of the County of Niagara, requesting that the House Rivers and Harbors Subcommittee on Beach Erosion include in its present inspection tour the shore line of Lake Ontario in the county of Niagara from Ft. Niagara to Olcott Beach; to the Committee on Rivers and Harbors.

1064. By Mr. GRIFFITHS: Petition of Mrs. Adah M. Kegerreis, president, WSCS, protesting the shortage of sugar and the granting of a liquor holiday for brewers and distillers, and urging the passage of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

1065. Also, petition of White Cottage Woman's Christian Temperance Union, White Cottage, Ohio, protesting the granting of a liquor holiday for the month of July and urging the enactment of House bill 2082; to the Committee on the Judiciary.

1066. By Mr. McGREGOR: Resolution of the Ohio State Automobile Association, forty-fourth annual meeting, Cleveland, Ohio, resolving that regulation 49, supplementary to RMPR 165, Office of Price Administration, can only be construed as being discriminatory, impractical, and unnecessary to the best interests of the motoring public; to the Committee on Banking and Currency.

1067. Also, resolution of the Ohio State Automobile Association, forty-fourth annual meeting, Cleveland, Ohio, urging the Congress of the United States to repeal the Federal motor-vehicle-use tax; to the Committee on Ways and Means.

1068. By Mrs. ROGERS of Massachusetts: Petition of Wilford H. Gray and sundry others in favor of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

1069. By Mr. SMITH of Wisconsin: Petition of Local Union 72, Racine, Wis.; to the Committee on Banking and Currency.

1070. Also, petition of Eagles Club, of Beloit, Wis.; to the Committee on the Judiciary.

1071. By Mr. WELCH: Assembly Joint Resolution 54, relative to release by the Federal Government of agricultural land in California for settlement by returning veterans; to the Committee on Agriculture.

1072. Also, House Resolution 302, relating to construction of a breakwater near Half Moon Bay in San Mateo County; to the Committee on Rivers and Harbors.

1073. Also, Assembly Joint Resolution 55, relative to investigation of conditions and making needed corrections at veterans' hospitals; to the Committee on World War Veterans' Legislation.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 10, 1945

The House met at 12 o'clock noon

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, with a humble spirit and a contrite heart, we are again approaching Thy throne where none have ever been repelled or sent away empty. We penitently confess that we are so slow to discern Thy readiness to supply our needs and so timid to appropriate those blessings which Thou hast placed at our disposal.

Thou knowest how indifferent we often are to Thy overtures of friendship; how prone to place all our reliance upon human ingenuity; how proud when we are prosperous; how vain when we are victorious; how bitter when in distress and in want.

We pray that Thou wilt forgive us for those perversities which keep us from entering into a fuller enjoyment of Thy divine love and companionship. Grant that we may be quickened with a higher devotion and a more steadfast loyalty to Thy holy will.

We beseech Thee that the blessings of insight and understanding, of clear judgment and wise decision, of faith and courage, may be given in an ever-increasing measure to our President, our Speaker, and all the Members of this legislative body as they seek to find a solution to the problems confronting our own beloved country and the nations of the earth.

Hear us in the name of the Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

TRANSFER BY THE SECRETARY OF WAR OF ROSEBURG RIFLE RANGE, DOUGLAS COUNTY, OREG., TO THE DEFENSE PLANT CORPORATION

The SPEAKER laid before the House the following Senate resolution:

Resolved, That the Secretary be directed to request the return from the House of Representatives of the bill (H. R. 715) to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes.

The SPEAKER. Without objection, the resolution is agreed to.

There was no objection.

EXTENSION OF REMARKS

Mr. BLAND asked and was given permission to extend his remarks in the RECORD and include a letter from Admiral Vickery and a statement of the Maritime Commission on ship construction.

APPROPRIATION TO REPAIR ROOFS AND SKYLIGHTS OF THE CAPITOL

Mr. LANHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 31.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman from Texas kindly explain the legislation?

Mr. LANHAM. Mr. Speaker, this Senate joint resolution, which was passed unanimously by the Senate, provided for the treatment of the Legislative Chambers long delayed in giving proper quarters in which to meet. It came over to the House and was referred to the Committee on Public Buildings and Grounds. The House Committee on Public Buildings and Grounds has held hearings for 2 days with reference to the details of this proposal and unanimously suggested that it be passed with the amendments placed on it by the Committee on Public Buildings and Grounds providing for similar treatment of the House Chamber.

Mr. MARTIN of Massachusetts. Just what is planned to be done in the House?

Mr. LANHAM. The resolution provides, first—and especially is this important in view of the impending recess—that plans shall be made and shall be submitted for approval.

It will take 2 or 3 months to complete those tentative plans. When they are submitted, they will be referred first to the Committee on Public Buildings and Grounds and then in a general hearing to the membership of the House in order that suggestions for alterations may be made.

The resolution provides that in the preliminary consideration of the plans five Members shall be selected from the Senate and five from the House of Representatives for conference with the Architect of the Capitol and his consulting architects. It will be recalled that this matter has been in contemplation for a long time and that this is supplemental legislation to that which we have formerly passed.

Mr. MARTIN of Massachusetts. This is merely getting ready to secure the plans?

Mr. LANHAM. That is correct, with this understanding, that when the plans are submitted they will be tentative and they will have to have the approval of the Committee on Public Buildings and Grounds and of the special committees of the House and Senate, who will confer in the first instance with the Architect and his associates. Then they will be thrown open for observations and suggestions and criticism by all the Members of the House in hearings before the

Committee on Public Buildings and Grounds.

Mr. MARTIN of Massachusetts. I yield to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. I rose when I heard the gentleman call this resolution up because I was surprised at the amount involved, if we are going to start on a program to spend $871,000, which I think is the total amount. But I am glad the gentleman has explained the situation, because undoubtedly we need these improvements. But I was stunned at the idea of the colossal sum necessary to make these improvements.

Mr. LANHAM. May I say to the gentleman that it will probably be quite a long while, and it has already been a long time deferred, before this work can be done. It will require 2 or 3 months at least to prepare the tentative plans. After those plans meet with final approval, and we want to get that approval as universal as possible among the Members, then it will take several months to accumulate the necessary material. That must be done, of course, in consideration of the needs of the war effort. Further, the contract cannot be awarded until such approval is given and the work cannot be done until the Congress is not in session long enough for the work to be undertaken and completed.

Mr. RICH. Mr. Speaker, reserving the right to object, the gentleman's last statement was that the work could not be done until Congress is not in session long enough to permit the contractor to go ahead.

Mr. LANHAM. That is correct.

Mr. RICH. It seems to me that if you time that so that as soon as the Japanese war is over, which we hope is not going to be very long, and then, if you have Congress out of session long enough so that the people of this country will know there is not going to be a lot of new laws and a lot of things that will interfere with them back home in getting this country back on its feet and getting men employed in private industry, you will do the best thing you can possibly do. I hope that will come very soon. It will take a long time because you have had Congress in session for 10 years and have just kept the country in a turmoil all that time.

Mr. LANHAM. I thank the gentleman for his statement.

Mr. SABATH. Mr. Speaker, reserving the right to object, I wonder whether the Commissioners of the Joint Commission on Enlarging the Capitol Grounds will have a chance also to view the proposed changes or remodeling. I, as a member, have never heard anything about it.

Mr. LANHAM. Such arrangements are included.

Mr. SABATH. I think the Speaker and the other two members of that Commission should also be given a chance and an opportunity to view the plans or at least make a short survey of the plans. Is it approved that there will be an additional architect or engineer employed with experience to aid the House architect? I always believe two heads are better than one and that that should be done.

Mr. LANHAM. That may be necessary from these standpoints: From the standpoint of the acoustics and from the standpoints of ventilation and lighting. The committee has gone into this matter very thoroughly. We had most interesting and informative hearings, which will soon be printed.

What is contemplated is to try to make this Chamber physically as perfect as possible for the purposes for which we assemble and also to have it properly attractive in accordance with the dignity of this legislative body of the greatest country in the world.

Mr. McGREGOR. Reserving the right to object, Mr. Speaker, I concur in the statements that the chairman of the committee has made, but I make this observation: That after the plans have been drawn, they will be presented to our committee and every Member of Congress will be given an opportunity to appear before the committee and offer his suggestion.

Mr. MILLER of Nebraska. Mr. Speaker, in section 2 of the resolution it is provided:

> The Architect of the Capitol is authorized to enter into a contract or contracts for carrying out the provisions of this joint resolution for a total amount not exceeding $861,000, in addition to the aforesaid appropriation of $585,000 heretofore provided in the Second Deficiency Appropriation Act.

I take it from that that the Architect of the Capitol can bind the Congress to the spending of this money.

Mr. LANHAM. The Architect of the Capitol appeared before the committee, and also his associate, Mr. Sullivan. It was definitely understood that there would be no such action taken, because the committee wanted to get universal approval of the plans. No action was to be taken until the plans had been submitted first to the committee. Then at an open hearing every Member of the House of Representatives who desires to appear and see them and criticize them could do so, and the contracts would not be entered into until there was such approval.

By reason of that statement, which is clear in the record we have made, it was thought it was unnecessary to put that in the legislation. But I may say to the gentleman that no contract will be entered into until there has been approval of these plans by the committee, after its own hearing and after hearing every Member of the House who wishes to appear and make suggestions with reference to the alterations.

Mr. MILLER of Nebraska. Would the gentleman object, then, to the removal of section 2, which gives the Architect of the Capitol authority to enter into contracts?

Mr. LANHAM. Of course, it is going to be necessary for the Architect of the Capitol to enter into a contract when the appropriate time comes. It may come at a time when the Congress is not in session. Of course, this matter having been pending for so long a period, we are anxious to get this work done as expeditiously as possible. It will require some time, at best.

Mr. HOLMES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. HOLMES of Massachusetts. In connection with the suggestion made, of course, the Architect of the Capitol has also got to acquire certain materials to be made available before he can enter into any contract. The appropriation has to be made to carry on that work. This is just an authorization.

Mr. LANHAM. I can give assurance to the gentleman that there will be no contract until there has been approval of these plans along the lines I have indicated.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. SABATH. I fully appreciate that both Houses are entitled to have a safe and decent place in which to work. I have no objection to such improvements. However, I introduced a bill early this session which was referred to the gentleman's committee, which would also provide a decent living place for Members of Congress, something they have been unable to obtain. That bill has been before the gentleman's committee and it has been referred to a subcommittee, and although I have made numerous requests for a report, no report has been forthcoming. My plan will cost the Government nothing. All I desire to do is to provide suitable living quarters for many of the Members and employees so that they will not be obliged to live 12 or 15 or 20 miles away from the Capitol and lose a great deal of time coming and going, especially now when it is impossible to obtain taxi service. Even if you can afford to have an automobile, they do not wish to violate the law in using more gas than is absolutely allowed them. In view of that, I am wondering whether the gentleman's committee is going to go into that or not?

Mr. LANHAM. I shall endeavor to expedite the report of the subcommittee. The question involved with reference to private construction of quarters that would be available for the Members, as the gentleman has indicated, is one that goes largely to the matter of material. There are many contractors who are quite willing to put up such accommodations at their own expense if they get priority for the materials. By reason of the war situation, materials are difficult to get through the War Production Board. But a subcommittee has been investigating that matter and I shall try to get that report put in just as soon as possible.

Mr. SABATH. There is a lot of building going on around Washington and in the city of Washington, private construction. I do not see why we could not obtain priority for cheaply constructed new buildings to house some of the Members who cannot get quarters and some of the employees, without any cost to the Government.

Mr. LANHAM. I shall see that the gentleman's statement is brought forcefully to the attention of the subcommittee.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. MURDOCK. I want to add my views to what the gentleman from Illinois [Mr. SABATH] has just said with regard to suitable arrangements for Members of Congress to live in the city of Washington. Some Members who desire it should have suitable living quarters near the Capitol. My constituents did not send me here to spend a large part of my time riding in Washington.

Mr. LANHAM. I appreciate the gentleman's statement.

Mr. WICKERSHAM. Mr. Speaker, will the gentleman yield?

Mr. LANHAM. I yield.

Mr. WICKERSHAM. Does the gentleman's plan include enlarging and improving the House restaurant?

Mr. LANHAM. No; that, as I understand, is under the general supervision of the Clerk of the House of Representatives, but that is included in a matter which has been pending for some time. A few years ago the Committee on Public Buildings and Grounds held hearings with reference to it on the proposal to extend the east front of the Capitol; so that matter is being given consideration but, of course, it is not directly concerned with this particular measure with reference to which we have had previous legislation.

Mr. WICKERSHAM. There is one other matter, I hope that the committee on modernizing this Chamber does not go ahead and leave the old antiquated furniture and the type of step-down floor that we have in here at the present time.

Mr. LANHAM. As a matter of fact, I believe the tentative plan as contemplated, generally speaking, will meet with the approval of the Members, but they will all have an opportunity to see them and suggest any alterations that should be made.

Mr. ROE of Maryland. Mr. Speaker, reserving the right to object, I hope the committee intends to do something about the public-address system that we have in here. That is as bad as anything else.

Mr. LANHAM. As a matter of fact, one of the important elements is the matter of acoustics, and fortunately, since this Chamber was contructed about the middle of the last century, scientific research has made it possible for us to improve the acoustics of the Chamber to such an extent that we have a reasonable assurance that when a man is speaking in the well of the House from the public-address system and yields to a Member on the floor, all of the membership will be able to hear the remarks of both gentlemen. We have gone into these various features, and I believe the hearings, when printed, will be very informative.

The SPEAKER. Is there objection to the present consideration of the resolution?

There being no objection, the Clerk read the resolution, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the appropriation of $585,000 provided in the Second Deficiency Appropriation Act, approved June 27, 1940, as amended and carried forward by the act of June 8, 1942, for the reconstruction of the roofs and skylights over the Senate and House wings of the United States Capitol, together with such additional amounts as may be provided hereafter for such purpose, shall be available also for the substitution of reinforced concrete roof slab for the skylight over the Senate Chamber, reconstruction of ceiling, redecoration, acoustical treatment, improved lighting, and other alterations, changes, and improvements in such Chamber: *Provided further*, That there is hereby authorized to be appropriated, to be merged with, and to be available for the same purposes and for expenditure in the same manner as the appropriation heretofore made, such additional amounts as may be necessary for the additional improvements herein authorized: *Provided further*, That the project, insofar as it affects the Senate wing of the Capitol, shall be carried forward by the Architect of the Capitol in accordance with plans to be approved by a committee of five Senators to be appointed by the President pro tempore of the Senate, upon recommendation of the chairman of the Senate Committee on Public Buildings and Grounds.

With the following committee amendments:

Page 2, line 1, strike out the word "skylight" and insert the word "skylights."

Page 2, line 2, strike out the word "Chamber" and insert "and House Chambers."

Page 2, line 3, strike out the word "ceiling" and insert the word "ceilings."

Page 2, line 5, strike out the word "Chamber" and insert "Chambers."

Page 2, line 17, after the word "grounds", insert a colon and add the following: "*Provided further*, That the project, insofar as it affects the House wing of the Capitol, shall be carried forward by the Architect of the Capitol in accordance with plans to be approved by a committee of five Representatives to be appointed by the Speaker of the House of Representatives, upon recommendation of the chairman of the House Committee on Public Buildings and Grounds.

"SEC. 2. The Architect of the Capitol is authorized to enter into a contract or contracts for carrying out the provisions of this joint resolution for a total amount not exceeding $861,000 in addition to the aforesaid appropriation of $585,000 heretofore provided in the Second Deficiency Appropriation Act of June 27, 1940."

The SPEAKER. The Chair desires to call attention to one amendment. The Chair is not going to raise the question at this time but will hereafter, and he thinks he might as well try to raise it with his beloved friend from Texas as anybody else, because there will not be any trouble with him about it.

The Chair calls attention to the amendment on page 2 of the bill running from line 17 to 24 and reading as follows:

Provided further, That the project, insofar as it affects the House wing of the Capitol, shall be carried forward by the Architect of the Capitol in accordance with plans to be approved by a committee of five Representatives to be appointed by the Speaker of the House of Representatives, upon recommendation of the chairman of the House Committee on Public Buildings and Grounds.

Hereafter the Chair is going to insist that if he is to appoint a committee and be responsible for it he be permitted to appoint whom he pleases. To that end, of course, he would consult with the chairman of the Committee on Public Buildings and Grounds or whatever the committee of the House might be. Probably this provision was put in the bill following the provision of the Senate, but the Chair does not like it.

Mr. LANHAM. May I say, Mr. Speaker, that the committee was following the Senate provision. Certainly we will see that no restrictions are placed upon the Speaker in the appointment of the committee.

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SAN CARLOS IRRIGATION PROJECT

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 1656, an act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; with a Senate amendment and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, strike out all after line 4 over to and including line 13, page 2, and insert "extend to December 31, 1946, the provisions of the contract entered into on June 19, 1942, whereby the United States agreed to purchase the Diesel electric-generating plant of said corporation for use in connection with the San Carlos Indian irrigation project, and whereby said corporation agreed to accept delivery of electric energy from the United States prior to December 31, 1944, in partial payment for such plant; to modify the contract thus extended so as to require that electric energy delivered to said corporation during the period beginning January 1, 1945, be paid for by credit under the contract at the rates established by the general rates schedule for the San Carlos Indian irrigation project system in effect at the time of delivery; and to delete from the contract the provision reserving a first right to said corporation to use 750 kilowatts of power. The terms of the contract thus extended shall be subject to the right of the United States to remove the Diesel plant from its present location or to sell or otherwise dispose of it, which action may be taken in the discretion of the Secretary of the Interior. In the event of such removal or disposition of the Diesel plant, any remaining balance of the purchase price shall be liquidated and discharged prior to December 31, 1946, in the same manner as though such plant had not been disposed of or removed."

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. MURDOCK. Mr. Speaker, this bill provides authorization for the extension of a contract for the payment to the Christmas Copper Co. of a certain sum of money or its equivalent in electric power by the United States Government. It pertains to the purchase of a Diesel engine power plant from this company by the Government for the use of the Indian Service in Arizona.

The bill has passed both the House and the Senate but was amended by the Sen-

ate. The amendment is before us and my motion is to concur in the Senate amendment.

Mr. MARTIN of Massachusetts. Just what change does the Senate amendment make in the bill?

Mr. MURDOCK. It provides that payment shall be made to the company over a shorter period of time in electric power.

Mr. MARTIN of Massachusetts. That is all?

Mr. MURDOCK. That is practically all, I believe.

Mr. RANKIN. Mr. Speaker, reserving the right to object, what time does it provide?

Mr. MURDOCK. It cuts short the time by about 6 months, requiring the company to take payment in a shorter period than they had originally hoped for. However, I have conferred with the company officials and they are willing to accept the Senate terms which are less generous than the House terms. The ranking minority member on my committee is favorable to this motion and I have consulted other leaders who are also favorable.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

OPA

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. McKENZIE. Mr. Speaker, some 2 weeks ago the Congress extended the OPA with specific and clear-cut amendments and provisions as to the meat-slaughtering business. It so happens I have a number of applications from my district, and this morning I had my secretary call the Meat Division of the OPA, and the smart crack was made that I was a Member of Congress and I ought to know. I do know. I know we passed an amendment issuing specific instructions; I know the report explained those instructions; I also know that the Banking and Currency Committee assured the Congress that the meat business would get prompt attention, which it has not received up to now. I want to know when, where, and how the OPA expects to carry out the mandate of this Congress and stop stymieing the will of the people. It is time we take some action and remove from office those Government employees who defy instructions from the Congress.

EXTENSION OF REMARKS

Mr. GRANT of Alabama asked and was given permission to extend his remarks in the RECORD and to include a poem.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on two subjects.

Mr. RABIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a letter to him dated July 4 from George C. Heinrich on the subject Veterans' Financial Security Is a National Investment in Our Future.

Mr. SAVAGE asked and was given permission to extend his remarks in the RECORD and include a short magazine article.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and to include a letter written by himself to Mr. Leo George of the National Association of Post Office Clerks.

Mr. DOMENGEAUX asked and was given permission to extend his remarks in the RECORD.

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and to include an article from the New York Times entitled "Public Works as Catch-All."

COMMITTEE ON THE JUDICIARY

Mr. MICHENER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit for the rest of the day during the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent to address the House today for 20 minutes after any other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

WASTAGE OF FOOD

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, word has come to me that 100,000 pounds of skim milk are poured into Indianapolis sewers daily. This is at the rate of 3,000,000 pounds a month.

It seems that this appalling waste of food value is due to a method of marketing whole milk which makes it unprofitable to handle the skimmed product.

In my opinion, it is a monstrous shame that this milk is not made available at nominal cost, or free of charge to our poor people who cannot afford to pay market prices for milk, especially the poor, undernourished children of our community, instead of being used to wash the sewers of Indianapolis.

I have this day sent a vigorous protest to Secretary of Agriculture Clinton P. Anderson, and have asked him to see that this destruction of food substance is stopped and that, instead of being poured into the sewers, this milk is turned over to the Family Welfare Society, the Salvation Army, or the Red Cross for free distribution to the poor and needy. I ask unanimous consent to print in the RECORD my letter to Secretary Anderson, as follows:

JULY 7, 1945.

Hon. CLINTON P. ANDERSON,
Secretary of Agriculture,
Washington, D. C.

DEAR MR. SECRETARY: "Approximately 100,000 pounds of skim milk which could be converted into wholesome food products are being dumped into White River each day in Indianapolis, representatives of Indianapolis milk distributors disclosed last night."

This is a quotation from a recent article in the Indianapolis Star. The Indianapolis News and the Marion County Mail, of Indianapolis, have called attention in forceful editorials to the wastage of this valuable food in our community.

It seems to me a monstrous shame that nutritious, life-sustaining food should be poured into the sewers in this way when it would be a blessed boon to poor, undernourished children and invalids who cannot afford to buy milk. I took up the matter with the War Food Administration and was advised that at the peak 15,000 pounds of milk per day have been poured into Indianapolis sewers. That, in my opinion, is 15,000 pounds too much, but the information I have from Indianapolis is that 15,000 pounds is a gross underestimate and that the amount of milk actually wasted daily is around 100,000 pounds. That amounts to 3,000,000 pounds a month, which is a terrific food loss.

If skim milk has no sales value, why not see that it is turned over to the Family Welfare Society, the Salvation Army, or the Red Cross for free distribution to the poor and needy?

I do not know the causes for the destruction of so much food substance, and I am not trying to fix the blame, if any, but I do know that such destruction should not be allowed and that this milk should not be permitted to go to waste. Instead of being consigned to wash the sewers of Indianapolis, it should be turned over to human beings who need it. I am pleading with you to investigate the matter to the end that this appalling waste may be stopped. I would appreciate a report when you can send me one conveniently.

Very sincerely yours,

LOUIS LUDLOW.

Mr. Speaker, I ask unanimous consent to include in the RECORD the letter I have written to the Secretary of Agriculture.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MAJ. GEN. JULIAN C. SMITH, UNITED STATES MARINE CORPS

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Mr. Speaker, I am delighted to see that the Secretary of the Navy has again very properly recognized the fine service of Maj. Gen. Julian C. Smith, of the United States Marine Corps. Major General Smith has had a long and outstanding career with one of the greatest fighting outfits on earth, the United States Marine Corps.

The citations are, as follows:

THE SECRETARY OF THE NAVY,
Washington.

The President of the United States takes pleasure in presenting the Distinguished

Service Medal to Maj. Gen. Julian C. Smith, United States Marine Corps, for service as set forth in the following citation:

"For exceptionally meritorious and distinguished service to the Government of the United States in a duty of great responsibility as Commanding General of the Second Marine Division prior to and during the occupation of enemy Japanese-held Tarawa Atoll, Gilbert Islands, from April 30, 1943, to January 20, 1944. Responsible for the intentive training of his division for this highly important and hazardous mission, Major General Smith worked tirelessly for many months to weld the various units of his command into a powerful striking force. Under heavy enemy fire as he proceeded ashore to establish his command post and subjected to continued Japanese sniper fire while personally directing the operations of his command, Major General Smith, by his brilliant leadership, resolute tenacity, and gallantry in the face of terrific opposition, inspired his officers and men to heroic heights of endeavor in combating and overwhelming a relentless, fanatical enemy. His valiant devotion to duty in the successful completion of an exacting and vital assignment reflects the highest credit upon Major General Smith, his command, and the United States Naval Service."

For the President,

JAMES FORRESTAL,
Secretary of the Navy.

THE SECRETARY OF THE NAVY,
Washington.

The President of the United States takes pleasure in presenting the Gold Star in lieu of a second Distinguished Service Medal to Maj. Gen. Julian C. Smith, United States Marine Corps, for service as set forth in the following citation:

"For exceptionally meritorious service to the Government of the United States in a duty of great responsibility as Commanding General Expeditionary Troops, Third Fleet, from July to October 1944. Meticulous in the preparation of over-all plans for a determined offensive against the heavily fortified islands of Peleliu and Angaur in the Palau Group and Yap in the Carolines, Major General Smith consistently displayed brilliant leadership and keen initiative in welding the troops under his command into a powerful fighting unit. Conducting the operations of his command in Peleliu-Angaur campaigns boldly and with superb tactical ability, he hurled the full strength of his force against a fanatical enemy deeply entrenched in strong fortifications, pressing forward in a relentless drive against each objective which resulted in the capture and occupation of these vital Japanese strongholds. Distinguishing himself throughout this period of intensive combat action by his superb generalship and decisive valor, he contributed materially to the success of our sustained drive toward the enemy in the Pacific war area and his daring initiative and outstanding devotion to duty reflect the highest credit upon Major General Smith, his gallant command, and the United States naval service."

For the President,

JAMES FORRESTAL,
Secretary of the Navy.

Mr. Speaker, I ask unanimous consent to include in my remarks copy of the Distinguished Service Medal award by the Secretary of the Navy and also the second award of the Gold Star in lieu of the Distinguished Service Medal.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

VACATING SPECIAL ORDER

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from Wisconsin [Mr. SMITH] be allowed to vacate the special order that he secured for this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. GRIFFITHS (at the request of Mr. JENKINS) was given permission to extend his remarks in the RECORD.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of un-American activities, to include therein excerpts from an opinion by Chief Justice Fuller, and also excerpts from the report of the Un-American Activities Committee for the State of California.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SABATH. Mr. Speaker, reserving the right to object, what is the report, may I ask the gentleman?

Mr. RANKIN. Yes; I will be glad to read it to him. It is only about 22 or 23 pages in length, but I shall be glad to read it. It is issued by the Legislature of California. It is excerpts from the Senate Journal of June 14, 1945, containing reports of the Joint Fact-Finding Committee on Un-American Activities in California.

It involves the Japanese question which includes those disloyal Japs that are lined up with every other un-American element in California. The members of that committee are the Honorable Jack B. Tenney, chairman; Hon. Hugh M. Burns, Hon. Nelson S. Dilworth, Hon. Jesse Randolph Kellems, and Hon. Randolph F. Dickey.

It goes on to state that Senator Tenney moved that the report of the Joint Fact-Finding Committee on Un-American Activities in California be printed in the Journal of Thursday, June 14, 1945, and that 5,000 additional copies be printed. The motion was carried. It is headed:

Report of the Joint Fact-Finding Committee on Un-American Activities in California.

Then follows the introduction.

Mr. SABATH. I am not interested in the introduction.

Mr. RANKIN. Mr. Speaker, the members of the legislature——

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I do not yield further. This is a very important report that affects the safety of the people of California, and the whole country as for that matter, and I want everyone in America to have a chance to read it.

Mr. SABATH. I wanted to ask a question whether it contains the report of the American Legion of California, and if it does I have no objection. If it does not, I object.

Mr. RANKIN. Mr. Speaker, I am going to include excerpts from this report. Of course, the members of the Legion are for it.

I do not know whether the American Legion report is in it or not, but I know every patriotic Legionnaire is for it because it contains reports of all patriotic groups in California, and they are protesting against these subversive elements that are undermining our country.

Mr. SABATH. The California American Legion is as patriotic as any other.

Mr. RANKIN. Certainly; and so are these members of the legislature of that State patriotic.

Mr. SABATH. And I know that they have made an investigation of all un-American activities, and I wish that that report would be printed instead of some extracts from some honorable gentlemen—I do not know how honorable they are—that the gentleman from Mississippi wishes to include that will suit his purpose.

Mr. RANKIN. I will say to the gentleman from Illinois that patriotic Americans everywhere would support these men, who are trying to help save America.

Mr. SABATH. I object until I know and I am satisfied that the report of the American Legion is included in that report.

The SPEAKER. Objection is heard.

PERMISSION TO ADDRESS THE HOUSE

Mr. WILSON. Mr. Speaker, I ask unanimous consent that today, at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

MEAT SHORTAGE PROPHECY

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, a newspaper down in Amarillo, Tex., known as the Amarillo Globe-News, 2 years ago carried an editorial the subject of which was the black market in meat. That newspaper in that article predicted the future so accurately that that editorial is very apropos to the present meat situation. They are so proud of their prophesy and their statement that they have published in several of the big newspapers in this country a reproduction of that editorial.

In that editorial dated August 20, 1943, they point out that at that time that meatless days are increasing. They also say:

There was no meat shortage until the Government started to regulate the industry by establishing quotas and ceiling prices. This

shortage began the day the Government stepped in.

They also said 2 years ago:

Every day black-market prices are higher. Most of our cattle are touched somewhere by the black-market profiteer.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include the editorial just referred to and which was first published August 20, 1943.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE BLACK TRUTH ABOUT THE BLACK MARKET IN MEAT

Most of the American people are hungry for beef. Our country has more meat than ever before in its history. But because of governmental restrictions and red tape, hopelessly entangled, cattle continue to pile up on the ranches while meatless days are increasing.

Why not, in the name of common sense, let the law of supply and demand operate? Why not remove all restrictions except point rationing on this vital necessity? Let's find out if relief is not quickly possible.

There was no meat shortage until the Government started to regulate the industry by establishing quotas and ceiling prices. This shortage began the day the Government stepped in.

Every cowman knows that we have more cattle than our armed forces and our own American civilians need because of the astonishing surplus that now gluts every ranch, every farm, every pasture in the Nation. There is not enough to supply the whole world, but there is more than plenty for every American mouth.

Yet there are millions of citizens, tens of millions of our citizens, who have not tasted beef in weeks, yes, months. There are tens of millions of them who have become law violators because of their participation in black-market racketeering, either as purchasers or sellers of beef. The black truth is that prohibition in its palmiest days never involved as many violators and bootleggers as has the black market on beef right at this moment.

Leading cattlemen who have been studying the situation declare that the confusion in governmental agencies has been such that even the men in the Army and the Navy have not had their quotas of beef in certain months.

The city of Amarillo is fortunately situated. Located in the heart of one of the most fertile and most productive agricultural areas in the country, there has been no shortage of food in our city or in the Panhandle of Texas. As a result of our location, not because of a better grade of citizenship, Amarillo probably has a minimum of black-market violations.

But a Globe-News reporter visited an industrial city of 150,000 in a Southern State. A reliable man made this statement to him: "All of our meat dealers in the city are violating the Government law. There are no exceptions. Some are not making any profit. They believe it is their duty to serve their customers, but they must disregard the price ceilings to break even."

What price red tape! What price the deterioration of the morals of a people who must violate the law to obtain food!

It is possible that the bulk of the beef now reaching our American table has the black-market taint. Most of our cattle are touched somewhere by the black-market profiteer from the time they are hauled from the range until the meat is prepared for our tables. There are hundreds of devious ways of violating the law. Thousands of our businessmen have been forced to become lawbreakers.

Certainly, if all the restrictions were removed, no flight of imagination can visualize beef selling as high as the price now being paid by those who are winking and signaling at the storekeepers and restaurant owners in patronizing the black markets. Certainly the average price the American people are now paying, through both the legitimate and black-market outlets, is as high or higher than if our supply of beef were permitted to respond to the law of supply and demand.

What is our concern in Amarillo which is the "Beef Bowl City" of the United States?

If the present Alice-in-Wonderland restrictions are continued, they spell widespread bankruptcies for the cow industry to be followed by an eatable beef famine that may rock the Nation. This is the sober opinion of the best minds now engaged in producing beef.

Cattlemen as a group do not want higher prices for their cattle; they strongly oppose higher prices, because they do not want inflation. They know that point rationing can control the demand and that they can provide the supply. They believe that lifting of all regulations except point rationing would actually lower the price of beef. The price would most certainly be lower than that charged by the black-market bootlegger.

If the law of supply and demand were put into effect, certainly in a matter of a few days, great supplies of meat would start moving. The licensed butchers and packers and wholesalers and retailers would resume full operations. They now cannot supply the demand from legitimate sources, not because of the rationing points, but because of the quota system and because the Government will not permit them to meet the prices for beef that the bootleggers are paying.

Because of the dammed-up supply of meat—we now have more than 82,000,000 head of cattle on our ranches, instead of 61,000,000 5 years ago—no one could foresee the immediate price fluctuations if all restrictions were removed. But there would be sufficient beef quickly available, as soon as the animals could be fattened, to maintain the health of every American family. This right now is the most important issue before us.

Economists inform us inflationary prices spring from shortages. If they are correct the price of beef based on supply and demand, would not be unreasonable, in all human probability, because we have a surplus, not a shortage, of cattle in the United States. There are experts in Washington who are trying to force the soybean upon the American people. We are being told in propaganda that there is a larger percentage of proteins and nourishment in soybeans than in beef steak. Regardless, the American people were brought up on thick steaks, juicy ribs of beef, tender hamburgers, and beef in many forms. Beef has helped to make the American people great. But God spare the day when our standard of living or system of production is such that we will serve our children and ourselves synthetic filets mignon and T-bones made of soybeans or yeast.

The cowmen of the Southwest and the West are raising more cattle. They can increase this production further. Every day there is more meat on our ranches. Every day black-market prices are higher. Every day more legitimate businessmen are being forced out of business and the conscientious law observers are eating less meat.

But all of this could be remedied overnight. One directive out of Washington, removing all restrictions on the sale and the processing of beef, except the point-rationing system, would blast away the Boulder Dam bottleneck.

MORE GOVERNMENT WORKERS—WHY?

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I was very much interested in an article by Meriam Ottenberg in reference to the Washington housing problem. The article states that 7,200 new workers are coming into Washington and that there is a shortage of 4,000 rooms reported.

Here are 7,200 new workers coming into Washington. Gracious goodness, I thought that the Committee on the Civil Service last week talked about getting rid of a million and a half Government workers, and now they are bringing in 7,200 more. What we need to do here in Washington is to listen to some of the employees of these departments who say that they have more workers than they need. They ought to be cut down to a 40-hour week.

They all realize they have more employees than they need. Now you are going to bring in 7,200 more. What are we coming too? Gracious goodness, let us put the eliminator on.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

MINORITY VIEWS ON H. R. 3384

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent that members of the Committee on World War Veterans' Legislation be permitted to file minority views on the bill H. R. 3384.

The SPEAKER. Is there objection to the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. SCRIVNER asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein a copy of the minority views on the bill H. R. 3384.

Mr. MURRAY of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a letter to Hon. Chester Bowles and his answer thereto.

Mr. GEARHART asked and was given permission to extend his own remarks in the Appendix of the RECORD and include therein a telegram he received from the Fresno Exchange Club.

Mr. GEARHART. Mr. Speaker, I ask unanimous consent to extend my own remarks and include therein an article from the Saturday Evening Post of June 30, 1945. Mr. Speaker, I am informed by the Public Printer that the text of the article will require an additional half page of space. I have secured from the Public Printer an estimate and he reports to me that the cost of the printing including the two pages and the additional half page will be $130.

The SPEAKER. Notwithstanding and without objection the extension may be made.

There was no objection.

PFC JOHN F. THORSON

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DOLLIVER. Mr. Speaker, I rise to call the attention of this House to an act of heroism by a man from the Sixth Iowa District, for which he has been awarded posthumously the highest military award, the Congressional Medal of Honor.

Pfc John F. Thorson, of Armstrong, Iowa, last October 29 advanced with three other soldiers of the Seventh Division to attack a Japanese pillbox on the island of Leyte. Thorson went in first. As he entered a Jap threw a hand grenade at Thorson and the others.

Thorson threw his body on the grenade, saving the others but losing his own life. He literally gave his life for his comrades, above and beyond the call of duty.

Our sympathy goes out to his family, and we have a solemn pride in so heroic an act of supreme self sacrifice.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that I may address the House for 20 minutes on Thursday following the completion of business on the Speaker's desk and the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

EXTENSION OF REMARKS

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the RECORD in two instances, in one to include a letter on the OPA from a constituent at Odessa, Mo., and in the other to give a report of a poll made by Mr. SCHWABE in his district on the subject of compulsory peacetime military conscription and to include two letters from constituents.

GOVERNMENT WASTE OF PAPER

Mr. AUGUST H. ANDRESEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

BUREAUCRACY SHOULD STOP THIS WASTE OF CRITICAL MATERIAL

Mr. AUGUST H. ANDRESEN. Mr. Speaker, while thousands of dollars are being spent to urge Americans to conserve paper, Government bureaus are the greatest wasters of paper. Tens of thousands of tons of good-quality paper are being unnecessarily used and taken out of circulation for essential war needs.

A sample of Government waste is found in this 666-page publication entitled "Selective Service as the Tide of War Turns." This publication weighs 2 pounds. They have printed 65,000 copies and it required 7 tons of paper. That is just one example.

I also have another sample with me of Government waste of paper, which is being mailed out to many people. This publication is no doubt very good, as it is entitled "1945 Home Canning Program." However, the War Food Administration must be using an old mailing list, as this particular document was mailed to a man in my district who has been dead for nearly 5 years. The publication weighs 10½ ounces.

It seems to me that as long as American citizens are called upon to save paper and other vital materials, Government officials should take the lead in conserving the use of paper. I am satisfied that thousands of tons of paper could be saved by the Government every month if bureaucrats would practice what they preach.

The continuance of this wasteful policy on the part of our public officials in time, material, and money will hasten the day for national bankruptcy. This waste must stop.

EXTENSION OF REMARKS

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and to include short quotations.

THE MEAT SITUATION

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, I hold in my hand a memorandum sent out by Chester Bowles to the Members of Congress. Among other things he says that production and more production is the answer. We on this side of the aisle have been telling the OPA and the administration this for a long time.

Then he goes on to tell how the OPA is hoping to release controls. It did not look like that last week when certain amendments were being offered here that they were going to release any controls.

I have some newspaper clippings here, together with the recommendations of the new Secretary of Agriculture, for whom I have high regard, as to how we are going to get meat. But knowing the situation as I do, I do not think the public needs to run to the stores for toothpicks yet. The public will not get meat for some time to come if the public depends on the new regulation under which slaughterers will have to operate. The regulation first declares that the Government must be satisfied on the following points:

First. That OPA price, rationing, and other regulations are being and have been observed.

Now under that regulation the thousands of little butcher shops all over the country that have been closed up will remain closed for the duration.

Second. That the meat will move in legitimate trade channels within legal price ceilings.

No doubt this means that the slaughterer will be placed under bond. A great many will not be able to qualify.

Third. That the plants meet sanitary standards which will be prescribed in the regulations.

This regulation will close up many of the now functioning plants because they are now meeting certain State and city sanitary regulations and will not be able to spend the necessary money nor will they be able, due to restrictions, to get the necessary equipment in order to qualify.

Fourth. That meat production will be conducted under the supervision of qualified veterinary inspectors.

There is not a sufficient number of veterinarians in the country today to look after the dairy herds, let alone have one inspect all livestock being slaughtered in country butcher shops.

Neither will the new program now going into effect of paying the first production subsidy to feeders of certain grades of cattle produce an increased quantity of meat. How silly it sounds for the triple A to pay to a feeder who sells this 800-pound steer to an authorized slaughterer who will slaughter it under Federal inspection and OPA permission a subsidy at the rate of 50 cents per hundredweight, which simply means 1 cent per pound per dressed weight. It would be much more sensible and practical to save the subsidy and cut out the red tape and let the meat sell for a cent per pound more over the counter.

Had these enforcement agencies confined their activities to essential and necessary items, they, no doubt, could and would have done a good job. Here is an example of how far afield they have gone: In June 1944, OPA announced that it had caught a night club violating the ceiling prices for Gay Caballero cocktails described as "the merry mix-up that casts bright shadows across your dinner path," and El Chico cocktails, which were described as a "bland blend of exciting elements packed with active power." In both cases the ceiling prices of 80 cents were violated by a nickel. Another night club was accused of selling crepes susettes at $1.60 and marinated herring for 85 cents, in each case, 10 cents above the ceilings, and baked caramel hamel florentine at $2.50 instead of the ceiling price of $2.

During this same period OPA was complaining that because of inadequate funds it could not stamp out the black markets. It seems clear that the first responsibility of a price-control agency is to hold down the prices of basic necessaries of life in order to protect those with relatively low incomes.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent that the letter to which the gentleman has referred be inserted in the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE PRAIRIE STATES

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

[Mr. STEFAN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. PETERSON of Florida asked and was given permission to extend his remarks in the RECORD and include a short editorial from the Tampa Tribune.

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CARNAHAN] is recognized for 20 minutes.

THOUGHT PATTERNS AND PEACE

Mr. CARNAHAN. Mr. Speaker, in the present world-wide conflict we and our allies have not been fighting just the military might of Germany and Japan. There is, in my opinion, a more powerful and dangerous force which we have been opposing. We are engaged in the conflict which will test not only military strength but a conflict which will test the strength of two completely opposite and conflicting patterns of thought. We have been fighting not just totalitarian military strength, but we have also been fighting, and we must also force to unconditional surrender, the strength of totalitarian thought. The military victory is won, so far as Germany is concerned, and we are confident that Japan will eventually crumble. But the battle of thought pattern is yet young.

We and our allies hold to the thought pattern which fosters individual freedom, abundant living, happiness, and toleration. We call it the democratic pattern, or the freedom pattern, or the pattern of universal brotherhood. Our enemies hold to the thought pattern which fosters restriction, individual slavery, cruelty, and intolerance. We call it the totalitarian pattern, the force pattern, or the pattern of the master race. Then the present war is just another round between two old rivals—the totalitarian state and democracy.

A great American, years ago, said, "A nation cannot exist half slave and half free." This same thought now applies with equal force to a war-torn world. Both universal brotherhood and the master-race idea cannot exist in the same world. Another great American very recently said, "If we do not want to die together in war, we must learn to live together in peace."

With military victory we have subdued the armies of Germany and in further military victory we will subdue the armies of Japan. But how about the power of their thoughts? Will the Germans continue to be Nazis and will the Japanese continue to be dominated by a twisted ideology? Will children continue to accept the belief that there is a master race? If twisted thinking continues after the shooting stops then socially and economically twisted human beings will be the result. The totalitarian idea will again recover, expand, become a military power and try again to master the world. The two same old rivals, dictatorship and democracy will continue their incessant opposition looking forward to the next military round. In my opinion, this conflict between these two opposing ideologies is a mortal struggle and will end only in a knock-out blow. Either dictatorship must go and freedom prevail or democracy must go and the master race prevail. It resolves itself into the question of our concept of social controls against their concept of social controls.

Of course, to the Nazi ideology the democratic concept is the big bad wolf. They have given their all in supreme sacrifice to prevail. They believe that their thinking is what the world needs. If they had won the military victory they certainly would have imposed their concept on the world. They would not throw away victory.

Winning a military round in this long struggle should strengthen the position of the victor. However, past experience leaves us in some doubt on this point. With the collapse of the war machines of Germany and Japan the democracies will have the last two rounds to their credit, but World War I must be written off as a total loss to the democracies since we foolishly threw away here in Washington all that was won by our military forces on the field of battle. When this round finally ends we should certainly be ready to continue in earnest the real work toward democratic self preservation.

The privilege and obligation of making an effort to preserve democracy is ours as a result of military victory, a victory which has been costly in blood, tears, and sacrifices. It has cost, and will continue to cost, too much to throw away. With the final cessation of military hostilities a very difficult and gigantic task will fall to us and our allies. We must teach the world the democratic concept. We must teach the world that very simple and old idea, "All men are created equal," and incidentally this equality will come with equal economic opportunity. The ability to have one's share of the good things of life will mean equality to most individuals. Our job is to teach this concept.

We should not approach this job of teaching democracy with too much timidity nor should we be too critical of the minute details of proposed international machinery designed for perpetuating the freedom pattern of life. After all what difference does it make whether the wheel has seven or nine cogs so long as it turns in the direction of a free and peaceful world.

This task and obligation of teaching the democratic pattern will be a difficult one. The fact that it is difficult does not relieve the obligation. The task will be hard, because there will be Germans, Japanese, and perhaps other peoples in the years just ahead who hold thought pattern which cannot exist in peace with the democratic concept. The German people of today will continue to be Nazis and the Japanese will continue to be loyal to their thought patterns. Even the present children of these countries are so well indoctrinated that very few of them offer much hope for change. But there is hope, since these children were not born with these concepts. They have been taught to think as they do. If the German people can teach their youth a twisted thought pattern which does not appeal to even average intelligence and which deprives the individual of freedom, why cannot we teach a thought pattern which offers individual freedom and abundant living. In my opinion, we not only can but we must teach such a concept if we expect democracy to survive.

I strongly favor punishment for all war criminals, from the lowest to the highest. I also favor exacting a stern peace. Remember, I say a stern peace, not a cruel, barbarian, or silly peace. Certainly the German and Japanese peoples are collectively responsible for the war. At least, we as victors will hold them responsible, as they would have held us responsible had the tables been reversed. As I have said, the real issue has been our pattern of life against their pattern of life. This time in victory we must keep what we have won. Our fruits of victory should be the opportunity to perpetuate freedom. Their price of defeat should be the extermination of their ideologies. Certainly the German and Japanese peoples cannot be exterminated. Naturally, there will continue to be people of German and Japanese origin, and those born after the war cannot, with any stretch of the imagination, be held responsible for the war. However, we must see that they do not give us World War III.

German children in the immediate future must grow up in Nazi homes, and will, of course, be taught by their parents the German pattern. Our task will be to see that these same children also learn the democratic pattern. While they live in a Nazi home, we must see that they grow up in the democratic state.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Mississippi.

Mr. RANKIN. Does not the gentleman think that instead of attempting to teach the Communist doctrine to the war prisoners we have in this country we should be teaching them the democratic doctrine, the meaning of the Constitution of the United States and free government, rather than having some left-wingers who are dedicated to the Communist ideology attempting to indoctrinate them with those un-American ideals?

Mr. CARNAHAN. I may say to the gentleman I certainly think we should have taught and should continue to teach the German people held prisoner in this country the democratic concepts.

Mr. RANKIN. Instead of permitting them to teach them things that are derogatory to George Washington, Thomas Jefferson, Abraham Lincoln, and Robert E. Lee, and other leading Americans, we should have been teaching them respect for constitutional government, and freedom under our Constitution and the advantages of the American way of life?

Mr. CARNAHAN. I thank the gentleman for his contribution.

While their parents tell them of German military ambitions which they hope some day to achieve we must see that they live a happy, free, and abundant life. Their homes may be Nazi but their schools must be democratic and we must remember that the democratic concept cannot be taught just by spoken or written words alone but must be

taught in their daily living. Then by force, if necessary, we must see that they actually live democracy. At school, at church, at work, in their recreation, and at play they must live democracy. In this free abundant life which must be required by force if necessary the conquered peoples must provide for themselves through their own efforts and by their own labor the materials for their own economic abundance. In this free pattern of life they will need jobs, food, clothing, houses, recreation, and the luxuries of peaceful abundant living. They will need especially free schools where alert minds may follow normal human trends. Normal minds with freedom of choice have through the ages turned to the democratic concept. Free thinking leads to understanding, tolerance, and a desire to share freedom and peace.

In this free pattern of life the conquered peoples will have no need for guns or any implements of war. While they cannot be required to repay the cost of the war as part of the price they pay for defeat, however, they should for years be denied completely the possession of any physical implements which will enable them to develop the power to make war. Since it is impossible for them to repair the damages to civilization which they have wrought through war we certainly should see that they never again become a military threat to civilization.

In my opinion we have fooled with them long enough. Twice in one generation we have disarmed them the hard way on the field of battle. Will we again desert victory or will we this time fulfill an obligation to posterity of building a thought pattern, a world concept of freedom, in which democracy can endure? Hitler is supposed to have said, that his regime of master race domination would last for a thousand years but as we know it was born, grew to giant strength, warped the minds of a nation, cast its shadow on world order, and crumbled all in a quarter of a century. Instead of directing for a thousand years the minds and destiny of men it has collapsed in military defeat. But the idea still survives and will, of course, attempt a comeback. This time we must discard Nazi ideology along with other rubbish on the junk heap of an advancing democratic civilization.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Illinois.

Mr. SABATH. The gentleman yielded to the gentleman from Mississippi a while ago who was trying to inject his viewpoint and his prejudices and laying everything to the Communists. The Communists were in no way responsible for this war. It was the Fascists and the Nazis that were responsible for this cruel war; is that not a fact?

Mr. CARNAHAN. I thank the gentleman for his contribution, and will say that I think the Nazi ideology is responsible for the war.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Mississippi.

Mr. RANKIN. But the Communists sided with Hitler until he attacked Russia. We ought not to permit somebody who is not in sympathy with our constitutional form of government, and who favors changing it, to go into these prison camps and teach an ideology that is contrary to our constitutional form of government and not teach the Constitution of the United States and what it means.

Mr. SABATH. The gentleman is not advocating any such program. He is opposed to it.

Mr. RANKIN. That is what they have been doing, I will say to the gentleman from Missouri. We have gathered that information through the agencies of the Committee on Un-American Activities, and we also have some other information on the attempt now being made to indoctrinate the servicemen of this country with those alien ideologies. We want to bring our young men back to America and make them appreciate American freedom and instutitions.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I do not yield further at this time. I accept responsibility for my statements only, but appreciate the contributions by the gentleman from Mississippi and the gentleman from Illinois.

The hour of military victory which follows the end of the shooting war should be nothing more than the hour to redeclare war against any further extension of the thinking which was the real cause of all the trouble in the first place. Instead of Hitler's 1,000 years of master-race domination which would have been a period for the extension and perhaps the perpetuation of the Nazi ideology let us lose no time in forming effective plans to make these 1,000 years a period for extension and the perpetuation of democracy.

The idea of projecting a thought pattern upon other peoples has not been looked upon with too much favor by the democracies. However, our last two wars which were the most destructive of all wars of history, have been waged so that we could escape subjection to the totalitarian pattern. In my opinion, we have followed this nonprojecting course long enough. To continue following such a foolish course will mean that the period of peace will be brief and we can expect to soon be at war again with our same old rival. Since the two concepts are incompatible and will remain so and since each concept is the result of a definite plan of mass education, then there is but one choice which offers a chance for peace. The democratic allies who know from experience the happiness of free abundant living must share this abundance and happiness with all the peoples of the world. By so doing we may change the potential enemy of World War III into a friendly ally for enduring peace. Certainly we should not continue to follow the silly practice of taking the enemy's guns away from him every 25 years on the field of battle and after each such procedure permit his plans and desires to go unchecked.

In my opinion enduring peace will be possible only if children are taught during childhood and youth the thought patterns which will cause them to demand peace, abundance, and happiness for themselves in adult life. The bases for such a democratic society is individual economic justice and opportunity on an abundant level. The major factor in the perpetuation of such a social order is a carefully guarded and well supported system of free unrestricted publication education. In my opinion we can substitute teaching today for blood shed tomorrow.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent that today, after the disposition of all special orders, I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. HARE. Mr. Speaker, I ask unanimous consent that following the special order granted to the gentleman from Washington, I may be permitted to address the House for 15 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

EXTENSION OF REMARKS

Mr. RICHARDS asked and was given permission to extend his remarks in the RECORD and include an article by Admiral Stanley on the Russian situation.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and include a radio address delievered by him.

Mr. KEFAUVER. Mr. Speaker, previously I secured unanimous consent to extend my remarks and insert an article on Thomas Jefferson. I find it will run two and a third pages in the RECORD. I have an estimate from the Public Printer that it will cost $120. I ask unanimous consent that, notwithstanding the cost, I may insert the article in the RECORD.

The SPEAKER pro tempore. Notwithstanding and without objection, the extension may be made.

There was no objection.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. WILSON] is recognized for 10 minutes.

LEND-LEASE

Mr. WILSON. Mr. Speaker, what have our tin-soldier diplomats wrought? If I were to attempt to tell you briefly of just a few of my conversations with tens of thousands of GI's overseas—officers and men who know—it would take the entire evening. I have purposely refrained from making any for-

mal report of my trip and conversations with men overseas since our diplomats were trying to deal with our allies at San Francisco to write a Charter that would guarantee the peace for which we are fighting. However, I have asked for a few minutes at this time, and I am prompted to speak out because of events taking place in Berlin now.

We have led millions of liberated Europeans to believe that America can and will keep their stomachs full and their bodies clothed. We cannot possibly live up to the obligations to which we have been committed; and when we break faith with the liberated peoples of Europe, we are destined to lose our prestige and their faith. If those people are forced to choose between a republican form of government and an empty stomach—due to broken promises—on the one hand, and communism with the promise of a full stomach on the other hand, they will choose communism. You know that.

I can now understand why American Congressmen were discouraged from visiting Europe. The Chief Executive undoubtedly influenced General Eisenhower to discourage if not prohibit it. The Chief Executive did not want Congress to know the truth, for example, among other things, the misuse of lend-lease.

For instance, many days after VE-day I was in Persia. I was also in Tehran, and followed the route from Tehran down to Abadan, the principal seaport on the Persian Gulf. There I saw tons and tons of war equipment still on its way into Russia, a country not at war with anyone. I saw tons and tons of American-made material unloaded in Abadan weeks after VE-day.

I would have you know that our men in uniform were considerably disturbed and alarmed because none of this equipment would be accepted by the Russians until it was put in A–1 condition. If there was a screw gone on a truck or a nut off a tank or some paint scratched off a gun barrel, these things had to be put in 100-percent-perfect condition before they would be accepted by the Russian Government. We were meeting such demands.

Many of our boys, hundreds of them, have been stationed in Persia, a thousand miles from nowhere, where the temperature reaches 125 to 135 and 145 degrees. Many have been there for 30 months and have seen no white people. Those boys are sick and tired of staying over there, after the war has terminated just for the purpose of transferring munitions of war into Russia, who is at peace with the whole world.

Another thing that the boys were disturbed about was the continuation of lend-lease and the abuses of lend-lease in reverse. Some of the things I was told by authorities should be investigated by our Committee on Foreign Affairs; such as gasoline which we had given to England on lend-lease and which we were buying back under reverse lend-lease, at four or five times the price they paid us for it. Also, the matter of equipment going into China—I could give you the figures and the tonnage and I could tell you how many planes were flying over the Hump and just how many tons of matériel are being flown over the Hump and just how many tons were going over the Stilwell Road. But I do not believe it advisable to do that. I might say, however, that we have been trying to find out what has been happening to that equipment once it gets to Chinese bases. Many of the authorities over there will tell you that after a careful check, there is strong evidence that our lease-lend equipment is being rat-holed somewhere in China to be used by the Chinese in their own war after the Japs are once whipped, for fighting the Communists of northern China, which the Chinese National Government considers its most serious threat.

Worse than that, however, has resulted from our "paper planners," our "tin-soldier" diplomats, in the treatment of our boys liberated from German prison camps by the Russians. I know what I am talking about because I talked with many of those boys fresh out of German territory liberated by the Russians, and the stories they told me would make the hair stand on your head. Our boys, after spending months and months and months in German prison camps, where they were allowed to keep their wrist watches, finger rings, fountain pens, wallets, and so forth, upon liberation by the Russians were searched and practically all of these personal possessions were taken away from them.

The Russians even took their much needed overcoats and warm clothing which they needed in that climate. Our boys are very much disturbed over that kind of treatment by an allied country.

The opposition of the Russians to our airmen endeavoring to fly our prisoners of war out of Russia and Russian-occupied countries, the opposition shown to our forces who were trying to get much-needed medical aid and food to our prisoners of war in territory occupied by the Russians were also matters of very serious concern to our military officials in that area and should be investigated by our Foreign Affairs Committee.

Most recently, however, is the Berlin incident. I do not know what commitments were made in regard to the occupation of Berlin and the territory we are to govern, but if our diplomats agreed that Russia should control the foodshed which feeds the part of Berlin to be occupied by us, then we have no complaint against the Russians on that score and our tin-soldier diplomats should be dispensed with. If, however, that was not the agreement, and if we are merely being pushed out of Berlin's food-producing area to suit the whims of the Russians and if we are going to have to supply those people with food from our own country, then it is high time we became realistic. Under these conditions we can only conclude that the Atlantic Charter has been scrapped and that the San Francisco Charter will go the same way before the ink will have dried on it. Therefore, if these conditions exist, and I think it is the duty of the Foreign Affairs Committee to investigate them and report to the membership of this House, then it is high time that we were substituting brass knucks for some of our soft-pedal politics in planning for the future peace, prosperity, and comfort of the world.

I know this is strong language, but in these times only the strong survive.

The SPEAKER pro tempore (Mr. BROOKS). The time of the gentleman from Indiana has expired.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Washington [Mr. SAVAGE] is recognized for 10 minutes.

VETERANS IN LABOR UNIONS

Mr. SAVAGE. Mr. Speaker, I have notified the gentleman from Mississippi [Mr. RANKIN] that I was going to say something about his bill that was not particularly complimentary. I suppose he is present.

Mr. Speaker, the gentleman from Mississippi, Mr. JOHN E. RANKIN, has been an outstanding liberal on public power matters, and has been of great service to the Nation. But this great service would be far outweighed to society by creating strife and turmoil should Congress pass the bill, H. R. 3384, that the gentleman has introduced for the purpose of using the veterans to bust labor unions.

I agree with the Washington Post editorial of July 10, 1945, when it said:

> Our own guess is that they—
>
> The veterans—
>
> will readily see through it as a plain piece of demogogy.

The Post also said:

> Mr. RANKIN, as a matter of fact, let the cat out of the bag and disclosed his real purpose when he said that his bill would allow veterans to take jobs vacated by strikers.

This means that veterans would be made tools of employers for the purpose of breaking strikes and busting labor unions. This would automatically pit the veterans against the whole labor force of the Nation. It would be hard to contrive a measure more likely to drive a wedge between the men who have served their country in uniform, and the men who have served their country on the production lines at home.

Thousands upon thousands of our servicemen were union men before they were soldiers. Many unions have provided free stamps for their dues books or other means to keep servicemen in good standing while in the armed forces. I have seen one of the stamps provided, which has on it an eagle, and it says "In the United States service." Servicemen are proud to have those service stamps in their union books. If we make strike-breakers out of returning servicemen by law, they will no longer have protection from their brother union men. They would be the potential threat to the American standard of living. On the other hand, servicemen have no greater friends than their fellow workers who have remained on the home front. They are more sincerely interested than anyone else in seeing that the veteran gets a square break, and will do more for him. In many cases, unions have suspended the requirement of initiation fees for servicemen. As far as dues are concerned, a union that has no money is of no service to its membership.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. SAVAGE. I yield.

Mr. RAMEY. May I suggest that if the distinguished gentleman will read what is known as the minority report of the World War Veterans' Legislation Committee he will see that in reality it is the majority report. More members have signed the minority report, opposed to the bill, than have signed the report endorsing the legislation.

Mr. SAVAGE. I thank the gentleman for that valuable information. This gives added weight to my contention that the bill should not be passed, since it has the support of only a minority of the committee that had it under consideration.

Just imagine what would happen to the veteran in the following example if we make a strikebreaker out of him: Suppose a group of workers were striking to obtain $5 a day in wages, and the veterans would go behind the picket line and work for $4 a day, and help bust the union. Thus the veteran would be throwing his entire welfare in the lap of the employer, and as soon as the employer, with the cooperation of the veterans, could get the union busted and out of the way, he no doubt would tell the veterans that they could now work for $3 a day, and they would be absolutely powerless to do anything about it. This employer could then undersell his competitors and force them to shut down and create unemployment or else join in the union-busting tactics.

This will give you an idea what strife and turmoil will develop if this bill is enacted into law. Furthermore, the veterans do not want to be set off by themselves as a separate class. They desire to come back to this country and get back into their respective walks of life. They want jobs and opportunities all right, but they want to see jobs and opportunities for all the people. They know that any program to try to give veterans jobs and leave the civilian population unemployed is an impossibility. They realize that their only real security lies in full employment for all workers.

I am not just dreaming about what the veteran wants. I returned from Europe last month where I talked to thousands of servicemen, and came back on a ship loaded with over 7,000 troops, with whom I was at sea for 11 days. It was from the veterans themselves that I learned that they do not want to be cast aside as a separate group. Even though they are in uniform, they are still thinking as civilians.

Some of our most patriotic Americans are members of labor unions, and I know that labor unions will stand ready to go to bat for the veteran. They will fight for the welfare of the veterans quicker than they will for the rest of their membership if they are only allowed to do so. Unions are establishing, and have already established in many cases, committees within their organizations to look after veterans' affairs and to take care of veterans' problems. This great patriotic service is absolutely free to the veteran. If the jobs are there, every veteran will be employed. Serious consideration is being given by practically all unions to arranging some type of seniority preference for veterans. Real Americanism is to sit down and settle our disputes, by negotiations, across the table. We need more of that, instead of fomenting industrial disputes by pitting one worker against the other as this bill would do. The passage of this bill would prevent any further peaceable negotiations in regard to veterans' welfare in labor unions.

The veteran who comes back onto the job needs, above all else, to fit in calmly alongside of his fellow-worker. That will do more to help him get back into normal relationship with our peacetime society than anything else.

The first thing that Hitler did in order to establish fascism in Germany was to destroy the labor unions so that he would have a free hand with the rest of society. This is a Fascist measure and it would be terribly unjust to the boys returning home from fighting fascism, to ask them to start fighting for fascism on the home front, in America. Labor unions have a proper place in American society, and let us not allow anyone with strong prejudices to try to destroy them. It would only lead to the destruction of our American way of life.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from South Carolina [Mr. HARE] is recognized for 15 minutes.

THE FAIR EMPLOYMENT PRACTICE COMMISSION

Mr. HARE. Mr. Speaker, I hope I may be able to discuss with you for a short time what has been and what may remain a controversial question for some time. Permit me at the outset to say that during my 15 years of service here I have never found it necessary to make what is known as a partisan or sectional speech, and today I hope to discuss as intelligently as I know how and as deliberately as I am able the controversial proposal now on the Speaker's desk providing for a Fair Employment Practice Commission.

Mr. Speaker, I am glad to say it is not necessary for me to make any apologies or to do any shadow boxing in expressing my position on H. R. 2232, a bill to create and make permanent what is known as the Fair Employment Practice Commission, because I am basically, fundamentally, and otherwise opposed to it. Such a law would violate nearly every specific concept embodied in our system of Government and cannot be justified by any provision of the Constitution of the United States. I shall not attempt to refer to the many provisions in the bill or discuss any of them in great detail. I shall call attention to only a few of its provisions.

In section 5 we find, and I quote:

(A) It shall be an unfair employment practice for the purposes of this act for any employer—

(1) To refuse to hire any individual because of such individual's race, creed, color, national origin, or ancestary; or

(2) To discharge from employment any individual because of such individual's race, creed, color, national origin, or ancestry.

It provides further:

(B) It shall be an unfair employment practice for the purpose of this act for any labor union—

(1) To deny full membership rights and privileges to any individual because of such individual's race, creed, color, national origin, or ancestry;

(2) To expel from membership any individual because of such individual's race, creed, color, national origin, or ancestry.

It will be observed that the proposal makes no difference between employers—that is, the law applies with equal force and effect to all employers, regardless of the field of service in which they are operating. It will apply to the employer in an industrial plant, the employer in a department store, the banker, the merchant, the grocer, the filling-station operator, the trustees of public schools, colleges, universities, including the person or board who employs instructors in private schools, hospitals, parochial schools, and so forth. I am safe in saying that religious freedom is one of the outstanding freedoms guaranteed to American people under our Constitution and one which has been jealously guarded by our system of government up to date, but I am wondering whether it would be a violation of the Constitution, which guarantees religious freedom, to require the employer or the employment agency in our parochial schools, seminaries, and other church institutions to employ persons who may have a different religious creed. To me the bill on its face appears to be perfectly absurd.

In order to show how the law would operate, let us consider a few concrete illustrations. Suppose that Mr. John Doe, for example, owns and operates a textile plant or garment factory in South Carolina, Massachusetts, or any other State, and suppose a person of color calls upon Mr. Doe and makes a request for employment, saying that he is able and qualified to fill the job efficiently. If Mr. Doe, for any reason, says he is not in a position to offer him a job the applicant could then file complaint with the Commission, alleging that he had been discriminated against because of color. The Commission would then have authority, after taking testimony, to direct Mr. Doe to admit and give employment to the applicant, and should Mr. Doe refuse he would then be subject to a fine of $5,000 or imprisonment for 1 year, or both.

Suppose further that all the persons employed in Mr. Doe's plant were white American citizens, the Commission might hold, under the provisions of the law, that this would be prima facie evidence of discrimination against a person of color and order Mr. Doe to give the applicant a job, even though it would be necessary to discharge one of his employees. Suppose Mr. Doe would comply with the order and discharge employee John Jones; then suppose another man of color should present himself to Mr. Doe and request a position or job in his plant and the Commission would find prima facie

evidence of discrimination, then Mr. Doe would be required to discharge another employee—John Smith—and this process should continue until one-half or a large percentage of all Mr. Doe's white employees were discharged, what becomes of the right of these discharged employees to work or to get a job, or what has happened to the right of Mr. John Doe to establish and operate a business in a manner sufficiently efficient to continue operation? Does Mr. Doe have any rights under our system of government that command any protection from the Government? The discharged employees in this case would not be able to plead "color" as a qualification for employment, and I again inquire, What has become of their rights in such a situation? The same or a similar situation could easily arise because of discrimination against a person on account of creed in any of our church schools, colleges, seminaries, including our public schools, colleges, and universities.

Mr. Speaker, the purposes in this bill are not only absurd but they are ridiculously absurd. Some of the proponents of the proposed legislation may say: "Your illustrations go too far in their application; the law would not be enforced to that extent." I do not know to what extent the law may be enforced, but I am convinced that if this proposal is enacted into law and an effort is made to enforce the provisions as they appear in the proposal it would take one-half or more of the present armed forces to enforce them, because I do not believe the American people have decided they are going to turn the enforcement of personal and civil rights over to our Federal Government.

We should remember that the people of this country have several kinds of rights. We have what we refer to as constitutional rights and then we have legal rights under the Constitution, all of which are enforceable by our courts. Then we have what we call civil rights—rights common to all persons—and it has been decided time and time again that the jurisdiction of our Government over civil rights is limited and that no power to regulate them has been lodged in the Congress. The right to work and establish a business of his own is a civil right that belongs to every American citizen, white or black, Jew or gentile; he is under no obligations to employ anyone. However, if he elects to do so, he has the right to employ men only, women only, white men only, colored men only, red-haired women only, bald-headed men only, and he violates no law when he exercises his choice and thereby discriminates against all other classes in the matter, and this Congress has no right to tell that American citizen whom he shall employ in his own business, how many people he shall employ, or whether he shall employ anyone, or whether he shall employ an equal number of men and women, or whether one-fourth of them shall be white or colored, or whether any percentage shall be white or colored, or whether any percentage shall adhere to a particular creed or spring from any particular ancestry, or whether any percentage shall be of any particular national origin.

It must be remembered that people have many rights that cannot be enforced and some we dare not attempt to exercise. For example, Mr. A has a right to marry Mr. B's daughter, if she will consent. This is just one of Mr. A's unenforceable rights. He also has the right to work in Mr. B's bank, store, or textile plant where he would possibly be on the same shift with Mr. B's daughter, provided that Mr. B employs him, but we all know that Mr. B cannot, under any existing law, be deprived of his rights in the matter and be compelled to give Mr. A employment. However, that is exactly what is proposed in this bill, provided Mr. A happens to be colored or claims adherence to a particular creed or belongs to some particular race.

Let us go a little further and quote from section 9 (f) of the bill, which reads as follows:

> No person shall be excused from attending and testifying or from producing documentary or other evidence in obedience to the subpena of the Commission, on the ground that the testimony or evidence required of him may tend to incriminate him or subject him to a penalty or forfeiture.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. HARE. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. Without objection, it is so ordered.

Mr. HARE. Proceeding further in the same paragraph the bill provides:

> No individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury in so testifying.

I submit that the first part of the paragraph just quoted definitely violates part of the fifth amendment to the Constitution, which provides:

> No person shall be compelled in any criminal case to be a witness against himself.

It will be observed that the latter part of paragraph (f), to which we have referred, admits that the first part violates the Constitution when it says, "No person shall be excused from attending and testifying, on the ground that the testimony or evidence required of him may tend to incriminate him," but then attempts to justify itself of depriving him of his constitutional right by guaranteeing to him in consideration of the right of which he has been deprived by saying he shall not "be prosecuted on account of any transaction, matter, or thing concerning which he is compelled to testify." In other words, this bill undertakes to deprive an individual, against his will, of the right to exercise a privilege he has under the Constitution and then undertakes to compensate him for the right deprived by assuring him he will not be prosecuted for any disclosures made in his testimony. It appears to me that this would be legislation superseding the provisions of the Constitution itself. I know it may be argued that a somewhat similar provision was carried in an act passed by the Congress a few days ago and I know also that two wrongs do not make a right.

The operation of this bill, if enacted into law and administered as it is written can only mean that the man of color, the person of a particular nationality, race, or creed will be able to select and demand the job he wants, leaving the average white man to take a job only where he can find it and then content himself with it, for there is nothing in this bill that will assure or guarantee him anything, except being required to give his place to someone else.

The SPEAKER. The time of the gentleman from South Carolina has again expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. LARCADE, indefinitely, on account of important business with regard to Rivers and Harbors Committee.

To Mr. PATTERSON (at the request of Mr. BLAND), for 6 weeks, on account of official business.

To Mr. HULL (at the request of Mr. H. CARL ANDERSEN), indefinitely, on account of illness.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River;

S. 234. An act authorizing the construction of a free highway across the Yellowstone River near Fairview, Mont.;

S. 574. An act to extend the time for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.;

S. 672. An act for the relief of the legal guardian of Clifton R. Weir; and

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 44 minutes p. m.), the House adjourned until tomorrow, Wednesday, July 11, 1944, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

The Committee on World War Veterans' Legislation will meet in executive session, on Wednesday, July 11, 1945, at 10 o'clock, a. m., in the Committee Room 356, House Office Building.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

607. A letter from the Chairman, United States Maritime Commission, transmitting

a report of contracts entered into or modified under authority of Public Law No. 46 for the period beginning April 1, 1945, and ending June 30, 1945; to the Committee on the Civil Service.

608. A letter from the Secretary of War, transmitting a draft of a bill to authorize the course of instruction at the United States Military Academy to be given to not exceeding 20 persons at a time from the American Republics, other than the United States; to the Committee on Military Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE of California: Committee on World War Veterans' Legislation. Minority views on H. R. 3384. A bill to protect honorably discharged veterans in their rights to join or refrain from joining labor and other organizations (Rept. No. 874, pt. II). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr DOMENGEAUX:

H. R. 3745. A bill to exempt from the individual income tax earned income earned in certain taxable years following an individual's discharge from the armed forces of the United States; to the Committee on Ways and Means.

By Mr. KNUTSON:

H. R. 3746. A bill relating to seniority rights of veterans; to the Committee on Military Affairs.

By Mr. LEA:

H. R. 3747. A bill to amend the Interstate Commerce Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WOODRUFF of Michigan:

H. R. 3748. A bill to amend an act entitled "An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal," approved May 29, 1944; to the Committee on the Merchant Marine and Fisheries.

By Mr. RANKIN:

H. R. 3749. A bill to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II; to the Committee on World War Veterans' Legislation.

By Mr. SUMNERS of Texas:

H. R. 3750. A bill to amend the First War Powers Act, 1941; to the Committee on the Judiciary.

By Mr. BLOOM:

H. Res. 315. Resolution authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Chamber of Deputies of Chile, sending their congratulations on the occasion of the celebration by the United States of its political emancipation; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. DOUGLAS of California:

H. R. 3751. A bill for the relief of Mrs. Theodora O. Anzures and the legal guardian of Bernice Anzures and Andrew Anzures; to the Committee on Claims.

H. R. 3752. A bill for the relief of Leola Allen; to the Committee on Claims.

By Mr. PFEIFER:

H. R. 3753. A bill for the relief of Salvatore Salierno; to the Committee on Immigration and Naturalization.

By Mr PRICE of Florida:

H. R. 3754. A bill for the relief of John R. Jennings; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1074. By Mr. COCHRAN: Petition of John Lamb and 307 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1075. Also, petition of F. E. Jones and 311 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1076. By Mr. GOODWIN: Petition of Elmer E. Whidden and sundry others for the repeal of the automobile-use tax; to the Committee on Ways and Means.

1077. By the SPEAKER: Petition of the Union League Club of Chicago, relative to the subjects of education and transportation; to the Committee on Interstate and Foreign Commerce.

1078. Also, petition of Julius Bauer, relative to congressional elections; to the Committee on the Judiciary.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 11, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Father, this is a day which Thou hast made, and we will rejoice and be glad in it. May it be a day when we shall seek to bring to fulfillment and fruition the loftiest aspirations which Thou hast implanted within our souls. May there be no hour when we shall break faith with our nobler self or drift along carelessly with the tides of unworthy desires.

We know that Thou art continually urging and encouraging us to strive for the attainment of the true, the beautiful, and the good in character and in human relationships. When we are tempted to live complacently and selfishly, Thou dost bid us to emulate the example of those who are giving themselves so heroically and sacrificially.

Grant that we may be eager to minister unto all who are bearing heavy burdens and for whom the struggle of life is so difficult. Quicken our hearts with sympathy and inspire us to extend our hands in helpfulness. May we have more of the spirit of the Master who went about doing good, and at the eventide of each day may we be crowned with the diadem of Thy praise, "Well done, thou good and faithful servant."

Hear us in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted a report on the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, with the accompanying Senate amendments thereto, which was referred to the Union Calendar and ordered printed.

Mr. CANNON of Missouri. Mr. Speaker, it is our hope to call this bill up tomorrow.

MRS. MURIEL ABBOTT MARSHALL

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 316) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Muriel Abbott Marshall, widow of Joseph Marshall, late an employee of the House, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $250 toward defraying the funeral expenses of the said Joseph Marshall.

The resolution was agreed to.

A motion to reconsider was laid on the table.

STUDY AND INVESTIGATION BY THE COMMITTEE ON ROADS

Mr. COCHRAN. Mr. Speaker, I submit a second privileged resolution (H. Res. 317) and ask for its immediate consideration.

The Clerk read, as follows:

Resolved, That the expenses of conducting the study and investigation authorized by House Resolution 255 of the Seventy-ninth Congress incurred by the Committee on Roads, acting as a whole or by subcommittee, not to exceed $25,000, including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman explain what is sought by this resolution?

Mr. COCHRAN. Mr. Speaker, the House recently passed a resolution authorizing and directing the Committee on Roads to make an investigation of the so-called Alaskan Highway and also the so-called Pan-American or Latin-American Highway. Pursuant to that authorization, a resolution for expenses was in-

troduced and the Committee on Accounts has reported this resolution which provides $25,000 to make the investigation. The chairman of the Committee on Roads and other members of that committee appeared before the Accounts Committee and asked for this amount of money. There was about an hour's discussion on the resolution, and the committee was assured that they proposed to go into the matter thoroughly.

Mr. MARTIN of Massachusetts. They are going to look into the Alaskan road and the so-called Pan-American road?

Mr. COCHRAN. Both of them. Their attention was called to the fact that the Committee on Military Affairs of the House had also been making an investigation. I contacted the chief counsel of the Military Affairs Committee and the chairman of the Military Affairs Committee, the gentleman from Kentucky [Mr. MAY], who said he had directed the chief counsel to prepare his papers and final report and to confer with the chairman of the Committee on Roads so that there would be no duplication.

The Mead committee of the Senate investigating war expenditures has been investigating this Pan-American or Latin-American Highway. So we feel that the chairman of the Roads Committee of the House should contact that committee also to see that there is no duplication.

Mr. RICH. Mr. Speaker, will the gentleman yield ?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I may say that the Accounts Committee is very hopeful that since the Committee on Territories is going to Alaska to investigate that Territory and there are some members of the Committee on Territories who are also members of the Roads Committee that they will take those men and try to cut down expenses by eliminating as many Members as possible, so that they will make a complete investigation and final report that will be concise and to the point when Congress reconvenes in September.

Mr. COCHRAN. The gentleman knows that I concur in his views.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Kentucky.

Mr. MAY. Mr. Speaker, the Military Affairs Committee of the House does not desire in any sense to duplicate the work of any other committee. As soon as the House authorized the committee headed by the gentleman from Utah [Mr. ROBINSON] I directed our counsel to confer with the gentleman from Utah [Mr. ROBINSON] and to suspend any further activities on the highway question. He has reported to me and I have conferred with the gentleman from Utah [Mr. ROBINSON] who confirms it, that we will make a tentative report to date, turn that over to the Roads Committee, the investigating committee, and suspend our own operations.

Mr. MARTIN of Massachusetts. I would like to know what the Military Affairs Committee has found up to date as far as it has gone?

Mr. MAY. I am not in position to give the detailed facts, but the counsel can and it will be in a written report.

Mr. MARTIN of Massachusetts. Serious charges have been made against certain Army officers and I would think that the Military Affairs Committee would do something about it, not let it lapse.

Mr. MAY. We are not letting it lapse, we are surrendering our prerogative to deal with it by filing a report up to date because of the action of the House in authorizing another committee.

Mr. MARTIN of Massachusetts. A lot of money was squandered on the Pan-American Road and the people ought to know something about it and those responsible for the waste should be brought to justice.

Mr. MAY. The report will be made public.

Mr. GALLAGHER. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Minnesota.

Mr. GALLAGHER. I am interested in the Alcan Road. I am not interested in whether they made a mistake and spent the money that they should not have spent or to show up anybody. I am interested in having an investigation to find out how that money that has been spent, both for the road and oil field, can be utilized to the benefit of this country.

Mr. COCHRAN. This committee has no jurisdiction over the oil field, but it does have jurisdiction over the roads.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Illinois.

Mr. ARENDS. May I say to the chairman of the Committee on Military Affairs that I regret he has informed our counsel to quit pursuing this matter of what happened to the funds expended by the Army. Because it does pertain to the military I was hopeful that our counsel could go ahead and make an investigation as it may pertain to the Army and I think that should be done regardless of this committee. We would like to have the facts and this is the proper way to get them.

Mr. COCHRAN. I may say to the gentleman from Illinois his statement should have been made when the Rules Committee brought in the resolution because there is no use of this House setting up committee after committee to make these investigations when other committees have jurisdiction, not only House committees but Senate committees. It is a duplication of effort and that is what I have been trying to tell you for months.

The Mead committee in the Senate has already started an investigation of the Pan-American or Latin-American Highway. It has called witnesses, men who were employed in the construction of the highway, and it has its investigators at the present time in Los Angeles at the office of the district engineer, where all the papers relating to this highway are filed, going over those papers and, of course, it will make its report to the Mead committee.

Unless the Mead committee stops, naturally you will have both a House and Senate investigating the same subject.

You now have 26 investigating committees set up in the House of Representatives. I do not know how many the Senate has, but I am sure the Senate has at least that many.

Mr. MARTIN of Massachusetts. If the committee had done its job properly, there would not be need for any more.

Mr. ENGEL of Michigan. Mr. Speaker, if the gentleman will yield, I would like to ask the chairman of the Committee on Military Affairs why that committee should not make a report to the House instead of the Committee on Roads? Why should not the House have the report as to what they found as far as they have gone?

Mr. MAY. The gentleman certainly misunderstood me. I stated emphatically that we would file a written report in which we would set forth everything that we had discovered.

Mr. ENGEL of Michigan. I understood the gentleman to say that he was going to turn it over to the Committee on Roads.

Mr. MAY. It has been turned over to the Committee on Roads because of the objection of the House to duplication.

Mr. ENGEL of Michigan. But the gentleman is going to report to the House their findings up to date?

Mr. MAY. I said that three times, and I will repeat it the fourth time.

Mr. MARTIN of Massachusetts. In view of that statement, the gentleman also said that they did not find anything, or had not done anything about it.

Mr. MAY. No; I did not say that.

Mr. MARTIN of Massachusetts. Then I misunderstood the gentleman.

Mr. MAY. I am sorry. I said we would disclose whatever we had found.

Mr. COCHRAN. Let me assure the Members that I have no desire to bring in these resolutions appropriating money for investigations. The fact is, I have opposed all the investigations because I was in the hope that long before this we would have a report from the Monroney committee that would set up some kind of an organization that would do the work that these select and special committees are now doing. We have two House committees in the Pacific at the present time. We should realize that we have a real war on our hands in the Pacific and that the admirals and generals should be permitted to fight that war and their time not be taken up by investigating committees. I do not know how many Members are in Europe but one thing is certain and that is both the House and the Senate have been creating too many select and special committees. We would be better off if we had joint committees making investigations and then we would be sure that there would be no duplication of effort. We criticize the executive branch of the Government for waste and extravagance and duplication of effort but our own hands are not clean by any means. As I have stated many times before, when the House passes a resolution providing for an investigation, there

is nothing that the Committee on Accounts can do but to appropriate money to carry out the purposes of the investigation resolution.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Shreveport Times entitled "First Marines and Others."

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD and include an exchange of correspondence between Delegate FARRINGTON and Senator VANDENBERG.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. MONRONEY asked and was given permission to extend his remarks in the RECORD and include a short article on the succession of the Presidency to the Speaker of the House, which article appeared in the United States News.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include a letter from the Acting Administrator of the Office of Price Administration.

Mr. FLANNAGAN asked and was given permission to extend his remarks in the RECORD.

Mr. CLEMENTS asked and was given permission to extend his remarks in the RECORD and include an editorial from the Louisville Courier-Journal.

Mr. ADAMS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BEALL asked and was given permission to extend his remarks in the RECORD and include an address delivered by Howard W. Jackson, former mayor of Baltimore.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a letter and an editorial appearing in a recent issue of Broadcasting magazine.

Mr. GOODWIN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ELLIS asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ENGEL of Michigan. Mr. Speaker, I ask unanimous consent that today, following the special order granted to the gentleman from New York, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MORE ABOUT BUTTER

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEVENSON. Mr. Speaker, it has been disclosed that the butter supply in the United States is so great that the market is being glutted to the extent of 10,000,000 pounds a month.

Addressing the House on Monday last, I mentioned this fact and also referred to the statements in the press that the OPA has concluded to cut the ration point cost of butter 4 points a pound. I want to repeat here what I said at that time, that a cut of 4 points a pound on butter is not enough, and to remedy the present situation the ration point cost of that product must be cut considerably more than 4 points a pound.

Members of Congress have pleaded with the OPA for many months maintaining that with the high ration-point values placed on meats and butter, the people could not have both meat and butter, and that this situation would bring about black markets for meat or glut the market with butter. We know there are black markets for meat; and rumors persist here in Washington that butter is glutting the market and spoiling and becoming rancid while stored in warehouses in this country. We even hear rumors that it has been necessary to dump or otherwise destroy tons of butter, the gold standard of pure food, because it has become unfit for table use lying around for months in warehouses, while the people of the United States crave for butter on their tables—butter they have been unable to get because of its high ration point cost. When the people get through paying out their ration points for meats they do not have enough points left to buy butter.

During the past few days I have heard from proprietors of hotels, restaurants, and cafeterias throughout the country assuring me they would be glad to serve butter to their patrons if they could get the points to buy the butter to serve the public. They say they are in the same predicament the American housewife is in—they just cannot get the necessary points to get butter.

I have written to the Secretary of Agriculture to investigate this situation and to ascertain whether or not the rumors are true that butter has been dumped or otherwise destroyed because it has been stored until it became rancid. If that is true, it is a tragic situation. In that event it would be much better for the morale of the American people to take off all rationing restrictions on butter and give the hotels, restaurants, and cafeterias as well as the American housewife, the opportunity to serve butter on their tables, and let our people have the butter they want and crave for, rather than let it stand in warehouses until it becomes unfit to eat and has to be destroyed.

Mr. Speaker, if the hotels, restaurants, and cafeterias are not getting enough ration points to provide their patrons with both butter and meats, the OPA should immediately take steps to give these food merchants the ration points they need to serve the American public what our people deserve and should have. Our allies are demanding butter for their civilian population. Congress should demand as much for the people of the United States of America.

A copy of my letter to Secretary Anderson follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 11, 1945.

Hon. CLINTON P. ANDERSON,
Secretary of Agriculture,
Department of Agriculture,
Washington, D. C.

MY DEAR SECRETARY: Under date of July 9 I addressed the House on the subject of butter. Since then I have received numerous communications from all sections of the country stating that the restaurants, hotels, and cafe proprietors would be happy to serve butter with their meals if they had the ration points to purchase the product, but their ration points have been cut so drastically they have not ration points enough to purchase both meat and butter for their patrons.

As you will note, in my address before the House I commended your program which would make a reduction in the ration points for butter, but I feel as I specifically stated as follows: "From what I know of the situation the ration-point cost of butter must be cut a lot more than four points a pound." This statement has been borne out by every comment I have received from food merchants and the general public.

I have heard reports that thousands of pounds of butter are stored in warehouses throughout the United States growing rancid because of storage conditions and will have to be dumped if it is not used within a short length of time; also that thousands of pounds of butter that have grown rancid laying around in warehouses have already been dumped or otherwise destroyed.

If this is true, it is much better for the general morale of the people of this country that the ration-point cost of butter be drastically cut, or removed entirely, and thus give the hotels, restaurants, and cafes, as well as the American housewife, the opportunity to serve butter on their tables rather than have this butter grow rancid in warehouses and then dumped because it is unfit for human consumption.

I know that the housewives throughout the Nation will appreciate the opportunity to serve their families good fresh butter again. They too are clamoring for a reduction in the ration-point cost of butter.

May I restate my position that the ration-point cost of butter should be drastically reduced or ration restrictions removed entirely until the present glutted butter market has been taken care of.

Knowing your reputation and the information you have gathered through your committee work in the House on food investigation, I have confidence in your judgment and know you will find the answer to this problem.

Very respectfully yours,
WILLIAM H. STEVENSON,
Member of Congress.

EXTENSION OF REMARKS

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include excerpts from a speech by Noah Van Cleef.

ECONOMY IN GOVERNMENT

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I received a letter from a good, sound, honorable, conscientious Jeffersonian Democrat from my district, and during the course of his letter he wrote me as follows:

A schoolboy asked his father, "Dad, what is meant by the phrase 'business is business?'" After a moment's thought the father replied, "My son, that literally means the getting and the spending of other people's money." Congress is guilty of just such a skin game. I like the expression of Ben Franklin, "I love economy exceedingly and willful waste makes woeful want."

Now that comes from a Jeffersonian Democrat, and I admire him for it because I think the same as he does. I cannot understand why the Members of Congress keep on spending and spending, retain on the rolls of the various departments Government employees that are not necessary when these employees could be utilized in private industry today in the war effort or for civilian requirements. I hope that President Truman will insist that these departments cut their personnel to the core and not have over a 44-hour week in Government.

Furthermore, Members of Congress, you will soon be going home for a much deserved vacation. Could you not face your constituents with a great deal more confidence in our Government if you were able to say, "I did everything to economize and give a good, sound business administration in Washington." I wonder how many of us feel in our own hearts that we can say that and say it truthfully. Many of these Government agencies we have been considering and will be considering can be eliminated. Just remember that every time you try to eliminate an agency you will have objection and kicking. But let them kick. Eliminate the unnecessary agencies. Reduce the number of Government departments and consolidate others, thus cutting down overhead. This is one of the most important things to be done at this time, and a start should be made before you go home.

STRIKES CONTINUE WHILE EX-SERVICEMEN BEG FOR WORK

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter from a discharged soldier.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, a headline of the paper this morning says, "Spreading of Building Strike Here Feared."

We read that strikes are continuing in our defense industries throughout the country while our brave men on the fighting front are dying for want of the material they are supposed to produce, and discharged servicemen are denied the privilege of working for their daily bread.

Harry has move back to Washington. I do not mean Harry Truman. I mean Harry Bridges, the west-coast Communist. He is now exercising his influence in the city of Washington and today his maritime union is picketing the Department of Commerce. Here is the picture of those strikers walking up and down the streets of Washington picketing the Government department. For what? Because they fear they will not give them a bonus. And yet you refuse to protect the ex-servicemen in their right to work for their daily bread, or provide them readjustment compensation to enable them to live while they are trying to get fitted back into civil life.

How they would like to come back here and take over some of these defense industries, as well as our merchant marine, and start things to moving.

Here is an excerpt from a letter I have just received from an ex-serviceman. Listen to this:

I heartily approve of your efforts in presenting the bill that if put into law would permit veterans to get work where they found it regardless of union rules and regulations. We want the right to get a job that appeals to us. As freemen we should have that right, especially after such recent efforts made to defend our own country from without.

Before the war I tried to get a job driving a truck in New York City but couldn't on account of the union's closed books. I therefore had to continue operating elevators in New York and at a low wage forcing me to remain single, thus having no family of my own and this is a loss to my country too.

After being honorably discharged from the United States Army in 1942 I have again been refused employment in the fishing industry where men were needed—out of Boston, Mass.—because the union's books are closed. The skippers of fishing craft needed help but were not allowed to hire men without the union's permission. Food is vital. The job was vital to me yet it has been lawful for the union to refuse me work in my own country.

Something must be done. Your bill suits me to a "t."

May God help you get it through.

Mr. Speaker, I repeat that it is the duty of Congress to see that these returning servicemen are permitted to enjoy the first freedom, the freedom to work for their daily bread, without paying tribute.

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. WILSON] is recognized for 10 minutes.

FLOOD CONTROL

Mr. WILSON. Mr. Speaker, during my tenure in Congress I have been a member of the Committee on Flood Control. It is my opinion that as soon as the war is over the people of this Nation are going to be very much interested in the prevention of the disastrous floods which have been wrecking and ruining our lands, our hillsides, and our valleys. I think it is time that some of us began to think rather seriously of some real farsighted flood-control legislation. In the past we have followed the plan of controlling floods by diversion rather than by retaining the water where it falls. Flood control by diversion is impounding water after it has accumulated and has created a lot of disastrous results in eroding the hillsides. Impounding the water on someone else's property is poor taste, and, in my opinion, is a very short-sighted and ill-advised program.

I have talked with several Members of this body in regard to different methods of controlling floods. Most of them have agreed with me that we should first endeavor to hold the water back where it falls. That, of course, involves strip farming, terracing, planting, reforestation, and construction of smaller dams in the tributaries.

Let me give you just one illustration of a project that at one time was authorized by this House. Finally we got it taken out of the flood-control project known as the Ohio River Basin. That was the Shoals Dam.

The Shoals Dam, if constructed, and it is now being recommended by the Army engineers, would cost about $30,000,000. That money would build 1,000 $30,000 dams in the headwaters of the tributaries of this watershed. But the alternate proposal which is suggested by the Army engineers would involve impounding this water after it had fallen and rushed down the hillsides and thus eroded the lands. It would be impounded in a basin 52 miles long, flooding thousands of acres of rich river bottom farm lands, putting railroads, highways, and many small towns completely under water.

Sometimes when that water is necessary for the creation of power, those projects are justified. The people of my district will not oppose such a project so long as every other method has been exhausted. However, they are not willing to impound water and flood out good, rich land in that part of Indiana simply for the purpose of preventing this water running down onto other people. If and when it is proven to them conclusively that it is necessary to build a large dam of this kind and impound this water for the protection of the masses of people down the river, then they will consent to it, but only after all other means have been exhausted which will prevent soil erosion, conserve water, raise ground water levels.

I traveled over several thousand miles of land in the old country. I saw what is going to happen in this country. In flying over the islands in the Mediterranean, I found there were thousands of people living on tiny islands and their existence was dependent upon the small amount of soil which they had been able to capture at the bottom of those hills and mountains, and conserved by terracing or by strip farming. A hundred years from now we are going to find thousands and thousands of hills throughout the country, like those of

Palestine, where the land is eroded and the soil washed to the bottom of the hills. Our population is likely to increase tremendously. I anticipate that the next 100 years may even bring about a doubling of the population of this country. While we have a surplus of fertile agricultural lands for the production of food for our people at this time, perhaps if we allow the topsoil to wash away and disappear from production we will find ourselves, as we have found the Arabs in Persia, in Palestine, and in north Africa, practically nothing but skin and bones because we will not have any more than enough food to keep body and soul together.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. WILSON. I yield.

Mr. RICH. To what do you attribute the fact that we have so many farmlands in this country being abandoned by the farmers, yet we are raising more foodstuffs on the lands that are being cultivated?

Mr. WILSON. I attribute that to improved methods of farming. We can grow 2 bushels of corn now where we used to grow 1 bushel. That is the result of good soil-conservation practices.

Mr. RICH. I agree with the gentleman, but we are furnishing free lime to the farmers of this country now. In other words, the Department of Agriculture says to the farmer, "If you will raise so many acres of this or that we will furnish you with so much lime and give it to you gratis." So the farmer can go out and haul 30 or 40 or 50 tons of lime and it does not cost him anything. I am glad to see increased production, but I wonder how long we are going to be able to furnish all these gratuities not only to the farmers, but to everybody else when we have a bare Treasury. The Treasury of the United States is in the position today where it has nothing in it. When these boys come back from overseas and they have to pay the debt which we have created and left for them to pay, I wonder what they are going to think about it.

Mr. WILSON. I thoroughly respect the gentleman from Pennsylvania in his drive for economy. I do not believe his observation about lime contributing to conservation is correct. I do not believe lime is a factor in the conservation of soil. Lime merely speeds up the process of soil utilization and makes the ingredients of the soil more readily available as food to the plants, it does not conserve; in fact, I would say on the contrary that it helps more rapidly to deplete the elements in the soil.

Mr. RICH. The fact I wanted to bring out there was that we furnish this lime free to the farmers of the country.

Mr. WILSON. I do not believe it is furnished free; I believe they have to pay something for it.

Mr. RICH. Possibly 25 cents a ton. Then they furnish fertilizer practically free, you might say, or merely for the cost of hauling it away from the distribution centers.

Mr. WILSON. Does not the gentleman from Pennsylvania believe it is a good move to provide for the conservation of the soil that we have, rather than have to apply fertility to the soil as we are having to do at the present time, only more extensively as a result of having let our soil wash away?

Mr. RICH. I want the gentleman to understand that I am interested in the farmers; but I believe when the time comes that we stop these subsidies of a billion and a half dollars to the farmers unless the prices of the farmers' commodities are increased to compensate for the withdrawing of subsidies the farmer will find himself in the biggest hole he has ever been in during all his history.

The SPEAKER. The time of the gentleman from Indiana has expired.

MARKETING OF FIRE-CURED AND DARK OR CRUDE TOBACCO

Mr. FLANNAGAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk House Joint Resolution 98 relating to the marketing of fire-cured and dark or crude tobacco under the Agricultural Adjustment Act of 1938, as amended, with a Senate amendment, disagree to the amendment of the Senate and ask for a conference.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Virginia? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. FLANNAGAN, COOLEY, CLEMENTS, HOPE, and KINZER.

BIRTHDAY GREETINGS TO HON. CLARENCE F. LEA

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BULWINKLE. Mr. Speaker, I have taken this occasion to pay tribute to the chairman of my committee, the Committee on Interstate and Foreign Commerce, because today, July 11, is the anniversary of his birth.

The gentleman from California, CLARENCE LEA, is a fine chairman and a great Member of the House of Representatives. I know every member of the committee joins me in wishing him many, many happy years and many years of continuous service for the country.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. BULWINKLE. I yield.

Mr. PRIEST. I wish to join the distinguished gentleman from North Carolina in expressing our appreciation and our congratulations to our chairman on this, his birthday anniversary, and to express as my own sentiments what the gentleman from Indiana [Mr. HALLECK] said recently: "If I could not have had my own daddy, I would have wanted Mr. LEA."

The SPEAKER. The time of the gentleman from North Carolina has expired.

Mr. VOORHIS of California. Mr Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I am sure I speak the unanimous feeling of the Members of the California delegation in following the distinguished gentleman from North Carolina in offering congratulations to the dean of our delegation the gentleman from California [Mr. LEA] on the occasion of his birthday.

I suppose I could not pay a higher compliment than to say that he is beloved by every member of the delegation, and quite as much by those who do not always agree with him as he is by those who do. I feel that we are most fortunate in our delegation to have him as the dean and leader of our group.

FAIR EMPLOYMENT PRACTICE COMMITTEE

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, I rise at this time to place on notice the friends of the FEPC with respect to the proposal advanced by the Committee on Appropriations this morning.

This proposal calls for the appropriation of an amount of money for the following purpose:

> For completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation.

This means that not a single penny may be spent for carrying out the functions of this agency. Every penny that this committee gives this agency must be spent for the purpose of closing shop. This proposal therefore is not a compromise at all, it calls for the interment of FEPC, and I do hope its friends will oppose it.

Unless the committee amendment is amended, making it abundantly clear that the FEPC agency may continue its operations, the amendment should be voted down.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, let me say to my esteemed colleague from New York that there would be point in what he said were it not for the fact that it is the intent of the Appropriations Committee, in my judgment, to see that funds are available for all operating expenses within the terms of the two Executive orders under which the FEPC operates, and I propose, if necessary, at a suitable time to submit amendatory language that will carry this intent into effect.

Mr. MARCANTONIO. Will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. MARCANTONIO. Will not the gentleman agree with me that the Comptroller General would never approve the expenditure of one penny which is expended for the purpose of carrying out the objects set up under the Executive order? The only expenditures that would be approved would be for money expended for the purposes of closing shop.

Mr. DIRKSEN. I would rather say that would probably be one interpretation of the language.

Mr. MARCANTONIO. Will the gentleman abide by an interpretation that we obtained from the Comptroller General today?

Mr. DIRKSEN. I want to express my own opinion in the matter and say for myself it is my notion that funds should be made available for operating expenditures and I think that is the intent of the committee. Certainly amendatory language will be offered by myself, if by no other, to clarify that particular point.

Mr. MARCANTONIO. Would it not be better to vote up the Senate amendment and vote this down?

Mr. DIRKSEN. I think it would be better to go along. After all, the friends of FEPC have some interest in this matter.

Mr. MARCANTONIO. They are opposed to completely terminating and liquidating this agency.

Mr. DIRKSEN. The present speaker may be included in that statement, and in conformity with that expression of viewpoint I shall be careful that that language will be modified to carry out this intent.

The SPEAKER. The time of the gentleman from Illinois has expired.

EXTENSION OF REMARKS

Mr. HOPE asked and was given permission to extend his remarks in the RECORD and to include an article from the Livestock Producer.

WHEN MEMBERS GO HOME

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LET'S BE MESSENGERS OF UNDERSTANDING AND GOOD WILL TO NATIONAL SOLIDARITY IN RECESS

Mr. DOYLE. Mr. Speaker, regardless of what license we take or practice on the floor of this great House relating to our discussions, debates, criticisms, or condemnations of conditions, and regardless of the fact that I have frequently observed that too often, it seems to me as a lawyer, we engage in criticisms, statements, condemnations, and remarks about people and about conditions and things which are later proven to be unfounded or unwarranted in fact. I respectfully urge and bespeak that each and every one of us shall during this recess, in our respective congressional districts and throughout the Nation, only relate and speak to our people of things that are actually known to be or not to be. This is still a global war. The American people have a right to look to us to only speak out in accurate and constructive language when we speak. Frequently have I heard distinguished Members of this great body here speak of things and conditions which could only have been known to them at that time by hearsay or by rumor or by gossip, and frequently a few days later, in accurate report or content, the actual facts have come to the surface wherein it was proven the previous criticism, condemnation, or report quoted or referred to by a distinguished Member had no foundation in fact. I submit, gentlemen, that while it seems to be in this House that a great deal of license and privilege is taken and apparently necessarily allowed in such matters, it is tragic to have American people read or hear reports, condemnations, and criticisms which are not yet known to and found in actual fact or human experience.

America must be increasingly solid and strenuously at work to win the balance of the war. I think it would be definitely constructive toward all this solidarity and toward the building of a finer, more stable attitude of mind and be a definite contribution toward creative thinking of the American people if we as Members of this House, regardless of political party, would make it our serious endeavor during this recess to speak only in words and tones constructively planned to develop and increase the solidarity of the American people toward winning the war at the quickest, earliest, possible date. The result of such active, increased solidarity and thinking and praying by the American people is evident. Mr. Speaker, I challenge the thinking of every Member of this House to this proposition as we go to our respective congressional districts.

Mr. Speaker, during these first several months of my freshmen membership of this great legislative body, I have been extended uniform courtesy and cooperation from you, Mr. Speaker, and from each and every officer, clerk, and department of this House and here at Washington. I wish to register this word of appreciation for it. The leadership and membership on both sides of the aisle have been very helpful and I take pleasure in saying so.

The SPEAKER pro tempore (Mr. RAMSPECK). The time of the gentleman from California has expired.

EXTENSION OF REMARKS

Mr. KEOGH (at the request of Mr. CELLER) was given permission to extend his remarks in the Appendix of the RECORD and to include an article from the Journal of the American Judicature Society.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. CELLER] is recognized for 15 minutes.

VETERANS' LEGISLATION

Mr. CELLER. Mr. Speaker, the Committee on World War Veterans' Legislation has just reported the bill, H. R. 3384, offered by the distinguished gentleman from Mississippi [Mr. RANKIN], presumably to protect honorably discharged veterans in their right to join or refrain from joining labor and other organizations. I am of the opinion that bill is a smoke screen, that it does not help veterans and will not help veterans in the slightest degree but that it is an attempt to bust unions, to prevent strikes, and to scuttle many of the salutary labor bills that the Congress has passed over the years.

Section 1 of the bill which seeks to amend the Servicemen's Readjustment Act of 1944 by adding section 608, reads as follows under this proposed legislation:

Notwithstanding any other provision of law or of any contract or agreement, no veteran discharged or released from the armed forces under honorable conditions shall be required as a condition or employment to be or to become a member of or to maintain membership in any labor organization, club, or association by direct association or as a nonmember thereof, or to make any payment thereto in the form of dues, assessments, charges, contributions, or other payments.

In other words, the contracts that may have theretofore been made become mere scraps of paper by this bill, if passed, and the constitutional sanctity of contract is out the window; is completely scuttled.

In an editorial appearing in the Washington Post of day before yesterday we find this very significant statement that this bill is a scheme for union busting. The editorial, in part, reads as follows:

Under Mr. RANKIN'S leadership, the House Veterans' Committee has favorably reported an amendment to the GI bill of rights which would exempt honorably discharged veterans from normal requirements of membership, initiation fees, of dues payments in unions where closed-shop or union-shop contracts are in force. It would be hard to contrive a measure more likely to drive a wedge between the men who have served their country in uniform and the men who have served it on production lines at home.

Most of our soldiers and sailors were civilians before the war began and will become civilians again when the war is over. Several million of them were and are members of labor unions. Most unions have adopted measures to keep them in good standing or to continue their dues payments in their absence. Many unions have made provision voluntarily to waive initiation fees for nonunion servicemen who want to join. They have established machinery to assist veterans in finding jobs. Situations in which former servicemen may be denied employment because of union regulations need thoughtful consideration, but certainly not the type of remedy Mr. RANKIN proposes.

I know of nothing that could be more successful in driving a wedge between the veterans and union men than this proposed legislation.

But over and beyond that, may I call the attention of the Members of the House to a very unusual circumstance that developed yesterday. A veteran by the name of Reuben Schafer, of New York City, a battle-scarred veteran and a unionist, a member of local 230 of the Sign, Pictorial, and Display Union, affiliated with the American Federation of Labor, asked permission to appear before the Committee on Veterans' Legislation, which is presided over by the

gentleman from Mississippi. This veteran was denied that right. An altercation ensued between the gentleman from Mississippi, as has been reported to me, and this veteran, who had been through many campaigns, and as the result of hot-tempered expressions on both sides, the chairman of the committee, the gentleman from Mississippi [Mr. RANKIN] ordered that veteran to be arrested. He was taken into custody and held somewhere in the Old House Office Building; held there for a considerable period of time and treated in a manner that resembles the treatment that was accorded to people in Germany by Gestapo agents. That is a very sad commentary on the state of mind of the gentleman from Mississippi, who refused to allow this veteran to have his say before the Veterans' Committee on a bill as important as this, which bill was summarily voted out by the Veterans' Committee without a hearing.

Let us see what this veteran's experience has been. He has been in the Army for 3 years and 7 months. I have before me a photostatic copy of his honorable discharge, and among other things it reads, as follows:

He paritcipated in the occupation of Oran from November 8 to December 10, 1942.

He participated in the occupation of Gafsa and El Guettar, in Tunisia, from March 17 to March 29, 1943.

He participated in the battles of Ausseltia Valley and Kairouan Pass in Tunisia.

He participated in other engagements in the north African and European theaters of operations.

I am sure you will agree with me that a man with that kind of a battle record is entitled to far better consideration than he received from the chairman of the Veterans' Committee. In my humble opinion, the veteran should come first. He has made the sacrifices. His compensation should at least be fair treatment by the Committee on Veterans' Affairs or, at least, by its chairman. Who had a better right to appear before the Committee on Veterans' Affairs than this particular veteran? He, indeed, was entitled to sympathetic consideration; surely not arrest. He was not entitled to be kept for an indefinite period incommunicado. Here this battle-scarred youth, who repeatedly risked his life, asked to be heard and was cuffed around. He said his request to appear before the committee met with rebuffs. He said he may have lost his patience.

I admit I may have lost my patience. I may have used intemperate language.

Surely, if that is so, nonetheless the chairman of the Veterans' Committee might have shown forbearance and a spirit of kindliness. He might have soothed the soldier's feelings and mollified them and not ordered him to be taken into custody and treated like a criminal.

Reporting out a bill of such importance, without hearing from labor, without hearing from veterans, to my mind is impolitic. I hope that the Veterans' Committee will reconsider this bill and at least hear from numerous of the veterans' organizations; that it will hear representatives of the American Federation of Labor and the CIO and the American railroad brotherhoods. Reporting this bill out without hearing from those splendid organizations is, to my mind, unforgivable. I do hope that there will be reconsideration given to this bill and that this particular veteran, who comes from New York City where I come from, will have the proper consideration meted out to him and that he shall be permitted to appear before that committee and express his views from the veterans' standpoint, as well as from the unionist's standpoint.

I yield to the gentleman from Pennsylvania.

Mr. RICH. When we passed the Selective Service Act it was stipulated in that act that any veteran leaving his employment, it was the intent and purpose that the employer should return that veteran to that particular job when he returned from the service if he so desired. Now, many things have happened since that law was passed, and we have set up many organizations in the Government so that if a man went away from a particular job and he did not belong to the American Federation of Labor or the CIO, if he returns, that manufacturer or businessman has been compelled to have the closed shop. If the businessman offers that veteran that job, the only way that veteran can take the job is to join the union. He has got to join the union or he must be fired by the manufacturer or he will not be permitted to work. And if he does work, then all the rest of them quit.

Mr. CELLER. All right, the gentleman has asked a question. Where does the gentleman get his information? I refuse to yield further.

Mr. RICH. What is the manufacturer going to do?

Mr. CELLER. I refuse to yield further.

Mr. RICH. What is the manufacturer going to do under conditions of that kind? What is the soldier going to do?

Mr. CELLER. Well, I do not know where the gentleman gets his information or his facts. The unions have not indicated that they would refuse admission of any veteran to any union, as far as I can find out. And the American Federation of Labor and the American Railroad Brotherhood and CIO will accept gladly veterans who have not theretofore been members of the union.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. RANKIN. Mr. Speaker, I demand this entire speech be taken down. It is a deliberate false attack on me. I was not notified to be here, and I demand that his entire speech be taken down.

The SPEAKER pro tempore. Was the gentleman in the Hall?

Mr. RANKIN. No; I was not. I was not even notified.

The SPEAKER pro tempore. The gentleman from Mississippi must specify the words to be taken down.

Mr. RANKIN. I cannot get hold of the manuscript, but I know what he was saying when I came in. No veteran was cuffed around. A man who says he was a veteran discharged for nervous disability or mental disorder came to the office and the officer took him downstairs.

The SPEAKER pro tempore. The gentleman will suspend. The rule provides that the gentleman must demand taking down of the words at the time they are spoken, and specify the words.

Mr. RANKIN. Mr. Speaker, I demand the words be taken down in which he deliberately and falsely charged that this veteran was cuffed around and abused in the Veterans Committee or in my office. It is a deliberate and dastardly falsehood, and I demand those words be taken down.

The SPEAKER pro tempore. The Chair is compelled to rule that the gentleman's point comes too late. He did not demand the words be taken down at the time the words were spoken.

Mr. RANKIN. Oh, no, Mr. Speaker. At any time before the Member leaves the floor or closes his speech, because I did not know how many times he would repeat it.

The SPEAKER pro tempore. The Chair is compelled to hold that the gentleman had to make his demand at the time the words were spoken. Other debate has intervened and the gentleman has yielded to other Members on the floor.

Mr. RANKIN. Not other debate. Mr. Speaker, I am within the rules, and any time before he closes his vicious speech I have a right to have his words taken down.

The SPEAKER pro tempore. The Chair cannot agree with the gentleman. The Chair overrules the point of order.

Mr. RANKIN. Then I will answer it later.

The SPEAKER pro tempore. The gentleman from New York will proceed.

Mr. CELLER. Mr. Speaker, the unions affiliated with the organizations I mentioned have indicated a desire to give the fairest consideration to applications of veterans. I am quite sure the veterans will not be deprived of employment along the line the gentleman suggests.

I yield to the gentleman from Pennsylvania [Mr. BRADLEY].

Mr. BRADLEY of Pennsylvania. I just want to make the observation, in connection with the interpolation on the part of my good friend from Pennsylvania [Mr. RICH] that it might be well to bear in mind that his antipathy to unions did not commence with this war. He has always believed in the open shop and he has always been against a contract between unions and the employer for a closed shop. So that his animosity and his dislike for unionism is not something that just occurred. It has always been in existence.

Mr. CELLER. I thank the gentleman for his observation.

Mr. RICH. Will the gentleman yield?

Mr. CELLER. No; I do not yield.

I want to say this in conclusion, Mr. Speaker, that the labor organizations have the interest of the veterans at heart, and the veterans have the interest of labor organizations at heart. I am quite sure it would be most disastrous, not only to the veterans but to the unions as well

to pass the bill that has been rushed through the Veterans Committee, and to which I have adverted.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

Mr. RANKIN. Mr. Speaker, a point of order.

The SPEAKER pro tempore. The gentleman will state the point of order.

Mr. RANKIN. I rise to a question of personal privilege.

The SPEAKER pro tempore. The gentleman will state his question of personal privilege.

Mr. RANKIN. Mr. Speaker, the Member from New York [Mr. CELLER] has just made derogatory, false, and slanderous statements against me, in which he charged that a disabled veteran came to see me, as chairman of the Committee on World War Veterans' Legislation, and that I mistreated him. There is not a word of truth in that statement. It was made deliberately to mislead the Congress and the country.

What happened was that while we were in executive session on yesterday an excited man came and tried to get in. He said he was an ex-serviceman. He was very abrupt to the clerks, and demanded entrance to the committee room. We were trying to iron out the difficulties of the GI bill, and of course he could not come in. When I came out, he undertook to argue with me. I told him the veterans' organizations were looking after the veterans' interests before the committee. He followed me into the office, and I went into my private office and closed the door. He stayed out in the front office and screamed and raised so much sand that one of the clerks called for a policeman. The policeman came and took him downstairs, read his credentials, and found that he was an ex-serviceman discharged for a nervous or mental disability.

You do not have to go to the Member from New York to find out about my services to the veterans of this country. You know, and they know, that for a period of 14 years I have been chairman of the Committee on World War Veterans' Legislation. I have done everything I possibly could to protect the interests of the servicemen and I am doing so now.

I am trying to make it possible for these discharged servicemen to work for their daily bread without having to pay tribute to some racketeer such as Sidney Hillman or Harry Bridges.

For the Member from New York [Mr. CELLER] to come here and deliberately malign and attack me I say, Mr. Speaker, with these dastardly falsehoods is an outrage and a disgrace to the House of Representatives.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER pro tempore. The Chair would call the gentleman's attention to the fact that there are other special orders.

Mr. RICH. I appreciate that, Mr. Speaker, but the Chair has recognized a half a dozen others, and I do not see why the Chair cannot recognize me.

The SPEAKER pro tempore. The Chair will put the request of the gentleman, of course, after having called attention to the fact that there are other special orders. Is there objection to the request of the gentleman from Pennsylvania to speak for 1 minute.

Mr. ENGEL of Michigan. Mr. Speaker, I object.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. ENGEL] is recognized for 10 minutes.

Mr. KEEFE. Mr. Speaker, will the gentleman yield?

Mr. ENGEL of Michigan. I yield.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that at the conclusion of the other special orders I may be permitted to address the House for 15 minutes today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. RICH. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. Does the gentleman from Michigan yield to the gentleman from Pennsylvania?

Mr. ENGEL of Michigan. For a unanimous-consent request, yes.

Mr. RICH. Mr. Speaker, I ask unanimous consent that I may address the House for 5 minutes today at the conclusion of the other special orders.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The gentleman from Michigan is recognized.

DISPARITY IN PAY BETWEEN CIVILIAN AND ARMY PERSONNEL FOR THE SAME KIND OF WORK

Mr. ENGEL of Michigan. Mr. Speaker, on June 25, I addressed the House at some length commenting on instance after instance of waste within and by the War Department. At that time, Mr. Speaker, I called attention to the testimony taken before the War Department subcommittee of the Appropriations Committee last year—of which committee I am a member—on the Alcan Highway where the War Department was guaranteeing common labor 240 hours a month at $1.25 hourly, or $300 a month. I pointed out the fact that the War Department, General Worsham, the District engineer, admitted that they paid these men $300 and in some instances as high as $475 a month under that guaranty even though they had not worked 1 hour during the month. A few moments ago we passed a resolution authorizing the Committee on Roads to investigate both the Pan-American and the Alcan-Highway expenditures.

I have been receiving a great many letters from servicemen from all over the world. I have one before me today written by a staff sergeant from Saipan, in which he gives another illustration of waste and extravagance within the War Department. I mention this fact, Mr. Speaker, particularly because of the effect that this and similar instances of waste have upon the morale of the men who are in the armed services working for Army pay. The sergeant sent me a clipping from a little news sheet published daily in what he calls God-forsaken Saipan. I am going to read that little clipping, Mr. Speaker, and then I am going to read the letter from the sergeant. Both clipping and letter speak for themselves, because there is nothing remaining to be said when I have read them. The clipping reads as follows:

NICE ASSIGNMENT TO LEDO ROAD IF YOU'RE A CIVILIAN

CALCUTTA, July 2.—American soldier mechanics who have kept the trucks rolling over North Burma for over 2 years are resentful over the published reports that civilians who may replace them or work with them are being offered $450 to $550 a month and keep for the same work the GI's are doing on Army pay.

A news correspondent reported the news came out when Sgt. J. F. Yokum at Myitkina received a clipping from his home town, Flint Mich., newspaper detailing inducements for civilian personnel. As reported by the Roundup, GI weekly newspaper in the India-Burma theater, the Flint article said in part:

"Burma calls. Five hundred skilled auto and truck repairmen are needed to keep trucks rolling over the 4,700 mile Ledo-Burma Road into Free China. Pay of $450 to $550 a month will be practically unencumbered, as the men on the job will be given military uniforms, eat Army food, and sleep in Army barracks. The program is being set up by the Chrysler Corp., and calls for engineer mechanic crews to man six stations along the road with 248 persons at each station."

Dispatches said many soldiers eligible for discharge under the point system would like to get the discharges there and continue on the same job at the civilian wages.

I now want to read the sergeant's letter. Obviously I cannot give his name, but I have his signed letter before me. If a soldier in the armed forces writes a letter to a Member of Congress, he is called on the carpet for having violated an Army regulation.

HEADQUARTERS AND HEADQUARTERS SQUADRON VII, AIR SERVICE AREA COMMAND, APO No. 244, % POSTMASTER,
San Francisco, Calif., July 2, 1945.

Hon. ALBERT J. ENGEL,
Congressman from Michigan,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN ENGEL: I have enclosed a clipping from a little news sheet published daily on God-forsaken Saipan. The item speaks for itself, but I would like to give you my reaction.

The proposition is so palpably unfair that it has made me very angry, though I myself am not directly concerned. Since it does concern justice and fair play, I am concerned, and highly so. The affair amounts to saying, "Well, sucker, we hope you stay put for a long time to come."

Mr. Speaker, that is the reaction of this and thousands of other soldiers to the War Department throwing money down a rat hole. These soldiers know they will have to pay that money back when they come back home.

Let me go on and quote from this letter:

The men out there in Burma are not only doing a damn good job. They built the road and kept trucks rolling long before the road was completed. And they fought Japs, weather, insects, disease, and God alone knows what else at a cost of life, injury, sickness, and intense discomfort. They got and

they still get Army pay, four to nine times less than the proposed wage scale for civilians.

Matters like this disillusion me, make me resentful, and undermine my trust in the Government. How can I possibly have faith in a government that permits practices I find so unjust?

Then he goes on to speak about the amendment I offered to discharge veterans with four or more children. This is typical of hundreds of letters I have received from men who favor my amendment which the House turned down.

He continues:

I read with great interest the rider you wished attached to the Army appropriation bill. Though myself unmarried, I fully agreed with your proposition. I hope and pray that you will continue to work in the interests of fair treatment, justice, and consideration for the servicemen everywhere. I assuredly don't want special privileges—just fair treatment and justice. And I do want to get the hell out of the Army just as fast as I can. Long separations from home and dear ones tends to disintegrate that family life which all of us hold so dear.

Respectfully yours.

Then he gives his name, both in typewriting and in pen, together with his rank and address.

Mr. Speaker, I have been receiving many letters of this sort which are typical of how the servicemen feel toward this waste and extravagance. Machine-gun assemblers in the Army get as low as $50 a month. I had to learn to assemble a machine gun in World War I blindfolded. Now we are paying civilians in factories as high as $8,750 a year to assemble machine guns.

Mr. Speaker, I shall comment every time I have an opportunity upon this waste and extravagance, in the hope that I can get under the skin of some of these gentlemen in the Washington office of the War Department, in the city of Washington.

The SPEAKER pro tempore. The time of the gentleman from Michigan has expired.

Under previous order of the House, the gentleman from Wisconsin [Mr. KEEFE] is recognized for 15 minutes.

DISPOSAL OF SURPLUS GOVERNMENT PROPERTY

Mr. KEEFE. Mr. Speaker, next to the prosecution of the war, in my humble judgment, the most important problem facing the people of America is the disposition of surplus property. Because I am deeply concerned as to the progress that is being made in this field, I take this short time to place in the RECORD some reflections on that subject.

It will be recalled that the House of Representatives tried to set up a disposal agency headed by a single administrator. That effort failed and in the final passage of the bill we provided for a board of three members. That board, due to the resignation of its chairman and the inability to fill this vacancy, is not now functioning as a complete board. I envision the tremendous problems with which they are confronted. These are problems that ought to be solved now if we are to succeed in disposing within the lifetime of present generations these so-called surplus properties.

As the matter is presently set up we have five disposal agencies: The Reconstruction Finance Corporation, dealing with the disposition of certain allocated surpluses; the War Food Administration; the Department of Commerce; the Maritime Commission, and an agency set up to dispose of aeronautical products.

I would like to talk for just a few moments about the work that is being done and contemplated by the RFC, and let us see where we are headed in the matter of disposition of surpluses. I do not believe anyone can tell with any degree of certainty how much surplus property will be allocated to the RFC for disposition under its present program. Certainly, it will be tremendous in amount in dollar volume. I am advised that the RFC at the present time has a program which contemplates the construction or acquisition of some 50,000,000 square feet of warehouse floor space located in 23 different communities of the United States and 1 in Alaska, making 24 in all. They are building warehouses where the floor space is not available for acquisition in already constructed properties, and they are working on a $20,000,000 program of building construction of warehouses to house the surplus properties that are to be assigned for disposition to the RFC.

I think it would be wise when the Members return to their respective districts to go to the disposal centers set up by RFC and Commerce and make some investigation as to what is taking place in these warehousing and sales operations. You will find, I believe, that the other disposal agencies are engaged in a comparable sort of program, so that if it is carried out by Commerce, War Food Administration, RFC, War Shipping Administration, and so forth, we may expect to see scattered all over the country huge warehouses to which have been shipped the surplus food and consumers' goods and durable goods that have been declared surplus by the Army and the Navy. Certainly it will take an immense amount of floor space to house this surplus material.

The matter that concerns me is the program that is now in force which envisions the maintenance of what can be properly termed, I believe, huge retail stores. These warehouses being built by RFC are nothing more or less than huge retail stores. Each one of these warehouses is managed by a sales manager, the warehousing activities of the warehouse being, as I am advised, sublet to an experienced warehousemen, as an independent contractor, who is paid a commission or a fixed fee plus a commission in taking the material into the warehouse and moving it out.

Over and above that is this sales organization that is set up in each one of these agencies whereby the general manager, the assistant general manager, the sales manager, and so on, are set up in each one of these warehouses, and it is contemplated that a vast number of persons will be employed and placed on the pay roll under Civil Service regulations to act as retail salesmen to drum up business and trade to sell out the surplus property to Tom, Dick, and Harry who may come to these huge warehouses and offer to buy.

Now then, I am advised that during the first 5 months of this year the RFC has been able to recruit some 750 salesmen located in the 23 or 24 existing disposal warehouses throughout the country. The statistical information which I have also been able to obtain indicates the total volume of sales during the first 5 months, and working it out on a projected year's basis, using the number of salesmen that they have presently employed, and taking an anticipated volume of $100,000,000,000 worth of surplus goods, a mere, simple mathematical computation will demonstrate that it will take about 950 years to dispose of the surplus goods at the present rate of disposition.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. SHORT. One would think from the elaborate set-up, which the gentleman so well described, that the administrative cost would almost equal the total receipts that the Government would get from the sale of these goods and commodities.

Mr. KEEFE. I presume so. But what I have to say I do not want to say in a critical manner. I realize the tremendous burden that faces the disposal agencies and I am greatly concerned about it. I think it is time Congress began to take a look at this picture.

Mr. SHORT. Are these Government warehouses going to operate in competition with private enterprise?

Mr. KEEFE. Of course. It could not be any other way. Congress indicated when this matter was before it and they wrote into the bill itself a declaration of intent showing the intent of Congress, which was that surplus goods were to be disposed of as nearly as possible and whenever possible through the regular channels of distribution. Now the fact of the matter is, I am advised, that the disposal agencies now contend the regular channels of distribution are utterly unable or unwilling to absorb these surpluses and they have been compelled, in order to make any showing at all, to resort to a system of salesmanship and sales in the regular retail manner.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. COOLEY. Does the gentleman think the Department can justify circumventing the law in the manner which the gentleman has indicated and if he does not agree that they have a right to dispose of the property in the manner suggested that we have a committee of Congress which is authorized to look into a situation of that type? It seems to me the Smith committee should give the matter its attention.

Mr. KEEFE. May I suggest to the gentleman that I am quite familiar with the law which Congress passed. While Congress declared its intention, you see, to have these surplus goods distributed through the regular channels of distribution wherever possible, that provision is not mandatory upon the disposal agencies. And where it is found they cannot make such distribution through the regular channels of distribution they are at

liberty, in the exercise of their discretion and sound judgment, to adopt some other means. Now, what they are actually doing, however, is to adopt the other means. What I am fearful about is that there will take place in this country the very thing that the Congress did not want to see take place, and that is the establishment of several hundred huge retail stores where they have thousands of salesmen working out of these stores on the Government pay roll in order to sell these goods to Tom, Dick, and Harry. I know of some of these warehouses in operation today in Boston, New York, Philadelphia, and other places where they have from 50 to 75 salesmen under high-pressure methods going out and through their advertising campaigns contacting every available customer they can find in the area.

With respect to durable goods, if they are going to load up the garages, machine shops, and other users of such durable goods with these surpluses, where are the manufacturers of such durable goods going to get the orders which will permit them to employ the 60,000,000 people who are envisioned as being necessary to sustain our economy in the postwar period?

Mr. COOLEY. Are those salesmen dealing in durable goods or perishable goods, or both?

Mr. KEEFE. They are dealing in consumer goods and durable goods. I do not know anything about the War Food Administration and what, if anything, it has done with respect to perishable goods. The things I am talking about are machine tools, automobile accessories and parts, and jacks, and so forth; goods of that kind which are cluttering up these warehouses and which they are going to get rid of through the means of salesmen who are hired in large numbers to go out and canvass the trade, just as the representative of any jobber or retailer would do.

Mr. COOLEY. In regard to automobile parts and accessories, does not the gentleman believe that the Government might work out some satisfactory plan of releasing these accessories back to the original manufacturers to be distributed by them in the regular or normal channels of trade?

Mr. KEEFE. My only purpose in speaking this afternoon is to call it to your attention. You will have opportunity to go to one of these warehouses when you go home, perhaps. Go out to the warehouse itself and see how it is operated. I think you will find that what I tell you this afternoon is the truth. If you want to see set up in this country a method of distribution of surplus goods which will be in direct competition with private business, then allow the present program of RFC to be continued. What the alternative is presents the grave problem. I do not pretend to have the complete answer to the problem.

I do know, however, that we had a plan in my State for the disposal of these durable goods, which would have met many of the problems now confronting us. This plan was rejected by the Congress and the committee. I think we are going to reach the point, and I offer this as a suggestion, where a tremendous amount of these goods can be properly turned over either as a gift or for a nominal amount to school systems and municipalities, counties, townships, and charitable institutions which can use this material in the public interest. Such school systems, townships, and municipalities would not normally be in the market for these durable goods if they had to buy them from the regular manufacturers. Some program has got to be worked out to dispose of this huge surplus. I am not advocating this method of disposal but I believe it must receive consideration in view of the situation now confronting us.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. The Chair would call the gentleman's attention to the fact that there is another special order.

Mr. RICH. I have no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. BRADLEY of Pennsylvania. Mr. Speaker, reserving the right to object, I ask unanimous consent that on completion of the other special orders already agreed to I may address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin [Mr. KEEFE]?

There was no objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. BRADLEY]?

There was no objection.

Mr. COOLEY. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes following the disposition of other special orders.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that I may proceed for 10 minutes following the other special orders.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield.

Mr. MURDOCK. The gentleman has approached a matter in which I am very much interested. I think we have made a mistake in the administration of this law that we have not turned over some of these goods of an instructional nature to the schools. Also where books have been declared surplus they should be turned over to the American Library Association for use in our libraries.

Mr. KEEFE. I thank the gentleman for his contribution.

May I say this, I think the Congress is going to have to resurvey this matter of the disposition of surplus goods. I am calling it to your attention now. When you go home on this recess which is contemplated, you will have an opportunity to actually see this thing in operation. You will have to determine what, if any, are the impacts that will be made upon the normal economy of the Nation through the medium of the exercise of these programs of disposition, through what I term "huge retail stores" throughout the country. It concerns me. I do not have the answer to give this afternoon. I believe I have some concrete suggestions which I will submit to the Congress when I return. I had the privilege of sitting in with some of the best minds of the State of Wisconsin, in an attempt to provide a plan. They sat down and adopted a program which was called the Wisconsin plan of disposition. The Congress has not seen fit to incorporate that in the program. I am satisfied that before we get through we will have to come to some such program or we will never dispose of these surpluses. They will rust out and rot out before you will ever be able to get rid of them.

Mr. MURDOCK. Will the gentleman yield?

Mr. KEEFE. I yield.

Mr. MURDOCK. The soil-conservation districts and other Government agencies and semi-Government agencies could use this material and they are calling for it.

Mr. KEEFE. I am in favor of turning over to governmental agencies and school systems these surplus materials which they can use in the public interest and which would not be competitive with the manufacturers of those same things, who are seeking to get back into postwar production. Such items would be those which they normally would not buy at this time, but which they could make good use of in the public interest.

Mr. REED of New York. Will the gentleman yield?

Mr. KEEFE. I yield.

Mr. REED of New York. I brought up this question of surplus goods being turned over, where adaptable, to the schools. Many schools in the country would like to equip their shops with much of this machinery for vocational institutions, both in agriculture and under the Smith-Hughes Act. There are other schools which have school bands, especially the smaller schools, which would like to avail themselves of the band instruments which have been declared surplus.

Mr. KEEFE. May I say to the gentleman we have very good precedent for that being done. When we decided to abandon the National Youth Administration it did not take the Congress very long to decide upon the method or program for the disposition of its assets. We gave outright to the vocational schools of this country, machine tools and equipment that were located in those schools that had formerly been the property of the National Youth Administration. We have in large measure done the same thing with the assets of the Civilian Conservation Corps, except such as were taken by the Army and the Navy for Army and Navy use. We have it within

our power now. We have turned over the use of machine tools that are located in the vocational schools of the Nation to those schools. We did it in a bill which you just passed.

In the last Labor and Federal Security Agencies bill we turned the use of those machine tools over to the school system where they are located, and I hope in the next bill we will turn title to those machine tools over to them and keep them in use, make some use out of them instead of having them transferred all over the country, stored in these warehouses where it will perhaps be years, and years, and years, before they will ever leave the warehouses again with all the expense attendant upon warehousing, storing, inventorying, and looking after them and attempting to sell this property throughout the country. This is a huge problem, Mr. Speaker, and one that staggers the imagination when you stop to think that the Chevrolet Motor Co., for instance, with its thousands and thousands of salesmen throughout the country, nearly 30,000 of them, in a year sell only a billion dollars' worth of new goods. How many men will you need to sell this used equipment?

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin may proceed for two additional minutes.

The SPEAKER pro tempore. The Chair again calls attention to the fact there are 4 special orders to follow the gentleman from Wisconsin.

Mr. RANKIN. We have plenty of time, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Mississippi asks unanimous consent that the gentleman from Wisconsin may proceed for two additional minutes. Is there objection?

There was no objection.

Mr. KEEFE. Mr. Speaker, I call attention to that fact that in the case of a great corporation like the Chevrolet Motor Co., to sell 1 year's product of a billion dollars' worth of new cars utilizes the services of thousands of agencies throughout the country and all told about 30,000 salesmen. How many salesmen will you have on the pay roll to sell a hundred billion dollars' worth of used equipment scattered throughout the United States and in foreign countries, the Territory of Alaska, and so forth?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Mississippi.

Mr. RANKIN. I agree with much of what the gentleman has said. We also have large amounts of wire, transformers, and electric meters. Would the gentleman also be willing to see that this material is supplied to the cooperative power associations throughout the country to help electrify the farm homes of the Nation?

Mr. KEEFE. I cannot say to the gentleman from Missisippi that I am in a position to make a categorical answer to that statement, I am not familiar enough with the situation. But I do want to call your attention to this whole problem, because I believe we are going to run into a tremendous impasse before this thing gets along very much farther. The question that has resolved itself in my mind is: When all the surpluses have been sold how much has the Treasury of the United States actually been benefited? And further what has been the impact upon the retail merchants of this country, on the jobbers, distributors, and the manufacturers? And what is the impact going to be on our attempts to get men back into jobs and get plants going? I tell you, Mr. Speaker, it is time that the Congress began to take a look at this problem, or it will be too late.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has again expired.

EXTENSION OF REMARKS

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. CLASON asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 5 minutes.

WAR VETERANS AND THE UNIONS

Mr. RICH. Mr. Speaker, I asked for this time because I believe in freedom of speech, and the freedom and liberty that the American Constitution has given the citizens of our country all these years. I believe freedom in education and private initiative in itself has made this country the greatest country on the face of the earth and I do not want to see this freedom of action get away from us. I was very much interested in the statements made by the gentleman from New York [Mr. CELLER] and I interrogated him in reference to that provision of the Selective Service Act requiring that the business people of this country give their employees who were drafted into the armed forces the same jobs when they come back from war that they had when they entered the service. It is a fine thing for the Congress to want the business people of this country to do and it is a fine thing on the part of the business people of this country for them to try to do it, because those boys have seen a lot of hard times and have made a great many sacrifices in order to maintain liberty in this country of ours.

The point I want to make is this: When they return and ask for their jobs, if that plant has been unionized in their absence and is now a closed shop, the man who operates it must either comply with the contracts made with the union that compels that serviceman to join the union before he can get a job or if the soldier does not see fit to join the union and still insists that his old job be restored to him and the businessman complies, then the union men will probably strike on account of the closed-shop agreement. I do not believe in that kind of coercion. I believe the worst thing we have in this Nation—a thing that everyone dislikes—is being compelled and coerced into doing things. This applies to both labor and business. I think the matter of selecting employment should be the freedom and pleasure of everyone who wants to work and earn his livelihood by his own hands and brain.

I asked the gentleman from Pennsylvania [Mr. BRADLEY] to remain because he made a statement about me saying that I was against unionism in all its forms, or words to that effect. If people want to join a union, that is their business; that is the right of every individual; they have that right; and I do not believe anyone can take that right away from them. On the other hand, no one can operate a business today without labor. That is the most important thing he has in his establishment. Good labor, labor that you can trust, is necessary for any business, and the way I like to see business run is to give your employees every opportunity, pay them the best wages you can, and give them all the advantages that it is possible to give them. We cannot run a business without that help; and if I cannot give labor all those advantages, then I do not want to be an employer of labor, and I do not think labor would want to work for me under any other circumstances.

In my own organization they have their own set-up. They sit in with us when we have our monthly meetings and they listen to what is going on through their own elected representatives. They have a part and say in the operation of the business. It is a copartnership between labor and management, and that is what I want to see in this great country of ours in all business enterprises.

Mr. Speaker, the thing that bothers me considerably at this time is the fact that we are having so many strikes. Labor promised the American Government that it would not strike; however, we do have a big strike in the rubber industry at Akron at a time when the Army states it only has a 12-day supply of rubber. It seems to me these things should be arbitrated and the men should stay at work in order to furnish the tires that are necessary to carry on this war and to give everything possible to those boys across the sea. When the soldiers go from the east coast to the Pacific islands with the idea and knowledge that we have strikes in this country and that we might not be able to furnish them with what is required to win this war over there, they must be disturbed and very discouraged. It is a terrible feeling for them to have. They might get over there and not have the necessary tires for the automobiles and trucks.

Suppose the Army would strike; what would happen to our country? We do not expect the Army to strike and they do not. Thanks to our armed forces.

We do not expect labor to strike in war plants but some of them do—why? Is it radicals in the unions—I think and believe so, and the unions should clean up their own house of crackpots and radicals and all good thinking Americans in and out of unions should help to that end.

I believe in the Golden Rule and whenever we run the Government with the Golden Rule in mind that is the way I want to see it operate. That is the way I want to see business operate.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Under previous order of the House, the gentleman from Pennsylvania [Mr. BRADLEY] is recognized for 5 minutes.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I requested this time because my colleague from Pennsylvania said he intended to make reference to me. Nothing he said requires rebuttal on my part, and I therefore yield back the balance of my time.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from North Carolina [Mr. COOLEY] is recognized for 10 minutes.

Mr. COOLEY. Mr. Speaker, on yesterday my colleagues, the gentleman from Tennessee [Mr. EARTHMAN], the gentleman from Alabama [Mr. GRANT], and I made an unofficial report to the Pace food committee, and I desire to repeat here some of the things I stated to the committee at that time.

A mere display of sentiment on behalf of hungry people is a sad redemption of the pledges we have made to the once oppressed and now liberated people of Europe. They must be fed. The utmost of our human and our material resources must be employed and utilized fully in the great task we have taken, There must be no selfish planning. Food is an international problem of first magnitude and to a proper solution of the great problem each nation must make a contribution and there must be extensive collaboration between the representatives of each government concerned.

We must emphasize that it is the primary responsibility of each nation to provide food for its own people. This fact cannot be too greatly emphasized.

"Food and raiment are magic words in any language." That is one of the eloquent expressions employed by our former colleague, Hon. Marvin Jones, in his magnificent speech at the opening of the plenary session of the United Nations Conference on Food and Agriculture, which convened at Hot Springs, Va., on May 18, 1943. Never before in the history of recorded time has that expression been so significent and so full of real meaning. The significance of the statement is emphasized when you look into glaring eyes and the gaunt and pinched faces of those who have been liberated from the Nazi ordeal of starvation, as I did during my recent visit to the liberated areas of Europe.

Marvin Jones, Chairman of the United Nations Conference on Food and Agriculture, made another profound statement:

> It is the prayer of all that after this war the people of the world will escape hunger and famine.

We hope that the war in Europe is over; at least there has been a cessation of hostilities, but the fact remains that the people of Europe are now facing hunger and famine. Food is the most urgent problem of Europe, and, frankly, it is becoming a very urgent problem even here at home, but fortunately we have not, here in America, yet experienced the pangs of real hunger. Modern nutritional science has pointed the way to physical strength and health, and modern technology has demonstrated methods of production which should enable the people of the world to provide adequate food and fiber for themselves, but unfortunately the problems of food for the populations of the world have not yet been solved. Food is the most fundamental of all our problems. Hungry people do not make wise political decisions, nor do they build strong institutions. Certainly America cannot feed all of the people of the world. Our country is no longer the land of milk and honey, but we can at least furnish the leadership which is so desperately needed in other parts of the world. To liberate people from the fear of tyrannical power and from the oppression of ruthless dictators, and fail to liberate them from human hunger and distress, is incompatible with both the letter and the spirit of the Atlantic Charter.

America furnished real leadership when our Government extended the invitation and made arrangements for the United Nations Conference on Food and Agriculture, and it was both fitting and proper that the very first conference among the United Nations concerned itself with the vital problems of food and the products of the soil. But what is the position of America today in the eyes of those nations which participated in the Conference at Hot Springs more than 2 years ago? Frankly, we have been guilty of a dereliction of duty. That Conference adjourned on June 3, 1943, more than two long years ago. Following adjournment a report of the business transacted, declarations of policy, and many recommendations were made public. Although 22 nations represented at the Conference have authorized participation in an international food commission or agency, our country, the very first to recognize the importance of the problems involved, has not until this good hour made up its mind to join with our allies and friends in an effort to solve the paramount, great, and complex problems which received such careful attention at the Hot Springs Conference.

The Hot Springs Conference recognized the fact that freedom from want could not be achieved without extensive collaboration among nations and concerted discussion of food, agriculture, and related problems. The Conference recommended and called upon the governments and authorities there represented to establish a permanent organization in the field of food and agriculture, and we have not yet provided for our Nation's participation in that organization. Certainly our active and effective cooperation and our leadership is urgently needed at this very moment. I am sure that you will agree that this important matter should not be longer neglected. No doubt those of our officials who so enthusiastically supported the recommendations of the Hot Springs Conference have been greatly embarrassed by the inexcusable delay on the part of our Government to authorize participation in the deliberations and acts of an international agency, authorized to deal with problems which are so vital to the welfare and the health and happiness of the people of the world.

Millions in the liberated countries are now being fed from warehouses, which certainly do not contain inexhaustible supplies. Millions in the liberated countries are now in utter idleness and in desperate need. There is a shortage of food and fuel and countless thousands are homeless. Untold thousands are entombed in the debris of the bombed and blasted industrial areas of Europe. An epidemic of tremendous and devastating proportions is entirely possible. Transportation systems have been completely destroyed, and the situation generally is deplorable. In the language of the soldier, "Germany has had it," and, frankly, Germany should never be permitted to rise again to a position of power. While I realize that the annals of human depravity might be safely challenged for a parallel to German atrocities, I still feel that the spirit of the Atlantic Charter, as well as the ethics of civilization dictate that we and our allies should act with great diligence and dispatch in providing essential nutritional needs for those who are now suffering the pains and penalties of war and are experiencing the pangs of hunger and distress. Surely this is not solely America's responsibility. It is the obligation of human society, and that is the reason why we should now expedite final action upon House Resolution 145, which passed the House several weeks ago, but final action upon which has not yet been taken.

The world is looking to us for leadership and the good faith of our Republic should no longer remain in doubt concerning the consummation of an international organization to deal with food and agriculture, an organization through the efforts of which we may hope for a solution to the food problems of the world at the earliest practicable date.

Yesterday my colleagues and I urged that the scope of that study being made by the Pace committee be broadened so as to embrace food as one of the great problems of the world. I do not believe we have ever had enough food in the world, but I do believe that by diligent effort on the part of the people of the world we can provide essential nutritional needs.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. I yield.

Miss SUMNER of Illinois. As I understand the agreement which the gentleman is urging for the international agricultural and food organization, it has a provision by which this international organization could subpena any processor of an industry and obtain all their patents and formulas to give to this international organization. That is a very dangerous bill.

Mr. COOLEY. Does the gentlewoman mean House Resolution 145?

Miss SUMNER of Illinois. Yes; the one that passed the House and which is supposed to come up this week in the Senate.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Speaker, I ask unanimous consent to proceed for three additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Certainly the lady would not have any objection to America's participating in the organization contemplated by the Hot Springs Conference?

Miss SUMNER of Illinois. That agreement is a very dangerous thing.

Mr. COOLEY. As I understand it, a constitution was prepared and has been ready for approval since August 1944. But notwithstanding almost a year has passed, our Nation is in the ridiculous position of having called upon the other nations of the world—44 in number—to come to our shores to meet at Hot Springs for the purpose of trying to solve one of the vital problems of the world, and now, although we took the leadership at that time, we stand before the world at the present moment having failed to approve our participation in the organization contemplated by the recommendations of the Conference.

Miss SUMNER of Illinois. We would look a thousand percent more ridiculous if we pass it.

Mr. COOLEY. I do not agree with the gentlewoman. She is of course entitled to her opinion.

My recollection is that the resolution passed the House by an overwhelming majority.

I yield to the gentleman from Wisconsin [Mr. MURRAY].

Mr. MURRAY of Wisconsin. May I point out in connection with the gentleman's discussion, which is very valuable, that the FAO is only an expansion of a program which has been in operation many years and which is for the purpose of trying to get the peoples of the world to feed themselves. There is nothing in it to require us to feed the world.

Mr. COOLEY. That is right. The gentleman is exactly right. But it will be an agency which will be charged with the responsibility of collecting very vital and important information and disseminating it among the nations of the world so as to prevent great surpluses in some corners of the world while a deficit of food exists in other sections of the world.

Mr. MURRAY of Wisconsin. That is the way I understand it.

Mr. COOLEY. I yield to the gentleman from New York [Mr. REED].

Mr. REED of New York. Referring to the Hot Springs Conference of 44 nations, at which I believe over 300 delegates attended, they made some very important findings which I think ought to be made a matter of record. I think the gentleman is probably familiar with those findings.

Mr. COOLEY. Yes.

Mr. REED of New York. The first finding was that man is a consumer of food, and the second finding was that the question was one of domestic concern for the nations.

Mr. COOLEY. My recollection is that they made numerous recommendations concerning food from an international standpoint.

Mr. SPARKMAN. Mr. Speaker, will the gentleman yield?

Mr. COOLEY. Yes.

Mr. SPARKMAN. It is true, is it not, that the resolution which the gentleman referred to and which the House passed some time ago, is simply carrying out our part of the agreement which was reached by the representatives of all the 44 nations?

Mr. COOLEY. The gentleman is entirely correct.

The SPEAKER pro tempore. The time of the gentleman from North Carolina has again expired.

EXTENSION OF REMARKS

Mr. DICKSTEIN asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. GREEN. Mr. Speaker, I ask unanimous consent that after the disposition of the other special orders today, I may address the House for 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent that the Committee on Military Affairs may have until midnight tonight to file reports on five bills.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXTENSION OF REMARKS

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an article by General Wedemeyer.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana [Mr. BROOKS] is recognized for 10 minutes.

WAC, A TRULY GREAT ORGANIZATION

Mr. BROOKS. Mr. Speaker, the fury of the battle, both in Europe and in the Pacific, has brought to the top names of many heroes in action. The daring exploits and courage of these soldiers are on the tongues of everyone; and a nation properly pays devout homage to them. At the same time, quietly and unobtrusively—yet most efficiently—the Women's Army Corps is at work in all parts of the globe giving to the Nation service the type and courageous character of which is just now becoming fully to be appreciated by the American public. This great organization is just now reaching maturity. It is becoming of age.

Not a great deal has been said recently about the work of the WAC. We have been intently studying the battle headlines. I have therefore asked the War Department for some data showing the full scope and character of the work of this organization; and I take this opportunity of presenting some of this material to you.

On May 14, 1942, the bill—Public Law 554—was passed by Congress and signed by the late President Roosevelt. Two days later Mrs. Oveta Culp Hobby, of Houston, Tex., was sworn in as its director, with equivalent rank of a colonel in the Army of the United States.

Three years is a brief moment in history. Yet, in that short span of time the WAC has reached an acknowledged maturity. Its rapid advance may justly be called an American epic. The corps is now almost 100,000 strong. Of this number, over 16,000 are overseas. They are serving in England, north Africa, Italy, France, Belgium, and Germany. Many are in Egypt, India, New Guinea, Netherland East Indies, Hawaii, Australia, and the Philippines. Others were sent to Bermuda, British Columbia, Labrador, and Alaska.

TRAINING CENTERS

In the summer of 1942 the first WAAC training center, at Fort Des Moines, Iowa, was ready to receive enlistees. Thirty thousand applications for officer candidate school had been received. Of this number, 1,300 were accepted. The task of narrowing down the choice was in itself prodigious. In each of the nine service commands and in Washington, where WAAC headquarters were established, qualified women educators and psychologists volunteered their aid in interviewing and enrolling members of the corps. Both mental, moral, and physical requirements were high for those women who were to form the nucleus of this new army.

With the rapid growth of the corps, a second training center was activated at Daytona Beach, Fla., in October 1942. During the early months of 1943, the third, fourth, and fifth training centers were added—Fort Oglethorpe, Ga., Fort Devens, Mass., and Camp Ruston, La., respectively. The latter had additional sections at Camp Polk, La., and Monticello, Ark.

The WAAC was fast marching toward the destiny awaiting at the end of its first year of service. July 1, 1943, Congress passed the law incorporating it into the Army of the United States. Members of the original auxiliary were given the choice of returning to civilian life or reenlisting in the WAC. The majority chose the latter course.

BASIC TRAINING

When an enlistee is called to active duty, she goes immediately to one of the training centers. At the present time, Fort Devens, Daytona Beach, and Camp Ruston have been inactivated. Some training for hospital technicians continues at Fort Oglethorpe, but this post is expected to cease functioning as a training center July 20, 1945. The greater part of the training is now given at Fort Des Moines, Iowa.

During the 6 weeks of basic training, the woman soldier completes the transition from civilian to military status. The first few days are spent at the reception center, where she is completely outfitted with everything she will wear "for the duration." Here, also, she is interviewed, and her civilian background translated into Army requirements. Every effort is made to put the right woman in the right job.

Completely outfitted, the enlistee is now ready to learn about Army life. Some find it the hard way—certainly it is the healthy way. She lives in barracks of Spartan simplicity. She learns to get along with other women of diverse ages, from every part of the country, and from every strata of society. Close order drill teaches her the value of discipline and trains her to react instantly to commands. Eight hours of class work is the order of the day. Military customs and courtesies, organization of the Army, map reading, first aid, and other subjects necessary for military efficiency are in the curriculum.

FOOD

The United States Army is reputedly the best-fed armed force in the world. Uncle Sam provides the finest food—for the women's army, trained WAC cooks and bakers see that it is properly prepared. In the field, the WAC mess hall is usually the most popular on the post. A few months ago it was decided that members of the corps were beginning to show signs of being too well fed. The master menu, made up in Washington, was immediately changed to include less starches. The saving to the Government was $2,700,000 yearly.

SPECIALIST SCHOOLS AND OFFICER CANDIDATE SCHOOLS

For the enlisted woman who can qualify, numerous specialist schools are available. Motor transport is one of the most popular, with radio school a close second. Excellent courses in photography are on the list for those who show promise in that line. In fact, practically all of the schools for enlisted men were opened for the woman soldier. Officers are eligible for all of the officers' schools, including the command and general staff school courses, not essentially tactical in scope. All officers in the Women's Army Corps are chosen from the enlisted members of the corps.

OVERSEAS TRAINING

More than 16,000 women are now serving overseas. Before assignment to foreign duty, WAC's are required to pass rigid physical tests and undergo strenuous training to prepare them to withstand conditions behind the lines. They are trained to dig and duck into fox holes—gas-mask drill is constant—and a long forced march with full pack is one of the "musts." Some are unable to meet the physical requirements and are returned to the posts from which they came, or reassigned. The majority, however, are able to take it, and when they clamber aboard the transports at ports of embarkation, it is with the sure knowledge that they are in the best physical trim. These precautions have paid dividends in the extremely low record of illness of the overseas Wacs.

At the time of the inception of the corps, only four types of jobs were planned for the woman soldier. These constituted routine office work, motor transport, cooks, and bakers, and communications. At the present time, WAC's are assigned to 239 different types of jobs. The past year has seen great progress in unusual and technical jobs for members of the corps. Approximately 30 women, as plane radio operators, or crew chiefs are on flying status, drawing additional flight pay. During this banner year, also, WAC's have been assigned to ships' crews as radio operators. Others are doing highly technical work with the Ordnance Department in ballistics laboratories, and in inspection of artillery and ammunition. One of the miracles of the present war is the manner in which the ASF solved the complicated problems of supply for troops fighting thousands of miles from their home shores. Both on the home front and overseas, many WAC's are successfully coping with the complexities of logistics. There are more than 20,000 Wacs employed as technicians and clerical assistants in Army hospital installations.

ZONE OF INTERIOR WAC'S

Although the WAC's in foreign assignments have received more publicity, the greater part of the corps is still in this country. At proving grounds, arsenals, camps, and airfields, they are carrying a great share of the administrative functions. In communications, message centers, photo labs and drafting rooms, they are standing behind our fighting forces just as surely as those WAC's behind the lines.

LIVING CONDITIONS OF THE OVERSEAS WAC

Conditioned by the rigorous training required, the WAC is prepared to undergo the discomforts found in some areas to which they have been assigned overseas. To a great extent, comfortable quarters have now superseded the makeshift billets of WAC's who were close to the front lines. Their quarters include everything from tents, barracks, and Niesen huts, to historical chateaux, former monasteries and convents, girls' schools, and metropolitan hotels. The ingenuity of the woman soldier in the tropics of the southwest Pacific has been widely publicized. From the jungle, attractive day rooms and recreation halls sprang up almost overnight. Even the smallest pin point island where WAC's are stationed boasts a beauty shop.

ARMY OF OCCUPATION

It has been decided that the Women's Army Corps will form part of the Army of Occupation in Germany. It has been demonstrated that there are a number of Army jobs such as clerical, stenographic and communications, that WAC's perform better than enlisted men. Many women officers for months have been training at specified universities to take their places in the American Military Government of areas which we shall be required to administer for some time to come.

DEMOBILIZATION

With the ending of the conflict on the European continent, the War Department has issued several new regulations for the corps. Women over 40, who have served for at least 1 year, may now request discharge. Others, whose husbands are being released from the armed forces, may also return to civilian life. Those seeking discharge for this reason must have been married prior to May 12, 1945. A point system, similar to that of the enlisted man, has been set up for the WAC. The required score—44—naturally is lower than that for the men. A lower-point score for women was designated by the War Department primarily because women are noncombatant and are therefore ineligible for combat points.

Mr. Speaker, I think anyone who carefully studies this record of accomplishment of the Women's Army Corps will begin to appreciate the efficient and superb work of these young women who have dropped civilian pursuits to answer their country's call in its darkest hour. These things cannot be done, however, without organization and leadership; and the wisdom of placing at the head of the WAC at the infant stage of its organization, Mrs. Oveta Hobby is well borne out by the subsequent period of expansion and of achievement. Both literally and figuratively, our hats are off to Colonel Hobby for a tough job well done.

Although Colonel Hobby now has under her command almost 100,000 young women, by the edict of congressional legislation passed at a time when we were creating the WAAC, she cannot claim higher honor than that of a full colonel in the Army. Congress did not envision at the time the law was being enacted a great organization aiding and assisting our war effort all over the world. This thing has simply gotten beyond our original ideas.

In no other branch of the service does an officer holding the rank of colonel command so many troops. Under the tables of organization of the Army, a brigadier general is supposed to command a triangle division consisting of 10,000 troops. In the WAC a colonel commands 10 times this number. This arrangement is not fair to the head of the Women's Army Corps. It is not fair to its officers and it is certainly not fair to these 100,000 patriotic young women who are efficiently and loyally serving the Army during this great crisis. In addition to this, the lack of a sufficient number of high-ranking officers—the colonel being the ceiling—seriously interferes with the normal handling of commands through the operations of the WAC. The WAC is entitled to more consideration. It is a great organization and is entitled to be treated as the truly great organization which it is.

Recently, Mr. Speaker, bills have been passed through Congress authorizing five stars to be given to our outstanding generals such as Gen. George Marshall, Gen. Dwight Eisenhower, Gen. Douglas MacArthur, and others. Additional stars have been added to the shoulders of other well known and efficient male leaders of the Army. This is well and good. These promotions were needed to keep pace with the size and development of the Army. But, Mr. Speaker, while we are passing the honors around, let us not overlook the young women of the country. By size, performance, brilliance of leadership furnished and by every criteria the WAC should be headed by an officer with the rank of a general officer. For recognition during its infancy, for conscientious and laborious effort during its period of adolescence, for efficient and brilliant service during its maturity, Col. Oveta Hobby is entitled to promotion to the rank of major general of the Women's Army Corps.

The SPEAKER. Under the previous order of the House, the gentleman from Pennsylvania [Mr. GREEN] is recognized for 5 minutes.

VETERANS AND LABOR UNIONS

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania may proceed for two additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Speaker, I have asked for this time to discuss a bill that was reported out of the Committee on World War Veterans' Legislation on Friday of last week in my absence. I did not have an opportunity to voice my opinion or cast my vote on this piece of legislation, and I wish to take advantage of this occasion to say that I am unalterably opposed to the legislation. I want also to inform the membership from my own observation and from what I could learn from committee members who were present how this piece of legislation was reported out of the committee without a hearing.

One of the members of the committee who had been acting as chairman in the absence of the gentleman from Mississippi [Mr. RANKIN] when this bill was being discussed, promised a person interested in being heard by the committee an opportunity of appearing before the committee before the bill was reported out. On Friday last, when the chairman brought the matter before the committee, I am reliably informed that it was brought to the attention of the chairman that this request had been made and assurance had been given by the acting chairman to interested parties that they would be given a hearing before the bill was reported out. This evidently did not receive very much consideration from my colleague the gentleman from Mississippi [Mr. RANKIN].

I am also reliably informed that 12 members of the committee were present at the time, that there was no record vote on the matter, but that the bill was reported out by a vote of 4 to 3.

Controversial legislation of this sort I certainly believe should be given a little more consideration by the chairman of the committee and the members than to be hurriedly reported out. It may be the chairman was acting within his rights, but certainly on matters of this kind I should like to have an opportunity to voice my opinion as a member of the committee.

This morning in an effort to have adequate consideration given this measure, during a meeting of our committee, I moved to vacate the proceedings by which the bill was reported but the gentleman from Mississippi [Mr. RANKIN], the chairman, refused to allow a vote on this motion and ruled it was out of order.

As a veteran of this war, I am glad to congratulate labor on the wonderful job it has done in the war effort, and I wish to quote a paragraph from a report of the Truman committee of last year. We have heard a lot of stories about labor's not cooperating in the war effort, but I believe if a person wants to get the facts of the matter by looking into the production of the country that person will see that these stories are nothing but myths.

I call your attention to this statement which appears in the report of the Truman committee:

> To make all this [outstanding production] possible, our workers * * * contributed 45 percent more man-days of work in 1943 than in 1939, despite the fact that 10,000,000 * * * were * * * in the armed forces. In manufacturing alone our workmen contributed 89.6 percent more man-days in 1943 than in 1939. This outstanding performance exceeds anything of its kind in the history of the world. The results obtained are the best answer to the critics of the home front.

Offsetting the great publicity that is always given any strike that is called in the country—and I am sure that every one of us feels that in wartime strikes should not occur and I believe we are all against wartime strikes—yet offsetting the publicity given them we must not forget that many manufacturers today are trying to grasp an opportunity to break the back of labor and break unions with the possibility of waving a flag in their hands at the same time. I represent one of the strongest industrial sections of this country. In northeast Philadelphia we have produced more implements of war in the last 4 or 5 years, I believe, than almost any other section of the country; and I know that those fellows and many of the union fellows in my district are in the armed services giving everything they have in the interest of winning this war. I feel it is my obligation and my duty as a new Member of the House, as a veteran of this war, and as a representative of my people to say that I think that this piece of legislation is very much out of place. Mr. Speaker, I understand that under the Rules of the House I can ask unanimous consent to have this piece of legislation sent back to the committee.

In view of the fact this piece of legislation has been reported out of the committee, may I say that a minority report has been filed and a majority of the members of that committee have signed it. Of 21 members of the committee 11 members have signed it, and I know 2 other members of the committee who would also be willing to sign.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. GREEN. Mr. Speaker, I now ask unanimous consent to have this legislation sent back to the Committee on World War Veterans' Legislation for further consideration.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RANKIN. Mr. Speaker, reserving the right to object, it is true the gentleman from Pennsylvania was not here last Friday, but the chairman of a committee has no power to keep other members of the committee present when considering legislation.

This measure had been pending before the committee for some time. We were considering amendments to the GI bill and I offered this bill as an amendment to that measure. Some of the Members objected and said it ought to be separate legislation. I said, then, we would take it up as a separate bill and I offered to report it as a separate bill and moved that it be reported as a separate bill. We took a vote on that motion and the motion carried.

Mr. GREEN. May I ask a question?

Mr. RANKIN. Yes.

Mr. GREEN. Was it not brought to the gentleman's attention by a member of the committee that when he had been sitting in the chair as chairman——

Mr. RANKIN. Oh, we had some argument over it.

Mr. GREEN. He promised there would be hearings on it?

Mr. RANKIN. The hearings on this legislation were held in Philadelphia, Pa., in 1776. This is restoring the right of the ex-servicemen of America to work for their daily bread without paying tribute.

Mr. GREEN. That is purely controversial. That is an opinion of yours.

Mr. RANKIN. I decline to yield further. If the gentleman from Pennsylvania wants to function on that committee, let him be there.

Mr. GREEN. I happen to be here.

Mr. RANKIN. Mr. Speaker, I am reserving the right to object.

Mr. GREEN. You are insinuating I was not here.

Mr. RANKIN. I merely said the gentleman was not there at the time.

Mr. GREEN. I happened to be in Washington.

The SPEAKER. The gentleman from Mississippi [Mr. RANKIN] has the floor under a reservation of objection.

Mr. MARCANTONIO. Mr. Speaker, then I demand the regular order. A unanimous-consent request has been made, and I demand the regular order unless the gentleman yields to the gentleman from Pennsylvania.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. RANKIN. Mr. Speaker, of course I object.

The SPEAKER. Objection is heard.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I want to complete my statement. When this matter was voted on in the Veterans' Committee, my recollection is there were 13 members present. Some of the Members of nearby States go home once a week and stay for 2 or 3 days, but I cannot help that. We were trying to get this veterans' legislation completed.

Mr. GREEN. Will the gentleman yield?

Mr. RANKIN. I decline to yield.

So, Mr. Speaker, when this motion was made, it carried and I announced that the motion had carried and that I would report the bill to the House. Any member of the committee could have demanded a roll call. A roll call was not demanded. They did not even ask for a show of hands. So the bill was legitimately reported and it is now on the calendar.

Mr. Speaker, some pressure has been brought to bear from the outside, not from the servicemen themselves, who are so vitally affected, to kill this bill. This morning certain Members want to make a motion to recall the bill from the House Calendar and discuss it further. I ruled that that motion was out of order, that the bill was already reported. It is on the calendar and it is going to stay there until it is disposed of by the Congress.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. Will the gentleman inform the House whether or not it is an accurate statement to say that the vote on the bill was 4 to 3?

Mr. RANKIN. I do not remember the exact vote. It carried by a reasonable majority. I so announced and everybody understood it, except, of course, those gentlemen who were away. They seemed to be disturbed when they came back, and wanted to recall the bill from the floor of the House, after pressure had been brought to bear.

Mr. Speaker, I am going to read into the RECORD some letters I have been receiving from discharged servicemen who have been going to these places where strikes are in operation and attempting to obtain work. Strikes are in effect in our defense industries now, slowing down the production of materials for the want of which American boys are dying in the Southwest Pacific every day.

When these servicemen go there and ask for work the demand is made upon them to make certain payments and to meet certain conditions that are unreasonable and un-American. We promised the servicemen of this Nation when they came back from this war they will be permitted to work for a living without paying tribute, and I for one propose to carry out that promise.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to proceed for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREEN. Mr. Speaker, it has been more or less inferred here that I was out of the city when this piece of legislation was brought up in committee. I want to state for the RECORD that that is not true. Being a new Member and having four committees to attend, and there being hearings by the Veterans' Committee practically every day to which I have given a great deal of time, I happened to be attending a labor committee meeting on the physically handicapped. I did not know that this piece of legislation happened to be before the committee, for if I had I assure you that I certainly would have been there and voted against reporting it out.

EXTENSION OF REMARKS

Mr. FISHER asked and was given permission to extend his remarks in the RECORD and include a radio address recently delivered by him.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BULWINKLE, for 1 day, July 12, on account of official business.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 13 minutes p. m.) the House adjourned until tomorrow, Thursday, July 12, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

609. A letter from the Postmaster General, transmitting a report on the estimated number of pieces of matter mailed free of postage under the penalty privilege during the quarter ended March 31, 1945; to the Committee on the Post Office and Post Roads.

610. A letter from the Assistant Secretary, Department of the Interior, transmitting copies of revised estimates of personnel requirements covering the quarter ending June 30, 1945, for various offices of the Department; to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 316. Resolution granting 6 months' salary and $250 funeral expenses to Muriel Abbott Marshall, widow of Joseph Marshall, late an employee of the House; without amendment (Rept. No. 878). Referred to the House Calendar.

Mr COCHRAN: Committee on Accounts. House Resolution 317. Resolution providing for the expenses of conducting the study and investigation authorized by House Resolution 255 of the Seventy-ninth Congress, incurred by the Committee on Roads, acting as a whole or by subcommittee; with amendment (Rept. No. 879). Referred to the House Calendar.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 3368. A bill making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes; with amendment (Rept. No. 880). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLOOM: Committee on Foreign Affairs. House Joint Resolution 204. Joint resolution requesting the President to use his good offices to the end that the United Nations invite Italy to be a signatory to the United Nations agreement; without amendment (Rept. No. 881). Referred to the House Calendar.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 1123. A bill to provide for a temporary increase in the age limit for appointees to the United States Military Academy; with amendment (Rept. No. 896). Referred to the House Calendar.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 320. A bill to amend the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the corps of cadets at authorized strength," approved June 3, 1942 (57 Stat. 306); without amendment (Rept. No. 897). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 1591. A bill to provide for the appointment of additional cadets at the United States Military Academy, and additional midshipmen at the United States Naval Academy, from among the sons of officers, soldiers, sailors, and marines who have been awarded the Congressional Medal of Honor; without amendment (Rept. No. 893). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 1868. A bill authorizing appointments to the United States Military Academy and the United States Naval Academy of sons of members of the land or naval forces of the United States who were killed in action or have died of wounds or injuries received, or disease contracted, in active service during the present war, and for other purposes; without amendment (Rept. No. 899). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPARKMAN: Committee on Military Affairs. H. R. 2525. A bill to include stepparents among those persons with respect to whom allowances may be paid under the Pay Readjustment Act of 1942, and for other purposes; with amendment (Rept. No. 900). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. S. 787. An act for the relief of Oliver Jensen; without amendment (Rept. No. 882). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 1090. A bill for the relief of Mrs. Margaret McWilliams; without amendment (Rept. No. 883). Referred to the Committee of the Whole House.

Mr. JENNINGS: Committee on Claims. H. R. 1457. A bill for the relief of Josephine Benham; with amendment (Rept. No. 884). Referred to the Committee of the Whole House.

Mr. RAMEY: Committee on Claims. H. R. 1636. A bill for the relief of Myrtle Ruth Osborne, Marion Walts, and Jessie A. Walts; with amendment (Rept. No. 885). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 1961. A bill for the relief of Florentine H. Keeler, Harold S. Keeler, and Genevieve M. Keeler; with amendment (Rept. No. 886). Referred to the Committee of the Whole House.

Mr. COLE of Kansas: Committee on Claims. H. R. 2166. A bill for the relief of Barbara Jean Tillman and Elizabeth Ann Tillman, minor daughters of Franz Tillman, deceased; with amendment (Rept. No. 887). Referred to the Committee of the Whole House.

Mr. GRANAHAN: Committee on Claims. H. R. 2172. A bill for the relief of J. Clyde Marquis; with amendment (Rept. No. 888). Referred to the Committee on the Whole House.

Mr. SCRIVNER: Committee on Claims. H. R. 2241. A bill for the relief of Florence Zimmerman; without amendment (Rept. No. 889). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 2335. A bill for the relief of Albert E. Severns; with amendment (Rept. No. 890). Referred to the Committee of the Whole House.

Mr. BARRETT of Pennsylvania: Committee on Claims. H. R. 2362. A bill for the relief of Edward Woolf; with amendment (Rept. No. 891). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 2452. A bill for the relief of Sam Kalak; with amendment (Rept. No. 892). Referred to the Committee of the Whole House.

Mr. HOOK: Committee on Claims. H. R. 2481. A bill for the relief of the estate of Ed Edmondson, deceased; with amendment (Rept. No. 893). Referred to the Committee of the Whole House.

Mr. BARRETT of Pennsylvania: Committee on Claims. H. R. 2684. A bill for the relief of Ensign Elmer H. Beckmann; without amendment (Rept. No. 894). Referred to the Committee of the Whole House.

Mr. McGEHEE: Committee on Claims. H. R. 3754. A bill for the relief of John R. Jennings; without amendment (Rept. No. 895). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SHORT:

H. R. 3755. A bill to establish an Optometry Corps in the Medical Department of the United States Army; to the Committee on Military Affairs.

By Mr. BOYKIN:

H. R. 3756. A bill to require the recording of agreements relating to patents; to the Committee on Patents.

H. R. 3757. A bill to provide for the public registering of patents available for licensing; to the Committee on Patents.

By Mr. BRADLEY of Pennsylvania:

H. R. 3758. A bill to authorize the erection in the District of Columbia of a monument in memory of Brig. Gen. William Mitchell; to the Committee on the Library.

By Mr. McGEHEE:

H. R. 3759. A bill to provide the Navy with a system of laws for the settlement of claims, uniform with that of the Army; to the Committee on Claims.

By Mr. PETERSON of Florida:

H. R. 3760. A bill for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida; to the Committee on Claims.

By Mr. WELCH:

H. R. 3761. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on the Judiciary.

By Mr. BROOKS:

H. R. 3762. A bill to so amend Public Law No. 212, approved June 30, 1932, as to extend the exemptions therein to all war officers who have been awarded retirement benefits on the basis of disabilities incurred in line of duty; to the Committee on Military Affairs.

By Mr. GREEN:

H. R. 3763. A bill to exempt certain telephone calls made by members of the armed forces of the United States from the tax with respect to long distance telephone calls; to the Committee on Ways and Means.

By Mr. GEELAN:

H. J. Res. 227. Joint Resolution authorizing the erection in the District of Columbia of a statue of Nathan Hale; to the Committee on the Library.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRANT of Indiana:

H. R. 3764. A bill for the relief of Ralph I. Stose; to the Committee on Claims.

By Mr. HOLMES of Massachusetts:

H. R. 3765. A bill for the relief of Herman Trahn; to the Committee on Immigration and Naturalization.

By Mr. JACKSON:

H. R. 3766. A bill for the relief of George Zook; to the Committee on Claims.

By Mr. KILDAY:

H. R. 3767. A bill for the relief of the endorsers of certain Government checks drawn to the order of Henry C. Schrader; to the Committee on Claims.

By Mr. McGEHEE:

H. R. 3768. A bill confirming the claim of A. B. Learned to certain lands in the State of Mississippi, County of Wilkinson; to the Committee on Claims.

H. R. 3769. A bill to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost in the disaster to the steamship *Maasdam* on June 26, 1941; to the Committee on Claims.

By Mr. SPARKMAN:

H. R. 3770. A bill for the relief of Lyndon T. Montgomery; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII,

1079. By Mr. LEWIS: Petition of citizens of Columbiana County, Ohio, urging early consideration and a favorable vote on the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

SENATE

THURSDAY, JULY 12, 1945

(Legislative day of Monday, July 9, 1945)

Dr. Horace E. Cromer, superintendent of the Washington East District of the Methodist Church, Washington, D. C., offered the following prayer:

Heavenly Father, God over all, fountain of all wisdom, we humbly bow before Thee in acknowledgment of Thy gracious guidance, of Thy unfailing mercy, and Thy overruling Providence. Grant that our labors here shall be an occasion for hope and a way to strength for all the people of the earth in this hour of severest need. Grant that truth, justice, right, become real on the earth. Grant that Thy holy will shall be done by us and by all men. Bless Thou us with wisdom, with understanding minds, and ready will to do this Thy will. Over our failures build a great strength. In spite of our folly, build an enduring wisdom. Beyond our selfishness build a vital helpfulness.

Forgive us our sins, O Lord. Guide us this day. The Lord bless you and keep you. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 9, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE OF REPRESENTATIVES DURING THE RECESS—ENROLLED BILLS SIGNED

Under authority of the order of the 9th instant,

The following message from the House of Representatives was received by the Secretary of the Senate on July 10, 1945:

That on July 10, 1945, the Speaker had affixed his signature to the following enrolled bills and they were signed by the President pro tempore:

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River;

S. 234. An act authorizing the construction of a free highway across the Yellowstone River near Fairview, Mont.;

S. 574. An act to extend the time for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.;

S. 672. An act for the relief of the legal guardian of Clifton R. Weir; and

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, returned to the Senate, in compliance with its request, the bill (H. R. 715) to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes.

The message announced that the House had passed the joint resolution (S. J. Res. 31) relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendment of the Senate to the joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. FLANNAGAN, Mr. COOLEY, Mr. CLEMENTS, Mr. HOPE, and Mr. KINZER were appointed managers on the part of the House at the conference.

The message further announced that the House had passed a bill (H. R. 3376) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, in which it requested the concurrence of the Senate.

SERVICE AND CONDUCT OF NEGRO SOLDIERS

Mr. WAGNER. Mr. President, 2 weeks ago, on the floor of the Senate, a most unwarranted attack was made on the patriotism of our Negro soldiers, who compose one-twelfth of our Army, and who have served ably and heroically on every battle front. In the course of his speech in opposition to the FEPC, the junior Senator from Mississippi [Mr. EASTLAND] asserted that the Negro soldiers were no good and that they had "no initiative, no sense of responsibility, very low intelligence, and were a failure." No evidence was offered in support of this astounding charge, but the Senator from

Mississippi implied that his charges were based on information received from American generals, whom he did not name.

Now, if there were any factual basis to these charges, certainly the War Department and the commanding generals of the Army would know about it. What are the facts? Let us see what those who are in the best position to know the facts have said about the performance of Negro soldiers.

At a press conference on July 5, Under Secretary of War Robert P. Patterson was asked if the statements made by the Senator from Mississippi [Mr. EASTLAND], and attributed to unnamed generals, represented the Army's views of the performance of Negro troops.

To this question, Mr. Patterson replied:

No; if any high-ranking general has made such a statement, I have no knowledge of it. You have already heard views of our leading commanders—General Eisenhower, General MacArthur, General Eaker, and others—which do not support any such conclusion.

The War Department is proud of its troops and that includes Negroes as well as all other groups.

There have been a number of press releases in the last few months commending the behavior of a number of units made up of Negro troops. General Eisenhower spoke of the good performance of the volunteer platoons that were used in the European theater. The Inspector General commented favorably, went out of his way to comment favorably, on the performance of the Twenty-fourth Infanty Regiment in the Marianas, and there have been a number of similar commendations.

I think we will all agree that General Eisenhower is fully informed concerning the performance of the troops under his command. I quote from the text of an interview with General Eisenhower at Supreme Headquarters, Paris, on June 15, 1945, as reported in the New York Times on June 16. General Eisenhower was asked the following question:

Would you be good enough to comment on the contribution Negro soldiers made to the European theater of operations?

He replied as follows:

To start with, I would like to say this: That I do not differentiate among soldiers. I do not say white soldiers or Negro soldiers, and I do not say American or British soldiers. To my mind I have had a task in this war that makes me look upon soldiers as soldiers. Now I have seen Negro soldiers in this way and I have many reports on their work where they have rendered very valuable contributions and some of them with the greatest enthusiasm.

In late November, when we were getting short of reinforcements, replacements, some 2,600 Negro soldiers volunteered for front-line service and they did good work. All my commanders reported that those volunteers did excellent work.

But their major job has been in services of supply, engineer units, quartermaster units, ordnance units. There, so far as I know and certainly as far as any official reports, they have performed equally with every kind of ordnance battalion, quartermaster battalion, and engineer battalion. They have done their job and they have done the job given them.

Certainly, Lt. Gen. Ira C. Eaker, Chief of Staff of the Army Air Forces, has reliable information as to the performance of Negro pilots. Here is what General Eaker said in the course of an address to the officers and men of the Four Hundred and Forty-seventh Bombardment Group:

Along with other officers in the Army Air Forces, I have followed closely the record of Negro pilots. As the commanding officer of the Mediterranean Allied Air Forces, I had under my command the Ninety-ninth Fighter Squadron, and later the Three Hundred and Thirty-second Fighter Group. I watched closely as the pilots progressed through the P-39, P-40, P-47, and P-51 aircraft. I likewise watched their assignments develop from routine but necessary coastal patrol missions to important heavy bomber close-escort missions.

The Ninety-ninth Fighter Squadron and other squadrons of the Three Hundred and Thirty-second Fighter Group have done well. They have carried out the missions assigned to them and they have destroyed enemy aircraft both in the air and on the ground. By their efforts and performance they have won a place on the great Air Forces team. They came on the hard way.

It is unfortunate that the Senator from Mississippi [Mr. EASTLAND] did not consult the War Department or General Eisenhower or Lieutenant General Eaker before attempting to indict 13,000,000 American citizens.

We have heard much about the Ninety-second Division, an all-Negro division in Italy. The junior Senator from Mississippi made this division a special target of his attack. What are the facts about the Ninety-second Division?

By April 9, 1945, members of the Ninety-second Division had received 65 Silver Stars, 1,377 Purple Hearts, 4 Air Medals, and 7 Legions of Merit. There were many cases of individual bravery in the regiment. For example, listen to the citation accompanying this posthumously awarded Silver Star for gallantry given to Capt. Charles Gandy, of Washington, D. C.

He personally led his company out in broad daylight and, through further reconnaissance and by personal example and leadership, succeeded in getting his entire company across a canal, with an abrupt 12-foot wall. This was accomplished in rain and under extremely heavy enemy fire. Halting the company, at its intermediate objective, Captain Gandy went forward alone to reconnoiter the route of the next movement. While engaged in this activity, he was mortally wounded by enemy machine-gun fire. His outstanding gallantry and leadership in combat exemplified the heroic traditions of the United States Army.

Lt. Theodore O. Smith was another District of Columbia boy who fought with the Ninety-second Division. Twenty-four years old, he graduated from Dunbar High School and received a bachelor of arts degree from Harvard University, where he was a captain in the ROTC.

Lieutenant Smith was killed in action in Italy on February 11, 1945, 1 month after he had been awarded the Silver Star for his bravery in leading a small patrol on a mission that netted the Americans two Nazi prisoners and four enemy dead. According to the citation, Lieutenant Smith led his 14-man patrol 2 miles across a mined area through enemy lines to climb up a mountain where the enemy was holding out. Risking his life to lead the mission, this action made it possible for the Americans to accomplish their objective and capture a strategically important point on the Fifth Army front.

In addition to his unfair charges against American Negro soldiers, the Senator from Mississippi, in an effort to prove that all Negroes are inferior, related an alleged incident involving French Negro soldiers. He charged on the floor of the Senate that in the city of Stuttgart several thousand German girls from good families were rounded up and placed in the subway, and for 4 or 5 days were kept there and criminally assaulted by Senegalese soldiers from Africa.

Inquiry made at the French Embassy, and checked by them with the French High Command, has brought a categorical denial of this story. Thus this charge is not only irrelevant, but also untrue.

A dispatch from Supreme Headquarters, dated July 6, corroborates the French denial. I quote:

PARIS, July 6.—SHAEF said that an investigation into charges by Senator EASTLAND that French Senegalese troops raped 5,000 German women in a subway showed the allegation was unfounded.

All American liaison officers with the French Army Corps and lower units which have been in or near Stuttgart at any time have submitted written reports to this headquarters that to their knowledge and belief the incidents such as alleged did not take place.

The Senator from Mississippi charged that these girls were rounded up and placed in the subway in Stuttgart. Now, listen to this: There is no subway in Stuttgart. I have checked with the War Department and have been informed that Stuttgart has no subway.

Mr. President, I could cite innumerable acts of heroism and courage by Negro troops in this war; but I do not wish to extend my remarks unduly, and I therefore ask unanimous consent to have printed in the RECORD in connection with my remarks a War Department release, dated January 29, 1945, entitled "Negro Artillerymen Stick to Guns as Nazi Shells Rained on Bastogne"; a story which appeared in the April 6, 1945, Paris edition of Stars and Stripes entitled "Negro Doughs Join First Army's Eastward Push"; a War Department release entitled "Negro Captain Wins DSC in France"; a statement by the Acting Secretary of War at his press conference of May 24, 1945, and an article entitled "Negro Service Troops," written by Pvt. Irwin Ross and published in the New Republic of March 5, 1945.

There being on objection, the matters were ordered to be printed in the RECORD, as follows:

[War Department Release, January 29, 1945]

NEGRO ARTILLERYMEN STUCK TO GUNS AS NAZI SHELLS RAINED ON BASTOGNE

WITH THE UNITED STATES FORCES IN FRANCE.—So close to German infantry that mortar bombs fell on them "like rain," men of the Nine Hundred and Sixty-ninth Field Artillery Battalion, a Negro 155-mm. howitzer outfit, stuck to their guns and fired all

around the compass during the defense of encircled Bastogne.

The battalion guns were set up to fire all around the circle. "We made two-gun platoons," explained Maj. James W. Melville, operations officer, of Broken Bow, Nebr., "and fired in all directions. We had targets everywhere—would have fired more ammunition than we'd used at Brest—if we'd had the stuff."

Because of casualties, all gun crews were reduced to the minimum. The guns were firing at ranges of 1,200 to 1,500 yards—guns which normally have a range of 12,000 to 15,000 yards. "We took everything the Germans had to throw," said Staff Sgt. Lloyd Wilkinson, of 363 Bainbridge Street, Brooklyn, N. Y., "tanks, mortars, small arms fire. That mortar fire was like hail. I never thought a 155-mm. howitzer outfit would get that close to mortar fire."

Ammunition was a serious problem. Finally only clearly observed targets were fired upon, and one gun was used in place of a battery. And still German pressure increased. The trapped soldiers, Infantry and Artillery, fought on stubbornly.

Then the tide turned. C–47's appeared, dropping supplies of food and ammunition. The battalion moved again, this time to the outskirts of Bastogne, to be in a position closer to the Infantry. And then one morning, several days after Christmas, the battalion commander went to the One Hundred and First Airborne Division command post and found several of the Fourth Armored Division tanks there. The German ring had been broken, and broken by an outfit with whom the Nine Hundred and Sixty-ninth had fought in the break-through across France.

The battalion, with its complement of white officers and Negro enlisted men, hit the Normandy beach on July 9 as part of VIII Corps artillery. Commanded by Lt. Col. Herbert D. Barnes, of Milwaukee, it supported the Eighth Infantry Division around La Haye du Puits, helped the Fourth Armored Division in the break-through near Rennes, then fired in support of the Eighth Division on the Brest peninsula.

From War Department release, June 2, 1945: "The Nine Hundred and Sixty-ninth Field Artillery Battalion was cited and received the Presidential Unit citation for its actions in Bastogne."

[From the Paris edition of Stars and Stripes of April 6, 1945]

NEGRO DOUGHS JOIN FIRST ARMY'S EASTWARD PUSH

(By Alan Morrison)

WITH THE UNITED STATES FIRST ARMY IN GERMANY, April 5.—Negro doughboys are participating in the eastward sweep by General Hodges' forces.

Committed to support rifle companies of veteran First Army divisions as extra rifle platoons, the infantrymen, practically all of whom volunteered for combat, have been in action east of the Rhine with the First, Second, Ninth, Seventy-eighth, Ninety-ninth, and One Hundred and Fourth Divisions.

Most of these ex-Com Z reinforcements are now full-fledged line troops, having tasted battle action and killed and captured Germans. Scores of them now proudly wear the combat infantryman badge. All but one member of the First Division's Eighteenth Regiment recently were awarded the badge.

PLAN CALLED SUCCESS

If comments of white personnel of these divisions are any indication, the plan of mixing white and colored troops in fighting units, a departure from previous United States Army practice, is operating successfully.

Negro reinforcements reported a sincere, friendly welcome everywhere. They also spoke of excellent relations with their white fellow-doughs, of the making of inter-racial friendships.

The integration of the Negro platoons into their units was accomplished quickly and quietly. There was no problem.

The Negro doughs operate as separate platoons but they are commanded by white officers and platoon sergeants. The latter will lead until Negro noncoms are selected.

Several of these platoons have earned praise from unit commanders for performances during their baptism of fire. Noteworthy was the first action of the Negro platoon of K Company, Three Hundred and Ninety-fourth Regiment of the Ninety-ninth Division at Eonningen, on the Rhine.

This platoon led the company assault on the town, cleared about one-fourth of it and captured more than 250 prisoners.

CAPTAIN IS DAMNED GLAD

"I was damned glad to get those boys," said the CO of K Company, Capt. Wesley J. Simons, of Snow Hill, Md. "They fit into our company like any other platoon, and they fight like hell. Maybe that's because they were all volunteers and wanted to get into this."

Another platoon of the Three Hundred and Ninety-third Infantry Regiment's E Company, saw its first action on March 25 during an attack on German positions in a woods near Jahrfeld. Led by Lt. Roy Brown, of Chihuahua, Mexico, they advanced in marching fire order and routed the Germans, knocking out a Mark IV tank and a flak wagon, killing 48 of the enemy, capturing 60, and gaining their objective—Hill 373—after being cut off by 150 Germans.

[War Department release, March 19, 1945]

NEGRO CAPTAIN WINS DSC IN FRANCE

The War Department today announced the award of the Distinguished Service Cross to Capt. Charles L. Thomas, 24-year-old Negro commander of a tank destroyer company in France, for "extraordinary heroism in action."

Captain Thomas, who entered the Army from Detroit, thus becomes the second Negro in the present war so honored. The other, Pvt. George Watson, of Birmingham, Ala., who received the award posthumously, distinguished himself at Pordoch Harbor, New Guinea, in March 1943, when he lost his life after assisting several men to safety on a raft from their sinking boat.

Sustaining wounds in the chest, legs, and arms, the Negro officer won the Army's second highest decoration by literally shooting his way through the Siegfried line last December in a blaze of fire from enemy rockets, artillery, and machine guns.

When a task force of Lt. Gen. Alexander M. Patch's Seventh Army was organized to storm and capture the strong German fortress at Climbach, Captain Thomas, then a lieutenant, was ordered to take a platoon of tank destroyers of the Six Hundred and Fourteenth TD Battalion and keep several of the German gun batteries occupied while the Infantry infiltered into the town around the flanks.

How well the captain (then a lieutenant) executed his orders is best revealed in the official citation, which rears as follows:

"HEADQUARTERS, SEVENTH ARMY, February 28, 1945.—While riding in the lead vehicle of a task force organized to storm and capture the village of Climbach, France, Lieutenant Thomas' armored scout car was subjected to intense enemy artillery, self-propelled gun, and small-arms fire. Although wounded by the initial burst of hostile fire, Lieutenant Thomas signaled the remainder of the column to halt, and despite the severity of his wounds, assisted the crew of the wrecked car in dismounting.

"Upon leaving the scant protection which the vehicle afforded, Lieutenant Thomas was again subjected to a hail of enemy fire, which inflicted multiple gunshot wounds in his chest, legs, and both arms. Despite the intense pain caused by these wounds, the lieutenant ordered and directed the dispersion and emplacement of two antitank guns, which in a few moments were effectively returning the enemy fire.

"Realizing that he could no longer remain in command of the platoon, he signaled to the platoon commander to join him. Lieutenant Thomas then thoroughly oriented him on enemy gun dispositions and the general situation. Only after he was certain that his junior officer was in full control of the situation did he permit himself to be evacuated."

Inducted at Fort Custer, Mich., as a private in January 1942, Captain Thomas had advanced to the position of operations sergeant in the Six Hundred and Fourteenth Tank Destroyer Battalion before he was sent to the tank destroyers' officer candidate school at Camp Hood, Tex., where he was commissioned a second lieutenant in March 1943.

After completing an advanced course at the tank destroyer school, he was promoted to first lieutenant and sailed overseas as commander of Company C. He was promoted to captain January 1, 1945.

Prior to his induction, Captain Thomas, the son of Mr. and Mrs. Horace Thomas, of 5877 Beechwood Avenue, Detroit, was a molder and metal pourer for the Ford Motor Co. He studied aeronautical meteorology and navigation at the Cass Technical High School, Detroit, and at the time of his induction was a student at Wayne University of that city.

The Distinguished Service Cross will be presented to Captain Thomas at appropriate ceremonies to be announced.

WAR REVIEW BY THE ACTING SECRETARY OF WAR AT PRESS CONFERENCE MAY 24, 1945

I have a special report here on Negro troops of our Twenty-fourth Infantry Regiment in the Pacific. This report of the Inspector General gives to these soldiers the credit they have fully earned. It reads as follows:

"Occasions seldom arise where it is appropriate for Inspectors General to single out and comment upon any one unit during an over-all inspection. However, the conduct of the Twenty-fourth Infantry Regiment as observed on Saipan was so meritorious as to be deemed worthy of special mention.

"Upon arrival at Saipan the Twenty-fourth Infantry was given the task of clearing the island of all Japanese not previously subjugated. Since then this regiment is credited with having killed or captured an impressive number of the enemy, and even today is engaged in continuous patroling and jungle fighting. The morale of this regiment is high, its discipline is excellent, and it has definitely demonstrated what can be accomplished with Negro soldiers."

The Twenty-fourth Regiment was established as one of four Negro regiments in the Regular Army in 1869, its original organization dating back to 1866. As early as 1869 two enlisted men of the Twenty-fourth had been awarded the Medal of Honor. The Twenty-fourth participated in the Indian, Spanish-American, and World Wars.

Another example of the success of Negro troops is contained in the report from the corps commander, Maj. Gen. M. S. Eddy, of the Seven Hundred and Sixty-first Tank Battalion in Europe:

"The speed with which they adapted themselves to the front line under most adverse weather conditions," he reported, "the gallantry with which they faced some of Germany's finest troops, and the confident spirit with which they emerged from their recent engagements in the vicinity of Dieuze, Morville Les Vic, and Guebling entitled them surely to consider themselves the veteran Seven Hundred and Sixty-first."

This battalion is officered by 7 white and 32 Negro officers.

[From the New Republic of March 5, 1945]

NEGRO SERVICE TROOPS

When the 14-truck convoy reached its destination, the gasoline dump wasn't there. It had moved the previous day, trying to keep up with Patton's army. The Negro truck drivers jumped out of their cabs to stretch their legs, then piled back into the trucks and drove all night and the following day, until they located the dump and unloaded their gas cans. During the night it rained, and the blackout blinded them. Two trucks skidded off the road and overturned. When dawn came, snipers fired at a truck from a haystack, and at high noon, passing through a little town, they were bombed by German planes. Casualties: two men, one truck. But they kept driving, and the gasoline reached the Army. They had been on the go for 44 hours.

This incident epitomizes the story of Negro troops in the Service Forces of the United States Army. Criticism is sometimes heard that the bulk of Negro soldiers have been assigned to service rather than combat forces. This is true, but there is a tendency to underestimate the crucial contribution they have made as service troops. Negro soldiers came ashore with the engineer brigades on D-day; Negro troops in the Transportation Corps, Engineers, Ordnance, Quartermaster played an outstanding role in winning the Normandy supply battle; Negro truck drivers, in the crucial weeks after the St. Lo break-through, hauled the bulk of the supplies to the armies sweeping across France.

In the last war, supply and transportation were a relatively safe rear-echelon activity. In this continental campaign—a hazardous amphibious operation developing into an unprecedented war of movement—the men at the wheels of the amphibious ducks, the stevedores unloading cargo on the beaches, the truck drivers straining to get the last mile out of their 2½-ton GMC's, have frequently found themselves in the front line, trading blows with the enemy.

Many of the Negro truck drivers, who were not combat trained, came ashore on D-day. Pvt. Walter Pearson, Jr., of the Three Thousand Six Hundred and Eighty-third Quartermaster Truck Company, will brain you if you breathe the epithet "noncombat." His story is typical. "My truck drowned out," he reported, "and I had to swim ashore. I dug in on the beach but had to be dug out when the dirt roof caved in on me. A couple of grenades were thrown at the truck while I was hauling ammunition. On D+3 a bomb dropped in front of me and tore up the radiator and both front tires. The fragments killed several foot soldiers."

Another truck driver spoke up. "I came in after the other fellows had landed," he said. "Guess it was around 21:30. I helped unload LCT's, then moved to an area about a mile from the beach when it started to get hot. On D plus 4, when the Jerries were strafing, one came over our area. I manned the .50-caliber machine gun on Pearson's truck. I saw the tracers from the gun go into his motor and he crashed almost immediately. Then I salvaged parts from two deadlined trucks to keep the other rolling."

In running supplies from Normandy to the front lines, the first bottleneck was port and beach clearance—getting cargo ashore, reloaded, and dispatched to forward dumps. Negro stevedores and duck drivers had the biggest hand in breaking the bottleneck. Four out of every five port battalions were Negro. Intermittently bombed and strafed, the men worked the holds of the vessels, slung cargo onto ducks, barges, landing crafts, unloaded the stuff on the shore, then reloaded it onto trucks. A few days after D-day one outfit worked 52 hours, had a 5-hour break, then went back for another 34-hour shift. Stevedoring is tough, grueling, unglamorous—but it's one of the key transportation jobs, for the speed with which cargo can be unloaded, and ships turned around, is an essential determinant of the amount of tonnage a port can handle.

The amphibious ducks (so-called after the manufacturer's serial letters, DUKW) were of prime importance in moving cargo from ship to shore. The duck men are a new kind of truck driver, equally at home on land and water. The ducks, small, easily navigable, highly maneuverable, are essentially 2½-ton trucks, fitted out with steel hulls and propellers so that they can take off in the surf as soon as the wheels leave the sands. Operating them is a hazardous job. If the craft is improperly loaded, or if the seas are rough, it is likely to tip over. At night, during the first few days after the invasion, the exact location of freighters was a little hazy. The duck drivers were told to go out and unload any ship in sight. They found the ships all right, but sometimes the ducks were sunk by hitting mines and other submerged objects.

Negro soldiers share much of the credit for the success of the Red Ball Express—perhaps the most important transport operation in the battle for France. The express runs from the Normandy peninsula to forward supply dumps—a thousand miles round trip, the biggest truck haul in military history, four times as long as the Burma Road. It is a startling innovation, created to meet a situation equally novel. Original plans called for the placing of supply dumps at different points across France, gradually moving them forward each time the Army made a sufficiently large advance. But when Patton broke out of Normandy on July 25 all plans were abruptly swept aside. His armor rolled forward so rapidly that there was no chance for supply depots to follow. The dumps had to remain where they were, close to Cherbourg and the Normandy beaches, but meantime Patton desperately needed supplies in order to keep going. Three items were particularly vital—food, ammunition, and POL (petrol, oil, lubricants)—particularly POL.

Trains are the best means of moving large quantities of supplies over a long distance, but in July and August our military railways were just getting into operation and couldn't carry the load. The burden was tossed to the trucks, and the Transportation Corps improvised a truck line that in effect became a railroad on rubber. That was the Red Ball Express. A two-road highway system spanning northeastern France was taken over. Traffic ran one way on each road—forward to the front on one road, return on the other. All trucks were dispatched in convoys, with road speed, rest periods, relief men for the drivers, road and vehicle repairs, all carefully coordinated and controlled. Shortly after the Red Ball started, tonnage lift to the front jumped 40 percent. Within a short time 6,000 tons of cargo a day were being hauled (exclusive of the POL, on which the figures are secret), and that average has been maintained.

Sixty percent of the Red Ball drivers are Negro. Only a small percentage of them drove trucks in civilian life. But the Army has trained them to drive steadily for 20 hours with no more rest than that provided by 10-minute "breaks" every 2 hours; they keep awake with doses of coffee and chocolate, navigate by a sixth sense in the blackout. They have forded streams when the bridges were bombed out, pushed through mud that came up to their hub wheels, they have been shelled, strafed, and blown up by mines, but they brought the cargo through.

Other Negro troops fight the supply battle in the Quartermaster, Ordnance, Engineer Corps. In Ordnance, Negro ammunition companies distribute ammunition to front-line troops. One such outfit, the Fifty-seventh Ordnance Ammunition Company, found a village full of SS troops blocking its path when it moved up to an advanced supply point near the Belgian border. Sixty-two volunteers, armed with 1903 Springfield rifles and hand grenades, went into action against the Germans. Within an hour they had killed 35 SS men, wounded 3, and taken 11 prisoners. Then they set about unloading their 110-truck convoy.

In the Corps of Engineers, Negroes staff dozens of aviation engineer battalions, which construct airfields, fire-fighting platoons, and general-service regiments. These last build just about anything—roads, bridges, hospitals, air strips, railroads. The chronicle of one regiment since D-day: It set a speed record in clearing a minefield near La Haye du Puits. In 3 weeks, the regiment built the first 1,000-bed hospital in France. The men had to demine the area first, then pour the concrete—all the time keeping patrols out against snipers.

Using captured German equipment, the regiment constructed the first refrigeration plant in France. Shortly afterward it laid three pipe lines—to carry gasoline, Diesel, and motor oil—from the channel coast straight across France. And most recently, the men repaired a major railroad yard. This was an especially "ticklish" job. First they had to dispose of unexploded ammunition strewn about the tracks and buildings. Wielding acetylene torches, the men cut up steel cars which had been bent and twisted by bomb explosions. Dangerous work, for there was always the possibility that they would touch off live ammunition. The regiment completed the job in a week, with few casualties. It set the men up fine—they feel "cocky" and not a little proud. When it comes to speed, intrepidity, or sheer results, Negro service troops doff their helmets to nobody.

PRIVATE IRWIN ROSS.

SOMEWHERE IN FRANCE.

(On request of Mr. MEAD, and by unanimous consent, the following remarks made by him later in the day were ordered to be printed at this point in the RECORD.)

Mr. MEAD. Mr. President, I wish to commend my able colleague the senior Senator from my State [Mr. WAGNER] for the very splendid address which he delivered at the opening of the session today. At that time he commended very highly and very appropriately the colored troops in the service of the United States. As he explained, he made the address because of an attack made on the floor of the Senate a few days ago by the junior Senator from Mississippi [Mr. EASTLAND] upon colored members of the armed forces.

Mr. President, as chairman of the Special Committee to Investigate the National Defense Program on numerous occasions it was my pleasure to inquire into matters military and matters affecting the morale of our troops. In the autumn of 1943, I visited practically every battle theater throughout the world where our troops were located. I took opportunity to confer with the commanding officers in the United Kingdom, in north Africa, in the Middle East in the China-Burma-India theater, in Australia, and in the islands of the Pacific. I talked with officers of the Navy at Pearl Harbor; and the heroic deeds of a number of our colored boys in the United States Navy on the occasion of the attack on Pearl Harbor were related to me. Very naturally I could not allow an attack such as was made by the junior Senator from Mississippi to pass without saying something in defense—if defense is necessary; and I think it is not—of this heroic, courageous segment of our armed forces. I do so primarily

because they deserve it, because the actions of the colored troops, all the way from Lexington down to the Battle of Okinawa in the Pacific, warrant the highest commendation of those in our military and civil life.

Mr. President, morale is a great factor in the winning of battles and in the waging of victorious warfare. I know no better way to enhance the morale factor than to give credit to the rank and file when credit is due. I know of perhaps nothing more destructive than to have a United States Senator rise on the floor of the Senate and speak in highly derogatory terms of the men who are baring their breasts and making the supreme sacrifice in the war in which this country is now engaged.

I do not wish to consume the time of the Senate by making a series of observations of my own, as was done in the case of my colleague, the junior Senator from Mississippi. I wish to read into the RECORD the testimony of the men in charge of the various theater commands and fighting fleets.

At the very beginning of my remarks, I wish to read from a press release published by the War Department on July 10, 1945. In that press release there is the following text of an official citation from the headquarters of the Fifth Army, dated June 10, 1945:

For extraordinary heroism in action, on April 5 and 6, 1945, near Viareggio, Italy. First (then second) Lieutenant Baker demonstrated courage and leadership in destroying enemy installations, personnel and equipment during his company's attack against a strongly entrenched enemy in mountainous terrain. When his company was stopped by the concentrated fire from several machine-gun emplacements, he crawled to one position and destroyed it, killing three Germans.

I ask unanimous consent to have the entire press release printed in the RECORD at this point as a part of my remarks.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

INTREPID NEGRO PLATOON LEADER WINS DSC FOR HEROISM IN ITALY

An intrepid Negro officer from Cheyenne, Wyo., who killed or wounded nine Germans while personally knocking out three enemy machine-gun nests and an observation post in Italy, has been awarded the Distinguished Service Cross, the War Department reported today.

The recipient, First Lt. Vernon J. Baker, 25, a rifle platoon leader in the Ninety-second Infantry (Buffalo) Division, thus becomes the second living Negro of three who have been decorated with the DSC in this war.

The text of the official citation from Headquarters, Fifth Army, dated June 10, 1945, follows:

"For extraordinary heroism in action, on April 5 and 6, 1945, near Viareggio, Italy. First (then Second) Lieutenant Baker demonstrated outstanding courage and leadership in destroying enemy installations, personnel, and equipment during his company's attack against a strongly entrenched enemy in mountainous terrain. When his company was stopped by the concentrated fire from several machine-gun emplacements, he crawled to one position and destroyed it, killing three Germans.

"Continuing forward, he attacked an enemy observation post and killed its two occupants. With the aid of one of his men, Lieutenant Baker attacked two more machine-gun nests, killing or wounding the four enemy soldiers occupying these positions. He then covered the evacuation of the wounded personnel of his company by occupying an exposed position and drawing the enemy's fire. On the following night Lieutenant Baker voluntarily led a battalion advance through enemy mine fields and heavy fire toward the division objective. Lieutenant Baker's fighting spirit and daring leadership were an inspiration to his men and exemplify the highest traditions of the armed forces."

Lieutenant Baker was commissioned a second lieutenant in the Infantry at Fort Benning, Ga., on January 11, 1943, and promoted to first lieutenant on May 7, 1945. Prior to receiving his commission he was a staff sergeant in Company D, Twenty-fifth Infantry Regiment.

Born in Cheyenne, Wyo., Lieutenant Baker is the husband of Mrs. Helen S. Baker, 122 Tenth Avenue North, Birmingham, Ala.

The other living Negro veteran wearing the Distinguished Service Cross today is Capt. Charles L. Thomas, of Detroit, Mich., who won the award for leading his platoon of tank destroyers in a breakthrough of the Siegfried Line last December.

Pvt. George Watson, of Birmingham, Ala., first Negro to win the Army's second highest honor in this war, received the award posthumously in 1943 after he lost his life at Pordoch Harbor, New Guinea, while going to the rescue of comrades in a sinking boat.

Mr. MEAD. Mr. President, while our colored troops are poised in the islands of the Pacific waiting to strike the death blow at our common enemy, it is untimely and inappropriate, and in my judgment very distasteful, for any Senator to make remarks on the floor of the Senate such as those made by the junior Senator from Mississippi, which were derogatory to the high standard and morale of those great troops.

I wish to examine as witnesses before the Members of the Senate this afternoon General Eisenhower, General Patton, General Simpson, and General Clark. I wish to place in the RECORD statements which they have made commending colored troops for their heroism in action. I shall read briefly from each of their statements. The following is from a statement by General Eisenhower:

I do not differentiate among soldiers. I do not say white soldiers or Negro soldiers * * * I have seen Negro soldiers in this war * * * they have rendered very valuable contributions and some of them with the greatest enthusiasm * * * they have done their job and they have done the job given them.

From General Patton we find this statement:

The Negro tank battalion attached to my command fought bravely in the critical Battle of Bastogne * * * the Negro soldiers were damn good soldiers, of which the Nation could be mighty proud.

From General Simpson we find this statement:

Colored soldiers were magnificent in the historic crossing of the Rhine and the devastation of the Ruhr Valley. The Thirty-fifth Infantry division and the Seven Hundred and Eighty-fourth Tank Battalion were elements of the Ninth Army, and the teamwork of Negro and white personnel of the units comprised an unbeatable combination.

From Gen. Mark Clark, commander of the United States forces in Italy:

The Ninety-second jumped into La Spezia, and with other Fifth Army units took Bologna. Then they moved into Genoa and took it, much to the surprise of the enemy and headquarters. I needed the Ninety-second, and if anyone had tried to take it from me I would have protested loudly * * * they were glorious.

Mr. President, the war in which we are engaged is a mechanized war. We are superior in this war for many reasons, one of which perhaps is because of the familiarity of every American boy with the operation and maintenance of machinery, particularly the gasoline engine. In this mechanized war the American bulldozer, operated by an American boy, is one of the most famous piece of equipment in the entire record of the war. It is because of the fact that almost every American family is familiar with the maintenance and operation of mechanical vehicles that we have been so resourceful and so effective all over the world, on every battlefield.

That brings me to this thought: We could become more effective, we could recruit an army a great deal more effective than the one we now have, if vocational training were to be enjoyed by all our people in every State of the Union and if higher standards of education prevailed and if the public health were raised to higher standards.

So, Mr. President, instead of finding fault, as we are sometimes very prone to do, we should make a study of the problems which are so closely associated with the recruitment of a military organization. After studying those problems, we should make every effort to correct them.

Mr. President, I hold in my hand a statement dated July 5, 1945. It is a very important statement, because it was issued by the Honorable Robert P. Patterson, Under Secretary of War. His statement is in direct reply to the derogatory statements made on the floor of the Senate with regard to our colored troops. He was asked the following question:

Daily newspaper stories about Senate debate on FEPC quote a Senator as having stated, on the Senate floor, that "high-ranking generals" had told him on a recent overseas trip that "Negro troops would neither work nor fight" and that their conduct and performance generally have been disgraceful.

Are these statements—attributed to unnamed generals—representative of the Army's views of the performance of Negro troops?

Mr. Patterson replied as follows:

No. If any high-ranking general has made such a statement, I have no knowledge of it. You have already heard views of our leading commanders—General Eisenhower, General MacArthur, General Eaker, and others—which do not support any such conclusion.

The War Department is proud of its troops, and that includes Negroes as well as all other groups.

There have been a number of press releases in the last few months commending the behavior of a number of units made up of Negro troops. General Eisenhower spoke of the good performance of the volunteer platoons that were used in the European theater. The Inspector General commented favorably; went out of his way to comment favorably, on the performance of the Twenty-fourth Infantry Regiment in the Marianas, and there have been a number of similar commendations.

Mr. President, I wish to make some observations which I believe will answer any statement which has been made, and will do so effectively and categorically. I shall cite records of personal

bravery under adverse conditions. I hold in my hand a press release dated January 1, 1945. It reads as follows:

NEGRO SQUADRON IN ITALY ENDS YEAR

ARMY AIR FORCE HEADQUARTERS, NORTH AFRICA.—In its 6 months of operation on this side of the Atlantic, the Ninety-ninth Fighter Squadron has flown 236 missions of 1,156 sorties (as of December 21, 1943), with the loss of four pilots, two by enemy action, the War Department announced The squadron left the United States on April 2, 1943, and 2 months later flew its first combat mission—a bombing raid (skip-bombing) against gun positions on Pantelleria.

Fifteen of the original 28 pilots of the Ninety-ninth Squadron are still on the job, with 9 veterans now back in the United States to help train others. Nineteen replacements have come in since September.

Mr. President, on D-day, June 6, 1944, General Eisenhower commended two Negro units for D-day operations. He made a very emphatic statement in that connection. The first of two letters sent by the Supreme Commander reads as follows:

To the commanding officer, officers and men of antiaircraft balloon battalion:

The commanding officer, First United States Army, has brought to my attention the splendid manner in which you have carried out your mission during the period of June 6 to July 10, 1944.

Your battalion landed in France on June 6 under artillery, machine-gun, and rifle fire. Despite the losses sustained, the battalion carried out its mission with courage and determination, and proved an important element to the air defense team. The cheerfulness and devotion to duty of officers and men have been commented on by the personnel of other units.

This report is most gratifying to me. I commend you and the officers and men of your battalion for your fine effort which has merited the praise of all who have observed it.

Mr. President, who is there to find fault with the official record of the statement made by the Supreme Commander, General Eisenhower? His statement and commendation refute anything which has been said by the critics of the conduct of colored troops since the Army was first brought into existence during the period of the Revolutionary War.

In a second letter I find the following quotation:

Commanding officer, officers and men of Quartermaster Truck Company, I have received from the commanding general, First United States Army, a report of your exceptionally fine work during the landing in France and the period of a month subsequent thereto. This report confirms my own observations.

You landed under enemy machine-gun and artillery fire which caused losses in men and equipment. Nevertheless, you salvaged most of your equipment at once and within 3 days 90 percent of your vehicles were operating on a 24-hour basis, a scale which was maintained for 5 weeks. During this time you continued the delivery of essential supplies. I want you to know that I appreciate your splendid work. Your accomplishments are a source of gratification to me and to your Army commander.

Mr. President, I wish to continue along this line because I believe it will be very helpful to the Senate. Certainly it is justified by the record; and I believe the Negro troops, by reason of what has been said, deserve it. I hold in my hand a war review by the Acting Secretary of War at a press conference on May 24, 1945. I shall not read it all, but I desire to read a statement which is rather significant:

I have a special report here on Negro troops of our Twenty-fourth Infantry Regiment in the Pacific. This report of the Inspector General gives to these soldiers the credit they have fully earned. It reads as follows:

"Occasions seldom arise where it is appropriate for inspectors general to single out and comment upon any one unit during an over-all inspection. However, the conduct of the Twenty-fourth Infantry Regiment as observed on Saipan was so meritorious as to be deemed worthy of special mention.

"Upon arrival at Saipan the Twenty-fourth Infantry was given the task of clearing the island of all Japanese not previously subjugated. Since then this regiment is credited with having killed or captured an impressive number of the enemy, and even today is engaged in continuous patrolling and jungle fighting. The morale of this regiment is high, its discipline is excellent, and it has definitely demonstrated what can be accomplished with Negro soldiers."

Mr. President, I shall later ask to have other portions of the statement printed in the RECORD.

I have before me a statement entitled "Negro Soldiers Have Earned Share of Honors in Battle." As long as we are making a complete record of the service of Negro soldiers in connection with several wars in which our country has been engaged, I wish to have the RECORD show the following:

Between the years 1862 and 1926 soldiers serving in all-Negro outfits were awarded 31 Congressional Medals of Honor—

Mr. President, a Congressional Medal of Honor is not given for merely wearing the uniform of one's country. It is a special honor awarded only after a most thorough search has been made of the records, and an investigation has been made of the incident for which the award is to be made.

I repeat:

Between the years 1862 and 1926 soldiers serving in all-Negro outfits were awarded 31 Congressional Medals of Honor and 57 Distinguished Service Crosses. Since the War Department record of those honors makes no reference to race, it is presumed that there are others.

Mr. President, I have before me a list of the awards of the Congressional Medal of Honor from 1862 to 1926. Those medals were awarded for conspicuous gallantry and beyond the call of duty in action with the enemy. I ask unanimous consent that the entire list be printed at this point in the RECORD as a part of my remarks. The list specifies the color of the individual, and it will be illuminating for those who wish to read it.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Awards of the Congressional Medal of Honor—1862 to 1926

[Awarded for conspicuous gallantry and intrepidity above and beyond the call of duty in action with the enemy]

Name	Organization	Year	Place of achievement
Sgt. Edward L. Baker, Jr.	10th U. S. Cavalry	1898	Santiago, Cuba.
Pvt. William H. Barnes	38th U. S. Colored Troops	1864	Near Richmond, Va.
1st Sgt. Powhatan Beaty	5th U. S. Colored Troops	1864	Do.
Pvt. Dennis Bell	10th U. S. Cavalry	1898	Tayabacoa, Cuba.
Sgt. Thomas Boyne	9th U. S. Cavalry	1879	Mimbres Mountains, N. Mex.
1st Sgt. James H. Bronson	5th U. S. Colored Troops	1864	Near Richmond, Va.
Sgt. William H. Carney	54th Massachusetts Colored Infantry	1863	Ft. Wagner, S. C.
Sgt. John Denny	9th U. S. Cavalry	1879	Las Animas Canyon, N. Mex.
Sgt. Decatur Dorsey	39th U. S. Colored Troops	1864	Petersburg, Va.
Sgt. Christian A. Fleetwood	4th U. S. Colored Troops	1864	Near Richmond, Va.
Pvt. James Gardiner	36th U. S. Colored Troops	1864	Do.
Sgt. James H. Harris	38th U. S. Colored Troops	1864	New Market Heights, Va.
Sgt. Thomas Hawkins	6th U. S. Colored Troops	1864	Deep Bottom, Va.
Sgt. Alfred B. Hilton	4th U. S. Colored Troops	1864	Near Richmond, Va.
Sgt. Milton M. Holland	5th U. S. Colored Troops	1864	Do.
Corp. Miles James	36th U. S. Colored Troops	1864	Do.
Sgt. Henry Johnson	9th U. S. Cavalry	1879	Milk River, Colo.
Sgt. George Jordan	do	1880-81	Fort Tulerso, N. Mex., and Carizo Canyon, N. Mex.
1st Sgt. Alexander Kelly	6th U. S. Colored Troops	1864	Near Richmond, Va.
Pvt. Fitz Lee	10th U. S. Cavalry	1898	Tayabacoa, Cuba.
Sgt. William McBryar	do	1890	Arizona.
1st Sgt. Robert Pinn	5th U. S. Colored Troops	1864	Near Richmond, Va.
Sgt. Thomas Shaw	9th U. S. Cavalry	1881	Carizo Canyon, N. Mex.
Sgt. Emanuel Stance	do	1870	Kickapoo Springs, Tex.
Pvt. William H. Thompkins	10th U. S. Cavalry	1898	Tayabacoa, Cuba.
Pvt. Charles Veal	4th U. S. Colored Troops	1864	Near Richmond, Va.
Pvt. Augustus Walley	9th U. S. Colored Troops	1881	Cuchillo Negro Mountains, N. Mex.
Pvt. George H. Wanton	10th U. S. Colored Troops	1898	Tayabacoa, Cuba.
1st Sgt. Moses Williams	9th U. S. Cavalry	1881	Cuchillo Negro Mountains, N. Mex.
Corp. William O. Wilson	do	1890	Sioux campaign.
Sgt. Brent Woods	do	1881	New Mexico.

Mr. MEAD. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a list of the awards of the Distinguished Service Cross for extraordinary heroism in action, under the provisions of the act of Congress approved July 9, 1918.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Awards of the Distinguished Service Cross

[Awarded for extraordinary heroism in action under the provisions of the act of Congress approved July 9, 1918]

(All of the awards were given in 1918)

Name	Organization	Place of achievement (France)
Pfc Robert M. Breckenridge	Co. H, 365th Infantry	Ferme de Bel-Air.
Corp. Russell Pollard	do	Bois-Frehault.
Pvt. George Bell	Co. E, 366th Infantry	Lesseau.
Sgt. Roy A. Brown	do	Do.
Pfc Will Clincy	Co. F, 366th Infantry	Frapelle.
Pvt. Alex Hammond	Co. E, 366th Infantry	Lesseau.
Corp. Van Horton	do	Do.
Pvt. Edward L. Merrifield	do	Do.
Pvt. Tom Rivers	Co. G, 366th Infantry	Bois-de-la-Voivrote.
Pvt. Joe Williams	Co. E, 366th Infantry	Lesseau.
Pvt. John Baker	Co. I, 368th Infantry	Binarville.
Pfc Thomas H. Davis	Sanitary Detachment, 368th Infantry.	Do.
Pfc Edward H. Handy	Co. B, 368th Infantry	Do.
Pvt. Joseph James	Headquarters Co., 368th Infantry.	Do.
Pvt. Bernard Lewis	Co. A, 368th Infantry	Do.
Pfc Lewis Watkins	Co. A, 350th Machine Gun Battalion.	Eply.
Sgt. William Butler	Co. L, 369th Infantry	Maison-de-Champagne.
Corp. Elmer Earl	Co. K, 369th Infantry	Ripont Swamp.
Pvt. Elmer McCowin	do	Do.
Pvt. William Sandford	Medical Detachment, 369th Infantry.	Ripont River.
Sgt. Robert Barnes	Co. L, 370th Infantry	Mont des Singes.
Pvt. William Cuff	2d Machine Gun Co., 370th Infantry.	Do.
Pvt. Leroy Davis	Co. L, 370th Infantry	Do.
Sgt. Lester Fossie	Co. M, 370th Infantry	Ferme de la Riviere.
Pvt. James Fuquay	Co. H, 370th Infantry	Guillimont Farm.
Sgt. Ralph Gibson	do	Beaume.
Pvt. Willie G. Hurdle	3d Machine Gun Co., 370th Infantry.	Ferme La Folie.
Pvt. Spirley E. Irby	Co H, 370th Infantry	Beaume.
Sgt. Mathew Jenkins	Co. F, 370th Infantry	Vauxaillon.
Pvt. Arthur Johnson	Headquarters Co., 370th Infantry.	Mont des Singes.
Pvt. Andy McCall	Machine Gun Co., 370th Infantry.	Ferme de la Riviere.
Pvt. Charles T. Monroe	Headquarters Co., 370th Infantry.	Mont des Singes.
Pvt. Harry L. Pearson	Machine Gun Co., 370th Infantry.	Ferme La Folie.
Pvt. Tom Powell	Co. H., 370th Infantry	Beaume.
Corp. Emmett Thompson	Co. L., 370th Infantry	Mont des Singes.
Corp. Isaac Valley	Co. M., 370th Infantry	Vraincourt.
Pvt. Alonzo Walton	3d Machine Gun Co., 370th Infantry.	Rue Larcher and Pont-d'Any.
Pfc Nathaniel C. White	Co. F., 370th Infantry	Vauxaillon.
Pfc Alfred Williamson	Medical Detachment, 370th Infantry.	Beaume.
Pvt. Willie Boston	Machine Gun Co., 371st Infantry.	Ardeuil.
Pvt. Reuben Burrell	do	Champagne sector.
Pvt. Charles Butler	do	Ardeuil.
Sgt. Thomas Cooper	Co. K, 371st Infantry	Trieres Farm.
Pvt. Junius Diggs	Co. G, 371st Infantry	Ardeuil.
Pvt. Burton Holmes	Co. C, 371st Infantry	Near Hill 188.
Corp. Sandy E. Jones	do	Near Champagne.
Sgt. Lee R. McClelland	Medical Detachment, 371st Infantry.	Ardeuil.
Pvt. Ellison Moses	Co. G, 371st Infantry	Do.
Pvt. Malley Stewart	Headquarters Co., 371st Infantry.	Near Bussy Farm.
Pvt. Bruce Stoney	Medical Detachment, 371st Infantry.	Ardeuil.
Pvt. Tillman Webster	Machine Gun Co., 371st Infantry.	Do.
Pvt. Clifford Crawford	Headquarters Co., 372d Infantry.	Near Bussy Farm.
Pvt. George Gross	Co. D, 372d Infantry	Near Sechault.
Pvt. Samuel H. Johns	Co. L, 372d Infantry	Near Bussy Farm.
Pvt. Clifton Merrimon	do	Do.
Sgt. Ira M. Payne	Co. A, 372d Infantry	Near Sechault.
Pvt. Clarence R. Van Allen	Co. L, 372d Infantry	Near Bussy Farm.

Mr. MEAD. Mr. President, I have before me a press release issued by the Bureau of Public Relations of the War Department on July 27, 1944. It includes a list of those who received the Distinguished Service Cross, the Silver Star, and the Legion of Merit. The recipients of the awards in this list were all colored soldiers. It also includes a list of those who received the Soldier's Medal. The recipients represent many States in the Union. There was one Nathaniel Hocker, sergeant in the Coast Artillery Corps from my own State of New York. There was also a soldier named William Downing, from Nyack, N. Y. Nearly every State in the Union is represented. There were some who were awarded the Bronze Star Medal. There were others who were awarded the Purple Heart. All of those honors were awarded by the War Department to heroic Negro soldiers because of special service performed by them under fire, or in the conduct of some very meritorious military activity.

I also have before me a release by the War Department dated June 18, 1945, which contains the following very significant statement:

Ten Negro doughboys decorated for heroism with One Hundred and Fourth Division.

That is the One Hundred and Fourth Timber Wolf Division in Germany. Every Senator is familiar with the record of the One Hundred and Fourth Timber Wolf Division.

The release continues:

WITH THE ONE HUNDRED AND FOURTH TIMBER WOLF DIVISION IN GERMANY.—In a ceremony deep within conquered Germany, 10 Negro doughboys of the One Hundred and Fourth Timber Wolf Division this month received the praises of five generals and awards they had won in combat while fighting alongside their white comrades against the enemy. They were former rear-echelon Quartermaster Corps soldiers who had asked for a chance at front-line Infantry fighting. Now they were receiving the Silver Star and Bronze Star Medals they had won in that fighting.

Mr. President, they were Quartermaster Corps soldiers. They had probably been located at a safe distance back of the lines, and asked for an opportunity to participate with the Infantry right up at the very front line, where they would be in constant and continuous combat with the enemy. This is what was said about them:

You have been given a chance, and you have won the respect and friendship of your comrades.

That was said by Brig. Gen. Benjamin O. Davis.

Their own commanding general, Maj. Gen. Terry Allen, of the fighting Timber Wolves, pinned the medals on their uniforms.

Major General Allen said:

We are all proud of you. You are a better bunch of soldiers than the men I saw when you first joined the division back at Cologne.

The release then continued with the following statement:

The troops were proud themselves when Brig. Gen. Charles Trueman Lanham, the assistant division commander and a general who spent much of his time up front, told them, "I have never seen any soldiers who have performed better in combat than you."

Mr. President, what other evidence or testimony is necessary in completing this meritorious record of laudation of our heroic colored troops?

I wish to read another very significant statement. Here were men with points enough to return to a life of safety and security in the United States. I ask Senators to listen to what was said with reference to the reaction of those soldiers when they were told that they would be given an opportunity to show their metal in facing the enemy in the Pacific:

They smiled when the general told of the first Negro soldier he had seen in combat, a youth who had insisted on wiping out an enemy sniper's post, although already painfully injured, but they remembered how nervous they had been when the first machine-gun bullets went over their heads, and how their hatred for the Nazis had overcome that "stage fright" which inevitably comes to all fighting men.

Here is the significant part of the statement, Mr. President:

They applauded enthusiastically when General Lanham thundered: "I want you with us when we go after those Japanese."

Mr. President, those Negroes greeted that invitation with an enthusiasm which marked them, in my judgment, as fine soldiers.

I have before me a combat history review of the first Negro unit which landed in France. In connection with the review is the following statement:

They made up the first company of the initial assault forces to land intact on Utah Beach—

Every Senator is familiar with what happened at Utah Beach—the death, devastation, and destruction which took place in that vicinity—

and they were the first Negro troops to touch European soil, landing on D-day, H-plus 2 hours.

Within 3 hours after the order "Go in LCT X. Good luck and God bless you," was barked from a patrol boat off the beach, they had 44 trucks loaded with TX (hasty) bridge equipment ashore. They preceded many sea-borne Infantry troops in the rush of the enemy-held bluffs overlooking the beaches; they roared ahead in support of the Fourth Infantry Division of the First United States Army; they scored another "first" when they established the first kitchen on the beachhead at 1300 hours.

Mr. President, I have before me a report with this heading "Negro doughs prove worth in fighting east of Rhine," from which I quote the following:

WITH THE SEVENTY-EIGHTH INFANTRY DIVISION, EAST OF THE RHINE IN GERMANY.—The volunteer Negro infantrymen who joined the Seventy-eighth (Lightning) Division on March 14, crossed the Rhine that day and entered the hot battle then in progress, have established themselves as fighting men no less courageous or aggressive than their white comrades.

These Negro doughboys welcomed the opportunity to fight alongside their white buddies of the Seventy-eighth, the outfit that gained no small share of fame by smashing all the way through the Seigfried Line to capture Schmidt and the Schwammenauel Dam. It was the Seventy-eighth which on February 28 leaped from the Roer to the Rhine where the first battalion of the Three Hundred and Tenth Regiment crossed the Ludendorf Bridge the night of March 7 to secure and enlarge the trans-Rhine bridgehead.

Mr. President, I also have a release dated Monday, June 4, 1945, from which I desire to quote. I read this into the RECORD because it occurs to me that it is not only proper for me to do so but it is in fulfillment of an obligation which I owe and which I think every other Member of the Senate owes to these heroic and courageous soldiers to express to them our appreciation of the work they are doing for us. From this statement under the heading, "Doughboys, pinned down by Nazis, turned artillerymen at Naumberg," I read the following:

WITH THE SIXTY-NINTH INFANTRY DIVISION IN GERMANY.—During the siege of Naumberg Negro infantrymen of F Company of the Two Hundred and Seventy-second Infantry Regiment serving as supporting elements for the Eight Hundred and Eightieth Field Artillery Battalion dropped their weapons and manner the 155-millimeter howitzers when white cannoneers were wounded.

The platoon, under the command of Second Lt. Lynn C. Johnson, 22, white, of Berwind, W. Va., was serving as reinforcement troops to the artillery battalion, which was part of the corps artillery. They were firing upon Naumberg some 3 miles away, and the Negro doughboys, some of whom had volunteered for duty as foot soldiers out of tank, tank-destroyer, and field-artillery units, couldn't get a shot at the Germans because they were out of range.

Holding fox-hole positions not far from the American guns, the Negro soldiers could only hug the ground as the Jerry 88-millimeter shells came singing over. Several landed close and wounded some of the already seriously reduced white cannon crews.

Immediately Staff Sgt. John D. Reid, of 622 Second Avenue, Columbus, Ga., platoon guide, ordered some of the soldiers near him to man the guns. The tan Yanks jumped from their fox holes and began ramming the shells into the breeches and firing the guns along with the white cannoneers.

The murderous fire from the artillery battalion subdued the Germans in Naumberg and allowed the Sixty-ninth Division assault teams to close on the town.

Mr. President, I have the names of the members of F Company Platoon and I ask that they be inserted in the RECORD at this point.

There being no objection, the names were ordered to be printed in the RECORD, as follows:

HEADQUARTERS

Second Lt. Lynn C. Johnson, Berwind, W. Va. (white).

Tech. Sgt. Robert Morris, Elido, Ohio (white).

Staff Sgt. John D. Reid, 622 Second Avenue, Columbus, Ga.

Pfc James Champion, Henderson, N. C.

Pvt. David Johnson, Cincinnati, Ohio.

FIRST SQUAD

Staff Sgt. William R. Holloway, 3017½ Sherman Avenue, Washington, D. C.

Sgt. Kenneth N. Sands, 1154 South Thirty-sixth Street, Louisville, Ky.

Pfc Sylvester Russell, 539 Josephine Street, New Orleans, La.

Pvt. Theodore L. Terry, 191 Lefferts Place, Brooklyn, N. Y.

Pvt. Ivery Waters, 1326 Wood Street, Oakland, Calif.

Pvt. Cleophus George, Dumaska, Ark.

Pvt. J. C. Jackson, 56 Kearney Avenue, Jersey City, N. J.

Pvt. Daniel F. Edmondson, 444 Hickcock Street, Scranton, Pa.

Pvt. John Taylor, 110 South Sixth Street, Dennison, Ohio.

Pvt. Robert A. Tyler, 2365 East Sixteenth Street, Cleveland, Ohio.

Pvt. Eddie Jones, 10 Hicks Street, Orlando, Fla.

SECOND SQUAD

Sgt. Ernest McQuiller, 1157 North Washington Street, Wichita, Kans.

Corp. Thomas Curry, Jr., 741 Kenyon Avenue, Cincinnati, Ohio.

Pfc Emile Dubriville, 505 Bloom Street, Jackson, Miss.

Pvt. William A. Bradshaw, 356 West One Hundred and Twenty-fourth Street, New York, N. Y.

Pvt. Clifford Green, 1209 Wash Street, Gary, Ind.

Pvt. James Kenney, 426 One Hundred and Forty-eighth Street, New York, N. Y.

Pvt. Henry G. Bernard, 925 Charles Street, Indianapolis, Ind.

Pvt. James Williams, New York, N. Y.

Pvt. Robert E. Ellison, 874 Doyle Street, Waynesboro, Ga.

Pvt. Eddie C. Walker, Madison, Fla.

Pvt. Columbus Ross, 3612 East Chelsea Avenue, Tampa, Fla.

THIRD SQUAD

Sgt. Walter Hardy, 1422 St. Auben Street, Detroit, Mich.

Pfc Samuel G. Perry, 141 North New York Avenue, Atlantic City, N. J.

Pvt. James Wills, Edenton, N. C.

Pvt. Edward Douglas, 1347 West One Hundred and Eleventh Street, Chicago, Ill.

Pvt. Edgar Deal, 2419 East Sixty-third Street, Cleveland, Ohio.

Pvt. Humphrey Shortridge, 3928 Second Street, New Orleans, La.

Pvt. M. C. Stepgen, 31 Bay Street, Montclair, N. J.

Pvt. James H. Stensen, 13 Price Street, Opelika, Ala.

Pvt. Otis Young, 43 Boyd Street, Atlanta, Ga.

Pvt. Norman Beadle, 5417 South Michigan, Chicago, Ill.

Pvt. John L. Smith, 1617 Sixteenth Avenue North, Nashville, Tenn.

Mr. President, I have here a brief statement in a release dated April 23, 1945, entitled "Army's Negro Strength Overseas Increases 86,198 Since September."

WASHINGTON, D. C.—Of the total Negro strength of 690,282 as reported through February 28, 1945, some 497,566—

Almost half a million—

are serving overseas in all theaters, the War Department announced today.

Since September 30, 1944, the total Negro strength dropped 11,396, although commissioned personnel increased 744, including an increase of 96 Army nurses. During the same period, Infantry personnel rose slightly while total personnel of Coast and Field Artillery, Cavalry and Air Corps units show negligible losses.

A partial break-down of Negro strength as of February 28, 1945, follows:

Infantry	52,884
Coast and Field Artillery	27,163
Cavalry	770
Engineers	140,154
Air Corps	63,079
All others	406,232
Total	690,282
Commissioned officers	6,548
Including:	
Dental Corps officers	120
Nurses	343
Other Medical Corps officers	569
Chaplains	260
Serving overseas	497,566
Including Women's Army Corps	709

Mr. President, I have a brief statement of the work of the Negroes in the Coast Guard and just a few days ago I inserted in the RECORD a statement of the services the Negroes are rendering in the Navy. I have also here the record of their services in the Seabees, and I ask unanimous consent to have the data I now submit inserted in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

[From Time magazine of July 24, 1944]

Time correspondent Robert Sherrod wrote: "Negro marines, under fire for the first time, have rated a universal 4.0 on Saipan. Some landed with the assault waves. All in the four service companies have been under fire at one time or another during the battle. Some have been wounded, several of them have been killed in action. Primarily they were used as ammunition carriers and beachhead unloading parties, but on Saipan some were used for combat. When Japs counterattacked the Fourth Marine Division near Charan Kanoa, 12 Negroes were thrown into the defense line. Their white officers said they accounted for about 15 Japs. Said Lt. Joe Grimes, a white Texan: "I watched those Negro boys carefully. They were under intense mortar and artillery fire as well as rifle and machine-gun fire. They all kept on advancing until the counterattack was stopped."

"But Negro marines were at their best while performing their normal duties. Credited with being the workingest men on Saipan, they performed prodigious feats of labor both while under fire and after beachheads were secured. Some unloaded boats for 3 days, with little or no sleep, working in

water up to waist deep. On an open transport, where a detachment of Negroes was left to load small boats, they volunteered to unload and tend the wounded who were brought back to the transport. They handled stretchers, washed the wounded, and even wrote letters for them."

[From the New York Journal-American of June 20, 1944]

For heroism in rescuing the executive officer of his ship and others from the icy waters of the Atlantic after a transport was torpedoed, Charles W. David, Jr., 26, Negro, was awarded the Navy and Marine Corps medal posthumously today.

David was a Coast Guard mess attendant. The medal was given his widow, Mrs. Kathleen W. David, by Rear Adm. Stanley V. Parker, district Coast Guard commander.

Neil, 3-year old son of the hero, at once claimed it to wear on his child's Coast Guard suit.

Lt. R. W. Anderson, of Brooklyn, executive officer of the cutter on which David served, told how the mess attendant dived many times into the water to rescue survivors of a torpedoed transport.

David then went to the rescue of Anderson, exhausted on a raft from which he was directing operations. David died later of pneumonia.

On October 5, 1943, Rear Adm. Thomas L. Gatch, United States Navy, captain of the famous battleship U. S. *South Dakota*, once known as battleship X gave the following tribute to his own Negro cook, Walter Davis, Jr., of Birmingham, Ala.:

"One of the Jap strafers riddled him through and through; he looked like one of his own kitchen colanders. But they couldn't kill him."

Davis served on the *South Dakota* during a battle in which her crew downed 32 Jap planes. Davis manned a 20-millimeter machine gun with other mess attendants and helped rout three waves of attacking Jap dive bombers and torpedo planes.

Half an hour after the first attack, 40 Jap torpedo planes and dive bombers took another crack at Davis and his shipmates. The antiaircraft gunners aboard the *South Dakota* set up such a curtain of fire that 39 of these planes either were shot down or forced to turn away. It was during the second attack that a strafing Jap plane riddled Davis with at least three bullets. He suffered two broken ribs and abdominal wounds. But in the excitement of battle, he continued to stand by his gun and fight.

[From Eleventh Naval District, public relations office, Los Angeles]

D-day at Peleliu last September 15 found the Seventeenth Special United States Naval Construction Battalion, which includes in its ranks 777 Negro Seabees, fighting side by side with veterans of the First Marine Division.

Although as Seabees their principal job is construction, the men found themselves locked in fierce struggle with the enemy who had pushed the American forces back almost to the water's edge by nightfall.

One of the Negro Seabees, Charles W. McDonald, motor machinist's mate, second class, USNR, of Akron, Ohio, describing the enemy resistance later, said that "the men in my group upon leaving the ship were given five rounds of ammunition.

"As our landing boat approached the beach, the officer in charge saw the amount of enemy fire and ordered us back to the ship, where we loaded up with every weapon available."

McDonald said that upon landing they immediately started bringing back wounded marines.

Marine officers then asked for volunteers for combat. The Negro Seabees responded.

"The marines," McDonald remarked, "are good at teaching you how to use various weapons. Under such circumstances a man learns pretty fast, too."

Not until the Peleliu air strip was taken did the Negro Seabees, who had previously served at Banika and Emirau, lay down their arms. Then they went to work building.

Mr. MEAD. Mr. President, as I began, I desire to conclude by saying that it was my privilege to visit various battle fronts throughout the world and to learn first-hand from the men who went into battle with Negro troops of the heroic way in which they carried out their mission. I wish to say to you, Mr. President, that as a result of my own personal observation and as a result of the official records of the War Department, I feel that I have in a very humble way only discharged my obligation to this heroic segment of our great Army.

Mr. President, before I take my seat I ask unanimous consent to have inserted at the conclusion of my remarks, which is indeed a very appropriate place for such an insertion, a poem entitled "The United States Flag," by Harry H. Schlacht, which appeared in a recent issue of the New York Journal-American.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

THE UNITED STATES FLAG

(By Harry H. Schlacht)

("I pledge allegiance to the flag of the United States of America, and to the Republic for which it stands; one Nation, indivisible, with liberty and justice for all."—Francis M. Bellamy.)

"In the beginning God created the heaven and the earth."
It is the first sentence of the first chapter of Genesis.
The greatest story of all times is told in 10 words.
It is the story of the Lord's creation.

And God said, "Let there be light."
And slowly out of the east came the first red and white rays of the morning sun.
And then, He made the stars.
He set them in the blue sky where they shone softly as the first night fell over the world.
The red, white, and blue were the symbols of God's first thoughts.
They were enshrined in the hearts of our forebears, out of which was born the Stars and Stripes.

Let us gaze upon our flag and thank God that we are Americans.
It is scarred and hallowed by heroes' blood from Bunker Hill up to Okinawa.
It symbolizes justice, mercy, and freedom.
It stands for toleration of all men, of all creeds, of all races.
It makes no distinction and recognizes no distinction.
It scorns tyranny and glories in liberty.
It is the soul of the American people.
It proclaims the leadership of George Washington, the foresight of Thomas Jefferson, the grit of Andrew Jackson, the wisdom of James Monroe, the statesmanship of Abraham Lincoln, the courage of Theodore Roosevelt, the scholarship of Woodrow Wilson, and the humanitarianism of Franklin D. Roosevelt.
Wherever Old Glory floats there are the glories of mankind.
It speaks to us in accents more stirring, in tones more touching than the swelling notes of a grand organ or the ecstasies of the four magic strings.
Everywhere it has been the herald of a brighter dawn.
Everywhere it is hailed with outstretched arms, with tears of joy and with songs of deliverance.
From every part of our native land,
From farms and wheatfields,
From mining towns and rural villages,
From myriad races and varied backgrounds have come our fighters for freedom, fighting shoulder to shoulder, united in a common faith and a common love for God, flag, and country.
Today is Old Glory's birthday.
Many hundreds of happy returns!
It was born in the cause of liberty, eight score and eight years ago.
In that cause we unfurl it now, with every star aglow.

Ours is the flag of our forefathers.
It is ever growing in grandeur.
It is the canopy that harbors all that is sacred and noble.
It is a living and vibrant emblem of our future.
It tells no story of crushed liberties or violated rights.
It springs from neither the sorrows of the oppressed nor the sufferings and tribulations of the conquered.
It heralds the noble purposes of a mighty and gallant people.
It represents one people, one nation.

Stirring are the stories of our flag,
It is a pledge for the present, a promise of the future.
In it we hear the echoes of the drumbeats of marching feet, marching through the pages of our Nation's history.
In it is recorded the heart-throbbing narrative of our heroes in all the wars of the Republic.
In its colors are woven the strength and courage of American manhood and the love and fidelity of American womanhood.
In its rippling folds waves a benediction of yesterday's accomplishments and beckon the tomorrows with hope and serene confidence.

Our flag has been carried triumphantly across a mighty continent, attuned to the song of the plowshare and the laughter of children.
It has been planted in the jungles of the Philippines and upon the great wall of China.
It has waved amid the solitude of every sea.
It is now waving across the plundered cities and blood-dried battlefields of Europe.
It is bringing liberation to oppressed humanity.

Let us make each day Flag Day.
Let us be unwavering in our allegiance to our flag.
Let us entwine each thread of our floating piece of poetry about our heartstrings.
Let us keep fighting until our glorious ensign flies over the ashes of tyranny everywhere.

So long as men will worship at the shrine of liberty;
So long as they will follow the covenants of God;
So long as truth, justice, and charity will remain deeply imbedded in the human heart—
So long will the Stars and Stripes be the banner of our Republic.

"There are many flags in many lands,
There are flags of every hue;
But there is no flag, however grand,
Like our own red, white, and blue."
—*Mary Howliston.*

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF CONTRACTS ENTERED INTO BY UNITED STATES MARITIME COMMISSION

A letter from the Chairman of the United States Maritime Commission, transmitting, pursuant to law, a report of the Commission of contracts entered into or modified under authority of Public Law 46 for the period beginning April 1, 1945, and ending June 30, 1945 (with an accompanying report); to the Committee on Commerce.

PERSONNEL REQUIREMENTS

A letter from the Assistant Secretary of the Department of the Interior, transmitting, pursuant to law, revised estimates of personnel requirements for the United States High Commissioner to the Philippine Islands, the Fish and Wildlife Service, and the government in the Territories Purchasing and Shipping Unit, for the quarter ended June 30, 1945 (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate by the President pro tempore and referred as indicated:

A resolution adopted at a meeting of employees of the District Unemployment Compensation Board, Washington, D. C., expressing sincere thanks to the Congress for the base-pay adjustment and other benefits provided in the 1945 Federal pay bill; to the Committee on Civil Service.

A resolution adopted by the mayor and Council of the City of Dearborn, Mich., favoring early consideration and ratification of the United Nations Charter; to the Committee on Foreign Relations.

A resolution adopted by the general executive committee of the board of missions and church extension of the Methodist Church, Atlanta, Ga., favoring prompt ratification of the United Nations Charter; to the Committee on Foreign Relations.

A resolution adopted by the Colt Patent Fire Arms Manufacturing Co., of Hartford, Conn., relating to increased production of Colt machine guns and the remanufacturing of guns used in the armed services; to the Committee on Military Affairs.

PEARL HARBOR DISASTER—PETITION

Mr. LANGER. Mr. President, I take great pleasure in asking unanimous consent to present to the Senate a petition signed by 15,000 persons from every State in the United States. The petition is as follows:

PETITION TO THE SENATE OF THE SEVENTY-NINTH CONGRESS OF THE UNITED STATES FOR THE REDRESS OF GRIEVANCES AFFECTING THE AMERICAN PEOPLE AND IN PARTICULAR THE ARMY OF THE UNITED STATES

To the Honorable Senators of the United States:

The undersigned citizens of the United States respectfully submit for consideration the following grievances against them and all other citizens of these United States and in particular those citizens who are now engaged in the armed forces of the United States:

1. Several official investigations by executive and congressional committees have demonstrated that there was negligence on the part of certain officials at Pearl Harbor on and prior to December 7, 1941;

2. Admiral Husband Kimmel and General Short were first accused of the above-mentioned negligence and dismissed from the service;

3. A later investigation by a naval board of inquiry exonerated Admiral Kimmel and General Short of all negligence;

4. The results of the investigations of this naval board of inquiry have since been kept secret from the American people on the pretext that these results were military secrets;

5. The American people have in many places expressed a desire to know the person or persons responsible for the defeat of Pearl Harbor and do not believe that the excuse of military expediency should be used to shield the guilty party or parties.

Whereas the undersigned citizens are of the opinion that this secrecy with regard to the investigation of the naval board of inquiry should be made public; and

Whereas said citizens believe that the party or parties guilty of negligence (if such be the case) should be punished to the full extent of the law; and

Whereas the refusal to make these matters public and to punish any person or persons for his share of guilt constitutes a grievance against them and the American people and those who are today fighting as a result of Pearl Harbor.

Now, therefore, the undersigned citizens request the Senate of the United States to make public the results of the investigation of the naval board of inquiry and to punish all who might be guilty of negligence with regard to the Pearl Harbor disaster. And we designate the Reverend A. W. Terminiello, of Huntsville, Ala., as our agent to present this, our petition, to the Senate of the United States.

[Signatures omitted.]

I may say again, Mr. President, that the petition contains approximately 15,000 signatures of persons from every State of the United States.

The PRESIDENT pro tempore. Without objection, the petition presented by the Senator from North Dakota will be received and referred to the Committee on Naval Affairs.

DESIGNATION OF BIRTHDAY OF FRANKLIN D. ROOSEVELT AS NATIONAL HOLIDAY.

Mr. CORDON. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Portland (Oreg.) Aerie, Fraternal Order of Eagles, memorializing Congress to designate the birthday of the late President Franklin D. Roosevelt as a national holiday.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress to designate the birthday of the late President Franklin Delano Roosevelt as a national holiday

Whereas Franklin Delano Roosevelt served as President of the United States, from March 4, 1933, until his untimely death on April 12, 1945, having been elected to four successive terms and having become the first American President honored by his fellow-citizens with more than the traditional two terms; and

Whereas President Roosevelt assumed office during the depression, one of the great domestic crises in the Nation's history, and by wise, courageous, and humanitarian leadership restored confidence and faith in America; and

Whereas President Roosevelt championed the cause of the workingmen of America and ushered in a new era of consideration for the rights of labor and the common man; and

Whereas President Roosevelt espoused and signed the National Social Security Act generally recognized as the greatest social measure in American history, climaxing a 14-year educational campaign by the Fraternal Order of Eagles in behalf of State and Federal old-age security legislation; and

Whereas President Roosevelt awakened our Nation to the menace of fascism to our free institutions and our very existence as a free people, and led America and its allies, the United Nations, in the mightiest world struggle for human freedom, culminating in the unconditional surrender of Germany and in decisive victories over Japan; and

Whereas President Roosevelt charted a course for preventing future wars, by means of a permanent world peace organization, economic cooperation, and international good will, thereby embodying during the most critical period in modern history the hopes, the aspirations, and the ideals of his fellow countrymen, and the oppressed peoples of the entire world; and

Whereas Franklin Delano Roosevelt is assured an immortal place in world history, and will earn the gratitude of American generations yet to come, and the esteem and affection of free peoples in all lands: Now, therefore, be it

Resolved, That Portland Aerie, Fraternal Order of Eagles, hereby respectfully petition the Congress of the United States to designate January 31, the birth date of Franklin Delano Roosevelt, as a national holiday; and be it further

Resolved, That copies of this resolution be sent to the United States Senators from this State and the Congressman of this district.

EMPLOYMENT OF WAR PRISONERS—LETTER AND RESOLUTION OF OREGON STATE FEDERATION OF LABOR

Mr. CORDON. Mr. President, I also ask unanimous consent to present for printing in the RECORD and appropriate reference a letter addressed to me by the Oregon State Federation of Labor, together with the attached statement setting forth the objections of the Federation of Labor of the Sate of Oregon to the employment of prisoners of war where their employment is competitive with free American labor.

The PRESIDENT pro tempore. Without objection, the letter and attached statement will be received, referred to

the Committee on Military Affairs, and printed in the RECORD.

The letter and statement presented by Mr. CORDON are as follows:

OREGON STATE FEDERATION OF LABOR,
Portland, Oreg., July 5, 1945.

Hon. GUY CORDON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CORDON: The enclosed statement, referring to the employment of prisoners of war, was adopted by unanimous vote of the executive board of the Oregon State Federation of Labor in meeting May 31, 1945.

We trust you will be able to concur in our viewpoint and we thank you in advance for your cooperation.

Very truly yours,

J. T. MARR,
Executive Secretary.

The communication from Steamfitters' Union, No. 235, relative to employment of prisoners of war to replace free labor, is timely in calling attention to a potential condition that may deny to citizens the opportunity for employment.

The 1944 convention of the Oregon State Federation of Labor adopted two resolutions, Nos. 24 and 45, placing the federation on record against the practice of employing war prisoners to replace free labor. Now that the war with Germany is ended, and there is reported to be approximately 350,000 German prisoners in the United States, the seriousness of the possible effect of their employment on industrial work becomes apparent.

A recent news report says that approximately 50,000 will be deported to Germany in the early future, but that the remaining 300,000 will stay "as long as it suits American convenience." If this means that they are to be retained and given employment in a period in which there may be unemployment of American citizens who are looking for work, that proposal should at once be vigorously condemned.

Nor is the economic effect or the injustice to citizen workers the sole, or even the strongest, ground for objection. The war being ended, to keep these prisoners in the country longer than is necessary and use them in production is little less than a form of slavery. Our Government, from moral considerations alone, should not countenance such a policy.

The executive secretary is instructed to communicate with Oregon Members of the National Congress and present this viewpoint.

REPLACEMENT PLAN FOR SOLDIERS IN EUROPE

Mr. McMAHON. Mr. President, I ask unanimous consent to present for appropriate reference a communication in the nature of a petition I have received from a great number of soldiers now serving in Europe who suggest a replacement plan. I also ask that it be printed in the RECORD with only the first signature attached there.

There being no objection, the communication was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, without all the signatures attached, as follows:

SALACH, GERMANY, *June 1, 1945.*

DEAR SENATOR MCMAHON: We, the undersigned soldiers have a replacement plan which we know is satisfactory to all men in this area. We men represent all sections of the country and we are not criticizing the Army plan but we are offering suggestions which we believe are the sentiments of all the soldiers in this theater of operations. This plan was suggested in the Stars and Stripes by other men, and we're sure that Members of Congress will be getting a lot of mail on it.

"REPLACEMENT PLAN

"To many thousands of soldiers sweating out VE-day in the ETO, seeing the film, Two Down and One to Go, offered little, if any, encouragement on prospects on getting home soon, my interpretations of the picture were that releases from the Army depends almost entirely on the boys becoming 18 years of age.

"There is a large reservoir of healthy men in the States between the ages of 18 and 35 who have stayed out of the Army through deferments of one kind or another. We have men in the Army qualified to fill any civilian job in the States who are entitled to be sent home. Their chances of getting home within the next 2 years depend upon replacements available.

"If all civilians deferred other than physical disqualifications were now drafted in the next 6 months, thousands of soldiers with one to three years service, and lacking the miraculous 85 points for discharge could be sent home.

"This plan, if adopted, would open up many jobs to the returning vet in the higher-salaried brackets. Men not in the armed forces have had the opportunity in the last 4 years to accumulate large nest eggs. If they are drafted now they're already set with an economic cushion when they are released.

"These men also have the inside track at present on a majority of business opportunities and are leaving their present jobs daily to avail themselves of these opportunities. This will make it tougher on the returning vet 1 or 2 years from now.

"Congress should take immediate steps to remove all deferments for other than physical disqualifications and get these men into training centers where they could become replacements for veterans who have earned a right to civilian life.

"We ask to have this read before the Senate and have a copy printed in the CONGRESSIONAL RECORD. We are sure that you and all your colleagues in the Senate will give this plan your most serious consideration.

"The soldiers signing their names will also give their home State. A reply giving your opinion will be greatly appreciated.

"Sincerely yours,

"Pfc ANTHONY FIANO"

(And sundry other soldiers).

UNITED NATIONS CHARTER—RESOLUTION OF FIRST UNITARIAN CHURCH OF PITTSBURGH, PA.

Mr. MYERS. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the First Unitarian Church of Pittsburgh, Pa., relating to the United Nations Charter.

There being no objection, the resolution presented by the Senator from Pennsylvania was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

The First Unitarian Church of Pittsburgh recommends that the Senate of the United States give full and prompt consideration to the United Nations Charter signed at San Francisco, June 26, 1945.

We are convinced that such consideration will result in the ratification of the Charter. We hold this conviction because we believe:

1. That the action taken by 50 sovereign nations at San Francisco constitutes the next essential step toward the realization of the plan for the establishment and maintenance of a just world peace, proposed at Dumbarton Oaks.

2. That the purposes and principles of the United Nations Charter are sound; that the open discussions of its General Assembly will create such good will as will frequently remove the occasions for international disputes; that the action of its Security Council in attempting pacific settlement of disputes and, failing that, in securing their settlement by means of a United Nations common force acting in accord with law will eliminate wars; that the studies and recommendations of its Economic and Social Council will tend to eliminate many indirect, but nonetheless potent causes for war; that its international trustee system opens up the possibility of self-government for colonial peoples; that its international court of justice is an integral and necessary part of the machinery for collective security.

3. That the security of any State, including our own United States, is inseparably bound up with the security of other peace-loving states, a lesson taught us by the tragedies of the past 25 years.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HAYDEN, from the Committee on Printing:

H. R. 2522. A bill to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States; without amendment (Rept. No. 456).

By Mr. BILBO, from the Committee on the District of Columbia:

H. R. 3376. A bill to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes; with amendments (Rept. No. 457).

By Mr. GEORGE, from the Committee on Finance:

H. R. 3653. A bill to facilitate reconversion and for other purposes; with an amendment (Rept. No. 458).

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate a report for the month of June 1945 from the chairman of a certain committee, in respect to Senate Resolution 319 (78th Cong.) relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which was ordered to lie on the table and to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
July 2, 1945.

Hon. KENNETH MCKELLAR,
President, United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the Surplus Property Subcommittee (S. Res. 129) of the Senate Committee on Military Affairs who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the Department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,

JOSEPH C. O'MAHONEY,
Chairman, Surplus Property Subcommittee.

SURPLUS PROPERTY SUBCOMMITTEE, SENATE MILITARY AFFAIRS COMMITTEE

JULY 2, 1945.

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Kurt Borchardt	6007 34th Pl. NW., Washington, D. C.	Smaller War Plants Corporation, Washington, D. C.	$5,600
Mabel Graham	1474 Columbia Rd. NW., Washington, D. C.	do	2,000
Bertram M. Gross	613 South Quincy St., Arlington, Va.	Navy Department, Washington, D. C.	8,000
Hilda Hamilton	705 18th St. NW. Washington, D. C.	Reconstruction Finance Corporation, Washington, D. C.	2,200
Doris Phippen	40 Plattsburgh Ct. NW., Washington, D. C.	Navy Department, Washington, D. C.	2,300

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that he had presented to the President of the United States the following enrolled bills:

On July 9, 1945:

S. 24. An act for the relief of the Truckee-Carson irrigation district;

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 311. An act for the relief of Philip Kleinman;

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609);

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S 527. An act to extend the time for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 660. An act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodlun;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base Two, Rosneath, Scotland, on October 12, 1944;

S. 824. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E–172 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945;

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; and

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

On July 10, 1945:

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River;

S. 234. An act authorizing the construction of a free highway across the Yellowstone River near Fairview, Mont.;

S. 574. An act to extend the time for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.;

S. 672. An act for the relief of the legal guardian of Clifton R. Weir; and

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders.

REPORTS ON DISPOSITON OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States, that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

Mr. AUSTIN. Mr. President, from the Committee on Interstate Commerce I ask unanimous consent to report favorably the nomination of William Henry Wills, of Vermont, to be a member of the Federal Communications Commission.

The PRESIDENT pro tempore. Without objection, the report will be received and the nomination placed on the Executive Calendar.

The following favorable reports of nominations were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

Raymond Michael Foley, of Michigan, to be Federal Housing Administrator in the National Housing Agency for the unexpired term of 4 years from June 30, 1942, vice Abner H. Ferguson, resigned.

By Mr. GEORGE, from the Committee on Finance:

General Omar N. Bradley, United States Army, to be Administrator of Veterans' Affairs; and

Sundry officers for promotion in the Regular Corps of the United States Public Health Service.

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

W. Stuart Symington, of Missouri, to be a member of the Surplus Property Board for the unexpired term of 2 years from October 3, 1944, vice Guy M. Gillette, resignation effective July 15, 1945;

Col. William Henry Kasten (lieutenant colonel, Finance Department), Army of the United States, for appointment in the Regular Army of the United States as Chief of Finance, with the rank of major general, for a period of 4 years from date of acceptance, vice Maj. Gen. Howard Kendall Loughry, formerly Chief of Finance, whose term of office expired April 22, 1944;

Luther Deck Miller, Army of the United States, for appointment in the Regular Army of the United States, chaplain (temporary brigadier general; permanent colonel), to be Chief of Chaplains for a period of 4 years from date of acceptance, with the temporary rank of brigadier general, Regular Army, under the provisions of Public Law 314, Seventy-seventh Congress, vice Chaplain (Maj. Gen.) William Richard Arnold, who retired on June 30, 1945; and

Lt. Gen. Daniel Isom Sultan (brigadier general, United States Army), Army of the United States, for appointment in the Regular Army of the United States as the Inspector General, with the rank of major general, for a period of 4 years from date of acceptance, vice Maj. Gen. Virgil Lee Peterson, formerly the Inspector General, whose term of office expired February 26, 1944. (This appointment will not vacate his earlier appointment as lieutenant general in the Army of the United States.)

By Mr. WALSH, from the Committee on Naval Affairs:

Capt. George H. Bowdey, United States Navy, retired, to be a commodore in the Navy, on the retired list, for temporary service, to continue while serving as Chief of Staff to the President, Naval War College;

Capt. Lewis L. Strauss, United States Naval Reserve, to be a commodore in the Naval Reserve, for temporary service, to continue while serving as a member of the Joint Army and Navy Munitions Board;

Capt. Penn L. Carroll, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as deputy chief of staff to commander, Seventh Fleet, and until reporting for other permanent duty;

Capt. James L. Holloway, Jr., United States Navy, to be a rear admiral in the Navy, for temporary service, to rank from the 4th day of September 1943;

Civil Engineer Charles T. Dickeman to be a civil engineer in the Navy, with the rank of commodore, for temporary service, to continue while serving as officer in charge of a naval construction brigade, and until reporting for other permanent duty;

Pay Director William C. Wallace to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as fleet supply officer, Service Force, United States Atlantic Fleet, and until reporting for other permanent duty;

Pay Director Thomas A. Durham to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as officer in charge, Naval Supply Depot, Aviation Annex, Oakland, Calif., and until reporting for other permanent duty;

Pay Director John R. Wood to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as senior assistant to the aviation supply officer, Philadelphia, and until reporting for other permanent duty;

Pay Director Gerald A. Eubank to be a pay director in the United States Naval Reserve, with the rank of commodore, for temporary service, to continue while serving as fiscal director, Bureau of Supplies and Accounts;

Pay Director James B. Ricketts to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as force supply officer, staff of commander air force, United States Pacific Fleet, and until reporting for other permanent duty;

Brig. Gen. Harry K. Pickett to be a major general in the Marine Corps for temporary service from the 22d day of June 1945;

Brig. Gen. Raymond R. Wright to be a major general in the Marine Corps for temporary service from the 22d day of June 1945; and

Col. Robert H. Pepper to be a brigadier general in the Marine Corps for temporary service from the 22d day of June 1945.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ELLENDER:

S. 1250. A bill for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida; to the Committee on Claims.

By Mr. WHEELER:

S. 1251. A bill authorizing the issuance of a patent in fee to Richard S. Fisher; and

S. 1252. A bill authorizing the issuance of a patent in fee to Mary K. Reed; to the Committee on Indian Affairs.

(Mr. WHEELER (by request) also introduced Senate bill 1253, which was referred to the Committee on Interstate Commerce, and appears under a separate heading.)

By Mr. MAGNUSON:

S. 1254. A bill for the relief of Martin W. Prasch; to the Committee on Claims.

By Mr. WALSH:

S. 1255. A bill for the relief of Florence M. Porter; to the Committee on Claims;

S. 1256. A bill to correct the military record of Robert J. Clark;

S. 1257. A bill to provide the Navy with a system of laws for the settlement of claims, uniform with that of the Army; and

S. 1258. A bill authorizing the acquisition and conversion of certain auxiliary vessels for the United States Navy, and for other purposes; to the Committee on Naval Affairs.

By Mr. BALL:

S. 1259. A bill to extend the times for commencing and completing the construction of a bridge across the Mississippi River at Mill Street in Brainerd, Minn.; to the Committee on Commerce.

By Mr. McFARLAND (for himself and Mr. HAYDEN):

S. 1260. A bill to supplement the Reclamation Extension Act (act of August 13, 1914, 38 Stat. 686); to the Committee on Irrigation and Reclamation.

(Mr. GREEN introduced Senate bill 1261, which was referred to the Committee on Privileges and Elections, and appears under a separate heading.)

(Mr. LANGER introduced Senate bill 1262, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. MURRAY:

S. 1263. A bill granting a pension to Mrs. Nelly Clapp; to the Committee on Pensions.

By Mr. STEWART:

S. 1264. A bill to amend the Surplus Property Act of 1944; to the Committee on Military Affairs.

By Mr. BILBO (for himself, Mr. BURTON, and Mr. MEAD):

S. J. Res. 83. Joint resolution to authorize the Federal Works Administrator to advance discretionary apportionment funds to be used for the purpose of making plans for the National Memorial Stadium as a postwar project; to the Committee on the District of Columbia.

Mr. McMAHON. Mr. President, for my colleague the junior Senator from Connecticut [Mr. HART] and myself, I ask unanimous consent to introduce for appropriate reference a joint resolution authorizing the erection in the District of Columbia of a statue to Nathan Hale.

The PRESIDENT pro tempore. Without objection, the joint resolution introduced by the Senator from Connecticut for himself and Mr. HART will be received and appropriately referred.

By Mr. McMAHON (for himself and Mr. HART):

S. J. Res. 84. Joint resolution authorizing the erection in the District of Columbia of a statue of Nathan Hale; to the Committee on the Library.

AMENDMENT OF INTERSTATE COMMERCE ACT

Mr. WHEELER. Mr. President, I have been requested by the Interstate Commerce Commission to introduce a bill to amend the Interstate Commerce Act. Therefore, I ask unanimous consent to introduce the bill for reference to the Committee on Interstate Commerce.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from Montana will be received and referred as requested.

The bill (S. 1253) to amend the Interstate Commerce Act, as amended, and for other purposes, was read twice by its title and referred to the Committee on Interstate Commerce.

Mr. WHEELER subsequently said: Mr. President, today I introduced a bill to amend the Interstate Commerce Act. It was drafted by the Interstate Commerce Commission and I introduced it at their request. I ask unanimous consent to have printed in the RECORD at this point a letter from the Commission setting forth the purposes of this proposed legislation and recommending its enactment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERSTATE COMMERCE COMMISSION,
Washington, May 9, 1945.

Hon. BURTON K. WHEELER,
Chairman, Committee on Interstate Commerce,
United States Senate,
Washington, D. C.

MY DEAR CHAIRMAN WHEELER: In the Commission's annual report for the year 1943, reference was made in the chapter relating to the progress of railroad reorganizations under section 77 of the Bankruptcy Act to the provision which the Commission had incorporated in one of the plans of reorganization approved by it under which the reorganized debtor, with the consent of the holders of not less than 75 percent in principal amount of the bonds issued by it, could, subject to the Commission's approval, modify the provisions of the securities issued by it, and the instruments pursuant to which issued, including provisions for the payment of interest or principal. In that connection, the Commission stated that it was giving consideration to a possible recommendation that the Congress adopt legislation which would provide for the application of such a provision to all railroad mortgages under which bonds were already outstanding. After further and intensive consideration, we have concluded that it would be to the public interest and of real aid in the restoration and preservance of railroad credit that legislation of this character be enacted.

The Congress is cognizant of the deterioration of service and decrease of employment which usually occur whenever a carrier begins to experience substantial loss of traffic and revenues. This, in no small measure, is caused by the necessity for the carrier to meet its fixed charges or else to face the prospects of receivership or a judicial reorganization under section 77 of the Bankruptcy Act. The financial structure of many carriers were, and in some instances still are, such as to require a thorough rearrangement of their financial and corporate structures. On the other hand, instances arise where drastic reorganization is neither necessary nor desirable. Although the financial difficulty of a carrier may be temporary, when such a condition becomes known, it produces a very unfavorable effect on its credit and the marketability of its securities. This arises from the uncertainty or fear that certain classes of securities may be totally eliminated and others drastically modified in the event of judicial reorganization.

By reason of the fact that the securities of most carriers are widely held, and for other reasons, it usually is not feasible to effect a voluntary financial reorganization which requires the consent of all of the holders of the carriers' bonds or even of all of the holders of individual issues. Recognition of this fact brought about the enactment of the McLaughlin bill. While this statute has afforded relief in certain instances, proceedings thereunder are of necessity quite prolonged and expensive. Moreover, while the unfavorable effects experienced by such proceedings are not as pronounced as in the case of reorganization under section 77 of the Bankruptcy Act, the relief which may be afforded thereby is offset in other respects.

The objections to effecting financial readjustments under the methods above referred to could, in numberous instances, be eliminated if there existed a medium through which a carrier, with the consent and cooperation of the majority of all of its bondholders, or in some instances, with the consent of a majority of the holders of individual classes of its securities, could modify its obligations, for example, by postponing or reducing the payment of interest charges or by extending the maturity of some or all of its bonds.

This, we believe, would be accomplished by the enactment of a bill, a draft of which is herewith submitted for your consideration. The provisions of this draft are summarized below.

This bill would amend the Interstate Commerce Act by a new section to be designated as 20 (b). There follows a discussion of this proposed new section.

Proper safeguards of the majority, as well as of the minority, interests should, of course, be provided in any legislation along the lines suggested. In this connection it will first be observed from the provisions of the proposed section 20 (b) that whenever an alteration or modification of a carrier's bonds or other evidences of securities is proposed, the carrier must make application to the Commission as set out in paragraph (2) of the draft. The Commission then would set the application for public hearing and notice thereof would have to be given to the holders of the securities involved. The Commission, after hearing, would approve the application if it found that the proposed alteration or modification (1) is within the scope of the statute, (2) will be in the public interest, (3) will be in the best interests of the carrier and of the holders of each class of its obligations affected by such modification or alteration, and (4) will not be adverse to the interests of the holders of any other class of the carrier's securities or to the interests of any creditor of the carrier not affected by such modification or alteration. Thereafter (unless the applicant should withdraw its application) the Commission would cause the carrier in such manner as it directs, to submit the proposed alteration or modification (with such amendments as the Commission should direct) to the holders of each class of its obligations affected, for acceptance or rejection.

Paragraph (2) also provides that if the Commission should find that as a result of such submission the proposed alteration or modification has been assented to by the holders of at least 75 percent of the aggregate principal amount outstanding of each class of obligations affected (or in any case where 75 percent thereof is held by fewer than 25 holders, such larger percentage if any, as the Commission may determine), the Commission would enter an order approving and authorizing the proposed alteration or modification upon the terms and conditions and with the amendments, if any, required.

Paragraph (3) of the draft would set up standards to guide the Commission in respect of what class of obligation would be deemed to be affected by any proposed modification or alteration. In this connection it is suggested that a class of obligations should be deemed to be affected by any modification or alteration proposed only (a) if a modification or alteration is proposed as to any provision of such class of obligations, or (b) if any modification or alteration is proposed as to any provision of any instrument pursuant to which such class of obligations shall have been issued or secured; provided, that in any case where more than one class of obligations shall have been issued and be outstanding or shall be secured pursuant to any instrument, any alteration or modification proposed as to any provision of such instrument, which does not relate to all of the classes of obligations issued thereunder, should be deemed to affect only the class or classes of obligations to which such alteration or modification is related. Provision should also be made that an obligation should not be deemed to be outstanding if in the determination of the Commission the assent of the holder thereof to any proposed alteration or modification is within the control of the carrier or any person or persons controlling the carrier.

Paragraph (4) (a) would cover the following: In view of the fact that carriers have assumed liability in respect of other carriers, provision should be made that any authorization and approval by the Commission of any alteration or modification of a provision of any class of obligations of a carrier or of a provision of any instrument pursuant to which a class of obligations has been issued or by which it is secured, should be deemed to constitute authorization and approval of a corresponding alteration or modification of the obligation of any other carrier which has assumed liability in respect of such class of obligations as guarantor, endorser, surety or otherwise, provided that such other carrier consents in writing to such alteration or modification of such class of obligations in respect of which it has assumed liability or of the instrument pursuant to which such class of obligations has been issued or by which it is secured. If such consent is given, any such corresponding alteration or modification should become effective, without other action, when the alteration or modification of such class of obligations or of such instrument shall become binding.

Paragraph (4) (b) would provide that any person which is liable or obligated contingently or otherwise in any class or classes of obligations issued by a carrier should, with respect to such class or classes of obligations, be deemed a carrier.

Paragraph (5) would provide for expedition and economy by making the authority conferred by the proposed legislation, if enacted, exclusive and plenary and any carrier, in respect of any alteration or modification authorized and approved by the Commission, should have full power to make any such alteration or modification and to take any actions incidental or appropriate thereto, and may make any such alteration or modification and take any such actions, and any such alteration or modification may be made without securing the approval of the Commission under any other provisions of the Interstate Commerce Act, and without securing the approval of any State authority. And any carrier and its officers and employees and any other persons, participating in the making of an alteration or modification so approved and authorized should be relieved from the operation of all restraints, limitations, and prohibitions of law, Federal, State, or municipal, insofar as may be necessary to enable them to make and carry into effect the alteration or modification so approved and authorized. The power granted by the proposed legislation, if enacted, should be deemed to be in addition to and in modification of the carrier's power under its corporate charter or under the laws of any State. Provision should also be made that the proposed legislation should not affect in any way the negotiability of any obligation of any carrier or of the obligation of any carrier which has assumed liability in respect thereto.

Paragraphs (6) to (10) contain further clarifying and protective provisions.

Very truly yours,

WALTER M. W. SPLAWN,
Chairman, Legislative Committee.
CHARLES D. MAHAFFIE.
JOHN L. ROGERS.

AMENDMENT OF FEDERAL CORRUPT PRACTICES ACT OF 1925

Mr. GREEN. Mr. President, when the Special Committee to Investigate Presidential, Vice Presidential, and Senatorial Campaign Expenditures in 1944 was appointed under Senate Resolution 263 of the Seventy-eighth Congress, second session, the resolution provided among other things that, "The committee shall report to the Senate the results of its investigation, together with its recommendations, if any, for necessary legislation."

The committee spent considerable time in considering the questions involved in this part of the resolution in connection with its investigation of the campaign expenditures in various States and reached certain conclusions.

However, before the report was drafted, the Senate terminated the existence of the committee. It seems to me, as chairman of the committee, proper that the Senate should have the benefit of the conclusions reached by the committee. Therefore, I have had drafted and now ask unanimous consent to introduce for appropriate reference a bill to amend the Federal Corrupt Practices Act of 1945 in certain particulars. I do this simply to bring before the Senate the recommendations of the committee so that the Senate may take such action thereon as it shall deem advisable.

There being no objection, the bill (S. 1261) to amend the Federal Corrupt Practices Act, 1925, and for other purposes, was received, read twice by its title, and referred to the Committee on Privileges and Elections.

AWARDS TO BLOOD DONORS

Mr. LANGER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to provide for awards to blood donors. Briefly the bill provides:

That the American Red Cross is hereby authorized, under such rules and regulations as may be from time to time promulgated, and in such quantities as may be authorized, by the Price Administrator, to award meat and fat ration tokens, shoe ration coupons, or sugar ration coupons, to persons donating blood to the American Red Cross for use by members of the armed forces.

There being no objection, the bill (S. 1262) to provide for awards to blood donors, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Banking and Currency.

ISSUANCE OF SPECIAL AIR-MAIL STAMP IN COMMEMORATION OF FIRST AIR-MAIL LETTER FROM COAST TO COAST

Mr. McCARRAN submitted the following resolution (S. Res. 155), which was referred to the Committee on Post Offices and Post Roads:

Resolved, That it is the sense of the Senate that September 8, 1945, being the twenty-fifth anniversary of the dispatch by the Post Office Department of the first air-mail letter from coast to coast, the Postmaster General should issue a special air-mail postage stamp, of 8-cent denomination, of such design and for such period as he may determine, in commemoration of this anniversary.

LOCATION OF SEAT OF UNITED NATIONS ORGANIZATION WITHIN THE UNITED STATES

Mr. WILEY. Mr. President, I ask unanimous consent to submit a concurrent resolution which reads as follows:

Resolved by the Senate (the House concurring), that the United Nations be and hereby are invited to locate the seat of the United Nations Organization within the United States of America.

President Truman, may, as the Executive head of this Nation, in his consultations with Churchill, Stalin, and others, extend such an invitation.

But, the San Francisco Charter begins with the words: "We, the peoples of the United Nations," and it is therefore most appropriate that "we, the people of the United States," as represented by the Congress, extend this invitation.

The resolution is self-explanatory. There is overwhelming justification for the location of the permanent headquarters of the new League within America.

Our blessed country possesses unequaled modern facilities of housing, transportation, communication, and so forth, for the United Nations Organization.

America has a free and democratic atmosphere which is untouched by the clouds of hatred and bitterness which mar the Old World.

The United States has a free press, the envy of all the world, which will fearlessly illuminate history in the making.

America has the economic prosperity, the physical health, the pioneer faith of the young Nation that she is.

We have a position of leadership in the world picture—of military leadership, industrial leadership, spiritual leadership, political leadership.

To prove the appropriateness of this resolution, we have all but to ask ourselves:

"Where else but in the United States should the United Nations headquarters be set up?"

If we have the courage of our convictions, we will answer that question, not boastfully, not arrogantly, but proudly and justifiably:

"There is no better site for the Peace Capitol of the earth than in the United States of America, whose eternal hope

and ideal it has been to have its own and all other peoples enjoy the blessings of peace and plenty.

"There is no better home for the United Nations Organization than in the United States of America."

Our America is a "city that is built upon a hill which cannot be hid." We should not hide our light under a bushel.

We should hold up ourselves to all the world by bringing all the representatives of the United Nations to our shores, by letting them see the physical magnificence and might, the cultural freedom, the spiritual harmony of our land of many races and religions.

To locate the headquarters of the new League within our country would not only be a mark of distinction to our own land but to the Western Hemisphere as well. It would be an act whose psychological value and merit would ring joyously around the world.

Already several of our cities and areas have issued invitations to the United Nations for the location of the Organization within their respective localities. It is implicit in such invitations that the United States of America will be the general site for the headquarters.

Mr. President, I ask that we extend this invitation so that America may become the home of the United Nations Organization.

I ask that the resolution be appropriately referred and that early and favorable action be taken upon it.

The PRESIDENT pro tempore. Without objection, the concurrent resolution submitted by the Senator from Wisconsin will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 20) was referred to the Committee on Foreign Relations.

HOUSE BILL REFERRED

The bill (H. R. 3376) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

MR. AND MRS. JOHN T. WEBB, SR.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 784) for the relief of Mr. and Mrs. John T. Webb, Sr., which was, on page 1, line 6, to strike out "$7,519.95" and insert "$6,519.95".

Mr. ELLENDER. Mr. President, I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. ELLENDER, Mr. TUNNELL, and Mr. WHERRY conferees on the part of the Senate.

RESTRICTIONS ON THE DISPOSITION OF NAVAL VESSELS AND FACILITIES

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WALSH. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. WALSH, Mr. TYDINGS, and Mr. JOHNSON of California conferees on the part of the Senate.

MARKETING OF FIRE-CURED AND DARK AIR-CURED TOBACCO

The PRESIDENT pro tempore laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BARKLEY. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. THOMAS of Oklahoma, Mr. BILBO, Mr. STEWART, Mr. CAPPER, and Mr. SHIPSTEAD conferees on the part of the Senate.

RECONSTRUCTION OF SENATE AND HOUSE ROOFS AND SKYLIGHTS

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 31) entitled "Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes," which were, on page 1, line 10, to strike out "skylight" and insert "skylights"; on the same page, line 11, to strike out "Chamber" and insert "and House Chambers"; on the same page, line 11, to strike out "ceiling" and insert "ceilings"; on the same page, line 13, to strike out "Chamber" and insert "Chambers"; and, on page 2, line 12, after the word "Grounds" to insert: "*Provided further*, That the project, insofar as it affects the House wing of the Capitol, shall be carried forward by the Architect of the Capitol in accordance with plans to be approved by a committee of five Representatives to be appointed by the Speaker of the House of Representatives, upon recommendation of the chairman of the House Committee on Public Buildings and Grounds.

"SEC. 2. The Architect of the Capitol is authorized to enter into a contract or contracts for carrying out the provisions of this joint resolution for a total amount not exceeding $861,000 in addition to the aforesaid appropriation of $585,000 heretofore provided in the Second Deficiency Appropriation Act of June 27, 1940".

Mr. ANDREWS. Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

WORLD WAR II VETERANS AND THE AMERICAN LEGION

Mr. CAPPER. Mr. President, American Legion officials say that America's fighting men and women of this war are returning home with a fervent new appreciation of America's blessings, a strong determination to preserve those blessings, and a desire to continue to be helpful to their country and their fellowmen. That is why up to this time more than 400,000 of them have joined the American Legion.

This picture of the typical World War II veteran is presented by the American Legion in the report just issued on its growing new membership. It explains why one-fourth of the Legion's present record-breaking 1945 national membership of approximately 1,600,000 is now composed of honorably discharged World War II veterans.

Entitled "New Strength for the American Legion," the statement just issued portrays the type of men and women who are coming out of this war and joining into the Legion. It presents the first authentic report on the progress of these new veterans in taking over the Legion.

In their own vigorous words these young new officials of the Legion explain why they affiliated themselves with the organization. I read from the statement:

Peace: "In the American Legion I see the most direct and powerful medium for preserving and safeguarding the peace and preventing future war," says Simon A. Lynch, Army Air Force veteran, now adjutant of West Hoboken Post 14 at Union City, N. J.

Democracy: "The Legion is an organization founded on democratic principles for which I fought, and for which it continues to fight at home," says Bob Wilson, overseas Signal Corps veteran, now first commander of the Thomas C. Reynolds Post 303, new all World War II post at the University of Oklahoma.

Service: "By being a member of the American Legion, a person has the best chance to be of more service to a large number of his comrades," says Joseph E. Doughty, a veteran of the United States Naval Air Force, now commander of Post 223 at Harrisonburg, Pa.

Heritage: "The American Legion is turning over its 26 years of experience, its buildings, and its fine Americanism projects to us of World War II. All we have to do is to accept its invitation and take on a little responsibility," says H. B. Lee, overseas Eighth Air Force veteran, now second vice commander of Post 35 of Oklahoma City.

Americanism: "The Legion appealed to me as an organization which assists in the perpetuation of the ideals of Americanism. It is an active agent in the reinforcement of the goals attained on the battlefields, "says Robert E. Lynch, Army Medical Corps veteran, now adjutant of the George Ham Cannon Post 394, new all-World War II post at Ann Arbor, Mich.

Unity: "Veterans must stick together and the Legion is the place to stick," says Kenneth Koon, Marine Corps here who singlehanded disposed of 32 Japs, wears the Purple Heart and other decorations, and is now commander of the John Smalley Post 199 at Summitville, Ind.

Strength: "We want a voice backed up by enough power to make itself heard. Only the

American Legion can offer us that," says Herman H. David, Jr., Army veteran, now commander of Post 557, new all World War II post in Cleveland, Ohio.

Rehabilitation: "To me the aims and purposes of the Legion are the finest. The Legion has set up a program to take care of the returning veterans and their dependents which cannot be topped," says Albert G. Abreach, Army Air Force veteran, now commander of the Harvey R. Hanson Post, 310, at Racine, Wis.

Comradeship: "The Legion is the darned best organization and friendly outfit that a discharged veteran can belong to," says John B. Soukup, overseas Marine Corps veteran, now adjutant of the Boyd-Sykora-Schiller Post, 478, at West, Tex.

Security: "Through the Legion I can do my part toward building a stronger and better America," says Max Obshatoko, Pacific combat veteran, now executive committeeman and welfare officer of Brownsville Post, 33, in Brooklyn, N. Y.

Representation: "I joined the Legion because I felt it was an organization already well established and could best represent the veterans of World War II," says Jewell Rose, former Spar, now a member of the Meeks-Johnson Post 6, at Pocahontas, Ark.

Tolerance: "I joined the Legion because I have a lot of faith in an organization free of religious and racial discrimination which devotes its time to the soldier after the battle has been won," says Josephine Furiak, ex-marine, now a member of Whiting Post, 80, at Whiting, Ind.

AMERICA'S ROLE IN THE WORLD ECONOMY—FULL EMPLOYMENT

Mr. MURRAY. Mr. President, today, when world attention is focused on international plans for permanent peace, we should not forget that world security and friendly relations among nations are to a large degree dependent upon the maintenance of full employment in the leading industrial nations.

This fact was explicitly recognized in Senate bill 380, sponsored by the Senator from New York [Mr. WAGNER], the Senator from Utah [Mr. THOMAS], the Senator from Wyoming [Mr. O'MAHONEY], Representative PATMAN, and myself, which states that the maintenance of continuing full employment in the United States is essential to "develop trade and commerce among the several States and with foreign nations" and to "contribute to the establishment and maintenance of lasting peace among nations."

Full employment as a prerequisite to all plans for maintaining peace and expanded world trade and prosperity was stressed again and again at the International Economic Conferences at Hot Springs, Bretton Woods, Atlantic City, and Mexico City. It has been stressed again in a lucid and forceful way by one of America's most prominent economists, Alvin H. Hansen, in his latest book, America's Role in the World Economy. Dr. Hansen argues that "this country can make no greater contribution toward the solution of international problems than that of achieving a high level of internal stability, business activity, and employment."

A competent review of this book, by Arthur Gayer, appeared in the New York Times on April 1. In view of the importance of the book and the subject, I should like to have this review printed in the RECORD in connection with my remarks.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

ECONOMIC POLICIES AND LASTING PEACE

America's Role in the World Economy. By Alvin H. Hansen. 192 pages, New York: W. W. Norton & Co. By Arthur D. Gayer

Not least among the causes that brought about the failure of the structure built at Versailles was the neglect of its framers to provide the economic arrangements needed to insure a durable peace. It would be folly once again to pin our aspirations for protection against a new war on political and military security pacts—like the one envisaged at Dumbarton Oaks—if the economic policies of the nations are permitted to clash violently with one another.

The international machinery in the economic and financial fields that will be needed as indispensable underpinning and complement for a world political organization is the theme of Professor Hansen's able and most timely book. No one concerned to understand the basic economic issues underlying America's stake in the postwar world can afford to neglect it. Fortunately for the uninitiated it is written with the utmost clarity and simplicity. Dr. Hansen carries his erudition lightly.

Professor Hansen is temperately hopeful about the outlook for world peace after this war. He sees the rise of Russia on one side of the globe, and the economic and military power of the United States on the other, as the new dominating and directing forces in the future course of history. By happy geographic accident these two super-powers control vast areas and resources that are noncompetitive. Here is a framework within which international cooperation has a chance to succeed. Confronted with this favorable political equilibrium, are we better prepared to meet our economic problems than we were after World War I?

On this score too Professor Hansen entertains a qualified optimism—subject to the proviso that we pursue, nationally and internationally, the economic policies that the new world confronting us renders imperative. Wisdom in this respect will begin at home. Dr. Hansen repeatedly stresses that this country can make no greater contribution toward the solutions of international problems than that of achieving a high level of internal stability, business activity, and employment. Short of this goal the prospects for achieving any sort of world stability or security must remain bleak. A violently fluctuating American economy is a menace to stability and security throughout the world.

The bulk of the book is devoted to examining in succession the new international economic institutions that should be established if the desired goals are to be attained. Considerable space is given to the agreements reached at Bretton Woods for the creation of an International Bank for Reconstruction and Development and an International Monetary Fund. Dr. Hansen regards these two institutions as constituting the cornerstone of the structure of international economic cooperation. He expresses strong approval for both. Congress is now considering this vital and controversial program. Bankers and economists are divided on it within their own ranks. A majority of the latter appear to favor both measures, the American Bankers Association would scrap the fund, and the Independent Bankers Association has memorialized Congress in favor of both parts of the program. One by one, Dr. Hansen examines the criticisms that have been directed at these two proposals with admirable reasonableness, urbanity, and understanding of his opponents' misgivings. Those inclined to feel chary about innovations would do well to weigh his position carefully.

The bank, he says, will be essentially a guaranteeing and underwriting institution, not designed to supplant private international lending and investment. The details of the fund are not deemed to be the vital thing. What is considered really important is that the plan sets up an international institution continually on the job, dealing with current international monetary developments and balance of payment problems, and constantly providing means of adjustment through international action. ("The Bretton Woods proposal seeks to promote stability of exchange rates without running the risks involved in a rigid fixity of rates. This is the crux of the matter.") As with the bank, the resources of the fund merely constitute a supplement to ordinary private foreign transactions.

There is a little comfort here for the advocates of traditional monetary orthodoxy. Dr. Hansen believes that those who doubt the need for such an international agency and wish to see the old gold standard reestablished are fighting for a lost cause. He is sure that no country will again sacrifice the goal of internal stability and full employment on the altar of the gold standard, nor permit its internal structure of income, wages, and prices to be deflated to meet the requirements of a rigid foreign exchange rate. Dr. Hansen fears that if the United States fails to enter these proposed international monetary pacts it will also remain aloof from other international economic institutions.

On the problem of international trade, Dr. Hansen rightly believes that traditional approaches to problems of policy are sterile and ineffective. It does scant good merely to hold international conferences and make pious recommendations for the removal of tariffs and trade restrictions. We must make a fresh start on this problem, but expansionist international trade policies will not be adopted unless they constitute part and parcel f a broader program of international cooperation. Hence the author proposes that an international trade authority should be established alongside of other international economic institutions. It would be the function of this body to advance the adoption of liberal and nondiscriminatory trade practices between the nations for the promotion of high levels of international trade and general world prosperity.

Clearly Dr. Hansen is in favor of increased imports for the United States. It is a pity that he does not tell us more precisely how they are to be brought about. High levels of domestic business activity and employment admittedly are a sine qua non for the increased imports that will furnish foreign countries with the dollars with which to buy our goods and pay is interest on our international loans. But will full employment at home be sufficient in itself to bring about a healthy balance in our international accounts? The unwary reader may well form the erroneous impression that Dr. Hansen almost believes that the reduction of trade barriers is of rather minor consequence if only high levels of business activity can be sustained within each national economy.

The whole field of post-war international economic relations is embraced in this penetrating book. Theoretical analysis and hard-headed practical examination of pressing issues are skillfully blended to their mutual advantage, and both are expounded with a felicity rare in the treatment of such solemn topics. We are now in this country prepared to commit ourselves to an international political organization for the maintenance of world peace. Having become internationalist on political lines, it would be disastrous were the United States to behave in an isolationist spirit in the economic matters that lend reality to political pacts. The world will be watching to see which way the United States is going. "American political collaboration," as the author points out, "will prove an empty gesture if economic cooperation is refused."

A REALISTIC FARM PROGRAM—EDITORIAL FROM THE JOURNAL OF COMMERCE

Mr. THOMAS of Oklahoma. Mr. President, yesterday Secretary of Agriculture Hon. Clinton P. Anderson, addressed the Advertising Federation of America and in the address he made some statements with reference to a realistic farm program. The Journal of Commerce comments upon this address favorably, and I ask unanimous consent that the editorial from the Journal of Commerce be printed at this point in the body of the RECORD in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A REALISTIC FARM PROGRAM

The Stabilization Extension Act provides that farmers shall be assured of receiving 90 percent of parity on basic crops, and 92½ percent in the case of cotton, for the war period and 2 years thereafter. However, neither the exact method nor adequate funds for maintaining these prices are provided in the law. If a future Congress would do nothing about it, the Secretary of Agriculture could find it impossible to enforce this undertaking.

Secretary of Agriculture Clinton P. Anderson, in his address before the Advertising Federation of America yesterday, advanced a practical way to implement in part the commitment made by Congress in the Stabilization Act. He would set production goals for American farmers for 1946 that would embrace both military and civilian needs, despite the fact that military requirements may be contracted drastically should Japan surrender. The military demand estimates would then be regarded as a firm contract, and the food commodities involved would be bought and paid for by the Government regardless of events. Commodities thus acquired would be used in relieving distress around the world.

Secretary Anderson contends that such a policy would correspond with that adopted by the Government when the war contract of a manufacturer is canceled. True, the Government does not undertake to receive and pay for all the airplanes or munitions specified in a contract that has been cut back or canceled, but a manufacturer can halt production on his products whereas the farmer who has planted and cultivated his crop cannot adjust the size of his harvest without serious loss.

Ordinarily, a plan to use foods purchased by the Army and Navy for export by the Government would cause misgiving. It would represent entry by the Goernment into commodity exports on a huge scale. Under present circumstances, however, there is no question that relief will be urgently required abroad next year. Even if food conditions improve somewhat in Europe, China and the East Indies could easily absorb any food surpluses.

Even though private agencies are used to market, transport, and distribute a considerable part of these relief supplies, the Government will have to cooperate extensively in this task under the abnormal conditions that prevail today.

The Anderson plan is a realtistic solution for the difficult food policy questions confronting the Nation today.

THE STAKE OF SMALLER BUSINESS IN RECONVERSION—ARTICLE FROM THE WASHINGTON EVENING STAR

Mr. GUFFEY. Mr. President, I recently made a speech on this floor which is in the RECORD. The subject of that talk was the Stake of Smaller Business in Reconversion. In it I made the statement that unless, after our Japanese war needs were satisfied, available raw materials were apportioned to all industry, large and small, it would result in big business getting all the available raw materials, and smaller business being denied them. I further stated that this situation was fraught with the greatest danger to the national economy. Mr. President, the War Production Board took exception to my remarks and tried to make out a case for themselves, but my correspondence with the War Production Board clearly shows that I was not convinced by their arguments.

In last Monday's Washington Evening Star is an Associated Press story from Cleveland, Ohio, which makes my point much more eloquent and certainly shows the false direction in which the War Production Board is heading in the reconversion program. I ask unanimous consent that that short article be included in the RECORD as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STEEL BOOKS SCANNED BY WPB TO STOP DUPLICATE ORDERS

CLEVELAND, July 9.—The War Production Board has asked producers to report principal orders on their books so that duplicate contracts can be detected, the magazine Steel said today:

"It has been apparent for some time that makers of civilian products have placed orders for the same steel with several mills, in the hope that they may obtain a place on rolling schedules," reported the trade journal. "This has obscured the real situation and may have inflated backlogs materially. The WPB hopes this action may make it possible to eliminate some duplications and give a truer picture of essential demand."

Meanwhile Washington is exerting heavy pressure on consumers who have received cut-backs, to cancel released tonnage, observed Steel.

"This is especially the case in sheets, which are in strong spot demand for drums and containers and other military needs, in addition to rated and unrated civilian programs scheduled for third and fourth quarter," said Steel.

"To some extent bars are in a similar position. It is also reported that consideration is being given to revocation of direction 70, regulation 1, which permits manufacturers of civilian goods to divert tonnages released by military cut-backs to civilian requirements of like character. At present, such diversion is subject to WPB approval."

Steel-making operations last week dropped 3½ points to 88½ percent, due largely to strikes and a holiday.

FOURTH OF JULY ADDRESS BY HON. ROBERT E. HANNEGAN

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD an address delivered by Hon. Robert E. Hannegan, Postmaster General of the United States, at the Truman Day celebration at Gainesville, Ga., July 4, 1945, which appears in the Appendix.]

THE BRETTON WOODS PROPOSALS—ADDRESS BY RICHARD W. COURTS

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD an address regarding the Bretton Woods agreement and the International Bank proposal, delivered at La Grange, Ga., by Richard W. Courts, of Atlanta, which appears in the Appendix.]

ADDRESS BY COL. EUGENE M. CAFFEY AT UTAH BEACH D-DAY CELEBRATION

[Mr. RUSSELL asked and obtained leave to have printed in the RECORD the address delivered by Col. Eugene M. Caffey at the Utah Beach D-day celebration on June 6, 1945, which appears in the Appendix.]

PROPOSED MISSOURI VALLEY AUTHORITY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an editorial entitled "A United MVA Front," from the St. Louis Dispatch of July 7, 1945, which appears in the Appendix.]

PROBLEMS AT POTSDAM—EDITORIAL FROM THE WASHINGTON POST

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an editorial entitled "Problems at Potsdam," from the Washington Post, which appears in the Appendix.]

PROTECTION OF RAW MATERIALS IN TRADE AGREEMENTS — EDITORIAL FROM ARIZONA REPUBLIC

[Mr. MCFARLAND asked and obtained leave to have printed in the RECORD an editorial entitled "McFarland Seeks To Protect Raw Materials in Trade Agreements," published in the Arizona Republic of June 29, 1945, which appears in the Appendix.]

NEWSPAPER COMMENT ON PROPOSED FEDERAL LABOR RELATIONS ACT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article entitled "Ten Years of NLRB," by Ernest Lindley, from the Washington Post of July 4, 1945, and an editorial entitled "Safeguards for Workers," from the Washington News of July 5, 1945, which appear in the Appendix.]

HEALTH PROVISIONS OF WAGNER-MURRAY-DINGELL BILL

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article entitled "Medical Care for All," written by Dr. Miles Atkinson and published in the American Federationist for June 1945, which appears in the Appendix.]

PROBLEMS OF RETURNING SOLDIERS—LETTER FROM IRVING F. SACK

[Mr. GUFFEY asked and obtained leave to have printed in the RECORD a letter written by Irving F. Sack relative to the problems to be faced by returning members of the armed forces, which appears in the Appendix.]

SURVEYS OF HOSPITAL AND PUBLIC HEALTH CENTERS—STATEMENT BY LOUIS T. WRIGHT

[Mr. BURTON asked and obtained leave to have printed in the RECORD a statement by Dr. Louis T. Wright, chairman of the board of directors of the National Association for the Advancement of Colored People, in support of Senate bill No. 191, which appears in the Appendix.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 1656) to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the

following enrolled bill and joint resolution, and they were signed by the President pro tempore:

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; and

H. J. Res. 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville.

REIMBURSEMENT OF CERTAIN NAVAL PERSONNEL FOR LOSS BY FIRE AT PORTSMOUTH, VA.

Mr. WALSH. Mr. President, there are on the desk two House bills which are similar to bills which have already been passed by the Senate. I ask unanimous consent that the House bills be laid before the Senate and passed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none; and the Chair lays before the Senate a bill coming over from the House of Representatives, which will be stated by title for the information of the Senate.

The bill (H. R. 2615) to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942, was read twice by its title, and the Senate proceeded to consider the bill.

Mr. WHITE. Mr. President, the Senator has said that the bills are similar. Does that mean that they are identical, or that the House bills depart in some respect from the Senate bills?

Mr. WALSH. The Senate bills in question have been passed by the Senate, but for some reason or other, through an error in the House, the House did not act on the Senate bills, but passed two separate House bills dealing with the same subject.

Mr. WHITE. Dealing with the same subject in the same way?

Mr. WALSH. Yes; in exactly the same way. They are minor relief bills.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill (H. R. 2615) was ordered to a third reading, read the third time, and passed.

REIMBURSEMENT OF CERTAIN NAVY PERSONNEL FOR LOSS BY FIRE AT SEATTLE, WASH.

Mr. WALSH. Mr. President, the same situation exists with respect to House bill 2853. I ask unanimous consent that the Chair lay before the Senate the House bill, and that it be considered.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Utah? The Chair hears none, and the Chair lays before the Senate a bill coming over from the House of Representatives, which will be stated by title for the information of the Senate.

The bill (H. R. 2853) to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944, was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

TERMS OF SURRENDER FOR JAPAN

Mr. CAPEHART. Mr. President, disclosures have now been made to the American people of such a nature as to impel me to ask the indulgence of the Senate while I discuss briefly a matter of grave importance to our Nation.

Three weeks ago I made a public statement to the effect that I had received information that Japanese peace feelers had been made, which, if correctly reported to me, should be acceptable to us; and that our people should be given the facts as to any such proposals, if so made. I did not elaborate upon that brief statement. I did not think such elaboration necessary or proper at that time. I had as my main objective the information of our people.

I did not then, and I do not now, subscribe to the doctrine that our people should be kept in the dark until advised of accomplished facts. They are fully aware of what must be accomplished by this war. They have demonstrated their ability to think things through for themselves.

Neither do I believe in the overworked philosophy that information and discussion on the part of our people will induce the Japanese to believe that we are "soft," thereby aiding them in maintaining morale.

On the other hand, I feel that clear understanding and frank discussion will do just the opposite. It will demonstrate to the Nipponese that we have turned "thumbs down" on any offer which does not pay the price. To my mind, there is much more danger in secret and devious diplomacy and militaristic "hush-hush."

Let me remind the Senate that I at no time stated that such proposals had been communicated by an official source to an official department of our Government, or that they came from an unofficial origin to a like destination. I simply requested that we be given the full facts.

At first our State Department denied that any such proposals had been transmitted to our Government, which was undoubtedly true. We all know that such "peace feelers," as they are termed, are seldom so communicated.

However, that denial caused me, as well as others who had similar information and felt as I did, to be misunderstood in some quarters, and in some to be even severely criticized, although public opinion was almost unanimous in demanding that full information be provided.

Now, I am pleased to note, our capable Acting Secretary of State, Mr. Grew, has cleared up the situation. He has now frankly and courageously disclosed that our Government has knowledge of unofficial "peace feelers," but that none of them have constituted definite peace offers. I accept Mr. Grew's statement. I commend him for taking the people into his confidence. I trust that he will continue to do so. I cannot but recall that denials similar to those mentioned were made just a few weeks before the Italian surrender in 1943.

It may be that the "feelers" made were no more than propaganda. If so, they have been squelched—squelched because of public disclosure and discussion. Japan now knows that whatever it wishes to offer it must disclose to our people and to the world. The cards must be played on top of the table.

Our good Secretary insists, however, that we must and shall insist upon "unconditional surrender." Those words, of seeming magic to some, seem to be our sole guidepost in the conduct of the war and the peace to be erected upon victory.

Mr. President, permit me to state with all the strength at my command that I favor no "soft" peace with Japan. Neither do I favor any compromise with that nation, if by that is meant the sacrifice of one thing necessary for the future welfare of America and the peace of the world. Moreover, I have not advocated and do not now advocate extended "horse-trading," and dickering with the Japanese in order to arrive at peace. Furthermore, I advocate no acceptance of mere promises on the part of that renegade nation "to be good." Our armed forces are on the spot to enforce all terms. On the other hand, what I do advocate will eliminate the propaganda, the "feelers," the dickering, the "horse trading," and the secret diplomacy.

Moreover, the policy which I advocate may shorten the war, save many lives, and create a more stable situation for the establishment of permanent peace.

For those reasons, I cannot accept the philosophy of our good Secretary, and others in high places, plus that of some writers and commentators, to the effect that nothing will accomplish the desired results save and except "unconditional surrender."

Let us take a look at those words. What do they mean? As the distinguished Senator from Maine [Mr. WHITE] has heretofore stated in this Chamber, the mean "acceptance by the vanquished of the will of the victor." What that will is—the terms to be met—is communicated to the vanquished after, rather than before, surrender.

That is the practical difference. The terms could just as well be stated before if our Allied leaders are willing to state the ends we seek to attain. The terms may, in fact, be just the same. However, many lives may be required to maintain that slight distinction.

With an abiding conviction that I am right, I submit, Mr. President, that our Nation, in cooperation with its allies, should proceed to formulate, and when formulated, announce to the world, the exact minimum terms required of Japan. Let them be spelled out with clarity and decisiveness. Let the Nipponese understand that this price they must pay or die.

Such a step will, in my judgment, stop the propaganda, the rumors, and the feelers. If those terms prescribe a just punishment and a fair hope for the future—and I cannot conceive that America will demand otherwise, no matter when victory is attained, or the cost thereof—there will be afforded an opportunity for upheaval in Japan, the ascendance of sanity, and the decline of suicidal unity.

By following that course, we have nothing to lose. 'Definite rigid terms are certainly no more terrifying than the uncertainty of victors' demands. There can be no morale created by false tales of drastic punishment to come—punishment beyond the comprehension or conscience of any American. Moreover, those who hereafter must die will know exactly what is to be accomplished by their sacrifice. They will not have died for the fulfillment of some vague plans of the future which we had not the courage to formulate while they lived.

Mr. President, I do not assume the task of spelling out what shall be the complete terms of surrender. Our people demand that we end Japan's power as a military nation, and punish it for its crimes against us and the world. We have not the conscience to exterminate the nation and its people.

If Japan gives up its fleet and air force, disarms its armies, destroys or has destroyed its war-productive agencies, gives up its conquered lands and loot and returns to its home islands, makes reparations for damage done, and is deprived of its economic capacity to wage war, what more can we ask other than the punishment of war criminals? As for the latter, most of them will follow the suicide route, regardless of the path followed to surrender.

Does "unconditional surrender" mean that the Japanese Emperor is to go, that the dynasty is to be destroyed, and that a new type of government is to be created? I do not know. Neither does Japan. Our President has pledged that the Japanese people will not be enslaved or destroyed. They will not be. We have known that from the very beginning. But why not use the positive rather than the negative method of approaching the problem?

Most certainly our Nation has no designs upon Japan which it fears to divulge. I am loathe to believe that any of our allies are so motivated.

Common sense tells us that Japan will be extremely reluctant to accept the exercise of "supreme authority" such as was declared in the case of Germany. If retention of its present form of government is the "face saving" necessary to enable Japan to accept our terms, then I for one advocate permitting Japan to save that much "face." It would take a lot of such "face" to compensate for the life of one American boy.

Let me pose a question. If it is to be our policy that Japan's system of government is to be destroyed as a part of "unconditional surrender," what is to take the place of such government? Most certainly it cannot be argued that the Japanese are prepared for any democratic form of government. Are we to spend years in occupation and in teaching a different form of government? I cannot accept that proposition.

Neither do I accept the philosophy that the Japanese will never consider themselves beaten as long as they have their Emperor, with his white horse and his various palaces.

The Japanese know they are beaten.

We have destroyed their Navy.

We have practically eliminated their air power.

We have bombed and substantially destroyed their major cities.

Their minor cities are now being wiped out, one by one.

Millions of Japanese are now homeless.

Their casualties are enormous.

As a matter of fact, Japan has been most effectively invaded already. Most of its people know what war is at first hand. The destruction is being increased daily. The Japanese will soon know that America is just getting into high gear.

Having personally seen what bombing did to German cities, I feel that I can safely say that a large majority of the Nipponese are fully aware of ultimate defeat.

Mr. President, it is my deep conviction that insistence upon unconditional surrender may prolong the war, may prevent an overthrow of the war lords of Japan, may promote Japanese suicidal unity, and must lead to ultimate famine in that land. Why should we assume those risks?

If famine results, shall we then assume the task of feeding and rehabilitating a poverty-stricken people? It seems to me that we now have enough to do along that line.

By reason of the stand I have taken in this matter, I have been accused by some of failing our men now fighting in the Pacific. It is my deep conviction that to have done otherwise would have been to fail them.

Above all, I do not wish to fail those who may be required to forfeit their lives through insistence upon postponement of decisions and those whose fate it may be to mourn their loss, when such insistence will add nothing to the future of America or humanity, and may, in fact, jeopardize rather than aid the future peace of the world.

I sincerely trust, Mr. President, that shortly following the conference now about to begin in Berlin, there will come from our Allied leaders an ultimatum to Japan stating the exact price she must pay by reason of her transgressions.

I have faith in our leaders to believe that some such action will be taken.

We shall then go forward, with a conviction that we have kept faith with those who die in our cause, united and unafraid, to final victory.

Mr. TAFT obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator yield to me for a moment?

Mr. TAFT. I yield to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I cannot allow the speech of the Senator from Indiana to pass without some reference to what, it seems to me, are its implications. Before the unconditional surrender of Germany, without any advance statement on the part of the United States or any of our allies as to what we mean by unconditional surrender, without any inducement that it would be anything short of unconditional surrender or any explanation of what that term meant, all the United Nations announced that unconditional surrender would be the price of defeat for both Germany, Japan, and Italy, at the time when Italy was an active participant as a member of the Axis.

It is a little unusual for a nation which is constantly being victorious, to come forward and initiate, without any request from the defeated nation for terms of surrender, what would be interpreted in Japan as a request that Japan surrender upon the terms which this Nation or any of our allies would in advance stipulate. It seems to me that sort of a situation or agitation for such a program is calculated to do more to stimulate and stiffen the morale of the people of Japan than anything else we could possibly do. Certainly it will encourage them to hope that they can secure a negotiated peace which would be softer than the peace we have accorded to Germany and softer than the unconditional surrender which we said all the Axis Nations must undergo before there is any negotiation between our Nation and our allies with such nation with respect to the final terms of the peace.

I share in the anxiety to end this war and to end the slaughter involved in it; I share that anxiety as fully as any other American possibly can; but, in addition, I also share the feeling that in order that another war may not be encouraged or may be prevented, at least, in the Pacific, the defeat of Japan must be a complete defeat. It must be a defeat which she recognizes as a defeat. It must be a defeat which she acknowledges, and upon that acknowledgment asks the Allied Nations for terms of surrender, rather than for the Allied Nations now, as an inducement to the stopping of the war in the Pacific, to state, without any request on the part of Japan, the conditions under which they will accept Japan's surrender. I have a deep feeling that for us to take the initiative in doing such a thing as that would do more to stiffen and harden the fanatical attitude of the Japanese people toward the United States and toward the war than anything else which could possibly happen.

I felt that I should make this statement, because I think that if the suggestion of the Senator from Indiana were to go unchallenged, it might of itself hold out to Japan the hope that if she kept fighting a little longer, even when everyone knows she is defeated, she would get better terms than the unconditional surrender terms which have been maintained by all the Allied Nations during the war with Japan.

Mr. CAPEHART. Mr. President, will the Senator from Ohio yield to me so that I may reply to the Senator from Kentucky?

Mr. TAFT. I yield.

Mr. CAPEHART. There is no difference between the Senator from Kentucky and myself. Both of us are for the same thing; we are both for peace with Japan on our terms.

Mr. BARKLEY. Mr. President——

Mr. TAFT. Mr. President, I have yielded to the Senator from Indiana, and I continue to yield to him until he finishes.

Mr. CAPEHART. Let me say that the only difference is that I think we should spell out what our unconditional surrender terms are, and thus tell the Japanese people exactly what we will do with them when they surrender. I be-

lieve that if we were to tell them that, they would surrender that much quicker.

Let me point out that in several weeks, possibly, the Senate will approve the San Francisco Charter. It is a document whose purpose is to avoid future wars. We hope it will. I think it will, and I am going to vote for it. It is a document which sets up machinery for trying to stop wars by, if you please—although I do not like to use this term—negotiation and other peaceful means. The only war which is taking place today on the face of the earth is our war with Japan. It seems to me that we should start now putting into force the covenants of the San Francisco Charter. I fail to see how we could lose anything by stating the basis on which we expect Japan to surrender.

Mr. BARKLEY. Mr. President, it seems to me that if the United States, or our allies, should take the initiative at this time and state the terms upon which Japan may surrender, in the hope that she will accept those terms and surrender, and Japan refuses to accept the terms, it would leave the United States and our Allies in an indefensible position. A short time prior to the end of the First World War Germany sued for peace and asked for a statement of the terms upon which war might be terminated. Austria did the same. It would seem to me to be a departure not only from the best interests of a long-term peace in the world but from the standpoint of other interests as well if we, in order to shorten the present war by a few days, or possibly a few weeks, should come forward now and say in effect, "If you will accept these terms and surrender, it is all that we will ask." If the time arrives when Japan is willing to recognize her defeat, and ask the United States, China, England, or any other nation which is at war with Japan, what the terms of surrender will be, so that in good faith we can answer the request without embarrassing ourselves, or stimulating the opposition and the morale of the Japanese people, I have no doubt that our Nation, or our allies, will be ready to meet that situation. However, until that time shall have arrived it seems to me that we would be putting ourselves in an awkward and unusual position by making any statement in the absence of a request on the part of the enemy who is being defeated day by day, and who must ultimately sue for peace and ask for terms. We would be placing ourselves in a very awkward position by stating in advance the terms on which we would let Japan surrender if she were willing to surrender.

Mr. TAFT. Mr. President, I may suggest, however, that during the First World War we stated terms in a general way by an announcement of President Wilson's 14 points. So far, we have not made any statement of a similar nature to Japan. We have not made a statement of our position in respect to what we intend to do.

I agree with the Senator from Indiana that he and the Senator from Kentucky are not far apart. If terms are asked for and we consider them, it will not mean that we thereby necessarily consider something other than unconditional surrender.

Mr. BARKLEY. No; that is not what would be meant.

Mr. TAFT. I hope that when the time arrives we will be prepared to submit terms of surrender.

Mr. BARKLEY. Whenever Japan asks the United States, or any one of her allies, what is meant by unconditional surrender, it will then be time to tell her..

ROSEBURG RIFLE RANGE, DOUGLAS COUNTY, OREG.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield.

Mr. BARKLEY. Mr. President, a few days ago the Senate asked the House to return the papers in the matter of the bill (H. R. 715) to provide for the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes. It having been discovered after the bill went to the House that the Defense Plant Corporation had been abolished, it became necessary to recall the papers from the House and act on the motion to reconsider the votes by which the bill was ordered to a third reading, read the third time, and passed, which motion I entered at the time. So I now ask that the votes be reconsidered.

The PRESIDING OFFICER. Is there objection? The Chair hears none; the votes are reconsidered, and the bill is again before the Senate.

Mr. BARKLEY. I now move that on page 1 of the bill, line 4, the words "Defense Plant Corporation" be stricken out and the words "Reconstruction Finance Corporation" be inserted in lieu thereof, that the same amendment be inserted in line 18 on page 2, and that the bill as thus amended be repassed.

The PRESIDENT pro tempore. The question is on agreeing to the amendments offered by the Senator from Kentucky.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Reconstruction Finance Corporation, and for other purposes."

NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK

Mr. KILGORE. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. KILGORE. Mr. President, at the last call of the calendar some Senator—I cannot find out who—objected to the consideration of House joint resolution 23 to establish the first week in October of each year as National Employ the Physically Handicapped Week. I am wondering if the objection came from the minority side of the aisle, and, if so, whether the minority leader could advise me as to who made the objection.

Mr. WHITE. What was the resolution?

Mr. KILGORE. House joint resolution 23, to designate a week in October as National Employ the Physically Handicapped Week. I wanted to learn the source of the objection to it. The joint resolution was reported favorably from the Committee on the Judiciary.

Mr. WHITE. At the moment I am unable to throw any light on the matter. I may have some reference to it in my desk, and if I can advise the Senator I shall be glad to do so later.

Mr. KILGORE. I shall appreciate it.

AUTHORITY FOR FINANCE COMMITTEE TO REPORT BILL

Mr. GEORGE. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. GEORGE. Mr. President, if the Senate should not be in session tomorrow, I ask unanimous consent that I may have permission to file a report on House bill 3633, the Tax Adjustment Act of 1945.

The PRESIDENT pro tempore. Without objection, permission is granted.

AUTHORITY TO FILE MINORITY VIEWS ON BRETTON WOODS AGREEMENTS BILL

Mr. TAFT. Mr. President, I ask unanimous consent that the views of the minority on House bill 3314, the Bretton Woods bill, may be filed during the recess of the Senate following today's session.

The PRESIDENT pro tempore. Without objection, permission is granted.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. TAFT. Mr. President, the bill which provides for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development is assigned for consideration next week. I am speaking today to urge upon the Senate, its majority leader, and its Members the desirability of postponing action on this bill, at least, until we return from the recess. A new Secretary of State has just been appointed. The appointment of a new Secretary of the Treasury has just been announced. While it is true that these gentlemen have formally endorsed the Bretton Woods plans, I do not believe either of them has had time to consider the sweeping implications of the permanent financial policies we are asked to endorse or to consolidate these particular plans with the other plans which they may wish to formulate for dealing with the European situation.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I prefer not to yield at the moment.

These two institutions are only fractions of the whole foreign economic policy of the United States. They should be fitted into broader plans, and particularly to the immediate needs of European governments growing out of the war.

Neither the international fund nor the international bank are emergency

institutions. Neither of them is designed to deal with the present emergency. Both of them commit the United States to long-range policies which will cost us billions of dollars, and, with all the discussion that has taken place, those policies have not had any real consideration from the people of this country. Undoubtedly there is an emergency situation in the world. Many countries, headed by Great Britain, have reconversion and transitional problems which are almost insoluble without our help. England will have a $3,000,000,000 adverse balance of trade during the next year and insufficient assets with which to meet it. Other countries are correspondingly in trouble. I have always believed that in the postwar period we would have to extend reasonable credits to many countries to enable them to buy machinery and raw materials so that their economic machines might begin to operate. But I believe these loans should be made directly by our own Government, and it should be recognized that they may never be repaid. The total scope of such assistance, however, I believe, can be held to five or six billion dollars during the next 2 or 3 years, provided that the problem of each country is carefully studied, and money advanced only for essential purposes.

But the bank and the fund are permanent institutions, the bank designed to encourage private investment abroad to secure permanent economic development, and the fund to stabilize currencies. I may say that it seems to me that, because of the kind of risk that will have to be taken, the loans in the present emergency situation are not loans which should be sold to the public of the United States.

As will appear from later discussion, neither the bank nor the fund is really equipped to deal with the present emergency situation, and a bill has been introduced by the distinguished Senator from New York to authorize direct Government loans by our Export-Import Bank up to $3,500,000,000. Incidentally, that bill has been hastily reported by the House Committee on Banking and Currency, or a report is being sought, and the House of Representatives is planning to rush the bill through this week and send it to the Senate, a clear evidence that the bank and the fund are not considered sufficient by the administration to take care of the present emergency situation.

My suggestion is that we deal with these emergency situations directly, and if we do not pass this bill, I should be in favor of passing the Export-Import Bank fund bill, and in the meantime consider further the permanent policies provided in this bill. An international organization moves awkwardly and slowly, and is likely to be very inefficient in dealing with an emergency situation. As far as solving the immediate problems of Great Britain, of France, or of Czechoslovakia, the bank would be just about as inefficient as UNRRA has been in solving their relief problems. Direct national action is required for that purpose, just as the Army has had to handle the relief problem by direct action of the armed forces.

Mr. President, there has been wide discussion of the technical features of the International Fund. I hope to discuss those next week, but today I wish to discuss the International Bank for Reconstruction and Development. This is the second of those institutions which was proposed by the Bretton Woods Conference. I do so in advance of the debate of the Bretton Woods bill because the bank has received almost no public attention, and because I think it involves a more important departure in American economic policy even than the International Monetary Fund.

The bank appeared at first almost as an afterthought. It has not received one-tenth the attention which has been given the fund. I doubt if a single Senator has read the articles of agreement for the bank. Yet, this agreement embarks the United States on a permanent policy of foreign lending and investment by Americans in huge sums, sponsored and to a large extent guaranteed by the Federal Government. The bank is proposed, not as a relief organization, but as a permanent institution involving this Government in a permanent policy.

Foreign investment by American nationals is probably desirable in a reasonable amount. It is highly undesirable if undertaken in too great volume. But this plan goes much further, because it not only authorizes or approves international investments by our citizens, but it involves our Government and other governments in a guaranty of private loans and investments abroad. Our Government does not guarantee private investments in the United States, except in a very few isolated instances, and I believe it is dangerous and unwise to embark on a permanent policy of Government guaranty of private investments abroad.

DESCRIPTION OF THE BANK

The International Bank to be established is to have a capital of $10,000,000,000. The United Nations have already subscribed for $9,100,000,000 of which our share is $3,175,000,000 or approximately 35 percent. It is administered by a board of 12 executive directors, only one of whom is an American, although he has 35 percent of the voting power. Every nation is to put up 2 percent of its quota in gold and 18 percent in its own currency. The other 80 percent is subject to call to be paid in gold, dollars, or the currency needed.

The bank may make direct loans, but that is not intended to be its principal business. The ordinary procedure will be as follows: A foreign nation or foreign corporation seeking a loan will come to the bank and ask the bank to guarantee such a loan. If the loan is to be made to a private foreign institution such as a public utility company or an automobile manufacturer, the government of that country will have to guarantee the loan also. At least, it will have to guarantee a loan to the International Bank, probably not to the ultimate purchasers of the security. When the guaranty is given, the country or its corporation may float that loan in any country where it wishes to borrow the money, and the loan will carry the guaranty of the International Bank. It is fairly obvious that most of the loans sought will be in the United States, and we will, therefore, see a large financing operation, with billions of dollars of these guaranteed securities widely advertised to American investors. While the United States Government is responsible only up to $3,175,000,000, the whole $9,100,000,000 of potential loans could be sold in the United States. The impression certainly will prevail that the United States Government is largely back of all these investments. Should there be a general default by the governments, such as occurred in 1932, our Government might be morally obligated to make good the whole amount.

It is quite true that the United States has the right to veto any loan to be floated in dollars in the United States. This veto, however, is not reserved to Congress, so that we are in effect being asked to authorize the executive department to approve the sale of guaranteed foreign securities in the United States up to the total amount of $9,100,000,000.

In effect, therefore, the bank is a tremendous plan, under the guise of international cooperation, to lend our people's and our Government's money abroad.

It is said that the money of other governments will also be used, and thereby reduce our burden. This might be true in a normal world. The arguments for the bank will undoubtedly be stronger 3 years from now than they are today. But under present conditions the whole burden will fall on us. The bank is only as good as the credit of the United States Government. There are not many among our people who realize the condition in which the world finds itself today. Few foreign nations are on a self-supporting basis. Few are able to pay their debts. Few currencies are of any value outside of the country of issue, unless we make them good. Any International Fund, therefore, is not really international. It looks to the United States for support, and for some years to come it is merely a camouflaged method of lending American money, and that of a few other solvent nations.

PERMANENT FOREIGN LENDING ON SCALE CONTEMPLATED IS WASTEFUL AND DANGEROUS

It has become fairly obvious that the policy of some administration officials today contemplates a vast outpouring of American funds throughout the world, both for relief and rehabilitation and for permanent development. The best prepared statement of this policy is to be found in the sixth report of the House Special Committee on Postwar Economic Policy and Planning—the Colmer committee—in which it is frankly advocated that we lend and invest abroad two or three billion dollars a year, and where it is asserted that lending of this magnitude would have lasting benefits, both to the United States and to the rest of the world—see page 27. This report was no doubt prepared in cooperation with the Treasury.

Many advocates of this policy point to the fact that we have maintained prosperity by lend-lease exports of a billion dollars a month, and that we must continue some such scale of exports to maintain employment even if we have

to lend all the money to enable foreign nations to pay us.

The bank is only one feature of the vast relief-lending program which is contemplated. Beginning with July 1, 1945, these may be tabulated as follows:

Further expenditures by UNRRA	$900,000,000
Relief expenditures by Army	1,000,000,000
Lend-lease through FEA	4,375,000,000
International Bank	9,100,000,000
International Fund	2,750,000,000
Export-Import Bank	3,500,000,000
Total	21,625,000,000

The proposed lend-lease expenditures appear at page 454 of the report and seem to include materials having only a remote relationship to the Japanese War and far more concerned with rehabilitation than with war. The Export-Import Bank figure is that contained in bills introduced by the Senator from New York [Mr. WAGNER] and Representative SPENCE.

In addition to the foregoing, there has been much discussion of a direct loan or gift to Great Britain amounting to from three to five billion dollars, and of some direct loan to Russia in the sum of $6,000,000,000. At least that is what the Russians are said to have requested.

The tremendous volume of this lending should certainly cause the Senate to hesitate and obtain full information before taking further action. We know our experience after the last World War. We know that the war debts, of which more than $4,000,000,000 were incurred after the armistice, were funded at very low rates of interest and then completely repudiated. We know that lending by private investors continued during the twenties at an average of less than a billion dollars a year, but that it became apparent by 1931 that even these debts could not be paid. It is said that many of them were improvidently incurred for nonproductive purposes. This was true as to some, but the criticism applied to a small portion of the total loans and investment abroad.

It must be clear that lending other than relief and rehabilitation emergency loans should only be done if it is lending likely to be repaid. Otherwise the time will come when a realization of its waste results in a complete cessation of lending, causing sudden unemployment at home and resentment abroad. That is exactly what happened in 1930 and 1931 when we found that we had been lending money which was most unlikely to be repaid.

A very wise statement is made in the second quarterly report of the then Director of War Mobilization, Mr. James F. Byrnes, as of April 1, 1945. He said:

> However, foreign resources are not unlimited. We must be prepared to make loans to foreign countries which need American goods and cannot pay immediately, if there is a reasonable prospect of repayment. Loans made abroad likely to provide employment at home are unsound. They will produce international financial difficulties when the time comes for repayment.

It is obvious that the scale of foreign lending contemplated by administration policy is wasteful and dangerous. I maintain that the Government itself should only interest itself in relief and rehabilitation loans sufficient to enable foreign countries to put their own economic machinery in working order. I maintain that a total of five or six billion dollars would be sufficient for this purpose if wisely directed and used. I maintain that beyond this the Government should permit private investment and lending abroad, but should refuse to guarantee it, either directly or indirectly. I suggest that such lending as should be made for relief and rehabilitation should be made through the Export-Import Bank, and should also be used to obtain such good will and concessions from foreign nations as may properly benefit this country. I shall be very much surprised if we ever get any credit for any international loan made by an international bank.

PERMANENT FOREIGN LENDING HAS LITTLE RELATION TO PERMANENT PEACE

It has been frequently contended that Bretton Woods is an absolute essential of international cooperation as a supplement to the San Francisco Charter. I am strongly in favor of international cooperation in the political field, and I intend to support the charter. No matter what its faults may be, the horrible effects of World War are so apparent that any international organization concerned with its prevention is entitled to our support; nor do we give up or contribute anything greater than any other nation except in proportion to our size. The political cooperation proposed is not a one-way street.

But the parallel between political and economic cooperation is utterly fallacious. Measures of economic cooperation should stand on their own feet and be judged on their own merits. It is not true that wars, or at any rate modern wars, have been brought about by economic causes. Germany could have made itself as prosperous as any nation in the world without one foot of additional territory. Japan could have obtained more by trading than it could ever obtain by war. It is true that here and there economic sore spots may exist creating dissatisfaction and disturbance, but they are not and never have been as numerous or as likely to create war as political sore spots like Poland and the Balkans. Furthermore, they can be dealt with by intelligent trade arrangements and direct loans such as I have suggested. There are no economic sore spots as bad as China and India, and yet neither China nor India have attacked their neighbors in modern times.

Furthermore, whatever our idealists in the United States may think, economic arrangements are looked on by the other nations of the world as strictly business propositions. They are surprised and pleased at our willingness to give things away, but they gladly accept every advantage and give us as little as possible. A business deal to be a good deal must benefit both parties, and, except for the immediate postwar period, I see no reason why we should make improvident loans or scatter our assets recklessly throughout the world. I see no reason why we should entrust our money to a board controlled by our debtors to be loaned or disposed of as they see fit, nor do I think this will contribute to the peace of the world. In fact, it teaches the world to expect from us a largesse which cannot and will not continue. When it is discontinued, we become the original Uncle Shylock and the indignation of the other nations is such that they feel themselves justified in failing to repay past loans.

It seems obvious that this is no time to deal permanently with any world economic problem. We should face the present emergency situation and help solve it with as little cost as possible to the United States. We should sit in on international economic boards and help them study the problems and listen to their recommendations; but we should certainly not hand out American money to boards on which we have a minority vote and which are controlled by the very nations that wish to obtain financial aid from us.

IS FOREIGN INVESTMENT A WISE POLICY?

The policy behind the International Bank assumes that foreign lending and investment is so clearly to be desired that the Government should risk the taxpayers' money to promote it. But even apart from any Government guaranty, I think this assumption is open to question, particularly if the volume is too large.

In the first place, it has certain inherent risks which are not present in domestic investment. The project is more distant and more difficult to analyze. There is no legal way in which debts can be collected from a foreign country, particularly from the government of that country itself. If payments are suspended, the investor is helpless. Under the provisions of the fund itself, if the dollar is declared a scarce currency unded article VII, debtor countries may refuse to allow their nationals to use dollars to service their loans. The old method of collecting debts by moving in marines and seizing the customs house has gone out of style and would be expressly forbidden by the San Francisco Charter. The San Francisco Charter, itself, noticeably fails to provide any means by which international obligations can be collected. The policy of this Government, in Mexico and elsewhere, has not been such that any American investor can hope that his claims abroad will even have vigorous moral support from his Government.

It is said that foreign investment will make for peace. I do not think that history shows anything of the kind. Ordinarily after an investment is obtained, the people of a country are likely to regard its owners as absentee landlords concerned only with draining away the assets of the country. Foreign investors are likely to be regarded as exploiters of natural resources and cheap labor. In the past they often have been such. Their activities are likely to build up hostility to the United States. This is even more true today, with the growth of Socialist and Communist Parties in many countries. Witness the agitation against American sugar investments even in Puerto Rico and Cuba.

Our own experience in foreign investment has not been very promising. According to the Department of Commerce,

investments of $13,400,000,000 have shrunk to $9,800,000,000 by 1940. Omitting Canada, which is so closely related to us as to be economically a part of the United States, the percentage of loss would be much higher. The table on page 298 of the hearings shows that of $4,000,000,000 of public foreign dollar bonds a billion and a half is in default. No one has ever made a careful estimate of American losses on foreign loans and investments. There is no doubt that a considerable proportion has disappeared.

We are often told that England prospered on its foreign investments. But our position is very different from that of England. England has never been self-sufficient. It has had to import more than it could export. It was highly desirable that it have an income from investments abroad which could pay for such imports, and such investments were, therefore, a necessity, even if they involved capital losses. But in the case of England they did not involve losses. Most of the investments were made in British Dominions and territories under the protection of the British Army and Navy. Many natural resources were taken over at practically no cost and developed at a great profit. We cannot in any way duplicate the British experience under present world conditions, and could never have done so without establishing an economic imperialism contrary to our whole philosophy.

The general policy of lending huge sums abroad in the 1920's was vigorously criticized by the very people who are now urging its resumption this time at Government expense. It is rather interesting that Mr. Harry D. White, the most vigorous advocate of the bank, wrote a book in 1932 with regard to the foreign investments of France. It is one of the authorities on that subject. After a thorough study Mr. White concludes as follows:

> The French experience in the matter of capital exports leads to the conclusion that the orthodox attitude toward unrestricted capital exports is open to criticism. The assumption that capital exports benefit both the lending country and the world at large is not unassailable. Examination of the conditions under which French foreign investments were made has clearly shown that the French investor consistently underestimated the risk inherent in the type of foreign securities that France acquired from 1880 to 1913. Thus, although the rate of return on foreign investments was equal to that on domestic, the real yield was less since equal returns imply equal risk.

Mr. White quotes Mr. Keynes, who is also an authority on investment of funds abroad, as follows:

> To lend vast sums abroad for long periods of time without any possibility of legal redress if things go wrong is a crazy construction, especially in return for a trifling extra dividend.

Mr. White also points out again, following Keynes, that:

> In the case of foreign loans repudiation or failure leaves nothing to the lending country, whereas in the case of domestic repudiation the tangible instruments of production do remain in the lending country. The loss to the French people when a Brazilian railroad built with French capital repudiates its debt is greater than when a domestic railroad does so. In the latter case the railroad remains in France, whereas in the former case it remains in Brazil.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MEAD in the chair). Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. TAFT. I yield.

Mr. LANGER. What is the date of that statement?

Mr. TAFT. Those quotations are taken from a book written by Mr. Harry D. White in 1932.

In short, a policy of foreign investment, even by private capital, is open to serious question. I see no reason to forbid such investments, and if private investors really feel that they are making a beneficial investment, I believe the Government should encourage it and protect its citizens abroad as far as possible; but I doubt if foreign investment on a sound basis without guaranty will amount to more than $1,000,000,000 a year, instead of the $2,000,000,000 or $3,000,000,000 advocated by the Colmer Committee.

I do object strenuously, however, to the Government going into the business of guaranteeing such investments. The Government does not guarantee investments at home. The FHA-guaranteed mortgages are almost the only exception. It is said that little opposition has arisen to the bank, and that the various bankers' associations have approved it. There are two reasons for this: From a technical banking standpoint, it is organized on a much sounder basis than the fund, and so their attention has been centered on the defects of the fund. In the second place, it is almost a subsidy to the business of investment bankers, and will also undoubtedly increase the business to be done by the large banks. The bankers are almost at the mercy of the Treasury today. It took courage to oppose any of the Treasury's plans. Naturally they sought a compromise and centered their whole opposition on the fund, which offends every principle of sound banking.

The man on the street has paid no attention whatever to the bank. Consider for a moment how it will work out. If an Englishman wishes to start an automobile plant in England, he can sell his company's securities on the American market with the guaranty of the International Bank. A man who wishes to build an automobile plant in America cannot obtain any such guaranty. American investors are relieved from any risk in the development of foreign countries and given more incentive to develop those countries than to invest in America.

Obviously, this is an inflation of credit by direct Government aid. Behind it is the theory that more employment can be produced by spending Government money, this time to create foreign exports instead of public works at home. But foreign trade produced solely on credit is certainly not a sound form of economic development. Particularly, if we start on the grand scale now proposed, we will build up an export business which cannot possibly be permanent and which when suddenly checked may carry down our whole economy with it.

Under the Articles of Agreement of the bank, the dollars that are borrowed do not even have to be spent in the United States, and we are prohibited from so requiring. A new plant in India, for instance, may borrow dollars, buy all its equipment in England, and thus, in effect, help England pay her blocked sterling balances. Most of the guaranteed loans will undoubtedly be floated in the United States because our people have the savings to invest. The bank thus becomes a device for draining our savings out of the United States for the benefit of the rest of the world.

Undoubtedly, American money can do the rest of the world a fair amount of good. I believe we should help in the present crisis, but I think we overestimate the value of American money and American aid to other nations. No people can make over another people. Every nation must solve its own problems, and whatever we do can only be of slight assistance to help it over its most severe barriers.

A nation that comes to rely on gifts and loans from others is too likely to postpone the essential, tough measures necessary for its own salvation.

I shall not speak in detail today regarding the international monetary fund. I do wish to point out, however, that in essence under present conditions, and for some years to come, it is just another instrument for transferring two and three-fourths billions of American dollars into the hands of foreigners. Its alleged purposes are impossible to carry out under present emergency conditions during the transitional period, and are so admitted to be on the face and in the provisions of the fund itself.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield.

Mr. WHERRY. Does the Senator believe that what he has said is so because it would be impossible for the other nations of the world to contribute to the International Fund?

Mr. TAFT. It is because the fund provides that no nation shall be obliged to give up any of the restrictions or discriminatory trade practices, the abolition of which is the purpose of the fund, during the transitional period. During the transitional period, which is indicated to be perhaps 5 years, those nations could not only continue to engage in such practices, but they could add new ones, and they would not have to remove them.

In mentioning the purposes of the fund, I refer to article 14 of the fund. However, on the whole I should prefer to leave a discussion of the fund to the general debate.

Mr. WHERRY. I thank the Senator.

Mr. TAFT. Attempts in the House to limit the fund to its alleged purposes of temporary assistance for currency stabilization purposes only have been rejected by the Treasury, and so the fund is little more than a loaning agency during the transition period. As such it is even more unsound than the bank, for every member nation is entitled to draw its share of the fund, regardless of its needs.

The fund looks entirely to governments for repayment, and not to productive enterprise. However desirable its purpose may be, it is today only an addition to the profligate lending policy which I have been discussing.

Mr. President, I respectfully suggest, therefore, that the Senate consider carefully the implications of these policies before the bill is presented next week. Basically, the question is whether we are willing to commit this Government to a permanent policy of Government-guaranteed foreign investment and widespread loans to foreign governments. I cannot imagine that the American people will really wish to embark, at Government expense, on a vast policy of scattering our assets around a world from which they may never be recovered. I cannot imagine they wish to embark on a policy which was repudiated by every intelligent economist in the twenties. I cannot imagine they will approve the method proposed, by which our assets would be put into a pool and dispensed by a board controlled by the debtors that are anxious to secure our dollars.

Again I suggest that we postpone consideration of this elaborate plan, designed to meet the condition of a stable world, and that we authorize the Executive to deal directly with the emergency conditions we now face. That is an American job and a government job, and only the American Government can undertake it. If we postpone this bill, I suggest that we increase at once the direct lending powers of the Export-Import Bank.

Mr. BARKLEY. Mr. President, I have no purpose at this time to go into a detailed discussion of the Bretton Woods agreement. I wish to comment briefly on one or two of the suggestions made by the Senator from Ohio.

First, I wish to comment upon his suggestion that consideration of the bill implementing the Bretton Woods agreement be postponed until some indefinite time during the coming fall. The Senator from Ohio is consistent in that suggestion. He took the same position in the committee. If I were to adopt the attitude which he assumes in regard to the two matters, I myself would be in favor of postponing them, not only until fall, but forever; because the Senator from Ohio is against both the International Monetary Fund and the bank.

Mr. President, I may say in a preliminary way that the United Nations, having in mind the disastrous economic and financial consequences of the last war, set about to confer regarding the possibility of setting up an international institution which would at least have a fair chance of avoiding some of the mistakes we made after the last war. During the century which intervened between the Napoleonic wars and World War I, the commercial and trading nations of the world worked out a fairly equitable and workable balance in regard to international trade, the value and stability of currencies, and other international situations which require the attention of all nations which propose or hope to indulge in any foreign trade to any appreciable extent. World War I disarranged all those finely balanced equations, which had been built up over a century of trade among the nations of the world.

Following World War I, the nations found themselves with depreciated currencies. They found themselves with a desire, if possible, to lift themselves by their own bootstraps in the international field. They set about to raise international barriers—trade barriers, monetary barriers, financial barriers, economic barriers of all kinds; and the example set by one nation, especially if it were a large and important nation, was followed by smaller nations, until throughout the world the nations were faced with an artificial situation which many of them undertook to correct, insofar as they were concerned, by the depreciation of their own currencies, which affected our trade and the trade of all other nations; because, however self-sufficient we may think we are, I believe we have learned now that not only can no nation preserve peace for itself in a world where other nations are at war, but no nation can now preserve prosperity for itself if there is lack of prosperity or if there is economic chaos in the rest of the world.

Having in mind this situation and the desire to correct it in advance, insofar as it is possible to do so, 44 nations, after 2 years of negotiation and conference, met in the summer of 1944 at Bretton Woods, N. H. After weeks of deliberation and after the financial authorities of all those nations had not only conferred one with another, but had submitted plans which had been refined and reorganized and amended, the Bretton Woods Conference accomplished a remarkable thing: It agreed upon the establishment of two institutions, and it agreed unanimously, among all 44 nations. If I am not mistaken, they were 44 of the 50 nations which signed the charter at San Francisco. Those 44 nations met at Bretton Woods, N. H., and agreed upon what has come to be known as the Bretton Woods agreement. It sets up two institutions. One is the International Monetary Fund, which is entirely separate from the bank to which the Senator from Ohio has chiefly addressed his remarks. The other institution is the bank itself.

The functions of these two organizations are different, because the services which they are to render the world are different. One of them is a monetary stabilization institution by which it is proposed that a fund, contributed by all the nations entering into it, shall be utilized and be available for the stabilization of the currencies of the world.

It undertakes to establish an equilibrium between the circulating media of all the countries of the world in an effort to aid in carrying on trade among the nations, so that no nation will have either the excuse or the power to depreciate its currencies to such a debased level as to affect not only the currencies of other nations but their trade as well, and the prices which those nations are to receive for the things which they produce and export to other nations.

The functions of the Monetary Fund are essentially of short life. The fund was not established for the purpose of engaging in long-term loans for investment that being a function of the bank. The bank is to have capital stock in the amount of $10,000,000,000, which is to be subscribed in the proportion set forth in the agreement, by the various nations which are to be parties to the agreement. The International Bank for Reconstruction and Development will be contributed to in the way of capital stock by the United States in the sum of $3,175,000,000; the United Kingdom, $1,300,000,000; and Russia, $1,200,000,000. The British Commonwealth, that is Canada Australia, New Zealand, India, and South Africa, will contribute $1,750,000.

So, as the Senator from Ohio has said, while it is true that the United States will own a minority of the stock, the only way by which it could have a majority of the stock would be by making a contribution of 51 percent of the total stock, and thereby have a voting right accordingly. The amount involved in our contribution is 35 percent of the total. The total amount of the International Monetary Fund is, as I recall, $8,800,000,000 and our contribution is proportionately less. I shall not go into those details.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. It should be stated, I believe, that our contribution is to be in gold dollars, which are good, and the greater part of the contributions of the other nations, when taken together, is not so good. It will be in the form of paper currency of no value outside of the country in which it is printed.

Mr. BARKLEY. The Senator has not stated the facts accurately. The contributions which are to be made by other nations are to be made on the basis of gold, or the American dollar.

Mr. TAFT. I am afraid the Senator from Kentucky is mistaken. Under the agreement 25 percent of the contribution must be made in gold, if the nation has gold. As a matter of fact, if the country does not have it, it does not make such contribution. Our 35 percent is to be made in our own currency, and our dollars are good. The testimony before the committee showed that of the $8,800,000,000 perhaps only $5,000,000,000 was good, including our $2,750,000,000. In other words, while we contribute only 30 percent on paper of the actual assets of the fund, in reality we contribute more than 50 percent.

Mr. BARKLEY. The entire agreement, both with respect to the fund and with respect to the bank, carries the theory that the American dollar is the basis upon which the organization is to be established.

Mr. WHERRY. Mr. President, will the Senator yield in order that I may propound to him a question?

Mr. BARKLEY. I yield.

Mr. WHERRY. I should like to ask the question because it was raised on the floor of the Senate only 2 or 3 days ago. I refer to the subject of selling surplus property. Will it be the power of this board to stabilize the value of currency on the legal basis of a dollar, as has been done in France? I think the Senator knows to what I refer. In France we found that the dollar had been legally set

at 50 francs. The Senator will also recall that in the black market a dollar would bring 130 francs. The question which I wish to ask is, Who is to stabilize the currency? Is it to be stabilized from day to day, from week to week, and from month to month, or is there a basis upon which it will be possible to legally stabilize the currency in terms of American dollars? If my question is in too great detail, I shall not ask the Senator to take the time now to answer it.

Mr. BARKLEY. I am glad to try to answer the question. I may say to the Senator from Nebraska that the stabilization arrangement between the United States and France is purely a temporary postwar arrangement.

Mr. WHERRY. That is correct.

Mr. BARKLEY. France had an understanding with the United States with reference to the value of the franc, and we had an understanding with England with reference to the value of the pound. When I was in France during the First World War I believe the franc was worth between 15 and 20 cents. We received about 6—at times possibly 7—francs to the dollar.

When the French Government returned to power after having been supplanted for 4 years by Nazi control, the entire economic life of France was found to be disorganized and nobody knew what was the value of the franc. It was necessary to come to some understanding with reference to the relationship existing between the dollar and the franc. In the First World War the franc was worth approximately 15 cents. It was stabilized at the end of the present war at 2 cents, or at the rate of 50 francs for a dollar.

Many persons were in the possession of francs who did not have very much faith in the value of the franc because they were not sure of what would happen to France. They were willing to sell francs in exchange for dollars and receive a greater number of francs in return.

During black-market operations some persons were willing to give 250 francs for $1. However, there is no way by which that situation can be corrected except by France herself, because we cannot expect our soldiers to go on the black market and obtain more than 50 francs in order to have francs with which to purchase articles in France.

Mr. WHERRY. Mr. President, will the Senator further yield to me?

Mr. BARKLEY. Yes.

Mr. WHERRY. I agree with the Senator. Is not his statement an illustration of what will happen when we stabilize the franc by the proposed international board? We will place a legal value on the franc. When that is done, if there are not sufficient raw materials in France, and food is needed there, will not the situation result in running head on into black markets all over Europe where the currencies will be in excess of the legal value which the international board has placed on the franc?

Mr. BARKLEY. I do not think so. In the first place, there will be no inducement to bring about the situation to which the Senator has referred if all the currencies of the countries engaging in trade are stabilized through these funds. There is a provision contained in the agreement with reference to the fund which will prevent a country depreciating its currency more than 10 percent.

Mr. WHERRY. Yes, but the situation may be referred back to the board.

Mr. BARKLEY. Yes; if special conditions exist of a temporary character which would permit the board to make an exception.

Mr. WHERRY. It is my experience that very few persons in France today know the value of the franc. I believe the distinguished Senator from Kentucky will agree with that statement. In view of what the Senator has said, I believe that any international organization would have a very difficult time in attempting to establish the value of currencies in Europe in relation to the American dollar. If the Organization does place a legal value on such currencies it may result in black-market operators buying currency and making illegitimate profits in the transactions.

Mr. BARKLEY. Mr. President, my reply merely is that if what the Senator has said can be done in spite of the existence of the fund—and I do not believe it can be done—then the conditions which could exist in the absence of the fund would be infinitely more chaotic and more damaging to every nation which has a sound currency, and wishes to have stabilized not only its own but all other currencies in the dealings which it carries on with other nations.

This agreement about these two institutions, the fund and the bank, was unanimously entered into by the 44 nations. The agreement was brought back here and is the subject of legislation now pending in the Senate.

I might say that so far nobody has opposed the bank; not a witness came before our committee and opposed the bank. At the beginning some were opposed to the fund, but even most of those who were originally opposed to the fund modified their attitude, including the American Bankers' Association. That association, which has been one of the most vigorous opponents of the fund, never at any time opposed the bank; and, in view of the legislation which the Houes has passed, which is now before the Senate, which I hope to take up Monday and dispose of within 2 or 3 days so that we may clear the track for the treaty—and I have conferred with the Senator from Ohio, and I think he agrees with me that this bill ought not to take more than 3 days although it might go into four—when the American Bankers Association through its representatives, able men and able financial advisers, came before our committee they had modified their opposition to the fund which they had originally assumed. There were some of them who said they thought the fund ought to be postponed for a while until it might be that England could stabilize her own currency, but that viewpoint was rather mild, and with the suggestion of an amendment or two this association of bankers did not take a position before our committee that even the fund ought to be postponed beyond the date when the bank itself goes into effect.

There is a disagreement among the banking fraternity of this country with respect to the fund. It might be well to call it to the attention of the Senate while I am talking about it. The Pennsylvania Bankers Association, which includes the large and small banks alike, endorse both the bank and the fund unequivocally; the Independent Bankers Association, which is composed of more than 2,000 country banks in the United States, enthusiastically endorse both the bank and the fund, and they have made a very comprehensive report upon it.

Mr. TOBEY. Mr. President, if the Senator from Kentucky will yield, he might add that the leading bankers of the city of Philadelphia also endorsed it wholeheartedly and 11 of the presidents of the 12 Federal Reserve banks have endorsed both the bank and the fund, against one who objected.

Mr. BARKLEY. Yes; 11 of the presidents of the 12 Federal Reserve banks have endorsed it.

Mr. TOBEY. The only one who opposed it is from New York.

Mr. BARKLEY. The American Farm Bureau Federation has endorsed both the bank and the fund; the Committee for Economic Development, with one important qualification, has endorsed it; the Foreign Trade Council and the National Planning Association have endorsed it, and many others which I need not now mention.

Mr. TOBEY. And the League of Women Voters and the General Federation of Women's Clubs, and so on, and so on.

Mr. BARKLEY. Even those most vigorous in their opposition to the fund itself, though not opposed to the bank, have so modified their position that they may withdraw their opposition to the fund.

As a matter of fact, the Senator from Ohio is the only one I know of who now opposes the bank, and I think in that situation he is like the boy who stood on the burning deck whence all but him had fled.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I hope the Senator considers the arguments I make rather than the fact that I happen to make them.

Mr. BARKLEY. Yes; of course I do.

Mr. TAFT. I suggest that the Senator answer the arguments I made against the bank instead of saying I am the only one who is against it, because the truth is that anybody who will seriously and thoughtfully consider the implications of the international bank must entertain some doubts.

Mr. BARKLEY. Everybody in the United States who is thought best qualified to talk about the bank has considered it and talked about it and no opposition has arisen. The Senator's opposition, which developed in the committee for the first time so far as I know and here on the floor, is the only outstand-

ing, vociferous opposition with which I am now acquainted. The Senator's arguments, if they can be so called—and I am sure they can be; I am willing to accept them as arguments and I am sure the Senator is sincere in proposing them—will be dealt with when we take the bill up. As I tried to say—I did not want to go into the Senator's arguments at this time, I only intended to indicate that we should not postpone this mater for any reasons the Senator suggested in his address.

Mr. TAFT. I think I am correct in questioning the Senator's conclusion in regard to the effect of the witnesses. The New York Bankers' Association is absolutely against the fund. The American Bankers' Association is not satisfied with the fund today. Mr. John H. Williams, vice president of the Federal Reserve Bank, a professor at Harvard, who probably knows more about the subject than anybody else, testified against the fund and said that substantial portions of it must be taken out if it was to work or to be effective in our interest. Other economists testified against the fund. There has been put out to the nations committee propaganda. They signed up everybody who was not prepared to be against it, but, so far as the testimony is concerned, I question the Senator's statement, and I say we had more witnesses and better witnesses against the fund in the Banking and Currency Committee than we had for the fund.

Mr. BARKLEY. If the Senator will refer to the hearings held in the House, which were much more extensive than those we held in the Senate, because we did not desire to repeat unnecessarily the hearings in the House, he will find, I think, that the majority of economists who testified before the House of Representatives were in favor of the fund. There is a difference of opinion among economists. There started out to be a difference among bankers. I have great respect for the American Bankers' Association but no more than I have for the Independent Bankers' Association. I have no more regard for the New York Bankers' Association than I have for the Pennsylvania Bankers' Association, one of which endorsed both the fund and the bank and the other endorsed the bank and modified its attitude toward the fund.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Mr. President, I thought the Senator gave the impression that everybody who was against it had faded away, and now everybody appeared to be for it.

Mr. BARKLEY. They did not fade entirely away but their attitude did; and much as I respect the various banking and financial organizations I cannot forget the fact that a quarter of a century ago they opposed the Federal Reserve System and announced that it was chaotic and socialistic and that it would destroy our economy and our financial stability; but now if anybody attempts to put his fingers on the Federal Reserve System they come to its defense as if it was their original baby.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TOBEY. Not only that, but they were also against the Federal Deposit Insurance Corporation, and they opposed the National Securities Commission and yet not a person in America who thinks at all would repeal the laws creating either of those agencies.

Let me point out to the Senator, as I started to do, to bolster his faith in the bank which I share with him, that this International Bank is so conservatively drawn that its charter in its strictness surpasses that of any bank of the country. This International Bank can only loan 100 percent of its capital stock. So far as its loaning ability is concerned it is most conservative.

To amplify what the Senator from Ohio said about the witnesses, I want to point out that Oliver Sprague, a professor at Harvard and an eminent authority on monetary policies, came forward with a forthright declaration that this fund should not be postponed. Does the Senator from Kentucky remember that?

Mr. BARKLEY. Yes; and of course that was an unequivocal endorsement by him and I think he is recognized throughout the country as an able economist and a financial expert.

Mr. President, following the last war not only did we have these restrictions of all kinds and these depreciations and these trade barriers, but in an effort to correct them we resorted to all sorts of expedients. We had the Dawes plan, we had the Young plan, then we had the Bank of International Settlements. What we are trying to do, both through the proposed bank and through the fund, is to avoid these temporary expedients when at the end of the world's greatest war, with more widespread economic chaos than ever before, we may find it necessary to stabilize the monetary situation in all countries, because no country can hide its head in the sand of economics and international trade and monetary stabilization, any more than it can with reference to peace and war.

Mr. President, the Senator from Ohio suggested that because we have a new Secretary of State and a prospective new Secretary of the Treasury, we should postpone the consideration of the bill until the new Secretary of State has returned from Potsdam, where he has gone with the President, and the new Secretary of the Treasury takes office after their return. Inasmuch as both those distinguished public servants have held high position during the war, I think it is paying them a poor compliment to assume that we should wait until they get back from overseas in order to enable them to study the proposal. It is not now a matter for the State Department, it is not now a matter for the Treasury. This is a legislative proposal pending before the Senate of the United States, which passed the House by an overwhelming majority, which must again consider it if we add any amendments whatever to the bill in the Senate, and there is no reason why the proposal should be postponed because either the Secretary of State or the prospective Secretary of the Treasury is away. I am quite certain that neither of them would want it postponed, or would ask that it be postponed.

Mr. TOBEY. Mr. President——

The PRESIDING OFFICER (Mr. DONNELL in the chair). Does the Senator from Kentucky yield to the Senator from New Hampshire?

Mr. BARKLEY. I yield.

Mr. TOBEY. I caught the reference which the distinguished Senator from Ohio made to the incoming Secretary of State and the Secretary of the Treasury, and I smiled inwardly, and now smile visibly, because Fred Vinson, who is the new Secretary of the Treasury, was a major part of the capacity and the executive end at Bretton Woods in carrying these agreements through. He testified at length before the House Banking Committee urging the adoption of the Bretton Woods agreements now. No man has a better understanding of these agreements and their purposes. He knows what they involve. He was head of one of the two great commissions at Bretton Woods. He made an eloquent speech in favor of our becoming a member, and he is the man who is to be Secretary of the Treasury—the Department where the responsibility will lie.

Mr. BARKLEY. And one of the delegates was Assistant Secretary of State Dean Acheson.

Mr. TOBEY. The head of commission No. 1.

Mr. BARKLEY. And the State Department has made no restatement of its attitude because of the change in the Secretary, nor has the Treasury Department.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Let me suggest why the Secretary of State and the Secretary of the Treasury, even though they are gentlemen who approve the fund and the bank, might well desire to have action on the bill postponed. They are going into international meetings with a number of countries throughout Europe. They want bargaining power. They want to have something we can confer. If we ratify these agreements, we will have handed out $6,000,000,000 for nothing. We get nothing in return until at least after the end of the reconversion period. We deprive the Secretary of the Treasury and the Secretary of State of a weapon they may want in dealing with these nations.

They may wish also to take the whole British problem at one time, and it is going to require something more than the bank and fund to solve that. It seems to me it is very reasonable that, even though they may be in favor of the bill, they may desire to hold it up and make it part of the general peace deal, and not have it just handed to everybody on a silver platter, and have themselves deprived of this bargaining power.

Mr. BARKLEY. I do not agree with the Senator that we would deprive them of their bargaining power by the passage of the proposal now. Certainly we

would not be in any better position if we waited until August, September, or even October. The terms of these agreements provide that there shall be certain contributions, a very small percentage of contributions for the running expenses of the organization. If the organization has not been set up and is not in operation by the 31st day of December, these contributions are to be returned to the nations which have made them.

Furthermore, it is my hope that when we have concluded the consideration of this proposal and other routine matters, and then have disposed of the treaty, we may take what I think will be a well deserved recess. The House of Representatives is now waiting for us to act upon the Bretton Woods agreements, and determine whether we are going to amend the bill to such an extent as would require further action on the part of the House. If we should delay action until they are in recess, it would automatically postpone the completion of the legislation until late fall, and it might well happen that the organization would not be se up at the end of the year.

I might say, in that connection, that other nations are waiting to see what the United States is going to do. If we do not enter into this agreement it might as well never have been written, just as if we do not enter into the Charter written at San Francisco, it might as well never have been written.

So from every consideration of prudence, from every consideration of fairness to our country and to the world, from every consideration of the 2-years of disputes and conferences and arguments and agreements which have been going on among all nations which have entered into the agreements, we should not delay the matter longer, we should consider and dispose of the bill.

Mr. President, I wish to say, as I have already stated, that it is the purpose to move on Monday that the bill be taken up, and that we go into the details, in so far as any Senator wishes or desires to go into them or to inquire about them, in order that we may come to an understanding and pass the bill at as early a date as possible.

The Senator from Ohio complains that the man on the street does not understand the Bretton Woods program. I have taken no census of men on the streets, and I do not know whether the Senator from Ohio has; but with all the discussion that has proceeded, with magazine articles, newspaper articles, and articles in periodicals of all kinds having discussed this in advance, and Bretton Woods having been widely discussed for the last year, I do not see how it can be said with any degree of assurance that people do not understand it now as well as they will next November or December, or next year, because it is a live question now, and if it is postponed indefinitely we will have to start all over again with whatever process of reeducation would be necessary in order to familiarize even those who now understand it, or think they understand it, so that they would be sufficiently well informed to discuss it or vote upon it at some time in the future.

Mr. TAFT. Will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I do not believe there are many Members of the Senate outside the committee, who realized until today, that the bank really is a means of guaranteeing the sale in this country of $9,100,000,000 of the obligations and securities of foreign private institutions, as well as foreign governments. As to the man on the street, I think he is totally unaware of that fact, and I do not believe anyone in the Senate knew it. I did not know it until the testimony came out before the committee about 2 weeks ago, and I do not believe any other Senator knew it. That is one reason why I wanted to comment on it today.

Mr. BARKLEY. What the Senator means is that the Members of the Senate have been negligent in reading the agreement, or have been negligent in reading his interpretation of the agreement, which he has made only today. I challenge his interpretation and challenge his statement that the Members of the Senate are not reasonably familiar with it. No one denies that it is a complicated proposal. I suppose it would be difficult for anyone who is not familiar with international monetary and economic and trade proposals and customs, principles, and practices, to understand all the details of this organization, but in a matter of this kind we must trust those who are familiar with it and have studied the conditions which we are attempting to cure, having a wider expert knowledge than has the average man, and putting that expert knowledge not only to the use of their own Government, but to the use of the peoples of the world.

Mr. AUSTIN. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. I do not believe the question I wish to ask will provoke long discussion, but it has to do with a matter of such great importance to my mind that I should like to know about it now. Does the bill which has come out of the committee provide for periodic surveillance and continuous surveillance of the fluctuations of money of the different governments?

Mr. BARKLEY. Oh, yes; the bill as it passed the House—and we have not changed that item—provides for the setting up of a board of governors, which will have continuous surveillance. It provides for an executive board. The board of governors may not meet more than once a year unless called into extra session, but all the time the executive board is to exercise surveillance over the fund and over its operations. So there was no need for the Senate to make that provision; it was amply provided for in the House bill.

Mr. President, I have gone into greater detail than I intended to. I merely wanted to counteract the effort of the Senator from Ohio to postpone the proposed legislation. I do not blame him for wanting to postpone it, because if my attitude regarding it were the same as his I would never want a vote to be had upon it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I probably would be against it next year. I might not be. In the development of circumstances I would have some vague hope that when people came to understand it they might be against it. Maybe they will not be against it. Maybe it will have as much approval then as now. Nevertheless, the argument for postponement is a perfectly sound argument, because these things are permanent things. We have to deal now with an emergency situation. It is now proposed that we commit ourselves to permanent policies which admittedly are not going to work during this transitional period. We are going to consider other measures to deal with the transitional period, such as the Export-Import Bank bill which is coming up.

Mr. BARKLEY. But in the meanwhile if we put it off for a year or any other period of time we run the great risk of finding ourselves in international chaos, which we could not cure by this or any other measure. We will find the countries of the world trying to do the same thing they tried to do at the end of the last war, that is, stabilize their currency by depreciation in order that they may enjoy some advantage in the markets of the world. We are seeking to avoid that by setting up an institution which will go to work so a chaotic situation may not exist a year from now or 6 months from now.

Mr. TAFT. The fund provides that during the next 5-year period the nations may retain the conditions of the transitional period.

Mr. BARKLEY. The effect of what the Senator says is that the fund gives the nation 5 years in which to be able to remove their restrictions, with the expectation and the hope that at the end of that time they will all be removed and at the end of that time none of them will be necessary. We realize that none of these restrictions can be lifted overnight or even in a year. They may be lifted in a year, but out of safety the fund provides in effect that the nations may have 5 years in which to remove the restrictions which have been made necessary by the war situation and by the disorganized economy of the world.

Mr. President, I thank the Senate for its attention. I had not intended to address myself to this bill until the Senator from Ohio spoke.

SALARIES OF TEACHERS AND SCHOOL EMPLOYEES

Mr. BILBO. Mr. President, in the name of over 3,000 teachers and employees of the Board of Education of the District of Columbia who have not had an increase in their salaries since 1924, I ask unanimous consent to call up House bill 3376 and ask for its immediate consideration and passage, because it is an emergency measure. The slight relief given to the teachers in 1943 by the enactment of the so-called bonus bill, has expired, and that means that, unless this bill is passed, the entire force of employees of the Board of Education of the District of Columbia will be denied the re-

lief which the House has agreed on. I wish to state that the bill has been approved by the teachers, instructors, librarians, research assistants and the Department of School Attendance and Work Permits, and all the departments connected with the District of Columbia Board of Education. There is no objection to the passage of the bill.

The PRESIDING OFFICER (Mr. DONNELL in the chair). Is there objection to the present consideration of the bill?

Mr. WHITE. Mr. President, there has been a good deal of confusion in the Senate, and I wish to have the measure clearly in mind. As I understand, the bill in question seeks to regulate the pay of teachers in the District?

Mr. BILBO. Yes.

Mr. WHITE. And provide some increases in salaries?

Mr. BILBO. Yes.

Mr. WHITE. May I say that I have consulted, I think, with all the members of the minority of the Committee on the District of Columbia who are in Washington and I find no objection from any of them if the Senate committee amendments are adopted.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3376) to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments.

The first amendment was, under the heading "Department of school attendance and work permits—Class 30, director," on page 9, line 8, after the words "salary of", to strike out "$3,800" and insert "$3,900"; and in line 10, after the words "salary of", to strike out "$4,600" and insert "$4,700."

The amendment was agreed to.

The next amendment was, on the same page, under the heading "Class 31, chief attendance officers" in line 12, after the words "salary of", to strike out "$2,700" and insert "$3,000"; in line 13, after the word "for", to strike out "seven" and insert "eight"; and in line 14, after the words "salary of", to strike out "$3,400" and insert "$3,800."

The amendment was agreed to.

The next amendment was, on the same page, under the heading "Class 32, attendance officers," in line 17, after the word "for", to strike out "seven" and insert "ten"; and in line 18, after the words "salary of", to strike out "$2,600" and insert "$2,900."

The amendment was agreed to.

The next amendment was, on the same page, under the heading "Class 33—Census supervisors," in line 21, after the word "for", to strike out "seven" and insert "ten"; and in line 22, to strike out "$2,600" and insert "$2,900."

The amendment was agreed to.

The next amendment was, under the heading "Class 34—Child labor inspectors," on page 10, line 1, after the word "for", to strike out "seven" and insert "ten"; and in line 2, to strike out "$2,600" and insert "$2,900."

The amendment was agreed to.

The next amendment was, in "Title III—Methods of assignment of employees to salaries," on page 13, line 1, after the word "group", to insert "and if entitled to a longevity increase on July 1, 1945, under the provisions of the act of June 4, 1924, as amended, shall receive one additional annual increase in salary in the amount provided in title I of this act for his class or class and group."

The amendment was agreed to.

Mr. BILBO. That completes the committee amendments, Mr. President.

Mr. LANGER. Mr. President, I wish to ask the Senator from Mississippi if the increases in salaries contained in the bill violate the Little Steel formula?

Mr. BILBO. No, Mr. President, the bill does not violate the Little Steel formula. It involves an increase of $280,700 over the salaries which were being paid out under the bonus measure passed in 1943. It does not violate the formula.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3376) was read the third time and passed.

Mr. BURTON subsequently said: Mr. President, I believe that the bill relating to the salaries of teachers in the District of Columbia is a sound measure. It has been carefully considered. However, I think it is important that an explanation of it appear in the RECORD. I therefore ask unanimous consent that there be printed in the RECORD at this point as a part of my remarks certain excerpts from the report of the House Committee on the District of Columbia on House bill 3376. These excerpts show the full consideration which has been given to this question during the past year, and I believe they fully justify the passage of the bill relating to salary adjustments and increases.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The purpose of this bill is to provide a revised salary schedule adequate in its minimum provisions and the number of increases so that the maximum of the scale establishes a fair recompense for long, efficient service. The salary scale which has been developed is reasonably comparable to salaries paid in other cities approximately the size of Washington.

Title I of the bill sets up new salary schedules for teachers, school officers, and other employees of the Board of Education of the District of Columbia, which propose salary ranges for this group of employees comparable to salaries paid school teachers and officers in other large cities having populations over 300,000.

All of the salary ranges in title I have the approval of the Board of Education and the Board of Commissioners of the District of Columbia.

The salary schedules set forth in the bill, as reported, have been approved by the joint legislative council, which is a teacher and officer organization consisting of 2 elected members of each of the 39 organizations in the public schools of the District of Columbia. These organizations represent over 3,000 employees of the Board of Education of the District of Columbia. The membership of this council is as follows:

JOINT LEGISLATIVE COUNCIL OF EDUCATIONAL ORGANIZATIONS, DISTRICT OF COLUMBIA PUBLIC SCHOOLS

MEMBER ORGANIZATIONS, JANUARY 1945

Divisions 1 to 9: Association for Childhood Education, Association of Elementary School Principals, Association of Secondary School Principals, International Council for Exceptional Children, Board of Junior High School Assistant Principals, Board of Junior High School Principals, Board of Senior High Assistant Principals, Board of Senior High School Principals, Board of Supervising Principals, District of Columbia Vocational Association, Education Association of the District of Columbia, Elementary Classroom Teachers Association, Guidance and Personnel Association, Heads of Departments, Junior High school Teachers Association, Association of District of Columbia School Librarians, Night and Summer School Teachers Association, Research Club, Secretarial Association, Senior High School Teachers Association, Visiting Instruction Corps, Wilson Teachers College Alumni Association, Wilson Teachers College.

Divisions 10–13: Association for Childhood Education, Association of Elementary School Principals, Board of Junior High Assistant Principals, Board of Junior High School Principals, Board of Senior High Assistant Principals, Board of Senior High School Principals, Board of Supervising Principals, Columbian Educational Association, Heads of Departments, Librarians Association, Miner Teachers College, Miner Teachers College Alumni Association, National Capital Guidance Association, National Capital Vocational Association, Teachers Union, Local 27.

Divisions 1 to 13: Advisory Council.

Teacher turn-over in the public schools of the District of Columbia has increased quite considerably since the 1939 to 1940 school year. The Superintendent of Schools has testified that this large turn-over is due, in his opinion, to the low salaries paid to teachers in the District of Columbia and is, in itself, a strong justification for increasing these salaries. The total number of teachers leaving the service, 1939 to 1940, was 136. The total number of teachers leaving the service, 1943 to 1944, was 432, which is an increase of 296. The number of teachers leaving the service during the 1943–44 school year is approximately 10 percent of the total number of teachers. On October 27, 1944, there were 416 temporary teachers employed in the public schools of the District of Columbia.

If the proposed revised schedule is approved by Congress, 90 percent of all increases in salaries will go to teachers on all levels when they have reached the maximums in title I of H. R. 3376, and particular attention has been given to increasing the salaries of elementary school teachers. The remaining 10 percent of the increases is distributed among the administrative and supervisory officers and the employees of the Department of School Attendance and Work Permits.

The total number of elementary-school teachers is 48 percent of the total number of teachers. The amount of the increases which elementary-school teachers receive is 54 percent of the total increases which will be paid to the teachers. As of October 27, 1944, there were 1,549 elementary-school teachers out of a total of 3,232 teachers.

The following extract is taken from a report of the budget officer of the District of Columbia transmitting the proposed salary schedule to the Commissioners of the District of Columbia on February 15, 1945:

"We have taken into consideration the following two factors in arriving at the maximums recommended for the administrative and supervisory officers: (1) salary ranges of persons supervised, and (2) salaries paid to persons in similar positions in other cities. It should be remembered that it will take from 5 to 8 years for the persons in these positions to reach the maximum salaries. Much consideration should be given to the difficult and responsible duties of the persons in these administrative positions. We consider the salary ranges proposed for the administrative and supervisory officers, including those proposed for assistant superintendents and first assistant superintendents, to be reasonable and proper.

"In preparing the revised salary schedule, very careful attention was given to the relationship of principals' salaries to teachers' salaries, the relationship of the salaries of the superintendent's staff to those of the principals whom they supervise, and the relationship of the superintendent's salary to those of the members of his staff."

ORDER FOR ADJOURNMENT TO MONDAY NEXT

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the business of the Senate is concluded today the Senate stand adjourned until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEE REPORTS, SIGNING OF BILLS AND RESOLUTIONS, ETC.

Mr. BARKLEY. Mr. President, I also ask unanimous consent that during the adjournment of the Senate committees of the Senate be permitted to file reports, that the President pro tempore be authorized to sign bills and resolutions, and that the Secretary of the Senate be authorized to receive messages from the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. DONNELL in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that, as in executive session, the Executive Calendar be now considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the clerk will proceed to state the matters on the Executive Calendar.

TREATIES

The legislative clerk proceeded to read Executive D (79th Cong., 1st sess.) a convention between the United States of America and the United Kingdom of Great Britain and Northern Ireland, for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on April 16, 1945.

Mr. WHITE. Mr. President, at the last executive session the treaties on the calendar went over at the suggestion of the Senator from West Virginia [Mr. REVERCOMB]. I do not see him in the Senate Chamber at the moment. I ask therefore that the treaties go over.

The PRESIDING OFFICER. Without objection, the treaties will go over.

COAST AND GEODETIC SURVEY

The legislative clerk read the nomination of Emerson E. Jones to be junior hydrographic and geodetic engineer, with rank of lieutenant (junior grade), from July 11, 1945.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the postmaster nominations are confirmed en bloc.

That completes the Executive Calendar.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

Mr. BARKLEY. Mr. President, the Senator from Vermont [Mr. AUSTIN] wishes to have the Senate act upon two nominations which were favorably reported earlier today.

FEDERAL COMMUNICATIONS COMMISSION

Mr. AUSTIN. I ask unanimous consent that the nomination of William Henry Wills, of Vermont, to be a member of the Federal Communications Commission, be confirmed and the President immediately notified.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of William Henry Wills, of Vermont, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1945, vice Norman S. Case, term expired.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed, and the President will be immediately notified.

SURPLUS PROPERTY BOARD

Mr. AUSTIN. I ask unanimous consent, Mr. President, that the nomination of W. Stuart Symington, of Missouri, to be a member of the Surplus Property Board be considered and confirmed, and that the President be immediately notified.

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of W. Stuart Symington, of Missouri, to be a member of the Surplus Property Board for the unexpired term of 2 years from October 3, 1944, vice Guy M. Gillette, resignation effective July 15, 1945.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed and the President will be immediately notified.

AMENDMENT OF SURPLUS PROPERTY ACT

Mr. STEWART. Mr. President, earlier today I introduced a bill to amend the Surplus Property Act, and I desire to speak for a few minutes about the amendment and point out some of the changes it makes in the surplus property law as it now exists.

The Surplus Property Act of 1944 is, we all know, a compromise of divergent notions about how war-surplus property ought to be disposed. These notions, it will be recalled, were theoretical rather than a development of experience because at the time the legislation was drafted there was very little history of experience upon which to base it. Probably nobody was altogether satisfied with the measure as it passed. But after extended debate and effort to give different viewpoints embodiment in the bill, we concluded that any further revision or modification of it should await the instruction of practical experience.

The law has now been on the statute books almost a year. The Surplus Property Board has been in existence since January of this year. We have had some 6 months in which to observe its operations, and in which members of the Board have had an opportunity to arrive at conclusions with respect to their operations under the act.

On the basis of certain suggestions that have been made to me by the retiring Chairman of the Board and others connected with its administration, and by members of the staff of the Surplus Property Subcommittee of the Senate Small Business Committee who have been closely observing the operations of the Board, and on the basis of my own observations, I prepared an amendment to the act which I have introduced here today.

One of the issues involved in our debates during the consideration of the original bill was that of the disposition of authority and responsibility. Senators will recall that the original agency for surplus property disposal was created by Executive order of the President, which relied largely upon a study and report made by the Honorable Bernard Baruch, one of the outstanding leaders of thought in the United States, and John M. Hancock. It was their view that the direction of property disposal could be vested in a small body headed by a single administrator with only general supervisory authority, and that the actual executive authority and administrative organization could be drawn from the personnel of existing executive agencies. The theory behind this was that by employing the personnel of existing agencies to do the actual work, we could save the expense and drain upon manpower requisite to setting up a complete, new, separate organization for property disposal. Under this plan the only new body to be set up was a small one for drafting and issuing regulations. In our early studies of the legislation, and in the early bills we drafted in Congress, everyone was strongly under the influence of the Baruch-Hancock notion of

saving manpower by this double-duty sleight-of-hand.

However, experience has proven the theory fallacious. We found, for example, it was not possible for the Procurement Division of the Treasury Department to dispose of surplus property in addition to its duties of procurement. In the first place, this Division was not manned by men who had the experience to dispose of surplus property; in the second place, its organization and numbers were entirely inadequate for the job; and in the third place, it had existing duties that required the full time of its personnel.

So what happened was that in the Division of Procurement there was set up an entirely new organization, with new and additional personnel. It was set up within the Division as a branch, but by the time it got organized it was so much larger than the original Division that we had a situation of the tail wagging the dog, so to speak. Similarly the same sort of difficulties were encountered in the Reconstruction Finance Corporation in providing for the disposal of surplus property there. So that, even before the new Board got under way, it was apparent that little, if any, manpower had been saved by this attempt at placing the burden of property disposal upon existing agencies.

This imaginary and theoretical benefit admittedly was to be obtained through a complication and weakening of the lines of authority. As the Surplus Property Agency was set up under Executive order, and as it is organized under the present act, authority is exercised on three distinct levels. An over-all authority is exercised by the Director of Mobilization and Reconversion. Subject to this direction, the Board then, in turn, exercises a general supervisory or regulation-writing authority over some six disposal agencies. These agencies, in turn, place their own interpretation on the regulations, and go their own way in handling, warehousing, selling and otherwise disposing of war surpluses.

The theory behind placing controls in the hands of the Director of Mobilization was to require that the general policies of the Board conform to our over-all pattern of demobilization. And, let me say, such conformity is important, and I have no disposition to question it. But what happened in practice was that the members of the Board—and, I may add, with the sympathy and approval of the Congressional groups who had been devoting their attention to the problem—got into conflict with the Director of Demobilization over the extent of their duties and responsibilities. Indeed, the issue boiled down to whether the Board should have a staff of a thousand people, as it believed it needed to carry out its duties and responsibilities under the act, or whether it should have 150, and make a surface showing in the name of pay-roll economy.

Behind the conflict, in reality, was the same issue of authority and responsibility. Congress had in the terms of the Act departed in considerable measure from the so-called Baruch-Hancock theory, to which it appeared the then encumbent demobilizer cleaved. Under the new Director of Demobilization a compromise arrangement was worked out. However, the basic need for centralizing and concentrating authority in the hands of one body still remains, and the administration of the Board has suffered for the lack of it. Recently, I have received from the Honorable Guy Gillette, retiring Chairman of the Board, a letter setting out his views with respect to the law and some suggestions for changes. Here is his comment on the three-levels-of-authority arrangement:

> The Surplus Property Act of 1944, following the pattern set by the late President when he created the Surplus War Property Administration by Executive order in February 1944, established this agency subordinate to the Office of War Mobilization and Reconversion. Section 5 (a) of the Surplus Property Act of 1944 and section 101 (b) of the War Mobilization and Reconversion Act of 1944 established the Surplus Property Board "in the Office of War Mobilization, and in its successor" and provided that it should "exercise their functions subject to the general supervision of the Director."
>
> This immediately brings the query as to congressional intent embodied in the words, "exercise their functions subject to the general supervision of the Director." Was it the intent of the Congress that such supervision should simply be of such a general nature as to be negligible in its effect, or was it the intention of the Congress that, if a Director so desired, all decisions, all rules, all regulations, and all activities of the Surplus Property Board, including its personnel and financial needs, should be chaneled through the Office of War Mobilization and Reconversion and be subject to veto there? The present Director, Judge Vinson, and his predecessor, Judge Byrnes, have been painstakingly considerate in their interpretation of this supervisory function, but even with this attitude on their part, there have been numerous instances where plans and policies of the Board have been vetoed or changed in the Office of War Mobilization and Reconversion. It is needless to cite specific instances, for the fact is aparent that in the disposal of surplus property, the whole transaction is handled on three levels of activity. First is the disposal agency level, which carries out the actual operations of sale and distribution of surplus goods. Over and above this activity level is the Surplus Property Board, clothed by the Congress with broad powers of direction, supervision, and control. Over and above the Board is the Office of War Mobilization and Reconversion, supervising the Board in its turn. If this situation is allowed to continue, some future Director of the Office of War Mobilization and Reconversion might well insist that all activities be channeled through his office and be subject to his absolute supervisory control. It seems to the undersigned that this three-level structure is particularly unfortunate, and it might be well to thoughtfully weigh the advantages of creating the Board as an independent agency of the Government.

I might add that Mr. Justice Byrnes, now Secretary of State, when he held the Directorship, himself suggested to some of us that he would welcome a divorcement of the Board from his Agency. As Senators know, in the Surplus Property Act we have placed full responsibility for the job upon the Surplus Property Board. The Board is the target which the public is going to shoot at. It is going to get the blame for everything that goes wrong. But, as the law is now drawn, the Board cannot sell a second-hand pair of shoe laces and it cannot force any disposal agency to sell them or not sell them. The Board can only issue general regulations and hope that they are carried out.

The principal effect of the amendatory bill I have introduced here today would be to correct this weakness of dispersed authority. The amendment's effect would be to terminate the control of the Director of Demobilization over the Board on the one hand and to do away with the autonomous disposal agencies on the other. Under my amendment the Board would be answerable to the President, to Congress, and to the public for its acts and would have full authority to direct, hire, and fire all the agents it employs to dispose of war surpluses. As drawn, the bill would amend the existing act section by section to accomplish the purpose I have just explained. The primary modification occurs in section 5 of the act, which establishes the Surplus Property Board in the Office of War Mobilization, and section 6 which defines the duties and authority of the Board. The former of the sections would be changed to read:

> The first sentence in subsection (a) of section 5 of such act is amended to read as follows:
>
> "There is hereby established a Surplus Property Board (hereinafter called the Board) which shall be composed of three members, each one of whom shall be appointed by the President by and with the consent of the Senate and shall receive compensation at the rate of $12,000 per annum."

This as the Senate will observe merely takes the Surplus Property Board out from under the Office of War Mobilization, and to complete this removal my bill would then repeal paragraph 2 of subsection (b) of section 101 of the War Mobilization and Reconversion Act of 1944, which provides for the Board's position under the Office of War Mobilization.

The latter section to which I referred, that affecting the duties and the authority of the Board, reads as follows:

> The third sentence of section 6 of the Surplus Property Act of 1944 is amended to read as follows: "The Board shall have control, supervision, and direction, as provided in this act over (1) the care and handling and disposition of surplus property and (2) the transfer of surplus property by the Government agencies; except as provided in sections 10, 14, and 21 of this act, shall be the sole agency for the disposition of all surplus property and shall have full authority and responsibility for such disposal."

As will be observed, this places full directive and administrative authority in the Board, and in the Board only.

Section 6 of the act reads:

> The activities of the Board shall be coordinated with the programs of the armed forces of the United States in the interest of the war effort. Until peace is concluded, the needs of the armed forces are hereby declared and shall remain paramount. The Board shall have general supervision and direction, as provided in this section, over (1) the care and handling and disposal of surplus property, and (2) the transfer of surplus property by the Government agencies.

It is, as Senators can see, the last sentence that my bill would change. It will be noted that exceptions to the complete control of the Board are made for sections 10, 14, and 21 of the act, in the amendment I offer. This refers to, in the

case of section 10, the special designation of the Maritime Commission for disposal of merchant vessels; in the case of section 14, the authorization of owning agencies to dispose of damaged war property, salvage, and scrap, and certain incidental property defined as resulting from any industrial, research, agricultural, or livestock operations or any public works, construction, or maintenance projects carried on by such agency. It will be recalled that this exception was placed in the act in part to clear up the question of authority for the TVA to dispose of its electric power developed in connection with war work. In the case of section 21, which has to do with the disposal of surplus agricultural commodities, Senators will remember that large authority is reposed in the War Food Administrator, and that arrangement by which he acts in conjunction with the Board is not changed.

The provisions modifying the status of the Board also included one subsection for clarification, as follows:

The amendments made by this section shall not affect the terms of office of present members of the Surplus Property Board or require their reappointment.

In extending and concentrating the Board's authority by abolishing separate disposal agencies, my bill would clarify the lines of authority of the Board over other Government employees by adding to section 7 of the act, which reads:

The Board shall advise and consult with other interested Government agencies with a view to obtaining all aid and assistance possible in coordinating the functions of the several agencies affected by the disposition of susplus property—

The following:

The Board may also in particular cases utilize the services of officers and employees of other Government agencies to aid in the disposal of surplus property but all responsibility for such disposition shall remain in the Board and such officers and employees while so engaged shall be deemed to be acting for the Board and shall be subject to its supervision.

The other amendments in the bill relating to the authority of the Board are merely language changes to eliminate reference to separate disposal agencies and to bring all provisions into harmony with the essential changes.

I have not sought in this bill to substitute a single administrator for the Board as it now exists, though in the original bill that I, with the Senator from Montana [Mr. MURRAY] and the Senator from Ohio [Mr. TAFT] introduced in this Chamber last August, provision was made for a single authority, and although Chairman Gillette, in his recent letter to me, recommended such a change; that is, recommended that it would be better to have a single authority than it would to have a board composed of more than one individual. I have not proposed the substitution because we debated that issue so long and so thoroughly in the Senate and exhausted so much time and effort in arriving at the compromise form we now have, that I deem it inexpedient to reopen the issue at this late date. Moreover, we now have a Board already manned and functioning, with approximately 6 months of experience behind it, and I am uncertain whether a change to a single authority now might not entail more immediate loss than gain. We must remember that the disposal of surplus property is now upon us, and momentous decisions must be made by the authority in charge in the very near future. It is obviously no time to reopen long and bitter debate and make a major change in the seat of authority.

The bill which I have introduced amends but two other elements of the existing law. The more important of these deals with the inventory of Government property. The bill does not modify the existing provisions of section 11 of the act titled "Declaration and Disposition of Surplus Property" but it will add a subsection requiring owning agencies to inventory their property.

On the subject of inventories, the retiring Chairman of the Board had this to say in his letter to me:

One of the serious problems in connection with the disposal of Federal property has seemed to me to be the sale of property by owning agencies. Section 11 of the act provides that each owning agency has the obligation to survey property under its control and to "determine which of such property is surplus to its needs and responsibilities." It is then provided that the owning agency shall promptly report to the Board such surplus property. Surplus property is defined by the act as "property which has been determined to be surplus to the needs and responsibilities of the owning agency in accordance with section 11," referred to above. The question arises as to when property becomes surplus. The above language states that it becomes such when it is "determined" to be surplus to the needs of the owning agency, and the declaration is another step to be taken after the determination. There have been instances brought to the attention of the Board where owning agencies had advertised property for sale to the public without declaring it surplus to the Board. In some of these instances, several months had elapsed after a decision had been made that the property was no longer needed, but no declaration had been made to the Board. The question has been discussed by the Board membership and the Legal Division, and there certainly should be clarification as to what particular action brings to property the quality of "surplus." Does such quality adhere only after the property has been declared to the Board, or does it adhere to the property when it is an inchoate conclusion in the minds of the heads of the owning agency? Put more succinctly, what evidence is necessary to show that a determination has been made other than a mental conclusion? Until the property has become surplus property within the definition of the act, it does not come within the supervision of the Board or under the controls and restrictions of the provisions of the act.

Numerous statutes make provision for the disposal of Federal property by owning agencies. These statutes are other than the Surplus Property Act of 1944. In addition, the Surplus Property Act itself provides three situations in section 14 whereby owning agencies may make disposal of Federal property without declaring it surplus and bringing it under the provisions of the act. This has led to some confusion and will inevitably lead to more confusion. It is true that section 34 (a) of the act provides that authority conferred by the act is "in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith." However, the same section provides further that "This act shall not impair or affect any authority for the disposition of property under any other law, except that the Board may prescribe regulations to govern any disposition of surplus property under any such authority to the same extent as if the disposition were made under this act, whenever it deems such action necessary to effectuate the objectives and policies of this act." Attention is directed to two phrases in this saving clause. First is that the regulations to be prescribed by the Board govern only disposition of surplus property under the provisions of those other acts. Again the question arises: What is surplus property? Is it property that they have merely determined to be surplus, or is it property that has been declared to the Board? The second phase to which attention is directed is that this control of property sold under these other statutes is only when the Board deems it necessary to effectuate the objectives and policies of the act. The Board has, through its legal division, tried to list the multitude of statutes under which disposals can be made by owning agencies. Unless such a list is readily available and there can be some knowledge on the part of the Board of disposals under these other statutes, or intended disposals, there cannot very well be a determination by the Board that such disposals or contemplated disposals contravene the objectives of the act. The whole situation is thus left in a condition where, unless fully clarified, the first knowledge that the Board may have of disposals under these other statutes is when they are an accomplished fact and it is too late to formulate regulations and restrictions.

This whole question about who disposes of what and what there is to dispose of can be best be clarified, I believe, through full and complete inventories of all Government property that may come up for disposal or may affect disposal of surplus property. There is much talk floating around—it has come to me, and I am sure other Senators have heard it—about the Army selling this or that, or the Navy, or some other agency not designated as a disposal agency selling surplus property. It is about these reputed sales by owning agencies that there seems to be most question. I know of no better way to settle the question of what is surplus or what should be surplus than by having a good sound account of the whole business. With this information in hand the Board can then make clearer judgments and decisions about surplus property; and if it finds an owning agency refusing to declare property surplus which, in its opinion, should be so declared, it will have information upon which to base its complaint to the Congress, as provided in subsection (C) of section 11.

So for these purposes and others, I have included in my bill subsection H, which reads as follows:

For the purpose of this act the Board shall have access to the relevant records, data, and other information in the possession of any owning agency, and shall prescribe by regulation and the head of each owning agency shall establish and maintain, in accordance therewith, a uniform system of clarification inventory record, and stock controls, which shall be applicable to all classes of property in the possession or control of the agency. Whenever the Board has reason to believe that any agency has failed to comply within a reasonable time with any such regulation, the Board shall promptly report to the Senate and House of Representatives the facts with respect to such failure to comply, together with the names of the individuals or organizational units which, in its opinion, are responsible for such failure.

The third element of change in my bill, to which I have referred, affects section 13 of the act, entitled "Disposal to Local Governments and Nonprofit Institutions." I would simply modify subsection F which provides that States and political subdivisions and instrumentalities thereof shall be given priority over all others in disposal of property provided for in the act, except as to transfers under section 12. I merely propose to substitute the word "preference" for "priority." We have all heard much objection raised to the priority provisions of the act. It has probably received more criticism in Congress, in the Surplus Property Administration, and elsewhere than any other one provision. The best legal authorities I have been able to rely upon interpret "priority" to mean requiring a preference in time, and priority so interpreted would unquestionably hold up the disposition of surplus property. I believe the Board should have more latitude in applying this preference, and should not be hamstrung with a time preference that conceivably could work a detriment to the States and local governments, as well as to the Board and the public generally.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. McKELLAR. The Senator is familiar with the question of surplus property, and I should like to ask him a question. How many agencies of the Government are now disposing of surplus property?

Mr. STEWART. I believe there are six of the so-called owning agencies which dispose of surplus property, namely, the Army, the Navy, the Maritime Commission, the Procurement Division of the Treasury Department, the Reconstruction Finance Corporation, and the Defense Plants Corporation, which, of course, is under the RFC; and I believe the Department of Commerce or the Secretary of Commerce recently, under an Executive order, has been directed to dispose of several billion dollars' worth of surplus property. I do not believe I can answer the Senator's question accurately, but there are certainly a number of such agencies.

Mr. McKELLAR. Mr. President, it seems to me that having so many agencies to dispose of surplus property is likely to prove most embarrassing to the agencies themselves, to the Government, and to the people of the country. It seems to me some order should be brought about in the matter. The agencies should be consolidated. Disposal of surplus property should be under the control of one management. Indeed, I am not so sure but that one individual ought to have supervision of every piece of Government property which is sold.

The reason why I make this suggestion to the Senator is that I was here during the last war and after it and I remember the various agencies which disposed of surplus property. There was a world of criticism, and worse than that, about the methods which were employed by the various departments of Government. At one time it looked as if not only almost every department but every agency and every bureau of Government was disposing of property as and when the individuals in those bureaus or departments saw fit to do so. It was confusion worse confounded. It resulted in scandal.

We should not have that situation after this war. The Government, as I understand, owns more than $100,000,000,000 worth of surplus property. This war has been enormously expensive. Our public debt is the largest public debt ever known in the history of the world. We need to pay it; we must pay it. We cannot do as other nations have done; in other words, simply change governments and repudiate the bonds of the Nation. That cannot be done in the United States of America. We must pay these debts. We cannot charge them off; we cannot confiscate them. We must pay them. In order to pay them we should use every possible means to conserve the properties of the United States and to see that a reasonable and proper price is received for the property and, above all, that it shall be honestly, fairly, and justly handled and sold, so that the people of America may receive the benefits of property belonging to the United States, and so that people who are designing in their own interests to obtain this property shall not be allowed to get it except at fair and proper prices and on plans fairly and justly made and fairly and justly carried out. The United States should not permit any scandal to arise in connection with the sale of surplus property.

Mr. STEWART. Mr. President, I am glad to hear my colleague make that observation.

In addition to what I have previously stated, I wish to say that I do not believe there is today in our Government any other subject or any other matter about which there exist so much uncertainty and so much confusion as the problem of disposing of property which now is surplus, which should be surplus, and which eventually will have to be declared surplus. There is more uncertainty and confusion about it than about any other subject of which I know. There are numerous agencies of Government meddling and "messing" with it, if I may use that expression. All of that adds to the confusion. No one knows anything about where the property is. When one tries to find out about it, when he insists on having an inventory made, as my colleague the Senator from Nebraska [Mr. WHERRY] and I have been doing since we held hearings on the matter of machine tools some 3 months ago, when one insists on having an inventory, the agencies promise to get one, but later they make the statement that making an inventory presents so many administrative difficulties that it is practically impossible to prepare an inventory.

I make the statement that it is absolutely essential that we have a full and complete inventory available at a central place, so that the Congress and the various agencies of Government and the people themselves may know just what is for sale or eventually will be for sale.

At the hearing we developed again, by reason of the questions of my colleague the junior Senator from Nebraska [Mr. WHERRY], serving on the committee dealing with the complaints of small business, the fact that thousands and thousands of cans of canned milk spoiled because no one took steps to have them made available for sale and use. No one declared them surplus and available for sale. That could have been done. Much property of the same type and character—perishable foodstuffs, so we are advised—has been allowed to spoil. Much perishable property has spoiled, although it might have been disposed of to some advantage.

I believe that one of the reasons why our former colleague, Senator Gillette, of Iowa, resigned as Chairman of the Surplus Property Board, was that he could not tell a darned thing about what was going on, and neither could anyone else. Everyone is "messing" around with it; everyone wants some of it. From what I hear, I assume many people must be getting some of it somewhere, but it is impossible to locate it. There is no inventory.

The Government has a tremendous stake in this matter. As my colleague said a moment ago, the value of surplus property has been estimated to be $100,000,000,000—not $100,000,000, but $100,000,000,000.

I merely wish to add one or two other words, and then I shall be through. The estimate of $100,000,000,000 may not be correct. We have talked about it before. It includes perhaps some of the merchant ships which were constructed. I am advised that it is safe to estimate at least 50 percent of the amount is in consumer goods, namely, goods which can be sold to the general public. So where we have an investment of even only $50,000,000,000, is it not the better part of wisdom to spend a few million dollars in an effort to protect the investment?

By the bill which I have introduced I have undertaken to amend the Surplus Property Act so as to give the Surplus Property Board complete control over the surplus-property problem.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. McKELLAR. I wonder if the Senator could give us figures which would show how much surplus property has been sold during, say, the past 90 days?

Mr. STEWART. No, sir; I do not know of any person who can obtain such information.

Mr. McKELLAR. Why not?

Mr. STEWART. No one seems to have it. There is no central office of authority possessing such information.

Mr. McKELLAR. When money from the sale of property is collected is it paid into the Treasury of the United States? If not, what disposal is made of it?

Mr. STEWART. I presume that the money is paid into the Treasury of the United States. If the War Department sells property I presume that it pays the proceeds into the Treasury.

Mr. McKELLAR. But the Senator does not know?

Mr. STEWART. No.

Mr. McKELLAR. It is merely an assumption on his part.

Mr. STEWART. It is only my opinion. I may be wrong about it.

Mr. McKELLAR. I wonder if the Senator from Tennessee could not obtain such information and give it to the Senate.

Certainly the Secretary of War, the Secretary of the Navy, and heads of other agencies would be glad to furnish such information. I believe they would be glad to furnish, for example, the figures which would show how much surplus property has been sold within the past 90 days, and the amount of the proceeds from such sales. I believe we should have such information before us.

Mr. STEWART. I believe that such information should be placed before the Senate, and I shall be glad to make an endeavor to obtain it.

Under certain statutes the War Department, the Navy Department, the Maritime Commission, and other agencies may sell property which they own before declaring it to be surplus property. I believe that they should not be permitted to do so. I feel that the entire matter should be under the control of the Surplus Property Board.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. McMAHON. I may say for the information of the senior Senator from Tennessee [Mr. McKELLAR] that the Department of Commerce has been publishing reports showing what property they have sold, to whom the property was sold, and how much money was received for it.

Mr. STEWART. Who is in possession of that information?

Mr. McMAHON. Mr. Schindler, the Under Secretary of Commerce.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had concurred in the amendment of the Senate numbered 1 to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, and concurred therein with an amendment in which it requested the concurrence of the Senate; that the House disagreed to the amendments of the Senate numbered 2 to 33, inclusive, agreed to conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON of Missouri, Mr. WOODRUM of Virginia, Mr. LUDLOW, Mr. O'NEAL, Mr. RABAUT, Mr. JOHNSON of Oklahoma, Mr. SNYDER, Mr. TABER, Mr. WIGGLESWORTH, Mr. DIRKSEN, and Mr. CASE of South Dakota were appointed managers on the part of the House at the conference.

RESTRICTIONS ON DISPOSITION OF NAVAL VESSELS AND FACILITIES—CONFERENCE REPORT

Mr. WALSH submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2, and agree to the same.

DAVID I. WALSH,
MILLARD E. TYDINGS,
HIRAM W. JOHNSON,
Managers on the Part of the Senate.

CARL VINSON,
P. H. DREWRY,
JAMES W. MOTT,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. WHERRY. I should like to have the distinguished Senator from Massachusetts give us an explanation.

Mr. WALSH. This is the conference report on a bill which has passed the House and the Senate, and the conferees of the House have yielded to the Senate amendments, which are in the nature of perfecting amendments, on a bill retaining to the Navy Department the right of control over certain surplus property.

Mr. WHERRY. I thank the distinguished Senator for the explanation. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

WAR AGENCIES APPROPRIATIONS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate numbered 1 to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, which was read, as follows:

In lieu of the matter inserted by said amendment insert:

"COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"Salaries and expenses: For completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects and limitations specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation, $250,000: *Provided*, That if and until the Committee on Fair Employment Practice is continued by an Act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided: *Provided further*, That in no case shall this fund be available for expenditure beyond June 30, 1946."

Mr. McKELLAR. Mr. President, this is the celebrated war agencies bill. The only change which has been made is in the much controverted FEPC provision of the bill. In passing upon the bill a few minutes ago, the other House inserted the following proviso to the FEPC amendment:

Provided further, That in no case shall this fund be available for expenditure beyond June 30, 1946.

The entire FEPC amendment, as it will appear if the House change is agreed to by the Senate, will be as follows:

Committee on Fair Employment Practice—Salaries and expenses: For completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects and limitations specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation, $250,000: *Provided*, That if and until the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided: *Provided further*, That in no case shall this fund be available for expenditure beyond June 30, 1946.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. As I understand the last proviso, it would not particularly change the original amendment. The original amendment provided for an appropriation for the fiscal year ending 1946?

Mr. McKELLAR. Yes.

Mr. CHAVEZ. The original language of the Senate amendment provided for an appropriation for the fiscal year ending 1946?

Mr. McKELLAR. That is true.

Mr. CHAVEZ. The last proviso of the amendment adds that much language to it.

Mr. McKELLAR. It adds that much language to it.

Mr. CHAVEZ. Yes; but it does not in any way affect——

Mr. McKELLAR. It does not change the situation at all, so far as the Senate amendment is concerned.

Mr. CHAVEZ. That is correct.

Mr. McKELLAR. I understand that the Government authorities in charge of this matter have the same view with respect to the amendment as that which has been expressed by the Senator, and which I, myself, have expressed. In other words, the language added by the House does not change the substance of the original amendment.

Mr. CHAVEZ. As I understand the FEPC is not in any different position now than would be the OWI, or any other agency covered by the same bill.

Mr. McKELLAR. That is correct.

Mr. CHAVEZ. While it is true that provisos have not been added with respect to any other items in the bill, nevertheless we are appropriating only for the fiscal year ending 1946. Am I correct?

Mr. McKELLAR. The Senator from New Mexico is correct.

Mr. WHERRY. I suggest to the distinguished Senator from Tennessee that the conference report has come to the Senate at a very late hour. The Senator knows that there has been considerable controversy over the appropriation for the FEPC.

Mr. McKELLAR. Yes.

Mr. WHERRY. I ask the distinguished Senator if it is his understanding that the amendment is in substance about the same, or is the same as the amendment which was recently passed by the Senate.

Mr. McKELLAR. In my judgment the amendment is precisely the same. It has not been changed in any way except in the variety of language. I may also say to the Senator from Nebraska that we have been careful to take the

matter up with the department which will have charge of it; namely, the General Accounting Office. Representatives of that Office have expressed the opinion that the effect of the amendment is as I have stated.

Mr. WHERRY. So the Senator from Tennessee feels that the House has adopted an amendment which is, in substance, practically the same as the amendment which was favorably voted upon by the Senate only a few days ago.

Mr. McKELLAR. It is not only the same in substance, but it is the same.

Mr. WHERRY. I ask the Senator from Tennessee to yield to me in order that I may propound a question to the distinguished Senator from New Mexico [Mr. CHAVEZ].

Mr. McKELLAR. I yield.

Mr. WHERRY. I ask the Senator from New Mexico if he places the same interpretation upon the amendment as that which has been expressed by the Senator from Tennessee? The Senator from New Mexico is one of the proponents of the measure. He has more or less supported the measure on the opposite side of the Chamber.

Mr. CHAVEZ. Mr. President, the amendment was submitted to me yesterday afternoon. I had my doubts as to the interpretation of the language, and I wanted to find out about it. I am satisfied now that while there is extra language, it does not change the effect of the original Senate language.

Mr. WHERRY. Then, if the Senator from Tennessee will further yeild, I should like to say that, so far as I am concerned, inasmuch as the measure in substance and in language has already passed the Senate, I myself, as acting minority leader, shall not object.

Mr. McKELLAR. I thank the Senator.

Mr. BILBO. Mr. President, will the Senator from Tennessee let me see the language of the amendment?

Mr. McKELLAR. Certainly.

Mr. BILBO. I certainly do not wish to appear arbitrary and contentious. I take it that the House amendment is before the Senate for action. Am I right in that, I ask the Senator from Tennessee? Is he asking for adoption of the House amendment at this time?

Mr. McKELLAR. This amendment was adopted in the House of Representatives. It would not be part of the law, of course, unless the Senate agreed to it. So I shall ask in a few moments that the Senate agree to the House amendment to the Senate amendment.

I do not think it changes the language agreed to by the Senate in one single particular. I conceive that the appropriation will begin as soon as it is made, and will end on June 30, 1946, regardless of whether the amendment is agreed to or not. But the House has adopted the amendment, and it is our duty to act on it, and I think we should act on it favorably, because it will mean the settlement of a very trying, difficult, and much debated matter, as we all know.

Mr. BILBO. As I was about to say, Mr. President, I do not wish to leave the impression that I am arbitrary or obstinate in my refusal to give my own personal consent to the appropriation as suggested in the amendment. If I had my way about it, I would not give the FEPC one cent of money. I think any appropriation is a waste. I believe the FEPC is un-American, that it is unconstitutional, and I think it is calculated to do great harm to the very people and defeat the very ends for which it is proposed. In fact, the real, underground purpose of the proposed legislation does not appear on the face of the bill. This is a studied, premeditated effort on the part of some smooth brains to attempt to integrate the colored race into the white race. That will be its ultimate effect.

Mr. McKELLAR. Mr. President, will the Senator permit me to say a word in my own time?

Mr. BILBO. Certainly.

Mr. McKELLAR. I wish to say to the Senator that this has been a much debated proposition for about 5 weeks. I have had it on my hands for fully 5 weeks, and after the greatest amount of discussion and labor and effort to reach a fair judgment, taking into consideration not only my own views and the views of the Senator from Mississippi, but the views of everyone in both the House and the Senate, we have now agreed on a provision which is substantially the same as the agreement that was made in the Senate just 6 or 7 days ago. I hope the Senator will not only not object but will not undertake to debate the question again, because it is one about which men differ greatly, and the more we debate it, I have noticed, the more we differ. So, in a spirit of harmony and unity, and a desire to do the right and fair thing, I hope the Senator will let the matter be voted on this afternoon. Of course, I am not asking him to vote for it.

Mr. BILBO. The Senator used the wrong word when he spoke of my acquiescing for unity. It is asking me to acquiesce in something I believe to be wrong. I have all the respect in the world for the opinions and views of my colleagues, but I am speaking as one of the representatives of a sovereign State of the Union, and my people are affected by the provisions of the bill, as are those of other Senators. I have an inherent right on the floor of the Senate to speak my convictions on matters of this kind.

Mr. McKELLAR. I am not questioning that for a moment.

Mr. BILBO. I was present a few days ago when this same matter was passed on, and it is not my intention at this time to speak at length on it, but certainly I think the Senator should be patient and attentive.

Mr. McKELLAR. The Senator is speaking in my time, but I now yield the floor so that he may speak.

Mr. BILBO. I certainly trust the Senator will not only be patient, but will be attentive, while I make some observations, since I am compelled by an overwhelming majority to take my medicine.

Am I to understand that by this amendment the Fair Employment Practice Committee can take this $250,000 and spend it all at one time, in 1 month, or must the money be prorated over a period of 12 months, under the provisions of the amendment?

Mr. McKELLAR. That depends on the provisions of the Executive order. There has been no law establishing this agency, it was founded under an Executive order, and the amount we appropriate will be all they can expend from now to the end of the fiscal year. Beginning the first of July they would have 12 months in which to spend the money. They have adopted a program of expenditures which goes through each month for the 12 months.

Mr. BILBO. I appreciate what the Senator has said. Before this matter came up for action of the Congress, they had made out their budget, I presume, for the fiscal year.

Mr. McKELLAR. They had.

Mr. BILBO. On the basis of $559,000. That is what they asked for?

Mr. McKELLAR. That is what they originally asked for.

Mr. CHAVEZ. It was $599,000.

Mr. BILBO. I appreciate the correction by the Senator from New Mexico. They have geared up their committee, with their 115 employees, 66 Negroes, so many Jews, so many Japanese, and so many other Americans, to operate for 12 months on a basis of $599,000. There was a cut to $446,000. They may have revised their budget and their plan for 12 months' operation to spend $446,000.

Now, when we give them only $250,000, which is about 50 percent, I am wondering whether they will proceed to spend the $250,000 under the budget they prepared when they thought they would get $599,000, or $446,000, and after the expenditure of the funds on that budget, will return to the Congress and ask for a deficiency appropriation to be placed in one of the many deficiency appropriation bills which pass from day to day through the Congress.

Mr. McMAHON and Mr. CHAVEZ addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Mississippi yield; and if so, to whom?

Mr. BILBO. I yield to the Senator from Connecticut.

Mr. McMAHON. I rather think that if they come for a deficiency appropriation, the Senator from Mississippi will be again the "Horatius at the bridge," using all his eloquence and all his time on the floor in an attempt to defeat the request. So I do not see how his observations on that question at this time are germane.

Mr. BILBO. Let me inform the Senator from Connecticut, who has not been in the Senate quite so long as I have, that there is no such thing as germaneness in the United States Senate.

Mr. McMAHON. I have been here long enough to discover that that is so, and I learned it best when I listened to the Senator from Mississippi talk for 3 days on the bill we are now considering.

Mr. BILBO. If the Senator will always listen to the Senator from Mississippi, he will learn something every day.

Mr. McMAHON. There might be a difference of opinion respecting that statement, Mr. President.

Mr. BILBO. The Senator from Connecticut might be able to absorb some things.

Mr. McMAHON. Not from the Senator from Mississippi.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. CHAVEZ. The observation I wish to make, with the indulgence of my good friend the Senator from Mississippi, is this: Of course, every Government agency, in planning for next year's work, gears itself to the Budget approval.

Mr. BILBO. Yes.

Mr. CHAVEZ. But Congress appropriates the money. The Budget Bureau does not appropriate the money. Congress in this particular instance cut down the Budget estimate to $250,000. So, no matter to what gait this particular agency is geared, it will have to satisfy itself and work with $250,000. Of course, this agency, if it has a good case—and I feel it is justified in appealing to Congress—can petition Congress with respect to its case, as any other agency can.

So far as I am concerned, at the particular moment $250,000 is all the agency is getting. I do not know what will happen in the future, but I think we should go through with the proposal now before us, and let us later face what the future may bring.

Mr. BILBO. Do I understand that the Senator from New Mexico is contending that the Director of the FEPC, when he is notified that he has been allowed only $250,000 for the fiscal year beginning July 1, 1945, and ending on June 30, 1946, will recast his budget and operate for 12 months on the basis of receiving only $250,000 for the 12 months?

Mr. CHAVEZ. He will have to. He cannot spend $500,000 if he has only $250,000.

Mr. BILBO. I am talking about when he is going to spend it. Will he prorate the $250,000 over a period of 12 months or will he spend $250,000 all in 6 months?

Mr. HAYDEN. Mr. President, I think I can answer that question.

Mr. CHAVEZ. Pardon me.

Mr. BILBO. I am seeking information, Mr. President.

Mr. CHAVEZ. I am sure the Senator is. The Senator from Mississippi knows that an attempt was made to give the agency $250,000 and limit the time to 6 months. Those who wanted the agency to continue asked that the time be 12 months. So far as the bill is concerned, the agency can continue for 12 months, and I have no reason to believe the agency is going to close shop, to spend the money, say, in 90 days and not do anything for the remaining 9 months.

Mr. HAYDEN. Let me say to the Senator from Mississippi that there is what is known as the antideficiency statute.

Mr. BILBO. The antideficiency statute. That is good.

Mr. HAYDEN. Yes; which governs all departments and requires them to divide their appropriations into 12 parts. Under this proposed appropriation of $250,000 the agency will take the $250,000 and divide it into 12 parts. The agency will be required to do that by the Director of the Bureau of the Budget and to submit——

Mr. McKELLAR. And by the law.

Mr. HAYDEN. Yes. The law requires them to submit to the Director of the Bureau of the Budget a division of this appropriation into 12 separate parts. If the agency in making the division decided that in a certain month it might need a little more and in another month a little less, the agency is not required to divide it into 12 equal parts, but the money must be divided into 12 parts.

Any departure from that can only be undertaken with the approval of the Director of the Budget, because the assumption is that the Congress has appropriated the money for a fiscal year of 12 months, which shall be divided into 12 months.

Mr. MEAD. Mr. President, will the Senator yield for a supplementary observation?

Mr. BILBO. Yes.

Mr. MEAD. In addition to the authority of the Director of the Budget, they may enlarge upon their expenditures if authorized to increase their activities by the Congress or by the Executive.

Mr. HAYDEN. Certainly. But what I am stating is that the purpose of Congress in passing the antideficiency statute was to avoid just what the Senator from Mississippi is talking about, that is that an agency of Government, having been given an appropriation for a fiscal year would spend it in a few months and then come to Congress and say, "Our money is gone. We must have more money." The law requires that it be divided into 12 parts, and that division is made. It is certified to the Director of the Bureau of the Budget, and no change can be made in that basis except with Executive approval or unless Congress should appropriate additional money.

Mr. MEAD. Or authorize the agency to do some additional work.

Mr. BILBO. Mr. President, in response to the Senator from New York, if the antideficiency statute requires this money to be divided into 12 parts and spent accordingly, so much a month, and the agency cannot change that budget unless it obtains permission from the Bureau of the Budget, and if then the executive department—and this all seems to be an executive scheme—should call on the agency to double its efforts and do twice the job, still that would not give the agency the right to spend the money because it has been ordered to increase its force. The President who issued such an order would have to make provision for additional funds if he asked the agency to do additional work. Am I not correct in that statement?

Mr. HAYDEN. That is perfectly logical reasoning.

Mr. MEAD. The agency would have to come before the Congress then and make request for a deficiency appropriation.

Mr. BILBO. That is all true, so long as the agency comes to the Congress.

Mr. BURTON. Mr. President, will the Senator from Mississippi yield so I may ask a question of the Senator from New Mexico bearing on this point?

Mr. BILBO. I yield.

Mr. BURTON. I should like to have the interpretation of the Senator from New Mexico bearing on the point to which the Senator is speaking. As I understand, the $250,000 would be appropriated, and in accordance with the antideficiency statute, it would be distributed over the year. I should like to be clear on this point, that during that year the money may be expended for the regular operating purposes of the FEPC, and it would not be required to be expended for liquidation purposes. Do I correctly understand the situation?

Mr. CHAVEZ. That is what I wanted to be satisfied in respect of, and I am satisfied on that point.

Mr. BURTON. Is the Senator from Mississippi also satisfied on that point?

Mr. BILBO. Mr. President, I did not clearly understand the Senator from Ohio.

Mr. BURTON. The language which comes to us from the House is different from the Senate language. There are two sentences which relate to the expenditure of this money. It is to be carried over the whole year, and $250,000 is available, but my understanding of the language as it comes to us from the House is that the money may be expended through the year for operating the business of the FEPC, and the agency does not have to liquidate the FEPC during the year. It does not have to set aside a large portion of this money in order to liquidate the FEPC, so that at the end of the year they come out closed. Rather, they come out going.

Mr. BILBO. The Senator is correct respecting the language of the bill.

Mr. BURTON. They come out a going concern at the end of the year.

Mr. BILBO. They do not have to make arrangements to go out of business under this amendment. I think that is a correct construction of the proposal.

Mr. President, I said a while ago that I was not going to be arbitrary about this matter. I appreciate the futility of continuing to oppose the suggested compromise, however much I may disagree with it. I am not in a position to compromise, but I think the whole thing is unconstitutional, I think it is un-American, I think it is unrighteous, I think it is a trouble breeder, and therefore I am not in a position to compromise with wrong because I would still be wrong if I did. But I am merely taking my medicine now and letting it ride, and letting those who are responsible for the enactment of this legislation and this waste of public funds take the responsibility. I am speaking only for the senior Senator from Mississippi. I represent a sovereign entity of this Government, and I speak as such a representative. I cannot understand why any one should want to throw this money away and waste this fund. No one can talk to me about economy any more when it is proposed to spend a quarter of a million dollars on 115 "sugar boys" who go around the country with lollypops, trying to appease and satisfy certain groups.

This organization has no power. There are no teeth in the law. The agency can do nothing but spy, and report to the President. Resort is then had to sanctions, executive orders, or orders from some agency of the Government such as the War Production Board, tak-

ing away priority rights. That is the only punishment that can be inflicted. I want the American people to know that this agency has no power, and that all it can do is to complain and report. It can carry tales back to the White House, and in that way reach down and penalize some industry by taking away its priority rights.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. BILBO. I would rather have the Senator wait until I finish my remarks, if he will be so kind. I do not wish to be discourteous.

I wish to have it understood that in any remarks I make I have no desire whatever to offend any of my colleagues. We cannot all see eye to eye. I do not lose my head and become angry with my colleagues because they cannot see a thing as I see it. But I do not understand how my colleagues can afford to throw away this money when the evident trend of thought in America today is in the direction of abolishing the FEPC.

The only insistence upon the perpetuation of this legislative monstrosity comes from small minority groups. Our Government is ceasing to be a government of the people. It is becoming a government by minorities and pressure groups, whose weapons are threats and intimidation. I wish Senators could read my mail for the past 3 or 4 days. Between the lines there are threats and intimidations, even to the extent of physical force against those who oppose the views of the small minority which is endeavoring to force this medicine down the throat of the American Congress.

The other day an attempt was made to enact similar legislation in Colorado. The legislature killed it. A similar effort was made in Illinois, but the legislature killed it. They tried to pass it in the great old State of Connecticut, and the legislature killed it. They tried to pass it in Massachusetts, and the legislature killed it. So far as I have been able to determine, only two States have swallowed this bitter dose at the behest of minorities. They are the great State of New York and the wonderful little State of New Jersey.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. McMAHON. I merely wish to state for the Record that in Connecticut the State senate voted to pass the bill.

Mr. BILBO. That is true.

Mr. McMAHON. It was killed in the House, but it was passed in the Senate.

Mr. BILBO. Precisely so; and that is understandable, because no doubt State senators in Connecticut are elected from a larger territory, which includes cities where the CIO, the PAC, and the other pink political organizations can elect a Senator. He would look to them for reelection. It was a very easy matter to get such a measure through the State Senate; but when it came to the House, members from the hills and vales of old Connecticut said, "Nay, nay; you cannot pass this kind of un-American legislation in the Nutmeg State."

The proposed appropriation of $250,000 would be wasted in the organization known as the FEPC. It has no power to enforce its edicts. All it can do is to spy upon the business concerns of the United States and report to the President. It can get results only through Executive action penalizing various industries.

We have been hearing a great deal about fear. That is the only weapon this damnable outfit has. It resorts to fear on the part of industries of being penalized by having their priorities and contracts taken away from them. The only way this agency can get any results is by instilling fear. The temporary FEPC can have nothing to do with any organization or any business concern in the country except those which have contracts with the Government for war purposes, those which have subcontracts from the original contractor for war purposes, and Government agencies. Those are the only three divisiions of our economic life that this agency can touch.

Pending in the House is a bill introduced by the lady from New Jersey and the gentleman from Indiana. I believe they are coauthors of the bill providing for a permanent FEPC. A similar bill has been introduced in the Senate. If such a bill should ever become law—and God grant that it never will—few industries, few enterprises, few concerns, and few persons in the United States would escape the pains and penalities of the law, and harassment by this un-American scheme of government.

It is a sad day for the American Republic when we must yield to the intimidation and pressure of small groups of our citizenship. As I stated the other day, the population of this country is 138,000,000. Among the groups which are most notorious in their advocacy and sponsorship of such legislation over the radio and in the newspapers, and in their efforts to lead the Congress into the enactment of such a law and the expenditure of public funds for this damnable piece of legislation, are 18,000,000 colored people. In other words, 18,000,000 people in a nation of 138,000,000 are today telling the American Congress what shall be the law of the land, and how public money out of the Public Treasury shall be spent.

I mean no reflection on any Senator or any Member of the House. I know the hardships which some of them are undergoing. I know the pressure which has been brought to bear on some of them. I have seen delegations hanging around committee rooms and in the lobbies of the Capitol. I have read the newspapers, and I know where the pressure is coming from.

Take the great Commonwealth of New York, with a population between ten million and twelve million. It has such a cosmopolitan population that God only knows where we are headed for. It is a very hopeful sign, and a very fortunate thing that we are having a few western ideas injected into the Government today, instead of permitting the great cosmopolitan population of New York to have so much to do with the Federal Government. I know that that is pretty strong language; but what is the situation? In New York all sorts of nationalities are brought together from all parts of the world. There are about 600,000 Negroes. A great many of them are from Jamaica, Haiti, and Puerto Rico. The South furnished a few. I serve notice now on my good friends from New York that we are going to send them some more Negroes. Since the beginning of this war more than 1,000,000 have migrated from the sunny South. They went east, north, and west. As a result of the reorganization of the economic life of the South, we are going to give New York 1,000,000 more Negroes. God bless them, and God pity New York.

In New York there are about 600,000 persons of Italian descent, headed by Mayor LaGuardia. There are about 1,750,000 members of the Jewish race—nearly 2,000,000 of the 5,000,000 in the United States. In New York there is a great conglomeration of people from the other nations of the earth. All those people have brought to the shores of the United States the ideologies of the other nations of the world, and they are centered and concentrated in the one great State of New York. We can appreciate the troubles and the nightmares which the Representatives of a State which has such a voting population must have. They suffer very much in trying to do the things and in trying to bring about conditions which will satisfy such a divergent group of views as those possessed by the cosmopolitan population of New York State. I am sorry for my two colleagues from New York, but they seem to be making a fairly good job of it. They keep coming back here, and they are my friends.

Mr. President, consider the FEPC. I am so fond of the two gentlemen who represent the great empire State of New York on this floor that I would be willing to do almost anything to help bring them back here and to assure their political fortunes in the State of New York. I would give them almost anything I have; I would even give them an FEPC, if they did not already have one. They have the worst in the Nation, I think. If we could postpone appropriating this $250,000 for about 6 months, until there is a chance to try out the damnable law which Governor Dewey has given the great State of New York, there would not be a vote on this floor for the waste of the $250,000.

Mr. President, I do not believe in discrimination. I believe in segregation. Segregation is not discrimination. But today the advanced thought and the leading thought and the controlling thought of the colored race of America is that any form, type, or suggestion of segregation is discrimination; and, therefore, they say they must be permitted to go to our schools, they must be permitted to go into our homes, into our swimming pools, into our cafes and restaurants, into our hotels—everywhere. Therefore, they insist that they go into all the departments of Government, because they say segregation is discrimination. The sequential end of the argument of every leading Negro in America today is that they are going to do everything and anything and all things in order to bring about the integration socially of the Negro race and the white race, winding up in social contacts leading to marriage, miscegenation, and

mongrelization of both the white race and the black race.

I know that some Members of the Senate will get tired of my text but so long as I remain on the floor of the Senate I shall continue to warn them and remind them of the fact that they have a real problem facing them and they are headed for serious trouble.

Today, I asked a gentleman, "What about a riot in Detroit for a change?" He said, "We are expecting to have one almost any day."

Mr. President, it will come; it is bound to come. It is sure to come. There is only one solution.

I will not take up time by going into detail regarding this matter, this sociological question. I am now writing a book on it. The title of the book is "Separation or Mongrelization; Take Your Choice." Mr. President, it is bound to come. Do you know that in the last 3 years there have been written in the United States more than 200 books on the race question, and every one of them except three has been written in the interest of integrating the Negro race and the white race, with the purpose of bringing them together socially. The only three which have not been written for that purpose have been, if I may be pardoned for saying so, damnably weak in the interest of protecting and defending the integrity of the white race. Go to the library and find out just how many books have been written and who wrote them—200 books on the one subject. The drive is being made today, and this is one of the spearheads of the drive. The drive is to disseminate and saturate and fill the minds of the reading American public with this kind of dope. A reading of the Negro newspapers of the United States will disclose that 99 out of every 100 of them are playing up in boxcar letters on the front pages and in the editorials everything and anything—all things—in order to embitter the Negro readers against the white race—North, South, East, and West. The Senator from North Dakota is not safe because he lives in North Dakota. They are trying to arouse the minds and hearts of the American Negroes against the white race everywhere. Dr. DuBois, the great spokesman for the NAACP—and, by the way I see that Mrs. Roosevelt is now one of the members of the board of commissioners—has just written his famous Color and Democracy, in which he says that the San Francisco Charter means nothing, that it is only a preparation for the next war, and that the next war will be a race war.

Mr. President, in conclusion let me say that if I had a chance, even a remote one, to defeat this appropriation, I would speak until doomsday. The only reason why it has been possible to get it through this time is that the FEPC appropriation has been stuck into a bill providing appropriations for 16 war agencies which we all know must be appropriated for. That is the only way the FEPC could get by this time.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. LANGER. I wish to know when the Senator's book will be off the press and how much the Senator will charge for it. I wish to get a copy.

Mr. BILBO. The book will be off the press before the end of the year, and it will not cost the Senator from North Dakota 1 cent, because I want him to read it. [Laughter.]

Mr. LANGER. I thank the Senator for his offer of a copy of the book, and I ask him to send me an autographed copy.

Mr. WHERRY. Mr. President, in order that my former statement may be somewhat clarified, let me say that as I understand the situation—and I will ask the distinguished acting majority leader once again about it—we are about to do two things. I refer to the mechanics of the procedure. We are about to concur in a House amendment to the amendment which the Senate adopted. We are called upon to vote on that first.

Mr. McKELLAR. That is true.

Mr. WHERRY. In other words, we are about to agree to an amendment of the House. Although it seems to me that the amendment is in a way contradictory in its provisions, yet a proviso distinctly states that the $250,000 may be used to continue the FEPC for one year.

Mr. McKELLAR. That is correct.

Mr. WHERRY. So we are asked to vote upon an amendment which means, in substance, the same as one which the Senate has already voted upon. That is one thing. If the amendment is agreed to will we then vote upon a conference report?

Mr. McKELLAR. Yes; as soon as it is laid before the Senate.

Mr. WHERRY. Is there any amendment in disagreement except the one about which we have been speaking?

Mr. McKELLAR. There is an amendment which is commonly known as the Lea amendment. It has to do with the warehousing of certain crops. If the House rejects it before the conference report comes to the Senate, it will be rejected by the Senate also. If the House fails to agree to the amendment the Senate will make no attempt to have it agreed to.

Mr. BURTON. Will the Senator state for the record what is the Lea amendment?

Mr. HAYDEN. I believe that I can give an explanation of it.

Mr. McKELLAR. The Senator from Arizona [Mr. HAYDEN] is thoroughly familiar with it and I shall be glad to have him make a statement.

Mr. HAYDEN. The Lea amendment would change the status of workers in packing sheds who come under the Wagner Act. At the present time the workers are all under the Wagner Act and will continue to be under the Wagner Act for the purposes of organization. If a dispute arises out of some marketing arrangement it is subject to adjustment by the War Labor Board. The Lea amendment provides that the arrangement to which I have referred may not be continued because the work would be transfered to that category coming under the definition of agricultural labor under the Social Security Act. So if there should be a dispute, there would be no place to which it could be taken.

Our committee was unanimous in the agreement that the amendment should not be adopted, and the Senate rejected it.

Mr. BURTON. I assume that the position of the Senate was that the jurisdiction over the employees should be retained.

Mr. HAYDEN. Yes; under the War Labor Board.

Mr. BURTON. Yes.

Mr. MAYBANK. Am I to understand that the amendment does not apply in any way to the FEPC?

Mr. HAYDEN. It does not apply in any way whatever. I understand that the other House will vote on whether or not to accept or reject the Senate amendment. If the House insists upon its own amendment, and refuses to accept the Senate language, the Senate will then have to act. If the other House agrees to the Senate amendment there will be nothing for a conference.

Mr. McKELLAR. If the House takes that position I shall move that the Senate agree to the House amendment.

Mr. BURTON. Then if the other House refuses to accept the Senate amendment, that is the end of it.

Mr. McKELLAR. Yes.

The PRESIDING OFFICER. The clerk will read the amendment in disagreement.

The legislative clerk read as follows:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE

Salaries and expenses: For completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects and limitations specified in the appropriation for such agency for the fiscal year 1945 as being incidental to its liquidation, $250,000: *Provided*, That if and until the Committee on Fair Employment Practice is continued by an act of Congress, the amount herein may be used for its continued operation until an additional appropriation shall have been provided: *Provided further*, That in no case shall this fund be available for expenditure beyond June 30, 1946.

Mr. McKELLAR. Mr. President, the only issue before the Senate is with regard to the last proviso, which reads as follows:

Provided further, That in no case shall this fund be available for expenditure beyond June 30, 1946.

That is all there is to it. It means exactly the same, whether it is agreed to by the Senate or not agreed to. However, the other House having adopted that language, I now move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 1.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CORDON. I am somewhat doubtful of what may be the legal effect of the House amendment. The language making the appropriation specifically provides that it is for the purpose of completely terminating the functions and duties of the Committee on Fair Employment Practice. The proviso is inconsistent with the general appropriative language, because it provides that "if and until the Committee on Fair Employment Practice is continued by an act of Congress the amount named herein may be

used for its continued operation until an additional appropriation shall have been provided."

Mr. President, the two provisions are inconsistent. I understand the general rule of law to be that where general provisions appear in a bill of this character, and a proviso is inserted which modifies the provisions, the proviso governs over the provisions. Because of the fact that the amendment in its present language is ambiguous, and because of the fact that administrative agencies, as well as the courts, upon interpreting or construing this language will examine any statements made on the floor by the proponents of the legislation, I again ask the senior Senator from Tennessee if his understanding is the same as mine, namely, that the language of the proviso does govern over the language of the general appropriative provisions, and that the meaning is that the total appropriation may be used for the operation of the Committee on Fair Employment Practice for 12 months.

Mr. McKELLAR. I may say to the Senator that yesterday, when the conference committee in an informal session had the matter under consideration, and had before it this specific proviso about which we have been talking—I am speaking of the first proviso, and also of the first words of the amendment itself, namely, "for completely terminating the functions and duties" and so forth—we submitted this matter to the General Accounting Office, which must, after all, pass upon this appropriation, and representatives of that office stated it as their opinion—they did not do so instantly, but they consulted with other officers and employees of the office, and called us over the telephone within a short while—that they were convinced that the language meant exactly what was meant by the amendment originally adopted by the Senate, namely, that the fund of $250,000 could be used up until June 30, 1946. That meets with my approval, because I believe that the amendment, in its present language, does not change the Senate amendment which was agreed to a few days ago.

Mr. CORDON. Mr. President, will the Senator yield for one further observation?

Mr. McKELLAR. I yield.

Mr. CORDON. As I view the matter, the second proviso is, in legal effect, nothing but surplusage. It merely limits the appropriation for a period of 12 months, and the general law would limit it for that period in any event.

Mr. McKELLAR. I agree with the Senator. I hope we may have a vote on the matter. Mr. President, I ask for a vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the senior Senator from Tennessee, that the Senate concur in the amendment of the House to the amendment of the Senate numbered 1.

Mr. MORSE. Mr. President, I make the inquiry, have I the floor in my own right?

Mr. McKELLAR. I yield to the Senator.

Mr. MORSE. I do not desire that the Senate vote on this motion tonight, because I think it of the utmost importance that this matter lie before the American people over the week-end. I should be very glad to have the senior Senator from Tennessee agree to let it go over until Monday. If he does not see fit to enter into such an agreement, I shall speak at some length on the bill, because I think it involves principles of the utmost concern to the economic future of America. It also involves some great social and economic problems which are to confront America in the immediate years ahead in relation to employment practices. Therefore, Mr. President, with the understanding that if I ask the senior Senator from Tennessee [Mr. McKELLAR] a question I do not lose the floor, I should like to make inquiry as to whether or not the acting majority leader will extend me the courtesy of an agreement that we not take action on this matter until Monday.

Mr. McKELLAR. Mr. President, I could not do that; for this reason. We have had this particular matter in hand now for something like 6 weeks, constantly, every day, every hour. I am called up at night about it; I am called up in the day about it. We have had it debated here. We have worked on it. We who are on the committee have just been living with it for 5 weeks. At last we have reached a settlement. There has been an agreement by a majority of the House, and I hope there will be by a majority of the Senate, and that we can at last get the bill through.

Another reason is that as to the various war agencies included in the bill, we took the precaution in the deficiency bill to extend the time during which they might operate. There are 11 of them which are operating under Executive order. The time will expire Monday, and in my judgment it would be very unwise and we would be very remiss in our duty to the country if we allowed this matter to continue from now until Monday, since Monday will be the last day on which these various 11 organizations could operate.

Mr. HAYDEN. Mr. President, will the Senator yield to me to make an observation?

Mr. McKELLAR. I certainly do.

Mr. MORSE. I have the floor.

Mr. HAYDEN. With the Senator's permission, I should like to make an observation.

Mr. MORSE. I yield for that purpose.

Mr. HAYDEN. Not only is there the question of the two Houses of Congress disposing of this matter by Monday, but the bill, when it is engrossed, must be sent across the ocean and be signed by the President of the United States. So there would be that further delay on top of the delay to Monday. Therefore I cannot conceive how any advantage is to be gained by additional delay, and I plead with the Senator, under those circumstances, since I am quite confident that the result would be the same on Monday that it would be today, that he allow the bill to go back to the House and let the House act on the conference report.

The technical situation at the moment is that the papers accompanying the bill are in the Senate. If we dispose of the amendment presented by the Senator from Tennessee, the papers will go back to the House. The House will then take up the conference report we have signed and adopt it, and dispose of the Lea amendment about which I spoke. Then the bill will come back to the Senate and we will act on the conference report. Those are the parliamentary steps which will have to be taken.

Mr. MORSE. Mr. President, I should like to discuss at some little length the bill and other matters. I wish to point out that in my judgment the very interesting game of ducks and drakes has been played by the Congress of the United States on a matter of vital importance not only to economic justice in this country, but of great importance to our country politically, from the standpoint as to whether or not we are going to demonstrate that under a democracy minority rights can in fact be protected.

It was pointed out by one of the distinguished Senators this afternoon that this particular FEPC bill involved some 18,000,000 out of 138,000,000 American citizens. It involves more than 18,000,000 in minority groups in this country, because every citizen who is a member of a minority group is directly concerned with the principles of this great issue of fair employment practices pending before America.

Mr. President, I wish to point out that my party in Chicago made a great pledge on this issue in its platform. That pledge was a four-square pledge that the Republican Party would do all within its power to carry out the principles of FEPC. In my opinion, as a friendly critic of the action my party has taken to date, I do not think we have lived up to the pledge of the Chicago convention to the degree which we should. I say that because in my judgment to live up to that pledge this side of the aisle should never have agreed to the type of compromise that is before this body tonight.

I can say this for my party, however, that its record in the FEPC fight is so much better than the sorry record the party of the opposition has made in this fight for decency and fair play that it should leave no one with any doubt as to what great political party today is standing for and fighting for protection of minority rights in keeping with the great ideals of human rights, on which tenets our Government was founded. It has been the Republican Party in the Senate that has made the most effective attempt to maintain FEPC on an adequately financed basis. I only regret that some of my Republican colleagues agreed to any compromise of the amount.

Mr. MAGNUSON. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I am very happy to yield to the Senator from Washington for a question.

Mr. MAGNUSON. I know the Senator did not mean to convey the impression the the great bulk of the members of my party were not in favor of the legislative proposal now before us. When the Senator speaks of minorities, I know he speaks of a very small, almost rare, minority of the Democratic Party as opposed to the proposed legislation.

Mr. MORSE. Mr. President, I wish to say that if the Democratic Party had

the sound point of view which I think the Senator from Washington has in regard to this and other social and economic issues, I should have no cause to criticize the Democratic Party in this speech. Nevertheless, I do wish to point out that the fact is that it has been the administration forces which have forced upon the Congress of the United States an appropriation compromise which makes it physically impossible for FEPC to do a successful job.

Mr. President, as I said the other day, it is better that FEPC not have any money at all than that it be given an insufficient amount of money, which makes it perfectly certain in advance that FEPC cannot do the job which needs to be done. I, for one, would rather see FEPC granted not a single dollar than the $250,000 provided for in the amendment now pending. The amount is totally insufficient for it to succeed in its work and the language in which the amendment is phrased is ambiguous, subject to disagreement as to its meaning and is bound to produce confusion. The amendment if adopted will break the back of FEPC.

Mr. CORDON. Mr. President, will my colleague yield?

Mr. MORSE. I yield to my colleague.

Mr. CORDON. I should like to inquire of the Senator whether he has any information from members of the Fair Employment Practice Committee as to what view they take with reference to this particular subject; whether in their opinion it is better to take what at the moment to me seems to be the only way out of the difficulty, or whether it is better that we adopt the suggestion of my colleague and make no appropriation? I ask my colleague if he has any information respecting the views of the Committee itself or any member of the Committee?

Mr. MORSE. Mr. President, that is a very fair question, and I shall be very glad to discuss it by going back to the compromise that was worked out on the floor of the Senate some days ago. My able colleague will recall that the junior Senator from Michigan [Mr. FERGUSON] and the junior Senator from Oregon refused to vote for that compromise. We each made a statement in explanation of our vote. In essence we pointed out that we were for the continuation of the Fair Employment Practice Committee, but that we felt that it ought to be continued on the basis of a financial budget that would make it possible for it to do an effective job.

Somehow, as is likely to happen when things are done hurriedly on the floor of the Senate, the information went from desk to desk that FEPC had no objections to the compromise. As I said in conversation with Republican colleagues at the time, first, I did not believe it, and, second, if true, I would still vote against the compromise because FEPC would be signing its own death warrant if it agreed to any such compromise.

At a later time the distinguished Senator from New Mexico [Mr. CHAVEZ] was asked in my presence at a committee hearing as to whether or not FEPC had approved of the compromise, and he very rightly said that it had not. I think I quote him exactly when I say that before the Committee on Education and Labor he said to us that it had been worked out on the floor of the Senate and he understood that FEPC did not approve of it. He can correct me if I have given a false impression.

Mr. CHAVEZ. Mr. President, the Senator from Oregon is correct. I personally did not consult the agency. I thought the Senate had the responsibility of passing on the matter, and we had agreed to it, but so far as FEPC itself was concerned, that committee did not, to my knowledge, approve of it. Of course, the committee would have been better satisfied if they had gotten the full amount which the Bureau of the Budget approved.

Mr. MORSE. Mr. President, subsequent to that, I may say to my distinguished colleague, certain officials of the FEPC did tell me that they were in complete agreement with the position which the Senator from Michigan and I had taken in respect to the matter, and they thought we had done the right thing in putting into the RECORD an explanation of our vote. I told them that irrespective of what they thought about the matter I intended to continue to oppose any compromise of the issues involved because I felt some very fundamental principles were at stake.

Mr. President, this afternoon, I talked over the telephone to an official of FEPC, and I do not feel that without his consent I would be privileged to name him. He called my attention to what had happened in the conference committee. He expressed to me his disapproval of the principle and the language of the amendment which has been submitted to the Senate. I told him that so far as I was concerned I would not vote for the compromise, and I thought it important that the matter go over until Monday, if possible. But in view of the fact that an agreement cannot be reached for it to go over until Monday, I feel compelled, before we vote tonight, at least to make a rather full statement in the RECORD as to my views in regard to the principles involved in this particular legislation.

Let us take for a moment the language of this amendment. Of course, if it means the same thing as the Senate compromise as first proposed by the Senate, why does it not say so? Obvioulsy Members of the House do not believe that it means the same thing as the language used by the Senate in its compromise proposal or they would have accepted the Senate's words. I want to say as one who has been a bureaucrat that I have a little knowledge as to how bureaus operate. I know something about the processes that go through the minds of the individuals when they come to interpreting and applying congressional legislation. I shall use some illustrations later in my speech when I discuss an OPA matter. I want to point out that OPA is abusing its statutory authority. I made a promise the other day that each day the Senate was in session, until it adjourns for the summer, I intend to discuss the maladministration of OPA until and unless it demonstrates a willingness to correct its abuses. I am sorry, but for the RECORD and for future reference I will have to put that discussion into the RECORD before I quit speaking tonight. I always keep a promise if it is physically possible for me to keep the promise.

Now to go back to the FEPC issue, let us look at the mixed up language of the amendment. Just what does the words used mean. The distinguished Senator from Tennessee has made an interpretation of its meaning. I am not at all sure that the courts will agree with the distinguished Senator from Tennessee. But I am perfectly convinced of the interpretation which the foes of FEPC will make of it the moment public knowledge of this debate fades away. We know that what is said in the Congress at the time a bill is before us is soon forgotten by the American public, and the enemies of the FEPC are well aware of that. I tell the Senate I am sure of one thing that will happen when effective administration by FEPC is attempted under this amendment, if it is adopted. The enemies of FEPC will say, "Resist, resist, and defy. The very act under which they are functioning contains language which puts them out of existence in a year. They are just a temporary organization. Just stall them. Play along. Finally the 12 months will pass and they will not be checking up on you any more."

I want to be very kind about it, but I want to say that I do not think a group of men could have sat down and devised language more clever to thwart FEPC, to doom it, to make it difficult for it administratively to function, to place it under a cloud, to give it insufficiency of funds so that it can do a good job, than the language which has been brought back to us in this amendment.

I am not at all impressed with the argument of haste for action at this stage of this controversy. Would that the administration forces had given some attention to that argument days and days ago. But the truth is that these agencies will continue to function after Monday. There is nothing about our failure to act tonight which would in any sense make it difficult for these war agencies to function after Monday. I, for one, do not intend to let the argument of the distinguished Senator from Tennessee on that point go by unchallenged. There is no need for haste in the sense that failure of the Senate to act on this question tonight would endanger or jeopardize the functioning and workings of any war agency. I think the American people are entitled to an opportunity to scrutinize what the Senate proposes to do today by this amendment. A great social revolution is going on in the world. The world is beginning to collect dividends from decades of free education in many countries of the world, including our own. The infiltration of knowledge and understanding in many countries which until recent years have been dark with ignorance have enlightened millions of common men and women the world around. This great revolution in the thinking of common people presents a great challenge to democratic government.

As I stated the other day on the floor of the Senate, I do not think there is

any form of government that can even approach the strength and ability of democracy to protect the individual rights of the individual man. Fascism cannot do it, because, of course, fascism lives upon a process of beating down the individual rights of the individual man and putting in the place of the dignity of the individual the idol of a superstate.

Communism can do it no better than fascism, because under communism, as I stated the other day, the individual, so far as his individual dignity and rights are concerned, has no rights. He is not the master of the state in a communistic society. He is the victim of the state. He is a cog in a totalitarian dictatorship that permits of only those privileges to the individual that the powers in control condescend to allow.

Only under a democratic form of government do we have that great ideal of our founding fathers really exemplified—the ideal that the people are the masters of the state; that we Members of the Congress holding office as functionaries of the state are but the servants of the people. That is a great democratic ideal, but it is a democratic ideal which must be practiced if democracy is to survive, because as enlightenment spreads through the rank and file of the peoples of the world, they are going to test democracy by the question, How does it function in terms of protecting minority interests and individual rights?

I think it is an obvious fallacy to make the suggestion which was made on the floor of the Senate this afternoon by implication, that because there are only 18,000,000 colored people as compared with a total population of 138,000,000, therefore the principles of the FEPC should not be enacted into law, because such a law would not represent the will of the majority. I am satisfied that a majority of the people in this country want and expect us to protect the rights of minorities. Once they get the facts about such an issue Americans generally insist upon fair play and upon living up to the ideals of our form of government.

However, Mr. President, majorities can be tyrannical. Majorities, if permitted to go unchecked, sometimes run roughshod over minority rights. It is our responsibility as Senators to defend the principles of our form of government even in the face of temporary hysteria on the part of the public. One of the greatest characteristics of our form of government happens to be our Bill of Rights, in which we give, as no other nation in the world gives, protection to the rights of the individual and to the rights of individuals within minorities. So I say that there is a great basic principle of political philosophy inherent in the discussion on this bill. An increasing number of our citizens are going to direct their attention in the critical period ahead to what our democracy, our form of government, does to protect those basic human principles in which we believe, and for the preservation of which I am sure we are fighting basically in this war.

Let me discuss one of them, which is very important to this bill—the principle that under our form of government there shall not be unfair economic discrimination against any group of our citizens. Unfortunately the objective data are voluminous that in this free land of ours for too long there has been economic discrimination against minority groups. I was very much impressed when I first took my seat on the War Labor Board in 1942 to discover the number of instances in which there are double standards in wage rates in this country based entirely upon the fact that the employees concerned were of a different color of skin. In case after case we found that for the same type of work, the same job, the same quality and quantity of work, frequently performed in the same plant, sometimes on the same floor, colored people received an hourly rate of pay several cents less than that received by white employees. That is not economic justice. That is not practicing the principle of equality of economic opportunity in America.

I recognize that people have prejudices, and I think we must be very realistic about those prejudices. We must take them into account as one of the realities of an economic problem such as this one. As I have said so frequently, we cannot make social progress by way of a social avalanche. We can make social progress only by way of steady forward movement, a movement which the country as a whole, as of the particular time, is ready to accept. Therefore I frequently have been very critical of leaders of minority groups when I have felt that they were seeking to bring about the millennium overnight. I have pointed out to them that when they seek to produce reforms more rapidly than public opinion can absorb them, they not only lose those reforms but they set their entire movement back, sometimes a decade.

But, Mr. President, that does not mean that the Congress of the United States does not have the responsibility to take a decent and certain stand on the rights to which minority groups are entitled under our form of government, with its great Constitution and its Bill of Rights. I say that if the significance of this war, insofar as the human principles for which it is being fought are concerned, means anything at all, then we must win some battles at home, as well as abroad, if we are really going to gain victory for the ideals in defense of which the war is being fought. We are going to lose the war in a very real sense if, as an aftermath of it, we in this country become engulfed in a wave of bigotry, prejudice, and minority group hatreds which do violence to the great principles of democratic government which we teach our young characterize and differentiate us as a government from other governments in the world.

Mr. President, in my judgment we are not true to those principles when confronted with a great, significant bill such as the one before the Senate, we do not hold the line in full support and defense of FEPC, but instead we retreat by way of a compromise which in my judgment, Mr. President, is plainly an unconscionable one.

I think the compromise sacrifices some great principles of government, because in this instance not only are we called upon but we are given an opportunity to stand up and be counted on the proposition as to whether in the United States the Congress of the United States will take the necessary steps to see to it that minority groups in this country are assured equality of economic opportunity, in the sense that we will maintain a Fair Employment Practice Committee which will do what it can under the authorization which we give it, or which the President of the United States gives it by way of Executive order, to correct unfair, discriminatory labor practices. Every fair-minded person knows that practices which are based upon discrimination because of race, color, or creed, insofar as work opportunities in America are concerned are unfair and violate the ideals of our democracy.

In this debate, as always on this question, the question of social equality is dragged into the picture. It is an old argumentative technique, but it is not germane to the matter which is before us, because the Fair Employment Practice Committee has nothing to do with any question of social equality. Its authorizations and jurisdictions are limited to making investigations and reporting thereon to the Executive, under the Executive order; it is to investigate and report on unfair employment practices, such as an employment practice to which I have alluded, namely, discrimination in wage rates and hiring practices because of race, color, or creed.

Mr. President, I am very proud to have been a member of a board which for the first time in the history of the United States, handed down a decision in the famous Southport case, ruling that, as a wartime labor policy, no employer under the jurisdiction of the board could pay one rate to white employees and another rate to colored employees for the same work. Mr. President, the great decision in the Southport case was written, in my judgment, by one of the 25 greatest living Americans, Dr. Frank P. Graham, president of the University of North Carolina, the son of a Confederate officer. I say it is one of the great decisions in the annals of American law, and it is based on a sound principle which rests on the proposition for which I am pleading today, namely, that if we are going to solve the employment problems of America, if we are going to maintain any semblance of economic security on the employment front after the war is over, we must put principles of economic equality into practice among all our people. No democracy can remain healthy if there is gnawing at its vitals the teeth of bigotry and prejudice against minority groups. It cannot remain healthy if, as the result of unfair employment practices, unfair economic discriminatory practices against minority groups, part of our population is held down in ignorance and lack of opportunity, exploited by the rest of our population.

Do not think for a moment that we have solved the problems of economic exploitation in America. There are still too many manifestations of them. Anyone who makes a study of the labor problems in this country will find that they

are still too prevalent. Let me give you an example of one or two. When I was on the War Labor Board we were confronted with a laundry case. The wage rate was 18 cents on hour. Oh, yes, Mr. President; the color of the skin of those workers happened to be black. But we called it for what it was, namely, economic exploitation. It does not make any difference from what region of the country a case like that comes. Eighteen cents an hour is economic exploitation. It is manifestly an unfair labor practice of which reasonable men should take judicial notice. I say that as long as we have that type of labor practice prevalent anywhere in this country, it is the solemn obligation of this Government to maintain, adequately financed, a Fair Employment Practice Committee which will call the attention of the responsible executive and law-making officials of this Government to that type of practice. I say that because I want democracy in America preserved. Its theory will be endangered by a failure to put democratic ideals into practice. I assert that I fear that if we do not protect the rights of individuals, if we do not live up to the great promises of our Bill of Rights so far a individual rights are concerned, we shall play into the hands of those who teach and spread ideologies which are inconsistent with the democratic form of government.

Mr. President, I do not condone their preachments. I condemn them. I think that if they continue they will be false to their own race and their own groups. The fact is, Mr. President, there are some men of the colored race in America today who have lost their heads. They are of the agitator type, and they are making great progress in some quarters in preaching a doctrine of communism to the colored people of America. Their stock in trade consists of stressing the unfair labor practices which are allegedly imposed upon the colored race of this country.

So far as I have been able to observe, I am satisfied that every Member of this body who does not share my view in regard to this measure is just as loyally concerned about the preservation of our form of government as I am concerned. Not one of them need yield to me, insofar as his devotion to our democratic ideals is concerned. I differ with some of my colleagues because I think the policies which they are proposing in connection with this measure will result in practices which will not support the principles of a truly political and economic democracy. They are giving ammunition to agitators who are seeking to stir up minority groups and convince them that our form of government does not offer them equality of economic opportunity and is not a true political and economic democracy.

Mr. President, I pause with that phrase for a moment because you cannot have political democracy without economic democracy. You cannot protect political rights of the individual or the economic rights of the individual unless you harness together in a working team both political and economic democracy. So to the extent in our own political democracy we permit economic discrimination against minority groups, to that extent we fail to live up, in my judgment, to the basic political guaranties of our Constitution and its Bill of Rights.

Mr. President, there are other examples of discrimination, and they are not all limited to the colored race. We can go to various sections of America and find that Mexican laborers, for example, are discriminated against. The truth is, Mr. President, that when we have a dominant majority of one race, and one color, there is the danger that some members of the group will impose upon the economic rights of the minority. That will create some very serious problems when this war is over. You will find me doing everything which I can do from this desk to work for measures and policies which will meet the full employment problem of this country. I happen to be one who is convinced that unless we can maintain full employment in America during the period following this war, we will be confronted with some very serious social, economic, and political problems.

Mr. President, in a period of unemployment, what is the danger? The danger is that the members of the minority groups will be the first to be fired, and the last to be rehired. When men are struggling to fill their stomachs it is to be expected that prejudice will prevail unless the Government is strong enough to insure that the principles of the Bill of Rights and the principles of equality of economic justice are maintained for all groups of our country. We will need a Fair Employment Practice Committee for the great reconversion period which will follow the war. We will need it in the name of justice for the majority, because the majority will harm only itself if it runs roughshod and tramples upon the economic rights of the minority groups of America.

I ask for no preference for these minority groups because minority groups are not entitled to preferential treatment. But on the economic front they are entitled to equality of treatment, and are also entitled to protection from economic exploitation.

Mr. President, the problem of unfair discrimination is not confined solely to racial groups in America. We need fair employment practice legislation in order to prevent discrimination against women in this country. The distinguished junior Senator from Florida [Mr. PEPPER] and I have introduced a bill which seeks to provide the same rates of pay for the performance of the same quantity and quality of work by women as that performed by men. Mr. President, you would be surprised if you should make an analysis of the wage structures of this country, as they will be found in many industries, to discover the frequency with which differential rates exist with respect to compensation paid men and women for doing exactly the same quality and qnantity of work. The War Labor Board has found many cases in which the evidence made it very clear that the women in a particular type of work performed more work, and of a higher quality than was performed by men doing the same kind of work in the same plant. And yet the women received less pay.

I have said that I was pleased to be a member of a board charged with the great responsibility of hammering out during the war period a fair war time labor policy, a board which handed down the decision in the Southport case that there shall be no discrimination between races insofar as wage rates are concerned.

I am equally pleased to be able to say that I not only voted in cases but I wrote decisions in many cases in which the Board held that the same principle for the wartime period, so far as the jurisdiction of that Board was concerned, must prevail in the wage rates paid to women and men. Thus, the War Labor Board established another great precedent in American labor law. For the first time in the history of our country, a decision was rendered which required equal rates of pay for men and women for the same quality and quantity of work.

Mr. President, that is economic justice. That was the obligation of the War Labor Board. I am proud to be able to report that it lived up to that obligation, and I challenge the Congress of the United States to do likewise by taking the necessary steps to see to it that there will be maintained and adequately financed an arm of the Government operating under the executive branch, subject to responsibility to Congress at least insofar as appropriations are concerned, which will do what it can within its power to eliminate unfair discriminatory employment practices in the years ahead, including the peace years. If these principles are sound in wartime—and I believe they are—they are sound in peacetime.

One of the great dangers which will confront us after the war, because of the fact that we are being held up to great war tension now, will be that the population as a whole will relax and tend to shuffle off its obligations in connection with these great social questions, only to wake up some morning to find that a great social sore has festered and is about to infect our entire body politic.

It is an obligation of government to be on the alert against such dangers, and the FEPC, as proposed, is just one of the eyes that can watch out for developing social ills of this type and give our Government report and fair warning.

Mr. President, if we are not alert, what will be the consequences? I do wish to point out, as was said at a committee meeting a few days ago, that the Northern States probably need FEPC even more than the Southern States. But if the Government does not maintain this service, if the Government fails to maintain a watch upon unfair labor practices in this country, while I do not mean to be an alarmist, I think we are going to have disturbances in various sections which will focus attention upon the failure of Congress to live up to the opportunity it has here this afternoon to take the steps which need to be taken to provide this Government with an adequately financed agency to guard against unfair employment practices.

I say, Mr. President, that if we do not give FEPC the funds it needs to do an effective and efficient job, then we will play into the hands of those who want to destroy it; and we will do more than that, we will reenforce them with this argument. They will be able to say, "Why, we had an FEPC, but it was not successful; it was not effective." It cannot be effective on $250,000. It is physically impossible for FEPC to do the type of job that needs to be done on $250,000.

The Bureau of the Budget recommended $559,000. That was cut down to $446,000 on the first compromise, on the basis that that was what they had last year, and that they should be able to get along with the same amount this next year. Then it was cut down to $250,000, and it was a very interesting procedure by which it was cut down to $250,000, and the RECORD should show a review of that procedure.

The Senator from New Mexico [Mr. CHAVEZ] proposed an amendment to the report of the Appropriations Committee for $446,000 for FEPC. Under the Senate rules, it was necessary to suspend the rules if and when the Senator made his motion. This was true because the Appriations Committee failed to provide for FEPC at all. So to defeat that amendment for $446,000 we were treated to a series of long filibustering speeches. Finally some of us—and I am proud to say on the Republican side of this Chamber—decided that the time had come to make a test as to whether men would stand up and be counted on a rule of cloture. We signed a petition, and I am very happy to report that some Senators on the other side of the aisle agree with us that we should not permit debate to continue on the basis on which it was proceeding, without a vote as to whether or not we would stop the filibuster or attempt to stop it by cloture. However, administration leaders blocked our introducing the cloture petition. Administration leaders did their very best to get a compromise in advance of filing and voting on the cloture petition. Why? Well, I will state one fear I think they had, namely, that they did not want a vote to be taken on the cloture motion. I say that the Republican Party in the Senate made a mistake in not forcing a vote on the cloture petition.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. MORSE. For what purpose?

Mr. BARKLEY. To ask the Senator a question, or to comment for a moment on a statement he has made.

Mr. MORSE. I shall yield to the Senator to ask a question. I will not yield for the purpose of any speech by the majority leader, except on the basis of a unanimous understanding that I do not lose the floor thereby.

Mr. BARKLEY. I do not ordinarily interrupt Senators for the purpose of making speeches.

Mr. MORSE. I want a ruling on my request; then I shall be very glad to yield. I want to know first whether by yielding I shall lose the floor.

Mr. BARKLEY. I will settle that question by withdrawing the request that the Senator yield.

The PRESIDING OFFICER. The request is withdrawn.

Mr. MORSE. I say I think the Republican Party made a mistake in not forcing a vote on the cloture petition. I do wish to say that we did all in our power to get the cloture petition formally presented. The Senator from Ohio [Mr. TAFT] was on his feet time after time to get the floor for the purpose of presenting the petition.

The RECORD shows very clearly what happened. A quorum disappeared from the Senate. Then we were treated to a remarkable performance. For a period of approximately an hour and a half there was a failure on the part of the administration side of this Chamber to produce a quorum. Why? Because, unless that petition was presented before midnight of that day it could not be voted on until the following Monday at 1 o'clock, but if it were submitted before midnight it could be voted on at 1 o'clock on Saturday. Such was the effect of the so-called 2-day rule.

My Republican colleagues are aware of the fact that it happens to be my judgment that it was inexcusable on the part of the administration forces not to produce a quorum during the approximately hour-and-a-half period which elapsed from the time the Sergeant at Arms was directed to produce a quorum and midnight.

It was likewise remarkable that 1 minute after midnight a sufficient number of Democratic Senators walked into this Chamber to give us the quorum, and bade us "good morning."

Then the cloture petition was submitted. On Saturday the majority leader announced the scuttling $250,000 compromise. I think the Republican Party in the Senate should not have agreed to any compromise until we had voted on the cloture motion. We might have been beaten, but I would rather go down in defeat in support of the principle that is involved in this issue than to enter into the compromise that was entered into by a majority of the Senate. That is why I shared the views of the able junior Senator from Michigan [Mr. FERGUSON]. We said in our explanatory remarks at the time of our vote that FEPC could not function on the compromise appropriation. It was pointed out by the distinguished junior Senator from New York [Mr. MEAD] in explanation of his vote that of course a deficiency appropriation could be asked for after the $250,000 was expended.

Everyone in the Chamber knew or ought to have taken judicial notice of the fact that we would have been confronted with the same fight on a deficiency appropriation request that we were confronted with as of that very hour. That is why I said to my colleagues on this side, "I think the time to make the fight is now. If we are going to live up fully to that great platform pledge we made in Chicago we never should compromise it with the Democratic leadership."

I tell them the same thing now for the RECORD. I repeat that I think now is the time for those who believe in economic justice to minority groups in this country to make a fight for a full and adequate appropriation for FEPC.

Mr. BARKLEY. Mr. President, I wonder if the Senator from Oregon will yield for a question?

Mr. MORSE. I will yield for a question.

Mr. BARKLEY. Does not the Senator know from the standpoint of the parliamentary situation in the Senate at this time, both the House and Senate having agreed to the amount involved in this appropriation, that there is no way by which it could be increased in this appropriation because that matter is not in controversy between the two Houses, and the way the thing now stands it is either the $250,000 or nothing? In view of that situation, and in view of the fact that those of us who desired the full appropriation—and I am one of those who desired it, and I would have voted for the full appropriation if we had gotten an opportunity to do so, and I also will say to the Senator that I would have voted for the cloture if it had come to a vote—that we now realize that situation, I think all Senators should realize that the practical situation now is that the amount of money is not involved in the controversy, both Houses having agreed to $250,000, and there is no way by which it can be increased in the Senate or in the House.

Mr. MORSE. Mr. President, I think the majority leader at least will give me credit for sincerity.

Mr. BARKLEY. I have not doubted that at all, but we are up against a practical situation now where the two Houses have agreed on the amount.

Mr. MORSE. I was going to say, Mr. President, that I do not want the majority leader to think for a fleeting moment that what I now say is meant as any personal criticism of the majority leader. But the fact is, Mr. President, that if the majority leader really wanted the cloture petition submitted there was a long period of time when he had the floor, when all he needed to do was to yield to the Senator from Ohio for the purpose of submitting that petition, but the Senator from Kentucky refrained from doing it.

Mr. LANGER and Mr. BARKLEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oregon yield; and if so, to whom?

Mr. MORSE. Mr. President, I yield to the Senator from Kentucky subject to the understanding that I have unanimous consent that by so yielding I do not lose the floor.

The PRESIDING OFFICER. Is there objection to that understanding? The Chair hears none.

Mr. BARKLEY. Mr. President, I merely wanted to say that while I did decline to yield to the Senator from Ohio, the cloture petition had nothing to do with my failure to yield to him. It was not even on my mind. I had no purpose whatever to block it. I was anxious to close debate in the Senate and my activities here showed that. It did not make any difference whether the petition for cloture was voted on on Saturday or on Monday. My failure to yield to the Senator from Ohio was for entirely other reasons. When he asked me to yield I did not even know that he

wanted me to yield so he might file the petition for cloture. The fact that I concluded my remarks and gave up the floor 15 minutes after 12 o'clock, or whatever the time may have been—1 minute after or 15 minutes after—had nothing whatever to do with the desire of the Senator from Ohio to file a cloture petition.

Mr. MORSE. I am very happy to have that statement.

Mr. BARKLEY. The Senator from Oregon may not credit me with sincerity in making that statement, but I have given him full credit for sincerity in all the statements he has made.

Mr. MORSE. Mr. President, the majority leader can always be assured of one thing so far as the junior Senator from Oregon is concerned. I will always give him complete credit for sincerity. But the fact remains, Mr. President, that I think it is most unfortunate that the leader of the opposition party that night did not do two things: One, make it possible for that cloture petition to be filed before midnight, and, two, see to it that a quorum was here so that it could have been filed before midnight. There is no explanation, in my judgment, Mr. President, that will erase the record as to what happened that night. The fact is that the cloture petition was not filed, because the party which has the majority of the votes in the Senate did not get a sufficient number of Members here so that we could have a quorum. Further it so kept the floor that Republicans could not be recognized to introduce the petition before midnight.

I hold no brief for Republicans who were not here to vote on that occasion. But it was generally recognized throughout the Senate that the Democratic Members necessary for that quorum were sufficient close to this Chamber so that some effective action on the part of the administration forces would have produced a quorum in a very few minutes.

I happen to be one——

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I want to finish this statement and then I will yield.

I happen to be one who believes that no partisanship, no partisan tactics should ever be used when it comes to a question of getting a quorum into this Chamber once it is called for.

I now yield to the Senator from North Dakota for a question, subject to unanimous consent that I do not yield the floor thereby.

The PRESIDING OFFICER. Is the Senator from Oregon yielding for the purpose of a question or for comment?

Mr. MORSE. For the purpose of a question.

The PRESIDING OFFICER. The Senator from Oregon yields for the purpose of a question only.

Mr. LANGER. Mr. President, I desire to ask the Senator from Oregon whether he is not being absolutely unfair to the Democratic majority leader, who has time and time again upon this floor made a magnificient fight not only for the Negro but for other minority races.

For all practical purposes, Harding, Coolidge, and Hoover did nothing for those people. Then Franklin Roosevelt came along and went all the way out for minorities. I ask the Senator if it is not unfair, in his judgment, to take one little happening on one particular night, when it was nearly midnight, and try to create the impression that some of us Republicans, who are better friends of the Negroes than is the Democratic Party, are responsible for this condition. As a matter of fact, during the last FEPC fight, when the Senator from Georgia [Mr. RUSSELL] made his motion, after the Republicans had voted in favor of the FEPC, enough of them changed their votes so that the Democratic Party could not carry out——

The PRESIDING OFFICER. The Senator from North Dakota will recall that the Senator from Oregon yielded solely for the purpose of a question.

Mr. LANGER. I am asking the Senator if he does not think his statements are unfair.

Mr. MORSE. If I thought so I would not make them.

Mr. President, I have tried to give the Senate a review of the procedure by which we find ourselves in this fix tonight. I, for one, cannot vote for the amendment which is pending before the Senate, for two major reasons.

First, I think its legal meaning is in clear doubt. I think it is most uncertain. At least, it will be the subject of controversy and dispute, and it will be the basis for legal challenge as to whether that vaguely worded amendment amounts, in fact, to a proposal to liquidate the FEPC.

In the second place, I am opposed to it because I still think, contrary to what the distinguished majority leader has said, that there is opportunity for the Congress of the United States, even if it takes all summer, to face the question as to whether or not it wishes to appropriate adequate funds for the FEPC, so that it can do a successful job. If the Senate has the will to do it, it can turn down the amendment which is proposed, and thereby, I think, make perfectly clear to the House that we think the matter should be entirely reopened, if necessary, by way of a new bill appropriating adequate funds for the FEPC.

For those two reasons, Mr. President, I cannot vote for this amendment. I have considered it of the utmost importance that this full statement be made as to my reasons. I deeply regret that the leaders of the opposition do not see fit to permit this matter to go over until Monday, so that Members on this side of the aisle may discuss it among themselves, and so that the people of the country may have an opportunity to reflect upon it and make their reflections known.

Apparently contrary to the belief of some, it is not my desire to prolong the debate. Having placed my reasons in the RECORD, I shall shortly yield the floor, but I must trespass upon the time of the Senate long enough to mention the problem which I wished to discuss at greater length this afternoon, but which I shall discuss at length next week.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield only for the purpose of a question.

Mr. WHERRY. Is it the Senator's interpretation of this amendment that, aside from the question of the amount, it would provide for the continued operation of the FEPC for one year? I should like to have the Senator's opinion, because many Senators on our side of the aisle who are just as much interested as is the Senator in affirmative action on this amendment are absent, and I do not wish to take the responsibility of interpreting the amendment. I should like to have the Senator's interpretation as to whether or not, aside from the question of the amount of the appropriation, the FEPC could continue to operate for 1 year, and would not have to liquidate, or do a single act looking toward the termination of the agency within a year?

Mr. MORSE. I shall be glad to discuss the question. First, let me say that the distinguished Senator from Nebraska has pointed out, even better than I could possibly point out, the major reason why this question ought to go over until Monday. Only a handful of Senators are present. It is proposed to vote upon this question with far less than a quorum present. The distinguished junior Senator from Michigan [Mr. FERGUSON] is not present. He joined me in my opposition to this matter before. I think it is a very unfortunate thing that we could not get an agreement to have the question voted upon Monday. Had we been able to obtain an agreement to vote on it Monday, I would not have taken the time to discuss at length the great principles which I think are involved. Further, I am satisfied that the amendment is so ambiguous that it leaves grave doubt as to whether or not it contains liquidating language. As I said before I am sure that the enemies of FEPC will attempt to give that impression and create serious doubts and trouble over it.

Mr. WHERRY. Mr. President, will the Senator further yield?

Mr. MORSE. I yield for a question.

Mr. WHERRY. I shall try to frame a question. Does not the Senator feel that he has a perfect right to retain the floor as long as he wishes?

Mr. MORSE. I do not wish to retain the floor any longer than is necessary to make my views clear.

Mr. WHERRY. Does not the Senator feel that he has a right to occupy the floor as long as the Senate is in session? There is no misapprehension about that, is there?

Mr. MORSE. There is no misapprehension.

Mr. WHERRY. I thank the Senator.

Mr. MORSE. Mr. President, I wish to close my remarks at this time by submitting a resolution which I shall discuss next week. It deals with the Office of Price Administration.

Mr. WHERRY. Mr. President, will the Senator yield for a further question?

Mr. MORSE. I yield for a question.

Mr. WHERRY. The Senator mentioned the junior Senator from Michigan [Mr. FERGUSON], and stated that he had had some conversation with him relative to the Senator's attitude and

that of the Senator from Michigan on this particular legislation.

Mr. MORSE. The Senator misunderstood me. The only reference I made to the junior Senator from Michigan was in reference to the statement he made on the record explaining why he voted as he did. Let me say also for the record that I in no way implicate the junior Senator from Michigan in the position which I have taken on this question this afternoon. I speak for myself, and myself only.

Mr. WHERRY. The point I wished to bring to the Senator's attention is that the Senator from Michigan is absent from the Senate on committee business. If the Senator has any information from the Senator from Michigan, I should appreciate it very much if he would place it in the RECORD, because I should like to have the RECORD show how the Senator from Michigan feels about this particular amendment.

Mr. MORSE. I do not know the views of the junior Senator from Michigan [Mr. FERGUSON].

PROPOSED INVESTIGATION OF ACTIVITIES OF THE OFFICE OF PRICE ADMINISTRATION

Mr. MORSE. Mr. President, in order to keep my promise made at the last session of the Senate that I would submit a resolution dealing with OPA, I read the following resolution:

Resolved, That a special committee to be composed of seven Senators appointed by the President of the Senate is authorized and directed to make a full, complete, and continuing study and investigation of the activities of the Office of Price Administration, including the policies, practices, procedures, administrative processes, and efficiency of such Office. The committee shall receive complaints relating to such activities and shall, upon complaint or upon its own initiative, make such studies and investigations under this resolution as may be necessary to keep the Senate fully informed as to the activities of the Office of Price Administration and as to whether or not additional action by the Congress is necessary or appropriate with respect thereto. The committee shall report to the Senate from time to time the results of its study and investigation, together with such recommendations as it may deem advisable.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate until July 1, 1946, to employ such experts and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

Mr. President, just one word of explanation, which I shall enlarge upon next week. I desire to point out that there has been a great trend in this country in the last few years for the Congress of the United States to set up various agencies, such as the OPA, and to give those agencies broad and sweeping and almost blanket powers, and then to fail, as a Congress, to maintain an adequate check upon the operations of those agencies during the period intervening between the time of the making of the initial appropriation and the time of the next appropriation. The result is that we have a great many instances in which such agencies exceed their powers under the statutes creating them. Our Supreme Court has held in case after case that, of course, the Congress has the right to delegate administrative functions, but not legislative functions. The Court has also admitted by way of dicta in several cases that although these administrative agencies do not have the legal power to legislate, nevertheless it is true that in effect these agencies frequently, by way of their orders and administrative policies, do legislate. I do not have to tell the Senate of the United States, I am sure, that I think the OPA is guilty of great maladministration in its national office. What I wish to say to the Senate is that the responsibility for that maladministration must be placed squarely upon the shoulders of the Congress of the United States if it fails to set up adequate machinery to check the maladministration of OPA. I say that the rising storm of criticism throughout this country against the malpractices of OPA should be directed to the Congress of the United States if the Congress does not do something about setting up a necessary investigatory committee to receive the criticisms, determine the facts, and take the necessary steps, by way of amendments to the act or by way of new legislation, to direct the OPA to remedy its mistakes.

Mr. President, I was going to give the Senate the benefit of a whole series of exhibits, telegrams, and data which have been sent me in the past week. At this time I will read into the RECORD only one editorial. I will introduce the other material next week. The editorial which I will now read was written by one of the great editors of the West, Judge Robert Sawyer, of Bend, Oreg. It reads as follows:

BUTTER, BUTTER EVERYWHERE, ETC.

Something is wrong when restaurants are unable to provide butter for their customers and housewives cannot, under the ration-point system, have an adequate supply for table and cooking purposes while, at the same time, the commodity is filling creamery storage space to overflowing. That, however, is exactly the situation here and in many other dairy centers. It can and should be corrected.

There are two obvious steps to be taken. One is to reduce the point value of butter and thereby make its use less expensive in terms of ration coupons. The other is to use for butter points different from those used for meat. Meats and butter now compete in the housewife's budget for the same points. Butter loses. It remains on the shelves in the grocer's and the dairyman's refrigerator.

Last year there were reports of warehouse spoilage of eggs and other foods. Butter is spoiling in storage now. It was only the other day that a salesman told us of the large quantity that had gone rancid and had been purchased for use by his concern—one of the great soap companies.

Dairymen are subsidized by the Government to produce butterfat. It does not help to win the war to produce it, to make butter from it and then to use the butter in soap manufacture.

Why not have a little common sense in the operation of OPA?

The heading of the editorial is "Butter, butter, everywhere." You note that in the editorial Judge Sawyer points out, as is done in other documents which I have before me, that butter in large quantities is backing up in the warehouses of the West because OPA is maintaining a rationing point system which simply cannot be justified on the basis of the realistic facts in connection with butter production. It is impossible for the housewives of the Nation to get butter because of OPA's unreasonable rationing system. The OPA is maintaining a rationing-point system jointly on butter and on meat, instead of separating the two. What is happening, Mr. President? The housewives are using such points as they have for the purchase of meat, and they are not able to buy much needed butter. The result is, so Judge Sawyer points out in the editorial, that butter has become so rancid, and in such large quantities, that it is alleged that soap companies are purchasing it for the manufacture of soap. That is the type of charge—and if there were no evidence to support it, Judge Sawyer would not make it—which I think should go to the OPA, not from an individual Senator, but from an agency of the Senate. I think the approach to OPA by 96 individual Senators in respect to every criticism we receive should be stopped. I think we should have a special committee to which we can send such criticisms and evidence in support of them, and I think we should make it the duty of that committee to do what it can to iron out OPA's mistakes. It is such reorganization in Congress we need if Congress is to perform its true functions under our check and balance system. These administrative agencies must be more closely checked by Congress. It is our clear duty.

Mr. President, if I were a blind partisan I would welcome these OPA mistakes, insofar as partisanship is concerned, because I think the administration of OPA is becoming the greatest political liability of the Democratic Party. But I am not a blind partisan, and I am not forgetful of the welfare of my country.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. MAYBANK. Is it not a fact that to a very large extent the OPA officials have been appointed by the governors of the States, and most of the governors were Republicans?

Mr. MORSE. I am not criticizing the regional offices.

Mr. MAYBANK. But the Senator said the administration has been faulty.

Mr. MORSE. I know that the seat of the trouble is in the national office of OPA, and I know that the officers there were appointed by the Democratic administration, and I know that if we leave these problems to the regional offices, if we delegate to the regional officers authority to solve them on the basis of the facts as they find them in the regions, we would not have an OPA problem in this country tonight. There is not a

single problem in the State of Oregon, affecting OPA, that I would not be perfectly willing tonight to place at the disposition of the regional office of OPA. I think the regional officers are doing a magnificent job but they are confronted with national orders which produce the great mistakes of which I complain. I think a highly inefficient job is being done on the national level under the direction of Mr. Chester Bowles.

So, Mr. President, I say that I offer this resolution because I think it is the responsibility and obligation of the Congress of the United States to proceed without further delay to set up the necessary machinery to rectify the maladministration of OPA. It cannot be done by individual Senators working at it individually. The only thing those bureaus understand is what comes from a committee of the Congress which has authority to act. I say it is the obligation of this Congress to set up such a body and to see to it that the maladministration of OPA is stopped, in the public interest. We must see to it that food is provided our population. We must correct the great mistakes which OPA is making in connection with the marketing of food. I aim to do that by my resolution.

The PRESIDING OFFICER. Is there objection to the resolution submitted by the Senator from Oregon being received and referred to the Committee on Banking and Currency?

There being no objection, the resolution (S. Res. 156) submitted by Mr. MORSE was received and referred to the Committee on Banking and Currency.

WAR AGENCIES APPROPRIATIONS

The Senate resumed the consideration of the amendment of the House to the amendment of the Senate numbered 1 to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Mr. McKELLAR. Mr. President, may we now have a vote on the amendment of the House of Representatives?

Mr. BARKLEY. Mr. President, the House is waiting for the Senate to take action on this matter, and I hope we may dispose of it very shortly.

Mr. WHERRY obtained the floor.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. MAYBANK. In view of the fact that lengthly discussion has been had in connection with the subject of the FEPC, and in order to keep the record straight, I, as a member of the Committee on Appropriations, merely wish to say that on every occasion when the matter of the FEPC has come before the Appropriations Committee or before the Senate for consideration, I have voted and worked against it. I believe it to be an unnecessary interference with private business and with private enterprise. Therefore I ask that the RECORD show that I am not in favor of the proposed legislation.

Mr. McKELLAR. Mr. President, may we now have a vote?

Mr. WHERRY. I yield for that purpose. Will I be taken off the floor if I yield for the vote for which the Senator from Tennessee has asked?

The PRESIDING OFFICER. The Senator from Nebraska will be recognized after the Senate has voted.

The question is on agreeing to the motion of the Senator from Tennessee [Mr. McKELLAR] that the Senate concur in the amendment of the House of Representatives to Senate amendment numbered 1.

Mr. BILBO. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BILBO. This is a very important piece of legislation, and it is far-reaching in its effects. It will affect many persons, some even after they have died. I think we should have a quorum call in order to afford an opportunity to those who are opposed to the legislation to register their opposition, and an equal opportunity to those who are in favor of it to make the record in their own behalf.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BILBO. Mr. President, on the insistence of my friends and colleagues I wish to ask unanimous consent to withdraw the request for a quorum.

The PRESIDING OFFICER. Is there objection to the request for a quorum being withdrawn?

Mr. BILBO. My purpose was to give everybody a chance to make a record on this vote.

The PRESIDING OFFICER. Is there objection to the request?

Mr. BILBO. I hope the RECORD will show that I am unalterably opposed, first, last, and all times, once and forever, to this agency.

The PRESIDING OFFICER. Without objection, the request for a quorum call is withdrawn. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. WHERRY obtained the floor.

Mr. McKELLAR. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield to the Senator from Tennessee.

Mr. McKELLAR. I propound this parliamentary inquiry. Is it necessary to make a motion to send the Senate action on this amendment back to the House?

The PRESIDING OFFICER. No; it will go to the House automatically, the Chair is informed by the Parliamentarian.

Mr. McKELLAR. I shall wait until we hear from the report.

Mr. MAGNUSON. Mr. President, will the Senator yield to me?

Mr. WHERRY. For what purpose?

Mr. MAGNUSON. For the purpose of explaining the absence of my colleague.

Mr. WHERRY. Certainly.

Mr. MAGNUSON. My colleague, the junior Senator from Washington [Mr. MITCHELL] is absent necessarily on business pertaining to the national defense investigating committee. Were he present he would register a very emphatic "yea" on the FEPC.

REFLECTIONS OF OWI ON MID-WEST STATES

Mr. WHERRY. Mr. President, in the past 3 or 4 days I have received numerous telephone calls, some telegrams, some resolutions, and some letters from citizens who live in what are called the Great Plains States of the United States. These messages complain severely of an article which is incorporated in a document which is being issued by the Office of War Information entitled "America Illustrated." I believe that is the title. There is also a similar document called America.

These copies are printed in large numbers, I think about 20,000 of the first issue have been printed. The one which was sent out about 2 weeks ago numbered about 20,000. They are sent to Russia. They are restricted to distribution in Russia. This America Illustrated is one of the works of the Office of War Information. On one of the pages there appears an article which seems to reflect greatly on the citizenship of the people of the section whence I come.

I should like to put this article into the RECORD at this point as a part of my remarks. It has been translated into English. I wish to read it, however, because I want the Senate to know what is in this exhibit. It reads:

PRAIRIE STATES

To the west of Mississippi stretches an immense land of prairies, the so-called Great Plains.

This prairie land includes the following States: Kansas, Nebraska, North and South Dakota, Wyoming, Montana, Colorado, Utah.

Mr. President, that is just a few miles from the State from which comes the present occupant of the chair (Mr. DONNELL in the chair), and it is just across the river from the place where the President of the United States was born and reared to manhood, at Independence, Mo.

The PRESIDING OFFICER. The best State in the Union.

Mr. WHERRY. I accept the amendment of the present occupant of the chair. But the Senator's State is pretty close to the Great Plains States, where live all the citizens on whom this particular article reflects. I read further from the aricle:

This region, covering almost one-quarter of the whole territory of the United States (1,917,000 square kilometers) supports only one-twentieth part of the population of the country.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHERRY. I am always glad to yield to the Senator from Kentucky.

Mr. BARKLEY. I have just been informed that the House will not act on the conference report on the appropriation bill until tomorrow. That makes it necessary that we rescind the order made earlier in the day to adjourn until Monday. Everything had been settled, and we had intended to stay in session tonight until the House acted, but in view of the delay the Members of the House have gone home, and they cannot act on the bill tonight. So I ask unanimous consent that the order previously entered, that when the Senate concluded

its business today it adjourn until Monday, be rescinded.

The PRESIDING OFFICER. Without objection, the order is rescinded.

Mr. BARKLEY. I now ask unanimous consent that when the Senate concludes its business today it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, I should like to state that my reason for not voicing objection was that I wanted to cooperate in every way with the majority in helping to pass the legislation, especially in view of the fact that the House wants to get away. On the other hand, the reason why I desired an explanation for rescinding the order was that many Senators have already left relying on the original order that the Senate would adjourn until Monday, but that will not in any way interfere with my statement.

Mr. BARKLEY. There will be the mere formality of agreeing to the conference report after the House votes on it.

Mr. WHERRY. I thank the Senator for the explanation, and I am glad to accommodate.

Mr. BARKLEY. I appreciate the Senator's courtesy.

Mr. WHERRY. The article prepared by the OWI, which is circulated in Russia, proceeds, referring to the States which had been enumerated:

The people in it are almost exclusively farmers.

Mr. BILBO. Mr. President, I wish to suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator yield for that purpose?

Mr. WHERRY. Wait a moment. I have the floor, and I do not yield for that purpose.

The PRESIDING OFFICER. The Senator from Nebraska has the floor, and he refuses to yield for that purpose.

Mr. BILBO. The Republicans are in charge. I quit.

Mr. WHERRY. I might say that if the Senate were always put in charge of Republicans, there would always be efficient and good legislation, and the Senator can rest assured that when he leaves and comes back tomorrow, the Capitol will still be here, and will be in mighty good hands.

Mr. BILBO. On this particular occasion——

The PRESIDING OFFICER. Does the Senator yield?

Mr. WHERRY. I do not yield.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. WHERRY. If I may be permitted to continue, I should like to do so. Everybody is on the way home, and I should like to continue.

Mr. McKELLAR. Will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. I assure the Senator that I am not on my way home, and have no intention of going, but will remain and listen.

Mr. WHERRY. I certainly appreciate the presence of the distinguished Senator from Tennessee.

Mr. McCLELLAN. Mr. President, I want the Senator to know every Senator is not going home. I am remaining here.

Mr. WHERRY. I thank the Senator.

I shall start again with this quotation at the point where I left off. The article apparently slurs on the fact that in this district which it calls the great American West, the people are "just farmers."

Mr. President, I resent that statement, I am a farmer. Some may say I am a gentleman farmer because I am in the Senate, but what we earn, we earn out of the production of our farms, and I say some of the smartest people who ever lived, lived on those farms in the Great Plains district. The article continues:

Livestock raising is carried on only in the mountainous parts of Montana and Wyoming.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BREWSTER. I wish to have it a matter of record that some of those on this side of the Senate are also present, particularly those from Maine and other New England States. The only thing I do not understand is why there is any resentment over being called a farmer. I share the sympathy of everyone from Nebraska and other sections, but I do not understand why there should be any resentment over the suggestion of being called farmers, because in my State that is the most dignified estate there is. A man came from Indiana to Maine and operated a farm, and the first year he was there he made $150,000 profit, on a Maine farm. It is not a reflection on anyone to suggest that he is a farmer, although I also agree that vast industrial development of the Senator's area should not be neglected, and I do not wonder the Senator wants to point that out.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. JOHNSTON of South Carolina. Did the Senator say that a man made $150,000 clear?

Mr. BREWSTER. On a Maine farm, yes.

Mr. JOHNSTON of South Carolina. With the OPA, too?

Mr. BREWSTER. No; that was before the day of the OPA.

Mr. JOHNSTON of South Carolina. Oh! [Laughter.]

Mr. BREWSTER. That was under a Republican regime, I am happy to say.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. I want the distinguished junior Senator from Maine to know that this year the income of the average farmer in North Dakota was $7,000 gross.

Mr. BREWSTER. That is further evidence.

Mr. WHERRY. Mr. President, I thank all the Senators for their contributions. I am satisfied we are having a very pleasant time, and are going to enjoy ourselves before we get through with this article that brought about the discussion.

Mr. BROOKS. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. BROOKS. I might say that the article to which the Senator is referring, which misrepresents the people of the plains of the West, has undoubtedly contributed a great deal to the fact that since the bill left the Senate appropriating more than $39,000,000 for the OWI it was reduced to $35,000,000, and if we could have known of this Russian propaganda misrepresenting the great sections of the West, it would probably have been closer to the $20,000,000 where we tried to put it in the Senate.

Mr. WHERRY. I thank the Senator from Illinois for his very timely contribution. I should like to say that I did not raise this question on the floor of the Senate prior to the time the Senate acted on the House amendment because this very agency has an appropriation included in the appropriation bill. But I am bringing this to the attention of the Senate because when the legislation was before the Senate, as the distinguished Senator from Illinois will remember, and in the Committee on Appropriations, which is headed by the distinguished Senator from Tennessee, who has done such a masterful job in attempting to cut appropriations to protect American economy, I voted to give them what the House allotted, which I think was $18,000,000, then I voted to give them $35,000,000. We cut their appropriation because, I think, the amount of money being appropriated for that agency, to my way of thinking, is not justified.

Everyone has a right to his own opinion. Now that the appropriation has been made I wish the agency well. I want to see it use the money provided in the most judicious manner possible. I want to see the agency use the money for putting out the publicity and the propaganda which it said it desired to put out when it came before the committee. I wish the agency success. But in making that statement I also want to point out the reason why I opposed the appropriation. The reason was that I thought the agency was inefficient in its work and that the war in Europe had come to an end. The article I hold in my hand absolutely convinces me that some of my opinions respecting the agency were correct. The article in question is, of course, a reflection on the people of my section of the country, and I am coming to their defense this afternoon. Those responsible apologize for the article having been printed.

Mr. McKELLAR. Mr. President, the conference committee fixed the amount at $35,000,000. I call that fact to the attention of the Senator.

Mr. WHERRY. $35,000,000; yes.

The article says that in these great range States west of the Mississippi River "industry is almost nonexistent."

Think of such a statement, Mr. President.

Raw materials and fabricated goods must be imported from other States.

Fabricated goods—possibly yes—but we produce great quantities of raw materials in Nebraska. Think of the wool and the cattle we produce in Nebraska. Think of all the raw materials produced

in that State and in other States of that region. The article continues:

The rich natural resources of the region are as yet untouched.

This article purports to be a description of the section of the country from which I come.

Mr. President, I shall not read the remainder of the article, but ask unanimous consent that it may be printed in full in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PRAIRIE STATES

To the west of Mississippi stretches an immense land of prairies, the so-called Great Plains.

The prairie land includes the following States: Kansas, Nebraska, North and South Dakota, Wyoming, Montana, Colorado, and Utah. This region, covering almost one-quarter of the whole territory of the United States (1,917,000 square kilometers), supports only one-twentieth part of the population of the country. The people in it are almost exclusively farmers. Livestock raising is carried on only in the mountainous parts of Montana and Wyoming. Industry is almost nonexistent. Raw materials and fabricated goods must be imported from other States. The rich natural resources of the region are as yet untouched.

The climate of the region is very dry and it sometimes happens that a drought lasts for 10 years in a row. Atmospheric precipitations do not exceed on the average 44.2 centimeters during the year. The agronomists are working hard to find new plants suitable for this arid land. As the result of their labors, hundreds of thousands of hectares have already been turned into fertile fields.

Mr. WHERRY. Mr. President, when this article came to my attention I took up the matter with the Office of War Information. I wanted to be fair about it. I said to Mr. Bourne, of OWI, "I want to know if you put out such a magazine as I have just described to you? Where do you distribute it? What are you paying for it? And does the magazine contain such statements as I have been told it does concerning Nebraska?"

I received the following letter from Mr. Elmer Davis:

DEAR SENATOR WHERRY: I am certain the current attacks in the press on an article dealing with the Prairie States which was carried in the OWI's Russian magazine "America Illustrated," have come to your attention. This was an error which we regret.

I do not know whether the error was because it was brought to my attention or whether the article was an error. I think what he meant was that it was an error contained in the magazine; at least that is what he wrote me afterward. The letter continues:

So that you may have full information on the circumstances under which the article was published, I am sending you a copy of a letter I have written to Mr. Lloyd A. Wilson, general manager of the Wichita Chamber of Commerce, replying to a protest I have received from him. I am also enclosing a copy of the picture map of the United States to which I refer in that letter, 60,000 copies of which the OWI now is preparing to distribute within the Soviet Union.

As I am most anxious to correct any false impression the article may have created in Russia, I wish to express to you the request I have made to Mr. Wilson to supply us with factual material on the Prairie States so that we may include it in an article to be carried in a later issue of the magazine.

Anyone who has seen the Senate in action this afternoon will know that my job is not to collect factual material for the Office of War Information. That is the job of OWI. That is what its employees are paid to do. I called up the Office of War Information, therefore, and said, "I will be glad to give you a copy of a speech on Nebraska. I know something about Nebraska. I was born in Nebraska and have lived there all my life. Are you calling on me for this information?" The reply was, "We would like to get it from you." I said, "Where did you get the information which was printed in your magazine?"

The upshort was that a very fine man was sent to see me, Mr. Boren, who has charge of this department. He has charge of getting out this magazine. He and his assistant, Mr. White, told me that they had assigned the work of gathering this factual information to two Russians. I said, "Mr. Boren, do you mean to tell me that you are collecting facts in this country to put in a magazine, and that in collecting this factual evidence you are employing men who are not citizens of this country?" He said, "No; they are not citizens of this country, and we have terminated their services." Later he called and said he thought one had been naturalized. This was not believed.

Mr. President, two Russians, who are not citizens of this country, were gathering facts and information concerning the Great Plains States of the Middle West. I think that fact should be called to the Senate's attention. Their services, however, have now been terminated, and I wish to compliment the OWI upon that. They also said they had sent out a map to correct any misapprehension. I should like to show Senators the map. It is a nice looking map. It contains the following language:

Restricted. This paper is not for distribution in the United States or to American civilians or American military personnel overseas.

This goes to Russia, Mr. President. Sixty thousand copies of it go to Russia at the taxpayers' expense. If those who gathered the information about the Midwestern States had looked at the map they would have found that it is a very productive area. Take my own State, for instance. We find on the map that it produces corn and wheat, that it has power dams and mills. It will be found that we have almost everything in Nebraska. Yet in that article stated this was an arid country, that Nebraska has no industry.

All the printing on this map is in English—every word of it. Of course the magazine itself is in the Russian language. But here we find a map, 60,000 copies of which are to be sent to Russia to show the Russian people, in a picture review, what we do in the United States, but it is printed in English. Who will read the map? How many Russians can read the English language?

I think the map is a good idea. Moving pictures, or pictures of any sort are an excellent media for conveying information concerning this country to other countries. This map is restricted to Russia, however. It is printed in English and sent to the Russian people. Is there any sense to that, Mr. President?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. The only way I can account for it is that they expect the Russians to——

Mr. WHERRY. To learn English?

Mr. McKELLAR. No; to translate it into the Russian language and print it over there.

Mr. WHERRY. I call attention to the way these magazines are distributed. They are placed on sale. I commend the OWI for that. They are not a gift. I think that is a good policy. They are sold for 90 cents apiece. They are produced at a cost of 65 cents each, so OWI feels there is no financial loss connected with the transaction. I want to commend them for that. The purpose of the magazine is to create good feeling toward us. The map is given away free.

I asked why the map was printed in English, but I was not given a satisfactory answer. That makes me feel that possibly there was not enough thought given to the matter. An appropriation of $35,000,000 is made to this agency, and this is the way some of that money is being spent.

Mr. President, I wish to be fair to Mr. Davis. He said that an error had been committed, and apologized for it. I appreciate his attitude. I think the fact that a man acknowledges he had made a mistake and wants to correct it is most commendable, but the wrong has been done.

Mr. President, I also ask unanimous consent to have printed in the RECORD a letter which Elmer Davis, Director of the Office of War Information wrote to Mr. Lloyd A. Wilson, general manager, Wichita Chamber of Commerce, which deals with the mistake made in the magazine America Illustrated, and in which he says he regrets the mistake. I want to give Mr. Davis full credit for trying to correct the error and remedying the ugly situation which has arisen in the section of the country in which I live.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 10, 1945.

MR. LLOYD A. WILSON,
General Manager,
Wichita Chamber of Commerce,
Wichita, Kansas.

DEAR MR. WILSON: This office appreciates your caling our attention to the treatment of the Prairie States in the first issue of "America Illustrated," the picture magazine which we are circulating in Russia.

This article was entitled, "Profile of America" and was an attempt to show the Russian people the diversity and variety of the American scene. It described the various regions of the country fairly, for the most part, and it made a particular effort to show the disparity in natural resources, climatic con-

ditions and standards of living in the various sections of our country.

However, in the haste to get the first issue of this magazine out at the end of last year, material in the Prairie and Mountain States was inadvertently drawn from out-dated sources, and presented an unfair and inaccurate picture because it did not take account of the development of war industries and wartime agriculture in your great section of the country. The Office of War Information regrets any such error in its publications, and regrets it particularly when such an error seems to reflect upon an area which has been of such wartime service to the entire United Nations cause.

To show you that the Russian people are not getting a wholly inaccurate picture of the Prairie States, I am enclosing herewith a copy of the picture map of the United States which we are translating into Russian and other foreign languages, and which we are sending to our office in Moscow for distribution to Russian schools. You will see that it shows Wichita, for example, as a center of airplane manufacturing, and it also shows the resources of the Prairie and Mountain States more fairly than the text you have cited.

However, we are anxious to correct any false impression that may have been created; and should accordingly appreciate it if you could send us material on the war achievements of Kansas, particularly in industry, for incorporation in an article in a forthcoming issue of our Russian magazine.

Cordially,

ELMER DAVIS,
Director.

Mr. WHERRY. Mr. President, I do not want to quote from all the editorials which have been sent to me or all the letters which have been written to me, but I do wish to refer to one article from the Omaha World-Herald. It is a protest made by the Omaha Chamber of Commerce of Omaha, Nebr., which I will not read, but which I ask to have printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ROBERTS FLAYS MIDWEST SLUR—CHAMBER IS AROUSED BY OWI PAMPHLET

The Omaha Chamber of Commerce, admittedly "burned up" by a phoney description of the Midwest, Monday launched a campaign to place OWI on the hot seat.

The chamber began kindling the fires by forwarding a sharp protest to OWI against a pamphlet the chamber claims implies that the Midwest is a drought-stricken, poverty-ridden territory with little hope of economic salvation.

Action by the chamber came shortly after General Manager O. W. Roberts scorched his way through a description of the Midwest section of American Illustrated, reprinted in the Sunday World-Herald. The magazine was widely distributed in Russia.

Said Mr. Roberts:

"While correctly describing the Midwest as primarily an agricultural region, the magazine fails to give emphasis to the importance of this region in supplying the food for our own people as well as our allies.

"In stating that 'industry is almost nonexistent,' it gives no thought to the important contribution Nebraska has made to the winning of the war. Nor does it take into consideration the rapid expansion of the Midwest industrially in recent years."

Mr. WHERRY. Mr. President, I know Senators will bear with me because I have waited patiently all day for this opportunity to read an article written by Guy Williams. He is a sort of humorous writer on the World-Herald, and is held in high esteem.

The Omaha World-Herald is a great newspaper which serve all of Nebraska, part of the Dakotas, Iowa, part of Minnesota, and part of Kansas. Formerly it was published by the late Gilbert N. Hitchcock, one of the finest men ever to serve in the United States Senate from Nebraska, and a power in the administration. Guy Williams, in the World-Herald, addresses the following letter to "Dear Joe." He is speaking of Joseph Stalin, of Russia:

OFFICE OF WAR MISINFORMATION LIBELS PRAIRIE STATES IN BOOKLET TO RUSSIANS

DEAR JOE: Don't believe a word of it because 'taint so.

And since our hopes for postwar peace hangs on our understanding of each other, it's well that we clear up any possible misunderstandings as soon as possible.

The Office of War Information booklet that you and your fellow citizens of Russia received a short time ago is off the beam on the section dealing with the Midwest.

The booklet entitled "America Illustrated" and resembling a bureaucrat's idea of the facsimile of a popular picture magazine, states:

"This prairie land includes the following States: Kansas, Nebraska, North and South Dakota, Wyoming, Montana, Colorado, and Utah.

"This region, covering almost one-quarter of the whole territory of the United States, supports only one-twentieth part of the populaion of the country.

"The people are almost exclusively farmers. Livestock raising is carried on only in the mountainous parts of Montana and Wyoming. Industry is almost nonexistent.

"Raw materials and fabricated goods must be imported from other States. The rich natural resources of the region are as yet untouched.

"The climate of the region is very dry and it sometimes happens that a drought lasts for 1[illegible] years in a row. Atmospheric precipitation do not exceed on the average of 44.2 centimeters—17 inches—during the year.

"The agronomists are working hard to find new plants suitable for this arid land. As a result of their labors, hundreds of thousands of hectares have already been turned into fertile fields."

Well, this so-called prairie land is also known as the bread basket and the meat basket of America, as you may have noticed on the label of goods you received under lend-lease.

And while we have no objections to being known as exclusively farmer, the 1940 Federal census listed Nebraska's population as 514,148 urban, 306,239 rural-nonfarm, and 495,447 rural farm.

Livestock raising is carried on in almost every section of the prairie States except the mountainous parts of Montana and Wyoming. Of course, Montana and Wyomingites graze their sheep on the high mountain slopes during the summer months, but that's merely incidental to the over-all livestock picture.

Now for that part of the report which says: "Industry is almost non-existent."

It's true that we haven't any big steel mills or automobile factories. But we have the largest gold-producing mine in the United States at Lead, S. Dak. We have the largest and richest copper mines in the world at Butte, Mont. Omaha is the second livestock market in America. We have shipyards and airplane plants in Nebraska and Kansas. We have a vast and thriving lumbering industry. And we have the most beautiful scenery—Yellowstone Park, the Black Hills, the Dakota Badlands—and the greatest recreational facilities of any part of America.

And the report says: "The rich natural resources of the region are as yet untouched."

Bunk!

The same, with exclamation point, can be said about those droughts that last for 10 years in a row. If only you could see the luxuriant green of the "arid prairie States" at this time of year, you would see our point. We've had drought years but in no sense are we a part of the Great American Desert. In fact we've had too much rain this year.

So you can see that the OWI writers just didn't know what they were talking about. But what else can you expect from a bunch of bureaucrats who have never been west of Washington, eh, Joe?

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. McKELLAR. In the appropriation act for 1944, approved June 28, 1944, I find the following provision:

No part of this or any other appropriation shall be expended by the Office of War Information for the preparation or publication of any pamphlet or other literature, except United States Government manuals, for distribution to the public within the United States.

So the OWI was prohibited by law from distributing such material within the United States.

Mr. WHERRY. Oh, yes. I am not making any contention about that. The distribution is restricted in this country. The point I was making was that while the distribution was restricted here, the maps were printed in English for distribution in Russia. That is the point.

What about Nebraska? I will speak about my own State, because I know that State. I admit that 80 percent of Nebraska's industry is agriculture. We must depend upon farming. We have some of the finest farm land to be found anywhere in the world. When we get the proper amount of rain and the land is properly tilled, we can grow most of the crops we have to grow and do grow to fill the bread basket of America. We grow corn, wheat, rye, oats, and alfalfa. We feed cattle and hogs. That is what Nebraska does.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. May I mention flax also?

Mr. WHERRY. Yes. I thank the Senator for his contribution.

Mr. LANGER. And sugar beets.

Mr. WHERRY. Atop the magnificent Nebraska capitol stands a huge figure in bronze—The Sower. I wish to say something further about that capitol building later in my remarks. The figure of the Sower is a symbol of the faith of a plains people in nature, work, and patience.

In war or peace, food is first on Nebraska's production line. We all admit that food is the one thing which goes hand-in-hand with guns and ammunition. The soldier must have food in his stomach if he is to be expected to man the guns to win the battles of this war. As I have said, in war or peace, food is first on Nebraska's production line. From its grain lands, its cattle areas, and its corn and crop farms come the foods which add mightily to this Nation's greatness, especially in this time of war.

Nebraska's largest industry is food—not tea-party snacks, but the kind on which Americans fight, work, and live, the kind of food that is vital to victory, and which sets the peace table. The countries in which we are attempting to help establish a political and economic stability need food, and they are coming to the United States for food. It helps at the peace table just as vitally as anything that can be contributed.

Let me quote a few figures from the Farm-to-War-Front-Production Scoreboard of Nebraska:

Even before prices reacted to the full effect of the war, Nebraska cash farm income was a half billion dollars a year.

During the first year of the war when foods, not dollars, became important, Nebraska marketed 1,250,000 cattle, 2,500,000 hogs; 1,333,000 sheep, 100,000,000 pounds of butter; 1,333,000 dozen eggs, and raised 35,000,000 chickens.

Why did not the Russians come to see me about the facts with respect to Nebraska? This tells to the people in Russia the story about the production line of our people.

At the start of the second year of war, Nebraska had more sheep on feed than any State; held fourth place in the number of beef cattle, seventh place in the number of hogs, and fourth place in dairy production.

Among the States, Nebraska ranked second in winter wheat production; third in corn, rye, and sweet clover seed; first in wild hay; fifth in barley and sugar beets; eighth in beans and tenth in potatoes.

That is Nebraska's production scoreboard the second year of the war. We ask no favors. While running up this record of food production Nebraska wanted no favors. Each call for men from the armed forces was met in full. For a long time, because of the interpretation of the Tydings amendment, Nebraska's farm boys were taken, just as other boys were taken, for service in the armed forces.

Time showed the Nation the best method of collecting scrap. In my State that was done according to the World-Herald plan; and that particular plan for collecting scrap has been adopted all over the country.

War-bond quotas have been oversubscribed in every one of the seven war-loan drives. I will not take my hat off to the chairman or leader of any other State bond drive anywhere, as compared to Dale Clark, of Omaha, who has been chairman throughout all the war-bond drives in Nebraska. He has done a wonderful job and our people under his leadership have done a magnificent job. In Nebraska people have bought the bonds, they have always oversubscribed the purchase of bonds during the seven bond drives we have had.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. Of course, the Senator knows very well that North Dakota has led every other State in the Union in oversubscribing to the war bonds, and Wyoming was second, and the State of Nebraska is a way up at the top.

Mr. WHERRY. I thank the Senator for his contribution. What he has said is true. All the great Middle Western and Great Plains States have oversubscribed in the bond drives. That was done by all of them.

Mr. President, I wish I could tell the Senate about the older men who, because the younger ones have gone into the armed services, are using the tractors today. They are farming because they are patriotic. They have faith, not only in Nebraska, but in this great national Government of ours.

What about Nebraska's industries? In the magazine article the statement was made that industry is nonexistent in Nebraska. The authors of the article said there are no industries there. Mr. President, we have 13 great military installations. One of them is the largest ammunition depot in the United States. It is at Hastings, Nebr., and it covers almost 60,000 acres. At Omaha, Nebr., we have what I believe to be the second largest bomber factory in the United States. I am not certain about the exact size of that factory, but I know that the factories at Baltimore, Md., and Omaha, Nebr., turn out the big bombers. The bomber factory at Omaha employs 15,000 people. I talked to Glenn Martin, head of that company, and he told me, "I have worked people from all sections of the country and all walks of life, but I have never worked labor that was more cooperative or efficient than the labor in the State of Nebraska." Mr. President, look at their production record.

What about other industry in Nebraska? In 1 year Nebraska's manufactured goods exceeded $600,000,000 in value. The products came from 1,150 plants engaged in some 75 different activities. Among the principal ones are meat packing and processing. I suggest to the present occupant of the chair, the Senator from Missouri [Mr. DONNELL] that when we take into consideration the great meat-packing factories which are in Omaha, Nebr.; Kansas City, Mo.; St. Joseph, Mo.; St. Louis, Mo.; St. Paul, Minn.; and Chicago, Ill., we have industry, and tremendous industry, and a tremendous investment. Just think of the meat that is slaughtered and dressed and prepared for shipment, not only to all corners of this country but to all sections of the world. It comes from that great territory which embraces the States I have mentioned, which produce and finish and feed the hogs and steers and sheep which go into the great lockers and packing plants of the Nation.

Among the other principal industrial activities in Nebraska are the production of butter and dairy products, flour and grain mill products, bakery products, and beet sugar. Mr. President, recently I was in the Scott River Valley. We do not have to take second place to any other section of the country when it comes to growing beets. The only handicap is that we have been restricted and have had quotas, and up to the last few years we have not been able to operate at capacity. Then, incentives were put on other crops, so it has been impossible to obtain the full production of which that section of the country is capable. In fact, if the incentives on sugar beets were comparable to those on other crops, today we could produce a million tons of sugar, to take care of the scarcity of sugar which is now being experienced in the United States.

Among the other principal activities in Nebraska are the production of farm implements, petroleum products, structural materials, ornamental metal products, and furniture and fixtures. All those products come from the great State of Nebraska. The State of Nebraska also supports a chemurgic research laboratory.

We have a great link of hydroelectric and steam utilities. I wish to have Senators note this. There are three of them which are a tribute to a former Senator from the State of Nebraska who worked so hard and so long, and the system is comparable to the Tennessee Valley Authority in Tennessee—a great link of hydroelectric and steam utilities, producing more than 1,000,000,000 kilowatt hours a year, and that occurs in a section of the country which is described in the magazine to which I have referred as a part of the great American desert with nonexistent industries.

Mr. President, the State of Nebraska has an abundant supply of coal nearby, and it has six pipe lines which bring natural gas to 153 municipalities. That is a natural resource which we have converted to the use of the people of our State.

Mr. President, what about transportation? Sixty thousand trucks operate on a $100,000,000 paid for, surfaced highway system. Every mile of highway in the State of Nebraska is paid for, and not one bond is outstanding. There never has been; bonds cannot be issued in our State. We have a State constitutional provision requiring that any appropriation in excess of $100,000 must be enacted by the people of the State, and every dime of the cost of the building of our highways has been paid.

Furthermore, Mr. President, the east-west, north-south air lines serve the State. The Missouri River is navigable south from Omaha to the Mississippi River, and one of the finest railroad systems in the world, the Union Pacific, has its headquarters in Omaha, Nebr. There is not a finer railroad anywhere in the country or anywhere in the world than the Union Pacific. Probably no railroad has been better managed or financed than the Chicago, Burlington & Quincy, which runs the length and breadth of the State of Nebraska, and we are proud of this great railroad. Other railroads hauling the products of the bread basket of the Middle West to both coasts includes the Rock Island, the Missouri Pacific, the Great Western, the Chicago & North Western, the Milwaukee, the Wabash, and other railroads not so well known nationally as those I have mentioned.

In no place do the railroads earn a greater freight rate or haul more tons of freight profitably than they do in that great middle western territory.

Mr. President, what about government? Here is exhibit E; here is our State Capitol Building of Nebraska. It is the finest capitol building in the United States, and that is not an exaggerated statement; I believe the present occupant of the chair has been in that

capitol building. It is at least reputed to be the finest in the United States. When it was finally paid for it cost nearly $13,000,000. I should like to suggest to the distinguished acting majority leader, the senior Senator from Tennessee [Mr. McKELLAR], that our capitol building was paid for by the acts of one legislature appropriating each biennium enough money to continue the construction of the capitol until it was finally paid for.

Mr. McKELLAR. That is fine.

Mr. WHERRY. It is entirely paid for. There is no State bonded indebtedness; there is no State sales tax in Nebraska; there is no State income tax in Nebraska; there is no State luxury tax in Nebraska. The State tax on real property for 10 years has averaged $2.40 per $1,000 valuation.

I wish to tell the Senate and I suggest this to the distinguished senior Senator from Tennessee in connection with appropriations made from now on—that if the National Government could be budgeted as is done in the State of Nebraska, so that the National Government knew what its intake and outgo were, once this emergency is over, it would be one of the most constructive things that I think could be added to all the good deeds the senior Senator from Tennessee has done during his 25 or 30 years of service on the Appropriations Committee.

Mr. McKELLAR. Mr. President, I think we could better ourselves very much by following the good example of Nebraska in many of these lines.

Mr. WHERRY. I thank the distinguished Senator for his contribution.

Mr. President, what about the people of Nebraska? To a large extent they live on the farms. There are 143,000 farm families in the State. What about them? Mr. President, long before the railroad was laid west of Omaha an early traveler came a little way into what is now Nebraska and promptly announced that the place had no future, just as the two Russians reported in the magazine article. He said it looked like a desert to him. But it did not look like a desert to a lot of other people—to the pioneers who went out and built up that country. To those people it looked like a home, and it was a home. For them, the soil did not produce merely food. It grew towns and cities and railroads and churches, airports, factories, and schools—and a mighty friendly people with a twinkle about the eyes, people who would rather talk to you about you than to somebody else about the money you have or do not have. That is Nebraska.

Mr. President, we have produced some outstanding people in Nebraska, people who have made their niche in the hall of fame during the years. Of course, it would be impossible to call the entire roll, and I suppose I shoud not even start to do so, because inevitably someone important is left out, and then we are sorry. But at least I can mention former Vice President Charles G. Dawes; certainly I can mention J. Sterling Morton. Certainly I can mention former United States Senator Gilbert Hitchcock. Certainly I can mention former United States Senator George W. Norris and former Senator Edward R. Burke. Certainly it would be unfair if I did not mention a former Member of the House of Representatives who served so long there, Edgar Howard. Certainly I should mention John Morehead, one of the finest governors Nebraska has had. Three of the men whom I have mentioned were outstanding Democrats in the State of Nebraska, and they did a good job for their party, and for the State as well. Gov. John Morehead lived only 45 miles from my town. Some of the appointments which he made in the State Department as long ago as 18 or 20 years are still there, because they are capable persons.

We should not overlook Dwight Griswold, the present Governor of Nebraska. The present occupant of the chair [Mr. DONNELL] is well acquainted with Governor Griswold, and his record.

I wish also to mention my distinguished colleague the senior Senator from Nebraska [Mr. BUTLER] whom we all know. I merely wish to bring to the attention of the Senate some of these outstanding men.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. LANGER. I do not believe that the Senator should forget William Jennings Bryan, or Charles Bryan.

Mr. WHERRY. I was just about to climax my remarks by mentioning their names. I may say that all the men whom I have mentioned have been outstanding citizens, and their works have been known even nationally. Among them was the great William Jennings Bryan, whose memory will live down through the years. He was not only a great American, the Great Commoner, but he was a matchless orator. There was also his brother, Charles Bryan, who served with him for many years, and who passed away only a few months ago. Mr. President, Nebraska is proud of having such great leadership. The leadership was and is made up of men who have exerted profound influence on national legislation.

What about our industrial leaders? I need only to mention the name of one Bill Jeffers, of Omaha, the present head of the Union Pacific Railroad. He was brought to Washington to be czar of rubber production. If all of the agencies of Government were as fortunate in having as their head persons of the stature and ability of Bill Jeffers, we would have greater efficiency in Government agencies than we now have, because there are too many officials of government who prefer straddling fences. Bill Jeffers has made a great president of the Union Pacific Railroad. He is one of the industrialists of whom we in Nebraska are proud. Harry Coffee, former Representative in Congress from the Fifth Nebraska District and now head of the Union Livestock Yards Co., of Omaha, Nebr., is another notable product of Nebraska.

Mr. President, time does not permit me to deal with all of the great men whom I could mention. Let us consider for a moment military leadership. When we think of the tops in military leadership we think of the general of the armies. Who stands as the head of the armies, Mr. President? It is John J. Pershing. He was born in the State from which the present occupant of the Chair comes. The Senator will agree with me, however, that General Pershing moved to Nebraska in his early boyhood days. He has two sisters living there. Lincoln, Nebr., is his home.

What about educators? Some of the persons who do not get out to the Great Plains States rarely think in terms of the territory west of the Hudson River. I should like to suggest the name of Dean Roscoe Pound of the Harvard Law School. He was born and educated in Nebraska.

The late Dean Cutter, of Northwestern Medical College, who passed away a few months ago, was another Nebraskan. He was one of the outstanding medical authorities in this country. He was born and educated in Nebraska, and later became dean of the Northwestern Medical School.

What about the ministry, Mr. President? If Senators wish to attend one of the largest churches in this section, let them travel to Baltimore, Md. A minister of the Methodist Church there is Harold Bosley. He not only happens to be a Nebraska boy but is from Pawnee City, Pawnee County, Nebr.

Members of the Senate who are interested in writers will recall the writer named Bess Streeter Aldrich, a Nebraskan. She has written some fine novels, as fine as have ever been written. Read the pioneer novel entitled "A Lantern in Her Hand," written by Bess Streeter Aldrich. The facts contained therein should have been placed in the hands of the two Russians.

What about athletics and the physical standards of our people in Nebraska who have enthusiasm as well as vigor. In the field of baseball Nebraska produced Grover Cleveland Alexander, one of the great baseball pitchers of all time. He was born and reared in Nebraska. He played in State leagues there and later in the big leagues, and had a national reputation as a great baseball pitcher.

Another great athlete and baseball player was Sam Crawford, known familiarly, as "Wahoo" Crawford.

What about our football teams? About 4 years ago we sent to the Rose Bowl the national champions who played against Stanford. Biff Jones was our coach, and 43 boys who made the trip to the Rose Bowl were students of Nebraska University. All of them, with the exception of one who came from Kansas, but whose father had been a Nebraska man, were Nebraska boys. While those boys did not win the game against Stanford, any person who witnessed the game will say that it was one of the finest football games ever played in the Rose Bowl.

I could continue, Mr. President. It is too bad that those two Russians did not come to me. I prepared my remarks only within the past few hours. I received the letter to which I have referred last night at 5 o'clock. If there is any doubt about the productivity of our agriculture, or our industry in Nebraska, as well as its people, or its leadership,

I should like to refer Senators to the National Geographic magazine, the issue

of May 15, 1945. I should like to have them read the pages of the magazine which were devoted to the subject of the State of Nebraska. All in the world the two Russians needed to have done was to go to the Congressional Library, or to the Office of the National Geographic in Washington and obtain a copy of the magazine to which I have referred. It is filled with authentic facts concerning Nebraska.

I also suggest a reading of Life magazine which was issued last week. In it is set forth information concerning the great farms and cattle industry of Nebraska.

Mr. President, I have consumed considerable time in talking to the Members of the Senate about this matter. I think it is a sad fact that a Government agency which is spending $35,000,000 of the taxpayers' money does not avail itself of information which is more authentic than the information which it has been sending to the Russian people. I make that statement in all sincerity, because I know how the distinguished Senator from Tennessee felt with regard to the appropriation for those who are in charge of the Office of War Information.

Mr. President, recently I talked to a colonel. I shall not mention his name because he did not give me permission to do so. However, he is from Nebraska and only yesterday came in from the European theater. He is a lawyer. He has had some newspaper experience. I prosecuted cases in the same courtroom with him, and also defended cases with him. He has a fine reputation. I said to him, "Colonel, I want you to tell me something. What did you think of the work of the OWI?" He replied, "We did not think much of it." Recently I spent 17 days in Europe, and I tried to find out something about the Office of War Information. The information I gathered was unfavorable. Congress has passed an appropriation of $35,000,000 to continue the functioning of OWI. I hope it will do a constructive job, and pay dividends on the taxpayers' money.

It was over my vote to the contrary that the Senate appropriated $35,000,000 for the use of the Office of War Information. I always wish to be constructive, and I hope that if the Office of War Information wants facts concerning the State of Nebraska it will read the CONGRESSIONAL RECORD. I hope that in the future when the head of the agency places its magazine in the hands of Russians the facts which it contains shall have been verified. I also hope, Mr. President, that we can build leadership, not only throughout this Nation, but throughout the world, which will be as democratic as that which may be found in Nebraska. People who have such moral and religious fiber as do the people of Nebraska, think more of home and more of loyalty to their country than do any other people I have found anywhere. I want the Russians to know that. I want the Office of War Information to know it, and when it depicts the United States of America, let it depict it as a great country with great people, and with a great leadership which believes in the fundamental principles of democracy.

Mr. JOHNSTON of South Carolina. Mr. President, inasmuch as the farmer's place in the world has been mentioned, I should like to place in the RECORD, immediately following the remarks of the Senator from Nebraska, the following Ode to a Farmer, by an unknown author:

I am the provider of all mankind. Upon me every human being constantly depends. A world itself is built upon my toil, my products, my honesty.

Because of my industry, America, my country, leads the world; her prosperity is maintained by me; her great commerce is the work of my good hands, her "balance of trade" springs from furrows on my farm. My reaper brings food for today—my plows hold promises for tomorrow.

In war I am absolute; in peace I am indispensable—my country's surest defense and constant reliance. I am the very soul of America, the hope of the race, the balance wheel of civilization. When I prosper men are happy, when I fail all the world suffers.

I live with nature, walk in green fields under the golden sunlight out in the great alone, where brain and brawn and toil supply mankind's primary needs; and I try to do my humble part to carry out the great plan of God.

Even the birds are my companions; they greet me at the new day's dawn and chum with me until the evening prayer is said. If it were not for me the treasuries of the earth would remain securely locked; the granaries would be useless frames; man himself would be doomed speedily to extinction of decay.

PAN AMERICAN AIRWAYS

Mr. LANGER obtained the floor.

Mr. McKELLAR. Mr. President, unless the Senator desires to proceed with his speech tonight, would it not be better for the Senate to recess now?

Mr. LANGER. I am sorry, but I cannot agree. I have been waiting all afternoon to speak.

Mr. McKELLAR. The Senator has the floor. Could we not recess over until tomorrow, when he would have the floor, and there would be more here to listen to what he had to say?

Mr. LANGER. I prefer to proceed.

Mr. McKELLAR. Very well.

Mr. LANGER. Mr. President, the lawmakers of this country—State and national—have been ever consistent in one thing, if nothing else, and that has been their constant and universal action in outlawing, and thus protecting the people against the hideous monster—monopoly. My record, Mr. President, against even monopolistic tendencies has been a long and unbroken one. I was one of the few Senators who only recently voted against the amalgamation of Western Union and the Postal Telegraph.

Despite the zeal with which lawmakers have fought, this demon, monopoly, from time to time springs up amongst us and must be stamped out. This job is sometimes easy, sometimes hard, sometimes well nigh impossible.

I have seen monopolies come and go. I have seen them large and small; but I have seen few as bold as Pan American Airways, which has so long enjoyed a monopoly over our international aviation. This monopoly has grown so strong, has met with such success in its battles with the Government and its battles in the halls of Congress, that like the monsters of old, it is most dangerous when it has been wounded.

The Pan American monopoly has been wounded. This occurred when it was toppled from its monopolistic position by a decision of the Civil Aeronautics Board, released on July 5 after having been approved by the President of the United States.

Many Senators here well remember that time in 1939 when Pan American was threatened with competition. But some will not; so I shall give a little history.

The Civil Aeronautics Board, after proper public hearings, awarded American Export Airlines a route to Europe. As provided by law, this decision was approved by the President of the United States. Pan American took the case to court and was defeated there.

They then went to the Committee on Appropriations and prevented any appropriation for mail payments which would make it possible for this competitor to successful operate. Their present anguish and desperate struggles arise from the fact that Pan American is now faced by competition again, and they mortally fear competition.

I do not quarrel with any man who believes in monopoly for supporting it.

I do not quarrel with the distinguished Senator from Nevada, because of his apparent affection for this monopoly. But I do quarrel with him when he impugns the motives of anyone who dares to disagree with him.

In a recent news interview he is quoted as saying:

The fact that the stock-market price for the two domestic companies favored in yesterday's sleight-of-hand award of route certificates has gone up more than 25 points recently may be a factor.

I am frank to confess I am not sure what the Senator is trying to portray by this statement.

What does the distinguished Senator mean by "sleight-of-hand award"? Was it sleight of hand when the Civil Aeronautics Board conducted its public hearings? Maybe the Senator means that the Board engaged in sleight of hand when they wrote their opinion. Or, can he mean that sleight of hand was performed when the decision was transmitted to the Budget Bureau? Surely, the Senator does not accuse the War Department of sleight of hand when the decision was submitted to them for consideration. Then, perhaps, it was the Navy Department which performed the trick while considering it. Or less likely, the Senator suspects that the magic was performed in the State Department which was at that time presided over by Mr. Juan Trippe's brother-in-law. Or could the Senator be charging that the late presiding officer of this body permitted the foul while it was passing through the Department of Commerce? Perhaps the magician may turn up in the Post Office Department because they too had to pass on the matter. Or the Senator may find him concealed in the files of the Department of Justice, for it also passed through there for comment. Or, finally, the Senator may suspect the President himself of being proficient in the art of sleight of hand. No one seems to be free of suspicion because before the action of the Civil Aeronautics Board be-

came final it passed through all of these departments.

No, Mr. President, there was no magic necessary. These routes were awarded to these companies upon their merits, and I trust that Pan American will justify the award to it by busying itself with the operation of its route. Then it wlil have less time to vilify everyone who believes in competition, individual initiative, and free enterprise. It will take more work on the line now because they now have, and are going to continue to have, competition.

I want to digress here to offer my congratulations to the President for his timely release of the Board's decision. This action will, of course, bring down upon his head the wrath of Pan American and its supporters. Be not alarmed or dismayed, Mr. President. Rest secure in the knowledge that to have delayed longer would only further prejudice the United States' position in the foreign markets; because while we were quibbling here, the British, the Dutch, the Swedes, and others were extending their lines all over the world.

Monopoly has never served the best interests of the people, and Pan American's monopoly in the field of international aviation proved to be no exception to this rule. As partial proof of this statement, I submit some figures which I hope Senators will check if they doubt their authenticity.

Since its organization, Pan American has received greater payments from the Government for the carriage of mail than all the great domestic air lines put together. Government payments to Pan American and its subsidiaries up to 1940 were approximately $85,000,000. During the same period the dividends paid by Pan American it its stockholders were greater than the aggregate paid by the domestic system.

Despite this generous support by the Government, and despite the fact that Pan American Airways was the largest air line in the world, when our Government needed it most, it was found badly deficient. At the time of Pearl Harbor and our entry into the war, Pan American had but seven airplanes fit for over-ocean use. The competitively trained domestic lines responded readily to the Government's call for assistance and took over the major portion of over-ocean flying under contract with the Army and Navy.

My opinion above stated has been concurred in by letters from the Secretary of the Navy, James Forrestal; Secretary of War, Henry L. Stimson; the late Secretary of State, Cordell Hull, whose letter has recently been adopted in writing by Mr. Stettinius, and former Attorney General Francis Biddle in which they have gone on record as opposing the creation of an all-American flag line as proposed by Senate bill 326.

There is also seen the attempt to involve Brig. Gen. Elliott Roosevelt in this controversy. When the fact that the president of one of these companies acted as the best man at Elliott's wedding is used in an effort to cast a cloud of suspicion over that company and over the awarding of a route to it, I rise to proclaim in a loud voice that no thinking person will be misled by this red herring. Certainly, I am not ready to indict the six departments of Government which had a part in considering this decision.

And, certainly, I do not think that Elliott dictates the thinking of President Truman. I would like also to point out that this decision was rendered months after the death of Elliott's father, the late President Roosevelt.

Mr. President, if these brief statements of mine cause Pan American or their supporters to become indignant, and if it is desired that the subject matter of my remarks be discussed at greater length and in more detail, there is much more that can be said about the colorful career of this great company, sometimes referred to as the Eagle of the World Airways, whom some might designate as the crier of "Wolf" in the Halls of Congress.

And I say, Mr. President, that that invitation is open to any Senator upon this floor at any time.

In conclusion, Mr. President, I wish once more to reiterate that the economic history of the United States has fully and amply demonstrated that monopoly of any kind is most injurious to the people. If Pan American or any other airline corporation had a monopoly there would be a tendency not only for high rates but, more lamentably, for inefficiency.

The record last year of the competitive domestic air lines, many of them not having had even one fatality, is a record of which every American can truly be proud. My chief interest in this matter arises from the fact that although very, very few of my constituents have stock in any airplane company, yet thousands of them are more and more becoming air-minded. I conceive it, frankly, to be the duty of the Senate and the entire Congress and the President so to regulate air transportation that any man or woman embarking on an airplane under regulations made and enforced by our Government will be just as safe in patronizing airplane travel as they would be if they stepped into the finest steel coach on any railroad or drove their own automobile.

This is the goal, Mr. President, to which I believe Congress should point, and I conceive this to be possible only through the continuance of healthy, regulated competition.

THE STATE DEPARTMENT

Mr. President, I also wish at this time to take up another matter, which, I believe is one of the most important I have called to the attention of the Senate for a long time.

Mr. President, I am both puzzled and perplexed by our State Department.

In advance of the Senate's consideration of the San Francisco Conference Charter, I wish to call attention to the fact that both the American people and we, their representatives in the United States Senate, are lacking in comprehension of all the why's and the wherefore's of the Charter.

I think the reason for this is that our State Department is far apart from the American people.

It has developed, unfortunately, an atmosphere of mystery and intrigue.

I contend that this is an unwholesome and an un-American atmosphere.

There should be no gulf, nor ravine of doubt, between the American people and any of their servants.

The American people are entitled to know everything their Government is doing—save for the necessity of wartime secrecy—and why it is being done.

I am sick and tired of diplomatic circumlocution. I can understand plain, simple English, but I cannot understand why the State Department does not use it.

It is high time, in my opinion, for us to know what our State Department is doing and whether or not it is delivering the goods.

The State Department, as we all know, is the most powerful of all the departments in our Government. It combines the duties of prime minister and foreign minister of other governments. It has the exclusive authority, together with our President, of dealing with foreign powers and of formulating our foreign policies.

In essence, the duty of the State Department is to safeguard and protect our international relations. Its prime obligation is to keep this country at peace. For the tragedy of the failure of diplomacy is that it invariably is followed by war.

What our Nation wants for the entire world—and for itself—is nothing other than peace. Our national motto is "Liberty and justice for all," and our hope and our prayer is to live in peace with the rest of the world.

Is our State Department helping us to get what we want? Are our diplomats doing for us the job they have been hired to do by the American people? Will the San Francisco Charter mean peace on earth?

Let us examine some of the recent activities of the State Department, and hope that through thought and deduction we may provide ourselves with an honest answer.

Of course, if our State Department functioned now as it functioned in the early days of our Republic, we could call upon it for an answer, for in those days it was part and parcel of the life of the American people and not the mysterious, aloof, and almost condescending body it is today.

As a matter of fact, the great alteration now so evident in the State Department began shortly after the turn of the century. It began in 1905 when an enervating helplessness, akin to a hidden and insidious disease, started to undermine a once stanch and old American tradition of strength and courage and honesty. The cancer of democracy began its ravages that year. Appeasement is a shorter name for it. The germ of appeasement is a terrible thing. It develops with microbic rapidity, for it feeds upon an unholy compound of smug self-satisfaction and fear. The worst thing about it is that the patient, gazing upon himself in a mirror, detects no outward sign of the ailment, yet he affords an instant field of correct diagnosis to all others. His rivals see him as he really is—ripe for attack. Ask John Bull, who picked up the germ in Europe. Ask Uncle Sam,

who contracted the disease in the Pacific. A bombed and battered London and Pearl Harbor are like reminders of the deadly dangers of appeasement.

For nearly 36 years, Mr. President, the far eastern policy of our State Department has been to appease Japan. And, because the American people were purposely kept in the dark by our State Department, they blindly followed this false and untrustworthy leadership.

But today, you say, it is different. We are wiping out, with the blood of our heroes upon Pacific battlefields, the blunders of our diplomats. A new world is arising from our sacrifices. Surely our diplomats are aware of this. They must know that our men are fighting and dying willingly for liberty, justice, and democracy. But does our State Department know this? Is it upholding the banner of democracy? Is it representing the hopes and prayers—nay, the demand of the American people?

There is only one way to tell. That way is to examine both its official and unofficial actions—so far as we are permitted to know of them—in the Pacific area.

The problem before us is not a complex one. In fact it is crystal clear. It needs only a brief prologue. This is the prologue:

Russia, you are a great country, and you have been a great ally. You are entitled to your own form of government and we shall never, in any way, attempt to interfere with it. Communism is both your privilege and your right. We respect it as such.

Democracy is both our privilege and our right. We ask that you respect it, too. In so doing, there shall never be the slightest trouble between us. And our mutual friendly relations shall constitute the surest guaranty of lasting peace.

That is the end of the prologue.

Now, back to the Pacific area: China is another of our allies in the present war against the Japanese. China is struggling toward democracy. Many trials and tribulations beset her. What is her chief handicap? Her chief handicap, Mr. President, is the support, both open and clandestine, that is given China's Communist minority by Russia and by our State Department.

Officially, our Government is giving support to Generalissimo Chiang Kai-shek and his Kuomintang Government, which is modeled after our form of government. This is as it should be. Secretly, the State Department is putting pressure on the Generalissimo to unify with the Chinese Communists. How would we like it, in this country if a foreign power insisted that our Cabinet include a Communist or two? We know just how far they would get it.

Let us look into the unhappy picture presented by another far eastern country—Korea. What has been the attitude of our State Department toward the Korean people?

Since Pearl Harbor, for example, there has been nothing to prevent us from extending a helping hand to the Korean people for they—alone and unaided—have been fighting the common enemy, Japan, for the last 40 years.

They staked a nation-wide revolution against Japan, declared their national independence, and established a democratic from of government, patterned after our own, away back in 1919.

That government, the oldest government in exile, has been functioning in China. That government has sought recognition and arms and munitions. The State Department has told this government it must have unity. Unity with whom? A minority of Korean Communists. A high official in our State Department even went so far as to tell Korea's venerable apostle of democracy, Dr. Syngman Rhee, that he should collaborate with a Korean, whose known record embraces employment as a Japanese agent and as a notorious Communist agitator.

In December 1943, President Roosevelt, Prime Minister Winston Churchill, and Generalissimo Chiang Kai-shek made a joint declaration at Cairo pledging that Korea shall become free and independent "in due course." Koreans everywhere rejoiced over this announcement and expressed their deep gratitude to the three great world leaders for the freedom they had jointly promised. However, they were disappointed when they learned how these three words "in due course" were inserted.

They learned through high authorities that Generalissimo Chiang suggested at Cairo that Korea shall become free and independent, and the President and Prime Minister agreed to it. But then they found out that it was not entirely acceptable. Premier Stalin and the President added these three words as a compromise. The Koreans have no doubt as to the sincerity of the declaration. But the objection raised by the Soviet Government throws a shadow over the whole situation.

Ever since the spring of 1942, press reports, alleged to have emanated from Moscow, circulated a story to the effect that Russia would advocate the establishment of an independent Soviet Republic of Manchuria and also of Korea. Many rumors of a similar nature have ben going the rounds every now and then until many well informed people in this country are of the opinion that it has become an open secret.

During the San Francisco Conference the existence of a secret understanding was disclosed through a highly reliable source. This arrangement was made at Yalta between our late President, the British Prime Minister, and the Soviet Premier to the effect that Korea and Manchuria would be within the orbit of Russian influence and that the United States and Great Britain shall remain noncommittal to Korea until after the defeat of Japan.

The report of this discovery was published in the press, and the officials of our State Department in San Francisco and Washington at once denied the truth of the report. Our Acting Secretary of State, Joseph Grew, made a news release specifically declaring that the United States has not changed its policy proclaimed at Cairo regarding Korean independence, and that no secret agreement of any nature is in existence conflicting with the Cairo pledge. Winston Churchill also stated that there was no secret agreement, without mentioning Korea. His statement was rather dubious in the essence. He said, "There were many things discussed at that Conference which cannot be revealed now," which clearly means that the Korean question was one of the many subjects discussed.

The most significant part in this connection is the fact that the Soviet Government remains conspiciously and ominously silent on this matter. Mr. Molotov was holding his last press conference before he left San Francisco when he was asked about the Soviet's policy regarding Korea and he simply replied, "There will be a time when that question will be discussed. Korea shall become free and independent in due course."

Russia, being one of the three powers at the Yalta Conference, remains absolutely noncommittal regarding the secret understanding about Korea. Evidently she reserves her freedom of action for the right time to strike. At an opportune moment, if she acts unilaterally in Korea as she did in Europe, who is there to stop her? Will the United States and Great Britain send troops to help the Korean nationalists in their fight against Russia in order to protect their honor pledged in the Cairo declaration? The chances are nine out of ten that they will continue their appeasement policy by conveniently repeating the empty, meaningless phrase.

We already have before us what has happened in Europe. Finland, the Baltic states, Poland, Czechoslovakia, Rumania, Yugoslavia, and Bulgaria wear the mantle of Moscow.

Is Russia so fearful of democracy that she cannot endure a nation possessing it on her doorstep? Obviously, if she is, the entire world faces a tragic era, indeed. And is our State Department so eager to appease communism that it is willing to desert democracy everywhere beyond our borders?

All civilized nations yearn for peace and security. Russia surely is entitled to these gifts. Today, she stands victorious, and threatened by no one. Her victory was achieved in part—and she has been the first to admit it—through the contributions of munitions and matériel she received from the United States of America. The American people certainly wish to live in friendship with their Russian allies. Russian friendship is a historical tradition with us.

The bonds of that friendship would be riveted for centuries were Russia to order her Communists within the United States to cease their plotting and their agitation. Democracy improves through evolution, not through revolution. It attains new objectives through the votes of freemen, not through violence and bloodshed.

The world is on the eve of the Pacific era. Russia, more than any other power, can make this era pacific in fact as well as in word. Why not let China pursue unhindered her democratic development. The Chinese are basically a peaceful and nonaggressive people. Why not

let Korea return to the family of nations as a democracy? Russia cannot fear aggression from this tiny neighbor.

Russia needs peace as all the world needs it. Here is the power alone, I say, to assure it.

RECESS

Mr. JOHNSTON of South Carolina. Mr. President, if no other Senator wishes to address the Senate at this time, I move that the Senate take a recess until 12 o'clock noon tomorrow, Friday, the 13th.

The motion was agreed to; and (at 7 o'clock and 53 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until tomorrow, Friday, July 13, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 12 (legislative day of July 9), 1945:

FEDERAL BOARD FOR VOCATIONAL EDUCATION

Dr. Paul H. Nystrom, of New York, to be a member of the Federal Board for Vocational Education for a term expiring July 17, 1948. (Reappointment.)

SOCIAL SECURITY BOARD

Arthur J. Altmeyer, of Wisconsin, to be a member of the Social Security Board for a term expiring August 13, 1951. (Reappointment.)

COMMISSIONER OF PATENTS

Casper Ooms, of Illinois, to be Commissioner of Patents.

COLLECTOR OF CUSTOMS

Viena P. Johnson, of St. Paul, Minn., to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn., in place of Agnes M. Hodge, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 12 (legislative day of July 9), 1945:

FEDERAL COMMUNICATIONS COMMISSION

William Henry Wills, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1945.

SURPLUS PROPERTY BOARD

W. Stuart Symington to be a member of the Surplus Property Board for the unexpired term of 2 years from October 3, 1944.

COAST AND GEODETIC SURVEY

Emerson E. Jones to be a junior hydrographic and geodetic engineer, with rank of lieutenant (junior grade), from July 11, 1945.

POSTMASTERS

KENTUCKY

Emanuel Combs, Combs.
William A. Marshall, Sadieville.

MAINE

Lyda B. Carter, Seal Harbor.

MICHIGAN

John B. Springhetti, Bessemer.
Lillian Moody, Jenison.
Milton C. Kibler, Marshall.

NEW MEXICO

Agnes C. McNally, Dawson.
Elbert L. Wallace, Mosquero.

NORTH CAROLINA

Floyd Yeomans, Harkers Island.
Maude C. Peeler, Misenheimer.

OREGON

Charles C. Kelly, Mill City.

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 12, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou Eternal God, who art our light in darkness, our strength in weakness, our companion in loneliness, and our consolation in sorrow, we thank Thee for the revelation which Thou hast made of Thyself as the guiding intelligence, the overruling wisdom, and the loving Father.

Grant that in all our deliberations and decisions during this day we may fervently desire and earnestly seek Thy holy will and do that which is well pleasing unto Thee. May we realize how sacred and wonderful it is that we are privileged to enter into counsel with the God of all wisdom.

We pray that we may always hold our own wishes in abeyance until Thou dost declare Thy will unto us. May we never yield ourselves to Thy will with sullen or mere silent resignation but with gladness and songs of praise.

Forgive us for those hours of willfulness and presumptuous confidence when we have failed to heed Thy voice and have turned stubbornly away from Thy guiding hand. Cleanse us now of all self-will and may our cleansing be a consecration.

Hear us in the name of the Christ our Saviour. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. OUTLAND asked and was given permission to extend his remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that today, at the conclusion of the legislative program and following any special orders heretofore entered, I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EXTENSION OF REMARKS

Mr. DICKSTEIN asked and was given permission to extend his remarks in the RECORD by inserting a letter addressed to him by the American Jewish Trades Union and a memorandum addressed to the President of the United States.

PERMISSION TO ADDRESS THE HOUSE

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that, after the reading of the Journal and disposition of business on the Speaker's desk and following any special orders heretofore entered, I may address the House for 40 minutes this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD and include therein a short radio address.

VETERANS' COUNSELORS

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, my attention has been directed to an article appearing in the Washington Times-Herald this morning, wherein it is pointed out that the War Manpower Commission veterans' counselors are being chosen without respect to the veterans themselves.

The counselors' services staff in the District is composed of seven members, six women and one man, not one of whom has had military service. I am informed the War Manpower Commission is using practically the same method throughout the country. I am informed the members of the staff of the District of Columbia have had very little training with respect to these matters.

If there is one place where veterans should be well represented, it is on the Board of Veterans' Counselors. They are the ones who certainly understand and have the viewpoint of the veteran. They know his problems. They can talk his language. There certainly are plenty of well-qualified war veterans who are eligible, capable, qualified, and should have these jobs.

Of all places or appointments where the veterans of the World War are entitled to be represented, it is on these counsel boards. These advisory boards have so much to do with the future planning and the future lives of members of the armed forces. The War Manpower Commission ought to understand and realize the importance of it.

I trust the veterans' organizations throughout the country will see to it that those who have served in the armed forces are given a fair and square deal with respect to this matter, and I hope the War Manpower Commission will immediately cooperate with the veterans' organizations in this respect.

EXTENSION OF REMARKS

Mr. ROBERTSON of North Dakota asked and was given permission to extend his remarks in the RECORD and include a statement made by the work clothing manufacturers of the United States.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks in the RECORD and include a letter.

SUGAR

Mr. JONKMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JONKMAN. Mr. Speaker, for over a year, and especially the last 3

months, I have been calling attention to necessary steps that should be taken in our sugar situation. As a member of the Republican Food Study Committee, I have called attention to the fact that immediate arrangements should be made for the purchase of the Cuban sugar crop so that further arrangements can be made for incentives for the production of cane sugar and beet sugar on the continent, which cannot be done until such action is taken. Production is the answer to our food problems.

Our committee also called attention to the fact that during this tragic sugar shortage no sugar should be exported until after careful review of the amount of sugar on hand. I am pleased to note that the sugar trade in a recent article recommends the same things that we have recommended for some time. I think it is high time that action is taken. I recommend a careful reading of the statement from a recognized leader in the sugar trade recorded on page A3394 of the Appendix of the RECORD by the gentleman from New York [Mr. REED].

The SPEAKER. The time of the gentleman from Michigan has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent that, after the legislative business and any other special orders today, I may address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. STEWART. Mr. Speaker, I ask unanimous consent that, after the conclusion of all business on July 13, 1945, and any other special orders, I may address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BENDER. Mr. Speaker, I ask unanimous consent that, after the legislative business today and any other special orders I may address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an editorial which appeared in the Boston Daily Record, entitled "President Safeguards."

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD and include a letter he received from the office of the city clerk of the city of West Allis, Wis., together with a resolution adopted by the Common Council of the City of West Allis endorsing the bill (H. R. 2787) dealing with Federal social security for servicemen which was introduced by him.

Mrs. WOODHOUSE asked and was given permission to extend her remarks in the RECORD and include a statement by Emil Rieve on reconversion.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and include therewith an address of especial interest to Members of Congress and to the country by Joseph T. Geuting on the place of air power in our future development.

Mr. PATTERSON (at the request of Mr. HEALY) was granted permission to extend his own remarks in the RECORD.

Mr. RANKIN asked and was given permission to extend his remarks on the life and character of Hon. Brooks Fletcher, of Ohio, and to include therein an editorial from the Presbyterian Tribune, written by Dr. Carlisle Adams, chancelor at Park College, Parksville, Mo.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include therein an Associated Press article on un-American activities in California.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments. Pending that motion, Mr. Speaker, I ask unanimous consent to dispense with general debate.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, that is satisfactory to me. That would not mean, of course, that there could be no debate on amendments?

Mr. CANNON of Missouri. Amendments will be considered under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, with Senate amendments, with Mr. SPARKMAN in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk will report the first Senate amendment.

The Clerk read the Senate amendment, as follows:

Senate amendment No. 1: Page 1, line 9, insert:

"COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"Salaries and expenses: For all expenses necessary to enable the Committee on Fair Employment Practice to carry out any functions lawfully vested in it by Executive Orders Nos. 8802 and 9346, including salary of a Chairman at not to exceed $8,000 per annum and 6 other members at not to exceed $25 per diem when actually engaged; travel expenses (not to exceed $63,800); expenses of witnesses in attendance at Committee hearings, when necessary; printing and binding (not to exceed $4,800); purchase of newspapers and periodicals (not to exceed $500); not to exceed $694 for deposit in the general fund of the Treasury for cost of penalty mail as required by section 2 of the act of June 28, 1944 (Public Law 364); and the temporary employment of persons, by contract or otherwise, without regard to section 3709 of the Revised Statutes and the civil-service and classification laws (not to exceed $8,900); $250,000: *Provided*, That no part of the funds herein appropriated shall be used to pay the compensation of any person to initiate, investigate, or prosecute any complaint against any defendant where such defendant does not have the same right to appeal an adverse decision of the Committee on Fair Employment Practice to the President of the United States, or to refer said complaint to the President of the Unied States for final disposition, as is asserted by or allowed the said Committee on Fair Employment Practice in cases where persons complained against refuse to abide by its orders: *Provided further*, That no part of this appropriation shall be used to pay the compensation of any person to initiate, investigate, or prosecute any proceedings against any person, firm, or corporation which seeks to effect the seizure or operation of any plant or other property of such person, firm, or corporation by Federal authority for failure to abide by any rule or regulation of the Committee on Fair Employment Practice, or for failure to abide by any order passed by the Committee on Fair Employment Practice: *Provided further*, That no part of the funds herein appropriated shall be used to pay the compensation of any person employed by said Committee on Fair Employment Practice who issues or attempts to enforce any rule, regulation, or order which repeals, amends, or modifies any law enacted by the Congress."

Mr. CANNON of Missouri. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Mr. CANNON of Missouri moves that the House concur in Senate amendment No. 1 with an amendment as follows:

"Strike out the matter proposed to be inserted by said amendment and insert the following in lieu thereof:

"'COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"'Salaries and expenses: For completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects and limitations specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation, $250,000: *Provided*, That if and until the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided.'"

Mr. COLMER. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. COLMER to the amendment offered by Mr. CANNON of Missouri: On line 7 of the committee substitute after the word "if", strike out the words "and until."

Mr. COLMER. Mr. Chairman, this is a very important amendment. We might just as well understand that to begin with. If my amendment is adopted it means that the funds appropriated must be used for the liquidation of the FEPC. If my amendment is rejected it means that the $250,000 thus appropriated can be used for the continued operation of the FEPC.

What does the language mean? It simply means as it is now written that in the first part of this Committee substitute you march right up the hill to the point of providing funds for liquidation. In the second part of the amendment you immediately march back down the hill and say you have now an appropriation for the operation of the FEPC.

That is the whole thing in a nutshell. There is not much compromise there, if there is a compromise at all, from what the Senate gave you in the first instance.

We might just as well face the issue here. Why did the committee in the second instance find it necessary to retreat again and place these words "and until" in there? But the result in the final analysis, I repeat, is that you march up the hill to begin with, then you march down the hill in the next sentence.

If you really mean what you say in the first sentence of this committee substitute, then you are appropriating $250,000 looking to the liquidation of the FEPC. If you take the second half of that amendment, you find that you are appropriating $250,000 for continuation of the FEPC.

Mr. Chairman, on last Thursday on this floor when the gentleman from New York [Mr. MARCANTONIO] led the wrecking crew to make points of order against all of the appropriations for these other war agencies in this bill because it carried no provision for FEPC, and after he had pointed his finger at me I took the floor and gave his record on war appropriations. I pointed out then that the gentleman from New York was neither Democrat nor Republican, and that he had voted against all appropriations for the defense of this country and the waging of the war against Germany and Japan until the day that Russia came into the war. Then, that in spite of this he had assumed the leadership of this House and was running the show. If there is any doubt in the mind of any of you about that, then I now point out to you that after the Appropriations Committee had brought out its so-called compromise amendment on yesterday, that the gentleman from New York took the floor and objected to the language of that amendment. Thereupon, the Appropriations Committee was immediately called back into session and amended its amendment by including these words, "and until," which entirely changes the purpose of the amendment from that of liquidation of the FEPC to operation thereof. In other words, the whip was cracked again by the distinguished leader from New York and today the skids are all greased to put the amendment through.

I repeat, the issue is clear. A vote for my amendment means liquidation of the FEPC. A vote against it means it can operate on the $250,000. I hope that the amendment will be adopted.

Mr. Chairman, the country is finding out something about this FEPC and I dare say we are going to find before long that this is not a sectional issue, that the people in the East, the North, and the West are just as much concerned as the people of the section from which I have the honor to come. They are finding out what is in this iniquitous proposal, and it is not going to be so popular to follow the leadership of the gentleman from New York on this thing in the future.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. CANNON of Missouri. Mr. Chairman, I ask that all debate on this amendment close in 5 minutes, that 5 minutes to be allotted to the gentleman from Virginia.

The CHAIRMAN. Does the gentleman refer to the amendment offered by the gentleman from Mississippi [Mr. COLMER]?

Mr. CANNON of Missouri. The amendment offered to the committee amendment by the gentleman from Mississippi [Mr. COLMER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. SUMNERS of Texas. Mr. Chairman, I object.

Mr. RANKIN. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

Mr. TABER. Mr. Chairman, a point of order.

Mr. RANKIN. Mr. Chairman, I withhold my amendment and will leave it on the desk until we dispose of the amendment offered by the gentleman from Mississippi.

Mr. COX. Mr. Chairman, I move to strike out the last word of the amendment offered by the gentleman from Mississippi.

Mr. Chairman, the writing of this language into the resolution was a sorry surrender to the gentleman from New York [Mr. MARCANTONIO], upon whose single pair of legs stands every extreme leftist in this country feverishly engaged in digging the grave of private enterprise. Emerson once said that fear is always cruel and mean and except for the presence of this frightful monster the proposal to appropriate for continuation of the Fair Employment Practice Committee would not receive the vote of a single Member of this body who gives his first love to his own country.

The gentleman from Mississippi is correct when he says that the language which he proposes to strike from the pending committee amendment negatives the first part of the amendment.

In other words, the declaration of appropriating for the complete liquidation of the FEPC is completely canceled out by the words which were inserted in the amendment by the committee after the controversy in the House here on yesterday. Gentlemen, go ahead and pass this bill making this appropriation for the continuation of the FEPC, and when you go back home and are confronted by one of your small businessmen, do not turn pale and offer excuses but be candid and confess that you were a party to the perfidy of liquidating his business.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

Mr. RANKIN. If every Member in this House could cast a secret ballot and vote his conviction on this proposition, they would all vote their convictions, and this so-called FEPC would not get 50 votes among the entire membership of 435.

Mr. WOODRUM of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the amendment to the Senate amendment which has been suggested by the committee is an earnest effort on the part of the Committee on Appropriations, whose responsibility it is to pass this war agencies bill, to break the log jam. My dear friend from Mississippi wants to know why the Committee on Appropriations changed its mind; for the same reason that the distinguished Committee on Rules sometimes changes its mind. "It is a wise man that changes his mind." As a matter of fact, there was not any change of mind. Here is what happened: The Committee on Appropriations in a morning session yesterday, in making the change in House Joint Resolution 219, which is the amendment offered today by the committee, and which it had previously reported, sought to give the amount of money provided in the Senate amendment, to wit, $250,000, which might be used by the Fair Employment Practice Committee during the fiscal year 1946 for general purposes, with the understanding, as stated in the amendment, that if enabling legislation is not passed during that time, that that would be the end of the agency. That is what we meant to do. But after the amendment was considered a little more not only by the gentleman from New York but by the gentleman from Illinois [Mr. DIRKSEN], by the gentleman from Indiana [Mr. LUDLOW], and other gentlemen, in favor of this agency, it was decided that perhaps a strict construction of that language by the General Accounting Office would mean that they could not use any of the fund for the fiscal year except for purely liquidation purposes; that if a new case came in or any new project of any kind during that fiscal year, they could not use a penny of it. That was not what the Committee on Appropriations meant to do. We intended to give them the $250,000 for the year 1946, and not to go beyond that time, with the understanding, as stated in this amendment, that if enabling legislation is not passed during that time, that would be the end of the Fair Employment Practice Committee.

We felt that that was a reasonable compromise. And may I say this, that I do not favor the Fair Employment Practice Committee. I do not want any part of it. I would be quite willing to liquidate it immediately if such were possible. I do not think it accomplishes what its champions mean to accomplish. I think it is definitely harmful to the racial relations in this country. I do not think it is helping the people they are trying to help. But that is not the situation that is involved here. Concessions have been made all along the line. And I want to say to my good friends that we have not only talked with the Members in the House here who are on both sides of this question, but we have talked with our friends at the other end of the Capitol. It seems to me that this is a sensible way out of this thing. We give the agency only about half of what they had this year that they may use for general purposes not beyond the fiscal year

1946. It continues as a war agency, temporary in character, and applying only to industries engaged in the war effort.

Mr. CLARK. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield to the gentleman from North Carolina.

Mr. CLARK. I want to ask the gentleman why, if that is true, they should put in the resolution any language as to liquidation of the FEPC?

Mr. WOODRUM of Virginia. That is a concession made to some gentlemen here who are anxious to have a clear understanding that if enabling legislation is not passed, that it is understod that it is in liquidation. As I say, if you were starting out to draw the language originally you could probably dress it up in very much better parliamentary language, but this is compromise language. This is a compromise made on all sides. Gentlemen, practically all legislation is passed after concessions and after compromise, and I hope the House and the committee will permit this to be adopted as the committee has reported it and permit this bill to proceed and get it wound up.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. RIVERS. Does the gentleman believe in his own heart the iniquitous FEPC will ever be liquidated?

Mr. WOODRUM of Virginia. That is beside the point. We have a condition facing us and not a theory. It is not a question of whether we will appropriate for it at all. The gentleman knows the parliamentary situation in the House. They know what it is feared will happen here if this is not done. We must pass the war-agency bill.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. WOODRUM of Virginia. I yield.

Mr. BROOKS. Is the gentleman able to say this: If no legislative authorization for the FEPC is passed during the fiscal year which we are just about to enter that no fight would be made by the proponents of the FEPC when the next appropriation bill comes up?

Mr. WOODRUM of Virginia. Of course I cannot say that to the gentleman but I can say to the gentleman the committee has a ruling from the Comptroller General that not one penny of this money can be used beyond the fiscal year 1946 unless enabling legislation is passed.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. KEEFE. Mr. Chairman, I move to strike out the last word.

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield for the purpose of making a unanimous-consent request?

Mr. KEEFE. I yield.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 1 hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. WHITTINGTON. Mr. Chairman, reserving the right to object, does that mean the pending Colmer amendment?

Mr. CANNON of Missouri. The pending amendment to the committee amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RIVERS. Mr. Chairman, will those who are standing be given 5 minutes each?

The CHAIRMAN. The Chair has instructed the Clerk to make a list of those who desire to be heard. The gentleman from Wisconsin [Mr. KEEFE], who now has the floor, will be recognized for 5 minutes and the time will be divided equally among the other gentlemen.

The gentleman from Wisconsin [Mr. KEEFE] is recognized for 5 minutes.

Mr. KEEFE. Mr. Chairman, I think it is quite proper at this time at the beginning of this debate that we have in mind that the temporary FEPC had its genesis in an Executive order of the President of the United States. It has no real authority or justification except that to be found in the Executive order creating it for temporary war purposes. The temporary organization has no vitality except that found in the Executive order. This temporary committee, therefore, will function until the Executive order is repealed regardless of whether we appropriate funds or not. It should be understood that it is a war agency and only affects war industries and unless authorized by action of the Congress the committee will cease to function at the close of the war under the terms of the Executive order. The fact which I think should be understood—and I would like the chairman to correct me if I am in error—is this: If the language is adopted that has been offered by the Appropriations Committee the temporary FEPC will continue for 1 year under the terms of the Executive order and not beyond the end of the fiscal year 1946. Should the situation be that during that period of a year the war should end and the emergency end which justified the creation of temporary FEPC under Executive order, the temporary activities of FEPC would likewise end at that time, irrespective of the language in this amendment. Is that true?

Mr. CANNON of Missouri. No other interpretation is possible under the phraseology of the amendment, and that is in accordance with the view of the staff of the General Accounting Office whom we consulted about the matter.

Mr. KEEFE. Then we have two alternatives. If the language as proposed by the Appropriations Committee is adopted it will permit the expenditure of $250,000 to continue the temporary FEPC for a maximum period of one fiscal year, and if the war is over during that fiscal year and peace is declared, the temporary FEPC will be abandoned at such earlier period. Is that correct?

Mr. CANNON of Missouri. Of course, under the terms of the Executive order the emergency ceases with the conclusion of the war, and no further expenditures, unless for liquidation, are authorized under this appropriation.

Mr. KEEFE. The only other thing that would justify a continuance of FEPC would be a report to this House of a bill authorizing a permanent FEPC. Is that correct?

Mr. CANNON of Missouri. Naturally, if the Committee on Labor brings in a bill, which is agreed to by the House and becomes law, establishing a permanent FEPC, the whole situation changes.

Mr. KEEFE. Now it seems to me that the compromise which the Appropriations Committee has brought to the Congress is one that should be adopted without equivocation of without challenge. I, as a member of the Appropriations Committee, resent with all the vigor that I have at my command the implications contained in the remarks of the distinguished gentleman from Georgia and the remarks of the distinguished gentleman from Mississippi, that members of the Appropriations Committee, or at least those for whom I speak, have been ordered around by the gentleman from New York [Mr. MARCANTONIO]. The action which I took as a member of the Appropriations Committee, and the action taken by the overwhelming vote of the Appropriations Committee, including such men as the distinguished gentleman from Washington [Mr. COFFEE], and the distinguished gentleman from Virginia [Mr. WOODRUM], who are on opposite sides of this question, is that this is the only way we can solve the impasse and get this vital and necessary war-agencies bill adopted. The Colmer amendment should be defeated.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

The Chair recognizes the gentleman from Texas [Mr. LANHAM] for 2 minutes

Mr. LANHAM. Mr. Chairman, in order to give you information which should convince you that the gentleman from Mississippi [Mr. COLMER] has made the correct diagnosis of the effect of the committee substitute that it would mean marching up the hill and then marching down again, I want to give you from the standpoint of the opponents of the amendment of the gentleman from Mississippi what I consider the subversive low-down, in a quotation from the Daily Worker of July 12, 1945:

> CANNON tried to pull a fast one this morning. The Appropriations Committee, under his leadership, rejected the Senate amendment to the war-agencies bill providing $250,000 funds to carry on the work of the agency and inserted a substitute clause requiring the $250,000 to be used only for the liquidation of the committee.
>
> But CANNON had to retreat. When the House was called to order, MARCANTONIO took the floor to call for the substitute's defeat.
>
> "This isn't a compromise; it's plain liquidation," cried MARCANTONIO. "Every friend of FEPC will vote against it."
>
> The Comptroller General would not let a cent of the $250,000 be used to carry on the work of the committee under the terms of this substitute, for the language says the money must be used for liquidation, he pointed out.
>
> CANNON then hastily called another Appropriations Committee session and inserted a qualification that the $250,000 could be used for the work of the committee "until" Congress orders the continuation of FEPC—that is, until the bill for a permanent FEPC is approved—during the life of the present fiscal year.
>
> The liquidation proviso still remains in the amendment, but it is cancelled out by the "until" qualification.

If you could get any more clear and lucid authentication of the accuracy of the statement of the gentleman from Mississippi [Mr. COLMER] than this which comes from what I consider to be the recognized publication of the Communist Party, I do not know where you would find it. I certainly hope this amendment of the gentleman from Mississippi, the adoption of which would assure liquidation, will prevail.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The gentleman from Ohio [Mr. VORYS] is recognized for 2 minutes.

Mr. VORYS of Ohio. Mr. Chairman, we ought to defeat the Colmer amendment because we should continue this experimental wartime FEPC until we can have a permanent law. We ought to pass this compromise appropriation for a wartime FEPC in a hurry. Of course, it does not satisfy the extremists on either side of the FEPC debate. I am voting for it because it will continue at least in part the work of an agency which has tackled one of the thorniest problems in our country. Wartime FEPC has not been perfect and has not satisfied everyone, but it has been of practical help in finding practical answers to a very practical question. The question is easy, but the answers are not so easy. The question is, When our country needs manpower for the war effort, how can we put to work those who are otherwise properly qualified but who are denied work in the war effort solely because of their race, creed, or color? This appropriation will give FEPC a chance to continue its war work and to work out some practical answers on a similar problem that will be with us during reconversion and in peace.

Legislation to create a permanent FEPC is a congressional nettle. Those who are trying to avoid it are getting stung every time they try to pass it, but if Congress would take a firm hold of it, none of us would be hurt. The trouble now is that by avoiding the problem we are permitting extremists on both sides to describe the proposed operation of a peacetime FEPC in terms that have little to do with the facts of life. I heard a speaker at an FEPC rally claim that FEPC will guarantee a job for everyone, regardless of race, color, or creed. This is not true. I have heard advocates of white supremacy from the deep South claim that the FEPC is going to violate the sanctity of our homes and entirely change our system of government. This is not true. On the other hand, sooner or later Congress is going to have to deal with the central economic problem the FEPC is trying to solve. What about Negroes who cannot get jobs for which they are properly qualified, solely because of discrimination against their color? The overwhelming volume of cases that come before FEPC involve Negroes. That test, "properly qualified," is in the Norton bill. Shall those Negroes go on relief, or crowd out Negroes in other jobs, and have them go on relief? All of us talk glibly about a "right to work." If that does not involve somewhere along the line a "duty to hire," it is a very hollow right. If a Negro has a right to work and no employer has an obligation to hire him for work for which he is properly qualified, then does the Government have the duty to provide such work? Or does the Negro have a duty to go on relief? This is the problem involved in FEPC.

There are a lot of race problems that FEPC does not touch, although they are always lugged into any discussion of FEPC. The proposed bill does not have a thing to do with social discrimination, schools, residential segregation, Jim Crow cars, interracial marriage. It deals solely with one economic problem—employment, and it forbids only one thing, discrimination in employment based solely on race, color, or creed. I am not satisfied with many provisions of the Norton bill and would vote for proper amendments. I realize that others may have sincere and valid objections to provisions that seem satisfactory to me. I cannot see how any of us can conscientiously duck the whole problem and say "Leave it to the States and private individuals" when we know that the States and the public will come right back to Congress with the economic results of such a policy, unemployment, relief, slums, public health, and the rest.

Certainly we can all agree that in Federal jobs and on Federal contracts Congress has a duty to see that "properly qualified" Negroes are employed. Certainly it is better to have a single clearinghouse for these problems than to have hundreds of different standards, tests, and decisions. Certainly we can all agree that certain kinds of interstate commerce which are regulated and protected by the Federal Government have an obligation not to discriminate in hiring. Certainly we can all agree that individual private employers have certain rights that should be protected. How define these areas of agreement? What protection should be given the Negroes, the Government, private employers? I believe all this should be defined and limited by law, rather than turned over to some Federal agency to define, and penalties for violation should be determined by Congress and enforced by the courts. Part of our present difficulty comes from the fact that Congress has become too accustomed to dodging problems by turning them over to bureaucrats, with power to act, when Congress cannot make up its collective mind. Here is a situation where Congress, after proper investigation and hearings, should give the answers, not some bureau or agency. At present we have one group of zealots in Congress who would duck the issue by turning over practically unlimited powers to a permanent FEPC, and another group who would duck the issue by having no law and no agency. The duty of Congress is in between these extremes.

I believe this job is bigger than one for the Labor Committee. It cuts across the jurisdiction of the Interstate and Foreign Commerce, Judiciary and Labor Committees. We should create a new special committee, with power to hold hearings and introduce legislation on this subject. This committee should be set up at an early date and go to work. This suggestion may be buried along with the present FEPC bill. The basic problem however will not wait. It needs Congressional attention soon. There is a way to get a very important committee to work on this bill, the Committee of the Whole House on the State of the Union. I do not like the discharge petition method of legislating. If it is, as in this case, the only method by which a thorny, difficult and important matter can be brought before the House, I am willing to see it used. I have signed the FEPC discharge petition, as a step toward having Congress meet this problem and attempt a solution, instead of ducking it.

The Republican Party is pledged to have Congress create a permanent FEPC. Our party has not endorsed the Norton bill or any other bill, but we have pledged ourselves to work out a law defining fair employment practices. In Ohio a candidate for Congress on filing his declaration pledges himself to support his party platform. When I signed that pledge I meant it.

This problem of discrimination because of race, color, or creed is not just a local problem, or just a national problem. It is international, and the race which now controls in each country must solve it fairly, in order to survive. This spring I visited the concentration camps in Germany. At Buchanwald, Nordhausen and Dachau I saw the way the Germans, the "master race," attempted to solve the problem. Their method was by steady, wholesale discrimination, subjection, torture, and eventual elimination of those of other races, color, and creeds. I was in Europe on May 7, at the time of unconditional surrender, and saw the result of this policy, as far as the Germans themselves were concerned. The master race policy was not working so well for the Germans. In the Orient another master race has been following the German pattern and the results are proving equally disappointing to their race supremacy theories. White Christians, who outnumber all other groups in America, had better not follow the master race theory through to their ultimate race suicide. In a world where we are overwhelmingly out-numbered, we must work out here and all over the world, livable, workable arrangements for all minority races, colors and creeds, not only for their protection, but for our own protection. This vast problem, which involves the peace of the world, and the future of our own kind, is involved in this FEPC question.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The gentleman from Ohio [Mr. BENDER], is recognized for 2 minutes.

Mr. BENDER. Mr. Chairman, I have heard the remarks of the previous speakers. The question has been raised as to who is kidding whom.

As a member of the Republican Party, I am of the opinion that platform planks are not fish-hooks to catch suckers with; and you ladies and gentlemen who are members of the Democratic Party I am sure share that view. This issue was supported in the Democratic platform and in the Republican platform.

Mr. RUSSELL. Mr. Chairman, will the gentleman yield? I challenge that statement.

Mr. BENDER. Then I will not speak about the Democratic platform, but I

understand it is contained in that platform.

Mr. RUSSELL. That is an error.

Mr. POAGE. No.

Mr. BENDER. But it is contained in the Republican Party platform. I was a delegate to the Republican National Convention and I know delegates to the convention were big businessmen, manufacturers, little businessmen, farmers, laborers, lawyers, doctors, and members of the professions. All walks of life were represented in the Ohio delegation to the Chicago convention of the Republican Party. The FEPC was a part of that platform.

Now, Mr. Chairman, as a member of my own party this is my opportunity to vote for a plank in the Republican platform. There was not a single objection raised on the floor of the Republican National Convention to this proposition in the platform. Since I took a pledge at the time I signed my petition as a candidate for Congress and took oath that I would support the platform of my party, I now intend to support it by voting for FEPC. I support it also because it is Ohio law requiring Members of Congress to support their party platforms.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from Maryland [Mr. ROE].

Mr. ROE of Maryland. Mr. Chairman, I urge support of the Colmer amendment. The change completely nullifies the first amendment. In the beginning the committee amendment states that the functions of the Committee on Fair Employment Practice are terminated, then they put in the words "until an additional appropriation shall have been provided." Those two sentences are contradictory.

I do not want to approach this thing in a prejudiced way or in a fanatical way, but rather in a calm, sensible manner. The whole legislation is bad. The end of the war is approaching and we are going to need every businessman to give employment to our soldiers when they come home. Every restriction like this that we pass is going to throttle American business. We passed some legislation during the First World War that did not have the support of the people; it did not work very well and we had to repeal it. We have a similar situation here. This legislation does not have the support of the people of the country. It is being forced upon us by foreigners whom we invited to our shores and who are now trying to tell us how to run our country. They did not like where they were living in Europe, they came over here to find a better home, and now they are trying to tell us how to run the country.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, to my mind there seems no use in endeavoring to try to draw a red herring across the trail as some men would like to do today and are doing. The political ideology of any one Member or any group of members is quite beside the point. We are interested primarily in slamming the door or keeping the door open with reference to the FEPC. I am sure that we on this side of the aisle want to follow President Truman, our leader, who has come out four-square for the FEPC, the Daily Worker, notwithstanding, and President Roosevelt, author of the FEPC, if living, I am sure, would want us to vote for its continuance. Assuredly their espousal of FEPC does not taint them with communism. I do not wish my leader, President Truman, to be repudiated. We do just that if we vote for the Colmer amendment.

With reference to the platforms of the two parties, may I read the Republican plank referred to by the gentleman from Ohio [Mr. BENDER]:

> We pledge the establishment by Federal legislation of a permanent Fair Employment Practice Commission.

A platform pledge should be like a sacred vow, like a solemn handclasp signifying a worthy promise.

What does the Democratic plank say? It reads as follows, with reference to the purposes of the FEPC:

> We assert that mankind believes in the "four freedoms."

I remind the Members of the House that two of those "four freedoms" are freedom from fear and freedom from want. If you cannot get a job, there is fear. If you cannot get a job, there is no freedom from want. The plank in the Democratic platform continues:

> We believe that the country which has the greatest measure of social justice is capable of the greatest achievements.

There is no social justice in this land and there will be no social justice if we do not continue FEPC. Inability to get or retain a job because of race or creed surely does not spell out "social justice." The platform plank continues:

> We believe that racial and religious minorities have the right to live—

Certain minorities cannot live if they have no jobs, if they are ostracized and discriminated against.

I call upon Republicans and Democrats to redeem their platform pledges.

Denial of moneys for FEPC cannot be defended, when every citizen, including Catholics, Jews, and Negroes are taxed to pay for upkeep of all other war agencies. They all pay for war contracts. They sacrifice like everyone else. No groups are exempted from armed services. War services are not limited to race, or creed, or color. Why should jobs in war plants, jobs anywhere, in war or in peace, be offered or retained upon the basis of color or religion, regardless of experience, ability, or talent?

Don Gentile, Colin Kelly, and Meyer Levin are names of heroes in this war. They typify the diverse races and creeds that make up America. They would want no discrimination in jobs because of creed or race or pigmentation of skin.

President Roosevelt early came to the conclusion that in the United States the right to a job is as fundamental as "life, liberty, and the pursuit of happiness," and that our democracy must give every man and woman, able and willing to work, the right to work. That right cannot be filched away because of race or religion.

He knew well the words of Tom Paine, whose pen proved mightier than the sword during the American Revolution. Paine wrote at that time, "Prejudice, like a spider, makes everywhere its home and lives where there seems nothing to live on."

Assuredly, one would think that racial and religious animosity should have no place in our midst, especially during these trying days, when we read that soldiers, sailors, and marines, regardless of race or creed or condition of birth are among the casualties—the missing, the wounded, and dead. Yet numerous professional anti-Semitic, anti-Negro, anti-Catholic groups are looking about for new conquests, for new unthinking peoples to exploit. Like spiders, they weave their webs for the unwary and unsuspecting.

Roosevelt was aware of these perils. He was unafraid to fight them. The FEPC was one of his many weapons in his war against discrimination.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from South Carolina [Mr. ERVIN].

Mr. ERVIN. Mr. Chairman, I hope that some time today I will get a chance to vote for liquidation of the FEPC. I am going to vote for the Colmer amendment because that comes nearer to doing that than anything I know of.

Mr. Chairman, in 2 minutes a man cannot say very much, but I do want to say that in voting to encourage a temporary FEPC you will be encouraging a permanent FEPC.

There are several reasons why I do not like a permanent FEPC, and I could not begin to talk about more than one of those reasons in 2 minutes. I do direct your attention to that section of the bill which says that there cannot be any discrimination by any instrumentality of the Federal Government. What does the word "instrumentality" mean? That means anybody who attends to the business of the Federal Government. What is the business of the Federal Government? Our Government is divided into the executive, legislative, and judicial branches. Consequently the FEPC would have a right to select practically all of the employees of the Federal Government who attend to the executive, legislative, or judicial business of the Government, and that would include your own stenographer and your own secretary here in your office. Have the Members of Congress gotten to the point where there have not sense enough to select their own stenographer and their own secretary and have to get this crowd in the FEPC to do it? Another thing. What are some of the other instrumentalities of the Federal Government? One of the most important pieces of business in the Federal Government, I am sorry to say, is the expenditure of money, and it is done in large part by your State and local governments. Federal money is spent for agriculture, for forestry, for highways, for public health, for public welfare, and any number of other projects, and this means that the FEPC would have the right to select the employees of

your State and local governments who expend Federal funds for any purpose. You may say that they would not do that. I call your attention to the fact that the same language is used in the Hatch Act, which says that an employee of a Government agency cannot participate in the management of a political campaign. Recently, in the State of Oklahoma, the chairman of the State highway commission was convicted of violating the Hatch Act, because he was employed by a State agency which spent Federal money for highways and had participated in a political campaign. A permanent FEPC would have power, which it would doubtless exercise, to help select employees for all agencies of States, counties, cities, and towns which spend Federal aid for many purposes.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. POWELL].

Mr. POWELL. Mr. Chairman, I think we are going to do ourselves a grave injustice if we confuse what is before us now with a permanent FEPC. Despite the speeches of some of our colleagues we are still at war, and it is a bitter war. Men are still going to die before we win it with a complete victory. If a temporary FEPC has been of assistance to us during the past 4 years, we must by all means continue it. We are going to need the 100-percent cooperation of every American citizen, black and white, North and South, to whip fascism in the Pacific. The question is whether we are going to win the war in the shortest possible time by complete marshaling of all of our home-front forces on the production line or whether we are willing that more lives than necessary be lost in order that sectionalism shall triumph over our national ideals.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. NORRELL].

Mr. NORRELL. Mr. Chairman, I am not going to try to make a speech, first, because no one could in 2 minutes and, second, because it would serve no useful purpose. This argument has been proceeding for months. All has been said. It is now time to vote.

I do want to say as a member of the Committee on Appropriations that I have always opposed FEPC appropriations. I voted against the compromise measure yesterday. I am going to vote for the pending amendment and any other amendment offered making it less harmful or that will ultimately defeat it. I say this in view of the fact that I challenge any Member on the floor of this House to prove that he is any more friendly or any more interested in the colored man than I am. I have lived among them all of my days. In my district is located one of the great Negro colleges in this country, and we are proud of it. Our relationship has been most agreeable. We are getting along very well together and I hope this relationship may continue.

Gentlemen, I hope that you will not talk about bureaus and commissions if you vote for this bill. I hope that the Republicans will no longer endorse a portion of the domestic administration of my party when, in endorsing that administration in the election of 1940, you lost. You endorsed the administration of my party again in 1944 and you lost. I do not know when you think you can get the Democrats out of office if you endorse the policies of the Democratic Party and then hope that you will win in the next election.

We should not, and as a matter of fact cannot, tell the American people how they shall operate their business, whom they shall employ, and control all other operations. They will not stand for it. They will close shop and quit rather than submit to such unreasonable control. This will create unemployment. Danger certainly would confront us. I hope the appropriation for FEPC may be defeated.

FEPC—A BETRAYAL OF WHITE AMERICANS

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Chairman, the passage of a law at this time legalizing this so-called FEPC would be a betrayal of the white people of the country. If every individual in the United States could understand just what it means, there would be such a roar of protest coming from every State in this Union that it would never see the light of day.

Of course, I am for the Colmer amendment, and I am then for killing this whole FEPC program.

If every Member of Congress would "screw his courage to the sticking place" and vote his convictions on this so-called FEPC, it would not get 50 votes out of the entire membership of 435.

It is a most dangerous and brazen attempt to fasten upon the white people of America the worst system of control by alien or minority racial groups that has been known since the crucifixion.

When I read names of the personnel of this outfit you will understand what I mean.

To sanctify this organization by law would give the lie to everything we have told our American boys they were fighting for. Instead of coming back to liberty, freedom, and democracy, they would find themselves sold into this bondage, herded, humiliated, and regimented by alien influences directed by a foreign comintern representing the deadly doctrine of Karl Marx that is based upon hatred for Christianity and for everything that is based on Christian principles.

It is a manifestation in legislative form of that infidelity that has closed thousands of Christian churches in Europe and been responsible for the murder of untold millions of Christian human beings.

This measure is not directed altogether at the white people of the South. If it were you folks in the North would not have so much ground for alarm. We in the South know how to combat subversive elements. As Henry Grady once said, we wrested the South from such domination "when Federal drum beats rolled nearer, and Federal bayonets hedged closer to the ballot box of the South than it ever will again in this Republic."

But you people in the North have not had that training, and this FEPC is likely to bring grief, strife, hatred, race riots, and chaos in your northern cities if this vicious agency is perpetuated and sanctioned by your votes.

Do not forget that the returning servicemen know what this thing means, and they are going to call you to account next year—beginning with the primary. They are not going to wait until the general election.

Do not forget that every businessman, every farmer, every professional man, and every other independent individual whose blood glows with the instinct of American liberty, is going to join these men, and those other patriotic forces that are fighting to save American institutions for which these boys have been fighting and dying upon every battlefield in the world.

If every man and every woman in the United States could just read the list of individuals that composed the personnel of this crazy FEPC, and its subdivisions throughout the country, I dare say there would not be enough of you left who vote for it, even if nominated in the primaries next year, to form a corporal's guard.

For your information, and for the information of the American people generally, I am going to read you the official personnel as it exists today. Remember, this list is taken from the official record. This is the group that wants to nose into and control every business in the United States. Remember, they can search the files and records of every business establishment in America where some disgruntled individual is willing to trump up a charge of discrimination. They can drag them all over the country and try them, and in that way destroy any ordinary business concern.

The next thing they are going to try to do is get control of your schools and force their communistic henchmen into the schools and teach your children their subversive doctrines.

Read these lists carefully which, as I said, are taken from the official records here in Washington, and you will see that not 1 out of 10 on these rolls is a white, gentile American.

Here is the official list:

COMMITTEE ON FAIR EMPLOYMENT PRACTICE,
WASHINGTON, D. C.

Office of the Chairman

Incumbent	Title	Race	Salary
Ross, Malcolm	Chairman	White	$8,000
Johnson, George M.	Deputy Chairman.	Colored	8,000
Hubbard, Macco	Hearings examiner.	Colored	5,600
Bloch, Emanuel	Hearings examiner.	White	5,600
Copper, Evelyn	Hearings examiner.	White	5,600
Berking, Max	Assistant to Chairman.	White	3,800
Alexander, Dorothy	Secretary to Chairman.	Colored	2,600
Clifton, J. Jeanne	Secretary to Deputy.	Colored	2,000
Brooks, Mary	Clerk-stenographer.	Colored	1,800
Banting, Myra	Clerk-stenographer.	White	1,800

You will note that in this office of the Chairman, consisting of 10 people, there are 5 Negroes and 5 white people, most of whom have foreign names. One of the whites is a stenographer who receives the smallest salary of anyone on the list.

Remember that the members of this group preside over the destiny of every business enterprise in America, and are using their assumed powers to harass white Americans out of business.

This is the organization Members of Congress are being asked to perpetuate by the passage of this bill.

FIELD OPERATIONS

Here is the Division of Field Operations:

Field operations

Incumbent	Title	Race	Salary
Maslow, Will	Chief	White	$6,500
Mitchell, Clarence	Principal fair-practice examiner.	Colored	5,600
Davidson, Eugene	Principal fair practice examiner.	Colored	5,600
Beall, W. Hayes	Senior fair-practice examiner.	White	4,600
Mercer, Inez	Fair-practice examiner.	White	3,800
Rogers, Eleanor	Clerk-stenographer.	Colored	1,800
Saito, Otome	Clerk-stenographer	Japanese-American.	1,800
Thompson, Mildred	Clerk-stenographer.	Colored	1,800
Cornick, Emma	Clerk-stenographer.	Colored	1,620

You will note that it consists of nine people—five Negroes, one Japanese, and three others—two of whom have records of affiliations with Communist-front organizations, according to the reports of the Dies committee.

Imagine this group going about over the country riding herd on the white American businessmen of the Nation, telling them whom they shall employ, whom they shall promote, and with whom they may associate.

It would be interesting, and probably enlightening, to check up on these people and see how many of them are native-born Americans.

Members of Congress had better do this now, before they get caught in this trap, because this question of un-American activities is going to be an issue in every congressional district next year, beginning with the primaries.

The people are not going to wait until the general election for someone who holds a commission as a result of the pernicious activities of Sidney Hillman and his gang to wrap the party cloak about him and shout to the people of his district that "I am a Republican" or "I am a Democrat."

More than 2,000,000 young men have already been discharged in this war, and they are organizing now to try to save America for Americans. They are going to read your records, and they are likely to ask you some very embarrassing questions when you get home.

REVIEW AND ANALYSIS DIVISION

Now look at this list and see who reviews all these records of racial discrimination when they come to Washington, and you will understand how the editor of the Dallas News felt and how other white gentiles feel, including Cecil B. DeMille, the great American movie producer, when there are harassed out of business.

Here is the list:

Review and Analysis Division

Incumbent	Title	Race	Salary
Davis, John A	Chief	Colored	$5,600
Lawson, Marjorie	Research analyst.	Colored	3,800
Golightly Cornelius.	Compliance analyst.	Colored	3,200
Hemphill, India	Compliance analyst.	Colored	2,600
Coan, Carol	Compliance analyst.	White	2,600
Davis, Joy P	Compliance analyst.	Colored	2,600
Hoffman, Celia	Clerk-stenographer.	White	1,800
Spaulding, Joan	Clerk-stenographer.	Colored	1,800

You will note that it consists of six Negroes and two white people, one of whom is named Carol Coan and the other Celia Hoffman, a white stenographer receiving the lowest salary on the list.

Now, if you sign the petition to bring out this bill or vote for this monstrosity, do not forget that when you get home those white American businessmen who help to sustain this Nation in time of peace and whose sons are fighting its battles in time of war are going to want to ask you some questions that you may not be able to answer.

LEGAL DIVISION

But if you want a real laugh, look at this Legal Division.

Legal Division

Incumbent	Title	Race	Salary
Reeves, Frank D	Attorney	Colored	$4,600
Stickgold, Simon	Attorney	White	4,600
Gordon, Jernevive	Clerk-stenographer.	Colored	1,800

You will note that this so-called Legal Division consists of two Negroes and a Simon Stickgold.

INFORMATION DIVISION

Now we come to the Information Division. If you want information about this outfit write to this Division:

Information Division

Incumbent	Title	Race	Salary
Bourne, St. Clair	Information specialist.	Colored	$3,800
Whiting, Margaret	Clerk-stenographer.	Colored	1,800

You will note that it consists of two Negroes, one registered as an information specialist and the other as a clerk-stenographer.

BUDGET AND ADMINISTRATION

Now we come to the Budget and Administration Division. This Division not only makes up the budget but administers the regulations. Here is the list:

Budget and Administration

Incumbent	Title	Race	Salary
Jones, Theodore	Chief	Colored	$5,600
Jeter, Sinclair	Assistant administrative officer.	Colored	3,200
Baker, Vivian D	Clerk-stenographer.	Colored	2,000
Jackson, Bosales A	Clerk-typist	Colored	1,620
Paynter, Minnie A	Clerk-typist	Colored	1,620
Hollomon, Irving	Clerk	Colored	1,440

Budget and Administration—Continued

Incumbent	Title	Race	Salary
Selby, Ralph R	Chief, fiscal	Colored	$2,600
Ross, Sylvia B	Voucher auditor	Colored	2,000
Nelson, Otelia	Accounting clerk	Colored	1,620
Carpenter, Elizabeth.	Accounting clerk	Colored	1,620
Brent, Pearl T	Accounting clerk	Colored	1,620

This outfit, which is composed of 11 Negroes, and no whites at all, not only makes up the budget for financing this aggregation, but it seems to have the power of administration. I hope you will read this list to your white businessmen, farmers, and ex-servicemen at home when you get back and ask for renomination in the primaries next year.

MAIL AND FILES DIVISION

Now, here are the ones that have control of the mails and filing system:

Mail and Files

Incumbent	Title	Race	Salary
Douglas, Lela	Chief, Mail and Files.	Colored	$2,000
Welch, Selena	Docket clerk	Colored	1,800
Gamble, Jessie	File clerk	Colored	1,620
Phillips, Rose	File clerk	Colored	1,440
Reed, Charles	Messenger	Colored	1,380
Mitchell, Regina	File clerk	Colored	1,440

You will note that this division is composed entirely of Negroes—six Negroes and no whites at all. I wonder why they discriminated against the white race in setting up these two powerful branches of this most dangerous agency?

REGIONAL OFFICE, NEW YORK

Now, let us turn to the regional offices and see who is going to harass the business people back in the States. Here is the list for the State of New York:

Regional office, New York

Incumbent	Title	Race	Salary
Lawson, Edward H.	Regional director.	Colored	$5,600
Jones, Madison S	Fair-practice examiner.	Colored	3,800
Jones, Robert G	Fair-practice examiner.	Colored	3,800
Donovan, Daniel R	Fair-practice examiner.	White	3,800
Irish, Miriam	Clerk-stenographer.	Colored	2,000
Asepha, Tillie	Clerk-stenographer.	White	1,620
Schwartz, Sonia	Clerk-stenographer.	White	1,620

This is the list that is going to help Governor Dewey harass the white American businessmen of the Empire State. You will note that it is composed of four Negroes and three white people. Please read the names of the three white people and see if you can figure out their antecedents.

Businessmen of New York are going to have a hard time after this war without having all this communistic conglomeration to deal with, to say nothing of the one which Governor Dewey and his political henchmen have now heaped upon them.

REGIONAL OFFICE, PHILADELPHIA

Now, let us turn to Philadelphia, the birthplace of the Constitution, the City of Brotherly Love. At the risk of caus-

ing glorious old Benjamin Franklin to turn over in his grave, I read you the list:

Regional office, Philadelphia

Incumbent	Title	Race	Salary
Fleming, G. James	Regional director.	Colored	$5,600
Greenblatt, Mildred.	Fair-practice examiner.	White	3,800
Manly, Milo A	Fair-practice examiner.	Colored	3,800
Risk, Samuel R	Fair-practice examiner.	White	3,800
Grinnage, Willard	Fair-practice examiner.	Colored	3,200
Gorgas, Helen	Clerk-stenographer.	Colored	1,800
Klinger, Karyl	Clerk-stenographer.	White	1,800
Brown, Grayce	Clerk-stenographer.	Colored	1,440

You will note that it is composed of eight individuals—five Negroes and three whites, Mildred Greenblatt, Samuel R. Risk, and Karyl Klinger.

Don't you know there will be some brotherly love when that crowd gets going on the businessmen of the Philadelphia area?

REGIONAL OFFICE, WASHINGTON, D. C.

Now, here is the regional office in Washington, D. C., the Nation's Capital, where there has been so much persecution of white gentiles in the last few years. Here is the list:

Regional office, Washington, D. C.

Incumbent	Title	Race	Salary
Evans, Joseph	Regional director.	Colored	$5,600
Houston, Theophilus.	Fair-practice examiner.	Colored	3,200
Kahn, Alice	Fair-practice examiner.	White	2,600
Chisolm, Ruby	Clerk-stenographer.	Colored	1,800
Urback, Dorothy	Clerk-stenographer.	Colored	1,620

You will note it consists of four Negroes and Alice Kahn. Just what chance a white gentile will have with this group is entirely problematical, to say the least of it.

REGIONAL OFFICE, CLEVELAND

Now let us move out where the West begins and take a look. Here is the list in the Cleveland regional office:

Regional office, Cleveland

Incumbent	Title	Race	Salary
McKnight, William.	Regional director.	Colored	$4,600
Abbott, Olcott R	Fair-practice examiner.	White	3,800
Glore, Lethia	Fair-practice examiner.	Colored	3,200
Kelley, Berniza	Clerk-stenographer.	Colored	1,620
Wasem, Edna	Clerk-stenographer.	White	1,800

You will note that this group is composed of three Negroes and two whites, Olcott R. Abbott and Edna Wasem.

Don't you know the white people of Cleveland will enjoy being dominated by them?

CINCINNATI REGIONAL OFFICE

Cincinnati seems to be largely under the jurisdiction of the Cleveland office since it only has two people:

Cincinnati

Incumbent	Title	Race	Salary
James, Harold	Fair-practice examiner.	White	$4,600
----------	Clerk-stenographer.	----------	1,800

DETROIT REGIONAL OFFICE

Now let us move on to Detroit, Mich. Here is the regional office for Detroit:

Detroit

Incumbent	Title	Race	Salary
Swan, Edward	Examiner in charge.	Colored	$4,600
Sese, Doris K	Clerk-stenographer.	Japanese-American.	1,620

You will note that it is composed of one Negro and one Japanese. I know the businessmen of Detroit are grateful for this consideration.

I should like to hear some of the comments they will make to you gentleman from Detroit when you get home next summer, if you support this vicious measure.

REGIONAL OFFICE, CHICAGO

Here is the list of the regional office in the Windy City:

Regional office, Chicago

Incumbent	Title	Race	Salary
Henderson, Elner	Regional director.	Colored	$5,600
Gibson, Harry H. C.	Fair-practice examiner.	Colored	3,800
Schultz, Joy	Fair-practice examiner.	White	3,800
Williams, Le Roy	Fair-practice examiner.	Colored	3,200
Zeidman, Penny	Clerk-stenographer.	White	1,800
Ingram, Marguerite S.	Clerk-stenographer.	Colored	1,620

You will note it is composed of five Negroes, two whites, Joy Shultz, and Penny Zeidman. I am told that a representative of this group went into the office of Swift & Co. and asked how many Negro members they had on their board of directors. The answer was, "We have no Negro members on our board of directors." Then the question came back, "Why haven't you?" This just shows what this supergovernmental set-up is driving at. They want to communize America and destroy everything which our glorious ancestors have left us and for which our boys are now fighting and dying all over the world.

REGIONAL OFFICE, ATLANTA

Here is a list of the Atlanta office:

Regional office, Atlanta

Incumbent	Title	Race	Salary
Dodge, Witherspoon.	Regional director.	White	$4,600
Hope, John	Fair-practice examiner.	Colored	3,800
McKay, George D	Fair-practice examiner.	White	3,200
Chubb, Sally	Clerk-stenographer.	White	2,000
Ingram, Thelma	Clerk-stenographer.	Colored	1,800

You will note that it consists of two Negroes and three whites; the most important post in this office, that of examiner, is held by a Negro. I wonder how the people of Georgia enjoy the domination of this group. I may have more to say about them later.

REGIONAL OFFICE, KANSAS CITY

Here is the list of the Kansas City office:

Regional office, Kansas City

Incumbent	Title	Race	Salary
Hoglund, Roy A	Regional director.	White	$5,600
Ormabee, Eugene	Fair-practice examiner.	White	3,800
Jones, Mildred	Clerk-stenographer.	Colored	1,620
Schlien, Helene G	Clerk-stenographer.	White	1,620

You will note that this office force consists of three whites and one Negro. You can read the list of whites yourself and then judge how many of them really represent the people of that area.

ST. LOUIS REGIONAL OFFICE

Here is the list of the regional office at St. Louis:

St. Louis

Incumbent	Title	Race	Salary
Theodore Brown	Examiner in charge.	Colored	$3,800
Morris Levine	Examiner	White	3,200
Armatha Jackson	Clerk-stenographer.	Colored	1,620

You will note that it consists of two Negroes and one white. Just how they came to select these particular individuals to preside over the destiny of the white businessmen of the great State of Missouri I cannot understand.

REGIONAL OFFICE, DALLAS, TEX.

The members of the regional office at Dallas are as follows:

Regional office, Dallas

Incumbent	Title	Race	Salary
Castenada, Carlos	Regional director.	White	$4,600
(Vacancy)	Fair-practice examiner.	----------	3,200
Gutleben, Willetta	Clerk-stenographer.	White	1,800

You will note there is one vacancy. Last year that position was held by a Negro, namely, Roy V. Williams. The other two members, Carlos Castenada, the regional director, and Willetta Gutleben seem to be in charge of the office at the present time. This is the regional office that attacked the Dallas News last year for carrying an advertisement for a Negro janitor. This fellow Castenada, the director, held the same position then he holds now. If this set-up is made permanent, then I presume the rest of the white American businessmen in Texas may expect to be harassed just as the Dallas News was.

REGIONAL OFFICE, NEW ORLEANS

The regional office at New Orleans consists of the following members:

Regional office, New Orleans

Incumbent	Title	Race	Salary
Ellinger, W. Don	Regional director.	White	$3,800
Morton, James H	Fair-practice examiner.	Colored	3,200
Ronning, Evelyn	Clerk-stenographer.	White	1,800

You will note that there are two whites and one Negro in this office. As the Negro is the fair-practice examiner, just what the decent white people of Louisiana may expect at the hands of this outfit is something to contemplate.

REGIONAL OFFICE, SAN FRANCISCO

The San Francisco office consists of the following individuals:

Regional office, San Francisco

Incumbent	Title	Race	Salary
Kingman, Harry L	Regional director.	White	$5,600
Rutledge, Edward	Fair-practice examiner.	White	4,600
Ross, Bernard	Fair practice examiner.	White	3,800
Seymour, Virginia	Administrative assistant.	White	2,000
Mazen, Jewel	Clerk-stenographer.	White	1,800

This is the only office we have found yet that consists entirely of white (?) people. Just what the background of each one of them is I am unable to say.

LOS ANGELES REGIONAL OFFICE

The Los Angeles regional office consists of the following:

Los Angeles

Incumbent	Title	Race	Salary
Hunt, A. Bruce	Hearings examiner.	White	$5,600
Brown, Robert E	Fair-practice examiner.	Colored	3,600
Lopez, Ignacio	Fair practice examiner.	White	3,800
Vetter, Vera G	Clerk-stenographer.	White	1,800
Lerna, Marie	Clerk-stenographer.	White	1,620

You will note that there are four whites and one Negro in this office, the Negro being the fair practice examiner. I do not know what consideration the white businessman of the Los Angeles area are receiving at the hands of this group, but from what I can hear there is considerable gnashing of teeth over the situation.

Mr. Chairman, this FEPC is a supergovernment of commissars, with more power for evil than any other agency that has ever been created in this country. If Congress should ratify it and make it the law of the land, then we will have sacrificed and destroyed that sacred freedom for which our brave men are now fighting and dying on every battle front in the world.

We have no right to pass such a drastic, revolutionary measure that literally changes our way of life, as well as our form of Government, while these boys are away from home in uniform, fighting to sustain American institutions.

As I said before, we are going to carry this battle against such un-American activities into every congressional district in the United States next year, in the primary, so that no one can crawl behind the party cloak and claim immunity at the hands of any segment of our people.

This is a battle for the survival of free constitutional government, for the survival of the American way of life, for the survival of free enterprise, for the survival of American liberty itself.

It is a battle to save America for Americans.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, my colleague the gentleman from Texas [Mr. PICKETT] has time allotted to him which he desires to assign to me. I ask unanimous consent that he may be permitted to yield his time to me.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I want to speak in a noncontroversial sort of way. In my judgment we are dealing here with one of the most vital, delicate, and dangerous propositions that has confronted the American people for a long time. That is especially true with reference to the section of the country from which I come. We, white people and colored people, are trying in that section an experiment which has never before succeeded in the world. We are making progress. We are trying to have two different races, each in relatively large numbers, live together in close association. That has never before succeeded. The thing that has made that possible—I mean their living together and progressing in adjusting their interracial problems—is largely the interracial friendship that reaches across racial lines. We are developing better schools, better facilities, better living, and better working conditions for each of the races in the South.

I regret to have to say, however, that during the past few years racial antagonism has been developing. The influences largely responsible for that antagonism are supporting this FEPC proposition. I am not questioning motives, but I am stating that which I believe is generally recognized as a fact. Behind this pending proposition and for which it is a spearhead, is the FEPC bill, to establish that agency by permanent law. It provides the farthest reach of bureaucratic power to be found in our entire bureaucratic development. There is no use decrying bureaucracy while establishing this new thing. A permanent bureau is to be established, with the necessary personnel and financial support. Under the construction of the Supreme Court of the Interstate Commerce clause, as to what constitutes commerce, what affects commerce, and the provision in the proposed law to include the FEPC provision in every contract of the Federal Government, a power would be given to hinder, disturb, bedevil and harass the people of the country greater than has heretofore been conferred upon any agency of our democracy. It is proposed to give the power to drag our citizens across the country by subpena, force them to testify under oath; and if these bureaucrats decide that an individual has violated provisions of the act, he is not only subject to prosecution but also he is blacklisted insofar as getting any contract with the Federal Government is concerned. This is the final provision of H. R. 2232:

WILLFUL INTERFERENCE WITH COMMISSION AGENTS

SEC. 13. Any person who shall willfully resist, prevent, impede, or interfere with any member of the commission or any of its referees, agents, or agencies, in the performance of duties pursuant to this act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 1 year, or both.

The personnel of this outfit is to be turned loose on the country as sort of super personages. Nobody may dare raise his protest when they come barging in to see whether free people have acted as free people have a right to act.

A $5,000 fine and a year in prison is the threat which they will carry wherever they may go.

A thing which makes this proposed legislation especially dangerous at this time is that the people are getting tired of the sort of governing which supersede the ordinary processes of government. In such a condition of public attitude it is proposed to turn loose upon the people this new agency whose powers penetrate deeply into the most intimate and the most important affairs of the people. And yet proponents of this legislation talk about being opposed to bureaucratic government.

It is a remarkable fact that at this time, when the people are getting ready to do something about this sort of government—at this time, when the people have accumulated resentment to the point of explosion against this sort of government and the relationships between the races all over the country are more delicate, more strained, than they have been for a long time—it is a remarkable fact that it should be proposed, in the name of one of these groups, to add this new thing—more provocative and irritating than anything which has heretofore been suggested. Everybody must realize that we are moving toward the condition where the accumulated resentment against the abuses of arbitrary power will reach the point of explosion. Some such proposition as this, this very proposition, if enacted into law, might cause that pent-up resentment to explode. If it should, it would be in the direction of the innocent minority of my own people, in whose behalf it is claimed this legislation is being enacted. Doing this provocative thing, dangerous to the harmony of the races and at the same time shoving this minority into the place of peril, is what you are doing, as I see it. I feel I ought to tell you that. You are playing with fire. My people are in front of this danger. I am doing my best to be a helpful Representative of the peoples of the two races who are now facing as difficult and dangerous a situation as ever challenged

the forbearance and required the level-headed thinking and cooperation of any people. I am trying to make you understand what you are doing. These people cannot live together each in such large numbers unless there is friendship and mutual, sympathetic understanding—which, unwittingly, let us assume, you are trying to destroy. Such things are not created by law. They cannot be preserved by law. Unwise legislation, however irritating and disturbing governmental interference, can stop that development and reverse the trend, can destroy that which decades have been building up.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. RABAUT. Mr. Chairman, a parliamentary inquiry. Could I yield 2 minutes of my time to the gentleman from Texas?

The CHAIRMAN. That may be done by unanimous consent.

Mr. RABAUT. Mr. Chairman, I ask unanimous consent that I may yield 2 minutes of my time to the gentleman from Texas.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SUMNERS of Texas. Mr. Chairman, I am very grateful to my friend. I am grateful to the Members of the House for the attention which you are giving to me while I am trying to be helpful in the consideration of this matter. I am not speaking at this moment for the white people of my section of the country. They will take care of themselves. I am speaking for the people, among whom I have many friends and in whom I have deep interest, whom we brought here a few generations ago. They came here as slaves to this country. We owe them a debt of protection. I am not blind to our difficulties, to the shortcomings of each of these races, and to their good qualities. We must not make these colored people footballs of politics in times like these.

I have seen some great things accomplished despite outside interference. I have seen the people of my country, the people of the communities of my section of the country, through racial cooperation suppress the crime of lynching, for instance. No major crime in this country has been dealt with more effectively. I have done as much as I could to hold back the interfering outside power of the Federal Government while the people of the communities completed the undertaking. I have done my best to help. I could do it. I was one of their people. I could say things helpfully to my people which no outsider could say without doing hurt. The people of those communities where the problems are greatest and the danger greatest, possibility of hurt from this sort of legislation greatest, are the same sort of people as you are. They are just as good as you are, no better and no worse. The only difference is—and that is important—they know better how to deal with their problems than you do. We ask to be left alone. Outside bureaucrats taking over, substituting the force of a bureaucratic agency unknown to the processes of democratic government, will not help to establish and strengthen good accord, indispensable to our living together.

History warns us against this attempt by force to proceed faster than natural adjustment develops. The Balkans furnish us a good example. For centuries force has been attempting to unify those people. We are dealing with a practical situation. We must deal with this thing realistically. We have learned by experience—history teaches the same thing—that the only way races can get along together, difference races living close together, each in large numbers, is not to ingore natural tendencies toward some degree of segregation. I say natural tendencies.

This FEPC bill says to every union of six persons or more, "You cannot get together and determine for yourselves as to your membership, as to whom you will have for your close working associates." This bill says to every employer, regardless of what he or his employees want or feel is best for everybody, "You cannot do anything about what you think you ought to do." Somebody in Washington, some snooper from Washington, some smart aleck from Washington, butts in on the situation, stirs up bad blood, while every leader in the community, black and white, is doing his best to keep a workable, livable harmony among a people confronted with all sorts of interracial problems and difficulties. That is not good statesmanship; it is a great disservice to the very people in whose behalf this legislation is proposed.

I have not addressed myself exclusively to the measure now pending, but to this whole FEPC proposition, of which this is a part. I am gratified for your attention. I do not question the motives of those who do not agree with the views I have expressed. I beg you to consider the perils and the disservice involved in this proposed legislation.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The gentleman from New York [Mr. MARCANTONIO] is recognized.

Mr. MARCANTONIO. Mr. Chairman, I shall not waste any of my limited time to take notice of the personal attacks. I ignore them with contempt.

The only issue involved in the Colmer amendment is whether this agency shall spend every penny of these $250,000 in the next fiscal year to carry on its functions or whether it shall be liquidated. If we adopt the Colmer amendment, it means liquidation. If we defeat the Colmer amendment, it means that this agency can continue for this coming fiscal year and spend the $250,000 in carrying out its worthy operations.

As for the pseudo patriots who have sought here to use their pseudo patriotism as a cover to do a subversive job on this American agency, I say to them that we, the proponents of FEPC are the real Americans. The genesis of FEPC is found in the greatest American document of all time, the Declaration of Independence, in which it is unqualifiedly stated that all men are created equal. And when they said "All men are created equal," they meant that every man had a right to work, irrespective of his race, color, and creed; and that goes for Negroes in Georgia and Mississippi and everywhere else. The American people who are fighting this war intend that the Declaration of Independence shall live everywhere in these United States, including Georgia and Mississippi. It is not a minority of people who are insisting that that Declaration shall live by the enactment of FEPC. It is the overwhelming majority of the American people who insist on it. The vote on this Colmer amendment will demonstrate who is in the majority and who is in the minority, the proponents of FEPC or its opponents. I can understand the rage and frustration of the gentleman from Georgia [Mr. COX], and that of the gentleman from Mississippi [Mr. COLMER], because for months they have done their utmost to prevent the representatives of the American people from voting on this fundamental American proposition. Today they are enraged and frustrated because for the first time, the efforts of these gentlemen to the contrary notwithstanding, the American people through their representatives have an opportunity to cast their vote in support of this fundamental American institution. Who is and what is subversive? To deny equality is not only subversive but it is practicing Hitlerism in America. Those who here seek to deny equality in employment are not only subversive but are the adept technicians of the Nazi antiracial practices.

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentleman from Oklahoma [Mr. STEWART] is recognized.

Mr. STEWART. Mr. Chairman, I rise in support of the Colmer amendment.

I cannot make up my mind that 15 percent of the population of the United States should control the entire population and such would be the case in supporting FEPC. From the information and data which have been printed in the CONGRESSIONAL RECORD from time to time, practically the entire personnel is composed of a minority group which represents only approximately 15 percent of our population.

Being one of the 85 percent of the entire population, I feel that we are entitled to fair play under the provisions of any law. If H. R. 2232, which has been favorably reported out by the House Committee on Labor, should become a law the American public would be subjected to the greatest intimidations this country has ever known.

H. R. 2232 is the spearhead of which this appropriation is the forerunner. As a glaring example of its all-powerful provisions let me refer you to section 13, the penal clause, which reads as follows:

SEC. 13. Any person who shall wilfully resist, prevent, impede, or interfere with any member of the Commission or any of its referees, agents, or agencies, in the performance of duties pursuant to this act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 1 year, or both.

Today the proponents have at the Clerk's desk 145 signers; to bring this bill

to the floor of the House they must obtain 218 signers. The bill would pass as is.

The bill goes much further than racial discriminations—it goes to "creed." The reason for this is plain. Although obscured by the argument that the measure is designed to help the Negro, the real motivation behind the Communists' interest in behalf of the bill can be found in the stated purpose of the bill.

"Creed" is defined by Webster's International Dictionary as "a summary of principles or set of opinions professed or adhered to in science or politics, or the like."

If this measure were to become a law it would prohibit an employer, private or public, from refusing to hire a Communist. Certainly this would throw business and Government into a state of chaos. The Negro is being used as a stalking horse. It is an old Communist technique to shout loudly about minority rights and under this cloak destroy the democratic process which makes it possible for them to shout.

In my opinion, the FEPC is a front for the Communist.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. STEWART. I am very limited for time, I am sorry.

The CHAIRMAN. The gentleman declines to yield.

Mr. STEWART. I believe in minority rights but am not convinced for one moment that the rights of all the people should be controlled, intimidated, and stamped under our feet by a minority which is being agitated by the Communist party. I believe in the democratic process of government and that the majority should rule on all occasions and not give way to a dictatorship of a minority which, of themselves, have not spoken—at least from my congressional district.

I have only received two requests to vote for the FEPC—one from Oklahoma City, which reads as follows: "Keep the confidence of the people who sent you to Congress by making FEPC permanent, fight for it, vote for it, and influence others to do same." This is signed by the Oklahoma City Council for Permanent FEPC and is headed by Roscoe Dunjee, Negro editor of the Black Dispatch, a real troublemaker in our State.

The other is from James C. Petrillo, and everyone knows about Petrillo. Not one request from my district to vote for the bill, but many hundreds of letters and requests to vote against it.

I am confident that the American people will awaken to the danger in the continuation of this discriminatory measure.

The Military Affairs Committee, of which I am a member, last week unanimously reported out report 839, the first of a series of reports investigating un-American activities. The report states that "American Communists, supported and financed liberally from abroad, will stop at nothing to establish communism in the United States."

The report says that the Communist interests have coincided with our country's interests while at war with Germany but that now the situation is different, as the Communists themselves admit. The report also fires a blast at the dangerous group of people known as fellow travelers. They are a curious bunch of "pinks," who, while believing in communism, either do not have the nerve to join the party or prefer to remain respectable and help accomplish its purposes by boring from within the major parties, attacking our established institutions, including the Army.

There is no racial discontent in Oklahoma but there is a deep resentment against any agency of the Government being used as a front for the Communist Party. We are for all the Communists in Russia and we are against all the Communists in the United States.

Can you feature school boards, boards of education, or county officers in my district being compelled to employ a Negro or a Communist in a white school or as assistant county officials although by refusal subjecting themselves to a $5,000 fine and a year in jail? Yet, bear in mind carefully, the definition of "creed" which would subject these severe penalties by the refusal to employ either the Negro or the Communist as school teachers in white schools or deputies in our county offices.

Yet, H. R. 2232 does exactly that.

This issue is too vital for me to remain silent. I shall stand the hazard of whatever the political cost may be. I made a contract with my district to represent them and I believe I reflect 90 percent of the views of my constituents, notwithstanding that were it in the reverse, the love of public office fails to hold sufficient lure for me to vote otherwise.

It has always been considered the constitutional right of an employer to use his best judgment as to the loyalty, ability, or integrity of the person he employs. This law would do away with employers' prerogatives in this respect.

I am certainly for the liquidation of the FEPC and shall vote accordingly.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

The gentleman from Louisiana [Mr. BROOKS] is recognized.

Mr. BROOKS. Mr. Chairman, in the brief time I have today I wish to take the opportunity to remind the House of Representatives that the FEPC is the same organization which on November 18, 1943, handed down Executive Order No. 9346. Under the terms of that order, the organization of the 22 common-carrier railroads and 14 labor unions throughout the United States would have had to be completely changed. That order handed down by the FEPC on November 18, 1943, was handed down at a time when this Nation was in its most critical war. It was handed down at a time when the facilities of the railroads of the United States were taxed to their utmost. It was handed down at a time when every loyal American citizen was straining every energy to help win this war; and yet that order, in my opinion, and in the opinion of those who know the transportation situation throughout the United States, was such as had it been enforced it would have completely disrupted these 22 railroad systems throughout the United States. It was of such nature that had it been enforced it would have put out of business these 14 large labor unions in this country.

You may ask why I make these statements. I answer that FEPC order No. 9346 required that these 22 railway systems completely reorganize their personnel so as to employ a proportional number of white and black employees. Some of the lines ran through territory in which dwelled a large percentage of Negroes, while other railway lines ran through territory where the percentage of Negroes was relatively small. Whether the percentage be large or small, the order nevertheless required the railroads to readjust their employment so as to give proper percentage to all races. For instance, if the ratio of Negro railway engineers, or conductors, or flagmen, or brakemen was not satisfactory in relative percentages to the FEPC, the order would require the employment of colored employees until this percentage was met.

Since the railroads obtain their employees to a major extent from the railway brotherhoods, it immediately became an order to the brotherhoods to furnish Negro employees until the proper percentage was reached, regardless of the type or character of the work. If the brotherhoods did not have available a sufficient number of applicants of the Negro race, the order required the railways to go out and get them regardless of their contracts with the brotherhoods.

But more than this. The order of the FEPC required the percentage of the two races be met regardless of the need for additional employees. If in order to meet the terms of this vicious order, it was necessary that men be discharged, the proper enforcement of the order would require that this be done. Men with seniority, perhaps of many years' standing, might be released from railroad service to make way for those of a race which the FEPC might feel was not properly represented in this railroad company. What would become of the seniority rights of those with many years' hard, earnest, loyal employment, I cannot say. What would, under the terms of this iniquitious order, become of the railroad seniority system, for which railway workingmen have fought and struggled over a period of many years, only the FEPC in its mad policy of racial employment practices can tell.

The railroads and the railway brotherhoods opposed this order. It was immediately evident that a collapse of these roads would be the result of enforcement. The greatest war crisis in the history of the Nation was upon us. Troops, materials, and supplies had to be moved to fight the war unless our men be slaughtered on the fields of battle because of their lack. The future was black to the transportation systems of America and was, in fact, dark for the entire war effort.

At this critical juncture, the President of the United States saw the situation. He reached down into the operation of FEPC, and intervened to protect the war effort. On January 3, 1944, President

Franklin Roosevelt appointed another committee composed of Mayor Frank J. Lausche, of Cleveland, now Governor of Ohio, Judge William H. Holly of Chicago, and Justice Walter F. Stacy of North Carolina to assist in straightening out the mess resulting from the issuance of this improvident order. This committee, realizing the great tragedy of trying to enforce the order in the midst of our greatest war, has suspended its operation and stopped the enforcement. Thus the full recognition of the tragic mistake of trying to bring about racial reform in the midst of the war has been heralded to the country.

Mr. Chairman, I have given you details of one of the greatest blunders of FEPC since its creation under executive order. It is not the only blunder, but it is enough to show definitely what this agency is prepared to do in the event it is left alone and given the money. I am against FEPC. I am very much in favor of giving it no money whatsoever and in liquidating it as soon as possible.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

The gentleman from Georgia [Mr. PACE] is recognized.

Mr. PACE. Mr. Chairman, I hope the House will today take the action necessary for the early liquidation of the Fair Employment Practice Committee. I do not look upon the question, and I hope you will not look upon it, as a Southern question. I believe the employers in New Jersey, New York, California, Washington and every other State of this Union resent any effort by this Congress or by the Chief Executive to dictate to them whom they shall employ.

I am wondering where you got the idea that you could tell the American people what they must do. No other organization has ever been able to do that. Yet the committee amendment proposes to continue an organization which would require an employer to employ certain people notwithstanding the condition of his business and notwithstanding his wishes. Is it logical to ask if the next step will be an attempt to tell the employee for whom he shall work? Does not the same power that tells the employer whom he must hire extend to telling the employee for whom he shall work? If that is true, then those of us who have cried out against regimentation, those of us who believe in America as a land of opportunity, as a land of free enterprise, if we still believe in those things, we certainly cannot be consistent if we advocate or permit the continuance of this agency.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

The Chair recognizes the gentleman from Illinois [Mr. DAWSON].

Mr. DAWSON. Mr. Chairman, the Colmer amendment should be defeated. The right to work is the right to live. Take from me my right to work, take from me a job if I am capable and fitted for it, and you take from me the ability to live and you take from me the ability to raise a family, to buy a home, to educate my children, and to rear them according to American standards.

There are those who cry out against changes. They want the old order to obtain. But every law that we pass brings about a change. Every law that we pass causes people to do something or not to do something. The right to a job is as dear to one as the right to property.

We, the Negroes, are citizens of these United States and under our laws we are entitled to every right of citizenship. The right we are here talking about is the right of an American citizen to a job. There are those who talk about continuing to do things in the old way, and want to leave us as we were. But if you think that the Negro in the South—disfranchised, discriminated against—is satisfied, then you do not know the Negro citizens of America. We want the right to work, we want the opportunity to work out our salvation like every other American citizen. That is all we are asking for ourselves—the same thing that every American citizen has a right to ask for. Certainly every American citizen is entitled to a job in this country of ours. This amendment should be passed and the funds for the continuance of the Fair Employment Practice Committee be provided.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. ALLEN.]

Mr. ALLEN of Louisiana. Mr. Chairman, I am opposed to the FEPC in any form or in any amount. I am not willing to compromise or to give it one cent. It is communistic to the core, it is rotten, and I want to bury it immediately. No one can go into a real discussion of the very hurtful effects of the FEPC in the limited time given, but I wish to say that in my honest opinion this agency is the most dangerous thing to the peace and happiness of the United States that I have seen established in our Government. As everyone knows, it was created by Executive order only, and has never been approved by legislative action of Congress, and I hope and trust that the time will never come when this great legislative body will pass a permanent FEPC bill. The FEPC is not a sectional matter. It will hurt, and is hurting every section of the country, North, South, East, and West. It will affect almost every form of business in the land. I do not see how small business can operate under it at all. It will bring confusion and strife among our people to a degree which we have never known before. It will fan race prejudice to a dangerous point in this country. It will be hurtful to every race and to every group and every individual. It strikes at the very heart and foundation of Americanism by destroying the basic principle of freedom of choice. It is built on hate, prejudice, and a desire to regiment the American people.

I repeat, Mr. Chairman, that it is my considered judgment that the FEPC is the most dangerous thing in American life today. Its evils, actual and potential, are so widespread, so far-reaching, that perhaps no one today can foresee the extent of the injury of this cancer on American life. I appeal to the members of both parties to kill this FEPC right now by refusing the money to keep it alive.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. GIBSON].

Mr. GIBSON. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. RIVERS].

THE FEPC NOT A RACE QUESTION ALONE—AN EFFORT TO CHANGE OUR FORM OF GOVERNMENT

Mr. RIVERS. Mr. Chairman, I want to talk to you Members on the Republican side, not to those on my side. I know how they are going to vote; I am fully aware of it.

Mr. Chairman, I want to say this morning that this is not a Democratic proposition, this is not a Republican proposition; this is an American proposition. Today, I talk to you earnestly as an American. I know full well that this bill will pass. I know today politics are more important to many than our country's destiny. Unfortunately, the Negro is used to run interference for those whose interest is a new way of life in the land of the free and the home of the brave.

We are confronted with one thing today and one thing only: Do you want to change your form of government? This violates and bypasses the fifth and fourteenth amendments to the Constitution beyond the peradventure of a doubt, and you know it. This destroys the American way of doing business, and you know that.

May I also say this in passing? The Member from Illinois, Congressman DAWSON, speaks of the right of the Negro to work. The Negro in this country had a right to live and a right to work long before Franklin D. Roosevelt, and his strides were made not because of Franklin D. Roosevelt alone. I want you to know that. The progress of the Negroes in this country is being retarded because of this un-American, communistic idea more than any other thing in the history of our Nation. A great Member of Congress from New York State [Mr. WADSWORTH], once made this statement, that no country ever grew strong by vacillating. He was speaking of Munich. Chamberlain went to Munich. He vacillated, and a great war ensued. If we vacillate today, another civil war will ensue. Remember this: We cannot escape our responsibility and we cannot escape our duty to our unborn generations. Vote for this today and you will face the consequences of tomorrow. This is not a Negro question. It is a question that goes to the core of our Nation.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. RIVERS. I yield to the gentleman from South Carolina.

Mr. HARE. I would like to have the gentleman know and understand that this amendment to which he refers came out of the committee, but not with a unanimous vote.

Mr. RIVERS. I thank the gentleman. Remember this: It will do away with the

right of trial by jury. It takes away the right of writ of habeas corpus, and if that is so, the FEPC cannot be of help to anyone.

Remember, to him who wants to change our way of living:

> A fool there be, go mark him well,
> For him no minstrels' voices swell,
> To the vile dust from whence he sprung,
> Unwept, unhonored, and unsung.

Mr. HEALY. Mr. Chairman, the House has had the appropriation for the national war agencies under consideration since the 1st day of June. There is substantial agreement on the provisions for this bill with the exception of granting funds for the Fair Employment Practice Committee. I would like to call the attention of the Members of the House to the reason for the creation of this Committee by our late beloved President, Franklin D. Roosevelt. Shortly after the attack on Pearl Harbor it became obvious that the demands on manpower would be so tremendous that every obstacle to the full utilization of all workers would have to be removed. There were certain instances where it became obvious that some employers put their personal prejudices before that of our Nation's welfare, and that they were refusing employment to workers not because they were unqualified to fulfill the duties of the job but because of their race, nationality, creed, or color. President Roosevelt recognized the dangers of this situation and he immediately took steps to end it. The FEPC came into being and a dangerous obstacle to the full prosecution of the war effort was removed. The magnificent production record during this war is in no small part due to this timely action.

President Truman, following in the footsteps of President Roosevelt, has urged Congress that an appropriation be made for the continuance of FEPC.

May I remind the gentleman who oppose this continuance that the war did not end with VE-day. All its problems will not end with VJ-day. We have fought a bitter war to put an end to fascism not just in Europe, not just in Japan, but to end it in the whole world. Certainly we have lost that war if we are to refuse to accept the principle that some Americans do not have equal rights with others. If the color of a man's skin or his religious beliefs are to be a bar to his equality of opportunity in seeking and holding a job then surely the lives of hundreds of thousands of American soldiers have been lost in vain.

I have heard objection from some quarters that the FEPC saddles business with a host of bureaucrats. Yet I have never received one single complaint from any businessman that the operations of the FEPC have been unfair, unjust, or had in any way interfered with his business. No employer need have concern with the operations of FEPC unless he is bent on obvious discrimination in the hiring or termination of employees. If he follows employment practices based on the sense of fair play which we Americans have so long been proud he will not even know, as far as the conduct of his business is concerned, that a Fair Employment Practice Committee exists.

I do not believe that there is anyone who would have the temerity to say that a worker is less efficient or had contributed less to the war effort because of his race, his creed, or his color. With cut-backs occurring and with the closing of war plants, American workers want the assurance that termination of employment shall be based only on the considerations which ordinarily are the determining factors. That is the major need for a Fair Employment Practice Committee in the year to come.

Mr. Chairman, some 160 years ago there was written one of the greatest documents in human history. Its author, Thomas Jefferson, was an American and a Virginian. This document is the American Declaration of Independence. There is one phrase in this document which has burned itself into the thinking of all free and democratic peoples. It reads:

> We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness.

Can any Member of this House deny that here is the essence of FEPC?

Mr. Chairman, the Colmer amendment would require the immediate liquidation of the Fair Employment Practice Committee. I urge the defeat of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. DIRKSEN] to close debate.

Mr. DIRKSEN. Mr. Chairman, I always marvel at the rather vehement and explosive generalizations that are made in this well that are not founded on fact and that are not documented.

It has been said that this will destroy America and destroy free enterprise. If you want some interesting reading sometime go to the CONGRESSIONAL RECORDS of about 1900 when the pure-food bill was under discussion in the United States Senate. It was said then that to forbid the misbranding and adulteration of food was the invasion of a proprietary right by the citizen of this country and would destroy America. But it did not destroy America. If you want interesting reading sometime go back and read the debates on the amendment proposing a restriction on child labor in this country offered by Congressmen Keating and by Senator Owen. In those debates it was said in this well that it would destroy America. Even Woodrow Wilson said that the amendment was obviously absurd, but there was a moral force, predicated on justice, that inscribed it on the law books of the country, and it did not destroy America. And, in my judgment, a continuation of FEPC for 1 year will not destroy America.

My interest in FEPC was enlivened not by some person of color or somebody against whom there was discrimination. It began with an employer in the Middle West who had promoted two people of color in his industrial plant on the basis of seniority and ability, and there was a strike.

He had nowhere to go, but the FEPC to have his problem resolved so that castings for the Navy might continue to be produced at a time when there was a critical need.

To me it is significant and interesting that at this late date in the present conflict there should be so much controversy about it. It was started by an Executive order in May of 1941, and it had been operating for more than 4 years. How often have the actions, the findings, the investigations, and operations of FEPC come to your attention as individual Members of this Congress? Only twice since 1941 have the activities of this agency developed a problem to which my personal interest was directed and one of those cases was outside of my own constituency. If you say it is going to destroy America and move into every segment of our national life, look at the record. Its most recent annual report was published a few days ago. It speaks for itself. There is no hint there that it will destroy America. It has not done so in the 4 years that this agency has been operating. Who then shall say that if it is extended for another year, that it will destroy this Nation?

Now let us take the history of it. The name of the gentleman from New York has been brought up on occasion. I think it is more regrettable that that sort of thing is done on the floor, either for the purpose of appealing to the impulses of fear, or in the belief that by using the tarred stick, it can make votes. The problem is an enduring one. It is a moral and ethical problem and it will not be solved by epithets or appeals to the emotions.

I have been interested in this for a long time. An estimate for FEPC first went to the Budget Bureau and was approved. It was approved by the President and then transmitted to our committee.

It was before the Deficiency Committee the last week in May. We wrestled with it in subcommittee. The committee was about evenly divided on the matter. That was long before it was exclaimed that the gentleman from New York had deadlocked the Congress on this matter. The vote in the subcommittee was 4 and 4. I favored its retention. But as a result of the deadlock, the item for FEPC was stricken from the bill. We did not know anything about the interest of the gentleman from New York at that time. It went to the full committee. There I offered the amendment to restore the FEPC and it got 11 votes. There were 20 against. That was the first week in June. Knowing that since it was created by Executive order, that it was subject to a point of order and that other agencies in this bill which were created in the same fashion, were also subject to a point of order, the effort began to meet the situation with a separate compromise resolution which provided for its complete termination. I felt certain that this approach would prove abortive. And it did. The separate resolution was tabled in the Rules Committee and is still there. Our problem then was to find a compromise. What is offered in my judgment is fair to all sides and meets the problem. But now the gentleman from Mississippi offers an amendment to expunge one word out of the committee amendment, He would delete the word "until." Do you know what that will do? It will re-

strict and prohibit, under a solicited oral ruling of the General Accounting Office, the use of the $250,000 for the operation of FEPC for the next fiscal year. The funds provided in this compromise amendment could be used only for liquidation and termination of the agency. That will be the result of that amendment.

Mr. MARCANTONIO. Mr. Chairman, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MARCANTONIO. The gentleman is a member of the Appropriations Committee and is very familiar with the proviso in the committee amendment. Is there any question in the gentleman's mind that this agency can spend the $250,000 to carry out its functions for the fiscal year 1946?

Mr. DIRKSEN. Not the slightest; and that was the intention of the Committee on Appropriations in the first place. It was quite well understood by members of the committee when the proposal now before us was approved, and it was approved by an overwhelming vote.

Now, it has been said it did not come here by unanimous vote. It was nearly unanimous, let me say to you, and most of the committee members were for it, knowing we had to develop some kind of compromise which was at once fair and which gave the agency an opportunity to use their funds for operating purposes for the next fiscal year.

If the Colmer amendment is adopted and the word "until" is stricken out, you are going to hamstring this agency. But, more than that, you are not going to solve this problem now. The Committee on Appropriations has made a diligent and earnest endeavor to bring in a compromise which is at the same time fair to the agency, which is an emergency agency, and fair to all sides. I know of no other way to meet the problem. Unless there is some concession by both proponents and opponents, this deadlock will continue. It will be the old story of the irresistible force meeting the immovable object.

We discussed the matter with the Members of the Senate, and I do not believe it is telling tales out of school when I say that those with whom we discussed the matter in conference yesterday afternoon will go along with it. So I urge you to vote down the Colmer amendment and support this committee amendment.

The committee amendment is fair to all. It appears agreeable to most. It will doubtless be approved by the Senate. It keeps the agency alive and on an operational basis for one fiscal year, and, finally, it contemplates its liquidation if no substantive legislation is enacted in that time. I commend it to you as the best that we could contrive under these circumstances.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Mississippi [Mr. COLMER] to the committee amendment.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 122, noes 188.

Mr. COLMER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. CANNON of Missouri and Mr. COLMER to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 116; noes 188.

So the amendment was rejected.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER to the amendment offered by Mr. CANNON of Missouri: On page 1, line 9, after the word "used", insert "until June 30, 1946."

Mr. TABER. Mr. Chairman, in my opinion this amendment——

Mr. CANNON of Missouri. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. TABER. I yield.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, will the gentleman modify his request so that I may have 2 minutes?

Mr. CANNON of Missouri. Mr. Chairman, I modify my request.

Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 12 minutes, 2 minutes to be yielded to the gentleman from South Dakota [Mr. CASE] 5 minutes to the gentleman from New York [Mr. TABER] and the remaining 5 minutes to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER. Mr. Chairman, I have offered this amendment so that the proviso shall read—and I am going to read it the way it would read with this amendment inserted, beginning on line 6 of the amendment offered by the gentleman from Missouri [Mr. CANNON]:

Provided, That if and until the Committee on Fair Employment Practice is continued by an act of Congress the amount named herein may be used until June 30, 1946, for its continued operation until an additional appropriation shall have been provided.

Mr. Chairman, I have offered this amendment in order that the language may clearly read the way the proponents of this amendment say it is intended to read. The only way that this is not to be construed as a permanent continuation of the FEPC unless this language is inserted is by reference to the appropriating language on page 1 of the bill, which provides funds out of the Treasury for the support "of war agencies for the fiscal year ending June 30, 1946."

In my opinion, we should not think of providing funds in a loose way indefinitely for any agency. While at first glance the Comptroller General thought perhaps it might be that he would construe this language to be an appropriation available only until June 30, 1946, he has not, as I understand it, given a definite opinion on that. I would like to see the thing made so that it reads just as it is supposed to read, so that it will mean what its proponents say it means. I hope that the amendment will be adopted so that there will not be utter confusion with reference to this agency.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. MAY. I think the gentleman's amendment is very appropriate for the reason that in the very beginning of the amendment it states, "For completely terminating the functions of the committee," then it ends with an expression to continue its operation until additional appropriations shall have been provided. In other words, one part of the amendment as reported by the committee provides for termination of the thing, then it says "until an appropriation is provided." The amendment of the gentleman would make it definite that it can run until June 1946.

Mr. TABER. It would make it say what its proponents say they want it to say.

Mr. RANKIN. It will terminate at that time unless further legislation is passed?

Mr. TABER. That is the situation. I hope the amendment will be adopted.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, in the interest of clarity, this amendment should be adopted. The amendment offered by the Senate clearly contemplated that the $250,000 should be available only for the fiscal year ending June 30, 1946. We can get in no difficulty by adopting the amendment, because that is all that was intended by the Senate amendment.

Without it, the language makes this money available until the Committee on Fair Employment Practice is continued by an act of Congress. That might be construed to mean that we have set up the Committee on Fair Employment Practice with $250,000, to be continued as long as they may want to string it out. There is an open end to this appropriation unless there is expressed definitely some terminating period for the availability of the appropriation.

The appropriation bill itself is for the fiscal year 1946, but by the amendment which is now before us, namely, the committee amendment, that is modified by the language which makes the amount available until the FEPC is continued by an act of Congress. Nobody knows when that will be. So this money might be available and the agency continue indefinitely if they string out the spending of the money.

In order that the intent of the Senate may be carried out and in order that our intent of appropriating only for fiscal 1946 be not violated, this amendment should be adopted. It certainly can cause no harm.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

The Chair recognizes the gentleman from Missouri [Mr. CANNON] for the last 5 minutes.

Mr. CANNON of Missouri. Mr. Chairman, I yield those 5 minutes to the gentleman from Kentucky [Mr. O'NEAL].

Mr. O'NEAL. Mr. Chairman, the amendment offered by the gentleman from New York is in effect the same amendment, if I may speak personally, that I offered in conference between the Senate and the House. The same argument that the gentleman from New York makes I made in that committee.

The Senators who were opposed to this bill and who were trying to be persuaded to accept our suggestions brought up the point and the argument made by the gentleman from New York and were opposed to passing the agreement unless the amendment he offers were put in the bill. In offering the amendment in conference I felt the same way they did. But we took time enough to call the Comptroller General and ask him to pass upon the proposition whether or not inclusion of the amendment which the gentleman is now offering is necessary in order to make the committee amendment say what we all meant it to say.

The Comptroller General's office stated in effect that an amendment such as the gentleman from New York has offered would not be necessary, as far as he was concerned, and his interpretation would be the same, with it or without it; therefore I did not press its inclusion in the committee amendment. The Senator from Georgia, who questioned the meaning of the amendment without the inclusion of that language, agreed that since the Comptroller General had so ruled and had stated that he would so rule in the future, therefore there was no reason for including it.

Mr. Chairman, our committee feels that the addition of this amendment would not change the effect of the committee amendment whatsoever. It is the same as restating the proposition, since the Comptroller General said he would rule that way whether we put it in or not.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from South Carolina.

Mr. HARE. I would like to ask the gentleman's opinion whether it would not make this difference: This amendment and the existing amendment would make no difference as to termination, because it all terminates June 30, 1946. But suppose the war in the Orient should end next week, would this amendment in effect continue it until June 30, 1946?

Mr. O'NEAL. I think under the law the War Agencies will end when the war ends. If the amendment offered by the gentleman from New York says until June 30, 1946, then under that amendment it would continue until that date and not end automatically with the war. I think the gentleman's point is well taken. That is another reason for those opposed to the continuation of FEPC to vote against the amendment offered by the gentleman from New York. With or without it the Comptroller General says it means the same thing. The Comptroller General will rule that with or without an amendment such as was offered by the gentleman from New York, and which I offered in the committee, the paragraph carries the same meaning.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Kentucky.

Mr. MAY. I would like to call the gentleman's attention to the fact that this latter part of the committee amendment authorizes the use of this appropriation until what, now? Until an additional appropriation shall have been provided.

Mr. O'NEAL. During the fiscal year 1946.

Mr. MAY. Suppose that Congress never makes another appropriation?

Mr. O'NEAL. The Comptroller General will rule, whether this amendment is in or not, as stated, that it would end with the fiscal year 1946.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from New York.

Mr. TABER. The Comptroller General, according to the way he reported at that conference, said that that was a tentative ruling, without complete examination. I want to make that definite.

Mr. O'NEAL. I will say to the gentleman that the interpretation put on by the Comptroller General seemed to be final. All the gentleman's amendment does is to reiterate the force and effect that the committee amendment now has.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Illinois.

Mr. DIRKSEN. This agency is a part of the whole bill that makes appropriations for the fiscal year ending June 30, 1946.

Mr. O'NEAL. That is correct.

Mr. DIRKSEN. And that is quite explicit, in my judgment.

Mr. O'NEAL. Let me say again that the Comptroller General has passed on it, and the amendment means nothing. I think it would be a good amendment, if necessary, but I see no reason for adding surplusage to the bill.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The question is on the amendment offered by the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 90, noes 133.

So the amendment was rejected.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota to the Cannon amendment: Strike out the period and insert a semicolon and "*Provided further*, That in no case shall this fund be available for expenditure beyond June 30, 1946."

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, the last minute to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CASE of South Dakota. Mr. Chairman, the issue on this amendment is substantially the same as was offered by the gentleman from New York, except that this makes clear that there is not created any availability for the funds beyond the period of time when the Committee on Fair Employment Practice might be terminated under the terms of the Executive order; that is, with the expiration of the war.

The point was raised by the gentleman from South Carolina that to insert the words "until June 30, 1946" after the words "may be used" might mean that the funds would be available beyond the termination of the war, if the war should end before that date, and continue the committee beyond the terms of the Executive order.

The language which I have offered obviates any such possibility by adding a further proviso at the end of the amendment offered by the gentleman from Missouri [Mr. CANNON] striking out the period and saying:

Provided further, That in no case shall this fund be available for expenditure beyond June 30, 1946.

That language does nothing to increase the period of availability of funds but it makes clearer and definite the fact that there is an end to the availability of this particular appropriation. The reason for offering that is to eliminate any possibility of doubt such as that which came to the Senator from Georgia, to whom reference has been made, and to eliminate any doubt such as came to the mind of the gentleman from Kentucky; that the language of the amendment without that might mean an open-end appropriation.

Mr. LUTHER A. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yie'd to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. As I understand it, the difference between the gentleman's amendment and the Taber amendment is that the Taber amendment had an arbitrary time limit whereas your amendment has a conditional time limit?

Mr. CASE of South Dakota. Yes; it could be put that way.

Mr. LUTHER A. JOHNSON. While I shall vote against the committee amendment, since I am opposed to any appropriation for the FEPC, I shall vote for your amendment since I think it clarifies and makes certain the expiration date of the appropriation if the amendment should be adopted.

Mr. CASE of South Dakota. The intent of both amendments is to make clear that this particular fund is not available beyond June 30. The Taber amendment might have made the funds available to that day.

Mr. LUTHER A. JOHNSON. Your amendment makes certain that if any appropriation is made, it will in no event be available after June 30.

Mr. CASE of South Dakota. Yes. My amendment says in no case beyond that date, and then going back to the Executive order, it would mean that at any time the committee terminated under the terms of the Executive order, if it occurred before June 30, the funds would also terminate. The necessity for some such language as this arises from the fact that the first proviso on the pending amendment says, with the Colmer amendment rejected—and I voted to reject the Colmer amendment—that until the Committee on Fair Employment Practice is continued by an act of Congress the amount named herein may be used for its continued operation. Of course, nobody knows when Congress may pass such an act, and without a definite provision the money here made available would be available for expenditure until Congress at some indefinite future date passed a permanent FEPC act.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Kentucky.

Mr. MAY. Does the gentleman think it is the intention of the Committee on Appropriations by the amendment to terminate the expenditures on the 30th of June 1946?

Mr. CASE of South Dakota. By that date, unless the Congress prior to that time enacts statutory legislation.

Mr. MAY. Then your amendment is in no sense contrary to the intent of the committee?

Mr. CASE of South Dakota. No; it simply makes certain and clear the intent of the committee.

Mr. RABAUT. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Michigan.

Mr. RABAUT. I wonder what the idea of the gentleman is about the opening paragraph of the bill. The enacting clause concludes with the words "for the fiscal year ending June 30, 1946."

Mr. CASE of South Dakota. I called attention to that fact when I spoke on the Taber amendment, that this bill is for the fiscal year 1946, but the language of the Cannon amendment modifies that. The gentleman knows in any appropriation bill for a given fiscal year a clause can be inserted for any item in the bill to make those funds available until expended, or some such phrase that would modify the opening paragraph of the bill, and make the funds available under that particular head for the duration of the modifying clause. That is why some such amendment as mine is necessary.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from South Dakota [Mr. CASE] to the committee amendment.

The question was taken; and on a division (demanded by Mr. CANNON of Missouri) there were—ayes 135, noes 113.

Mr. CANNON of Missouri. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed Mr. CANNON of Missouri and Mr. CASE of South Dakota to act as tellers.

The Committee again divided; and the tellers reported that there were—ayes 142, noes 116.

So the amendment was agreed to.

Mr. CLARK. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CLARK. Mr. Chairman, I undertake to speak but seldom in this Chamber, and I have no disposition to detain the Committee at this moment.

We, by the amendments rejected, have come now face to face with the question of appropriating a quarter of a million dollars for the continuation of FEPC, and upon that question I want to make two brief observations.

The Fair Employment Practice Committee cannot rightly be considered an essential war agency. We do not promote the best interests of the war or its prosecution by agitating questions of creed and race; and while there may be a few cases in which some little conciliation has been engaged in by this organization, the chief result of it has been agitation of those questions. So far as aiding in the successful prosecution of the war is concerned, this quarter of a million dollars would do just as much good and less harm so far as the war is concerned if it were spread upon the bosom of the Potomac to become flotsam and jetsam in Chesapeake Bay. There is pending on the calendar of the House a bill that would make the FEPC a permanent Government agency and all kinds of reasons have been advanced seeking to show why it should become a permanent Government agency.

Mr. Chairman, this agency cannot be properly classified as an essential war agency. It is a bureaucracy of bureaucracies established by Executive order, a thing which we have heard abundantly criticized here on the floor, particularly from the minority side. It is going to be interesting to see how these critics of bureaucratic action by Executive order are going to vote on the question of approving that procedure by giving this agency a quarter of a million dollars. The whole thing about it is that this is a political committee. That is all it is. It is freely said around here, you hear it everywhere and I firmly believe it, that if a vote on this proposition could be cast completely without political consideration it would not get anywhere.

It is a little distressing to me in perhaps the most serious hour of our Nation's existence to see the two predominant political parties outdoing each other in bowing and kowtowing to a relatively small group of people, and seeking to corral their votes by reaching into the hard-pressed Treasury for a quarter of a million dollars of political sop.

Mr. WOODRUM of Virginia. Will the gentleman yield?

Mr. CLARK. I yield to the gentleman from Virginia.

Mr. WOODRUM of Virginia. The gentleman is a distinguished and able member of the Rules Committee. I can subscribe very generally to what he said about the Fair Employment Practice Committee. But would the gentleman suggest how the Appropriations Committee can get the war-agencies bill passed, when we cannot get a rule for anything when we come to the floor with it? We have worked out a compromise which I may say to the gentleman takes half of their funds away from them.

Mr. CLARK. I understand. This House is in the clear on that because we passed an appropriation for every one of these war agencies, but not for the FEPC. This bill came back from the other side of the Capitol with the FEPC appropriation in it. The Rules Committee is not responsible for that, I may say to the gentleman, since he asked me to yield, and we are also not responsible for explaining why the Appropriations Committee has so diametrically changed its position this morning. The gentleman reminded my colleague on the Rules Committee that it sometimes changed its position, but I think I can assure the gentleman that on this issue the Rules Committee will not do so.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. CANNON of Missouri. Mr. Chairman, I move that all debate on the pending commmittee amendment and all amendments thereto close in 5 minutes.

The motion was agreed to.

The CHAIRMAN. The gentleman from Mississippi [Mr. WHITTINGTON] is recognized for 5 minutes.

Mr. WHITTINGTON. Mr. Chairman, these proposals do not provide for a single job. They will hinder and they will restrict employment now and following the war.

The Executive order for the FEPC was issued by the President in 1941, but it was largely advisory until May 27, 1943, when the present Executive order was issued. There has been but one previous appropriation made by the Congress for the FEPC. Prior to the fiscal year 1945 it was financed from war funds appropriated to the President.

We have before us the Senate amendment to provide $250,000 for the next fiscal year. The proposed substitute of the House Committee on Appropriations provides for an appropriation of $250,000.

My interpretation of the proposed substitute, which I believe is a fair interpretation, is that the sum of $250,000 is available to the Committee for the fiscal year 1946, and unless the Congress enacts permanent legislation the appropriation will provide for completely terminating the functions and duties of that Committee. If permanent legislation is adopted, of course, additional appropriations may be made; but I repeat that the substitute contemplates liquidation of the Committee unless permanent legislation is passed.

There are two approaches to the difficult problem of employment. One is voluntary, is by mediation, is by education, and is by tolerance. The other, and that is the matter that is pending before us now, is rather in the nature of compulsion.

I want to be fair. There is a vast difference between the FEPC operating under the Executive order and the FEPC

operating under either of the bills that have been reported, known as the Norton bill or the Senate bill.

It is fair also to state that under the Executive order the Commission is without the power, the Executive order being without teeth, to penalize, but the vice of that order and its execution is that the Committee undertakes to reach out and invoke the powers of penalty and the powers of punishment that are provided in the permanent legislation.

There have always existed racial prejudices as there have always existed religious prejudices. They are not made by law. They cannot be changed by law. Law cannot change morals, habits, and customs, and compulsory legislation with respect to the intimate matter of employment will set back for 25 years all the progress that has been made in the improvement of racial relations in the United States. The legislation will hinder and hurt the very people whom it is intended to help. The proposal will do more harm than good.

There are some good people and there are some good organizations that are asking for the passage of this appropriation. I remind you that there has not been a full and free discussion of the unprecedented penalties, such as trial without jury, embraced in the proposed legislation, and I maintain that if many of the people who are asking for the passage of this legislation knew its contents they would oppose it. I oppose the Senate measure, but I favor the pending substitute, as that is the only expression we have to give against it, opposing, as I do, all appropriations for the FEPC.

I extend to say that the Senate amendment under consideration provides an appropriation of $250,000 for the next fiscal year for the Fair Employment Practice Committee. The amount is substantially one-half of the appropriation for the current year.

I opposed the establishment of the committee by Executive orders. I opposed the only appropriation that Congress has heretofore made which was for the fiscal year 1945. And I oppose the Senate amendment. The question is whether or not the House will adopt the Senate amendment or the proposed House committee substitute. I favor adopting the substitute, and if adopted, I still oppose the appropriation.

The purpose is to prohibit discrimination because of race. There are racial prejudices. As I have indicated, they were not created by law and they cannot be corrected by law.

I believe in fair employment. Such employment should be fair to both employer and employee. Progress has been made in the elimination of racial prejudices. The remedy is not force and compulsion. The remedy is education, cooperation, tolerance, and mediation.

I emphasize that the proposal will do more harm than good. The order is intended to benefit the Negro race. It will have the opposite effect. The worst racial disturbances in recent years have been in northern industrial districts.

Employment is a contractual relationship. The relation between the employer and the employee is intimate. It is a part of free enterprise. It is a liberty protected by the Constitution.

History and experience prove that compulsion is not the remedy. We are throwing experience to the winds. The better way is the freedom of choice and the tolerance of view.

The great objection is the departure from the traditional system of free enterprise. It is unfair to business. It is unfair to employers. It is unfair to the person for whose benefit it is intended. The proposal will regiment and destroy business, and particularly little business.

The so-called Norton bill has been reported to the House. It provides for penalties. It provides for implementing the Executive order establishing the Committee and making it permanent law, with power and authority to enforce. As is commonly said, the bill has teeth in it to enforce the findings of the Committee. The Committee, under Executive order, has functioned largely in mediation. The permanent bill delegates to a Federal agency dangerous powers of regimentation over millions of citizens. Its orders and decisions are really final. The voice of the Committee, under Executive order, is that the Committee is undertaking to exercise powers that can only be conferred by law, and the powers exercised will continue to harrass, regiment, and cripple little business.

Some good people and some good organizations are petitioning for the passage of the legislation. They do not know the contents of the order or the Norton bill reported to the House. They have been misled by the name and by the title. A name may be misleading. The important matter is the idea back of the name. The Executive order and the permanent legislation sound well. It is entitled "Fair Employment Practice." It might better be called unfair employment practice.

THE STATES

Employment and legislation regulating employment is for the States. New York and New Jersey have passed legislation. That legislation is experimental. Congress is now asked to continue the Executive order and to enact legislation. The Federal Government is thus invading a field, under the guise of regulating commerce, where the States are operating. Employers, businessmen, and agriculture in New York and New Jersey will be subjected, upon completion, to examination, to punishment, and to regimentation by both the Federal Government and the States. Citizens are called upon to comply with enough regulation by bureaucratic agencies.. The continuance or the establishment by permanent law will multiply existing governmental controls particularly over little business. All employers will be subject, under the Executive order, to the findings of the committee. The Government thus will control the economy of the Nation. The Federal Government will be duplicating legislation that is the function of the State.

DISCUSSION

There has been no adequate discussion of the bills. The public is not aware of the far-reaching provisions of either the Executive order or of the bills. They constitute an innovation that amounts to a revolution of business and agriculture. When the public becomes aware of the drastic provisions of the so-called fair employment practice bills, the public will be greatly shocked. If passed, the people of the United States would find themselves subjected to regulation and compulsion heretofore unknown in the United States. It is time for straight-from-the-shoulder discussion. Such legislation would plague the Nation with an unworkable law, and national discrimination would be intensified rather than reduced.

The advocates make the grave mistake of not discriminating between business and public institutions. The sponsors, whether they know it or not, are promoting government control over economy. Many otherwise good people who ask for the legislation are not aware of its provisions. They are deceived by the name. We had better face the issue with our eyes open. We might as well realize that we are destroying the conditions under which business, and especially small business, can function successfully.

THE PURPOSE

The purpose is to prohibit, by compulsion, discrimination because of races and creeds. Such prejudices cannot be eliminated by the Executive order, and the reported bill is the wrong approach. The approach is the voluntary method. Compulsion will defeat the purpose. The method is wrong. Voluntary efforts will be more helpful.

COMPULSION

Many liberals, like Robert Moses, of the city of New York, and Roger D. Lapham, mayor of the city of San Francisco, not only oppose State commissions but Federal commissions. They oppose the principle of compulsion. Party platforms have advocated fair-employment commissions, either by referring by name to a fair-employment-practice commission or by supporting the principle of fair employment. They have not approved the pending version as reported to the House. Senator TAFT, of Ohio, was the chairman of the platform committee of the Republican convention. The Republican Party endorsed the principle. I repeat, it did not endorse the pending reported bill. Senator TAFT introduced S. 459. It constitutes an entirely different approach to fair employment from the reported House bill. It utilizes a voluntary method. It is fair to say, therefore, that neither of the two great parties has ever endorsed the pending Norton bill with its force and with its compulsion.

EXECUTIVE ORDER

As I have indicated, the Executive order provided for in the pending appropriation is by no means synonymous with the reported Norton bill. Its work is done by mediation. It has no powers of fine or imprisonment. As I have pointed out, however, the committee undertakes to operate as if it had the power and the force. There is harassment, and the findings and investigations of the Committee have promoted rather than decreased racial prejudices.

SUBSTITUTE

As I have stated, although I oppose all FEPC legislation the substitute is preferable to the Senate amendment. To me it is preferable because it provides for completely terminating the functions and duties during the fiscal year 1946, if no permanent legislation is adopted, or if the Executive order is automatically rescinded by the close of the war before the expiration of the fiscal year 1946 on June 30, 1946. Those who favor the continuance of the Fair Employment Practice Committee by Executive order and those who favor permanent legislation for a Fair Employment Practice Committee support the substitute because neither the House nor the Senate will appropriate more than half the amount appropriated in 1945, and the advocates had rather have a half loaf than no loaf at all. Moreover, I believe that the advocates of the permanent legislation will urge consideration of permanent legislation on the ground that if it is not passed in the fiscal year 1946, the Fair Employment Practice Commission will be automatically liquidated. Those who oppose, support the substitute because they believe no permanent legislation will be enacted, and liquidation is thus provided.

ON GUARD

The real battle will be on the passage of the so-called Norton bill reported to the House, or the Senate bill reported to that body. Both of these bills provide for permanent legislation. Both of these bills adopt force and compulsion. I have urged full discussion. I now urge those who oppose force and compulsion to discuss the merits of the legislation involved. There is no occasion for name calling. There is no occasion for denunciation. I accord to all political freedom. But I know that the advocates of the Fair Employment Practice Committee will continue the agitation for permanent legislation. The name will appeal to many who do not stop to analyze. It is for those who oppose the principle and oppose the legislation to advise the public as to the far-reaching and drastic provisions of the pending bills. When the country understands, the country will oppose.

The Executive order and the pending legislation are intended to prevent discrimination because of race, creed, color, national origin, or ancestry. The Socialist is entitled to his views. I do not agree with him, but I accord him the freedom of his convictions. The patriotic American does not desire a Communist in his employment. He knows that a Communist will disrupt his business.

I believe in fairness for all races. Force and compulsion is the wrong way to correct. They will stir up racial and religious prejudices. Burning resentment from forced employment will furnish fuel for radical disturbances and will foment rather than eliminate racial prejudices.

The proposed permanent legislation is political dynamite. It constitutes a social revolution. The proposal plays into the hands of those who would remake and reform our institutions and our economy to conform to their social and economic views. As I have indicated, the vice of the continued appropriation is that, under the guise of preventing discrimination, business will be hampered and agriculture will be harassed. Places of business may be entered without probable cause, and businessmen and farmers may be summoned to produce their books and their records in distant parts of the country. They may be required to defend procedure against them far away from their places of business or residence.

The employees of the Commission are impractical. Many of them are dreamers. Some of them do not believe in the competitive system or in free enterprise. Centralized bureaucratic control, especially of the small businessman with six or more employees, is enough to condemn the proposal. But the opponents of the principle must be on guard and promote the crystallization of public opinion in opposition to permanent legislation. It must always be remembered and never be forgotten that the great objection is that the permanent legislation will regiment and destroy small business.

SENATE AND HOUSE BILLS

Bills as stated have been reported to the House and Senate. They delegate to a Federal agency dangerous powers over millions of American citizens. Their orders are really final.

The people of the country, when they understand, are fair. They do not want to destroy businessmen, and especially small businessmen. The large firms are able to care for themselves. They have their attorneys. The small businessman has trouble enough with Washington bureaucrats. There are too many regulations already. There are too many investigators. There are too many rules and regulations. The crux of the pending permanent legislation is that it will paralyze the small businessman.

PROVISIONS

The legislation takes away the right of trial by jury. It deprives every American employing six or more of the right of choosing his own employees. It subjects employers to charges of discrimination. It makes the charge of discrimination a criminal offense, and at the same time deprives the citizens of the right of trial by jury.

The bills provide for the employment of referees, agents, and agencies without number. No qualifications are prescribed. The ordinary rules of evidence do not obtain. Judicial procedure is cast aside. Back pay may be ordered.

The so-called judicial review is a farce. There is really no review at all.

Regional offices may be established. Employers may be required to appear at distant places. The referees and agents have more power than the Federal judges. Ex parte statements may be heard. Hearsay may be admissible. No ordinary judge can do what a Fair Employment Practice agent is empowered to do. The Commission's agents are both prosecutors and judges. Any person who willfully interferes with any member of the Commission or with its agents or referees is punishable without a trial by jury by a fine of not more than $5,000 or imprisonment of not more than 1 year.

The preferences to veterans are cast to the winds, being repeated by implication if the permanent legislation is passed.

The legislation is applicable to all employers, including merchants and farmers, with six or more employees. It strikes a vital blow to private enterprise. Under the terms of the bill the Commission could say, "You must hire this man; you must fire that man; you must promote the other man."

Regimentation would obtain. The permanent legislation would revolutionize free enterprise and establish the supervision by the state of all business and of all agriculture.

The enactment of the bill would provide a fertile field for racketeers, blackmailers, and shysters. Merchants and farmers would be subjected to harassment by disgruntled job seekers. The proposed Commission would constitute the "superduper" bureaucracy of Washington. The system of American enterprise and of American liberty would be undermined.

NO OCCASION FOR THE LEGISLATION

There is no occasion for the permanent legislation. The remedy is good will. The remedy is voluntary. The Constitution protects citizens regardless of race or creed. Any statutes that undertook to deprive the citizens of such privileges and immunities as guaranteed by the Constitution would be in violation of the fundamental law of the land.

ARGUMENTS AND ANALYSIS

I have heretofore on Thursday, July 5, as shown by the CONGRESSIONAL RECORD of that date, pages 7231–7234, inclusive, discussed at length the matter of fair employment, the Executive orders under which the Committee is operating, and the proposed bills for the establishment of a permanent Commission as reported to the House and to the Senate. I have analyzed carefully the provisions of the pending Norton bill. I have urged that it is destructive of free enterprise, unconstitutional, and unworkable.

I trust that there will be general discussion of the merits of the legislation. There is a proper approach to the problem. That approach is by education and by tolerance. That approach is voluntary. The compulsory approach is destructive and should be rejected. I believe that when the country understands the drastic and destructive provisions of the Norton bill the proposal will be rejected.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent that all Members may be permitted to extend their remarks in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Chairman, I shall not consume the time of the House in discussing the pending FEPC amendment.

When this bill was being considered in the House last Thursday, I made a statement in the debate then, in which I condemned the creation of the FEPC and its continuance, and stated that it had served no useful purpose and should be

discontinued, and congratulated the Appropriations Committee on excluding it from the war agencies bill.

I regret that the Appropriations Committee has now brought the bill back with a modified amendment for FEPC, and while the Appropriations Committee amendment is less objectionable than the Senate committee amendment, in that the pending amendment directs that the agency is to be liquidated, yet I shall vote against this compromise amendment, since it appropriates $250,000 for FEPC, as I am opposed to appropriating any sum whatsoever for that agency.

I voted for the Colmer amendment, which would have made the pending amendment less objectionable.

Believing as I do that the FEPC is bureaucracy in its worst form, and that the sooner it is terminated the better, I shall therefore vote against the pending amendment, and shall vote against appropriations in any amount for the FEPC.

Mr. BUCK. Mr. Chairman, while I am not yet ready to vote for a permanent FEPC, I am heartily in favor of appropriating money for continuance of the temporary committee. I therefore hope that the amendment will be adopted, and I intend to support it.

Mr. HARRIS. Mr. Chairman, I rise in opposition to the proposed amendment.

In the outset I want to again say that I am opposed to the Fair Employment Practice Committee. I have opposed it since it was established by Executive order of the President in 1941. I have continuously voted against appropriating any funds for its continuance, and I shall vote against this amendment.

I should like to say, Mr. Chairman, as for me, there can be no compromise on this matter. I do not impugn the motives of any Member who favors FEPC, but to me, Mr. Chairman, there is a principle involved, and I do not believe in compromising what I believe to be a fundamental principle to our American traditions.

Yes, it is said this is a compromise. Language has been couched in this amendment making it appear to be a compromise. In the first line it is said "for completely terminating the functions and duties of the Committee on Fair Employment Practice, including such of the objects specified in the appropriation for such agencies for the fiscal year of 1945 as may be incidental to its liquidation, $250,000." If such was the meaning of the committee in reporting out this amendment, why did not it end at that point? But no, Mr. Chairman, the language of the amendment has a proviso which states:

Provided, That if and until the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided.

I repeat, Mr. Chairman, this is not a compromise but in effect provides appropriation of $250,000 for the Committee on Fair Employment Practice for the fiscal year of 1946.

The Senate reduced the original request from $469,000 to $250,000, the amount included in this amendment, and you do not even propose to compromise to the extent of reducing that figure and further limiting the activities of FEPC. I cannot condone such a proposal.

I know very well, Mr. Chairman, what the proponents hope to accomplish in their endeavor to get such an amendment adopted. I know very well that the proponents are only too glad to get any amount appropriated for FEPC. They feel that it gives it a new lease on life and with its continuance for another year will give them an opportunity to pop the lash in order to bring out the petition on the Speaker's desk to create a permanent FEPC.

I say to you, Mr. Chairman, this insidious Commission should have never been established and it should be killed now. There is no better time to stop such ridiculous activities and authority of such a Commission.

You talk about un-American activities, Mr. Chairman; there has never in my opinion been a more un-American setup than this committee. It is filled with the spirit and imbued with the purpose of tantalizing and destroying our business and system of free enterprise.

You cannot legislate brotherhood. It must be done by a process of education and understanding. The proponents of FEPC, I am firmly convinced, are defeating the purposes they hope to accomplish with FEPC. You are doing those whom you are trying to help more harm, and I sincerely hope that it is not for political expediency, though I am fearful that is its only purpose.

It is a serious situation, Mr. Chairman, and I want the Members of this Congress to think just what this is leading us to. The country knows this is not the approach to this problem and in my opinion will not stand for its continued operation indefinitely. It is doing more to agitate racial hatred and prejudice than anything that has ever happened in my experience.

More progress has been made in the last few years than in the entire history of our Nation. It would be unfortunate for this program to be disturbed, and if you keep this thing going, that is just exactly what is going to happen.

Ah, Mr. Chairman, we talk about a Fair Employment Practice Committee. Why, sir, when can we say that the Government shall establish a committee such as this with unlimited authority and control over the very lives and activities of the people of this country and all the business they have, that there is anything fair about it? Where is there any fairness in giving any individual of this country complete and dictatorial control over the entire affairs of this Nation?

Let me say this to this Congress: You talk about a committee of seven being set up to see that there is fair play. I have much greater faith and confidence in the business people of this country, the employers who deal with the employees, and the employees, using the established policy of collective bargaining seeing that fair play is practiced, than I have in any committee set up as a Federal bureau in Washington.

I urge this House to defeat this amendment and let us say to the people of this country, labor and management alike, that they are permitted to continue their relationship and business without interference, force, or coercion from some all-powerful Federal agency.

Mr. MILLS. Mr. Chairman, in view of my belief that the FEPC is not contributing to the war effort and is actually detrimental thereto, in addition to other objections which I have to the agency, I cannot vote for any amount to continue FEPC or to liquidate it.

If the Congress will refuse it any further appropriation for the fiscal year 1946, the agency will automatically be discontinued and liquidated under the Russell amendment of last year. Therefore, I hope that the committee amendment will be defeated and the House will not concur in the Senate amendment, for if the House rejects the entire matter, the other body will have to recede from its position on the amendment. A victory for free enterprise will thus occur. The committee amendment and the Senate amendment both mean the continuation of FEPC in all probability for the entire fiscal year 1946.

Mr. GOSSETT. Mr. Chairman, we should never compromise with evil, particularly when the welfare of our Nation is involved. For this reason I want to again go on record as being unalterably opposed to the FEPC in any form whatsoever. The so-called Fair Employment Practice Committee, like many other organizations, past and present, completely belies its name. Unfortunately, this bureau was created several years ago by the President through Executive order as a wartime agency only. It has been the least useful, most troublesome, of all of the wartime agencies. Nevertheless, through political pressure, it now attempts to secure permanent status. A more pernicious, un-American piece of legislation was never seriously advocated in this Congress at any time than is H. R. 2232, the so-called Norton bill, proposing to set up a permanent Fair Employment Practice Committee. If such a bill became law, the FEPC would immediately expand its authority and activities. It is hard to imagine a worse form of regimentation than is sought to be fastened upon us through this so-called Fair Employment Practice Committee. It would lodge in a Federal bureau almost plenary power over the employment practices of an entire nation. FEPC agents could and would constitute themselves roving czars, who could and would impose their edicts upon employers without hearing, without trial, and without right of appeal to the courts. This agency, if it did not actually incite, would still be an open invitation to all sorts of harassing practices, and even blackmail, against employers who might refuse to hire any person or persons for any reason whatsoever.

This agency would injure those it pretends to help. It promotes intolerance, prejudice, discrimination, racial and religious strife, rather than ameliorating these evils. It is a political prostitute with whom many politicians in both parties are flirting disgracefully to the peril of this country. Its perpetuation and enforcement would abrogate and destroy our Bill of Rights and would under-

mine and eventually destroy American democracy.

The FEPC should now be fully and finally liquidated. I object to appropriating even one nickel for its further operations. I feel the $250,000 wasted on them by this appropriation will be used as propaganda for their perpetuation.

Mr. Chairman, those who are sincere in their support of the FEPC are confusing race purity with race prudery; they are confusing segregation with discrimination. They would destroy freedom in the fictitious name of equality. Second only in importance to the winning of the war is the destruction of these communistic tendencies in American life.

Mr. DOMENGEAUX. Mr. Chairman, we are confronted here today with one of the most important issues the House has ever been called upon to consider. It is an issue in which free American enterprise and initiative is at stake, through the proposal to continue the dangerous and unnecessary Fair Employment Practice Committee.

I have steadfastly opposed further funds for the FEPC, because I believe in freedom for American business and because I wish to see the American way of life continued. The real question involved in this matter is not one concerning the appropriation of funds; it is the principle of whether or not the Government, through the FEPC, has the right to regulate American business and say whom the American businessman can or cannot employ. Remember, that under FEPC, no person, corporation or association with more than six employees are free from invasion by representatives of this agency. Such a system is not in keeping with our Nation's foundation of democracy and individual rights.

Supporters of the FEPC have taken advantage of war conditions to promote their fight, shielding their real purpose under protection or appropriations necessary to the war effort. We all wish to do everything possible to help bring victory to our armed forces at the earliest possible date, and it is unfortunate that at a time like this FEPC partisans have seen fit to insist upon injecting an issue which creates racial animosity and misunderstanding, and serves no good purpose.

I have steadfastly expressed my opposition to the FEPC and will continue to stand against an agency which is regarded as so undemocratic and which carries with it the possibility and probability of so many dangerous consequences.

Mr. CANNON of Missouri. Mr. Chairman, I ask unanimous consent to address the House for 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, the situation is critical. This bill carries provision for the war agencies. Its enactment is essential to the prompt and successful prosecution of the war. We have for weeks been confronting a situation in which we could not pass the bill—in which we could not provide for the war agencies—in which we could not bring the full strength of the Nation to bear against the enemy.

Under the circumstances, the only way for us to meet this situation and secure the support of all schools of opinion in the House in the enactment of this bill, so essential to the v r program, was to reach some compromise on which all could agree.

Now, Mr. Chairman, like most compromises, this amendment is not satisfactory to anyone. It does not meet with the complete approval of any member of the committee or the House. That is proof that it expresses with approximate accuracy the consensus of opinion of the House.

It is, as a matter of fact, the only compromise we could reach. It is the product of an extended process of trial and error extending over several weeks and attained only after long and exhaustive debate, in hearings, in conferences, in the committee, and here on the floor.

It is the most satisfactory solution of the problem we could work out and we have reached the point where it is practically a matter of this or nothing.

I trust that, in the usual spirit of give and take, which governs the formulation of all controversial legislation, the Members of the House will subordinate personal preferences to the needs of the occasion and support the compromise and enable us to send this imperatively needed war bill to conference.

The CHAIRMAN. The time of the gentleman from Missouri has expired. All time has expired.

The question recurs on the amendment as amended by the amendment offered by the gentleman from Missouri.

The amendment as amended was agreed to.

Mr. CANNON of Missouri. Mr. Chairman, I think there is no disagreement on the remaining amendments.

In order to conserve the time of the House and get the conference report back this afternoon, I ask unanimous consent that the remaining Senate amendments be taken up en bloc and that they be considered as read.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. MAY. Mr. Chairman, reserving the right to object, and I am not going to object, I do so for the purpose of asking the gentleman a question with reference to his statement a moment ago when he declined to yield to me.

Mr. CANNON of Missouri. Of course the gentleman understands that I had only 2 minutes and there was nothing personal in my failure to yield until I had completed the brief statement I had been recognized to make.

Mr. MAY. I understand there was nothing personal about it. What I am trying to get at is this: Did your statement to the effect that this is the only way by which a bill could be enacted which would take care of the several war agencies for which appropriations are carried in this bill, mean that the other body at the other end of the Capitol is so obstinate about the one proposition of the FEPC that it will block all of the war agencies rather than take it out?

Mr. CANNON of Missouri. May I say to the gentleman from Kentucky that the intransigents were not confined to any one House.

Mr. MAY. Then the gentleman proposes to surrender without a reason?

Mr. CANNON of Missouri. We are not surrendering; we are winning.

Mr. SMITH of Virginia. Reserving the right to object, Mr. Chairman, I would like to understand from the gentleman from Missouri whether his unanimous-consent request is that we consider the amendments en bloc and disagree to the Senate amendments and send them to conference? We do not agree by this to any Senate amendment?

Mr. CANNON of Missouri. When we have secured consent to consider them simultaneously, I will then move to disagree to the Senate amendments and agree to the conference asked by the Senate.

Mr. MARCANTONIO. Mr. Chairman, reserving the right to object, in reply to the gentleman from Virginia, so as to clear up any misunderstanding, we are not disagreeing to the Senate amendmen on FEPC except by the action taken in the Committee of the Whole. The gentleman's motion refers merely to the remaining Senate amendments?

Mr. CANNON of Missouri. The request refers to the remaining amendments only.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with Senate amendments, with recommendation in accordance with action taken by the Committee.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SPARKMAN, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the Senate amendments to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, directed him to report the same back to the House with the recommendation that the House concur in Senate amendment numbered 1, with an amendment, and that the House disagree to Senate amendments numbered 2 to 33, inclusive, and agree to the conference asked by the Senate on the disagreeing votes of the two Houses thereon.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question.

The SPEAKER. The Clerk will report the first recommendation of the Committee.

The Clerk read as follows:

The Committee of the Whole House on the State of the Union recommends that the House concur in Senate amendment No. 1, with the following amendment:

"Strike out the matter proposed to be inserted by Senate amendment No. 1 and insert in lieu thereof the following:

"'COMMITTEE ON FAIR EMPLOYMENT PRACTICE

"'Salaries and expenses: For completely terminating the functions and duties of the

Committee on Fair Employment Practice, including such of the objects and limitations specified in the appropriation for such agency for the fiscal year 1945 as may be incidental to its liquidation, $250,000: *Provided*, That if and until the Committee on Fair Employment Practice is continued by an act of Congress, the amount named herein may be used for its continued operation until an additional appropriation shall have been provided: *Provided further*, That in no case shall this fund be available for expenditure beyond June 30, 1946.'"

The SPEAKER. The question is on agreeing to the recommendation.

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. As I understand it, this entire amendment, beginning on line 9, page 1, and ending on line 14, page 3, as amended, is a Senate amendment. It is brought in here as a Senate amendment. Now the question is on adopting that Senate amendment, the entire amendment; not adopting the amendment offered by the gentleman from Missouri to the amendment, but on adopting the entire FEPC amendment?

The SPEAKER. The question is on the motion agreed to in Committee of the Whole. That is, to agree to the Senate amendment with an amendment. There is no division of the question, if that is what the gentleman is asking.

Mr. RANKIN. Then we have a right to vote on whether or not we will adopt the Senate amendment as amended.

The SPEAKER. There is just one question before the House. That is, to concur in the recommendation of the Committee of the Whole.

Mr. RANKIN. Mr. Speaker, I demand a separate vote on this entire Senate amendment. The rules of the House provide that when an amendment is brought in, even though it is amended in Committee of the Whole, when we get back to the House we do not vote on amendments to the amendment but we vote on the amendment as amended.

The SPEAKER. We vote on the recommendation which the Committee of the Whole made to the House. That is all there is before the House at this time.

Mr. RANKIN. That is that the amendment as amended be adopted?

The SPEAKER. That is the question.

Mr. RANKIN. I would like to have a separate vote on that amendment.

The SPEAKER. That is what we are attempting to do right now.

Mr. MARCANTONIO. Mr. Speaker, I ask for the yeas and nays on that.

Mr. MARTIN of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MARTIN of Massachusetts. If we do not adopt the amendment which was just adopted in Committee of the Whole, we will then take the Senate amendment as it stands?

Mr. RANKIN. No, sir.

The SPEAKER. The Senate amendment itself will be in order for consideration.

Mr. CASE of South Dakota. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CASE of South Dakota. Is it not a fact that the amendment now pending includes striking out the matter offered by the Senate as well as the insertion of new matter?

The SPEAKER. The Clerk reported the motion. It was very plain.

The question is on the motion.

Mr. MARCANTONIO. Mr. Speaker, I ask for the yeas and nays on this motion.

The yeas and nays were refused.

So the recommendation of the Committee of the Whole was agreed to.

On motion of Mr. CANNON of Missouri a motion to reconsider was laid on the table.

The SPEAKER. The question is on the remainder of the recommendation of the Committee of the Whole that the House disagree to the Senate amendments numbered from 2 to 33, inclusive, and agree to the conference asked by the Senate.

The recommendation was agreed to and a motion to reconsider was laid on the table.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON of Missouri. Mr. Speaker, we will have this conference report here in the House within an hour and would like to dispose of it tonight if it meets with the approval of the gentleman from Massachusetts, the majority leader.

The SPEAKER. The Chair appoints the following conferees: Messrs. CANNON of Missouri, WOODRUM of Virginia, RABAUT, O'NEAL, JOHNSON of Oklahoma, SNYDER, TABER, WIGGLESWORTH, DIRKSEN, and CASE of South Dakota.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2615. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942; and

H. R. 2853. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 715. An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S. J. Res. 31. Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 784) entitled "An act for the relief of Mr. and Mrs. John T. Webb, Sr.," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. ELLENDER, Mr. TUNNELL, and Mr. WHERRY to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H. R. 3180) entitled "An act to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WALSH, Mr. TYDINGS, and Mr. JOHNSON of California to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the joint resolution (H. J. Res. 98) entitled "An act relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. THOMAS of Oklahoma, Mr. BILBO, Mr. STEWART, Mr. CAPPER, and Mr. SHIPSTEAD to be the conferees on the part of the Senate.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the Joint Select Committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of Commerce.
3. Department of the Interior.
4. Department of Justice.
5. Department of the Navy.
6. Department of the Treasury.
7. Department of War.
8. Post Office Department.
9. Federal Deposit Insurance Corporation.
10. National Archives.
11. Office of War Information.
12. United States Courts.

COMMITTEE ON THE JUDICIARY—PERMISSION TO SIT DURING SESSION OF HOUSE THIS AFTERNOON

Mr. KEFAUVER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may sit for the remainder of the afternoon notwithstanding the fact that the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

COMMITTEE ON BANKING AND CURRENCY—PERMISSION TO FILE REPORT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on the bill (H. R. 3771) to provide for the management of the Export-Import Bank of Washington and to provide for the capital thereof.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

RESIGNATION FROM COMMITTEE

The SPEAKER laid before the House the following resignation, which was read by the Clerk:

WASHINGTON, D. C., *July 12, 1945.*

The SPEAKER,
House of Representatives.

DEAR SIR: I hereby tender my resignation as a member of the Committee on Foreign Affairs July 12, 1945.

JOHN S. WOOD.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION TO COMMITTEE

Mr. DOUGHTON of North Carolina. Mr. Speaker, I offer a privileged resolution (H. Res. 319) and move its adoption.

The Clerk read as follows:

Resolved, That JOHN S. WOOD, of the State of Georgia, be, and he is hereby, elected a member and chairman of the Standing Committee of the House of Representatives on Un-American Activities.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMPACT BETWEEN THE STATE OF OHIO AND THE COMMONWEALTH OF PENNSYLVANIA

Mr. SUMNERS of Texas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3294) to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object—and I am not going to object—I understand this is merely an extension of one of those State regional matters?

Mr. SUMNERS of Texas. Yes.

Mr. MARTIN of Massachusetts. It has the unanimous report of the committee?

Mr. SUMNERS of Texas. It has.

Mr. MARTIN of Massachusetts. Mr. Speaker, I withdraw my reservation of objection.

Mr. RICH. Mr. Speaker, reserving the right to object, is any Member from Pennsylvania on that committee?

Mr. SUMNERS of Texas. Yes; Mr. GRAHAM and Mr. WALTER, of Pennsylvania, are on that committee.

Mr. MARTIN of Massachusetts. The bill was introduced by the gentleman from Pennsylvania [Mr. ROGERS].

Mr. JENKINS. Mr. Speaker, reserving the right to object, who represented the great State of Ohio in this compact?

Mr. SUMNERS of Texas. Mr. LEWIS and Mr. FEIGHAN represented the great State of Ohio, and I may say to the gentleman from Ohio that this merely authorizes the State of Ohio and the State of Pennsylvania to enlarge their compact. There is a compact between these two States and they want to make an additional arrangement with regard to a lake that lies on the border line between the two States.

Mr. JENKINS. Were there any hearings before the gentleman's committee?

Mr. SUMNERS of Texas. No. It is one of those things you do not have hearings on. If the State wants to do it, it is authorized by the Congress, and we like to have them attend to their own business.

Mr. JENKINS. I assume somebody spoke for the State of Ohio?

Mr. SUMNERS of Texas. I assume so, too.

Mr. JENKINS. I am going to hold the gentleman from Texas responsible.

Mr. HANCOCK. The State of Ohio is represented on the Judiciary Committee by the gentleman from Ohio [Mr. FEIGHAN] and by the gentleman from Ohio [Mr. LEWIS].

Mr. SUMNERS. of Texas. Yes; and represented very well.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the consent of the Congress of the United States is hereby granted to the State of Ohio and the Commonwealth of Pennsylvania to amend the compact or agreement relating to Pymatuning Lake which was approved by the act of August 28, 1937, entitled "An act to approve a compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake", so as to permit the use on any specified part of such lake, subject to such restrictions or requirements as may be prescribed in such amendment, of boats equipped with motors of not exceeding a 6-horsepower rating.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. LEA and Mr. RANDOLPH asked and were given permission to extend their own remarks in the RECORD.

Mr. KEOGH (at the request of Mr. RAMSPECK) was given permission to extend his remarks in the RECORD and to include an editorial.

Mr. VOORHIS of California asked and was given permission to extend his own remarks in the RECORD.

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and to include an address by Alexander Kahn.

Mr. MADDEN asked and was given permission to extend his remarks in the RECORD and to include a resolution from Steel City Post, No. 909, of the Veterans of Foreign Wars.

Mrs. LUCE asked and was given permission to extend her own remarks in the RECORD in two instances.

Mr. BENDER asked and was given permission to extend his remarks in the RECORD.

Mr. WEICHEL asked and was given permission to extend his remarks in the RECORD and to include a newspaper item.

Mr. GOODWIN asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial.

Mr. GWINN of New York asked and was given permission to extend his own remarks in the RECORD.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and to include a magazine article.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my own remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CHANGE THE WAGNER ACT

Mr. RICH. Mr. Speaker, if we want to keep communism out of America you must change the Wagner Act, and you must have the same controls of labor that you now have on business, they must be 50–50.

To make the changes necessary, you should—

First. Outlaw the closed shop.

Second. Provide for periodical inspection of labor union books, same as business.

Third. Provide legislation controlling truly secret labor-union balloting, to protect the individual voter.

Fourth. Stop coercion and have control of initiation fees and dues.

Fifth. Have unions, like employers, accountable for unfair labor practices. Certainly this should be on a 50–50 basis. If it is good for one its equally important for the other.

Sixth. If it is against the law for business to go with politics, why should labor unions as such have the freedom by law?

By making changes as suggested we should have a more cooperative attitude of labor and management. It will tend to form a partnership that will seek arbitration for all our differences between the employer and the employee. When strikes occur labor loses and the management loses, but if you arbitrate on a 50–50 basis labor works and earns, management produces and profits.

Happiness and contentment is the result. No hard feelings and no enmity. Our American liberty, freedom, and independence is fast fleeting. When it goes it is gone forever during your lifetime. Let American business and American labor practice the Golden Rule in our daily lives, "by doing to others as we wish to be done by." Then this turmoil and strife we see about us will vanish. Then will we enjoy living and have more of the abundant life.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes today at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FILING OF PRIVILEGED REPORTS BY RULES COMMITTEE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that I may have until midnight tonight to file two privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDING INTERNAL REVENUE CODE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 122) to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. HENDRICKS. Mr. Speaker, reserving the right to object, may I ask the gentleman if the other members of the committee have been informed of this?

Mr. KNUTSON. Yes.

Mr. HENDRICKS. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2720 (a) of the Internal Revenue Code is amended to read as follows:

"(a) Rate: There shall be levied, collected, and paid upon firearms transferred in the continental United States a tax at the rate of $200 for each firearm: *Provided,* That the transfer tax on any gun with two attached barrels, 12 inches or more in length, from which only a single discharge can be made from either barrel without manual reloading, or any gun designed to be held in one hand when fired and having a barrel 12 inches or more in length from which only a single discharge can be made without manual reloading, shall be at the rate of $1. The tax imposed by this section shall be in addition to any import duty imposed on such firearm."

SEC. 2. Section 3260 (a) of the Internal Revenue Code is amended by striking out *"Provided,* That manufacturers and dealers in guns with two attached barrels from which only a single discharge can be made from either barrel without manual reloading shall pay the following taxes: Manufacturers, $25 per year; dealers, $1 per year." and inserting in lieu thereof the following: *"Provided,* That manufacturers and dealers in guns with two attached barrels, 12 inches or more in length, from which only a single discharge can be made from either barrel without manual reloading, guns designed to be held in one hand when fired and having a barrel 12 inches or more in length from which only a single discharge can be made without manual reloading, or guns of both types, shall pay the following taxes: Manufacturers, $25 per year; dealers, $1 per year."

SEC. 3. (a) The amendment made by the first section of this act shall apply with respect to any transfer within the scope thereof made on or after July 1, 1945.

(b) The amendment made by section 2 of this act shall apply with respect to any tax within the scope thereof payable under section 3260 (a) of the Internal Revenue Code for any taxable period commencing on or after July 1, 1945.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEO GOTTLIEB

Mr. McGEHEE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 259) for the relief of Leo Gottlieb, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 6, strike out "$5,709.50" and insert "$4,500."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MURPHY asked and was given permission to extend his remarks in the RECORD in connection with the award of the Congressional Medal of Honor to one of his constituents, recently.

Mr. RIVERS asked and was given permission to revise and extend the remarks he made earlier in the day.

ANNOUNCEMENT

The SPEAKER. The Chair will recognize Members having special orders with the understanding that when the Committee on Appropriations brings in a report, they will suspend until the matter has been disposed of.

Mr. WHITTINGTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WHITTINGTON. Is there any way to give the Members notice? A good many Members have said they could be available if the bells were rung 5 minutes in advance.

The SPEAKER. If the House is still in session there will not be any chance to ring the bells.

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. LAFOLLETTE] is recognized for 40 minutes.

FEPC

Mr. LAFOLLETTE. Mr. Speaker, as a matter of fact I shall take very little of the 40 minutes which has been so kindly granted me by the House. I had intended at this time to discuss certain aspects of the well-known legislation known as the permanent FEPC. But the Irish in me has been overcome by the discretion of the other racial strains, so I will simply report the situation to the House and make just one or two observations.

I have been in disagreement with the position of the opponents of this appropriation and permanent legislation taken within the Congress and also with some of the activities of some of its so-called friends recently conducted outside the Congress.

Consequently the reason I say that the Irish in me has been overcome is that I came here today in the frame of mind of the Irishman who came up to a wonderful fight going on on the street corner. He inquired of all the people on the street corner, standing around the edge of the fight, what the fight was all about, who was on what side, and what on earth they were fighting for. No one knew. But he could not stand it much longer. The blows were coming harder and faster, and finally he took off his coat and rolled up his sleeves, spit on his hands and doubled up his fist and he jumped into the middle of it saying, "And sure, may the saints direct me to be on the right side."

On sober thought I think if I were to discuss this matter today at this time I would be rather like that Irishman. This is hardly an appropriate time so I will withdraw. I do want to say, however, that under the permission that is usually granted at the close of the session, to revise and extend a Member's remarks, I shall reduce my thoughts to writing. I feel quite sure that no Member will take umbrage at anything I shall write, but if they do, and if they will notify me before we come back, I will be here in the well to "take it."

Is the gentleman from California [Mr. VOORHIS in the Chamber?

Mr. VOORHIS of California. Yes; I am.

Mr. LAFOLLETTE. Would the gentleman from California like me to yield 3 minutes or 5 minutes of my time?

Mr. VOORHIS of California. I would appreciate it very much, if the gentleman wants to that.

Mr. LAFOLLETTE. Mr. Speaker, I ask unanimous consent that I may yield 3 minutes of the time remaining to me to the gentleman from California [Mr. VOORHIS] and thereafter I yield back the balance of my time.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXTENDING SOCIAL-SECURITY BENEFITS TO VETERANS

Mr. VOORHIS of California. I appreciate that very much, I will say to the gentleman.

Mr. Speaker, what I wanted to do was to read a portion of a letter which I received from a member of the United States Coast Guard concerning a problem which I think we need to consider very seriously.

He says:

I have lately been brought face to face with a fact which I believe should be changed.

As I am informed the monthly payments due at age 65 under the Federal Social Security Act are based on the average yearly income upon which tax is paid, from the period such payments are started until age 65. Thus, the writer worked 6 years, or from January 1, 1937, when society security first started, until the end of 1942. He was then

commissioned in the United States Coast Guard, from which he will retire at the close of 1945, a period of 3 years. The question of finding an occupation for the next 12 months (at which time the writer will reach the age of 65) is uncertain. If such is the case the writer's monthly return from the social-security fund will be based on a 10-year average of tax-covered wages received. Military salary is not covered. If no taxable occupation for the last year, the writer's average yearly pay will be one-tenth of the wages received over a period of only the first 6 years. The social-security compensation, therefore, will only be 60 percent of what it would have been had the writer continued in outside employment instead of voluntarily entering the military service when badly needed, and which he did at a cost of $1,000 per annum.

We have been informed there is a bill before Congress to alter this defect, if not, we believe there should be, and respectfully request your support.

Mr. Speaker, I would like to call attention in this connection to the bill, H. R. 136, which I introduced on the first day of this session. The bill is as follows:

Be it enacted, etc., That title II of the Social Security Act, as amended, is amended by adding at the end thereof the following new section:

"MILITARY SERVICE BENEFITS

"SEC. 210. (a) For the purposes of this title, an individual who is engaged in military service within the period beginning with October 1, 1940, and ending 1 year after the termination of the emergency declared by the President on May 27, 1941, shall be deemed to have been paid for each month in which he performs any military service within such period wages equal to the greater of the following: (1) $100, or (2) the monthly average (not counting any part of such monthly average which exceeds $250) of the wages received by him during the four calendar quarters immediately preceding the calendar quarter in which he began a period of military service which commenced after September 9, 1939.

"(b) The term 'military service' as used in this section means active service in the land or naval forces (including the Coast Guard) of the United States.

"(c) The Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury shall, at the request of the Social Security Board, furnish to the Board such information with respect to individuals who render military service under their respective jurisdictions as may be necessary for the purposes of this title.

"(d) There are hereby authorized to be appropriated from time to time to the trust fund, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to meet additional costs of payments under this title, and of administration, arising by reason of the provisions of this section."

The bill which I introduced, H. R. 136, would provide that time spent in the armed forces shall be counted as covered employment under the terms of the Social Security Act and that the man shall be credited for that time as though he were working in covered employment under the Social Security Act. Therefore the time spent in the armed forces would be counted and he would not be penalized as he is at present.

I offered that provision as an amendment to the Reconversion Act when that act was considered by the House. I earnestly hope the time will come soon when this legislation will be passed, so that time spent in the armed forces will be counted as if a man were in covered employment so far as Social Security purposes are concerned.

I thank the gentleman from Indiana [Mr. LAFOLLETTE] very much for his courtesy to me.

EXTENSION OF REMARKS

Mr. JENSEN asked and was given permission to extend his remarks in the RECORD and to include a letter written by him to Chester Bowles, Administrator of the Office of Price Administration.

The SPEAKER. Under previous order of the House, the gentleman from Kansas [Mr. REES] is recognized for 20 minutes.

CIVIL SERVICE COMMISSION

Mr. REES of Kansas. Mr. Speaker, now that the Federal employees' pay bill has become law I believe that the time is at hand when readjustments must be made to protect the interest of the career-service employee and the veteran. At present the recipients of benefits under the pay bill largely are those who have entered the Government service during wartime, and little attention has been paid to career-service veterans who will return to Government employment at the conclusion of the war.

As much as we do not like to believe it, classifications and promotions in the Federal service in the past 5 years too often have been based upon personal patronage rather than upon qualifications or the work to be performed. This has given rise to a deplorable personnel condition which today exists in the Government and has resulted in the waste of millions of dollars. I had hoped that the end of the European war would bring about a change, but such is not the case.

The Civil Service Commission has surrendered its statutory obligations completely, and by its own action it has been relegated to a position of a rubber stamp, perfunctorily approving personnel actions taken by the various agencies of the Government. Despite the appropriation of millions of dollars during the past 5 years to the Civil Service Commission for the recruitment of war workers, actually the Federal agencies themselves were forced to divert their own appropriations for purposes of recruitment. A large percentage of war workers were not recruited by the Civil Service Commission but the Commission will take credit, and has done so at congressional hearings, for the recruitment of all war workers throughout the Federal Government.

With respect to classification and promotion responsibilities the failure of the Civil Service Commission to perform its functions is more serious. Early in the war the Commission delegated all statutory responsibility over promotions and reclassifications to the various agencies of the Government. This has caused a deplorable condition which will take years to rectify, if ever. Thousands of persons have received positions in the Government, circumventing the necessity of being first certified as eligible by the Civil Service Commission. Then, these persons have been promoted over career-service employees, who had been compelled to take highly competitive examinations when they entered the service and at a time when competition was very keen. The tragic part is that when career-service veterans return to their old jobs, which is all they are allowed at present, they will find ahead of them the famous "90-day wonders" who have reached newly created higher paid jobs, having entered the Federal service after the veterans had left, under a new civil-service system utterly devoid of any resemblance to a merit system.

Do not misunderstand me, many of those who have entered the Federal service during war have uselfishly given excellent service and deserve far more than they have received, for without them the war could not be won. But in weighing the equities this factor should not overshadow or be used as an excuse for the miserable failure to preserve a merit system. Further, it should not prevent the elimination of inequitable personnel practices where they exist.

Recently a survey was made by selecting at random a sample of about 260,000 Federal classified employees—about 20 percent of the total—from 20 Federal deparments and agencies. Between December 1940 and March 1945 that portion of these employees working in the Foreign Economic Administration received an aggregate base salary increase of 68.2 percent. During the same period the aggregate base salary increases of that portion of these employees in the other agencies are as follows:

	Percent
Navy Department	43.8
Office of Defense Transportation	53.4
Office of Price Administration	62.3
Smaller War Plants	47.2
War Department	47.8
War Production Board	61.5
Agriculture Department	27.7
Commerce Department	24.7
Interior Department	34.9
Justice Department	25.7
Department of Labor	33.9
Budget Bureau	28.9
General Accounting Office	34.8
Interstate Commerce Commission	11.8
Public Buildings Administration	18.8
Railroad Retirement Board	30.4
Social Security Board	30.3
Veterans' Administration	19.0
Civil Service Commission	38.0

I wish to make it clear that these percentages do not take into account the overtime pay compensation received by these employees.

Considered in any light and modified or corrected by any variable factors which may or may not be honestly applied, several things are crystal clear. They are: Salary promotions in the Federal Government during the war period have been out of all proportion to reason, there is no logical connection between the promotion policies of the various Government agencies, and "equal pay for equal work" is a fiction. Just why the employees of the Veterans' Administration and the Interstate Commerce Commission should suffer because of the lack of an intelligent, uniform, and fairly administered Federal personnel policy is not clear. The facts show conclusively that employees in the old-line agencies have not fared as well as those in the newer war agencies. This is not fair. In many departments an employee is told that if

he wishes to transfer to a war agency he loses rights of reemployment to his old position if he wishes to return at the end of the war to the department from which he transferred. Because of this and other similar policies designed to restrict transfers, the old-line department employee looks longingly at the jobs of employees in the mushroom war agencies who are receiving higher pay for the same work.

Much of the cause for inequitable pay and job classification differences between agencies is the result of the failure of the Civil Service Commission to provide classification standards in the departmental service. There are about 18,000 kinds of positions or jobs in the classified civil service, and of these the Civil Service Commission has promulgated classification standards for approximately 78 positions or kinds of positions. It is obvious that with such a small percentage of the positions in the classified civil service having job specifications, it is natural that there would be no adequate standard for the entire Federal service. This has caused the wide variation in classification and pay between employees in the various departments and agencies of the Government who are performing the same type of work. An economist or analyst in the Foreign Economic Administration is classified at one pay rate whereas an economist or analyst in the Department of Commerce, performing the same work, is classified at another rate of pay. And so it goes for almost every job or type of job in the entire classified Federal service. There will be those who will contend that the Classification Act has not been extended to the field service employees, but bear in mind that I am not talking about employees in the field service. I am restricting these comments solely to positions and jobs within the classified departmental service. I might point out however, that if the Civil Service Commission had performed its functions and activities adequately since 1923 there would be little trouble in extending the Classification Act to the field service, since job specifications and standards would have been promulgated for about every type of Federal job when the classification of the departmental service had been completed.

I am asking that in the near future President Truman take steps to consolidate upon a functional basis the inefficient, sprawling bureaucracy which has grown up in the past 5 years so that duplication of effort and unnecessary activities will be abolished. This action combined with the abolition of many war agencies, will result in the elimination of large numbers of Federal personnel. To my mind this reduction in force should be made to insure the greatest protection to the career-service employee and the veteran. The point system conceived by the Civil Service Commission under which reductions in force will be carried out in the Federal Government is not designed to protect adequately either the veterans or the career-service employees. Under present rules and regulations veterans returning to permanent positions can be assured of not more than a 1-year tenure in the Government service.

To illustrate the misplaced emphasis upon efficiency ratings by the Civil Service Commission, I call your attention to the fact that under the reduction-in-force procedure devised by the Commission a veteran with a fair efficiency rating is eliminated from the Federal pay rolls before a nonveteran with a good efficiency rating. Bear in mind that a fair efficiency rating does not mean that the employee is rendering unsatisfactory service. This is a shocking situation, because I can show that efficiency ratings in the Government service have become meaningless since subjective valuations control. I shall never agree that the hairline distinctions between the various gradations in efficiency ratings should result in the discharge of a veteran employee as long as he is performing satisfactory service. If efficiency ratings must control then the entire subject should be investigated with a view to determining how the absolute protection of veterans' rights can be assured. With respect to the career-service employee, under this point system the difference between a good and a very good efficiency rating is equivalent to 8 years Government service.

At the beginning of the war the Civil Service Commission set up what is known as the War Transfer Unit. The purpose of this unit was to find persons in and out of the Federal service who were not then engaged in war work and induce them to enter the Federal service, or if in the Federal service transfer them to a war agency, where they would be more useful to the war effort. Last year the House Civil Service Investigating Committee employed Dr. Peter T. Swanish, an outstanding expert in the field of public administration and a professor at Northwestern University, to analyze the operations of the War Transfer Unit in the Civil Service Commission. On November 12, 1944 he submitted a report to the committee regarding the operations of that unit in the Chicago regional office of the Civil Service Commission. I have just discovered the existence of this report, and although it is too voluminous to repeat in detail I should like to quote a few passages from it. Dr. Swanish stated:

> There is enough data in this study to give strong support to the view that the Civil Service Commission and its War Transfer Unit missed its chance to serve the Nation * * *. It missed a chance which is now lost. A selection and placement job of first magnitude was whittled down to the routine task of filling in the blank spaces on a mimeographed form with the stencilled signature of the top regional officer at the bottom. The "chestnut horse" was turned into a "horse chestnut"—to paraphrase the remarks of a most distinguished President.

At another place Dr. Swanish observed:

> This simply reinforces the view that in almost every corner I looked the War Transfer Unit and the Civil Service Commission did not do the selection and placement job that had to be done if the idea was to result in any practical benefit to the country in its effort to win a total war quickly. The next example emphasizes strongly that the Nation lost large sums of money, and wasted a lot of effort that could have been applied to war production elsewhere had the Civil Service Commission been on its toes and wide awake enough * * *. The Government probably lost millions and millions of dollars that could have been saved had we organized the idea behind war transfer of the civil-service personnel effectively and put it into the hands of administration that saw its practical implication and alert enough to act on this vision.

At the end of this 43-page report Dr. Swanish concluded:

> Civilian employees in war industries had a variety of restraints thrown at them to eliminate turn-over, reduce unnecessary migration and to direct the flow of scarce labor where most needed in the war program. Not all of them were successful. But, Federal employees, after evidence presented here shows, moved out of war into nonwar agencies time and time again—they danced to the jingle of the dollar—a miserable spectacle in a democracy fighting for its existence. Whatever else may be said, whatever technicalities may be invoked to prove that this or that did not apply to Federal employees, it is still democratic to insist that what is good "sauce" for the citizen in private enterprise is also good "sauce" for the citizen in Government employment in a time of war, and especially when the "sauce" is gold.

After reviewing the situation respecting Federal employees who are veterans, a brief picture of which I have presented to you today, I have become convinced that the Civil Service Commission needs, more than anything else, an outstanding veteran as one of the Commissioners. On July 2, 1945, I sent a letter to President Truman stating that I believed an outstanding veteran should be appointed to the Civil Service Commission in order to assure complete protection to the veterans, who in the future will make up the greater bulk of Federal employees. On July 5, 1945, I received an answer to my letter, and I was assured that the President shared my interest in veterans' affairs and would give "careful consideration" to the appointment of a veteran to the Civil Service Commission.

On April 17, 1945, I called upon the chairman of the House Civil Service Committee to set an early date for open hearings to secure information from the Civil Service Commission and other departments and agencies of the Government regarding the matters which I have just outlined to you in my remarks. It is now almost the middle of July and the summer recess is imminent. As yet no date has been set for these hearings, nor, as a matter of fact, has much interest been shown with respect to the subject matter of these remarks. I trust that by the time the House reconvenes hearing dates will have been set so that these and other matters may be fully aired and remedial legislation reported if necessary.

In the meantime I believe that it is incumbent upon me to outline what I consider should be the steps taken in order to rectify some of the evils which I have outlined.

First. I believe that an outstanding veteran should be appointed to the Civil Service Commission to assure the full protection of all veterans in Government service.

Second. I believe that the Civil Service Commission should reassume its statutory obligations under the Classification Act and shoulder complete responsibility for classifications and promotions within the classified civil service.

Third. It is quite obvious that the Civil Service Commission should promulgate job classification standards for all of those positions in the classified departmental service which are now without proper standards.

Fourth. All recruitment in the Federal service should be handled by the Civil Service Commission, and appropriations to the various departments and agencies should not be diverted for this purpose.

Fifth. In line with the President's admonition that Federal funds should not be wasted I think that a diligent self-analysis should be made by each and every department of the Government, particularly the Civil Service Commission, in order to reduce the cost of personnel management in the Federal Government, which now is out of all proportion to the results being achieved.

Sixth. The entire matter of efficiency ratings in the Federal service should be completely reviewed with a view toward the adequate protection of veterans and career service employees particularly under reduction-in-force procedures.

Seventh. At the reconvening of the House in the fall the House Civil Service Committee should conduct open hearings with respect to all of these problems.

Mr. Speaker, this whole question of personnel management in the Federal Government is one that cannot be taken lightly. Today the Federal Government is the largest employer in the United States, and probably will continue to be for a long time to come. It should be an example of perfection in the field of personnel administration, instead of the object of constant investigation by the Congress and off-the-record ridicule by private industry. More than lip service should be given to the merit system ideals, personnel patronage should be nonexistent, and competitive examinations for jobs and promotions should once again have real meaning.

The SPEAKER. Under previous order of the House, the gentleman from Tennessee [Mr. PRIEST] is recognized for 10 minutes.

WAR EMERGENCY POWER OF FEDERAL RESERVE SYSTEM

Mr. PRIEST. Mr. Speaker, there are some indications that within the coming months the Congress will be asked for legislation to make permanent the war emergency power of the Federal Reserve System to regulate the credit terms under which the American people are to be permitted to purchase the products of American industry.

I feel certain that most of us are in agreement that Regulation W of the Federal Reserve System was justified as a war measure although it may have caused some inequities. Under that regulation, large down payments on all credit purchases were required and payment in full required inside of 1 year.

So long as such a regulation appears helpful as a war measure and particularly as a curb to inflationary spending, then none of us can find any real objection to it.

But as the war draws nearer to a close, there are some phases of the question of Federal control on consumer credit to which I desire to direct the attention of the House.

I am convinced that a request for legislation to give the executive branch of the Government permanent peacetime power to control consumer credit will be made, and that it may appear to come from American business. Obviously, the Federal Reserve Board will not make the proposal itself, but it will not be surprising if the Board should seek some outside sponsorship of such legislation.

I have believed always that the right to make a business contract with my neighbor or any one else is a fundamental right in so long as the exercise of that right does not harm anyone else and is not inconsistent with the public interest.

In times of war and national emergencies, all of us will voluntarily forego that right, but in times of peace we want the right to negotiate and purchase without the advice and consent of the Federal Reserve System or other Federal Government agencies.

Now, as I have stated, I have no objection to Regulation W as a war measure, but let us examine some aspects of the effect of such regulation aside from the primary objective of holding back purchasing power from the markets.

Obviously, such a regulation places no curb on purchasers with plenty of money or ready cash.

Then what group is it that must take the brunt of the regulation?

This group is composed of millions of people in the lower-income group who without the use of credit would be unable to own an automobile, a refrigerator, washing machine, and many other necessities of the American home.

Now, Mr. Speaker, we will probably be told that small businessmen in this country want regulation W perpetuated. Of course, some of them do like it, but I believe they have not fully considered the far-reaching effects of such a regulation for peacetime business. For the time being they are pleased with legally enforced large down payments and shorter terms on all credit contracts at a time when the average man has more money in his pocket than he has ever had before.

But such conditions may not be expected to continue, and when business becomes more difficult to get the stringent regulation of credit may result in seriously handicapping if not actually bankrupting large numbers of these smaller merchants. Obviously, it would eliminate from the purchasing market thousands of persons who under ordinary circumstances are good credit risks, but who will be unable to meet the credit terms of such a regulation.

Not only will it deprive small merchants everywhere of much business that normally will come to them but it will cut down the total distributive capacity of our whole business economy and will lessen tremendously the number of products consumed by this Nation.

How, when this war is over, can we sell more and more goods than ever before and at the same time raise up barriers by act of Congress to prevent the people from buying? This is a ridiculous contradiction. Frequently we hear talk about the vast postwar employment that will be necessary to put our returning soldiers back to work—the vast output of the American factories which the people of this country must consume. Do you realize that two-thirds of the heavy durable goods sold to the people before this war were marketed on installment credit? Is there any sense whatever in curbing by law this great tool of distribution, just as we are about to need it as never before?

By perpetuating consumer credit regulation, we in this House would be giving our support to one of the greatest instruments of monopoly ever developed in America. Big business, huge banking interests, within the last few weeks have indicated their support of continued Federal control of consumer credit. The regulation of credit terms by law will give them an opportunity to get a strong hold on the credit business of the public and to wrest it away from the thousands of little merchants all over the Nation who, for a generation or more, have been serving their customers and handling their credit requirements. Once the terms of consumer credit are regulated by law in times of peace, there will be no credit service that the small merchant can render that cannot be duplicated by his larger competitors either merchants or bankers. It has been such special service from time immemorial which has exemplified the economic livelihood of little business.

When this legislation comes up it will be cloaked in the guise of the public interest. It will be surrounded with talk of protection—protection of the public against the evils of credit selling.

I warn you to recall, when the time comes, not only the great service that installment credit has been to the average people back in our home communities but also how it has made possible the growth of the great enterprises like General Motors, Chrysler, Ford, Crosley, and the great names in furniture, radios, watches, and floor coverings, with their countless jobs for millions, not only in factories but on railroads, in warehouses and the retail stores from coast to coast. A Federal law prolonging Government control of consumer credit would strike at the heart of the progressive aim of the American standard of living which this age has fostered.

I shall oppose legislation to perpetuate Federal control of the credit transactions of my constituents.

As conditions after the war permit the release of other war controls, then this credit control also should be released. It will have served a good purpose as a war measure, but it would, in my opinion, be harmful if made permanent.

The SPEAKER. Under previous order of the House, the gentleman from Washington [Mr. DE LACY] is recognized for 5 minutes.

RAIL TRANSPORTATION SHORTAGE

Mr. DE LACY. Mr. Speaker, we hear considerable about the shortage of rail transportation. Recently we heard the shocking allegation that a group of American soldiers headed out toward the west coast observed a group of Nazi prisoners riding in Pullman cars when the soldiers had to ride in coaches. It was discovered upon investigation that that was not the situation.

But there has been this shortage of transportation facilities. I now find through a Railroad Brotherhood official in my district that there are some shocking abuses going on in transportation which should be stopped. One thing that has happened there is that some of the wealthy business people and officials of these railroad companies are riding around in special cars, special trains, eating food without ration points, when people who are traveling on war business as well as soldiers are not able to get sleeper accommodations for long trips.

May I read for the information of the House some excerpts from the report which this gentleman made. He informs me that—

Approximately 4 months ago the special car A28 of the Great Northern Railroad came into Everett, Wash., carrying the Weyerhaeuser family, vacation bound. The car stayed all day in Everett, but Mr. Weyerhaeuser or his wife got cold. Apparently the Baker heater in car A28 was not sufficiently warming. So an engine—badly needed to shift war supplies in Seattle—was sent the twenty-odd miles from Interbay in Seattle to Everett to provide the Weyerhaeusers with steam. Warming the Weyerhaeuser feet seemed more important than shifting war supplies, badly needed in the Pacific.

Later, on or about June 29, I am informed, this same car, the Great Northern A-28, was sent deadhead, without passengers, all the way from St. Paul to Tacoma, Wash., to pick up the vacationing Weyerhaeusers and return them to St. Paul, Minn. The car was stocked with food, including meats, and I am told the riding Weyerhaeusers gave up no points for this special Great Northern service.

Three months ago private cars A28 and A30 left St. Paul with the board of directors of the Great Northern. Operating as a special train, it carried not only the two luxury cars for the executives of the railroad, but pulled six Pullman cars—Pullman sleepers, mind you, the kind the GI only dreams about as he tosses in the hot seat of his coach—and pulling these six sleepers as "bumpers," completely empty, the train came to Seattle and remained there 2 days. It headed out of there over Southern Pacific tracks for California, again using six badly needed sleepers as "bumpers."

Northern Pacific's private car No. 4 with Mr. Blun, the chief engineer of that road, and his family aboard arrived in Seattle about July 1—apparently for a Fourth of July holiday—and was there as late as July 6. This car, too, is stocked with food for the Blun family, and since it is "industrial users" food—food supplied the railroads under their ration for use in their diners—I presume Mr. Blun and his family ate point-free.

My informant does not know who occupied the Northern Pacific private car No. 14 which came to Seattle sometime late in April and remained there for a week while its occupants vacationed in our glorious Pacific Northwest.

These are a few of the specific instances which have been called to my attention.

Of course, we are very happy to have people, high and low, come out there to the Northwest. There is lots of fine fishing in the streams and there is lots of public power to illuminate the nights and make the people gay and happy, but in seems to me that this kind of traffic in luxury cars, using as much as six needed Pullman sleepers for private parties just as bumpers, with nobody in them, going back and forth across the country, ought to stop. I have asked that an investigation be made by the ODT and hope it can be stopped.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DE LACY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Without commenting on the gentleman's statement, he said there was plenty of fine fishing out on the west coast, if I understand him correctly. I understand that President Truman recently visited out there and did not catch anything. All I can say is that the next time the President goes fishing he ought to come to New England where we can give him some real fishing.

Mr. DE LACY. The chances are that the President was so preoccupied with other things I am afraid he did not have much time to do any real fishing.

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. McKENZIE] is recognized for 40 minutes.

FOURTH-CLASS MAIL

Mr. McKENZIE. Mr. Speaker, H. R. 3235 introduced by me on May 16, 1945, proposes a readjustment of the rates of postage on books of fourth-class mail. Many people have raised the question of why any postage rates should be adjusted when the operations of the Post Office Department showed a profit last year. The answer is simple. The profit made last year was from first-class mail and air mail. No other class showed a profit but contrarywise every other class showed a deficit running on one class up to the whopping total of over $100,000,000. Further any thinking person must know that the present volume of first-class mail is abnormal, brought about by wartime conditions. Millions of persons are dislocated by the war, away from home either in the armed services, war industries, Government or for other reasons. All are writing family and friends. Hence the abnormal wartime mail.

But come peace most of these people will return home and the wartime volume of mail will be greatly reduced. Naturally the postal revenue will be reduced, too, perhaps to the extent that a further deficit will be in evidence.

Another thing that must not be overlooked is that the postal pay bill has added many millions of dollars to the cost of operating the Post Office. It is very doubtful that normal operations of the Post Office will show a profit, and since all deficits are paid by the taxpayer through deficit appropriations made by this Congress, the committee feels that it is the duty of the Congress to survey postage rates and make such adjustments as might be required.

This House has already passed bills adjusting the parcel-post rates and the rates on catalogs. This bill is the next step in this orderly process.

Your committee has held extensive hearings and gone into great detail in an effort to secure the facts. Unfortunately many of the witnesses have failed to cooperate with the committee in its effort to develop the facts and certain publishers have resorted to a campaign of propagandizing schools, churches, libraries, and others with half-facts and half-truths claiming that the proposed adjustment of postage rates will be a bar to the dissemination of religion, education, and culture. Nothing could be further from the truth. Section II of this bill, H. R. 3235, as amended, actually gives preferential treatment to these classes, in some instances cutting the rate as much as approximately 50 percent. In other words, the bill makes it easier and cheaper to circulate books between churches, schools, colleges, organizations, and associations "not organized for profit and none of the net income of which inures to the benefit of any private stockholder or individual." The bill gives special and specific consideration to the "Holy Bible or portions thereof." Further, due to the scaling of zone rates on bulk shipments and heavier packages of books there is developed a rate that makes it not only possible, but actually cheaper, to send many shipments of school books and work books at the book rates. This was true under the original draft of the bill even before the amendment to section II, which specially recognizes the contribution of the Holy Bible, schools, colleges, libraries, and so forth, to the dissemination of religion, education, and culture.

One of the large publishers of schoolbooks is the McCormick-Mathers Publishing Co., who distribute from Atlanta, New York, Wichita, Columbus, and Portland. They showed me typical invoices of shipments to the schools of Monroe, La., my home town. One shipment made to Mr. J. F. Craig, principal of the Ouachita Parish grammar school, just two and one-half blocks from my residence and the school I attended when a boy, was for a parcel of books weighing 17 pounds. The parcel-post rate on this package of books was 68 cents. The book rate under the present postage rate law was 53 cents. The rate under my bill, H. R. 3235, would be only 45 cents for this same package. Is that discriminating against the schools? Another shipment to Miss Madie Moore, principal of Lida Benton School, Monroe, La., weighing 31 pounds, would have cost $1.18 at parcel-post rates, and 96 cents under the present book rates, but only 73 cents under the rates proposed by this bill. With the benefits of the amendment to section II these rates will be further reduced. I had perhaps 2 dozen invoices and there was a similar story in each case depending on the weight of the package, so you can see that this bill does not retard the educational program by increasing postage rates on schoolbooks. This bill actually reduces the rate, thereby reducing the cost of the books to the school and the student.

It is very interesting to note that in the hearings the Book Trust, and by that I mean the publishers of books for

profit—profit of the author and profit of the publisher—represented by a high-powered Wall Street attorney, wailed to high heaven that the rates proposed by H. R. 3235 would penalize the poor student seeking an education, that it would retard the circulation of the Holy Bible, that it would be a very devastating blow to culture. They based their entire argument on this thesis. I called their attention to section II of the bill and we were told that it was not sufficient, that it was not strong enough or clear enough. So right there at the hearings I stated that I would offer an amendment in the committee to meet their objections for I, too, thought wording of the bill could and should be clarified. I therefore offered these amendments. They were adopted by the committee and the bill reported out favorably.

But, lo and behold, the Book Trust was aggrieved. They now began to wail that the bill was subsidizing religion, education, and culture at the expense of the commercial book publisher—the people who publish books not for the advancement of religion, culture, and education but for the well-calculated business profit to the publisher and the author. These publishers are not concerned about religion, education, or culture, nor even morals; their only interest is in turning a profitable dollar for themselves. Did I say dollar? I probably should have said a profitable penny, for postal rates involve pennies, not dollars, but these pennies can and do mount up to many hundreds of thousands of dollars, as I shall point out to you later.

No, Mr. Speaker; these Book Trust publishers are not interested in anything but their own profit. They are publishing strictly for profit and will publish almost anything that will turn that profit, including racy, risque books glorifying the roue and libertine; books you would hardly recommend to your adolescent children. Yet they want the Government to continue to subsidize these profits through continuing the present postage rates on books. Do you believe that this Congress would be justified in continuing to appropriate the taxpayers' money to make up the deficit caused by circulating this type of book? Of course, you do not. The truth of the business is that such books contribute nothing to education and culture. They circulate no news or worth-while information. Certainly they are not religious, but, to the contrary, many are actually immoral. They are written by the author and published by the publisher strictly for the profit to be gained. They are purchased and read by the reader not for educational and cultural advancement but for his own sensuous pleasure. Such books are not essential; they are strictly luxuries. Our tax laws provide for the taxing of luxuries, and if we treated this particular type of book as it should be treated, we would place a luxury tax on them instead of subsidizing them. These book publishers know this, and now the Ways and Means Committee knows it, too.

No, Mr. Speaker, all books are not alike, just because they are composed of printed matter. There is a distinct difference and I believe this Congress can define that difference and see to it that those books that come in the luxury class pay their way when shipped through the United States mail just the same as any other commodity or luxury does, whether it be a pair of shoes, a vial of penicillin, or a fountain pen.

But to show you how far these book people will go, I think you should know that they have propagandized the schools, libraries, and even the ministry. They have told many half-truths in their favor, they have broadcast canned editorials in newspapers all over the country berating me and members of the committee as a bunch of ignoramuses who would stop all education. They have tried to imply that this postage bill was undemocratic and contrary to the best interest and welfare of the country. Yes, sir! It would stop all democratic processes, to hear them tell it.

But listen to this. They did not say a word about the enormous profits made from the publishing of these books. They never mentioned that the hearings developed the fact that just one publisher admitted that on just one week end he spent $250,000 advertising a particular book or set of books in the Sunday supplements. Yes, sir; $250,000 by one publisher on one week end. Does that sound like chicken feed? Do you not think this publisher can pay his own postage and not have to have a subsidy from the taxpayer? And they did not say anything about the $100,000, plus that was paid in attorney's fees during the 1941-42 hearings. I am sure any law firm would consider that a pretty substantial fee and such fees cannot be paid by industries that are in need of a bounty or dole from their government.

And there is more. Here is a specific case that can be found in the hearings. An official of the Book-of-the-Month Club appeared in opposition to this bill. He said that the present flat rate of 4 cents for the first pound and 3 cents for the additional pound was the only rate they could operate under. He left the impression that they would lose money if they operated under any other rate and then he was asked if it was true that his organization did not actually pay the postage but instead charged a flat mailing fee of 11 cents on each package they shipped. He admitted that this was true, but claimed that they did not make anything out of this mailing fee. Now, mind you, the fee was 11 cents per package and the postage rate, under the existing law, is 4 cents for the first pound and 3 cents for the next pound. Also please bear in mind that very few books, especially the type shipped by the Book-of-the-Month Club, weigh more than 2 pounds, and I dare say many of them come within the 1-pound class; therefore on books weighing 1 pound or less they made a profit of 7 cents on each package mailed. On books weighing more than 1 pound, but less than 2 pounds, they made a profit of 4 cents out of the mailing fee. This was called to his attention in the committee and he denied that they made a profit on the mailing fee, claiming that often more than one book was shipped in the same package. Now how many of you belong to, or have belonged to, the Book-of-the-Month Club or some similar club? Did you ever see books mailed except singularly? This gentleman said the club had about 600,000 members and that its books were shipped from New York and Kingsport, Tenn., and that they made no profit on the mailing fee.

Now, we all know that these book publishers are able and successful businessmen out to make a profit, and we respect them for it. Everybody wants to see his fellow man prosper and make money. People in business have got to make money to make a living. They have got to make money to pay their taxes, and we need taxes to pay for this war. No one is picking a fuss with them for making a profit; we are glad to see it; but I am sure you agree they are not entitled to make that profit from a postal deficit. So we decided to check up on the Book-of-the-Month Club. We checked their mailings and the postage paid at both New York and Kingsport. This is what we found: In an 11-day period—or I should say in two periods taken at random, one of 6 days in March 1945 and the other 5 days in June 1945—the club shipped 88,000 parcels from the New York post office and the average postage paid amounted to 9.2 cents per package. Nine point two cents average per package postage paid, but they were collecting 11 cents from the subscriber. Cannot lose money on that. From Kingsport during a 3-month period from March to June they shipped 575,000 pieces or packages on which the average postage paid was 8.3 cents per package. A neat 2.7 cents profit on each package mailed. Does that sound like they need to be subsidized by the American taxpayer? I will say not. It might be well for the Department of Justice to look into this mailing charge—the purchaser pays it and the profit goes to the publisher.

But let us explore this a little further. The official stated that they had some 600,000 subscribers. He also said that their mailings were roughly one half from New York and one half from Kingsport. The profit on mailing charge from New York appears to be approximately 1.8 cents per package—the difference between the 11-cent charge and the actual postage reported to have been paid—and the profit on mailings from Kingsport appears to be 2.7 cents per package. Now adding the two together and taking the gentleman's word for it that approximately half of his shipments originate from each post office—and the post-office check seems to verify this statement—we find that the average profit of the Book-of-the-Month Club is 2.25 cents per package. Yes, sir; 2¼ cents per package. Now 600,000 customers, each receiving one book per month, would make a total of 7,200,000 books. Seven million two hundred thousand books at a profit of just 2¼ cents per book adds up to the astounding total of $162,000. And that $162,000 profit is to just one firm, the Book-of-the-Month Club. There are numerous other organizations of similar character, who operate on a similar plan, except that I understand the mailing charge varies and in some instances is as high as 18 cents per package. We were also advised that there are some 600,000,000 books published

every year. Of course all of these do not go by mail and many that are shipped by mail go in bulk packages up to 70 pounds each and take the bulk rate, however, I am sure it is reasonable to assume that if one concern shipped 7,000,000 books in 1 year there are many times that many millions of books shipped under similar conditions with enormous profits going to the publishing concern out of the difference between his mailing fee charge and the actual postage paid. Incidentally, this excessive mailing charge is strong evidence that the amount of postage charged is no deterrent to the buying and reading of books. Their own policy defeats their argument here.

In view of this condition do you really think the Post Office Department is warranted in handling these books at a loss? I think it is quite easy to see why the book publishers do not want a rate change. I also believe we can see how they can afford to hire high-priced Wall Street lawyers and pay a quarter of a million dollars for one splurge of advertising, but can you see the justice or any reason why the poor overburdened taxpayer should be called upon to put up more tax money to pay for a post-office deficit?

Now let us talk about zoning a minute. The book publishers would have you believe that zone rates would penalize the people in the far reaches of the country. They tell a pitiful story, but examine it. All big publishers, even though their headquarters may be in New York or the East, have distribution centers or depots scattered throughout the country. Their books are either published at or near those centers or are shipped there by rail or water in large quantities. From these centers they are redistributed by the cheapest mode of transportation. Heavier packages go by parcel post or express, whichever is the cheaper, single books by mail, provided that is cheaper. There is no compulsion for them to ship the heavier or long-haul items by mail unless the postal rates are less, and believe me they do not do it. Therefore, the post office handles the costlier items that other modes of transportation would not handle at the post-office rates and winds up with a deficit. It is as simple as that.

But back to zoning. More than 100,000,000 people in these United States live within the third and fourth zone of the established book centers of New York, Boston, Chicago, Atlanta, Dallas, Los Angeles, and Minneapolis. San Francisco, Seattle, Portland, Denver, New Orleans, Wichita, and St. Louis are also distribution centers, so you can see that very few places are outside of the low-rate zones of some shipping center and except in the case of rare books and rare incidents, there will be no penalty because of zones. On the other hand, bear this fact in mind: Under the present flat book rate, it costs just as much to ship a book from Washington, D. C., to Bethesda, Md., just across the District line, as it does to ship the same book to Chicago, New Orleans, or San Francisco; so you can see that under the present rate the more than 100,000,000 people who live near the book-shipping centers of the East are being penalized while at the same time the Post Office Department is piling up a deficit. It just does not make sense. It is not good business and it is not fair to either the American taxpayer or the book readers. The only way to adjust the situation is to adjust the book rates and that is what H. R. 3235 proposes to do.

So, Mr. Speaker, I suggest that before the Members of this Congress and the readers and users of books fall for the high-powered half-truth propaganda of selfish interests they should inform themselves on the bill and the facts. Then I know they would favor and support H. R. 3235.

The SPEAKER pro tempore (Mr. MANSFIELD of Montana.) Under previous order of the House, the gentleman from Ohio [Mr. BENDER] is recognized for 10 minutes.

OWI

Mr. BENDER. Mr. Speaker, I have received in the mail from one of my constituents a beautiful poster published and distributed at the expense of our taxpayers by the OWI. This poster shows a very handsome young lady holding a very generous armful of canned fruits and vegetables and under the picture is this bit of advertising verse:

Of course, I can; I am patriotic as can be;
And ration points won't worry me.

Mr. Speaker, I have this poster in my possession. It is used quite extensively in all stores, shops, and public places.

On the back of this poster is this message:

You can help to keep our Nation well fed by displaying this poster.

Home canning is tremendously important this year. Our armed forces are taking the largest percentage of commercially canned fruits and vegetables on record.

This year civilians will have less commercially canned fruits and vegetables than ever before.

Home canning is the answer—not only for the individual—but every quart of fruits or vegetables canned at home adds just so much more to the total supply.

This poster will encourage home canning. Won't you display it prominently. You will be helping to solve one of the most difficult problems in the world today. You will be helping the war—and the peace.

Thank you.

This month that little jingle sounds very hollow in the ears of most American housewives. Our food authorities have just allotted the meager amount of 6½ pounds of sugar for home canning purposes. At the same time our newspapers during the past few weeks have been carrying a story that 60,000 tons of sugar have been allocated to Spain, enough sugar to give 120,000,000 people 1 pound each. We are saying to our people, "Cut down on your own efforts to conserve existing supplies," but at the same time we are sending out sugar to a country which was denied admission to the United Nations.

In the words of my correspondent, "Whom are they kidding?"

Our new Secretary of Agriculture has the confidence and the support of the entire country in his efforts to correct the difficult food-distribution problem of the Nation. He can start right in here and write an answer to my constituent. Millions of Americans want to know the answer: "When are we going to stop being inconsistent? When are we going to bring our food program into line with the facts? When are we going to stop establishing policies which not only create black-market practices but make them profitable to law breakers? I have asked the OPA this question. I have asked the WFA this question. I now ask Mr. Anderson the same question.

Mr. NORRELL. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Arkansas.

Mr. NORRELL. I was just wondering if the gentleman thinks that this is any more harassing to his constituents than this other bureau that we discussed today, to wit, the FEPC.

Mr. BENDER. I discussed that matter earlier today; of course, the gentleman and I do not see eye to eye on that issue. However, the fact of the matter is, FEPC, established by Executive order, has worked well wherever we have had testimony regarding it.

Mr. NORRELL. Mr. Speaker, if the gentleman will yield further, I happen to be one who voted for a considerable reduction in the appropriation for OWI. I think they harass the people.

Mr. BENDER. I commend the gentleman.

Mr. NORRELL. But I think there are other bureaus and departments that do likewise.

Mr. BENDER. I agree with the gentleman. However, I disagree with him as far as FEPC is concerned.

Mr. RAMEY. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Ohio.

Mr. RAMEY. Does the distinguished gentleman from Ohio realize that the peach crop in the Catawba Peninsula along Lake Erie is practically lost because they cannot get the sugar for canning? I have received several letters from people who have seen that poster. One lady said that no sober person could have gotten out such a poster. I ask the question: Are the taxpayers paying for that?

Mr. BENDER. Absolutely.

Mr. RAMEY. For that picture?

Mr. BENDER. Most certainly.

Mr. RAMEY. It is more like a comic valentine. It is insulting. When you get letters of that kind from the housewives who cannot get sugar to can their fruits and vegetables, it is time for us to act.

Mr. BENDER. Thousands of bushels of peaches in Ohio will go to waste because our people will not have the sugar for canning.

Mr. RAMEY. And insulting the mother of a soldier that is trying to can and preserve fruit. Something like that is practically traitorous.

Mr. BENDER. The gentleman is right.

Mr. DE LACY. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Washington.

Mr. DE LACY. I differ somewhat with the gentleman's estimate of OWI. I think it has done good work in most States. As to the gentleman's comment about sending sugar to Spain and Portugal, to assure a supply of Portugese brandy. I think that situation is absolutely ridiculous and we ought to put an end to it.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. BENDER. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. Is there anything in that poster that advises the housewife to can her fruit now and add the sugar after the war is over?

Mr. BENDER. That is not contained in the poster. But the gentleman understands the question that is raised here. We are getting so many directives, and how can one follow them?

Mr. CUNNINGHAM. If that advice were noted on the poster, it would not be much more ridiculous than it now is.

Mr. BENDER. The gentleman is right.

FOOD RATIONING

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ELLIS. Mr. Speaker, this morning I heard the most astonishing statement I have heard since I have been in Washington.

At a hearing for the purpose of relieving the manpower situation in the coal industry, a high official of the Solid Fuels Administration stated that "the American miner was the poorest fed miner in the world"—meaning, of course, that adequate rationed food was not available. Think of it—these men who are working 54 hours per week and producing 6 tons per man per day as against 1 ton per man in England.

According to this same authority, 18 months ago the War Food Administration promised increased rationing and instead it has been decreased.

It is unbelievable that this shocking situation could prevail in the greatest food-producing nation on earth, and daily we hear of millions of tons of food spoiling and additional millions of tons going overseas monthly on lend-lease.

In the name of common sense, in the name of everything we hold dear and sacred, let us suspend this lend-lease now except to those allies actually engaged in force in the Pacific war.

When our service men and women return home they are going to want to know who permitted this giving away of our national resources and neglecting our own people.

Twelve years ago the President said that one-third of our people were underfed. We have lived to see the day that two-thirds are underfed because "we planned it that way."

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3376. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the Appendix of the RECORD and include a memorandum sent to the President of the United States on the Italian situation by a group of outstanding American citizens.

RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Speaker may declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The House will stand in recess subject to the call of the Chair. The bells will be rung 10 minutes before the Hous reconvenes.

Accordingly (at 4 o'clock and 2 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired the House was called to order by the Speaker at 6 o'clock and 8 minutes p. m.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri, from the Committee on Appropriations, submitted a conference report and statement on the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, for printing in the RECORD.

The SPEAKER. The Chair will state for the information of the membership that we will not vote on the conference report tonight.

ORDER OF BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, I would also announce that, in addition to the conference report on the war agencies appropriation bill, tomorrow we will take up the Export-Import Bank bill, reported out of the Committee on Banking and Currency. A rule has been reported out on that bill with 2 hours' general debate.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HALLECK. At what time will the House meet tomorrow?

Mr. McCORMACK. That will depend upon the action which takes place in the Senate. It will be either 10 o'clock or 11 o'clock.

SALARIES OF TEACHERS, SCHOOL OFFICERS, AND OTHER EMPLOYEES OF THE BOARD OF EDUCATION OF THE DISTRICT OF COLUMBIA

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3376) to fix and regulate the salaries of teachers, school officers, and employees of the Board of Education of the District of Columbia, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 9, line 8, strike out "$3,800" and insert "$3,900."

Page 9, line 10, strike out $4,600" and insert "$4,700."

Page 9, line 12, strike out "$2,700" and insert "$3,000."

Page 9, line 13, strike out "seven" and and insert "eight."

Page 9, line 14, strike out "$3,400" and insert "$3,800."

Page 9, line 17, strike out "seven" and insert "ten."

Page 9, line 18, strike out "$2,600" and insert "$2,900."

Page 9, line 21, strike out "seven" and insert "ten."

Page 9, line 22, strike out "$2,600" and insert "$2900."

Page 10, line 1, strike out "seven' 'and insert "ten."

Page 10, line 2, strike out "$2,600" and insert "$2,900."

Page 13, line 1, after "group" insert "and if entitled to a longevity increase on July 1, 1945, under the provisions of the Act of June 4, 1924, as amended, shall receive one additional annual increase in salary in the amount provided in title I of this act for his class or class and group."

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. STEFAN. Mr. Speaker, reserving the right to object, I would like the gentleman from West Virginia to explain the difference between the bill as it left the House and as it comes back from the Senate. It is my understanding that the difference has something to do with an increase in salary for about 1,000 teachers, giving them $100 each, instead of bringing it up next year, or is it retroactive to January 1 last?

Mr. RANDOLPH. The gentleman from Nebra ka has shown an interest in this legislation, being a member of the subcommittee of the Committee on Appropriations for the District of Columbia. I should say to him and also to the very distinguished minority Member, the gentleman from Illinois [Mr. DIRKSEN], that your Committee on the District of Columbia passed earlier in the week the so-called pay increase bill for the teachers of the District of Columbia. The measure went to the Senate and this afternoon Members of that body made certain changes in the bill as it passed the House. Those changes are in the nature of a further liberalization in the upgrading of certain teachers and others in the administrative personnel within the District of Columbia school system. The amounts are raised slightly in the department of school attendance and work under the so-called clause 30; the

director, the chief attendance officers, the attendance officers, the census supervisors, and the child-labor inspectors.

The amendment to which I think I would direct the gentleman's attention which is different in considerable degree from the House version was that additional increase in pay which would go, as the gentleman has said, to approximately 1,000 additional teachers not included in general pay raise in the over-all picture of approximately 3,400 in the school system of the District of Columbia.

We gave a raise to the entire teacher and administrative personnel; but in connection with a certain group of approximately 1,000, those individuals in the teaching profession in the District of Columbia have not yet reached their maximum salary limit under the old schedules which have been in effect. The House withheld from that group the so-called increase in salary, although they will get an increase in salary because we make permanent the wartime $300 and we gave a $100 increase; but it was our belief in the House that as this group reaches their maximum in salaries this additional increase of $100 will be received. The Senate believes that the increase for everyone should be made regardless of whether those teachers have reached the maximum; and so under the provisions of the Senate bill and of the House bill amended we would have all increases taking effect as of July 1, 1945.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. RANDOLPH. I yield to my distinguished friend from Nebraska.

Mr. STEFAN. As I understand it, this will amount to about $100,000; yet that increase would be given, nevertheless, would it not?

Mr. RANDOLPH. Yes.

Mr. STEFAN. I understand there is no objection on the part of the minority. As far as I am concerned I have no objection, because it is merely treating these 1,000 teachers equally with the others who are receiving an increase.

Mr. Speaker, I withdraw my reservation of objection.

Mr. RANDOLPH. I should just like to say that the gentleman is correct in his observation. We believed that the House bill was a fair bill, we believed that it was an equitable bill, but perhaps the Senate measure is more equitable, is more fair. The members of the House committee have considered this bill, and it was the recommendation of myself acting as chairman and my colleagues that we accept the Senate amendments because basically I have believed for many, many months, in fact for years, that the teachers of the District of Columbia were grossly underpaid. I attempted last December to have the bill sent up from the Commissioners. The bill came up late. We have acted, not in haste, but we have acted here during the closing days of the session. We had hearings in the subcommittee, exhaustive hearings. So our recommendation now is that the House accept the Senate amendments and expedite this bill to passage.

I appreciate the action of the gentleman from Nebraska in withdrawing his objection.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

TO EXEMPT CERTAIN PENCILS FROM JEWELRY TAX

Mr. COOPER, from the Committee on Ways and Means, filed a privileged report to accompany the bill (H. R. 3239) to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, and so forth, which was referred to the Union Calendar and ordered printed.

EXTENSION OF REMARKS

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two instances—in one to include an article on Jewish trade unions in Palestine.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WHITE. Mr. Speaker, I prepared a chart of the principles of the International Charter. I ask unanimous consent to extend it in the RECORD and that it be printed with capitals and in the form in which I have drawn it.

The SPEAKER. Is there objection to the request of the gentleman from Idaho?

There was no objection.

Mr. LESINSKI asked and was given permission to extend his remarks in the RECORD and include an article by Christopher T. Emmet which appeared in the July 3, 1945, edition of the A. L. C. News Letter. The article is entitled "The Moscow Show Trials—1945 Version."

Mr. LESINSKI asked and was given permission to extend his remarks in the RECORD and include copy of an order of the day issued by General Anders of the Polish Corps in Italy and one issued by General Rudnicki of the Polish First Armored Division in Germany.

Mr. McCORMACK (at the request of MR. OUTLAND) was given permission to extend his remarks in the RECORD and to include a telegram from Mr. Philip Murray.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a statement by the Reverend David S. Burgess.

Mr. DAWSON asked and was given permission to extend his remarks in the RECORD and include an article by Under Secretary of War Patterson and a short newspaper editorial.

Mr. BYRNE of New York. Mr. Speaker, on behalf of my colleague from New York [MR. KEOGH], I ask unanimous consent that he be granted the privilege of inserting in the RECORD the salary increases for Federal judges, permission for which was given a few days ago but it now appears that it will take more than three pages and will cost $156. I ask unanimous consent that he may be permitted to include this matter notwithstanding the additional cost.

The SPEAKER. Notwithstanding the cost and without objection, the extension may be made.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. McDONOUGH (at the request of Mr. MARTIN of Massachusetts) indefinitely, on account of official business.

To Mr. LAFOLLETTE, indefinitely, on account of illness in family.

CIVIL AVIATION

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Speaker, I am sure that the Members of the House, particularly the gentleman from West Virginia [Mr. RANDOLPH] will be happy to know of a bill that has been approved by the Committee on Interstate and Foreign Commerce providing an airport program and plan for the entire United States, including Alaska and the Territories of the United States including Hawaii.

It was believed by the committee, pursuant to discussion with the Civil Aeronautics Administration, and the gentleman from West Virginia [Mr. RANDOLPH] was very active in presenting facts, that the United States should provide a national airport plan in order to prepare for the future expansion of civil aviation.

Several measures were proposed and the one finally amended and approved by the committee for submission to the Congress was somewhat different from those that had been entered although it was similar at the same time to all of them.

The proposed bill provides an authorization of $650,000,000 to be expended over not to exceed a 10-year period at the rate of not to exceed $100,000,000 in any given year. Three million dollars were provided in addition to that in order to enable the Civil Aeronautics Administration to proceed with the drafting of a national airport plan. Much consideration was given by the committee as to how best spend that money. They finally decided that it was best not to participate in the purchase of land or in the purchase of rights in air space, but to provide for the payment up to one-half of the cost of the improvement of airports, which includes runways, lighting, taxi strips, and administration buildings only and any other necessary improvements to the airport such as grading, drainage, and so forth, but excluded hangars.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Michigan.

Mr. RABAUT. I know of the gentleman's great interest in aviation, and in airports particularly. I was wondering if he was familiar with the manner in

which they are proceeding to make this study of the lay-out for fields for the Nation; as to what sort of a pattern they have, and who is making it.

Mr. HINSHAW. The plan, of course, has not been prepared. We are providing an authorization of $3,000,000 to the Civil Aeronautics Administration which, in due course, will go to the gentleman's Subcommittee on Appropriations, and that $3,000,000 will enable them to proceed and make the national plan that he has referred to. They have tentative plans. They have ideas, of course. They have been studying the problem for some time, but they have not done more than study it more or less superficially. At the same time they have studied carefully specific airports.

Mr. RABAUT. The reason I ask the gentleman the question is because there is considerable speculation on the part of the engineers as to just in what manner that is being contemplated. Naturally there is anxiety by communities to know where the airports are going to be located and what relationship those airports will have in their geographical location to the lines of travel, proximity to cities, and so on.

Mr. HINSHAW. When the Administrator appeared before the committee; that is, the Assistant Secretary of Commerce for Air, and likewise the Administrator's office, they indicated in figures, which I do not have before me at the moment, the approximate number of different classes of airports that they hoped to be able to improve with this bill. Offhand, and without guaranteeing the correctness of the figures, I think it is something like 1,700 class 1 airports, some 600 or 700 class 2 airports, two-hundred-and-some-odd class 3 airports, and so on.

Mr. RABAUT. As I understand there are four classes of airports.

Mr. HINSHAW. There are five classes.

Mr. RABAUT. Is class 1 a major airport?

Mr. HINSHAW. No; class 1 is the minor class and class 5 is the major class. They put this plan before the committee as a tentative plan and not a final plan because, of course, they have not had the funds with which to make a complete study of the question.

Mr. RABAUT. I just want to say that from time to time when the subject of aeronautics has been before the House I have always been very glad to listen to the gentleman. He always explains something very much worth while.

Mr. HINSHAW. I thank the gentleman for his kindness and consideration.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Was an airport recommended for Lowell, Mass.?

Mr. HINSHAW. No special recommendations have been made thus far. But I will say to the gentlewoman from Massachusetts that the airport plan expected to be prepared by the Civil Aeronautics Administration is to be prepared in conjunction with State and municipal authorities, so that wherever a State authority exists they will cooperate with the State authority; and if none exists in a State, naturally, they must cooperate with any sponsor municipality that desires to be heard and desires to sponsor a project. Of course, if the city of Lowell, Mass., comes under its State charter, under the jurisdiction of the State aeronautical commission, then, of course, the matter will be taken up with the State aeronautical commission, which in turn will deal with the Civil Aeronautics Administration in Washton. These projects may be sponsored by either State or local governmental entities or by a joint arrangement of sponsors, as may be most appropriate in the case.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to the amendment of the Senate numbered 1 to the bill (H. R. 3368) entitled "An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes."

HOUR OF MEETING TOMORROW

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; and

H. J. Res. 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project; and

H. J. Res. 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 29 minutes p. m.) the House, under its previous order, adjourned until tomorrow, Friday, July 13, 1945, at 10 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

611. Under clause 2 of rule XXIV a letter from the Postmaster General transmitting a copy of a letter addressed to the Director of the Bureau of the Budget, certifying that the Post Office Department is within the quota set by that Bureau under date of June 6, 1945, for the appropriation unit involved, was taken from the Speaker's table and referred to the Committee on the Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WINSTEAD: Committee on Military Affairs. H. R. 3772. A bill to prevent a point system for the release of conscientious objectors performing assigned work under civilian direction pursuant to section 5 (g) of the Selective Training and Service Act of 1940, as amended, from being put into effect; without amendment (Rept. No. 904). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHORT: Committee on Military Affairs. H. R. 3755. A bill to establish an Optometry Corps in the Medical Department of the United States Army; without amendment (Rept. No. 905). Referred to the Committee of the Whole House on the State of the Union.

Mr. WALTER: Committee on the Judiciary. H. R. 603. A bill to permit the United States to be made a party defendant in certain cases, and for other purposes; without amendment (Rept. No. 906). Referred to the Committee of the Whole House on the State of the Union.

Mr. CRAVENS: Committee on the Judiciary. House Joint Resolution 49. Joint resolution proposing an equal-rights amendment to the Constitution; without amendment (Rept. No. 907). Referred to the House Calendar.

Mr. JENNINGS: Committee on Claims. H. R. 2842. A bill for the relief of Montgomery County, Miss., districts 2 and 3; without amendment (Rept. No. 908). Referred to the Committee of the Whole House on the State of the Union.

Mr. JENNINGS: Committee on Claims. H. R. 3195. A bill for the relief of Grenada County, Miss.; without amendment (Rept. No. 909). Referred to the Committee of the Whole House on the State of the Union.

Mr. BARRETT of Pennsylvania: Committee on the Public Lands. H. R. 2851. A bill to provide for investigating the matter of the establishment of a national park in the old part of the city of Philadelphia, for the purpose of conserving the historical objects and buildings therein; with amendment (Rept. No. 910). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 3771. A bill to increase the lending authority of the Export-Import Bank of Washington; without amendment (Rept. No. 911). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 321. Resolution providing for the

consideration of H. R. 3771 to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes; without amendment (Rept. No. 912). Referred to the House Calendar.

Mr. COOPER: Committee on Ways and Means. H. R. 3239. A bill to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, and so forth; without amendment (Rept. No. 914). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAY: Committee on Military Affairs. H. R. 1645. A bill to preserve the reemployment preferences of members of the armed forces who after discharge therefrom become employed in essential activities; without amendment (Rept. No. 915). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DICKSTEIN: Committee on War Claims. H. R. 977. A bill for the relief of John August Johnson; without amendment (Rept. No. 901). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on War Claims. H. R. 1781. A bill for the relief of Candler Cobb; without amendment (Rept. No. 902). Referred to the Committee of the Whole House.

Mr. DICKSTEIN: Committee on War Claims. H. R. 1784. A bill for the relief of Jeannette C. Jones and minor children; without amendment (Rept. 903). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. IZAC:

H. R. 3773. A bill to prevent, during a period of 30 years, nationals of enemy countries becoming naturalized citizens of the United States, and immigrants from such countries entering the United States; to the Committee on Immigration and Naturalization.

By Mr. LEMKE:

H. R. 3774. A bill for the relief of owners of crops damaged or destroyed by migratory birds; to the Committee on Claims.

H. R. 3775. A bill to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes; to the Committee on Agriculture.

By Mr. ROGERS of Florida:

H. R. 3776. A bill providing for the return and restoration to the several States of the title and right to any oil, gas, and minerals in or under real property acquired by the United States, or any of its departments or agencies, from the several States, their departments or agencies, either by purchase, cession, or condemnation; to the Committee on the Judiciary.

By Mr. GILLESPIE:

H. R. 3777. A bill for the purchase of certain lands within the boundaries of the Pike National Forest; to the Committee on Agriculture.

By Mr. MAY:

H. R. 3778. A bill to authorize the course of instruction at the United States Military Academy to be given to not exceeding 20 persons at a time from the American Republics, other than the United States; to the Committee on Military Affairs.

By Mr. STEVENSON:

H. R. 3779. A bill to grant increased service pension in certain Spanish-American War cases not included in recent legislation providing increases to other Spanish-American War veterans and their dependents; to the Committee on Pensions.

By Mr. LEA:

H. Res. 318. Resolution to authorize the investigation of the transportation situation; to the Committee on Rules.

By Mr. JOHNSON of Oklahoma:

H. Res. 320. Resolution providing for an investigation by the Committee on Military Affairs of the destruction of military property in the European theater of operations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 3780. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of Joseph Cavalieri, to the Committee on Claims.

By Mr. BROWN of Ohio:

H. R. 3781. A bill for the relief of Mabel M. Fischer; to the Committee on Claims.

By Mr. CUNNINGHAM:

H. R. 3782. A bill granting an increase of pension to George P. Hamilton; to the Committee on Invalid Pensions.

By Mr. CURTIS:

H. R. 3783. A bill for the relief of Mrs. Francis J. O'Driscoll; to the Committee on Claims.

By Mr. DAWSON:

H. R 3784. A bill for the relief of C. H. Brumfield; to the Committee on Claims.

By Mr. KUNKEL:

H. R. 3785. A bill for the relief of Kenneth L. Anderson; to the Committee on Claims.

By Mr. LANE:

H. R. 3786. A bill for the relief of Bartolo Rando; to the Committee on Immigration and Naturalization.

H. R. 3787. A bill for the relief of Natale Piavallo, also known as Natale Kiecieck; to the Committee on Immigration and Naturalization.

H. R. 3788. A bill for the rlief of Steve Athas; to the Committee on Immigration and Naturalization.

H. R. 3789. A bill for the relief of Nicola Piccirillo; to the Committee on Immigration and Naturalization.

By Mr. LINK:

H. R. 3790. A bill for the relief of Genevieve Lund; to the Committee on Claims.

By Mr. McDONOUGH:

H. R. 3791. A bill for the relief of Mrs. Florence Mersman; to the Committee on Claims.

By Mr. ROONEY:

H R. 3792. A bill for the relief of Morris Giannace; to the Committee on Immigration and Naturalization.

By Mr. MILLER of California:

H. R. 3793. A bill for the relief of Willard Whiting; to the Committee on Claims.

By. Mr. O'TOOLE:

H. R. 3794. A bill for the relief of Pasquale Altezza; to the Committee on Immigration and Naturalization.

By Mr. RIZLEY:

H. R. 3795. A bill for the relief of Elmer G. Gartrell; to the Committee on Claims.

H. R 3796. A bill to quiet title to certain school district property in Enid, Okla.; to the Committee on Patents.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1080. By Mr. COCHRAN: Petition of Mr. F. E. Jones and 312 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1081. Also, petition of John Kelleker and 299 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1082. By Mr. JACKSON: Petition of Port Angeles Aerie, No. 483, Fraternal Order of Eagles, Port Angeles, Wash., requesting the Congress of the United States to designate January 31, the birth date of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

1083. By Mr. LUDLOW: Petition of citizens of Maryland for legislation to provide recognition for boys held as prisoners of war of Germany and Japan; to the Committee on Military Affairs.

SENATE

FRIDAY, JULY 13, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Edward B. Willingham, minister, National Baptist Memorial Church, Washington, D. C., offered the following prayer:

O God, our God, how excellent is Thy name in all the earth. From everlasting to everlasting Thou art God. Teach us Thy ways; lead us in plain paths. Hear us, we pray, as we invoke Thy blessing upon the Members of this body and their deliberations today. We ask that Thou wilt bless our Nation in all its ways, and be especially with our President and those who represent us in important places. May Thy protecting arm be about those who are in places of danger. Especially do Thou be with those on the fighting fronts. We ask that Thou wilt bless our Nation with a faith that is strong and with a hope that is true, and grant that we may show forth Thy spirit in all that we do. Add Thy blessings, we pray, to these and all for whom our hearts go out in prayer.

In the Master's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 12, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 259) for the relief of Leo Gottlieb.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3376)

to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns; and

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake.

CONGRATULATIONS OF CHILEAN SENATE ON ANNIVERSARY OF BIRTH OF THE AMERICAN REPUBLIC

The PRESIDENT pro tempore. The Chair lays before the Senate a telegram from the President of the Senate of the Republic of Chile extending congratulations and good wishes of that Republic on the anniversary of the birth of the American Republic. The Chair thinks it would be well to have the telegram in full printed in the RECORD, and, without objection, that will be done, and the telegram will be referred to the Committee on Foreign Relations.

The telegram is as follows:

[Translation]

SANTIAGO, CHILE, *July 4, 1945.*

THE PRESIDENT OF THE SENATE OF THE UNITED STATES OF AMERICA:

By unanimous resolution of the Senate of the Republic of Chile, over which I have the honor of presiding, I transmit through your courteous intermediary our cordial and sincere congratulations to the honorable Senate of the United States of America on the historic day on which the freedom of the great Republic of the North was born. We likewise express sincere best wishes for the increasing greatness and the unalterable prosperity of the noble country of Washington, Jefferson, Lincoln, and Roosevelt. Your Nation has been able to establish, maintain, and defend freedom in peace, rapidly replacing the tools of labor by the arms of war and going to shed its blood freely on the battlefields, on the sea, and in the air. This attitude has earned you the gratitude of the world which witnesses in astonishment so many repeated acts of heroism in defense of universal democracy, the system of government which dignifies and respects man in the fullness of his rights and which is the only solid basis for establishing and maintaining the progress, welfare, and happiness of the people. God keep you.

ARTURO ALESSANDRI.

COMMITTEE SERVICE

On motion of Mr. BARKLEY, it was

Ordered, That the Senator from Idaho [Mr. TAYLOR] be assigned to service on the Committee on Civil Service.

POINT RATIONING BY OPA AFFECTING RESTAURANTS

Mr. WHERRY. Mr. President, I ask unanimous consent to present and have printed in the RECORD at this point and appropriately referred a letter and resolution which I have received from the honorable mayor of the city of Grand Island, Nebr., which has to do with the point rationing with regard to restaurants which has now been adopted by OPA. There seems to be a very serious situation confronting the people of Grand Island. Twenty-seven restaurants are about to close their doors.

The PRESIDENT pro tempore. Without objection, the letter and resolution will be received, printed in the RECORD, and referred to the Committee on Banking and Currency.

The letter and resolution presented by Mr. WHERRY are as follows:

OFFICE OF THE MAYOR,
Grand Island, Nebr., July 7, 1945.

Hon. KENNETH WHERRY,
Nebraska State Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: The Restaurant Association has asked me to forward to you a copy of the resolution they adopted last Thursday evening. I am also enclosing a copy of the letter I have written Mr. Claude Russell, president of the Grand Island Chamber of Commerce, which rather fully sets out my position.

I know that locally we appreciate the many serious problems that are presented by the necessity for control of food sales. However, there is a limit that can be reached in rationing which makes it impossible for a restaurant owner to carry on. I know that our entire Government is considering this extremely serious problem, but I do want you to fully understand the position of our local food handlers in the hope that it may accelerate an early partial solution.

Yours very truly,

HARRY GRIMMINGER.

Whereas the demand for prepared food in the city of Grand Island has been a serious problem over the last year and a half due to heavy demands by personnel of various defense plants operating near the city, and over that period of time the Grand Island cafes have had a problem to supply the demand; and

Whereas in recent weeks the Office of Price Administration has made a reduction of points effective for the period of June 15, 1945 to August 15, 1945, under which reduction in points it is extremely unlikely that any points will be available after August 1, 1945; and

Whereas the Restaurant Association of Grand Island has eliminated the serving of butter except for a small amount for breakfast, has arranged for one meatless day each week, have filled their menus with fish, poultry and egg selections to a point where the public is almost unwilling to accept the menus, and in addition most of the restaurants are closing 1 day each week; and

Whereas it is definitely necessary to have points with which to operate and in the absence of any different ruling, the restaurants in Grand Island will be required to close on the approximate date of August 1, 1945; and

Whereas the closing of any substantial number of restaurants in Grand Island will create an unheard-of situation and prevent many people from securing food: Therefore, be it, unanimously

Resolved by all 26 operators, members of the Grand Island Restaurant Association, That this matter be brought immediately to the attention of the Office of Price Administration, the Grand Island Chamber of Commerce and the mayor and City Council of Grand Island, asking their immediate cooperation in the direction of correcting the situation which, as it now stands, will preclude the possibility of many citizens of Grand Island securing food; be it further

Resolved, That a copy of this resolution be forwarded to Clinton P. Anderson, Secretary of Agriculture, to Senators BUTLER and WHERRY, to Congressman STEFAN, CURTIS, MILLER and BUFFETT.

NICK JAMSON,
Acting President.

STATE OF NEBRASKA,
Hall County, ss:

L. L. Frederickson, being duly sworn on his oath states that he is the acting secretary of the Grand Island Restaurant Association, an organization composed of 26 operating restaurants and cafes in the city of Grand Island; that the above and foregoing is a true and correct copy of a portion of the minutes said organization unanimously adopted at its meeting held at the Yancey Hotel in Grand Island, Nebr. on the 5th day of July 1945.

L. L. FREDERICKSON,
Acting Secretary.

Subscribed and sworn to before me this 6th day of July 1945.

———— ————,
Notary Public.

LOANS TO FARMERS AND SOLDIERS BY FEDERAL FARM LOAN BANK

Mr. LANGER. Mr. President, on behalf of myself and my colleague the Senator from North Dakota [Mr. YOUNG], I ask unanimous consent to present for printing in the RECORD and appropriate reference a resolution adopted by the Towner County National Farm Loan Association at the annual stockholders' meeting at Cando, N. Dak., July 5, 1945, relating to loans to farmers and returning soldiers by the Federal farm loan bank.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

NATIONAL FARM LOAN ASSOCIATIONS,
Langdon, N. Dak., July 5, 1945.

By Mr. C. P. Peterson, Bisbee, N. Dak.

The following resolution was presented for adoption by the Towner County National Farm Loan Association at their annual stockholders' meeting held at Cando, N. Dak., on July 5, 1945:

"North Dakota is a leading agricultural State in the Union, and has recovered from the depression faster than any other State, and has taken a leading part in buying the several Government war-loan bonds. The Federal farm loan bank was established as a cooperative institution for the benefit of the farmers for several years through an order from the National Farm Loan Board Directors, Washington, D. C.; the farmers of North Dakota have not had the privilege that the farmers of other States have had to borrow money from the Federal Land Bank of St. Paul, Minn., for to carry on and improve their farming operation as intended; it would not be more than fair that North Dakota be reinstated in the Union with the same privilege that other States have: Now, therefore, be it

"*Resolved*, That a copy of this resolution be sent to each Member of our Senate and Members of Congress with an earnest request that they use all honorable means to restore North Dakota into the Union so that the farmers and returning soldiers, there so desire, to establish and build themselves a home on the farm, with the same right and privilege that other States have."

On motion duly made, seconded, and carried, the above resolution was unanimously adopted.

This is to certify that the above is an exact copy of the resolution adopted at the annual stockholders' meeting held on July 5, 1945, and the same has been copied and is part of the minutes of the annual meeting of the

stockholders of the Towner County National Farm Loan Association.

P. J. ANTONY,
Secretary-Treasurer.

Copies to United States Senator WILLIAM LANGER, Senator MILTON R. YOUNG, Congressman WILLIAM LEMKE, Congressman CHARLES R. ROBERTSON.

UNITED NATIONS CHARTER—STATEMENT BY WILLIAM H. McMASTER

Mr. LANGER. Mr. President, I ask unanimous consent to present and have printed in the RECORD and appropriately referred a statement by William H. McMaster, of Belmont, Mass., relating to the United Nations Charter.

There being no objection, the statement was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

STATEMENT OF WILLIAM H. M'MASTER, OF BELMONT, MASS., CHAIRMAN OF THE NATIONAL PENSION COMMITTEE, TO SENATE COMMITTEE ON FOREIGN RELATIONS, JULY 13, 1945

Mr. Chairman and gentlemen of the committee, I have only one thought that I desire to convey to your distinguished membership and that I would respectfully have you consider in the solemn deliberations on the Charter before you. That thought is on the dimensional character of this important document. Except for the Charter of the League of Nations, that failed of acceptance by the treaty-making body of our Congress, no other document has contained the dimension that I have in mind. Length, breadth, and depth are three essential bounds of all treaties considered by your committee. But the present Charter of the United Nations has a fourth dimension that includes all of the usual three and embraces a continuum of international relationships that will change the former incentives to endless wars into the high concept of enduring peace.

The mere words of a contract are only meaningful as they merge into the minds of parties involved. Phrases in treaties become outmoded with the passing of years. Even national constitutions become dulled and flaccid through misunderstandings and failure to reenergize. A document that embraces the welfare of the entire human family in its scope is far too precious to be interpreted in any narrow sense. The true objective sought should dominate every other consideration. If the United Nations Charter is comprehended as an entity and with the future peace of a confused and distressed world taken as its fourth dimension, I am certain that no member of your committee or of the honorable Senate, in good conscience, can do other than accept it, without emendations, on behalf of the people of this peace-loving Republic.

PROTEST AGAINST NATURALIZATION OF HARRY BRIDGES

Mr. CAPPER. Mr. President, I have received a copy of resolutions adopted by Casper J. Middlekauf Post, No. 173, the American Legion at Hays, Kans., in which the members of that organization go on record strongly protesting against the naturalization of Harry Bridges as a citizen of the United States.

I ask unanimous consent to present the resolutions and that they be printed in the RECORD and appropriately referred.

There being no objection, the resolutions presented by Mr. CAPPER were received, referred to the Committee on Immigration, and ordered to be printed in the RECORD, as follows:

"Whereas Harry Bridges is an agitator and an undesirable alien—

"Who has been guilty of and participated in subversive activities against the people and Government of the United States;

"Who has called, aided and abetted unlawful strikes, fostered strife and violence in labor and essential war industries, and otherwise interfered with the war effort in the present emergency; and

"Who is a member of or is affiliated with a party or organization advocating the overthrow of the duly constituted authority and Government of the United States and its people: Now, therefore, be it

"*Resolved*, by Casper J. Middlekauf Post, No. 173, of the American Legion, located at Hays, Ellis County, Kans., in regular meeting assembled:

"First. That Casper J. Middlekauf Post of the American Legion protests against the naturalization of Harry Bridges as a citizen of the United States, demands that his application for citizenship be denied, and requests that the Governor of the State of Kansas, and the Senators and Representatives from Kansas in Congress, leave nothing undone to secure a denial of the application of Harry Bridges for citizenship.

"Second. That a certified copy of this resolution be transmitted to the Governor of the State of Kansas, to each Senator and Representative from Kansas in Congress, and the Department of the American Legion of Kansas."

Unanimously adopted and passed this 9th day of July 1945.

ADOLPH SCHUMACHER,
First Vice Commander, Acting Commander.

Attest:

F. B. SPENCER,
Post Adjutant.

I hereby certify that this is a true and correct copy of the resolution passed by the Casper J. Middlekauf Post, No. 173, of the American Legion, on July 9, 1945.

PAULINE WEIGEL.

Subscribed and sworn to before me this 10th day of July 1945.

[SEAL] J. C. PENROD,
Notary Public.

REPORT OF A COMMITTEE

Mr. HAYDEN, from the Committee on Territories and Insular Affairs, to which was referred the bill (S. 936) to amend the act approved January 2, 1942, as amended by the act approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries," reported it without amendment and submitted a report (No. 459) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDREWS:

S. 1265. A bill for the relief of John R. Jennings; to the Committee on Claims.

By Mr. McCARRAN:

S. 1266. A bill authorizing the Bureau of Reclamation, Department of the Interior, to make payment to school districts as compensation for education of children of Federal employees residing on federally owned property; to the Committee on Irrigation and Reclamation.

MR. AND MRS. ARTHUR R. BROOKS

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 512) for the relief of Mr. and Mrs. Arthur R. Brooks, which was, on page 1, line 7, to strike out "$6,679" and insert "$4,579."

Mr. WHITE. Mr. President, on behalf of the senior Senator from New Hampshire [Mr. BRIDGES] I move that the Senate concur in the amendment of the House.

The motion was agreed to.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns; to the Committee on Finance.

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; to the Committee on Commerce.

JAPAN—AN OPPORTUNITY FOR STATESMANSHIP — EDITORIAL FROM LIFE MAGAZINE

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Japan—An Opportunity for Statesmanship," published in Life magazine for July 6, which appears in the Appendix.]

JAPAN AND UNCONDITIONAL SURRENDER—ARTICLE BY ERNEST LINDLEY

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "Japanese Surrender—Define 'Unconditional,'" written by Ernest Lindley and published in the Washington Post of July 13, 1945, which appears in the Appendix.]

UNCONDITIONAL SURRENDER — ARTICLE BY MARK SULLIVAN

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an article entitled "Grant's Ultimatum—Unconditional Surrender," written by Mark Sullivan and published in the Washington Post of July 13, 1945, which appears in the Appendix.]

THE LEAGUE IS DEAD—LONG LIVE THE CHARTER—ARTICLE BY SERGE FLIEGERS

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an article entitled "The League Is Dead—Long Live the Charter," written by Serge Fleigers and published in the Free World for July 1945, which appears in the Appendix.]

MR. GREW ON PEACE—EDITORIAL FROM THE WASHINGTON POST

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Grew on Peace," published in the Washington Post of Friday, July 13, 1945, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—NEWSPAPER COMMENT

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article by Mark Sullivan entitled "Labor Relations" from the Washington Post of July 6, 1945, and an editorial entitled "Progressive Labor Legislation" from the Cedar Falls (Iowa) Record of June 22, 1945, which appear in the Appendix.]

THE UNITED NATIONS CHARTER—EDITORIAL FROM THE COLBY ALUMNUS

[Mr. WHITE asked and obtained leave to have printed in the RECORD an editorial from the Colby Alumnus for July 1945, which appears in the Appendix.]

TRUTH

[Mr. KILGORE asked and obtained leave to have printed in the RECORD a poem entitled "Truth," by William Ewald, of Montclair, N. J., which appears in the Appendix.]

ORDER OF BUSINESS

The PRESIDENT pro tempore. The Senate met this morning following a recess, and there is no business pending. We are awaiting a report from the House of Representatives.

Mr. BARKLEY. Mr. President, under the circumstances, it seems the wise thing to do is to move that the Senate stand in recess subject to the call of the Chair.

RETURN OF ALIENS AND PRISONERS OF WAR TO THEIR HOMES

Mr. MAYBANK. Mr. President, I should like a few minutes to make a few brief observations.

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from South Carolina?

Mr. BARKLEY. I yield.

Mr. MAYBANK. Mr. President, some 2 years ago at a meeting of the Immigration Committee the question was brought up regarding the large number of aliens in this country. At that time in answer to various questions in the hearings we were told that because of the war and the conditions on the continent of Europe and also because of the lack of shipping very little could be done toward moving these aliens out of the United States. When they came here from various Axis-dominated countries of Europe they were registered, and, after registration, some had been placed in confinement and we were informed that the immigration authorities of the Department of Justice were looking after them as best they could. This was a small number of the total.

Mr. President, now that the situation in Europe has cleared up and the countries from which these aliens come are no longer dominated by the Axis, they should be deported as rapidly as possible. I understand that on a recent trip the steamship *Gripsholm* took 700 of the worst type of the aliens back to Europe, and I understand that on her next trip she will take some 1,200 more. I understand further that there have been, according to the immigration authorities, 13,000 aliens already processed to be sent back to the Continent, but before they can be sent back the Army has to give clearances for their return to the European theater.

Well do I appreciate the fact that the Army is moving as fast as it can to bring about these clearances. My hope is and my thought is that the ships which are coming to the shores of America every day with our returning heroes and are making the voyage back to Europe practically empty so as to bring back additional members of our armed forces, may be used to transport these aliens back to their homes.

Mr. President, in addition to the types of aliens I have spoken of, I am reliably advised by those in charge that there still remain in the United States some 150,000 refugees from Axis countries. Some time ago there appeared an article in the newspapers showing that some of these refugees had made the sum of approximately $800,000,000, and, of course, they were not subject to taxation, because they were visitors.

The situation in the Axis countries is now cleaned up, and it is necessary that these people should leave this country. They were brought to America, for what reason I am unable to say. I believe that every effort should be made by the Department of Justice, the Army and the Navy to return these 150,000 refugees immediately.

I have seen with my own eyes the displaced people in Europe. I think I know their thoughts, and I believe I am correct when I say that every day these 150,000 refugees—displaced people—remain here they are going to have that much more desire to continue to remain. It is my hope that, with shipping as it is and with the situation in Europe cleared up as it is, every effort will be made by the immigration authorities, the Department of Justice, and the United States Army to return these people to their homes, at least get them out of our country.

Mr. President, I also hope that as soon as possible the prisoners of war in this country can be returned to their native lands and that our boys who made possible the great victory in Europe, our gallant soldiers, will not find them here working in jobs and being treated kindly.

The rate of employment will probably not continue to be as high as it has been, and as a Member of this body I should not like to feel that these refugees, these aliens, and these prisoners of war, would in any possible way have an opportunity to cost one American soldier or sailor his full wages, his just pay, and his full employment. Let Americans run America, and let the heroes of our armed forces return to the America they knew.

RECESS

Mr. BARKLEY. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and (at 12 o'clock and 10 minutes p. m.) the Senate took a recess subject to the call of the Chair.

At 1 o'clock and 52 minutes p. m., the Senate reassembled when called to order by the President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, and that the House insisted upon its disagreement to the amendment of the Senate numbered 5 to the bill.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 259. An act for the relief of Leo Gottlieb;

H. R. 2615. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942;

H. R. 2853. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944;

H. R. 3376. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes; and

S. J. Res. 31. Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). What is the further pleasure of the Senate?

WAR AGENCIES APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 15, 16, 18, 20, 21, 22, 23, 26, 32, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 12, 13, 19, 24, 25, 27, 28, 29, 30, and 31, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "and the Deputy Director at $10,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$452,500"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$47,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$118,900"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$7,350,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$13,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree

to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "not to exceed $125,000 for entertainment in the United States and abroad of officials and others in the fields of education, radio, press, and cinema of other countries and prior appropriations of the Office of War Information for this purpose shall be construed as having been available for expenditure in the United States;"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 5.

KENNETH MCKELLAR,
CARL HAYDEN,
MILLARD E. TYDINGS,
C. WAYLAND BROOKS,
CHAN GURNEY,
Managers on the Part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
EVERETT M. DIRKSEN,
R. B. WIGGLESWORTH (except as to OWI amendments),
FRANCIS CASE (except as to OWI amendments),
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Andrews	George	Morse
Austin	Green	Murdock
Ball	Guffey	O'Daniel
Barkley	Hart	O'Mahoney
Bilbo	Hatch	Radcliffe
Brewster	Hayden	Revercomb
Briggs	Hickenlooper	Robertson
Brooks	Hill	Russell
Burton	Johnson, Colo.	Stewart
Bushfield	Johnston, S. C.	Taft
Byrd	Kilgore	Taylor
Capehart	Langer	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Chandler	McClellan	Tunnell
Chavez	McFarland	Tydings
Cordon	McKellar	Wagner
Donnell	McMahon	Wheeler
Downey	Magnuson	Wherry
Eastland	Maybank	White
Ellender	Mead	Wiley
Ferguson	Millikin	Young
Fulbright	Moore	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senators from North Carolina [Mr. BAILEY and Mr. HOEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Louisiana [Mr. OVERTON], and the Senator from Massachusetts [Mr. WALSH] are absent on public business.

The Senator from Illinois [Mr. LUCAS] is necessarily absent.

The Senator from Washington [Mr. MITCHELL] is absent on official business for the Special Committee to Investigate the National Defense Program.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

Mr. WHERRY. The Senator from Vermont [Mr. AIKEN] is absent by leave of the Senate.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are are absent on official business.

The Senator from Delaware [Mr. BUCK], the Senator from New Jersey [Mr. HAWKES], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Jersey [Mr. SMITH], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present.

Mr. McKELLAR. Mr. President, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on the motion of the Senator from Tennessee.

Mr. MORSE. Mr. President, I should like to ask the chairman of the conference committee or any member of the committee for a few words by way of explanation of the so-called Lea amendment to be found on page 5 of the bill. It is my understanding that the House is insisting that the Lea amendment remain in the bill. I think the Senate should be fully apprised of the significance of the amendment, and I should like to hear some discussion of it before a vote is taken.

Mr. McKELLAR. Mr. President, I shall be very glad to comply with the Senator's request. That amendment was put in the bill on the floor of the House. As the Senator may remember, when it reached the Senate the Senate committee, on motion of the Senator from Arizona [Mr. HAYDEN], who was greatly interested in the matter, moved to strike it out, and the committee struck it out and the Senate ratified the action of the committee in striking it out.

It went to conference. The Senate committee was unwilling to agree to this amendment, and it was taken back to the House for the purpose of requiring the House to vote on it. The House has voted on it, and I am told by officers of the Senate that the vote was 203 to retain the amendment in the bill and 103 in favor of striking it out.

The first step we will have to take in this matter is to agree to the conference report. If that motion is adopted, then I shall move that the Senate recede from its amendment striking out the so-called Lea amendment.

I hope that the conference report may be agreed to, and after that is done, I will say to the Senator from Oregon, who is interested in this particular amendment, that I am going to turn the matter over to the Senator from Arizona, who was tremendously interested in striking this amendment out, and he will make any further explanation that may be desired.

I should like to say to the Senate before I take my seat and before the conference report is adopted, that very few changes were made by the conferees in the bill as it passed the Senate. The bill in its present form is very similar to the bill passed by the Senate.

In the case of the FEPC amendment, which is the first amendment, practically the same result was reached by the House amendment to the Senate amendment, although a little different language was used. I think in that instance it is a case of a distinction without a substantial difference, and that is the way the department and the General Accounting Office, which has to do with the matter, and the Bureau of the Budget feel about it. They consider it is exactly the same amendment as that adopted by the Senate.

The next most important change made by the conferees was in the OWI provision. As will be recalled, the House committee reported the bill with an appropriation of $35,000,000 for the OWI. On the floor of the House after a vote, the appropriation was reduced to $18,000,000, and the bill was passed by the House with an appropriation in that amount.

When the bill came to the Senate in lieu of $18,000,000 there was substituted $39,670,215. That amendment went to conference, and in conference the amount was reduced to $35,000,000, which was the amount originally reported by the House committee to the House. The Senate as I have said had adopted a larger amount, namely $39,670,215, and in conference it was agreed to reduce that to $35,000,000.

I think that is the principal change in the bill, and unless some Senator is interested in other items which may have been changed, I think it is unnecessary to go into the matter further because they were minor changes at best.

Mr. MORSE. Mr. President, will the Senator yield for a question?

Mr. McKELLAR. I yield.

Mr. MORSE. In the conference report is there any action on the Lea amendment? Is the Lea amendment covered in the conference report?

Mr. McKELLAR. No; that amendment is in disagreement, and, therefore, there is nothing in the report about it.

Mr. MORSE. Therefore, when we vote for the conference report we are in fact also approving the Lea amendment?

Mr. McKELLAR. Oh, no. That amendment is in disagreement. After we agree to the conference report, under our rules, if it is agreed to, then, in order to complete the legislation, I am going to move that the Senate recede from its amendment to the House provision, and the whole matter can come up for a vote.

Mr. MORSE. That answers my question. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on a certain amendment of the Senate to House bill 3368, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 13, 1945.

Resolved, That the House insist upon its disagreement to the amendment of the Sen-

ate numbered 5 to the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

Mr. McKELLAR. I now move that the Senate recede from its amendment numbered 5, and I yield to the Senator from Arizona who has been very active in connection with this amendment and who knows it from beginning to end.

Mr. HAYDEN. Mr. President, I have great respect for the considered judgment of the House, having served in that body for 15 years. In this case I think the judgment was ill-considered. The provision embodied in the House bill was never considered by any committee of the House. Although in the form of a limitation, in effect it is legislation upon an appropriation bill because it changes the existing process of law so that disputes arising in certain cases may no longer be determined or acted upon by the War Labor Board.

If action of that kind was deemed desirable, it should have been taken by means of a bill introduced and referred to the House Committee on Agriculture, and considered by the Committee on Agriculture and Forestry of the Senate; but that was not done. It was not even considered by the House Committee on Appropriations. The motion was made from the floor of the House, and adopted on the floor. It has again been acted upon in the same manner by a vote of the House. No committee of the House has ever considered the question.

There is not only the difficulty I have outlined, but I wish to point out one other practical difficulty. The provision reads:

> No part of the funds appropriated in this paragraph shall be used in connection with investigation, hearings, directives, or orders concerning bargaining units composed in whole or in part of agricultural laborers, as that term is defined in the Social Security Act.

There might be one agricultural laborer, or two or three, among 500 industrial laborers, but if there is one or if there are two or three in a large number of industrial laborers involved, the War Labor Board is prohibited from considering the case at all. That shows that it is very loosely drawn legislation; yet that is what the House adopted.

As matters stood prior to the adoption of this amendment, workers in packing sheds along the railroad tracks—not workers in the fields, but workers, for example, who, after lettuce, or cantaloupes, or tomatoes have been gathered in the fields and trucked to a railroad siding, take them from the trucks and put them in packages to be placed in the cars—under the Wagner Act are not agricultural laborers, but are industrial laborers, and under the Wagner Act they may still organize themselves, and by collective bargaining make agreements with the shippers as to wages and working conditions.

By abandoning the definition of "agricultural laborers" as prescribed in the Wagner Act, which excluded the group of which I have spoken from being classified as agricultural laborers, and using the definition in the Social Security Act, these workers are made agricultural laborers, so that while they may organize and may engage in collective bargaining with the shippers, their employers, yet if there were any dispute between their employers and themselves, the War Labor Board would have no jurisdiction over it. There would be no place where the dispute could be adjudicated. In my opinion, this is a strike-breeding amendment, because if there is no way of adjudicating a dispute, the only recourse left is to strike, and there is a very large number of persons employed. In the hearings it was shown that there are about 325,000 vegetable workers, that is, those working in the sheds handling fresh vegetables throughout the United States, and there is an estimate of half a million laborers, of one kind or another, affected by the provision.

Under those circumstances, the Senate Committee on Appropriations having heard the testimony, having heard the representatives from the War Labor Board, and the Office of Economic Stabilization, and having heard from a number of House Members who came over protesting this action, the committee unanimously recommended that the provision be stricken from the bill, and the Senate struck it out.

The bill went back to the House. Again I am not criticizing that great body, because, as I have said, I served in it, and I have great respect for what it does, but I think in this case the House acted hastily, without proper consideration. But the House has acted, the House Members voted on a roll call vote 203 to insist upon their provision, as against 101 to strike it out, that is, to concur in the action taken by the Senate.

There is involved in this bill the pay of 17 war agencies, and if the bill is not enacted into law until next week, the employees of those agencies cannot be paid. The bill should be enacted promptly, because it will have to be flown overseas to obtain the signature of the President before it will become a law.

Mr. BALL. Mr. President, will the Senator yield?

Mr. HAYDEN. In just a moment. I wish to conclude by saying that under these circumstances I must reluctantly agree that the motion made by the Senator from Tennessee will have to be adopted, as a practical matter, although as a matter of good legislation and as a matter of sound judgment it violates every conception I have in that respect. I yield to the Senator from Minnesota.

Mr. BALL. I agree completely with what the Senator has said regarding the Lea rider, which was purely legislation on an appropriation bill, and in effect specifically changes a section of the Smith-Connally Act which provided that the definition of "agricultural laborer" contained in the Wagner Act should apply to the War Labor Board. I am more concerned with the language "in whole or in part" than anything else, because I think it makes the measure very unworkable, and likely to lead to a great many disputes and border-line cases.

What would be the parliamentary situation if the Senate accepted the amendment with an amendment striking out "in whole or in part," and substituting "in major part," or "substantially," or some similar language?

Mr. HAYDEN. I do not think that would improve the situation, because, after all, it would be a matter of taking a census to ascertain how many employees were involved, and what was a major or minor part. My own judgment is the provision will not work, that the country will find it out very soon, and that within a month or two we will find the House passing a proper legislative correction of this error. I do not see any other way out of it.

I should hesitate to accept a change in the bill which referred merely to "in whole or in part," because I do not think that the definition under the Social Security Act itself should be included. I think it all should remain under the Wagner Act, just as the Senator has pointed out, that that is now the law. This provision is to apply for only 1 year, the Senator will recall, and many things may happen in a year. Things can happen in less than a year, they can happen in a few weeks or months, and if the situation requires, I think the House will realize the necessity of enacting further legislation. But to attempt to add anything now would merely send the matter back to the House. The two-to-one majority indicates to me that the House is not going to change its mind.

Mr. BALL. Would it be possible, without suspending the rules, when the first deficiency bill comes along, to insert a provision repealing this rider, and take it to conference, where we might work out some language which at least would be administratively practical?

Mr. HAYDEN. I should not want to pass a positive opinion upon that, but the argument made in the House was that this was not legislation, that it was merely a limitation upon the funds provided in the bill, and in the way it now reads, it is that. I agree with the Senator that in effect it is legislation, because it does change the way the law now operates.

As to what could be done upon another bill I cannot say at the moment, from a parliamentary point of view, but so far as the Senate is concerned generally, we could try it.

Mr. BALL. Even if we had to suspend the rules, we could repeal it and get it into conference. As the Senator says, there are 17 war agencies involved, and I am inclined to go along at this time, but I hope that on an early bill we will make an effort to eliminate the provision.

Mr. McKELLAR. Mr. President, if the Senator from Arizona will permit, I wish to say to the Senate that I agree with what both the Senator from Arizona and the Senator from Minnesota have so well said about the amendment striking out the provision. I voted for it, as the Senator will recall, and as I remember, it was unanimously adopted by the Senate Committee on Appropriations. On the other hand, we cannot hold up these 17 war agencies because of a matter of this kind. I wish to make a parliamentary inquiry, if the Senator is willing.

Mr. HAYDEN. Certainly.

Mr. McKELLAR. If the Senate recedes as I hope it will, and the language remains in the bill, will the provision apply for just 1 year, or will it be permanent legislation? Senators were speaking of repealing the amendment. I am not sure that this will last longer than a year. I am in doubt about it, and I should like to have the opinion of the

Chair and the Parliamentarian as to whether it will be necessary to repeal it, or would leaving it out next year have the same effect?

The PRESIDING OFFICER. The Chair rules that the appropriations contained in the bill are made for 1 year; and inasmuch as the limitation applies to the use of these particular funds, it is applicable only to the fiscal year 1946.

Mr. McKELLAR. And that if nothing is done between now and June 30, 1946, or if the item is left out of the next appropriation bill, it would have no effect whatever. Do I understand that to be the ruling of the Chair?

Mr. BURTON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. BURTON. I should like to call the Senator's attention to the language of the amendment, which I think will clarify the situation. It says:

Provided further, That no part of the funds appropriated in this paragraph—

And so forth. Therefore, it must be limited to this paragraph, and this paragraph is limited to this year, as I understand.

Mr. McKELLAR. I think that is the true construction of the language, that it is a mere limitation on this bill and will come out when the appropriation is expended. But I wanted to have the assurance of the Chair and the Parliamentarian that such was the case.

Mr. President, I hope very much that the Senate will vote to recede, which will be a vote "yea," so we may come to a final termination of this much-disputed and much-debated bill.

Mr. MORSE. Mr. President, I should like to comment very briefly on the vital issue before the Senate. I wish I had the power really to make clear to the Senate how serious is the proposition which is before the Senate at the present time so far as our national welfare is concerned.

I agree with the Senator from Arizona that procedurally this amendment cannot be justified, because it does constitute legislation on an appropriation bill. It is obviously very dangerous so far as a precedent is concerned for us to go along with a bill that contains legislation when we all know that this matter has not been given the serious attention that it ought to be given by way of careful hearings before appropriate committees. So I say that procedurally in my judgment we cannot justify receding from the position of the Senate, and I hope the Senate will extend me the courtesy of a yea and nay vote on this question, because I think the Members of the Senate ought to put themselves on record on it by a yea and nay vote.

Mr. President, I am not at all impressed with the argument that because we have a series of war agencies waiting for appropriations that we must continually recede, as the record shows we have been doing, on matters which involve great principles in this appropriation bill. I hope we have not reached such a point that we are going to let the House of Representatives put us over a barrel and then find us willing to throw up our hands and say, "There is nothing we can do about it because if we do not recede we are, of course, going to tie up these war agencies." That will not be our responsibility or our fault. It will be the responsibility of that branch of the Congress which in instances such as this is following a procedure which in my judgment is untenable.

Mr. President, I want to caution the Senate about the significance of this action, because what the Senate is doing this afternoon, if it does recede, is supporting the first great move in a union-busting program in America. Let us not mince words about that, and let us not be misled by the language "in whole or in part of agricultural laborers." We are dealing here, Senators, with a segment of our economy that involves great corporations which are engaged in agricultural processing and packing of food products in this country. We are not dealing with a farm problem at all. We are not dealing with agricultural laborers. We are dealing with a group of big business processing and packing corporations that will see to it that they have a handful of agricultural laborers, so-called, in their packing sheds, so that this amendment will apply—with what result? With the result that although their employees have the legal right to organize, they are offered no recourse by the Congress of the United States except the weapon of economic force and the use of the weapon of economic force in settling their labor disputes.

Do Senators think the employers concerned are unaware of the advantageous position in which they will find themselves if this amendment is adopted, when confronted with a strike involving the food supply of the country? Senators, it is a vicious union-busting amendment. Not only that, but it certainly violates the entire spirit of the wartime labor policies of the Government. Labor and industry agreed with the President of the United States that he should set up by Executive order—and the Congress subsequently sanctioned it—a War Labor Board to settle wartime labor disputes. The War Labor Board up to now has had jurisdiction of employees such as are involved in this amendment, and it has exercised that jurisdiction. It has given them the right to be heard before tribunals of the Board. What we are doing is throwing out the window those procedures of the War Labor Board applicable to these employees and the decisions rendered under them. What we are doing is saying to these employees, "Although you have the right to organize, we are not going to give you a tribunal sanctioned by the Government to settle your labor dispute, even though we are in the midst of a war."

Mr. President, the proposed action simply cannot be justified by Congress. We have no right in the interest of the war effort itself to commit an act here today which in fact sanctions the use of economic force by this group of employees.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HAYDEN. As I understand the situation, the no-strike pledge was made throughout the country on the assumption that disputes between employees and employers could be adjusted through the processes adopted by the War Labor Board.

Mr. MORSE. That is correct.

Mr. HAYDEN. Is it the Senator's construction that if Congress destroys that process as to any particular group of laborers that then they are relieved from the no-strike pledge?

Mr. MORSE. No. Even though they have no other recourse to protect their economic interests but to strike, I for one—and I have said it many times—take the position that I care not what the provocation, no group of employees have any right to strike in wartime. I for one would hold to that view even though the Congress strikes these employees a blow beneath the belt and that is what this amendment does. I would still say to them, "It is your patriotic duty in the interest of our war effort to stay on the job, endure hardship, even though it may mean the destruction of your union, for the period of the war until we win this war."

But my views, I may say to the Senator from Arizona, will not necessarily be the views of the workers once they have been provoked into anger because the Government fails to give them an adequate remedy for a peaceful solution of their economic problems. Although I think that they are not relieved from their no-strike pledge, I do not think very much argument is required to demonstrate to the Senator from Arizona that this provision will be an inducement for economic action, because when men become angry, when passions are aroused, reason usually does not prevail.

Mr. HAYDEN. That was one of the compelling reasons which induced me in the beginning to urge that, inasmuch as we had adopted a workable system for carrying on the relationship between employers and employees, particularly among these packing-shed workers, who are mostly migratory laborers, we ought to let the existing situation alone at least until the end of the war. That was the basic reason which actuated me. Going beyond that, there are even more technical objections to the amendment. I will say to the Senator that I thoroughly agree with every word he has said up to this moment, and I am quite sure I shall agree with the remainder of his speech. However, I cannot do anything else under the circumstances than to cast my vote in favor of the Senate receding from the amendment, as a practical matter, at the end of a fiscal year, when the salaries of thousands of persons in 17 war agencies are involved. That is the sole reason why I shall vote that way. Every other conviction I have is that the amendment is a mistake, and I am quite confident that it will not be long before it is demonstrated to be a mistake and that those who made the error will be willing to correct it.

Mr. MORSE. Mr. President, I cannot agree with the Senator's conclusion, because I think that the repercussions which may flow from this amendment by reason of men becoming unduly agitated over what we do here this afternoon may be so dangerous to our war

effort so far as home production is concerned that at least we ought to pause long enough for the Senate as a body to say to the House: "We cannot recede. We want further discussion of this matter, because we cannot believe that the House, when it voted the way it did, fully appreciated the significance of the amendment and the blow which the action of the House would strike at peaceful procedures for the settlement of wartime labor disputes."

The Senator from Arizona has pointed out that these 325,000 employees are for the most part migratory workers. This is not the time or place for a discussion of the economic problems of America's migratory workers, but I wish to say for the RECORD that if anyone will study the history of American migratory workers he will find that those employees have been rich game for economic exploitation. Some of the worst pages in American industrial history are to be found in connection with the treatment which migratory employees have received.

In recent years organization has developed among them. The distinguished junior Senator from California [Mr. DOWNEY] is well aware of the fact that before the war there were some bloody strikes in the great State of California, and there was loss of life in the attempt to organize those employees. This segment of our workers is one of the danger spots in the American labor movement, one of the places where cool heads and the helpful hand of government are required. Let us not forget that when we deal with the occupation of these workers we are dealing with a phase of the food problem of America.

We cannot afford to take action here this afternoon which may inflame—and I predict is likely to inflame to some degree—economic action among the ranks of these employees until their leaders can somehow, in some way, get them to see how this situation came about.

Mr. President, I feel very deeply on this question because I am such a firm believer in fair play and fair dealing. I feel that in fact this proposed amendment is a letting down on the part of the Congress in our war effort on the home front, because it is vital to that war effort to maintain for the period of the wa all peaceful procedures for the settlement of labor disputes. It is proposed to destroy those procedures in relation to 325,000 employees by receding from our position on this amendment.

I appreciate the statement made by the Senator from Arizona, that it is important that the bill be approved so that the war agencies may have their funds; but I believe that the question presented by the amendment is so serious and so important that at least we ought to make a last valiant attempt in the interest of peaceful settlement of labor disputes during the war, to get the House to recede from the Lea amendment. At least I think we ought to be willing to have a roll-call vote on it, and at the conclusion of my remarks I shall ask for the yeas and nays.

I wish to conclude with this observation: We cannot have one procedure applicable to one group of employees for the settlement of wartime labor disputes, and another procedure, or a complete lack of procedure, for another group, and have industrial harmony during the war. One of the great problems which will face the Nation is the problem of industrial relations after the war. In the light of legislation which may be proposed for that period, I believe that we ought to go into the merits and demerits of such a proposal as this, which has been slipped into an appropriation bill and not accept it lying down.

We should not do anything as a Congress which would upset the jurisdiction of the War Labor Board over any labor disputes. I believe that that Board, on the whole, has done a great job—and Senators are aware of differences which I have had with the Board. I think it has done a great job in maintaining to a wonderful degree labor peace during the war. There have been violations of the program. No one in this country has condemned them more strongly than I, or written more decisions against those violations than I have. But we, as a Congress, cannot justify encouraging such violations, not only among these employees, but among other employees, who hereafter are going to say, "If you treat those employees that way, then we will exercise the right of economic action." A tremendous amount of persuasion on the part of all of us will be required to cool their heads and keep them at work for the war effort. Every American worker has the war effort as his primary obligation until this war is won.

I close with one specific example to illustrate what I think may happen with this type of amendment. In the very early days of the War Labor Board we did not wish to take jurisdiction over a great many cases over which we finally assumed jurisdiction. There was a dispute in Pontiac, Mich., involving approximately 14 wholesale grocery clerks. Our first reaction was not to take jurisdiction, because the case was considered too trivial. When that decision came down, one of the largest war plants in Pontiac, where the employees were organized by a sister union of the union of the 14 grocery store clerks, closed down as tight as a drum. Their employees said, "We agreed to a labor policy whereby all disputes were to be settled by the War Labor Board if they could not be settled by peaceful procedures prior to reference to the War Labor Board. If this sister union in this grocery establishment is not to be permitted to enjoy its right to a peaceful settlement of the dispute, if it is to be forced to exercise the strike weapon, we will exercise it, too, as an aid."

The RECORD shows that I condemned that, and I shall continue to condemn that type of economic force during the war. However, as I said earlier in these remarks, that is the type of thing which happens when men become angry. All the Congress is doing by its action this afternoon, I think, if it recedes, is to hold out an inducement for trouble—and serious trouble—in the food plants covered by the amendment.

Hence, it is my very sincere hope, Mr. President, that the Senate at least will make one more valiant try, as I put it, to get the House of Representatives to reconsider this matter, and then vote on a yea-and-nay vote.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee that the Senate recede from its amendment numbered 5.

Mr. MORSE. I ask for the yeas and nays.

The yeas and nays were not ordered.

The motion was agreed to.

Mr. BARKLEY. Mr. President, I should like to inquire whether the action just taken by the Senate completes the action of both Houses on the appropriation bill involved.

The PRESIDING OFFICER. It does, and the bill will now go to the President.

AUTHORIZATION TO SIGN BILLS AND RECEIVE MESSAGES

Mr. BARKLEY. Mr. President, I ask unanimous consent that during the approaching recess of the Senate the Presiding Officer of the Senate be authorized to sign bills and resolutions, and that the Secretary of the Senate be authorized to receive messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BRETTON WOODS AGREEMENT

Mr. BARKLEY. Mr. President, presently I shall move that the Senate proceed to consider executive business. However, before doing so, I wish to say that after consulting with the Senator from Ohio [Mr. TAFT] and the minority leader, the Senator from Maine [Mr. WHITE], it is agreeable that House bill 3314, Calendar No. 452, which is the Bretton Woods legislation and agreement, be made the unfinished business, with the understanding that it shall not be taken up today or tomorrow or at all until Monday.

Therefore, Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 3314, Calendar No. 452, which is the Bretton Woods agreement, with the understanding that it shall not be taken up for consideration until Monday.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, which had been reported from the Committee on Banking and Currency with amendments.

STATEMENT OF APPROPRIATIONS

Mr. McKELLAR. Mr. President, I have a very short statement to make about the various appropriation bills which have been passed during this session of the Congress. First, I wish to say that I am deeply gratified that the war agencies bill has been passed and will now go to the President.

I desire to call attention to the enormous amount of money we have appropriated this year, because I think Senators should have the information, and I hope they will read it in the RECORD. I wish to point out briefly some of the amounts.

For the Department of Agriculture we have appropriated this year $589,931,520.

For the independent offices of the Government we have appropriated $3,121,900,230.

For the Interior Department we have appropriated $111,690,258.

For the Department of Labor and the Federal Security agencies we have appropriated $1,115,617,256. I may say in reference to that bill that the larger part of it is for the Federal Security agencies.

The legislative establishment appropriation bill amounts to $50,994,481.66.

The Military Establishment appropriation bill amounts to $21,496,902,000.

Under the Navy Department appropriation bill we have appropriated this year $23,601,136,064.

From time immemorial, almost, we have appropriated for the State Department, the Department of Justice, the Department of Commerce, and the Judiciary together, of course segregating the appropriations in the bill. The State, Justice, Commerce, and Judiciary appropriation bill this year amounted to $265,521,700.

The Treasury and Post Office appropriation bill amounted to $1,342,958,105.

The War-Civil Functions appropriation bill amounted to $112,450,660.

The District of Columbia appropriation bill amounted to $65,635,660.

The total for the regular appropriation bills is $51,874,738,244.66.

In connection with the other items for which we have appropriated the appropriations under the first deficiency appropriation bill amounted to $2,373,837,128.31.

The second deficiency appropriation bill amounted to $3,636,203,476.79.

The national war agencies appropriation bill, which we have just passed, amounts to $769,364,850.

For miscellaneous appropriations, such as claims and the aggregate of various other small appropriations, the amount was $267,278,530.

The total of appropriations for deficiencies and miscellaneous is $7,046,683,985.10.

All of them make a grand total of $66,900,236,077.76.

I feel that I should also make a statement regarding the permanent appropriations. The interest on the public debt has amounted to $4,500,000,000. Let me say that in 1911, the first year I was a Member of the House of Representatives, we first reached a billion dollar Congress. Now the appropriations for interest on the public debt alone are more than four times the amount which has been spent for Government activities during much of the time during which I have served in the Congress.

The sinking fund amounts to $587,561,230; excess-profits-tax refunds bonds, $1,068,000,000; refunds of taxes, $1,641,760,000; refund of customs, $15,000,000; all others, $166,492,618, making a total of $7,978,813,848, or a grand total of regular bills, deficiencies and miscellaneous, and permanents, $66,900,236,077.76.

Mr. President, I invite the attention of the Senate to those enormous figures for the purpose of expressing the hope that during the next year we may decrease tremendously our terrific tax burden. I mention them also for a second purpose which is just as important as the first. It is commonly believed that we have approximately $100,000,000,000 worth of surplus property now in the hands of the War and Navy Departments, principally, but also in the hands of other departments of the Government. It seems to me that we should give the greatest care and scrutiny to the question of what should be done with such surplus property, and insure that its sale brings in every available dollar to the Treasury of the United States. If we could sell the surplus property for three-quarters of what it cost us originally, or for even one-half, we could reduce the national debt which is now more than $250,000,000,000. If we could secure a reasonable price for the enormous volume of surplus property which we now have on hand, we could reduce the national debt by nearly one-fifth of its present size. Much of the property is scattered all over the world. I believe that we should bring back to the United States our trucks, for example, wherever it is possible to do so. We should also bring back whatever instruments of war may be available for return. We should bring all of our property back and sell it for whatever price will be to the best advantage of the Government. If we can sell the property abroad I am sure we shall be delighted to do so, providing that a reasonable price can be secured.

Mr. President, I believe it is the duty of every Senator to work, figure, consider and, if possible, suggest means by which we can secure the greatest return from the sale of our surplus property. We are not a nation which will repudiate its debt. A few years ago a great nation—I will not state its name—had a very large debt. I believe it was the largest debt in the world. That nation got rid of its debt by a system of inflation. In other words, it confiscated the Government's obligation and in that manner got rid of its debt. America cannot do that. She must pay her debt. In order that she may be in position to meet her obligations she should take advantage of the sale of her surplus property, and obtain every dollar from its sale that it is possible to get. I believe that we should apply every dollar from the sale of surplus property to the payment of the public debt.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. WHERRY. I inquire of the distinguished Senator from Tennessee if he has made a comparison of the appropriations for the present fiscal year with the appropriations made for the regular branches of Government last year?

Mr. McKELLAR. The appropriations are about the same in amount. There is very little difference. Two years ago the appropriations were the highest they have ever been. However, the difference with respect to the present year is not very great. Later I shall put the exact figures in the RECORD in answer to the Senator's question.

Mr. WHERRY. Will it be possible for the Senator to put not only those figures in the RECORD, but the Budget figures of last year as well, so that we may have them before us as a basis of comparison?

Mr. McKELLAR. I shall be glad to do so.

Mr. WHERRY. I thank the Senator for his statement. I believe that some of the remarks which I made last night in the Senate were along the same line, and would be most helpful in our consideration of appropriations from now on. We must balance our National Budget. We must not only know the outgo, but the income as well. If we expect to stabilize Government expenditures we must obtain money with which to pay the intereest on the national debt, and we must also know the cost of Government. I may say further that we should budget the entire amount. I thank the Senator for his statement. When he presents his figures I wish he would include those for a year ago in order that we may have a comparison with the present year. I also wish to thank him for his statement relative to surplus property.

Mr. McKELLAR. The statement will be forthcoming and may be used for the purpose of comparison, or for such other purpose as the Senator from Nebraska or any other Member of the Senate desires.

I ask unanimous consent that the tables showing total appropriations for the past 2 years be inserted one after the other, so that there may be a ready comparison.

The PRESIDING OFFICER. Without objection, it is so ordered.

The tables referred to are as follows:

Total appropriations, 79th Cong., 1st sess.
(as of July 13, 1945)

REGULAR BILLS

Agriculture	$589,931,520.00
Independent offices	3,121,900,230.00
Interior	111,690,258.00
Labor-Federal Security	1,115,617,256.00
Legislative	50,994,481.66
Military	21,496,902,030.00
Navy	23,601,136,064.00
State, Justice, Commerce, and the Judiciary	265,521,700.00
Treasury and Post Office	1,342,958,105.00
War-Civil functions	112,450,940.00
District of Columbia	65,635,660.00
Total, regular bills	51,874,738,244.66

DEFICIENCIES AND MISCELLANEOUS

First deficiency	$2,373,837,128.31
Second deficiency	3,636,203,476.79
National war agencies	769,364,850.00
Miscellaneous	267,278,530.00
Total, deficiencies and miscellaneous	7,046,683,985.10

PERMANENTS

Interest on the public debt	$4,500,000,000.00
Sinking fund	587,561,230.00
Excess profits tax refunds bonds	1,068,000,000.00
Refund of taxes	1,641,760,000.00
Refund of customs	15,000,000.00
All others	166,492,618.00
	7,978,813,848.00
Grand total, regular bills, deficiencies and miscellaneous, and permanents	66,900,236,077.76

Comparison of appropriations, fiscal years 1945 and 1946

[As of July 13, 1945]

REGULAR ACTS

Act	Fiscal year 1945	Fiscal year 1946	Increase (+), decrease (−), 1946 compared with 1945
Agriculture	$562, 145, 918. 00	$589, 931, 520. 00	+$27, 785, 602. 00
Independent Offices	8, 485, 099, 785. 00	3, 121, 900, 230. 00	−5, 363, 199, 555. 00
Interior	103, 239, 796. 36	111, 690, 258. 00	+8, 450, 461. 64
Labor-Federal Security	1, 112, 644, 464. 00	1, 115, 617, 256. 00	+2, 972, 792. 00
Legislative	46, 245, 994. 66	50, 994, 481. 66	+4, 748, 487. 00
Military	15, 434, 814, 795. 00	21, 496, 902, 030. 00	+6, 062, 087, 235. 00
Navy	27, 569, 798, 301. 00	23, 601, 136, 064. 00	−3, 968, 662, 237. 00
State, Justice, Commerce, and the Judiciary	255, 392, 724. 00	265, 521, 700. 00	+10, 128, 976. 00
Treasury and Post Office	1, 330, 846, 169. 00	1, 342, 958, 105. 00	+12, 111, 936. 00
War-Civil Functions	92, 455, 440. 00	112, 450, 940. 00	+19, 995, 500. 00
District of Columbia	69, 111, 569. 00	65, 635, 660. 00	−3, 475, 909. 00
Total, regular acts	55, 061, 794, 956. 02	51, 874, 738, 244. 66	−3, 187, 056, 711. 36

DEFICIENCIES AND SUPPLEMENTALS

Farm Labor Supply 1944	$31, 359, 200. 00		−$31, 359, 200. 00
First Deficiency, 1944	489, 762, 870. 04		−489, 762, 870. 04
National War Agencies	1, 030, 937, 242. 00	$769, 364, 850. 00	−261, 572, 392. 00
Defense Aid and Lend-Lease and UNRRA	3, 920, 320, 000. 00		−3, 920, 320, 000. 00
Second Deficiency, 1944	241, 270, 992. 58		−241, 270, 992. 58
First Supplemental, 1945	482, 460, 891. 03		−482, 460, 891. 03
First Deficiency, 1945		2, 373, 837, 128. 31	+2, 373, 837, 128. 31
Second Deficiency, 1945		3, 636, 203, 476. 79	+3, 636, 203, 476. 79
Total, deficiencies and supplementals	6, 196, 111, 195. 65	6, 779, 405, 455. 10	+583, 294, 259. 45
Miscellaneous acts	7, 643, 882. 20	267, 278, 530. 00	+259, 634, 647. 80
Permanents	6, 791, 100, 115. 00	7, 978, 813, 848. 00	+1, 187, 713, 733. 00
Grand total	68, 056, 650, 148. 87	66, 900, 236, 077. 76	−1, 156, 414, 071. 11

Mr. BARKLEY. Mr. President, I wish to take advantage of this opportunity to congratulate the Senator from Tennessee [Mr. McKELLAR] for his diligence, industry, and faithfulness in pursuing these appropriations to their ultimate consummation. I have realized for many years with what pride a chairman or acting chairman of the Senate Appropriations Committee contemplates the end of a fiscal year with all appropriations being completed for the coming fiscal year. During the consideration of appropriations the Senator from Tennessee has been industrious and diligent in all ways, and has always hoped that the appropriation bills would be completed by the end of the then current fiscal year. Due to circumstances over which the present acting chairman of the Committee on Appropriations had no control, the particular appropriation about which we have been speaking did not get through the Senate and the House prior to the end of the fiscal year. It has now been consummated.

I have not always agreed with the Senator from Tennessee with respect to every item in the appropriation bills, but I believe he is entitled to be congratulated on his industry, his faithfulness, his diligence, and his insistence upon the appropriation bills being considered promptly, and being disposed of by the end of the fiscal year. On the whole, I believe that not only has the Committee on Appropriations of the Senate, but the two Houses of Congress, as well, have done very constructive work in the handling of appropriations, and I am glad to know that those matters have been disposed of. With the possible exception of some deficiency bills which may come along later, funds have been provided for the functioning of the Government during the next fiscal year, and I am glad to commend the acting chairman of the Senate Committee on Appropriations and the Senate for their work.

Mr. McKELLAR. Mr. President, I thank the Senator. I believe that most of the credit for the results accomplished is due to the members of my committee. They make up a very delightful committee to work with, and I think it is one of the best committees we have every had, excluding myself as one of its members.

Mr. WHITE. Mr. President, I am glad that the Senator from Kentucky has spoken of the work of the distinguished Senator from Tennessee [Mr. McKELLAR]. I have not been a Member of the Congress as long as either the Senator from Tennessee or the Senator from Kentucky, but I have served under many chairmen as the years have come and gone. I have never known a chairman who was more diligent or more zealous in seeing the work of his committee promptly and efficiently dispatched than the Senator from Tennessee. He possesses an amazingly detailed knowledge of all the activities of the Government and of its fiscal needs. He has one attribute which I have sometimes thought was the one most absent in many Members of Congress. I think that the Members of Congress are, as a whole, of great ability and character. However, sometimes I have thought that I, as well as others, have not always shown the courage which the situation demanded of us. But I never have known the Senator from Tennessee to shirk a duty; I never have known a man who espoused more vigorously and more earnestly the things in which he believed and denounced more roundly and most deservedly the things which he opposed. We never have to hunt around or search around or get indirect reports of the views of the Senator from Tennessee, because at all times he is forthright in his dealings with events and with his associates in the Senate. I repeat I am glad the Senator from Kentucky has spoken so kindly of the Senator from Tennessee. I wish I had words adequate to express my respect and my regard for him.

Mr. McKELLAR. Mr. President, I want to thank the Senator from Maine and the Senator from Kentucky for their very comforting remarks, and to say that I appreciate the statements of both Senators with all my heart.

Mr. CAPEHART. Mr. President, I should like to congratulate the Senator from Tennessee and pledge to him my hundred-percent support in trying to reduce governmental expenditures and to balance the Budget.

Mr. FERGUSON. Mr. President, I desire to say a few words on the subject to which the acting chairman of the Appropriations Committee referred a few moments ago.

I am glad he put into the RECORD at one place all the appropriations passed by Congress for the past and the ensuing fiscal years.

I know the hard work the Senator from Tennessee has performed in the committee and I appreciate how conscientious he is in this work. I know the difficulty under which the work is done, because at times, particularly toward the end of the fiscal year the appropriation bills come before the Senate Committee on Appropriations a few weeks or days before they must be passed. It gives the committee inadequate time and the members of that committee work diligently and hard for many hours in order that the bills may be reported to the Senate in due course.

I am glad also to hear the Senator say, as I have heard him say in the committee, that he is determined that something shall be done alone the line of reducing appropriations. I join him in this, and hope it can be accomplished. I want to suggest that in my judgment that is all essential. The Senate must take the position on the appropriation bills that they reach the Senate in sufficient time for it to give the bills careful attention and consideration and must insist that time be afforded the Senate proper study and consideration.

I repeat what I said a few days ago on this floor that the Appropriations Committee and the Senate must have more help to do this work, if it is to be done properly.

I am sorry that today the Senate did not permit a yea-and-nay vote on the important amendment in the war agencies appropriation bill providing that no part of the funds appropriated in this paragraph shall be used in connection with investigation, hearings, directives, or orders concerning bargaining units composed in whole or in part of agricultural laborers, as that term is defined in the Social Security Act in section 409, title 42, United States Code. I appreciate that it was legislation, but it was a part and parcel of the appropriation, because the money could not be used except as provided for in the bill and the Senate should have been permitted to have a record vote on such an important matter.

I am glad the Senator from Tennessee spoke about these items today. As I have

said, he has worked hard and diligently on this program, and I pledge him my support, and I know the other Senators will give him their assistance, so that in the coming year we will do even a better job on the appropriation bills. I hope we shall get cooperation of the House of Representatives, and that Congress will give us the help necessary to enable us to perform the great task of appropriating money to run the Government, for, after all, every dollar that is appropriated must be raised, and it must be finally paid by the citizens of the United States.

THE BRETTON WOODS AGREEMENT

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, an editorial from the Washington Post of today entitled "Vote on Bretton Woods."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VOTE ON BRETTON WOODS

Legislation to give effect to the Bretton Woods monetary agreements passed the House by an overwhelming majority and has been approved by a 14-to-4 vote of the Senate Banking Committee. Both the House and Senate bills carry a few amendments, but they are of a clarifying or interpretative nature that do not entail substantive changes in the agreements. Moreover, they permit of speedy reconciliation of differences in conference. Fortunately, the Senate has now agreed to go ahead with debate on the bill next Monday. From present indications it can be counted upon to follow the House's example by decisively indorsing the pacts.

We should be the last to urge haste in approving agreements of such importance as those entered into at Bretton Woods if there were reason to believe that delay would serve a good purpose. So far as we can see, however, there would be no excuse for postponing action for further study of proposals that have been analyzed by experts in exhaustive detail, discused pro and con in official hearings, and debated in public forum and private sessions during the past year. If Congressmen haven't made up their minds by this time concerning the merits of these agreements, further argumentation would seem to be fruitless. Indeed, it could serve only one purpose—to give opponents of the pacts, who make up in fervor of conviction for lack of numbers, an opportunity to do a lot of damage to the cause of international cooperation.

If Senator TAFT and certain of his colleagues had succeeded in preventing the measure from getting to the floor before the Senate becomes involved in discussion of the United Nations Charter, the chances are that nothing at all could have been done about the Bretton Woods pacts until sometime next fall. And if the United States were to delay, we may be quite sure that other nations would also hold back, since the whole program would fall to the ground without our cooperation.

Under the most favorable conditions, it will take a long time to set up the proposed Monetary Fund and the International Bank as functioning institutions. The longer the delay the less effective will be the service that they can render during the critical transition period that lies ahead. To postpone action on the monetary pacts until various other basic problems affecting international trade and currency relationships have been solved or to make approval of the pacts conditional upon extension of loans to Great Britain, for example, would be equivalent to a vote of "no confidence" in the whole undertaking. The monetary pacts are designed to aid, not to assure, a return to currency stability and to facilitate the reopening of world capital markets to investors. Hopes of accomplishment will, of course, be disappointed if participating nations fail to take other essential steps to put their economic affairs in order and remove obstacles to foreign trade. To that end they need encouragement. In our opinion, prompt ratification of the Bretton Woods agreements, preliminary to voting on the World Charter, would be the best kind of encouragement to give them because it would testify to the sincerity of our professed belief in cooperative action among nations as a means of furthering economic well-being as well as of preventing war.

Mr. BARKLEY. Mr. President, I wish to say in this connection that the senior Senator from New York [Mr. WAGNER], chairman of the Committee on Banking and Currency, desires to be recognized when we meet on Monday, so that he can lead off in the discussion of the Bretton Woods agreements. I hope that whoever may be in the chair will keep that in mind, and recognize the Senator from New York in his right as chairman of the Committee on Banking and Currency.

CORRECTION OF THE RECORD—THE OPA

Mr. MORSE. Mr. President, I should like to have a correction made in the daily RECORD of yesterday. The Senate will recall that I presented a resolution proposing the appointment of a special committee of the Senate to investigate continually complaints against OPA. The Senate needs such a vehicle for transmitting to the OPA criticisms which Members of the Senate receive.

My very good friend the Senator from Nebraska [Mr. WHERRY] is recorded as having offered the resolution. I shall be very happy to join the Senator from Nebraska in the resolution if he would like to become a partner.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHERRY. I am in full accord with the principles of the resolution. I had no opportunity of drafting such a resolution, but I have worked for 2 years to do the very thing the Senator is attempting to do and I consider it an honor to have my name on the resolution. I shall be glad to have the RECORD corrected so that the distinguished Senator from Oregon may appear as the sole author of the resolution, or I shall be glad to join with him in a partnership arrangement if he so wishes.

Mr. MORSE. Mr. President, I should be very happy to accept the Senator from Nebraska as a partner; and let me say that membership in this fraternity is wide open. Any other Member of the Senate who would like to become a member of the "Brotherhood for OPA Reform" will be given the most cordial welcome.

Seriously, Mr. President, I hope that the Members of the Senate, and of the committee to which the resolution has been referred, will give exceedingly serious attention to it immediately. I think the Members of the Senate will find, and rightly so, that the people of this country are going to demand that the mistakes of OPA, and its gross maladministration, shall be corrected without further delay. Our people should very rightfully put the responsibility where it truly belongs, namely, upon the shoulders of the Members of Congress, if we permit the OPA to continue its maladministration without seeing to it that steps are taken to correct OPA abuses.

Mr. President, I shall not make any longer speech on the OPA problem today, because I am very happy to be able to report to the Senate that at least some progress is being made on the Oregon lamb problem. The senior Senator from Oregon and the junior Senator from Oregon had a conference with the Secretary of Agriculture this morning, and I left the conference with the belief that the Secretary is going to do what he has been instructed to do, namely, see to it that this problem is worked out so that the policies of OPA, which to date are endangering again our lamb crop of this year, just as they ruined the marketing of lambs the last 2 years, will be absolutely changed, so that the producers of lambs will be able to sell them and have them marketed at ceiling prices.

When progress on a matter such as this, about which I have spoken so many times, is actually being made, I am very happy to await future developments. But my promise continues, that I shall, until such time as the problem is actually handled in a satisfactory manner, continue to call it to the attention of the Senate. Further, I may say that my curiosity has been aroused. I just want to see whether the administration now in power actually will right a great wrong once the facts are made clear to it, and the course of action which it should take is likewise perfectly clear.

So, Mr. President, I close my remarks today on my cause célèbre by saying I am still waiting, and I am encouragingly hopeful.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will proceed to state the treaties and nominations on the Executive Calendar.

TREATIES

The legislative clerk proceeded to read Executive D.

Mr. BARKLEY. Mr. President, in the absence of the senior Senator from Illinois [Mr. LUCAS], who is acting chairman of the subcommittee of the Committee on Foreign Relations which considered the treaties on the calendar, it will be necessary that they go over.

The PRESIDENT pro tempore. Without objection, the treaties will be passed over.

NATIONAL HOUSING AGENCY

The legislative clerk read the nomination of Raymond Michael Foley, of Michigan, to be Federal Housing Administrator, National Housing Agency for the un-

expired term of 4 years from June 30, 1942.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

VETERANS' ADMINISTRATION

The legislative clerk read the nomination of Gen. Omar N. Bradley, United States Army, to be Administrator of Veterans' Affairs.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the United States Public Health Service.

Mr. BARKLEY. I ask that the nominations in the United States Public Health Service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the United States Public Health Service are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I make the same request with respect to nominations of postmasters on the calendar.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I make the same request with respect to nominations in the Army.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I make the same request with respect to the nominations in the Navy.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc.

THE MARINE CORPS

The legislative clerk proceed to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I make the same request with respect to the nominations in the Marine Corps.

The PRESIDENT pro tempore. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That completes the nominations on the calendar.

Mr. BARKLEY. Mr. President, I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

POST OFFICE DEPARTMENT

The PRESIDENT pro tempore. As chairman of the Committee on Post Offices and Post Roads the present occupant of the chair reports favorably from that committee the nomination of Jesse M. Donaldson, of Illinois, to be First Assistant Postmaster General, and asks unanimous consent that the nomination be now considered and confirmed, and that the President may be immediately notified.

The legislative clerk read the nomination of Jesse M. Donaldson, of Illinois, to be First Assistant Postmaster General.

The PRESIDENT pro tempore. Is there objection to the present consideration of the nomination? The Chair hears none, and, without objection, the nomination is confirmed, and the President will be immediately notified.

RECESS TO MONDAY

Mr. BARKLEY. Mr. President, as in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 19 minutes p. m.) the Senate took a recess until Monday, July 16, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 13 (legislative day of July 9), 1945:

ASSISTANT POSTMASTER GENERAL

Jesse M. Donaldson to be First Assistant Postmaster General.

NATIONAL HOUSING AGENCY

Raymond Michael Foley, to be Federal Housing Administrator, National Housing Agency for the unexpired term of 4 years from June 30, 1942.

VETERANS' ADMINISTRATION

Gen. Omar N. Bradley, United States Army, to be Administrator of Veterans' Affairs.

UNITED STATES PUBLIC HEALTH SERVICE

PROMOTIONS IN THE REGULAR CORPS

To be temporary senior surgeons, effective dates indicated

Dale C. Cameron, June 16, 1945.
James V Lowry, July 1, 1945.
Eugene A. Gillis, July 1, 1945.
James C. Archer, June 15, 1945.

To be temporary passed assistant surgeons, effective July 1, 1945

Ira Avrin
Jacob Wagner

To be temporary surgeons, effective dates indicated

Avery B. Wight, May 1, 1945.
Edward C. Jenkins, July 1, 1945.
Walter S. Mozden, August 1, 1945.
William D. Hazlehurst, July 1, 1945.

To be temporary senior surgeons, effective July 1, 1945

Seymour D. Vestermark
Gordon A. Abbott
Chapman H. Binford
Waldemar C. Dreessen
Edward C. Rinck

To be temporary senior dental surgeons, effective dates indicated

Ray P. Breaux, August 1, 1945.
Thomas L. Hagen, August 1, 1945.
Joseph J. Dunlay, March 1, 1945.

To be senior surgeons, effective date indicated

George G. Holdt, July 1, 1945.
James B. Ryon, October 14, 1945.
William H. Sebrell, Jr., June 29, 1945.
Homer L. Skinner, June 29, 1945.

To be passed assistant dental surgeons, effective July 20, 1945

Dennis E. Singleton
Howard K. Wyatt
Norman L. Zwickel

IN THE ARMY

APPOINTMENT IN THE REGULAR ARMY

William Henry Kasten to be Chief of Finance, with the rank of major general, for a period of 4 years from date of acceptance.

Luther Deck Miller to be Chief of Chaplains for a period of 4 years from date of acceptance, with the temporary rank of brigadier general, Regular Army.

Daniel Isom Sultan to be Inspector General, with the rank of major general, for a period of 4 years from date of acceptance.

IN THE NAVY

APPOINTMENTS IN THE NAVY, FOR TEMPORARY SERVICE

James L. Holloway, Jr., to be rear admiral for temporary service, to rank from September 4, 1943.

Penn L. Carroll to be commodore for temporary service, to continue while serving as deputy chief of staff to commander Seventh Fleet, and until reporting for other permanent duty.

George H. Bowdey to be commodore on the retired list, for temporary service, to continue while serving as Chief of Staff to the President, Naval War College.

Lewis L. Strauss to be commodore in the Naval Reserve, for temporary service, to continue while serving as a member of the Joint Army and Navy Munitions Board.

William C. Wallace to be pay director with the rank of commodore, for temporary service, to continue while serving as fleet supply officer, Service Force, United States Atlantic Fleet, and until reporting for other permanent duty.

Thomas A. Durham to be pay director with the rank of commodore, for temporary service, to continue while serving as officer in charge, Naval Supply Depot, Aviation Annex, Oakland, Calif., and until reporting for other permanent duty.

John R. Wood to be pay director, with the rank of commodore, for temporary service, to continue while serving as senior assistant to the aviation supply officer, Philadelphia, and until reporting for other permanent duty.

Gerald A. Eubank to be pay director in the United States Naval Reserve, with the rank of commodore, for temporary service, to continue while serving as fiscal director, Bureau of Supplies and Accounts.

James B. Ricketts to be pay director, with the rank of commodore, for temporary service, to continue while serving as force supply officer, staff of commander air force, United States Pacific Fleet, and until reporting for other permanent duty.

Charles T. Dickeman to be civil engineer in the Navy, with the rank of commodore, for temporary service, to continue while serving as officer in charge of a naval construction brigade and until reporting for other permanent duty.

IN THE MARINE CORPS

FOR TEMPORARY SERVICE

To be major generals in the Marine Corps, for temporary service, from June 22, 1945

Harry K. Pickett
Raymond R. Wright

To be a brigadier general in the Marine Corps, for temporary service, from June 22, 1945

Robert H. Pepper

POSTMASTERS

ALASKA

Everell R. Sharnbroich, Wrangell.

CALIFORNIA

James A. Adrian, Jr., Banning.
Mary B. Chaim, Byron.
Gladys M. Tolbert, Dorris.
Scott K. Wood, Fresno.

ILLINOIS

James D. Gilley, Centralia.
Clara E. Jenkins, Lerna.

KANSAS

Arthur H. Poundstone, Anthony.
Arvel J. Mueller, Hudson.

LOUISIANA

Eda P. Durio, Forest Hill.
Louise W. Beebe, Lena Station.

TEXAS

Oscar P. Spiegelhauer, Coupland.
Andy P. Box, Llano.
Gussidell Buckner, Rochester.
Domingo Garcia, San Diego.

WASHINGTON

Dorothy M. Julian, Hartford.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 13, 1945

The House met at 10 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, offered the following prayer:

Almighty God, in this moment of prayer and meditation, we would yield our spirits to Thy Spirit that they may be transformed and touched to finer issues and that we may meet the tasks of this day renewed, strengthened, unafraid, and full of hope.

May everything that mars and tends to eclipse our vision or dissipates our energies be taken away as we seek to respond to the duties and responsibilities that challenge our noblest manhood and womanhood. Help us to understand that our imperfect and distorted vision of what those duties and responsibilities are cannot be clarified and made commanding unless we have an unclouded vision of the Lord our God and His will, and that we cannot discharge them efficiently unless we are girded with divine wisdom and strength.

We pray that Thou wilt inspire us with humility and purity of heart, sincerity and integrity of mind, and all those cardinal virtues whereby Thou art known. Emancipate us from everything that is alien to Thy holy will. Sustain us in loyalty to every lofty principle. May we not be afraid of high ideals, but may we pursue them with constancy and courage.

To Thy name, through Christ our Saviour, we shall give all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3180) entitled "An act to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes."

MECHANICAL PENCILS

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3239) to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, and so forth, which has been unanimously reported by the Committee on Ways and Means.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Tennessee kindly explain the bill?

Mr. COOPER. Mr. Speaker, under the present law, fountain pens and smokers' pipes having a little strip of silver or other metal to keep them from splitting are exempt from the tax on jewelry. All this bill does is to include mechanical pencils.

Mr. MARTIN of Massachusetts. In other words, the bill puts mechanical pencils where they belong, in the other classification?

Mr. COOPER. This bill places mechanical pencils with fountain pens and smokers' pipes.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. REED of New York. Mr. Speaker, may I for the benefit of the Members display this pencil which has this little band which is found on practically all pencils. Under the law it is classed as jewelry. This bill would remove such a pencil from being classified as jewelry and put it into the same class as fountain pens. As the Members can see, the metal band is there simply to keep the pencil from splitting.

Mr. MARTIN of Massachusetts. Mr. Speaker, I think it is a very proper bill. I withdraw my reservation of objection.

Mr. RANKIN. Mr. Speaker, reserving the right to object, as a matter of fact, nearly all pencils are metallic, are they not? Or the majority of them are?

Mr. COOPER. Many of them are, of course. Many of the producers of fountain pens also manufacture mechanical pencils. This bill simply puts mechanical pencils in the same classification as fountain pens. The bill was introduced by the gentleman from New York [Mr. LYNCH], who is unavoidably absent on account of illness. The Committee on Ways and Means unanimously reported the bill.

Mr. WILSON. Mr. Speaker, reserving the right to object, is there any limitation on the price of these mechanical pencils?

Mr. COOPER. Yes; the bill does provide the same limitation as is provided for fountain pens; that is, it shall not include those with precious metals for ornamental purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2400 of the Internal Revenue Code (relating to the retailers' excise tax on jewelry, etc., is amended by striking out "to a fountain pen or smokers' pipe if the only parts of the pen or the pipe" and inserting in lieu thereof "to a fountain pen, mechanical pencil, or smokers' pipe if the only parts of the pen, the pencil, or the pipe."

SEC. 2. The amendment made by this act shall take effect on the first day of the first month which begins more than 10 days after the date of the enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESTRICTIONS ON DISPOSITION OF NAVAL VESSELS

Mr. VINSON submitted the following conference report and statement on the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2 and agree to the same.

CARL VINSON,
P. H. DREWRY,
JAMES W. MOTT,
Managers on the Part of the House.

DAVID I. WALSH,
MILLARD E. TYDINGS,
HIRAM W. JOHNSON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3180) to impose certain restrictions on the disposition of naval vessels and facilities necessary to the maintenance of the combatant strength and efficiency of the Navy, and for other purposes, submit the following written statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

Amendment No. 1 (a) modifies the House version to permit certification of prospective surpluses rather than to being limited to actual existing surpluses, and (b) does not require the contrary views, if any, of the Chief of Naval Operations.

Amendment No. 2 permits the Secretary of the Navy to make a lease for less than 1 year without (a) making a report to Congress and (b) being subject to the 60-day review.

CARL VINSON,
P. H. DREWRY,
JAMES W. MOTT,
Managers on the Part of the House.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an article which appeared in the Boston Herald entitled "Boston Offers Ocean Port for Three Lines."

Mr. LANE asked and was given permission to extend his remarks in the RECORD and include an article that appeared in the Boston Pilot.

Mr. WASIELEWSKI asked and was given permission to extend his remarks

in the RECORD and include a newspaper article.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD dealing with a bill which he introduced to authorize the erection of a shrine to the unknown heroine of World War II.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include a letter from the Office of Price Administration.

Mr. POAGE asked and was given permission to extend his remarks in the RECORD and include a letter addressed to P. W. Litchfield, of the Goodyear Tire & Rubber Co.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in the RECORD and include a recent editorial.

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include excerpts from letters and editorials.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD and include certain excerpts.

Mr. McGREGOR asked and was given permission to extend his own remarks in the RECORD.

Mr. RANKIN asked and was given permission to extend his remarks to include an article from the Daily Corinthian, of Corinth, Miss., with respect to the bill to protect servicemen in their right to work.

MINORITY VIEWS

Mr. ERVIN. Mr. Speaker, I ask unanimous consent that I may file minority views on the bill H. R. 3384.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary, which is hearing evidence in an impeachment proceeding, be permitted to sit during the general debate in the House today.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

Mr. CANNON of Missouri. Mr. Speaker, I call up the conference report on the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 3368) "making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 15, 16, 18, 20, 21, 22, 23, 26, 32, and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 12, 13, 19, 24, 25, 27, 28, 29, 30, and 31, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "and the Deputy Director at $10,000,"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$452,500"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$47,500"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$118,900"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$7,350,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$13,000,000"; and the Senate agree to the same.

Amendment numbered 17: That the House recede from its disagreement to the amendment of the Senate numbered 17, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: "not to exceed $125,000 for entertainment in the United States and abroad of officials and others in the fields of education, radio, press, and cinema of other countries and prior appropriations of the Office of War Information for this purpose shall be construed as having been available for expenditure in the United States;"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 5.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
EVERETT M. DIRKSEN,
R. B. WIGGLESWORTH (except as to OWI amendments),
FRANCIS CASE (except as to OWI amendments),
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
MILLARD E. TYDINGS,
C. WAYLAND BROOKS,
CHAN GURNEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill, H. R. 3368, making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, submit the following detailed statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendments Nos. 2 and 3: Provide salaries of $10,000 for eight public members of the War Labor Board as proposed by the Senate, instead of four public members at $10,000 each and four alternate public members at $9,000 each as proposed by the House.

Amendment No. 4: Corrects a typographical error.

Amendment No. 5: Reported in disagreement.

Amendment No. 6: Appropriates $2,500,000 for administrative expenses of the Alien Property Custodian, as proposed by the House, instead of $3,000,000 as proposed by the Senate.

Amendment No. 7: Inserts language authorizing appointment of a deputy director of the Office of Defense Transportation, instead of a deputy director and two executive assistants as proposed by the Senate.

Amendments Nos. 8, 9, 10, and 11: Appropriate $7,350,000 for the Office of Defense Transportation, instead of $7,000,000 as proposed by the House and $7,700,000 as proposed by the Senate, and adjust limitations to accord therewith.

Amendment No. 12: Corrects a typographical error.

Amendment No. 13: Clarifies authority of General Accounting Office to audit corporations under jurisdiction of the Office of Inter-American Affairs.

Amendment No. 14: Appropriates $13,000,000 for the Office of Inter-American Affairs instead of $14,000,000 as proposed by the House and $12,000,000 as proposed by the Senate.

Amendments Nos 15, 16, 18, 19, 20, 21, 22, and 23: Appropriate $35,000,000 for the Office of War Information instead of $18,000,000, as proposed by the House, and $39,670,215, as proposed by the Senate, and adjust limitations to accord therewith.

Amendment No. 17: Restores language proposed by the House to authorize expenditures by Office of War Information for official entertainment and limits the amount therefor at $125,000.

Amendment No. 24: Corrects a typographical error.

Amendments Nos. 25 and 26: Appropriate $35,000,000 for the War Production Board as proposed by the House, instead of $35,623,700, as proposed by the Senate, and adjust a limitation.

Amendments Nos. 27, 29, and 30: Limit expenditures for administrative expenses of the Smaller War Plants Corporation to $8,000,000 as proposed by the Senate, instead of $7,000,000 as proposed by the House, and adjust limitations to accord therewith.

Amendment No. 28: Inserts language proposed by the Senate to increase the salaries of four members of the Board of the Smaller War Plants Corporation to $9,000 each per annum.

Amendment No. 31: Inserts language proposed by the Senate to authorize the War Shipping Administration to pay traveling expenses of employees, whose posts of duty are outside the United States.

Amendment No. 32: Strikes out language proposed by the Senate to pay per diem allowances in lieu of subsistence to employees of the War Shipping Administration whose posts of duty are outside the United States.

Amendment No. 33: Strikes out language proposed by the Senate to authorize the payment of judgments by the War Shipping Administration. The Committee desires to review the situation in more detail before authorizing payment of such judgments.

AMENDMENT IN DISAGREEMENT

Amendment No. 5: Strikes out language proposed by the House to restrict activity of the War Labor Board in connection with certain types of labor. The managers on the part of the House have authorized a motion to insist on disagreement.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMET O'NEAL,
LOUIS C. RABAUT,
JED JOHNSON,
EVERETT M. DIRKSEN,
R. B. WIGGLESWORTH (except as to O. W. I. amendments),
FRANCIS CASE (except as to O. W. I. amendments),
Managers on the Part of the House.

Mr. CANNON of Missouri. Mr. Speaker, this conference report concludes consideration of the last bill for the fiscal year 1946.

Including this bill, the Congress has appropriated, upon reports from the Committee on Appropriations, since the beginning of the session, in round figures, $66,000,000,000. About $7,000,000,000 of that has been permanent appropriations, so when the amount of permanent appropriations is subtracted, in order to give you a comparable figure, we have appropriated this year a little over $58,000,000,000, as compared with an appropriation last session of something over $60,000,000,000. So it will be observed that while the decrease has not been comparatively large, there is a definite trend downward, and from now on we expect that trend to increase proportionately as we near the end of the war.

It is our hope and our expectation that we will never again report to the House another war agencies bill. We provide in this bill sufficient funds, we confidently believe, to maintain these agencies throughout the rest of the emergency. And we anticipate the end of the emergency within the limits of the fiscal year.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. RICH. Then I take it that the purpose of the Appropriations Committee is to eliminate a great many of these agencies during the coming year?

Mr. CANNON of Missouri. In most instances it will not be necessary for the committee to take action except for purposes of liquidation. Many of them will be automatically eliminated at the end of the war for the reason that under the Executive orders which established them provision is for the emergency period only and upon conclusion of hostilities they automatically cease to function.

Mr. RICH. May I comment further and say to the gentleman as chairman of the Appropriations Committee that he has the greatest responsibility, in my judgment, of any Member of the House in trying to cut down Government expenses. It will depend on the policy he pursues how far we will cut them down. I congratulate the gentleman now, but I am going to watch him to see that he does that.

Mr. CANNON of Missouri. I hope the gentleman will adhere to that policy and will not only watch us closely but will cooperate with us. The responsibility rests on the House as well as on the committee. We have had up to this time excellent cooperation, and we have had especially active cooperation from the gentleman from Pennsylvania, for which I now express warm appreciation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I call the attention of the gentleman from Missouri to the words of the gentleman from Pennsylvania that in congratulating the gentleman he also warned that he is going to watch the gentleman from Missouri.

Mr. CANNON of Missouri. Yes; and we hope he will not grow weary of well doing. If he watches us, we are certain he will approve, because our policy from now on will be materially changed from the policy we have followed from the beginning of the war to this time. Up to this time, whenever there has been any question as to liberality, we always resolved the doubt in favor of the appropriation because we thought it was better, if we should err, to provide too much and too soon rather than too little or too late; but from now on, having passed the turn in the war, we propose to scrutinize requests for appropriations with minute circumspection even for the war itself, and as soon as the war closes we will then enter the most active period in the history of the committee. Promptly on the announcement of the armistice we plan to reach out in every direction and impound every dollar that has been appropriated but not yet expended for war purposes and bring it back into the Treasury. And in that strenuous procedure we hope to have the support and encouragement of the gentleman from Pennsylvania and all other Members of the House.

In the meantime the drafts on the Treasury have been heavy.

Since this Congress convened on January 3, 1945, the following measures reported from the Committee on Appropriations providing appropriations, in which I am including the bill now under consideration, have been passed and have, or shortly will, become law:

Regular annual acts

Agriculture	$589,931,520.00
District of Columbia	65,635,660.00
Independent offices	3,121,900,230.00
Interior Department	111,690,258.00
Labor-Federal Security:	
Labor Department	69,128,884.00
Federal Security Agency	661,885,179.00
Related independent agencies	384,603,193.00
Total	1,115,617,256.00
Legislative	$50,994,481.66
Military	21,496,902,030.00
Navy Department	23,601,136,064.00
State, Justice, Commerce, and Judiciary:	
State	73,754,400.00
Justice	93,768,900.00
Commerce	83,608,000.00
Judiciary	14,390,400.00
Total	265,521,700.00
Treasury and Post Office:	
Treasury	285,771,300.00
Post Office	1,057,186,805.00
Total	1,342,958,105.00
War Department, civil functions	112,450,940.00
Total, regular annual acts	51,874,738,244.66

Deficiency and supplemental acts

First deficiency, 1945	$2,373,837,128.31
National war agencies	769,364,850.00
Second deficiency, 1945	3,636,203,476.79
H. J. Res. 85	6,784,000.00
H. J. Res. 100	184,000.00
H. J. Res. 141	237,392,550.00
H. J. Res. 174	662,980.00
H. J. Res. 208	20,055,000.00
H. J. Res. 212	2,200,000.00
Total, deficiency and supplemental acts	7,046,683,985.10
Total permanent annual appropriations, general and special accounts, as estimated in 1946 Budget (subject to revision)	7,978,813,848.00
Total appropriations 79th Cong., 1st sess., at midyear	66,900,236,077.76

The principal items contributing to the total of the so-called permanent appropriations are:

Excess-profits tax refund bonds	$1,068,000,000
Interest on the public debt	4,500,000,000
Cumulative sinking fund	587,561,230
Refund of internal-revenue collections	1,641,760,000

Apart from the permanent appropriations, the tabulation shows new appropriations aggregating $58,921,422,229.76, and they constitute the appropriation record thus far for the Seventy-ninth Congress, excluding appropriations reported by the Committee on Claims for the payment of sundry claims. To what extent it may be necessary to add to such total before the opening of the next regular session cannot be foretold. Relatively speaking, it could not be a large amount. Of course, as I have indicated, it is entirely within the realm of possibility that before the next regular session begins our major function will be to recover appropriations already made. That would be a natural sequence to VJ-day, which we have reason for hoping will be a fait accompli before the snow again flies.

The amount indicated, namely, $58,921,422,229.76, compares with a total of $60,782,443,260.64 at this same period a year ago. The trend definitely is downward; not in all directions but in the over-all. Within the next 10 days I expect to include a more complete appropriation accounting in the RECORD, which will include a separate accounting for the war program.

Mr. MURRAY of Tennessee and Mr. DIRKSEN rose.

The SPEAKER. Does the gentleman yield and to whom?

CALL OF THE HOUSE

Mr. MURRAY of Tennessee. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 139]

Allen, Ill.	Fuller	Mansfield, Tex.
Andersen, H. Carl	Gamble	Miller, Nebr.
	Gavin	Neely
Andrews, N. Y.	Geelan	Norton
Angell	Gerlach	O'Hara
Baldwin, N. Y.	Gifford	O'Konski
Barry	Gore	Patman
Bates, Ky.	Gorski	Patterson
Bates, Mass.	Granger	Peterson, Ga.
Bell	Gwynne, Iowa	Pfeifer
Bennet, N. Y.	Hale	Philbin
Bennett, Mo.	Hall, Edwin Arthur	Plumley
Biemiller		Powell
Bishop	Hancock	Randolph
Bonner	Harless, Ariz.	Rayfiel
Boren	Hart	Reece, Tenn.
Boykin	Hébert	Robsion, Ky.
Bradley, Mich.	Henry	Roe, N. Y.
Bradley, Pa.	Hill	Savage
Bulwinkle	Hoeven	Scrivner
Bunker	Hoffman	Shafer
Burch	Holmes, Mass.	Sharp
Burgin	Hull	Sheridan
Byrne, N. Y.	Izac	Sikes
Camp	Jackson	Simpson, Ill.
Celler	Jennings	Simpson, Pa.
Chiperfield	Johnson, Okla.	Slaughter
Cole, Kans.	Kearney	Smith, Ohio
Cole, Mo.	Keefe	Snyder
Cole, N. Y.	Kefauver	Stockman
Combs	Kelley, Pa.	Sumner, Ill.
Corbett	Keogh	Talbot
Cox	Knutson	Tarver
Curley	Kunkel	Taylor
Delaney, John J.	Landis	Thomas, N. J.
	Larcade	Tolan
Dickstein	Latham	Towe
Dolliver	LeCompte	Traynor
Dworshak	LeFevre	Vursell
Eaton	Lewis	Wadsworth
Eberharter	Lynch	Weiss
Ellsworth	McCowen	Winter
Engel, Mich.	McDonough	Woodruff, Mich.
Fellows	McKenzie	Woodrum, Va.
Fogarty	Maloney	Worley

The SPEAKER. On this roll call 291 Members have answered to their names, a quorum.

On motion of Mr. McCORMACK, further proceedings under the call were dispensed with.

NATIONAL WAR AGENCIES APPROPRIATION BILL, 1946

The SPEAKER. The gentleman from Missouri [Mr. CANNON] is recognized.

Mr. CANNON of Missouri. Mr. Speaker, before continuing my statement, may I say parenthetically, in response to a number of inquiries made by Members during the call of the House, that the question of an appropriation for FEPC has been disposed of and does not in any way enter into the consideration of this conference report. It is no longer in issue. By way of résumé, the House made no provision for FEPC, but when the bill went to the Senate the Senate added an amendment inserting an appropriation for FEPC; the House then agreed to that amendment with an amendment substituting the proposition which we agreed to yesterday, and last night the Senate agreed to the House amendment verbatim. That completely and finally disposes of the issue of FEPC.

On no vote on the conference report and on no vote that we take today is FEPC involved in any way. That has already been disposed of and is now out of the picture.

Mr. MAHON. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. MAHON. If one should vote against the conference report, would he be voting against the FEPC provision in the bill?

Mr. CANNON of Missouri. He would not. A vote against the conference report would have no effect on the appropriation for the FEPC. The only effect of a vote against the conference report would be to vote against appropriations which supply the war agencies now operating on the front.

Mr. RUSSELL. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Texas.

Mr. RUSSELL. If we vote down the conference report then it necessarily would be voting down the appropriation for the FEPC?

Mr. CANNON of Missouri. If you defeat the conference report you would not affect FEPC at all because that appropriation has already been agreed to by both Houses and is no longer at issue. If you vote against this conference report you would merely be voting against the war agencies which are supplying the men on the Pacific front.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. The gentleman keeps referring to the FEPC. I understood yesterday that this appropriation was to permit them to wind up FEPC so that it might go out of existence.

Mr. CANNON of Missouri. That is a matter of interpretation of the language adopted yesterday by the House and Senate.

Mr. RANKIN. I will say that was the understanding of three-quarters of the membership of this House.

Mr. CANNON of Missouri. Of course, an understanding on the floor means nothing if controverted by the text of the bill. The text of the bill governs.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Indiana.

Mr. HALLECK. If one wants to register his opposition to the increase in the item for the OWI which was put in this bill by the Senate and, as I understand it, is included in the conference report, how could that Member register his opposition to that increase?

Mr. CANNON of Missouri. That could be effected by a vote in support of the motion to recommit, which I anticipate will be offered. Such a motion to recommit would involve instructions to report back forthwith, without an increase for OWI.

Mr. RANKIN. In reference to the parliamentary situation, the motion to recommit, which would come after the previous question has been ordered, would be a motion to recommit to the conference with instructions to the managers on the part of the House.

Mr. CANNON of Missouri. The question is one of the parliamentary authorities of the House.

Mr. HOOK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. HOOK. So that we may understand the situation in regard to the FEPC, as I understand, the first amendment brought out by the Committee on Appropriations provided for the liquidation of FEPC, but then the amendment that came in later from the Committee on Appropriations provided that this money can be used for the operation of FEPC, which shall be liquidated by 1946 if there is no permanent legislation. Is that not correct?

Mr. CANNON of Missouri. The gentleman has accurately stated the situation. The version adopted by the House and Senate yesterday provides for the liquidation only on the failure of Congress to make permanent provision for FEPC. If within the fiscal year 1946 provision is made by the Congress for a permanent FEPC, then liquidation does not apply. But regardless of whether legislative authorization is provided for FEPC during the fiscal year 1946, the Fair Employment Practice Committee may, as the gentleman from Michigan has said, expend the entire $250,000 within the fiscal year.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from New York.

Mr. MARCANTONIO. But there is no question that the FEPC agency may spend every penny of this $250,000 during this fiscal year for the purpose of carrying out its functions; is that not correct?

Mr. CANNON of Missouri. That is true. The last amendment adopted by the Committee on Appropriations, and embodied in the paragraph offered by both Houses, authorizes the expenditure of every dollar of the $250,000 within the fiscal year 1946 without restraint.

Mr. O'NEAL. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Kentucky.

Mr. O'NEAL. I think it should be called to the attention of the House that

some of the agencies under this bill have already had a pay-roll day pass without getting their pay. Most of them will have a pay day on July 15, and unless this bill becomes law they will not get their pay as of that date. In addition to that, this bill, when passed by both the House and the Senate, must be flown to the President of the United States, and naturally a day, or possibly more, might be taken unless the bill is passed promptly and immediately, and hardly a pay roll in here will be met, and those on the pay roll will have to go without funds.

Mr. CANNON of Missouri. In corroboration of what the gentleman from Kentucky has said, we have not had an emergency in a bill reported by the Committee on Appropriations for many years equal to the present emergency—in which we are under the necessity of getting this bill through and getting it by plane to the President of the United States in Europe and then back to Washington in time to meet the pay rolls of these agencies.

Mr. MARCANTONIO. Mr. Speaker, if the gentleman will yield further, just to make the record clear so that there will be no doubt about it, not one penny of the $250,000 appropriated for FEPC must be spent for liquidation; is that not correct?

Mr. CANNON of Missouri. Expenditure for liquidation is not required in the fiscal year 1946.

Until the end of the year 1946 there can be no determination as to whether Congress will provide authorizing legislation. The text reads specifically "until," so that, as the gentleman from New York has said, all of the $250,000 is expendable under the rountine procedure and operation of the Committee within the year.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Georgia.

Mr. PACE. Does not the gentleman want to modify his interpretation to this extent, that there is an obligation on the part of the FEPC authorities to reserve of this fund an adequate amount for the liquidation in the event permanent legislation is not enacted, because if it were not reserved, then clearly, in the light of that language in the amendment which directs the liquidation of the agency, there would be no funds for that purpose, for the leave of the employees, and the other things necessary for orderly liquidation. It seems to me the amendment meant that a portion of the fund can be expended in operation, with the reservation that sufficient funds be retained to liquidate the agency in the event permanent legislation is not enacted. This gives interpretation to every part of the amendment. The interpretation the chairman has just given would not leave one dollar for the other purposes of the amendment, which is liquidation.

Mr. CANNON of Missouri. I regret that my time is limited. I have already consumed more time than anticipated. May I suggest to anyone with any question as to the provisions of the appropriation for FEPC that he read the language of the bill.

Mr. HARE. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from South Carolina.

Mr. HARE. May I make this observation, that the amendment referred to with reference to the FEPC provides for termination, liquidation, and the conduct of the work of the FEPC during the fiscal year 1946. Is not that correct?

Mr. CANNON of Missouri. Contingent on the failure of Congress to take action.

Mr. HARE. Then certainly if it takes any money to liquidate this agency, part of this fund should be used for that purpose.

Mr. CANNON of Missouri. May I refer the gentleman to the amendment? It speaks for itself.

The Speaker is very considerate. I remember that in the New York convention of 1924, when Senator WALSH was presiding as chairman of the convention, a similar incident occurred, and the flying gavel hit the man who had the floor and knocked him out for half an hour.

Mr. Speaker, this bill as it left the House carried total appropriations of $752,764,850. As it was returned by the Senate approximately $22,000,000 was added and it came back carrying $774,008,765. As we report in the pending conference report, it carries $769,364,850. I shall not take the time to discuss in detail the various items. They are all fully explained in the statement which has just been read by the Clerk and the conference report which you have before you.

In presenting the last conference report for 1946, let me again refer to the gratifying success of our investigating system under which we have just released hearings on the investigation of the War Food Administration by the subcommittee on agriculture under the chairmanship of Judge TARVER, of Georgia. I mention it here because it is the first public report on our investigations. Most of our investigations are necessarily secret and this is the first opportunity to give the public a sample of the work of our staff of investigation. It is a matter of general knowledge that this particular investigation has had a profound effect and has not only resulted in material changes in the methods and personnel of the department affected, but has had widespread effect on all bureaus subject to future investigation by our committee. This system of research has been in operation for more than 2 years and up to this time there has not been a single criticism of its methods of operation or the results secured. No request has been made by any member of the committee or any Member of the House for information on subjects under the jurisdiction of the Committee on Appropriations which this staff has not supplied promptly and authoritatively. It is efficient, economical, adaptable, and effective. I shall be glad to discuss it in detail with anyone who is interested.

May I say in conclusion that this bill for the support of the war agencies closes a period of 4 years of successful fiscal support of the war program.

It is a record of duty well performed. There is reflected on every page of the voluminous hearings and every page of the proceedings on appropriation bills reported by the committee on this floor the purpose to win the war and to win it as quickly as possible. We have achieved that purpose as far as it falls within our province up to this time.

I want at this time to express appreciation to all the members of the committee on both sides of the table, and to all the Members of the House on both sides of the aisle, for their cooperation in the making of this record in which they have had so large a part. I want to thank the staff at the desk who have had so unusual a burden placed upon them, and especially do I want to thank the staff of the committee which has worked day and night, weekday and Sunday. I express our appreciation to the Public Printer and his production managers who have worked night after night, sometimes all night, to get to us the material we had to have to put these bills through in recurring emergencies.

I believe I can thank all who have participated not only in the name of the committee and the Congress but also in the name of the people back home who have had in their hearts, during all these trying years, the one purpose of winning the war and winning it in as short a time as possible at whatever sacrifice.

Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the only item of large size that is settled by this conference report is the Office of War Information. With reference to that item I shall offer a motion to recommit after the previous question has been ordered, because I do not believe that the interests of fair government can be promoted by giving an agency of this type a lot more money than it has any license to ask. It is carried in the conference report at $35,000,000, at a time when not over $10,000,000 would be justified under any circumstances and when the amount carried by the House was fixed at $18,000,000 after a roll call.

The OWI has on its pay roll 10,375 people. There are in the city of Washington 905 people, and 100 could perform all the useful functions which they have to perform.

In the city of New York they have an enormous plant with upward of 2,000 people presently contained in it. They are sending out short-wave broadcasts at great expense at all hours of the day and night to all sorts of places. The broadcasts have no propaganda value whatever. I have seen them and I have been over them. They are of poor quality and poorly done, and the type of people that they employ are not the tops of their profession.

They print magazines for sale, but those magazines are not near as useful or as effective as the private magazines which are printed in this country and sold in other countries.

The Reader's Digest already has a circulation of 2,000,000 in Great Britain, Sweden, and all over South America, and this is paid circulation which costs the people of the United States nothing. It reaches 10 times the people that are reached by the OWI. It is prepared to increase its circulation in Great Britain

by 400,000 as soon as it can get the paper; to start a new French edition as soon as it can get the paper; and a German edition as soon as it can get the paper.

Time, Life, and other papers are prepared to step in. The Associated Press, the International News Service, and the United Press are already there. If, by any stretch of the imagination, it is necessary to sell the United States to the people we are feeding and clothing, in the countries we have liberated, then how much better job would be done by American magazines and the press agencies, rather than the OWI tripe I have seen.

In San Francisco they have 895 employees, and they are planning on even more. The only thing they do out there which might be construed as having some bearing upon the war effort is the production of some broadcasts to Japan. I had those broadcasts, and they were very poorly done; they were nothing that an ordinary schoolboy could not have copied from the Army and Navy communiques. A hundred employees would be more than enough to perform all activities that should be carried on, and yet, as I said, they have 895 and plan on having more.

The OWI has a publications outfit in New York and Washington which is utterly worthless. They have an enormous set-up in 60 to 70 countries. A printing plant in Rome with 1,300 employees. Think of it. They are going to run 8 little newspapers in Germany—a 12-inch by 15-inch sheet printed on one side. That sounds like a small project, does it not? Six people could easily get up and print this size newspaper in any locality. But the OWI never does anything with a minimum number of employees, or at minimum cost. Their set-up in Germany involves 528 people. In the liberated countries they have a request for 1,500 employees.

In the Pacific theater in the Output Section, they have a request for 1,731.

They had seven cameramen over in Europe from early July 1944 until about July, this year, equipped to take motion pictures, housed at one building at 47 Mount Street, London, drawing about $8,500. These people were bottlenecked by a British representative of the theater situation named Bernstein; were sent on false errands 400 miles by airplane trips to Ireland down to Southport and Cherbourg and then ordered back. They were sending broadcasts out over the air all the time which were an absolute waster. At the present time they are supposed to be teaching a lot of English people German so that they can go over into Germany and teach the Germans the American way of life. Probably 300 of at least 1,000 in Great Britain were of draft age. A group of girls from the United States were taken over there on a tour and they are still bringing foreign newspaper people here and taking them around the country. They could not get permission from SHAEF to do much of anything.

With $18,000,000 appropriated by the House, which is over two-fifths of the money they spent this current year, they could have one-third of their present staff, and they would still be able to carry on in the Pacific theater with the full 1,731 people requested for that theater; they could have 100 to operate in their Washington office; 100 to operate in their German area; 100 to operate in San Francisco; and 1,400 to place in other sections of the United States and freed and occupied Europe. This is more than enough. Any more than this number would be utter waste. A cut from their present 10,375 employees to 3,400 employees could easily be made, and still give them plenty of margin to do anything that they ought to do.

It is about time that the OWI—the part of it which is necessary—be put to work on an efficient basis and that waste and extravagance be checked. It is about time that Congress cease to appropriate more of the people's money than is required to carry on proper activities

Let me say to you that before this bill was marked up an effort was made by members of the Appropriations Committee to find out whether or not the Army or the Navy cared anything about it, and we could get no answer. Then in some way they got some kind of an answer after the House had cut the bill. That does not make sense to anybody who likes to do things right side up.

I believe the House ought to adopt this motion that I expect to make and we ought to send this bill back and have the cut and economy that the House made, sustained. If the House is going to yield on every effort at economy we are never going to put the Treasury right side up and balance the American Budget.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, I asked for this minute in order to ask the distinguished chairman of the Committee on Appropriations this question: We have before us the conference report. That report deals with all of the amendments except the FEPC amendment. So that the FEPC provision, including the amendment of the Senate and the substitute of the House as agreed to by the Senate, are not involved in this conference report? Am I correct or not?

Mr. CANNON of Missouri. The gentleman is correct. None of the amendments at issue relates to FEPC. All amendments in the conference report are on the remaining war agencies. A vote on this conference report has no effect one way or the other on FEPC or FEPC appropriations.

Mr. WHITTINGTON. This further question, Mr. Speaker: As I understand the situation is this, on yesterday the House adopted a substitute for the Senate FEPC amendment. That substitute went to the other body and in the other body there was a motion to recede and concur which was adopted, and that concluded the legislation in the pending bill with respect to FEPC. Am I correct?

Mr. CANNON of Missouri. That is correct. When both Houses have voted on a proposition it is no longer in conference and no longer in issue. FEPC is no longer in issue, both Houses having agreed to the same language on the FEPC appropriation.

Mr. WHITTINGTON. This further question: So a vote either for or against this conference report is in no way a vote for or against FEPC.

Mr. CANNON of Missouri. That is true. No vote on the pending report can affect it in the slightest.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. CANNON of Missouri. Mr. Speaker, I desire to yield to the gentleman from Illinois [Mr. DIRKSEN], who has recently visited all parts of the world in which OWI is operating and who can speak from first-hand knowledge upon what the OWI is doing and the effect of its work. I yield 10 minutes to the gentleman from Illinois.

Mr. DIRKSEN. Mr. Speaker, the appropriation for OWI has had a rather checkered career. They went before the Budget Bureau and presented their estimate some time last year, and the Budget Bureau allowed $42,000,000. That amount was approved by the White House. It was then messaged to Congress and to the Appropriations Committee. The Deficiency Subcommittee took testimony on this item and when it marked up the bill it provided $35,000,000, or a cut of $7,000,000, which was subsequently approved by the full committee. It came on the floor of the House and the House in its wisdom saw fit to cut OWI to $18,000,000. It then went to the Senate and the Senate itself made provision for $39,000,000, which was $4,000,000 in excess of that approved by the Deficiency Subcommittee and the full committee. The conferees compromised at $35,000,000. I hope this amount will be sustained by the House and I hope that the motion to recommit to be offered by the gentleman from New York will be decisively defeated.

I am no free-handed person; I believe if you will look at the record of the last 13 years since I have been a Member of this House you will find I have done my best in the interest of economy, but there are times when it is foolish economy to cut too closely.

I know very little about the OWI up here. I have seen Elmer Davis twice. I know very little about the gentleman. I do know that he has a son in uniform, and I do not intend here or any other place to demean the motives or character of any man whose flesh and blood is out there in the far reaches of the Pacific who is ready to offer it on the altar of freedom; I have that much regard for the father of a son who is in uniform and in the South Pacific. I have no acquaintances, no friends, no relatives, and no one on their pay roll; they can do me no good politically. I recite this simply to qualify myself as an impartial witness in respect of appropriations for the OWI.

When the bill was reported to the House I was absent, but I had some information of its contents, and when I discovered what the House did I went over before the Senate subcommittee and testified on behalf of OWI. I did so because I thought there was good reason for it. In the first place, take the international angle. You cannot

move troops into neutral countries like India, Iran, Iraq, and elsewhere without acquainting the people there of the objectives of the war and why we are there.

There are hundreds of thousands of American troops in India today. There were 20,000 American troops in the Persian Gulf command operating the railroad that took 5,000,000 tons of supplies from Khorramahahr across the desert and over the mountains to the borders of Russia.

You have to explain to people why they are there. That is purely an informational function and it is just one of the things the OWI does.

Secondly, they carry on a psychological warfare. Leaflets must be prepared, pamphlets and propaganda must be prepared and these must be translated into foreign languages—Burmese, Japanese, Arabic, Hindu—all the languages with which we come in contact. For every man on the OWI pay roll preparing material you have to have a translator, which accounts in large part for the extent of their pay roll today. But that is absolutely necessary, and I share the view that if only a few lives of American GI's are saved by propaganda dropped on the enemy, this becomes an excellent investment. It has been reported already that for the first time it has been our experience on Okinawa that the Japs are in large measure surrendering. It may be due to the softening-up process but whatever the reason, it means the salvation of young American lives and I do not propose to let a few dollars stand in the way of the salvation of these fine young Americans who have so freely and willingly gone into the far regions of the earth in the interest of freedom. That is the job that OWI had to carry on and I do not believe that $35,000,000 is too much for that purpose.

Let us take a look at the operation in Germany. I covered most of the occupied area. First of all I found that the schools were not open. Why? Because there were no textbooks for the children. The Soviets were more forehanded. They had textbooks in their area 10 days after VE-day. That was a cultural job and there had to be a ministry of information of some kind to do it. The universities and schools of secondary rating were not open for the very same good reason. There are about 10,000,000 Germans in the area occupied by our people. These people are bewildered. They did not understand that the conquest was going to be so speedy. There had to be some kind of informational service to get word to them, to print the official orders that they might be apprized of what was wanted. There were no radio facilities. Somebody had to set them up. The Army did not care for that chore. Consequently Radio Luxemburg was set up with a number of outlets, operated by OWI.

Who was to prepare the programs? Who was to assemble the material? Who was to appoint the announcers? Who was to space the programs? If you want some confirmation of it look in this week's Time magazine and there you will find an article on ABSIE operating at Luxemburg and blanketing most of the German area with material prepared by OWI and it has done a very good job.

There is a general need for information and I am one of those who believes that when the time comes to bring an end to OWI, that informational function ought to be transferred to the State Department or to some other agency in the Government. I do not believe in letting it falter now.

Mr. Speaker, I got some estimate of the amount of money being spent by the British and by the Russians in propaganda services and what we spend is a drop in the bucket compared with these other countries. I saw a confidential report in Turkey as to the number of professors who came in, the libraries that had been established, the books that were sold in the country, and for that one country the British expenditure will be probably $5,000,000. If we expended funds for informational purposes on a proportional basis it would be many times the amount that is here proposed for the Office of War Information. Will anyone insist as he contemplates what other major nations spend for informational purposes, that the amount herein proposed is too large? Are we going to be so niggardly now in providing information for people everywhere in the world that they might better understand this country? Just a few examples. I remember seeing a crowd milling around in Tunis in Tunisia trying to get at some lend-lease textiles that had come from this country, and I was astonished to learn that those people over there had no idea that the people in the United States paid taxes, or that the things that were bought and sent over there came from the dollars that the American taxpayers paid. I sat at a dinner with the first secretary of a certain foreign legation in Baghdad, and he said to me, "Do your American movies reflect American life? Are the things that we see on the screen that come from Hollywood exact reproductions of America and what America is like?" I was frankly stupefied, but it is a hint of the idea that the people have in the far corners of the world, and we have not spent the money on information to disabuse them of the idea.

The Visitors Bureau of the United States Army in the United Kingdom in London gave me a driver that I might go out to Bicester and to Ashchurch and to some of the other bases where I might see and check up on lend-lease goods. As we were driving along the English highway this girl from a very fine family said, "Mr. DIRKSEN, are all girls in America delinquent?" I said, "What?" She said, "Are all girls in America delinquent?" Well, I said, "What is the reason for the question?" She said, "I saw a movie night before last here in London, and I gathered from that that delinquency was rampant and that every girl of adolescent age in the United States must be delinquent."

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield the gentleman 10 additional minutes.

Mr. DIRKSEN. Imagine, here I was proceeding in a country like Great Britain, and listening to the things that they get from our movies today, and there has been no offsetting means of information whereby they can get a correct appraisal of what we are and what we do, how we live and for what we fight.

I was walking along the streets of Bombay and having children and grown folks tagging on my heels and begging a little money, and their statement was, "You rich rajah. American rajah. Everybody in America rich. Everybody is rich." They have that idea. How do you expect to reorientate their thinking unless we tell them what America is and the things for which it stands? That is one of the jobs that OWI has been undertaking.

Now it has a competitive aspect. One of the important things OWI has done has been to sell the TVA idea in many places of the earth. Of all the things in which the people of India were interested, in Bengal or in Bombay, in Calcutta and Bangalore, in Karachi and Agra, they were interested in the Tennessee Valley Authority. Who told them the story? By word, by photographs, by lectures, by newspapers, every means of communication at the hands of OWI were employed to sell them on some of the realities of America, and one of them was TVA. I am glad that they did, because there are many rivers there that can be harnessed for energy which will ultimately rehabilitate and raise the standard of living for 400,000,000 people who are living in abject poverty today. Now that means something to us. Suppose they do establish an instrumentality like TVA? Where will they buy the generators? This is one country that is a potential source of supply. So I look into the future in the hope that in proportion as we sell America, the real America, it will be productive of business in the future.

I sat down to dinner with an electrical engineer in Ankara, Turkey. He had been designated by his Government to prepare plans for hydroelectric energy on the rivers in Turkey. He had no notion about it. He said, "Please, sir, can you not give me some information on your hydroelectric plants in America? We have gotten some of it from OWI, but I would like to get a great deal more." There you have an example of the very same thing.

Now, speaking of the OWI operations. Is it overpaid? My answer is, "No." It was mentioned here a moment ago that somebody was receiving $8,500 a year. I say to you frankly I would not work overseas for $8,500 a year when a pair of shoes in Italy cost you $80.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from New York.

Mr. TABER. The criticism was that these people were over there doing nothing on $8,500 a year, and that is correct.

Mr. DIRKSEN. I will come to that directly, too. With reference to $8,500 a year, how far does that go when ham costs $8.50 a pound in Turkey. A pair of shoes costs $80 in Italy. A pair or socks costs $6 in Athens, and a bath will cost you a dollar. A suit that was purchased by one of the members of our

consulate in Florence, Italy, and a very cheap suit, cost him $400. Everything else was in proportion in every country that I visited. How far is $8,500 going to go? I would not swap with them. OWI could not hire me to go over there for $15,000 a year. My notion is that they are not overpaid now.

Are they working for their money? You are entitled to know the facts. I inspected the OWI office in London and in Paris. I spent a great deal of time with the OWI staff in Rome and in Caserta; I spent a good deal of time with it in Athens and in Cairo. I looked at the OWI staff at Delhi and at Calcutta, in Ceylon, and at Bombay. I looked at their libraries. I talked with a good many of our commanding generals, and they all had a kind word to say for the job that OWI did. I even went there at night and inspected some of their operations to see whether or not they were working. Make no mistake about it, they are fine American newspapermen for the most part. I found them diligent in the performance of their duty and certainly not overpaid.

It has been said that they are pursuing the Red line, that they are slanting their stuff, that it is oblique, and that they follow a leftist ideology. If I looked at one I looked at thousands of photographs. I looked at material that had the OWI byline in newspapers in all these countries. I went there with bias in my heart because on this floor I have attacked OWI time and time again, but in all good conscience when a man is in error or if he is mistaken he should publicly confess his sin and retrieve that error.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman is speaking about counteracting the propaganda that is being put out by our movies. Would it not be a whole lot more economical to stop the movies from going over there than to go over there and counteract the propaganda they are now sending there?

Mr. DIRKSEN. Is the gentleman speaking about commercial movies?

Mr. RICH. I am speaking about the movies the gentleman is speaking about, that are injurious to America and the American way of life so far as those movies educate the people in foreign countries as to the American way of life.

Mr. DIRKSEN. I have made some representations in authoritative places on that subject, but the gentleman can imagine the difficulty the minute you undertake to impose censorship and tell the movie colony whether or not they can send gangster pictures or other types of pictures abroad.

While going up to see General Wheeler, in Ceylon, along the highway I saw a garage. It was the Tarzan Garage. Pretty soon a taxi came down the road, and it was the Tarzan Taxi. It was a testimonial to Johnny Weismuller when he played Tarzan and was flitting from limb to limb. That was the impression left with those people. They thought we were still flitting from tree to tree here as they did in the caveman days.

Mr. RICH. In reference to the textbooks the gentleman speaks of sending to the schools in foreign countries, what kind of textbooks are we sending—books that represent American life in the same way as do the movies we have sent over there?

Mr. DIRKSEN. I stated a moment ago that the textbooks were not prepared and were not ready, consequently there was no opportunity to see them, but our Soviet friends did an infinitely better job. They had theirs ready and already in motion in the area occupied by the Soviet Army.

Mr. RICH. It might be well to investigate those textbooks.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman referred to the proposition that OWI may save the lives of men in the service. I take it the gentleman would not conclude that OWI would save the lives of any men in the service in Europe, because the war in Europe is now over.

Mr. DIRKSEN. That is true, but they have an entirely different function to perform there. There is the function of disseminating news and operating the radio. The Army disclaimed that responsibility, but recommended that it be done by OWI. General Eisenhower sent a memorandum to the effect that he was in favor of it, and likewise General Marshall.

Mr. HALLECK. It strikes me that the precise question that is posed by the proposed motion to recommit is this: Shall the war agencies be continued after the war is over? The war is over in Europe. As I understand, this cut has to do with the functions of the OWI in Europe. OWI is a war agency. It occurs to me that if when the war is over there is a job to be done in the selling of the American position abroad, that job should be done—one, by the Army, for as long as the Army is in occupation it has the people to do it; and, two, if the Army moves out, then let the State Department as the civilian agency of the Government do the job.

So my view of it is that the time has come to say that whatever needs to be done further in Europe, that the war is over there, and this war agency which was created to meet a war condition should be terminated, insofar as that operation is concerned.

Mr. DIRKSEN. The difficulty with the gentleman's position is this: That he does not logically carry out his own suggestion. He says the Army should do it. The Army has disclaimed it. The gentleman talks about the money involved. Is it not just as long as it is broad—whether the military spends this money or the OWI spends it? Therefore, you reach your own argument coming back.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. MAY. The gentleman mentioned the TVA as being greatly desired in several countries of Europe. I have here the St. Louis Post-Dispatch, with pages of propaganda by the TVA. It starts at the top, Money in Their Pockets. Does the gentleman know of any war-stricken countries in Europe that do not want money in their pockets if they can get it from Uncle Sam or from their own countries? Is that not the character of propaganda being spread all over Europe by the TVA? Did the gentleman not see their advertisement while he was there?

Mr. DIRKSEN. I will ask my friend, the gentleman from Kentucky, what has it to do with TVA?

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield five additional minutes to the gentleman from Illinois.

Mr. DIRKSEN. What has it to do with TVA, I would like to know?

Mr. TABER. Will there be no time for the minority in opposition at all?

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Indiana.

Mr. LUDLOW. Is it not true that General Eisenhower has recently issued a statement in which he said these OWI activities in Europe are essential and that if this cut prevails it will be necessary to set up de novo a military organization to cover the same ground, with approximately the same cost?

Mr. DIRKSEN. That is right.

Mr. LUDLOW. Therefore, where would there be any economy?

I would like to read to the House a letter which General Eisenhower wrote to General Marshall and transmitted by the latter to the chairman of the Senate Committee on Appropriations. He says:

JUNE 12, 1945.

From: General Eisenhower.
To: General Marshall.
Nr. FWD 24715.

OWI has advised us that if cuts stand which are prescribed in 1946 appropriation for OWI as passed by House of Representatives, it will be necessary for OWI to discontinue all services now being rendered to my operation during the control period in Germany. Our plans for control of German information services and providing news and information to German people in United States zone, have been based on large contribution from OWI in personnel and funds, and have been worked out in close cooperation with OWI. If our operations in these fields are to go on as currently projected, it will be necessary for War Department to supply approximately equivalent personnel, and funds in addition to Army personnel. Presumably equipment now provided by OWI could be transferred to Army as required. Extensive program for use of Radio Luxemburg would have to be transferred to Army, together with editorial staff and technicians. Army would have to establish newsfile operation to feed newspapers being prepared for Germans and radio network operated by this headquarters. Operations in liberated areas, transferred or being transferred to OWI would have to be resumed by PWD, or transferred to State Department or FEA in view of present large commitments in information material (films, etc.) and equipment.

If congressional policy requires termination of these activities by OWI and favors transfer to War Department, strongly recommend transition period be included in appropriation legislation which would permit necessary time to accomplish necessary transfers and adjustments. Further recommend that War Department examine need for strengthening their own organization to deal

with such problems if congressional policy requires transfer.

Policy and servicing functions for this theater now being performed by OWI must be delegated to War Department agency.

In forwarding General Eisenhower's communication to Senator MCKELLAR, Gen. George C. Marshall, Chief of Staff, in whom we all have great confidence, wrote:

The necessary OWI services in the European theater of operations could be assumed by the Army, but the War Department would prefer not to undertake the organization of a new service for this purpose.

This being, in the opinion of the military authorities, an essential service, what would it profit us to abolish the existing instrumentality and set up a new one to perform it? It not only would dislocate our European operations but it probably would cost a great deal more. Economy considerations suggest the defeat of Mr. TABER's motion.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. REES of Kansas. Is the gentleman from Illinois familiar with a magazine that is being printed in the United States, in Russian, by a couple of young Russians down here for Elmer Davis? Is he also familiar with the kind of material they write in that magazine? Does he know they just recently, within the last few months, sent over an article written by a couple of young Russians based on some kind of geography or something of several years ago, talking about the Western Prairie States? And does the gentleman know that that statement was absolutely wrong and they tried to correct it recently?

That is the kind of thing that has been going on for more than a year. Can the gentleman tell us wherein that does any good, or what good it does anyhow, and how it is going to help us win a war?

Mr. DIRKSEN. It would be an amazing agency that did not make mistakes.

Mr. REES of Kansas. I will say this is an amazing agency.

Mr. DIRKSEN. I am also familiar with the fact that Life magazine, for instance, is not permitted in Turkey. I am familiar with the fact when I was in Syria, Bill White's article on Russia was cut out of every copy of Reader's Digest. As a result, most of the information that has been transmitted to those people has been by reason of OWI. There is nothing leftist about these operations that I can see. I know very little about the domestic operation, but I do know what I have seen abroad. I do not propose by emotionalism or otherwise to abandon my conviction about their work, having gone through the OWI office and scanned their material and knowing that they have diligently performed a very vital informational function for this country on the war front.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the conference report.

Mr. CASE of South Dakota. Did not the gentleman agree he would give me some time on this?

Mr. CANNON of Missouri. We have only 2 minutes remaining, and in that time I must more the previous question.

Mr. CASE of South Dakota. May I have 2 minutes?

Mr. CANNON of Missouri. If I yielded to anyone at this time, I would have to yield to the gentleman from Michigan [Mr. RABAUT], who is ahead of the gentleman from South Dakota on the docket, and who is also further entitled to precedence for the reason that we have had two speakers on that side and none on this side of the aisle. But, as is customary, the last minute must be reserved for the previous question.

Mr. Speaker, I move the previous question.

The previous question was ordered.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the conference report?

Mr. TABER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. TABER moves to recommit the bill to the committee of conference with instructions to the managers on the part of the House to insist on the House disagreement to Senate amendments numbered 18, 19, 20, 21, 2[illegible], and 26.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the motion of the gentleman from New York.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 58, noes 140.

Mr. TABER. Mr. Speaker, I object to the vote on the ground there is no quorum present, and I make the point of order that there is no quorum present.

The SPEAKER. The chair will count. [After counting.] Two hundred and forty-one Members are present, a quorum.

Mr. TABER. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5, page 5, strike out the following: "*: Provided further*, That no part of the funds appropriated in this paragraph shall be used in connection with investigation, hearings, directives, or orders concerning bargaining units composed in whole or in part of agricultural laborers, as that term is defined in the Social Security Act in section 409, title 42, United States Code."

Mr. CANNON of Missouri. Mr. Speaker, I move that the House insist on its disagreement to the amendment of the Senate No. 5.

Mr. OUTLAND. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. OUTLAND moves that the House recede from its disagreement to the amendment of the Senate No. 5 and concur in the same.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I very seldom indulge myself in any feeling over any treatment accorded me in the House of Representatives. Members are customarily courteous and generous beyond my deserts. And now, while I thank the gentleman from Missouri, the chairman, for giving me the 5 minutes at this time, I must say that when the gentleman from Missouri comes to a moment of calmer reflection he will not be proud of the treatment accorded Members of the minority so far as time on the Taber—OWI—amendment was concerned a little while ago.

I was a conferee on this bill. I signed the conference report specifically with a reservation as to OWI, as did the gentleman from Massachusetts [Mr. WIGGLESWORTH]. Both of us asked the gentleman from Missouri for time to speak when that item was under consideration. The gentleman from Missouri had told me that I might have 5 minutes. I understand that he declined to give any time to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. WIGGLESWORTH. The gentleman is correct.

Mr. CASE of South Dakota. Later, the clerk of the committee came over to me and said that the gentleman from Missouri was desirous of winding up the time and wondered if I would be willing to do with less than 5 minutes. I suggested it would be satisfactory if it were reduced to three. The Members who have been here know what happened. The gentleman moved the previous question on the motion to recommit and said there was only 2 minutes remaining, yet he had yielded repeatedly to the gentleman from Illinois so as to exhaust the time, and so declined to give me time when the question was at issue on which I wished to talk.

The reason I wanted to speak at that particular time upon OWI was because there was a direct instance in point. The gentleman from Illinois had been talking about the cleverness of the Russians in being prepared for their job of information. I wanted to call attention to an instance where OWI has been clever on the job of misinformation, with the help of two Russians.

I hold here a copy of a magazine printed in Russian which the Office of War Information used taxpayers' money to put out. I understand some 60,000 copies have been printed to be distributed in Russia to Russians. A note on the flyleaf says that it is limited in its distribution and is not for distribution in the United States. But here is a copy. In it this country is divided into zones with stories on each zone. An interpretation of the article which relates to the zone for my section of the country, the great prairie States, carries such language as this:

To the west of the Mississippi stretches an immense land of prairies, the so-called Great Plains.

This prairie land includes the following States: Kansas, Nebraska, North and South Dakota, Wyoming, Montana, Colorado, and Utah.

Then this OWI article writter by Russians in this country on the pay roll of OWI says:

This region, covering almost one-quarter of the whole territory of the United States, supports only one-twentieth part of the population of the country."

Livestock raising is carried on only in the mountainous parts of Montana and Wyoming.

Go back and tell that to the cattlemen in eastern Montana and Colorado or to the sheepmen of South Dakota or to the feeders and the hog growers in Nebraska and Kansas. Then listen to this:

Raw materials and fabricated goods must be imported from other States.

Admittedly many fabricated materials do come into our section, but must raw materials be imported into Kansas, Nebraska, North Dakota, South Dakota, Colorado, Montana, Utah, and Wyoming? What about the wool that is grown there? What about the corn that is grown there? What about the wheat that is grown there? What about the minerals mined in those States—gold, coal, iron, and other minerals?

In another paragraph great stress is laid on droughts of 10 years' duration and the entire area of the eight States is described as an arid country as if it were a desert.

The gentleman from Kansas [Mr. REES] and the gentleman from Nebraska [Mr. STEFAN] called the attention of the House to this article a few days ago. Late yesterday on the floor of the Senate, a Senator from Nebraska stated he had talked with the OWI and they admitted this article was written by Russians who were not even citizens of this country. Is that the way OWI seeks to inform other countries about the United States?

No one yet has told us whether a translation of the articles on the other zones of the country carry similar misinformation. I suggest that some of you might find your sections as badly libeled as the so-called Prairie States.

Mr. Speaker, the motion offered by the gentleman from New York only sought to permit this conference report to go back to the conferees on the OWI item. It would have permitted a reconsideration of the item for OWI so that some of this misinformation might be curtailed and OWI limited to its job of beating the Japs.

The SPEAKER. The time of the gentleman from South Dakota has expired.

Mr. CANNON of Missouri. Mr. Speaker, there are important issues before the House for disposition in the closing days of the session, issues which require consideration on their merits, and yet there are Members who insist on injecting personalities into the considerations here, interrupting and delaying the proceedings of the committee and the House. The things which we are considering here are too important; they are too vital; they are too far reaching for us to consider the opinion of a prima donna on the floor who has some personal matter he wants to inject into the RECORD. As a matter of fact, it is the gentleman himself who has violated the rules of the House.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. In just a minute.

Mr. CASE of South Dakota. Mr. Speaker, I demand that the words of the gentleman from Missouri be taken down.

The SPEAKER. The Clerk will report the words the gentleman asked to be taken down.

The Clerk read as follows:

The things which we are considering here are too important; they are too vital; they are too far reaching for us to consider the opinion of a prima donna on the floor who has some personal matter he wants to inject into the RECORD.

Mr. CASE of South Dakota. Mr. Speaker, if that is all of the language, that is not what I was objecting to. I understood that the gentleman from Missouri used the word "demagog" which I thought was out of place in referring to my reference to a publication of the Office of War Information.

The SPEAKER. That word does not appear in the transcript.

Mr. CASE of South Dakota. I recognize that the words "prima donna" are not particularly objectionable under the rules of the House, if some speaker wants to refer to another gentleman as a prima donna, that is his privilege; he might intend a compliment. I was once told that everybody has to be a prima donna to become a Member of Congress. That is, he had to have some ability and confidence in it, or he would not be here. But if the word "demagog" was used, I thought that was out of place in view of the actual text of my remarks. If the word "demagog" does not appear, I withdraw my request.

Mr. CANNON of Missouri. Mr. Speaker, continuing my remarks, from the point of interruption, the gentleman from South Dakota violated the rules of the House during the entire course of his remarks. He did not discuss at any time during the 5 minutes allotted to him the subject under debate. Not a word he uttered referred to the issue before the House.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, the principal reason for that was that the gentleman would not grant him any time to discuss the matter that he wanted to discuss, and which was properly before the House.

Mr. CANNON of Missouri. I will discuss that when I come to it. In the meantime, the gentleman concedes that his colleague was out of order and was discussing matters not before the House or germane to the subject under consideration, delaying the proceedings and injecting personalities in the debate.

Mr. HALLECK. Mr. Speaker, will the gentleman yield further?

Mr. CANNON of Missouri. With pleasure.

Mr. HALLECK. Of course, the gentleman did not make any point of order against what he was saying.

Mr. CANNON of Missouri. Certainly not. Such trivia are not of sufficient importance to warrant a point of order, especially at a time when the House has under consideration business of this importance.

Now, recurring to the gentleman's statement that I refused to give him time: As the House knows, a Member in charge has 1 hour on a conference report, and it is always the invariable custom to move the previous question at the end of that hour. How was the time apportioned? If the gentleman will consult the written procedure lying there on the Speaker's rostrum, he will note that, under the long-established procedure of the House, Members who desire time in debate apply to the Member in charge before debate begins. He will also observe that the practice is to grant time in the order of application. Those who apply last are naturally denied time if there is not enough time to go around. That was exactly the procedure followed in this instance.

Neither the gentleman from South Dakota nor the gentleman from Massachusetts came to me until after debate began. I had entered the names of the gentleman from Michigan for 10 minutes and the gentleman from Indiana for 5 minutes, and had agreed to yield the gentleman from Illinois additional time if he asked it—all three commitments having been made before either the gentleman from Massachusetts or the gentleman from South Dakota mentioned to me that they wanted time.

If anyone has cause for complaint it is the gentleman from Indiana [Mr. LUDLOW] and the gentleman from Michigan [Mr. RABAUT], who were on the docket ahead of the gentleman from South Dakota and Massachusetts, and who were denied recognition because the time was exhausted.

There have been only two speeches on OWI, the subject under debate, one by the gentleman from New York [Mr. TABER] and one by the gentleman from Illinois [Mr. DIRKSEN], both of them on that side of the aisle. No one on this side of the aisle has had any time on the subject at all. If the gentleman from New York had wanted more time I would have been glad to have yielded it to him.

I had assured the gentleman from Illinois [Mr. DIRKSEN] that I would also extend his time if he required it. So the gentleman from South Dakota has nothing to complain of. I followed the immemorial practice of the House in allotting time.

And I am certain the House in general approves the time given the gentleman from Illinois. He has just returned from a trip around the world in the course of which he visited every battle front and observed at first hand the work of OWI. His is not a hearsay or theoretical opinion. He speaks from a personal knowledge of its operations in every major section of the Asiatic and European areas.

It is natural that the House should be more interested in the opinions of a man who speaks from personal observation rather than some other man who had

read something about it or heard something about it or imagined something about it.

Mr. CASE of South Dakota. Did not the gentleman promise me during the time that I would have 5 minutes, and then later did not the gentleman refuse to give it to me?

Mr. CANNON of Missouri. I promised the time if I had it. But the time was exhausted before I reached him on the docket. If he had asked before the gentleman from Illinois, he would have been recognized before the gentleman from Illinois. Two Members on this side, who were ahead of the gentleman from South Dakota, and who would have been recognized ahead of him, were also denied time. The gentleman came too late.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Indiana.

Mr. HALLECK. Did the gentleman from South Dakota ask for his 5 minutes before or after the gentleman yielded an additional 10 minutes to the gentleman from Illinois [Mr. DIRKSEN]?

Mr. CANNON of Missouri. He asked me after the gentleman from Michigan and the gentleman from Indiana had taken time.

Mr. HALLECK. The gentleman did not answer my question.

Mr. CANNON of Missouri. I did not understand the gentleman. The gentleman from South Dakota [Mr. CASE] asked for time after I had promised the gentleman from Illinois 10 minutes and had assured him I would give him an additional 10 minutes if he required it to answer questions and complete his remarks. I leave it to the House if the time was not advantageously used.

Mr. Speaker, I yield 10 minutes to the gentleman from California [Mr. LEA].

Mr. LEA. Mr. Speaker, I rise in support of the motion to further insist upon the amendment before the House.

This amendment provides that no part of the funds appropriated for the War Labor Board can be used by it in exercising control of agricultural laborers as that term is defined in the Social Security Act. In other words, this would give the Labor Board a definition already written by Congress by which to determine what is agricultural labor. The War Labor Board now has no such definition to control its actions. It in effect ignores the definitions Congress has written

This amendment was approved by the House by a vote of 176 to 49.

The American Farm Bureau Federation, the National Grange, the National Council of Farm Cooperatives, and the National Cooperative Milk Producers Federation have joined in support of this amendment. I desire briefly to read to you from letters I have received from some of these organizations giving the reasons why they are for this amendment. The American Farm Bureau Federation says:

> The major national farm organizations are united in their support of your amendment to the National War Agencies Appropriation bill for 1946, requiring the War Labor Board to observe the definition of agricultural labor contained in the Social Security Act.
>
> I hope the House will stand by this amendment, and insist upon its enactment, as it involves a fundamental principle.
>
> There has been a great deal of confusion due to the conflicting definition of agricultural labor by various executive agencies.

In fact, the farmers now are confronted with nine different definitions of agricultural labor.

> The War Labor Board has no statutory definition of agricultural labor. Your amendment, in effect, will require the War Labor Board to observe this statutory definition, and will help clear up some of the confusion and conflicting interpretations which now exist.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield to the gentleman from Michigan.

Mr. DINGELL. May I ask whether that is the interpretation in a definition laid down by the late Representative Buck, of California, and written into the Social Security Act as reported by the Ways and Means Committee?

Mr. LEA. It is. It came out of the Committee on Ways and Means.

Mr. DINGELL. That is right. I want to make that clear.

Mr. COOPER. From whose letter was the gentleman reading?

Mr. LEA. I read from the letter of the American Farm Bureau Federation. Now I am going to read from the letter of the Cooperative Milk Producers:

> We sincerely believe that this amendment is necessary for the well-being of agriculture and must be retained in the legislation if farmers are to continue striving for unprecedented records in food and fiber production. As we have previously indicated, we are thoroughly convinced that this amendment does not mean that agricultural laborers will be removed from the stabilization program. Our main thought is to have some agency of Government which understands agriculture handle labor matters.

Then the National Council of Farmer Cooperatives says:

> We urge that the Congress stand back of the Lea amendment to the National War Labor Board item in the war agencies appropriation bill, H. R. 3368. This amendment will, we believe, contribute to the stabilization of farm wages and employment by confirming the jurisdiction of the Secretary of Agriculture over agricultural labor. The War Food Administration, now under the Secretary, has established agricultural wages and working agreements through hearings over a period of years, with a minimum of friction and dispute. It understands the flexibility needed in handling farm labor, where the work changes from day to day, and sometimes from hour to hour. Farmers have no representation on the wage boards dealing with industrial labor.

As I look at it, this provision should be approved by the Congress to keep faith with the farmers in giving labor the exemption that Congress intended it should have. The War Labor Board was not set up to exercise control over farm labor. It was set up to deal with industrial problems. No representation on the Board was given to farmers. Industry and labor have special representatives on the Board, but farmers have none.

Mr. THOMAS of Texas. Mr. Speaker, will the gentleman yield?

Mr. LEA. I will yield briefly.

Mr. THOMAS of Texas. May I ask the gentleman, for my information, whether the definition contained in his amendment includes warehouses and warehoused agricultural products the title of which has long passed from the farmer to the warehouseman?

Mr. LEA. It does not include any commercial enterprises. It includes only certain designated farm activities. It includes warehousing only where such service is performed as an incident to ordinary farming operations. It does not include commercial canners, for instance.

Mr. THOMAS of Texas. Does it include warehouses taking care of rice, cotton, and corn, where the title to the product has long passed from the farmer to the warehouseman?

Mr. LEA. The definition answers that question. The section says:

> The term "agricultural labor" includes all service performed—
>
> (1) On a farm, in the employ of any person, in connection with cultivating the soil——

Mr. THOMAS of Texas. I wonder if the gentleman could give a direct answer to my question, if you please, sir, with reference to where the title to the agricultural commodity has passed from the farmer or the producer and is now in the hands of the warehousemen.

Mr. LEA. No; that is subject to the control of the War Labor Board. That is a commercial enterprise.

Mr. THOMAS of Texas. Your amendment would not change that set-up, then?

Mr. LEA. No; it would not.

That is in the definition which Congress has adopted and which was written by the Ways and Means Committee. It says:

> The term "agricultural labor" includes all service performed * * *
>
> In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegetables for market.

It does not seem to me there is any great difficulty in interpreting that.

It reads further:

> The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

At this point I place in the RECORD the complete definition of agricultural labor as defined in the Social Security Act, United States Code, 1940 edition, title 42, section 409.

Subsection (1) as follows:

> The term "agricultural labor" includes all service performed—
>
> (1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock,

bees, poultry, and fur-bearing animals and wildlife.

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(3) In connection with the production or harvesting of maple sirup or maple sugar or any commodity defined as an agricultural commodity in section 1141j (g), title 12, as amended, or in connection with the raising or harvesting of mushrooms, or in connection with the hatching of poultry, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways used exclusively for supplying and storing water for farming purposes.

(4) In handling, planting, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, any agricultural or horticultural commodity; but only if such service is performed as an incident to ordinary farming operations or, in the case of fruits and vegetables, as an incident to the preparation of such fruits or vegtables for market. The provisions of this paragraph shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

As used in this subsection, the term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

Mr. SADOWSKI. Mr. Speaker, will the gentleman yield?

Mr. LEA. I yield.

Mr. SADOWSKI. It would include those workers on the shipping platforms? After he delivers his produce to the shipping platform, the handling of it and grading it for shipment, those workers would be included in the gentleman's amendment?

Mr. LEA. Does the gentleman mean after they reach the terminal market?

Mr. SADOWSKI. When it is shipped from the farm to the platform.

Mr. LEA. When it reaches the terminal market it passes outside of the exemption, into the commercial class.

The Board was not set up consistently with exercising control of agricultural labor. In practice the Board has exceeded its jurisdiction. In several acts of Congress, by specific exemptions and by definitions of agricultural laborers the purpose to exempt agricultural laborers from the authority of the labor administrative boards is clearly shown. By arbitrary and strained construction, various labor boards have circumvented the will of Congress to grant exemptions to agricultural laborers. One striking illustration of the disposition of these boards was under the Wages and Hours Act. That act provided for an exemption of services performed in the "area of production." The definition of what constituted the area was left to the administrator. He made a definition confining the area of production within a 10-mile area, to plants established in towns of less than 2,500 population and which employed less than 10 persons. That interpretation was a complete emasculation of the act and very substantially denied farmers the exemption that Congress intended. The definition prescribed was wholly unreal as practically applied in dealing with specialty crops of modern agriculture. It took the farmers 6 years to get relief from that emasculation of the act.

The SPEAKER. The time of the gentleman from California has expired.

Mr. RABAUT. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. LEA. This House provision, if enacted into law, would give farmers the exemption which Congress clearly intended. It would halt an unwarranted abuse of power by the War Labor Board. It would contribute to unified control over agricultural production and labor by the War Food Administration.

By Executive order the War Food Administration was given authority over agricultural wage stabilization. This power includes the right now being exercised of fixing agricultural wages and to enforce compliance. It is a power conferred by the Federal Government which can be exercised by a Federal group that is familiar with the problems of agriculture and can be just both to the producer and to labor. The War Food Administration is concerned with placements of hundreds of thousands of farm laborers at the present time. It has performed that service to the great benefit of production and with a good degree of satisfaction to American agriculture. It has, by its management, saved millions of dollars worth of food products for the consumers of this country.

If any further authority is needed in the War Food Administration to adjust disputes affecting other matters, the Director of Economic Stabilization has the power to confer authority on the War Food Administrator for that purpose.

The adoption of this provision would not prevent a majority of the employees in any establishment from organizing a union if they care to do so. Such union would have a right to negotiate with the employer for settlement of disputes. The War Food Administration would have jurisdiction over disputes as to the amount of wages to be paid.

If disputes other than those concerning wages arose, the union would have the right to seek voluntary adjustments or to strike if its members desire to do so, the same as they have at the present time.

Under the present procedure of the War Labor Board, collective bargaining is bypassed. If a union is certified by the National Labor Relations Board as representing employees in an agricultural establishment, the Conciliation Service certifies the dispute to the War Labor Board. Such certification automatically gives the War Labor Board arbitrary power to compel the agricultural employer to sign a contract, regardless of his own consent or desire.

These contracts, in practice, are patterned after industrial lines and are unsuitable to the conditions under which perishable products of farmers must be handled.

Pertinent to the disposition of the labor boards to use power recklessly are the remarks of Mr. Leo Wolman in his article in the Sunday papers of July 1. Mr. Wolman states:

These boards have been allowed to run wild. Unless the exception was the administration of national prohibition, it is doubtful that we have in a long time had poorer and more arbitrary execution of laws than we have received from these administrative agencies.

The misfortune is that the courts, also taken in by the doctrine of the natural superiority of administrative boards, hesitated so long to inquire into what they were doing and to overrule them.

For the truth is that administrative law, as it was practiced by such bodies, was too often tantamount to operating without any law at all. We might, indeed, have forestalled many of our impending difficulties if we had been willing to exchange some tested judicial procedure and common sense for all the "expert" lore with which administrative boards are believed to be endowed.

Any changes for the better in our labor law will be useless unless they aim to deal with these problems. * * *

Administrative law, as we now permit its practice, can be counted on to nullify a good deal of the most carefully drafted legislation.

I believe that the Congress will make a contribution to better relations between farmers and their employees and to food production in this country by the adoption of this amendment.

The SPEAKER. The time of the gentleman from California has again expired.

Mr. CANNON of Missouri. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. OUTLAND].

Mr. OUTLAND. Mr. Speaker, I dislike very much to speak in disagreement with any Member from my own State, particularly the distinguished dean of our delegation, Mr. LEA. I do think it is important, however, that the House should know the facts as to just what this amendment does, and on that point I have not yet heard a satisfactory explanation.

When the gentleman from California stated the purpose of his amendment a moment ago he omitted certain essential language. Permit me to read the entire amendment emphasizing those important points.

No part of the funds appropriated by the paragraph shall be used in connection with the investigations, hearings, directives, or orders concerning bargaining units composed in whole or in part—

That phrase, "in whole or in part," was not quoted by the gentleman from California—

composed in whole or in part of agricultural laborers as that term is defined in the Social Security Act.

Just what words are covered in the Social Security Act and who is this amendment striking at? I quote from the Social Security Act the section to which the gentleman from California referred. According to this definition, the term "agricultural labor" would include those persons—

handling, planting, drying, packing, packaging, processing, freezing, grading, storing or delivery to storage or to market or to a carrier for transportation to market any agricultural or horticultural commodity.

That, Mr. Speaker, tells us the real issue.

This amendment is not aimed at the farm worker. Such an issue has been raised merely as a smoke screen. Neither the National Labor Relations Board nor the War Labor Board has any authority to butt in on the farm; they have no authority to touch the work that is being done by a hired man, and they have not done it. And, I may say, I would be the first to protest should they attempt to do so. But there are marginal fields of labor here that are still in great dispute.

As the gentleman from California rightly said, we do have too many definitions of what constitutes agricultural labor. This is one, and there are a great many others. I understand that the Committee on Agriculture at the present time is trying to draw up a definition which will cover the term adequately so that "farm labor" will mean the same thing in whatever government regulation it is found.

This amendment, however, which was not provided in the original appropriation bill but which was submitted here from the floor as a rider is not the proper way to proceed in defining agricultural labor. It should be done only after the most careful consideration.

What would the effects of this Lea rider be? Out in California, down in Arizona, in Texas, and in other parts of the United States we have more than a million workers who are engaged in packing sheds and in food processing. They are not working on the farm, in many cases they are miles from a farm. Their organizations have been recognized as bargaining agents and as such, they deal collectively with their employers: One of the reasons why we have had during the past few years so very little strife in these areas, one of the reasons why we have been able to attain the high mark of food production is because we have established the machinery for collective, peaceful bargaining between the employer on the one hand and these employees on the other.

Not one single labor organization ever came and and asked for this bill. Not one grower or shipper ever wrote me asking for this legislation, not one grower or shipper ever sent me a wire asking for this legislation.

The single instance of support for it that I have ever received was one telephone call this morning from an individual who had no idea as to its meaning. That is the only favorable comment regarding it that I have ever received from my district.

What is going to be the effect if the Lea rider passes? You are going to hurt both farmers and laborers in many American communities—you are going to harm the food processors and shippers, you are going to break down, you are going to tear away the machinery that has been established for peacefully settling labor disputes in this area in California of which I am speaking. We used to have some of the most serious labor disputes you can imagine. Violence took place. Both shippers and packing-shed workers suffered. That has not happened during the last few years. Why? Because we have set up machinery to take care of it. Furthermore, there are labor disputes which are going to occur in which the law will not be clear. You are going to have uncertainty, you are going to have investigations as to whether or not an organization does have in whole or in part people who perhaps do come under this bill, break down the machinery of the groups that may have simply one or two members who can be rightly described as agricultural laborers. Furthermore, and I want to call this especially to the attention of the House, if the Lea rider is passed it is going to take more than a million people out from under the provisions of wage stabilization. One of the points that is especially important for the duration of the war is wage stabilization. I hope when the House votes on this amendment, that it will consider fully what the implications in this connection will be. Mr. Speaker, I sincerely hope that we today will do nothing that will both encourage labor conflict and add to the break-down in wage control. Both of these undesired conditions will certainly result if we retain the Lea rider in this bill.

All of us will be glad when the time comes that there will not be need for a War Labor Board. This is an emergency measure. We will be glad to get rid of it when the war is over. But while the war is on, Mr. Speaker, I do hope that the House will not act hastily and tear down a Government agency that has been instrumental in preserving industrial peace in an area where before that time there was industrial warfare.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. OUTLAND. I yield to the gentleman from Michigan.

Mr. RABAUT. I would like to ask the gentleman this question: Would he consider a part of his argument that this would affect the teamsters' union?

Mr. OUTLAND. Where it states here "delivered to storage, or to market, or to a carrier," I would consider that it will.

My point is that there is no need for this legislation. I will join with my friend from California [Mr. LEA] in helping to enact legislation that will curb any undue activities that the War Labor Board may indulge in. This agency may have trangressed at some time upon the proper preserves of the National Labor Relations Board and if that is the case then I will join with him in bringing to the floor corrective legislation, but I will not join with him in reporting any legislation that will tear down Government machinery to settle disputes in an area that definitely is not on the farm and that does not affect the hired man. That is exactly what this legislation does.

It seems to me it is very important that the House realize just what it is voting on. For that reason I offered the preferential motion to recede and concur in the Senate position. The Senate has already stricken out this amendment. Their committee saw very quickly, when they held hearings, just what was involved and I hope that the House will see equally clearly and that the preferential motion will be agreed to and the Lea rider voted out of this essential appropriation bill.

Mr. Speaker, in conclusion may I say just one final word. I am certain that the membership of this House desires to be fair. Ever since coming here I have found that all Members place fair play above every other consideration. This particular rider is not fair, inasmuch as it will go far beyond what it has been said to cover. May I state once more that I have not the slightest wish to include farm labor under the provisions of the War Labor Board. Such is not contemplated by law, and certainly should not be put into such a bill as the one under consideration. But, Mr. Speaker, in all fairness I do contend that there should not be removed from the protection of the War Labor Board more than a million American workers, yes, and many American growers and shippers, who are now enjoying peaceful industrial relations because of the conditions which prevail as a result of the jurisdiction of this same Board. I will vote to curb the Board from encroaching on labor that is truly agricultural; at the same time I will fight for the rights of those who are not truly agricultural laborers, but who are processors and packers and truckers.

If this Lea rider becomes law it will be unfair to both shippers and laborers, it will increase labor conflict, it will hurt food production, it will create uncertainty and chaos. Let us in this House carefully and comprehensively explore the whole definition of agricultural labor; let us not act hastily, and in a manner which will benefit nobody but which will harm all concerned. With all the sincerity at my command, I ask that the House vote down this rider by agreeing to my preferential motion to recede and concur with the Senate point of view.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. HARLESS].

Mr. HARLESS of Arizona. Mr. Speaker, we are in a position here which is typical of the times when we try to legislate on the floor instead of in committee. This particular rider is proposed by the gentleman from California [Mr. LEA] and naturally, I hesitate to disagree with such a distinguished gentleman.

When this matter went over to the Senate after it was attached here as a rider, that body held hearings and realized the danger of it. The Senate left it out.

We have within our State, Arizona, many thousands of workers engaged in agricultural pursuits. As the gentleman from California [Mr. OUTLAND] just said, there are at least a million workers engaged in agricultural work who are not directly working on the farms in the Western States, processing vegetables and fruits. I can recall the day not many years ago when there were constant strikes going on in those particular enterprises. I recall in Phoenix, Ariz., when they had strikes and they would often burn the packing sheds.

Mr. Speaker, the thing we want during this war is production. We want a smooth operation in order to get production. If this particular rider only

applied to the men who worked in the fields where we know that the average farmer has jurisdiction, that would be one thing. We realize that farmers are independent, they are individualists, and they do not like controls, but this particular rider does not go to the man who operates a farm and only has three, four, or five employees. It reaches out and takes in the packing sheds and the processing industries. It takes out the only avenue of solving the troubles between the packing-shed employees and employers, leaving it wide open to strikes. I am proud to say that in those Western States, particularly in Arizona, there have been no strikes in the packing sheds since the war started, and I think we owe a great deal to the War Labor Board for that condition.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from Arizona.

Mr. MURDOCK. I take the same pride that my colleague does in the fact that we in Arizona have had no wartime labor troubles of any sort. If the Lea provision deprives many workers of the means of settling disputes, does the gentleman not believe then that, if we do not adopt the Outland preferential motion, there are apt to be labor disputes and probably strikes?

Mr. HARLESS of Arizona. There will be strikes if we go along and try to force those people to cease having their only avenue of relief. I am sure there will be strikes in those packing sheds in my State, where we have thousands of cars of lettuce, cantaloups, carrots, and peas, and everything that you people eat right here in Washington and on the east coast.

You will find that those particular industries are critical, because when these crops ripen the harvesting and packing must be done in a hurry; and if there is any disagreement between labor and management and there is no agency to iron out that disagreement, there will be a strike right at the hour when it is most critical. The War Labor Board has been the agency that has been able to iron out those differences. It has been the escape valve. That is the reason this legislation should be considered in committee and definitely should not be taken up here on the floor. If this referred only to people on the farms who work actually in the fields, it might be different; but I say this goes too far, and we should take this matter up in committee at some future date and have a definition of farm labor, and then we can get a complete solution to our problem of what agency and as to how far we should go in controlling agricultural labor.

I ask the Members to recede and concur with the Senate, because the Senate has had hearings on this and knows the difficulties that will grow out of it. Let us not be too hasty, because food is our essential item today.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. HARLESS of Arizona. I yield to the gentleman from Michigan.

Mr. DINGELL. I thought there was a pretty well unanimous opinion on the Buck amendment as to what constitutes farm labor, and that it was universally accepted and approved. Are we now going to throw that overboard for some new interpretation? If we do, the farmers will lose everything they have gained.

Mr. HARLESS of Arizona. I think that we should take this matter up in committee.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS. Mr. Speaker, the situation regarding this amendment is just this, in the simplest possible language: When this bill was being heard before the Committee on Appropriations, a special committee of the Congress was at the same time holding hearings on the activities of the National Labor Relations Board and the War Labor Board in certain features of the farm picture. Out of those hearings came the realization that the War Labor Board was exceeding its authority and evading the law under which it is supposed to operate. The amendment first referred to as the "Lea amendment" was therefore introduced on the floor of the House, it being too late to introduce it in the Committee on Appropriations. That amendment passed this House by a vote of approximately three to one. It then went to the Senate. No one appeared in the Senate to explain the amendment, because notice was not given to the Members who were favorable to the amendment to appear before the Senate committee. So far as I know, the only gentleman from this House who appeared before the Senate committee was the gentleman from California [Mr. OUTLAND], who apparently was notified of the time of the hearing.

Mr. OUTLAND. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. OUTLAND. May I say to the gentleman that I made several inquiries of the Senate to find out when hearings would be held, a privilege which was open to other Members of the House.

Mr. PHILLIPS. I thank the gentleman. He is apparently a little more fortunate in getting information.

The bill came back, in its various migrations between the House and the Senate, and in the House committee the present amendment—also called the Lea amendment—was added to it, and is now under controversy. It differs from the original amendment in that it is a simpler amendment. It uses the social-security definition of agriculture instead of the fair-labor-practice definition.

In speaking briefly on the bill when it first went through the House, I said—and I say again today—that much of the argument that has been heard on the floor refers not to this bill nor to this amendment but refers to whether or not the House of Representatives established a proper definition for agriculture in other acts. If you do not think that the House in its previous actions established a proper definition for agriculture, then your recourse is not to vote against this Lea amendment, but to ask the chairman of the Committee on Agriculture, of which I am also a member, to bring up for action and discussion the four bills which are now before that committee which attempt to provide a single definition of agriculture instead of the 11 definitions and interpretations which are used by the various agencies.

This amendment will not affect certain of the packing and processing plants concerning which you have heard discussion today. In the Social Security Act those are specifically exempted. I do not believe it is as complicated an amendment as has been presented to you today. I would like to present to you, if I had the time, the chapter and verse of the activities of the War Labor Board which have made such an amendment necessary. I question the statements made here that the absence of strikes in food-packing plants recently has been due to the benign influence of the WLB. I think it is because of the no-strike pledge in time of war. It is desirable that the amendment be sustained. To do that it is necessary for us to vote "no" on the motion offered by the gentleman from California [Mr. OUTLAND] to recede and concur.

Mr. LEA. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. LEA. On this question of whether or not the House has considered the matter, I call attention to the fact that the Committee on Ways and Means gave great consideration to this amendment and brought it to the House and had practically a unanimous vote of this House approving that amendment, so there is no foundation for saying that due consideration was not given to the definition and report by the Committee on Ways and Means which this amendment would adopt.

Mr. PHILLIPS. I thank the gentleman from California.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from Michigan.

Mr. DINGELL. If I recall correctly, that interpretation, by the Committee on Ways and Means, which was approved by the House has since become basic, and was included, I believe, in one or two or more agricultural bills since as defining what constitutes agricultural labor.

Mr. PHILLIPS. I thank the gentleman. He is correct.

Mr. WELCH. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS. I yield to the gentleman from California.

Mr. WELCH. Is it not a fact that the amendment offered by the gentleman from California [Mr. LEA] can be construed to affect every warehouse worker and teamster in the large centers of population in the United States?

Mr. PHILLIPS. I respect the gentleman's knowledge of labor laws, which is much greater than mine, but I personally do not think so, because I believe the exemption which was read by the gentleman from California [Mr. LEA] would be clear on that point. When the product has left the possession of the

farmer he would no longer have control of it.

Mr. WELCH. I appreciate the gentleman's compliment. May I state to any friend that I pride the fact that my voting record on legislation favorable to the farmers of this country compares favorably with that of the average Member representing the rural districts of the country.

Mr. PHILLIPS. I confirm that. I knew of that record before I came to Congress.

Mr. CANNON of Missouri. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. DE LACY].

Mr. DE LACY. Mr. Speaker, the Lea amendment has many more far-reaching consequences than have even yet been laid bare on this floor, although the gentleman from California [Mr. OUTLAND] and the gentleman from Arizona [Mr. HARLESS] have done a fine job. What is involved here, and the gentleman from California [Mr. WELCH] began to put his finger on it, is that under the language of the Lea amendment any organization, any local union, any international organization of labor which has even one of its members involved in a packing plant or a processing plant, or in the hauling of farm produce from the farm to the market, can be entirely exempted from the jurisdiction of the War Labor Board if Congress adopts this amendment.

The amendment says plainly "in all or in part engaged" in such activities as I have described. If anyone wanted to get out from under the War Labor Board, all he would have to do would be to show that some member of his organization are engaged in these forbidden activities and therefore the War Labor Board could not take jurisdiction even though the dispute might be exclusively in some urban area.

This amendment is of such far-reaching consequences that we dare not act upon it here without fuller hearings. I have been in conference with some of the leaders of the American labor movement, the American Federation of Labor leader, Mr. Daniel Tobin, who has authorized me to say upon the floor of this House that, in his opinion, if this amendment is adopted by both bodies, and if it becomes law, it will make strikes almost unavoidable, will cause confusion, and will slow down the production and transportation of food in this Nation. Everyone knows the splendid manner in which the powerful Teamsters' Union, headed by one of America's most respected labor leaders, Dan Tobin, has held to labor's no-strike pledge. Mr. Tobin says that the effect of the Lea amendment will be to deprive workers of their peaceful, their logical, their lawful, and ready means of settling grievances and wage disputes which arise in this seasonal industry.

The crux of this matter is that we are dealing with seasonal workers. We are dealing with workers to whom you cannot give a retroactive pay award because they will not be there in 2 months or after 2 years or after 6 years. They are not there to get any retroactive award. You have to give it to them at the time. You have to find a means of settling the dispute while the dispute is going on and while the workers are on the premises.

The president of the International Association of Machinists, Mr. Harvey Brown, another of America's forward-looking, able, and constructive labor leaders, also expressed to me his wish that his views be conveyed to the honorable membership of this body in opposition to the Lea amendment. Mr. Philip Murray, the CIO's forceful and patriotic leader, has likewise warned of the grave danger that the Lea amendment will disrupt the presently existing means of settling peacefully labor disputes arising in the processing and handling of farm products.

I hope the House rejects this amendment, will adopt the gentleman from California's [Mr. OUTLAND] motion to concur with the Senate action.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. ELLIOTT].

Mr. ELLIOTT. Mr. Speaker, first I want to say that there has been a lot of work done against this amendment since it was passed on the floor of the House. There has been a lot of misinformation put out to the people that there were never any hearings held on this amendment. I remember that there were extensive hearings held before the Committee on Ways and Means. At that time we had a Democratic colleague from my State, former Congressman Buck, whom lots of you people, who were Members of the House at the time that he served, will remember. He took a great interest at that time in explaining the same language as offered by the gentleman from California [Mr. LEA]. That language is known as the Lea amendment to this provision of the bill.

My colleague from California, Mr. OUTLAND, made the statement that it did not interfere with the farm worker. I want to say to the gentleman that it does interfere with the farm workers in my congressional district, because a number of the farm workers work in the packing houses. A number of the packing houses are on the farms of the farmers. The packing houses are owned by the farmers. Therefore, some of the people who work in the field work the following day, in many instances, in the packing houses. The wife of the farmer who might work in the field also works in the packing house. Therefore, it vitally affects the family, the wife, and also the head of the family, the father. The undisputed facts show that both the NLRB and the WLB have asserted jurisdiction over farmers' operations never intended by Congress. The NLRB has done so by conducting elections among employees of the farmer-owned agricultural establishments, issuing certificates thereon, and by conducting unfair-labor-practice hearings in relation thereto.

The War Labor Board has taken jurisdiction over such employees in both voluntary and dispute cases and has issued orders requiring farmers owning agricultural establishments to sign contracts with unions purporting to represent such employees. These operations include, for example, persons employed in California, Florida, and Texas in establishments where citrus fruits and vegetables are washed, graded, and packed in their raw and natural state.

I might say further that the term of exemption for agriculture by the NLRB provides in section 213 that it shall not include any individual employer or agricultural agent.

Since the passage of the NLRA the Congress has four times defined agricultural labor. These definitions occur in the order of their passage in the Social Security Acts of 1939, 1941, 1943, and 1944.

I want to cite to you what actually happened in my own congressional district last year, and it happened again this year. Outside people were brought into a packing house. After they are there 6 days they are eligible to vote whether or not that house will become union. If under the NLRB ruling the election is won, it is 1 year before the operator of the packing house can call for an election. But if the union loses, within weeks the NLRB will permit them to call another election. That certainly was not the intent of Congress.

All this Lea amendment provides is to do what Congress intended to do in the first place.

The SPEAKER. The time of the gentleman from California has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS of California. Mr. Speaker, I am afraid that a real clear understanding of the issue here is not before us. In the first place, I should like to say in reply to what my colleague has just said that the National Labor Relations Board does not permit a union to come in and have a new election short of 1 year's time, after an election has been held. Whereas I believe that did happen in one or two instances, the Board has assured us that this will not happen in the future, and has denied such applications consistently in recent months.

But this is what is proposed in the Lea amendment. It is proposed to apply, midstream in the war, to the question of agricultural labor, a definition which Congress has written, not in any act affecting labor relations, but into the Social Security Act. The difficulty with it is briefly this: You have in many instances groups of workers who have been certified by the National Labor Relations Board as being nonagricultural, and as to whom certification has been given that a certain union has bargaining rights to represent them. Now, that has already happened. The question of what the definition of agricultural workers ought to be is one thing, and I am convinced in my own mind it ought to be a uniform definition and Congress should so provide, but we are not up against that question now. You already have certain groups of workers certified by the National Labor Relations Board, but a great many hundred thousands of those workers would be told, if the Lea amendment were passed, that they could not go to the War Labor Board for an

adjustment or settlement of their problems or disputes. So what you would be doing would be having one agency, the National Labor Relations Board, telling them that they could have bargaining rights, and then you would be saying, "But you may not use the only machinery set up during the war for the settlement of disputes, namely, the War Labor Board."

You can't hold people to a no-strike pledge very logically without providing some alternate means of settling problems. And the only one we have now is the War Labor Board.

The only other alternative is that these workers and their employers will have to go back in labor relations to peacetime methods. I am not going to make an excited speech about this, but we must recognize that as to both employers and employees peacetime methods of collective bargaining can issue in strikes and other things. If this happens as a result of the passage of this amendment, the situation will be serious for all concerned, and Congress will be at fault for it. I do not think we want to create a situation of that sort.

I agree that the War Labor Board should be prevented from deciding cases which have not been found to be nonagricultural cases by the National Labor Relations Board. I think the War Labor Board has no business making any finding about certification of the unions. I think that is a job for the National Labor Relations Board, and not the War Labor Board; and I would support an amendment which said that the War Labor Board should not go beyond what the National Labor Relations Board had defined in the matter of classifying workers as nonagricultural workers. And I would like respectfully to say that if the conferees were looking for some compromise of this question that if they struck out of the Lea amendment the words "Social Security Act" and substituted "as defined in the Labor Relations Act and found to be agricultural workers under the act," then it would be all right; indeed, I think it might be a good thing to do. For I do not believe any more than anyone else does that the War Labor Board ought to step into a situation where the workers have not been defined under the National Labor Relations Act as nonagricultural.

The effect of the Lea amendment will, I am afraid, be very serious indeed. I do not believe it ought to be adopted. I believe it would create a lot of confusion, and I think the main reason is that it would take away from groups of workers and their employers who have for a long time now, in some instances, functioned under wartime machinery their opportunity to continue to do it. It would be changing a situation midstream of the war. For that reason, I feel it most unwise. We are not always going to have the War Labor Board; we are not always going to have any of these war agencies, probably; and I am convinced that the definition of "agricultural labor" needs to be gone into and made uniform as to most of our legislation. I believe, personally, that for the purposes of the Social Security Act both farmers and farm workers ought to have the benefit of that coverage, and I hope some day they will. At present they are actually paying a considerable part of the cost of the Social Security System without getting any of its benefits.

The SPEAKER. The time of the gentleman from California has expired.

Mr. CANNON of Missouri. Mr. Speaker, I yield such time to the gentleman from California [Mr. MILLER] as he may require.

Mr. MILLER of California. Mr. Speaker, I rise in support of the amendment offered by the gentleman from California [Mr. OUTLAND] that the House recede and concur in the Senate amendment to that section of the bill appropriating moneys for the National War Labor Board. This would strike out the so-called Lea rider from the section of H. R. 3368 that appropriates funds for the continuance of the National War Labor Board.

The amendment provides that none of the funds "shall be used in connection with investigations, hearings, directives, or orders concerning bargaining units composed in whole or in part of agricultural laborers as that term is defined in the Social Security Act in section 409, title 42, United States Code."

This amendment originated on the floor of the House and was never considered in committee. It was adopted after a limited debate of about half an hour.

Mr. Speaker, one of the prime objections to the Lea rider is defining for the purposes of the War Labor Board agricultural labor as it is defined in the Social Security Act. This would prevent the War Labor Board from acting in a large number of cases in which it now claims jurisdiction because the definition in the Social Security Act is much broader than that for agricultural labor under the terms of the National War Labor Act.

It would mean the reopening of hundreds of cases that have been settled with the attendant confusion and loss of time at a critical season of the year as far as our agriculture is concerned.

The operations, such as trucking, packing, bottling, sorting, and otherwise processing other agricultural products for market are not held to be within the exemption made by the War Labor Board in the field of agriculture.

In a purely agricultural community these activities may appear to be a distinction without a difference; but where processing of agricultural commodities takes place in an urban community, great havoc can be caused if the broad definition is adopted.

There are sections in my district where fruit and vegetable canneries operate for 10 and 11 months of the year. Under normal conditions, for instance, they repack canned pears, cherries, peaches, and pineapples during the off season into fruit salad.

Because of the great investments involved in these packing plants, it becomes necessary to operate them to the maximum in order to make a return on the investment; and their operations are in the gamut from early asparagus to late tomatoes. The people employed in these plants would hardly be considered on a seasonal basis.

The National Labor Relations Board made an exhaustive study of this subject and consulted its regional boards. They have emphatically pointed out the difficulty of administration that would take place if this rider becomes law.

We are still at war and we must utilize labor at its maximum efficiency to supply the foodstuffs necessary to carry on that war. The proposed legislation that the Outland amendment seeks to strike from the bill does not relieve the War Labor Board from duties and responsibilities, but simply curtails them in the performance of those duties with respect to a large group of workers.

Mr. CANNON of Missouri. Mr. Speaker, I yield such time to the gentleman from California [Mr. HAVENNER], as he may require.

Mr. HAVENNER. Mr. Speaker, The Director of Economic Stabilization, Mr. William H. Davis, has testified that the effect of the Lea amendment would be to withdraw jurisdiction of the War Labor Board from more than a million employees engaged in fruit and vegetable packing and similar occupations. He stated emphatically that the amendment would have a serious effect upon the stabilization program because, if enacted, it would leave no adequate machinery for settling labor disputes among these employees or for the application of wage-stabilization policies. Director Davis recommended the elimination of the Lea amendment from this bill, and I hope this House will follow his recommendation.

In the past, labor disputes have occurred from time to time affecting this large group of employees, and have been satisfactorily settled without strikes, through the efforts of the War Labor Board. Similar disputes will arise in the future; and if the War Labor Board is deprived of authority to settle them, I hesitate to predict what may happen.

Mr. Davis sounded a warning to fruit packers that the Office of Economic Stabilization would be unable to fix prices above the minimum required by law if the Office loses power to control wages. So the farmer constituents of the Members who are supporting the Lea amendment may rue the day when this amendment was adopted.

I urge the House to concur in the Senate amendment eliminating the Lea rider.

Mr. CANNON of Missouri. Mr. Speaker, I yield such time as he may require to the gentleman from South Carolina [Mr. BRYSON].

Mr. BRYSON asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. CANNON of Missouri. Mr. Speaker, I move the previous question on the motion to recede and concur.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from California that the House recede from its disagreement to the amendment of the Senate No. 5 and concur in the same.

The question was taken; and on a division (demanded by Mr. GALLAGHER) there were—ayes 58, noes 101.

Mr. OUTLAND. Mr. Speaker, I object to the vote on the ground that a

quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 103, nays 203, not voting 126, as follows:

[Roll No. 140]

YEAS—103

Adams	Hays	O'Toole
Bailey	Healy	Outland
Barrett, Pa.	Hedrick	Patrick
Bender	Heffernan	Price, Ill.
Bloom	Hoch	Quinn, N. Y.
Bradley, Pa.	Holifield	Rabaut
Buckley	Hook	Rabin
Byrnes, Wis.	Huber	Ramey
Canfield	Johnson,	Ramspeck
Case, N. J.	Lyndon B.	Resa
Cochran	Kean	Rogers, Mass.
Coffee	Kee	Rogers, N. Y.
Crosser	Fefauver	Rooney
D'Alesandro	King	Rowan
Dawson	Kirwan	Ryter
De Lacy	Kopplemann	Sabath
Delaney,	LaFollette	Sadowski
James J.	Lane	Sheridan
Douglas, Calif.	Lesinski	Smith, Maine
Douglas, Ill.	Link	Somers, N. Y.
Doyle	Ludlow	Spence
Feighan	McCormack	Starkey
Flood	McGlinchey	Stevenson
Forand	Madden	Sullivan
Fulton	Mansfield,	Sundstrom
Gallagher	Mont.	Thom
Gardner	Marcantonio	Thomas, Tex.
Gary	Merrow	Torrens
Gordon	Miller, Calif.	Voorhis, Calif.
Gorski	Monroney	Walter
Granahan	Morgan	Wasielewski
Green	Murdock	Welch
Hagen	Murphy	Wolverton, N. J.
Hand	Murray, Wis.	Woodhouse
Harless, Ariz.	O'Brien, Ill.	
Havenner	O'Brien, Mich.	

NAYS—203

Abernethy	Davis	Hinshaw
Allen, La.	D'Ewart	Holmes, Wash.
Anderson, Calif.	Dingell	Hope
Andresen,	Dirksen	Horan
August H.	Domengeaux	Howell
Andrews, Ala.	Dondero	Jarman
Arends	Doughton, N. C.	Jenkins
Arnold	Drewry	Jensen
Auchincloss	Durham	Johnson, Calif.
Baldwin, Md.	Earthman	Johnson, Ill.
Barden	Eaton	Johnson, Ind.
Barrett, Wyo.	Elliott	Johnson,
Bates, Mass.	Ellis	Luther A.
Beckworth	Elston	Johnson, Okla.
Bennet, N. Y.	Engle, Calif.	Jones
Blackney	Ervin	Jonkman
Bland	Fallon	Judd
Bolton	Fenton	Kerr
Brehm	Fernandez	Kilburn
Brooks	Fisher	Kilday
Brown, Ga.	Flannagan	Kinzer
Brown, Ohio	Folger	Lanham
Brumbaugh	Gamble	Lea
Bryson	Gathings	Lewis
Buck	Gearhart	Luce
Buffett	Gibson	Lyle
Butler	Gillespie	McConnell
Camp	Gillette	McGehee
Campbell	Gillie	McGregor
Cannon, Fla.	Goodwin	McMillan, S. C.
Cannon, Mo.	Gossett	McMillen, Ill.
Carlson	Graham	Mahon
Carnahan	Grant, Ala.	Manasco
Case, S. Dak.	Grant, Ind.	Martin, Iowa
Chapman	Gregory	Mason
Chelf	Griffiths	May
Chenoweth	Gross	Michener
Church	Gwinn, N. Y.	Mills
Clark	Gwynne, Iowa	Morrison
Clason	Hall,	Mott
Clements	Leonard W.	Mundt
Clevenger	Halleck	Murray, Tenn.
Colmer	Hancock	Norrell
Cooley	Hare	O'Neal
Cooper	Harness, Ind.	Pace
Courtney	Harris	Peterson, Fla.
Cravens	Hartley	Phillips
Crawford	Hendricks	Pickett
Cunningham	Herter	Pittenger
Curtis	Heselton	Ploeser
Daughton, Va.	Hess	Poage
Price, Fla.	Sasscer	Tibbot
Priest	Schwabe, Mo.	Trimble
Rains	Schwabe, Okla.	Vinson
Rankin	Sheppard	Vorys, Ohio
Reed, N. Y.	Short	Wadsworth
Rees, Kans.	Smith Va.	Welchel
Rich	Smith, Wis.	West
Riley	Sparkman	White
Rivers	Springer	Whitten
Rizley	Stefan	Whittington
Robertson,	Stewart	Wickersham
N. Dak	Stigler	Wigglesworth
Robertson, Va.	Sumner, Ill.	Wilson
Rockwell	Sumners, Tex.	Winstead
Rodgers, Pa.	Taber	Wolcott
Roe, Md.	Talbot	Wolfenden, Pa.
Rogers, Fla.	Talle	Wood
Russell	Thomason	Zimmerman

NOT VOTING—126

Allen, Ill.	Gavin	Norton
Andersen,	Geelan	O'Hara
H. Carl	Gerlach	O Konski
Andrews, N. Y.	Gifford	Patman
Angell	Gore	Patterson
Baldwin, N. Y.	Granger	Peterson, Ga.
Barry	Hale	Pfeifer
Bates, Ky.	Hall,	Philbin
Beall	Edwin Arthur	Plumley
Bell	Hart	Powell
Bennett, Mo.	Hébert	Powers
Biemiller	Henry	Randolph
Bishop	Hill	Rayfiel
Bonner	Hobbs	Reece, Tenn.
Boren	Hoeven	Reed, Ill.
Boykin	Hoffman	Richards
Bradley, Mich.	Holmes, Mass.	Robinson, Utah
Bulwinkle	Hull	Robsion, Ky.
Bunker	Izac	Roe, N. Y.
Burch	Jackson	Savage
Burgin	Jennings	Scrivner
Byrne N. Y.	Kearney	Shafer
Celler	Keefe	Sharp
Chiperfield	Kelley, Pa.	Sikes
Cole, Kans.	Kelly, Ill.	Simpson, Ill.
Cole, Mo.	Keogh	Simpson, Pa.
Cole, N. Y.	Knutson	Slaughter
Combs	Kunkel	Smith, Ohio
Corbett	Landis	Snyder
Cox	Larcade	Stockman
Curley	Latham	Tarver
Delaney,	Le Compte	Taylor
John J.	LeFevre	Thomas, N. J.
Dickstein	Lemke	Tolan
Dolliver	Lynch	Towe
Dworshak	McCowen	Traynor
Eberharter	McDonough	Vursell
Ellsworth	McKenzie	Weaver
Elsaesser	Maloney	Weiss
Engel, Mich.	Mansfield, Tex.	Winter
Fellows	Martin, Mass.	Woodruff, Mich.
Fogarty	Miller, Nebr.	Woodrum, Va.
Fuller	Neely	Worley

So the motion to recede and concur was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Neely for with Mr. H. Carl Andersen against.

Mr. McDonough for, with Mr. Peterson of Georgia against.

Mr. Patterson for, with Mr. Vursell against.

Mr. Biemiller for, with Mr. Simpson of Illinois against.

Mr. Pfeifer for, with Mr. McCowen against.

General pairs until further notice:

Mr. Randolph with Mr. Gavin.
Mr. Weiss with Mr. Corbett.
Mr. Tolan with Mr. Baldwin of New York.
Mr. Larcade with Mr. Ellsworth.
Mr. Keogh with Mr. Angell.
Mr. Hobbs with Mr. Taylor.
Mr. Maloney with Mr. Hoeven.
Mr. Fogarty with Mr. Chiperfield.
Mr. Bates of Kentucky with Mr. Hoffman.
Mr. Geelan with Mr. Dolliver.
Mr. Roe of New York with Mr. Gifford.
Mr. Granger with Mr. Miller of Nebraska.
Mr. Lynch with Mr. Robsion of Kentucky.
Mr. Hart with Mr. Cole of Missouri.
Mr. Izac with Mr. Edwin Arthur Hall.
Mr. Hébert with Mr. Bennett of Missouri.
Mr. Slaughter with Mr. Plumley.
Mr. Boykin with Mr. Bishop.
Mr. Barry with Mr. Reece of Tennessee.
Mr. Kelley of Pennsylvania with Mr. Stockman.
Mr. Cox with Mr. Dworshak.
Mr. Eberharter with Mr. Smith of Ohio.
Mr. John J. Delaney with Mr. Knutson.
Mr. Bulwinkle with Mr. Allen of Illinois.
Mr. Powell with Mr. Beall.
Mr. Dickstein with Mr. Andrews of New York.
Mr. Richards with Mr. Jennings.
Mrs. Norton with Mr. Hill.
Mr. Curley with Mr. Keefe.
Mr. Rayfiel with Mr. Henry.
Mr. Burch with Mr. Fuller.
Mr. Mansfield of Texas with Mr. Latham.
Mr. Robinson of Utah with Mr. Fellows.
Mr. Philbin with Mr. LeFevre.
Mr. Celler with Mr. Martin of Massachusetts.
Mr. Patman with Mr. Reed of Illinois.
Mr Gore with Mr. Shafer.
Mr. Bonner with Mr. Woodruff of Michigan.
Mr. Byrne of New York with Mr. Hull.
Mr. Bunker with Mr. Powers.
Mr. McKenzie with Mr. O'Hara.

Mr. SASSCER and Mr. CHENOWETH changed their votes from "aye" to "no."

The result of the vote was announced as above recorded.

The SPEAKER. The question recurs on the motion of the gentleman from Missouri that the House insist on its disagreement to the amendment of the Senate No. 5.

The motion was agreed to.

On motion of Mr. CANNON, a motion to reconsider the several votes whereby the conference report was agreed to was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that all Members who have spoken today on the bill may have leave to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the war agencies conference report and to include letters from General Marshall and General Eisenhower.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

RANK OF CHIEFS OF BUREAUS IN THE NAVY DEPARTMENT

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 1862) relating to the rank of chiefs of bureaus in the Navy Department.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON. Mr. Speaker, this bill does five things: First, it authorizes a chief of bureau, after 1 year's service, to be promoted to the rank of vice admiral; second, it permits a chief of bureau so promoted to be retired on his own application after 3 years' service with the rank and retired pay of vice admiral; third,

it permits a chief of bureau holding the rank of vice admiral to be retired in that rank for physical disabilities at any time during his term of service as such chief of bureau; fourth, it provides that a chief of bureau, upon completion of his term of service as such, shall have the permanent rank of rear admiral if of a lower permanent rank; and fifth, it provides that an assistant chief of bureau shall have the rank of a rear admiral.

Mr. Speaker, those are the objectives and purposes of this bill. The responsibilities of these chiefs of bureaus are so enormous that we think they should have the rank of a vice admiral if after 1 year's performance of duty as such they merit it.

This bill was considered by the Committee on Naval Affairs and meets with the approval of the Navy Department. If there are any questions from Members of the House I will be glad to answer them.

Mr. WHITE. What is the salary of a vice admiral?

Mr. MICHENER. Mr. Speaker, further reserving the right to object, I would like to hear the gentleman from Oregon [Mr. MOTT], minority ranking member of the Committee on Naval Affairs in reference to the bill.

Mr. VINSON. Will the gentleman permit me to answer the question asked by the gentleman from Idaho?

Mr. MICHENER. Yes.

Mr. WHITE. I want to know what the salary of a vice admiral is. That seems to be what is at stake here.

Mr. VINSON. No; the gentleman is mistaken. What is at stake is the rank of those who have discharged a very responsible duty. The salary of a vice admiral is the same as a rear admiral of the upper half plus a yearly cash allowance of $500. The salary—pay and allowances—of a rear admiral of the upper half is $9,951 per annum.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. VINSON. I yield to the gentleman from Missouri.

Mr. COCHRAN. There is no objection to the bill and, furthermore, the committee has put in an amendment providing that they must hold office for 1 year as chief of a bureau.

Mr. VINSON. As the report states, the representatives from the Navy Department testified in favor of the proposed bill, as amended.

Mr. COCHRAN. It has been too long delayed.

Mr. VINSON. I trust that answers the question of the gentleman from Michigan.

I yield to the gentleman from Michigan.

Mr. MICHENER. The gentleman from Oregon [Mr. MOTT], the ranking minority member on the committee is present, and I would like to have his views on the bill.

Mr. MOTT. Mr. Speaker, this matter has been under consideration by the committee for some time. Hearings have been held upon it, and it is the unanimous view of the members of the committee that this legislation should be adopted. We have heard a great deal during this war of the records made by our fighting admirals, and that record has been tremendously outstanding, but behind all that we have these chiefs of bureaus who are doing a magnificent job, and if it were not for the work they do the Navy could not operate in the wonderful fashion that they have been operating. We believe that these chiefs of bureaus are entitled to this honor, a distinguished honor which they well deserve.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield to the gentleman from Ohio.

Mr. JONES. Does this bill affect all the personnel in active service in World War II?

Mr. MOTT. No; only the chiefs of bureaus.

Mr. JONES. In the present conflict?

Mr. MOTT. The present chiefs of bureaus.

Mr. WADSWORTH. Mr. Speaker, will the gentleman yield?

Mr. MOTT. I yield to the gentleman from New York.

Mr. WADSWORTH. Is this permanent legislation?

Mr. MOTT. Yes.

Mr. WADSWORTH. Would it have the effect of making the chief of a bureau in the Navy Department correspond with the opposite rank in the War Department?

Mr. MOTT. That is a technical question which I am not able offhand to answer. Perhaps the chairman can.

Mr. VINSON. May I say to the distinguished gentleman from New York, I doubt whether it will happen, because some of the corresponding ranks in the War Department are already higher than that of the chiefs of the bureaus at the present time. The main purpose behind this legislation is this: A chief of the bureau can be appointed from the rank of a commander or a captain, and after finishing his term of duty as a chief of the bureau he would revert back to his permanent rank of a captain or a commander. Under this bill when he finishes his term of office as chief of a bureau he will get the rank of a rear admiral. This is permanent legislation.

Mr. WADSWORTH. Is the rank of vice admiral new legislation here?

Mr. VINSON. No. Today the President has been making all chiefs of bureaus vice admirals with temporary rank after they have served 2 years as such.

Mr. WADSWORTH. Has similar action been taken by the President with respect to the heads of the bureaus of the War Department in making them lieutenant generals?

Mr. VINSON. Unfortunately my hands are busy trying to handle naval legislation, and I cannot answer the gentleman's question.

Mr. WADSWORTH. I notice the Navy is taking care of itself.

Mr. JONES. Mr. Speaker, if the gentleman will yield further, this does not affect the Maritime Commission, does it?

Mr. VINSON. We have no jurisdiction over the Maritime Commission.

The SPEAKER. Is there objection to the request of the gentleman from Georgia.

Mr. TABER. Mr. Speaker, I object.

EXPORT-IMPORT BANK

Mr. SABATH. Mr. Speaker, I call up House Resolution 321 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, and all points of order against said bill are hereby waived. That after general debate, which shall be confied to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SABATH. Mr. Speaker, this resolution makes in order the consideration of the bill H. R. 3771, known as the Export-Import Bank extension bill. It provides for 2 hours general debate.

No one appeared in opposition before our committee to the granting of this rule. It is an open rule and provides that after general debate of 2 hours the bill will be read for amendment under the 5-minute rule. However, as I understand, the bill has almost the unanimous support of both the majority and minority members of the Committee on Banking and Currency.

The consideration of this bill takes me back to 1934, 11 years ago, when we first sought to bring about the adoption of this splendid Export-Import Bank legislation, legislation that has not cost the Government anything, but on the contrary has made a clear profit of $32,000,000 since the beginning of its existence, and at the same time has repaid to the Reconstruction Finance Corporation, which has lent the bank some funds, the sum of $18,000,000.

This bill proposes to increase the capital of the institution from $700,000,000 to $1,000,000,000 and authorizes the issuance of bonds up to four times the amount of its capitalization.

As I have stated, there is no opposition to the rule and I understand there is very little opposition to the bill. Many Members desire to leave early and I am inclined not to delay them, therefore I will conclude, reserving to myself the balance of the time after yielding to the gentleman from Michigan the usual 30 minutes in opposition.

Mr. MICHENER. Mr. Speaker, the Committee on Banking and Currency is fully and ably qualified to explain this bill. I have no requests for time on the

rule, and therefore hope that the chairman of the committee will move the previous question at once.

Mr. SABATH. I will do so with pleasure, as I always am pleased to comply with any request and recommendation of my distinguished and genial colleague from Michigan. Consequently, Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to revise and extend the remarks I expect to make on this bill and include a copy of the report of the Committee on Banking and Currency on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3771, with Mr. FORAND in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this is a bill to increase the lending authority of the Export-Import Bank, to provide for its continuance as an independent agency of the United States. The Export-Import Bank was organized in 1934. It was organized for the purpose of stimulating exports and imports and to increase the foreign commerce of the United States. Its capital has from time to time been increased until the present capital is $175,000,000. It has had a remarkable career. Its losses have been negligible. It has caused no loss to the National Treasury, but has accumulated a net increase earned in its capital of $42,000,000.

This bill provides that the capital stock of the bank shall be increased from $175,000,000 to $1,000,000,000; and that it have the authority through public debt transactions to borrow 2½ times the amount of its capital stock, which will make its lending capacity $3,500,000,000, less its present authorized lending authority of $700,000,000 which is now exhausted, making its entire lending authority, after this bill is enacted into law, $2,800,000,000.

The bill is brought up at this time because of the imperative necessity and the urgent demand for accommodation to foreign nations, many of whom have been devastated by war and who need to rehabilitate themselves and get their industries going again.

We hear a great deal of talk about full employment and full production. America has the capacity to produce more than her people can consume. By reason of the ability of her workmen and the genius of her management and the progressive spirit of those engaged in industry and farming, America has been the arsenal of the world.

Now that the European war is over, the United States will be the storehouse of the goods that make for better living in time of peace by the people of the world. The markets of the United States are not in a position to absorb the production of our country. We must assume not only the leaderships that have been thrust upon us, both spiritual and political, but we must assume the economic leadership of the world. Not to take advantage of that opportunity which presents itself to us at this time would be to abdicate our plain duties and to surrender opportunities that may mean much to the future welfare and happiness of the American people.

The Export-Import Bank will be necessary to carry out the postwar program. The International Bank for Reconstruction and Development, under the Bretton Woods plan, will not be in operation for sometime; and to accommodate countries and their people that need help at this time, it is necessary to put into operation the bank for exports and imports.

We need not assume, although this is a large sum of money, that there will be any loss to the United States because of its operation. It is not to make any gifts. It is to lend the money in order to stimulate trade and commerce among those who can be reasonably expected to pay. We will be practically assured that they will repay. It is a great bank. They see a great opportunity not only for service but a great opportunity to earn money and a great opportunity to help the world in this hour of its necessity.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. Not right now.

We can judge what its success will be in the future by its success in the past. Heretofore the bank has been managed by 11 trustees, chosen from 6 departments of the Government. The management of the bank has been changed under this act so that Mr. Crowley, Foreign Economic Administrator, will be Chairman of the Board. The Secretary of State will be a member of the Board, and there will be 3 directors appointed by the President and confirmed by the Senate. It will have an independent existence, not connected with or under the domination of any department of Government. It can be operated as a private bank would be operated, with the efficiency that a private bank can carry out the purposes of its organization.

I have no doubt that the immediate effect, not only on our American markets but the good feeling and friendship of the world toward the United States, will be felt because of the operation of this bank. Under lend-lease we have constructed a great deal of property and material, some of which has not yet been shipped to the countries for which it was intended. This property, although essential to the prosecution of the war, is property that may also be used in peacetime industry and development, such as locomotives, power plants, machines and machine tools of various descriptions, and other equipment of that character.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Chairman, I yield myself three additional minutes.

Those nations need this property. They can obtain credit through this bank with which to buy the property. It will be of benefit to them and of benefit to us. It will not only do that but it will have the effect of reestablishing their economy and relieving them of the devastation and losses caused by the war.

This bank not only can make loans but it can guarantee loans, and there will be ample opportunity to obtain loans that have little risk from these nations which have gotten back into the ways of peace and are attempting to reestablish their economies. The amount of money involved, of course, that the bank is authorized to lend is a great sum, but it is also a revolving fund that can be used over and over again and give many times the credit and relief that the amount of the authorized lending capacity would give if this were not the case. The chance of loss if this bank is conservatively and ably managed, it seems to me, would be very, very small.

We did not have extended hearings on the bill because there was no opposition. One of the purposes of the bank is not to go into the competitive field of private enterprise but to give accommodation where private banking institutions will not give it. If it were an institution whose purpose was to put government in competition with private banking institutions, I am sure the American Bankers' Association would not approve of it, but Mr. Burgess, the president of the American Bankers' Association, made a trip from northern New York, where he was spending his summer vacation, to appear before the committee and express the approval not only of himself but of the American Bankers' Association of the bill. We held 2 days of hearings on the bill. Any organization or interest that desired to oppose it would have been welcome and would gladly have been heard. Nobody appeared, and I understand there is no organized opposition to the bill anywhere, that it meets with general approval not only of the departments of the government interested in carrying out this great purpose but the business interests of the country also.

I am not going to detain you further, I know you want to go home. I am going to submit the matter to you feeling confident the bill will pass with little opposition, and I know that the successful operation of the bank will justify your vote.

For the information of the membership and under permission already obtained, I set forth at this point the committee report on this bill:

INCREASING THE LENDING AUTHORITY OF THE EXPORT-IMPORT BANK OF WASHINGTON

Mr. SPENCE, from the Committee on Banking and Currency, submitted the following report:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, having considered the same, report favorably thereon

without amendment and recommend that the bill do pass.

I. GENERAL STATEMENT

With the outbreak of war, the normal foreign trade of the United States was necessarily interrupted. Normal commercial trade with foreign countries in many instances terminated. The successful prosecution of the war, however, required and resulted in a tremendous increase in our exports. During the war, foreign markets provided for the employment of hundreds of thousands of workers and absorbed an unprecedented volume of the products of our farms, our industries, and our mines. In the reconversion period and when the war is over the maintenance of a high level of foreign trade will be even more essential. Millions of men and women now in our armed forces and millions of war workers will want jobs and thousands of enterprises will be ready for peacetime production.

With the close of hostilities in Europe, there are tremendous demands for American-made goods from countries which have been cut off from most sources of civilian supplies during nearly 6 years of war and Nazi occupation. A large part of this demand is due, unfortunately, to the destruction which has been wrought by the war. Cities must be rebuilt and transportation and communication facilities restored. Factories, mines, and farms need new equipment. Industries require raw materials to start peacetime production.

In many parts of the world rich natural resources await development. The people are ready to put their labor and the natural wealth of their countries to work. The time is at hand for an era of industrialization in these areas. Experience has shown without contradiction that the trade of the United States prospers most with the industrialized areas of the world.

The many markets in all parts of the world need what we can produce. To these markets the American farmer, manufacturer, and laborer will want to and should be able to send his products. The proposed legislation is a step in the direction of making this possible.

Our potential foreign customers may be roughly divided into two principal categories. Some have the dollars or the credit with which to acquire American goods upon terms which exporters and private financial institutions are willing to extend without any further endorsements. Some will want credit terms which are reasonable and will involve such sums, maturities, or interest rates that private sources of capital will not desire or be able to undertake them alone.

Many Americans will want to participate in postwar foreign trade. They have the ability and the good business standing to engage in this trade, but may lack the financial resources to enter foreign markets. Extension to them of the facilities of the bank will solve this difficulty and permit them to share in the expansion of our foreign trade.

Under the proposed legislation we will be helping to sell United States goods abroad and we will be helping our potential foreign customers to purchase the goods they need. Goods produced in the United States to meet demands abroad will mean increased employment and production in the United States, more jobs for our men and women and returning veterans, greater opportunities for the manufacturers, the farmer, the owner of mineral resources, and the private investor.

American machinery, tools, raw materials, and services will enable other nations to rebuild or develop their industries and to produce goods which they can sell. This will increase their ability to service and pay their debts and to buy more goods from us. Their increased productive capacity will create more jobs for their people and raise their standards of living. This, too, will make more and better customers for American products.

Domestically strengthened and stabilized through the reestablishment and development of their economy our allies will be better able to protect and maintain the peace which we are now fighting for and for which we have laid the foundation at San Francisco.

The bill increases the lending authority of the bank by $2,800,000,000. Compared to the foreign need for goods, this is a comparatively small sum but in the coming year most of our production may be required for carrying the war against Japan to a successful and early conclusion. In addition, by making available only a part of the funds required for financing foreign trade, when the bank does require an additional increase in its lending authority the Congress will be able to review the uses to which the present proposed authorization has been put and determine the extent to which the lending authority of the bank should be further increased.

Under the proposed legislation the bank will be able to expand considerably the activities it has been carrying on so successfully in the past 10 years to facilitate the foreign trade of the United States. The bank will continue its past policy of making loans only when private facilities do not undertake the job and that it will, to the greatest extent possible, encourage the participation of private capital. The increase in the lending authority of the bank will permit an expansion and increase in short-term loans to finance United States agricultural and industrial exports, medium- and long-term loans to other countries for reconstruction and development projects, and special transactions such as the guaranty of export credits, the underwriting of letters of credit, and the extension of revolving lines of credit to small United States exporters and importers.

The proposed legislation will permit the bank to help the war-devastated countries obtain materials for reconstruction purposes. This will be particularly important in the immediate period ahead. Lend-lease aid is not available for reconstruction purposes. The International Bank for Reconstruction and Development will not come into full operation during the next year and a half to 2 years, and even then the need for an expanded Export-Import Bank will continue. Immediate financial help is necessary in order to prevent chaotic conditions abroad. The Export-Import Bank will be able to finance foreign shipments to some extent by taking over certain phases of the 3 (c) lend-lease agreements as suggested by the President, and in other instances by financing countries who have been cut off from necessary supplies as a result of war conditions. Such financing will help stabilize the war-devastated countries and start them promptly on the road to recovery from the war.

II. ORGANIZATION AND HISTORY OF THE EXPORT-IMPORT BANK OF WASHINGTON

The Export-Import Bank was established in 1934 to help stimulate the recovery of our foreign trade from the low level to which it had fallen during the depths of the depression. At that time, the President, pursuant to the National Industrial Recovery Act, authorized the Secretaries of State and Commerce to form the bank, which was thereupon created under the laws of the District of Columbia on February 12, 1934.

In January 1935, the Congress continued the bank as an agency of the United States until June 1937 and, in addition to the powers contained in its charter, gave it additional banking powers to be exercised "for the purpose of aiding in the financing and facilitating of exports and imports and the exchange of commodities between the United States and any of its territories and insular possessions and any foreign country or the agencies or nationals thereof." The act was amended subsequently to continue the bank as an agency of the United States until January 22, 1947.

Originally, there was no limit imposed by law upon the lending authority of the bank. In 1939, however, the act of January 1935 was amended to provide that loans outstanding at any one time should not exceed $100,000,000. The limit was increased to $200,000,000 in March 1940 and to $700,000,000 by the act of September 26, 1940. That act authorized the Reconstruction Finance Corporation to supply funds to the bank up to a maximum of $500,000,000 to enable it to make additional loans, including specifically loans "to assist in the development of the resources, stabilization of the economies, and the orderly marketing of the products of the countries of the Western Hemisphere."

The bank operated as an independent agency from 1934 until July 1939, when it was made a part of the Federal Loan Agency under Reorganization Plan No. I. In 1942, the bank was placed by Executive order under the office of the Secretary of Commerce. In July 1943 it was transferred by Executive order to the Office of Economic Warfare. When the Office of Economic Warfare later was consolidated into the Foreign Economic Administration, in September of the same year, the bank was also transferred to the Foreign Economic Administration. As a separate corporate entity, the operations of the bank have continued to be administered by its president, subject to the direction of the Foreign Economic Administrator and the board of trustees of the bank under the chairmanship of the Administrator.

Except for the original $1,000,000 transferred to the bank in 1934 in payment for the common shares issued jointly to the Secretaries of State and Commerce, all of the funds of the bank have been obtained by the sale from time to time of preferred stock to the Reconstruction Finance Corporation and from earnings. A total of $174,000,000 of preferred stock has been issued and is now outstanding.

Pursuant to its charter, the bank is controlled by a board of 11 trustees elected annually by the stockholders, subject to the approval of the President of the United States. The right to vote all of the stock, both common and preferred, is vested in the Foreign Economic Administrator. In the interim between board meetings, the powers of the board are exercised by an executive committee of seven trustees. Loans are made only after formal authorization by the board of trustees or the executive committee.

The operations of the bank have involved a wide variety of transactions, although all of them have been undertaken for the fundamental purpose, laid down by Congress, of promoting the export and import trade of the United States either directly or indirectly. To avoid competition with private institutions, the bank has confined its activities to financing of a character or in an amount not obtainable from private sources. The techniques employed by the bank are, in general, those commonly used in the field of international finance and investment. However, in order to meet the changing needs of our foreign trade and to provide credit facilities for the small as well as the large exporter and importer, it has been necessary to maintain a high degree of flexibility in operating techniques.

It is difficult, because of their diversity, to classify the loans of the bank into hard and fast categories. Nevertheless, the following types of credits may be identified in its operations during the past 11 years.

(1) The bank has extended relatively short-term credits to all exporters of a given commodity to assist in financing the sale and export of agricultural surpluses. For example, before the war the bank assisted in the sale of raw cotton to foreign spinners and dealers by establishing through United

States commercial banks lines of credit available to American cotton shippers and guaranteed by leading banks in the countries of purchase.

(2) The bank has extended credit directly to American firms exporting industrial products, particularly heavy machinery and electrical and railway equipment. Such transactions have usually been accomplished through the purchase without recourse by the bank of the obligations of the foreign purchaser endorsed or otherwise unconditionally guaranteed by a foreign bank or a foreign government.

(3) The bank has extended credit lines to individual firms which are experienced and of good repute but which are hampered by lack of capital in obtaining adequate accommodation from private sources. Such credits are revolving and are available to the exporter for limited periods, generally from year to year, upon presentation for discount by the bank through its agent bank of 90-day drafts on approved foreign purchasers. Comparable arrangements are available to United States importers.

(4) The bank has extended credits to make possible the maintenance of essential purchases from the United States by certain countries during periods when they were temporarily short of dollar exchange. Loans of this type have been made principally to banks in Latin-American countries. They were especially important after the cutting off of European sources of supply in 1940 and the consequent necessity on the part of Latin-American countries of concentrating their purchases in the United States at a time when their exports to the United States were still at relatively low levels.

(5) Loans have been made to foreign governments and their agencies to assist in financing the cost of materials, equipment, and services required for the construction of productive public works and the development of natural resources and thereby to increase the foreign-trade potentials of the countries concerned.

(6) The bank has established a number of credits to stimulate foreign production and to expedite the transportation of strategic materials required for war production in the United States.

(7) Because of wartime transportation difficulties, the bank inaugurated a plan for underwriting letters of credit opened in this country by United States commercial banks in favor of approved foreign banks. A feature of this service was a provision to make payment against manufacturers' certificates of completion or railroad bills of lading instead of the ocean shipping documents customarily required. The bank assumed the responsibility for shipment of the goods within 3 months from the date of payment to the manufacturer. This service went beyond any previous facility offered United States exporters, but it is believed that it has been extremely worth while because the effect has been to keep established trade channels open during the war so far as possible.

From its organization to June 15 of this year, the Export-Import Bank has authorized loans aggrega ing $1,269,000,000. Of these total authorizations, $397,000,000 were canceled either because the applicants found they did not require them or arranged to obtain necessary credits from private sources. Actual disbursements have amounted to $497,000,000, of which $289,000,000 have been repaid. As at the close of business on June 15, 1945, outstanding loans totaled $208,000,000 and undisbursed commitments aggregated $375,000,000.

The earnings of the bank, after payment of all administrative expenses, have amounted to approximately $42,000,000. The bank has paid dividends of over $18,000,000 on the preferred stock held by the Reconstruction Finance Corporation. This leaves undivided profits of about $24,000,000 as of the close of business on June 15, 1945.

III. EXPLANATION OF THE BILL BY SECTIONS

The bill reorganizes the management of the bank, removes certain restrictions on its operations, and simplifies the method by which the bank is financed. It continues and expands the funds and the authority of the existing bank, with its present assets and liabilities.

Short title

Section 1 provides a short title: "Export-Import Bank Act of 1945."

Powers of the bank

Subsection 2 (a) continues the Export-Import Bank of Washington as a banking corporation organized under the laws of the District of Columbia and as an agency of the United States. It continues the existing powers under the bank's charter and restates and clarifies the powers conferred upon the bank by statute to make loans, to discount, rediscount, or guarantee notes, drafts, bills of exchange, and other evidences of debt or to participate in the same for the purposes of promoting the foreign trade of the United States.

Subsection (b) provides that it is the policy of the Congress that the bank in the exercise of its functions should supplement and encourage and not compete with private capital, and that loans, so far as possible consistently with carrying out the purposes of subsection (a), shall generally be for specific purposes, and in the judgment of the Board of Directors, offer reasonable assurance of repayment.

Management of the bank

Section 3 provides for the management of the bank. Subsection (a) established by law the Board of Directors of the bank which is to consist of the Foreign Economic Administrator as Chairman, the Secretary of State, and three persons appointed by the President for a term of 5 years at a salary of $12,000 per year with the advice and consent of the Senate. If the Foreign Economic Administration ceases to exist in the Office for Emergency Management in the Executive Office of the President, the Administrator of the Foreign Economic Administration will no longer be a member of the Board, and the President is to appoint a member to take his place. In that event the Chairman of the Board will be designated by the President. Not more than three directors may be members of any one political party. The Secretary of State may, to such extent as he deems it advisable, designate to act for him in the discharge of his duties as a member of the Board any officer of the Department of State who shall have been appointed by and with the advice and consent of the Senate.

Subsection (b) provides that a majority of the Board of Directors shall be a quorum.

Subsection (c) empowers the Board of Directors to adopt such bylaws as are necessary for the management and functioning of the bank.

Subsection (d) establishes an Advisory Board consisting of the same personnel as comprises the National Advisory Council on international monetary and financial problems provided for in the Bretton Woods Agreement Act, except that the Chairman of the Board of Directors of the bank serves as Chairman in lieu of the Secretary of the Treasury.

Subsection (e) provides that until October 31, 1945, or until two of the appointed members of the Board of Directors have qualified, whichever is the earlier, the affairs of the bank shall continue to be managed by the existing Board of Trustees.

Subsection (f) establishes the bank as an independent agency of the United States Government and provides that its functions, powers, and duties shall not be transferred or consolidated with any other department of the Government unless the Congress shall otherwise by law provide.

Capital structure

Sections 4 and 5: A capital stock of $1,000,000,000 is authorized for the bank. Outstanding common and preferred stock is to be surrendered to the bank and canceled. The Secretary of the Treasury is to pay the Reconstruction Finance Corporation the par value of the preferred stock which the Reconstruction Finance Corporation will surrender and any dividends on preferred stock accumulated and unpaid to the date of its surrender. Of the authorized amount of capital stock of $1,000,000,000 payment for $175,000,000 equivalent to the par value of the outstanding preferred and common stock will be made by the surrender of such stock. Payment for the balance, $825,000,000, will be made by the Secretary of the Treasury at the call of the Board of Directors of the bank. Certificates evidencing stock ownership are to be issued by the bank to the President of the United States. Authorization is given to the Secretary of the Treasury to finance these payments as public-debt transactions.

Borrowing power

Section 6 authorizes the bank to issue obligations for purchase by the Secretary of the Treasury in an amount not to exceed $2,500,000,000. The Secretary of the Treasury, is authorized to treat this as a public-debt transaction.

Lending authority of the bank

Section 7 provides that the bank shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of 3½ times the authorized capital stock of the bank or $3,500,000,000.

Other laws

Section 8 provides that the provisions of the existing charter relating to the term of existence of the bank, its management, and to its capital stock are superseded by this legislation and exempts the bank from complying with any law relating to the amendment of certificates of incorporation or to the retirement or increase of stock of the District of Columbia corporations and from the payment of fees or taxes to the District of Columbia in connection with its capital stock.

Reports to Congress

Section 9 requires the bank to transmit semiannual reports of operations as of the close of business on June 30 and December 31 of each year.

Repeal

Section 10 repeals existing legislation pertaining to the bank contained in section 9 of the act of January 31, 1935, as amended.

Johnson Act

Section 11 relieves from the prohibitions contained in the Johnson Act any person, including any individual, partnership, corporation, or association, who acts for or participates with the bank in any operation or transaction or acquires any obligation issued in connection with any operation or transaction engaged in by the bank.

IV. CONCLUSION

The committee believes that this bill is necessary to the expansion of our foreign trade and to enable the war-devastated countries to begin the immense task of reconstruction which lies ahead. The committee recommends, accordingly, that the bill be enacted as promptly as possible.

Mr. WOLCOTT. Mr. Chairman, I yield 15 minutes to the gentleman from Nebraska [Mr. BUFFETT].

Mr. BUFFETT. Mr. Chairman, in rising to oppose this bill, I am doing so fully cognizant of the fact that the legislative regimentation with which this House has been afflicted for some years on international spending is still fully operative

and that this bill will be rammed through with lightning speed. I suppose I should be like the old darky, who attributed his longevity with a willingness to "cooperate with the inevitable." However, if I did not oppose these lush loaning schemes, I would not be keeping faith with the people who sent me down here.

I am not too much surprised at the regimentation that exists on the Democratic side of the aisle, but I must confess that I am regularly amazed and astounded at the absence of genuine or organized opposition by the Republican minority to this international lending and spending.

The Republican Party represents itself to the country as the party of opposition, and has orated with great fervor about its ability to stop the international spending that is bankrupting our people. Yet during the time I have been here, I do not recall one instance in which a full-fledged international spending scheme has met with more than scattered individual opposition from my side of the aisle. How that can be explained to the good people of this country, who are the victims of this spending spree, and who have counted on the Republican Party to oppose New Deal totalitarianism, I do not know.

The Export-Import Bank is reported as an organization with a record of good management and good loans. Without knowing more about their operations than the limited information in the course of 2 days hearings, I must confess that I am not competent to evaluate that claim.

On the surface they make a good statement, although they have paid no return to the Government for over 2 years on the capital employed, and although they have loans which might be questionable under any normal banking procedures. Likewise, they have been operating in what might be called a rigged market for foreign loans, because this Government has 47 other corporations, agencies, or departments spending dollars in foreign lands and thus making it easy to preserve the appearance of a sound financial arrangement, regardless of the actual underlying conditions.

Let us assume, however, that the operations thus far of the Export-Import Bank have been efficiently and properly conducted. For the sake of clarifying the issue on this subject, I believe that assumption can be warranted. The testimony before the committee indicated that the bank limited itself to making loans that the private banks would not make because the loans were not made on a strictly economic basis. In other words, the lending of the Export-Import Bank is made up of loans that are economically unbankable for one reason or another. In other words, there is some politics in these loans, or perhaps a lot of politics in them. Here is the basic issue, aside from the increased concentration of economic power in the hands of the central government in America.

It is my conviction that you cannot make a political loan to a nation or to any governmental subdivision without acquiring a vested interest in the internal political affairs of that nation. That interest in the political situation is simply a variation of the Scripture verse "for where your treasure is there will your heart be also."

When the Nazi Government set out on a career of conquest, it started via the road of economic penetration. If the American Government embarks on a program of governmental foreign loans on a vast scale, regardless of its motives in so doing, it is following the identical pattern, and is injecting itself into the internal politics of every country where such loans are made. Mr. Speaker, that has always been a sure road to war.

Between the years 1919 and 1941, American exporters, both of dollars and goods, laid the foundations for the great World War which has laid desolate great parts of two continents and cost this Nation, already, more than a million casualties. Now for the same underlying motives—commercial profits—plus the unquenchable desires of the New Deal to "play god" to other nations in the world, we are involved in the same pattern of events, except that this time the savings of the people are being conscripted via taxes and bonds to finance these exports that create ill will abroad and furnish the industrial supplies needed for new wars.

When the Nazis went into foreign lands they gave these foreign nations great amounts of blocked currency which could only be spent for certain German goods of doubtful value. In America the New Deal has given this system of blocked currency a new twist. When any nation, be it Germany, Great Britain, or the United States issues gigantic amounts of fiat currency via the route of deficit financing, it is mandatory to immobilize large amounts of this paper money by rationing its use or otherwise preventing its normal use.

Germany and Britain soaked foreign lands with blocked currency. The American Government has gone them one better by allowing foreigners to exchange paper dollars for gold and allowing them to buy our goods and instead have left the American taxpayer holding the sack with blocked currency. I do not know what the alibi used by Germany and Great Britain with the foreign nations which held these blocked currencies was, but here in America the alibi is the war, just as the war is the standard alibi for all the blundering and skullduggery that is taking place.

In this former land of economic freedom, the American citizen is today holding this blocked currency to the tune of one hundred to two hundred billion dollars. While our goods are sent abroad the American holders of this blocked currency can spend it in riotous living, or at the horse races, or they can buy Government bonds. That is about the equivalent of the choice of the foreigners who held Nazi currencies, who could buy harmonicas or aspirin.

Increasing by 400 percent or $2,800,000,000, the loaning powers of the Export-Import Bank simply adds to the inflation of our currency without making the corresponding production available to the American people.

In the testimony you will find that the American Bankers' Association is in favor of this proposal. It is quite natural that they would be. It assures them of an opportunity to participate in vast loaning schemes without risking their own money—with interest and profits being guaranteed by the Treasury of the United States and finally by the taxpayers of this country. Of course, the bankers are for this scheme. You would be too if you were a banker under such circumstances. No risk and sure profits is good enough bait even for a banker—as it was in Hitler land.

Nevertheless, the testimony before the committee indicated these facts:

First. That never did private banks of this country have more funds available for legitimate financing of international transactions than they do today.

Second. Never did the nations to the south of us, where most of these funds are currently being used, have more dollars and gold than they do today.

It is reported to the American people that the other nations are poor and that we are rich. It might be more correct to say that we were rich. Here are some facts. Under date of April 26 I had a letter from D. W. Bell, Under Secretary of the Treasury, from which the following paragraph is taken:

> Foreign short-term balances in the United States amounted as of February 28, 1945, to $5,736,000,000. These balances, which consist primarily of deposits in United States banks and holdings of short-term United States Government obligations, were then at the highest level ever reached, according to available data.

Further than that, I am inserting in the RECORD the gold reserves of central banks and governments of several nations south of us, as of December 1941 and as of February 1945:

Gold reserves of central banks and governments

[Millions of dollars]

Country	December 1941	February 1945
Argentina	354	409
Brazil	70	340
Chile	30	57
Colombia	16	95
Cuba	1	126
Mexico	47	221
Uruguay	100	164
Venezuela	41	147

Source: Federal Reserve Bulletin, June 1945.

The figures are taken from the Federal Reserve Bulletin and they indicate approximately an average increase of 100 percent in gold reserves in these nations to the South. During this same period, our own gold reserves have shown a steady shrinkage.

A few days ago before a Senate committee, I am informed that Mr. Harry White, of the Treasury stated that Great Britain had balances in this country at the moment to the tune of $3,500,000,000. So that claim that there must be a great expansion in American loaning in order that other nations can buy here is not based on the facts.

Certainly, it is true that a few European nations are in desperate financial straits, including Poland, Czechoslovakia, Yugoslavia, and Greece among our allies. But they are all now supposedly receiving or are shortly to receive UNRRA aid in

substantial amounts plus other current benefits. Possibly, they should receive some supplemental aid.

Mr. Chairman, when the American Government makes political loans it is getting into the internal politics of the nations to which the loans are made. When this Nation does that, it is playing power politics. Power politics means imperialism and continuous war.

Some people may feel pride in the surface prosperity of this country during these last few years, but I do not. Commercial profits paid for in the blood of American boys and the blasting of American homes have no appeal to me nor do they to the people of America. Years ago, the New Deal embarked on a program of large scale Government spending in order to perpetuate itself in power. As long as that large-scale political spending was limited to the borders of America, it could only empty our pocketbooks and create economic, moral, and political evils which would be corrected. When that lush-spending policy is extended to the far corners of the earth, it still temporarily keeps the New Deal in power at home because of the false prosperity created.

But the price in that case, in addition to the dissipation of our wealth, is untimely graves for hundreds of thousands of American boys and the blasting of countless American homes. For my part, that price is too high for the shabby tinsel of temporary commercial prosperity. It is too high a price for the global political razzle dazzle of a New Deal administration that is destroying the foundations of the American Republic, and will, if continued unchecked, end all hope for human liberty in this generation.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Idaho.

Mr. WHITE. Is it not true that since the gold is today worth $46 an ounce in Brazil, it has attracted gold that is worth $35 an ounce here to the Treasury of Brazil, which the gentleman referred to?

Mr. BUFFETT. Yes; undoubtedly that price shows a foreign lack of confidence in our paper currency while reckless spending continues.

Miss SUMNER of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentlewoman from Illinois.

Miss SUMNER of Illinois. I suggest that the countries the gentleman mentions, to which they intend to give this money, Poland and Yugoslavia, are both getting communistic governments, which are killing and liquidating their people. In effect, what we are doing is subsidizing the enslavement and killing of innocent human beings.

Mr. BUFFETT. The gentlewoman is well informed on that situation. I do not believe the American people have any way of knowing what is going on in these countries. A block-out of freedom exists in eastern and southern Europe.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I am quite sure everybody in this Chamber desires to maintain and increase our foreign trade. Everybody is in favor of giving all the aid we can to our exports and imports. If that is true, there should not be a single vote against this bill. Why do I say that? Because the Export-Import Bank has been operating for 11 years, and in that 11 years, besides carrying out its original purpose of aiding exports and imports, has made a profit of $42,000,000. Not only have we helped those engaged in agriculture and industry, but we have made a good investment for the taxpayers of this country.

The Export-Import Bank was organized in 1934. At that time there was no limit to the outstanding loans. In 1939 the outstanding loans were limited to $100,000,000. This was increased to $200,000,000 in March 1940, and again increased to $700,000,000 in September 1940.

There are six essential differences in this bill as compared with the present law. What are they? One is that the bank must make a semiannual report to the Congress. Another is that it increases the capital stock—the outstanding loans and guaranties—from $700,000,000 to $3,500,000,000. Another one is that it removes the prohibition on loans by the bank to any government in default upon the payment of its obligations to the Government of the United States on April 13, 1934. Another is that it provides for the purchase by the Treasury of $1,000,000,000 of the capital stock and the purchase by the Treasury of obligations of the bank to the extent of two and one-half times the capital stock.

It makes the life of the bank permanent.

This bill provides for five directors. Under the present law it is operated with a board of 11 trustees. These trustees are elected annually. The voting stock of the corporation is held by the Administrator of the Foreign Economic Administration, Leo T. Crowley. It is operated just as a regular bank is operated—Mr. Crowley controls the stock and the trustees are elected annually.

Under this bill the five directors are to be selected as follows: One is appointed from the Foreign Economic Administration—that is Mr. Crowley at the present time. One is to be the Secretary of State, and when he cannot act he must appoint a person in his office who has been approved by the Senate of the United States. The other three directors are independent and must give their entire time to the operation of this bank. Their salaries are $12,000 annually. Not more than three of the directors shall be of the same political party.

The outstanding loans and undisbursed commitments amount to approximately $600,000,000. The loans now under active negotiation amount to nearly $100,000,000, which is all that can be obtained from the present Export-Import Bank.

Therefore, it is absolutely necessary to increase the lending authority of the bank in order for it to meet the demands for essential loans. We must maintain our foreign trade and export our goods and surplus crops.

The bank, as I have stated, operated as an independent agency from 1934 to 1939. In 1939 it was made a part of the Federal Loan Agency. In 1942, by Executive order, it was placed under the Office of the Secretary of Commerce, about which there was so much said when we had the George bill up. In 1943 it was transferred, by Executive order, to the Office of Economic Warfare; later on transferred to Foreign Economic Administration, where it is today.

The Export-Import Bank has rendered aid in stimulating the recovery of foreign trade since 1934.

The bank was authorized to help in the financing and facilitating of exports and imports, and the exchange of commodities between the United States and many of its Territories and any foreign country. There was no limit on the amount of loans outstanding when the bank was first organized. The Export-Import Bank has authorized loans during the past 11 years aggregating $1,270,000,000. About $400,000,000 of the total authorization was canceled. The earnings of the bank, as I have stated, amount to more than $42,000,000.

The bank is to be congratulated in its achievement, not only in making large profits but in giving great assistance to the American exports and American importers. The bank has a wide variety of transactions for promoting the export trade of this country. Operations have been conducted in a way not to compete with private institutions. Some of the activities of the bank consist in short-term credits to exporters, to assist in financing the sale of agricultural surpluses. Before the war the bank assisted in the sale of raw cotton to foreign spinners and dealers. The bank extended credit to American firms exporting industrial products like heavy machinery, electrical, and railway equipment. The bank extended credit lines to individual firms which lacked capital in obtaining accommodation from private sources. Loans were made to foreign governments to assist in financing the cost of equipment for construction of public works and the development of natural resources in order to increase the foreign trade of many countries.

Mr. Crowley testified that when he made request for the appropriation for lend-lease for 1946 it was based at that time on the assumption that Congress would expand the lending authority of the Export-Import Bank in such a manner as to permit the financing of portions of the so-called 3 (c) agreements for the delivery of industrial equipment and supplies to France, Belgium, and the Netherlands.

The House has passed and the Banking and Currency Committee of the Senate has approved a bill authorizing participation of the United States in the proposed International Bank for Reconstruction and Development, which will provide long-term credits to foreign countries. It was stated by some witness that it might be 18 months before

the Bretton Woods agreement was adopted by all the nations and that it was necessary for the Export-Import Bank to supply perhaps some of the needs contemplated by the International Bank. It was also stated at the hearing that the lend-lease will not operate after the war ends and therefore makes it necessary and imperative that this bill be passed as a temporary stop-gap.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SPENCE. Mr. Chairman, I yield the gentleman one additional minute.

Mr. BROWN of Georgia. Mr. Crowley further stated in his testimony that the Export-Import Bank will continue as in the past to pursue its major objective of facilitating the foreign trade of the United States, either directly through the financing of specific export and import transactions, or indirectly through assisting in the developing of the resources of foreign countries in order that we may have markets for American products and supplies of imports to this country.

The CHAIRMAN. The time of the gentleman from Georgia has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Chairman, at the outset let me say that I favor the principle of the pending bill.

Secondly, let me say that if it remains in the hands of Mr. Leo Crowley, presently Administrator of the Foreign Economic Administration, it will be in good hands. I have high confidence in him as a governmental administrator.

It remains however for Congress to give the Administrator the necessary guide lines under which this bill shall be administered. I propose to offer an amendment at the appropriate time when the bill is read, in the nature of a limitation upon the activities of the Export-Import Bank. In support of that amendment let me build my case about as follows: I want to start with the Atlantic Charter.

The late President of the United States and the Prime Minister met on board a vessel in the Atlantic and on the 14th of August, 1941, which will soon be four years, gave to the world the Atlantic Charter. Out of that came the "four freedoms," which was inscribed in the hearts of people everywhere, as I can so well testify from my conversations with humble people in more than 20 countries of the earth in the recent 90-day sojourn.

Subsequently the principles of the Atlantic Charter were endorsed in the declaration by the United Nations which was dated January 1, 1942, and was signed at Washington; 45 nations and the Commonwealth of the Philippines joined in that declaration by the United Nations in support of the principles of the Atlantic Charter. I want to read a portion of that declaration. It recites the names of these countries and then states:

> The governments signatory hereto have subscribed to a common program of purposes and principles embodied in the declaration of the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, dated August 14, 1941, known as the Atlantic Charter.

First, therefore, we have the Atlantic Charter which became the pattern of this great crusade with which millions of soldiers from all the nations of the world are presently identified; and, secondly, those principles were then endorsed wholeheartedly by the United Nations Declaration here in the City of Washington on January 21, 1942.

I believe it is well for the record to recite the names of the countries which declared their support of the principles of the Atlantic Charter. They are the United States, Great Britain, Russia, China, Australia, Belgium, Canada, Costa Rica, Cuba, Czechoslovakia, Dominican Republic, El Salvador, Greece, Guatemala, Haiti, Honduras, India, Luxembourg, Netherlands, New Zealand, Nicaragua, Norway, Panama, Poland, South Africa, Yugoslavia, Bolivia, Brazil, Chile, Colombia, Ecuador, Egypt, Ethiopia, France, Iran, Iraq, Liberia, Mexico, Paraguay, Peru, Philippines, Saudi Arabia, Turkey, Uruguay and Venezuela. These are the nations which solemnly agreed to support the principles of the Atlantic Charter.

I am particularly interested in the first three principles of the charter because those will be the basis for the amendment which I wish to offer. The first principle recites this:

> First. Their countries seek no aggrandizement, territorial or otherwise.
>
> Second. They desire to seek no territorial changes that do not accord with the freely expressed wishes of the people concerned.
>
> Third. They respect the right of all people to choose the form of government under which they will live, and they wish to see sovereign rights of self-government restored to those who have been forcibly deprived of them.

What is the situation in the world today notwithstanding these recitals in the Atlantic Charter and in the Declaration of the United Nations? I visited the fronts. I visited many countries and talked to many people. Never take a world trip; it will disillusion you, it will break your heart. After you have taken inventory of such a trip it will make you a pronounced idealist; one cannot help it when he stands in cemeteries in all corners of the world and looks at crosses of humble soldiers from every State in the Union who so freely, willingly, and undramatically gave their lives in the interest of the principles for which we fight. If I have talked to one I have talked to 10,000 of these soldiers. When I asked them: "What are you fighting for?" the men rather sheepishly grinned, scratched their heads, looked puzzled, and finally said: "We think we are fighting for the "four freedoms." That became the pattern, I am sure, of this crusade. But there is fear and anxiety in the world today everywhere.

Let us look at Greece where the ELAS is underground at the present time, where hammers and sickles are painted on every wall, and in every home there is genuine anxiety as to what is going to happen in the future.

In Bulgaria is a Soviet army of 250,000 troops. The commanding general of that army is also the President of the Allied Control Commission. From what I could hear authentically and authoritatively in Istanbul as to what the situation is in Bulgaria I was depressed about real freedom and its destiny. The same condition exists in Rumania, Czechoslovakia, also in Poland. This is not a one-nation fear by any means.

There has been a mandate over Syria and Lebanon since the last war, notwithstanding the statements that were repeatedly made that if they joined our cause in World War I they would be free. They are not free today and blood is being shed in the ancient city of Damascus that was once the seat of the ministry of the Apostle Paul. There is bloodshed. There is no freedom there. That is equally true in Lebanon. There were three armies in what is now known as Iran. We are preparing to withdraw our Persian Gulf command. There is no hint as to when the other two occupying armies will be taken out and sovereignty and full freedom will be restored. That situation is equally true in Iraq. There you will find the greatest proven field of oil of any in the world, even considering our own vast resources. Longing eyes are being cast there now and after a while there will be the force and the impact of economic selfishness that may prove the undoing of the world all over again.

The same thing is true in Egypt where, under an alliance that has existed since 1936, they have not been the masters of their own fate, and as one of the former members of the Cabinet said to me, "We had to surrender half of our freedom in order to preserve the other half."

I thought this was a war for freedom. Maybe I am all wrong. Maybe this Atlantic Charter is so much stuff. Everyone is familiar with the fact that an effort was made to deprecate the meaning, the purpose, and almost the existence of the Atlantic Charter, and to make it appear that it was but a series of unrelated and fragmentary conversations between the leaders of two countries.

It is something more than that to me. It either means something or it does not. It is the banner under which 10,000,000 soldiers and sailors have been siphoned out of the homes, farms, and firesides of this country to go forth and to do or die. When you read the casualty lists critically, over 400,000 of these youngsters have already died.

So it is a question whether we are going to carry through on this cause.

Now, then, lend-lease failed in one respect. It was a sort of unilateral operation. We got no fee for it. It was wholly within the province of the President what we should get. I expected no money at the time it was enacted in 1941, but I did feel there should be a determined devotion to the intangible values of freedom. The 1946 fiscal year will probably be the last of that. We had the second deficiency bill here on the floor the other day, providing four and one-third billion dollars for lend-lease, which will probably be the end of that operation. At that time I indicated there would be another instrument at hand, another weapon, not

a weapon or instrument for victory but a weapon or instrument for freedom, which is the essential thing if the people are not to be let down and there is not to be frustration here and elsewhere in the world.

The only weapon that is left is what? Credit. Credit is in this bill. We propose now to raise the capital structure of the Export-Import Bank for the purpose of making loans to facilitate trading with other countries. I am for that principle. I want to support it, but I say to you now I do not want a single American dollar to undo the work of a single American GI who is sleeping peacefully in a little cemetery in some far-off country of the world. That is important. While it may not seem so important to us now as we get ready to wind up this session, let us wait a year or so and see what the sentiment of the American people will be. I am not going to ask for a roll call or quorum call on this amendment, but I do think we are going to have to fish or cut bait in this matter, because when the boys come back, and they take inventory and compare notes with their fathers and mothers back home, that will be the day of reckoning as to whether or not American dollars loaned to nations who fail to comply with the Atlantic Charter has frustrated their sacrifices.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman from Illinois three additional minutes.

Mr. DIRKSEN. Mr. Chairman, credit is one more instrumentality that we have to make this fight for freedom before the fruits of this hard-fought war are lost.

So I am going to propose an amendment to the bill. When the Export-Import Bank was first created in 1934 certain restrictions were written into the act and to me they appeared both sound and wholesome. We put three restrictions in it: First, we said there would be no loan to defaulting nations; second, there would be no loans to violators of international law as determined by the Secretary of State; third, there would be no loans for munitions and like purposes, or aircraft, with the exception of strictly and exclusively commercial aircraft. The amendment which I propose is a like restriction. Let me read it to you:

Provided, That none of the powers granted herein may be exercised with respect to any country (including political subdivisions, persons, organizations, and business firms, corporate or otherwise, owing allegiance thereto) unless such country has adhered and continues to adhere to and is faithfully observing the first three principles of the joint declaration of the President of the United States and the British Prime Minister, otherwise known as the Atlantic Charter, as set forth in the message of the President of the United States to the Congress of the United States under date of August 21, 1941 (CONGRESSIONAL RECORD, August 21, 1941, pp. 7216-7217): *Provided further*, That, if any such country is in the enjoyment of any aggrandizement obtained subsequent to its adherence to the said Atlantic Charter and contrary to the principles thereof, such country may qualify for benefits hereunder by divesting itself of such aggrandizement: *Provided further*, That the certificate of the President of the United States that such country meets the requirements hereof shall be conclusive.

Either we meant business when we sent 10,000,000 youngsters off to all the corners of the universe to fight for freedom, or we did not. Well, let us find out whether we meant it or not. I think we did, and I am going to stand by that pledge.

I believe the amendment is workable and sufficiently specific. It relates only to the first three principles of the Atlantic Charter and it can hardly be said that this is vague or uncertain unless those opposed to this amendment wish to confess publicly that all these years we have been fighting and sacrificing for a vague and uncertain thing and want to confess further that the 45 nations who signed the United Nations declaration also lent their signatures to something vague and uncertain. What a tragic confession that would be.

Secondly, let me reemphasize that nations can become eligible for loans when they comply with these principles relating to aggrandizement, unwarranted territorial expansion and an infringement of the free choice of people to select their own government. This is the very thing to which 45 nations agreed, and is it asking too much now to suggest that before additional dollars are made available out of the United States Treasury that they merely conform to the pledges which they gave in writing here in the Nation's Capital on the 1st day of January 1942. It is merely asking them to do what they said they would do. Finally, it leaves it to the President to determine whether or not these nations have met the requirement of this amendment.

It has been said that this relates only to trade and economics and that moral considerations are another thing. It runs in my mind that back in 1933 the President of the United States spoke of chasing the money-changers out of the temple. Here indeed was a mixture of morality and economics. When all is said and done, what a terrible thing it is to confess that there are no morals of trade and that morality has nothing to do with this matter. If that be true then logically enough we might have proceeded to loan money to the very enemies whom we were determined to vanquish in the present war. I reaffirm here and now that I for one will not lend myself to any proposition whereby American dollars are to undo the sacrifices of American GI's. That must rest upon the individual conscience of every Member of this body.

Every so often there runs through the mind that refrain from a poem written by a colonel who was a casualty in the last war. It has become a deathless thing and is so often recited. You, too, will recall it and it goes like this:

We are the dead. Short days ago
We lived, felt dawn, saw sunset glow,
And now we lie in Flanders Field.

Take up the quarrel with the foe.
To you from failing hands we throw the torch.
Be yours to hold it high.
If ye break faith with us who die.
We shall not sleep, though poppies blow
In Flanders Field.

Mr. SPENCE. Mr. Chairman, we have no further requests for time.

Mr. WOLCOTT. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, I shall support this bill because, in view of the commitments and involvements which the United States has already made in connection with our international relations as set forth in the San Francisco Charter and under Bretton Woods and others, it is very necessary for some type of mechanism to begin to operate immediately incident to loans in connection with exports and imports and assisting in financing the other countries of the world who propose to go along with some of our policies. In my opinion, it will be from 18 to 24 months before the bank provided for under the Bretton Woods proposal, the International Credit Bank, can possibly begin to function. But, in the meantime, we have to act. I much prefer to have these transactions handled through the Export-Import Bank than through some other means that might be provided. This institution has been established. It has been in operation for almost a decade now, and no big scandal has developed, and, insofar as I can determine, its administration has been fairly capable and fairly satisfactory to the people of the country.

Therefore, I do not care to take any additional time, but simply suggest that the Congress approve the bill and put the institution on its feet in connection with the handling of these international transactions.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, I am very glad to welcome the gentleman from Illinois [Mr. DIRKSEN] to our group. I thought there were only about three people in the Congress who would support an amendment that would limit the loans to foreign countries, consistent with the Atlantic Charter. When you voted for Bretton Woods you voted unlimited billions of dollars which the foreign governments can have access to; to be used in whatever way they see fit. The hearings on this bill lasted two days; Wednesday, Thursday, and today the bill is in the House. We did not hear the bill read on which hearings were held. This is not the bill that was before us in executive session. The Clerk read a bill, and it turned out not to be the one on which we held hearings.

Mr. BUFFETT. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield to the gentleman from Nebraska.

Mr. BUFFETT. I think it should be noted at this point in the RECORD that here is a bill expanding the loaning power of an agency of the United States to the tune of $2,800,000,000, and there are less than 50 Members of the House in the Chamber, at a time when the United States Government is going in the red at the rate of $99,000 a minute. It seems to me that such a situation reflects sadly upon the state of operations in this House, when it can vote $2,800,000,000 with less than 50 Members pres-

ent, without printed hearings, and with no general discussion of the bill that amounts to anything.

Miss SUMNER of Illinois. It is very interesting to see the Congress wage a great battle against the FEPC on the ground that it is communistic, and then take a bill like this, which has in it all the elements of creating communism, and consider it with 35 Members on the floor.

Mr. BUFFETT. Does the gentlewoman recall that the Export-Import Bank loaned some twenty or thirty or forty million dollars to the Government of Finland at a time when Finland was at war with our late ally, Russia?

Miss SUMNER of Illinois. Yes, I recall.

Mr. BUFFETT. Does not the gentlewoman think that loans of that kind have the possibility of trouble and war inherent in their nature?

Miss SUMNER of Illinois. I will ask the gentleman what kind of an investigation he thinks it consists of when a committee takes an organization lending $700,000,000 and goes over it in 2 days, without any questions regarding the loans, and then takes their word for it that there is a profit of $40,000,000, and calls that an investigation? If that is an investigation, I could not investigate a $60,000 bank in that length of time.

Mr. BUFFETT. Probably we are simply old-fashioned in that we think that when you are lending other people's money you ought to be getting some check on it. Some of the Members of the House have the new global conception of lending other people's money.

Miss SUMNER of Illinois. If the little bank in our town used that kind of operations, it would be in bankruptcy in 6 months.

Mr. BUFFETT. And the officials would be in jail, would they not?

Miss SUMNER of Illinois. That is right.

The beauty of this kind of bank is that as far as I know there is not in the legislation any provision to send anybody to jail for malfeasance on the part of the directors.

This organization has loaned $700,000,000. I call the attention of the House to the fact that this bill completely changes the type of organization of the Export-Import Bank, at least as far as I know. No details were given about the organization, but it would seem to indicate that they loaned only what money they had in the past during the time when they were under Jesse Jones, but now they come in and become a bank which has a capital of $1,000,000,000, but is authorized to loan $1,500,000,000, and the amount of its loans plus guaranties could amount to $3,500,000,000. In other words, part of that money is created.

As the president of the American Bankers Association admitted when questioned, you cannot quite tell how much money could be gotten out of this in total by the borrowers, because it really does not require any money to guarantee another man's loan. You put your name on the paper and guarantee it. There is no provision as to how much reserve should be held back as part of the guaranty, so there is no way of knowing how far this money could be stretched to guarantee loans.

I call your attention to the fact that that is one of the tricks of the bureaucracies, well shown in the Bretton Woods movement, you might call it, they pushed. They tell you how much the United States puts in, how many dollars the United States puts in, for instance, in Bretton Woods.

They say the United States puts in $6,000,000,000. Then, when you ask them how much are the borrowers going to be able to get out of it, they will say, "Well, the United States puts in $6,000,000,000." In other words, they evade the question. The fact is that in the Bretton Woods bill foreign governments, regardless of the opposition of the American representative of the Bretton Woods fund, can get unlimited amounts of dollars, and those dollars can be used to drain the United States or buy things or whatever you want to do with dollars in the United States.

Mr. MONRONEY. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. Yes.

Mr. MONRONEY. In line with the gentlewoman's statement about the guaranties, I would like to respectfully call her attention to page 8 of the bill, section 7, which reads as follows:

> The Export-Import Bank of Washington shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and one-half times the authorized capital stock of the bank.

Section 1 provides the authorized capital stock of the bank shall not be in excess of $1,000,000,000. So you have a total top amount of lending power and guaranteeing authority of three and one-half billion dollars provided specifically in the bill.

Miss SUMNER of Illinois. That is what the man from the Export-Import Bank said, but you heard the testimony of the representative of the American Bankers Association. He could not see where there was any limit on it.

Mr. MONRONEY. I am merely reading what the bill says.

Miss SUMNER of Illinois. Yes; I know. I read it. I questioned him. I do not think that is specific enough, and apparently the president of the American Bankers' Association does not think so either.

Certainly there is no limitation to Bretton Woods, and that is the trick, to tell you what the United States puts in and then let ignorant people run around and say that all they can get out of it is $6,000,000,000.

Mr. BUFFETT. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. BUFFETT. Whether it is three and a half billion dollars or not, the fact is apparent that if they want another three and a half billion dollars they can come into this House with 40 or 50 Members here and pass it with a couple of days' hearings without any printed testimony. Is that not right?

Miss SUMNER of Illinois. There is no question but what they can do that all right.

Mr. CRAWFORD. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. CRAWFORD. I think the House should understand that, based on the testimony of Mr. Crowley, this $2,800,000 increase, and the changes made in this bill are presumed to accommodate the bank for not to exceed the coming fiscal year, and that it is expected, unless the Bretton Woods International Credit Bank comes into operation, that is, unless it stands ready to serve, that in due course the administration will be back here asking for further expansion of credit possibilities in connection with the Export-Import Bank.

Miss SUMNER of Illinois. I think that is a true statement.

Mr. Brown, who is the American representative at Bretton Woods of the Treasury, was a witness in both the House and the Senate and testified in the Senate that there was nothing to prevent foreign governments from getting $10,000,000,000 out of the International Bank. There are other provisions which he did not refer to which would permit them to get additional amounts above that.

In other words, we are in for a time when we have foreign governments diluting our dollars, thus making what you can buy for your money less and less and less and at the same time they can buy your factories, if they want to, and take your goods out of the country and take them away from the American people.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

Mr. WOLCOTT. Mr. Chairman, I yield three additional minutes to the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. I call your attention to the fact that the most vicious part of a bill such as this is the fact that it really has the essence of communism in it.

In 1915, this was a country where every man was supposed to be equal before the law. The law was supposed to treat everybody alike. But in recent years we have reached the point where you have to have political pull to get anywhere. If you have a political pull you can go to a place like the Export-Import Bank and there is no limit to the amount of money they may loan to any one individual. There is no limit. They can make the interest as low as they want to make it. It sets up a favored class and this is only one of the laws that does that.

It seems to me inevitable, and it should be obvious to anybody who thinks about it at all, that as we go further and further into these programs where so much power is lodged in a bureaucracy, that we can only be a country where some people have factories and comforts and luxuries given them by the Government at no expense to themselves, and the rest of the people work to support them. It is communism any way you look at it, and it can only lead, as I see it, to the standard of living that they have in Russia.

Mr. BUFFETT. Mr. Chairman, will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. BUFFETT. It was stated in committee that this bill simply adds to the

economic securities or power in the hands of the Government. That is the pattern of state socialism, whether you call it fascism, nazism, communism, or any other ism. This bill proceeds in that direction to the tune of $2,800,000,000, yet it goes through this House without any significant opposition.

Miss SUMNER of Illinois. Yes. When I hear men get up here day after day and say they are for free enterprise and against communism, and then I look around when a bill like this goes through and see practically nothing but empty seats, except possibly 25 or 30, I wonder whether the people of this Congress really tell the American people the truth or whether they are bluffing. It seems to me we offer no more protection against communism, no more protection for free American enterprise in this country than if we were a lot of paper dolls.

The CHAIRMAN. The time of the gentlewoman from Illinois has again expired.

Mr. WOLCOTT. Mr. Chairman, I yield myself 5 minutes.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. CURTIS. I am somewhat disturbed about this discussion that there are only some 30 or 35 Members present. I wonder if there is not some way that more Members can be drawn to the floor. Is there not a parliamentary procedure that the opposition might follow?

Mr. WOLCOTT. I assume the rules of the House could be utilized to the extent of getting a quorum if it was found advisable or necessary, but I know the gentlewoman is not going to do that. At least, I hope she will not.

Miss SUMNER of Illinois. I have never been one to get up and ask for a quorum. If the Members do not feel they should be here, I do not insist on it.

Mr. WOLCOTT. I think the gentlewoman is substantially correct in her attitude.

Mr. Chairman, two bills were introduced to increase the capital and loaning facilities of the Export-Import Bank, one by the chairman of the committee, the gentleman from Kentucky [Mr. SPENCE] and the other by myself. These bills met in the committee. Notice was given by the committee chairman that hearings would be held on both these bills. The bill which was reported out of the committee is of course a new bill, as is quite often the case where several changes are necessary in legislation which is being considered before any legislative committee.

The bill as reported out of the committee and under consideration here on the floor meets with my approval, first, because it sets up the Export-Import Bank as an independent agency of the Government. Heretofore, as has been said, the Export-Import Bank has functioned as a rather loosely constructed organization, having been created under an executive order under authority of the National Industrial Recovery Act. The capital was subscribed partly by the Treasury and partly by the Reconstruction Finance Corporation. The organization was transferred back and forth, and merged and consolidated until finally it found itself as a unit of the Foreign Economic Administration and it is a unit of the Foreign Economic Administration. At the present time Mr. Leo Crowley is the Administrator of the Foreign Economic Administration, and in that capacity has been the dominating influence in the management of the bank since it was merged with the FEA. It was transferred from the Commerce Department where it had been a part of the Federal Loan Agency.

The bank has done a very good job. It has been relatively conservative in its policy and I think it has made available all of the money which was required to do the job it was set up to do.

We have a little different situation at the present time. We thought at the time the bank was set up and when the capital of the bank was increased from its original capital to its present capital of $700,000,000. If we are going to have that degree of prosperity in America which is going to make it possible to keep as nearly full employment as is possible here in the United States it follows we have got to assist in making available the credits by which foreign countries and the nationals of foreign capitals may purchase American goods. For that reason $3,500,000,000 conservatively invested should result in millions of dollars of business in the United States and millions of jobs to the American people. I am sure the gentleman from Kentucky as well as myself had that situation in mind when we introduced our bills.

This bill has been most carefully considered by the Treasury, the State Department, by the Foreign Economic Administration, by all of the other branches of Government who showed any interest, by the Federal Reserve Board as well as by the American Bankers' Association.

I am of the opinion that 95 percent of the criticism of the bill has been removed or should have been removed by the action taken by the committee, and I am pleased to support it. I hope the House will give it as nearly unanimous approval as possible.

The CHAIRMAN. If there are no more requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Export-Import Bank Act of 1945."

SEC. 2. (a) The Export-Import Bank of Washington, D. C., a banking corporation organized under the laws of the District of Columbia as an agency of the United States, is continued as an agency of the United States, and in addition to existing charter powers, and without limitation as to the total amount of obligations thereto of any borrower, endorser, acceptor, obligor, or guarantor at any time outstanding, it is hereby authorized and empowered to make loans, to discount, rediscount, or guarantee notes, drafts, bills of exchange, and other evidences of debt, or participate in the same, for the purpose of aiding in the financing and facilitating of exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof. The bank is hereby authorized to use all its assets, including capital and net earnings therefrom, and to use all moneys which have been or may hereafter be allocated to or borrowed by it, in the exercise of its functions as such agency.

(b) It is the policy of the Congress that the bank in the exercise of its functions should supplement and encourage and not compete with private capital, and that loans, so far as possible consistent with carrying out the purposes of subsection (a), shall generally be for specific purposes, and, in the judgment of the Board of Directors, offer reasonable assurance of repayment.

SEC. 3. (a) (1) The management of the Export-Import Bank of Washington shall be vested in a Board of Directors consisting of the Administrator of the Foreign Economic Administration, who shall serve as Chairman, the Secretary of State, and three persons appointed by the President of the United States by and with the advice and consent of the Senate. The Secretary of State, to such extent as he deems it advisable, may designate to act for him in the discharge of his duties as a member of the Board of Directors any officer of the Department of State who shall have been appointed by and with the advice and consent of the Senate.

(2) If the Foreign Economic Administration ceases to exist in the Office for Emergency Management in the Executive Office of the President, the President of the United States shall appoint by and with the advice and consent of the Senate another member of the Board of Directors. The member so appointed shall serve for the remainder of the existing terms of the other three appointed members, but successors shall be appointed for terms of 5 years. After the Foreign Economic Administrator ceases to be a member of the Board of Directors the President of the United States shall, from time to time, designate one of the members of the Board to serve as Chairman.

(3) Of the five members of the Board, not more than three shall be members of any one political party. Each of the appointed directors shall devote his time not otherwise required by the business of the United States principally to the business of the bank. Before entering upon his duties each of the directors so appointed and each officer of the bank shall take an oath faithfully to discharge the duties of his office. The terms of the appointed directors shall be 5 years, except that the terms of the directors first appointed shall run from the date of appointment until June 30, 1950. Whenever a vacancy occurs among the directors so appointed the person appointed to fill such vacancy shall hold office for the unexpired portion of the term of the director whose place he is selected to fill. Each of the appointed directors shall receive a salary at the rate of $12,000 per annum, unless he is an officer of the bank, in which event he may elect to receive the salary of such officer. No director, officer, attorney, agent, or employee of the bank shall in any manner, directly or indirectly, participate in the deliberation upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly personally interested.

(b) A majority of the Board of Directors shall constitute a quorum.

(c) The Board of Directors shall adopt such bylaws as are necessary for the proper management and functioning of the Export-Import Bank of Washington, and may amend the same.

(d) There shall be an advisory board consisting of the Chairman of the Export-Import Bank of Washington, who shall serve as Chairman, the Secretary of State, the Secretary of the Treasury, the Secretary of Commerce, and the Chairman of the Board of Governors of the Federal Reserve System, which shall meet at the call of the Chairman. The advisory board may make such recommendations to the Board of Directors

as it deems advisable, and the Board of Directors shall consult the advisory board on major questions of policy.

(e) Until October 31, 1945, or until at least two of the members of the Board of Directors to be appointed have qualified as such directors, whichever is the earlier, the affairs of the bank shall continue to be managed by the existing Board of Trustees.

(f) The Export-Import Bank of Washington shall constitute an independent agency of the United States and neither the bank nor any of its functions, powers, or duties shall be transferred to or consolidated with any other department, agency, or corporation of the Government unless the Congress shall otherwise by law provide.

SEC. 4. The Export-Import Bank of Washington shall have a capital stock of $1,000,000,000 subscribed by the United States. Payment for $1,000,000 of such capital stock shall be made by the surrender to the bank for cancellation of the common stock heretofore issued by the bank and purchased by the United States. Payment for $174,000,000 of such capital stock shall be made by the surrender to the bank for cancellation of the preferred stock heretofore issued by the bank and purchased by the Reconstruction Finance Corporation. Payment for the $825,000,000 balance of such capital stock will be subject to call at any time in whole or in part by the Board of Directors of the bank. For the purpose of making payments of such balance, the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this section of the subscription of the United States to the bank and repayments thereof shall be treated as public-debt transactions of the United States. Certificates evidencing stock ownership of the United States shall be issued by the bank to the President of the United States, or to such other person or persons as he may designate from time to time, to the extent of the common and preferred stock surrendered and other payments made for the capital stock of the bank under this section.

SEC. 5. (a) The Secretary of the Treasury shall pay to the Reconstruction Finance Corporation the par value of the preferred stock upon its surrender to the bank for cancelation. For the purpose of making such payments to the Reconstruction Finance Corporation the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this subsection to the Reconstruction Finance Corporation shall be treated as public-debt transactions of the United States.

(b) Any dividends on the preferred stock accumulated and unpaid to the date of its surrender for cancellation shall be paid to the Reconstruction Finance Corporation by the bank.

SEC. 6. The Export-Import Bank of Washington is authorized to issue from time to time for purchase by the Secretary of the Treasury its notes, debentures, bonds, or other obligations; but the aggregate amount of such obligations outstanding at any one time shall not exceed two and one-half times the authorized capital stock of the bank. Such obligations shall be redeemable at the option of the bank before maturity in such manner as may be stipulated in such obligations and shall have such maturity and bear such rate of interest as may be determined by the board of directors of the bank with the approval of the Secretary of the Treasury. The Secretary of the Treasury is hereby authorized and directed to purchase any obligations of the bank issued hereunder and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that act are extended to include such purpose. Payment under this section of the purchase price of such obligations of the bank and repayments thereof by the bank shall be treated as public-debt transactions of the United States.

SEC. 7. The Export-Import Bank of Washington shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and one-half times the authorized capital stock of the bank.

SEC. 8. The provisions of the existing charter of the bank relating to the term of its existence, to the management of its affairs, and to its capital stock are superseded by the provisions of this act and the bank shall be exempt from compliance with any provisions of law relating to the amendment of certificates of incorporation or to the retirement or increase of stock of District of Columbia corporations and from the payment of any fee or tax to the Recorder of Deeds of the District of Columbia determined upon the value or amount of capital stock of the bank or any increase thereof.

SEC. 9. The Export-Import Bank of Washington shall transmit to the Congress semiannually a complete and detailed report of its operations. The report shall be as of the close of business on June 30 and December 31 of each year.

SEC. 10. Section 9 of the Act of January 31, 1935 (49 Stat. 4, ch. 2), as amended, is repealed.

SEC. 11. Notwithstanding the provisions of the act of April 13, 1934 (48 Stat., ch. 112, p. 574), any person including any individual, partnership, corporation, or association, may act for or participate with the Export-Import Bank of Washington in any operation or transaction, or may acquire any obligation issued in connection with any operation or transaction engaged in by the bank.

Mr. DIRKSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 2, at the end of line 13, strike out the period, insert a colon and the following: "*Provided*, That none of the powers granted herein may be exercised with respect to any country (including political subdivisions, persons, organizations, and business firms, corporate or otherwise, owing allegiance thereto) unless such country has adhered and continues to adhere to and is faithfully observing the first three principles of the joint declaration of the President of the United States and the British Prime Minister, otherwise known as the Atlantic Charter, as set forth in the message of the President of the United States to the Congress of the United States under date of August 21, 1941 (CONGRESSIONAL RECORD, August 21, 1941, pp. 7216–7217): *Provided further*, That, if any such country is in the enjoyment of any aggrandizement obtained subsequent to its adherence to the said Atlantic Charter and contrary to the principles thereof, such country may qualify for benefits hereunder by divesting itself of such aggrandizement: *Provided further*, That the certificate of the President of the United States that such country meets the requirements hereof shall be conclusive."

Mr. DIRKSEN. Mr. Chairman, the matter contained in this amendment needs very little additional belaboring other than the statement I made a little while ago. It says what it means and it means what it says.

It says in substance that if there is any aggrandizement by a country in violation of the Atlantic Charter there will be no credit under this bill. It says that if there are any territorial changes by some country that is not in accord with the freely expressed desires of the people involved, there will be no credit. It says in effect if the right of a people to choose their own form of government is restricted there will be no credit under this bill. It says that if their sovereign rights and their right to self-government is impaired by some outside power there will be no credit for such a power. It says if they have been forcibly deprived of their rights and those rights are not restored by the country that is guilty of such deprivation there is no credit.

What it says in substance is this: No freedom, no credit. No freedom, no money out of the American Treasury, and that is what these youngsters died for. I for one reaffirm my own feeling about it that I am not going to permit American dollars to be paid out of the Federal Treasury by my vote to undo the sacrifices that these youngsters have made who have battled for freedom in all parts of the world.

Mr. SPENCE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois.

Mr. Chairman, the gentleman from Illinois speaks with such great ease and fluency that he can speak interestingly and pleasingly on almost any subject. I think that has been shown by the ease and grace in which he spoke on the amendment which he has introduced. The amendment is vague, indefinite, and uncertain. There are no standards. There are no definitions. It is a good amendment on which an emotional appeal can be made, for which the distinguished gentleman is so ably qualified. Certainly we would like the countries and their nationals with whom we deal to conform to the highest standards of morality. Why not add that they must also believe in and practice the Ten Commandments and they must also have within their hearts the spirit of the Sermon on the Mount? Are you going to search the conscience of these foreign nations and their nationals before we make them a loan? The amendment is perfectly impossible of administration. It could not be administered, and it would prevent the bank from making any loans. Why, the question would be raised whether this Nation had conformed and was going to conform to the Atlantic Charter, and then before a loan could be obtained the nation or its nationals would have to get a certificate from the President of the United States. This bank is set up not to search the conscience of the countries but to give them financial relief as they need it and are entitled to it. On the board of directors of the bank is the Foreign Economic Administrator and the Secretary of State. Do you not think the Secretary of State knows the attitude of these people? Do you not think that he will see that they conform to the foreign policy of the United States and that this money will be given only to those who deserve it? I hope you will not place such a ridiculous amendment in this bill.

I know the gentleman makes an eloquent speech, for he can make a speech

on any subject. This is about as flimsy a pretext upon which to make an eloquent speech as I have ever seen. I hope he has not persuaded you to vote for such an amendment as this. If you vote for it and it is carried and stays in the bill, do not vote the bill out, because it would destroy the very purpose which the bill seeks to accomplish. Oh, we are all in favor of these high moral things. We are all in favor of morality of the nations, and we are all in favor that they shall adhere to the Atlantic Charter. You tell me you will put me on the spot because I do not want an amendment that is vague, indefinite, uncertain, and unworkable and will not vote for it? No; you do not. You do not put anybody on the spot. You put my intelligence on the spot if I vote for such an amendment, and I could never make any excuse to myself, to my constituents, or to the people of the United States.

Mr. Chairman, I hope that the amendment will be voted down.

Mr. BUFFETT. Mr. Chairman, I move to strike out the last word.

Mr. BUFFETT. Mr. Chairman, it is with a feeling of shock that I hear an Administration stalwart come to the well of the House and speak disparagingly of the ideals expressed in the Atlantic Charter. I recall an old salt water proverb that runs like this: "God watches over the brave sailor, but he must steer his own course."

Four years ago the President of this Nation and the Prime Minister of Great Britain marked out a course. That course was the Atlantic Charter, and I think it is appropriate either that we adopt policies that implement that charter or admit that the Atlantic Charter was simply a "campaign oratory" on the road to global war. If the savings of the American people are to be disbursed over the world, the least we can do is to try to provide that such spending squares with these pledges made to the common people here and everywhere.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. BUFFETT. I yield to the gentleman from Illinois.

Mr. DIRKSEN. The gentleman from Kentucky [Mr. SPENCE], says that the amendment is not specific. The fact remains that it relates to only the first three principles of the Atlantic Charter dealing with freedom to choose their own governments, aggrandizement and territorial expansion that is not in accordance with the very expressed wishes of the people. Secondly, he says you might write in the sermon on the mount and the ten commandments.

The fact of the matter is that the 45 nations that joined in the Atlantic Charter, in the United Nations Declaration which was signed right here in the capital city of Washington, have not subscribed to the Ten Commandments nor to the sermon on the mount but they have subscribed in every particular to the Atlantic Charter and to the three specific principles relating to aggression and agrandizement.

Finally, it leaves it within the purview of the President whether or not they have met the requirements and a certificate can be obtained. There were only 78 loans made all last year by the Export-Import Bank. How easy it is for the President through his large entourage to see that an equivalent number of loans in any future fiscal year come within the provisions of this amendment, so that they can be easily certified.

Mr. BUFFETT. The gentleman is eminently correct.

Something over a year ago some of my colleagues and I sent a letter to the then Secretary of State, Mr. Hull, asking him to explain in some detail something of our war aims, before the cross-channel invasion began with the great casualties it would entail. We declared the people had a right to know what our war aims were. Mr. Hull sent us back a speech, and included in that speech as actual war aims was included the Atlantic Charter. If the war aim was the Atlantic Charter a year ago, the war goal should be the Atlantic Charter today. This amendment is a test of the integrity of our stated war aims.

When the American Government goes out into my State and conscripts the savings of my people by taxes, or persuades them to buy bonds supposedly to build a better world, the American Government has an obligation to loan of that money according to the principles for which this war was supposed to be fought.

Mr. Chairman, when this Congress passes legislation that deliberately evades an opportunity to implement the principles for which American boys are buried in all lands of the world it is failing its trust. We were told that the course was set out for this war in the Atlantic Charter. When this Nation secures victory, it should be willing to implement that charter when it sends dollars to follow the path blazed by the guns and bravery of the American boys. Any other approach is a report to the people that the Atlantic Charter was a trick and a fraud to deceive them.

I have opposed this bill because it represents "power politics." The amendment would at least indicate that the inevitable "power politics" would have a set of principles to guide it. This amendment would improve this proposal.

Mr. MONRONEY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. SPENCE. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. MONRONEY. I yield.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 20 minutes after the conclusion of the remarks of the gentleman from Oklahoma.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MONRONEY. Mr. Chairman, I always find it difficult to disagree with my distinguished friend from Illinois, but I am afraid he has not reasoned this amendment out very carefully. I do not yield to him or to anyone in my deep belief in and in my adherence to the principles of the Atlantic Charter.

I have worked for these principles just as hard as the gentleman has.

But I am afraid he is misplacing and misdirecting the principles of the Atlantic Charter by putting these proposed restrictions in this bill for the bank that is being set up rather than in the Charter of the United Nations that is now being considered by the United States Senate.

The United Nations Charter is the result of a carefully conceived and meticulously worked-out agreement with all nations. It was unanimously adopted at the San Francisco Conference. It is now up for ratification. I fear that if the House adopts this arbitrary limitation on its own motion, we may in effect defeat the carefully worked-out provisions of this charter. We may damage also, by attaching the splendid ideals of the Atlantic Charter to the dollar sign, its acceptance by all the world.

I feel that the Atlantic Charter cannot be implemented by or forced on nations by mere words in law. To me, it is an ideal, a goal of international morality, almost as dear as the Sermon on the Mount. I do not remember any place in that great Book, the Bible, where the principles of force, where the principles of tying up the religion of Christ and the Sermon on the Mount with the money changers helped to promote the acceptance of religion that most of the people in this Nation now profess.

LEADERSHIP VERSUS FORCE

I think the success of the religion of Christ is an example of the fact that with the humble approach of a true guiding principle it will take root and thrive by precept and moral leadership rather than try to force it upon the world or its people through pressure, either physical or economic. In fact, it was the great Nazarene who Himself drove the money-changers out of the temple.

So to tie up the acceptance and adherence to the Atlantic Charter with the ability to get a loan, goes against the grain of international morality, as I see it.

Fundamentally, if this bank is to be a sound instrument of business, if it is to be worth the putting up of three and a half billion dollars worth of American credit in order to facilitate trade and employment in this country, then these loans must be made on an economic basis, strictly on an economic basis, determined by the principles that are laid down in this bill. These principles require the loan to be reasonably secure, to be noncompetitive with free enterprise and to be for a specific purpose.

I believe the gentleman from Ilinois is firmly of the opinion, as I am, that the Atlantic Charter is the cornerstone and keystone of our national foreign policy. I believe almost everyone who understands our policy knows that.

I do not believe a bank operated by the Chairman of the Foreign Economic Administration, by the Secretary of State, and with three other directors appointed by the President and confirmed by the Senate, is going to go counter to our basic foreign policy.

But to adopt this amendment here and to announce to the world that we

are going to force upon every nation in the world immediate acceptance of the Atlantic Charter in order to get the loans would be the worst kind of foreign policy which we could adopt. Many nations such as China, India, Egypt, and others will seek credit in this Nation for our products. Momentarily, because of conditions beyond their control, they could not qualify for loans under Mr. DIRKSEN'S amendment.

If we believe in these principles, if we expect the world to believe in them and to really adhere to them, then let us not tie it up with dollar diplomacy.

What loans are to be made must be made because they are good loans, because they aid in the creation of jobs for our people. We cannot afford to embark upon an effort to buy the rest of the world over to the principles of the Atlantic Charter. We cannot afford that.

We must work through moral leadership and through intelligent diplomatic action for attainment in all the world of the high ideals of the Atlantic Charter.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Chairman, I am in full accord with the amendment. I subscribe to the principles of the Atlantic Charter. The boys of America have died to make the charter the law of the world, and I think any step toward enforcing it should be taken by the United States.

The CHAIRMAN. The Chair recognizes the gentlewoman from Illinois [Miss SUMNER].

Miss SUMNER of Illinois. Mr. Chairman, this, of course, would be a complete reversal of our present foreign policy.

Since we have gone into the war we have given lease-lend without any strings attached. As a result, Russia has taken over Poland and has taken over Latvia, Lithuania, and Estonia—has taken over the Balkans—has taken over Yugoslavia, through internal revolution; and by operating their internal revolution, is taking over the countries of South America, and also in China. By giving unlimited billions of dollars in Bretton Woods, we are in effect acting as an accessory to that crime of violating the Atlantic Charter for which our American boys were told they were risking their lives.

This amendment comes perhaps a little late, since it should have been put in the Bretton Woods bill, if you wanted to stop this subsidizing of aggression and the subsidizing of the Atlantic Charter. At least, if the Congress did that it would be doing the thing it ought to do. It is wrong for American money and equipment to be given to Russia, Britain, or any other country for aggession against little helpless neighbors, and the stirring up of war against each other. We know, whether we admit it or not, if we continue to give unlimited money and equipment, continue acting as the arsenal for both sides in the crisis between Britain and Russia, it is nothing but building up another and worse world war to fight.

Mr. BUFFETT. Will the gentlewoman yield?

Miss SUMNER of Illinois. I yield.

Mr. BUFFETT. In making a loan from a bank, character is one of the most important qualifications. What this amendment would do is simply add the character qualification to these nations who borrow from this bank, because they would be indicating that they had kept their word on their previous promise when they joined the United Nations and subscribed to the Atlantic Charter.

Miss SUMNER of Illinois. No American citizen can go into a bank and borrow from the American Government and say he was going to use that for robbing or killing innocent neighbors. The idea of giving it to some government to kill and enslave innocent human beings and take over innocent governments seems to me absolutely contrary to anything that has ever been known to be American in this country until this war started.

The CHAIRMAN. The time of the gentlewoman from Illinois has expired.

The gentleman from North Carolina [Mr. FOLGER] is recognized.

Mr. FOLGER. Mr. Chairman, considering the high ideals embodied in the amendment which the gentleman from Illinois [Mr. DIRKSEN] has offered to this bill, it becomes hard for one to seem to go counter to the general thought that is embodied in the language. It would be excellent in a proper setting. But I am compelled to oppose the amendment upon the ground that this is not the time nor the place to make these excellent pronouncements and to hold out demands that the Atlantic Charter shall finally be recognized and accepted in a way that would meet the desires of the people of this country, as a qualification to borrow from the Export-Import Bank.

This bank is set up for these purposes: For the purpose of aiding in the financing and facilitating of exports and imports and exchange of commodities between the United States or any of its territorial or insular possessions, or any foreign country or the agencies or nationals thereof. In the next subsection it is stipulated that it is the policy of the Congress that the bank, in the exercises of its functions, should supplement and encourage, and not compete with private capital. It is a matter designed to aid our exports and imports. It is a matter designed to aid in the economic well-being of our own people, as well as contributing to the reconstruction of the devastated countries of the world, in a lawful and sensible measure.

As the gentleman from Michigan [Mr. WOLCOTT] observed, we expect this to reflect its benefits to us in increased production and increased employment in the United States.

In the committee we were rather minded to have understood the avoidance that the directors or board of advisers should go into the politics of the various countries of the world, further than in their judgment it might affect the repayment of the moneys that we were to loan through this Export-Import Bank.

I do not know where this proposed amendment will lead us. I have not had much time to consider, and neither have you, but in my opinion it would lead us into a maze of investigation and speculation as to what is a democratic country or what is a country that has lent itself in times past to what might be determined was some sort of aggrandizement, or whether they had desisted from it and never expect to do it again.

All these things would involve this bill and this law in such a maze of uncertainty that we would not know how to administer it. As was suggested by the gentleman from Oklahoma, this language might have been good in the Atlantic Charter. I do not think the amendment ought to be agreed to.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

The gentleman from Arkansas [Mr. HAYS] is recognized.

Mr. HAYS. Mr. Chairman, I am sure there is no difference between us as to the merits of the Atlantic Charter, but apparently there is a great difference between us as to the means by which those high objectives can be achieved. This is a very simple proposition. I think an analogy would be found in a private loan made by a banker. The banker is entitled to say to the borrower: "Are your plans for repayment sound, and what are the economic procedures by which I can determine the soundness of the loan?" But that banker would be guilty of a great offense if he said: "Before I make this loan you must subscribe to certain principles," and gave the applicant a statement of a political or religious character to sign. The statement itself might be entirely proper, as this one relating to the Atlantic Charter certainly is; but it has no place in the realm of economic policy.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. McCORMACK. It is my fear that this amendment, high-minded though it is, if adopted would create such uncertainty in the operation of the bank as to seriously interfere with its success.

Mr. HAYS. I am very glad the gentleman from Massachusetts has made that statement.

Mr. MONRONEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. MONRONEY. Do we want to send out word to the rest of the world that has looked so expectantly for many months to the San Francisco Conference that the House is interjecting a great uncertainty into the program announced by the Conference.

Mr. HAYS. I am glad for the gentleman to refer to that for I was coming to it myself and I appreciate the emphasis he places upon the point. With the machinery set up under the United Nations Charter now under consideration in the Senate it would be unwise to inject an issue of this kind into the determination of a fiscal policy.

Mr. DIRKSEN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to my distinguished friend from Illinois.

Mr. DIRKSEN. Were we wrong in 1934 when we laid the restriction on the Export-Import Bank that it could not make a loan to any country which the

State Department found was violating international law? Were we wrong or were we right?

Mr. HAYS. I think it is quite different, I will say to the gentleman from Illinois, to speak of a particular policy of that kind. There may have been some particular conditions requiring that provision at that time. I think the two circumstances are entirely different.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. McCORMACK. Only a few years prior to that Japan had made its attack upon China.

Mr. HAYS. And it did have some particular application.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield.

Mr. BROWN of Georgia. Let me call attention to this further fact that the Export-Import Bank has made a return to the taxpayers of this Nation of $42,000,000.

Mr. HAYS. I thank the gentleman. And now in closing, Mr. Chairman, may I urge the defeat of this amendment. The Senate of the United States now has under consideration the United Nations Charter. The world is looking to America for moral leadership. We must maintain that leadership; we must repudiate dollar diplomacy. We cannot afford to inject into consideration of economic policy an issue of the kind raised by this amendment.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

The gentleman from Michigan [Mr. WOLCOTT] is recognized.

Mr. WOLCOTT. Mr. Chairman, the amendment offered by the gentleman from Illinos [Mr. DIRKSEN] is the direct antithesis of everything the Republicans on the Banking and Currency Committee have been concerned about and working for ever since this bill was introduced.

We have been more than fearful in our deliberations that dollar diplomacy, that power politics, would control the policy of this bank; and it was only after hours of good hard honest work that we were given assurances that this bank would be used primarily if not exclusively to make good sound economic commercial loans and should not be used to pit one nation against another or to put one nation in an advantageous position to the prejudice of another. We wrote certain language into this bill to safeguard this capital against its use for the very purposes for which the gentleman from Illinois would open the gates wide to pressure on the countries of the world to adopt our philosophy of Government. We cannot do that with $3,500,000,000. If we are going out to buy democracy in the world, it is going to cost more than $3,500,000,000.

If I were the manager of a bank and in the business of making loans to build up my community, to keep my factories going and my men employed, I would not care whether those men were Catholics, Jews, or Gentiles, whether they were colored or white; I would feel that they had the same right to their religion and their creed as I did. In the cold business of lending money to keep factories open and men employed you do not ask a man his religion or his political philosophy. I surely cannot contribute to any amendment to this bill which is going to compel the Export-Import Bank to predicate a loan upon whether a country has adopted a particular philosophy of government which appeals to me but which may not appeal to him.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. THOM].

Mr. THOM. Mr. Chairman, everybody agrees with the worthy object of the Dirksen amendment, but when it is calmly and carefully analyzed we find the practical operation of it produces difficulties of a very serious nature. For instance, as I understood the speech of the author, one of the first three provisions of the Atlantic Charter provides that countries shall establish a government through a free election. Suppose the President were called upon, as this amendment provides, before approving a loan to decide whether or not a free election was held in some South American country or not. Why, that would be the most difficult sort of subject for the President to inquire into unless he set up a commission, sent it down to survey the ballots and find out whether it was a free election. Pretty nearly every one of those countries usually has a dispute as to whether an election was honestly held or not. This might put the President of the United States in the position of saying that an applicant for a loan over his own signature has failed to comply with the Atlantic Charter. By so doing you would involve this country in new and very serious diplomatic relations with that particular country.

What is the alternative? The Secretary of State is a permanent director of this bank. He is watching international developments in every country of the world every day through his great staff of men that work under him. When he sees a loan application from a country that is not behaving in accordance with the Atlantic Charter or in accordance with the provisions of the San Francisco Charter, without any announcement, without any publication to the world, he would say to his brother directors: "This is an unwise loan. Let us forget about it." He would not go out in the newspapers and in the official publications and say, "This country is a violator" because thereby you would be inviting the danger of really serious complications.

There is another aspect of it. Suppose that this bank did make a loan, and after the loan was made it was rather conclusively proved that a country was operating in violation of the Atlantic Charter. What are you going to do about it? Are you going to call the loan the next day? If the country is in an impoverished condition and unable to pay, what are you going to do about it? Do you want your money back? If you do, you will have to nurse your loan and give the institution in which it was invested an opportunity to create enough earnings to pay back the loan. So you would defeat the very object of the bank under this amendment.

In conclusion, it seems to me that all these political questions will be settled through the so-called League of Nations that will be created through the San Francisco Charter, and its business is to keep all countries living in accordance with that Charter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. BUFFETT) there were—ayes 9, noes 93.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. FORAND, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, pursuant to House Resolution 321, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. BUFFETT) there were—ayes 102, noes 6.

So the bill was passed.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Carrell, one of its clerks, announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 512. An act for the relief of Mr. and Mrs. Arthur R. Brooks.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 3368) entitled "An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes."

The message also announced that the Senate recedes from its amendment numbered 5 to the foregoing bill.

LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Com-

mittee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

SIGNING OF ENROLLED BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House today, the Speaker be authorized to sign enrolled bill H. R. 3368, the war agencies appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT UNTIL TUESDAY NEXT, AND PROGRAM FOR NEXT WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. SHORT. Reserving the right to object, Mr. Speaker, will the majority leader tell us what the program will be for Tuesday? Will the calendar be called on Tuesday?

Mr. McCORMACK. The only matters I know of now that will be considered next week, except by unanimous consent, are a resolution that may be reported by the Committee on Rules authorizing the Committee on Foreign Affairs to make certain surveys or investigations.

Mr. SMITH of Virginia. If the gentleman will yield, there may also be a similar resolution with respect to the Committee on Interstate and Foreign Commerce.

Mr. McCORMACK. Yes; a similar resolution with respect to the Committee on Interstate and Foreign Commerce. Then there is the Bretton Woods bill, which is now in the Senate. The best information I have been able to get is that that may be disposed of by Thursday. There are two or three amendments to that bill that are under consideration, and if any amendments are adopted, then it is a matter of the concurrence of the House. That is the only business for next week.

Mr. SHORT. The Consent Calendar will be called on Tuesday?

Mr. McCORMACK. No. The Consent Calendar would ordinarily be called on Monday, but of course if the House adjourns from today until Tuesday the Consent Calendar will not be called next week; neither will the Private Calendar be called.

I may say also that as to the tax bill and the bill that has just been passed, if the Senate places amendments on those bills the question will be on the concurrence of the House in those amendments. As to what the situation with reference to a quorum will be next week, your opinion is just as good as mine.

Mr. SHORT. Mr. Speaker, I withdraw my reservation of objection.

Mrs. ROGERS of Massachusetts. Reserving the right to object, Mr. Speaker, will the so-called GI bill of rights be taken up for action next week? It is very important to the veterans.

Mr. McCORMACK. No rule has been reported out on that bill. Of course, I express no opinion on any bill unless the matter can be brought up in the House.

Mrs. ROGERS of Massachusetts. I suppose the Speaker might possibly recognize someone to ask unanimous consent for the immediate consideration of that bill. I also hope very much that some legislation for the disabled will be reported out in time for action.

Mr. McCORMACK. Of course, any matter that can be passed by unanimous consent can be brought up if it meets with the agreement of the committee and the leaders. That is a different proposition. I have stated the program for next week as I see it. As to the bill referred to by the gentlewoman, no rule has been reported on that bill, if the bill has been reported out of the committee. Of course, I do not consider placing anything on the program where no rule on it has been reported from the Committee on Rules.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. MICHENER. Reserving the right to object, Mr. Speaker, is it the hope that possibly by the middle of the week a resolution of adjournment until October 1 may be passed?

Mr. McCORMACK. It is the leaders' intention to pass a resolution of adjournment next week. It is hoped that we can adjourn until October 1. It is the intention to send that resolution over to the Senate, with the hope that by Friday or Saturday of next week the resolution will be in such shape that it can go into operation with reference to the House. We hope the resolution will provide for a straight adjournment, with the provision that the Speaker, the majority leader, or the minority leader, can call the House back into session upon 3 days' notice. The resolution will read something along that line, without committing myself definitely to any exact language.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. DIRKSEN, Mr. CRAWFORD, and Mr. TRIMBLE asked and were given permission to extend their remarks in the RECORD.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD in two instances and include some extraneous material.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

Mr. D'EWART asked and was given permission to extend his remarks in the Appendix of the RECORD and include some resolutions by the Railway Machinist's Lodge, of Miles City, Mont.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD and include an editorial from this week's issue of Life.

Mr. CAMPBELL asked and was given permission to extend his remarks in the RECORD and include two letters, one from William G. Heiner and the other from Carl E. Glock.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that on Tuesday next I may be permitted to address the House for 20 minutes, at the conclusion of business on the Speaker's desk and following any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. WHITE asked and was given permission to extend his remarks in the RECORD and include certain excerpts.

Mr. HOOK asked and was given permission to extend his remarks in the RECORD and include a radio speech which he had delivered with regard to the veteran problem.

Mr. ARNOLD asked and was given permission to extend his remarks in the RECORD and include a statement about the shortage of doctors by a prominent doctor in his home town, Kirksville, Mo.

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. STEWART] is recognized for 20 minutes.

VETERANS AND LABOR ORGANIZATIONS

Mr. STEWART. Mr. Speaker, I wish to address my remarks to H. R. 3384, a bill to protect honorably discharged veterans in their rights to join or refrain from joining labor and other organizations.

This bill will open the doors to our returning veterans who seek employment or their old jobs back. The passage of this bill is momentous and should receive early consideration.

As one Member of Congress I oppose returning veterans having to bow and subject themselves to the demands of organized labor in the way of seniority and the payment of dues, fees, and tributes. On yesterday a fight was sufficient in numbers to extend the life of FEPC until June 30, 1946. Regardless of any man's views upon any other measure he should certainly agree that this bill is just and right, that every obstacle should be removed to a point where men and women, many with families, who

have been serving their country during this conflict, could return to normal. I am unalterably opposed to the CIO and A. F. of L., or any other union acting as a guardian for our soldiers who have fought so valiantly during this global struggle.

The passage of H. R. 3384 would release the soldier from this guardianship.

The question has been raised that this bill was reported out without a hearing. Suffice it to say that the objections raised by the opposition to this bill, of having had no hearings, was settled July 4, 1776, in the Declaration of Independence in these words:

> That all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness.

To my mind these sacred words are sufficient and adequate to bring this bill to the floor of the House.

It seems that some of our columnists and commentators are alarmed over certain existing contracts, but no country can survive and not be good to their soldiers. The men in the ranks have enjoyed no prosperity. Many a soldier and sailor who has served 5 long years at $50 per month, left a good job. Surely, they are entitled to return to their former positions without having to bow to the demands by paying dues, fees, tributes, and taxes to organized labor.

The passage of this bill would be a guarantee to our returning veterans of the enjoyment of their first freedom, that is, the freedom to work for their daily bread, without paying tribute.

Labor boasts of a membership of around 14,000,000. The truth is that labor strength has grown but little—if any. What happened was that 10,000,000 good American workers were forced to pay dues and fees before they could work in the defense of their country, and I have talked with many who are not in sympathy with having had to pay tribute to racketeers to get their job.

In our judgment the passage of H. R. 3384 would strengthen the respect of the public for labor organizations. It will have a tendency, at least, to keep from setting the returning war veteran against labor organizations.

Already Florida and Arkansas have amended their constitutions against closed shops and the trend is general throughout the entire country that if Congress does not give relief to the veterans, the States will take the matter into their own hands and write into their organic law a prohibition against closed shops.

What all of our American veterans dream about and want most is to return to the country they left behind when they took up arms to defend it, and surely they should be entitled to have the right to join or refrain from joining labor unions and other organizations.

The future welfare of this Nation is tied up part and parcel with the welfare of over 15,000,000 veterans and their families, which welfare in turn depends largely upon their continuous gainful employment immediately after their discharge. This bill is designed to insure that no veteran discharged, upon honorable conditions, shall be required as a condition of employment to be or become a member of, or to maintain membership in, any labor organization, group, association, or other organizations or a nonmember thereof, to make any payment thereto in the form of dues, assessments, charges, tributes, or other payments.

The bill provides for the enforcement of the right of any veteran, under its provisions, by mandatory injunctions or other suitable process by the District Court of the United States.

Our veterans have earned the rights to jobs without strings attached, other than satisfactory discharge of their duties and during employment they should be permitted to use their own discretions as to membership in such organizations.

It is reported in the CONGRESSIONAL RECORD of yesterday that the counsellors' service staff in the District of Columbia is composed of seven members; six women and one man; not one of whom has had military service. If there be one place where veterans should be well represented it is on the board of veterans counsellors. They are the ones who certainly understand and have the view point of the veteran. They can talk their language.

My information is that the veterans' organizations throughout the country are protesting the appointment of members of the counselors' staff who have had no military service.

H. R. 3384 reads as follows:

> A bill to protect honorably discharged veterans in their rights to join or refrain from joining labor and other organizations
>
> *Be it enacted, etc.*, That title IV of the Servicemen's Readjustment Act of 1944 (relating to employment of veterans) is amended by inserting at the end thereof a new section reading as follows:
>
> "SEC. 608. Notwithstanding any other provision of law or of any contract or agreement, no veteran (discharged or released from the armed forces under honorable conditions) shall be required, as a condition of employment, to be or become a member of, or to maintain membership in, any labor organization, club, association, or other organization, or, as a nonmember thereof, to make any payment thereto in the form of dues, assessments, charges, contributions, or other payments. The rights of any veteran under this section may be enforced, upon his petition, by mandatory injunction or other suitable process by the district court of the United States (including the District Court of the United States for the District of Columbia) for the district in which the alleged violation or threatened violation of such rights occurred, or in which the veteran resides, and for such purpose process of the court may be served at any place in the United States."

This is sane, sensible, just legislation and we feel we speak the sentiments of 99 percent of the veterans of the armed forces.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOEVEN, for 1 week, on account of important business.

To Mr. KEARNEY (at the request of Mr. MARTIN of Massachusetts), for 10 days, on account of illness.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 259. An act for the relief of Leo Gottlieb;

H. R. 2615. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942;

H. R. 2853. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944; and

H. R. 3376. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 31. Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 37 minutes p. m.), under its previous order, the House adjourned until Tuesday, July 17, 1945, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANKIN: Committee on World War Veterans' Legislation. Senate Joint Resolution 78. Joint resolution to provide for designation of the Veterans' Administration hospital at Crugers Park, Peekskill, N. Y., as "Franklin Delano Roosevelt Hospital," with amendment (Rept. No. 917). Referred to the House calendar.

Mr. FERNANDEZ: Committee on Claims. H. R. 3760. A bill for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida; without amendment (Rept. No. 919). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 315. Resolution authorizing the Committee on Foreign Affairs to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee; without amendment (Rept. No. 920). Referred to the House Calendar.

Mr. SABATH: Committee on Rules. House Resolution 323. Resolution to authorize the Committee on Interstate and Foreign Commerce to sit and act outside the United States for certain purposes; without amendment (Rept. No. 921). Referred to the House Calendar.

Mr. ERVIN: Committee on World War Veterans' Legislation. H. R. 3384. A bill to protect honorably discharged veterans in their rights to join or refrain from joining labor and other organizations (Rept. No. 874, pt. III). Referred to the Committee

of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. H. R. 3674. A bill for the relief of the Marden Construction Co., Inc.; without amendment (Rept. No. 918). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WASIELEWSKI:

H. R. 3797. A bill to provide for the erection in Arlington National Cemetery of a shrine dedicated to the "Unknown Heroine of World War II"; to the Committee on Military Affairs.

By Mr. CHURCH:

H. R. 3798. A bill to amend the Pay Readjustment Act of 1942 in order to equalize retirement-pay benefits of certain officers and enlisted men who served in both World War I and World War II; to the Committee on Military Affairs.

By Mr. LANE:

H. R. 3799. A bill to name the Veterans' Administration facility at West Roxbury, Mass., the William P. Connery, Jr., Memorial Veterans' Hospital; to the Committee on World War Veterans' Legislation.

By Mr. GREEN:

H. R. 3800. A bill to make unlawful the requirement for the payment by veterans of World War II of a poll tax as a prerequisite to voting in any primary or other election for national officers; to the Committee on World War Veterans' Legislation

By Mr. MARTIN of Massachusetts:

H. R. 3801. A bill providing for an annuity for ex-Presidents of the United States; to the Committee on the Judiciary.

By Mr. BLAND:

H. R. 3802. A bill to amend Public Law 41, Seventy-eighth Congress; to the Committee on the Merchant Marine and Fisheries.

By Mr. CURTIS:

H. R. 3803. A bill to provide for the deduction from gross income for income-tax purposes of expenses incurred by farmers for the purpose of leveling land used or to be used in farming operations; to the Committee on Ways and Means.

By Mr. FERNANDEZ:

H. R. 3804. A bill granting to the State of New Mexico certain public lands in such State for the use and benefit of public institutions of the State; to the Committee on the Public Lands.

By Mr. GRANGER:

H. R. 3805. A bill to provide for the disposition of tribal funds of the Ute Indians, or any of the tribes or bands of Utes; to the Committee on Indian Affairs.

By Mr. DOUGHTON of North Carolina:

H. Res. 322. Resolution authorizing that the fifth annual report of the Board of Trustees of the Federal old-age and survivors insurance trust fund be printed, with an illustration, as a House document; to the Committee on Printing.

By Mr. BULWINKLE:

H. Res. 323. Resolution to authorize the Committee on Interstate and Foreign Commerce to sit and act outside the United States for certain purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Commonwealth of the Philippines, expressing the profound grief of the Filipino people for the untimely death of President Franklin Delano Roosevelt and gratitude for the liberation of the Philippines; to the Committee on Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GWINN of New York:

H. R. 3806. A bill to confer jurisdiction on the Court of Claims to hear, determine, and enter judgments on the claims of Georgia V. C. Chapman and Julia I. Chapman for personal injuries sustained, medical and hospital expenses, and property damages, resulting from the collision of an automobile with a Civilian Conservation Corps truck; to the Committee on Claims.

By Mr. JACKSON:

H. R. 3807. A bill for the relief of Mrs. Rosalie Helen Hoskins; to the Committee on Pensions.

By Mr. MARTIN of Massachusetts:

H. R. 3808. A bill for the relief of the estate of William N. Therriault and Millicent Therriault; to the Committee on Claims.

By Mr. MUNDT:

H. R. 3809. A bill granting a pension to Eleanor Peasley; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1084. By Mr. RABAUT: Petition of Wise W. Stone, recording secretary of Ford Local 600, UAW-CIO, presenting the enclosed resolution setting forth the union's views on the many problems confronting the working people of this Nation; to the Committee on Labor.

1085. By the SPEAKER: Petition of Jack Dalton and various seamen, petitioning consideration of their resolution with reference to their support of House bill 2346; to the Committee on the Merchant Marine and Fisheries.

1086. Also, petition of the city clerk, city of Dearborn, Mich., petitioning consideration of their resolution with reference to the United Nations Charter; to the Committee on Foreign Affairs.

SENATE

MONDAY, JULY 16, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Reverend Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Most merciful and gracious God, with a humble spirit and a contrite heart, we invoke the blessings of Thy presence and power which we need for each succeeding day.

Grant that we may have an interpretation of life that centers in an earnest desire to do Thy will more perfectly, to serve our generation more faithfully, and to gain for ourselves a character that is rich and strong in every Christlike virtue.

We pray that our vision of that interpretation may be so clear and commanding that every noble capacity within us shall seek to bring it to fulfillment and fruition.

May the keynote of our life be that of faith in the Lord, that perfect trust which casts out fear, as we continue to labor for a social order in which there shall be peace, justice, good will, and love.

Hear us in the name of the Christ who is the author and finisher of our faith. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, July 13, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3239. An act to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; and

H. R. 3771. An act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

ENROLLED BILL SIGNED DURING THE RECESS

Under authority of the order of the 13th instant,

The PRESIDENT pro tempore on July 14, 1945, signed the bill (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

BRETTON WOODS AGREEMENTS—MINORITY VIEWS (PT. 2 OF REPT. NO. 452)

Under the order of the Senate of the 12th instant,

Mr. TAFT (for himself, Mr. MILLIKIN, Mr. BUTLER, and Mr. THOMAS of Idaho), from the Committee on Banking and Currency, on July 13, 1945, submitted the views of the minority of that committee on the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

The PRESIDENT pro tempore. The business now pending before the Senate is House bill 3314.

The Senate resumed the consideration of the bill (H. R. 3314) to provide for the

participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Mr. WAGNER. Mr. President——

The PRESIDENT pro tempore. The Senator from New York is recognized.

Mr. BARKLEY. Mr. President, will the Senator from New York yield?

Mr. WAGNER. I yield.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Moore
Andrews	Gurney	Morse
Austin	Hart	Murdock
Ball	Hatch	Murray
Barkley	Hawkes	O'Daniel
Bilbo	Hayden	O'Mahoney
Brewster	Hickenlooper	Radcliffe
Briggs	Hill	Robertson
Brooks	Hoey	Russell
Buck	Johnson, Calif.	Saltonstall
Burton	Johnson, Colo.	Shipstead
Bushfield	Johnston, S. C.	Smith
Butler	Kilgore	Stewart
Byrd	La Follette	Taft
Capehart	Langer	Taylor
Capper	Lucas	Thomas, Okla.
Chandler	McCarran	Tobey
Chavez	McClellan	Tunnell
Connally	McFarland	Tydings
Cordon	McKellar	Vandenberg
Donnell	McMahon	Wagner
Eastland	Magnuson	Wheeler
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Wiley
George	Mitchell	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from California [Mr. DOWNEY], the Senators from Pennsylvania [Mr. GUFFEY and Mr. MYERS], the Senator from Louisiana [Mr. OVERTON], the Senator from Utah [Mr. THOMAS], and the Senator from Massachusetts [Mr. WALSH] are absent on public business.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from West Virginia [Mr. REVERCOMB] and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. WAGNER. Mr. President, I yield for the transaction of routine business.

PETITIONS

Petitions were presented and referred as indicated:

By Mr. WHITE:

A resolution adopted by Dirigo Aerie, Fraternal Order of Eagles, of Lewiston, Maine, favoring the enactment of legislation to designate January 31, the birth date of Franklin D. Roosevelt, as a national holiday; to the Committee on the Judiciary.

A petition of sundry citizens of New York and vicinity, praying for the prompt ratification of the United Nations Charter; ordered to lie on the table.

By Mr. CAPPER:

A petition of sundry citizens of Wichita, Kans., praying for the enactment of Senate bill 599, prohibiting the advertising of alcoholic beverages in periodicals, newspapers, radio, motion pictures, or any other form of alcoholic beverage advertising; to the Committee on Interstate Commerce.

INCREASE IN GASOLINE RATION TO RETURNING SERVICE MEN AND WOMEN

Mr. McMAHON. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the Department of Connecticut Veterans of Foreign Wars of the United States, assembled at the twenty-fifth annual department encampment at New Britain, Conn., June 29, 30, and July 1, 1945, relating to an increase in gasoline ration to returning service men and women.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Resolution 10

Department of Connecticut Veterans of Foreign Wars of United States assembled for the twenty-fifth annual department encampment at New Britain, Conn., June 29, 30, and July 1, 1945.

At the regular meeting of Harold F. Emmett Post, No. 994, Veterans of Foreign Wars, Bristol, Conn., held on June 18, 1945, it was regularly moved and adopted that a resolution be drawn up and presented to the department convention to be held in New Britain on June 29, 30, and July 1, 1945, on behalf of the service men and women returning home on furlough in regard to the small amount of gasoline that is rationed or supposed to be rationed to them.

"Whereas veterans being transferred from the European theater of war to the Pacific theater are furloughed for 30 days in the United States of America, and allowed 1 gallon of gas per day while on such furlough; and

"Whereas such an amount of gasoline is entirely inadequate to permit the complete relaxation of the veterans on furlough; and

"Whereas the indiscriminate civilian use of gasoline can be readily seen daily by a visit to any of our summer resorts, race tracks, etc.; and

"Whereas the OPA has unduly and unnecessarily restricted the use of gasoline by the veterans; and

"Whereas we feel this present unfair treatment of the veterans by the OPA, as well as any like treatment of the veterans in the future by any Government agency should be challenged by the VFW."

The date of 15-day period prior to the convention has passed and the county council does not meet again until after the convention; therefore, the matter was not brought to our attention in time and the urgency and imporance of this resolution prompts us to appeal to this body to approve and take action on the following resolution:

"*Be it resolved*, That a telegram and an open letter be dispatched immediately to Chester Bowles, Esq., Office of Price Administration, Washington, D. C., requesting immediate action to increase the gasoline ration of such furloughed veterans to 25 gallons per week but not to exceed 100 gallons per furlough; be it further

"*Resolved*, That a copy of this letter be sent to the following: National headquarters, VFW, both Senators from Connecticut, all Congressmen from Connecticut, all press associations."

MAURICE H. PELLIGRINI,
Commander.
JERRY W. RYAN, *Adjutant.*
FRANK J. BOYLE,
JAMES ROBERTS,
JOHN F. DUNCAN,
Committee.

Approved by twenty-fifth war service conference, July 1, 1945.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BURTON, from the Committee on Commerce:

H. R. 3294. A bill to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; without amendment (Rept. No. 460).

By Mr. ROBERTSON, from the Committee on Commerce:

H. R. 2032. A bill authorizing general shoreline investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936; without amendment (Rept. No. 461);

H. R. 3477. A bill for the improvement of Savannah Harbor, Ga.; with amendments (Rept. No. 462); and

H. R. 3549. A bill to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; without amendment (Rept. No. 463).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 940. A bill to provide for terms of the District Court of the United States for the District of Nevada; without amendment (Rept. No. 464).

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on July 13, 1945, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 31) relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes.

UNITED NATIONS CHARTER—REPORT OF FOREIGN RELATIONS COMMITTEE

Mr. CONNALLY. Mr. President, I have before me the report of the Committee on Foreign Relations on the United Nations Charter. I ask unanimous consent that I may file the report at any time during the day, even during the recess of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Subsequently, as in executive session,

Mr. CONNALLY, from the Committee on Foreign Relations, to which was referred Executive F, Seventy-ninth Congress, first session, the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed in San Francisco on June 26, 1945, reported it without amendment, and submitted a report (Ex. Rept. No. 8) thereon.

THE UNITED NATIONS CHARTER—STATEMENT BY SENATOR MILLIKIN

Mr. MILLIKIN. Mr. President, yesterday I made an announcement on the

United Nations Charter, and I ask that it be printed in the RECORD following my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

It has seemed to me that we should see to it (a) that the Charter does not impair or destroy the right of the United States to maintain complete control over the size and nature of its armaments and military forces; (b) that it does not prohibit or impair action by the United States under the Monroe Doctrine as a reserve measure for our self-defense; (c) that it does not prevent or embarrass our withdrawal from the organization on grounds deemed by us in good faith to warrant such action; and (d) that the respective constitutional powers of the President and the Congress over the use of our armed forces should be preserved.

During the recent hearings before the Senate Committee on Foreign Relations I have asked questions intended to illuminate these matters.

The provisions of the Charter, having especially in mind the veto rights which it makes available to the United States and much study of the matter including the testimony of the proponents, have convinced me that all of these objectives may be achieved without violation of the Charter by means of official domestic interpretations, by a supplemental treaty which we are assured by the proponents will be presented to the Senate, and possibly by implementing statutes to govern the important decisions of our delegates, and that, therefcre, recourse to amendments or reservations is unnecessary.

Assuming that these protective domestic interpretations and assurances given at the hearings by official proponents of the Charter will be approved by the Senate and the President, I shall vote for the Charter without reservations or amendments.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BUTLER:

S. 1267. A bill granting a pension to Gail Gordon; to the Committee on Pensions.

By Mr. BUSHFIELD:

S. 1268. A bill authorizing issuance of a patent in fee to Rose Red Weasel Charger; to the Committee on Indian Affairs.

By Mr. McMAHON:

S. 1269 A bill granting a pension to Mary L. Brill; to the Committee on Pensions.

(Mr. O'MAHONEY (for himself, Mr. HAYDEN, Mr. MCCARRAN, Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. THOMAS of Idaho, Mr. ROBERTSON, Mr. CORDON, and Mr. MORSE) introduced Senate bill 1270, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

(Mr. JOHNSTON of South Carolina (for himself, and Mr. BALL) introduced Senate bill 1271, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. WHEELER introduced Senate bill 1272, which was referred to the Committee on Indian Affairs, and appears under a separate heading.)

SUBSIDIES TO PROMOTE INCREASED LAMB PRODUCTION

Mr. O'MAHONEY. Mr. President, on behalf of myself, the senior Senator from Arizona [Mr. HAYDEN], the Senator from Nevada [Mr. MCCARRAN], the Senator from Colorado [Mr. JOHNSON], the junior Senator from Arizona [Mr. MCFARLAND], the Senator from Idaho [Mr. THOMAS], my colleague [Mr. ROBERTSON], the senior Senator from Oregon [Mr. CORDON], and the junior Senator from Oregon [Mr. MORSE] I ask unanimous consent to introduce a bill dealing with the limits which have been placed by Congress upon the amount of subsidy which may be paid by the Commodity Credit Corporation, and I ask that the bill be referred to the committee which has jurisdiction of that matter, the Committee on Banking and Currency of which the distinguished Senator from New York [Mr. WAGNER] is chairman.

I ask unanimous consent that the full text of the bill be printed at length in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

The bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation, introduced by Mr. O'MAHONEY (for himself, Mr. HAYDEN, Mr. MCCARRAN, Mr. JOHNSON of Colorado, Mr. MCFARLAND, Mr. THOMAS of Idaho, Mr. ROBERTSON, Mr. CORDON, and Mr. MORSE), was read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the amount of funds authorized to be expended by Commodity Credit Corporation pursuant to Section 3 of the Act of April 12, 1945 (Public 30, Seventy-ninth Congress) shall be increased by such amounts as may from time to time be determined by the Secretary of Agriculture as follows: (1) not to exceed with respect to livestock and livestock products, $595,000,000; (2) not to exceed with respect to wheat and wheat products, $190,000,000; and (3) not to exceed with respect to butterfat and butter, $100,000,000; *Provided*, That the amounts authorized to be expended pursuant to section 1 of the Act of June 23, 1945 (Public Law 88, Seventy-ninth Congress) for subsidy payments on meat, butter, and flour shall be reduced correspondingly; and *provided further*, that the Corporation is authorized to carry out subsidy operations with respect to 1946 and 1947 sugar crops to such extent as the Secretary of Agriculture may determine necessary to obtain the maximum necessary production and distribution of sugar.

Mr. O'MAHONEY. Let me add, Mr. President, with the indulgence of the chairman of the Committee on Banking and Currency, that the bill illustrates the very serious problem which is presented by the conflict between price ceilings upon products, and subsidies to induce production.

Lamb feeders and sheep growers in the United States today are confronted with a price condition which is rapidly compelling the growers to liquidate their flocks, and is preventing the feeders from feeding lambs so as to provide the meat for which consumers in the United States are begging and for which they are willing to pay.

The problem can be solved either by increasing the ceilings upon dressed lambs about 2½ cents a pound or by paying a subsidy of $50,000,000 in the year. The Commodity Credit Corporation, which has just been authorized by the act of June 23, 1945, to continue the payment of subsidies, is empowered, within the limits provided in the act, to pay subsidies to the producers of cattle, but it does not have enough money to pay subsidies to the producers of lambs. The consequence is that we are in the predicament of either increasing the ceiling, which is the course that should be followed—it would save $50,000,000 to the taxpayers—or of amending the law so as to raise the amount which may be expended and thus permit this increased subsidy payment for lamb producers.

In the present state of the law we have this anomalous situation: The RFC has legal authority to pay subsidies on livestock products, but only to packers. The Commodity Credit Corporation has authority to pay subsidies to producers, but, although it has adopted a program of producer subsidy on cattle, it does not have sufficient money under the limitation imposed by the act of June 23, 1945, to pay producer subsidies on lamb.

Of course, there would be no need for a subsidy to lamb producers if OPA were willing to increase the ceiling price on dressed lamb. An increase of 2½ cents per pound for dressed lamb would make unnecessary the payment of any subsidy, and I am persuaded that that increased cost would be borne by the consuming public without a whimper.

The consuming public has the money and wants the lamb, but the producers of lamb cannot successfully operate at the present ceiling price, because they cannot recover the cost of production. The result is that many flocks are being sacrificed and animals, which should be sent to the feed lots to be increased in weight, are being sold light. The result is the sheep grower is liquidating and the consumers are not getting the meat they desire.

I have repeatedly urged upon officials in charge of the meat program that the dressed lamb ceiling should be increased, but the OPA has been unwilling to agree to such an increase because of the fear that it would break the line. There has been no concession to date on the price of lamb. There have been many concessions on other products. I am of the firm belief that the OPA and the Office of Economic Stabilization can very properly, and with only beneficial results, authorize an increased ceiling price.

But, since that seems to be impossible of achievement at the moment, the only recourse is to make it possible for the Commodity Credit Corporation to pay subsidies to the producers. Of course, there is authority to pay subsidies to the packer, but that would be ineffective because producers do not believe that such subsidies paid to the packer actually reach the producer. A packer subsidy would not solve the problem of liquidation.

The bill which I am introducing this morning, and which has the support of numerous Senators on both sides of the isle, is so far as it refers to livestock and livestok products, butterfat and butter, identical with an amendment which the Senate approved on a recent deficiency appropriation. Unfortunately, the House conferees declined to agree.

I hope that the Committee on Banking and Currency will find it possible to report this bill immediately. I have conferred with the Chairman of the House Committee on Banking and Currency and have every reason to believe that it will receive the approval of that committee.

INCREASED DOMESTIC SUGAR PRODUCTION

Let me add that the measure contains another provision with respect to sugar. It authorizes the Commodity Credit Corporation to undertake subsidy payments on sugar for the years 1946 and 1947.

The production of sugar beets within continental United States can be materially increased if the Department of Agriculture is willing to make subsidy payments sufficient to give the producers of sugar beets a return of approximately $15.50 per ton.

Sugar production in Cuba was drastically curtailed last year by drought. Reports reaching me indicate that the Cuban sugar crop will be short again next year. The Philippine contribution to our sugar supply has been curtailed completely by the war, and there is very little possibility that anything like the normal Philippine production can be resumed for at least 2 years.

The situation is this—the production of sugarcane has been curtailed by nature. Philippine production has been curtailed by war. Domestic production of sugar beets and sugarcane has been curtailed by price.

We can do nothing about the Cuban drought. We are doing everything possible to prosecute the war against the Japs successfully. We can control immediately the price that is paid to domestic producers. This bill will enable the new Secretary of Agriculture to carry out his program of increasing sugar supplies.

I think it is of great importance that we should enable him to do this. Every industry which depends upon sugar will benefit if Congress makes it possible for the Department of Agriculture to act. Needless to say, home consumers also want more sugar.

I thank the Senator from New York for his indulgence in yielding to me.

Mr. WHERRY. Mr. President, will the Senator from New York yield that I may ask the Senator from Wyoming a question?

Mr. WAGNER. I yield.

Mr. WHERRY. There was so much confusion in the Senate I did not hear all the remarks the distinguished Senator from Wyoming made. I should like to ask if the impression I gathered about the situation in which we find ourselves is correct. Is the Senator proposing an amendment which would permit the payment of subsidies to increase price levels affecting the returns to growers of lambs?

Mr. O'MAHONEY. To increase the returns which the growers of lambs may obtain, to save them from going out of business. It is a bill to do what the Senate has already done when it passed a recent appropriation bill.

Mr. WHERRY. That is correct.

Mr. O'MAHONEY. When the second deficiency appropriation bill was before the Senate, we added an amendment in the Committee on Appropriations which increased the limit of the amount of money the Commodity Credit Corporation may pay in subsidies. The House conferees declined to approve the amendment, and as a result we are without the legislation which is necessary to save the sheep growers and the lamb feeders of the United States.

Mr. WHERRY. Therefore now we are to ask for a subsidy, to do the very thing we could have done if we had adopted the Wherry amendment to the Price Administration bill under the private-profit-motive basis. I thank the Senator.

Mr. O'MAHONEY. Well, Mr. President——

Mr. WHERRY. I thank the Senator. [Laughter.]

Mr. O'MAHONEY. Let me say to the Senator that the Wherry amendment would have gone a great deal further than this amendment. I believe that without the Wherry amendment, and without the provision I am suggesting, it is still within the power of the Office of Economic Stabilization to raise the ceiling price 2½ cents a pound, and solve the problem.

Mr. WHERRY. Mr. President, I am in favor of everything the senior Senator from Wyoming has said except that my position is that we should establish price levels that will yield a profitable return to the producer by the profit-motive way, instead of curing the situation by the payment of a $50,000,000 subsidy. What we must watch out for is building subsidies in our production program. Some day the producer or the consumer will have to absorb that subsidy.

Mr. ROBERTSON. Mr. President, will the Senator from New York yield to me?

Mr. WAGNER. For what purpose does the Senator ask me to yield? I shall be glad to yield, but not for the making of an address.

Mr. ROBERTSON. I wish to ask my colleague a question regarding the bill he has introduced.

Mr. WAGNER. Very well.

Mr. ROBERTSON. Mr. President, the Secretary of Agriculture advised me that no subsidy payments on lambs can be made under present laws to the producer, but must be paid to the packer. Does the Senator's bill provide for subsidy payments to the producer?

Mr. O'MAHONEY. It provides for payments to the producer. I may say to my colleague, with the consent of the Senator from New York, that when the first OPA extension measure was before the Senate several years ago I submitted an amendment to provide for subsidy payments to producers. I believed then and I believe now that if subsidies are to be paid they should be paid to the producers. The Senate adopted my amendment, but the House conferees declined to go along. So we were compelled to proceed through the very ineffective method of paying subsidies to the packers. The RFC can pay subsidies to the packers. The Commodity Credit Corporation can pay subsidies to the producers. But because the RFC cannot pay them to the producers we must go through the Commodity Credit Corporation route. This situation illustrates the great confusion that arises when we undertake to administer matters of this kind by agency directive.

CONTROL OF INDUSTRIAL HEALTH HAZARDS

Mr. JOHNSTON of South Carolina. Mr. President, on behalf of myself and the distinguished Senator from Minnesota [Mr. BALL], I ask unanimous consent to introduce a bill which I believe will go a long way in decreasing and, I hope, eventually eliminating the unnecessary and tragic loss of life and human suffering caused by unsafe and hazardous working conditions in our industrial plants and workshops throughout the Nation.

The legislation is not original with me but is one that has long been advocated, and the need for which I can personally testify. It has recently been reported favorably by the House Committee on Labor to the House of Representatives. More than half of the States through their labor commissioners have gone on record in favor of this legislation. The States and jurisdictions that have done so are Arkansas, Connecticut, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Washington, West Virginia, Wyoming, District of Columbia, and Puerto Rico. This list includes the largest and smallest industrial States, the mining States, the agricultural States, and those with the largest and smallest amount of industrialization. The legislation has bipartisan support.

The bill provides $5,000,000 Federal aid to State departments of labor to assist them in establishing and maintaining safe and proper working conditions in industry, and in preparing, promulgating and enforcing regulations to control industrial hazards. The money would be allotted among the States on the basis of first, population; second, number of wage earners; third, special safety and health problems in industry; fourth, number of workers afforded protection by State laws and the cost of adequate administration of such laws; and fifth, financial needs.

The bill also provides that plans for expenditure of the money would be developed jointly by the States and the United States Department of Labor. Rules and regulations would be determined by the Secretary of Labor in consultation with the State labor commissioners.

An Industrial Safety Commission consisting of three members representing the public, the employer, and the employees would be set up in the Department of Labor. It would be empowered to recommend State standards, methods, and procedures for the establishment of safe working conditions in industry.

As I said before, I know from personal experience how much needs to be done and what can be done in the way of eliminating industrial hazards and in safeguarding the workmen in the textile plants of the South. For 10 years I worked in the cotton-textile industry

and I have seen more than one of my fellow workmen lose a limb, an eye, and on occasion their lives. Hardly a week goes by in any plant where 100 or more workers are employed where there is not someone who sustains a painful injury. Most of it is unnecessary and preventable. All this has been brought home to me time and time again throughout my administration as Governor of South Carolina.

A human life, Mr. President, is just as valuable whether he be in the factory or on the battlefield. We have done much to prevent the human suffering and loss of life of our military forces. I am proud and grateful that our military leaders have placed such high value on the life and safety of our boys and loved ones who are giving so much of themselves.

Certainly, Mr. President, we cannot afford to be less vigilant, less concerned, and less careful of our veterans when they return to their peacetime occupations and pursuits. We must likewise safeguard those to whom they are coming home, and for whom they are fighting.

The humanitarian aspects of this problem cannot be ignored.

The other side of the problem is a financial one. A day's loss of work, the stopping of machinery, the decreased productivity of the workers, the payments for medical care, sick, death, and welfare benefits are dollar cost to the corporations, the proprietors, to the workers, the State, and the Nation. The National Safety Council estimated that the direct monetary cost of job accidents in the United States in 1943 totaled almost $2,500,000,000.

In the light of all this, Mr. President, it must be clear that in offering a bill requiring the expenditure of $5,000,000 to assist the States in controlling industrial hazards, we are making a very shrewd investment which will be returned to us many times over, financially and socially.

I ask that this bill be referred for consideration to the Committee on Education and Labor and that it be printed in full in the RECORD.

There being no objection, the bill (S. 1271) to provide for cooperation with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry and in the preparation, promulgation, and enforcement of regulations to control industrial health hazards, introduced by Mr. JOHNSTON of South Carolina (for himself and Mr. BALL), was received, read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That for the purpose of enabling the United States, through the Department of Labor, to cooperate with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry and in the preparation, promulgation, and enforcement of regulations to control industrial health hazards, there is hereby authorized to be appropriated for each fiscal year, beginning with the fiscal year ending June 30, 1946, the sum of $5,000,000 to be used as hereinafter provided. Such amount shall be allotted by the Secretary of Labor for use by cooperating State agencies administering labor laws on the basis of (1) the population; (2) the number of wage earners; (3) the special safety and health problems in industry; (4) the number of workers afforded protection by the State law and the cost of proper and efficient administration of such law; and (5) the financial needs of the respective States.

SEC. 2. Prior to the beginning of each year, the Secretary of Labor shall determine in accordance with rules and regulations previously prescribed by the Secretary of Labor after consultation with a conference of the State and Territorial authorities administering labor laws, the amount to be paid to each State from time to time from the allotment to such State and shall certify the amount so determined to the Secretary of the Treasury. Upon receipt of such certification, the Secretary of the Treasury shall, through the Division of Disbursement of the Treasury Department, and prior to audit or settlement of the General Accounting Office, pay in accordance with such certification.

SEC. 3. The moneys so paid to any State shall be expended solely in carrying out the purposes specified in section 1 under plans jointly developed by the agency administering the labor laws of such State and the Division of Labor Standards and approved by the Secretary of Labor. In the operation of such plans the services and facilites of public-health services in the field of industrial hygiene shall be utilized to the extent that such services may be made available to the labor departments of the States.

SEC. 4. There is hereby created within the office of the Secretary of the Department of Labor a Commission to be known as the Industrial Safety Commission. The Industrial Safety Commission shall be appointed by the Secretary of Labor without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall consist of three members—one a representative of the public who shall be chairman, one a representative of employers, and one a representative of employees. The Secretary may appoint such advisory committees composed of representatives of employers, employees, and the public and such technical experts as may be deemed necessary to advise with the Commission in carrying out its duties.

SEC. 5. The Industrial Safety Commission is hereby authorized and directed (1) to recommend to the States reasonable standards, methods, and procedures for establishing safe working conditions in industry with a view to encouraging more effective control of hazardous conditions by the several States.

SEC. 6. The Secretary of Labor is authorized to appoint, subject to the civil-service laws, such employees as he deems necessary to carry out his functions and duties under this act and to service the Industrial Safety Commission in its functions and duties and shall fix their compensation in accordance with the provisions of the Classification Act of 1923, as amended.

SEC. 7. There is hereby authorized to be appropriated to the Secretary of Labor for the fiscal year ending June 30, 1946, the amount of $250,000 for all necessary expenses in administering the provisions of this act.

SEC. 8. As used in this act "State" means any State of the United States or the District of Columbia or any Territory or possession of the United States.

SEC. 9. The Secretary of Labor shall include in his annual report to Congress a full account of the administration of this act.

DISPOSITION OF CERTAIN TRIBAL FUNDS IN MONTANA

Mr. WHEELER. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana. In connection with the bill I ask that a resolution adopted by the governing body of the Confederated Salish and Kootenai Tribes of the Flathead Reservation be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from Montana will be received and appropriately referred, and the resolution will be printed in the RECORD.

The bill (S. 1272) to provide for the disposition of Tribal Funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana, introduced by Mr. WHEELER, was read twice by its title and referred to the Committee on Indian Affairs.

The resolution presented by Mr. WHEELER in connection with the bill is as follows:

"Resolution of the governing body of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, an Indian chartered corporation, requesting a general act to permit the use of tribal funds in the United States for the development of such economic plans as the tribal council and Secretary of the Interior may approve

"Whereas the tribal council of the Confederated Salish and Kootenai Tribes will be furnish detailed plans to the Secretary of the Interior, for approval before these funds will be expended; Now, therefore, be it

"Resolved by the Tribal Council of the Confederated Salish and Kootenai Tribes of the Flathead Reservation in special session assembled on April 27, 1945, at which seven members, constituting a quorum, are present. Hereby request that the Congress of the United States enact proper legislation so that notwithstanding any other provision of existing law, the tribal funds now on deposit or hereafter placed to the credit of the 'Confederated Salish and Kootenai Tribes of Indians,' in the United States Treasury, shall be made available for such purposes as may be designated by the tribal council of said tribes and approved by the Secretary of the Interior."

CERTIFICATE

The foregoing resolution was on April 27, 1945, duly adopted by a vote of 7 for and none opposed, by the Council of the Confederated Salish and Kootenai Tribes of the Flathead Reservation, pursuant to authority vested in it by Article 5 (e) of the corporate charter of the Tribes, issued to the tribe on April 21, 1936, and ratified by the tribes on April 25, 1936, pursuant to Section 17 of the act of June 18, 1934 (48 Stat. 984). The foregoing resolution herewith submitted for appropriate action by the Congress of the United States.

Attest:

PHIL HAMEL,
Secretary.
S. C. DEMERS,
Chairman of the Council.

Approved April 28, 1945.

C. C. WRIGHT,
Superintendent.

BRETTON WOODS AGREEMENTS—AMENDMENTS

Mr. TAFT submitted three amendments and Mr. MILLIKIN submitted two amendments intended to be proposed by them, respectively, to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, which were severally ordered to lie on the table and to be printed.

APPROVAL OF PROVISIONS OF SECTION 29.23 (M)-16 OF TREASURY REGULATIONS 111—AMENDMENTS

Mr. McCARRAN submitted amendments intended to be proposed by him to the concurrent resolution (H. Con. Res. 50) declaring Congress to have recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111, and for other purposes, which were ordered to lie on the table and to be printed.

TAX ADJUSTMENT ACT OF 1945—AMENDMENT

Mr. MURDOCK. Mr. President, I ask unanimous consent to submit an amendment intended to be proposed by me to the bill (H. R. 3633) to facilitate reconversion, and for other purposes, and that it lie on the table, be printed, and printed in the RECORD.

There being no objection, the amendment was ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. MURDOCK to the bill (H. R. 3633) to facilitate reconversion, and for other purposes, viz: That section 23 (m) of the Internal Revenue Code is amended by adding the following at the end of the first paragraph thereof:

"All expenditures for wages, fuel, repairs, hauling, supplies, and so forth, incident to and necessary for the drilling of wells and the preparation of wells for the production of oil or gas may, at the option of the taxpayer, be deducted from gross income as an expense or charged to capital account. In addition to the foregoing option, the cost of drilling nonproductive wells at the option of the taxpayer may be deducted from gross income for the year in which the taxpayer completes such a well or be charged to capital account returnable through depletion as in the case of productive wells."

SEC. 2. (a) Taxable Years Beginning After December 31, 1944.—The amendment made by section 1 shall be applied to all taxable years beginning after December 31, 1944, but shall not be deemed to grant a new option to any taxpayer who has exercised an option in accordance with regulations in force prior to the enactment of this joint resolution.

(b) Taxable Years Beginning Prior in January 1, 1945.—If, in computing income and profits taxes for any taxable year beginning prior to January 1, 1945, the taxpayer deducted intangible drilling and development costs from gross income as an expense and such deduction was taken in accordance with an option granted under regulations then in force, such deduction shall be deemed to be allowable under the law applicable to such taxable year.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H. R. 3239. A bill to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; to the Committee on Finance.

H. R. 3771. A bill to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes; to the Committee on Banking and Currency.

AMERICANISM—ADDRESS BY SENATOR BAILEY

[Mr. HOEY asked and obtained leave to have printed in the RECORD an address on Americanism, delivered by Senator BAILEY on the occasion of the celebration of the three hundred and thirty-seventh anniversary of the birth of Virginia Dare, which appears in the Appendix.]

GOVERNMENT RESPONSIBILITY FOR FULL EMPLOYMENT—ADDRESS BY SENATOR O'MAHONEY

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address on the subject of Government responsibility for continuing full employment, delivered by Senator O'MAHONEY on the Town Hall Meeting program in New York City on July 12, 1945, which appears in the Appendix.]

THE PUBLIC'S BILL OF RIGHTS—STATEMENT BY SENATOR BURTON

[Mr. BURTON asked and obtained leave to have printed in the RECORD a statement entitled "The Public's Bill of Rights," made by him, and published in the Cleveland News for July 14, 1945, which appears in the Appendix.]

SPEECHES DELIVERED AT THE CLOSING PLENARY SESSION OF THE SAN FRANCISCO CONFERENCE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD excerpts from and also the complete speeches delivered by 10 delegates at the closing plenary session, the United Nations Conference on International Organization, at San Francisco, Calif., on June 26, 1945, which appear in the Appendix.]

PROPOSED MISSOURI VALLEY AUTHORITY—ADDRESS BY WALLACE E. PEARSON

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a radio address on the subject of the Missouri Valley Authority bill, delivered by Mr. Wallace E. Pe. rson, president of the First National Bank of Lovell, Wyo., which appears in the Appendix.]

TRIBUTE TO GEN. OMAR N. BRADLEY—EDITORIAL FROM THE WASHINGTON POST

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial from the Washington Post in tribute to Gen. Omar N. Bradley, which appears in the Appendix.]

A NEEDED DEFLATION—EDITORIAL FROM THE WALL STREET JOURNAL

[Mr. TAFT asked and obtained leave to have printed in the RECORD an editorial entitled "A Needed Deflation," from the Wall Street Journal of July 10, 1945, which appears in the Appendix.]

DON'T CALL ME A COMMUNIST ANY MORE—ARTICLE BY MARTIN CROWE

[Mr. WHEELER asked and obtained leave to have printed in the RECORD an article entitled "Don't Call Me a Communist Any More," written by Martin Crowe and published in the Progressive for July 16, 1945, which appears in the Appendix.]

OUR NATIONAL BIRTHDAY—EDITORIAL FROM THE DULUTH FREE PRESS

[Mr. BALL asked and obtained leave to have printed in the RECORD an editorial entitled "Our National Birthday," from the Duluth Free Press of July 6, 1945, which appears in the Appendix.]

MARKETING OF FIRE-CURED AND DARK AIR-CURED TOBACCO—CONFERENCE REPORT

Mr. THOMAS of Oklahoma submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same.

ELMER THOMAS,
THEO. G. BILEO,
TOM STEWART,
ARTHUR CAPPER,
Managers on the Part of the Senate.
JNO. W. FLANNAGAN, Jr.,
HAROLD D. COOLEY,
EARLE C. CLEMENTS,
Managers on the Part of the House.

The report was agreed to.

BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

Mr. WAGNER. Mr. President, I desire to make my address without interruption or questions.

Mr. President, rarely in its history has this body faced a more momentous period than we are now entering. Within the next few days we must consider the San Francisco Charter and determine whether the United States will cooperate with the other United Nations in political and military matters.

To give greater effect to that solemn undertaking, it is fitting that we lay a firm foundation for peace, that we inform the world that we stand ready also to cooperate in international economic matters. That is the purpose of the bill before us.

It was my privilege to report from the Banking and Currency Committee H. R. 3314, a bill authorizing the President to accept membership for the United States in the International Monetary Fund and International Bank for Reconstruction and Development. The Banking and Currency Committee reported the bill favorably, with three minor amendments, by a vote of 14 to 4.

I shall presently discuss in detail the main features of the proposed fund and bank. But since the projected institutions can be fully understood only in the light of experience, it seems appropriate at the outset to recall some of the world-wide monetary and financial problems of the 1920's and 1930's. Against that background Senators will be better able to judge the adequacy of the fund and bank to help solve the international monetary and financial problems of the future.

After the last war, the opinion was generally held in all countries that the most direct avenue to financial rehabilitation lay in the reestablishment of the pre-1914 type of gold standard. With that object in view, all countries, each in its own way, took steps to return to gold. By 1929 nearly all had succeeded. Some returned to the gold standard at the prewar parity of their currencies, some at a reduced gold value, and others found it necessary to create new monetary systems from the ground up. In some cases there were special loans for stabilization purposes, and in others there was informal discussion among the heads of central banks. But in every case currency stabilization was regarded as a country's own exclusive business.

As a consequence of this method of dealing with problems which are by their very nature international, some currencies, stabilized with great difficulty, soon proved to be overvalued, while others were undervalued. In countries with overvalued currencies, exchange rates were under constant pressure. The effect was to increase the difficulty of maintaining exports and employment in these countries. In a vain effort to maintain the established value of these currencies, countries put pressure on their domestic wages and prices, inducing depression at home and reducing the demand for both domestic and imported goods. Business conditions in other countries were affected since weakness in a major currency is a source of danger to all currencies.

When the great depression came, the whole pattern of exchange rates became untenable. The raw material countries were among the first to abandon gold—Argentina, Australia, and Brazil being forced to do so in 1929. In 1931 Great Britain and the British Empire, nearly all of Europe, most of South America, and Japan were forced off gold. In 1933 the United States and the rest of Latin America followed. And finally, in 1935 and 1936, France and the other countries of the gold bloc were forced off gold. As one country after another cut loose from gold, it became apparent that instead of finding in this traditional standard a reassuring stability, the world had found in gold only a fragile rigidity that could not survive a period of great economic stress.

In preparing for the international monetary problems we shall face after the war, this experience of the 1920's should be kept firmly in mind. There has never been, at any time, a greater will on the part of all countries to reestablish a stable international monetary system than in the 1920's. While we were enjoying our prosperity of the 1920's, other countries were going through the big slump—the depression that accompanied overvalued sterling.

Nevertheless, the brief period of exchange stability, purchased at so high a cost, could not withstand the depression. Forced off gold, each country adopted measures to save itself, even when they resulted in an intensification of the depression and spread it from country to country.

The great lesson, the unforgettable lesson of the 1920's, is that exchange rates are an international problem which can be dealt with only through continuing international cooperation. The failure to provide a means for international monetary cooperation in the 1920's is one cause of the monetary disorders of the 1930's, which set nation against nation in the struggle for economic survival and which became the economic prelude to the great war.

The decade of the 1930's witnessed the development of economic warfare in its most destructive form. Competitive currency depreciation, restrictive and discriminatory exchange controls, multiple currencies, bilateral clearing arrangements, blocked accounts—these and other devices were exploited to the limit by the aggressor-minded countries to secure a larger share of world trade. And incidentally, the total volume of world trade diminished year after year partly because of these restrictive and discriminatory practices. Between 1929 and 1932, the dollar value of world trade fell nearly 70 percent. Even after substantial industrial recovery had taken place in many countries, the value of world trade in the 1930's remained 40 percent below the level of the 1920's.

This country made no use of the devices of currency warfare. It would have been contrary to our principles of fair dealing and free enterprise to have imposed such controls in an effort to exploit other countries. In some cases, the currency warfare of the 1930's was directed against us particularly.

In the decline in world trade, the United States suffered relatively more than any other country. This is indicated by the fact that between 1928 and 1934 our relative share of total world exports dropped 30 percent. Japan and Germany—employing every unfair economic weapon that could be devised—were among the small group of countries that gained relatively at our expense. If these same tactics are resumed after the war, there can be no doubt that we shall again be their principal victim.

We now stand at the threshold of another postwar period. During the past 6 years, world trade has been virtually at a standstill; political boundaries have been reshuffled, large producing and trading areas destroyed. As this war has been more devastating than the last, so the international currency and investment problems we face are more serious than we have ever before encountered.

The question before us is whether by default we will allow the world to repeat the tragic blunders of the 1920's and 1930's. This bill offers us the opportunity to initiate constructive steps to outlaw competitive currency devaluation and other economic warfare devices, to substitute cooperation for unilateral action in dealing with international problems.

I wonder whether Senators fully appreciate what this means. It means that at long last we have the prospect of getting the other countries of the world to subscribe to the same principles of stable and orderly exchange relationships for which we have always stood.

American industry, agriculture, and labor have never sought temporary advantage through trickery and manipulation. All they want is a fair opportunity to sell a better product, at a lower price, in a world of orderly markets and dependable currency values.

There is nothing fundamentally new in the Bretton Woods program for international monetary cooperation. It will be recalled that in 1934 the United States set up an exchange stabilization fund with the object of helping to stabilize the exchanges between ourselves and other countries. This was done through bilateral agreements with some eight countries. In 1936, a modest beginning was made toward multilateral action, through the tripartite declaration, which at first covered only the United States, Great Britain, and France. Subsequently, Belgium, the Netherlands, and Switzerland were added.

While helpful in maintaining exchange stability with some Latin-American countries, these measures could not cope with the growing world crisis. Too many countries were forced to adopt defensive measures against the strong-arm currency tactics of the aggressors. It was clear, even before the outbreak of war, that these problems could be dealt with only on a basis of broad multilateral arrangements with all countries participating.

The war has made the United Nations conscious of the urgent need to establish the rule of law and reason in international currency relationships. In all of the leading Allied countries, officials responsible for monetary and fiscal matters are ready to agree now on cooperative measures that will assure orderly currency arrangements under which there can be speedy reconstruction and expanded world trade.

With this object in view, in 1941 Secretary Morgenthau asked the Treasury staff to study the international monetary and investment problems that would have to be faced after the war. In the spring of 1942, a memorandum was presented to the late President Roosevelt recommending establishment of an international fund and bank.

The President requested the Treasury to continue this work in consultation with the Department of State and other interested Government departments.

By the spring of 1943, the work had progressed so far that a tentative proposal for an International Fund was submitted to a Cabinet committee of the departments and agencies concerned. With the approval of President Roosevelt and Secretary Hull, the proposal was sent to the finance ministers of the United Nations. Later, in the fall of 1943, a tentative proposal for an International Bank was prepared and this, too, with the approval of President Roosevelt and Secretary Hull, was sent to the finance ministers of the United Nations.

At every important stage in the development of these proposals for international monetary and financial cooperation, Secretary Morgenthau appeared before the appropriate committees of the Senate and House. I recall that on four different occasions he met with the Banking and Currency Committee of the Senate to discuss with us the progress of the proposals.

It is worth noting that various drafts of the proposals were published and were given the widest possibe circulation both here and abroad. Seldom have international proposals been made public at such an early stage of discussions as were those relating to the fund and bank.

By the spring of 1944, the discussions with other countries had progressed so satisfactorily that a joint statement was published embodying the principles which should be incorporated in the proposed fund. Although no joint statement was issued on the proposed bank, there was agreement that the principles of the American proposal would be a suitable basis for an International Bank. Thereupon, President Roosevelt invited the other United Nations to send representatives to an International Monetary and Finance Conference, at Bretton

Woods, N. H., in July 1944, to work out definite proposals for the establishment of a fund, and if possible also a bank.

The American delegation to Bretton Woods was composed of 12 members, under the chairmanship of Hon. Henry Morgenthau, Jr., Secretary of the Treasury. Hon. Fred M. Vinson was vice chairman of the delegation. Included in the delegation were the chairman and the ranking minority members of the Senate Committee on Banking and Currency, the Senator from New Hampshire [Mr. TOBEY] and myself, and Representative SPENCE and Representative WOLCOTT from the corresponding House committee. In addition, the delegation included Dean Acheson, Assistant Secretary of State; Leo T. Crowley, Foreign Economic Administrator; Marriner S. Eccles, Chairman of the Board of Governors of the Federal Reserve System; Harry D. White, Assistant Secretary of the Treasury; Edward E. Brown, chairman of the board, First National Bank of Chicago; and Mabel Newcomer, professor of economics at Vassar College. The chairman and ranking minority members of the House Committee on Coinage, Weights, and Measures were included as advisers to the delegation.

An encouraging feature of the Conference was the fine spirit in which all countries worked together. Although every country was determined to protect its own interests, the United States no less than the others, all felt the urgent necessity of working out agreements that would be generally acceptable.

It was this willingness to compromise when compromise was necessary that makes me so hopeful that the plans drawn up will open a new era in international cooperation on monetary and financial problems.

Of the two institutions, the Conference recognized the transcendant importance of the fund by making membership in that institution a requirement for membership in the bank. Despite the technical nature of the problems with which it must deal, the fund's essential features can be summarized in four main points.

First. All countries recognize the importance of dealing with international monetary problems through continuing cooperation. This the fund provides. The member countries will find the fund a convenient place to dissuss international monetary problems, exchange views, and work out practical programs. Moreover, the fund will establish standards of fair exchange practice that will assure all countries that their international economic position will not be impaired by arbitrary and destructive measures taken by others. Cooperation through the fund will facilitate the difficult task of adjustment from wartime to peacetime conditions.

Second. The member countries agree to establish the initial parities of their currencies through consultation and agreement with the fund, and when the parity has been fixed to maintain their currencies stable within a range of 1 percent above or below parity. Thereafter, except for minor changes aggregating 10 percent, a country may alter the parity only if this becomes necessary to prevent a continuing disturbance in its international economic position, and then only with the concurrence of the fund.

A country that changes the parity of its currency after the fund has expressed its objection will become ineligible to use the fund and may be required to withdraw from membership. The power given the fund to pass upon exchange rates must not be used to interfere with the domestic social and political policies of a country. That is why the fund agreement provides that if a change in exchange rates is necessary, the fund cannot object because of the social-security program of a country. An international organization embracing 44 countries must concern itself exclusively with action by a member which affects the international economic position of other members.

Third. Members agree not to put restrictions on payments for imports, income to foreign investors, and on other current business. After the postwar transition, this provision will do away with the whole network of exchange controls by which, in many countries, any person who wishes to buy something from abroad must first get the government's permission. As long as there are such unnecessary restrictions, international trade cannot expand. It cannot become the means of getting higher levels of employment and greater productivity throughout the world.

Countries that now have exchange controls on current transactions must consult with the fund as to their progressive removal and could retain them only with the approval of the fund. Countries whose international payments must cover relief and reconstruction will be permitted to continue exchange controls during the postwar transition; but they must withdraw such restrictions as soon as they are able to balance their international payments without excessive use of the fund. Of the 44 countries that participated in the Conference, probably 34 would be in a position to remove all restrictions at once; the remaining 10, which have suffered from enemy occupation and enemy action, would need from two to five more years to remove all controls.

Finally, the fund will help countries maintain these fair-exchange practices by helping them at a time when there is pressure on the exchanges. The fund will have resources of $8,800,000,000 in gold and currencies to be used specifically for this purpose. With the assistance that the fund will provide, countries will have time to take the measures necessary to restore their international economic position without resorting to drastic measures of restriction which so frequently help spread depression. The aid given by the fund will be in limited amounts and under adequate safeguards.

The United States quota in the fund is $2,750,000,000, of which $688,000,000 will be paid in gold and $2,062,000,000 will be in a dollar deposit to the credit of the fund at the Federal Reserve bank. Other countries will subscribe $6,050,000,000, of which more than $1,100,000,000 will be in gold and $4,900,000,000 will be in their currencies.

It has been said that the fund will offer credit in a novel way, contrary to accepted credit principles. This is not the fact. We have used much the same method in our bilateral stabilization agreements, involving commitments of several hundred million dollars, without any loss. Actually, the fund has even more safeguards than we were able to employ in our bilateral arrangements. The comprehensive character of the provisions that safeguard the use of the fund and protect the value of its resources is too often overlooked. In brief, the safeguards are:

First. Each member must subscribe gold and its own currency, together in an amount equal to its quota. This subscription is returned to the member when it leaves the fund after meeting all its obligations. When a country buys foreign exchange from the fund it must put up additional amounts of its own currency equal to the value of the foreign exchange which it buys from the fund. Thus the fund always will hold currency equal to at least twice the amount owed by a country to the fund.

Second. The fund cannot lose from the depreciation of any currency. All of the currencies held by the fund will bear a gold value guaranty. In the event of depreciation of a currency, that country must pay an additional amount of currency to maintain the gold value of the fund's holdings.

Third. The fund can always sell the currencies it holds to members who have to pay for imports from these countries. The currencies held by the fund cannot be blocked and their use for the purposes of the fund cannot be restricted in any way. If a country withdraws from the fund, it must buy back any currency the fund holds in excess of its subscription and it must pay with gold or convertible exchange. Otherwise the fund can liquidate its holdings of the currency to reimburse itself. Except in case of repudiation, the fund takes no real risk of loss. A country that repudiates its obligations to the fund will become a financial and economic outcast.

Fourth. There are quantitative limits on the purchase of foreign exchange from the fund. The net amount of foreign exchange purchased by a country from the fund in a 1-year period may not exceed 25 percent of its quota, and in the aggregate, over any period, may not exceed its quota plus its gold subscription. Further purchases can be made only if the fund specifically waives these limitations and then only under conditions prescribed by the fund, which may include the deposit of appropriate collateral in addition to the country's currency.

Fifth. A country purchasing foreign exchange from the fund must use its gold and monetary reserves in equal amount if these reserves exceed its quota. There are also provisions requiring a country to repurchase its own currency from the fund as its gold and monetary reserves increase and exceed its quota. Thus, while the currencies held by the fund are constantly changing, the fund's resources tend to return to their original composition.

Sixth. The fund will not permit its resources to be used to support a currency if it believes that the exchange rate is untenable. Article XX, section 4 (b) states that the fund will not agree to a rate if "in its opinion the par value cannot be maintained without causing recourse to the fund on the part of that member or others on a scale prejudicial to the fund and to members."

Seventh. The fund will not begin exchange operations with a country that is not prepared to maintain stable and orderly exchange arrangements. Article XX, section 4 (i) states:

> The fund may postpone exchange transactions with any member if its circumstances are such that, in the opinion of the fund, they would lead to use of the resources of the fund in a manner contrary to the purposes of this agreement or prejudicial to the fund or the members.

Eighth. The fund's resources cannot be dissipated in a capital flight. Article VI, section 1 (a) states:

> A member may not make net use of the fund's resources to meet a large or sustained outflow of capital, and the fund may request a member to exercise controls to prevent such use of the resources of the fund.

Ninth. The fund can at any time limit or stop a country from using its resources contrary to the purposes of the fund. Article V, section 5 states:

> Whenever the fund is of the opinion that any member is using the resources of the fund in a manner contrary to the purposes of the fund, it shall present to the member a report setting forth the views of the fund and prescribing a suitable time for reply. After presenting such a report to a member, the fund may limit the use of its resources by the member. If no reply to the report is received from the member within the prescribed time, or if the reply received is unsatisfactory, the fund may continue to limit the member's use of the fund's resources or may, after giving reasonable notice to the member, declare it ineligible to use the resources of the fund.

Tenth. If a country acts contrary to the provisions of the fund on maintenance of the parity of its currency, on the termination of discriminatory currency practices, or acts contrary to any other provision of the agreement, the fund may declare the country ineligible to use the resources of the fund.

These safeguards—of the fund's resources and therefore of our own investment in the fund—reduce to a minimum the risks we would assume on becoming a member. No transaction involving international transfer of funds can be wholly without risk, but the protective features safeguarding the assets of the International Monetary Fund reduce the risk of loss to a minimum.

Another important safeguard deserves special emphasis. To discourage unnecessary use of the fund, a charge of three-fourths of 1 percent is imposed on all exchange transactions with the fund. If a country's purchases of foreign exchange raise the fund's holdings of its currency above its quota, the fund must levy additional charges on the excess. The rates charged will rise with the amount and the length of time the currency is held by the fund. When any charge reaches 4 percent, the fund and the country must consider means of reducing the fund's holdings of the member's currency. Unless a country's monetary reserves are less than half of its quota, all charges are payable in gold.

Having dealt at some length with the contention that the fund will involve a novel method of lending and that the fund's resources will not be adequately safeguarded, I now turn to other criticisms.

It has been alleged that the fund will not solve the British problem, that Britain will not be able to abolish her exchange controls immediately after the war. In this connection, it is suggested that the fund plan should be deferred and the United States should lend or give Britain three to five billion dollars.

But would a large gift or loan solve Britain's balance of payments problem? Britain's principal problem is one of organizing her foreign trade so that she will secure sufficient foreign exchange from her trade and other international business to pay for the imports which she must buy for her industries and to maintain adequate living standards. Britain can do this only if world trade is stabilized at a relatively high level. Britain's basic problem, therefore, is to obtain a fair share of an enlarged world trade.

The fund and bank will help Britain, and other countries, by expanding world trade. When we know more fully what the British balance of payments problem will be after the war we can consider the aid that Britain will need.

Another frequent criticism of the fund is that it will encourage exchange controls because it permits the control of capital movements and provides for the gradual removal of restrictions on current transactions during the transition period. Yet every expert witness before the Banking and Currency Committee testified that it would be impossible for some countries to lift all of their restrictions immediately after the war.

How can the fund be accused of encouraging exchange controls which some countries have to retain in any case? How can it be accused of encouraging exchange controls when it sets up the only feasible scheme for their gradual removal by all countries? On the contrary, the fund agreement requires countries to commit themselves now to remove as soon as possible all exchange restrictions on current business.

Much the same type of criticism is made with respect to the scarce currency provisions of the fund. Here again the fund deals with a difficult problem in a practical way. If dollars should become scarce because our exports persistently exceed our imports and foreign investments, countries would have to buy less than they want to. The fund provides that if countries do not have the means to pay for imports, because of the scarcity of a currency, they may limit exchange transactions, but no more than is necessary and for no longer than is necessary.

The fund cannot be the cause of a scarcity of a currency. In fact, it may prevent the scarcity, and it would certainly reduce the scarcity. Contrast the fund's method of dealing with a scarce-currency situation, if it should occur, with what would happen in the absence of the fund. The fund assures us that if the dollar should become scarce—and I believe that if we have good business it will not—every dollar available to other countries will be used for making payments in the United States.

Finally, the criticism has been made that the United States puts up nearly all the fund's good assets; that what other countries put up is little better than worthless paper.

As I have already pointed out, the other 43 countries will pay in more than $1,100,000,000 in gold and about $5,000,000,000 in their own currencies. To say that the Canadian dollar, the British pound, the franc, the peso, the guilder, and other currencies subscribed to the fund are without value is to ignore the fact that they are in wide demand in all of the exchange markets of the world. Ask any banker engaged in the business of buying and selling these currencies every day if he believes them to be worthless.

Mr. TAFT. Mr. President, will the Senator yield, or does he care to yield?

Mr. WAGNER. I asked in the beginning that I be permitted to finish my remarks first.

Mr. TAFT. Very well.

Mr. WAGNER. These and all the currencies in the fund meet the only practical test of their value—they can be used, without restriction or limitation, in making purchases and paying obligations in the country of issue.

So much for the fund mechanism and the criticisms that have been made against it. Some countries, particularly those that have been devastated by war, will require help of a sort the fund cannot provide. They will require long-term foreign capital to help rebuild and replace the vast amount of productive machinery and equipment that has been destroyed by war. Labor they have in plenty. But locomotives, steel rails, power generators, mining equipment, and agricultural machinery—these and many other items they will have to buy abroad.

The same is true of the economically backward countries. In order to become full participants in the benefits of an integrated world economy, they must look to their richer neighbors for productive capital. Before they can buy abroad, both the devastated and undeveloped countries will have to borrow abroad. The purpose of the International Bank is to make long-term foreign loans of this sort—the sort that will speed reconstruction and promote high levels of world trade—safe and attractive to private investors.

American investors took chances after the last war, and in the 1930's got caught in an epidemic of defaults. Although some investors, even without the bank, would purchase foreign securities offered in our markets, it will not be possible to secure the amounts needed unless something is done to minimize and share the risks of foreign lending. Our investors have learned from experience that they should know something about the credit standing of the borrower; that a loan is much more likely to be repaid if it is employed for productive purposes; and that the lender should have

means of checking up on the way in which his money is being used. Without these safeguards, foreign investment is little more than a speculation. The bank provides these safeguards.

No one expects the International Bank for Reconstruction and Development to handle all foreign investment or even a major portion of it. The role of the bank will be to pick up where private investment would otherwise leave off and, by guaranteeing loans that meet specified requirements, stimulate additional private international investment through established investment channels.

In performing this function the bank will operate substantially in the following manner. It will determine the soundness of a project for which its assistance is sought, particularly with respect to the effect of the project on a country's production and its ability to repay the loan. If satisfied on this point, it will secure the guarantee of the government or the central bank of the country in which the project is to be located. And finally, it will add its own guaranty to the borrower's securities which will be marketed through established channels.

The risks associated with loans sponsored by the bank, therefore, will fall not on the investors, nor even on any one country, but upon all member countries, and all countries in turn, will derive benefits from an expansion of international investment.

The bank will also make direct long-term loans for productive purposes. In some instances, the bank will serve as intermediary between leaders and borrowers, by selling its own securities and lending directly to the ultimate borrower. By this device the bank will be able to consolidate numerous demands for small amounts of capital and appeal to certain investors who might prefer the securities of the bank to those issued by a relatively unknown borrower.

In other instances, the bank may make direct loans out of its paid-in capital.

The total volume of such loans, however, will be limited to 20 percent of bank's subscribed capital. The standards for direct loans are the same as those for guaranteed loans. The projects to be financed must be productive; they must be endorsed by a member government; and the bank will have to be convinced that private capital is not available on reasonable terms even with its guaranty.

In a special class are the long term currency stabilization loans that the bank is authorized to make. However, these and all other loans and guaranties must have the consent of the country whose currency is involved. That is, both direct dollar loans made by the bank and guaranteed loans floated in this country must have the approval of the United States Government.

To give investors the greatest possible assurance, the bank's total commitment outstanding at any given time, whether of guarantees, participations, or direct loans, may not exceed 100 percent of the bank's unimpaired subscribed capital, reserves, and surplus.

This conservative lending arrangement is recognition of the fact that some loans will not be repaid in full. That is why this type of bank is needed. The risks of loss will be shared by all countries that subscribe to the bank. Even so, the loss will not fall wholly on the member governments. The bank will collect commissions of 1 to 1½ percent annually on the outstanding principal of the loans it guarantees or makes.

These commissions will be held as a special reserve to meet the obligations of the bank if a loan should be defaulted. If defaults cannot be met from accumulated reserves, the bank will call upon its capital, 80 percent of which is set aside as a surety fund for this purpose. Calls on capital to meet losses on dollar bonds are payable in gold or United States dollars.

The authorized capital of the International Bank for Reconstruction and Development will be $10,000,000,000, the subscribed capital $9,100,000,000. Of this amount, the United States will subscribe $3,175,000,000. Thus, two-thirds of the risk on foreign loans made through the bank will be borne by other countries.

The bill before us, in addition to authorizing the President to accept membership in the fund and bank, contains a number of provisions which will assure close cooperation between the fund and bank, and coordination of our policies in relation to international exchange and credit problems.

In section 3, for example, provision is made for the same person to act as governor for the United States on the fund and bank. Under articles of agreement, the United States is entitled to appoint a governor of the bank and a governor of the fund. This section, however, requires that the same person shall be appointed to both offices. The purpose of this provision is to bring about the closest possible cooperation between the two institutions on basic questions of policy.

The provisions of section 4 are also worthy of special notice. This section provides for a National Advisory Council on International Monetary and Financial Problems, to consist of five administrative officials who are most concerned with such matters. Through the council, there will be continuous communication and exchange of views between the United States representatives on the fund and bank, on the one hand, and the Congress and the administration, on the other.

Not only will the Council be able to coordinate the work of our representatives on the fund and bank, but it will be able to unify the policies of the Export-Import Bank and any other governmental operations relating to foreign lending or foreign exchange and monetary transactions. The Council will also give or withhold the consent or approval of the United States when this is required by the fund or bank.

The Council will report back to Congress every 6 months on the operations of the fund and bank. In addition, every 2 years, the Council will make a comprehensive report which will cover and include: The extent to which the fund and bank have achieved the purposes for which they were established; the extent to which the operations and policies of the fund and bank have adhered to, or departed from, the general policy directives formulated by the Council, and the Council's recommendations in connection therewith; the extent to which the operations and policies of the fund and bank have been coordinated; and the Council's recommendations in connection therewith; recommendations on whether the resources of the fund and bank should be increased or decreased; recommendations as to how the fund and bank may be made more effective; recommendations on any other necessary or desirable changes in the articles of agreement of the fund and bank or in this act; and an over-all appraisal of the extent to which the operations and policies of the fund and bank have served, and in the future may be expected to serve, the interests of the United States and the world in promoting sound international economic cooperation, and in furthering world security.

Section 5 is another important part of the proposed legislation. Of necessity, the articles of agreement do not specify when the rights reserved to the members are to be exercised by administrative officials and when they are to be exercised by legislative bodies. Section 5 prohibits the exercise, on behalf of the United States, of the most fundamental of these powers without specific authority from Congress. Those covered include increasing the participation of the United States in either the fund or the bank; changing the par value of the United States dollar; the making of governmental loans to the fund or the bank; and the acceptance of any amendments to the articles of agreement for either institution.

The committee made some minor amendments in H. R. 3314 as it was passed by the House. Section 6 of the House bill was deleted. This section provided that the par value of the United States dollar should be communicated to the fund as 15 5/21 grains of gold nine-tenths fine. In view of the fact that article IV, section 1, of the fund agreement provides that the par value of a currency may be expressed in terms of gold or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944, the committee concluded that this provision was unnecessary. Sections 12 and 13 of the bill are designed to secure a clear interpretation of the way in which the fund and the bank would operate.

To relieve the fund of pressure to use its resources for long-term purposes, it is intended that the bank should make loans for long-term stabilization when such loans are appropriate. Although the delegates who attended the Bretton Woods Conference were satisfied that the articles of agreement authorize the bank to make such loans, it was agreed that clarification of this point would be helpful. Accordingly, section 12 requires the United States representatives to obtain an official ruling from the bank on this point, and if it is contrary to our own understanding, an amendment to the articles of agreement will be proposed and supported by the United States. I do not believe an amendment will be necessary, but if one should be proposed, I have no doubt that it will be quickly accepted by other nations.

In a sense, section 13 is complementary to section 12. It defines the nature and scope of the fund's operation, as we think the Bretton Woods Conference intended they should be defined. But since there is at least the possibility of misinterpretation, the United States representatives on the fund are required to secure from the fund an interpretation of the articles of agreement. There is no doubt in my mind that the Bretton Woods Conference intended that use of the fund be limited to current monetary stabilization operations in connection with seasonal, cyclical, and emergency fluctuations in the balance of payments of any member on current transactions, as we think they should be. On the other hand, it was intended that the fund's resources should not be used for relief or reconstruction or to meet large or sustained capital outflows. Again, I do not believe that amendments will be necessary; nor if one is proposed do I have any doubt that it will be accepted by other nations. The interpretation we have expressed in this section conforms to the understanding of the delegates at the Bretton Woods Conference.

The committee amended this section of the bill to include the requirement that the American representatives also obtain an official interpretation from the fund as to whether its resources may be used by countries for armament purposes. There is no doubt that the fund will conclude that its resources cannot be so used, and this amendment to the bill has been approved by the committee out of an abundance of caution. In the event that the fund should take a different view, however, the United States representatives are required to propose and support a prohibitory amendment and the President is authorized and directed to accept it.

The committee added section 14, which affirms the objectives of resolution VII of the United Nations Monetary and Financial Conference.

The Conference recognized that other measures are necessary to help carry out the purposes of the fund. Accordingly, it recommended that the participating governments seek to reach agreement as soon as possible on ways and means of reducing obstacles to international trade. The committee felt that it would be appropriate for Congress to declare that to facilitate the work of the fund and bank international cooperation is necessary in reducing trade barriers.

The legislation before us will not only strengthen the Bretton Woods agreements, but will also assist immeasurably in achieving the mutual assistance and general understanding among nations that are so essential to the establishment of an enduring and prosperous peace. It provides for the participation of the United States in both the fund and bank, without amendment to the agreements and without reservations that would require a new conference.

Mr. President, I have been a member of legislative bodies for the greater part of the past 42 years. I have faith in their fair-mindedness, in their essential harmony with the spirit of the people. I put my faith in them, just as I put my faith in democracy.

During my 18 years as a Member of the Senate I have had the opportunity to study many bills, to weigh their importance, to gage their public support. Seldom in my experience have I observed a peacetime measure that has been so widely and fairly discussed or so insistently supported by the general public as the Bretton Woods proposals. And never have I submitted a bill to this body which I thought was more deserving or more likely to get its whole-hearted and nonpartisan approval.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from New York yield to the Senator from Ohio?

Mr. WAGNER. I yield.

Mr. TAFT. I wish, first, if I may, to call the Senator's attention to section 7 of the bill, appearing on pages 8 and 9. That section first transfers $1,800,000,000 of gold to the stabilization fund, although we are only required to put up $550,000,000 in gold. I wonder why we transfer three times the amount of gold that we are required to transfer.

Mr. WAGNER. The remainder is put up in dollars.

Mr. TAFT. I wonder why we put up three times the amount of gold we are required to put up? Why do we not put up the $550,000,000 in gold we are required to put up, instead of the extra $1,250,000,000?

Mr. WAGNER. Frankly, I do not understand just what the Senator is asking.

Mr. TAFT. On page 8, in line 14, the bill provides:

> The Secretary of the Treasury is directed to use $1,800,000,000 of the fund established in this section—

That is in section 10 of the stabilization law, and that is gold, all of it—

> to pay part of the subscription of the United States to the International Monetary Fund.

Under the provisions of the fund we have to pay only 20 percent of our $2,750,000,000 in gold, which is $550,000,000. Why do we put up over three times the amount of gold that we are required to put up instead of putting up currency, as we may? The Senator will find the provision on page 8, line 14

Mr. WAGNER. Yes; $550,000,000 in gold and the remainder in dollars.

Mr. TAFT. Yes; but we are only required to put up $550,000,000 in gold, and I wonder why we put up three times as much.

Mr. MURDOCK. Mr. President, if I may make an observation, while the Secretary of the Treasury is authorized to use $1,800,000,000 of the fund established in this section to pay a part of the subscription of the United States to the International Monetary Fund, it does not mean that the payment must be made exclusively, that is, for the full amount of $1,800,000,000, in gold.

Mr. TAFT. If the Senator from New York will yield further for a moment, all there is in this fund, as referred to in subsection (c) of section 10 of the Gold Reserve Act of 1934, is gold.

Mr. MURDOCK. Yes.

Mr. TAFT. And perhaps $100,000,000 or so of currency.

Mr. MURDOCK. Yes; and the Secretary of the Treasury can very well convert the gold into dollars by a transaction within the Treasury itself, and use whatever part is necessary to make up our gold contribution, and the remainder can be paid in dollars of any other United States currency, leaving whatever the difference is between the required amount of gold and the $1,800,000,000 gold in the stabilization fund in the Treasury of the United States.

Mr. TAFT. I have every respect for the Senator's opinion, but, as a matter of fact, the gold in the stabilization fund cannot be monetized under the present law. It must stay in the stabilization fund. It cannot be exchanged for dollars. Therefore, if money is to be taken out of the stabilization fund it can be only gold, and I wonder why we take three times the amount of gold we are required to put up. It is merely curiosity on my part.

Mr. MURDOCK. If the Senator from New York will yield, I will say that I have a great respect also for the opinion of the Senator from Ohio, but I must disagree with him in this instance. I am sure that what the proposal means is simply that whatever is necessary out of the stabilization fund to make our contribution in gold will be used. Whatever the difference is—that is the gold difference—will be retained in the Treasury, and as against that dollars issued for the amount of the difference to add to our contribution to the fund.

Mr. TAFT. The Senator from Utah will remember that when the dollar was devalued $2,000,000,000 the gold which was thereby rendered surplus was put aside in the stabilization fund, was taken out of the monetary system so that it could not be used to inflate currency, and it has so remained ever since, and it cannot be paid out. In my opinion—and I hope the Senator will check with the authorities and inform us tomorrow what his opinion is—it cannot be turned into dollars, and the gold taken back into the Treasury for monetary purposes.

Mr. MURDOCK. Under the law creating the stabilization fund it is within the discretion of the Secretary of the Treasury whether he maintains the fund in gold or in dollars of some other United States currency. That is in the law now. I think that if the able Senator will check the law creating the stabilization fund he will find that it is wholly within the discretion of the Secretary of the Treasury whether he holds it in gold dollars or in other lawful money of the United States.

Mr. TAFT. Then the answer of the Senator from New York is, I take it, that this $1,800,000,000 does not have to be paid in gold, and will not be paid in gold except to the extent required by the agreement? Is that the answer the Senator gives to my question?

Mr. WAGNER. Yes.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I thought the Senator from New York had the floor.

The PRESIDING OFFICER. The Senator from New York has the floor.

Mr. THOMAS of Oklahoma. I thought the Senator from New York had finished, Mr. President.

Mr. WAGNER. I have finished.

Mr. THOMAS of Oklahoma. Will the Senator from Ohio now yield?

Mr. TAFT. Yes.

Mr. THOMAS of Oklahoma. On the point which the Senator from Ohio raised, on the next page of the bill we find that the Secretary of the Treasury may use $4,125,000,000 of the proceeds of securities sold under the Second Liberty Bond Act. The said sum added to the $1,800,000,000 of gold makes up the total sum of our subscriptions to the two institutions—the fund and the bank. Under this bill the Secretary must use the entire $1,800,000,000 or else we will have to increase the amount of $4,125,000,000.

Mr. TAFT. That is correct.

Mr. THOMAS of Oklahoma. Because under the terms of the bill he uses $1,800,000,000 in gold, then $950,000,000 in dollars, to make up the contribution to the fund. Then the balance of $4,125,000,000 is used in dollars to make up our contribution to the bank. So unless the interpretation of the Senator from Ohio is correct, we must modify the law and give the Secretary of the Treasury the right to use more dollars.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURDOCK. If the sum of $4,125,000,000 mentioned at the top of page 9 is added to the $1,800,000,000 referred to on page 8 it will be found that the two amounts constitute our contribution to the fund and bank. But there is nothing in this measure or in any law that I know of which provides that the United States must make any larger contribution in gold than is agreed to under the Bretton Woods agreements, to wit, 25 percent of our quota.

Mr. TAFT. I should like to ask the Senator from New York another question regarding the same section. There seems to be no appropriation of this money. If we transferred the $1,800,000,000 from the fund the Secretary of the Treasury is authorized to pay into it $950,000,000 plus $4,125,000,000, and he is authorized to use that amount as a public-debt transaction. What does that mean? Is that an appropriation? What do the words "the Secretary of the Treasury is authorized to use" this money "as a public-debt transaction" mean?

Mr. WAGNER. The same method would be used as has been used in the case of the RFC, the Farm Mortgage Corporation, the United States Housing Administration, and the TVA.

Mr. TAFT. What is that method? What does the bill mean when it says that the Secretary of the Treasury "is authorized to use as a public-debt transaction not to exceed $4,125,000,000 of the proceeds of any securities hereafter issued under the Second Liberty Bond Act"?

Mr. WAGNER. We simply borrow it, as is done in the case of the other agencies.

Mr. TAFT. The Constitution provides that no money shall be drawn from the Treasury but in consequence of appropriations made by law. Is this an appropriation, or is not an appropriation? If it is, why is not that word used? Why say, "For the purpose of making these payments, the Secretary of the Treasury is authorized to use as a public-debt transaction," and so forth? Why not use the word "appropriation" if it is an appropriation? Is it an appropriation? That is what I should like to know.

Mr. THOMAS of Oklahoma. Mr. President, under the law the Secretary of the Treasury pays the interest on the national debt without an appropriation. He simply takes from what money is on hand whatever may be necessary to make the payments on the national debt, and pays it out. This proposal would follow the same system, without an appropriation by Congress.

Mr. TAFT. I cannot understand how that could be done constitutionally. I should like to have the Senator from New York answer my question if he can. I do not understand how, constitutionally, we can authorize the payment of $5,000,000,000 of American money out of the Treasury of the United States without an appropriation. It seems to me that if that be the fact, and the answer is that we cannot, we ought to appropriate the money, instead of employing ambiguous language about using something as a public debt transaction.

Mr. WAGNER. The Senator will recall that in the committee hearings we had the same discussion.

Mr. TAFT. Yes. I was not answered satisfactorily there, and I have not been answered satisfactorily on the floor.

Mr. WAGNER. On this question the Senator cannot be answered satisfactorily by any of us who are the proponents of the legislation; but we are using exactly the same methods that were used in connection with the Reconstruction Finance Corporation, the Farm Mortgage Corporation, the Home Owners' Loan Corporation, the Commodity Credit Corporation, and the TVA. The same methods would be used under the proposed legislation as have been used in connection with the other agencies.

Mr. TAFT. It is proposed to buy $6,000,000,000 worth of stock in a bank. It seems to me that if we want to get the money out of the Treasury to pay for that stock, we must appropriate it. I cannot understand why ambiguous language about public-debt transactions is used instead of saying that the money is to be appropriated. Can the Senator understand why it should not be done in that way, in accordance with the Constitution?

Mr. WAGNER. I have answered the Senator as best I could. Exactly the same method would be followed as has been followed in connection with a number of other agencies, on any number of occasions. We are following the same procedure which has been accepted by Congress on numerous occasions in connection with all the agencies which I have mentioned.

Mr. TAFT. I should like to ask the Senator a question in connection with some of the earlier remarks. I listened with interest to his explanation. He referred particularly to section 13, which provides for an interpretation of the bill, in effect, so that the fund cannot be used for anything except "current monetary stabilization operations to afford temporary assistance to members in connection with seasonal, cyclical, and emergency fluctuations." Will the Senator tell the Senate what he thinks "cyclical" means? How long a period can that be interpreted to mean, for the purpose of using the fund's resources?

Mr. WAGNER. That is another matter which we discussed before the committee.

Mr. TAFT. Yes; and I think it is important.

Mr. WAGNER. It refers to depressions. It may mean 1 year, 2 years, 3 years, or perhaps even 5 years.

Mr. TAFT. Would the Senator say that the word "cyclical" is confined to 3 years, and that this use of the fund could not be contemplated for longer than 3 years?

Mr. WAGNER. No; it is not confined to 3 years.

Mr. TAFT. How long would the Senator say the so-called temporary assistance would last? How long does he contemplate the loan being outstanding?

Mr. WAGNER. I cannot predict all these things. Sometimes depressions last longer than at other times. A depression may last as long as 5 years. I hope it would not last more than a year.

Mr. TAFT. Is it not true that Mr. White, the Under Secretary of the Treasury, testified that it might mean 9 years?

Mr. WAGNER. I do not recall that he went so far as that. I think he did speak about 5 years.

Mr. WHEELER. It might mean 20 years.

Mr. MURDOCK. If it lasted as long as the Hoover depression, it probably would last 10 years.

Mr. TAFT. In other words, in effect the Senator says that this may be a long-term loan. It seems to me that the word "cyclical" entirely kills the whole idea of temporary assistance, if it is to be interpreted as meaning 9, 10, or even 30 years, which has been the length of some cycles between depressions. I shall refer to the testimony later, but I am quite certain that the Under Secretary of the Treasury testified that "cyclical" might mean 9 years. If so, I wonder whether the chairman of the committee is prepared to state that it may mean 9 years, or whether he is willing to interpret it as meaning a shorter time.

Mr. WAGNER. I am not a clairvoyant. I cannot guess the length of time. The assistance would be temporary, and we are very hopeful that none may be needed, but I cannot say.

Mr. RADCLIFFE. Mr. President, it is contemplated that emergency calls, referred to here as "cyclical," might continue for several years, or even as long as 9 years as suggested. If so, there is a certain field to be covered. Of course, in the vast majority of cases, the assistance arising from loans from the fund would continue for only a short period, but in some cases—probably very few in number—it might continue for a longer time. In drafting the language of the bill it did not seem wise to attempt to fix any time limit for such loans, because if it is desirable that this service be rendered, it should be designed to take

care of even an extreme case. Except in very rare instances, no one contemplates that any such period of loan would last for more than a few years, and usually much less. But suppose it should; suppose there should be some extreme case when the length of the loan might extend beyond 3 years—perhaps even as much as 9 years. It is probably desirable that even such a situation should be covered in order to carry out the general purposes of the fund.

I think the Senator from Ohio is calling attention to something which is likely to happen only rarely. Of course, it would be entirely possible to fix an arbitrary limit of a certain number of years for these loans from the fund, but it seems to me that such limitation of time would tend more or less to defeat the purpose in mind as a proper function for the fund. In other words, if in a special case the period should extend for a long time, would it not be desirable to carry out the general purposes of the fund by making it applicable to such a case? Why not?

Mr. TAFT. My contention is that this fund of $2,750,000,000 is only another way to lend money all over the world. It is not a currency-stabilization fund at all.

As bearing on that question, if this is currency stabilization, it is a matter for a year or two. It is a matter for straightening out small balances. But if it is a 9-year proposition, and 9-year loans can be made out of the fund, it is nothing in the world but a general lending program. That is the reason why this question becomes important. I should like to read to the Senate the testimony of Mr. White, Under Secretary of the Treasury, and see if the chairman of the committee agrees. I read from page 531 of the hearings:

> Senator TAFT. What is the cycle?
>
> Mr. WHITE. There are 3-year cycles, there are 7-year cycles, and there are 9-year cycles. Within the major cycle you get other cycles which are subsidiary; are not the dominant cycles.

If that is also the view of the chairman of the committee, it seems to me obvious that this is a device not for currency stabilization, but for 9-year loans to any country which finds itself in currency trouble.

Mr. RADCLIFFE. Of course, the fund would ordinarily contemplate taking care of emergencies and seasonable difficulties only. Its use might stop there; and doubtless in the vast majority of cases that is where it would end. But in some cases situations which are referred to as cycles will arise, and they will extend beyond the normal period for a loan. It seems to me that it would be carrying out the spirit of the agreement if these exceptional needs are covered, bearing in mind the fact that they are likely to occur only very seldom.

Mr. TAFT. Let me call attention to the fact that when a country says, "We are having currency trouble," and when we loan it money on that basis, and when it is understood that the cycle may not come around for 9 years, in effect we are making it a 9-year loan.

Mr. RADCLIFFE. So we might, under some very unusual circumstances. But the question arises whether, if that were done occasionally, it would defeat the real purpose, which is contemplated by the fund and that is to help tide over special cases of financial distress.

Mr. TAFT. But do the Senator from Maryland and the Senator from New York agree substantially with Mr. White's interpretation of the word "cyclical"? Can we obtain an answer to that question?

Mr. RADCLIFFE. How long a cycle might last is purely a matter of speculation. It has been suggested that under some very unusual circumstances such a cycle might last 9 years. Probably it would.

Mr. TAFT. Nine years is a cycle, because it is recognized as a regular cycle of economic ups and downs. So it seems to me that if it applies in one case it might well apply in every case—namely, the understanding, at least, that if the cycle does not roll around again for 9 years, the borrower does not have to pay for 9 years. Of course, I agree that we cannot tell in advance.

Mr. RADCLIFFE. Let me illustrate: What is ordinarily contemplated is that if a crop fails, for instance, then there is a seasonal problem, but probably sometimes the need would go beyond the season, because the failure of a crop which is more or less a dominant crop or the failure of some particular industry which is highly essential in a community is likely to have injurious financial effects which might continue for several years. That need is what is what is ordinarily contemplated by the cyclical provision. In other words, the financial problem is not solved when the season is over, because there might be injurious financial effects which might continue beyond the season. Because some few loans might extend even as long as 9 years is no adequate justification to reject the entire plan for assistance.

Mr. TAFT. Mr. President, I am satisfied; I take it that the answer of the Senators in charge of the bill is that under this agreement, under some circumstances, at least, loans can be made which can last for 9 years and will not be expected to be paid back for 9 years. Is that a correct statement of the position of the Senators in charge of the bill?

Mr. WAGNER. Mr. President, I have said before that I am not a clairvoyant. I am hopeful there will be none, but they may last for 9 years.

Mr. TAFT. Does the Senator say he hopes they have no loans at all?

Mr. WAGNER. No depressions, I mean.

Mr. TAFT. So do I hope there will be no depressions. But what does that have to do with the cyclical loans out of a fund?

Mr. WAGNER. Because those will be the instances when we will temporarily aid a particular country, as a part of our international cooperation. I should think we would all be for that; we have been talking about the Charter, and certainly the fund and agreement are as important as the Charter, so far as helping unfortunate nations is concerned.

Mr. TAFT. Mr. President, passing to another question, let me say that the Senator referred to the British problem during his interesting address. In the first place he asked who can question the value of the sterling paper pounds that are to be put into this fund.

Mr. WAGNER. And I also referred to the Canadian dollar.

Mr. TAFT. I admit that the Canadian dollar is perfectly good. But is not the Senator aware of the fact that there are some $15,000,000,000 worth of sterling paper pounds scattered around the world that cannot be used for any purpose today, that have no value in the way of purchasing power?

Mr. WAGNER. All I know is that sterling is currently used in trade.

Mr. TAFT. But certainly the Senator has heard of the talk of freezing sterling balances. That means that although India has $5,000,000,000 worth of this sterling paper, the British will not let them use it for anything. They cannot translate it into sterling dollars. They can use a limited amount of it to buy things in Great Britain, but there is now not so much that can be purchased in Great Britain. So I cannot see how the Senator can say that in the international field the sterling paper pound is of any value today. The British themselves do not recognize it as such.

Mr. WAGNER. On the basis of what I have been told by the bankers to whom I have talked, I still think the sterling pound is a very sound investment.

Mr. TAFT. The Senator went on to say that so far as the British pound is concerned, we should go ahead with this fund and this bank, and then later we should consider the British problem. I wonder just what the Senator has in mind. Does he contemplate that after we have done this we shall then sit down with England and loan them or give them, as he suggested, another $3,000,000,000, in addition to the fund and the bank? What is the Senator's idea of our method of future dealing with the British problems?

Mr. WAGNER. I cannot tell until we have a meeting of all concerned and discover what their current situation is. I have heard rumors that we are going to loan Great Britain $6,000,000,000, as someone said. However, I know nothing about that, and I do not think it is true.

Mr. TAFT. The Senator certainly heard the testimony in the committee both of Mr. Williams, in open session, and of Mr. White, in executive session. Mr. Williams, as I remember, suggested that if we were going to solve the British problem, if we were going to get the British to remove any of the exchange restrictions which are supposed to be removed under the fund, we would have to lend them or give them $3,000,000,000, in order to help them solve their whole world problem of $15,000,000,000 of blocked sterling which would have to be funded, and a lot of other things. Is that the kind of help for England the Senator contemplates after we get through giving the $6,000,000,000?

Mr. WAGNER. I do not know. We shall have to find out. Mr. Williams said

we should loan them money, but that country has not asked for loans.

Mr. TAFT. I notice that the House of Representatives passed, last week, an Export-Import bank bill providing for $3,000,000,000 in foreign loans, in addition to this $6,000,000,000; and the Senator from New York, as chairman of the Senate Committee on Banking and Currency, has called a meeting of the committee tomorrow to consider it.

Mr. WAGNER. Yes.

Mr. TAFT. Is that a part of the British aid which is to be used?

Mr. WAGNER. I do not know.

Mr. TAFT. Is it also true that $1,000,000,000 of it is for immediate aid to Russia, as a loan to Russia?

Mr. WAGNER. I have inquired about that, and I am told it is not so.

Mr. TAFT. The Senator says it is not so; does he?

Mr. WAGNER. Some of the representatives of the newspapers have asked me about that. They said they heard we had committed ourselves to such a loan. I made inquiry, and there is no such commitment.

Mr. TAFT. I notice that the amount of the bill was $2,200,000,000 for a long time, but now it is $3,000,000,000. I was told on what I regard as reputable authority that $1,000,000,000 was added as a loan to Russia, entirely aside from the International Fund or Bank.

Mr. WAGNER. We will hear Mr. Crowley tomorrow, and he will tell us.

Mr. TAFT. The Senator is not advised about that; is that correct?

Mr. WAGNER. I said that I have inquired whether Russia is asking for a loan of $1,000,000,000, and the answer is, "No." That is all I can tell the Senator.

Mr. BREWSTER. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. BREWSTER. I was told by Mr. Crowley that it was expected that the arrangement with France for an advance of approximately $2,750,000,000 would in substantial measure be taken care of by the Export-Import Bank. So if that existing understanding, which I think was signed about 2 months ago, is carried out, that alone would almost exhaust the present increase in the Export-Import Bank's funds. Undoubtedly Mr. Crowley will clarify that matter tomorrow.

Mr. TAFT. I was interested in the remark of the Senator from New York during the course of his speech that after we get through with this fund, we can then deal with the English situation, when we have a trade agreement. Let me point out that the testimony in the committee is—and it comes from a man whom I thought best advised on the British situation—that perhaps a somewhat conservative estimate is that it will take $3,000,000,000 if we want to put Britain on such a basis that she can get going and can remove restrictions, because it is frankly admitted that so far as the funds in bank are concerned, there will not be sufficient money there, for Britain, to enable her to remove the restrictions; and Britain is to be precisely authorized to continue all her exchange restrictions, all her restrictions in the sterling area, all the prohibitions which prevent us today from selling one dollar's worth of goods to India, and which enable us to sell only a very limited amount of goods to Egypt. It is admitted that those restrictions cannot be removed by the bank and fund. If we want to attain the objective of removing those restrictions, we shall have to loan more money.

I am interested in the Senator's suggestion that we must deal with the British situation later. Is the Senator thinking of an additional $3,000,000,000 loan to England after the $6,000,000,000 and after the increase of $3,000,000,000 in the funds of the Export-Import Bank—the last two totaling $9,000,000,000? Is the Senator thinking that we shall have to add an additional $3,000,000,000 as a further loan, making a total og $12,000,000,000? Can the senator tell me what he meant by the suggestion that we are going to deal with the English situation?

Mr. WAGNER. We deal with all situations. I do not know whether England will ask for any loan. If she does, we will have to consider it. The fund or the bank will have to consider a request for any loan which England may make. However, as I have said, England, so far, has not asked for anything. I am not sure that she will need anything.

Mr. TAFT. I have been told, and it was widely circulated, that at Quebec England was promised $3,000,000,000 worth of reconstruction goods following the war. I believe that with respect to our Government a compliance with the terms of that agreement is now being insisted upon by England. I do not know whether it is true, but it is a well-authenticated story.

Mr. WAGNER. All I can say to the Senator from Ohio is that up to the present time no commitment has been made by our Government. I do not know whether a request has been made or not.

Mr. TAFT. I do not know whether the memorandum which was initialed by our former President at Quebec is one which can be insisted upon or not. It seems to me that it is a question in dispute.

Mr. WHEELER. Mr. President, it seems to me that we should know that it is proposed to establish a fund which will require contributions from the United States to the extent of approximately $6,000,000,000. The fund will be used for the purpose of stabilizing currencies of the world. At least, it is being understood from one end of the country to the other that the money will stabilize currencies. From what I know of what is taking place in Europe today, we will not be able to stabilize the currencies of Europe with $6,000,000,000. However, it seems to me that we should know whether or not $6,000,000,000 will be the only money which we shall be called upon to contribute. We should know whether in addition to being asked to contribute lend-lease money for the purpose of enabling foreign countries to stabilize their currencies, we shall be asked to make loans of so much to Russia, so much to England, so much to Japan, and so forth. If we are going to do anything like that, the people of the United States should know how much we will give to such foreign countries.

When we talk about stabilizing the currencies of some countries I may say that I happen to have in my pocket a billion dollar piece of paper representing Greek drachmas. Anyone who has been in Europe knows that today the American boys are being cheated because of the way the money there is being stabilized. I refer to the value of the French franc in comparison with that of the American dollar. The French franc has been fixed at a value of 2 cents in American money, and some of our boys go on the black market and buy from 400 to 600 francs, for example. American boys also can buy Italian lire. I wish someone would tell me how we can stabilize the currencies of Europe, especially those countries which have no gold.

Mr. TAFT. The Senator from Montana has stated one of the real objections which many of us have to the fund.

The Senator from New York has emphasized the currency difficulties of the 1920's and the 1930's. The currency difficulties represent a situation which is only on the surface. It is the economic difficulties of these countries which must be solved. That is why I contend that the fund is entirely premature. Unless we get the economic difficulties straightened out we cannot possibly establish a stabilization fund of one-quarter the size of the proposed $8,800,000,000, and arrive at any satisfactory result. It is proposed that by establishing the fund the financial problems of the world will be solved. However, under present conditions we cannot solve currency troubles without creating other troubles.

Mr. WHEELER. Mr. President, I agree entirely with what the Senator from Ohio has said with reference to the stabilization of currency. It will be impossible to stabilize the currency of any country on the face of the earth until the economic situation of that country is such that its money contains some gold or something of value. The Senator from New York referred to Germany and Japan. As a matter of fact, Russia's currency was absolutely worthless at one time. In 1923 I was in Russia. It required a bushel basket to carry around money of any value. It was practically worthless.

I am in sympathy with the purposes of this proposal, but when anyone says that we can stabilize the currencies of the world with $6,000,000,000, when world conditions are as they are today, I say that he is mistaken. We cannot stabilize the currencies of China at the present time. It is a physical impossibility. Any one who has any practical knowledge of the situation existing in the Orient or in Europe will agree that we cannot stabilize the currencies of those countries until they get back on their feet. To say otherwise is to mislead the American people

If the terms of the pending measure are put into effect we will waste the money which we contribute to the venture. At the same time, we will not be stabilizing currencies, because they cannot be stabilized. Great Britain is not going to stabilize her currency at the present time. In other words, she is not going to do away with restrictions.

Mr. TAFT. Mr. President, I should like to ask the Senator from New York one more question. During the course of his remarks he said that in guaranteeing foreign investments the bank would only supplement private enterprise and private loans, that most of the foreign investment was to be done outside the bank. I wonder how much foreign investment the Senator feels we should encourage in this country. In the 1920's our foreign investments amounted to much less than a billion dollars a year. I wonder if the Senator from New York agrees with the House committee that we should have annual foreign investments of $3,000,000,000 outside or inside the bank. Does the Senator care to state the scale or scope of the foreign investments which he thinks will be desirable in the future?

Mr. WAGNER. That is another point upon which I cannot speak exactly until we have had a certain amount of experience in the field.

Mr. TAFT. Does the Senator regard foreign investments merely as a help for people of foreign countries, and not for the benefit of the United States?

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I have asked a question of the Senator from New York.

Mr. BARKLEY. I merely wish to make a brief comment.

Last week I understood the Senator from Ohio to state that the loans which would be made under the bank arrangement would be guaranteed by the Government of the United States. If I misunderstood the Senator, then I am wrong. Of course, the Senator knows that the loans are not to be guaranteed by the Government of the United States or by any other government. The bank itself undertakes to guarantee certain loans, but it may guarantee only as much as would be required plus the loan which is made in order to make up the capital of $10,000,000,000 and the surplus from any undivided profits.

Mr. TAFT. Last week I stated that any country which desired to obtain money could go to the bank and borrow the necessary funds, then sell its securities on the market to the extent of $10,000,000,000. We shall have become a stockholder in the bank. If we prevent our investment from being wiped out it will be necessary to make good on all the securities which the other government owes, for which they are not able to come across with dollars, and most of them are not able to come across in dollars.

Mr. BARKLEY. There is no provision in the agreements as to the bank or the fund that even squints at such a guaranty as that or such an expenditure. When we put up $3,175,000,000 as our share of the subscription to the bank, that is the end of it so far as the United States is concerned, and that is true of all the other nations.

Mr. TAFT. If $9,000,000,000 is to guarantee securities which are sold in this country and they are defaulted and we have a general depression such as that in the thirties, the United States Government is going to be morally responsible to make good that guaranty if the other nations do not come across, and we will in some way make good that guaranty to our own investors whom we have led and encouraged to put their money into foreign investments where they otherwise would not have put it except for the sponsorship of the Government of the United States.

Mr. BARKLEY. I do not agree with the Senator from Ohio. In the first place, there is no moral obligation on the part of the Government of the United States to guarantee loans by the bank itself. Furthermore, in regard to a promiscuous sale of securities in the United States, we now have what we did not have in the twenties, namely, a securities and exchange law and a Securities and Exchange Commission which must pass upon the eligibility of loans to be floated or securities to be floated in the United States.

Mr. TAFT. The Senator, I think, does not state correctly, the law regarding the Securities and Exchange Commission, because we inquired into it when we had up the question of the repeal of the Johnson Act, and we were told that all they can do is require the foreign government or the foreign corporation to file a statement of their own as to what the facts are. They do not pass on the eligibility of loans or securities at all. All they do is to state the facts, and then the securities can be sold throughout the United States regardless of their excellence or their soundness or anything else.

Mr. BARKLEY. We do have the surveillance and the watchfulness of the Securities and Exchange Commission, which we did not have in the 1920's, and the securities which were then repudiated were not sold or guaranteed by the Government of the United States. It was the banks of the United States that undertook to put on a great sales propaganda for foreign securities. The Government of the United States did not do it except in a very indirect way, when some high officer of the Treasury Department undertook to say that the securities were sound. That, however, was not the Government of the United States. Undoubtedly it had some moral influence in inducing Americans to buy such securities, but I hope that day is over.

Mr. TAFT. I hope so, too, only this time it is to be done in a much worse way because this time the money of the taxpayers is put behind these guarantees.

Mr. BARKLEY. We do not do anything of the sort.

Mr. TAFT. This time the United States is the largest stockholder in the International Bank, and it says "this is something we guarantee; here is an investment we guarantee."

Mr. BARKLEY. No.

Mr. TAFT. It was testified in the committee that such loans could be sold in this country probably on a 3-percent basis because of this particular guarantee.

Mr. BARKLEY. There is no guarantee of any of these loans or any of these securities except to the extent of the $10,000,000,000 capital of the bank, and there is neither legal nor moral obligation upon the part of the Government as such to pay any losses which might occur beyond its subscription to the bank caiptal. If the Senator is a stockholder in a bank in Cincinnati, he is under no moral or legal obligation beyond his own subscription to the bank stock to make up any losses that may occur to the bank. The fact that he has subscribed does not put him under any obligation beyond his subscription.

Mr. TAFT. I do not think the Senator can dispute the fact that these securities are guaranteed by the International Bank in which the United States Government is the largest stockholder, in which its representative votes 35 percent of the voting power, and when it is held out to investors in this country "Here is an investment that we would like you to make," I say that there is a moral obligation on the Government to pay those debts if the other government does not pay them. I do not say it is a legal obligation, and never asserted it was a legal obligation. In the twenties goodness knows we had a bad enough experience with private lending, but after the money was lost it was lost by the banks and the investors. This time, however, any loss which occurs in this enterprise that we encourage is going to be the loss of the taxpayers of the United States.

Mr. MURDOCK. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Utah?

Mr. TAFT. I yield.

Mr. MURDOCK. I think the Senator can find his answer, if he is interested in an answer, in the Bretton Woods agreement itself on page 65, section 9, which reads as follows:

> Warning to be placed on securities. Every security guaranteed or issued by the bank shall bear on its face a conspicuous statement to the effect that it is not an obligation of any government unless expressly stated on the security.

Mr. TAFT. Yes; and we have such provisions in our blue-sky laws and we put them in the Securities and Exchange Act, and when the securities are sold the people know they have been approved by the Government agency and been approved by the American representative of the bank and they are sold on that basis. That is why they are going to be sold at 3 percent, instead of 5 or 6 or 7 percent which foreign securities probably will carry in the outside market. I should like to make this clear and to correct, if I may, the Senator from Kentucky. Under the Securities and Exchange Act there is no passing on whether these loans are good or bad. If a loan comes in and it is filed and the facts are filed and there is the guaranty of the International Bank, those securities can be sold. The Securities and Exchange Commission cannot stop their sale.

Mr. BARKLEY. These are entirely different securities. The Securities and Exchange Commission does not guarantee any loan or any security, whether of a private utility or a railroad, or any kind of bonds. All the Securities and Exchange Commission is required under the law to do is to make information available so that those who want to invest their money in stocks and securities

can find the information and make up their own minds as to their safety and soundness.

The situation in regard to these obligations is no different from that which prevails in regard to all other obligations and securities about which the Exchange Commission is supposed to obtain and file information. There is nothing strange about this, nothing different from any other obligations which the Commission surveys and keeps records of, so that the public may make up their minds as to the securities. There is no single security that can be placed on sale unless the Securities and Exchange Commission is informed, but that in no way guarantees the investment is sound or the security is safe.

Mr. TAFT. I may have misunderstood the Senator. I understood him to say that the Securities and Exchange Commission might pass on the eligibility of these loans.

Mr. BARKLEY. No; these foreign loans, whether made by this bank or any other institution, are all under the same general surveillance, if that is the proper word, of the Securities and Exchange Commission. All we have seen fit to do is to provide a forum or an institution from which the public can ascertain for itself the conditions that surround the issue of the securities, and then they can make up their own minds as to whether they want to invest in them; but there is no guaranty by the Government.

Mr. TAFT. When last month the Finance Committee considered the bill to repeal the Johnson Act, which prohibits loans to any governments that are in default of its obligations, the reason the Finance Committee did not report it was that, while they felt we ought to repeal the Johnson Act and permit England and France and their municipalities to sell their securities in this country, they did not wish to take action which might result in a repetition of what occurred in the twenties. That is the reason the bill was held up and is still in the committee.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. THOMAS of Oklahoma. I am not a member of the committee which reported the bill, and I should like to have the Senator's opinion with respect to two points. I should like to know, first, whether I am correct in my understanding that the fund is to be set up, created and to be managed for the purpose of stabilizing the currencies which are used in international exchange. Is that correct?

Mr. TAFT. The purpose of the fund is to stabilize currencies, and remove currency and exchange restrictions, especially those of a discriminatory kind. I think that is stated to be the purpose of the fund.

Mr. THOMAS of Oklahoma. That was my understanding. The second question is this: The United States has now over $20,000,000,000 of gold. We have a definite, fixed content for the American dollar. The fixed gold content is 15 and 5/21 grains of gold nine-tenths fine. Is it not a fact that this country has already stabilized its dollar, and there is no occasion for any fund to help us keep our dollar on a stabilized basis?

Mr. TAFT. The Senator is entirely correct. Ours is almost the only stable currency in the world.

Mr. THOMAS of Oklahoma. It is the only one that has a fixed gold content. Is it not a fact, next, that this fund, the monetary fund, is set up for one purpose, and one purpose only, not to help the United States, because we have our money stabilized, but to help the other countries outside of the United States? Is that correct?

Mr. TAFT. I think that is correct. Of course, as the Senator knows, the argument is that if we stabilize other currencies international trade in general will increase, and we will benefit indirectly.

Mr. THOMAS of Oklahoma. That is the purpose of the fund, and I think all are in agreement that that is the purpose.

Mr. TAFT. If the fund could accomplish its purpose, I would be for it, in spite of the fact that our dollar does not need to be stabilized.

Mr. THOMAS of Oklahoma. I think all Americans are in favor of the purpose of the fund. The only question is whether or not it is now timely.

There is another point, with respect to the bank. The bank is intended, I understand, to make loans to countries which are in need of money. The United States, our own people, do not need the bank. We have the RFC, which has ample funds, and if it needs more funds, we can give it additional funds. There are approximately 15,000 banks in the United States; and those banks are full of money, so to speak. Therefore, so far as we are concerned, so far as our people are concerned, so far as our municipalities and States and other subdivisions of government are concerned, we do not need the fund in order to help our own people. The fact is that the only purpose of the bank is to make loans to other nations which may be in need of money.

Mr. TAFT. Under article XIV, every country is given the right not to stabilize, and the net result will be a large number of little loans to many countries who are members of the fund.

Mr. THOMAS of Oklahoma. Will the Senator from Ohio further yield?

Mr. TAFT. I yield.

Mr. THOMAS of Oklahoma. Then, if my understanding is correct, the bill proposes to enable the President to accept membership in these two institutions, one the fund, the other the bank, not for the purpose of helping our ownselves, except indirectly by helping the other countries, so that in turn they can help us by expanding what may be termed "sound trade." The fund and the bank are for the specific purpose of helping the other peoples of the world.

Now my question is: Is it timely to take this step at this time? After World War I, which ended November 11, 1918, the United States took until 1926 even to consider the question of stabilization. During Mr. Coolidge's administration, during the so-called era of general prosperity—and everybody agrees it was such an era—1926 was considered as the period in computing values, which might be used as a basis of stabilization. So in that year the administration in power took the average price of every commodity during such year and considered it as a base price, and on that base price established a price level of 100 percent. The year 1926 was the first time the administration sought to establish what might be termed "stabilized prices," and they were based on the average price of 1926. That was 8 years after the First World War was over.

Mr. President, the present war is not yet over. In the First World War the largest national debt we had was $26,000,000,000. Now we have a debt of upward of $300,000,000,000. If the war should last a year or two longer, it will be much more. The only question which troubles me now is whether or not we are ready at this time to consider the matter of stabilization not only in the currencies of other nations but even the currency of our own nation.

The par value of our dollars is 15 5/21 grains. The actual value in terms of property of our dollar now is approximately 94 cents, on the 1926 basis. The question is, Are we ready now to say to the people of this country and of the world that the 100-percent basis established in 1926 should be the basis and will be the basis after this war is over?

I am not ready to answer that question. I cannot answer that question until the war is over and we can find out how much debt we will have to pay, how much interest on that debt we will have to pay, and how much we will have to pay in the form of an annual budget.

So far as I can understand and learn, the best estimate of the budget to be raised after the war is over will be at least $25,000,000,000 a year. Twenty-five billion dollars a year must be raised by the taxpayers of America after the war is over if it shall be concluded in a reasonable time, to take care of the debt, to take care of the Army and the Navy, to take care of the soldiers, and to keep this country a going concern. It may be more. I hope it will be less.

Are we now ready to say that we will keep the dollar on a stabilized basis with a value of 15 5/21 grains of gold nine-tenths fine after the war is over? Who can say now? I question the timeliness of the proposal before us so far as the fund is concerned.

Mr. TAFT. I entirely agree with the Senator, and I call his attention to the final recommendation of the minority of the committee:

> Our own view, however, is that the consideration of both the bank and the fund should be postponed until a general international economic conference is held, in which the whole economic condition of the world can be considered, and practical steps proposed to achieve freedom of international trade. If such a conference is held, we doubt whether either the International Bank or the International Fund will find a place in any permanent practical solution.

Whether they will or not, the motion I intend to make, when the debate shall have proceeded and amendments proposed shall have been considered, will be for the postponement of the considera-

tion of the fund and the bank until we have gotten closer to a stable condition in the world, when this kind of permanent arrangement may be effected, because both the proposals are for wholly permanent policies. Neither of them is to take care of an emergenecy situation. Neither of them is proposed to deal with the present emergency situation. Neither of them is adequate to deal with the present emergency situation.

Unless we can help foreign countries to balance their international budgets, so to speak, in exports and imports, which must be done befcre they can possibly stabilize their currencies, we will not reach the time when we should undertake a stabilization fund. When that time is reached, I say the fund can certainly be much smaller than that now proposed, and still accomplish the limited purpose a stabilization fund should accomplish.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator from Ohio, of course, realizes that if a motion such as that he has indicated should succeed, it would be tantamount to complete defeat of the proposed legislation and of the agreements, because the agreements provide that the nations which accept them must file their acceptances by the 31st of December 1945.

Mr. TAFT. I should like to suggest to the Senator that there would be no difficulty in our Government getting every nation to extend its acceptance for another 2 years. Here is something which benefits every country in the world. They can get some money, and they are not going to object to extending the time. I say postponement would not be equivalent to the defeat of the agreements. I would hope it might be, but it would not. As a matter of fact, if I were the Secretary of State or the Secretary of the Treasury and were to attend the International Peace Conference, at which we are going to try to settle the peace of the world and the boundaries of the world, I should want this $6,000,000,000 as a bargaining weapon, if for no other purpose. Under the proposal we will just give the money to the other nations. They will get the $6,000,000,000 for nothing, and then when we undertake to ask them to do something, they will have gotten the money, and we will not be able to use it in any way to obtain those things which may be essential if we are to put the world on a peaceable basis. The proposal can be put off for a year, and it could be considered at that time, when conditions would be permanent. Postponement would not be equivalent to defeat. It is the commonsense thing to do, and the course which would be followed by any government which desired to take an over-all view of the situation.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. What type of loan or relief is contemplated in the bank itself under the Bretton Woods agreement? What type of loan is made? After the Senator has answered that question, I should like to ask: Is there any difference between that type of loan and the loan which can be made under the Import-Export Bank as it now stands?

Mr. TAFT. No, Mr. President, I would say there is no distinction between the kind of loan that can be made by the International Bank and the kind of loan that can be made by the Import-Export Bank, except that in the case of the International Bank it is intended to be done usually in the form of a currency. In the case of the Import-Export Bank it has more the connotation of a loan to American exporters, by financing exports, and also in direct loans to governments. But so far as the legal situation is concerned, I think they are the same.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MILLIKIN. Is there not an additional distinction? In respect to the Import-Export Bank we have control over the question as to whom we shall make the loan, whereas under the proposed bank we have a minority interest in saying as to who shall receive the loans.

Mr. TAFT. Yes, the Senator from Colorado is entirely correct. In the Import-Export Bank we decide whether we make the loan or not. We decide all the conditions we insist upon making in the case of a country to which we make the loan. We insist that the country do certain things to stabilize its currency. We insist that the country do certain things to balance its budget. We insist that it do something which will make the loan good. But in the case of the proposed International Bank we have 1 director out of 12, if you please. He has about 35 percent of the voting power, but he is only one man. Of course, if he is ganged up on by six or seven of the directors they are likely to persuade the others who are friendly. The fact that we have only one director, even though he has 35 percent of the voting power—the fact that he is one man by himself is a considerable weakness.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Ohio yield to the Senator from Kentucky?

Mr. TAFT. I yield.

Mr. BARKLEY. Would the Senator be in favor of increasing our subscription to the bank up to 51 percent so we would have a majority of the voting power?

Mr. TAFT. I think we might as well. I think we are responsible anyway. The bank is only as good as our credit, and no better.

Mr. BARKLEY. The Senator knows that nobody who is a subscriber to a bank, private or any kind, has a majority of the voting power unless he has a majority of the voting stock, and it seems futile to complain that the United States has only 35 percent of the voting power when it has only that percentage of the stock.

Mr. TAFT. The answer is, if the Senator please, that this is a peculiar bank, because instead of making countries pay real money in they can put in paper currency. All that Greece has to do is to print a lot of drachmas and put them in the bank. They are not worth anything. If we had voting power commensurate with the values put in the bank we would have the majority of the voting power. In the fund, out of $8,800,000,000 we put in $2,750,000,000, but the good assets in the fund, after we have the gold, after we have the currencies which really can be cashed in the international market, are not as much as $5,500,000,000. We have more than one-half the real assets in the fund, and more than half the real assets in the bank. Yet our voting power is 35 percent in one and 30 percent or so in the other. In the fund it varies from 37 to 34 percent, according to whether the dollars are drawn out or not.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. My distinguished friend the Senator from Ohio, my colleague on the Republican side of the aisle, is raising objection to the fund and the bank by his questions here this afternoon, as it is his duty to do under his convictions, and I know they represent his real convictions.

The last point the Senator from Ohio has raised before this body is his purpose to offer an amendment to have the application of the fund and the bank postponed until some time in future. That suggestion was made before the Committee on Banking and Currency. It has been made by various critics of the fund and the bank throughout the country, through the press and over the radio, and I address myself now very briefly to answering that from my standpoint and my point of understanding.

This proposal is unsound. It would have us postpone the adoption of measures designed to deal with a serious international problem until after the problem had somehow solved itself.

We have a unique opportunity for reaching an agreement now on postwar international monetary policy. It is important that the cooperation which the United Nations have achieved in fighting this war should be carried over to the problems of peace. It is dangerous from the point of view of political, social, and economic conditions to wait before dealing with postwar international economic problems. There is real danger of a break-down in international monetary relations soon after the war. We make it sure that if we do nothing during the next 5 years we will in fact have done everything to encourage and to perpetuate disorder and chaos in international economic relations with all of their dangerous implications for the prosperity of this country and for the peace of the world.

We cannot, in fact, wait until there is political, social, and economic stability to establish an international monetary fund. If we do nothing to achieve orderly and stable exchange arrangements, countries will be forced in the next 5 years to adopt measures that perpetuate and intensify the state control over the

balance of payments required during the war.

Under the fund countries agree now to establish stable and orderly exchange rates and to remove progressively present restrictions on current international transactions. Having established these principles the fund must be prepared to help countries in attaining and maintaining them. The real risk is not that our subscription to the fund will be lost. The great risk is that we will do nothing and thus allow a deterioration in international economic relations. Such a deterioration would compel countries to take extreme measures that will destroy free enterprise in international economic relations.

Currency stabilization must not be delayed. By helping countries to stabilize their currencies we help restore political, social, and economic stability. The fund and the bank cannot by themselves solve all the international economic problems. But they deal with some of the more urgent problems and they make easier the task of dealing with the remaining problems.

Now on this matter of postponement. Here we stand in the Senate Banking and Currency Committee where lengthy hearings were held. Who comes out for postponement of the fund? I will tell the Senate. Out of 12 Federal Reserve banks in this country only one asked for postponement of the fund. That was the Federal Reserve Bank of New York, represented by its president, Mr. Sproul. The other Federal Reserve banks were in favor of putting the fund into operation now.

Come the Philadelphia banks as a unit and ask that operation of the fund begin now.

Comes the Independent Bankers' Association and asks that the fund begin operations now.

Comes Mr. Edward E. Brown, chairman of the board of the First National Bank, of Chicago, who gives a strong illustration of how direful will be its consequences if we do not act now.

Come representatives of the Federated Women's Clubs, the National League of Women's Voters, the American Association of University Women, and other organizations who say, "Do it now."

Then comes in the professor of banking at Harvard University, the man to whom Franklin D. Roosevelt turned in 1934 during the gold crisis, Oliver Sprague, and he said, "Do it now."

Then when Mr. Sproul, president of the Federal Reserve Bank of New York, appeared before the committee I asked him:

> Question. Do you know Oliver Sprague?
> Answer. I do.
> Question. Is he a fly-by-night, run-of-the-mill financial authority?
> Answer. Oh, no; he is an eminent authority.
> Question. All right, sir. You advocate postponement, Mr. Sproul. Listen to Oliver Sprague.

And I read three paragraphs from Sprague's communication demanding earnestly and conscientiously that we do it now.

So much for eminent authorities in this country.

Now coming to this fund which is proposed to be established, and the bank also. You can take any plan devised by man for a fund or for a bank, and you can examine it with a microscope, or with the infra-red ray, and you can point to objections beyond question. But the great thing is to forget little technical details after all. What is the great main objective of this thing? Here it is: I saw it in Bretton Woods, when standing on the hills of New Hampshire, my own State. I saw it when talking under the shadow of our Mount Washington with members of the Chinese delegation, the Soviet delegation, the delegation from the United Kingdom, with the delegates from India, with the delegates from Brazil, and with delegates from nearly every other nation of the world. I saw in the hearts of those men the yearning and the hunger that something be done to remove chaos in the world. The agreements for the bank and fund were brought before us for extensive consideration and debate and finally the delegates from 44 nations put their names to them, put their signatures to them, and referred them back to their countries for approval.

This is the status of the case before us here now. We cannot afford to postpone this thing. There is a deep feeling that something must be done in this world. The nations need each other as never before. They are yearning, they are hungering for a fellowing among the nations. So far as I am concerned we are going to give it to them.

Do not let us be led astray by red herrings drawn across our trail. Do not let us be affected by those who strain at gnats and who swallow camels. Let us look for the larger values. Let us realize that the way to help a world which is prostrate or dying is to do something. The alternative of doing something is doing nothing, and that means chaos, beyond preadventure.

Mr. TAFT. This is not a time when we are doing nothing. As a matter of fact, this week we are to be asked to increase the capital of the Export-Import Bank to three and a half billion dollars.

We are suggesting that this proposal be postponed until we have an economic conference where we can discuss the basic underlying questions which are going to affect the prosperity of the world, not the currency. Currency is only the surface. It is only the froth of the actual economic problems of the world. The postponement suggested is not a do-nothing policy. It is a definite postponement.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. I thank the Senator very much for yielding to me, because of the question asked by me a few moments ago. The Senator did not get back to it. A question was asked about the very thing which the Senator has just mentioned, the expansion of the Export-Import Bank. We are now asked to increase the capital of the Export-Import Bank to $3,500,000,000. Is it not a fact that if that were done we could do anything we need to do for the very purposes for which the proposed bank under Bretton Woods is sought?

Mr. TAFT. I think we could. We could. We could make stabilization loans.

Mr. WHERRY. At the same time we could control the loans made by the Export-Import Bank, which is already in existence and is operating. Is not that true?

Mr. TAFT. The Senator is entirely correct.

Mr. WHERRY. The plea of the distinguished Senator from New Hampshire for the establishment of the fund and the bank immediately may have a great deal of merit. However, I did not go to New Hampshire. I was not taken out on that night trip to see the moonlight on the top of the mountain and the green pastures. I am for protecting the stability of the United States of America. I believe that the thing to do if we are to adopt the pending Bretton Woods agreement, is to go into this thing cautiously. If we wish to establish a fund or bank, we should set up a bank under an already existing agency, expanding it if necessary, and keep control of the loans.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. All I wish to say to the distinguished Senator from Nebraska is that he is running true to form, because he was out on the plains of the far west decrying Bretton Woods months ago, almost before the child was born.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHERRY. Let me say to my most distinguished and respected colleague from New Hampshire that I do come from the great plains. If the Senator had been present in the Senate the other night, he would know that.

Mr. BARKLEY. If he had been here at any time he would know it. [Laughter.]

Mr. WHERRY. I believe in the great philosophy of life which we have in Nebraska. One of the things in which we belive is that if we are to continue to have a great America we must preserve our American economy. We have a $300,000,000,000 debt facing us. One of the things which I attempted to do not long ago was to secure an amendment relating to the sale of surplus property, providing that the proceeds from the sale of such property should be applied on the debt. I am glad to have the distinguished Senator from Tennessee [Mr. MCKELLAR] confirm the need for the very thing which was then advocated.

Let me say to those who believe in this fund and this bank that even though they both be meritorious, and some day we should adopt them, the thing to do now is to go slow and protect our own economy at home. If we want peace in this world we must have a strong America, an America which is stabilized. I for one would like to see some institution already in existence expanded, if necessary, to accomplish the things which the most distinguished Senator from New Hampshire is advocating. But I want to see something which is in full accord and in harmony with the views of some

of us who come from the Great Plains States, who believe in keeping America strong from within, that she may lead the other nations of the world not only to economic stability but to permanent peace.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I merely wish to suggest that the argument for postponing action now on the fund and bank is not dissimilar to the argument which was made a few months ago, that we ought to postpone the creation of any world organization until the war was over and peace was made, and all the boundary disputes had been settled. The argument was that we should not undertake to establish a world organization until after the peace was made. That argument was not potent. Before the end of the war 50 nations have agreed to a world organization. Our two distinguished delegates from this body, the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], than whom there were no more active or influential men at San Francisco, did not share the view that we ought to wait until the war was over and all the issues which grew out of it were settled before establishing a world organization. They knew, as we now know, that it would have been infinitely more difficult to establish such an organization after the war than now.

In my judgment, the same situation would handicap the creation of any world bank or world fund. When we have stabilized our currency, we have not performed our whole duty. We do not live in a vacuum. It is one thing to stabilize a nation's currency within the boundaries of that country, and among the people of that country who are buying objects of necessity or luxury. It is an entirely different thing to stabilize a nation's currency in relation to other national currencies.

The purposes of this bill are set forth in article I of the articles of agreement. It might be well to read them at this point:

> The purposes of the International Monetary Fund are:
>
> (i) To promote international monetary cooperation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems.
>
> (ii) To facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy.
>
> (iii) To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.
>
> (iv) To assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade.
>
> (v) To give confidence to members by making the fund's resources available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.
>
> (vi) In accordance with the above, to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.

Mr. TAFT. Mr. President, I am in favor of all those objectives. My point is that the fund would not accomplish any of them. It is the easiest thing in the world to write a statement of noble purposes. The question is, Does the bill carry out those purposes? I hope to show tomorrow that it does not.

Mr. BARKLEY. The Senator reminds me of the man who very enthusiastically announced that he was in favor of the prohibition law, but that he was against its enforcement. [Laughter.]

Mr. McMAHON. Mr. President, will the Senator yield

Mr. TAFT. I yield.

Mr. McMAHON. A few months ago the Senator from Ohio led the fight against the extension of the Reciprocal Trade Agreements Act. I take it that he is now to lead the fight against the adoption of the Bretton Woods proposals. From what I have read in the newspapers, I judge that the Senator is going to permit the San Francisco Charter to go through without his kind ministrations. It would be helpful to me if in the next couple of days of debate the Senator would condescend to give to the Senate his idea of how the present situation in the world should be handled. I for one shall listen with much interest, and I am sure that I shall learn a great deal.

Mr. TAFT. I am quite prepared to discuss that question. If the Senator does not mind, I think I shall wait until tomorrow, when I hope to discuss the fund.

In general, I should say that the way to meet the present situation in the world, from an economic standpoint, is to have an economic conference and to look into the problems of Great Britain, Czechoslovakia, and other countries. I believe that the first thing we must do if we wish stability in the world is to reach an agreement with Great Britain. If we can solve the problem of the relationship between the dollar and the pound, if we can stabilize the dollar and the pound—I do not know that that can be done as yet, because, as the Senator from Oklahoma says, conditions are such that it is very difficult to stabilize currencies at the moment—but if we can stabilize the dollar and the pound, we can solve three-fourths of the problem of stabilization of currencies in the world. Then we can make agreements with other nations. We are doing it today. We are making stabilization agreements with nearly every other country in the world. England is making new stabilization agreements. She has made a stabilization agreement with Sweden affecting the relationship between the pound and the Swedish currency. Incidentally, that agreement involves a little deal by which Sweden will buy from England, rather than from some other country, goods equal in amount to whatever Great Britain purchases from Sweden. A whole series of currency stabilization agreements are being made today. But the important thing is to solve the problem of each country. For instance, let us consider Czechoslovakia. Suppose we find out what their balance of trade is. They may say that they cannot get on unless they export 10,000,000 pairs of shoes, for instance; they may say that they must have that much export trade in order to get along. I would say, then, "Very well; we will take our share of the shoes, and we will make a special agreement, with the approval of the economic organization, and we will take the shoes on a parity basis." In other words, before we got through it might be necessary to make a loan to Czechoslovakia.

I myself have said—and this is merely a guess, as the Senator from New York has said with respect to all these figures—that for $5,000,000,000 or $6,000,000,000 worth of loans during the next 2 or 3 years, purely during the transitional period, we could solve the problems of the principal nations of the world which must be solved in order to get foreign trade going. I have said that that much will be enough and that that is all we should do, and that when we get through doing that our Government should stop making foreign loans. Those loans should be made directly by our Government, because we do not know whether they will be repaid, and we do not care, so far as the immediate emergency situation is concerned. They should not be sold to our people under a guaranty, because loans made at the present time are so risky that no one should buy them, either with or without a guaranty. It seems to me that should solve the problems of each country, and all the problems of each country. We cannot stabilize a country's currency unless it balances its budget. Failure to balance its budget is the first thing which breaks down a currency. If the country's budget is balanced, then we can help to reestablish its export-import trade. Both those things must be solved, and this fund will not solve them in any way.

Let us say that the British problem involves $2,000,000,000 or $3,000,000,000. The fund will give them, let us say, $1,000,000,000 a year in so-called cyclical loans. That will not begin to solve the problem, and the British admit it. They say they will not remove any exchange restrictions because of the existence of the fund, and article XIV says that a country can continue for 5 years without removing a single exchange restriction, and in fact may impose additional ones if it desires to do so.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator has said that a currency cannot be stable until the national budget is balanced. We have not had a balanced budget since the middle of the Hoover administration, but our currency has been fairly well stabilized.

Mr. TAFT. No; I said that if we continue to have an unbalanced budget our currency will not be stable.

Mr. BARKLEY. But we have not had a balanced budget for 14 years.

Mr. TAFT. But we have tremendous resources.

If Czechoslovakia has a continually unbalanced budget and a large deficit no one will have confidence in the Czechoslovakian currency.

Mr. CAPEHART. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. CAPEHART. I see the force of the arguments on both sides of this question. I am rather inclined to go along with both the Bretton Woods agreements and the increase of the capital of the Export-Import Bank, but I wish to ask where are we to get the money and when will we stop going into debt, and what is the virtue on our part, if I may say so, in bragging about the fact that we have gone into debt and have had an unbalanced budget for 14 years?

I am inclined to go along on both these proposals this week, but I am serving warning that I am not going to vote for any more expenditures such as we are now talking about until we can see a complete picture of where we are going, how much this war is going to cost us, what our debt is going to be, and whether we are going to be able to handle that debt and handle the expenses of the American Government when the war is over.

Mr. TAFT. Mr. President, in answering the Senator's question, I may say that if we go into this fund we will increase our national debt by $6,000,000,000, and it will thereafter be $6,000,000,000 larger, even if we do not make any further loans.

The difficulty of the position of the Senator is that he would favor our spending the $6,000,000,000, but we would not get anything for the money.

Mr. CAPEHART. I agree with that statement.

Mr. TAFT. The war problems will not be solved and the general economic problems will not be solved; and later, when the countries present their problems which must be solved, another $6,000,000,000 will be needed.

Mr. CAPEHART. That is correct.

Mr. TAFT. That is why I think this matter should be postponed until we can meet the real problems of the world.

Mr. President, today I do not wish to discuss the details of the International Fund. I hope to do so tomorrow after I have had an opportunity to study the remarks made today by the Senator from New York. But I wish to discuss to some extent the matters introduced by the distinguished junior Senator from New Hampshire, namely, the claim that we should vote for this fund because everyone is in favor of it, because the League of Women Voters, after a profound study, has decided that it is in favor of it. The League of Women Voters has not made any profound study of this fund. That organization has been appealed to on the same emotional basis which was used by the Senator from New Hampshire.

Mr. TOBEY. Mr. President, will the Senator yield to me so that I may make a correction?

Mr. TAFT. I yield.

Mr. TOBEY. I am willing to take the consequences of anything I say on the floor of the Senate, but I submit for the RECORD that I did not say that everyone is in favor of the fund. In fact, I pointed out that there are critics all over the country. So I make that distinction. Every equation has its critics, and I acknowledge that in advance; that is all. It would not be fair to say otherwise.

Mr. TAFT. Mr. President, I merely got the impression that the Senator said that everyone is for this fund, and therefore we should vote for it. I say that every Senator is just as able to make an examination of the fund as is the League of Women Voters or any other association, even the bankers, if you please, and even the bankers' associations and the presidents of the Federal Reserve banks. The Bretton Woods Conference met nearly a year ago. Since that time Government agencies have been engaged in one of the most completely organized propaganda efforts this country has ever seen. It has been organized, not by groups of citizens but by the Treasury Department, supported by other departments.

Mr. WHEELER. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. WHEELER. I am not a member of the committee which has been studying this matter, but I have been reading the testimony. There is one question which I should like to ask the Senator from Ohio. How are some of the foreign countries going to put in their part of the fund and how will their money be valued when it is put into the fund? Let us consider Greece or any other country which admittedly is in a very bad situation. Many of the countries have no gold at all, and today their currency is not worth the paper it is written on—in some instances, at least. The bill provides that they shall put in a certain amount of gold and also a certain amount of currency. If their currency is not worth the paper it is written on, if their bonds are practically worthless, and if they have no gold, I wish to know how they will put into the fund any money or any currency which will be of any value.

Mr. TAFT. In the first place, if they have no gold, they will not have to put any gold into the fund, of course. In that case they will merely put their currency into the fund, to the amount of 100 percent of their quota. First of all, such a nation will come to the Board of the Fund and will reach an agreement as to what the exchange value of its currency shall be. That must be decided by agreement between the Board of the Fund and the nation concerned. When that value is fixed, that fixes the value of the currency which the nation concerned puts into the fund. The Board of the Fund may say to Greece, "We cannot handle you at the present time." It is within the discretion of the Board to say that. Of course, if the Board says that, that removes it as a stabilizing influence with respect to Greece; it cannot advance any money to Greece, and Greece cannot get any money from the fund. So presumably they will try to reach an agreement with reference to some value for the drachma, just as we reached an agreement on 1 cent for a lire and 2 cents for a franc. After that agreement has been reached the country puts in paper. So far as Greece is concerned, if a drachma is fixed at one-tenth of a cent, she must print a certain amount of currency and put it in. If she fixes the drachma at one-twentieth of a cent she will immediately raise the denominations of the currency which she prints and then put in twice as much.

Mr. WHEELER. One of the troubles existing in many of the foreign countries, and particularly in France, is that they do not know how many French francs are outstanding. That is because of the fact that when the Germans came into France they put the printing presses into operation and turned out French francs. The same situation was true with respect to Greece, Italy, and many other countries. As a matter of fact, many of those countries do not have any way of determining the value of their money. I have in my pocketbook a 1,000,000,000 drachma note. I believe those notes have been repudiated. As I have said, many of the foreign countries do not know how much money they have outstanding.

When we talk about stabilizing the currencies of those countries, how can any person agree that the drachma, the lire, or the French franc is worth anything until those countries get back on their feet and return to an economic position so that their economy may be reestablished?

Mr. TAFT. I think the Senator is correct.

Mr. WHEELER. It has been said that we can look back at what took place after the First World War. I agree with that statement. I spoke many times on the floor of the Senate with reference to that situation. However, I recall that some of my Democratic and Republican friends talked about the gold standard, and said that if anything happened to it the world would come to an end. That was when I was speaking with reference to the subject of silver. One banker in New York talked with me about the subject and thought I was crazy because I wanted to have more silver put into circulation. I said to him, "You will have to take silver or paper. Which do you want?" He said, "Well, if you put it in that way, give me silver." We are now being asked to do something which would do away with both gold and silver.

Mr. TAFT. Apparently this is an attempt to tie together a large number of managed currencies in order to create a kind of world currecy. That apparently is the ideal which is being presented through the proposed international fund.

Mr. WHEELER. I am just as anxious as is any other Member of this body to see that stabilization of world currencies is brought about. But let us take, for example, the Soviet Government. Can any Senator say what the value of Soviet money is today outside the gold which it contains? It is all right to talk about what we should like to do in order to help. We want to help every country on the face of the globe. But certainly no Senator, I believe, wants to do anything which will result in destroying the economy of the United States. He does not wish to do such a thing merely because

he feels in sympathy with the peoples of foreign countries.

Recently I spent a month in Europe and saw some of the most depressing things I have ever witnessed. I am sure that every American who has been over there saw the same, whether he looked into the face of some ambassador or the poorest workman there. I traveled for a month, and talked with leaders of government. Never once did I hear mentioned Bretton Woods, or the San Francisco Charter. What was uppermost in their minds? In France, Italy, Germany, Greece, and every other country in which I traveled, the question I was asked was, "How am I going to get food, how am I going to get clothes, how am I going to get coal in order to keep from freezing to death next winter?" That is the problem with which we are confronted. I challenge any Senator who has been in Europe within the past year to say that he found any person there who was thinking of anything except how to get food and the other things to which I have referred. We must give the peoples of those countries food, whether we want to or not. We must try to help them get coal and other articles. Those are the things we must do. When we talk about stabilizing the curencies of those countries at the present time, we are wasting our breath because it is impossible to stabilize their currencies.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I do not wish to take too much of the Senator's time. The situation to which the Senator from Montana has called attention is the reason for the San Francisco Charter and the reason for Bretton Woods. However, in order that there may be no misunderstanding about the subscriptions to the fund, and payment of the subscriptions by the various members, I should like to read from section 3 of article II of the Articles of Agreement.

Mr. TAFT. I believe that I stated the provisions fully and correctly, but I shall be glad to have my opinion verified.

Mr. BARKLEY. I wish to have the RECORD show the provisions as they actually are, and not as the Senator interpreted them. I do not mean to say that the Senator has misinterpreted them intentionally. However, I think that he has unintentionally put upon them an incorrect interpretation. I read:

SEC. 3. Subscriptions: Time, place, and form of payment. (a) The subscription of each member shall be equal to its quota and shall be paid in full to the fund at the appropriate depository on or before the date when the member becomes eligible under Article XX, Section 4 (c) or (d), to buy currencies from the fund.

(b) Each member shall pay in gold, as a minimum, the smaller of

(i) Twenty-five percent of its quota; or

(ii) Ten percent of its net official holdings of gold and United States dollars as at the date when the fund notifies members under article XX, section 4 (a) that it will shortly be in a position to begin exchange transactions.

If any nation which is a member of the fund has, on the dates prescribed, holdings of gold and United States dollars in an amount equal at least to 25 percent of its quota, that nation will pay into the fund 25 percent of its subscription in gold. If the amount of gold and dollars which it holds is such that 10 percent of its holdings is less than 25 percent of its quota, as set forth in subsection (ii), then 10 percent of its quota is the amount that it pays in. So, whether it is 25 percent, or some other percent, the nation must pay it in gold or United States dollars. The balance of its subscription is paid in its currency.

Mr. TAFT. Yes; but the statement I made was that in the case of Greece, for example, if she had no gold, she could pay nothing in gold. Ten percent of nothing is nothing.

Mr. BARKLEY. If a nation has neither gold nor United States dollars it does not automatically become a member of the fund. The fund may allow a nation to become a member if in its judgment the circumstances justify, and that nation will come in and pay. But it does not automatically became a member of the fund unless the fund permits it to do so.

Mr. TAFT. I think the Senator is quibbling.

Mr. BARKLEY. No, I am not quibbling.

Mr. TAFT. Suppose a nation has $100 in gold and it contributes $10; that would meet with the Senator's requirements.

Mr. BARKLEY. No; that is the sort of small bug that the Senator finds under every chip in the barnyard.

Mr. TAFT. No, no. With due respect to the Senator, the provision is to the effect that if a nation does not have any gold or dollars it does not have to put any into the fund.

Mr. BARKLEY. It pays in either gold or dollars. There is no provision that without the payment of either gold or dollars a nation may automatically become a member of the fund by paying 100 percent of its own currency unless the fund itself permits that nation to do so.

Mr. TAFT. Any nation may dig up a thousand dollars of gold and pay 10 percent. My statement in regard to that fact is exactly correct, and I think the Senator is raising the possible suggestion that a nation does not have to pay gold if it does not have any. There is no such suggestion as that in the fund.

Mr. BARKLEY. The agreement requires each nation to notify the fund how much gold it has and how much it has in dollars.

Mr. TAFT. And if they have not any, 10 percent of nothing is nothing.

Mr. BARKLEY. If they had only a thousand dollars in gold that would be equivalent to nothing.

Mr. BREWSTER. Mr. President——

Mr. TAFT. I yield to the Senator from Maine.

Mr. BREWSTER. I want to make a small contribution. There was given to me—I do not know whether it will seem minuscule to the Senator from Kentucky or not——

Mr. BARKLEY. Seem what?

Mr. BREWSTER. Minuscule.

Mr. BARKLEY. I do not think it would.

Mr. BREWSTER. I hold in my right hand a 5,000,000 drachma note and hold in my left hand a 500,000,000 drachma note of the Greek Government, as an illustration of the capacities of the printing presses. I think it indicates the very important character of the matters with which we are dealing.

Mr. BARKLEY. I still do not know the application of the term "minuscule" the Senator was talking about.

Mr. BREWSTER. I understood the Senator from Ohio to say something about $10, and I said I was handed a 500,000,000 drachma note—something that was not small.

Mr. BARKLEY. I happened to be in Berlin in 1921 and I had a hundred dollars which I wanted to change into German marks. I walked across Unter den Linden to a bank on the corner and got a hundred dollars changed into German marks, and it took two wheelbarrows for me to get it back to the hotel.

Mr. BREWSTER. I am sure the Senator does not want to see that unfortunate situation duplicated.

Mr. BARKLEY. No; I should like to do something to prevent it.

Mr. TAFT. If this fund had been in existence at that time it would no more have prevented the condition that then prevailed in Germany than it would have prevented the World War.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Montana.

Mr. WHEELER. Nor would it have prevented what happened in Russia. The Senator from Maine has referred to a 500,000,000 drachma note. I happen to have a billion-drachma note.

Mr. BARKLEY. Mr. President, it seems that some of our colleagues have been in the black market over there.

Mr. WHEELER. No, not at all.

Mr. TAFT. I appreciate the argument and the remarks of the Senator from Maine, but I have before me Funk and Wagnall's Standard Dictionary, and I fail to find the word "minuscule" in it. I do not want to question the erudition of the Senator from Maine.

Mr. BARKLEY. If my erudite and scholarly friend from Yale cannot find "minuscule" in the dictionary, how would he expect a poor country boy from Kentucky to know what it means? [Laughter.]

Mr. MILLIKIN. Mr. President——

Mr. TAFT. I yield to the Senator from Colorado.

Mr. MILLIKIN. I should like to suggest that the ultimate repository of these drachmas which have been exhibited on the Senate floor will be this fund, and I should like to give a supporting British view of it. I read from the April 17 issue of the London Economist. After discussing the view of the American Bankers Association and the Committee for Economic Development the following appears:

The bogey, to both organizations—

That is the two American organizations I have mentioned—

The bogey, to both organizations, is the possibility that the fund will be left holding only weak currencies. This is, of course,

a necessary consequence of the purpose for which it is created, and the fact that it is urged as an objection shows how far the American business community is from seeing the fund in the same light in which it appears in other countries. The bill may be passed by Congress, but there is every indication that Bretton Woods will mean different things in different countries.

Mr. TOBEY. Mr. President, from what was the Senator reading?

Mr. MILLIKIN. The London Economist.

Mr. TOBEY. Who is the editor?

Mr. MILLIKIN. Of this particular editorial?

Mr. TOBEY. Yes.

Mr. MILLIKIN. I do not know.

Mr. BARKLEY. Mr. President, if the Senator will yield, the London Economist is not the only economic paper in England. There are many other papers, entitled to be called economic newspapers, that do not take that view of the London Economist and do not agree with other economic papers of London with respect to that statement.

Mr. MILLIKIN. I agree that is correct, and I carefully presented it as one British view.

Mr. BARKLEY. And the Senator presented the British view that meets with his own view.

Mr. MILLIKIN. Yes.

Mr. TAFT. Perhaps the leading British economist is Lord Keynes and certainly his view is very different from that presented by the United States Treasury. I hope to present his view on the fund tomorrow in practically all respects, in which he makes it clear that, so far as the British are concerned, they are glad to get $350,000,000 a year and they do not propose to change one exchange restriction, one trade restriction, or one sterling area, or anything else in the present machinery they have built up to assure complete discrimination in favor of British trade.

I yield to the Senator from Kentucky.

Mr. BARKLEY. I did not ask the Senator to yield. If the Senator will be as gracious sometime when I want him to yield as he is now when I do not want him to yield I shall appreciate it. [Laughter.]

Mr. TAFT. I am always glad to yield to the Senator from Kentucky, and I know that he feels I have been very liberal today.

Mr. BARKLEY. Yes; and I appreciate the Senator's liberality. I am always glad to indulge in these intellectual exchanges with him even though they are sometimes one-sided—I will not say on which side. [Laughter.]

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. THOMAS of Oklahoma. To demonstrate to the Senate the need of the stabilization of world currencies I have here samples of a number of currencies with which this fund will deal—quite a handful of them. I am going to ask the Senator what these currencies are worth.

Here is one from Nicaragua. What is the stabilized value of the unit of the country which is known as Nicaragua?

Mr. TAFT. Is the Senator asking me?

Mr. THOMAS of Oklahoma. Yes.

Mr. TAFT. I am afraid I do not know the name of the currency of Nicarauga.

Mr. THOMAS of Oklahoma. The Senator does not even know the name of that unit. I have here 10 lire. This seems to be from Italy. What is the value of the lira?

Mr. TAFT. The present exchange value of the lira, by agreement between the American Government and the Italian Government, is 1 cent per lira. I understand on the black market it is about 10 lire to 1 cent. I am only repeating what I heard.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHEELER. As a matter of fact, the lira valued at 100 to the dollar is practically worthless; that is the truth about it. Let me say that when we were in Italy sugar was selling for $18 a pound and coffee for $24 a pound. It is not necessary to go to Italy or to France, but one can go to Greece where I was told they were paying 10 cents a pound for wood. A pair of shoes was worth anywhere from $40 to $80 and a suit of clothes from $100 to $400. One of the boys in our group was offered $100 for a suit of clothes for which he paid $40 in the United States and had worn for a number of years. In Cairo I was told—and this was told us not only by Egyptians but by the American Minister—that a first-class seven-passenger American automobile was worth from twenty to twenty-three thousand dollars and smaller cars anywhere from twelve to fourteen thousand dollars. It simply goes to show that economic conditions are bad not only in the countries of Europe, but they are likewise just as bad in Africa, including Algeria, Tripoli, and Egypt.

Mr. TAFT. I do not think Senators or anyone else can conceive of the condition of the world in the currency field. Today the dollar is the only stable currency—the American dollar, Canadian money, and South American money.

In normal times that may not be so, because they have to borrow so much from us or from others, but the dollar is practically the only good currency in the world today, and if we try to stabilize foreign currencies under present conditions, we will just pour $6,000,000,000 down a rat hole. That is the actual condition. It may be all right, once the world is stabilized, to try what is proposed; what is now suggested may work. Then we would have an argument; we would know whether these were the kind of institutions we wanted after all. But today the whole thing is useless. We would merely waste $6,000,000,000 in trying to correct a condition which cannot be corrected by monetary means or by dollars. It cannot be corrected except by self-regeneration of these countries, and their establishment of normal economic health. We can help a little in that, not much. After that is done, then perhaps we can have some sort of international stabilization.

Mr. THOMAS of Oklahoma. Mr. President, I have in my hand a bill marked "100,000,000 marks," German currency. What would that bill be worth on the exchange?

Mr. TAFT. There are a good many different kinds of marks, so I cannot tell.

Mr. THOMAS of Oklahoma. Here is a bill for 10 yen. That must be Japanese currency. What is that worth on the exchange?

Mr. TAFT. I think it would be worth nothing today. I should think zero would be very close to its value.

Mr. THOMAS of Oklahoma. Here is a prosperity certificate, the kind of money used on the theory that once a week the owner of this bill could buy a 1-cent stamp and put it on the back, in a little square, and after a while, when he had bought a hundred stamps and put them on the back of the bill, it would be good for $1. That is what was called prosperity currency in another country not so long ago.

Here is a Japanese peso.

Mr. TAFT. That is probably a Filipino peso issued by the Japanese Government.

Mr. THOMAS of Oklahoma. No; It was to be circulated in the Hawaiian Islands after the Japanese had taken over those islands.

Here is a Chinese bill, printed in characters which I am unable to read.

Here is another bill that is a Russian ruble. I know it is a Russian ruble; I myself got it in Russia. I should like to know what the stabilized value of the Russian ruble would be.

Mr. TAFT. I do not think there is any stabilized value of the Russian ruble. Russia is a country where there is no kind of stabilization of the currency in terms of external currencies, because it is a country where the government does the exporting and importing, so they pay in foreign currency. They pay us dollars for our goods, and if they sell us, they sell for dollars. The ruble may have a quotation on the exchange market, but if so, it has no real significance. I cannot, in other words, go on the exchange market and buy a ruble and take it to Russia and buy anything with it.

Mr. BARKLEY. The Russian ruble has been stabilized at 50 cents for practically 20 years. I was in Russia in 1930, the ruble was worth 50 cents at that time, and I do not think there has been any material change in the value of the ruble since that time.

Mr. TAFT. But at a practical matter, the value of it has no significance.

Mr. WHEELER. While 50 cents was the fixed value in Russia, at that time the Russian ruble could be bought in Germany much cheaper than in Russia.

Mr. BARKLEY. Regardless of that, Russia was buying large quantities of goods in the United States, through one corporation or another, the outstanding one being the Amtorg Corp., and they paid for all the goods they bought in the United States with rubles which were worth 50 cents.

Mr. TAFT. They paid in dollars. Every contract that was made was a contract for dollars.

Mr. BARKLEY. They paid in dollars, but they exchanged rubles for dollars. They had to do that in order to get dollars, and the exchange was 50 cents for the ruble, two rubles to the dollar.

Mr. TAFT. With whom did they exchange?

Mr. BARKLEY. They bought dollars on whatever exchange they could, or bought them in the United States.

Mr. TAFT. I think the Senator is entirely mistaken. There was no market for rubles.

Mr. BARKLEY. How did they get dollars, then?

Mr. TAFT. They bought gold over here and paid us, or they exported goods and got dollars for their exported goods.

Mr. BARKLEY. They did not bring enough gold to pay for all the American goods they bought, and they did not sell us enough goods to pay for them.

Mr. TAFT. Then the rest was paid in gold. Every cent they paid in this country was in dollars or gold.

Mr. BARKLEY. Whatever transactions took place on the basis of the ruble or the dollar, for the last 20 years or more have been on the basis of the ruble being worth 50 cents.

Mr. TAFT. If I can judge from a few about which I knew, every Amtorg contract for purchase of goods to go to Russia was made in terms of gold. Whether they paid gold, or whether they acquired the dollars by exporting their goods and getting dollars for them, I do not know, but the contracts were made in terms of gold.

Mr. THOMAS of Oklahoma. I show the Senator a hundred yuan note from China. I should like to know if that has any value.

Mr. TAFT. I understand its value varies so rapidly up and down that it is impossible in this country to guess what it may be today.

Mr. THOMAS of Oklahoma. I am merely exhibiting this currency to show that it is the kind of currency we would deal in, it is currency of leading nations, which is now practically worthless in terms of dollars.

Here is a Bank of Canada dollar. Of course that is worth 89, 90 or 91 cents in American money.

Here is a bill of the Dominion of Canada, another dollar, worth about 90 cents.

Here is a bill that was sent to me. One cannot pass it, because when it is handed to a merchant it looks like a saddle blanket, and it will be turned back. It is perfectly good, the old vintage bill, but cashiers at the various places where I do business do not want it, and they require me to take it back, so I still have it.

Here is a bill from Chihuahua, Mexico, 10 pesos.

Here is a bill for 50 Finnish francs. What is the Finnish franc worth?

Mr. TAFT. I do not know. I have no idea.

Mr. WHERRY. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield.

Mr. WHERRY. A moment ago the Senator from Oklahoma wanted to know what the value of certain money was in dollars. I would like to ask the Senator a question. American dollars can be traded in any market in the world today. Traders are glad to take them, but it would be necessary for nations to join the fund in order to trade their currencies for dollars.

Mr. THOMAS of Oklahoma. That is correct. I challenge any Member of the Senate to take this pile of bills, which is worth on its face 700,000,000 in the currencies of the various countries, and go downtown in Washington and get his shoes shined with this whole bunch of bills, although in the hands of some monetary expert they might be worth two or three dollars in American money. That is a condition we confront when we create this fund and try to stabilize this sort of money.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield, because the Senator has implied that I do not yield to him on all occasions.

Mr. BARKLEY. I apologize to the Senator. I want to ask the Senator from Ohio, and I also include the Senator from Oklahoma and any other Senator, if he thinks it is fair to the international situation, in which we are trying to develop trade through stabilized currency, or if the Senator thinks it is fair to the Senate, to offer these depreciated currencies, which have been issued by countries which have just emerged from German domination and have not been able even to establish stable governments? Does the Senator from Ohio or the Senator from Oklahoma think it is a fair criterion by which to judge whether we desire to participate in an international organization to stabilize currencies? If they do think it is, then I would ask the Senator from Ohio or the Senator from Oklahoma, or any other Senator, whether he thinks our manufacturers and our exporters should be required to try to export American goods all over the world, and be required to accept this kind of currency in payment, which they may have to do unless there is an international stabilization of currency which would to some extent stabilize foreign currencies.

Mr. TAFT. Answering the questions, if I may—and there are two of them—in the first place I think it is a perfectly fair argument to point out that other currencies which are going into this fund have no real value when compared to the dollar. It is a perfectly fair argument to point out that we are putting in the fund all the valuable money. We have only one-third of the voting power. That is a condition which might not exist if we put off the fund for 2 years. Perhaps these things can be stabilized. But if we try to stabilize conditions with this fund it will be like pouring money down a rat hole. It will be perfectly impossible. That will result because of the fact that these nations have not been exporting and cannot export at the moment. It is due to the fact that they have not balanced their budgets and cannot balance them at the moment. It is due to the fact that people have lost confidence in their currencies, and that confidence cannot be restored, and this fund will not restore it. I think that is a perfectly fair argument to use, since the Senator from Kentucky has questioned the fairness of the presentation.

Mr. BARKLEY. The little sheets of paper which have been exhibited on the floor of the Senate carrying on their face so many francs, so many drachmas, so many yen, and so many of this and the other, do not describe the circumstances under which they were issued or when they were issued. Greece does not now enjoy a stable government. There is some question in the minds of the people of the world as to what sort of government there will be in Greece when it is finally stabilized, whether it will be a restoration of the monarchy or whether it will be a republic. Czechoslovakia has just come from under German domination, and the people of that country have not yet established themselves as a nation. France is having an election on the 14th of October to determine whether the people of that country are in favor of a national assembly or a new constitution. Certainly, in my judgment, it is not a legitimate and fair argument to parade before the Senate currencies which have been issued from time to time either during German occupation or immediately following German occupation, as an example of the kind of money we will have to deal with if this fund shall be created.

Mr. TAFT. No; but I think it is a very fair argument to show what the present conditions in the world are, to show how completely every one of these nations is out of equilibrium, how completely it is absent from the foreign trading market.

Mr. BARKLEY. If all nations had equilibrium, and had all the currency they needed, and their currencies were stabilized, they would neither need the fund nor the bank we are talking about.

Mr. TAFT. That is exactly true, Mr. President. The Senator is 100 percent correct, in my opinion. And if by sound means we can restore that equilibrium of the world through the development of trade and by loans which are directed primarily to the problems of the particular countries, we will not need the fund and we will not need the bank. I agree entirely with the Senator from Kentucky.

Mr. BARKLEY. I hope the Senator will not create doubt in my mind as to my own rightness by agreeing with me.

Mr. SALTONSTALL. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Ohio a question, because I am somewhat confused. It seems to me there is a distinction between the phrase under clause (iii) of the purposes of the monetary fund, "to promote exchange stability," and the phrase "stabilized currency." As I understand, under the provisions of the bill one of the questions to be asked of the President is whether as one of the purposes of the bank may be included "stabilization purposes." If the arguments presented by the Senator from Oklahoma [Mr. THOMAS] and the Senator from Montana [Mr. WHEELER] and to an extent by another Senator are correct, we would be right back to the old principles of barter, bartering shoes made in Czechoslovakia, we will say, for wheat in the United States. There is no

currency involved in either transaction. The Senator from Oklahoma holds up a whole sheaf of currency. I do not understand that that is the question involved here at all. I may be entirely incorrect, and I wish to ask the Senator from Ohio a question. If what the Senator from Oklahoma says is correct, then the United States cannot deal with Czechoslovakia or with Greece except in the form of barter. If that be true, then international trade is going to be eliminated with Greece, we will say, entirely. Greece will not be able to trade at all except artice for article.

As I understand the purpose of the Monetary Fund is to promote exchange stability. What the currency may be valued at depends upon what the governors of the fund may say. They may refuse to accept it, or they may accept it at any value they choose. I agree with what the Senator from Montana has said. When I went overseas I was in France and in a small portion of Germany. Germany has no currency. The French franc, for the purpose of dealing with our men was entirely overvalued, but the French franc has some value. It is based on the income of France, which may be a number of billion of francs or dollars; It is based on the debt of France; it is based on the machinery in France, and the agricultural implements, and the number of farms in France. The franc now has some value. As I understand, the franc can be fixed at that value by the governors of the fund in order to promote exchange stability now when we are trying to stabilize currency. This is entirely another question which may be dealt with through a loan by the Export-Import Bank, by lend-lease, or by the proposed bank and the fund.

Mr. TAFT. I think the Senator from Massachusetts is entirely wrong.

Mr. SALTONSTALL. Perhaps I am.

Mr. TAFT. I do not think there is any difference between the stabilization of currency—and what was the other term the Senator from Massachusetts used?

Mr. SALTONSTALL. To promote exchange stability.

Mr. TAFT. To promote exchange stability. There may be this difference, that you first stabilize exchange by agreement; a certain rate is agreed on, and then the purpose of the fund is to keep it there. That is the only distinction I can think of, that first it is fixed. That may be said to be fixing the value of the currency. Then the effort is to maintain it—if currency goes down by buying a considerable amount of it for the fund. in effect, and if the currency goes up selling it. That promotes exchange stability by preventing it going up one day and down the next. That is the only distinction. Otherwise there is no distinction that I can see. It is all a currency problem.

I do not think the currency of France depends particularly on the assets of France. Ultimately the question of the value of the French franc is going to depend on prices in France from an internal standpoint and the ability of France to export enough goods to pay for their imports. Those are the principal things on which the franc is going to have to be fixed by the Board.

Mr. SALTONSTALL. Mr. President, will the Senator from Ohio again yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. I should like to ask this question: If the argument of the Senator from Oklahoma and the argument of the Senator from Montana are carried to their fullest extent, then does the Senator from Ohio agree that the only way the United States can deal with those countries, or that they can deal between themselves, is by barter?

Mr. TAFT. No, I do not; certainly not. I do not know just what the argument of the Senator from Oklahoma, carried to its extreme, may be, but as I understood his argument it was that today in the world nearly every currency, except that of the United States, is practically worthless, so far as we are concerned, and that we face a perfectly extraordinary situation which cannot be cured by an $8,100,000,000 fund. That that is a mere drop in the bucket which will be wholly vain to correct the extreme situation which exists today. But that situation has to be cured within each country by each country restoring its own economy, working out its own problems, balancing its budget, building up its exports. Personally, I think we can help them in doing that, but I think we can do so with a very much smaller sum than the one proposed by the bill. I think if the $6,000,000,000 proposed goes into the fund and the bank it will be wholly dissipated without substantial effect. If we were to take the same amount of money and say to each country, "Work out your problem. How much outside loan do you need? We will provide it"—I believe that with that $6,000,000,000 we could solve the problems of every country of any size or importance in the world, with the possible exception of China. I do not know that we can ever solve the problem of China.

Mr. SALTONSTALL. Will the Senator yield for one more question?

Mr. TAFT. I yield.

Mr. SALTONSTALL. Will not this fund help in the reestablishing, we will say, of the Greek drachma in the eyes of the world in this way? Will not the Greek drachma, or the Chinese money, or the other currencies which the Senator from Oklahoma has held up to our view have to be reestablished before they will be accepted by the fund? Whether 500,000,000 drachmas today are worth $1 or $100, conditions have reached such a point that something drastic will have to be done. Will not a new drachma have to be reestablished, and presented to the fund for acceptance, and will that not help the whole situation?

Mr. TAFT. I think that could be done. If we are the people who are going to make a loan to a country I think we could do it by agreement with that country as well as the fund could do it. As a matter of fact, however, under the fund Greece's quota is $40,000,000. They could therefore draw $10,000,000 out of the fund. That would disappear. The Greek problem cannot be solved by $10,000,000. If $10,000,000 worth of new Greek drachmas are placed in the fund, and the Greeks receive $10,000,000 and spend it for a couple of shiploads of food, Greece will be just as bad off as she ever was. The value of the drachma will promptly drop, and the fund will have to throw it out, because the value of the drachma cannot be maintained.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHEELER. The Senator from Massachusetts stated that we would have to go back to the basis of barter and trade if what I said about the drachma was correct. That is ridiculous. Suppose the Greeks want shoes manufactured in Massachusetts. Is there a shoe manufacturer in Massachusetts who would sell shoes to any customer unless he received gold or dollars? He would not touch Greek drachmas today, because they would be of no value to him outside Greece, and they are of very little value there. So the only way Greece can get any money is through what we are doing now. We are seeking to feed the Greek people, and the British are helping to feed them. We are helping to feed the people of Italy and the people of France.

The only terms under which manufacturers in New England would sell anything in Greece would be for dollars or gold, or on proper credit. There may be some pretty good horse traders in New England, but I cannot imagine them trading shoes for olives. What would happen would be this: The Greeks would sell their olives, or whatever they produced, and get American dollars or English pounds, and then buy either English or American shoes.

As a matter of fact, to a certain extent every deal between one country and another involves barter and exchange. Any money that is used is used only for the purpose of facilitating the exchange between the various countries.

What is England doing today? In Egypt we were told by high authorities that the Egyptians would like to buy American automobiles and many other American products, but they could not do so because of the fact that the British would not let them use the money to come here and buy our products. They had to buy British products. One high authority said to me, "Why is it that we cannot buy your products, and why do you let England do this to us?"

I am not mentioning these things because I wish to say anything against England. England is looking out for England. Churchill is looking out for England, and I admire him for doing it. Stalin is looking out for Russia. Let me make a prediction. When this war is over, because of the promises which we have made to France, Italy, Greece, and other countries of the world, we shall be the most hated country in the world among those peoples. We are looked upon as the greatest international "suckers" in the world. That is because of our idealism. We should be idealistic, but we must look after the United States. If it is a crime to think of the United States first—and I know it is a cirme in the eyes of some internationally minded persons—if it is a crime to look after our own country first, and not to wish to

dissipate our resources and bring us down to the level of other countries all over the world, then I am an arch criminal, but I am proud to say, so far as I am concerned, that I am not in favor of destroying the United States of America and giving away her resources.

Mr. SALTONSTALL. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. Let me say to the Senator from Montana that I assume that every Member of this body wants to look after the United States first. The question is how best to do it.

The Senator from Montana brought up the question of Greece, and the action of the British in Egypt. It seems to me that two questions are involved. Undoubtedly the Senator did not confuse them in his own mind. In connection with the situation relating to Greece, the trading of olives—I was about to say olive oil—for shoes manufactured in Massachusetts was mentioned. That is barter. It can be done through a third country, or directly. The question of trading automobiles with Egypt, where the British have blocked the pound, is an entirely separate question.

Mr. WHEELER. That is correct.

Mr. SALTONSTALL. That situation may or may not be cured by a stabilization loan, or a loan in some other form. Great Britain has apparently blocked the pound. It is a question whether the fund would or would not help to unblock the pound and unfreeze trade. That is one of the questions. Whether we should gamble and go ahead I am not saying.

The Senator from Montana and the Senator from Oklahoma raised the question as to the value of the dollar and of all the other currencies after the war. It seems to me that that misses the point, in this respect: We must trade; every country must promote its own economy. Whether the dollar is today worth 500,000,000 drachmas, or whether new currency is to be established, currency is simply a medium of exchange. It seems to me that we may miss the point when we talk about a depreciated medium of exchange which must be eliminated.

Mr. WHEELER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. WHEELER. The point I was making was simply this: The drachma, which I have, was given to me by one of the Army officers over there. It would take 1,000,000,000 of them to equal a dollar in value. Other Senators were given the same kind of money, showing the absolute lack of value of that money. I pointed it out to show to the Senate concrete examples of the worthlessness of the currencies of the world. I agree that if those people over there stop warring among themselves and stable governments are established, their currencies will be worth more than that drachma. As a matter of fact, I think it is probably worth more than that now, since the British came in and took control.

I am sure that the Senator heard the same story which I heard in Italy, France, Greece, and all over Europe. We heard discussions as to whether or not they are to have a royalist government. It seems to me that that is entirely beside the point. What worries anyone who has 10 cents in France, Italy, Greece, and other European countries is not whether the royalists are to be returned, but whether in the coming elections the country is going Communist.

Suppost those countries go all the way to the left. What value will their money have in the United States or anywhere else? So, unless there is some kind of stable government over there and the people of France, Italy, Greece, and other countries know which way their country is going, their money will be no good. If they have stable governments, their money will be worth something. I do not mean to say that it will continue to be worthless. I do not think anything of the kind. As a matter of fact, today France has approximately two and a half billion dollars in gold. She is now in a position to buy cotton goods and other goods in the United States, because she has the money with which to buy them, but that is not true of other countries.

Mr. TAFT. Mr. President, answering the Senator from Massachusetts, I think we are entirely agreed that we desire to restore international trade everywhere. I agree further that in order to do so we ought to lend some money in Europe, and I am perfectly willing to do so. However, I do not think it ought to be piled up, as it is being piled up, in sums of $12,000,000,000, $15,000,000,000, and $20,000,000,000. I believe that if the money is correctly applied, and with direct effect in the solution of the particular problems which must be solved, those problems can be solved for a reasonable amount of money.

My point is that neither of the two institutions proposed would solve the problem. They are designed as permanent institutions, and they would not cure the existing situation. It can be cured only by nations building up their own economies. Every one of those countries knows it, and they would like a little help from the outside.

The idea promoted by some is that the United States can solve the problems of the world and put every other nation in the world on a sound financial basis. That is utterly ridiculous. It is simply not so. Other countries must solve their own problems. They must get to work. If we can lend them money with which to buy machinery, we ought to lend it to them. But this stabilization fund will not bring that about.

I yield now to the Senator from New Hampshire.

Mr. TOBEY. Mr. President, the charge has been made on the floor this afternoon by one or two Senators, at least, that the United States will put up nearly all the good money and that other countries will pay their subscriptions almost wholly in worthless paper currency.

Mr. TAFT. I do not like to interrupt the Senator, but if he is going to make a speech, I should like to finish my remarks first.

Mr. TOBEY. No; I am answering a statement the Senator from Ohio made. It will take me 2 or 3 minutes to make it, but it is good.

Mr. TAFT. But apparently it is in answer to my remarks.

Mr. TOBEY. That is correct. I had not intended to say it today, but I should like to say it now, in view of what the Senator from Ohio has said.

Mr. TAFT. I should like to continue to deal with the merits and demerits of the question.

Mr. TOBEY. The Senator said in all good faith that we will be putting in the greater part of the fund, or all the rest.

Mr. TAFT. No; I said we will be putting in the rest.

Mr. TOBEY. Yes; the Senator said we will be putting in the rest. I should like to deal with that matter for a moment, if the Senator will permit me to do so.

Mr. TAFT. How long will it take the Senator from New Hampshire to make his statement?

Mr. TOBEY. About 5 minutes, and I assure the Senator it is worth the price. [Laughter.]

Mr. TAFT. Very well, Mr. President; I yield for 5 minutes.

Mr. TOBEY. Mr. President, I repeat that it is said that the United States will put up nearly all the good money and that other countries will pay their subscriptions almost wholly in worthless currencies. That statement is not in accord with the facts. The fund agreement requires that a country must subscribe in gold 25 percent of its quota, or 10 percent of its monetary reserves, whichever is the smaller—article III, section 3 (b), page 3. Countries whose gold and dollar reserves are two and one-half times their quota would subscribe the full 25 percent in gold, while countries with smaller gold and dollar reserves would subscribe 10 percent of their quota.

An estimate of the gold subscription of all countries that will be members of the fund indicates that this will amount to more than $1,800,000,000. Of this, more than $1,100,000,000 will be subscribed by countries other than the United States. The gold subscription of these countries will average over 18.5 percent of their quotas. This is three-fourths of the maximum possible gold subscription of other countries. Certainly, the figures disprove the assertion that most countries will not pay a substantial part of their subscriptions in gold.

In addition to the $1,100,000,000 in gold, the 43 other countries will subscribe about $4,900,000,000 in their own currencies—article III, section 3 (c), page 3. To say that the Canadian dollar, the British pound, the peso, the cruzeiro, the franc, the guilder, and other currencies subscribed to the fund are without value is obvious nonsense. Any banker engaged in the business of buying and selling these currencies every day knows there is a steady demand for these currencies. Every currency in the fund is valuable for the same reason that our currency is valuable, namely, it can be used for making purchases and paying obligations in the country of issue.

There is no basis whatever for the assumption that only our subscription to the fund will be used. The subscription of every country will be used whenever other countries need help in making payments to that country. The assumption

that the United States will be the only country with a favorable balance of payments is clearly contrary to the plain facts.

All the fund's holdings of currencies are guaranteed against depreciation in terms of gold—article IV, section 8 (a) and (b), page 7. If a member reduces the par value of its currency, it must deliver to the fund enough of its currency so that the gold value of the fund's holdings remains unchanged. Similarly, if there is a de facto depreciation of a country's currency, the fund can require the member to deliver to the fund additional currency adequate to restore the gold value of the fund's holdings.

When a member withdraws and the fund holds its currency in excess of its quota the member must repurchase the excess of its currency from the fund with gold or acceptable member currencies in 10 semiannual installments. Schedule D, 4, 5, and 6, page 46. The fund may dispose of any of its holdings of this currency to any member. Such currency sold or distributed by the fund would be guaranteed against exchange depreciation and would be free for use in making payments for exports or for other purposes in the country that issued it.

If the Senator will bear with me a moment further, I wish to read now, very briefly, from a speech made by the distinguished senior Senator from Michigan [Mr. VANDENBERG], which is now a public document. It sets forth the convictions of the Senator from Michigan on the subject.

Mr. TAFT. Well, Mr. President, I should like to answer the Senator's question now, inasmuch as I have yielded for 5 minutes.

Mr. TOBEY. Very well, but I have taken only 4 minutes so far.

Mr. TAFT. I said the United States will put in $2,750,000,000 in gold. American dollars are equivalent to gold. The fact that they are equivalent to gold is shown by the fact that all through this fund it is always American dollars or gold that is specified. In other words, the world recognizes that the American dollar alone is worth gold.

So we will put in $2,750,000,000. All the other countries of the world, put together, according to a very liberal estimate on the part of the Treasury which was submitted to the committee—but I doubt if it is made good—will put in $1,100,000,000 worth of gold. That will make $3,850,000,000 of good assets.

Now we come to the currencies. Canadian currency is good today. South American currencies are good. Is the British currency good? Mr. President, why do you suppose the British pound is worth $4 today? It is worth that much because the United States Government has supported it for the last 4 years, because we have paid out our money in lend-lease, in loans, and in every other possible way to help the British maintain the value of their pound. Is the pound good? Mr. President, there are $15,000,000,000 worth of them all around the world, but no one can cash them, because the British Government is unable to cash them. Is the paper pound good? It is just as good as the United States chooses to make it, and no better. That will not be true 3 years from now, perhaps. So it has some value; but certainly it is not in any way equivalent to American dollars, and is practically no more than paper. The same thing is true of the currencies of every other European country; they are just as good as we choose to make them, and no better.

When we add up the total currencies, I say the total amount of real money in this fund will not exceed more than another $1,000,000,000, and that $1,000,000,000 will make the total good assets in this $8,800,000,000 fund somewhere between $5,000,000,000 and $5,500,000,000. Our $2,750,000,000 will be more than half of the real money in the fund. The solvency of the fund depends on the United States alone. If the United States did not go into it, the thing would dissolve overnight; there is nothing else in it except the effort to put th United States behind the recovery and the guaranteeing of currencies throughout the world.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAFT. I yield for a question.

Mr. WHERRY. The question I should like to ask is this: If what the Senator has said is true—and I think it is true, on the basis of a comparison of the American dollar with the currencies of other countries—what will happen? After all the American dollars are exhausted, all there will be in the fund will be types of currencies similar to those exhibited by the Senator from Oklahoma. What will happen then? Will we have to give more American dollars to replenish the fund, or will we have to withdraw from the fund?

Mr. TAFT. Mr. President, that presents a rather severe criticism which I should prefer to discuss tomorrow. I think the net effect will be that we will either have to break the heart of the world or put up another $2,000,000,000 or so. That is my answer, roughly; but I should prefer to discuss that tomorrow.

Today I should like to finish, if I may—and I should prefer not to yield further——

Mr. BREWSTER rose.

Mr. TAFT. I yield for the benefit of the gentleman with the dictionary, the distinguished junior Senator from Maine.

Mr. BREWSTER. Mr. President, since my orthography was impugned by the senior Senator from Kentucky——

Mr. BARKLEY. No, Mr. President; I think what I said and indicated was a charge against my own ignorance, instead of against the authenticity of the Senator's orthography.

Mr. BREWSTER. Well, Mr. President, the Senator had the support of the Senator from Ohio, and he is a distinguished son of Yale.

So, in defense of Funk and Wagnalls dictionary, in which the senior Senator from Ohio said he did not find the word "minuscule," to which I referred, I am obliged to tell him that his gaze was a little defective, since I find that the word is "minuscule"—spelled m-i-n-u-s-c-u-l-e. I find that the Senator attempted to locate it under the spelling m-i-n-i-s-c-u-l-e, which is a little different.

Mr. TAFT. Possibly it is a Maine pronunciation of "minuscule." [Laughter.]

Mr. WHITE. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. WHITE. Is it not possible that a graduate of Yale did not know how to spell?

Mr. BREWSTER. I am not saying as to that. [Laughter.]

Mr. BARKLEY. Mr. President, if the Senator will pronounce the word in accordance with the situation he might pronounce it "minus-cule." [Laughter.]

Mr. BREWSTER. At any rate, the significance of the word is what I undertake to suggest, because it has the meaning of miniature, or any very small thing. So I wish to be sure that the CONGRESSIONAL RECORD does not impugn me before my constituents. [Laughter.]

Mr. BARKLEY. I do not wish to impugn the Senator. Perhaps I am impugning my own ignorance in not being familiar with the word. If the Senator had used the word "molecule," which means approximately the same, I would have understood it. [Laughter.]

Mr. TAFT. Mr. President, I think I will proceed, because I have been on my feet for a long time, and I wish to complete my remarks.

I wish to discuss briefly the question of the Treasury propaganda which has gone forth, and the basis for the opinion which today is apparently forcing these proposals through the Senate.

The Bretton Woods Conference met nearly a year ago. Since that time the Government agencies have been engaged in one of the most completely organized propaganda efforts which this country has even seen. It has been organized, not by groups of citizens, but by the Treasury Department, supported by other Departments. That propaganda has been successful in creating a large-scale public opinion which is now used by the proponents as evidence of the merit of the scheme, and an argument for its adoption by the Senate. The subject is a technical subject, and few have studied its provisions or its necessary effects. Consequently, it has been comparatively simple to bring to bear an emotional propaganda. I wish to appeal to every Senator to study this plan and form his individual opinion on the merits of the case. Undoubtedly, it is a technical subject, but it is not one which cannot be easily understood by reading the articles and analyzing the proposals. We have had cited here many supposed experts, Government officials, bankers, and economists. The truth is, there are very few experts on this subject. Most of those who are quoted here have no more brains and no more knowledge than the average Senator. The Senators who heard the testimony in the Banking and Currency Committee have done some thinking for themselves. Before I present the arguments against the fund tomorrow, I hope that every Senator will read the majority report and the minority views. They both have the merit of stating the issues, although they differ in their conclusions. Neither of them rely on the opinions of so-called experts. The Senate of the United States should

make up its own mind on the real merits and demerits of these proposals.

The Senator from Kentucky [Mr. BARKLEY] has implied that there is practically no opposition, except mine, to the bank, and very little to the fund. I think that if Senators will glance through the Senate hearings they will find plenty of opposition. The American Bankers Association, the New York State Bankers Association, Mr. John Williams, Mr. Allen C. Sproul, the president of the Federal Reserve Bank of New York, and several outstanding economists have expressed their opposition to the proposal.

There has been some criticism of the position taken by the American Bankers Association. As a matter of fact, I can see no possible benefit to any member of the American Bankers Association for opposing the fund or the bank. There is no financial advantage that I can see to be gained by them in their opposition. If the purpose of the proposal is carried out in promoting international trade, no one would benefit from it more than would the New York State Bankers Association. It happens that its members are almost the only ones in the country who may claim perhaps to be experts on this subject.

The Federal Reserve Bank of New York handled more exchange transactions during the past 20 years than all the other 11 Federal Reserve banks together. For a long time they handled all foreign exchange for the United States Government, and since then they have handled a great deal more than have any of the other banks.

Because the American Bankers Association came out against the fund, they were attacked. At one of the meetings Mr. White, of the Treasury, attacked them. But, if any person can show me why they would not be interested in the success of a proposal of this kind, I should like to have him do so. I cannot help but believe that their position is an entirely disinterested one. However, they have been attacked because they believe the fund is a "cockeyed" plan and they would like to see it improved. In its present form they are doubtful as to its soundness.

I think that if Members of the Senate would read the testimony of Mr. Williams and Mr. Sproul they would be amazed to learn that persons who are familiar with the subject do not believe that the fund will solve the problems which now confront the world.

Previously I spoke on the danger of Government propaganda. In the present case it seems to me that the country has been swept away by Government propaganda at Government expense. In a previous statement I cited the statute which prohibits the use of Government money in connection with sending propaganda throughout the country. That statute is very clear. It was passed in 1919. It was enacted to prohibit propaganda being sent out by the executive department because it has tremendous resources under its control. If it uses those resources, it can produce pressure to an extent which no one could resist. The statute now appears as section 201 of the Criminal Code, and reads as follows:

> No part of the money appropriated by any act shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device intended or designed to influence in any manner a Member of Congress to favor or oppose by vote or otherwise any legislation or appropriation by Congress, either before or after the introduction of any bill or resolution proposing such legislation or appropriation.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I would rather finish if I may.

Mr. AIKEN. I will not take more than 1 minute.

Mr. TAFT. If the Senator from Vermont does not mind, I will yield to him when I have finished my remarks.

Mr. President, I asked the Treasury what it had spent on this propaganda. A letter was received from Mr. Joseph J. O'Connell, Jr., copy of which was sent to all members of the committee. It reads in part as follows:

> I am enclosing one copy of each of the documents containing the Bretton Woods proposals which this department has printed and sent upon request to individuals interested in this country.

There is then set forth a long list of documents, practically all of them being in favor of the fund.

I now read from a different letter which was also received from Mr. O'Connell, the general counsel of the Treasury, in response to a question which I asked at the hearings. He stated in effect as follows:

> Sixty thousand copies of this pamphlet were printed at a total cost of $3,502. In addition, the Treasury prepared two small pamphlets explaining the purposes and functions of the fund and the bank.

I have copies of two pamphlets before me. They were circulated widely throughout the country. One was entitled "The Bretton Woods Proposals." That is the one which I now exhibit. The other was entitled "Questions and Answers on the Fund and Bank."

The letter continues:

> Three hundred thousand copies of each were printed at a total cost of $4,579. We also had 270,000 copies of President Roosevelt's Bretton Woods message to Congress printed at a cost of $1,255.
>
> There were nine other publications, both pro and con, of which the Treasury received substantial quantities without cost and which have been distributed upon request. No accurate record of the number distributed has been kept in view of the fact that they were obtained without cost. The nine publications are:
>
> Bretton Woods Agreements, reprinted from the Federal Reserve Bulletin.

That, presumably, was without cost to the Treasury but presumably at the cost of the Federal Reserve Bank, because the Bulletin is published by the Bank.

> Bretton Woods and Foreign Trade, reprinted from Foreign Commerce Weekly.

Not at the cost of the Treasury, but presumably at the cost of the Department of Commerce.

> Bretton Woods Proposals, reprinted from Foreign Commerce Weekly.

Also at the expense of the Department of Commerce.

> Conference at Bretton Woods Prepares Plans for International Finance, by John Parke Young.

Also printed at the expense of the Department of Commerce.

> Practical International Financial Organization Through Amendments to Bretton Woods Proposals, American Bankers Association.

That is the first of them that is critical of the fund, and when we questioned the officials of the Treasury, they said, "Oh, yes, we also distributed those that were opposed to the fund." We found that they got 135 copies from the American Bankers Association, compared with 1,000,000 copies of the other pamphlet.

The next was:

> Bretton Woods Proposals, Report of the Committee on International Monetary Matters of the New York State Bankers Association.

I find they got 75 of those. That was most definitely opposed to the fund.

> International Financial Stabilization, a Symposium, Irving Trust Co., New York.

They got 60 copies. The next was:

> The State of the United States in Foreign Trade, McGraw-Hill Publishing Co.
>
> America Wants Competition, McGraw-Hill Publishing Co.

The McGraw-Hill publications were favorable to the fund, and were probably furnished at the expense of McGraw-Hill.

> The third group of publications distributed by the Treasury consists of reprints of articles and reports which the Department purchased and sent to individuals and organizations requesting them. We purchased 60,000 copies of Mr. E. E. Brown's article, The Bretton Woods Plan to Prevent International Financial Chaos, at a cost of $528; 50,000 copies of Dean Acheson's article, The Place of Bretton Woods in Economic Collective Security, at a cost of $400; 21,000 copies of The Recommendations of Economists for United States Approval of the Bretton Woods Monetary Agreements, at a cost of $576; 20,000 copies of the Bretton Woods Agreements, report of the Independent Banks Association, at a cost of $285.

That was 20,000 copies of the report of the Independent Bankers Association, a group of small country banks, asked by the Treasury to suggest these things and make a report. They buy 20,000 copies of the Independent Bankers Association report, but they get free 135 copies of the report of the American Bankers Association, an association consisting of all the bankers in the country. The letter continues:

> Eighteen thousand copies of the Report of the Foreign Policy Association, by Eleanor Lansing Dulles, at a cost of $1,050; 15,000 copies of Secretary Morgenthau's article, Bretton Woods and International Cooperation, at a cost of $446; and 15,000 of H. D. White's article, The Monetary Fund: Some Criticisms Examined, at a cost of $580. The total cost of these items was $3,865.
>
> The sum expended by the Department for all this material was, therefore, $13,201.

There were something more than a million copies of documents sent through the country. The answer was "We only furnished them upon request." As a matter of fact, that is not true. The Treasury has stimulated the desire. They may have asked these people to request copies; I do not know. There may be a formal request on file for everything that was sent out. I doubt it, but if there was a request, it was certainly stimulated by the Treasury, and the desire for the things these people got was stimulated by the Treasury, and it has from the beginning been a one-sided propaganda.

Mr. AIKEN. Mr. President, will the Senator yield? He has finished that comment.

Mr. TAFT. I am sorry, but I will not yield until I conclude.

Let us take these articles of agreement that are published. The first thing published was a green book called United Nations Monetary and Financial Conference—Final Act and Related Documents.

If the Treasury is asked for that, a Senator at least can get it. I do not know how many were printed. It contains the official proceedings of the Bretton Woods Conference in brief form. A great many things that are in this green book are entirely omitted from the copy on Senators' desks.

For instance, it has been generally represented that 44 nations agreed to this fund, and we are asked, Are we now to go back on the decision of the delegates of 44 nations? Let us see what it was they agreed to, and what was left out of this International Monetary Fund. Here is annex C to the final act. After summarizing the fund and the bank, it is stated:

> The proposals formulated at the Conference for the establishment of the fund and the bank are now submitted, in accordance with the terms of the invitation, for consideration of the governments and people of the countries represented.

Yet the Treasury has taken the position, from the time it was written, that not one word can be changed in the agreement. They do not want the people to consider it; they do not want us to consider it; they do not want us to suggest any changes of any sort.

It seems to me the Conference contemplated that this matter would be discussed by the people and nations concerned, who would come back with their suggestions as to improvements and changes. That is borne out by the fact that at the end of this green book, in no way referred to in the general book that is on the desks of Senators, are contained a number of reservations by all kinds of nations. On page 116 of the green book are contained the statements by the delegation from Australia, in which the Australian delegation protests against some six different sections. For instance:

> The Australian delegation considered that the right of withdrawal should be protected from being made meaningless by membership of the fund being made a condition of membership of other international bodies.

In other words, they say, "We should not be required to join the bank in order to be a member of the fund."

The French delegation has a reservation, so stated, about the French quota, and a reservation as to the omission of a clause permitting enemy occupied countries to reduce their gold subscription, and a reservation as to the definition of "current transactions." They made some eight reservations before the French signed the final act.

There is a statement by the delegation from India, and one by the delegation from Iran as to the size of the quota from Iran. There is a statement by the delegation of Peru. There is a statement by the delegation of the Union of Soviet Socialist Republics. They say:

> In the opinion of the Soviet delegation the following additions to, or alterations of, language should have been in the Articles of Agreement.

They have six reservations.

Finally, there is a reservation by the British Government, which perhaps is not serious, because they object to the location of the headquarters of the fund being in the United States, I take it.

None of this has been told to the people, none of this has been printed in the documents furnished Senators. We have to go and dig them up ourselves if we want to find the real basis on which the agreements are signed. The pamphlet is perfectly factual, but some of the things were omitted which seemed to have a serious effect on what was done at Bretton Woods.

Some of the other recommendations of the Conference might also be printed. In fact, the final act, when the agreement was signed, is not printed at all in the document before us.

Mr. AIKEN. Will the Senator tell us who printed the book from which he is reading?

Mr. TAFT. The Treasury Department. However, it has not been circulated. I asked for it twice about 4 months ago and finally got it. Certainly it has not been furnished without earnest request. The committee finally obtained a copy. It was distributed to members of the committee at our request.

For instance, here is a statement regarding silver, a recommendation which is of some interest, it seems to me, and should at least be a part of the proceedings. It is signed by all 44 nations.

STATEMENT REGARDING SILVER

> The problems confronting some nations as a result of the wide fluctuation in the value of silver were the subject of serious discussion in Commission III. Due to the shortage of time, the magnitude of the other problems on the agenda, and other limiting considerations, it was impossible to give sufficient attention to this problem at this time in order to make definite recommendations. However, it was the sense of Commission III that the subject should merit further study by the interested nations.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURDOCK. May we assume because of what the Senator has just said, that he is sympathetic to the cause of silver, and that we may depend on him from now on to support silver legislation?

Mr. TAFT. My difficulty with the silver question is that it cuts across other considerations. The Secretary of the Treasury has been very much concerned about silver. The silver Senators are very anxious indeed that the Treasury issue silver certificates up to the monetary value of the silver in the Treasury, at the rate of $1.29 an ounce. Secretary Morgenthau has always been opposed to that. He has always issued silver certificates up to what he actually paid for the silver, and has said that issuance of certificates beyond that was inflation; that it was paper money. Frankly, I do not quite agree with that position, but it is his position. Now we understand that the Treasury is about to reverse that position; that it is now about to issue silver certificates up to the value of perhaps a little more than $1,000,000,000 of free silver; that the Treasury is now going to issue silver certificates against that silver. I do not suggest that the reason for that is to obtain the votes of silver Senators for the Bretton Woods Agreements, but it seems to be made at this particular time. Can the Senator from Utah tell me that there is any particular assurance that silver certificates will be issued against the free silver?

Mr. MURDOCK. Mr. President, I will ask the Senator a question first, and then will answer his question. As I understand the Senator's position, it is that there really is no logic in the position which the Secretary of the Treasury has taken in the past in his refusal to issue silver certificates to the full monetary value of the silver in the Treasury.

Mr. TAFT. I do not know about the facts. I do not know what silver is worth at the present time; but whatever it may be worth, we have reduced the gold reserve to 25 percent against the Federal Reserve notes; and if silver certificates should be issued up to the full monetary value of silver, we would have silver worth more than 25 percent of the dollar value of the silver certificates. So I see no great objection to such an issue. My only point is that the Secretary of the Treasury has been the most strenuous opponent of that until today. I do not know positively that this agreement has been made, but at least it has been suggested to me that it was under consideration, and I wondered if the Senator knew whether it had been made.

Mr. MURDOCK. My answer to the Senator is that the Secretary of the Treasury has now seen the light in about the same way that the Senator from Ohio has. There are approximately 300,000,000 ounces of free silver in the Treasury. The Secretary of the Treasury, with the approval of the President of the United States, has agreed to issue silver certificates against those 300,000,000 ounces. They will not be issued immediately, but I would say in the course of several months, as money is needed for the Treasury, silver certificates will be issued to the full monetary value of

300,000,000 ounces of silver, which constitutes the free silver in the Treasury.

Mr. TAFT. May I ask the Senator whether that agreement is concurred in by the new Secretary of the Treasury, because I think it would be desirable from the Senator's standpoint to have both agree.

Mr. MURDOCK. I do not know that there is a new Secretary yet. If the Senator refers to——

Mr. TAFT. I understood from the newspapers that his appointment was being made today.

Mr. MURDOCK. The only point is that it has not yet come to the Senate for confirmation.

Mr. BARKLEY. The appointment came to the Senate today.

Mr. McKELLAR. Yes; it came today.

Mr. MURDOCK. Then my answer to the Senator is that, knowing Judge Vinson as I do, I think he will have no question at all about the soundness and the logic of issuing silver certificates against whatever free silver there is in the Treasury.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Colorado, which is another silver State.

Mr. MILLIKIN. I am sure all Senators present from the silver States appreciate the fine work which the Senator from Utah [Mr. MURDOCK] has done in securing the new policy from Secretary Morgenthau. It seems perfectly silly to me for the Treasury to borrow money on which it must pay interest when we have in the Treasury free silver which we can monetize, and thus avoid considerable interest payment.

Mr. TAFT. I was interested only in the fact that this change in policy seems to be made at a vital moment in connection with the consideration of the Bretton Woods bill.

Mr. President, another proposal which is omitted in this pamphlet, of which 60,000 copies were printed and circulated to the Senate, among others, is a general recommendation for dealing with trade problems. I should like to read it because it, to a certain extent, sets out the very argument I have made, and which I think the opponents of the fund have made. It says:

> Whereas in article I of the articles of agreement of the International Monetary Fund it is stated that one of the principal purposes of the fund is to facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy;
>
> Whereas it is recognized that the complete attainment of this and other purposes and objectives stated in the agreement cannot be achieved through the instrumentality of the fund alone: Therefore
>
> The United Nations Monetary and Financial Conference recommends:
>
> To the participating governments that, in addition to implementing the specific monetary and financial measures which were the subject of this Conference, they seek, with a view to creating in the field of international economic relations conditions necessary for the attainment of the purposes of the fund and of the broader primary objectives of economic policy, to reach agreement as soon as possible on ways and means whereby they may best—
>
> (1) reduce obstacles to international trade and in other ways promote mutually advantageous international commercial relations;
>
> (2) bring about the orderly marketing of staple commodities at prices fair to the producer and consumer alike;
>
> (3) deal with the special problems of international concern which will arise from the cessation of production for war purposes; and
>
> (4) facilitate by cooperative effort the harmonization of national policies of member states designed to promote and maintain higher levels of employment and progressively rising standards of living.

Mr. President, the point that is made in this recommendation is that after all these problems cannot be solved by the fund. Its limited purposes cannot be attained without further agreements. What has been done since then? So far as I know, a recommendation made a year ago to do something else besides this has been completely ignored. No economic conference has been called. So far as I know, no attempt has been made, in an international way at least, to solve economic problems. Only this one project is pushed and pushed and propagandized as the only thing to do, as the panacea that will cure every nation's ills.

As a matter of fact, the Conference itself recognized that that was not the actual condition, and that there were other fundamental problems which had to be solved if we are to attain the general purposes of the fund.

Mr. President, what I particularly object to in this whole propaganda is not only the use of the Government's money but the fact that it is a one-sided propaganda. Every argument is presented just as a lawyer would present his case on one side. There is no recognition of the opposition to the fund. There is no recognition of the proper arguments against it. In this pamphlet called "Questions and Answers On the Fund and Bank" there seems to be a strong desire to avoid calling attention to the cost of the proposal. Nowhere is it frankly stated that the American taxpayer is to be called upon to put up $6,000,000,000 of his hard-earned cash. Actual figures are avoided. Everything is in general terms of advancement of world trade and happiness and prosperity throughout the world.

If one reads this pamphlet, he will find that it is prepared in the form of most Communist pamphlets, with particular questions and answers selected for the simple-minded fellow, presumably for the man with a mentality of 12 years or so. It is in oversimplified form. Sometimes even the facts are not stated correctly. For example, it is stated on page 3:

> The fund will stabilize the value of currencies in terms of each other.

Certainly the fund provision recognizes that currencies may be changed by as much as 10 percent, or even more, if there is a disequilibrium. That is not even mentioned in the questions and answers. There is serious doubt whether the fund would in any way stabilize currencies in terms of each other.

In page 8 we find the following:

> No other nation can alter, or, under the proposed agreement, even propose to alter, the gold value of the dollar.

That is entirely wrong. The other nations can propose anything. Under section 7 of article IV changes in the values of all currencies can be proposed. The values could be changed by action of the Board, although we would have a veto power, which would be very difficult to exercise if every other country wished to change the value of its currency. In other words, the gold value of the dollar could be changed by changing the gold value of all other currencies.

The bare facts regarding the Board of Governors are stated, but the impression is given that we will probably dominate the Board because of the great weight of our voting power. The pamphlet fails to make clear that control would rest in the nations which might wish to draw money from the fund, and would naturally favor an easy treatment of debtors.

One of the essential facts is entirely avoided, namely, that the money we put in is real money, and that the currency contributed by others is about equal in value to the paper on which it is printed. So we would put in more than half the real value, and would have only 30 percent of the voting power. In short, these statements are partisan arguments. They are propaganda, and not facts.

The Treasury has carried on a general campaign, entirely outside the distribution of literature. Mr. Morgenthau announced his intention to sell Bretton Woods to the American people. During every move in the whole campaign he has been attended by paid publicity officers. At the Bretton Woods Conference itself there were, in addition to four Government press-relations officers, Mr. Frederick Smith, the Treasury Secretary's special public-relations counselor, and Mr. Arthur Sweetser, of the Office of War Information, who prepared propaganda for domestic as well as foreign dissemination.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. In connection with what the Senator has just stated, let me say that at Bretton Woods there were also saboteurs who came there for the deliberate purpose of killing the agreement. They were retained and paid for by powerful interests in this country. They told me who paid them, and what their job was. Let us have the record straight.

Mr. TAFT. That is hardly a record. I wish the Senator would state just who would receive any financial advantage from the defeat of the agreement.

Mr. TOBEY. Prominent publicists who came there told me that they had been sent there "to kill the damn thing." They told me by whom they were retained. In my opening address at the convention I made that charge. Those who were present will remember it. The

Senator from New York [Mr. WAGNER] will confirm that statement.

Mr. TAFT. There is this vital difference. Of course, American citizens have the right to combine. The CIO, the PAC, or any other organization which wishes to do so can pay for propaganda, and it is perfectly proper. Private individuals can do so if they are interested. What I object to is the Government using billions of dollars for a great propaganda force maintained at the expense of the taxpayers, to put across a particular proposition in which the Government is interested.

Similar activities are carried on in many other fields. I have before me a list of certain releases. In one week there were 376 releases, consisting of 217,000 words, from Government agencies in general. I believe that the Appropriations Committee of the House of Representatives has estimated that approximately $300,000,000 was being spent on publicity agents. All sorts of publicity documents are being issued.

When the whole force of that propaganda is directed toward stirring up the emotions of the American people to sell them a proposition in which the Government is interested, then Congress and the people are deprived of their power to govern themselves. In effect, the propaganda weapon which has been built up to kill Hilter—propaganda which is necessary in war—is brought back here and turned against the people themselves in order to make them agree to whatever the Government may wish to put across.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. Would the Senator make the same objection to propaganda in connection with the San Francisco Conference?

Mr. TAFT. I must say that in spite of the much greater importance of the San Francisco Conference, there has been infinitely less propaganda on that subject than there has been on the subject of Bretton Woods. I do not know why that is, but that is a fact. I would criticize such propaganda even in that connection, although I have not had occasion to find any such expenditure of money in the preparation and dissemination of pamphlets as there has been in the case of Bretton Woods.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHEELER. Of course, a certain amount of propaganda has been used in other administrations. Something of the same kind went on, to a lesser extent, in the Coolidge and Hoover administrations.

I agree with the Senator that our Government is becoming a government by propaganda. It seems to me that it is indefensible for the Government of the United States to use the money of all the taxpayers of the country to issue propaganda in favor of one particular piece of legislation in which a certain department is interested. It ought to be stopped now; and every appropriation bill which is passed by the Congress ought to prohibit that sort of thing.

How did Hitler, Mussolini, and Stalin keep themselves in power? They kept themselves in power only because they took over all the propaganda agencies in those countries. The only thing that the people of those countries could understand, and the only thing they knew about, was the kind of legislation which the head of the particular government wanted. That is the thing we are fighting against.

We talk about preserving a democratic republic in the United States. The only way we can possibly preserve a democratic republic is by having an informed public opinion. We cannot have an informed public opinion if we are to disseminate information on only one side of every issue and the whole economic power of the Government is to be used to bring pressure upon the masses of the people by presenting only one side.

Mr. TAFT. There is one way in which such propaganda can be met. That is really my purpose in speaking today. I urge Senators not to accept the views of those who have been propagandized, but to study the proposals themselves. Let every Senator read the reports and make up his mind on the basis of the facts of the case.

As Senators probably know, in 1941, there was a survey which showed that 2,895 Federal employees were devoting all their time, and 31,000 part of their time, to publicity. The cost was $27,769,000 at that time. Since that time the cost has greatly increased. Representative JOHN TABER, the ranking minority member of the House Committee on Appropriations, stated that an estimate of $300,000,000, to which I referred, was perhaps not too far away from the total being spent today on propaganda of all kinds.

Since the Bretton Woods Conference, the subject has been kept before the people by hundreds of news stories in the newspapers, not to mention columns, special articles, and the like. Secretary Morgenthau has held many regular press conferences, and has always boosted Bretton Woods. The usual mimeographed material has reached all reporters who did not care to attend these press and radio conferences. But the Secretary has gone much further. While it is not known how often he has done this, it is known that on March 7, when he felt that the Bretton Woods propaganda was lagging and needed a shot in the arm, he invited a group of columnists and radio commentators to lunch with him. On that date there were present from the Blue Network, H. R. Baukhage and Ray Henie; from the Columbia Broadcasting System, William Costello, Joseph C. Harsh, and Bill Henry; from the Mutual Broadcasting System, Walter Conklin, Fulton Lewis, and Billy Repaid; and from the National Broadcasting Co., Morgan Beatty, Leif Eid, Earl Godwin, and Richard Harkness.

Columnists invited to the Secretary's luncheon on Bretton Woods included Peter Edson, Ernest K. Lindley, James Marlow, Lowell Mellett, Barnet Nover, Thomas L. Stokes, and Paul Wooton. The luncheon was an excellent one and was very successful. The Treasury got some fine publicity for Bretton Woods. I remember the sudden barrage of Bretton Woods interest which occurred in the various columns and on the radio, and I wondered what brought it about.

Small wonder that the one newspaper could report that "newspaper columnists, in a flurry of activity, came out almost simultaneously with discussions of Bretton Woods—some of them questioning the motives of private bankers who suggested alterations," as had high officials of the Treasury Department. That was the meeting at which Mr. White made a speech in which he attacked the bankers and impugned the motives of the American Bankers Association which was criticizing and opposing the fund at that time.

The proposals have been boosted by the Government in numerous ways. Secretary Morgenthau and his assistant, Dr. Harry White, have been on the Hill a number of times to argue for their fund and bank plan, formally, before official committees; and, informally and quietly, before other groups and individual members of the Congress. Any Senator and any Representative could have private coaching on Bretton Woods if he but indicated his wish. Some House Members who, lacking a "proper" understanding of Bretton Woods, have uttered disagreement with one or another aspect of the program, have received from the Secretary of the Treasury letters offering to send down one of the Treasury's bright young men to go over the Bretton Woods program in a personal face-to-face conference. If any Representative or Senator appeared to waiver, he was promptly interviewed by the Secretary or his assistants.

The State Department also is lobbying for Bretton Woods, and it has its own liaison man covering the hearings for it. So has the OWI. The Communist press openly refers to the State Department as "working on the Hill."

In its efforts to educate Congress on Bretton Woods, the Treasury Department has not hesitated to throw out some pretty broad hints. More than one House Member publicly objected to the Treasury's pressure campaign, which sometimes takes the form of sending to the legislator photostats of articles on Bretton Woods which have appeared in his home-State newspapers. Typical of the big way in which the Treasury does things, the photosats, which show news stories reporting Mr. Morgenthau's speaking efforts for the fund and bank, are not limited to the one article, but are full-page size. They show entire pages of the newspapers concerned. The shortage of photographic film does not seem to have affected the operation of the Treasury's photostat division, so far.

In its lobbying activities the Treasury, of course, has the encouragement of various private groups and supporters. Press Research, Inc., affiliated with PAC, for example, considers any opposition to Bretton Woods as isolationist and as requiring counteropposition by an aroused public opinion and pressure. In one of its articles it urged the American Farm Bureau Federation to engage in positive lobbying for Bretton Woods and to exert its influence particularly on two Senate

Banking and Currency Committee members. The article stated:

The Farm Bureau could be decisive in formulating the position of JOHN BANKHEAD, (Democrat, Alabama) and ARTHUR CAPPER (Republican, Kansas).

A good indication of how the Government is taking Bretton Woods to the country is contained in an article published in the Commercial and Financial Chronicle of April 19, which I think will be of interest to Senators who may care to examine it. A very informative article appeared in the Wall Street Journal of April 13, 1945; it is entitled "Treasury Asks Clergy to Preach Benefits of Bretton Woods Pact." That article tells how the Government brought to Washington from scattered eastern cities and farms, for off-the-record education, clergymen of four Protestant denominations, so that they may preach the gospel of Bretton Woods from the pulpit. The article reports that this group, brought here to build a fire under Congress, was addressed on Bretton Woods by E. M. Bernstein, of the Treasury's Division on Monetary Research. Mr. Bernstein is quoted as informing the clergymen that the Bretton Woods bank will be a success if only three out of every four loans it makes are ultimately repaid. There is a rather interesting sermon, almost, in the hearings of the House committee, on page 700; it is really almost a perfect sermon on Bretton Woods.

The Wall Street Journal in the same article reports from Washington how the Treasury Department has installed a separate Bretton Woods propaganda headquarters, run by a Randolph Feltus. What does that cost? And how can or should the ordinary citizen meet it? The office headed by Mr. Feltus writes pro-Bretton Woods statements and speeches for anyone who is willing to make them public. Also, it will provide speakers to address private groups anywhere, anytime.

The general answer of the Treasury has been, "We send speakers only when they are asked for." Mr. President, a man just happened to walk into my office this morning. He is a member of the principal oil association. He said, "I heard Mr. White describe this fund; we had a meeting in New York about 2 months ago." I asked him, "How did you happen to have him there? Did you invite him?" he replied "No; he asked if he could come there and talk to our board." That board is made up of approximately 40 men, representing that association.

Mr. President, the Treasury has not waited to be asked. Representatives of the Treasury have been propagandizing this thing all over the country. The Treasury has sent speakers everywhere, and has asked organizations if they would not receive them; and many organizations have admitted them. The number of anti-Bretton Woods speakers has been almost negligible.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WAGNER. I should like to state for the RECORD a list of the churches which were propagandized, according to the statement of the Senator from Ohio, by Secretary Morgenthau, and now are in favor of Bretton Woods: The Catholic Association for International Peace; Congregational Churches—Council for Social Action; United Christian Council for Democracy; Council of Bishops of the Methodist Church: the Unitarian Fellowship of Social Justice; the Board of Education of the Methodist Church; Georgia Methodist Student Conference; the Layman's Movement for a Christian World; Commission of Public Information of the Methodist Church; and the New Hampshire Congregational Christian Conference.

Mr. TAFT. I thank the Senator. Let me say that I cannot think of any possible way in which those groups would have been interested except by direct Treasury propaganda, and certainly the Treasury succeeded in selling them all. The Treasury has sent people all over the country. Of course, they go to those associations. None of those groups has studied this plan, none of them knows what it is. The appeal is entirely emotional, the appeal is entirely on the basis, "This will make for peace, this is part of the general plan for making a perfect world." That is the general appeal. Of course, they line up well-intentioned organizations of that sort.

Mr. WAGNER. Anyone who disagrees with the Senator from Ohio, of course, cannot have studied the matter, according to the Senator, and all this is purely propaganda, so he says.

Mr. TAFT. No; I doubt very much whether any association or any rotary clubs, or women's organization or groups of churchmen have studied this plan from the point of view of whether it will work, whether we are wasting $6,000,000,000 or whether we are not wasting $6,000,000,000, whether as a matter of fact we will really help other countries by passing out to them such large sums of money.

Mr. WHERRY. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. WHERRY. I should like to ask the Senator from New York whether the man on his left, who was sitting in his seat most of the afternoon, is not a counsel for the Treasury Department lobbying for Bretton Woods, and I should like to ask the Senator whether that man did not talk to the independent bankers association in Chicago, Ill., and whether he did not help write recommendations which that association approved, in favor of Bretton Woods. I resent the fact that a man paid for with the money of the taxpayers now comes here on the floor of the Senate, lobbying in favor of passage by the Senate of a bill providing for United States participation in the Bretton Woods agreement.

Mr. TAYLOR. Mr. President, will the Senator yield to me?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. TAFT. I yield.

Mr. TAYLOR. I wish to say that when the Senator from Ohio says these various organizations, including women's clubs and other groups, do not know anything about the Bretton Woods agreements and other proposals——

Mr. TAFT. I did not say that. I said they have not studied it from the point of view of the practical operations of the fund.

Mr. TAYLOR. I tell the Senator that in my State when women's organizations, such as the League of Women Voters, ask me to address them about Bretton Woods or the United Nations Charter, it makes me sweat. I have to get down and study hard about those matters, or else the members of those organizations will know a great deal more about them than I will.

Mr. TAFT. The League of Women Voters has been in favor of Bretton Woods, but I question whether the League has invited any opponents of the proposal to speak at any of its meetings. I understand that its national board has endorsed the proposal as a matter of national policy. I have been told by representatives of two separate organizations in Ohio that they have had speakers appearing in behalf of Bretton Woods. I recall that they were Treasury speakers. One of the representatives told me in effect, "We do not care to hear from the other side of the question because it is already settled as a question of national policy. It has been decided by the national board of the League of Women Voters."

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. I trust that the Senator will accept what I am about to say as being most friendly, and not with any personal recrimination.

Mr. TAFT. I think that if the Senator has any doubt about it, he had better not say it.

Mr. TOBEY. Several weeks ago a notice was sent out inviting persons to come to a meeting of Republicans and hear a discussion of the Bretton Woods agreements. Who were the speakers? They were speakers who were opposed to the agreements. When I read about it I went to the Speakers Research Board and complained. I ascertained that the original plan was to pack the meeting with those who were not in favor of the proposal, and present only one side of the question.

Mr. TAFT. I believe that the Senator from New Hampshire is mistaken. The intention was to have the opponents of the Bretton Woods agreements speak first. It was thought that representatives of both sides should be present, and they were invited. At the meeting the speakers were Mr. Frazier and Mr. Burgess on one side, and Mr. Dean Acheson and Mr. Goldenweiser on the other side.

Mr. TOBEY. Why was an objection raised to my suggestion that both sides of the question be heard at the meeting?

Mr. TAFT. Because it had been intended to hold separate meetings. It was thought that to engage in a debate upon the question in one evening would take too long.

Mr. TOBEY. Did we not have a splendid meeting at which both sides of the question were presented?

Mr. TAFT. Yes; but I think it was difficult to cover the subject adequately.

The meeting lasted until half past 11 o'clock.

Mr. BARKLEY. Of course, this is not a partisan matter, and I would object to any partisan issue being drawn into it, but I am wondering whether it was a coincidence that the opponents were asked to speak first?

Mr. TAFT. It was because almost anything that anybody had had to say up to that time was in favor of the fund. The burden of proof was on those who were opposed to the fund. However, that is a minor question. I do not think the Senator is making a point of it.

Mr. President, the clergymen were not the only groups invited to Washington to learn about Bretton Woods. On February 28 of this year 100 separate groups—women's groups, Negro groups, trade groups, citizens groups, and religious groups—received from a private organization, namely, Americans United for World Organization, Inc., an invitation to attend a seminar on Bretton Woods to be held in the Commerce Department building. There the auditorium had been reserved for the occasion by the Treasury Department, and when the large group gathered it was addressed by speakers from the Treasury Department, the State Department. and other official agencies. The sole topic of discussion was Bretton Woods, and how those organizations could combine to carry the message to the people. Harry White attacked the motives of those who were opposed.

Following that meeting—to give an example—a women's action committee, which attended the Commerce Department meeting, in one of its nearby State branches held an evening session on Bretton Woods. It listened to a professor from a nearby college explain the program's virtues. It adopted a resolution in favor of Bretton Woods, and proceeded to write Members of Congress urging adoption of the Bretton Woods program promptly and without any amendment. It did all these things without any effort being made to hear any critic of the Bretton Woods program.

I do not believe that I need to continue much further along that line.

There is, of course, a very active propaganda taking place. Recently the Daily Worker reported "labor visits to 10 Congressmen get Bretton Woods O. K.," and it added that four additional visits had been aranged for the remainder of that week. For example, the paper reported that Representative HENRY LATHAM, of Queens, had been called on and won over, and it gave the names of those present with Mr. LATHAM when he agreed.

The same newspaper on another occasion reported that a delegation had been organized in Queens by Americans United to change the mind of Representative BARRY on Bretton Woods, since that Representative, a member of the House Banking and Currency Committee, had been reported cold to the fund plan.

Mr. President, I think the publicty campaign in favor of Bretton Woods has been very successful. I do not think there is any question that it has swung public opinion. It has done so to such an extent that it is likely to affect the views of Members of the Senate, and the views of Members of the other House. One report on the Bretton Woods propaganda, which was made by Mr. U. V. Wilcox, by a close observer of Washington financial activities, was published in his weekly news letter of March 12, 1945. Mr. Wilcox stated:

> Government agencies, led by the Treasury, are going to unusual lengths, to pressure the Bretton Woods agreements through Congress and to promote slurs on any opposition. To this end they are seeking to enlist every possible publicity avenue. Some writers and commentators, unacquainted with financial programs and their backgrounds, have come away with the (planted) impression that the "international" or "big city" bankers, were seeking to kill Bretton Woods. So, in fact, wrote Scripps-Howard columnist, Thomas L. Stokes. He went further in a second article and cited the ABA on one hand, and the independent bankers on the other. Other columnists have echoed similar charges. W. Randolph Burgess is named. But Dr. Burgess was once a high authority when he was with the Federal Reserve System.

One might imagine from all this tremendous propaganda effort for Bretton Woods which is burdening the press, the mails, and the air, that the safety of the world depends on the particular formula for currency stabilization worked out in the Treasury Department.

Mr. President, I have spoken at some length today only to give the Members of the Senate some idea of the basis upon which public opinion has been formed, and which is being used to put the pending proposal through the Senate. I believe that Senators owe it to themselves, to their constituents, and to their country generally to study the proposal. They should read the majority report and the minority views. There must be considerable momentum behind this plan, and merely because of that fact Senators should not assume that the plan is a meritorious one.

Mr. President, tomorrow I hope to present arguments against the International Fund.

Mr. BARKLEY. Mr. President, I have only a very brief comment to make on the address of the Senator from Ohio. He objects because the Treasury Department has spent approximately $13,000 for what have been largely reprints of what had already been written and published in various publications and circulated throughout the United States. I recall reading from the January issue of Foreign Affairs, which is a very high-class magazine, as will be testified to by anyone who reads it regularly. I have been a regular subscriber to that magazine for so many years that I cannot recall when I began to read it. It is one of the outstanding magazines in the world dealing with international matters. It is published under the sponsorship of the Foreign Policy Association of the United States, which is composed of many outstanding patriotic Americans who believe that there are such things in the world as foreign relations and that they must be dealt with and studied.

In the January issue of this magazine appeared an article by Secretary Morgenthau in which he, in what I thought was a very impartial way, described what had happened at Bretton Woods last July.

In the same issue of Foreign Affairs, Mr. Harry D. White, who is now Under Secretary of the Treasury, wrote an article undertaking to answer some of the criticisms which had been urged against Bretton Woods from the time when the Bretton Woods Conference adjourned last summer until January.

Those two articles, one by the Secretary of the Treasury and one by Mr. White, were reprinted and circulated and were available at the request of anyone who was interested or who asked for a copy. From the time when the Bretton Woods agreements were entered into until along in January and February, and perhaps in March, nearly all the propaganda, if it was such, was disseminated by those who were opposed to the Bretton Woods agreements. My mail was literally flooded with articles of various kinds, written by various people, printed in newspapers and magazines, some of them in the form of full-page or half-page advertisements in the metropolitan dailies of the United States, against the Bretton Woods agreements.

I happened to be at the Treasury Department one day, I think in January or February or March, early this year, at least, and I said to the Secretary of the Treasury, "Our mails are being flooded with articles of various kinds in opposition to the Bretton Woods agreements. I think that the Treasury, under whose sponsorship, as the agent of the President, the Bretton Woods Conference took place, and the Bretton Woods agreements were entered into, should make available some material in relation to the Conference."

The invitation to the nations which participated was extended by the United States. Secretary Morgenthau was the chairman of the American delegation, and Assistant Secretary Dean Acheson, of the State Department, was a delegate. Judge Fred Vinson, who was at that time, I believe, Economic Stabilizer, was a delegate. Two Members of the Senate were delegates. The invitation had gone out from the United States, from the President of the United States through the Treasury Department, and it was along in January or February, as I have said, in the light of all the propaganda I was receiving against Bretton Woods that I rather complained to the Secretary of the Treasury that nothing was being done on the other side to support Bretton Woods, and that I thought it was his duty and that of his assistants to have printed such literature as would shed light upon the meaning of Bretton Woods. Up to that time practically nothing had been done along that line.

We frequently hear complaint in the Senate about the Government keeping us in the dark about various things concerning which we should know, and now that the Treasury Department has felt called upon probably after some proding, to bring about such understanding of the Bretton Woods agreement as has been possible through the reprinting of articles written by men who were supposed

to know what they were talking about, criticism is now leveled at the Department because it did that at an expense of $13,000 out of the pockets of the taxpayers of the United States.

Mr. AIKEN. Mr. President, will the Senator yield.

Mr. BARKLEY. I yield.

Mr. AIKEN. I should like to say now what I would have said when the Senator from Ohio was making his charges against the Treasury Department, if he had been willing to give me the time to do so.

I, too, have received a great many requests from citizens of my own State for material on Bretton Woods, for copies of the agreements and any other pertinent material, on Bretton Woods. I do not suppose I have received as many as have Senators from the larger States, but I got what seemed to me to be a good many. These correspondents asked for information. I did not have the information available in any concise form. So I, too, requested from the Treasury Department that the information be made available. As I recall, there was some delay in making it available, but the Treasury finally did have these pamphlets printed, and they were sent out to those who were making the requests.

If the inquiries I received were the average for the Members of Congress, both Members of the Senate and the House—and I expect that mine were below the average, or at least not more than the average—a great many thousands of copies of the pamphlets must have been sent out. So I do not think we should be harsh with the Treasury Department for doing what at least some of us asked them to do. I did not tell them what kind of pamphlet I wanted. I merely wanted material on the Bretton Woods agreements because I did not feel qualified to answer my constituents myself, and I thought that if any agency of the Government, if any one in this country, knew about the Bretton Woods proposals, and the details and the facts, the Treasury Department was the proper agency to provide the material. I would not say they had spent $13,000 wrongfully in making this material available to the people of the country.

Mr. President, I do not rise to defend any public-relations department of the Government, because I know some of them have gone altogether too far in their endeavors to put their departments in a very favorable light, but, so far as the Treasury Department goes, I, for one, plead guilty to having asked them for this material. I also asked for material for myself, and they sent me pamphlets, both for and against the Bretton Woods plan. I well recall that.

Mr. BARKLEY. I thank the Senator from Vermont. The Senator from Ohio, rather by inference, claimed that the Treasury Department did not print as many articles against the Bretton Woods proposals as in favor of them. He mentioned specifically the book entitled "International Financial Stabilization, a Symposium," gotten out by the Irving Trust Co., New York. I happen to have a copy of that publication now. It is very well bound, in some sort of material that resembles buckram or leather, but it is not leather. It contains a table of contents of articles written by Jules I. Bogan, Alvin H. Hansen, Edwin W. Kemmerer, Jacob Viner, Ray B. Westerfield, and John H. Williams. Mr. Williams testified before the House committee and before the Senate committee.

It then contains a review of the Bretton Woods agreements, and the final text of the articles of agreement. It contains a total of 186 pages, some of it doubled space. I undertake to say that if the Treasury had asked to print this and had sent it out, there might have been a bill of printing against which the Senator from Ohio might have complained.

Mr. President, it was the duty of the Treasury Department, under whose sponsorship this Conference was held, and whose Secretary was the chairman of the American delegation, to inform the American people what was in the Bretton Woods agreements. It was its duty to print the information so that the American people could read and study it. This is a technical and complicated subject. It is one which the average man finds difficulty in understanding, just as the table of logarithms in mathematics is difficult to understand until one has mastered it. It is such a technical and complicated subject that I would not guarantee that all the Members of the Senate understand it. I would not underwrite my own understanding of all of it, because I am not an expert in international affairs, and I am not an economist, and never pretend to be, though I have tried to study such economic problems as confront me as a Member of the Senate.

It seems to me that the Treasury of the United States, under whose sponsorship this meeting of 44 nations was held, which originated and initiated the meetings to bring about agreements as to stabilization in the currencies of the various countries used in carrying on foreign trade, was under a profound obligation to inform the American people what the agreements contained and what they proposed. It seems to me it has been fair in the dissemination of the information and the periodicals and publications which it has made available to all the people of this country who desired them.

I do not think the Senator from Ohio needs to warn the Senate against the influence of this propaganda, as he calls it. I think the Members of the Senate are sufficiently intelligent to discriminate as between the genuine and the spurious in connection with any representations regarding the Bretton Woods proposals, or any other matter which comes before the United States Senate.

The same criticism might be leveled against the State Department because it has printed many documents in regard to the Dumbarton Oaks agreement and the San Francisco Conference, which it was its duty to do, in order to inform the American people.

Mr. TAFT. Will the Senator yield?

Mr. BARKLEY. In just a moment. Anyone who disagrees with either the State Department or the Treasury Department has a right to do so, but certainly the Departments are not to be criticized for their efforts to inform the American people as to what the meaning of these various movements may be, so long as they confine themselves, of course, to a fair representation of what the agreements contain and what they propose. I do not believe that the Treasury Department can be charged with unfairness in the method it has used in the printing of these publications and their dissemination to all those who wish them.

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TAFT. It seems to me that the facts which appear in this case absolutely prove that the Treasury used Government money to print documents to persuade Congress to pass the Bretton Woods proposals contrary to the express terms of a criminal statute. I think the facts prove that beyond question. The circulation of a thing like this is perfectly proper; the circulation of information which is contained in it is perfectly proper, but pamphlets of this sort are pure propaganda, purely one-sided. The character of meetings that have been held, the kind of propaganda that has been put out have all been one-sided, contrary to the statute. In my opinion, if Government funds can be used for that purpose, then the executive branch will dominate Congress, because it was assumed before this measure came to the Senate that two-thirds of the Senators would be in favor of it. Why? The Bretton Woods agreements had not been studied. But because public opinion has been so strong, because of all the organizations that have been urging the adoption of the measure, because of this lobby, it is assumed apparently that Senators are not going to consider the question on its own merits but will accept the public opinion created in their States. Senators have told me "Well, what is the use? People back home are for this, so I have to be for it."

If this is permitted by the Government, Congress might as well stop being independent. I do not think we have come to that point. I think we can meet the situation. We can meet it by every Senator studying the question himself and making up his own mind. That is the only thing I have been urging the Senate to do.

Mr. BARKLEY. I have no doubt the Senate will make up its own mind on the proposition, but if what the Senator has stated is true, that the so-called propaganda which was issued by the Treasury Department had already convinced both Houses of Congress and the American people that the Bretton Woods agreements ought to be adopted, there would never have been any need for hearings in either House, and the Senator knows that the hearings in the House Committee on Banking and Currency lasted 2 or 3 months. They were exhaustive. No one was denied a hearing either for or against the Bretton

Woods proposals. When the committee finished its hearings and had written the bill the committee voted it out of committee, I believe, with only 2 members voting against it, and only 18 Members of the House of Representatives voted against it when it came up for action in the House. That opinion of the House was based on the showing made at the hearings. We have seen both sides of this things, not only from the Treasury Department but from everybody else who had any desire to propagandize it, and until February of this year most of the propaganda I received was against the Bretton Woods agreements.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. One of the witnesses, Mr. Burgess, as a matter of fact was asked why the American Bankers Association modified its position, and he said, "Well, we thought we ought to do the best we could because we found that the country was pathological internationally." The country is pathological internationally because of the propaganda put out by the State and Treasury Departments. That is the actual condition today. If the country is pathological internationally it means that if a thing is merely claimed to be international, people have been taught to believe it must be something for the benefit of the world. That is the result of Government propaganda today.

Mr. BARKLEY. I think the Senator from Ohio has misquoted Mr. Burgess. I happened to be the member of the committee who asked him that question, because the American Bankers Association had endorsed the bank without reservation at the very beginning, and it had advocated the postponement of the fund. When Mr. Burgess came before our committee 2 or 3 or 4 weeks ago he seemed to be laboring under some hesitation about how far he could go in modifying the position which the American Bankers Association had taken, and I think I asked him the question myself about the modification of the American Bankers Association's position, which was not then in favor of postponement of the fund, but was in favor of some modification of the House bill which was then before the Senate. And he did not, as I recall, say that it was on account of any propaganda of the Treasury or the State Departments, but he did say that the United States was pathological internationally, and intimated that from a purely pathological standpoint he himself was, but that he was representing an organization before our committee that was not particularly pathological, so he was laboring under some embarrassment.

Mr. TAFT. The other conclusion was one of my own. I did not intend to quote Mr. Burgess as saying that that was the result of this propaganda. I said it was the result of State and Treasury Department propaganda.

Mr. BARKLEY. I think if the Senator will examine his remarks he will find that he said that as a result of the propaganda of the two departments the country was pathological internationally.

Mr. TAFT. No; I did not intend that.

Mr. BALL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BALL. I merely wanted to register a slight objection to the repeated inference or statement by the Senator from Ohio that no Senator, except those on the Banking and Currency Committee, has probably even read these agreements. When the bill was first introduced last winter I spent about all the spare time I could find for about a month, not only in reading the documents but everything I could get concerning the matter and talking to Treasury officials and bankers, trying to understand the purposes of these two institutions and how they would function. I admit I am not an expert on all of them, but I did try to prepare myself then to vote on this measure, and I think probably other Senators have done the same thing.

Mr. BARKLEY. I appreciate what the Senator from Minnesota has said. We all recognize him as a diligent, laborious, studious investigator concerning all matters upon which he is required to pass, and I wish to congratulate him upon the success with which he reaches his conclusions.

Mr. President, that is all I have to say about the matter at this time.

Mr. THOMAS of Oklahoma. Mr. President, I submit two amendments intended to be proposed by me to the pending bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for reconstruction and development, and I ask unanimous consent that they lie on the table, be printed, and printed at this point in the RECORD.

There being no objection, the amendments submitted by Mr. THOMAS of Oklahoma were ordered to lie on the table, to be printed, and to be printed in the RECORD, as follows:

Amendment intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, viz: On pages 6 and 7, strike section 6, and substitute therefor the following:

SEC. 6. There is hereby established in the money of account of the United States a gold coin to be known as a gold ounce; such coin to contain four hundred and eighty grains of pure gold (troy weight) and sufficient alloy to make it nine-tenths fine and to be of the value of $35 or units.

Amendment intended to be proposed by Mr. THOMAS of Oklahoma to the bill (H. R. 3314) to provide for the participation of the United States to the International Monetary Fund and the International Bank for Reconstruction and Development, viz, on page 9, at the end of line 9, strike the period and insert a colon and the following: "*Provided*, That the Secretary of the Treasury is authorized and directed to use all silver in the Treasury not held as security for outstanding currency of the United States, and all silver which may from time to time come into the Treasury, to pay all or part of the subscription of the United States as called for to the International Bank for Reconstruction and Development: *and provided further*, That all silver which may be paid into such bank shall be valued in terms of gold from day to day on the basis of the commercial or fair world price per ounce, and on such basis such silver shall be regarded as the full equivalent of gold."

IMPROVEMENT OF SAVANNAH HARBOR

Mr. GEORGE. Mr. President, I ask unanimous consent that the unfinished business be laid aside without prejudice, and that the Senate proceed to consider House bill 3477, for the improvement of Savannah Harbor.

The PRESIDENT pro tempore. Is there objection to the request made by the Senator from Georgia?

Mr. WHEELER. Mr. President, reserving the right to object, I should like to know something about the bill.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 3477) for the improvement of Savannah harbor.

Mr. GEORGE. Mr. President, I should state by way of explanation that this is an item which was inadvertently, by misadventure, left out of the House bill when the recent authorization measure came to the Senate. The House passed the bill dealing only with the Savannah Harbor. The Senate Commerce Committee added Two Rivers Harbor in the State of Minnesota. It is an authorization.

Mr. WHITE. Mr. President, as a result it comes, as I understand, from the Committee on Commerce of the Senate?

Mr. GEORGE. The bill was reported favorably by the Committee on Commerce with amendments.

Mr. AIKEN. Mr. President, may I ask the Senator a question?

Mr. GEORGE. I yield.

Mr. AIKEN. Is this bill an authorization for an appropriation or an authorization for an investigation?

Mr. GEORGE. An authorization for an appropriation ultimately. It is based upon the report of Army enginers contained in public documents.

Mr. AIKEN. What is the amount involved?

Mr. GEORGE. The Senator from Minnesota can probably explain. I will make a statement if the Senator from Minnesota will permit me first. The Savannah Harbor finds itself, as do all the other eastern seaboard harbors, confronted with a very difficult situation because of the deeper draft vessels which are now used and which are under construction, particularly those designed to carry petroleum. The outer bars of the harbor will not permit the ships to enter. Only the recommendations of the engineers are here. This is not an appropriation, but the estimated cost of the Savannah River Harbor, when it is finally completed, is approximately $2,000,000, and the cost of the Two Harbors project in Minnesota is estimated to be somewhat less than that, but I do not remember the exact amount.

Mr. BALL. Mr. President, the cost of the Savannah Harbor project is estimated to be $2,738,000, and the cost of the Two Harbors, Minn., project, which is one of the two major iron ore ports in that area, is estimated at $1,667,000.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 3477) for the improvement of Savannah Harbor, Ga., which had been reported from the Committee on Commerce with amendments, on page 1, line 3, after the word "following," to strike out "work" and insert "works"; in the same line, after "navigation," to strike out "is" and insert "are"; in line 7, after the words "in the," to strike out "report" and insert "reports"; in line 8, after the word "said," to strike out "document" and insert "documents"; and after line 8, to insert: "Two Harbors, Minn., in accordance with the report submitted in House Document No. 8$5, Seventy-eighth Congress, second session."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act authorizing the improvement of certain harbors in the interest of commerce and navigation."

CONVEYANCE OF CERTAIN PROPERTY TO NORWICH UNIVERSITY, NORTHFIELD, VT.

Mr. AUSTIN. Mr. President, while the unfinished business is temporarily laid aside, I ask unanimous consent for the present consideration of House bill 3549, a bill to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3549) to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.

Mr. AUSTIN. Mr. President, let me make a brief statement of what the bill contains. It provides for the conveyance to Norwich University without charge—that is, by donation—by the Commerce Department of property which Norwich University conveyed to the United States several years ago for a consideration of $1. The utility of the station there has been greatly diminished, and the university can carry on the work without expense to the Government.. There will be a saving of current expense to the Federal Government. The property is just off the campus of the university.

Mr. WHITE. Mr. President, as I understand, this is simply a reconveyance of property which originally belonged to the university.

Mr. AUSTIN. That is correct, except that certain improvements, which cost about $13,000, have been built there in the meantime.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

THE OFFICE OF PRICE ADMINISTRATION

Mr. MORSE. Mr. President, I rise at this time to pay my daily disrespects to the OPA and its maladministrator, Mr. Chester Bowles. I should like to have my remarks today take primarily the form of a very critical but sound editorial published in the Astorian Budget, of Astoria, Oreg., under the title "Oh, for Some Changes!" I ask unanimous consent to have the editorial printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OH, FOR SOME CHANGES!

Not long ago this page saw fit to support the OPA in its attempt locally to straighten out exchanges of red points between restaurants and butcher shops. This, as we saw it, was a routine obligation of rationing and its enforcement. The record of the hearings shows that those taking part were in agreement, once the process and necessity was made clear to them.

However while taking this view we, at the same time, denied any interest in supporting outright incompetence. Comes now the time to acknowledge that OPA is so fouled up with its own record of mistakes and inconsistencies as to make the agency doubly vulnerable to high-pressure interests that really want OPA wiped out.

Chester Bowles recently engaged in a terrific and bitter letter-writing debate with Oregon's Senator WAYNE MORSE, who put the whole case into the CONGRESSIONAL RECORD. The subject was a surplus of Oregon lambs, and ways and means to adjust rationing and slaughter to absorb the production without loss. A month ago Portland OPA headquarterms attempted to have lamb-killing quotas removed, and everyone with any knowledge at all of the problem agreed on the best solution. This agreement was the basis of MORSE's fight with Bowles, who apparently was being advised by some dimwits in the Office of Price Administration. This week, a month late, OPA finally came around to doing almost precisely what was recommended a long time ago. The result: the OPA drops another notch in the estimation of public opinion, even though the lamb crop is saved.

Not long ago the fish-packing industry demanded higher ceilings on processed albacore tuna, to match higher raw-fish prices. A year ago Congress passed an amendment (sec. 2(i)) to the Emergency Price Control Act, which said: "No maximum price shall be established for any fishery commodity below the average price of such commodity in the year 1942."

This amendment had the effect of raising the price of raw albacore from $325 to $390 a ton. The OPA disallowed any comparable per case increase on processed albacore, and the packing industry objected that they were being put in a loss position on this fishery product. The packing industry drew up an extensive brief, complete with cost audits, and submitted it to OPA through Congressmen, Senators, the special committee investigating food production, the new Secretary of Agriculture, and anyone else who would listen.

On June 20, Congressman JAMES W. MOTT received a letter signed, but probably not written, by Mr. Bowles. The letter is typical of the exasperating muddle-headed thinking of some high officers of OPA. First of all, it said that after examining the "legislative history of section 2 (i)," the OPA "concluded that the congressional intent was to cover only the fresh items." These brains in OPA decided that the provision applying to fish "closely paralleled" in language and intent the more complicated agricultural commodity provisions of section 2 of the Stabilization Act, which, of course, cover only unprocessed agricultural commodities.

But OPA went further. OPA said that Congress apparently considered the peculiar hazards of the production and marketing of fresh fish in extending special protection to the fishermen. (Protection in the case of albacore means nothing less than $390 a ton—and brother, that's protection.) However OPA points out that processors are not without protection. Reference is made to section 2 (a) of the Price Control Act, which "provides for the establishment and maintenance of generally fair and equitable maximum prices." But what does this mean?

In his letter to Mr. MOTT, Mr. Bowles said: "It is not the policy of OPA to generally give a price increase to an industry merely because of a cost increase until examination is made to determine if the industry can absorb that cost increase and still maintain normal peacetime earnings." This has been put another, and even more shocking, way.

In testimony before the Senate Banking and Currency Committee of March 2, 1945, a Mr. Brownlee, Deputy Administrator of OPA, said:

"The industry-earnings standard, as you recall, is our primary guide in carrying out this requirement. We believe that if prices are to be generally fair and equitable, a price increase is ordinarily required when the earnings of an industry from its operations as a whole, before income taxes, fall below its peacetime earnings, appropriately adjusted for changes in investment."

There you have what is known as the even Stephen policy, which is the complete and unvarnished essence of stupidity. If the peacetime earnings of the Columbia River fishing industry are maintained in wartime, despite an increase in the costs of raw albacore, the industry shall be required to pack more than 600,000 cases at a loss. What a great incentive to production, to capital outlays and expansion of physical facilities, to financing boats and gear, to the broadening of markets. What a great stimulus to American business and industry. The country needs fish, particularly albacore, since most other species are in Government demand. How better to stimulate production at a loss, or on an absurdly low margin of profit.

So this was on June 20. Mr. Bowles gave Mr. MOTT two reasons for not allowing increases at processor levels. Neither reason was worth a damn. A week later the OPA announced increases on processed albacore ceilings.

So on we go—rocking and rolling along, on the roller coaster—greased with rancid butter and cheese accumulated in warehouses, where it has backed up for lack of points; fussing about utility cows getting fatter and tougher on drying pastures and eating hay stored for winter feed, while OPA blocks their killing—stewing about a dozen food commodities, shortages of which are directly the result of snarled distribution.

Certainly if a housecleaning is needed in any branch of Mr. Truman's government, it is needed in OPA. We do not know that Mr. Bowles himself is the villain. No matter, There are some "Stoopnagles" in that organization, at the top levels, who should be liquidated forthwith. Their policies have succeeded mainly in being unsuccessful to an amazingly successful degree.

These same people must share, of course, in an over-all record of success in holding down prices during most of the war. But today, making allowances for selfish motives among some willing to believe the war is over, the OPA's program, especially with reference to rationing, needs an overhaul. Some of the policies which many producers took with a shudder during the darker emergency of early war days are simply not going to be tolerated any longer. To change them, and to continue to make controls effective, is a prime responsibility of the Federal Government today.

Mr. MORSE. Mr. President, I wish to conclude my remarks with respect to the OPA today by pointing out that the Oregon lamb problem has not as yet been solved, although it is supposedly resting on the desk of the Secretary of Agriculture along with instructions to solve it. Telegrams from Oregon today show that the lamb market is breaking, which in plain words means that the lamb producers in my State are beginning to suffer the very losses which the senior Senator from Oregon [Mr. CORDON] and I predicted for the past 3 months would be the case unless the Administration took necessary steps to prevent the losses.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. FERGUSON, from the Committee on the Judiciary:

Arthur A. Koscinski, of Michigan, to be United States district judge for the eastern district of Michigan, vice Arthur J. Tuttle, deceased.

By Mr. McCARRAN, from the Committee on the Judiciary:

Dennis F. Donovan, of Minnesota, to be United States district judge for the district of Minnesota, vice George F. Sullivan, deceased.

By Mr. CONNALLY, from the Committee on Foreign Relations:

The following-named persons to be foreign-service officers of class 1, secretaries in the diplomatic service, and consuls general:

Ellis O. Briggs, of Maine; and

Loy W. Henderson, of Colorado.

Leo D. Sturgeon, of Illinois, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general;

Theodore J. Hadraba, of Nebraska, now a foreign-service officer of class 7 and a secretary in the diplomatic service, to be also a consul; and

Francis C. Jordan, of North Carolina, now a foreign-service officer of class 7 and a secretary in the diplomatic service, to be also a consul.

PRESIDENTIAL TENURE

Mr. MORSE. Mr. President I wish briefly to comment on a subject related to the resolution which I submitted the other day with regard to limiting the tenure of office of the President of the United States to not more than two terms. I had not intended to make any further comment on the subject until next fall after the recess, at which time I hope the Senate of the United States will engage in a very thorough debate of the subject.

However, my attention has been called to a newspaper article quoting the distinguished Democratic whip, the junior Senator from Alabama [Mr. HILL]. He is reported to have referred to the introduction of the resolution by the junior Senator from Oregon as but a Republican political maneuver.

Let me say two things: First, a great nonpartisan issue is involved, and I would welcome the distinguished junior Senator from Alabama if he would join me in treating the issue as a nonpartisan matter.

In the second place, let me assure the distinguished junior Senator from Alabama that the Republican Party does not look to me for Republican political maneuvers.

I wish to add to my remarks on this issue three editorials, and ask to have them printed in the RECORD at this point as a part of my remarks. One is from the San Francisco Chronicle, and is entitled "Two Terms"; another, from the Los Angeles Times, is entitled, "Let Us Limit the Presidential Tenure"; and the third is from the Hartford Daily Courant, and is entitled "Presidential Tenure." I endorse the arguments set forth in the editorials. I am sure they state the case much more clearly than I could state it. I suggest that they be read particularly by the junior Senator from Alabama.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the San Francisco Chronicle of July 11, 1945]

TWO TERMS

The two-term limit on the Presidency that is being considered in Congress is not a new idea. The Constitutional Convention in Philadelphia, 1787, debated the possibilities of self-perpetuation in office. The Federalist papers gave the issue extensive and heated attention.

It was decided wiser not to fix an iron-bound rule in writing. Obviously, an Executive loses a certain amount of force if it is known that he is to be through shortly and be ineligible for reelection.

Instead, the question was left to tradition, as the British parliamentary system leaves so many things. Washington set the tradition by rejecting a third term, and he made his reason specific.

The tradition ran against any ambition of U. S. Grant and Theodore Roosevelt. Coolidge, whose smooth running machine might have made the grade, did not "choose to run."

The tradition now has been broken and the question laid over at Philadelphia 158 years ago is revived, properly, we believe. Any question of a third term in the White House now is so far distant there need be no element of personality involved, nor should it be a partisan issue. The tradition being done, written limitation should be fixed for the Presidency.

[From the Los Angeles Times]

LET US LIMIT PRESIDENTIAL TENURE

The only criticism of the resolution, just introduced in Congress, to limit a President to two terms is that it has been delayed so long.

Evils of unlimited tenure were graphically illustrated in 1940 and 1944 when the tensions and animosities created by Mr. Roosevelt's third- and four-term candidacies threatened national unity in a degree hardly approached since the Civil War. Mr. Truman's moderate and common-sense course so far has done much to relieve those tensions for the time being.

But they could be revived and intensified in dangerous fashion, now that the precedent of a third and fourth terms have been set by a strong-willed President who had succeeded in acquiring political powers in an unparallel manner. (The resolution of Senator MORSE, of Oregon, is particularly timely now that the memory of the Roosevelt administration is fresh and the obvious dangers to the Republic in such a situation are things of the present rather than of the hazy past.)

It is probable that Presidential tenure would have been limited in the Constitutional Convention itself in 1787 except for the fact that everyone felt safe in intrusting the Nation's destinies to George Washington. They knew he would not abuse a trust. And there lay the mistake. For no successful government of the people can be based upon personalities; it must be based upon law.

Washington and others knew only too well the possibility of a President succumbing to ambition and seeking unlimited tenure and they know that with smart political manipulation he could succeed in his designs. Washington, in fact, ending his second term, warned of that very danger.

Some ambitious men tried for third terms, but circumstances did not combine to make the attempt successful until Mr. Roosevelt appeared upon the scene.

The passage of legislation limiting the President to two terms will translate into practical safeguards the experience of 1940 and 1944.

There should be no delay in approval of the resolution.

[From the Hartford Daily Courant of July 11, 1945]

PRESIDENTIAL TENURE

From the Constitutional Convention of 1787 to the present moment the American people have intermittently debated the question: Should there be a limitation on the President's tenure of office? It is again before Congress in the form of a proposed constitutional amendment limiting the President to two terms of 4 years each. Senator WAYNE MORSE, the progressive Republican from Oregon, and Representative JOSEPH W. MARTIN, minority leader and usually alined with the conservative forces in Congress, are its sponsors. It constituted one plank in the Republican platform of 1944, and incidentally had been in Democratic platforms when that party thought that a few votes might be gained by its inclusion.

During the present political lull, when no aspirants for the Presidency are taking to the air waves or the hustings, the time is propitious for studying this proposal objectively. Furthermore, the study should be made without rancor or partisanship, despite the country's experience with third- and fourth-term candidates.

A recent column by Walter Lippmann discussing the new administration sheds additional light on the subject. It is illuminating because Mr. Lippmann favored the reelection of President Roosevelt. His argument was in essence not so much the familiar one of the indispensability of Mr. Roosevelt in the world crisis, but charitably speaking for the taking of the lesser of two evils.

Mr. Lippmann now observes that "during the 3 months that Mr. Truman has been in the White House the country has gotten what it has long wanted, but could not get. The country has wanted a new administration."

Dismissing the alternative of electing the Republican candidate with the observation that in neither 1940 nor 1944 could the country take the risk with the men behind these candidates, Mr. Lippmann proceeds: "There was no way, in short, by which the will of the people could express itself politically. The result was a sense of frustration which kept the Nation from that wholehearted moral unity" so imperatively needed to meet the peril of the time, and, for that matter,

at this time. It is truly amazing, in light of the arguments presented during the last campaign, that Mr. Truman's index of popularity as measured by a Gallup poll exceeds that of Mr. Roosevelt at the peak of his popularity. Mr. Truman has nullified the argument of the indispensable man.

In all truth it is a tribute to the vitality of our democracy that it survived the frustration of which Mr. Lippmann has written. It is pertinent nonetheless, to ask why democracy should not have been put to this test. Basically it stems from the vast power of the Presidency, always vast but in these days of big government still vaster. It has become so immense that the miracle of American politics was not in the successful campaigns for a third and then a fourth term, but in the vitality and size of the minority who opposed them. A powerful, personal political machine starts a campaign with two strikes on the opposition party before it even steps to the plate. As for the opposition within the President's own party, it doesn't even get a turn at the bat.

Since this question was last seriously approached, experience has demonstrated two facts: Perpetuity in office can become a reality, and America can survive despite whatever blow may strike down one or more of its leaders. But experience has not shown that America can continue as America if the principle of perpetuity in office is adopted by either political party or by any individual. It is time to consider this question with a view toward what, in the long run, will be best for our system of representative government.

PYMATUNING LAKE COMPACT BETWEEN OHIO AND PENNSYLVANIA

Mr. BURTON. Mr. President, while the unfinished business is temporarily laid aside, I ask unanimous consent for the present consideration of House bill 3294, which was passed by the House, and was reported earlier in the day from the Committee or Commerce.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3294) to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake.

Mr. WHITE. Mr. President, as I understand, the bill would give the consent of the Congress to a compact between Ohio and Pennsylvania with respect to the use of the waters of a certain lake.

Mr. BURTON. The Senator from Maine is correct. The bill would merely give the consent of Congress to the modification of an agreement already entered into between the States of Pennsylvania and Ohio dealing with the use by small boats of Pymatuning Lake, between the two States.

Mr. BARKLEY. Mr. President, I should like to inquire of the Senator if this authorization for modification is agreeable to the Senators from the State of Pennsylvania.

Mr. BURTON. The bill is approved by the junior Senator from Pennsylvania [Mr. MYERS]. I spoke with some one in his office about it this morning. He is very anxious to have it passed.

Mr. BARKLEY. As I understand, in order that the modification may be brought about, or in order that the two States may begin negotiations, it is urgent that the bill be passed now.

Mr. BURTON. Both States have already approved the change in the agreement. It is desired to obtain the consent of Congress so that the modification may be effective at once.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 3294) was considered, ordered to a third reading, read the third time, and passed.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, July 17, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate July 16 (legislative day of July 9), 1945:

SECRETARY OF THE TREASURY

Fred M. Vinson, of Kentucky, to be Secretary of the Treasury.

ASSISTANT ATTORNEY GENERAL

Theron Lamar Caudle, of North Carolina, to be an Assistant Attorney General, vice Hon. Tom C. Clark, resigned.

ASSISTANT SOLICITOR GENERAL

Harold William Judson, of California, to be Assistant Solicitor General of the United States, vice Hon. Hugh B. Cox, resigned.

DIRECTOR OF WAR MOBILIZATION AND RECONVERSION

John W. Snyder, of Missouri, to be Director of War Mobilization and Reconversion for a term of 2 years.

SENATE

TUESDAY, JULY 17, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Lt. Col. Donald C. Stuart, United States Army, post chaplain, Walter Reed General Hospital, Washington, D. C., offered the following prayer:

Most gracious God and Heavenly Father, who dost guide in the ways of righteousness all men and nations who turn to Thee, be with these thy servants in their deliberations and in their labor for the welfare of our country and the victorious completion of the war: Grant then Thy gifts of wisdom, prudence, and courage that they may regulate the affairs of state, provide for the conquest of our foe, and prepare for a just and lasting peace, all to Thy glory and our welfare. Strengthen us, Lord, when we are weary, encourage us when trials come, and keep us ever loyal to Thee and to our land; who livest and reignest, God, world without end. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The Chief Clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., July 17, 1945.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WALTER F. GEORGE, a Senator from the State of Georgia, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. GEORGE thereupon took the chair as Acting President pro tempore.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 16, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

ADMINISTRATOR FOR SURPLUS PROPERTY BOARD—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 261)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, referred to the Committee on Military Affairs, and ordered to be printed:

To the Congress of the United States:

On October 3, 1944, the Congress enacted the Surplus Property Act of 1944, a comprehensive scheme for the declaration, handling, and disposal of all types of surplus property.

The operations of the three-man Surplus Property Board created by that act have been marked by substantial achievements. It has set in motion the disposal machinery which Congress authorized and it has begun to implement the standards which Congress laid down for the disposal of surplus property. Regulations already promulgated or in the process of adoption cover the most important types of property—consumer goods, plant equipment, industrial plants, and farm lands. The emphasis in the Board's task will then shift from the promulgation of policy to the effectuation of basic policies already established.

The task of administration becomes increasingly difficult as the rate of surplus declarations rapidly rises. That rate is rising sharply now. To dispose of this growing volume of surplus property in a manner that will fully achieve the objectives declared by Congress will require the most efficient possible administrative machinery.

While the present Surplus Property Act was under consideration by the Congress, the then Director of War Mobilization and Reconversion, Mr. Byrnes, recommended provision for a single Administrator. I think experience has proved him right.

In a field which calls for quick and decisive action, it is undesirable to dilute responsibilities for the disposal of surplus property. Administration by a multimember board has complicated day-to-day operations under the act.

More recently the retiring Chairman of the Board has stated to the Congress that, although he originally shared the view that a three-man board was appropriate, his experience also led him to the belief that the act can best be administered by a single Administrator.

I am convinced that the effective performance of the vast administrative task remaining for the disposal of surplus property imperatively requires that authority to make decisions and responsibility for those decisions should be centralized in a single official. Such an official should operate, as do all other executive agencies, under the general authority conferred by the President and the Congress on the Office of War Mobilization and Reconversion. Accordingly I request the Congress to amend the Surplus Property Act of 1944 by substituting a single Administrator for the present Surplus Property Board.

HARRY S. TRUMAN.

THE WHITE HOUSE.

PHILIP KLEINMAN—VETO MESSAGE (S. DOC. NO. 74)

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on Claims and ordered to be printed:

To the United States Senate:

I am returning herewith, without my approval, S. 311, Seventy-ninth Congress, entitled "An act for the relief of Philip Kleinman."

The purpose of the bill is to authorize the payment by the Secretary of the Treasury to Philip Kleinman, of Salem, Oreg., of the sum of $495 in full satisfaction of his claim against the United States for payment of medical and hospital expenses incurred by him in securing medical and hospital treatment of physical disabilities allegedly attributable to injuries sustained by him in the course of duty while a soldier, United States Army.

Philip Kleinman served five enlistments in the Army, not continuous, extending from July 12, 1905, to January 15, 1916. In April 1918 he enlisted in the Coast Guard and was discharged October 14, 1918, from this enlistment. He reenlisted in the Coast Guard October 15, 1918, and served until honorably discharged, December 31, 1919. He enlisted in the Army January 1, 1920, and served through eight enlistments, being retired for longevity April 30, 1937.

I am informed by the War Department and the Veterans' Administration that the disability for which Mr. Kleinman received treatment by private medical authorities, and which treatment furnishes the basis for the claim for reimbursement, is not shown to have been incurred in or aggravated by active military or naval service and that the expenses incurred by Mr. Kleinman do not, therefore, under the policies of existing law, constitute a proper charge against the United States.

I am also advised that the legislation, if approved, would grant a special benefit to one veteran not granted to all other veterans in the same class and under the same conditions and would constitute a precedent for thousands of similar claims from veterans who are compelled each year to undergo treatment for non-service-connected disabilities.

For the foregoing reasons I am constrained to withhold approval of S. 311, Seventy-ninth Congress.

HARRY S. TRUMAN.

JULY 17, 1945.

REPORTS BY AMERICAN RED CROSS AND WAR REFUGEE BOARD RELATING TO FOREIGN WAR-RELIEF OPERATIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following communication from the President of the United States, which was read, and, with the accompanying reports, referred to the Committee on Appropriations:

THE WHITE HOUSE,
Washington, July 14, 1945.

The PRESIDENT PRO TEMPORE OF THE SENATE.

SIR: I have the honor to transmit herewith reports prepared by the American Red Cross and the War Refugee Board reflecting foreign war-relief operations which have been conducted during the period July 1, 1940, through April 30, 1945, from appropriations for foreign war relief consolidated and extended by the Second Deficiency Appropriation Act, 1942; the Urgent Deficiency Appropriation Act, 1943; and the Second Deficiency Appropriation Act, 1944.

These reports supplement those previously submitted as of April 30, 1941; April 30, 1942; April 30, 1943; and April 30, 1944; and are of necessity of an interim nature, since the foreign war-relief program is still in progress.

The Second Deficiency Appropriation Act, 1945, has extended the availability of $2,150,000 of this appropriation until December 31, 1945, in order to provide for the termination of the program, and a final report will be submitted following that date.

There is also transmitted herewith a statement of allocations that have been made to Government purchasing agencies from this appropriation, together with unobligated balances remaining in each allocation as of April 30, 1945. It will be noted that obligations reflected in this statement have been based on orders placed with vendors as distinguished from the report of the American Red Cross, which was prepared on the basis of requisitions submitted to Government purchasing agencies.

Respectfully yours,

HARRY S. TRUMAN.

DISPOSITION OF EXECUTIVE PAPERS

The ACTING PRESIDENT pro tempore laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The ACTING PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS

Petitions were presented and referred as indicated:

By Mr. WALSH:

A resolution adopted at a mass meeting held under the auspices of the Boston (Mass.) Committee for Lithuanian Independence, favoring recognition of the sovereignty and independence of Luthuania, and that she be accepted as a member of the United Nations; to the Committee on Foreign Relations.

By Mr. RADCLIFFE:

A resolution adopted by the City Council of the City of Baltimore, Md., favoring the enactment of Senate bill 1128, the so-called seamen's bill of rights bill; to the Committee on Commerce.

BRETTON WOODS AGREEMENTS—RESOLUTION OF GENERAL ASSEMBLY OF CONNECTICUT

Mr. McMAHON. Mr. President, I ask unanimous consent to present for appropriate reference, and to have printed in the RECORD at this point, a resolution adopted by the General Assembly of the State of Connecticut memorializing the Congress in favor of the passage of the Bretton Woods agreements bill, with the stabilization fund included.

The ACTING PRESIDENT pro tempore. Without objection, the resolution presented by the Senator from Connecticut will be received and lie on the table, and, under the rule, it will be printed in the RECORD.

The resolution is as follows:

Resolution memorializing Congress in favor of the passage of the Bretton Woods bill with the stabilization fund provision included

Resolved by this assembly, That the Congress of the United States is urged to enact, as soon as possible, the Bretton Woods bill with the stabilization fund provision included; and be it further

Resolved, That a copy of this resolution be forwarded by the secretary of the state to each member of the House Banking and Currency Committee of the Congress and to each member of the Connecticut Delegation in Congress.

State of Connecticut, House of Representatives, adopted June 6, 1945.

State of Connecticut, Senate, adopted June 6, 1945.

TRAVEL LIMITATIONS—RESOLUTION OF GRAND LODGE A. F. & A. M. OF NORTH DAKOTA

Mr. YOUNG. Mr. President, I ask unanimous consent to present for appropriate reference, and request to have printed in the RECORD, a resolution adopted by the Grand Lodge A. F. & A. M. of North Dakota, at Fargo, N. Dak., relative to travel limitations.

There being no objection, the resolution presented by Mr. YOUNG was received, referred to the Committee on Interstate Commerce, and ordered to be printed in the RECORD, as follows:

Resolution in regard to the Byrnes directive

Whereas the Grand Lodge A. F. & A. M. of North Dakota, through its properly authorized representatives did upon receipt of the so-called Byrnes directive, endeavor to comply with the same by arranging the annual communication with an attendance of representatives limited to 50 persons outside the city of Fargo; and

Whereas it has come to the knowledge of the principal officers of this Grand Lodge that other organizations with less justification have held meetings and conventions with no regard to limits upon attendance; and

Whereas tens of thousands have attended the Kentucky Derby, the Narragansett races, and other similar affairs with no thought of obeying this directive, and where wholesale, legalized gambling was notorious: Therefore be it

Resolved, That this Grand Lodge, representing some 12,000 loyal representative citizens of this Commonwealth, hundreds of whom are in the uniform of our country, do respectfully but nonetheless emphatically protest against the continuance of the Byrnes directive, and ask for its early cancellation or its uniform enforcement.

While we believe its open disregard by certain groups is a reflection upon all good citizens, we also believe its enforcement is contrary to the spirit of free America and the constitutional right of assembly; be it further

Resolved, That a copy of this resolution, under the seal of this Grand Lodge, be sent to the President and to our Senators and Representatives in Congress.

WALTER L. STOCKWELL,
Secretary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BUTLER, from the Committee on Banking and Currency:

S. 1270. A bill relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation; with an amendment (Rept. No. 465).

By Mr. O'MAHONEY, from the Committee on Military Affairs:

S. J. Res. 49. Joint resolution authorizing the presentation of medals to the widows, children, or mothers of persons who lose their lives in the military or naval service during World War II; with amendments (Rept. No. 466).

By Mr. MITCHELL, from the Committee on Banking and Currency:

S. 1204. A bill to amend sub section (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food; without amendment (Rept. No. 467).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HATCH (by request):

S. 1273. A bill to provide for the acquisition by exchange of non-Federal property within areas administered by the National Park Service; to the Committee on Public Lands and Surveys.

(Mr. KILGORE (for himself, Mr. MURRAY, Mr. WAGNER, Mr. GUFFEY, Mr. THOMAS of Utah, and Mr. PEPPER) introduced Senate bill 1274, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. GUFFEY (for himself, Mr. MURRAY, Mr. KILGORE, Mr. MEAD, Mr. TUNNELL, Mr. HILL, Mr. THOMAS of Utah, and Mr. RADCLIFFE):

S. 1275. A bill to make available to discharged members of the armed forces an adequate supply of wearing apparel at fair prices, and for other purposes; to the Committee on Military Affairs.

By Mr. JOHNSON of Colorado (for himself and Mr. CAPPER):

S. 1276. A bill to amend the Veterans' Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; to the Committee on Finance.

RECONVERSION UNEMPLOYMENT BENEFITS

Mr. KILGORE. Mr. President, on behalf of myself, the Senator from Montana [Mr. MURRAY], the Senator from New York [Mr. WAGNER], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Utah [Mr. THOMAS], and the Senator from Florida [Mr. PEPPER], I ask unanimous consent to introduce for appropriate reference a bill to carry out President Truman's request made in his special message to Congress on May 28 last for supplementary unemployment benefits during the reconversion period.

There being no objection, the bill (S. 1274) to amend the War Mobilization and Reconversion Act of 1944 to provide for an orderly transition from a war to a peacetime economy through supplementation of unemployment compensation payable under State laws, and for other purposes, introduced by Mr. KILGORE (for himself, Mr. MURRAY, Mr. WAGNER, Mr. GUFFEY, Mr. THOMAS of Utah, and Mr. PEPPER), was received, read twice by its title, and referred to the Committee on Finance.

Mr. KILGORE. Mr. President, in order not to interfere with the debate now in progress, I have reduced to writing a statement and summary respecting the bill which I have just introduced. I ask that the statement and summary be printed at this point in the RECORD as a part of my remarks.

There being no objection, the statement and summary were ordered to be printed in the RECORD, as follows:

The bill which we are introducing was worked out after consultation with experts on the subject in both the legislative and executive branches and with representatives or organized labor. It represents a sincere attempt to present a simple and straightforward bill to carry out President Truman's request without in any way impairing or interfering with the present State unemployment compensation laws. The bill does not require any State to administer the supplementary Federal benefits if it does not voluntarily elect to do so. The entire bill is voluntary insofar as the States are concerned.

All the bill attempts to do is to enable each State to bring its unemployment insurance benefits up to the standard outlined by President Truman, namely, a duration of 26 weeks of benefits and a maximum benefit of $25 per week, and to cover Federal and maritime employees, by making an agreement to do so with the Director of War Mobilization and Reconversion. If any State does not voluntarily agree to supplement its State benefits in this way, the Director of War Mobilization and Reconversion is authorized to make such supplementary payments.

I want to make it clear at the outset that the bill does not provide for paying each unemployed person a uniform amount of $25 per week. The bill specifically provides that each individual will receive the same percentage of his wages now provided by the State law except that if this amount is limited by an arbitrary ceiling of $15 or $20, the ceiling will be increased so that a maximum payment of $25 can be paid. Thus, in a State like Tennessee which pays benefits of approximately one-half of an individual's previous wage, at the present a person earning $30 or more in wages in a week can only get $15 per week in benefits. Under the bill, not a single cent more would be paid to persons earning less than $30 per week in wages. But persons now earning $40 per week would get $20 in benefits instead of the present $15. Persons earning $50 or more would get $25 in benefits. In other words, benefits would still be related to the person's previous wages and would not be modified in any respect except to give recognition to the fact that many persons now receive low benefits solely because of the low ceilings on the benefits which can be paid.

Several illustrations of how this would work out are contained in a summary of the bill which I have had prepared and I ask unanimous consent that it be included in the RECORD at the conclusion of my remarks.

The bill also provides that if a State wishes to cover additional employees who are not now covered by State law, a State may make an agreement to do so with the Director and receive from the Federal Government the necessary funds for this purpose. In this way States may elect to cover employees in small firms, agricultural employese, domestic-service employees, employees in nonprofit institutions, or State employees—if the State wishes. A State may elect to cover all or any part of these groups which are now unprotected.

In addition, a State is given the option of liberalizing its benefit payments below the $25 ceiling. However, the bill specifically provides that no individual may receive benefits of more than two thirds of his wages—and in no case above $25.

We are glad to note that the Chairman of the House Ways and Means Committee, the Honorable ROBERT L. DOUGHTON of North Carolina, introduced a substantially similar bill in the House on Monday of last week. There are a few differences in the two bills which I feel sure can be ironed out in the hearings held by the respective Houses or in conference. The present bill differs from the bill introduced in the House by providing increased benefits for returning veterans, which the House bill does not include; second, in starting payments under the Act without waiting for mass unemployment to descend upon the Nation; third, in covering Federal and maritime employees under the District of Columbia Unemployment Compensation Act; fourth, in including processing workers; and finally, in providing travel allowances to displaced workers. In practically every other respect, we have sought to conform the Senate bill to the House bill. We trust that, with unemployment already appearing in substantial amounts in many sections and with the grave danger of large-scale, Nation-wide unemployment hanging over our heads, the two Houses of Congress will move speedily in considering these bills.

Mr. President, the sponsors of this bill do not claim that the bill we have introduced is a perfect bill. Many technical problems were encountered in the drafting of the bill

for which completely satisfactory solutions could not be found because of the complexity of the State unemployment compensation laws. Nor does the bill attempt to correct all the many defects which the sponsors believe exist in the present State unemployment compensation laws such as the harsh and restrictive disqualification provisions, and the inevitable inequities which exist under a State-by-State system. We have tried to draft a bill which would take care of the most important immediate problems, leaving it to Congress to consider basic changes in the Social Security Act at a later date.

The reconversion period will involve human readjustment on a scale beyond anything in our Nation's previous history. About 9,000,000 workers who were employed in munitions industries on VE-day and about 9,000,000 veterans released from the armed forces must move from wartime activities to civilian pursuits. This transfer is already under way; it will be vastly greater after Japan's defeat.

Some of the released workers—especially women—will leave the labor force. Others will be able to stay on their present job, as their employers begin producing the same products for civilian rather than military use. The great majority, however, must find new jobs. Even if reconversion is handled perfectly, jobs cannot be provided overnight for every released worker and veteran. It is estimated by the War Manpower Commission that unemployment will reach a level of 7,500,000 during the year after VJ-day. This estimate is based on optimistic assumptions regarding the withdrawal of women and older workers from the labor force, and it is assumed that civilian industries will reach a level of employment higher than in any prewar year. Under these optimistic assumptions, much of the unemployment will be temporary, but for millions of families an adequate unemployment compensation program will be the only protection against sharp cuts in living standards.

In spite of increases which have been made in many States, the maximum weekly benefit rate in most States provides less real purchasing power today than it did when benefits first began in 1938. The cost of living index of the Bureau of Labor Statistics, in May 1945, was 28 percent above the 1935–39 average. The President's Committee on the Cost of Living, in its report last November, found that this index has a downward bias of 3 to 4 points—which means that the actual cost of living now is about one-third higher than in prewar years. For the family dependent on unemployment benefits, this does not tell the whole story. The prices of food and clothing, which represent a larger proportional part of the expenditures of such family have risen 30 and 44 percent respectively. It is for this reason that we feel that the maximum compensation must be raised to $25 if we are to even keep in line with the 1938 standards.

We urge that the distinguished chairman of the Committee on Finance hold hearings on the proposal and obtain the suggestions of all of the various interested groups. Our hope is that in this way a noncontroversial measure can be enacted which will carry out the President's request quickly and effectively.

SUMMARY OF PROVISIONS OF EMERGENCY RECONVERSION UNEMPLOYMENT BILL

The bill provides for:

1. Supplementation out of Federal funds of benefits payable to workers now covered under State unemployment compensation laws so that every eligible unemployed worker will be entitled to 26 weeks of benefits in an amount based on past wages up to a ceiling of $25. In States which provide that an individual's unemployment benefit is computed at one-half of wages only persons earning $50 per week or more would be eligible to receive the $25 ceiling payment. A $40-per-week worker would receive only $20; a $30-per-week worker would still receive only $15 in benefits.

2. Financing similar benefits to Federal workers, maritime workers, agricultural processing workers, and workers employed by small firms who are not now covered by State laws.

3. Payment of the supplementary benefits outlined under (1) and (2) by the Director of War Mobilization and Reconversion, if a State does not elect to do so.

4. Supplementation out of Federal funds to workers not now covered under State laws, and to liberalize payments up to two-thirds of wages (but not more than $25) if a State so elects.

5. Amendment of the Federal Unemployment Tax Act by extending its provisions to employers of one or more, effective January 1, 1946.

6. Payment of traveling allowances to workers referred to employment in another city by the United States Employment Service.

7. Amendment of the Servicemen's Readjustment Act of 1944 (the GI bill of rights) so that every eligible unemployed serviceman will be entitled to 52 weeks of benefits at $25 per week for a single person and $30 per week for a person with dependents. Under the existing law, servicemen are entitled to $20 per week irrespective of whether they have dependents or not, and are only entitled to 52 weeks of benefits if they have been in the armed forces 9½ months or more. Thus under the present law a serviceman who is discharged after 90 days of service is entitled not to 52 weeks if unemployed that long, but to only 24 weeks of benefits. The amendment provided by this bill would enable every serviceman with 90 days of service to be entitled to the full 52 weeks of benefits if he remained unemployed that long.

The life of the bill, except for the amendment to the Federal Unemployment Tax Act which is permanent, and the amendment to the GI bill of rights, runs only until June 30, 1947, the date on which the War Mobilization and Reconversion Act of 1944 expires.

STATES MAY VOLUNTARILY CHOOSE TO ADMINISTER BENEFITS

The bill amends the War Mobilization and Reconversion Act of 1944 (Public Law 458) by adding a new title VII to that law authorizing the Director of War Mobilization and Reconversion to enter into voluntary agreements with State unemployment compensation agencies whereby the States, if they so desire, agree to administer the supplementary benefits provided under the legislation and the Federal Government agrees to pay the cost of the supplementary benefits. Section 702 (a) and (b)). The bill also provides that if a State wishes to go beyond these minimum requirements, it may do so with respect to the amount of benefits under the maximum of $25 and with respect to coverage (Section 702 (c)). A State is given the option of liberalizing its benefit payments provided that no individual receives benefits of more than two-thirds of his wages and in no case above $25. A State may, if it wishes, liberalize its entire benefit formula, add dependent benefits, or in any other way adjust its benefits up to this ceiling. Moreover, if a State wishes it may extend coverage to any other groups not now covered under State law such as agricultural labor, domestic service, employees in nonprofit institutions, or State employees. A State may elect to cover all or any part of these groups which are now unprotected.

If the States do not wish to participate in an agreement to supplement their laws so as to provide 26 weeks of benefits up to a maximum of $25 per week and to extend coverage to Federal or maritime employees the Federal Government will do so. (Section 703.)

MAXIMUM WEEKLY BENEFIT, DURATION OF BENEFITS, AND COVERAGE

To the extent that the States wish to enter into any voluntary agreement, the agreements between the States and the Director must provide for a maximum payment of $25 for 26 weeks and for the coverage of Federal and maritime employees. (Section 702.)

1. Duration of benefits: Section 702 (b) (2) provides for payment of benefits for 26 weeks' uniform duration to any eligible worker entitled to benefits under the State law. This provision leaves unchanged the verying qualifying earnings requirements of the different State laws but provides that every claimant who meets the States' qualifying earnings requirements shall receive benefits to which he is entitled under the State law supplemented so that he will not exhaust his benefits until he has been paid an amount of benefits equivalent to benefits for 26 weeks of total unemployment within a benefit year.

2. Maximum benefit: Section 702 (b) (1) provides that the raising of the maximum to $25 must be accomplished by extending the relationship between benefits and wages now included in State unemployment compensation laws. For example, in those States using a percentage of high quarterly wages to compute the weekly benefit rate, the maximum provided will merely be raised to $25 and the same percentage used in computing the amounts above the existing maximum; in those States using a table in their law to compute benefit rates, the table will be extended by a continuation of the relationship between wages and benefits already incorporated to a ceiling of $25.

The following table illustrates the total amount which would be paid under the bill to an unemployed person in a particular State which now provides benefits of one-half of wages up to a ceiling of $15. No change would be made in the amount of benefits paid to individuals below the maximum paid by the State.

TABLE 1.—*Illustrative unemployment benefits under the bill in a State which at the present time provides benefits of 50 percent of wages up to a maximum of $15 per week*

Average wage of unemployed individual	Total benefit (State plus Federal)	Amount paid by State	Amount paid by Federal Government
$20	$10	$10	$0
$30	15	15	0
$40	20	15	5
$50	25	15	10
$60 or more	25	15	10

For a State which now pays 60 percent of wages up to a ceiling of $20, the bill would work out as shown in the following table:

TABLE 2.—*Illustrative unemployment benefits under the bill in a State which at the present time provides benefits of 60 percent of wages up to a maximum of $20 per week*

Average wage of unemployed individual	Total benefit (State plus Federal)	Amount paid by State	Amount paid by Federal Government
$20	$12	$12	$0
$30	18	18	0
$40	24	20	4
$50	25	20	5
$60 or more	25	20	5

3. Coverage: Section 702 (b) (3) provides for paying unemployment compensation to Federal and maritime employees, as if their services were included under the unemployment compensation law of the District of Columbia, and to agricultural processing em-

ployees. At the present time there are about 4,000,000 persons employed in these two excluded groups. The benefits payable to Federal and maritime employees will be the same as those payable to other workers covered under the District of Columbia law supplemented on the same terms as to the maximum amount and duration of benefits.

FEDERAL PAYMENTS IF STATES DO NOT ELECT TO SUPPLEMENT

If, however, a State does not voluntarily elect to supplement its State law to provide 26 weeks of benefits up to a maximum of $25 and to extend coverage to Federal or maritime employees, the Director of War Mobilization and Reconversion is given the responsibility of making such payments as if the State had done so.

SUPPLEMENTATION UP TO TWO-THIRDS OF WAGES

If a State voluntarily elects under section 702 (c) to supplement its State law beyond the minimum requirements specified in section 702 (b), it may not pay benefits of more than two-thirds of an individual's wages.

For a State which elects to pay up to two-thirds of wages up to a ceiling of $25 per week, the bill would work out as shown in the following table:

TABLE 3.—*Illustrative unemployment benefits under the bill in a State which at the present time provides benefits of 50 percent of wages up to a maximum of $15 per week and which under the bill increases its payments to 66⅔ percent of wages up to a maximum of $25 per week*

Average wage of unemployed individual	Total benefit (State plus Federal	Amount paid by State	Amount paid by Federal Government
$10	$6.66	$5	$1.66
$20	13.33	10	3.33
$30	20.00	15	5.00
$40	25.00	15	10.00
$50	25.00	15	10.00
$60 or more	25.00	15	10.00

AMENDMENT OF TAX ACT TO COVER SMALL FIRMS

Section 3 of the bill also provides for amendment of the Federal Unemployment Tax Act to cover employees of one or more, effective January 1, 1946. It thus provides for the collecting of the entire 3 percent Federal tax on employers of less than 8 workers until the States act to include such workers under State systems, since most of the States will probably not extend coverage until then. In the meantime, these workers will be receiving protection against unemployment through the temporary supplemental plan and the Federal Government will be collecting contributions from their employers thus helping to finance the benefit costs to such workers.

TRANSPORTATION ALLOWANCES

Section 708 provides that in order to aid in the proper relocation of war workers and prevent the growth of local areas of unemployment, the Federal Government agrees to pay the transportation expenses of such workers, not exceeding the amounts payable to civilian employees of the Federal Government, transferring from one locality to another, when they are referred to a job at a distance by the United States Employment Service.

GI BILL OF RIGHTS

Section 2 of the bill amends the unemployment insurance provisions of the Servicemen's Readjustment Act of 1944 (the GI bill of rights) by providing more adequate unemployment insurance benefits to servicemen. At the present time a serviceman gets only $20 per week while he is unemployed irrespective of whether he is a single person or has several dependents. The bill changes this amount to $25 for all persons and adds $5 per week if the serviceman has any dependents. The maximum payment under the bill would be $30.

The bill also repeals two restrictive provisions of the existing law. At the present time an individual must have served 9½ months or more to be eligible to the full 52 weeks of benefits. For each month of service less than 10 months, the individual's right to benefits is reduced by 4 weeks. Thus, if an individual served only 90 days, he is entitled to only 24 weeks of benefits. This provision is unfair to the serviceman with only 90 days' service who has broken his ties with his employer and his community and cannot find a job when he returns. It will be unfair to servicemen who are discharged at the end of the war with short periods of service and who find themselves unemployed after 24 weeks.

The bill also remedies the defect in the present law which charges an unemployed serviceman with a full week of benefits even if he draws only a partial benefit for a week. Instead of charging the serviceman with weeks of benefits toward the total to which he is eligible, the bill charges only the amount of dollars he has received. This is the customary provision under State unemployment compensation laws.

BRETTON WOODS AGREEMENTS—AMENDMENT

Mr. LANGER submitted an amendment intended to be proposed by him to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, which was ordered to lie on the table and to be printed.

RESIGNATION OF MAJ. GEN. CLAIRE L. CHENNAULT

Mr. ELLENDER. Mr. President, during the past few days much has been said and written about the decision of Maj. Gen. Claire L. Chennault to resign as commander of the Fourteenth Air Force.

I do not know what the facts are, except as stated by the press and over the radio. They seem to be clothed in secrecy, there is no certainty about them, and I believe, in view of the fact that the general has made such an enviable record in China with so little, that the American people should be acquainted with the circumstances that caused one of the great heroes of the war to decide to resign at a time when he was just about in reach of the planes and supplies he had been clamoring for during the past 4 years.

It must have been a great disappointment for him to have been superseded in a theater of war where he did so nobly by one with much less experience in air warfare. With fewer than 100 planes, he devastated the Jap air forces in China and caused the enemy many set-backs; and now that he is in a position to make full use of his genius, it seems inhuman for the higher-ups in the Army to take steps that have caused the general to follow the course now in contemplation.

General Chennault came up the hard way. He is not a graduate of West Point. It has often been said that the graduates of the Point and of Annapolis look down upon our Reserve officers and those officers of our armed forces who have been promoted from the ranks. Genius and heroism cannot be taught. They are attributes that are born in a person. When this war is over, my guess is that proportionately more medals and more praise for heroism will be found among our Reserve officers and those promoted from the ranks than among the brass hats. It might be of interest to the American people that in due time a survey be made of that situation.

It may be that a grave injustice has been done to a great general, and I am asking that a thorough investigation be made by the Military Affairs Committee of the Senate so as to ascertain the facts of the case.

Mr. President, at this point I ask unanimous consent to submit for proper reference a resolution directing the Committee on Military Affairs of the Senate, or a subcommittee thereof, to make an investigation of the matter.

The ACTING PRESIDENT pro tempore. Without objection, the resolution will be received and referred to the Committee on Military Affairs.

The resolution (S. Res. 157), submitted by Mr. ELLENDER, was referred to the Committee on Military Affairs, as follows:

Resolved, That the Committee on Military Affairs, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation of the conditions leading to and the facts surrounding the resignation of Maj. Gen. Claire L. Chennault as commanding general of the Fourteenth United States Air Force, with a view to ascertaining the effect upon the war effort of such conditions, and to report to the Senate at the earliest practicable date the results of such investigation, together with its recommendations as to means of correcting such conditions.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $_____, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. ELLENDER. Mr. President, in connection with my remarks I ask to have printed in the RECORD two editorials, one entitled "General Chennault," from the Washington Star of yesterday, and another entitled "Chennault Retires," from the Washington Post of today.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Evening Star of July 16, 1945]

GENERAL CHENNAULT

The circumstances surrounding Major General Chennault's decision to resign as commander of the Fourteenth Air Force, return home, and retire from the Army strongly suggest disappointment and disagreement on

his part over the recent reorganization making Lieutenant General Stratemeyer chief of all United States Air Forces in China—a move seen by some observers as reducing the Fourteenth to little more than a wing command.

Judgment on the wisdom of this change, as well as upon the charge that "military politics" dictated it and that it may adversely affect our relations with Chungking, must be reserved until more facts are made available to clarify the situation. As for General Chennault himself, however, no reservations are necessary. Ever since he went to China 8 years ago to help Generalissimo Chiang Kai-shek organize an air force his record has been that of one of the outstanding commanders of the war, and both the American and Chinese people—particularly the latter—have long held him in the highest personal esteem, placing the fullest confidence in his work.

If a single phrase could summarize that work, it might be this: "Doing a great deal with woefully little." In 1937, as a retired Army officer serving as adviser to Generalissimo Chiang, Chennault found himself equipped with hopelessly antiquated planes and inexperienced Chinese personnel when Japan launched its all-out aggression in China. He then prevailed upon the Chiang government, which made him a brigadier general in 1941, to invite American civilian flyers to form a volunteer group against the Japanese. By July, 4 years ago, this group, which became world famous as the Flying Tigers and which was merged with our Regular Army Air Forces after Pearl Harbor, was fully organized and soon was performing legendary feats in Burma and China.

Largely because of the logistical problem involved, General Chennault, who was recalled to active duty in our own Army in April 1942, first as a colonel and then as a brigadier general, nearly always had to operate on a shoestring. He nevertheless made the most of his limited equipment and inflicted such terrible attrition on enemy planes, not to mention enemy shipping in Chinese coastal waters, that he is able to report now that Japan has already been conclusively beaten in the sky over China. Accordingly, whatever may be the full story behind his retirement—he himself suggests reasons of health—his leave-taking must be regarded as a distinct loss. Certainly history will remember him well for the great role he has played in laying the groundwork for victory in Asia.

[From the Washington Post of July 17, 1945]

CHENNAULT RETIRES

Exactly what compelled Maj. Gen. Claire L. Chennault, commander of the Fourteenth Air Force, to retire at this time, with the war against Japan approaching a climax, is anything but clear. The only explanation that has been permitted to get through the ironclad censorship clamped down on the Chennault affair by Army authorities in the China theater is that the general's retirement is due to ill health. It seems Chennault suffers from deafness. Since he suffered from deafness when he first arrived in China 8 years ago and since this deafness never cramped his style, this explanation must be regarded as a smoke screen to cover up the real facts behind Chennault's decision to come home. The suspicion certainly will not down that "Army politics" had a great deal to do with it, for it is no secret that Army brass hats, while recognizing Chennault as a "genius," took no more kindly to him than they did previously to that other great air genius, "Billy" Mitchell.

What gives the Chennault affair an "ancient and fishlike smell" is that now, for the first time since the war began, all the backbreaking obstacles which Chennault had to overcome are by way of being eliminated. Chennault and his men accomplished tremendous feats with precious little. For years they were, in a literal sense, at the end of the line. They were constantly short of planes and parts and gasoline and just about everything but courage, resourcefulness, an infinite capacity for painstaking efforts and that amazing tactical skill that Chennault developed in his fliers.

It is not too much to say that during those dark months after Pearl Harbor, Chennault was one of the principal factors that kept China in the war. No wonder he is worshipped by the Chinese, who will find it difficult to understand why, in view of Chennault's magnificent record, the Army found it necessary to place him in a subordinate position. This is what, in effect, happened when Lieutenant General Stratemeyer was sent to China to become the over-all commander of the enlarged American Air Force in China.

Under the new reorganization plan the Fourteenth Air Force, under Chennault, was to remain intact. But, obviously, its role will be materially different from what it was in the old days. Under the circumstances one can understand Chennault's disappointment and chagrin, though he has been scrupulous not to make his real feelings known. In any event, he can comfort himself with th thought that the great job he did in China will long be remembered as one of the outstanding performances of the war, entitling him to the undying gratitude of the American and Chinese peoples.

ADEQUATE MANPOWER FOR BITUMINOUS COAL INDUSTRY

Mr. KILGORE. Mr. President, I ask unanimous consent to submit for appropriate reference a concurrent resolution urging the War Department and the War Manpower Commission to take immediate action to assure manpower to the bituminous coal industry adequate to attain the needed coal production, and for other purposes.

The concurrent resolution is similar to a House concurrent resolution. The purpose is to expedite the discharge from the Army of men with sufficient points to entitle them to discharge, and get them back to the mines in order to overcome the coal shortage with which we are faced.

There being no objection, the concurrent resolution (S. Con. Res. 21), submitted by Mr. KILGORE, was referred to the Committee on Military Affairs, as follows:

Whereas adequate supplies of bituminous coal are vital to the welfare and existence of the United States; and

Whereas the Nation now faces a serious shortage of the coal necessary this year properly to heat the homes and buildings of its citizens, to supply power for the plants of industry to furnish necessary gas and coke for the operation of steel mills which are today dangerously undersupplied with coal, to produce gas and electricity which serve the public with light, heat, power, and other essentials, and to ship overseas for the health and comfort and our armed forces and for the alleviation of suffering in foreign nations; and

Whereas the shortage of coal now confronting the Nation finds its source and continued existence in ceiling prices upon coal which have not permitted a fair return to the bituminous coal industry, in unnecessary delays and other difficulties in procuring necessary machinery and supplies, and especially in the reduction of manpower available to work in the mines through the reception of miners into the military and naval services and the recruiting of miners to work in other industries; and

Whereas the agencies of the Federal Government responsible for the existence of these harmful conditions of price, machinery, and supplies, and manpower have been besought earnestly and sincerely by the industry itself, by organized labor in the industry, by the Solid Fuels Administration for War, and by many Members of the Congress, both as individuals and in groups and committees, to remedy these conditions through means within the control of such agencies in order that the shortage of coal immediately confronting the Nation might be avoided before homes shall go unheated, plants and utilities shall be forced to shut down for want of coal, our armed forces shall be required to perform their duties under unfavorable conditions, and the peoples of foreign nations shall foment their existing unemployment and threatened lack of heat to the point of revolution; and

Whereas those agencies of the Federal Government having to do with the conditions of prices and machinery and supplies which have contributed to the present shortage of coal and especially the Office of Price Administration and the War Production Board are now moving to correct these conditions in an effort to avoid a serious and intense shortage of coal during the approaching winter season; and

Whereas the agencies of the Government having to do with the conditions of inadequate manpower now gravely affecting the bituminous coal industry, being particularly the War Department and the War Manpower Commission, have failed and refused to take any action designed to avoid or even to alleviate the present serious shortages of labor existing in the industry but have, on the contrary, continued to retain experienced coal miners in the Army who are now eligible for discharge under the point system governing discharge from the Army, have declined to release on furlough any coal miners now serving in the Army within the territorial United States for the purpose of returning such men to the coal mines for a limited period of time although the Army has in the near past furloughed coal miners in the Army for the purpose of working in the copper mines and has recently furloughed 4,000 soldiers in the Army for the purpose of working upon the railroads, and have refused to cease recruiting of men now employed in the coal mines for work in other and less essential industries through causing paid advertisements to be published widely in newspapers of general circulation in the bituminous coal fields and sound trucks to be routed through areas of important coal production disseminating propaganda urging coal miners and others to accept attractive employment elsewhere: Therefore be it

Resolved by the Senate of the United States (the House of Representatives concurring), That the Congress urges the War Department and the War Manpower Commission forthwith to take every action within their power under existing law governing such agencies to assure manpower to the bituminous coal industry adequate to attain the production which will be needed this year, through the immediate discharge of the 10,000 experienced coal miners serving in the United States Army who are now eligible for discharge under the point system; through the granting of furloughs to 20,000 additional experienced coal miners who are serving in the Army within the territorial United States under condition that such men return to the coal mines and work therein under regularly established conditions of employment throughout the period of their furloughs; and through the cessation of all assistance and participation in any effort to induce labor employed in coal mines and prospective labor

about the coal mines to seek other employment.

MINERALS SITUATION IN THE UNITED STATES

Mr. GUFFEY submitted the following concurrent resolution (S. Con. Res. 22), which was referred to the Committee on Mines and Mining:

Whereas the mineral resources of the United States have been seriously depleted in many essential respects, and heavy war requirements are leading to the rapid exhaustion of many of the known deposits; Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Interior is hereby requested to report to the Congress within 6 months upon the minerals situation of the United States, including estimates on the current reserves of the principal minerals, and to prepare and submit within the same time such other data as he may deem useful to the Congress in formulating a program for the making of the surveys, examinations, studies, and investigations required to safeguard the Nation's future security and economy by supplying the basic geological, technological, and economic information needed to assist industry and Government in a continuing program of exploration, conservation, and development of the Nation's mineral resources.

CLARENCE J. SPIKER AND FRED W. JANDREY—CHANGE OF REFERENCE

Mr. ELLENDER. Mr. President, on June 4, 1945, I introduced Senate bill 1100, for the relief of Clarence J. Spiker and Fred W. Jandrey, which was referred to the Committee on Claims. On July 6, there came from the House of Representatives an identical bill, H. R. 3417, which was referred to the Committee on Foreign Relations. After discussing the matter with the present occupant of the Chair, the Senator from Georgia [Mr. GEORGE], he has no objection to the motion I am about to make. I ask unanimous consent that the Committee on Foreign Relations be discharged from the further consideration of the bill (H. R. 3417) for the relief of Clarence J. Spiker and Fred W. Jandrey, and that it be referred to the Committee on Claims.

The ACTING PRESIDENT pro tempore. Without objection, the Committee on Foreign Relations will be discharged from the further consideration of House bill 3417, and it will be referred to the Committee on Claims.

EXTENSION OF RECIPROCAL TRADE AGREEMENT ACT—LETTER BY SENATOR AUSTIN AND ADDRESS BY SENATOR AIKEN

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD a letter written by him under date of June 25 to the Associated Industries of Vermont, and an address by Senator AIKEN on the subject of the Reciprocal Trade Agreements Act, which appear in the Appendix.]

THE UNITED NATIONS CHARTER AND OTHER LEGISLATION FOR A PEACEFUL WORLD—ADDRESS BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a radio address delivered by him on July 16, 1945, on the subject The United Nations Charter and Other Legislation for a Peaceful World, which appears in the Appendix.]

MESSAGE TO THE JAPANESE PEOPLE BY SENATOR THOMAS OF UTAH

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a radio message to the Japanese people, prepared and broadcast by Senator THOMAS of Utah, on July 14, 1945, which appears in the Appendix.]

PUNISHMENT OF WAR CRIMINALS—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. GREEN asked and obtained leave to have printed in the RECORD an article entitled "Punishment of War Criminals Under International Law," prepared by Senator THOMAS of Utah in conjunction with Mr. Glenn Everett, and published in The Christian Sun of June 28, 1945, which appears in the Appendix.]

REASONS FOR A NEW LABOR RELATIONS ACT—ARTICLES BY SENATOR BALL

[Mr. BALL asked and obtained leave to have printed in the RECORD five articles written by him for, and published by, the Scripps-Howard newspapers, relative to the reasons for enactment of a new Federal Labor Relations Act, which appear in the Appendix.]

THE JEWISH PALESTINE HOMELAND—LETTER FROM PETER H. BERGSON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a letter written by Peter H. Bergson, chairman of the Hebrew Committee of National Liberation, to the United Nations Conference, San Francisco, dealing with the Jewish Palestine Homeland, which appears in the Appendix.]

STRIKES VS. CONTRACTS—EDITORIAL FROM THE CLEVELAND PRESS

[Mr. BURTON asked and obtained leave to have printed in the RECORD an editorial entitled "Strikes vs. Contracts," from the Cleveland Press of July 5, 1945, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—ARTICLE BY PAUL MALLON

[Mr. BURTON asked and obtained leave to have printed in the RECORD an article by Paul Mallon on the subject of the proposed Federal labor relations act, published in the Washington News of June 25, 1945, which appears in the Appendix.]

JAPANESE SURRENDER TERMS—LETTER TO NEW YORK TIMES

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD a letter printed in the New York Times of July 8 under the heading "Understanding asked—clear Japanese surrender terms to allay fears advocated," written by Stanley Washburn, which appears in the Appendix.]

A LETTER TO GENERAL MACARTHUR

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD a letter addressed to General MacArthur by John W. Anderson, and published in the Purple Heart, which appears in the Appendix.]

PROPOSED FOREIGN LABOR RELATIONS ACT—ARTICLES BY DONALD R. RICHBERG

[Mr. BALL asked and obtained leave to have printed in the RECORD three articles regarding the proposed Industrial Relations Act, by Donald R. Richberg, and published in the Baltimore Sun on July 11, 12, and 13, 1944, which appear in the Appendix.]

ACTIVITIES OF THE UNITED STATES IN BUILDING LATIN-AMERICAN GOOD WILL

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a short newspaper article based on a statement by Dr. Osgood Hardy, who is professor of history at Occidental College, in Los Angeles. The article is entitled "United States Is Called Santa Claus of Latin America."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES IS CALLED SANTA CLAUS OF LATIN AMERICA

LOS ANGELES, July 9.—Dr. Osgood Hardy, back from two and a half years' service with the State Department in Panama and Santo Domingo, said today the United States has been playing the role of Santa Claus in building Latin-American good will.

"The United States has spent billions of dollars to build Latin-American good will for the sake of a united war front," the Occidental College history professor declared in an interview.

"We have achieved that unity, but we cannot go on forever playing Santa Claus.

"One error we North Americans make is the assumption that the aid we give Latin-American countries necessarily furthers the cause of democracy.

"In some cases, it doesn't. Not all Latin-American countries are democratic, whatever their pretensions. Indeed, some so-called democracies there are actually dictatorships.

"In our overanxiety to be nice to Latin Americans during the war, we have coddled them and short-changed ourselves. We have denied ourselves structural steel in order to ship quantities of it to Latin America where, as a result, the people have hardly been aware that a war is being fought.

"Moreover, the United States has been content merely to ship a quota of supplies to each Latin-American country without bothering to trace the disposition of the goods.

"Often these supplies have found their way into the orbit of those in power, while the average man has received no benefit.

"American building materials, for example, are often used in Latin America to erect mansions for public officials rather than school buildings for the people."

Preceding his departure from here approximately 30 months ago, Dr. Hardy spent 6 months in Washington investigating economic conditions in Latin-American countries. It was his seventh in a series of visits to Latin America, during which he studied economic and sociological programs.

OPA MEAT RATIONING CONTROL ORDER NO. 1, AMENDMENT 13

Mr. CORDON. Mr. President, an order of the Office of Price Administration, issued on the 14th day of July, has just come to my attention. It is such an eloquent example of how not to administer that Office that I am constrained to call the attention of my colleagues to an excerpt from it.

The Office of Price Administration has suddenly discovered the astounding fact that people move about in this country and that it is necessary to adjust meat quotas in order to meet the changes in population. The ordinary individual with a simple mind, such as I have, would do that by providing that a slaughterer should increase his meat quota in a ratio or in an amount equal to the increase in population in a given area; but this is the way the Office of Price Administration does it. I now read from the order:

A rationale for this amendment has been issued simultaneously herewith and has been

filed with the Division of the Federal Register.

1. Control Order 1 is amended in the following respects:

Section 23 (n) is added to read as follows:

"(n) (1) Any class 1 or class 2 slaughterer, during any temporary period not exceeding three of his consecutive reporting periods under Revised Ration Order 16, may deliver into any county (or any of his customary trading areas, if he has been authorized to use such trading areas under par. (g)) more meat than the amount specified in paragraph (c) if, during the corresponding temporary period in 1944:

"(i) The average weekly amount (by weight) of meat delivered by him into that county (or authorized trading area) was at least 10 percent more than the average weekly amount of meat delivered by him into that county (or authorized trading area) during his first three full reporting periods in 1944; and

"(ii) The population of that county (or authorized trading area) was substantially greater than it was during his first three full reporting periods in 1944.

"(2) The maximum additional amount of meat a class 1 or class 2 slaughterer may deliver into any county (or authorized trading area), under this paragraph (n), in each reporting period included in the temporary period shall be determined in the following way:

"(i) Determine the average weekly amount of meat he delivered into the county (or authorized trading area) during his first three (3) full reporting periods in 1944;

"(ii) Determine the average weekly amount of meat he delivered into the same county (or authorized trading area) during the corresponding temporary period in 1944;

"(iii) Deduct the result in (i) from the result in (ii);

"(iv) Divide the result in (iii) by the result in (i);

"(v) Obtain the result in paragraph (d) (5) of this section for the county (or authorized trading area) during the reporting period;

"(vi) Multiply the result in (v) by the result in (iv);

"(vii) The result in (vi) is the maximum additional amount of meat which the slaughterer may deliver into any county (or authorized trading area), under this paragraph (n), in the reporting period in question. (However, if any additional meat is delivered into any county or area, under this paragraph (n), the minimum amount he must deliver into that county or area, under paragraph (c), must be adjusted according to (5) and (6) below.)"

Mr. President, I shall not read the remainder of the order, but I suggest that the legalistic infants and the enthusiastic slide-rule artists of the OPA certainly had a field day when the order was written. I ask unanimous consent to have it printed in its entirety in the RECORD at this point as a part of my remarks.

There being no objection, the order was ordered to be printed in the RECORD, as follows:

TITLE 32—NATIONAL DEFENSE

CHAPTER XI—OFFICE OF PRICE ADMINISTRATION

Part 1407—Rationing of food and food products

Control Order 1—Amendment No. 13—Livestock Slaughter and Meat Distribution

A rationale for this amendment has been issued simultaneously herewith and has been filed with the Division of the Federal Register.

1. Control Order 1 is amended in the following respects:

Section 23 (n) is added to read as follows:

"(n) (1) Any class 1 or class 2 slaughterer, during any temporary period not exceeding three of his consecutive reporting periods under Revised Ration Order 16, may deliver into any county (or any of his customary trading areas, if he has been authorized to use such trading areas under par. (g)) more meat than the amount specified in paragraph (c) if, during the corresponding temporary period in 1944:

"(i) The average weekly amount (by weight) of meat delivered by him into that county (or authorized trading area) was at least 10 percent more than the average weekly amount of meat delivered by him into that county (or authorized trading area) during his first three full reporting periods in 1944; and

"(ii) The population of that county (or authorized trading area) was substantially greater than it was during his first three full reporting periods in 1944.

"(2) The maximum additional amount of meat a class 1 or class 2 slaughterer may deliver into any county (or authorized trading area), under this paragraph (n), in each reporting period included in the temporary period shall be determined in the following way:

"(i) Determine the average weekly amount of meat he delivered into the county (or authorized trading area) during his first three full reporting periods in 1944;

"(ii) Determine the average weekly amount of meat he delivered into the same county (or authorized trading area) during the corresponding temporary period in 1944;

"(iii) Deduct the result in (i) from the result in (ii);

"(iv) Divide the result in (iii) by the result in (i);

"(v) Obtain the result in paragraph (d) (5) of this section for the county (or authorized trading area) during the reporting period;

"(vi) Multiply the result in (v) by the result in (iv);

"(vii) The result in (vi) is the maximum additional amount of meat which the slaughterer may deliver into any county (or authorized trading area), under this paragraph (n), in the reporting period in question. (However, if any additional meat is delivered into any county or area, under this paragraph (n), the minimum amount he must deliver into that county or area, under paragraph (c), must be adjusted according to (5) and (6) below.)

"(3) Any class 1 or class 2 slaughterer who, pursuant to this paragraph (n), wishes to deliver into any county (or authorized trading area) an amount of meat in excess of the amount required by paragraph (c) of this section, must submit a written statement, in duplicate, containing the following:

"(i) His name and the address of his establishment;

"(ii) Each county (or authorized trading area) in which he wishes to deliver additional amounts of meat pursuant to this paragraph (n);

"(iii) The temporary period during which he wishes to deliver into such counties (or authorized trading areas) the additional amounts of meat;

"(iv) The average weekly amount of meat he delivered into each of those counties (or authorized trading areas) during the corresponding temporary period in 1944;

"(v) The average weekly amount of meat he delivered into each of such counties (or authorized trading areas) during his first three full reporting periods in 1944;

"(vi) A certification that the increase in the amount of meat delivered by him into each of such counties or authorized trading areas during the corresponding temporary period in 1944 over the amount delivered by him into such counties or authorized trading areas in his first three full reporting periods in 1944 was due to the fact that the population in each of such counties or authorized trading areas was substantially greater during such temporary period in 1944 than it was during the first three full reporting periods in 1944.

"(4) The statement in (3) above must be submitted in person or by mail by a class 1 or class 2A slaughterer to the Washington office, and by a class 2B slaughterer to the district office with which he is registered, at least 5 days before the beginning of the temporary period. However, in case the temporary period includes the greater part of July 1945, the statement may be submitted not later than July 26, 1945.

"(5) Any class 1 or class 2 slaughterer who, pursuant to this paragraph (n), increases the amount of meat delivered by him into any county (or authorized trading area) must, for the purpose of complying with paragraphs (c) and (d) for each reporting period included in the temporary period, make the following adjustment:

"(i) Determine the total of the additional amount of meat delivered by him into all counties (or authorized trading areas), pursuant to this paragraph (n), during the reporting period;

"(ii) Deduct from the figure in paragraph (d) (4) of this section the figure in (i);

"(iii) The result in (ii) must be used by the slaughterer, instead of the figure in paragraph (d) (4), for the purpose of complying with paragraphs (c) and (d) of this section.

"(6) For the purpose of complying with paragraphs (c) and (e) for three consecutive reporting periods in any of which the slaughterer increased the amount to meat delivered by him, pursuant to this paragraph (n), he must make the following adjustment:

"(i) Determine the total of the additional amount of meat delivered by him into all counties (or authorized trading areas), pursuant to this paragraph (n) during the three reporting periods;

"(ii) Deduct from the figure in paragraph (e) (4) of this section the figure in (i);

"(iii) The result in (ii) must be used by the slaughterer, instead of the figure in paragraph (e) (4), for the purpose of complying with paragraphs (c) and (e) of this section.

"(7) Each slaughterer who, pursuant to this paragraph (n), increases the amount of meat delivered by him into any county (or authorized trading area) must keep a separate record showing the following:

"(i) The amount of meat he was required to deliver into the county (or authorized trading area) in question during each reporting period included in the temporary period;

"(ii) The total amount of meat actually delivered by him into such county (or authorized trading area) during each of such reporting periods.

"(8) The district office or Washington office may, at any time, notify any slaughterer that he may not deliver all or any part of the increased amount of meat, under this paragraph (n), into any county (or authorized trading area) during the whole or any part of the temporary period. Each slaughterer to whom such notice is given must comply therewith.

"Example: Slaughterer A delivered into Y County a total of 130,000 pounds of meat during the months of January, February, and March 1944 or an average of 10,000 pounds per week. His total deliveries to all counties during that period were 1,300,000 pounds. Hence, he delivered into Y County, in the base period, 10 percent of his total deliveries. During July 1944 he delivered into Y County an average of 15,000 pounds per week. To arrive at the additional quantity he may deliver into that county in July 1945 and to adjust the minimum amount he must deliver into all counties, including Y County, under paragraph (n) he will make the following calculations under section 23:

"(a) Following the steps in (n) (2):

"(i) Ten thousand pounds (average weekly deliveries into Y County in first three reporting periods in 1944);

"(ii) Fifteen thousand pounds (average weekly deliveries in Y County in July 1944);

"(iii) Fifteen thousand minus ten thousand equals five thousand;

"(iv) Five thousand divided by ten thousand equals one-half;

"(v) Assume that the slaughterer has available 200,000 pounds of meat for distribution into all counties for the month of July 1945. Since, in the base period, he delivered into Y County 10 percent of his total deliveries of meat, he will, following the calculation in paragraph (d) of this section, obtain for July 1945, under (d) (5), the figure 20,000 pounds;

"(vi) Twenty thousand times one-half equals ten thousand;

"(vii) Ten thousand pounds is the maximum additional amount of meat he may deliver into Y County in July 1945, under paragraph (n).

"(b) For purposes of paragraph (d), he must make the following adjustment, using steps in (n) (5):

"(i) Ten thousand pounds (assuming he delivered additional meat in Y County only, and that the additional quantity is 10,000 pounds);

"(ii) Two hundred thousand (from (v) above) minus ten thousand equals one hundered and ninety thousand;

"(iii) One hundred and ninety thousand pounds must be used by the slaughterer, instead of 200,000 pounds for the purpose of complying with paragraphs (c) and (d) for all counties including Y County. Thus, using the steps in paragraph (d), he will make the following calculations for Y County;

"(1) One hundred and thirty thousand pounds (total deliveries in Y County in the base period);

"(2) One million three hundred thousand pounds (total deliveries in the continental United States in base period);

"(3) One hundred and thirty thousand pounds divided by one million three hundred thousand pounds equals one-tenth;

"(4) One hundred and ninety thousand pounds (from (b) (iii) in this example).

"(5) One hundred and ninety thousand pounds times one-tenth equals nineteen thousand.

"(6) Nineteen thousand pounds times 80 percent equals 15,200 pounds.

"(7) Fifteen thousand two hundred pounds is the minimum quantity he must deliver into Y county during July 1945, assuming he delivered into that county during that month 10,000 pounds of additional meat under paragraph (n)."

(Paragraph (n) is not intended to restrict the quantity of meat the slaughterer may deliver into that county out of the 10 percent or 20 percent of his meat not controlled by paragraphs (c), (d), and (e).)

2. Section 23 (c) is amended by deleting the last two sentences in parentheses at the end of the paragraph.

The amendment shall become effective July 15, 1945.

NOTE.—All reporting and record-keeping requirements of this amendment have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Issued this 14th day of July 1945.

CALL OF THE ROLL

Mr. EASTLAND and Mr. TOBEY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Calif.	Saltonstall
Buck	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Tobey
Chandler	McClellan	Tunnell
Chavez	McFarland	Vandenberg
Cordon	McKellar	Wagner
Donnell	McMahon	Walsh
Eastland	Magnuson	Wheeler
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Wiley
George	Mitchell	Willis
Gerry	Moore	Young
Green	Morse	
Guffey	Murdock	

Mr. HILL. Mr. President, I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the Senator from California [Mr. DOWNEY], the Senator from Louisiana [Mr. OVERTON], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS], are absent on public business.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The ACTING PRESIDENT pro tempore. Eighty-two Senators have answered to their names. A quorum is present.

MASS RAPE OF GERMAN GIRLS

Mr. EASTLAND. Mr. President, on the 29th of June, during a speech which I made against the appropriation for the Fair Employment Practice Committee, I stated that recently when I was in Europe I was informed by high ranking officers and other officials that from 2,000 to 5,000 German girls of good families were rounded up and placed in the subway of the city of Stuttgart, Germany, and there criminally assaulted by French Senegalese or Negro soldiers. I further stated that those soldiers were dressed in American uniforms, and that the population of that part of Germany thought those soldiers were American soldiers, and that American prestige had thereby been damaged.

A few days later, on July 6, there appeared in the newspapers of this country a Reuters article dated Frankfurt, July 6, meaning Frankfurt, Germany. I read that article:

After an inquiry into reports that Senegalese and Berber troops had rounded up and raped several thousand German women in a Stuttgart subway, Sixth United States Army group headquarters today announced that the investigation indicated that such incidents did not take place.

The statement issued here today said "all American liaison officers with the French Army corps or lower units which could have been in or near Stuttgart at any time, have submitted written reports to the Sixth United States Army group headquarters stating that, to the best of their knowledge and belief, incidents such as those alleged did not take place."

The report that German women had been assaulted was originally attributed to Senator JAMES EASTLAND who told the United States Senate last week, after a visit to Europe, that he had learned of the incident from high-ranking United States officers.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. WHEELER. Let me say that when I was in Europe I heard not only one general make a statement about this matter but I heard two generals make a statement. I shall not disclose the names of the generals, but certainly one of them told all members of our group——

Mr. EASTLAND. Was the Senator from Montana chairman of the delegation?

Mr. WHEELER. I was chairman of the delegation that went over with me. There were four of us.

Mr. EASTLAND. That is a different delegation from the delegation of which I was a member.

Mr. WHEELER. It was a different delegation, yes. One Senator was talking with the general and called me over and said, "I want you to listen to this." The general told us the story. I am not sure whether he said that those involved were Africans or whether they were Goums or Senegalese; and, frankly, I do not know the difference between Goums and Senegalese, whether they are different races, or what they are; but the general said, as I recall, that 2,000 women were lined up in a tunnel. One of the other Senators who was in the group said he understood there were 5,000. There is no question, however, that the general also made the statement that a German doctor, a very fine doctor, who was not a Nazi, had this experience: These men put the doctor against a wall and made him watch while they raped his daughters and his wife. They took his daughters and his wife—I forget whether there were two or three daughters—and lined them up and raped them.

Perhaps the general who told us that story did not know what he was talking about, but that is the statement he made, not only to me but to other Senators in my group. I heard from very high-ranking people in Italy that a similar thing took place in Italy. I do not care to say who made the statement, but the story was related by people of the highest reputation in Italy.

Mr. EASTLAND. I should like to say there, Mr. President, that I received the same information of an occurrence in Italy on July 5, 1944.

Mr. WHEELER. I cannot understand how anyone in the Sixth Army would deny the incident in view of the statements which were made by individuals connected with the Sixth Army. I cannot believe that the statements of denial which were sent out could have come

from anyone in high authority in the Sixth Army.

Mr. EASTLAND. Mr. President, I was in Europe as a member of another committee, a committee different from the committee of which the distinguished Senator from Montana was chairman. I received information from reliable sources, from very high authority, from men who were in a position to know the truth, which was exactly as I outlined to the Senate on the 28th day of June last.

Mr. WHEELER. Mr. President, will the Senator yield further?

Mr. EASTLAND. I yield.

Mr. WHEELER. Let me say that one of those who told us of the incident said that as a matter of fact the American boys who were located at Stuttgart were so thoroughly disgusted with what was going on there that they asked to be detached from the city of Stuttgart. I understood that as a matter of fact it was an area which the Americans were supposed to take over, but the French came in, and because of the way these Goums or Senegalese conducted themselves there the American boys asked to be taken out of there.

Mr. EASTLAND. I ask the Senator from Montana, is it not a fact that the general who related the incident of the German doctor's plea for asylum stated that the doctor went to him personally with that plea.

Mr. WHEELER. It is my recollection that the doctor did come to him. I am not sure about that particular statement, but that is my recollection about it. There is, however, no question about what he told us as to the large number, whether it was 2,000 or 5,000. My understanding was that the crime took place in a tunnel rather than a subway.

Mr. EASTLAND. The statement has been made on the floor of the Senate that there are no subways in the city of Stuttgart. In Europe any underground passageway or tunnel is known as a subway. It is only in the United States that underground passageways through which trains run are called subways. There is a tunnel in the city of Stuttgart, which will hold from 12,000 to 15,000 people.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. McCLELLAN. I was a member of the same committee of which the Senator from Mississippi was a member on this trip to Europe. I have never been in Stuttgart, and I do not know whether they have tunnels or subways, whether they have both or neither. But, Mr. President, I was present on two occasions when we received information from two different sources, one a high military authority, and the other a high official not in the military service. On those two separate occasions substantially the same statements were made to us by these high officials which have been related here by the Senator from Mississippi.

Mr. President, I had not intended to have anything to say on this subject, but since it has been reported by the Senator from Mississippi and denied by Army officials, the American people are entitled to know the truth. I had assumed that in due time, when they thought it wise and proper to do so, the military authorities would advise the American people as to what had occurred. I left it to their discretion. I felt that in their discretion they would take the necessary and proper action under such circumstances. Now that it has been told, and apparently from some military source it is sought to be denied, I think the American people should know the facts. I have no personal knowledge of the incident, of course; but I do know that what the Senator from Mississippi relates with respect to information given to him did occur, because I received the same information, at the same time, from two sources. I think the Senator from Mississsippi also received it from another source. The truth about it is that it was almost common talk everywhere we went in Europe on that trip. No one denied it then. I emphasize the fact that the information came from two sources of high authority, although the information did come also from many other sources which we might not accept as authentic.

Mr. President, I have made these remarks simply in the interest of fairness to all concerned. The action of the military authorities in trying to suppress the truth, will, it seems to me, place our Government in the position of condoning the shameful deeds of those who perpetrated the crimes. The American people do not condone them and I am sure they much prefer that the whole truth be told rather than suppressed.

Mr. EASTLAND. Mr. President, that information was received by most of the members of both committees. On several occasions in Europe it was discussed by several of us who were members of both committees.

In addition, I should like to read from a news article in a pro-Communist newspaper, the newspaper PM. Everyone knows the background of this newspaper. Everyone knows that it would not send an investigator to the city of Stuttgart to make a fair and impartial investigation for the purpose of letting the American people know the true facts as to what happened there.

PM sent a reporter named Victor H. Bernstein to Stuttgart. On July 10, from Stuttgart, he wrote an article which was published in that newspaper. I shall quote what he said. He tried to cover up, but when he was pinned down to the facts, the facts which he related substantiated the story of this horrible occurrence in the city of Stuttgart. Listen to this—he is talking about the rapes which took place there—

> A third fact which undoubtedly contributed to Senator EASTLAND'S exercise in fancy is that unquestionably there was a lot of raping going on in the first few weeks of French occupation. Americans to whom I talked put the figure at a couple of thousand. The German police chief—

It is obvious that the police chief was installed by the French and was an agent of the French. He had a desire to cover up and protect the French officers and French soldiers involved.

> The German police chief put the figure at 1,500.

Whether it was 1,500, 2,000, or 5,000—and the estimates from reliable sources run as high as 5,000—I say that it is a horrible occurrence and that the Army of the United States should not resort to deception and misrepresentation to hide the facts from the American people.

The statement was made that there is no subway in the city of Stuttgart. As I stated, in Europe any underground passageway is called a subway. What does this same reporter state about the tunnel in Stuttgart?

> There is, as in most large German cities, an extensive system of underground shelters, including a huge tunnel through one of Stuttgart's many hills, capable of holding 12,000 to 15,000 people.

I quote further from his article:

> Moreover, the whole spirit permeating the French forces in Germany, certainly at first, was one to encourage looting and raping.

Mr. President, when we arm, equip, and clothe soldiers and place them in authority over helpless women and children, it is certainly incumbent upon the American Government to see that, so far as possible, American standards are maintained, and that there is no looting, murdering, or raping, such as unquestionably occurred in the city of Stuttgart. The character of every good woman, whether she be black, white, yellow, or red, is entitled to protection. In this instance the soldiers involved have not been disciplined or punished. The officers who so flagrantly permitted this outrage have not been court-martialed, and so far as the Senate knows these soldiers still parade in Europe in American uniforms.

As the Senator from Arkansas has said it was common knowledge and common talk in Europe that such an occurrence took place. I have heard Members of Congress who were not members of any committee state that they secured the same information. It was common knowledge that this was one of the most horrible occurrences in modern times. Too many persons in high places in Europe related the terrible occurrence to too many United States Senators for the Sixth Army successfully to cover it up. I am amazed that such an untruthful statement—and I say that advisedly—should have been released as that quoted in the Reuters dispatch. This thing happened, and the Army by denying it in the eyes of the victims and the people in this country who know the facts is condoning this terrible occurrence. The American Army's informational headquarters should play fair and square with the American people. Our people have a right to know the facts.

In addition, while the city of Stuttgart was occupied by the French they were under our command and the city was under our control. I do not say this to blame any American officers. In fact, in my judgment, they are not to blame and there has been no dereliction of duty on their part. I state this simply to show that the Army has investigated this affair and well knows all the facts.

Mr. President, we are all servants of the people. We handle their affairs. That is just as true of the Army as it is of any other public employee. It is the future of America, the future of our

country, that we are all here attempting to mold. The people of that part of Germany blame the United States because the French Negroes wore American uniforms and they thought American soldiers were involved.

Mr. President, the only reason for censorship in a free country is to withhold information that will be helpful to the enemy. There could be no reason for censorship in this case, because the war with Germany is over. In fact, the very reverse is true: There should be an open, frank, and fair disclosure. The great American Army—and we have the greatest Army in the world, Mr. President—must always speak the truth and state the facts and deal fairly, squarely, and honorably with the people of America. The Army should not play with words. If our information was wrong, why do they not point out in what particulars it was wrong? If there is a conflict of detail, why does not the Army give us the correct detail? If there are different versions, why does not the Army give the correct version? If no German girls were raped, why does not the Army say so? If 2,000 or 5,000 were raped, why does not the Army give the figures and truthfully tell the American people the exact details? Mr. President, a number of Members of the Senate know what happened. High officers and high Government officials know that it happened. The whole truth will come out sometime. What earthly reason is there for not making known now the full particulars? Mr. President, this is no time for deception, and the Army should not attempt to whitewash or cover up anything.

Mr. TOBEY obtained the floor.

Mr. REVERCOMB. Mr. President, will the Senator yield to me?

Mr. TOBEY. I yield.

Mr. REVERCOMB. In view of the fact that, according to the reports, a denial has been made by the Army in Europe of the statements made by the Senator from Mississippi, I think it is only fair that I should make a statement at this time. I wish to say that I heard from a source which I consider entirely reliable, while in Europe as a member of the Committee on Military Affairs, substantially the story spoken of by the Senator from Mississippi. There is no doubt in my mind, from the information which was given tc me, that high military authority did make a statement concerning the rape of German women by French colonial Negro soldiers; and the figure that I heard was 5,000 women criminally assaulted.

I had not intended to make any statement on this subject, as it had already been fully called to the attention of the public, and it deals with French soldiers over whom we have no direct control, and not with American troops; yet, in view of the fact that it has been denied by the Army, I think it is but fair for me, as a member of the committee and a Member of the Senate who was there, to say that I did hear that story from a source which I consider reliable.

Mr. MAYBANK. Mr. President, will the Senator yield to me?

Mr. TOBEY. I yield.

Mr. MAYBANK. I should merely like to say, as a member of the committee, that I heard more or less the same statements which the Senator from Mississippi has made regarding French troops; not Americans. When I returned I intended not to say anything about them because they were French, believing that at the proper time the Army or someone else would do so. But as a member of that committee, I feel that in justice to my colleague I should say that I heard the same thing.

THE BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

The Senate resumed the consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Mr. TOBEY. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an address which I made at the first plenary session of the International Monetary Conference at Bretton Woods, N. H., on July 4, 1944.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Mr. President and fellow delegates of the Conference, 168 years ago in this country men of various creeds and from varied walks of life met together with a common objective to establish a free nation. Their high purpose impelled them to cooperate and there resulted a permanent contribution to the welfare of generations then unborn.

Today men and women of different races and creeds are here assembled together, determined to work out by mutual cooperation a plan for a permanent contribution for the benefit of the people of the world.

It is our common aspiration, I believe, that assembled here among these eternal hills, we shall, under a deep conviction of the needs of humanity, discard trivia and refuse to be turned away from our great purpose to give to the people of the world new hope and courage through the constructive results which we pray may come from this historic Conference.

The specific task assigned to us is to formulate a practical plan for the establishment of a world fund and for the stabilization of exchange. This is our immediate and essential objective.

If we can be successful in achieving this end, we shall be paving the way for the accomplishment of the even more vital objective of a permanent world peace. For by our successfully working out the immediate problem of the present Conference we shall have proven to ourselves and to the world that international cooperation is possible.

Every great effort in human history has had its saboteurs, men who utter critic peep and cynic bark. There are some of these around the perimeter of this Conference. But fellow members of the Conference, we dare not—we cannot—fail in the high purpose which brought us together for today men are dying and homes are saddened for the cause of world freedom. Their sacrifices are a challenge to us here assembled and should stand out in our consciousness as we strive together to work out a plan for world cooperation.

The man in the fox hole has left all that he has loved and cherished behind him. As he faces the shock of enemy fire through long days and night he feels alone and apart from the rest of the world. For him life may be a matter of days, hours, or minutes. He wonders what we who represent governments are doing. Are we conscious of his agonies and sufferings? On us is a grave responsibility. To us is given a high privilege. God, the Father of all, give us understanding and a vision of the needs of men today—of the fundamental truth that, whatever our nationality or creed, we are brothers under the skin.

As we confer together here today, amidst the eternal hills, inspired by the sublime beauty around us, and as the shadows of passing clouds above leave their impress for a moment on the slopes of yonder mountains, may the contemplation of the tragic sufferings and sacrifices of every nation bind us together in brotherly love and in a spirit of consecration to the great opportunity which is ours to displace doubt and cynicism with hope and confidence.

Two thousand years ago Christ was hung on a cross, a spear thrust in his side, nails driven through his hands, a crown of thorns pressed upon his brow, and a cup of vinegar placed to his lips.

He died that men might be saved, and be, in truth, free.

There are nations represented here today who, too, have had their sides pierced and a crown of thorns pressed upon them by the sufferings of war. They fight with and for us and we with and for them.

If cooperation can weld the United Nations together in solid phalanx against our enemies in war, surely we shall join together to achieve the vital objective of this Conference, meeting the world's needs for the rehabilitation of a war-torn world.

There came into the Senate last May a remarkable personality—Madame Chiang Kai-shek, wife of the Generalissimo of China. She made a 10-minute extemporaneous address. In closing, she eloquently and truthfully said: "Gentlemen, it is fine to have ideals and to give expression to them but to make our ideals effective, we must implement them."

So may we, by constructive action here, implement our great objective of world cooperation.

In the play Valley Forge by Maxwell Anderson, there appear these lines: "There are some men who lift the level of the age they inhabit, until all men stand on higher ground in that lifetime."

Fellow members of the Conference, may that be said in truth of us when we have concluded our labors. To that end, I call upon each of you to place your hand with mine upon the lever of the spirit and aspirations that called this Conference into being, and by our united cooperation to lift the level of our age, that its blessings may be passed on to generations yet unborn.

Gentlemen, we must not, we cannot, we dare not fail. The hopes and aspirations of the common people of each of our countries rest in us.

Mr. TOBEY. Mr. President, I rise to speak in favor of the Bretton Woods agreements, and to reaffirm my faith in the potency of the provisions of both the fund and the bank toward promoting economic security in a troubled world. These agreements are a vital part of a well-rounded program of postwar international economic cooperation. Political internationalism must be supported and reinforced by international economic cooperation. As has been well said, economic isolationism and political isolationism are both things of the past.

To win the war, we have spent vast sums, sacrificed millions of lives, paid out $20,000,000,000 in lend-lease, and have not hestitated to do many unusual things.

Now that the end of the war appears on a distant horizon, it is unthinkable

that we should permit economic war to engulf the world, or that we should withdraw within ourselves.

Continuous cooperation with our allies, and a sense of interdependence, must be made manifest.

Not merely to live and let live, but to live and help live, should be our sincere purpose, if we are to keep faith with those who have died.

The great problem of our generation is to find the means of applying the democratic method, which we have developed in our national life, to the solution of international problems. The democratic method is to deal with problems through discussion and agreement.

Unless we can apply this method in dealing with problems that threaten peace, and with international economic problems, there will be no other alternative, than to use again the method of force.

The New England town meeting is the American version of democracy. Citizens meet together to discuss their problems, and, having reached agreement through discussion, they act to fulfill the common will.

The great international problems, and particularly the economic problems with which we must deal, are far more complex than the civic affairs of a New England town. Nevertheless, they can be solved in the same way—by discussion and agreement. Isaiah, 4,000 years ago, stated this principle when he said, "Come, let us reason together." That principle was in evidence at Bretton Woods. It is behind what I try to say today, and I hope it will be the spirit that will permeate the various separate movements which are being undertaken in the major program for world peace, of which Bretton Woods is one, and Dumbarton Oaks and San Francisco the others.

So, in the comprehensive program for peace that is now taking shape, we are trying to secure international cooperation in dealing with international problems. We hope to do this by establishing international organizations in which the representatives of the United Nations can sit down and discuss their problems and come to some agreement for their solution.

The Bretton Woods proposals for an International Fund and for an International Bank, are the United Nations program for international monetary and financial cooperation. They are part of the pattern of peace, on which the United Nations are working.

The Bretton Woods agreements grow out of the experience of the two decades between the wars. They are the result of 3 years of careful discussion. The agreements were prepared by a conference in which all countries were mindful of the urgency of these problems and were determined to provide the means of dealing with them.

It was my privilege to have been one of the United States delegation at Bretton Woods. I wish that all Senators could have been present throughout those sessions to have absorbed some of the spirit which prevailed among the delegates throughout the entire conference. There was a wonderful esprit de corps. There was the world in miniature—delegates from 44 nations assembled together, each devoted to his own country's interests, but each making manifest throughout the conference and in the final results his understanding that the whole was greater than any part. The spirit and deep meaning of the word "interdependence" was expressed in the discussions, the deliberations, and the conclusions. There was little or no recreation, but everyone seemed imbued with a conviction of the seriousness of the situation, and the high purpose which brought us together.

When I am asked, Why do we need the Bretton Woods agreements? I give this answer: For two decades between the great wars we proceeded on the principle that what a country does in connection with international monetary and financial problems is its own business. We have tried that method and we have found that it leads to anarchy and disorder. We have seen that failure of the great nations to deal with their common problems can result in economic disaster, and even war.

We have learned from bitter experience that international problems can be dealt with only through international cooperation. The delegates of the 44 nations assembled at Bretton Woods were conscious of their great responsibility. They were asked to establish orderly currency arrangements so that countries could again trade with one another. They were asked to facilitate reconstruction and development so that countries could resume production and trade. The conference proposed the establishment of an international fund and an international bank.

The people of this country have gone through two world wars in one generation. They have a right to look to the Senate for leadership in finding the way to peace and prosperity. Stripped of all technical jargon, these are the ultimate objectives of the fund and bank.

Bretton Woods means economic cooperation for peace. We have seen in a number of countries how economic depression bred discontent and dictatorship, ending in a war for glory and expansion. We know that countries where people work at good wages, and where standards of living are high, are most devoted to peace and to the democratic way of life.

The great war in which we are still engaged is the product of the economic disorders of the 1930's. When the depression came there was no means by which countries could cooperate in dealing with urgent economic problems. Instead, each country tried to save itself by restrictions and discriminations that stifled the trade of the world.

In no country were these tactics more highly developed than in the Germany of Adolf Hitler. They had more than an economic purpose; they were deliberately chosen as an instrument for war. Unfortunately, the measures that Germany took compelled other countries to adopt similar measures in retaliation, and the whole world was plunged into economic warfare long before the shooting began.

It is no accident that in the Charter prepared by the San Francisco Conference an important place is given to the Economic and Social Council. I venture to say that in most countries of the world, and particularly in the smaller countries, their great hope for peace is based on the Economic and Social Council no less than on the Security Council. These countries are aware of the fundamental truth, There can be no peace except in a prosperous world.

I have said that the fund and the bank are intended to provide a means by which countries can cooperate to establish a prosperous world. We live in one world economically. We live in a world in which no country is completely independent of its neighbors, in which all countries must buy and sell abroad. The United States, more than any other great country, is relatively self-sufficient. But even we need to import billions of dollars worth of raw materials for our industries and finished goods for our consumers. Even we need markets abroad for billions of dollars worth of the products of our factories and our farms.

We have seen what the loss of foreign markets can mean to business in this country. In 1928, this country sold more than $5,000,000,000 of its products abroad—10 percent of the industrial and agricultural goods we produced. Fifteen percent of the exports of the entire world came from the United States. By 1932, our exports had fallen to only $1,500,000,000 and only 11 percent of the world's exports came from the United States. This country suffered more from competitive currency depreciation and from exchange restrictions than any other country. It is to our interest to see that these measures of currency warfare are outlawed, that they do not again become weapons in the hands of aggressors.

All countries are agreed that a revival of world trade is essential if political, social, and economic order is to be maintained in the world. But we cannot have world trade until the devastated countries of Europe and the Far East have had an opportunity to reconstruct their shattered economic systems. This war, more destructive than all previous wars in history, has reduced cities to masses of rubble, converted railroads into scraps of twisted steel, changed factories to empty shells of ruined walls. Until the countries in Europe and the Far East once again produce, there can be no real revival of international trade.

We must also help those countries that lack the modern means of production. In Latin America and the Far East great human and natural resources can be put to productive uses if these countries secure the necessary capital. It is to our advantage to build up the economies of these countries, to give their people an opportunity to reach a higher standard of living. We want to share in the markets that would be opened by an increase in their production.

The International Fund and the International Bank are a practical means for cooperation on international monetary and financial problems to encourage an expansion of trade and investment.

Under the fund agreement, countries undertake to define their currencies in terms of gold, to keep exchange rates stable, and to change the value of their

currencies only after consulting the fund. Furthermore, they recognize that restrictive currency measures hamper international trade, and they agree to remove such restrictions as soon as possible. In brief, the fund establishes a code of fair exchange practices to which all countries adhere.

It is possible for countries to abide by these principles if they know that in adversity they can have help. When a depression suddenly cuts off the export markets of a country, when a crop failure destroys its exports for an entire year, it may not be able to keep stable exchanges and avoid restrictive measures unless it gets help. The fund recognizes this need for mutual aid. It provides that its resources of $8,800,000,000 may be used by countries who need temporary assistance to maintain the fair exchange standards established by the fund.

The purpose of the bank is quite simple. It is to encourage private international investment for sound and productive projects. If private investors are not prepared to make worth-while foreign loans, the International Bank will guarantee the loans or make the loans directly out of funds raised through the sale of its debenture. In exceptional cases, the bank will make loans out of its own resources.

Every loan made or guaranteed by the bank must be investigated to determine that the proposed project will contribute to the productivity of the country and that it is within the capacity of the country to repay. Each loan must be guaranteed by the government of the country in which the project is located or by that country's central bank.

The International Bank will encourage private investment by minimizing and sharing risks. The bank will collect a special reserve on all loans it guarantees or makes and this reserve will be used to meet losses from defaults. If the special reserve should prove to be inadequate to meet the losses, the bank can call on its capital. The benefits of international investment are world-wide and the risks should therefore be shared by all countries. This they do through the terms and conditions of the bank.

The common sense of these proposals must be apparent to everyone. But some critics seem to think that there must be something wrong with the fund and bank because they will help other countries. I have no doubt they will. I have no doubt they will help us. I, for one, do not believe that the United States can remain prosperous in a world of destruction and poverty. That is why I think we need the fund and bank.

The able and distinguished Senator from Ohio [Mr. TAFT] seems to think that the Bretton Woods agreements, or at least the International Bank, have not been adequately considered. I know of no important piece of legislation in recent years that has been so thoroughly discussed or so long considered. It is nearly 4 years since this Government began to work on these proposals. It is more than 3 years since a memorandum on the International Fund and Bank was presented to President Roosevelt. It is more than 2 years since the proposal for the fund and nearly 2 years since the proposeal for the bank were first published in this country. It is now 1 year since the Bretton Woods Conference was held. And throughout this year there has been steady discussion of the Bretton Woods agreements.

I think I am wholly fair when I say that most of the objections to the fund and bank can be summarized in two statements. Here they are: We put up all the good money, other countries put up worthless paper; we will abide by the agreements, other countries will not. There is no basis for such statements. They show a complete lack of understanding of what the fund and bank really are and really do.

The facts are we subscribe $2,750,000,000 to the fund. Of this, $687,000,000 is in gold and $2,063,000,000 is in the form of a deposit at the Federal Reserve bank. Other countries subscribe about $1,150,000,000 in gold and about $4,900,000,000 in their own currencies deposited to the credit of the fund at their central banks.

We subscribe $3,175,000,000 to the bank. We pay $63,000,000 in gold and $572,000,000 in dollars. Other countries pay 2 percent of their subscription in gold and 8 percent in their currencies. The bank may call not more than 10 percent additional of the capital for its direct loans. The remainder of the subscription to the bank is set aside as a surety fund to be used to meet losses on loans made or guaranteed by the bank. In the case of a loss on a dollar bond, the call on capital would be paid by all countries in gold or dollars.

At this point, it is worth noting a criticism of the bank made by the able and distinguished Senator from Ohio. Speaking of the securities guaranteed or issued by the bank he stated:

> The impression certainly will prevail that the United States Government is largely back of all investments. Should there be a general default by the governments such as occurred in 1932, our Government might be morally obligated to make good the whole amount.

I do not believe that with the fund and the bank we can have the kind of international collapse that occurred in the 1930's. If the bank suffers losses which it cannot meet out of its reserves, we can depend upon the subscribing countries to meet their obligations in gold and dollars as they are committed to do.

But I want particularly to show how clearly, how honestly every country intends these institutions to be run. The delegates at Bretton Woods were aware of the possibility that the purchaser of a bond might think that the security is an obligation of the United States Government. They wanted to do everything possible to prevent this misapprehension. And so they wrote into the articles of agreement this provision—article IV, section 9, page 55:

> Warning to be placed on securities. Every security guaranteed or issued by the bank shall bear on its face a conspicuous statement to the effect that it is not an obligation of any government unless expressly stated on the security.

I think this provision illustrates the spirit of complete fairness and open dealing that characterizes the fund and bank agreements.

I return now to the argument that we are the only country that makes any real contribution to the fund or bank. It is fantastic to say that the governments of Canada, England, France, Belgium, Netherlands, Russia, and our Latin American neighbors, have no credit standing. It is equally fantastic to say that they will not meet their commitments to the bank, or that their currency in the fund will not be used. These are countries with the highest reputation for meeting their obligations.

I do not deny that there are a few countries with relatively small quotas who ought not to use the fund during the next year or two. The Bretton Woods Conference recognized this. That is why the articles of agreement contain this provision (art. XX, sec. 4 (i), p. 41):

> The fund may postpone exchange transactions with any member if its circumstances are such that in the opinion of the fund they lead to use of the resources of the fund in a manner contrary to the purpose of the agreement or prejudicial to the fund or members.

Those who belabor this argument do not really understand the fund. It is wrong to think of this fund primarily as a lending institution. Certainly the fund extends aid to members but this aid is only to enable countries to maintain orderly and stable exchange arrangements. Primarily the fund is an institution for setting fair exchange standards. The lending feature of the fund is a necessary but incidental part of the program of maintaining fair exchange practices.

I wish these critics could have heard what some other countries say about what they put into the fund and bank. I recall what a very able representative of Australia said:

> Yes, the United States puts in its money. You have a right to safeguard your investment. But you entrust the fund and bank with your subscription. We entrust the fund and bank with our livelihood. Our daily bread depends on the proper operation of the fund and bank.

I confess that I had to agree with the representative from Australia. To speak as if we alone have any real stake in the sound operation of the fund and bank is to ignore the facts. The fund and bank are institutions for international economic cooperation, which are necessary to the welfare of all countries, including our own.

I have just seen a July 4 speech by the Chancellor of the Exchequer. It recalls to me the stirring celebration we had on that day at Bretton Woods 1 year ago. No one who saw the 44 United Nations celebrating the birth of freedom in the New World could doubt for a moment their complete devotion to the high principles which guided the conference at Bretton Woods.

But I return to the statement by the Chancellor of the Exchequer 2 weeks ago. Here is what he said:

> Should the plans now made—for the fund and bank—miscarry, your ability to help as you would wish in the reconstruction of the shattered economies of Europe may indeed be

affected. Vast resources contributed by you may indeed be placed in jeopardy. But at the worst it would be no grave risk to the stability of the American economy.

How different is our case? We emerge from the struggle with an enormous burden of external debt and a balance-of-paymens problem such as we have never before had to face. The system of international economic collaboration to be established now must profoundly affect our ability to play any useful part in the affairs of the postwar world and may even involve our very standards of life.

And the Chancellor added:

The time is at hand when we must decide (on Britain's economic policy), and we shall do so heartened immensely by our knowledge of the part America is clearly determined to play.

I do not for a moment underestimate our stake in Bretton Woods. We risk a good deal. But other countries risk no less. The real stake all countries have in Bretton Woods is to build a world in which countries can live together in peace and prosperity.

The opponents say they have no faith in other countries. They say Russia will misuse the fund; England will never remove its restrictions; other countries will withdraw the dollars and put in worthless paper; debtors will control the management of the fund and bank. The ultimate basis for the opposition to Bretton Woods is this distrust of our allies and neighbors.

We are now in the midst of the most devastating war in history. We have passed the point of greatest danger. In this bitter struggle, our existence as a free and independent Nation depended not only upon the strength of our own people, but also upon the wholehearted and faithful cooperation of our allies. They did not fail us.

I shall never be a party to saying that this country cannot trust the nations that have poured out their blood to save themselves and us from a world dominated by Nazi and Fascist dictators. I have no doubt that differences of opinion will arise between us and our great allies. But I have complete faith in our ability to settle these differences in a friendly manner. I reject completely the implication that our allies will not live up to their agreements.

What does the opposition say about Russia? They say the fund does not need Russia and Russia does not need the fund. I leave it to the Senators to judge whether international economic cooperation can be established in the postwar world without the participation of Russia.

Too often we allow the peculiar institutional arrangements in Russia to blind us to the underlying facts. If a country finds that because of depression or crop failure it cannot export enough temporarily to pay for its imports, the fund offers it help so that it will not be forced to depreciate its currency or impose exchange restrictions. Now, Russia is just as subject to crop failure or to the effects of world-wide depression as any other nation. If Russia finds it difficult to secure the foreign exchange it needs to pay for its imports, it might be compelled to do precisely what other countries would do without the fund.

Other countries depreciate their exchanges; that means they cut the prices of the goods they export. Under the same conditions Russia would be forced to cut the prices of its goods. The effect would be the same—international markets disrupted by in international price war. Or other countries impose exchange restrictions. Russia, because it has state trade, would simply not buy. The effect would be the same—important markets suddenly cut off. By giving her temporary aid at such times, Russia, like other countries, is enabled to maintain fair export prices and to avoid sudden contractions in imports. I say it is just as important to have Russia follow these policies as any other country.

Mr. TAFT. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from New Hampshire yield to the Senator from Ohio?

Mr. TOBEY. I yield.

Mr. TAFT. Is it not true that it was understood that Russia would use the money under the fund, not for stabilization, but for the reconstruction of factories, in other words, for capital purposes?

Mr. TOBEY. I do not so understand.

Mr. TAFT. Was not that the effect of Mr. Brown's statement in the article which was read?

Mr. TOBEY. I did not so take it. In my opinion Russia would do what every other nation would do, would use the fund for reconstruction loans.

Mr. TAFT. I thought it was understood, from Mr. Brown's testimony, backed up by Mr. White, that so far as Russia was concerned, since there was no currency exchange problem, Russia was going to use money from the fund at the rate of $300,000,000 a year for the purpose of reconstructing factories, for capital purposes.

Mr. TOBEY. The Senator from Ohio may correctly quote Mr. Brown. I do not know. I cannot answer the question.

Mr. AIKEN. Mr. President, does not the Senator from New Hampshire recall that the very same persons who are now saying that Russia will not do her part in carrying out the Bretton Woods agreements were, a little more than a year ago, saying that the Russian armies would stop at the German border, and not invade Germany?

Mr. TOBEY. I do recall those statements.

Mr. AIKEN. And the same people are now saying that Russia will not carry out her agreement?

Mr. TAFT. I did not say Russia would not carry out the agreement. I said that, because they have no currency problem, Russia was going to use the money for permanent reconstruction.

Mr. TOBEY. I understood the Senator's point.

Mr. President, I put no stock in the argument that because Russia has state trading she is not bound by the standards of the fund. If Russian practices should be of a kind that leads to difficulties in other countries, the fund could do precisely what it does with other countries. It could declare Russia ineligible to use the resources of the fund.

They say Russia will use the fund for reconstruction. The articles of agreement state quite definitely (art. XIV, sec. 1, p. 29):

The fund is not intended to provide facilities for relief or reconstruction or to deal with international indebtedness arising out of the war.

Why should anyone assume that in the face of this express prohibition Russia would use the fund for reconstruction?

Mr. TAFT. Mr. President, the Senator has asked a question. The reason is as given in the article by Mr. Edwin E. Brown, who was a delegate to the conference. He said in the article, which appeared in Commerce Magazine for February:

Russia, with a complete system of State trade, does not require credit for strictly stabilization purposes, and it may be admitted Russia will probably use up her quota in the first few years of the fund's existence to pay for imported capital goods necessary for her economic reconstruction.

As I understand, Mr. Brown was at the conference, and I would assume that that is a correct statement of what he thinks Russia is going to use the fund for. I do not say Russia does not need it for that, but it seems to me to be contrary to the general purposes of the fund.

Mr. TOBEY. I thank the Senator.

Mr. President, there is apparently the same suspicion of England's motives. We hear from the opposition that England will not abide by the exchange provisions, that England will not remove the wartime restrictions on exchanges. I know of no reason why anyone should doubt the good faith of England in joining the fund and bank. I wonder if the opponents can really mean that Britain will not carry out the plain meaning of the provisions of the articles of agreement.

The opponents of Bretton Woods say there is a difference of opinion between England and the United States on the meaning of the exchange provisions—in England the fund is described as the opposite of the gold standard and in the United States it is described as the gold standard. It makes very little difference what we call these arrangements. The articles of agreement state:

1. A country must define its currency in terms of gold and maintain exchange rates stable within 1 percent of parity.

2. A country can change the parity of its currency only after consulting the fund and only to correct a continuing disturbance in its international economic position.

3. A country may make minor changes in parity, aggregating 10 percent in all, after consulting the fund but without its concurrence.

4. All other changes in parity require the concurrence of the fund. The fund will not object to a necessary change in parity because it does not approve the social-security program of a country or a program of socialization of industry.

5. If a country changes the parity of its currency despite the fund's objection, the country becomes ineligible to use the resources of the fund and may be compelled to withdraw from membership.

These provisions are as clear as crystal. There can be no doubt as to their meaning, and there is no reason for thinking

that England will not abide by them when she enters the fund or the bank.

The opponents of Bretton Woods now say that England's wartime restrictions will be continued indefinitely. Because of the temporary loss of its export markets, the sale of much of many of its foreign investments, and loss of some of its shipping, England will have the problem of restoring its international economic position after the war. England will need time to do that. While it is rebuilding its export industries, England will have to limit to some extent the expenditures of its nationals on foreign goods and services.

This is a fact with which all postwar monetary plans must start. The fund recognizes that Britain needs time to eliminate exchange restrictions. The fund also recognizes that it is of fundamental importance to get all countries to agree now to remove as soon as possible all restrictions on payment for exports or other current international transactions. Countries that have not suffered seriously from the war must remove all existing restrictions promptly. A country whose international economic position has been seriously impaired by the war may continue its wartime restrictions and adapt them to changing circumstances in the postwar transition period. But such countries must relax their restrictions as soon as their position improves and they must remove all restrictions when they can balance their international accounts without these restrictions. Any country that retains restrictions no longer necessary may be declared ineligible to use the resources of the fund and may be required to withdraw from membership.

To say that England will not abide by this plain commitment to remove wartime exchange restrictions as soon as it can—and this should be within 3 to 5 years—is to impugn its good faith. Those of us who know the care with which Britain considered these obligations can have no doubt of its intention to carry them out.

The opposition has conjured up an imaginary conflict between the United States and all other countries. They say the fund and bank will be controlled by debtors and the resources dissipated. Every country is aware that the successful operation of the fund and bank is of fundamental importance to its prosperity. It is in their interest to see that fund and bank are operated on a sound and constructive basis.

This country has the largest voice in the management of the fund and bank. Our influence in determining the policies of the fund and bank will be far greater than our proportion of the votes. I believe that no important decision of the fund and bank particularly on use of their resources, will be taken contrary to the views of this country. We shall find plenty of support from other countries in our determination to assure the best operation and administration of the fund and bank.

The leader of the opposition to the Bretton Woods agreements has said that he is willing to vote for political cooperation but not for economic cooperation. If this is his position, then I say frankly he does not grasp fully the meaning of the charter. Does he intend to vote for cooperation through the Security Council which is set up by the San Francisco Charter but not for cooperation through the Economic and Social Council set up by the same charter? The Bretton Woods institutions, I hold, are essential to any program for international economic cooperation.

I confess I cannot see the logic of a position which supports political cooperation for peace but opposes economic cooperation which is essential to peace. I cannot understand how anyone can be willing to entrust the peace of the world to an international institution, where the lives of our young men are at stake, and refuse to cooperate on economic problems where our subscription of $5,900,000,000 is at stake.

Here, Mr. President, let me point out to doubting Thomases and to the cynics about Bretton Woods that the United States is spending on this war $8,000,000,000 a month to kill men and to destroy capital property forever. The total cost of our investment in the fund and in the bank will be $5,900,000,000. That, Senators, is only the cost of prosecuting the war for 22 days, and I submit, as against killing men and destroying property and carrying on war I am glad to lend my voice and vote to support an agency or agencies backed by $5,900,000,000 which hold potentialities of restoring peace and world trade and human happiness in the world at large.

Mr. President, I am glad that the Bretton Woods program has never become a partisan issue in this country. The delegates who represented this country at Bretton Woods never thought of themselves as Republicans or Democrats.

I think it is clear from the vote in the House, where the bill passed overwhelmingly by a vote of 345 to 18, and in the Senate committee that partisanship will not enter into this issue, and that is as it should be.

The time has come for us to set our course. Either we cooperate wholeheartedly in the solution of international political and economic problems or we take the risk of reverting to a world threatened with political and economic disorder. For my part I think the people of the United States have told us clearly what they prefer. They want countries to live and work together in peace and prosperity; they want a world security organization; and they want Bretton Woods.

Thoughtful people appreciate that the Bretton Woods agreements are one part of the pattern for peace which has been laid out and which we hope to see carried into effect by agreement between the nations. I have looked upon the constructive action of the Congress in approving the extension of the reciprocal tariff agreements and the Bretton Woods agreements and the San Francisco Charter as all component parts of the fabric for peace, and I was very much impressed, as we all were, with the eloquent and thoughtful address which the senior Senator from Michigan [Mr. VANDENBERG] made on the Charter of the United Nations on his return from the San Francisco Conference. I have read and reread his address, and I commend it to Senators. It is something that will live. I find in it several paragraphs which are equally applicable, in my judgment, to the Bretton Woods agreements as they are under consideration by the Senate today.

These paragraphs point out that we take these new steps in faith and confidence that in their acceptance by the nations of the world they will grow in influence and power, and that any weaknesses or errors or mistakes involved in these agreements will be discovered as they are put in operation, and in the light of this experience, they can be rectified at a later date.

Because he has expressed these thoughts much better than I could, I take the liberty of quoting from his address, those portions which to me apply to, and indicate, the wisdom of our accepting the Bretton Woods agreements here in the Senate.

After pointing out, with reference to the San Francisco agreements, that while none of the delegates can say he wholly approves the net final result, he says:

> The wonder is that we can all approve so much.

Then he says:

> Within the framework of the Charter, through its refinement in the light of experience, the future can overtake our errors. But there will be no future for it unless we make this start.

And then he adds:

> I doubt if there could ever be another or a better start.

I concur in that premise.

Then he goes on further and says:

> You cannot plant an acorn, Mr. President, and expect an oak from it the morning following, but you will never have an oak unless you plant the acorn. In the San Francisco Charter we undertake to plant the roots of peace. No one can say with finality how they will flower, but this I know: Without roots there will be no flowers. I prefer the chance rather than no chance at all.

And further, he so truly says, quoting the Holy Scriptures, "Where there is no vision, the people perish," and adds his own comment, "We dare not fail to try. We dare not fail to strive in this direction no matter how far we fall short of the goal."

I was particularly pleased by this very pointed observation:

> You may tell me that some of the signatories to this charter practice the precise opposite of what they preach, even as they sign. You may tell me that the aftermath of this war seems to threaten the utter disintegration of these ideals at the very moment they are born. I reply that the nearer right you may be in any such gloomy indictment, the greater is the need for the new pattern which promises at least to try to stem these evil tides. * * * If the effort fails, we can at least face the consequence with clean hands.

And finally, he concludes:

> It is the only plan available for international cooperation in the pursuit of peace and justice. It is laden with promise and with hope. It deserves a faithful trial. America has everything to gain and nothing to lose by giving it support.

So I submit that these prophetic statements, statements of wisdom and understanding, eloquent statements, apply equally to the great agreements now before us which aim to provide economic cooperation among the nations while the San Francisco agreements aim to provide political cooperation. And the one must complement the other.

So, Mr. President, facing the postwar era in which the cataclysmic effects of the war will come home to us in stark reality, we know that something has to be done. We see a world prostrate. The alternative to doing something is to do nothing, and that means chaos. So we have before us today the result of the work of delegates from 44 nations who, just a year ago this month, were meeting in conference at Bretton Woods in my State of New Hampshire, and these delegates all agreed on these agreements. They are to be offered to the respective nations and we are to be the first to act upon them. This is as it should be. We should set the example, and I predict others will speedily follow.

So, Mr. President, as my colleagues vote for these agreements, there must be in our minds and hearts those elements of faith in mankind, a consciousness of the interdependence of all nations and the realization that in a great crisis it may well be that we must take action even though it may appear to be unusual and unorthodox.

To my mind there come the words of the late Mr. Justice Brandeis, who well said, in a trying time in this Nation's affairs, "If we would guide in the light of reason, we must let our minds be bold."

I sincerely hope the Senate will follow the action of the House and ratify these agreements by a tremendous majority.

Mr. President, I have concluded my address. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a list of 108 organizations supporting the Bretton Woods agreements, to be followed by a series of statements also in support. It is an impressive citation.

There being no objection, the list and statements were ordered to be printed in the RECORD, as follows:

ONE HUNDRED AND EIGHT ORGANIZATIONS WHICH HAVE ISSUED PUBLIC STATEMENTS SUPPORTING BRETTON WOODS

BUSINESS

Committee for Economic Development.
National Foreign Trade Council.
National Planning Association.
Atlantic Cotton Association.
Texas Cotton Association.
National Cotton Council.
Advertising Club of New York.
Export Managers Club of Chicago.
National Council of American Importers.
Advertising Committee on Public Affairs.
Rochester Chamber of Commerce.
San Francisco Chamber of Commerce.
Business and Industry Committee for Bretton Woods.
Memphis Cotton Exchange.
American Cotton Shippers Association.
Overseas Automotive Club.
Flint, Mich., Exchange Club.

BANKING

Pennsylvania Bankers Association.
Independent Bankers Association.
Philadelphia Bankers.
Board of Governors of the Federal Reserve System.

ECONOMISTS

Members of the American Economic Association (about 1,700 out of 3,600 members to whom a questionnaire was sent; 90 percent of those who replied favored the Bretton Woods program).
Economists of the University of North Carolina and Duke University.
Seven economists of Stanford University.

LABOR

American Federation of Labor.
Congress of Industrial Organizations.
American Labor Conference on International Affairs.
New York State American Labor Party.
Brotherhood of Railway Trainmen.
International Ladies Garment Workers Union.
United Federal Workers of America, Local 9.
United Saw, File, and Steel Products Workers of America.
United Office and Professional Workers of America.
National Maritime Union.
Oil Workers International Union of California, CIO.
International Woodworkers of America.
Philadelphia Industrial Union Council of Pennsylvania.
Transport Workers Union of America.
Oil Workers International Union of Texas, CIO.
Butte Miners' Union, No. 1, Montana.
Amalgamated Machine, Tool, and Die Local 1114, Illinois.
Central Labor Council of Santa Clara County.
Industrial Union of Marine and Shipbuilding Workers of America.
Joint Board for Dressers and Dyers Union.
Furriers Joint Council of New York.
Machine and Instrument Local No. 452.
United Automobile, Aircraft, and Agricultural Implement Workers of America.
United Packinghouse Workers of America.
Newspaper Guild of New York.
Newsboys' Local Industrial Union No. 75.

PROFESSIONAL

Independent Citizens' Committee of the Arts, Sciences, and Professions.
International Federation of Architects, Engineers, Chemists, and Technicians.

CHURCH

Catholic Association for International Peace.
Congregational Churches—Council for Social Action.
United Christian Council for Democracy.
Council of Bishops of the Methodist Church.
The Unitarian Fellowship of Social Justice.
The Board of Education of the Methodist Church.
Georgia Methodist Student Conference.
The Layman's Movement for a Christian World.
Commission of Public Information of the Methodist Church.
New Hampshire Congregational Christian Conference.

FARM

American Farm Bureau Federation.
National Farmers Union.
Vermont Farm Labor Conference.

GENERAL

Americans United for World Organization.
Citizens Conference on International Economic Union.
Minnesota United Nations Conference.
Independent Voters of Illinois.
Conference of Southern Students.
Southern Council on International Relations.
Southern Council for Human Welfare.
National Board of the Y. W. C. A.
National Council of Parents and Teachers.
California Democratic Club of Berkeley, Calif.
New Jersey Independent Citizens' League of New Jersey.
Commission to Study the Organization of Peace.
Greenwich Village Action Committee.
National Association for the Advancement of Colored People.
National Peace Conference.
Parents Association of P. S. 234.
Mississippi Congress of Parents and Teachers.
Fifty members of the Independent Citizens Committee of the Arts, Sciences, and Professions.

WOMEN

National League of Women Voters.
National Conference on International Affairs.
Women's Action Committee for Victory and Lasting Peace.
National Council of Jewish Women.
Women's Division of the American Jewish Congress.
National Women's Trade Union League of America.
National Federation of Business and Professional Women's Clubs.
National Council of Women of the United States.
Women's Division of Christian Service of the Board of Missions of the Methodist Church.
United Council of Church Women.
Young Women's Christian Association.
American Association of University Women.
League of Women Shoppers.
Women's International League for Peace and Freedom.
Servicemen's Wives for Democratic Action.
Women's Auxiliary National Maritime Union.
Business and Professional Women's Club.
Mid-Atlantic Regional Conference of the National Association of Women Lawyers.
Marian County Women's Political Action Committee.
Women's Political League of Pennsylvania.

POLITICAL

National Citizens' Political Action Committee.
United Committee for Political Action.
Berkeley Democratic Club.
Democratic Central Committee, Los Angeles.
Political Action Committee of the CIO.

ORGANIZATIONS SUPPORTING THE BRETTON WOODS AGREEMENTS

Business and Industry Committee for Bretton Woods

This committee of leading industrialists and businessmen stated, in a press release of May 31, 1945:

"We believe Bretton Woods is good business.

"Because we believe the Bretton Woods agreements can open new postwar frontiers for American business and industry and become the economic foundation for prosperity at home and a secure peace abroad.

"Because we believe the Bretton Woods agreement will put international transactions on an orderly basis and safeguard the American businessmen and investors from currency manipulation and unsound foreign loans which lead to world economic disaster and war."

Committee for economic development

The research committee of the committee for economic development, composed of a group of outstanding business leaders, stated as follows:

"We recommend the approval of the International Bank for Reconstruction and Development and also recommend that an appropriate time, which would not delay its approval, its powers be broadened to include the extension of general long-term or short-term loans for stabilization urposes. After

the bank is strengthened in this way, we feel that the management of the fund should be able to use the fund strictly for currency transactions. Accordingly, the danger inherent in the fund as it now stands would be substantially reduced and we would recommend that the fund be approved.

National Foreign Trade Council

At a meeting of the board of directors of the council on March 20, 1945, a resolution was adopted which included the following:

"Despite the reservations held by many of the individual members of the council with respect to technical and other shortcomings in the proposals themselves, and despite the reluctance the council feels in passing judgment on a single measure which lacks coordination and integration with a broader pattern, the council favors the adoption of this proposed legislation substantially as drafted * * * any modifications of this act which would require renegotiation of the terms of the Bretton Woods agreements at this late date would involve risks greatly exceeding whatever risk may be involved in adopting them broadly and substantially as drafted in the proposed legislation."

National Planning Association

The National Planning Association, in a statement to the press April 23, 1945, said as follows:

"While it is important to point this out, the Bretton Woods proposals should be accepted on their merits and not out of fear of what might happen should they be rejected. It is not sufficiently realized in some circles that they represent, to a very considerable extent, the triumph of the American conception of the future world economy.

"As regards question of their possible amendment, it would seem to be the part of wisdom to postpone such action until it can be taken in the light of experience under the provisions in both the fund and the bank.

"In the light of these 'and other' considerations, the Committee on International Policy of the National Planning Association has reached the considered judgment that, in our interests, the Bretton Woods Agreements should be approved."

National Cotton Council

From a statement dated April 6, 1945, by Oscar Johnston, president of the council, speaking "as the accredited and authorized representative of the entire raw-cotton industry":

"The South and the Cotton Belt should urge the Congress to approve the Bretton Woods monetary pact and the proposal for the International Bank for Reconstruction and Development without substantial changes. In our opinion, both represent steps forward toward the restoration of a stable and expanded international trade after the war."

Export Managers Club of Chicago

This organization adopted a resolution, which reads in part:

"1. That the proposed International Bank for Reconstruction and Development provides adequate machinery for international loans as part of a comprehensive pattern for the organization of peace which is being developed by the United Nations around the Dumbarton Oaks proposals. The American participation in such institutions is necessary to aid in the reconstruction of war-devastated nations, for increasing industrialization of underdeveloped countries, and the promotion of international trade, finance, investments, employment, and higher living standards.

"2. That the proposed International Monetary Fund, to promote exchange stabilization and eliminate the use of exchange depreciation for trade advantage, deserves support and approval."

National Council of American Importers

A resolution adopted by the board of directors of this organization on March 29, 1945, reads as follows:

"*Resolved*, That the board of directors of the National Council of American Importers, Inc., recommends that the Congress organize participation of the United States in the 'International Bank for Reconstruction and Development' and in the 'International Monetary Fund,' tentatively agreed upon at Bretton Woods, subject to such amendments as the Congress may deem necessary."

Cotton Shippers Association and the Texas Southern and Atlantic Cotton Associations

Lt. Col. Burris C. Jackson, speaking for the group, stated:

"Cotton has a vital stake in the Bretton Woods Agreements * * * as it was passed by the House. We are all for it."

Chamber of Commerce, San Francisco, Calif.

The board of directors of the San Francisco Chamber of Commerce unanimously endorsed the Bretton Woods Agreements and accepted the recommendation of the Committee for Economic Development.

Overseas Automotive Club, Inc.

The Overseas Automotive Club declared: "That it believed it is in the best interest of the country as a Nation to collaborate with other nations toward the restoration of a more normal economic balance. It added in the furtherance of that purpose the United States should assist in the organization and management of international institutions designed to attain that end."

BANKERS

Pennsylvania Bankers' Association, Pittsburgh, Pa.

"The committee believes that the principles and objectives underlying the proposed agreements for the International Monetary Fund and the International Bank for Reconstruction and Development provide a foundation for working out a suitable policy and program to deal with international financial problems after the war. It, therefore, recommends that the Congress give these agreements favorable consideration."

Independent Bankers' Association, Sauk Center, Minn.

A report sent to the Committees on Banking and Currency of the House and Senate stated: "The Independent Bankers' Association (1) endorses both the International Monetary Fund and the International Bank for Reconstruction and Development; (2) urges the Congress of the United States to act favorably on the Bretton Woods legislation at the earliest possible date and without crippling reservations."

Board of Governors of the Federal Reserve System

"The Board of Governors of the Federal Reserve System is convinced that ratification of the Bretton Woods agreements would be an important step in the restoration of world trade and in safeguarding the interest of the United States in the postwar world."

Philadelphia bankers

"In view of the broad principles and objectives of the Bretton Woods agreements, the undersigned join in recommending that the Congress, after full and free discussion, give favorable consideration to the passage of legislation toward these ends, since the Bretton Woods agreements, in our judgment, give responsible promise of avoiding the major financial errors committed after the last war and seem flexible enough to be modified in the light of experience." (William Fulton Kurtz, Pennsylvania Company for Insurance on Lives and Granting Annuities; David E. Williams, Corn Exchange National Bank; Howard A. Loeb, chairman of the Tradesmen's National Bank; James E. Gowan, Girard Trust Co.; Isaac W. Roberts, Philadelphia Savings Fund Society; Archie D. Swift, Penn Central-Penn National Bank; P. Blair Lee, Western Savings Fund Society; W. Logan MacCoy, Provident Trust Co.; R. Livingston Sullivan, Market Street National Bank; Percy C. Madeira, Jr., Land Title Bank & Trust Co.; Evan Randolph, Philadelphia National Bank.)

ECONOMISTS SUPPORT BRETTON WOODS

Members of American Economic Association

"We, the undersigned economists (224 in number), urge the Congress to accept the 'Bretton Woods' agreements providing for an International Monetary Fund and International Bank for Reconstruction and Development."

Stanford University Economists

In a letter to the editor of the San Francisco Chronicle (March 31, 1945), Stanford University economists stated: "With the overwhelming majority of our academic-economist colleagues who have been polled, it is our conviction that the Bretton Woods agreements should be acted upon favorably by Congress with the least possible delay."

Economists from the University of North Carolina and Duke University

In supporting the Bretton Woods legislation, these economists declared: "that the agreement, providing for the establishment of an International Monetary Fund and the International Bank for Reconstruction and Development, will provide facilities for orderly international payments, aid in the sound expansion of international investment, and increase the total volume of international trade."

LABOR ORGANIZATIONS

American Federation of Labor

William Green, President of the American Federation of Labor urged Congress on April 27, 1945 to approve the Bretton Woods Monetary Agreement, terming "approval of plans for a world bank and currency stabilization fund as of vital importance". He stated, "The American Federation of Labor is of the belief that it is both a matter of economic decency and of enlightened self interest on the part of the United States to share in restoring the prewar economic status of all allies."

Congress for Industrial Organizations

In a letter to Representative SPENCE, Philip Murray, President of Congress Industrial Organizations stated that "CIO support is given to Bretton Woods in firm belief that it is the best guarantee of greatly expanded and stabilized world trade that will afford protection to American businessmen, markets to American soldiers, and jobs for American workers. It is also a matter of concrete demonstration of the fact that the United Nations can work out successful solutions to their problems in unity and accord."

American Labor Party, New York

In a statement on the foreign policy, the American Labor Party stated that they favored agreements promoting the equitable participation by the peace-loving nations in an expanded world trade and that "Bretton Woods proposals are vital steps in this direction."

Brotherhood of Railroad Trainmen general office, Cleveland

In a letter of March 12, 1945, Mr. A. L. Whitney, President of the Brotherhood of Railroad Trainmen, stated that he "heartily approves of the Bretton Woods agreement."

Oil Workers International Union, CIO, Fort Worth, Tex.

C. E. Robinson, Secretary, in a letter to Representative SPENCE stated: "The membership of this union is unanimously behind the agreements reached at Bretton Woods."

Butte Miners Union No. 1, CIO, Butte, Mont.

R. C. Brown, secretary, stated in a letter to the House Banking and Currency Committee: "We think it (the Bretton Woods bill) an excellent measure both for ourselves and for the country in general."

Amalgamated Machine Tool and Die, Local No. 1114, CIO, Chicago, Ill.

Louis Torre, business manager, has stated in a letter to the House Committee on Banking and Currency: "There are enclosed, signed petitions from the members of Local 1114. The Petitions request favorable action by the Congress on the Bretton Woods bill. The petitions represent the sentiment of the members of our union."

Central Labor Council of Santa Clara County, AFL, San Jose, Calif.

Mabel M. Lee, chairman of the legislative committee, has stated: "the Central Labor Council of Santa Clara County urges your committee to approve passage of H. R. 2211 without amendment. Our council urges passage of H. R. 2211 because we believe it is the best guarantee of an expanded and stabilized world trade. We believe passage of H. R. 2211 will afford protection of American businessmen, markets to American farmers, and jobs for American workers."

Joint Board, Fur Dressers and Dyers Union, CIO, New York, N. Y.

Sam Burt, manager, has stated in a letter to Representative SPENCE: "the joint board, Fur Dressers and Dyers Union urges you to do everything in your power to have the Bretton Woods Monetary Agreement ratified. This agreement is the economic basis for the political and military measures necessary to guarantee world security and peace."

Furriers Joint Council of New York, CIO, New York, N. Y.

Morris Pinchewsky, secretary of the council, stated: "On behalf of 15,000 members of the Furriers Joint Council, CIO, New York, we urge the immediate consideration and passage of H. R. 2211."

Machine and Instrument Local No. 452, CIO, Long Island, New York

Dave Drucker, chairman of the legislative committee, stated: "We, who represent 1,100 war workers, feel that this bill would not only bring jobs and economic security to our working people but would do much to forward international friendship and world peace."

International Ladies' Garment Workers' Union, New York

The International Ladies' Garment Workers' Union published a pamphlet which states the following: "The bank and the fund are links in the chain we must forge if we want a better world and a lasting peace. * * * The international monetary fund for reconstruction and development will give valuable support to employment policies in the United States."

United Federal Workers of America, Philadelphia

In a letter to Hon. BRENT SPENCE, House Banking and Currency Committee, Mr. Castognolia, secretary of the union, urged "active support of members of the House Banking and Currency Committee for the passage of the Bretton Woods Agreement Act."

United Saw, File, and Steel Products Workers of America, Philadelphia

In a letter to Congressman BRENT SPENCE, Emily Eobstel, secretary of the legislative committee of the union of America, reports that "the legislative committee has considered the Bretton Woods proposals and urges the House Banking Committee to support the Spence bill."

United Office and Professional Workers of America, Local 1, New York

Rose H. Agree, chairman of the political action committee of the United Office and Professional Workers of America urged that House Bank Committee "facilitate speedy action in the Bretton Woods monetary proposals. * * * These proposals will provide collective security in the economic field stimulating and insuring international trade and monetary cooperation which in turn will afford jobs and prosperity to the American people."

National Maritime Union, New Orleans, La.

R. J. Sullivan of the National Maritime Union, New Orleans, La., in a cable to Hon. BRENT SPENCE reported that 150 members of the National Maritime Union "unanimously favored endorsement of Bretton Woods by Congress to silence present world-wide doubts of America's position of international cooperation in postwar world."

National Maritime Union of America, New York

Ralph D. Rogers, national director of the National Maritime Union of America, stated: "It is the feeling of the members of the National Maritime Union that in the interests of establishing economic stabilization throughout the world—an absolute prerequisite for lasting peace—the United States must participate fully in the Bretton Woods monetary agreement."

International Federation of Architects, Engineers, Chemists, and Technicians, Chapter No. 14, 1212, Washington, D. C.

Robert D. Sprecht, president of the International Federation of Architects, Engineers, Chemists, and Technicians, urged that "in the interests of the people of the United States the Bretton Woods Agreement must be ratified without change."

Federation of Architects, Engineers, Chemists, and Technicians, Chapter 25, Oakland, Calif.

L. T. Pockman, chairman of the Legislative Committee of the union, stated:

"It is the considered and unanimous opinion of the San Francisco division of the Federation of Architects, Engineers, Chemists, and Technicians, that the adoption of the Bretton Woods proposals in their present form is so vital to the future of the United States that prompt action is necessary."

United Automobile, Aircraft, and Agricultural Implement Workers of America, CIO, New York

This organization stated in a resolution:

"Whereas the Bretton Woods Agreements provide through the Monetary Fund and the Reconstruction Bank the necessary organization to prevent chaos, and provide the machinery to guarantee free world trade; Therefore be it

Resolved, That we, the members of Local 259, UAW-CIO, do hereby urge the House Banking and Currency Committee and House of Representatives in toto to pass the Spence bill."

United Packing House Workers of America, CIO, St. Joseph, Mo.

Merle Grimm, president of Local No. 58, stated in a letter to Representative SPENCE:

"Members of Local Union No. 58, St. Joseph, Mo., are urging that immediate passage be given to H. R. 2211, S. 540."

United Packing House Workers of America, CIO, Chicago, Ill.

Herbert March, district director, stated: "Passage of H. R. 2211 will in a measure prove our sincerity in trying to establish a just peace. Passage of this bill will also help to guarantee 60,000,000 jobs and prosperity. Thirty-five thousand packing house workers in district I respectfully urge that this proposal be ratified by Congress without amendments."

Newspaper Guild of New York, local No. 3, CIO, New York, N. Y.

The following resolution was adopted by the Newspaper Guild:

"Whereas the Bretton Woods proposals provide the essential economic basis for a successful world peace organization; and

"Whereas the Bretton Woods proposals are necessary to fulfill President Roosevelt's program for 60,000,000 jobs and lay the foundation for world economic stability: Be it hereby

"Resolved, That we, members of the Newspaper Guild, urge the favorable report to Congress of S. 540 and H. R. 2211."

Newsboys Local Industrial Union No. 75, CIO, Los Angeles, Calif.

Leo Loeb, secretary, stated in a letter to Representative SPENCE:

"Unless we ratify the agreements reached at Bretton Woods, it will be impossible to have an expanding foreign trade * * * without the expansion of our foreign trade, full employment and the San Francisco Conference succeeding, we cannot have world security. * * * Therefore, the members of this organization urge you to support Bretton Woods."

United Office and Professional Workers, CIO, Philadelphia, Pa.

A. Keene Howitz, regional director of the union, has asked ratification of the Bretton Woods pact to "demonstrate our complete support of the historic Crimean Conference."

Artists, writers, etc.

A telegram to Congressman SPENCE, signed by 50 leading actors, artists, writers, scientists, educators, and musicians "urged that the House Banking and Currency Committee bring out immediately a unanimous report in favor of the amended version of the Bretton Woods legislation."

Industrial Union of Marine and Shipbuilding Workers of America, Local 50, CIO, Portland, Maine

The ship stewards of Local 50, in a letter to Representative SPENCE, stated:

"Whereas the Bretton Woods agreements now under consideration by a committee of the House of Representatives is one of the cornerstones in the United Nations structure for a better world * * * the ship stewards of local 50 urge the immediate favorable consideration of the Bretton Woods proposals."

International Federation of Architects, Engineers, Chemists, and Technicians, Navy Yard, Chapter 24, New York

Charles Aaron, chairman of legislative committee, chapter 24, reporting for the International Federation of Architects, Engineers, Chemists, and Technicians, states:

"We feel that passage of this bill will provide one of the fundamental guaranties for an enduring peace."

Oil Workers International Union, Local 326

Sam W. Herrod, secretary of the law and legislative committee of the Oil Workers International Union, reports:

"Local 326, Oil Workers International Union, has voted to instruct the House Banking Committee to support and fight for the passage of Bretton Woods."

International Woodworkers of America, Local Union, No. 2-101, Everett, Wash.

In a letter of April 18, 1945, to President Truman, Pete Nelson, secretary of the union, pledges "full support to the Bretton Woods agreements because we, the laboring peoples, realize that a world of peace and security must have world cooperation and trade among all the nations in order that millions of jobs might be created in the postwar world."

Philadelphia Industrial Union Council, Committee for Political Education, Philadelphia, Pa.

The subcommittee on full employment of the Women's Council of the CIO-PAC of the Philadelphia Industrial Union Council in a

letter to Hon. BRENT SPENCE expresses "approval of bill on Bretton Woods proposals without amendments."

Transport Workers Union of America, New York

Michael J. Quill, international president of the Transport Workers Union of America, in a letter to the Honorable Mr. SPENCE stated:

"We know that we can count on your continued and active interest in the task of attempting to secure favorable action by our colleagues for the bill."

FARM ORGANIZATIONS

American Farm Bureau Federation

"The American Farm Bureau Federation favors participation of United States in the proposed International Monetary Fund and the proposed International Bank for the Reconstruction and Development, as outlined in the Bretton Woods Conference."

National Farmers Union

Mr. Russell Smith, legislative secretary of the National Farmers Union stated: "We firmly believe that the Bretton Woods agreements offers a practicable way of stimulating demand for American products, thereby assisting in maintaining full employment in this country, and in turn providing an expanded and expanding market for agricultural products * * *.

"What impresses us as profoundly necessary is that the International Bank for Reconstruction be set up and that the International Monetary Fund start operating, both as soon as possible."

National Grange

Resolved, That the Washington office be authorized to support the creation of an International Monetary Fund in connection with an international bank, provided that adequate safeguards can be provided to protect the fund from losses due to diluting the assets with weak currency, and provision can be made for channeling transactions involving the use of credit through the bank.

If the activities which can be classed as stabilization operations can be separated from those activities which rightfully belong in the field of credit, we believe that the Bretton Woods proposal holds very substantial promise for promoting sound trade. We believe this can be done.

Vermont Farm-Labor Conference (sixth annual meeting), Plainfield, Vt.

"Be it resolved, That we recommend to our Senators and authorized agents of Government the fullest cooperation in implementing the Bretton Woods agreement and all other measures of international cooperation which will promote world, and thereby national, stability."

CHURCH ORGANIZATIONS

Board of Education of the Methodist Church, Nashville, Tenn.

H. D. Bollinger, secretary, administration and program, in a letter to Congressman SPENCE, stated: "I greatly hope that the House Resolution No. 2211 will be passed favorably in the very near future."

Georgia Methodist Student Conference

Miss Dorothy Stevens, dean, Georgia State College for Women, in a letter to Congressman SPENCE stated: "I feel that this agreement offers definite hope of better world cooperation. I should like to encourage you to push your colleagues vigorously toward a favorable committee report and an affirmative vote in their respective Houses."

Laymen's Movement for a Christian World, New York City

"The Laymen's Movement for a Christian World endorses in principle the Bretton Woods proposals for an International Monetary Fund and for an International Bank of Reconstruction and Development."

Unitarian Fellowship for Social Justice, Boston, Mass.

Rev. Kenneth Walker, president, in a letter to Congressman SPENCE stated: "It is my belief that the pros have it and that a very essential safeguard against the kind of thing we went through in the last war will be provided by the establishment of this proposed International Fund and Bank."

Council for Social Action, New York City

"We believe that the Bretton Woods proposals relating to an International Bank and an International Monetary Fund are part of the instruments needed to bring about a sound basis for the exchange of goods between nations, the development of the world's resources, and the full employment of American workers."

United Christian Council for Democracy, New York City

Rev. Richard Morford, executive secretary, in a letter to Congressman SPENCE stated: "Our position as liberal churchmen is one of full support for the plan—both the fund and the bank. We favor its ratification by the Congress at once without crippling amendments or reservations."

Federal Church Council

The New York Herald Tribune of May 17, 1945, reported: "The Federal Council of the Churches of Christ in America endorsed the Bretton Woods proposals for economic cooperation * * * yesterday."

GENERAL ORGANIZATIONS

Americans United for World Organization, Inc., New York

Ulric Bell, executive vice president, in a letter to Representative SPENCE stated: "Americans United is actively working for American participation in a world organization, and is, for that reason, vitally interested in the passage of the Bretton Woods agreements."

Southern Council on International Relations

The Southern Council on International Relations, meeting at Chapel Hill, N. C., urged Congress to accept the Bretton Woods agreements on the ground that "mutual trust and assistance in economic matters are indispensable to the maintenance of peace as much as trust and faith on political matters. * * * The Bretton Woods agreements will help to prevent any nation from being forced by international economic disorder to seek relief through monetary aggression."

Greater New York Council for Citizens Action, New York City

At a meeting sponsored by this organization on January 6, Miss Eleanor S. Gimbel, general chairman of the Greater New York Council, called for citizens' action on the Dumbarton Oaks, Bretton Woods, and the National Service Act.

Citizens Conference on International Economic Union, New York City

Mr. Louis Heaton Pink, chairman of the conference, declared: "The agreement for currency stabilization and an international bank should be accepted now by the United Nations without waiting for the end of the war."

The Illinois Bretton Woods Committee, Chicago, Ill.

Irwin J. Rosenbloom, organization chairman, has stated: "Since Congress is considering the agreements now, the committee feels that citizens must inform themselves immediately and express their opinions to their Congressmen. * * * The committee hopes to secure 100,000 signatures to petitions, urging Congress to pass the Bretton Woods legislation."

United Nations Committee, St. Paul, Minn.

Charles J. Turck, chairman of the executive committee, has stated: "We in this agricultural region believe that the Bretton Woods proposals will do much toward stabilizing currency and settling foreign trade transactions without undue risk and pressure upon the economic life of the people in each of the participating countries."

National Congress of Parents and Teachers, Chicago, Ill.

Mrs. William A. Hastings, president, has stated in a letter to Representative SPENCE, "the National Congress of Parents and Teachers, an organization of 3,054,950 men and women from every State in the United States and Hawaii, dedicated to the welfare of children and youth, is naturally greatly interested in the organization of nations to bring about a lasting peace. To that end we support the type of organization decided upon at the Dumbarton Oaks meeting and the monetary proposals of the Bretton Woods Conference."

New Jersey Independent Citizens League, Passaic (N. J.) Unit

This organization adopted the following resolution: "Whereas the adoption of said (Bretton Woods) proposals is absolutely necessary to the successful functioning of international organization for world peace envisaged in the Dumbarton Oaks plan, resolved that this unit does hereby give its wholehearted and unqualified endorsement to the proposals of Bretton Woods agreement."

Commission to Study the Organization of Peace, New York City

Margaret Olsen, secretary, in a letter to Representative SPENCE, enclosed a statement on Bretton Woods, as follows: "Conscious of the danger of economic chaos unless provision of the character outlined above is made for the monetary and financial reorganization of the world, conscious of the fact that an accentuation of economic conflict, which is the alternative to the peace of nations * * * the commission is of the opinion that positive action should be taken to authorize the Government of the United States to participate in these institutions (the bank and fund)."

Greenwich Village Action Committee, New York City

This organization adopted the following resolution: "We, 300 citizens of Greenwich Village and other communities of New York, resolve together to call upon our Congressmen to give full unqualified support to the proposals now before the Congress to enable our Government to participate in the International Monetary Fund and the International Bank * * * as the essential economic safeguard for a world organization for peace."

National Association for the Advancement of the Colored People, San Francisco, Calif.

David Hedley, chairman of the legislative and political section, stated in a letter to Representative SPENCE: "The San Francisco branch of the National Association for the Advancement of the Colored People wishes to urge your favorable action on the legislation incorporating the Bretton Woods agreements."

National Peace Conference, New York, N. Y.

The organization adopted the following resolution: "As reconstruction and economic prosperity are essential to world order and as the Monetary Fund and the International Bank proposed in the Bretton Woods agreements are contributing to their attainment, the conferees of the National Peace Conference, voting as individuals, urge the adoption by the United States Congress of the measures in support of these two international institutions."

Parents Association of Public School 234, Brooklyn, N. Y.

"We believe that the Bretton Woods agreement passage will not only show our good

faith to our allies and that we intend to maintain economic security but will go far to prevent further war for all people of the earth."

Berkeley Democratic Club, Berkeley, Calif.

E. C. Bioletti, corresponding secretary, in a telegram to Representative SPENCE stated: "Open meeting of Berkeley Democratic Club wishes to express strong approval of your bill authorizing American participation in the Bretton Woods agreements."

Democratic Central Committee, Los Angeles, Calif.

Dave Fontz, secretary, in a letter to Congressman SPENCE, stated: "Please be advised that the Los Angeles County Democratic Central Committee has gone on record unanimously approving the Bretton Woods agreements and has requested that the Banking and Currency Committee of the House of Representatives take the necessary action of sending to the floor of the Congress the bills pending in your committee on this subject with the favorable action."

National Citizens Political Action Committee, Los Angeles, Calif.

William Dieterle, chairman, in a telegram to Congressman SPENCE stated: "The members of the National Citizens Political Action Committee, Los Angeles, strongly urge you as chairman of the House Banking and Currency Committee to report favorably on H. R. 2211. We believe that as the first test of America's willingness to help guarantee international security it is vital to ratify the Bretton Woods agreements without qualification in accordance with the President's request."

United Committee for Political Action, Los Angeles, Calif.

Dr. Edward Seidenberg, chairman, in a letter to Congressman SPENCE, stated: "Believing that the Bretton Woods agreement to be of paramount importance to this and other nations and a cardinal instrument for future world prosperity and peace, this organization of 15,000 citizens, representatives of union, fraternal groups of the Fortieth Assembly District urgently request you to report bill H. R. 2211 favorably to committee without revision or change."

WOMEN'S ORGANIZATIONS

National League of Women Voters

In testifying before the House Banking and Currency Commitee, Miss Anna Lord Strauss, president of the National League of Women Voters stated: "On behalf of the National League of Women Voters and its 550 local leagues, I wish to present the following statement in support of the Bretton Woods monetary agreements * * *. Not one but all nations are concerned with monetary problems. The burden of solving them, therefore, should rest on every country, and not just on the United States. It is too much to ask us to carry so heavy a responsibility."

American Association of University Women

Dr. Helen Reed, of the American Association of University Women, in a letter to Senator WAGNER stated: "I wish to inform you that the association strongly supports the Bretton Woods agreements in their present form."

Women's Division of Christian Service, Board of Missions and Church Extension of the Methodist Church, New York

Marion Lela Norris, secretary, the Wesleyan Service Guild, in a letter to Congressman SPENCE stated: "The more I study Bretton Woods, the more I am in favor of its adoption exactly as it stands, and I very much hope you will use your utmost influence to bring about its adoption without change."

Women's Auxiliary National Maritime Union

Ray Rubin, national president, in a telegram to Congressman SPENCE stated: "Urge you report Bretton Woods legislation out of committee favorably."

Women's Action Committee for Victory and Lasting Peace, New York, N. Y.

"We, Women's Committee for Victory and Lasting Peace, and its national organizations, consider the two institutions proposed at Bretton Woods are both essential services to the community of nations."

Women's International League for Peace and Freedom, Philadelphia, Pa.

Sophia H. Dulles, legislative chairman, in a letter to Congressman SPENCE, stated: "The Women's International League for Peace and Freedom, Philadelphia branch, urges you most earnestly to do all in your power to insure approval of the Bretton Woods proposal."

Young Women's Christian Association

Mrs. Thomas W. Farnsworth, industrial secretary, New Bedford, Mass., in a letter to Congressman SPENCE, stated: "I am writing to urge all the support possible to the swift passage of bill H. R. 2211, which contains the proposals for an International Bank and an International Monetary Fund."

American Association of University Women, Erie Branch

Katherine Bogart Ross, legislative chairman of the Erie Branch of the American Association of University Women, in a letter to Congressman SPENCE stated: "The Erie Branch of the American Association of University Women urges your committee's support for the Bretton Woods agreements. We urge your committee to report out favorably and promptly for a vote the Bretton Woods agreements."

Business and Professional Woman's Clubs, Inc.

Martha E. Moore, in a letter to Congressman SPENCE stated: "As chairman of the legislative committee of the Connecticut Federation of Business and Professional Woman's Clubs I am respectfully asking your influence in promptly reporting the House Resolution 2211 for discussion and vote on the floor of the House in endorsing the principles and purposes of the Bretton Woods proposals. Please urge your committee's favorable action on the resolution."

International Ladies' Garment Workers Union, New York City

Excerpt from ILGWU publication, "Should labor help Congressmen who fight for Bretton Woods? The answer is 'Yes.'"

League of Women Shoppers

Rose Parelhoff, acting president, in a letter to Congressman SPENCE, stated: "The League of Women Shoppers, in the interest of world peace and a high standard of living for the people of our Nation through expanding world trade, urges you to do all in your power for early and favorable action on the Bretton Woods bill, House Resolution 2211."

National Association of Women Lawyers

Members of the North Mid-Atlantic Conference of the National Association of Women Lawyers adopted unanimously a resolution endorsing United States participation in the United Nations organization proposed at Hot Springs, Va., and Dumbarton Oaks. The group also pledged its support to enabling legislation which will be placed before Congress.

National Council of Jewish Women, New York

"The National Council of Jewish Women with 65,000 members throughout the country strongly supports the Bretton Woods agreements."

Women's Political Action Committee, Marion County, Ohio

The Indiana Star, Indianapolis, June 4, 1945, reports, "The committee adopted a resolution urging favorable recommendation of the Bretton Woods legislation."

League of Women Voters, Gary, Ind.

The Gary (Ind.) Post-Tribune, March 27, 1945, reported that the members of the Gary league concluded "That the fund is necessary."

League of Women Voters, Wisconsin

Mrs. Herald March, State president of the league, stated in a letter to Representative HULL, "The committee has a golden opportunity to advance world peace for our future by actively supporting the Bretton Woods agreements."

The Women's Action Committee for Victory and Lasting Peace

"If Congress fails to pass this bill, the United States will again be withdrawn from international responsibilities. The effect on all proposed international organizations will be disastrous."

Servicemen's Wives for Democratic Action, Minneapolis, Minn.

Mrs. Charles A. Muehling, chairman, in a letter to the House Banking Committee stated: "We strongly urge approval of the Bretton Woods proposals now under consideration by the committee."

United Council of Church Women, New York, N. Y.

Mrs. Harper Sibley, president, in a letter to Congressman SPENCE on behalf of United Council of Church Women, stated, "I wish to express strong support of the legislation now before your committee, which authorizes American participation in the international stabilization fund and the International Bank as planned at Bretton Woods."

The National Federation of Business and Professional Women's Clubs

Mrs. Gertrude Austin, national legislation chairman, in a letter to Congressman SPENCE stated, "The National Federation of Business and Professional Women's Clubs, Inc., represent approximately 90,000 women in 1,700 communities, endorses the proposals and purposes of the Bretton Woods Agreements Act, H. R. 2211, providing for the United States participation in the National Monetary Fund and International Bank for Reconstruction and Development. May we anticipate your favorable vote on the Bretton Woods agreement in the interest of international cooperation in the solution of world economic and financial problems?"

Mr. LANGER. Mr. President, will the Senator from New Hampshire yield?

Mr. TOBEY. I yield.

Mr. LANGER. I should like to ask the Senator, who was a delegate to the Bretton Woods Conference, whether or not the fund or the bank may loan any portion of its money to a country which wishes to use the money for the purpose of purchasing or manufacturing munitions or armaments.

Mr. TOBEY. In the Senate Committee on Banking and Currency an amendment was offered which precludes that, and limits the possibility of using the money for armaments.

Mr. LANGER. That is true so far as the fund is concerned, but what about the bank?

Mr. TOBEY. I think it covers both of them. The money cannot be used for the purchase of armaments.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. TAFT. I do not purport to pass upon the question, but the amendment to which the Senator refers applies only to the fund.

Mr. LANGER. That is all the bill applies to.

Mr. TAFT. I do not purport to say what the provisions are with respect to the bank.

Mr. TOBEY. So far as I am concerned, I think it should cover both the bank and the fund.

Mr. LANGER. I call the Senator's attention to section 13 on page 14, which refers only to the fund. The bank is not mentioned.

Mr. TOBEY. I thank the Senator for his contribution. I should like to see the bank included, and we should take steps to include it by an amendment, if necessary.

Mr. LANGER. I thought the Senator probably had overlooked that fact.

Mr. TOBEY. I thank the Senator for calling it to my attention.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. REVERCOMB. Has the Senator from New Hampshire discussed the formula or the basis for the allocation of funds to the various nations, as set forth in schedule A?

Mr. TOBEY. The quotas?

Mr. REVERCOMB. Yes.

Mr. TOBEY. Yes; I was familiar with those at Bretton Woods. I have not refreshed my recollection since I returned. I shall be glad to try to answer any questions.

Mr. REVERCOMB. Can the Senator advise us on what basis or through what formula the United States is required to contribute $3,175,000,000, whereas all other nations, including the United Kingdom and the Union of Socialist Soviet Republics, are required to contribute very much lesser amounts? What formula was used in fixing those quotas?

Mr. TOBEY. I should assume that that was a tribute to the United States, because of its potential resources, financial power, and export trade. I think those were the factors used.

Mr. REVERCOMB. Then the basis for fixing the figures was financial worth and export trade?

Mr. TOBEY. I think those are two of the factors. Perhaps the Senator from New York [Mr. WAGNER] can advise me more accurately. In the opinion of the Senator from New York, what were the factors which were involved in the variation in quotas among the various nations? Why was the United States given such a large quota as compared to the others? I stated that it was because of our wealth, position, and financial resources, and our foreign trade. Can the Senator supplement that statement?

Mr. WAGNER. I agree with what the Senator said.

Further, in reply to another question which was asked, as to whether the funds of the bank could be used for armament purposes, let me say that under the agreement, funds from the bank can be used only for productive purposes.

Mr. REVERCOMB. Mr. President, will the Senator further yield?

Mr. TOBEY. I yield.

Mr. REVERCOMB. Certainly there must have been some formula or some very definite basis for fixing those figures. They must have been fixed with relation to other basic figures. Will the Senator furnish the Senate information as to just what those figures were?

Mr. TOBEY. I shall be very glad to do so.

Mr. REVERCOMB. Will the Senator also advise us as to the origin of the basic figures upon which the allocations were made?

Mr. TOBEY. I shall be very glad to do so.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. VANDENBERG. I should like to ask the Senator a question. I will address the question to the Senator from New Hampshire, and perhaps the able Senator from New York [Mr. WAGNER], who is chairman of the committee. I am perplexed by this question, and I submit it for comment.

Apparently there are to be three different types of foreign loans. There are to be loans under the Bretton Woods project; then there are to be loans through the Export-Import Bank; and also direct loans. I fully understand the difference in procedure with respect to the loans. What I am puzzled about is why there are three different methods of making foreign loans, and what are the contemplated characteristics of the three different types of loans which discriminate one from the other? What is the answer to that question?

Mr. TOBEY. Starting first with the Export-Import Bank, this morning Mr. Crowley, Director of the bank, came before the committee and gave an exposition in connection with the request to increase the funds of the bank to $3,000,000,000. His statement was that we need immediately, before the bank gets into operation, which cannot be before 12 or 18 months, to set up the machinery to grant loans to our own industries for foreign trade and export trade. There is nothing to take the place of such loans. That applies not only to South American trade, but to European countries as well. Mr. Crowley made out a case. The hearing is to be resumed tomorrow morning.

Originally, as the Senator knows, the Export-Import Bank was created for the purpose of making short-term loans, mostly in South American countries. They turned out very successfully. That activity is to be expanded. It will not supplement the International Bank, and eventually it will probably be merged into it, because there is a tendency, through the Economic Council, toward a central clearing agency for such loans, and there will probably be a merger. But until the International Bank is in gear and operating, Mr. Crowley and the Administration feel that the funds are necessary to enlarge the capacity of the Export-Import Bank to make such loans, particularly to American business in export trade.

Mr. VANDENBERG. What is the difference between the loans to be made from the International Bank and the loans which are contemplated by direct grant of credit to the major powers?

Mr. TOBEY. In one case the loans made by the bank for reconstruction are long-term loans, running for 30, 40, or 50 years. Those loans will bear the guaranty of the country of issue, and also the multilateral guaranty of 44 nations. Such loans will be made strictly for rehabilitation and construction, and no part of the money can be used for labor or local costs. It can be used only for exportable materials.

What is the other question?

Mr. VANDENBERG. What is the function to be served by direct loans to the major powers, which loans, I understand, are in the making?

Mr. TOBEY. What does the Senator have in mind when he uses the phrase "in the making"? Has it been suggested that such loans are already being made?

Mr. VANDENBERG. We constantly hear about loan commitments to Britain, France, and Russia, which are to be direct loans.

Mr. TOBEY. I am credibly informed that no such commitments have been made, and that that story is rumor, rather than substance. I pass on to the Senator what I have heard. I believe that the statement that there are no such loans is true.

Of course, the bank can make direct loans from the funds of the bank in very exceptional cases, when it is indicated that a direct loan is necessary. The funds of the bank for direct loans are limited. Only 10 percent of the assets of the bank are paid into the Treasury. The balance is held as a reserve for the multilateral feature of guaranty. Beyond that, I cannot answer the Senator's question. If a direct loan is required, the bank can make it, subject to the wisdom of the administrators of the bank.

I am glad to make the distinction which I have made relative to the Export-Import Bank. It comes fresh from the gridiron this morning, through the statement of Mr. Crowley, made when he appeared in support of the request for an increase of $3,000,000,000 in the funds of the Export-Import Bank.

Mr. VANDENBERG. Then the Senator's statement is that the Export-Import Bank will disappear when the International Bank gets into full swing; is that correct?

Mr. TOBEY. That is my hope and my understanding. In that connection I should like to read part of Mr. Crowley's statement relative to the Export-Import Bank:

> There should be no confusion regarding the fundamental differences between the proposed increase in the lending authority of the Export-Import Bank and other measures relating to our foreign trade which have been approved by Congress or which are under consideration by Congress. The measures which I have in mind include the appropriation for UNRRA, lend-lease, and the pending Bretton Woods legislation.
>
> The appropriation for UNRRA is strictly for relief and has no relation to the financing on a commercial basis of our foreign trade.
>
> With respect to lend-lease, as I and other spokesmen for the administration have repeatedly stated, lend-lease will be provided only in connection with the defense of the United States and the effective prosecution of the war to final victory. It will not be furnished for purposes of relief, rehabilitation, or reconstruction in Europe or elsewhere. Assistance to the liberated countries of Europe, which is one of the immediate problems facing us, must be provided in some other manner.

In accordance with this recognized principle, the appropriation authorized by Congress for lend-lease for 1946 was based explicitly on the assumption that Congress would increase the lending authority of the Export-Import Bank in order that it could finance portions of the so-called 3 (c) agreements for the delivery to certain European countries of industrial equipment and supplies which are not required for the prosecution of the war.

In rendering such assistance to the war-devastated countries, we would proceed on the assumption that these countries must accept the prime responsibility for their rehabilitation and must depend primarily upon their own resources in the process. Nevertheless, there is not only an inescapable obligation on the United States to help the liberated countries help themselves but also a strong element of self-interest; for, by financing their purchases of our products on a sound basis, we are greatly benefiting our own economy.

I have read that in order to indicate the point Mr. Crowley made there.

Later in his statement, Mr. Crowley said this:

The second major feature of the bill has to do with management. At present the bank is controlled by a board of 11 trustees—

And so forth. Then Mr. Crowley went on to propose a new set-up. He said:

This board is interdepartmental in character and has on it representatives of the Departments of State, Treasury, Commerce, and Agriculture, the Reconstruction Finance Corporation, the Foreign Economic Administration, and the Export-Import Bank itself.

Mr. TAFT. Mr. Crowley discussed the matter with which we are concerned, namely, the International Bank, at the top of page 4 of his statement.

Mr. TOBEY. I read from that point in Mr. Crowley's statement:

The International Bank for Reconstruction and Development is intended, it is true, to be a major source of large-scale and long-term credit for the rehabilitation of the war-torn countries and the building up of economically underdeveloped countries. Our participation in the International Bank has now been approved by the House and by this committee and will be approved shortly, I trust, by the Senate. At best, however, the international bank cannot be in effective operation for a year or 18 months. A strengthened Export-Import Bank is therefore urgently needed during the period just ahead to provide the necessary financing of our exports in connection with reconstruction and development projects abroad. There will be no other governmental source of dollar credits for this purpose.

In the longer run the coordination of the operations of the Export-Import Bank with the policies of the representatives of the United States on the International Bank and Fund will be achieved through the National Advisory Council provided for in the Bretton Woods Agreements Act. The Chairman of the Board of the Export-Import Bank, as a member of the Council, will keep it fully informed of the bank's activities and will be guided in turn by its policy decisions applicable to the bank's operations.

Mr. TAFT. Mr. President, will the Senator yield for a question?

Mr. TOBEY. I yield.

Mr. TAFT. I did not quite understand Mr. Crowley's statement that the international bank would not be in operation for a year and a half, because the agreement provides that if the agreement has not come into force by December 1, 1945, the Government of the United States of America shall return such funds to the governments that transmitted them. So it seems to me that the bank, if it is to go into operation at all, will have to be ready to go into operation by next January.

Mr. TOBEY. Of course, Mr. President, the bank will have to be ready to go into operation, but it will take some time for it to get ready to engage in its operations and to go into effect and to have a modus operandi. I think the Senator will see the reasonableness of that.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. TOBEY. I yield.

Mr. AUSTIN. I should like to have the Senator give us an interpretation of section 12, beginning on page 13, under the heading "Stabilization Loans by the Bank." Where the authority for the bank to guarantee loans is mentioned, was it the intention of that paragraph to limit and narrow the scope of article IV, section 1, of the articles of agreement of the International Bank for Reconstruction and Development?

Mr. TOBEY. Will the Senator please give me the reference to the bill again?

Mr. AUSTIN. I refer to the bill, beginning on page 13, at the bottom, in line 23, and going over on to page 14. The language about which I inquire, is as follows:

Loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans.

Apparently that does not include loans for such reconstruction as the reconstruction of basic industries, railways, power plants, and so forth. Does the Senator interpret that language in section 12 as a limitation of the agreement which appears on page 98 of the report from the Committee on Banking and Currency?

In order to make a record, I call attention directly to what that says:

SECTION 1. Methods of making or facilitating loans.—(a) The bank may make or facilitate loans which satisfy the general conditions of article III in any of the following ways:

I now skip down to subparagraph 3:

(iii) By guaranteeing in whole or in part loans made by private investors through the usual investment channels.

On its face the agreement does not limit the purposes for which these loans may be used, and it does authorize, if we assent to it and if the other countries whose concurrence is necessary in order to make the agreement operative likewise assent, the reconstruction of a country physically.

My question is, Was it the intention of the committee in reporting the bill to limit that authority by the language—

To make or guarantee loans for programs of economic reconstruction and the reconstruction of monetary systems, including long-term stabilization loans?

That is my question.

Mr. TOBEY. Let me say to the Senator that this amendment was added by the House of Representatives, and it was added in an effort to broaden the scope of the bank's loans. It is now made a part of the bill which is before us, and the Senate committee approved it in that form. It does not limit. It would broaden the effect of the act, and that is the intent.

Mr. President, if there be no other questions, I yield the floor.

Mr. HART. Mr. President, I shall have not the slightest opposition to express against ratification of the United Nations Charter. My position of general approval of the idea was stated some months ago. The Bretton Woods Agreement is another matter. It has frequently been represented as being essential to the international organization which has come from the San Francisco Conference. I do not think that it is essential now, and at this time I am unable to vote to approve the Agreement as it now stands.

Our country as a whole has expressed little opposition to the Charter, very little which seems valid and well-reasoned. Much has been said and written about it, and considerable about the Bretton Woods Agreement, but not very much by the younger generation, those whose future is of main importance. It is only natural that the young men and women should be inarticulate on such a subject. Moreover, the best of them are at the front, where they are today extremely busy in carrying most of the United Nations' burden in completing the victory. That generation is the all-important one and it is their future which should fill our thoughts.

Those young men and women were children when the world made the mistakes which permitted this war to occur, and caused the perilous situation of today and of the days, Mr. President, which will follow the victory. That generation had no part in that tragic series of errors which the world made; but in our country they constitute the principal sufferers. They will continue to be such.

Mr. President, I am greatly disquieted and worried by an undercurrent of skepticism, and even cynicism, which I think is running through our young people. I am only one observer and, to repeat, the young generation cannot be very articulate; but the evidence is present for those who search. The young men and women have doubt, and even lack faith that enough wisdom will be exercised to guide our own ship of state through the dangerous waters ahead. So far as is known, they look upon the Charter to be presently before us as a wise and correct step ahead. As has been so ably expressed in this Chamber, it will remain to make the international organization work—make it work for the well-being of the world. The skeptic, the cynic, if you will, says, "Well and good so far; but where do we go from where we are now? What is going to be the effect on our own country of the future measures which we take to help the rest of the world?" Therein lies the doubt and the worry as to the wisdom of the leadership from now on.

That, Mr. President, is one aspect of the situation before us. I should like to put forward one other. We have all

heard it said that in our country lies the future hope of the world. It does not become us to say that, and we do not need to say it because men of other lands have frequently expressed the same thought. Those foreign friends have two main reasons for their belief. One is that the world trusts us. It trusts our fairness, and bases that trust on our record of the last century, during which we were not only fair, but often altruistic. Incidentally, Mr. President, the world may and probably does overestimate our physical capacity for future altruism.

The other reason for our standing as the future hope for the world lies in our strength. It has been amply demonstrated in two great wars. We have been strong in war primarily because of the prowess of our young men. But that fighting edge would not have sufficed without the backing of all the other elements of strength. Among those elements was good leadership and technical ability in the armed services, and leadership in the industrial productive field. The latter has been fully as important, and let no man forget it.

We have been strong in our people, Mr. President, the men and women who have been carrying guns or making them. We have been strong, too, in the products of our soil and in the things which come from under the soil. We have been strong in our transport on the land, over the seas of the world, and in the air. We have been vastly strong in our whole productive establishment, without which our gallant allies as well as ourselves could not have fought. In our financial system, shall we say we have been at least sufficiently strong thus far.

Yes, Mr. President, we have been and we are strong. But the end of the war will find us depleted. Many other nations will have most seriously depleted their own general strength. They know they have, but many of our allies seem to think that our own strength is inexhaustible. It is not, and all the elements of our strength are not renewable. We can restore our depletion in various fields, but not in all of them. For example, we have been pouring into this war much of the reserve of our subsurface riches. That wealth of minerals and fuel has gone beyond recall. Moreover, we are seriously depleted in our normal financial resources, and we already face great difficulties in that field. Lastly, we will have expended human resources—all those who will not return.

Nevertheless, while rebuilding ourselves we must do what in reason we can do toward rebuilding this stricken world. A part of that duty will be our share in making the United Nations Charter become the effective instrument which we all hope it will become. We cannot do it all. We are only 140,000,000 of the 2,000,000,000 people on this earth. The call upon the leadership of that 140,000,000 is for wisdom such that we do not become irretrievably depleted in helping the rest of the world. We hope and we trust that with the current one wars will be ended, but in all other fields of human endeavor the law of survival of the fit still holds. Competition will continue to be a feature of the world.

Mr. President, the nations which look to us for further help would do well to be moderate in their demands upon us. Apart from their friendliness toward us, they will be wise, in the long run, if in their own interest they will try to aid us in maintaining our strength in all fields, because it is necessary to maintain a powerful America. We must keep America strong—strong for our own purposes, regardless of whether she is the hope of the world.

Mr. President, we who make decisions now must say no when necessary. We shall, in a few years, turn leadership over to the next generation, those young men and women who, I submit, are not too hopeful of our wisdom. In the meantime we must guard their heritage.

The Senate is soon to make this first of several important decisions which will be proposed incident to our commitments under the United Nations Charter. A few months ago I should have voted approval of the Bretton Woods Agreements Act. A few months hence I might see the situation of that future day to be such that I would vote for approval. I cannot do so now because the situation does not call for such a commitment from us at this time; and there are too many chances that our approval would not be a wise act.

In short, Mr. President, the probable gains from such an action are now, in my opinion, badly overbalanced by the risks involved.

Mr. TAFT obtained the floor.

Mr. VANDENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Calif.	Saltonstall
Buck	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Tobey
Chandler	McClellan	Tunnell
Chavez	McFarland	Vandenberg
Cordon	McKellar	Wagner
Donnell	McMahon	Walsh
Eastland	Magnuson	Wheeler
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Wiley
George	Mitchell	Willis
Gerry	Moore	Young
Green	Morse	
Guffey	Murdock	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present.

Mr. TAFT. Mr. President, the distinguished Senator from New Hampshire [Mr. TOBEY] stated that I said while I was for political cooperation I was opposed to economic cooperation. That was not the statement I made. I am in favor of economic cooperation. I only warned the Nation that when it comes to business matters, when it comes to dollars and cents the other nations do not have the same idealistic approach to the problem that they may have to political cooperation, nor do they have the same idealistic approach to the problem which the Senator from New Hampshire has. When we deal with economic matters we are dealing with business matters, and there is not one of these nations that is not anxious to get just as many dollars for its use as it possibly can get.

Furthermore, I suggested that there is a method of international cooperation, but that, if we are not going to waste our resources, if we are not going to spend tremendous sums of the taxpayers' money and increase the national debt which is already so huge, then we must confine economic cooperation to the things that are directly helpful, which will put other nations on their feet and restore international trade and thus affect export trade.

The point I want to make above everything is that this International Fund will not accomplish any of these purposes, and the fact that the fund and bank are not going to accomplish these emergency purposes is shown by the action of the administration in bring forward the Export-Import Bank bill, which was before the Banking and Currency Committee this morning, when Mr. Crowley testified that he wants the capital of that bank increased from $700,000,000 to $3,500,000,000. Why? Because, he says, he needs the $2,800,000,000 additional during the next 12 months, if you please, to really try to solve the problems of Europe, and he admitted in effect that of the $2,800,000,000 that is sought approximately a billion dollars is going to Russia in the form of a direct loan. Since our lend-lease is coming to an end, except as it directly affects the Japanese war, he testified that we must somehow find a way to make additional loans to Russia. He testified that there would be left $1,800,000,000 to loan to the other European nations, and maybe a hundred million dollars or so to South America. This has always been considered a South American institution, if you please, to increase South American trade, but now the administration is admitting that Bretton Woods will not do the job and is asking for $2,800,000,000 more to enable the Government of the United States to make direct loans to the countries of Europe.

I think that is a reasonable policy. I think it would be a reasonable amount, if we did not have Bretton Woods besides. I believe that with that amount for the first 12 months, and a somewhat similar amount in a year or two afterward, we can effectively solve the problems of the people of Europe, that is, give them supplemental aid and help them solve their own problems. But we are now asked, in addition to this three and a half billion dollars, also to put aside $6,000,000,000 for the International Fund and the International Bank.

Mr. MILLIKIN. Mr. President, I believe it would be a useful contribution if the Senator were to develop the radical departure which the new policy of the Export-Import Bank represents over its past policy.

Mr. TAFT. The Export-Import Bank in the past has been an institution, in effect, for rendering service to American

exporters. It has been an institution largely used in South America, where, if the borrowers were accustomed to 3 years' credit, from Germany or England, our bank could step in and see that our exporters gave 3 years' credit also, which our own commercial banks were not accustomed to giving in this country.

It has been an aid primarily, therefore, to American exporters directly, and in promoting American exports. There have been one or two Government loans. As I recall, a loan was made directly to the Government of Brazil for the purpose of building a steel plant in Brazil. But in general the $700,000,000 has been loaned and has come in again, and has been a revolving fund, has been a financing proposition.

Now we are asked to approve a policy of putting in a bank $2,800,000,000, to be loaned directly, in most cases, to European governments. Private loans are not excluded; there may be some private loans. Incidentally, this $2,800,000,000 does not purport to cover in any way the British problem, which is the most serious problem in the world.

Mr. BARKLEY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I do not wish to take up the Senator's time, as I did yesterday, in running debate with him over what was discussed yesterday, but while it is true that to a larger extent than heretofore the Export-Import Bank would make loans directly to governments, in Europe and in South America—most of it, we might admit, would go to Europe—it still has as its basis the aiding of American exporters, because the amount of money loaned is to be expended for exports from the United States to countries which borrow the money.

Mr. TAFT. It is quite true that almost any loans made by the United States will furnish other people dollars with which they perhaps may come to this country and buy something. On the other hand, that is, of course, a direct inflationary expansion of industry, through Government spending. If that is an argument for foreign loans, it is an argument for lending people in this country all the billions of dollars they may want in order to build new plants, and put more people to work to sell things to the American people. I do not think that in itself is a justification for large Government loans to other countries. I think the justification must be found in the desire to help such countries get on their own feet and start their economic machinery, so that there may be some progress after the war, and not complete collapse.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MILLIKIN. Is there not a substantial difference in the risk involved between the traditional type of export-import loans to private individuals, as against political loans to governments which have never been in the habit of repaying anything they have gotten in this country?

Mr. TAFT. I think the Senator is right. When a loan is made to a foreign government, they do not have to pay; they know they do not have to pay. There is no international bankruptcy court. Today the Government of Colombia, I think it is—at least, it is one of the countries to the south of us—is in default on its bonds here in the amount of some thirty or forty million dollars, and they have $50,000,000 in cash in New York today, which they have accumulated during the war. But there is no one to say that they have to use that to pay debts which are in default. We will not send troops to Colombia to collect anything.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. I wonder what the Senator would think about the appropriateness of having an international bankruptcy court to enforce the collection of debts. Would the Senator be in favor of that?

Mr. TAFT. I think the Social and Economic Council should work out some plan for the handling of international defaulted loans. I think I would not be in favor of sending troops to collect loans. The Senator will recall that on one occasion the British tried to do that in Venezuela, when Grover Cleveland objected. We have done it ourselves. We occupied the customs house in San Domingo to collect money loaned to San Domingo, as I remember. We have abandoned the policy, and I should be in favor of abandoning it and recognizing that a loan to a foreign government is necessarily a risky loan, and I would not make one except for the most vitally important reason.

Mr. FULBRIGHT. Would the Senator be in favor of the establishment of an international law by the United Nations for the enforcement of obligations?

Mr. TAFT. No. I would not be in favor of a law to enforce the collection of international debts by force, if that is what the Senator means. I think there might be some arrangement for consultation in an attempt to work out the situation of a nation which was bankrupt, and had many debtors all over the world, so that its assets might be divided properly, and it might be relieved in a lawful way. But I would not go so far as to authorize the collection of international debts by force.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BROOKS. Increasing the Export-Import Bank lending capacity to $3,700,000,000, or $3,500,000,000, merely increases a revolving fund, in complete control of the American people, does it not?

Mr. TAFT. That is correct. It will not revolve very fast, however, under Mr. Crowley's new program, because the $2,800,000,000 is to be loaned, and when he was asked how long the terms were to be, he said, "Well, 10, 15, 25 years, perhaps," not the 60-year loan which might be gotten from the International Bank, but an intermediate length of loan; so that the fund will not revolve very fast. It is going to be used up in a year, and then, if conditions should be the same, he would come back to ask for more for the Export-Import Bank.

Mr. BARKLEY. Mr. President, I am sure the Senator wants to be fair to Mr. Crowley. The Senator from Ohio asked Mr. Crowley whether at the end of the year he would be back for more—because he had stated in his testimony that this increase would be sufficient to take care of the situation for the next 12 months. Mr. Crowley replied that he hoped that by the end of that time the international situation, with the establishment of other agencies, including the bank and the fund, would be improved. But he did not say he was coming back. He did not foreclose his right to come back, however.

Mr. TAFT. But, he made the clear statement that the $2,800,000,000 would be used up in a year.

Mr. BARKLEY. Yes.

Mr. TAFT. And I think it is fair to say that that implied he would be back. I drew the conclusion that he implied he would be back. He certainly made the clear statement that the $2,800,000,000 would last for only 12 months.

Mr. BARKLEY. Because the situation during the next 12 months would be such that the $2,800,000,000 was needed, because there was no agency in existence now, or which might be organized and ready for business, within that period, which would take care of this particular type of loans, and, as the Senator said, he did say that the money was to be used for an entirely different purpose from that which was contemplated either by the bank or the fund.

Mr. BROOKS. Will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BROOKS. I wish the Senator would explain this situation: When the $8,800,000,000 is deposited in the bank, that is merely the entrance fee, or the subscription, is it not, and that money remains in the fund?

Mr. TAFT. It remains in the fund indefinitely; yes.

Mr. BROOKS. How many times can it be expanded by the International Board which controls the fund in the bank?

Mr. TAFT. I do not think it can be expanded at all except by means of declaring the currency scarce, and putting us in the position of asking them to cancel foreign debts, or lend some more money, or put more money in the fund. I shall later deal with the scarce-currency provision of article 7. But $8,800,000,000 is the total of our obligation, and $2,750,000,000 is the limit of our legal obligation, so far as the fund is concerned, and I do not think they can expand that; I do not think they can go beyond that figure.

Mr. BROOKS. My impression was that each country could borrow up to 25 percent of its total subscription in any 1 year and the total subscriptions amount to $6,050,000,000. Then they can borrow 25 percent each year until they have borrowed the limit of 200 percent of their total subscription. Is not that true?

Mr. TAFT. That is contingent on there being something in the fund to borrow. As a matter of fact, if the nations having $6,000,000,000 of quota—that is, all the nations outside the United States—choose to exercise their full power, they

could draw a billion and one-half dollars the first year and a billion and one-half dollars the second year, and then for them there would not be any dollars in the fund, and so they could not borrow any dollars in the third year. The fund would be in effect bankrupt.

Mr. BROOKS. It would be bankrupt, would it not?

Mr. TAFT. It would be bankrupt.

Mr. BROOKS. And then dollars would be scarce.

Mr. TAFT. And then dollars would be scarce, and there would arise the problem whether to put any more dollars in the fund.

Mr. BROOKS. Can the fund not take the deposits of the other countries to one of our Federal Reserve banks and say "We want to borrow more on these deposits and put some more dollars in the bank and expand?"

Mr. TAFT. No. I think the fund can borrow dollars, but only with the approval of the United States. The United States does not have to lend the fund any dollars. Whether our Federal Reserve banks without more authority could lend the fund money I think is open to question. I remember the point was raised, but I do not recall what was decided.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. Of course the Senator knows that when we put into the fund our quota of dollars we can never be required to put another dollar into the fund. Neither can any other nation be required to do it. The nation which finds it to its interest to do so can apply for permission to do it, and may be given the right to do it. But we cannot be required to put more capital into the bank when we have made our contribution.

Mr. TAFT. Mr. President, since this question has arisen I will deal with it at the present time. If Members of the Senate will turn to article VII of the articles of agreement relating to the International Monetary Fund they will find this provision:

> If the fund finds that a general scarcity of a particular currency is developing, the fund may so inform members and may issue a report setting forth the causes of the scarcity and containing recommendations designed to bring it to an end. A representative of the member whose currency is involved shall participate in the preparation of the report.

Then if the fund finds that the currency is scarce—and of course dollars is the only currency that is likely to become scarce, because that is the only currency for which there is any great demand, so the provision is aimed at us:

> If it becomes evident to the fund that the demand for a member's currency seriously threatens the fund's ability to supply that currency, the fund * * * shall formally declare such currency scarce—

And then what happens?—

A formal declaration—

Under that declaration of scarcity—

> shall operate as an authorization to any member, after consultation with the fund, temporarily to impose limitations on the freedom of exchange operations in the scarce currency.

In other words, all these exchange restrictions which are supposed to be removed may be restored and new ones may be put in effect against the dollar. The moment that the dollar is declared scarce restrictions are put into effect.

This is what Lord Keynes said about these restrictions in the House of Lords in May 1944, pointing out the advantage to the British of this provision:

> There is another advantage to which I would draw your Lordships' special attention. A proper share of responsibility for maintaining equilibrium in the balance of international payments is squarely placed on the creditor countries.

And that is us. In other words, it seems to me that if other nations cannot balance their national budgets, it is at least as much their fault as ours—I care not what our tariff policy or what our other policies are. But Lord Keynes says that the purpose of this is to put a share of responsibility squarely on the creditor countries:

> This is one of the major improvements in the new plan. The Americans, who are the most likely to be affected by this have, of their own free will and honest purpose, offered us a far-reaching formula of protection against a recurrence of the main cause of deflation during the interwar years, namely, the draining of reserves out of the rest of the world to pay a country which was obstinately borrowing and exporting on a scale immensely greater than it was lending and importing.

That statement simply is not true so far as the United States is concerned. It is an utter distortion of the conditions that existed in the twenties. Roughly speaking, we were importing $4,000,000,000 worth of goods a year from 1925 to 1929. We were exporting about $5,000,000,000 worth of goods a year, and we were lending about $1,000,000,000. We were not drawing any gold out of the world, and did not proceed to do so until during the period of the thirties, but not at all during the twenties; and it was not the principal cause of deflation in the world at that time. The deflation came first, and our too-strict tariff policy in the Smoot-Hawley law came afterward.

Continuing to read from Lord Keynes' statement to the House of Lords:

> Under clause VI of the plan a country engages itself, in effect, to prevent such a situation from arising again, by promising, should it fail, to release other countries from any obligation to take its exports or, if taken, to pay for them.

In other words, he says that the exchange restrictions which are authorized to be put into effect if the dollar is declared scarce may actually excuse these countries from paying for the exports which we have made to them. He continues:

> I cannot imagine that this sanction would ever be allowed to come into effect. If by no other means, than by lending, the creditor country will always have to find a way to square the account on imperative grounds of its own self-interest.

In other words, he says that the purpose of article 7 and the declaration of a scarce currency is that, when dollars run out, other countries will come to us and say, "You have got to lend us more money or else we will stop importing anything from the United States, and not only that, but we will not pay our debt to the United States." I think that is a very fair interpretation of the effect of article 7. Certainly that is what Lord Keynes told the House of Lords article 7 meant.

In other words, Mr. President, we have humbly agreed that we were to blame for everything that happened during the twenties and thirties. We admit that we should have removed our tariffs and loaned money on a vastly greater scale. This is a wholly distorted view of the economic history of the twenties and even the thirties.

The effect of article VII will undoubtedly be to put this country in a position where it must either break the heart of the world and withdraw from the fund, or loan many more billions to foreign countries. This $2,750,000,000 is only a beginning as far as the fund is concerned. If we waited until general conditions in the world were more stable, it might be that dollars would not become scarce, but if we start this fund today, and do not go on lending on a grand scale, there can be no doubt that we will soon find ourselves bitterly indicted because we will not lend our money to the rest of the world in sufficient amounts to suit their wishes. Of course, the suggestion is that it will be used to force us to abolish our tariffs, already reducible to 25 percent of the statutory rates. Even if we adopted free trade, however, it is unlikely that our imports would be increased so tremendously as to meet the shortage of dollars during the transition period. In effect, our only remedy would be more lending abroad.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MILLIKIN. Let me invite attention to section 5 of article VII, which says that in the event of a dollar-scarce position:

> Members agree not to invoke the obligations of any engagements entered into with other members prior to this agreement in such a manner as will prevent the operation of the provisions of this article.

Clearly that could relate to our reciprocal trade agreements, could it not?

Mr. TAFT. It seems so to me. The Treasury claims it would not, but the witnesses pointed out that members agree not to invoke the obligations of any engagements entered into with other members. In other words, we may have made a trade agreement with a nation and we have got to set it aside, we have got to admit that they do not have to take our exports in exchange for some imports we agreed to take, that they do not have to reduce their tariffs any more to help our exports. They can discriminate in tariffs against us in spite of reciprocal trade agreements, because the section says that we "agree not to invoke the obligations of any engagements entered into with other members prior to this agreement in such a manner as will prevent the operation of the provisions of this article." So I think the Senator is entirely correct. I think it not only authorizes them not to take our exports, but it authorizes them to release

themselves from any agreement they have regarding tariffs. It authorizes other nations to fail even to pay for the things they have already imported.

Mr. MILLIKIN. Might it not authorize the default of the very loans to be made by the Export-Import Bank?

Mr. TAFT. I think it might. It certainly would affect loans under the bank. We sell the loans guaranteed by the bank; but it seems to me that if a nation has to pay the interest in dollars we officially authorize that nation to impose restrictions on the payment of dollars by its nationals, so that they cannot pay the interest on their debts guaranteed by the international bank. Moreover, it puts the legal stamp of approval on the failure to pay, furnishes an excuse for not paying, and, as I see it, also releases the international bank from the guarantee.

Mr. MILLIKIN. I was referring particularly to the Export-Import Bank loans, which it is now proposed to make to nations directly, as distinguished from private loans.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. The language is "prior to this agreement." It would not apply to loans to be made.

Mr. TAFT. The Senator may be correct.

Mr. FULBRIGHT. It says very distinctly "prior to this agreement." That would not relate to loans to be made.

Mr. TAFT. I think the answer to that is that it is not done under article V. It is done under the general authority to impose restrictions. We say, "You may impose any restrictions you wish on the payment of dollars by your nationals." That is a currency restriction.

Mr. FULBRIGHT. Even without the fund, nations are free to do that.

Mr. TAFT. We do not legally recognize their right to do so.

Mr. FULBRIGHT. They have done so before this war.

Mr. TAFT. But under those circumstances, smiply because other people have borrowed $2,750,000,000 from the fund, they are thereafter excused from paying interest on their bonds, at least so long as the declaration of scarcity is in effect, and until we lend them more money to remove the difficulty.

Mr. FULBRIGHT. Exactly the same situation would exist if we did not have the fund.

Mr. TAFT. I do not think it would, because they are not legally excused from paying it. They would be in default, and any guarantor—for example, the International Bank—would be bound by its guaranty to pay the loan if the borrower did not pay it.

Mr. FULBRIGHT. The Senator just stated that there was no way to enforce payment of these loans. Therefore the same situation would exist.

Mr. TAFT. That is generally true. Payment of an international loan cannot be enforced.

Mr. FULBRIGHT. As a practical matter, there would be no difference in the situation, with or without the fund.

Mr. TAFT. No, because an action can be brought, and assets may be found upon which to levy. The guarantee of the International Bank is good if it is not legally released; but this provision legally releases the borrowers and excuses them from paying interest on their debts in this country.

Mr. FULBRIGHT. The witnesses clearly stated that any resources in this country which could be attached would still be attachable.

Mr. TAFT. That was the view of the Treasury; but I do not agree with that view. I do not think it is the natural view, because we expressly recognize the right of any nation to impose restrictions on the payment of dollars. We do it legally, and therefore, that becomes a legal excuse if they are sued for not paying. The only thing that can be said is that it is not a permanent thing. We can lend some more money. All these things lead to the conclusion that we shall be under such pressure to lend additional money that we shall have to lend it. That is the main point.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURDOCK. I do not know that I followed the Senator, but it seems to me that his whole argument is that unless we adopt the fund, nations cannot impose the restrictions about which we are talking. Does he take that position?

Mr. TAFT. No. They can impose any restrictions they wish to impose.

Mr. MURDOCK. They can impose any restrictions they wish.

Mr. TAFT. That is correct; but at present such restrictions are not legally sanctioned and admitted by us. We have the right to protest. We have the right to find other means of giving them dollars. We have the right to find dollars for them. We are not officially indicted, and we do not officially invite other nations to impose restrictions if we have no fund.

Mr. MURDOCK. But they can impose the very same restrictions without the fund as they could with the fund.

It seems to me that the Senator is not giving us the true picture of what the fund would do. With the fund, in the event other nations impose restrictions, it must be under the supervision of the fund. In other words, without the fund we have absolutely no supervision of any restrictions which other nations may care to impose. But if they become in good faith members of the fund, then, unless the Senator takes the position that no nation acts in good faith except this country, by cooperation and by agreement all the restrictions imposed will be supervised and controlled under the fund.

Mr. TAFT. In the first place, the restrictions about which we are talking are under article VII. When our whole $2,750,000,000 has been borrowed, these restrictions are imposed automatically by the declaration of a scarce currency, which the fund is bound to recognize; and we expressly authorize and legalize the restrictions which any nation may impose, which might be much greater than would otherwise be imposed.

Mr. MURDOCK. We do not legalize it at all, if the Senator will permit me one further observation. What we do is to say to other nations, "If you indulge in restrictions, it must be in conformity with the regulations of the fund and the Bretton Woods agreement." The Senator would have the Senate and the country believe that no restrictions would be possible unless the fund and the international bank were adopted. He fails to state that by the adoption of the fund we bring the restrictions about which he speaks under supervision and control. If there is such a thing left in the world as good faith, then certainly we can expect other countries which have solemnly signed the agreement to live up to it, just as we expect to do. If we have reached such a point that we cannot agree with other countries, and cannot depend upon them doing what they undertake to do, then why is there such unanimity of opinion throughout the world today in support of the San Francisco Charter? In my opinion the Bretton Woods agreement works hand in glove with the great political charter adopted in San Francisco. There can be no political stability throughout the world unless there is some degree of monetary and economic stability; and there cannot be economic and monetary stability without international cooperation.

Mr. TAFT. We certainly cannot get it by the use of this fund, as I shall certainly show.

I have not accused any nation of bad faith. There is absolutely no need for any nation to act in bad faith. Under the provisions of this agreement it can act in any way it may wish to operate, to the disadvantage of the United States or otherwise. In this case the formal declaration of scarce currency—

shall operate as an authorization to any member, after consultation with the fund—

Consultation is all that is required; approval is not necessary—

temporarily to impose limitations on the freedom of exchange operations in the scarce currency.

That means any kind of limitations. As Mr. Keynes says, it may include even limitations which would prevent the nationals of a particular nation from paying their debts in this country for exports which they have already received.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. In connection with the question of scarce currencies, and in line with the remarks of the Senator from Utah, let me point out that the fund will hold gold and dollar assets of $4,000,000,000. This is a ratio of 56 percent of the total unused quotas of all countries except the United States. For a scarcity of dollars to take place it would be necessary for all countries simultaneously and for an extended period to attempt to buy dollars and only dollars from the fund. It is utterly absurd to believe that this is likely to happen.

The assumption that the United States will continue indefinitely to have a favorable balance of payments is entirely unwarranted, while the additional assumption that the United States will be the only country with a favorable balance

of payments is sheer nonsense. Even in the immediate postwar period, Canada and a number of American Republics will have favorable balances and their currencies will be purchased from the fund.

In the unlikely event that the fund's holdings of dollars becomes insufficient to meet the legitimate demands made upon it, the fund does not lose its usefulness. It will have 43 other currencies which it will be ready to sell. It will continue its transactions in dollars on a limited scale, for it will never entirely exhaust its gold and dollar holdings and it will replenish its gold and dollar balances from repurchases and from charges. In the meantime the fund will facilitate a correction of the scarcity and it will prevent a break-down in currency relations. The members of the fund will be obligated to maintain the fair exchange practices specified in the agreement.

The scarce currency provision does not give countries the power to do anything they could not do in the absence of the fund, or would not be compelled to do without the fund. If, for example, a country found itself short of dollars and was unable to acquire them from the fund, it would be bound to take steps to limit the dollar demands of its nationals. Without the fund, this would take the form of establishing whatever controls the country wished. Under the fund agreement, the limitations may be no more restrictive than is necessary, and they must be relaxed and removed as rapidly as conditions permit (art. VII, sec. 3 (b), p. 14). Furthermore, the views of the United States would have to be considered on the administration of any restrictions.

I had that in my speech today, but to save time I omitted it.

Mr. TAFT. I do not believe that anything the Senator has said destroys the argument which I have made. As to the likelihood of dollars becoming scarce, on that question I am no prophet. If we lend $10,000,000,000 in addition to what is here proposed, they probably will not become scarce. But the condition presented to us, in which every nation in the world wants dollars, is such that unless a very extensive outside lending is done, the $2,750,000,000 will last about a year and a half, and the currencies will become scarce. That is a guess; I agree that I do not know.

M . MURDOCK. Mr. President, will the Senator yield there?

The PRESIDING OFFICER (Mr. TUNNELL in the chair). Does the Senator from Ohio yield to the Senator from Utah?

Mr. TAFT. I yield.

Mr. MURDOCK. Let us take a look at the possibilities of having dollars become scarce in the brief period the Senator from Ohio has indicated. We will begin with a contribution of $2,750,000,000; that will be the quota of the United States. If that is deducted from the $8,800,000,000, which will be the total contributions to the fund, a balance of $6,050,000,000 will be left. Under the agreement, no country can draw out dollars to an extent greater than one-fourth of its own quota. That is correct, is it not?

Mr. TAFT. That is correct.

Mr. MURDOCK. So, dividing the $6,050,000,000 by 4, and there is a little more than $1,500,000,000 which could be drawn out in dollars, provided every nation other than the United States immediately bought the entire one-quarter of its quota in dollars.

Mr. TAFT. That is the figure I stated. If the Senator will remember, I pointed out the possibility that it might be gone in 2 years or 1 year and 2 months. But there is one qualification, namely, that the fund board may remove the 25-percent limitation at its will; and inasmuch as the fund board is to be controlled by nations which want dollars, we cannot be certain that it will not remove the 25-percent limitation.

Mr. MURDOCK. I agree with the Senator from Ohio that we cannot be certain about anything, but if he is going to debate against adoption of the Bretton Woods agreements on the basis that the morning after the fund goes into operation every country is going to rush in and buy the entire maximum amount of dollars possible, then probably we should never go into the Bretton Woods agreements.

However, the actual figures which confront us on the adoption of the fund are that there will be $4,000,000,000 available in dollars and gold, as against a possibility of having $1,500,000,000 demanded in dollars. So it would take more than 2 years; it would run into 3 years, even admitting that every country bought its entire quota in dollars—in other words, the maximum amount to which it would be entitled—and that it continued to do so not only during the first year but during the second year and then during the third year. It would be 3 years before we would run out of dollars in the fund.

Mr. TAFT. No; before we would run out of gold and dollars in the fund.

Mr. MURDOCK. Yes. Of course, Mr. President, we must consider gold in the picture, the same as we do dollars; they are interchangeable. The gold could be brought here and sold for dollars at any time it was desired to do so.

Consequently, if the Senator takes the position that we would be limited to dollars, he overlooks the fact that the gold must be added to the dollars before there would be a scarcity of dollars.

Mr. TAFT. So it might be 2 years and 2 months before the gold assets would be gone.

Mr. MURDOCK. No. If what the Senator from Ohio says is possible—and in my opinion, with all due respect to him, I think that is a rather absurd premise—it would take 3 years to exhaust the dollars and gold in the fund.

Mr. TAFT. Mr. President, the likelihood of other nations drawing dollars is I think very considerable; I believe it is quite likely that they will draw all the dollars they can draw. Russia frankly is in the fund, not for emergency purposes, but because she wants $300,000,000 a year. Mr. Brown said that was the purpose of putting Russia in.

Apparently the British intend to draw out their quota. Let me read what Lord Keynes said on that subject to the House of Lords. He said that while, of course, this is not very much money, it is substantial and can be increased subsequently if the need if shown—I suppose by us. The aggregate for the world is to be at £2,500,000,000—$10,000,000,000. Then he said:

> Our own share of this for ourselves and the Crown Colonies, which I may mention, are treated for all purposes as a part of the British monetary system—

In itself that is a useful acknowledgment, because it puts all their dollars completely under the control of England—

> is £325,000,000—

That will be $1,300,000,000 under the fund—

> a sum which may easily double, or more than double, the reserves which we shall otherwise hold at the end of the transition period. The separate quotas of the rest of the sterling area will make a further large addition to this. Who is so confident of the future that he will wish to throw away so comfortable a supplementary aid in time of trouble?
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> * * * * *
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> I emphasize that such is the purpose of the quotas. They are not intended as daily food for us or any other country to live upon during the reconstruction of afterward. Provision for that belongs to another chapter of international cooperation, upon which we shall embark shortly unless you discourage us unduly about this one. The quotas for drawing on the fund's resources are an iron ration to tide over temporary emergencies of one kind or another. Perhaps this is the best reply I can make to Lord Addison's doubts whether our quota is large enough. It is obviously not large enough for us to live upon during the reconstruction period.

But certainly it will be a very useful supplemental aid, and it seems obvious to me that the British will draw on it, provided they cannot get something else free, without any interest to be paid on it. The British would like us to make them a gift. I do not think we are likely to do so. But certainly they are going to avail themselves of every asset they can find. Those are the big quotas—$1,300,000,000 and $1,200,000,000. I know of very few countries in the world which will not want a temporary loan from the United States. That is what it is supposed to be; in fact, it may be a 9-year loan, as we discussed yesterday.

I now yield to the Senator from Illinois.

Mr. BROOKS. Mr. President, I thank the Senator for yielding to me.

Let me say that the difficulty I am having, and which I should like to have cleared up, is with respect to the discussion regarding $8,800,000,000 in the fund. There will not be that much. There will be $2,750,000,000, and, in addition, whatever the other countries put in, no matter what it may be called—paper or 25 percent gold or 10 percent gold or whatever they put into the fund.

After each country has borrowed its full limit of 25 percent of its quota, and has done that a sufficient number of times, whether in 1 year or 1 year and 2 months or 2 years, the $2,750,000,000 will be gone? The balance will be approximately $4,000,000,000, as the Senator from Utah has said. Where will the dollars come from? How will they get into the fund? How many times can that money be brought to the United States and be used to put American dollars into

the fund? I should like to know about that.

Mr. TAFT. Mr. President, I think the Senator from Utah and I agree entirely on that question. Article III requires that—

each member shall pay in gold, as a minimum, the smaller of—

(i) Twenty-five percent of its quota; or

(ii) Ten percent of its net official holdings of gold and United States dollars as at the date when the fund notifies members under article XX, section 4 (a) that it will shortly be in a position to begin exchange transactions.

The Treasury has furnished us with a list of the nations, with an estimate of what the 10 percent may amount to. We would pay in $625,000,000, or approximately that, in gold; and normally the other nations would put in the balance, or approximately $1,600,000,000, in gold. The Treasury shows that they will fall $400,000,000 or $500,000,000 short of that, because of the fact that they do not have the money, and, therefore, are not required to pay it. Therefore, we will have in the fund $2,750,000,000 contributed by us, of which $600,000,000 will be represented in gold, and $2,100,000,000 will be represented in securities. At least, that will be our obligation unless we put in more gold. In addition to our $600,000,000, according to the Treasury, there will be approximately another $1,100,000,000 in gold. Outside of that, it is all paper currency of other nations. The Treasury made no attempt to say which currencies were valuable and which were not, and it is almost impossible to do so; but much of it is entirely valueless. I estimate that the real value will not exceed $1,200,000,000. The British pound is worth only what it is if we support it in some way. I do not know what its real value is on the international market. We have maintained it for the past 4 or 5 years with lend-lease and currency stabilization.

Mr. MURDOCK. Mr. President, when the Senator talks about our support of the pound sterling, he might obtain some information by reading an editorial appearing today in the Journal of Commerce. The editorial deals with the very subject to which the Senator has referred. The expectation was that the pound would begin to drop, and that England would take advantage of the situation to decrease its value. But England has surprised everyone by maintaining the pound at 4.03. The Senator might also be interested in knowing that some of the restrictions in effect today on the sterling block balances are being lifted. So, all of his pessimism about what will happen to Britain is, in my opinion, not justified by what is actually taking place today.

Mr. TAFT. The committee heard considerable testimony with reference to the British condition. Britain owes to other countries in the nature of demand notes approximately $15,000,000,000 and will not pay it. No one knows what a British pound is worth because it cannot be used. It may be possible to get someone to pay something for it in anticipation of what will occur in the future. We are still giving lend-lease to the British. We capitalized them in order that they might maintain the pound. Great Britain has more than $2,000,000,000 in current balances in the United States and that amount will not go very far in paying $100,000,000,000 worth of debts. Consequently, the truth is that if today we buy a pound of sterling we cannot be sure that we can use it.

What I wish to say is that all the British pounds which will be put into the fund will not add substantially to the value of the fund. Nine of the foreign nations which desire to obtain things for the purpose of reconstructing their respective countries will take pounds. They can buy pounds cheaply in India, Egypt, and in many other places in the world. They will not go to the fund and take pounds at the established rate.

Mr. MURDOCK. The Senator from Ohio omits to state to the Senate that, regardless of what we do about putting anything into the fund, the position of England will remain exactly the same. England is anxious, in my opinion, to have the fund established. That is the wish also, I believe, of the American people. The very fact that England is not demanding a loan at the present time indicates to me that if the Bretton Woods program is adopted she may be able to go along for some time without asking for a loan. I do not believe that we should shove a loan down Britain's throat until she is ready for it and asks for it. But the situation in Great Britain is exactly the same whether we adopt the Bretton Woods program or defeat it.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BROOKS. I thank the Senator. I am sorry to take so much of his time, but I should like to have a question in my mind cleared up.

When we become contributors to the fund and the bank we will put in $5,925,000,000 worth of gold and currency.

Mr. TAFT. How much?

Mr. BROOKS. $5,925,000,000. That will remain as our capital subscription, or entrance fee. It may not be drawn out because it must remain there as the entrance fee for all time. If any nation wishes to borrow some dollars it must contribute an additional amount of currency, as I understand. The amount of money which we have put in, totaling $5,925,000,000——

Mr. TAFT. How does the Senator arrive at his figure?

Mr. BROOKS. By adding the total contributions in each case.

Mr. TAFT. Oh; the Senator is referring to the bank and the fund, and considering them together.

Mr. BROOKS. Yes.

Mr. TAFT. However, the two are separate.

Mr. BROOKS. According to the bill, we will subscribe $2,750,000,000 to the fund. That being true, what is meant on page 9 of the bill by the following language:

For the purpose of keeping to a minimum the cost to the United States of participation in the fund and the bank, the Secretary of the Treasury, after paying the subscription—

That is the original subscription of money and gold—

after paying the subscription of the United States to the fund, and any part of the subscription of the United States to the bank required to be made under article II, section 7 (i) of the articles of agreement of the bank, is authorized and directed to issue special notes of the United States from time to time at par and to deliver such notes to the fund and the bank in exchange for dollars to the extent permitted by the respective articles of agreement.

What does that language mean? What do we mean by issuing special notes if we are talking about putting in originally gold and money?

Mr. TAFT. I think the language is somewhat ambiguous, and I tried to have it amended in the committee. I believe that I would prefer to have the Senator in charge of the bill answer the criticism of the measure which the Senator from Illinois has directed against it.

Mr. MURDOCK. I am not in charge of the bill, but with the permission of the Senator from New York [Mr. WAGNER], and the Senator from Ohio [Mr. TAFT], I will attempt to answer the criticism which the Senator from Illinois has made.

The $1,800,000,000 to which the Senator has referred is, of course, stabilization.

Mr. BROOKS. If it is stabilization, will the Senator tell me what is in the stabilization fund? Is it American dollars or foreign currency? Does the Senator know what is in the stabilization fund?

Mr. MURDOCK. I could not tell the Senator exactly.

Mr. BROOKS. Does any Member of the Senate know exactly what is in the stabilization fund?

Mr. TAFT. Yes; I know.

Mr. BROOKS. What is it?

Mr. TAFT. I do not know whether it is all in gold or dollars, but it is gold or currency, such as American currency or bills.

Mr. BROOKS. Is there any foreign currency in it?

Mr. TAFT. Or, a deposit may be transferred from the Treasury to the books of the Federal Reserve bank. Out of $8,800,000,000 of face value there is in the fund approximately $2,100,000,000 of dollars and $1,800,000,000 worth of gold.

Mr. MURDOCK. Is the Senator now speaking about the stabilization fund?

Mr. TAFT. Yes; I am speaking of what is in the fund. There is about $2,100,000,000 of dollars, because we pay the remainder in gold worth approximately $1,800,000,000. So when we add the two together, that is the gold and the dollars, we find that we have contributed approximately $3,900,000,000. The difference between $3,900,000,000 and $8,800,000,000, or $4,900,000,000, is in foreign currencies. There are all kinds of foreign currencies in the fund.

Mr. MURDOCK. If the Senator will permit me to say so——

Mr. TAFT. As I say, when we get through we have in dollars $2,000,000,000——

Mr. MURDOCK. $2,150,000,000.

Mr. TAFT. Yes; $2,150,000,000 in dollars, $650,000,000 in gold that we put

in, and $1,050,000,000, or $1,100,000,000, if that is the correct figure, that other nations put in, so that there are in dollars $2,150,000,000 and in gold $1,750,000,000. The balance of the $8,800,000,000, about $4,900,000,000, is in currencies of every nation in the world—paper currencies.

Mr. BROOKS. Mr. President, if the Senator will yield further, I think he is talking about the fund and not the bank as a whole.

Mr. TAFT. No; these are the figures for the fund.

Mr. BROOKS. I am talking about the stabilization fund.

Mr. TAFT. Does the Senator mean our old stabilization fund?

Mr. BROOKS. Yes.

Mr. TAFT. That is a $2,000,000,000 fund, and it has $1,800,000,000 in gold, but that has nothing to do with the new fund.

Mr. BROOKS. It is the source of the $1,800,000,000. What I was asking, Is it actual American money or is it gold? What is in that fund?

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURDOCK. The answer to the distinguished Senator is that it is American dollars, and it is in the discretion of the Secretary of the Treasury how much of it he shall hold in gold or how much he shall hold in other dollar currencies.

Coming to the question which the Senator asked, our contribution to the fund is $2,750,000,000, one-fourth of which must be in gold. How will we get it into the fund? We will get it there by a deposit by the Treasury in the Federal Reserve bank, if one is selected, or the Federal Reserve banks, if a number are selected. They are the depositaries in the United States in which the $2,750,000,000 will be deposited to the credit of the fund. That would be a simple transaction—the transfer of so much gold, one-fourth of our quota, to the Federal Reserve banks to the credit of the fund.

Then, in addition to that, the Secretary of the Treasury will issue his check for the balance on the Federal Reserve banks here in the United States, and that will be deposited to the fund, so that we will have in the fund $2,750,000,000.

Mr. BROOKS. American dollars?

Mr. MURDOCK. Yes; American dollars to the credit of the fund and deposited in the Federal Reserve banks of the United States.

Now we come to the next question of the Senator, and that is in reference to the issuance of special notes by the Treasury. Why is that done? Here are $2,750,000,000 in the fund, every dollar of which is drawing interest. The Treasury of the United States, on the $2,750,000,000 deposited in the fund, is paying interest to the American people on bonds which they are holding.

The bill very wisely, as does the Bretton Woods agreement, provides that, since the fund is not going to need the entire $2,750,000,000 tomorrow or next day or next month, the Treasury is authorized to issue special notes of the Treasury, nonnegotiable and non-interest-bearing, and exchange them for interest-bearing dollars in the fund. That is for the purpose of saving the interest on the part of the $2,750,000,000 which is not being used.

Mr. BROOKS. Mr. President, if the Senator will yield, then these nonnegotiable, non-interest-bearing notes are to take the place, are they not, of the money that is drawing interest?

Mr. MURDOCK. That is the only purpose they can be used for, and the Treasury is to transmit to the fund, through the Federal Reserve banks, the special Treasury notes and take back for those notes the dollars that are drawing interest.

Mr. BROOKS. Then we do deposit money, but we deposit paper and take out the money, so that the money is not there but the paper is there.

Mr. MURDOCK. The whole thing is a deposit in the Federal Reserve bank. We do not get an armful of currency and carry it to the bank. The Treasury does it, just as the Senator transacts his business, by writing a check.

Mr. TAFT. Mr. President, I think there is an ambiguity about it. I offered in the committee an amendment, in line 20, page 9, which provided:

> And to deliver such notes to the fund and the bank in exchange for dollars to the extent permitted by the respective articles of agreement, which dollars shall be used to retire interest-bearing securities of the United States.

If the purpose is to save money, I think we might well put that in the bill. The Treasury says that would not make any difference as it will be necessary to have a certain amount of cash, but in the long run that means the Government will have to borrow so much money. I still think it would be clear with such an amendment.

Mr. MURDOCK. Mr. President, does the Senator think and does he want the people of the United States to think that the Treasury wants to pay more interest than it has to pay? Does he want the people of the United States and the Senate to think, if there is money in the Treasury which can be used for authorized expenditures, that the Treasury will not use it to the best advantage of the country? I do not think that is a fair analysis of the situation.

Mr. TAFT. There is a certain ambiguity in section 7 because it will be noticed that in the second line at page 9 there is authorized the issuance of $4,125,000,000 of Second Liberty Loan Bonds, and then below there is authorized the issuance of special notes to the extent of $4,125,000,000. So there are two outstanding authorizations. The purpose is clearly to use the special notes so as to avoid issuing so many bonds to pay the Government's subscription; that is the purpose of it. If that is the purpose, why not say so? Why not say that if the dollars are taken back and noninterest-bearing notes substituted, the interest-bearing notes will be returned?

Mr. MURDOCK. Let us consider that and see whether this provision is a wise one. We say to the Treasury, "If you use non-interest-bearing nonnegotiable notes which are provided for and put them in the fund in place of dollars drawing interest, you must immediately use them to retire interest-bearing bonds." It costs money to print bonds, it costs money to sell bonds, as we all know. Why can we not rely on the Treasury when these dollars are exchanged for non-interest-bearing nonnegotiable notes to use that money for the retirement of bonds, if they do not need it currently? They will do one of two things: They will either retire the bonds, as is suggested by the distinguished Senator from Ohio, or they will use for the current expenditures of the United States the dollars which come back from the fund and for which are substituted these special notes.

If we cannot trust the Secretary of the Treasury to carry on the fiscal policies of this Government wisely and for the purpose of saving every dollar of interest that he can, then I would say that we should put the amendment the Senator from Ohio suggests into the bill, but in my opinion it is mere surplusage and there is no need of it.

Mr. TAFT. There are people who think—and that is the only reason for the amendment—that this authorizes putting in $4,125,000,000 and then in addition, putting in $4,125,000,000 more. I think that is a mistaken interpretation and I am glad to have the Senator say that it is a mistaken interpretation. Yet, in order to make it perfectly clear that the only purpose of the notes provided for in paragraph (c) is to save interest, I think it would be well to put in an amendment which clearly provides that when they are issued they shall be used to retire interest-bearing notes. It is not a question of trusting the Treasury; it is merely making clear the purpose of section (c) so that it cannot be interpreted as having any other purpose.

Mr. MURDOCK. Mr. President, if the Senator thinks it is necessary, why not provide that the dollars received in lieu of the special notes shall be used for the retirement of interest-bearing obligations, or used for current expenditures? That is exactly what will happen, whether we put it in the bill or whether we do not.

If the Senator will indulge me for a moment more, I think the only person who appeared before the committee who even intimated that this was a double issuance of notes was a lady by the name of Miss Coogan, and I think she did it deliberately to mislead the people of the United States. We in the United States Senate are paid to do our own thinking, and not to depend on some other person.

In my opinion, any one who reads this provision of the bill cannot help arriving at the conclusion that when we can issue special nonnegotiable and noninterest-bearing notes and take out dollars that bear interest, it is a very wise and logical thing to do.

Mr. BARKLEY. Mr. President, if the Senator from Ohio will yield at that point—I do not wish to take his time, but merely to supplement what the Senator from Utah has said—it seems to me

that no explanatory amendment is needed. No one can read the two sections and get a confused idea of what they mean, or conclude that they are a duplication, that instead of meaning $4,125,000,000, that the two sections read together mean $8,250,000,000.

Paragraph (c), of section 7, starts with this language:

> For the purpose of keeping to a minimum the cost to the United States of participation in the fund and the bank, the Secretary of the Treasury, after paying the subscription of the United States to the fund, and any part of the subscription of the United States to the bank required to be made under article II, section 7 (i), of the articles of agreement of the bank, is authorized and directed to issue special notes of the United States from time to time at par and to deliever such notes to the fund and the bank in exchange for dollars to the extent permitted by the respective articles of agreement.

So that when the Treasury turn these special notes either into the fund or the bank, it is bound, by the bill itself, to receive dollars in return, which are the identical dollars, up to that extent, which have been deposited either in the fund or the bank.

Mr. BROOKS. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. BROOKS. As I understand, then, we have in the fund a maximum of $2,750,000,000 American dollars. If we put in the special notes we take some of the dollars out.

Mr. BARKLEY. That is correct.

Mr. BROOKS. If the maximum amount is $2,750,000,000, then it would be absolutely impossible for all the countries to borrow up to 200 percent of their quota, with only that $2,750,000,000. Is that the Senator's interpretation?

Mr. BARKLEY. If they bought dollars. We constantly use the term "borrowing."

Mr. BROOKS. It is the same thing.

Mr. BARKLEY. It is an exchange proposition, buying dollars with currency the value of which is determined by the fund itself.

Mr. BROOKS. In studying all the testimony and the hearings I find that the words "borrow" and "buy" have been used interchangeably so many times that there is absolutely no difference between them.

Mr. BARKLEY. They have been used interchangeably, but, as a matter of fact, they are not interchangeable, because if England or France, for instance, desired to buy wheat in the United States, and did not have enough dollars with which to pay for the wheat, they would go to the fund and exchange their currency, upon terms fixed agreeable to the fund—by which is meant the board of directors of the fund—and buy enough dollars to supplement whatever dollars they had, if they had any, or, if they had none, they would buy all the dollars they might need to pay for the wheat, and then put into the fund the currency they exchanged for dollars, and that would be a purchase. It may be regarded as a loan in a sense, but it is not a loan at all, it is an exchange of currency which they put up in order to buy dollars. It is the purchasing price of dollars, and they use those dollars to pay for a commodity, let us say wheat, which they purchase in the United States.

Mr. BROOKS. Assuming we put into the fund $2,750,000,000 in American dollars, represented in gold, in negotiable instruments, or money, when it is gone, does the fund have any right to bring the collateral or the money which has been furnished, and go to the Federal Reserve to replenish the dollars?

Mr. BARKLEY. If the Senator will permit, that would probably create what might be called a scarcity of dollars in the fund, and the Senator will observe this language in article VII:

> If the fund finds that a general scarcity of a particular currency is developing, the fund may so inform members and may issue a report setting forth the causes of the scarcity and containing recommendations designed to bring it to an end. A representative of the member whose currency is involved shall participate in the preparation of the report.

That is, a report about the status of the fund or of the currency.

> SEC. 2. Measures to replenish the fund's holdings of scarce currencies: The fund may, if it deems such action appropriate to replenish its holdings of any member's currency, take either or both of the following steps:
>
> (i) Propose to the member that, on terms and conditions agreed between the fund and the member, the latter lend its currency to the fund or that, with the approval of the member, the fund borrow such currency from some other source either within or outside the territories of the member, but no member shall be under any obligation to make such loans to the fund or to approve the borrowing of its currency by the fund from any other source.

In other words, if there is a scarcity of dollars, and more dollars are needed because some nations wish to purchase goods in the United States for which they must pay in dollars, the report is made that there is a scarcity of dollars. In that case the fund may ask the United States to lend it dollars to replenish the deficiency, but we are not required to make the loan.

Mr. BROOKS. I understand.

Mr. BARKLEY. Another provision is that the fund may require the member to sell its currency to the fund for gold.

In other words, if we do not desire to lend a sufficient amount of currency to the fund to make up any deficiency or scarcity, then the fund may require us to sell our currency to the fund, for which we receive gold. Those are the two ways in which scarcity may be corrected.

Mr. TAFT. Let me suggest as to the second matter, however, that on the assumption there are no dollars left in the fund, there will be no gold left in the fund, because it makes no difference to members whether they have dollars or gold. The fund can always get dollars for its gold, and there will not be any scarce dollars until the gold is all gone.

Mr. MURDOCK and Mr. BROOKS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Ohio yield, and if so, to whom?

Mr. TAFT. I yield first to the Senator from Utah.

Mr. MURDOCK. I do not wish to interrupt unless the Senator is willing that I should do so. I made the point a while ago that in figuring the dollars available in the fund, we must figure the entire gold holding.

Mr. TAFT. I admitted that the Senator was right and I was wrong. I admit that.

Mr. MURDOCK. One reason why we have to do that is covered by section 2 of article 7, which has just been read by the distinguished majority leader. When dollars in the fund are exhausted, then if there is still gold there, under that provision the fund can say to this country or to any other country whose currency has become scarce, "If you do not want to lend us your currency, then you must sell it to us for gold," and there can be no refusal.

Mr. TAFT. The Senator is entirely correct. There is no question about that. In effect there are real assets up to $800,000,000, and if they drew as fast as they could draw, and if the Board did not relax the 25-percent restriction, it would take into the third year sometime before dollars would become scarce.

I now yield to the Senator from Illinois.

Mr. BROOKS. I thank the Senator. What bothers me is, in the first place, that restrictions can be taken off so that member nations can borrow up to 200 percent, and even that restriction can be taken off if they wish it taken off. I doubt if, from a governmental standpoint or a fiscal standpoint, there is very much stability in any of these countries, except Russia and Great Britain. Certainly this fund is not being set up so that we can borrow something; it is being set up so that foreign countries can borrow something. So when they borrow, as they undoubtedly will, the whole $2,750,000,000, then they can ask us to lend them money, and our representatives can agree that we will lend them money. On what security?

Mr. TAFT. No; I correct the Senator.

Mr. BROOKS. I wish to be corrected, if I am wrong.

Mr. TAFT. Under the proposal additional loans can only be made with the approval of the Congress. That is covered in sections 4 and 5. So that we are not bound until further action of the Congress. The fact that every nation is encouraged and invited to impose restrictions on dollars which relieve them from paying even their debts to the United States will put us in a position where we will have a very difficult time not to lend more money.

Mr. BROOKS. I thank the Senator. I am glad to be assured, but I want to be sure concerning what I am assured of. We do not need to lend any more money to this fund without an act of Congress; is that true?

Mr. TAFT. That is true.

Mr. BROOKS. Is that the interpretation which the majority leader gives to it?

Mr. BARKLEY. We are not required, notwithstanding any call which might be made, and, of course, even without an act of Congress, our representatives could refuse to make an additional loan.

Mr. TAFT. Mr. President, may I answer the question? Section 5 of the bill provides:

> Unless Congress by law authorizes such action, neither the President nor any person or agency shall, on behalf of the United States,

• • • (e) make any loan to the fund or the bank.

Nor may they subscribe to additional shares of stock of the bank.

Mr. BROOKS. May I ask one more question? So far as the gold consideration is concerned, once there is a scarcity of currency, and we do not choose to lend other nations any more money, then they can bring their gold, as a matter of right, to us and make us buy it, or make us lend them dollars for the gold, no matter in what quantity they may wish to bring it; is that true?

Mr. MURDOCK. Mr. President, will the Senator from Ohio yield to me to make a comment?

Mr. TAFT. Yes. We are not sure of that.

Mr. MURDOCK. They can bring in their gold, but they can do that without the fund. Whenever this country refuses to buy and sell gold, then we ourselves are placing restrictions on an interchange of exchange. So it is not the fund which creates that situation. That goes on all the time. Whenever anyone wants to come here with a million dollars in gold they can buy a million dollars of our currency.

Mr. BROOKS. Is it true, Mr. President, that the Russians—and I do not speak of them in any way except to make an inquiry on this matter—is it true that they have the right for the next 5 years to mine gold without reporting it or having it increase their present ratio in accordance with the agreements now in existence?

Mr. MURDOCK. I do not believe I follow the Senator.

Mr. TAFT. This is the provision on that point. It does not affect the ratio of the 25 percent of gold. There is a provision that nations, if they increase their monetary reserves in any year, must apply some part of the increase to pay back to the fund the loan they have received. In calculating what their monetary reserves are, all nations except Russia are required to count any gold they have got, but Russia is expressly excepted, so that they do not have to count newly mined gold in figuring on whether they have to repay their loans. They can use the newly mined gold to buy something else with it if they want to, and still continue to keep the borrowed money. I say Russia, but Russia is not mentioned.

Mr. MURDOCK. That is true of every country with respect to its newly mined gold, is it not?

Mr. TAFT. No; it is only true of countries which have been occupied by the enemy, and the only country mining new gold which has been occupied by the enemy is Russia. So as a practical matter the provision was for the benefit of Russia. I do not discuss its wisdom, but that is the provision. However, it does not affect the initial amount of gold which Russia has put into the fund.

Mr. BROOKS. I thank the Senator.

Mr. MURDOCK. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. It is possible that newly mined gold in the Philippines may also be included for the Philippine government. Russia is not the only country, but the provision was meant primarily for the benefit of Russia.

Mr. MURDOCK. I should like to ask the Senator from Illinois if it is his undestanding that a country can purchase from the fund 200 percent of its quota?

Mr. BROOKS. It is my understanding, Mr. President, according to the articles of the agreement, that first, no country can borrow more than 25 percent of its quota in currency in any one year until it has exceeded 200 percent.

Mr. TAFT. The point is, Mr. President, that a country already has in the fund 100 percent of its quota in currency, or perhaps 75 percent at any rate of its quota in currency. It may continue to borrow, and put its currency in the fund until its total amount of currency in the fund amounts to 200 percent of its quota.

Mr. MURDOCK. That is correct.

Mr. TAFT. That is twice as much as its quota. If a country has put in the fund, we will say, 75 percent of its quota in its own currency, it may then borrow another 125 percent of its currency. That is the total. Of that 125 percent it could only take 25 percent a year. Those limitations, however, are subject to being extended by the board of the fund.

Mr. MURDOCK. But the country never could purchase from the fund except by special permission more than 100 percent of its quota, but as it purchases other currency it adds an equal amount of its own currency to the fund, so at the end of the operation you have 200 percent of the purchasing country's quota in its currency—that is, its quota has been added to by 100 percent by the additions of 25 percent annually, but in doing that the purchasing country takes from the fund 100 percent of its quota in some other currency or currencies.

Mr. BROOKS. Mr. President, I do not so interpret the language, and I should like to read it:

> The proposed purchase would not cause the fund's holdings of the purchasing member's currency to increase by more than 25 percent of its quota during the period of 12 months ending on the date of the purchase nor to exceed 200 percent of its quota, but the 25-percent limitation shall apply only to the extent that the fund's holdings of the member's currency have been brought above 75 percent of its quota if they had been below that amount.

Mr. TAFT. A country can put in 75 percent of its quota, as the article provides, but shall not put in so much more currency that the total amount of its currency will exceed 200 percent of its quota. So if a country has a quota of $10,000,000, it has presumably $2,500,000 in gold and $7,500,000 in currency, and may put in another $12,500,000 in currency and draw out other funds, but may only use $2,500,000 each year.

Mr. MURDOCK. Is not this the way it works? If a country—Brazil, let us say—has a quota of $1,000,000, the first year it would have a right to purchase from the fund, or borrow—whichever word it may be desired to use—$250,000. When Brazil takes out $250,000 of United States currency it puts in another $250,000 of its currency. So at the end of the first year there is $1,250,000 contributed by Brazil, which country has received in return $250,000 of United States money.

The second year Brazil again is entitled to buy another 25 percent in United States dollars. So Brazil brings in another $250,000 of her currency and takes out $250,000 more United States dollars. So at the end of the second year Brazil has $1,500,000 of her currency in the fund, and has taken out $500,000 in American money.

The next year Brazil increases her amount in the fund to $1,750,000, and she has received in American money $750,000.

At the end of the fourth year she comes again with another $250,000 of her currency, which raises her quota 100 percent, or up to $2,000,000, and she has received out of the fund $1,000,000 of United States money. There may be just a little discrepancy in my example, but it is close enough to illustrate the procedure of purchasing or borrowing from the fund. It seems to me a very sound practice.

Mr. TAFT. There is one qualification. The illustration assumes that she puts the whole 100 percent in currency and not in gold.

Mr. MURDOCK. I do not think that makes any great difference, and where a country's quota is made up of 25 percent gold and 75 percent currency the Senator is probably right.

Mr. TAFT. Yes; it does make a difference. If she puts in $250,000 in gold and $750,000 in currency, then she could in the fifth year borrow another $250,000 before she reaches her limit. Let me read this clause:

> The proposed purchase would not cause the Fund's holdings of the purchasing member's currency to increase by more than 25 percent of its quota • • • nor to exceed 200 percent of its quota.

The limitation is on the member's currency, not on the member's quota.

Mr. MURDOCK. The quota includes both gold and currency.

Mr. BROOKS. As I now understand, a nation can borrow only up to 100 percent of its quota.

Mr. MURDOCK. That is correct.

Mr. BROOKS. It can borrow more than 100 percent of its currency.

Mr. MURDOCK. No.

Mr. TAFT. It can continue to borrow money until it has in the fund paper currency equal to 200 percent of its quota—100 percent plus another 100 percent—which means that it can borrow 100 percent if it puts in no gold, and all currency. If it puts in 25 percent in gold it can borrow 125 percent.

Mr. President, I have dealt with the scarce-currency provision. I should like to proceed with a discussion of the general objection to the international fund and the reasons why I think it would be wholly ineffective and therefore completely wasteful. I think it would wholly fail to accomplish the purposes of the stabilization fund, first, because of the provisions permitting devaluation of the dollar; second, because of the provisions which permit any country to retain its restrictions indefinitely; and third, because of the scarce-currency provisions which we have discussed,

since it is not designed to cure the real causes of unsound currencies, such as unbalanced budgets, or adverse trade balances. The temporary assistance can and will only actually postpone the sound national solution of fundamental economic troubles. Therefore it seems to me that the fund would amount to nothing more than international loans of $2,750,000,000, loans not made on the basis of need but divided automatically among all the countries in the world, they being entitled to draw their share whether they need it or not. In my opinion the result would be that the fund would be wholly dissipated.

I should like to point out one thing which bears on much of what has been said by the Senator from New York [Mr. WAGNER], the Senator from New Hampshire [Mr. TOBEY], and others. The fund board might act in perfectly good faith, and yet it would have much discretion. It might waive the 25 percent limitation. It might do various other things which might be more or less favorable to debtors.

On the board there would be 12 members, but only 1 American. It is true that he would have approximately 30 percent of the voting power; but we know the difficulties faced by one man on a board with a membership of 12. The other 11 may be arguing against him, or perhaps 7 may be arguing against him, and may be able to convert the other 4, because they can argue more eloquently.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I prefer not to be interrupted until I at least make a point.

Inevitably this board will consider how strict it should be with debtors. Probably eight or nine members of the board would represent people holding more than 50 percent of the quota, people who want American dollars. They want loans.

When the members of the board come to consider whether or not they should be strict with Mr. X, who wants a loan, they will naturally all think, "My time is coming pretty soon. Perhaps we had better not establish rules which are too strict." That can be done in perfectly good faith. It is an inevitable accompaniment of the fact that we are proposing to establish a board controlled by nations which want to borrow dollars. The dollar is said to be the same as gold. It is admitted that the main purpose of this project is to lend money and to give assistance to foreign nations; and yet it is proposed to place the administration of the fund in the hands of a board composed of the very people who propose to borrow the money.

That fact underlies everything the fund may do. It means inevitably that the members of the board are going to be lenient with debtors. It means, when it comes to the question of removing exchange restrictions at the end of 5 years, that the board is not going to be very strict. The members of the board will say to themselves, "We had better not insist that someone else remove exchange restrictions, because our turn will come."

Consequently, underlying the whole business is the present situation in a world which is not a normal world but an emergency world, in which we are entrusting this matter to a board the majority of whose membership will be the very ones who are to borrow the money and who are to fix the terms on which the money is to be borrowed.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. I should like to ask the Senator a question, in all frankness and sincerity. Does the Senator imply by his statement that in his mind the delegates or members of the board of the various nations which have jurisdiction over the fund would, despite the higher duty which they would owe as members of the fund, yet perforce, being human beings, have to yield to the persuasions, needs, conveniences, and benefits of their own countries, and that such considerations would come ahead of their first loyalty to their major job as governors or directors of the fund itself?

Mr. TAFT. I should say that the representative of Great Britain, who knows that his government is going to apply for a loan next month, in considering the application of France is not going to be too strict with France. If he wants to obtain the money on terms which he thinks are fair to England, he is going to see that France gets the same terms. He cannot help it. It is inevitable in human nature that people are affected by their own interest. We know it. We see it every day. We hear businessmen and representatives of various groups testifying always in favor of their own interest. They are perfectly sincere. They cannot help it. It is inevitable that a man should be affected by the interest of the country which he represents.

Mr. TOBEY. Does the same argument apply to the Council, under the San Francisco Charter?

Mr. TAFT. Yes; I believe that men will look at questions largely from the point of view of their own interest. However, in the case of the San Francisco Charter we reserve a veto power, which makes a very considerable difference as compared with what would happen in this instance. In this case we absolutely entrust our money to a board over which we have no veto power whatever, and in which we can be overruled.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. If the Senator wished to correct that situation, according to his own theory he would undertake to increase the contribution of the United States to the fund, so as to give us a majority of the voting power.

Mr. TAFT. I would do it differently. I would appraise the other currencies as not having the same voting power as ours, because of the extraordinary value of the American dollar. I do not think we would have to put in any more dollars.

Mr. President, I should like to point out the reasons why I feel that the direct purposes of the fund will not be accomplished.

The first purpose of the fund is to establish orderly exchange rates in the world. The second objective is to eliminate arbitrary exchange restrictions and discriminations.

I maintain that the fund would not stabilize exchange. On its face it is not intended to stabilize exchange. Initially, the fund, of course, could establish rates. By agreement between the fund and the representatives of the various nations, exchange rates could be established for every nation in the world, if that were desired. I do not think the time has come when we can hope to do it right, but I suppose it could be done. However, that could be done by an agreement between Great Britain and the United States, stabilizing the value of the dollar and the pound, together with a series of other agreements. We have in the record a series of agreements in which the British have stabilized sterling in relation to Swedish and French currencies, and other currencies throughout the world. It is not necessary to have an international fund to make the initial stabilization of currency. The difficulty is that this fund cannot and does not pretend to maintain stable exchange rates. It does not pretend to establish the condition which existed throughout the entire nineteenth century. It recognizes the right to devalue a currency, and actually to some extent it encourages it.

In the first place, the stability of international exchange does not depend on currency. There are two things which make up the important elements in relation to stabilizing currency and maintaining the value of currency. One is a sound government fiscal policy. Either the government balances its budget or at least it has sufficient resources to take care of the debts which it may incur. The other is the balance of foreign trade, namely, sufficient export trade so that imports can be paid for. Those are the basic conditions which determine the value of currency, and not some stabilization fund. Those are basic conditions which cannot be gotten away from. As a matter of fact, the fund very clearly admits that they cannot be gotten away from.

Article IV, on page 6, provides that a nation may propose to devalue its currency. No nation ever devalued its currency in the nineteenth century; they were all tied to gold. But under the present proposal they may propose a devaluation of their currency. That is expressly authorized under the agreement. It says that there are certain conditions, the first being that the change shall not exceed 10 percent of the initial par value. Under the plan, a currency can be devalued 10 percent without consulting anyone. The country must notify the fund, but that is all. Then the country may devalue its currency 10 percent. If a country wishes to devalue its currency more than 10 percent, it submits the request to the fund, and the fund may either concur or object. But the agreement provides that the fund shall concur in a proposed change which is within the terms of c (iii) if it is satisfied that the change is necessary in order to correct a fundamental disequilibrium. That does not provide any discretion. The fund must approve a further devaluation of the currency to 50

percent or to any extent which may be requested if the fund is satisfied that such devaluation is necessary in order to correct a fundamental disequilibrium. The agreement provides:

In particular, provided it is so satisfied, it shall not object to a proposed change because of the domestic, social, or political policies of the member proposing the change.

Mr. President, other than the United States, I do not think there were any nations, except possibly Germany, which deliberately devalued their currencies in order to get themselves into a position where they could export goods. They were all forced into a devaluation of their currencies. Their currencies went down on the international exchange, and they were forced to accept a devaluation. In other words, it was caused by a fundamental disequilibrium.

So far as this plan is concerned, with the possible exception of the devaluation of our own dollar in 1933, every one of the other devaluations which have been made could be made under the fund, and the fund could not object. As a matter of fact, the object of the fund is not stability. Again let me refer to what Lord Keynes said:

We are determined that in future the external value of sterling shall conform to its internal value as set by our own domestic policies, and not the other way round. Secondly, we intend to retain control of our domestic rate of interest, so that we can keep it as low as suits our own purposes, without interference from the ebb and flow of international capital movements or flights of hot money. Thirdly, whilst we intend to prevent inflation at home, we will not accept deflation at the dictate of influences from outside.

* * * * *

In fact, the plan introduces in this respect an epoch-making innovation in an international instrument, the object of which is to lay down sound and orthodox principles. For, instead of maintaining the principle that the internal value of a national currency should conform to a prescribed de jure external value, it provides that its external value should be altered if necessary so as to conform to whatever de facto internal value results from domestic policies, which themselves shall be immune from criticism by the fund. Indeed, it is made the duty of the fund to approve changes which will have this effect.

How on earth can anyone claim that agreement would establish a stability of international exchange when it is recognized that any nation which wishes to devalue its currency, or, at least, any nation which pursues policies which bring about a condition in which it is advantageous or necessary, even, to devalue its currency, must be allowed to do so? The fund simply does not provide any stability of international exchange. Not only that, but by expressly putting in this provision, according to Lord Keynes' statement, it is recognized now, for the first time in the history of the world, that the devaluation of currency is a proper instrument of national policy, and countries are invited to use it whenever they wish to correct what they may say is a fundamental disequilibrium.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. RADCLIFFE. Does not the Senator believe that at present every nation has a right, or at least exercises it, to devalue its currency when it so sees fit to do, and in any amount that it chooses? That is the situation today; is it not?

Mr. TAFT. That is correct, and the same thing would be the case under the fund. So I say we would not accomplish the purposes of the fund, because we would expressly permit countries to devalue their currencies in any instances similar to those in which any nations have devalued their currencies in the history of the world.

Mr. RADCLIFFE. No, Mr. President; there would not be an arbitrary choice, because such a country would have to go to the fund and would have to get permission from the fund. It may be that there is in that nation a very wide range of discretion, but at least some consent would have to be secured from the fund. It is true that the fund should not object if certain social or economic reasons exist.

Mr. TAFT. That is correct.

Mr. RADCLIFFE. But the fund would have to determine in each case whether the reasons existed. No country would be permitted to say, "So and so is the situation," without making proof. That country would have to demonstrate the existence of the situation which it claimed did exist.

Mr. TAFT. Suppose a country devalued its currency; suppose the British were to say, "We are going to increase our social security payments and the wages of our workmen, and we are going to build up the cost of our products. That will make our products so expensive, under the pound, that we must devalue the pound if we are to sell any of our goods abroad." The British would then go to the fund and would request permission to devalue the pound, and the fund would say, "We do not think that is to correct a fundamental disequilibrium."

The British would say, "The agreement provides that you shall not object to a proposed change because of our domestic social, or political policies, and we propose to make the change."

What would be done in that case?

Mr. RADCLIFFE. They would have to demonstrate that it met that requirement of the Bretton Woods agreement.

Mr. TAFT. Oh, no; they would have just as much right to their opinion as the fund would have.

Mr. RADCLIFFE. Oh, no; they would not. Suppose the fund found that the country did not meet that restriction, and that therefore it had no right to devalue its currency and still remain a member of the fund in good standing. It must meet the requirements laid down by the Bretton Woods agreement.

Mr. TAFT. What court would decide that?

Mr. RADCLIFFE. The fund would decide it.

Mr. TAFT. I do not think the decision of the fund would be final; nothing would make it final.

Mr. RADCLIFFE. Of course, the decision of the fund would not be final, in one sense; and a country could relinquish its membership in the fund. But if the country were to remain in the fund and be in good standing, it would have to meet the requirements of the fund.

Mr. TAFT. I maintain that if that position were taken by any nation, the board would not be able effectively to refuse to permit such a devaluation.

Mr. RADCLIFFE. I wish to say to the Senator from Ohio that I am not sure the restrictions go far enough, but they are nevertheless restrictions. At the present time there are none. Here is an attempt to create some limitations and restrictions. Perhaps we should go further. But some are set forth, and every nation must meet that discretion of the fund or else it will not be in good standing and it will have to take the penalty of being in default.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator from Ohio yield to me?

Mr. TAFT. I yield.

Mr. THOMAS of Oklahoma. I should like to ask a question of the Senator from Ohio. If this proposal had been in force immediately after World War I, when Italy found that she had to reduce the value of the lira from 19.3 cents to 5.5 cents in order to meet her obligations, at that time she could not have done so under the provisions of this fund, could she?

Mr. TAFT. I think she could, because I think she could have applied to the fund for permission to do so, and she could have said to the fund, "Here is a fundamental disequilibrium produced by the war, and you must agree to our devaluation to 5½ cents."

Mr. THOMAS of Oklahoma. Secondly, if France found it necessary to decrease the value of the franc from 19.3 to 2.85 cents, if this fund had been in existence France could not have made that devaluation; and it seems to me the same thing would be true in the case of Great Britain.

Mr. TAFT. I think France could have done so, because I think the fund would permit her to do so.

Mr. THOMAS of Oklahoma. That would be in violation of the fund, as I understand the situation.

Similarly, if the fund had been in existence at the beginning of the 1930's, when the American dollar had a value in terms of property of $1.67, the United States could not have devalued the American dollar by 40 percent, but would have been prevented from doing so.

Mr. TAFT. I think we might have been prevented from doing so, because I do not think there was any fundamental disequilibrium in the United States. But the United States is about the only nation, I think, which could have been covered by that restriction.

Mr. THOMAS of Oklahoma. Furthermore, at the present time, some people say, at least, that the United States will have a national debt of approximately $300,000,000,000 by next June. If the Japanese war lasts for several years more, our debt evidently will increase to $350,000,000,000. With such a condition occurring, I think it is obvious to anyone who makes a study of this matter that we would have to devalue the American dollar. It is now down to approximately 94 cents in terms of property. I do not

share the viewpoint of the Senator from Maryland that nations will be tied by the provision to which reference has been made.

Mr. TAFT. I thank the Senator.

Mr. President, I wish now to pass on to a discussion of another condition which it is said the fund will produce, namely, the removal of exchange restrictions and discriminatory currency practices.

Of course, such practices and restrictions interfere with the freedom of international trade, and it is very much to our interest that they be removed. However, the removal of exchange restrictions will have no effect if trade restrictions remain. In other words, the only purpose is to increase trade. But if a nation puts licenses on exports, or upon imports from the United States, there is no possible way by which the situation can be improved. Currency has nothing to do with it. There is nothing in the proposed program which would prevent a nation establishing trade restrictions. There are today, for example, very serious trade restrictions throughout the world against American exports. The testimony before the committee showed that in the sterling area we are today unable to export American goods. The British Government owes approximately $15,000,000,000 to its Dominions and to other countries, which is reflected in blocked sterling balances. At the present time that sterling may be used only if purchases in England cannot be exchanged for dollars. In fact, today Americans are unable to sell goods in India or in Egypt. For example, the testimony before the committee showed that an American pump manufacturer who sold merchandise for many years in India is unable to obtain an import license. In effect, the British say to the Indians, "We owe you a great deal of sterling, and if you want to have it paid, you must buy your goods in England." Therefore, today the Indians are importing their pumps from England. Similar trade restrictions exist all over the world.

I have received a letter from a leading chemical engineering firm in Chicago in which the writer refers to orders which he had received from India for so-called vegetable ghee plants which are used in connection with the production of an edible fat which is used in lieu of vegetable lard compounds.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. How may the man in India buy pumps in England?

Mr. TAFT. He may obtain pounds from the English Government and use them to buy pumps.

Mr. FULBRIGHT. I thought the Senator said that English pounds are worthless.

Mr. TAFT. They can be bought in England. I did not say they are worthless. I said that they have an indeterminate value. Today the British will not allow the Indians to use their pounds even to buy goods in England because the British do not have the goods to sell.

Mr. FULBRIGHT. The Senator has said that the party in India was buying his pumps in England.

Mr. TAFT. I understand that he was buying them there to a limited extent.

Mr. FULBRIGHT. Then the pounds must have some value.

Mr. TAFT. The Indians are owed by England approximately $5,000,000,000 worth of English pounds. I do not know what the British do, but they may say, for example, "You may use 100,000 of these pounds in order to buy goods in England." If England permitted the Indians to take the entire amount and go to England to purchase goods they would get all the English exports and England would be as bad off as she was before the purchases were made. Therefore, Great Britain has imposed restrictions on the use of those pounds.

Mr. FULBRIGHT. However, it is the purpose of Great Britain to allow the Indians to use English pounds providing that it is done gradually.

Mr. TAFT. Yes. It will probably require 20 years in order to pay back the debt. I assume that Great Britain will have to fund those balances over a period of 40 or 50 years, pay little or no interest on the debt, and reduce it gradually.

Mr. FULBRIGHT. It seems to me that there is some inconsistency in the attitude which the Senator has professed. He has said that he wishes to help solve the British problem. On the other hand, he complains against any effort being made on Great Britain's part to sell goods.

Mr. TAFT. No; my point is that the condition which exists today is one which will not be cured one iota by this fund. If we want free trade with the British we will have to deal directly with them. If we did not put $6,000,000,000 into the proposed fund I think that with $2,000,000,000 or $3,000,000,000 we could assist the British in working out a situation by which trade restrictions would be removed.

Allow me to quote again from the statement of Lord Keynes. He said:

> What, then, are these major advantages that I hope from the plan to the advantage of this country? First, it is clearly recognized and agreed that, during the postwar transitional period of uncertain duration, we are entitled to retain any of those wartime restrictions and special arrangements with the sterling area and others which are helpful to us, without being open to the charge of acting contrary to any general engagements into which we have entered.

Those are the provisions of article XIV which provide that a nation may retain restrictions. My point is that the fund is utterly incapable of taking care of this particular situation, and that we are being asked to put money into something from which we shall get nothing in return.

Mr. TOBEY. Does not the Senator believe that as soon as possible England will fund a large amount of her sterling holdings into permanent debt and so take care of her block balances? Does not the Senator believe that just as soon as possible after Great Britain becomes a member of the bank and the fund by participation in it in accordance with her vote at Bretton Woods, and later in Parliament, that she will take her part in good faith as one of the members of the fund and of the bank, and cooperate with the terms of the fund and the bank as soon as the transitional period is over and she is able to make adjustments and conform to conditions?

Mr. TAFT. I do not think there is any breach of faith.

Mr TOBEY. But will she not sincerely cooperate in the operation as per agreements?

Mr. TAFT. Lord Keynes said, we can keep these restrictions "without being open to the charge of acting contrary to any general engagements into which we haven entered."

Mr. TOBEY. He is referring to the transitional period.

Mr. TAFT. That is correct.

Mr. President, I should like to finish with the letter to which I referred when I was interrupted. The letter sets forth certain orders which the company had received. For example, April 1, 1944, 20 ton vegetable ghee plant, price $200,584. Other orders are also stated.

This firm has tried to obtain import licenses. It has taken the matter up with our State Department and has done everything that it could do. It received a letter from the State Department explaining why nothing could be done. It received a letter from Mr. James O. Ross, Assistant Chief, Division of Commercial Policy, which reads:

> As you are no doubt aware, India is a member of the sterling area and as such operates an exchange control system patterned after the controls established by the United Kingdom Defense Regulations Act of 1939. As one phase of this control system India relinquishes to centralized control in London all the hard currencies it acquires in excess of the quantity needed for essential imports. The pool of currencies built up in this way is designed to conserve, for the sterling area as a whole, hard currencies (mainly United States dollars) for the purchase of military and essential civilian supplies, and to allocate available exchange among the various members of the area on the basis of relative need. Consequently, under Indian exchange regulations United States dollars are not made available to private importers except for imports approved of by the Government of India.

So the net result is that if some one wants a vegetable ghee plant he is going to have to buy it in England, because he can get only sterling and cannot get dollars. All the dollars our soldiers have spent in India have been taken to England to support the English situation, so that we are shut out of trade in India.

To a considerable extent the same thing is true in South America. We had before us the testimony of Mr. Harold J. Roig, of W. R. Grace & Co. There is no institution in the world more anxious to promote international trade than W. R. Grace & Co.

Mr. WHEELER. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. WHEELER. The situation the Senator pointed out with reference to India is identical with that in Egypt. A very prominent Egyptian, who would not want me to use his name—he is in a very powerful position—said to me very definitely, "We would like to come to the United States and buy automobiles and

other things, but we cannot do it." I said, "Why can you not?" He mentioned the very thing the Senator has pointed out, that the British will not permit them to do it, that they have to go to Great Britain and buy the things they want, except by permission of the British Government.

Mr. TAFT. Mr. Roig's testimony cites a case of that sort. He said:

The New York Herald Tribune of May 18, 1945, carries an article to the effect that the Egyptian National Airline MISA, desiring to purchase certain Douglas aircraft, was advised by the British authorities that the air line's "blocked sterling could not be made available for maintenance of such planes unless the job was turned over to the British Overseas Airways Corporation" and "meanwhile offered for delivery late this year a transport going into production next fall" of British production "which qualified designers describe as a stopgap model 'not as good as a DC-3.'" The article further states that this "threatened action" has been sufficient to bring American sales programs in the entire area to a standstill. The South African Government, although interested in American planes which were demonstrated at Johannesburg in March, has told the American representative, in effect, that its "hands are tied."

The same condition is to some extent true in South America. Mr. Roig, of W. R. Grace & Co., knows what he is talking about, and he says:

In the year 1938, for example, the combined exports of Chile, Peru, and Bolivia, now parties to sterling-compensation agreements, to countries in the sterling area, amounted to some $77,000,000. The combined imports of Chile, Peru, and Bolivia from sterling-area countries in the same year amounted to $21,000,000

A large part of the difference of $56,000,000 was at that time convertible into dollars for the purchase of goods in the United States and in other markets. Now, this $56,000,000 could not be used for such purchases as the blocked sterling resulting from the sale of the South American countries' exports to the sterling area would have to be spent in the sterling area and could not be converted to dollars for purchases in the United States or other countries outside the sterling area.

So the net result is that these restrictions are to remain in effect.

Under article XIV of the fund, in the transitional period they may remain in effect. In fact, they may be increased, because it is provided that any nation—

In the postwar transitional period may * * * maintain and adapt to changing circumstances—

That certainly is a good, broad phrase—

and, in the case of members whose territories have been occupied by the enemy, introduce where necessary. * * *

Not only may all existing exchange restrictions be continued, but they may be adapted to changing circumstances, and they may be introduced in every country in Europe that has been occupied by the enemy, which means every country in Europe.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. TAFT. Let me finish reading the provision:

Each member shall notify the fund before it becomes eligible under article XX, section 4 (c) or (d), to buy currency from the fund, whether it intends to avail itself of the transitional arrangements in section 2 of this article, or whether it is prepared to accept the obligations of article VIII, sections 2, 3, and 4. A member availing itself of the transitional arrangements shall notify the fund as soon thereafter as it is prepared to accept the above-mentioned obligations.

This is the significant provision:

Not later than 3 years after the date on which the fund begins operations and in each year thereafter, the fund shall report on the restrictions still in force under section 2 of this article. Five years after the date on which the fund begins operations, and in each year thereafter, any member still retaining any restrictions inconsistent with article VIII, sections 2, 3, or 4, shall consult the fund as to their further retention.

That certainly is pretty weak language. After 5 years they shall consult the fund about it.

The fund may, if it deems such action necessary in exceptional circumstances, make representations to any member that conditions are favorable for the withdrawal of any particular restriction, or for the general abandonment of restrictions, inconsistent with the provisions of any other article of this agreement. The member shall be given a suitable time to reply to such representations.

Then we find this in section 5:

In its relations with members, the fund shall recognize that the postwar transitional period will be one of change and adjustment and in making decisions on requests occasioned thereby which are presented by any member it shall give the member the benefit of any reasonable doubt.

In other words, they shall not enforce this provision too strongly even after 5 years. Then reflect on what Lord Keynes said, that "It is clearly recognized and agreed that, during the postwar transitional period of uncertain duration," and so on. So there is no 5-year period.

I now yield to the Senator from Maryland.

Mr. RADCLIFFE. Mr. President, I wish to repeat what I said before. It may be that each member of the fund would have under the Bretton Woods agreement very wide, and possibly too wide, discretion in regard to maintaining existing restrictions. But there is some limitation. It may be a slight one, but it is something rather than nothing. The same thing may be said in regard to new restrictions. It may be that the language is not sufficiently tight, it may be that a nation would have the power to impose restrictions when it should not do so. I shall not attempt to defend the position that the language does not go far enough to suit our ultimate aims. What I do wish to emphasize is that there are some restrictions provided for in the Bretton Woods agreement whereas there were none before.

We should also bear in mind the fact that those who come to the fund come to get something. The money they seek is in the fund or bank. They come to ask favors, and certainly it would be rather reasonable if the managers of the fund should have a fairly wide discretion in interpreting the scope of their powers.

Mr. TAFT. They come to ask favors from other people who want the same favors.

Mr. RADCLIFFE. But the point is there are some restrictions laid down. There are some contemplated and provided for, however, slight they may be, as to existing restrictions and there are some set up in regard to new restrictions which are or might be contemplated. That is something rather than nothing and I believe that something is very substantial.

Mr. TAFT. My point is that we are supposed to get free trade, we are supposed to build up trade, we are supposed to get a removal of trade restrictions and a removal of currency discriminatory practices, we are supposed to get stability of exchange, and we do not get anything. We put in our $2,750,000,000 for these purposes, and we do not get a single thing of what we are supposed to receive. That is why I say action should be postponed. If the world were normal, if there were normal conditions in the world, the fund might carry out its purpose, but the difficulty is that so long as we have the present emergency condition, it is so impossible to deal with it by any such currency legislation as this that we have to put in the fund these exceptions permitting nations to devalue their currency, exceptions permitting the sterling area to continue, indefinitely shutting out American imports, and necessitating people to buy all their goods from the British.

Mr. RADCLIFFE. It may be that we do not get quite as much as is advisable but we do get something decidedly worth while.

Mr. TAFT. What we get is so little that it is worth about $10, instead of $2,720,000,000.

Mr. RADCLIFFE. I do not think so. I think the provision in regard to existing restrictions is worth something. The language of Bretton Woods would have a very decidedly deterrent effect in regard to the imposition of new restrictions.

Mr. TAFT. It is not only the restrictions. As a matter of fact, the fund does not really provide that it is necessary to remove trade restrictions or discriminations. There is nothing in the fund about that. It deals at best only with currency, and even currency restrictions may be continued for 5, 6, or even 10 years. I do not know what the indefinite period may be. In the meantime other nations get the money, which is supposed to enable them to remove trade restrictions, and they are under no obligation whatever. They can take the money and keep the trade restrictions.

Mr. RADCLIFFE. It would not be possible to insert elaborate language in the Bretton Woods agreement as to trade restrictions. It is essential, if this fund is to be successful, that they should be eliminated or greatly lessened; but I do not think it is possible to make specific provision for such action in this instrument.

Mr. TAFT. My contention is that the fund should be postponed. I contend that the establishment of a fund of this

kind is not sufficient to take care of the situation. The establishment of the fund can be postponed until after the present emergency situation has ended. When we do have a stable world I do not know what the situation will be with respect to the need for such a fund.

Mr. RADCLIFFE. Will the Senator yield for one other question?

Mr. TAFT. I yield.

Mr. RADCLIFFE. Does the Senator feel that the elimination of or lessening of unreasonable trade restrictions would be facilitated by the operations of this fund rather than retarded?

Mr. TAFT. No, I do not. Several of the witnesses who have had to do with international trade said that if these exchange restrictions are expressly authorized and the nations continue them for 5 years, the result will be to freeze them so that they may never be gotten rid of.

Mr. RADCLIFFE. That is the situation now.

Mr. TAFT. No. The European nations can now establish any exchange restrictions they want to.

Mr. RADCLIFFE. They can impose any restrictions.

Mr. TAFT. The language provides that they may establish——

Mr. RADCLIFFE. At present they can do anything in the world they may want to do.

Mr. TAFT. They can do anything they may want to do under this fund so far as the language of it is concerned.

Mr. RADCLIFFE. Then the language of the Bretton Woods agreements is entirely meaningless. I do not think it is.

Mr. TAFT. If the Senator will read article XIV, I think he will decide that there are no restrictions; that so far as the European countries are concerned they can put in new ones of any size or character they want to.

Mr. CORDON. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. CORDON. I should like to have the distinguished Senator from Ohio give me his understanding of the last sentence in section 4 on page 30, having to do with the action of the fund, relating to restrictions, where it is provided that—

> If the fund finds that the member persists in maintaining restrictions which are inconsistent with the purposes of the fund, the member shall be subject to article XV, section 2 (a)—

Which provides that the fund may declare the member ineligible to use the resources of the fund.

Mr. TAFT. Yes; after 5 years the fund shall consult the other members, and after consultation, the fund can propose to expel a member. But it is provided that the fund shall give any member the benefit of any reasonable doubt. In other words, the fund shall be lenient in requiring any discontinuance at that time. It is 5 years before these restrictions can be removed.

Mr. CORDON. Let me ask another question. In 5 years' time, ordinarily would not the recalcitrant member have used the fund to the extent that its use was available, so there could be no particular effective action taken against the member if the member were prohibited from using it further?

Mr. TAFT. I think the Senator is entirely correct.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. I merely wish to give notice to the Senate, while we have a good attendance, that when we conclude today it is my purpose to move that the Senate take a recess until 11 o'clock a. m. tomorrow, so that we may make some progress. I hope the Senator from Ohio will not object to that.

Mr. TAFT. No, I do not object, except that we do have the hearing on the Export-Import Bank in the morning, as the Senator knows.

Mr. BARKLEY. That is at 10 o'clock, and I think the chances are, we can finish it by 11.

Mr. TAFT. The Senator is optimistic. Of course, $3,500,000,000 is not very much money, but still it may take more than an hour, from 10 to 11, to consider the bill.

Mr. BARKLEY. I may be a little optimistic. The Senator from Ohio is always pessimistic. I will compromise between his pessimism and my optimism.

Mr. WHERRY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. WHERRY. Along the line of the remarks being made by the Senator from Ohio I should like to ask why it was that in formulating this agreement the British Government was permitted to work out its own salvation by devaluing its money to meet the internal situation in its relationship with this International Fund. What justification was there for doing that? Why are the British given this advantage?

Mr. TAFT. The British are not given any special advantage. This was done because we recognize that Britain cannot solve her problems by the use of the fund. It is utterly inadequate for that purpose. The British situation today is difficult. As I said, they owe $15,000,000,000, a debt which has to be funded in some way. Their adverse balance of trade for the year which has just passed will amount according to various estimates from $2,000,000,000 to $3,000,000,000. That means that much more debt. They have only $2,000,000,000 in liquid assets with which to meet it. It is doubtful whether they can balance their international budget for several years, and the result is that if they did not have the right to continue exchange restrictions they would not join the fund. For some reason our Treasury was determined to have a fund, no matter what it was, so long as it was a fund. The Treasury must have a fund, and even though it is not able to solve the problems of the world, and though the time had not come for the establishment of such a fund, although concessions had to be made to the British and to the Russians, they are willing to do anything in order to get the fund. That is merely my conclusion, with which the Senator from New Hampshire, who has now risen, will disagree.

Mr. TOBEY. No, Mr. President, the Senator from Ohio is wrong. In addition to the factors stated by the Senator from Ohio which brought about the tragic situation in which England finds herself today, there was the great loss in her merchant marine, and also her tremendous loss in investments, which she had to sell to provide funds to carry on the war, and on which therefore she can no longer secure income at this needful time.

Mr. WHERRY. Does not that add a further and a serious difficulty in attempting to stabilize the currency of all countries?

Mr. TOBEY. It certainly adds to the difficulties of Great Britain in getting back on her feet and returning to normal as quickly as possible. Realizing the importance of Britain in the family of nations and the economy of the world, that situation was recognized at Bretton Woods.

Mr. TAFT. Mr. President, I have given considerable thought to the question, and it seems to me that with $5,000,0000,000 or $6,000,000,000 devoted to extending credit to various nations in order to get them going in the postwar era we could accomplish the purpose if the money was not all wasted. The trouble with the $6,000,000,000 proposed to be used under this measure is that it will be wasted. I should not say it will be entirely wasted, because England will receive $350,000,000 a year and Russia $300,000,000 a year, which reduces the amount that would have to be loaned. But if we are to establish international trade we would have to sit down with the British and consider all their problems, and if the net result should be that they could be finally stabilized only by loans made by the Export-Import Bank I think that should be done. What I object to is the tremendous figure involved, and the fact that as proposed to be used this $6,000,000,000 will be wasted, it seems to me, and will not accomplish the purpose that is sought to be accomplished.

Take the case of the British. I say the fund will not result in removing any of the British trade restrictions. Lord Keynes says that the advantage of the fund is that they can continue all their restrictions.

What about the Russians? Russia has a quota of $1,200,000,000. Russia can draw down $300,000,000 a year under that quota for the first year. It will probably be 3 years before the money is all drawn. That is a loan of $900,000,000 to Russia. Apparently the Export-Import Bank will provide another $1,000,000,000 for Russia. Those two loans, it seems to me, ought to take care of Russia in the postwar period. I do not think we would need to do any more. But we do not get much in return for that. The Russians do not have any exchange. The ruble is not quoted on the international market. The Russians can discriminate against us after they get this money as much as they please. Mr. Brown, who was a delegate, states that Russia can use the money to rebuild her various steel plants and other plants, which might not be providing armaments, but which can be closely related

to armaments and have the same effect. The Russians can draw that down, and still discriminate.

How do they discriminate in trade? Their Government itself buys and sells. It decides where it wishes to buy wheat. It can buy all its wheat from Canada or from the United States. It can refuse to buy any wheat from the United States if it wishes to do so. Under this fund, it can buy anywhere it wishes to buy. The $300,000,000 which it receives does not have to be spent in the United States. It can be spent in England or anywhere else the Russians wish to spend it. Their method of discriminating is simply to fix the price at which they sell and the price at which they buy. It may be a different price for every buyer and every seller with whom they deal. They can discriminate against us just as much after the fund is adopted as before. So we do not get any removal of trade restrictions or discrimination so far as Russia is concerned.

It seems to me that the net result is that we give $2,750,000,000 for a stabilized world currency, and we do not get it. The nations can continue to devalue their currency approximately as they could without the fund. They can continue the trade restrictions which exist today. In the sterling area, particularly, that means that our trade is practically cut off. The British are able to control their exports, because the people who have sterling are going to have to buy from England if they want those pounds to be of any substantial value.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. The Senator from Colorado [Mr. MILLIKIN] has submitted an amendment to strike out article VII, which concerns the scarcity of dollars. In the Senator's opinion, would not that be advantageous to us, in that it would remove one of the obstacles to our trading after the war? In other words, we would have the restrictions which the Senator mentions in article XIV, and we would eliminate article VII, which would strike out the scarcity-of-dollars provision, which would allow us to continue trading.

Mr. TAFT. Answering that question, I believe that the amendment would remove one of the real objections to the fund. It would get us out of the position in which we are, so to speak, officially indicted by the world and placed in a position where we must lend more money to the fund. I think it would have that advantage. I do not think it would tend to remove other restrictions. In fact, after dollars became scarce, it probably would result in further retention of restrictions. But we could deal with each nation on those questions, and I think we could make a much better deal than we could by being indicted by the whole world as not being willing to lend enough money.

Mr. SALTONSTALL. If article VII were eliminated, would that in the Senator's opinion remove one of the strong controls by which the fund would operate? In other words, would the fund really become of no value because it would have no control over the scarcity of a currency?

Mr. TAFT. No; I do not think so. If the dollars were drawn down, and dollars became scarce, there would simply be no more dollars. What would happen in the various nations I do not know. We would be up against the same situation, except that we could make special arrangements with other nations. We could find methods of providing them with dollars. We could buy their goods if we wished to do so. We could deal specially with each one. Under the operation of the fund, when we were indicted, so to speak, the only way we could deal would be by lending more money to the fund—another $2,000,000,000 or so.

Mr. SALTONSTALL. I should like to ask one further question. Great Britain, we will say—I use Great Britain as an illustration, because that is the example most frequently used—can do two things. She can have restrictive bilateral agreements, or, if dollars become scarce, she can establish exchange controls.

Mr. TAFT. She has exchange controls today.

Mr. SALTONSTALL. She has exchange controls today; but as I understand, if dollars become scarce, under article VII she can renew exchange controls.

Mr. TAFT. If Britain has removed them, she can renew them. But she is under no obligation to remove them. I referred to the fact that in India, for example, pounds cannot be used to buy dollars. That is an exchange control. The people may have dollars, but they cannot spend them. They must give them to the Government, and they cannot buy any dollars with their pounds.

Mr. SALTONSTALL. I was trying to look ahead a little. Assume that the exchange controls were eliminated, and dollars became scarce, and article VII permitted the renewal of exchange controls. If article VII were eliminated by the amendment to which I have referred, then one of the tremendous advantages of restriction of trade, plus exchange controls, would be eliminated. Would not that be true?

Mr. TAFT. Yes; that is correct. What would happen is that other nations would have to put their own houses in order so that they could buy abroad.

Mr. SALTONSTALL. So, from the point of view of the United States, that would give the United States one more advantage in the fund, even though it might be a doubtful advantage.

Mr. TAFT. I think we would be much better off if the article on scarce currencies were eliminated. I do not see any advantage to us, except that it compels us, with a little more force and a little more public pressure from the world, to lend more money. That is the necessary effect of article VII, as I see it.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AIKEN. I should like to ask what is probably a very elementary question in regard to international finance. What conditions might arise which would create a scarcity of dollars?

Mr. TAFT. Today everyone wants dollars. They are the only currency that is any good in the world. All the nations in the world could draw down dollars to the extent of $1,500,000,000 the first year. No one nation could draw enough to solve its problems in any particular way, but they could draw quite a sum of money. The $1,500,000,000 would probably be spent in attempting to buy goods in the United States.

Mr. AIKEN. But if the other countries did not buy goods in the United States, could they use the dollars for trading with each other?

Mr. TAFT. They might, although the main purpose would be to get goods from the United States. If they wanted to buy from England they would ask for pounds out of the fund.

Mr. AIKEN. A scarcity of dollars might be created by purchases of dollars faster than they could be spent, might it not?

Mr. TAFT. No. They would draw the dollars and spend them in the United States. They would be gone from the fund. Instead, the fund would have the currencies of the nations which had borrowed the dollars. When we were through the fund would have $8,800,000,000 of paper currencies, some of no value, and other of some value.

Mr. AIKEN. The dollars would get back to this country and stay, instead of getting to the bank.

Mr. TAFT. That is correct. The dollars would come to this country. They would go to the people who export goods, whoever they might be.

There is no doubt that lending abroad in one form or another results in an increase of exports from the United States. The difficulty with that method of stimulating exports is that we cannot keep it up indefinitely, as we learned in the 1920's. We loaned and loaned, and built up a large export trade. When we reached the limit of what we could loan, or what was likely to be repaid, we stopped lending. We could not continue to lose money. That threw the export industry out of gear, and increased unemployment in 1930 and 1931.

Mr. AIKEN. As I understand the Senator's discussion, he believes that the establishment of an international bank and stabilization fund would not in any way remove the restrictions which England, and perhaps other nations, now impose against American goods. Is that correct?

Mr. TAFT. That is correct; and I think that is perfectly clear. They can continue exchange restrictions. They can increase them in the occupied countries. They can adjust them in the other countries. Lord Keynes says:

> It is clearly recognized and agreed that, during the postwar transitional period of uncertain duration, we are entitled to retain any of those wartime restrictions, and special arrangements with the sterling area and others which are helpful to us, without being open to the charge of acting contrary to any general engagements into which we have entered.

Mr. AIKEN. England has always maintained restrictions, in greater or lesser degree, against American goods, has she not?

Mr. TAFT. I believe she has. Of course, since approximately 1932 there have been Empire preferences. Before that Americans who did business in the Dominions felt that they were discriminated against, but I do not believe there were any strict laws which restricted them. Particularly in the nineteenth century trade was almost entirely free.

Mr. AIKEN. Then, whether we should approve the Bretton Woods agreement or not, is it the Senator's opinion that the bank proposed to be established would have no effect in either direction on the restrictions which might be maintained against us?

Mr. TAFT. That is correct. My point is that it purports to stabilize exchange and remove restrictions; but so far as the next 5 years are concerned, it would not do either, and before the end of that time our money would be gone.

Mr. President, I have only one further point to make. Since this is the condition, the fact that the fund contains so many exceptions makes it wholly ineffective as a currency stabilizer during the transition period. But although it accomplishes nothing, it takes $2,750,000,000 of our money and loans it at once throughout the world. During the transitional period, and even thereafter, the fund apparently will not be confined to its main purpose of short-term loans for emergency stabilization. In effect, this will be just another method of loaning $2,750,000,000 abroad; and it will not be a very effective method, either, because it will not go to the countries which need it. It will not go in sufficient amounts to bring about the desired results. It will be divided equally or proportionately among all the nations who sign as members of the fund, and all of them will be able to draw their portions, regardless of whether they need it.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. RADCLIFFE. I understood the Senator to say a few moments ago that the fund and bank would not do the entire job, and then I believe the Senator said a little later that the fund and bank would not do anything.

Mr. TAFT. They would loan $2,750,000,000. It would not be very efficiently loaned, but I suppose the part that would go to the countries which needed it would perform the function of a loan; that might be.

Mr. RADCLIFFE. Is not the true answer somewhere in between the two statements? Certainly anyone would be an optimist if he thought that the fund and bank would do the entire job of rehabilitation. But there is reason to think, it seems to me, that they can make an important contribution, provided other agencies operate. We already have lend-lease, the reciprocal trade agreements, and other instrumentalities, and we are going to have the San Francisco Charter. International trade agreement conferences will be called very soon. It seems to me that each one of these agencies might do something very helpful. Is it not fair to assume that the fund and bank, if wisely administered—and I think we must assume that they will be, and therefore I do not think we are justified in assuming that they will be handled in a careless and unfair manner—will make important continuing contributions? We must have some faith in any international arrangement for cooperation, and I think we must assume that with our good help it will be operated in good faith and with considerable efficiency.

Mr. TAFT. But we are trying to help the world and I say we probably can do it for $5,000,000,000 or $6,000,000,000 and obtain the results we wish to obtain.

Instead of that, we have a demand for $2,750,000,000 from the United States, and a future demand for more money, whenever such demand is made. The $2,750,000,000 and the $9,100,000,000 for the bank total $11,850,000,000. Then we have the demand for an additional $3,500,000,000 for the Export-Import Bank, and that amount will last for only 1 year. With that addition, the total will be built up to $15,350,000,000. Then we must realize that there is a British situation, and that if we are going to take care of it the cost to us will be $2,000,000,000 or $3,000,000,000, which will make a grand total of approximately $17,000,000,000 or $18,000,000,000.

I say that if we are going to help the world, let us sit down and determine what it is that must be done, let us consider the problems which must be met, and let us apply the money needed to meet the emergency situation. Let us not go into the fund and the bank which are not designed for the emergency situation at all. The fund will be a permanent institution. As I have said, it will not work at all until after the war is over. The bank will not go into operation for 18 months. The funds will not be sufficient to guarantee the loans. So why spend $6,000,000,000 to carry out a permanent ideal in the world, and then have to spend as much money or more to deal with the emergency situation? Why not increase the funds of the Export-Import Bank by $5,000,000,000, if that is desired? I should be glad to have the United States lend money to Great Britain if she removes her exchange restrictions, but I would not be in favor of lending Great Britain money if she will not play ball.

But why use $6,000,000,000 for some international board, under plans which are not intended to work until 5 years after this time?

Mr. RADCLIFFE. Of course, Mr. President, the Senator does not know, and neither does anyone else, what it will take to stabilize the world, if it can be done adequately; we do not know that. But the Senator has been very emphatic in stressing—and I think he very properly did so—the importance of straightening out the tangled trade conditions in the world today. The Senator and everyone else realizes that trade and monetary matters are so closely interrelated that one is more or less dependent upon the other. Let me ask the Senator a question. If the fund and bank make some contribution toward straightening out the monetary situation in the world—whatever it may be, and however much the contribution may be—does not the Senator feel that such improvement would have some favorable effect upon activities for the purpose of eliminating trade discriminations? Trade and currency are so closely interwoven that we cannot help one unless we help the other; at least, assistance to one would naturally lead directly or indirectly to a benefit to the other.

Mr. TAFT. The only thing this fund can accomplish, I think, is a loan of $2,750,000,000, divided among 44 different nations, many of whom do not need it. The payment which would go to England—$350,000,000 a year—might be helpful to the English situation; and when we come to work out the English situation, that contribution might reduce the total amount needed by just that much money; there would be that much reduction of the amount of money which might have to be loaned to England. Perhaps the same thing would be true in the case of Russia and several other countries. But a large part of the $2,750,000,000 is wholly unnecessary. It is not necessary to lend money to Australia or to many of the South American countries, today. All of them would like to borrow the money, of course.

Mr. RADCLIFFE. The Senator from Ohio cannot predict with any full assurance, today, all of the countries which will need loans. No one can predict that. The Senator has suggested a number of nations which might wish to secure loans; and there may be, and doubtless will be, others. But suppose the bank and fund help one nation or two nations or half a dozen or a dozen nations. Then they will accomplish some good and valuable purpose—perhaps not to the extent desired, or perhaps not so far as should be done, but they will bring into existence something of real value.

Mr. TAFT. Very well; we will get $1,000,000,000 worth of good by putting up $6,000,000,000; to that extent I agree that the Senator's contention may be correct. But why waste $5,000,000,000? Why not try to work out the problem so that every dollar we put in will go where it is needed and will do what we are trying to do, namely, to place the other nations of the world on a self-supporting basis so that they can conduct their own economy, provide imports and exports, and import from the United States?

Mr. RADCLIFFE. Mr. President, let me ask whether the Senator feels that we could, by means of a series of bilateral agreements with various nations, straighten out the world?

Mr. TAFT. I think we would have no trouble at all by a series of bilateral agreements, if there were sound conditions underlying, in stabilizing the currencies of the world. I think that could be done. It is done today; the currencies are stable. They are not very good, but they are stable. They are all fixed by agreements. There is plenty of black market, and there will be plenty of black market after they are fixed by this fund, too. That will not make any difference.

Mr. RADCLIFFE. The difficulties are not with regard to the conditions in one country, as contrasted merely with the situation in another. The difficulties are more or less world-wide in nature, and certainly there is reason to believe that some international arrangement would

be more worth while than bilateral arrangements in getting good results.

Mr. TAFT. I think the key to foreign trade is the proper relation of the dollar to the pound in working out the British problem. If that were done, it would be comparatively easy for the Americans and the British to reach an agreement with the French and with other nations which have a part in international trade. That has been done before, and it can be done again.

Mr. President, I hope to conclude my remarks, if I may. One of the disputes which has been going on is whether this fund is really confined to temporary lending. That point has been the subject of most active dispute between the American Bankers Association and the Treasury. Strenuous efforts were made in the House committee and in the Senate committee to confine the term of lending to 18 months. In other words, if this is really stabilization and is not wide-open lending, it should be merely for the purpose of correcting short-term changes in the currency.

However, the Treasury refused to budge. The amendment contained in section 14 was put in by the House over the Treasury's objection; and it does not amount to anything, in my opinion. The amendment implies that we believe the resources of the fund may be used for temporary assistance to members in connection with cyclical fluctuations in the balance of payments. Mr. White testified that the word "cyclical" might mean a period of as long as 9 years. Clearly, therefore, it is contemplated that the fund will be used for purposes far removed from temporary currency maladjustments.

As a matter of fact, it is just another device to loan our money abroad, and it is an inefficient method in carrying out the purposes of the fund. It will not bring about stabilization.

The provisions regarding Russia show also that the fund's resources may be used for other than currency stabilization purposes. Russia has little foreign trade, and exchange means nothing with regard to Russian currency because the Government handles all export and import business. But Russia, under the fund, may draw down $300,000,000 a year for four successive years if any dollars are left. Mr. Brown, one of the delegates, wrote an article indicating that Russia could use this for the reconstruction of its war industries, and this view was confirmed by Mr. White's testimony.

I said to him, "The provisions of the fund prevent it from being used for reconstruction." Yet, Mr. White argued that if money should be needed to rebuild a plant, it related to stabilization and therefore could be used for the purpose of buying machinery to rebuild the plant. It seems to me that if that situation is true, this proposal would become not a stabilization law but an ordinary law.

Mr. President, either there was some special agreement with Russia, or it is recognized that the resources of the fund may be available much as any general loan is available. This means that certainly during and even after the transition period, the fund may be used as a device for general lending. It means furthermore that its usefulness for currency-stabilization purposes will be dissipated and destroyed.

As a matter of fact, it is very difficult in the case of any country to separate its assets and its liabilities into long-term and short-term classifications. It is difficult to separate its capital obligations and its current obligations. England, for instance, might undertake to pay some part of its blocked sterling balances, a perfectly proper procedure. By doing so, however, it might so embarrass its current position as to justify loans from the fund. Thus, in effect, the fund's resources would be used to pay the blocked sterling balances in violation of the express terms of the fund.

It is claimed there are to be restrictions imposed upon the 25 percent withdrawal. I believe, however, that any Member of the Senate who reads article V will come to the conclusion that there are to be no real restrictions. The only restriction is that which will relate to the 25 percent withdrawal, which permits the withdrawal of only 25 percent during 1 year, and that may be waived by the board or the fund.

The net result is that the lending to be done by the fund is indiscriminate. The fund's resources are distributed to all nations whether they need it or not. Its assets will be dissipated without solving a single one of the problems which face these nations in the transition period. It seems obvious to us that the proper way to solve the problems of foreign nations and restore the world to a stable condition is to deal directly with each of the principal nations.

The problem of England is the most important. A sound settlement of the relation between the dollar and the pound with the removal of trade restrictions and exchange restrictions throughout the British Empire would largely solve the problems of international trade.

Mr. President, if we are going to loan nations money, we should get in return for it a removal of the exchange restrictions, and there should be a stabilization of the currency.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. AUSTIN. Is there any limit to be placed upon the amount which can be guaranteed under the terms of the agreement?

Mr. TAFT. Is the Senator referring to the bank?

Mr. AUSTIN. Yes.

Mr. TAFT. The limit is $9,100,000,000, which represents the total capital of the bank. In other words, we are to put into the capital stock of the bank $3,175,000,000. However, the loans which may be guaranteed by the bank amount to $9,100,000,000, and they may all be made in dollars. The $9,100,000,000 loan may be floated in the United States under the International Bank guaranty, although we contribute only $3,175,000,000. I do not suppose the entire $9,100,000,000 would be floated in the United States, but certainly this is the country where people have the greatest amount of money to invest.

Mr. AUSTIN. My question relates to the guarantee to private investors. Is there a limit to be placed upon the amount of liability which the bank may assume in guaranteeing the investments of private enterprise?

Mr. TAFT. No. The bank may make direct loans, and I suppose it would do some direct lending. It will have some gold and some currencies. Eighty percent of the total will not be paid in. It is intended that most of the loans shall be in the form of guaranties. For example, the bank may make a loan to the British Government which will be guaranteed by the British Government and sold in the United States. It will be a direct obligation of the British Government. Or, it may be a British company which will engage in the manufacture of automobiles, for example. It is impossible to say how much will be represented by Government obligations which will be guaranteed by the International Bank, and how much will be represented by private obligations. The total limit to be imposed upon guaranteed loans is approximately $9,000,000,000.

Mr BARKLEY. It should also be stated that if there is an undivided surplus in the institution the guaranty would include it. However, the bank is limited by an over-all provision to the effect that it may only loan and guarantee up to the amount of its capital stock plus any surplus that may be in existence at the time.

Mr. TAFT. Mr. President, we shall soon attend a peace conference where we will want both Russia and England to agree to certain terms. At that conference there will be many disputes, and the power of the United States can undoubtedly be invoked in bringing about better conditions in the world. If we want to have established the proposed fund and the proposed bank, why not hold out the proposed contribution of $6,000,000,000 as a bargaining weapon in the final settlement with other nations? If we agree to this proposal at the present time, we surrender $6,000,000,000. It will no longer be a factor in bargaining of any kind. If for no other reason, for that reason alone we should postpone further consideration of this bill.

Mr. BREWSTER. Mr. President, with reference to the Senator's suggestion as to bargaining power, it may be extremely interesting to know that in connection with the recent trip abroad which was made by a subcommittee of the Mead committee, some of the many problems which we surveyed while in Europe, and which we reported to the Senate, involved the matter of our bargaining relations with other countries. We undertook in our report to point this out to the various departments involved. It was extremely revealing, I thought, that the State Department, in commenting upon our report, wrote to us regarding it and said, "We feel that the Mead committee exaggerates the bargaining position of the United States." The implication seemed to me to be clear that, "We

wish we were in a better bargaining position to get many of the things we want, in connection with airports and many other things, but you exaggerate our bargaining position." If that be true, it would certainly be wise for us to conserve whatever items we have that we might use for bargaining in what, after all, is to be an international discussion of equitable arrangements, not only in justice to us but in justice to the preservation of the peace which, as we conceive, is our primary objective.

Mr. TAFT. The Senator states a very effective argument. I see no answer to it. The trouble with our Government seems to be that we consider it is a favor from other nations to us for them to borrow the money we may have. Certainly this particular proposal for the $6,000,000,000, which is to go into an International Fund from which we can never recover it, from which it will be loaned by people a majority of whom are outside the United States, is a "free gratis for nothing" matter, so far as bargaining meetings which we may have with other nations are concerned.

Why not wait? Why not be a little bit concerned about the increase of our own national debt before we insist on rushing into a fund of this sort, where we are in substance the giver to the rest of the world?

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the enrolled bill (S. 512) for the relief of Mr. and Mrs. Arthur R. Brooks, and it was signed by the President pro tempore.

RECOGNITION OF SENATORS BY THE CHAIR

Mr. BARKLEY obtained the floor.

Mr. MORSE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MORSE. My name appears on the list for a speech to be given yet this afternoon. I sought to obtain the floor in accordance with the list. Will the Senator permit me sufficient time to make some comments in regard to some OPA problems?

Mr. BARKLEY. Mr. President, I have no desire to prevent the Senator from making his comments. I did not know he intended to do that today.

Mr. MORSE I did the best I could to notify the majority leader, in accordance with the procedure which has long been established on the floor of the Senate, when a Senator puts his name on the list to be recognized when the last speaker prior thereto has relinquished the floor.

The PRESIDENT pro tempore. The Chair wishes to say something about that situation. The Chair has examined the rules, and the pertinent rule requires the Chair to recognize the first Senator the Chair sees on his feet.

A custom has grown up of leaving names with the Chair, to be called in the order in which they are given. There is nothing in the rules which provides for that kind of proceeding, and from now on the Chair will ask Senators not to leave their names at the desk for that purpose, but the Chair will recognize Senators, just as nearly as it is humanly possible to do so, in the order in which they address the Chair and without regard to party or anything else. In other words, the Chair will try to enforce the rule, and so that Senators will be notified of what the rule provides, the Chair will read it. It is as follows:

> When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him. No Senator shall interrupt another Senator in debate without his consent, and to obtain such consent he shall first address the Presiding Officer.

That rule has fallen into disuse, because of the habit of Senators of leaving their names at the desk. The Chair thinks the rule should be obeyed until the Rules Committee suggests a change and it is made by the Senate. If there is a desire for a change in the rule, it will of course be all right with the present occupant of the chair. The Chair is sorry the junior Senator from Virginia [Mr. BYRD], the chairman of the Committee on Rules, is not present. Of course, that committee can recommend a change and the Senate can adopt it, and the Chair will be delighted to do the will of the Senate. But under the rule as it is now, the Chair must recognize the first Senator he sees on his feet, and that will be the aim of the present occupant of the chair from now on.

Mr. BARKLEY. Mr. President, I wish to congratulate the President pro tempore upon the announcement he has just made. For a long time I have felt that it was a bad practice for Senators to walk up to the Presiding Officer's desk and have their names put on a sort of a preferred list, so that the Chair was rather morally bound not to recognize any Senator but those on the list, and as they appeared on the list.

We have all violated the rule. None of us need take any unction unto his soul that he has not participated in the violation. But it does work an injustice to Senators who do not feel that it is proper to go to the desk and have their names put on the list. Frequently it transpires that Senators whose names are not on the list, and who might wish to be recognized for brief remarks on a given day, are never recognized until the day is over and some other day comes.

I do not see how there could be a rule which would be fairer than the one the Chair has read. Under all parliamentary procedure it is the general practice that the one who is presiding shall recognize, unless he deliberately refuses to do so, the first member of the body who rises and asks for recognition. So that I myself am very glad the Chair has announced that this rule, which has been the rule from time immemorial, and which I think is a fair rule, shall be observed in the future.

I have no desire to deprive the Senator from Oregon of the opportunity to speak, but I do wish at this time, because I have an engagement which I must fill, to have the Executive Calendar taken up as in executive session, and have the nominations on it confirmed, if the Senator will permit me to do that.

The PRESIDENT pro tempore. Before that is done, permit the Chair to make a statement about the name of the Senator from Oregon on the list. The present occupant of the chair has not been in the chair all afternoon, as Senators know, but he finds that the name of the Senator from Oregon is on the list. The name of the junior Senator from New York [Mr. MEAD] is ahead of his on the list. The Senator from New York was in the Chamber a litle while ago, but the Chair has not seen him in the last few minutes and does not know whether he desires the floor or not. That just gives additional emphasis to the seeming wisdom of the rule the Chair has just read.

Mr. MORSE. I wonder if the Senator from Kentucky would permit me to comment on the announcement of the Chair. I wish to commend the Chair for the ruling. I think it is an exceedingly fair and proper decision for him to make. The Senator who was presiding before the present occupant took the chair notified me that if the Senator from New York [Mr. MEAD] did not appear, he would recognize me at the close of the remarks of the Senator from Ohio [Mr. TAFT].

After that conversation with the then Presiding Officer, the Senator from Delaware [Mr. TUNNELL], the present occupant of the Chair took the Chair, and immediately after the Senator from Ohio closed his statement I sought the floor. I think, however, the decision of the Chair is in the interest of better parliamentary procedure, and I highly endorse it, in spite of the fact that I find myself here on the wing, out of the view of the Chair. So I will do my best in the future to make myself heard, if not seen.

Mr. BARKLEY. Does the Senator from Oregon object to my proposal that we now consider the nominations on the Executive Calendar?

Mr. MORSE. I certainly do not. I appreciate the courtesy of the Senator from Kentucky. I wish to say to Members of the Senate that when the business the Senator from Kentucky wishes to have considered shall have been disposed of I desire to say a few words. I do not intend to detain Senators very long, but I say in all seriousness that there is a new crisis in the matter I should like to take up. I wish for a few minutes to make a statement for the RECORD.

Mr. BARKLEY. Mr. President, I have no objection to the Senator addressing himself to the subject he has in mind, but I wish to express the hope that until the pending bill is acted upon we may eliminate extraneous discussions which have no bearing on the bill. We have now spent 2 days in discussions on the bill. I understand there are a number of amendments on the desk to be offered to this measure which will probably invoke some discussion. It is very important that we dispose of this legislation at the earliest possible date. I hope that from tomorrow on until this measure is disposed of Senators will not undertake to discuss extraneous matters which have no connection with the bill.

MESSAGE FROM THE HOUSE

A message from the House of Representative, by Mr. Perry, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 905) for the relief of Paul T. Thompson.

The message also announced that the House had severally agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 715. An act to provide for the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes; and

H. R. 3477. An act for the improvement of Savannah Harbor, Ga.

The message further announced that the House had passed a joint resolution (H. J. Res. 228) to amend the District of Columbia Teachers' Salary Act of 1945, in which it requested the concurrence of the Senate.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVES REPORTS OF COMMITTEES

As in executive session,

Mr. GEORGE. Mr. President, from the Committee on Finance, I report favorably for the Executive Calendar the nomination of Hon. Fred M. Vinson, of Kentucky, to be Secretary of the Treasury; the nomination of Hon. John W. Snyder, of Missouri, to be Director of War Mobilization and Reconversion, and the nomination of Dr. Arthur J. Altmyer, of Wisconsin, to be a member of the Social Security Board.

The PRESIDENT pro tempore. Without objection, the reports will be received and the nominations will be placed on the Executive Calendar.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

EXECUTIVE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that, as in executive session, the Senate proceed to consider the business on the Executive Calendar.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the matters on the calendar.

TREATIES

The legislative clerk proceeded to state the treaties on the calendar.

Mr. BARKLEY. I ask that consideration of the treaties may go over.

The PRESIDENT pro tempore. Without objection, consideration of the treaties will go over.

THE JUDICIARY

The legislative clerk read the nomination of Arthur A. Koscinski to be United States district judge for the eastern district of Michigan.

The PRESIDENT pro tempore. Without objection, the nomination will be confirmed.

The legislative clerk read the nomination of Dennis F. Donovan to be United States district judge for the district of Minnesota.

Mr. LANGER. Mr. President, I wish to voice an objection to this nomination. As a member of the Committee on the Judiciary I voted against the nomination in committee. Personally Mr. Donovan is a very fine gentleman, a man of splendid attainments and high moral character. I have no doubt at all that he is one of the foremost citizens of the State of Minnesota. However, as I said in the committee meetings, for years and years he has represented the Steel Trust. Every one in the Northwest familiar with the iron range knows that he has been one of the outstanding lawyers for the Steel Trust, and in my opinion, would unconsciously be affected thereby. For that reason, and in view of the thousands of lawyers who are available for the position of judge in the State of Minnesota, I do not believe the President should have selected Mr. Donovan.

That is all I care to say about the matter. I want the RECORD to show that I do not vote for the confirmation of the nomination.

The PRESIDENT pro tempore. The question is: Will the Senate advise and consent to the nomination of Dennis F. Donovan to be United States district judge for the district of Minnesota? [Putting the question.] The ayes seem to have it, the ayes have it, and the nomination is confirmed.

IN THE FOREIGN SERVICE

The legislative clerk proceeded to read sundry nominations in the foreign service.

Mr. BARKLEY. I ask that the nominations in the foreign service be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified.

NOMINATION OF FRED M. VINSON TO BE SECRETARY OF THE TREASURY

Mr. BARKLEY. Mr. President, yesterday the President sent to the Senate the nomination of Judge Fred M. Vinson, of Kentucky, to be Secretary of the Treasury. The Committee on Finance this morning met and unanimously reported his nomination to the Senate for confirmation. The committee report has already been made and is on the desk.

I ask unanimous consent that the Senate waive the rule which would require Mr. Vinson's nomination to lie over until tomorrow, and proceed to consider the nomination now.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. WHITE. Mr. President, in ordinary circumstances I should want a nomination reported today to go over, but Mr. Vinson is so well known to the membership of the Senate that I believe we should waive the rule. He has had a distinguished service in the House of Representatives. He has filled with distinction various other high positions to which he has been called. I think no one can question his capacity and his qualification for this position.

I hope the rule may be waived, and that the nomination may be confirmed.

Mr. BARKLEY. Mr. President, while I have the floor I wish to express the pleasure I feel over the appointment of Judge Vinson to be Secretary of the Treasury. I served in the House of Representatives with him years ago. I have known him for many, many years. I have seen him in action in the House. I have seen him in action in conferences between the two Houses on tax measures.

He was a member of the Committee on Ways and Means for many years. By his diligent study of tax and financial problems he became, I suppose, as nearly an expert on taxation as any man who serves in the Congress can become an expert unless he happens to be chairman of the taxing committee.

After many years' service in the House he was appointed to the bench, to the District of Columbia Court of Appeals, and in that connection became judge of the Emergency Court of Appeals, passing upon decisions rendered by that court in connection with the Stabilization Act. He was not an applicant for the appointment which he received while on the bench to be Director and Chairman of the Economic Stabilization Board. He was asked to give up his position, a lifetime position on the bench, to take this assignment as a war measure. He performed his duty so efficiently that he was promoted to be Director of War Mobilization and Reconversion, the position formerly held by Justice Byrnes. He has also been Loan Administrator. He now is appointed to be Secretary of the Treasury.

Of course, as a Kentuckian it gives me great pride to take note of Judge Vinson's promotion to this high station and this responsible situation. In the postwar period no position carries with it greater responsibility than that of the Secretary of the Treasury. When the war is over many hard problems will arise in regard to our public debt and our economic position. The Treasury will be called on to play a most important role in adjusting many of the problems which now trouble us, and others which will develop.

I not only feel highly pleased personally and as a Kentuckian, but I am confident that Judge Vinson will in the future, as he has in the past, demean himself personally and officially in a way that will make us proud that we have acted upon his nomination with promptness and with favor.

Mr. CHANDLER. Mr. President, the people of Kentucky would wish me to express to the Senate their appreciation of the President's appointment of Fred Vinson to be Secretary of the Treasury, and of the Senate voting their confidence in him by confirming his appointment.

Fred Vinson is a graduate of Center College in Kentucky. He is a fine, able public servant.

I express the confident belief that as Secretary of the Treasury of the United States he will do as he always has done, a thoroughly capable and competent job for the people of America.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the nomination of Fred M. Vinson of Kentucky to be Secretary of the Treasury? The Chair hears none, and without objection, the nomination is confirmed, and the President will be immediately notified.

TEACHERS' SALARIES IN THE DISTRICT OF COLUMBIA

Mr. BILBO. Mr. President, I ask unanimous consent for the present consideration of House Joint Resolution 228, which has just reached the Senate. The purpose of the joint resolution is to correct errors which occurred in the printing, copying, and engrossing of the District of Columbia teachers' salary bill.

Mr. TAFT. Mr. President, am I to understand that this is merely a typographical correction?

Mr. BILBO. That is all.

Mr. TAFT. It will not involve any debate?

Mr. BILBO. Not at all.

Mr. TAFT. I have no objection.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 228) to amend the District of Columbia Teachers' Salary Act of 1945, was read twice by its title, considered, ordered to a third reading, read the third time, and passed.

ORDER FOR RECESS UNTIL 11 O'CLOCK A. M. TOMORROW

Mr. BARKLEY. Mr. President, I now ask unanimous consent that when the Senate concludes its business today it stand in recess until 11 o'clock a. m. tomorrow.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FAILURE OF THE ADMINISTRATION TO SOLVE THE FOOD MARKETING PROBLEM

Mr. MORSE. Mr. President, I shall speak very briefly on OPA problems as they relate to the Oregon lamb case, although I had hoped earlier in the day to take the floor and make a rather full statement of the Government's sorry record in the case.

Unfortunately the time has come when I think a full record on the Oregon lamb case must be made. I say that because last night the distinguished and very able Secretary of Agriculture made a very good speech in which he pointed out that during the next year we are to be confronted with further scarcity of food and further restrictions on food.

Mr. President, when we deal with our Nation's food we are dealing with a matter of great importance to the welfare of this country in every field of our endeavor, because upon its food supply and the handling of its food problems depend not only the health of the Nation, but its morale, its economc stability—yes, even its political stability. I think the administration of this Government is going to hear from the people of the country in the next 12 months unless it can make a record demonstrating that, as an administration, it is not responsible for maladministration in the marketing of this Nation's food supply. It cannot make that record as of this hour. Up to now the various agencies of the Government have fumbled our food problems.

Another very real truth is that the Congress of the United States cannot show a good record as of this hour on the food issue because the Congress of the United States has not as yet taken the steps necessary to prevent the bungling procedures of OPA as they relate to marketing the Nation's food supply. However, on this issue, as on others, I shall not make a partisan attack, because this food problem deals with a problem far above partisanship. In discussing it I wish to illustrate the problem by calling the attention of the Senate to the latest development in regard to the Oregon lamb problem.

Mr. President, as of this moment failure by the Government to solve the Oregon lamb problem is resulting in the wastage of food. I want to hear the administration try to justify that wastage of food, when last night the Secretary of Agriculture told us, in effect, that we must tighten our belts because there will have to be further restrictions on our food policies, but up to the very hour of that speech the Department of Agriculture, the OPA, the War Food Administration, the Director of War Mobilization and Reconversion, and the Director of Economic Stabilization, responsible officials of Government, had failed to get their heads together and come forth with an agreed-upon program which will prevent the wastage of Oregon lambs.

I am using this case showing lack of coordination in the policies of these offices as only one illustration of many cases which could be cited for the record. As a step toward solution the United States Senate should perform its clear obligation, namely, pass the resolution which I submitted the other day, and establish a special committee of the Senate to conduct a continued investigation of OPA's food-marketing policies. The people of America are entitled to it. I happen to be one who believes that if this body fails in its responsibilty it will hear from the American people, because they will not and should not justify a program by this Government which results in the waste of precious food.

What is the situation on Oregon lamb tonight? Within the past hour the senior Senator from Oregon [Mr. CORDON] and I have received notification by long-distance telephone from a responsible Oregon official—and there is no man in the State of Oregon better informed with regard to the agricultural marketing problems of our State than the person who has notified us—that the sheep raisers of Oregon and the farmers of the Willamette Valley are loading their lambs on trucks and taking them to market, but they cannot find a market for them. Hence they are taking them back home, suffering the losses involved, because this administration has yet to take the action which for 3 months the senior and junior Senators from Oregon have warned this administration must be taken to prevent the repetition of the fiascos in the handling of Oregon lambs of the past 3 years.

Not so long ago I sat in the office of the President of the United States and discussed this matter with him. He agreed that action should be taken, and I heard him give instructions that the necessary action be taken. I say that the hour has come when action must be taken, or else the responsibility must be placed at the door of the White House itself. It is a pretty sad state of affairs that we have reached in this country when, because of the bungling red tap of a series of agencies which cannot get their heads together on a united program, the producers and consumers of food are made to suffer. Those Government officials who are responsible for the wastage of food so sorely needed by our people must be held to accountability. If the Senate of the United States fails to take action I know and trust that those responsible for its inaction will and should be held accountable for their failure by the voters.

I do not like to speak so critically, but as I told the Senate a few days ago I shall continue to call this matter to the attention of the Senate until I get action. I believe that as the facts become better known action will have to be taken in the direction of passing the resolution which I have introduced for the establishment of a senatorial committee to maintain continual vigilance over OPA. Perhaps it will be necessary to extend the jurisdiction of that committee to some other agencies which apparently cannot be counted upon to take action.

We are told that one of the reasons why these lambs cannot be marketed is that the quota system, as it affects our class 2 slaughterhouses, is encumbered with so much red tape that the necessary permits cannot be obtained in time to give the required relief. I believe that when we are dealing with the matter of wasting food, it is the responsibility of this Government to take the short cuts necessary, cut the red tape, and lift the quotas quickly. Authorization must be granted to make inspections immediately, and to provide from the Army, from the Department of Agriculture, and from the States concerned the necessary veterinarians for quick inspection in class 2 slaughterhouses, thereby guaranteeing not only to producers of food, but to American consumers, that the food will be handled by those slaughterhouses without any wastage.

There is another problem, namely, the attitude of OPA and the policies of OPA in regard to the slaughterhouse processors of this country.

I want the Senate to realize that, after all, in order to understand the present problem, we must think of the past OPA practices which have produced the present crisis. As the result of freezing out many of these small processors and reducing the quotas of many of them so that they have been operating only at a part of their capacity, we are now told, at the very time when the lamb marketing crisis is upon us, that there is a labor shortage in these processing establishments. Well, Mr. President, anyone

with a grain of sense would have known weeks ago that steps would have to be taken then in order to be ready to meet the problem when it arose and to see to it that the labor was available to handle the meat. That cannot be done by releasing an order from Washington, D. C., and, as a result, having men automatically found at their places in those slaughterhouses. The red-tape artists in Washington cannot create realities by their sleight-of-hand performances.

Mr. President, the point is, that no planning has been done to meet this problem. Thus, I received a telegram this afternoon from a very, very able OPA representative. Would that his advice had been listened to for the past 2 years by OPA here in Washington. Would that his advice had been carried out this year, weeks ago, as to the ways and means necessary to meet the Oregon lamb problem. I refer to Mr. McDannell Brown, the head of the OPA office in Portland, Oreg. He says in his telegram, sent to me this afternoon, the following, among other things:

Have checked with War Manpower Commission who reported labor shortage in slaughtering plants referred to in my recent wire July 1. Monthly reports cover 18 slaughtering firms, 7 in Portland and 11 out-State. Normal full employment of all firms, 641. Total employee shortage reported, 157. Of these, Portland firms are short 153 and one firm, Swift & Co., is short 145 This would seem to indicate that real manpower problem is with larger Federally inspected plants currently supplying Army and interstate shipment and points up urgency of establishing qualifications for class 2 slaughtering plants under Patman amendment—

I repeat what Mr. Brown says—it points out that this manpower shortage in the federally inspected plants demonstrates the great need for immediate application of the Patman amendment as it affects class 2 slaughterers. Mr. President I call upon the Secretary of Agriculture to follow that advice.

I read further from the telegram:

to augment movement of surplus lambs interstate and to Government. We are starting check of class 2 slaughterers to whom additional lamb quota has been given to determine movement of lambs under those quotas and any problems that may be developing.

Of course, Mr. President, weeks ago he should have been directed, he should have been authorized, he should have been given the power to do the things necessary—as he has always been ready to do if he had the authority—to prevent the wastage of food which I am deploring this afternoon.

Mr. President, I shall not take much more time this evening, although in spite of what the majority leader said a few moments ago about his desire not to have any except Bretton Woods discussed tomorrow, I am here and now saying that I shall discuss the most recent developments of the Oregon lamb problem tomorrow. At that time, when more Senators are present—because I think it is essential that they understand the problem—I shall make a more complete record of this serious food problem than I am doing tonight. At that time I shall introduce into the RECORD a series of telegrams, dating back several weeks—telegrams which have been made available to the responsible officials of this administration who are charged with the job of handling the food-marketing problems of this country, documents which, for the RECORD, will show the gross bungling which has characterized the handling of this particular problem.

But, Mr. President, tonight I ask unanimous consent to have printed in the RECORD as a part of my remarks five editorials, three from the Portland Journal, a Democratic newspaper, let me say incidentally, a newspaper which was opposed to me in the election, but a newspaper which is solidly behind the fight which the senior Senator and the junior Senator from Oregon are putting up on the lamb problem, as these editorials will show; and also two editorials from the Portland Oregonian, entitled "Give Us Our Meat," and "Don't Waste Our Meat."

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Portland (Oreg.) Journal]

OPA SHOULD SUSPEND BUTTER, LAMB POINTS

After surveying and appraising, brain cudgeling, analyzing, slide-rule deducing, weighing and balancing—plus not a little politico - psychological - Mother - Goose face saving—the czars of the American larder at last have decided to permit Americans to have butter again.

With a broad gesture of condescension, the arbiters refectorum are graciously reducing the red-point value of butter from 24 to 20. It takes effect on July 29, by which time the stock piling up in warehouse and cooler can't get so very much more rancid than now. Four points' saving Hooray!

Many Americans have been having little or no butter on their bread, for months, anyway. They got peevish at first, like the king in A. A. Milne's charming verse, who pleaded with the queen, with the dairymaid, and with the Alderney for "just a little butter for my bread." They have been using oleo in its various forms and—strange as it seems—they continue to buy fresh oleo at 14 points a pound in preference to stale butter at 20.

It is not quite clear why the OPA does not remove the point value from butter entirely and relieve the storage pressure. It is easy enough to restore point values when and if it later becomes needful.

And that goes also for lamb.

[From the Portland (Oreg.) Journal]

LAMB ISSUE PART OF A WORLD PROBLEM

Shortages of essential foods that we are officially told will continue into 1946 give added force to the suggestion which has been telegraphed to Oregon's OPA administrator, McDannell Brown, by United States Senator WAYNE MORSE.

The national outline compiled by United Press predicts for this year increasingly small supplies of eggs, 19 percent less canned vegetables, 7 percent less canned fruit, and shortages even of butter despite the 40 percent cutback in military demand. There may be relief in egg supply; there will be wheat and cereals and the supply of milk will be adequate.

On the serious lamb issue Senator MORSE says to Administrator Brown:

"Your suggestions should be tried (to up quotas where a shortage of lamb or meats exists). However, I think you should also be authorized to lift ration points on lamb the very moment you may discover that the remedies which you recommend fail to solve the problem. The feeling that Senator CORDON and I have is that when the lambs really begin to flood the market the lamb producers will be on a limb again this year as they have the last 2 years because of a failure on the part of the national OPA office to give you the authority you need at the scene of the problem to do the job that needs to be done. The wrangling and buck-passing of which the OPA here is guilty in handling this comparatively simple problem has convinced CORDON and me that that we must see this fight through to the finish. CORDON and I are informed that Oregon lambs are not being sent to market, because producers have been advised to hold them on the farms until this situation is cleared up. Is such advice being given them and, if so, by whom and why?"

This is plain speech, but plain speech has become essential. The world is hungry. Food in every form is vital to the complete winning of the war, and to the restoration of people suffering from war. Either in the Oregon, the national, or the international scene, there should be no stupid blunders in administration that withhold food from consumers, in uniforms or overalls, or in the rags of destitution. We like Senator MORSE'S promise that he and Senator CORDON will carry on the lamb fight until it is won.

[From the Portland (Oreg.) Journal of July 2, 1945]

COMMON SENSE SOLVES LAMB PROBLEM

It is a simple formula that Senators MORSE and CORDON have presented in Washington for relief of the lamb problem in Oregon. Suspend lamb rationing, they propose, for a period long enough to transfer to household meat threatened with spoilage. Let lamb quotas include a distinction between the prime cuts sought by the Army and the utility cuts for which there is an almost exclusively local market. It is a proposal that the new Secretary of Agriculture, Clinton Anderson, supports. He has offered to join the Oregon Senators in presenting the issue directly to President Truman. We predict that if the problem gets to the President he will order that the solvent to be applied consists of old-fashioned common sense.

It is an element widely needed in the Government of the United States.

[From the Portland Oregonian of July 5, 1945]

GIVE US OUR MEAT

The case for relief for the western Oregon lamb situation is supported not alone by the testimony of livestock growers and buyers, but by State official and semiofficial testimony and by the testimony of disastrous experience in 1943 and 1944, when adequate relief was denied.

We are again on the eve of the intensive marketing period for the soft lambs of western Oregon. They are unfitted for long shipment in interstate commerce, alive or dressed. They cannot be carried over without severe losses, or without consumption of feed needed for other livestock.

The lifting of slaughter quotas for killers not under Federal inspection is not alone a solution of the problem. The public's access to meat in this area is not so much a matter of supply as it is a matter of sufficient red points wherewith to acquire meat, butter, margarine, cooking fats, and cheese. What good to anybody to permit more or different meat to go into the showcases if no more meat can be sold than now?

Senators MORSE and CORDON, of Oregon, have pointed to the three things necessary to prevent disaster to growers, and give decent regard to consumers. They are reduction or lifting of ration points; the liberalization of slaughter restrictions, and the purchase by Government procurement agencies of utility lamb, if the last becomes necessary to hold ceiling prices.

Less than the full program and such suggested alternatives as raising ceiling prices,

or paying grower subsidies, are, as one authority puts it, "mathematical nonsense" with respect to the western Oregon lamb glut.

[From the Portland Oregonian of July 12, 1945]

DON'T WASTE OUR MEAT

If every concession asked of Government control agencies in the Oregon lamb situation were granted it is still problematical that relief to producers would be adequate.

Quotas have been raised on slaughtering by plants not under Government inspection, and shipment in interstate commerce of the product of No. 2 killers is now to be permitted. But as often pointed out, dressed western Oregon lamb will not stand up under long shipments. The new market will be within a comparatively narrow range, and there it must depend upon the consumers' possession of enough points wherewith to buy.

It is doubtful that the full capacity of Oregon killing plants can thus be absorbed, though in peacetimes they cannot take all of the western Oregon lamb crop. Nearly 50 percent is normally shipped to California. If several factors that now obstruct the California outlet—rationing, quotas, labor shortage in killing plants—were not encountered, the transportation obstacle, which food control authorities cannot cure, would still exist. Freight congestion causes Oregon shipments to be routed in round-about way; producers cannot always obtain cars. Shrinkage and death losses ensue en route, and animals back up on the farms.

Steps asked of Government are ameliorative of a condition that is creating low prices to the producer, nonmarketing of lambs at their prime, carry-overs with attendant losses and consumption of feed needed for other livestock. The steps asked apparently are not a complete cure, if all be taken. They have been taken only in part. There should be a poin holiday to move surplus lamb to the consumer's table, and bigger purchases by Government procurement agencies.

In 1943 and in 1944 Oregon lamb growers were denied adequate consideration by Government authorities. Their losses and hardships are a matter of record, disprove the perfection of Government theories and make Government implications that shenanigans are going on in Oregon a shameful suspicion.

Mr. MORSE. Mr. President, let me review again, because I shall talk about it at some greater length tomorrow, the three things which simply must be done to prevent the continuation of this meat wastage. First and most essential is the lifting of the rationing points on these lambs. Unless some steps are taken to change the rationing-point system as it affects the lambs—lambs which historically have been locally consumed, lambs which, for the greater part, historically have been slaughtered in the local, small-town slaughterhouses of Oregon but which cannot slaughter them today under the red tape with which they are confronted, unless some great changes are made immediately in the regulation—I say unless the rationing points are lifted so that those lambs can be slaughtered and consumed as they historically have been slaughtered and consumed, all the other proposals made by the Government agencies will not solve the problem.

However, in addition to handling the rationing-point problem, more effective action must be taken in regard to lifting the quotas on class 2 slaughtering houses. Just authorizing the lifting of quotas will not do the job. The Government will have to see to it that veterinarian inspectors are put into those slaughtering houses for inspection purposes, so that the lifting of quotas will actually result in lambs being slaughtered. OPA will not get by, so far as I am concerned, with the face saver they now wish to use, namely, "Well, we are permitting the filing of permits to lift quotas but there are no veterinarians to do the inspecting." Slaughtering processors have told me in various communications that it is taking a very long time to get the permits processed. But at this late hour lifting quotas will not do the job. Veterinarians will have to be supplied by the Army and Government for inspection in the class 2 slaughtering houses. The third thing which will have to be done is that the Government will have to buy, if necessary, the surplus utility lambs which the Army does not now buy, and rightly so, because the so-called utility cuts do not meet the Army requirements.

If those three things are done, as the editorials point out, namely, if the Government proceeds to handle the rationing-point problem and to make lifting of quotas effective, and to actually buy any surplus meat the purchase of which may become necessary to protect the ceiling prices, then the lamb producers of my State for the most part will be saved from the great financial losses which have characterized the Government's handling of the Oregon lamb problem for the last 2 years. However, the Senators from Oregon believe that the lifting of ration points on these lambs will stop this food wastage.

So, Mr. President, I close my remarks tonight with the statement that this is not the last time I shall speak on this problem. The next time I speak on it I shall do so at great length, because I shall put into the RECORD, for future reference, the full record of the Government's mishandling of the Oregon lamb problem. Naturally I would prefer to have the administration forces and agencies take the immediate steps necessary to prevent the wastage of this meat but if they persist in passing the "buck," I shall make the record against them. The country will answer them.

RECESS

Mr. JOHNSON of Colorado. Mr. President, in conformity with the unanimous consent already given, I move that the Senate take a recess until tomorrow at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess, the recess being under the order previously entered, until Wednesday, July 18, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received July 17 (legislative day of July 9), 1945:

DIPLOMATIC AND FOREIGN SERVICE

Edwin F. Stanton, of California, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment and promotion in the Regular Corps of the United States Public Health Service:

TO BE ASSISTANT DENTAL SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Donald L. Truscott	Felice A. Petrucelli
Stanley J. Ruzicka	Frederick S. Loe, Jr.
John C. Heckel	Eugene H. Hess
Arthur J. Lepine	Robert J. Herder
William B. Treutle	Carl E. Johnson

TO BE PASSED ASSISTANT DENTAL SURGEONS EFFECTIVE DATE OF OATH OF OFFICE

Charles H. Wright, Jr.
Herbert A. Spencer, Jr.
George A. Nevitt

TO BE ASSISTANT SANITARY ENGINEERS EFFECTIVE DATE OF OATH OF OFFICE

Donald L. Snow
Ernest C. Anderson
Roscoe H. Goeke

TO BE PASSED ASSISTANT SANITARY ENGINEERS EFFECTIVE DATE OF OATH OF OFFICE

Harry G. Hanson	Charles D. Spangler
Richard F. Poston	Fredrick C. Roberts, Jr.
Edmund C. Garthe	Leonard M. Board

PASSED ASSISTANT SURGEON TO BE SURGEON EFFECTIVE AUGUST 16, 1945

Robert H. Felix

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be colonels with rank from July 1, 1945

Lt. Col. Eugene Manuel Landrum, Infantry (temporary major general).

Lt. Col. Frank Glenister Ringland, Cavalry (temporary colonel).

Lt. Col. William Fenton Lee, Infantry (temporary colonel).

Lt. Col. Oliver Irey Holman, Cavalry (temporary colonel).

Lt. Col. Frederick William Huntington, Infantry (temporary colonel).

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

TO CORPS OF ENGINEERS

First Lt. Denis Blundell Grace, Coast Artillery Corps (temporary major), with rank from June 11, 1944.

TO ORDNANCE DEPARTMENT

Capt. Victor Charles Huffsmith, Infantry (temporary colonel), with rank from June 12, 1944.

TO FIELD ARTILLERY

Capt. William Burns Fraser, Cavalry (temporary colonel), with rank from June 10, 1942.

First Lt. Charles Stuart Cumings, Coast Artillery Corps (temporary major), with rank from July 1, 1945.

TO INFANTRY

First Lt. Bruce Palmer, Jr., Cavalry (temporary colonel), with rank from June 12, 1939.

TO AIR CORPS

Second Lt. Clarence Arthur Powers, Coast Artillery Corps (temporary first lieutenant), with rank from October 5, 1942.

IN THE NAVY

The following-named officers of the line of the Navy to be assistant civil engineers in the Navy, with the rank of ensign, to rank from the date stated opposite their names:

Charles J. Merdinger, February 7, 1941.
John E. Smith, Jr., December 19, 1941.
Griswold L. Moeller, December 19, 1941.

IN THE COAST GUARD

Rear Admiral Frank J. Gorman, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 30, 1942, while serving as chief planning and control officer, or in any other

assignment for which the rank of rear admiral is authorized.

Commodore Wilfrid N. Derby, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, First Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Commodore Raymond T. McElligott, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as assistant chief personnel officer, or in any other assignment for which the rank of rear admiral is authorized.

Commodore William K. Scammell, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard to rank from June 1, 1945, while serving as district Coast Guard officer, Twelfth Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Capt. William F. Towle, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Eleventh Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Capt. Michael J. Ryan, United States Coast Guard, to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Sixth Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. Ellis Reed-Hill, United States Coast Guard, to be a commodore for tempopary service in the Coast Guard to rank from June 1, 1945, while serving as Chief, Public Relations Division, or in any other assignment for which the rank of commodore is authorized.

Capt. John J. Whitbeck, United States Coast Guard, to be a commodore for temporary service in the Coast Guard to rank from June 1, 1945, while serving as district Coast Guard officer, Seventh Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. Edward M. Webster, United States Coast Guard (retired), to be a commodore for temporary service in the Coast Guard to rank from June 1, 1945, while serving as Chief, Communications Division, or in any other assignment for which the rank of commodore is authorized.

Capt. William H. Barton, United States Coast Guard, to be a commodore for temporary service in the Coast Guard to rank from June 1, 1945, while serving as district Coast Guard officer, Tenth Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. Beckwith Jordan, United States Coast Guard, to be a commodore for temporary service in the Coast Guard to rank from June 1, 1945, while serving as district Coast Guard officer, Ninth Naval District, St. Louis, or in any other assignment for which the rank of commodore is authorized.

POSTMASTERS

The following named persons to be postmasters:

ALABAMA

Nola Bull, Bear Creek, Ala. Office became Presidential July 1, 1945.

Lucille Garrett, Cloverdale, Ala. Office became Presidential July 1, 1945.

Mary A. Hart, Comer, Ala. Office became Presidential July 1, 1945.

James F. Hestle, Coy, Ala. Office became Presidential July 1, 1945.

Regina D. Harris, Gantts Quarry, Ala. Office became Presidential July 1, 1945.

Demetrius A. Fannin, Garden City, Ala. Office became Presidential July 1, 1945.

Lucile G. McMillan, Gastonburg, Ala. Office became Presidential July 1, 1945.

William O. Smith, Glen Allen, Ala. Office became Presidential July 1, 1945.

Artie M. Dorman, Kimberly, Ala. Office became Presidential July 1, 1945.

Julia A Robbins, Lewisburg, Ala. Office became Presidential July 1, 1945.

Ora L. Oates, Lisman, Ala. Office became Presidential July 1, 1945.

Mary E Vinson, Loachapoka, Ala. Office became Presidential July 1, 1945.

Josiah F Irby, Lower Peach Tree, Ala. Office became Presidential July 1, 1945.

Troy L. Lyle, Lynn, Ala. Office became Presidential July 1, 1945.

Ulysses L. Hinton, Manchester, Ala. Office became Presidential July 1, 1945.

Ollie G. Harris, Morris, Ala. Office became Presidential July 1, 1945.

Dessie M. Lovvorn, Newell, Ala. Office became Presidential July 1, 1945.

Roy B Whitaker, Paint Rock, Ala. Office became Presidential July 1, 1945.

Willie M Adams, Pinckard, Ala. Office became Presidential July 1, 1945.

Ethel B. Moore, Riderwood, Ala. Office became Presidential July 1, 1945.

John E. Jones, Safford, Ala. Office became Presidential July 1, 1945.

Janie T Baxter, Vinegar Bend, Ala. Office became Presidential July 1, 1945.

ALASKA

Beatrice Edenso, Craig, Alaska. Office became Presidential July 1, 1945.

Orrin S. Flemley, McGrath, Alaska. Office became Presidential July 1, 1945.

Susan English, Seldovia, Alaska. Office became Presidential July 1, 1945.

ARIZONA

Thorval Newton Clark, Oracle, Ariz. Office became Presidential July 1, 1945.

Anselm G. Sippel, St. Michaels, Ariz. Office became Presidential July 1, 1945.

J. Boyce Watkins, Salome, Ariz. Office became Presidential July 1, 1945.

Milford W. Kempton, Solomonsville, Ariz. Office became Presidential July 1, 1945.

Andrew L. Alger, Yucca, Ariz. Office became Presidential July 1, 1945.

ARKANSAS

Marvin Taylor, Strawberry, Ark. In place of Lois Shaver, resigned.

CALIFORNIA

Clarence G. Rush, Acton, Calif. Office became Presidential July 1, 1945.

Lesbia M. Williamson, Aromas, Calif. Office became Presidential July 1, 1945.

Vincent M Canet, Avila, Calif. Office became Presidential July 1, 1945.

Sophia E. Shelley, Big Bear City, Calif. Office became Presidential July 1, 1945.

Jeannette L. DeMent, Blue Jay, Calif. Office became Presidential July 1, 1945.

Thelma F. O'Brien, Bonita, Calif. Office became Presidential July 1, 1945.

Dolores Foubert, Clayton, Calif. Office became Presidential July 1, 1945.

Leonard B McCulley, East Highlands, Calif. Office became Presidential July 1, 1945.

Lulu M. Costello, Foresthill, Calif. Office became Presidential July 1, 1945.

Mary A. Beat, Glenn, Calif. Office became Presidential July 1, 1945.

Florence L. Conant, Graeagle, Calif. Office became Presidential July 1, 1945.

Minnie Ferretti, Groveland, Calif. Office became Presidential July 1, 1945.

Gertrude Hoberg, Hobergs, Calif. Office became Presidential July 1, 1945.

Ramona Sutfin, Jolon, Calif. Office became Presidential July 1, 1945.

Gladys C Dark, Kettleman City, Calif. Office became Presidential July 1, 1945.

Mathilde M. Nelson, Lebec, Calif. Office became Presidential July 1, 1945.

Kathryn C. Adair, Leevining, Calif. Office became Presidential July 1, 1945.

Georgia S. Sage, Nestor, Calif. Office became Presidential July 1, 1945.

Edith Lucas, Nipoma, Calif. Office became Presidential July 1, 1945.

Iris L. Nelson, Palermo, Calif. Office became Presidential July 1, 1945.

William J. Bathurst, Richardson Springs, Calif. Office became Presidential July 1, 1945.

William W. Glass, Seven Oaks, Calif. Office became Presidential July 1, 1945.

George L. Mays, Shell Beach, Calif. Office became Presidential July 1, 1945.

Kyle K. McCleery, Somis, Calif. Office became Presidential July 1, 1945.

George M. Robinson, Tecate, Calif. Office became Presidential July 1, 1945.

Norman A. Morrison, Thousand Oaks, Calif. Office became Presidential July 1, 1945.

Louise Stine, Tupman, Calif. Office became Presidential July 1, 1945.

Candina E. Spaletta, Vina, Calif. Office became Presidential July 1, 1945.

Bessie M. Tyler, Westend, Calif. Office became Presidential July 1, 1945.

COLORADO

Henry Joseph Kick, East Portal, Colo. Office became Presidential July 1, 1945.

Rose E. Stocks, Evans, Colo. Office became Presidential July 1, 1945.

Charles W Knoll, Gardner, Colo. Office became Presidential July 1, 1945.

Hazel H. Brown, Green Mountain Falls, Colo. Office became Presidential July 1, 1945.

Esther Anna Holtz, Laporte, Colo. Office became Presidential July 1, 1945.

Evelyn Myers, Palmer Lake, Colo. Office became Presidential July 1, 1945.

CONNECTICUT

Kenneth R. Williams, Old Mystic, Conn. Office became Presidential July 1, 1945.

George G. Emerson, South Lyme, Conn. Office became Presidential July 1, 1945.

Benjamin Phelps, Staffordville, Conn. Office became Presidential July 1, 1945.

Bertha M. Place, Tolland, Conn. Office became Presidential July 1, 1945.

P. Stanley Barber, West Mystic, Conn. Office became Presidential July 1, 1945.

DELAWARE

Mary A. Butler, Christiana, Del. Office became Presidential July 1, 1945.

FLORIDA

Ruth Akins, Bell, Fla. Office became Presidential July 1, 1945.

Herman B. Wiggins, Hampton, Fla. Office became Presidential July 1, 1945.

W. Wallace Waters, McIntosh, Fla. Office became Presidential July 1, 1945.

James G. Pulliam, Minneola, Fla. Office became Presidential July 1, 1945.

Joseph Frank Potts, Uleta, Fla. Office became Presidential July 1, 1945.

GEORGIA

John C. White, Armuchee, Ga. Office became Presidential July 1, 1945.

Andrew N. Elliott, Auburn, Ga. Office became Presidential July 1, 1945.

James E. Hadden, Avera, Ga. Office became Presidential July 1, 1945.

Sallie L. Thrasher, Barwick, Ga. Office became Presidential July 1, 1945.

John S. Cleghorn, Berryton, Ga. Office became Presidential July 1, 1945.

Marjorie M. Stewart, Buckhead, Ga. Office became Presidential July 1, 1945.

Rudolph C. De Loach, Clyo, Ga. Office became Presidential July 1, 1945.

Amelia E. Phillips, Crandall, Ga. Office became Presidential July 1, 1945.

Missouri Connell, Culverton, Ga. Office became Presidential July 1, 1945.

Wilton E. Stonecypher, Eastanollee, Ga. Office became Presidential July 1, 1945.

Gordon Hall, Hilton, Ga. Office became Presidential July 1, 1945.

Harold Williams, Juliette, Ga. Office became Presidential July 1, 1945.

Willie L. Mosely, Lizella, Ga. Office became Presidential July 1, 1945.

Charity J. Collis, McCaysville, Ga. Office became Presidential July 1, 1945.
Clara L. Browning, Midway, Ga. Office became Presidential July 1, 1945.
Olan W. Stubbs, Millhaven, Ga. Office became Presidential July 1, 1945.
Leona B. Branch, Millwood, Ga. Office became Presidential July 1, 1945.
W. Howard Ballew, Mineralbluff, Ga. Office became Presidential July 1, 1945.
Edna M. Brannen, Portal, Ga. Office became Presidential July 1, 1945.
Bessie Boatwright, Rayle, Ga. Office became Presidential July 1, 1945.
Vera M. Roberts, Saint George, Ga. Office became Presidential July 1, 1945.
Ida Mae Dekle, Sale City, Ga. Office became Presidential July 1, 1945.
Raymond S. Townsend, Wildwood, Ga. Office became Presidential July 1, 1945.

HAWAII

Martin D. Dreier, Lihue, Hawaii, in place of C. M. Motoda, removed.

IDAHO

Lillian H. Gibson, Arimo, Idaho. Office became Presidential July 1, 1945.
Seralda E. Hudson, Castleford, Idaho. Office became Presidential July 1, 1945.
Ethel W. Hatcher, Clark Fork, Idaho. Office became Presidential July 1, 1945.
Edward E. Schau, Gibbs, Idaho. Office became Presidential July 1, 1945.
Linus E. Small, Notus, Idaho. Office became Presidential July 1, 1945.
Nettie T. McClain, Pinehurst, Idaho. Office became Presidential July 1, 1945.
Alec L. Bull, Princeton, Idaho. Office became Presidential July 1, 1945.
John H. Clay, Riggins, Idaho. Office became Presidential July 1, 1945.

ILLINOIS

Joseph C. Mueller, Bartelso, Ill. Office became Presidential July 1, 1945.
Ellis Drury, Bone Gap, Ill. Office became Presidential July 1, 1945.
Charles A. Rexroad, Bulpitt, Ill. Office became Presidential July 1, 1945.
Fred P. Huli, Burnside, Ill. Office became Presidential July 1, 1945.
Anna E. Shanholtzer, Coatsburg, Ill. Office became Presidential July 1, 1945.
James T. Conour, Creston, Ill. Office became Presidential July 1, 1945.
Clara Lawler, Fieldon, Ill. Office became Presidential July 1, 1945.
Thelma Hedges, Gladstone, Ill. Office became Presidential July 1, 1945.
Zelia E. Davis, Kings, Ill. Office became Presidential July 1, 1945.
Blanche M. Bergfield, Longview, Ill. Office became Presidential July 1, 1945.
Mildred F. Pritchard, Matherville, Ill. Office became Presidential July 1, 1945.
Ross H. Keys, Milton, Ill. Office became Presidential July 1, 1945.
Clarence A. Croegaert, Mineral, Ill. Office became Presidential July 1, 1945.
Lemuel S. Gardner, Mount Erie, Ill. Office became Presidential July 1, 1945.
Van B. Michael, Muncie, Ill. Office became Presidential July 1, 1945.
Inez V. Dunlap, Plainville, Ill. Office became Presidential July 1, 1945.
Nelle S. Junk, Rio, Ill. Office became Presidential July 1, 1945.
Roy J. Hofmeister, Rock City, Ill. Office became Presidential July 1, 1945.
Frances Anne Prelic, Sawyerville, Ill. Office became Presidential July 1, 1945.
Zella V. Blaser, Taylor Ridge, Ill. Office became Presidential July 1, 1945.
Barbara D. Stahl, Wadsworth, Ill. Office became Presidential July 1, 1945.
Ruble O. Alexander, Wedron, Ill. Office became Presidential July 1, 1945.
Mary E. Stewart, Wellington, Ill. Office became Presidential July 1, 1945.

INDIANA

Charles E. McClaine, Advance, Ind. Office became Presidential July 1, 1945.
Noah E. Flora, Cutler, Ind. Office became Presidential July 1, 1945.
Earl Funk, Dayton, Ind. Office became Presidential July 1, 1945.
Mae L. Drake, Fairbanks, Ind. Office became Presidential July 1, 1945.
Frances A. Gallmore, Freedom, Ind. Office became Presidential July 1, 1945.
Howard G. Carr, Glezen, Ind. Office became Presidential July 1, 1945.
Charles Redmon, Hatfield, Ind. Office became Presidential July 1, 1945.
Nova Cole, Liberty Center, Ind. Office became Presidential July 1, 1945.
Helen L. Hilkert, Lucerne, Ind. Office became Presidential July 1, 1945.
Jacob O. Chandler, McCordsville, Ind. Office became Presidential July 1, 1945.
Bertha Dorton, Matthews, Ind. Office became Presidential July 1, 1945.
Ethel Martin, New Market, Ind. Office became Presidential July 1, 1945.
John K. Eggers, Reelsville, Ind. Office became Presidential July 1, 1945.
V. Ruth Rinehart, Romney, Ind. Office became Presidential July 1, 1945.
Susan M. Boecker, St. John, Ind. Office became Presidential July 1, 1945.
John M. Loveless, Somerville, Ind. Office became Presidential July 1, 1945.
Lawrence Julian, Spurgeon, Ind. Office became Presidential July 1, 1945.
Norman S. Hoskinson, Tennyson, Ind. Office became Presidential July 1, 1945.
Margaret E. Lewis, Universal, Ind. Office became Presidential July 1, 1945.
Joseph J. Bendit, Wyatt, Ind. Office became Presidential July 1, 1945.

IOWA

James Burnham Silsby, Lamoni, Iowa. To correct name.

KANSAS

Carl W. Romer, Admire, Kans. Office became Presidential July 1, 1945.
Irene Mills, Alexander, Kans. Office became Presidential July 1, 1945.
Glen N. Karstadt, Assaria, Kans. Office became Presidential July 1, 1945.
Albert J. Panter, Athol, Kans. Office became Presidential July 1, 1945
Anna M. Schulte, Baileyville, Kans. Office became Presidential July 1, 1945.
Howard K. Lundy, Cambridge, Kans. Office became Presidential July 1, 1945.
Flossie M. Hickle, Cullison, Kans. Office became Presidential July 1, 1945.
Edward R. Markovitz, Franklin, Kans. Office became Presidential July 1, 1945.
Aquina Stepanek Garden Plain, Kans. Office became Presidential July 1, 1945.
Ethel H. Swanson, Geuda Springs, Kans. Office became Presidential July 1, 1945.
Charles E. Yeakley, Hoyt, Kans. Office became Presidential July 1, 1945.
Ethel H. Carpenter, Mapleton, Kans. Office became Presidential July 1, 1945.
Emma M. O'Dea, Moscow, Kans. Office became Presidential July 1, 1945.
Francis D. Christ, Muscotah, Kans. Office became Presidential July 1, 1945.
George D. Brooks, Oil Hill, Kans. Office became Presidential July 1, 1945.
Neva S. Applegate, Ramona, Kans. Office became Presidential July 1, 1945.
John Oliver Ash, Roxbury, Kans. Office became Presidential July 1, 1945.
Blanche D. Warner, Viola, Kans. Office became Presidential July 1, 1945.
William Meis, Weskan, Kans. Office became Presidential July 1, 1945.
Clarence A. Johnson, West Mineral, Kans. Office became Presidential July 1, 1945.
Lawson A. Smith, Wheaton, Kans. Office became Presidential July 1, 1945.
Frances S. Smith, Zenith, Kans. Office became Presidential July 1, 1945.

KENTUCKY

James S. Trosper, Allais, Ky. Office became Presidential July 1, 1945.
Herman M. Hall, Allock, Ky. Office became Presidential July 1, 1945.
Thomas C. Morton, Bandana, Ky. Office became Presidential July 1, 1945.
Tina Mae Kirtley, Browder, Ky. Office became Presidential July 1, 1945.
Lear Bates, Bypro, Ky. Office became Presidential July 1, 1945.
Mary G. McGuire, Clay City, Ky. Office became Presidential July 1, 1945.
Maxie Lee Wright, Cromona, Ky. Office became Presidential July 1, 1945.
James B. Rone, Crummies, Ky. Office became Presidential July 1, 1945.
Russell Harman, David, Ky. Office became Presidential July 1, 1945.
Mack T. Tarry, Dexter, Ky. Office became Presidential July 1, 1945.
Less Sarver, Falls of Rough, Ky. Office became Presidential July 1, 1945.
Mollie Baker, Flat Lick, Ky. Office became Presidential July 1, 1945.
Nancy Clark, Flatwoods, Ky. Office became Presidential July 1, 1945.
Hugh P. Stanford, Glomawr, Ky. Office became Presidential July 1, 1945.
Lela M. Wilson, Gracey, Ky. Office became Presidential July 1, 1945.
May Z. Todd, Hillsboro, Ky. Office became Presidential July 1, 1945.
Ora Potter, Jackhorn, Ky. Office became Presidential July 1, 1945.
Norman Combs, Jeff, Ky. Office became Presidential July 1, 1945.
Fannie M. Knifley, Knifley, Ky. Office became Presidential July 1, 1945.
Albert L. Canter, Lynnville, Ky. Office became Presidential July 1, 1945.
Golda P. Griffith, McVeigh, Ky. Office became Presidential July 1, 1945.
Minnie E. Webb, Mayking, Ky. Office became Presidential July 1, 1945.
Wilfred B. Haigis, Melbourne, Ky. Office became Presidential July 1, 1945.
Lula P. Holbrook, Millstone, Ky. Office became Presidential July 1, 1945.
Sallie B. Gilbert, Oneida, Ky. Office became Presidential July 1, 1945.
Nelle A. Miller, Olmstead, Ky. Office became Presidential July 1, 1945.
Edgar C. Harper, Quality, Ky. Office became Presidential July 1, 1945.
Walter G. Revlett, Rumsey, Ky. Office became Presidential July 1, 1945.
Mabel M. Day, Soldier, Ky. Office became Presidential July 1, 1945.
Blanche Sanders, South Portsmouth, Ky. Office became Presidential July 1, 1945.
Haleen Brooks Nunn, Sullivan, Ky. Office became Presidential July 1, 1945.
Alexander White, Tappist, Ky. Office became Presidential July 1, 1945.
Norma R. Huey, Union, Ky. Office became Presidential July 1, 1945.
Rosy Mae McCloud, West Van Lear, Ky. Office became Presidential July 1, 1945.
Jessie H. Blue, Wooton, Ky. Office became Presidential July 1, 1945.
Lizzie Mary Oney, Worthington, Ky. Office became Presidential July 1, 1945.

LOUISIANA

Irene T. Prejean, Belle Alliance, La. Office became Presidential July 1, 1945.
Louise Boudreaux, Centerville, La. Office became Presidential July 1, 1945.
Ella V. Delhaye, Charenton, La. Office became Presidential July 1, 1945.
Harold G. Chauvin, Chauvin, La. Office became Presidential July 1, 1945.
Edras Nunez, Jr., Creole, La. Office became Presidential July 1, 1945.
Willie F. Scott, Kilbourne, La. Office became Presidential July 1, 1945.
Louise G. Andrieu, Lacombe, La. Office became Presidential July 1, 1945.

Howard T. Massie, Slagle, La. Office became Presidential July 1, 1945.

Henry F. Winters, Transylvania, La. Office became Presidential July 1, 1945.

MAINE

Gerald D. Morris, Kingman, Maine. Office became Presidential July 1, 1945.

MARYLAND

Henry A. Sonberg, Abingdon, Md. Office became Presidential July 1, 1945.

John C. Harrison, Avalon, Md. Office became Presidential July 1, 1945.

Sterling B. Caple, Cedarhurst, Md. Office became Presidential July 1, 1945.

M. Patricia Efort, Cheltenham, Md. Office became Presidential July 1, 1945.

Reta B. Abbott, Deal Island, Md. Office became Presidential July 1, 1945.

Roy W. Swank, Dickerson, Md Office became Presidential July 1, 1945.

Gorman Robinson, Fishing Creek, Md. Office became Presidential July 1, 1945.

Lina W. Penn, Garrett Park, Md. Office became Presidential July 1, 1945.

M. Elizabeth Gorsuch, Glencoe, Md. Office became Presidential July 1, 1945.

Clarence E. Burton, Jarrettsville, Md. Office became Presidential July 1, 1945.

Wilbur Ross Horine, Jefferson, Md. Office became Presidential July 1, 1945.

Harry C. Betson, Monrovia, Md. Office became Presidential July 1, 1945.

Evelyn R. Wilhide, Myersville, Md. Office became Presidential July 1, 1945.

Myrtle L. Williams, St. Leonard, Md. Office became Presidential July 1, 1945.

Isabel Rowlenson, Sherwood, Md. Office became Presidential July 1, 1945.

Blanche V. Sinclair, Tilghman, Md. Office became Presidential July 1, 1945.

MASSACHUSETTS

Alice A. Hammond, Westport, Mass. Office became Presidential July 1, 1945.

MICHIGAN

Cynthia K. Nelsey, Davisburg, Mich. Office became Presidential July 1, 1945

Virginia Novacek, Union Pier, Mich. In place of J. W. Corrigan, resigned.

MINNESOTA

Clarence E. Scheibe, Cloquet, Minn. In place of C E. Scheibe. Incumbent's commission expired December 23, 1941.

Louis B. Matsch, Hastings, Minn. In place of T. S. Ryan, resigned.

Gerald B. Davis, Magnolia, Minn. Office became Presidential July 1, 1945.

Everett H. Albers, Ottertail, Minn. Office became Presidential July 1, 1945.

Datus M. Arnold, Redby, Minn. Office became Presidential July 1, 1945.

Robert E. Lee, Redlake, Minn. Office became Presidential July 1, 1945.

Walter B. Nelson, Wrenshall, Minn. Office became Presidential July 1, 1945.

MISSISSIPPI

Maud J. Evans, Bond, Miss. Office became Presidential July 1, 1945.

Mary P. Gorman, Bovina, Miss. Office became Presidential July 1, 1945.

Charles E Feigler, Jr., Dublin, Miss. Office became Presidential July 1, 1945.

Ione Wilkerson, Gautier, Miss. Office became Presidential July 1, 1945.

Lettie E Bourne, Grace, Miss. Office became Presidential July 1, 1945.

Mollie L. Phillips, Little Rock, Miss. Office became Presidential July 1, 1945.

Louis R. Lott, Lyman, Miss. Office became Presidential July 1, 1945.

Thomas F. Durrett, Jr., Quincy, Miss. Office became Presidential July 1, 1945.

Haden D. Gaunt, Redwood, Miss. Office became Presidential July 1, 1945.

Rodney E. Chatham, Rose Hill, Miss. Office became Presidential July 1, 1945.

Clifton C. Clark, Ruth, Miss. Office became Presidential July 1, 1945.

Ruby Hinton, Sandersville, Miss. Office became Presidential July 1, 1945.

Ernest A. Douglas, Sontag, Miss. Office became Presidential July 1, 1945.

Lester R. Meeks, Tiplersville, Miss. Office became Presidential July 1, 1945.

Mary R. Rice, Tougaloo, Miss. Office became Presidential July 1, 1945.

Preston B. Robinson, Waterford, Miss. Office Presidential July 1, 1945.

MONTANA

Elias O. Sorvick, Antelope, Mont. Office became Presidential July 1, 1945.

Leanore K. C. Roderick, Outlook, Mont. Office became Presidential July 1, 1945.

NEBRASKA

James Adolf Wensien, Brownville, Nebr. Office became Presidential July 1, 1945.

Carl C. Waterman, Lebanon, Nebr. Office became Presidential July 1, 1945.

Charles D. Spangler, Murray, Nebr. Office became Presidential July 1, 1945.

Edith Belle Sweenie, Nemaha, Nebr. Office became Presidential July 1, 1945.

Frovin Rasmussen, Rockville, Nebr. Office became Presidential July 1, 1945.

NEW HAMPSHIRE

Alvan E. Kallman, Dixville Notch, N. H. Office became Presidential July 1, 1945.

Harold W. Henderson, East Barrington, N. H. Office became Presidential July 1, 1945.

Carroll F. Clark, Francestown, N. H. Office became Presidential July 1, 1945.

Charles M. Belyea, Glencliff, N. H. Office became Presidential July 1, 1945.

Rolland L. Alexander, Harrisville, N. H. Office became Presidential July 1, 1945.

Theodore W. Drew, Intervale, N. H. Office became Presidential July 1, 1945.

Ida K Samson, Jefferson, N. H. Office became Presidential July 1, 1945.

Vernon H. Hall, Pittsburg, N. H. Office became Presidential July 1, 1945.

Hazel D. Brown, Salem, N. H. Office became Presidential July 1, 1945.

Clifford W. Tuttle, Spofford, N. H. Office became Presidential July 1, 1945.

John E. Guard, Westville, N. H. Office became Presidential July 1, 1945.

NEW JERSEY

Laurance G. Wygant, Creamridge, N. J. Office became Presidential July 1, 1945.

William Schmidt, Cologne, N. J. Office became Presidential July 1, 1945.

Clara R. Andersen, Dorothy, N. J. Office became Presidential July 1, 1945.

Lillian E. Nelson, Gillette, N. J. Office became Presidential July 1, 1945.

Mary E. Vanderhoef, Lake Como, N. J. Office became Presidential July 1, 1945.

Edeva M. Crater, Lake Hopatcong, N. J. Office became Presidential July 1, 1945.

Elmer T. Smith, Middlebush, N. J. Office became Presidential July 1, 1945.

Herbert W. Polhemus, Mantoloking, N. J. Office became Presidential July 1, 1945.

Dorothy De Marino, Port Morris, N. J. Office became Presidential July 1, 1945.

Virgil B. Zellars, Port Murray, N. J. Office became Presidential July 1, 1945.

Linda H. Huntley, Port Republic, N. J. Office became Presidential July 1, 1945.

Jules S. Thebaud, Surf City, N. J. Office became Presidential July 1, 1945.

Edward W. Johnson, West Creek, N. J. Office became Presidential July 1, 1945.

NEW YORK

George W. Miller, Colden, N. Y. Office became Presidential July 1, 1944.

NORTH CAROLINA

Annie B. Thompson, Alexis, N. C. Office became Presidential July 1, 1945.

Stella Emerson, Bear Creek, N. C. Office became Presidential July 1, 1945.

Mattie F. Greer, Boomer, N. C. Office became Presidential July 1, 1945.

Rena J. Weisiger, Bridgeton, N. C. Office became Presidential July 1, 1945.

Cleo V. Hood, Bunnlevel, N. C. Office became Presidential July 1, 1945.

Annie M. York, Central Falls, N. C. Office became Presidential July 1, 1945.

Maud H. Pittman, Clarendon, N. C. Office became Presidential July 1, 1945.

Ralph T. Beck, Germanton, N. C. Office became Presidential July 1, 1945.

Annabelle Bailey, Greenmountain, N. C. Office became Presidential July 1, 1945.

Doris L. Whitfield, Hurdle Mills, N. C. Office became Presidential July 1, 1945.

May E. Franklin, Icard, N. C. Office became Presidential July 1, 1945.

Hiram M. Orr, Indian Trail, N. C. Office became Presidential July 1, 1945.

William W. Watson, Lake Landing, N. C. Office became Presidential July 1, 1945.

Alice B. Price, Lake Lure, N. C. Office became Presidential July 1, 1945.

Lillie M. Wilson, Lattimore, N. C. Office became Presidential July 1, 1945.

Pauline E. Doss, Lawsonville, N. C. Office became Presidential July 1, 1945.

Mattie L. Pulliam, Leasburg, N. C. Office became Presidential July 1, 1945.

Ruth B. Hughes, Micaville, N. C. Office became Presidential July 1, 1945.

Leamon Carbert Ward, Nakina, N. C. Office became Presidential July 1, 1945.

Esther A. Davenport, Pantego, N. C. Office became Presidential July 1, 1945.

Madge M. Lutz, Polkville, N. C. Office became Presidential July 1, 1945.

Mattie O. Frye, Reynolda, N. C. Office became Presidential July 1, 1945.

John A. Dodson, Sandy Ridge, N. C. Office became Presidential July 1, 1945.

Caroline E. McAden, Semora, N. C. Office became Presidential July 1, 1945.

Vardry B. Mast, Sugar Grove, N. C. Office became Presidential July 1, 1945.

Eleanor M. Moretz, Todd, N. C. Office became Presidential July 1, 1945.

Willie G. Hollowell, Winfall, N. C. Office became Presidential July 1, 1945.

NORTH DAKOTA

Bridget E. Knudson, Amidon, N. Dak. Office became Presidential July 1, 1945.

Charles E. Fleck, Arnegard, N. Dak. Office became Presidential July 1, 1945.

Leo Rolle, Brinsmade, N. Dak. Office became Presidential July 1, 1945.

Clara J. Graff, Erie, N. Dak. Office became Presidential July 1, 1945.

Sara Gillies, Hensel, N. Dak. Office became Presidential July 1, 1945.

Edwin H. Naumann, Kramer, N. Dak. Office became Presidential July 1, 1945.

Lena R. Storvestre, Landa, N. Dak. Office became Presidential July 1, 1945.

William J. Hanson, Luverne, N. Dak. Office became Presidential July 1, 1945.

Benno G. J. Schimansky, Solen, N. Dak. Office became Presidential July 1, 1945.

Hattie D. Heffernan, Ypsilanti, N. Dak. Office became Presidential July 1, 1945.

OHIO

Charles W. Blake, Arcadia, Ohio. Office became Presidential July 1, 1944.

John Beymer, Belle Valley, Ohio. Office became Presidential July 1, 1945.

Lee A. Andrews, Birmingham, Ohio. Office became Presidential July 1, 1945.

Logan W. Watts, Briggsdale, Ohio. Office became Presidential July 1, 1945.

Lucille E. Gregg, Cable, Ohio. Office became Presidential July 1, 1945.

Oscar B. Morris, Cairo, Ohio. Office became Presidential July 1, 1945.

Ethel Van Derveer, Carlisle, Ohio. Office became Presidential July 1, 1945.

Nannie M. Radcliffe, Carpenter, Ohio. Office became Presidential July 1, 1945.

Angela McGaharan, Cecil, Ohio. Office became Presidential July 1, 1945.

Ruth Benton, East Orwell, Ohio. Office became Presidential July 1, 1945.

Vinnie Zaugg, East Rochester, Ohio. Office became Presidential July 1, 1945.
Frank I. Kepner, Everett, Ohio. Office became Presidential July 1, 1945.
Edith I. Retterer, Harpster, Ohio. Office became Presidential July 1, 1945.
Mabel Hobaugh, Harrisville, Ohio. Office became Presidential July 1, 1945.
Faye E. Kelley, Harveysburg, Ohio. Office became Presidential July 1, 1945.
Emma Grace Miller, New Burlington, Ohio. Office became Presidential July 1, 1945.
Don V. S. Biddinger, Nova, Ohio. Office became Presidential July 1, 1945.
Gertrude Ray, Ray, Ohio. Office became Presidential July 1, 1945.
Rhodabelle Campbell, Springboro, Ohio. Office became Presidential July 1, 1945.
Homer I. Crandall, Thompson, Ohio. Office became Presidential July 1, 1945.
Andrew F. Sautter, Tontogany, Ohio. Office became Presidential July 1, 1945.
Ray H. Davis, Unionport, Ohio. Office became Presidential July 1, 1945.
Fla Victoria Dipert, Vanlue, Ohio. Office became Presidential July 1, 1945.
Mary L. Bluhm, Vickery, Ohio. Office became Presidential July 1, 1945.
Russel D. Stewart, Wren, Ohio. Office became Presidential July 1, 1944.

OKLAHOMA

Norma Mitchell, Arkoma, Okla. Office became Presidential July 1, 1945.
Grady B. Watson, Bessie, Okla. Office became Presidential July 1, 1945.
Bently A. Cox, Bowlegs, Okla. Office became Presidential July 1, 1945.
Hugh H. Swadley, Council Hill, Okla. Office became Presidential July 1, 1945.
Mattie Graham, Eagletown, Okla. Office became Presidential July 1, 1945.
Chester C. Cunningham, Fox, Okla. Office became Presidential July 1, 1945.
Rose Reeder, Hardesty, Okla. Office became Presidential July 1, 1945.
Arthur Duck, Keystone, Okla. Office became Presidential July 1, 1945.
Claire S. Elliott, Lenapah, Okla. Office became Presidential July 1, 1945.
Tommie L. Payne, Lone Grove Okla. Office became Presidential July 1, 1945.
Viola E. Mitchell, Longdale, Okla. Office became Presidential July 1, 1945.
Harry B. Becker, Meno, Okla. Office became Presidential July 1, 1945.
James M. Hardesty, Strang, Okla. Office became Presidential July 1, 1945.
Montye K. Richardson, Union, Okla. Office became Presidential July 1, 1945.

OREGON

Veston H. Casey, Beatty, Oreg. Office became Presidential July 1, 1945.
Daniel E. O'Connor, Paisley, Oreg. Office became Presidential July 1, 1945.

PENNSYLVANIA

Wade S. Hoke, Acme, Pa. Office became Presidential July 1, 1945.
Chester O. Weaver, Amity, Pa. Office became Presidential July 1, 1945.
Henry O. Heisey, Avon, Pa. Office became Presidential July 1, 1945.
Dyson F. Kennedy, Bendersville, Pa. Office became Presidential July 1, 1945.
Essie B. Spangler, Blanchard, Pa. Office became Presidential July 1, 1945.
Henry R. Shaddinger, Blooming Glen, Pa. Office became Presidential July 1, 1945.
Celeste Ganassi Uram, Blythedale, Pa. Office became Presidential July 1, 1945.
James R. Kern, Bowmansville, Pa. Office became Presidential July 1, 1945.
Florence Ferrere, Boyers, Pa. Office became Presidential July 1, 1942.
Catherine Radanovich, Bressler, Pa. Office became Presidential July 1, 1945.
Agatha Mullany, Brockport, Pa. Office became Presidential July 1, 1945.
Martin L. Serfass, Brodheadsville, Pa. Office became Presidential July 1, 1945.
Ida P. Sandine, Buena Vista, Pa. Office became Presidential July 1, 1945.
Le Roy K. Lennon, Churchville, Pa. Office became Presidential July 1, 1945.
Katharine H. Vail, Chester Springs, Pa. Office became Presidential July 1, 1945.
Harry W. McArthur, Conneaut Lake Park, Pa. Office became Presidential July 1, 1945.
Jason W. Shaffer, Creekside, Pa. Office became Presidential July 1, 1944.
Jennie Eagono, Dresher, Pa. Office became Presidential July 1, 1945.
Georgia T. Jordan, Driftwood, Pa. Office became Presidential July 1, 1944.
Mary Jane Fay, East Smethport, Pa. Office became Presidential July 1, 1945.
George E. Straub, Espy, Pa. Office became Presidential July 1, 1945.
Anna M. Young, Fairview Village, Pa. Office became Presidential July 1, 1945.
Bessie M. Durland, Falls, Pa. Office became Presidential July 1, 1945.
Irene J. Brahosky, Forbes Road, Pa. Office became Presidential July 1, 1945.
Jacob E. Haidle, Greenock, Pa. Office became Presidential July 1, 1945.
Delilah Tormey, Harrison Valley, Pa. Office became Presidential July 1, 1945.
Benjamin E. Hummel, Hummels Wharf, Pa. Office became Presidential July 1, 1945.
J. Clifford Hillman, Lemont, Pa. Office became Presidential July 1, 1945.
Paul T. Kline, Limerick, Pa. Office became Presidential July 1, 1945.
Tennie S. Walter, Loyalhanna, Pa. Office became Presidential July 1, 1945.
William E. Shelley, Mammoth, Pa. Office became Presidential July 1, 1945.
Edward R. Eisenhauer, Mifflinville, Pa. Office became Presidential July 1, 1945.
John K. Zullinger, Orrstown, Pa. Office became Presidential July 1, 1945.
Henry G. Stauffer, Palm, Pa. Office became Presidential July 1, 1945.
Archie F. Stewart, Penn Run, Pa. Office became Presidential July 1, 1945.
William Paxson Bishop, Plumsteadville, Pa. Office became Presidential July 1, 1945.
Palmer C. Bierly, Rebersburg, Pa. Office became Presidential July 1, 1945.
Kathryn B. Borges, Royalton, Pa. Office became Presidential July 1, 1945.
Mary K. Minich, Salunga, Pa. Office became Presidential July 1, 1945.
Earle F. Hausmann, Sanatoga, Pa. Office became Presidential July 1, 1945.
Minnie M. Ritter, Shamokin Dam, Pa. Office became Presidential July 1, 1945.
Agnes Marie Songer, Sigel, Pa. Office became Presidential July 1, 1945.
Herman Gerstlauer, Silverdale, Pa. Office became Presidential July 1, 1945.
J. Harold Stoneback, Springtown, Pa. Office became Presidential July 1, 1945.
Thomas R. McGuire, Swiftwater, Pa. Office became Presidential July 1, 1945.
William E. Kresge, Tannersville, Pa. Office became Presidential July 1, 1945.
Hazel C. Haylett, Utica, Pa. Office became Presidential July 1, 1945.
Chester Erwin Mayer, Warrington, Pa. Office became Presidential July 1, 1945.
Don F. Reed, West Leisenring, Pa. Office became Presidential July 1, 1945.
J. Franklin Beach, Woodbury, Pa. Office became Presidential July 1, 1945.

PUERTO RICO

Emilio Hernandez, Aguada, P. R. Office became Presidential July 1, 1945.
Feliciana G. Gonzalez, Aguas Buenas, P. R. Office became Presidential July 1, 1945.
Carmen Andreu de Torrens, Dorado, P. R. Office became Presidential July 1, 1945.
Pedro Alvarez, Guaynabo, P. R. Office became Presidential July 1, 1945.
Esther Lacomba, Hatillo, P. R. Office became Presidential July 1, 1945.
Angelina Frias, Las Piedras, P. R. Office became Presidential July 1, 1945.
Carlota M. V. de Quinones, Luquillo, P. R. Office became Presidential July 1, 1945.
Laura B. Lopez, Maricao, P. R. Office became Presidential July 1, 1945.
Antonio B. Rivera, Moca, P. R. Office became Presidential July 1, 1945.
Angelita Mendez de Rivera, Rincon, P. R. Office became Presidential July 1, 1945.
Georgina S. Herrans, Toa Baja, P. R. Office became Presidential July 1, 1945.
Gloria Torano, Trujillo Alto, P. R. Office became Presidential July 1, 1945.
Dolores Santiago, Villalba, P. R. Office became Presidential July 1, 1945.

RHODE ISLAND

Laura Pellett, Alton, R. I. Office became Presidential July 1, 1945.
Phebe P. Bentley, Coventry, R. I. Office became Presidential July 1, 1945.

SOUTH CAROLINA

Lillian N. Werts, Chappels, S. C. Office came Presidential July 1, 1945.
Irene K. Youngblood, Elko, S. C. Office became Presidential July 1, 1945.
Mary K. Utsey, Harleyville, S. C. Office became Presidential July 1, 1945.
Lucile C. Claytor, Hopkins, S. C. Office became Presidential July 1, 1945.
Eddie R. Bishop, Lodge, S. C. Office became Presidential July 1, 1945.
Sarah R. Trotter, Lykesland, S. C. Office became Presidential July 1, 1945.
Alexander H. Stevens, Monetta, S. C. Office became Presidential July 1, 1945.
Johnnie M. Baker, Oswego, S. C. Office became Presidential July 1, 1945.
Ollie B. Nichols, Silverstreet, S. C. Office became Presidential July 1, 1945.
Hallie C. Jaudon, Tillman, S. C. Office became Presidential July 1, 1945.
Margaret Lyon, Troy, S. C. Office became Presidential July 1, 1945.
Rosalie H. Ray, West Union, S. C. Office became Presidential July 1, 1945.
Blanche Sloman, Whitehall, S. C. Office became Presidential July 1, 1945.

SOUTH DAKOTA

Catherine Kazmerzak, Erwin, S. Dak. Office became Presidential July 1, 1945.
Theresia M. Benson, Hartford, S. Dak., in place of R. E. Dana, deceased.
Martha L. Williams, Oelrichs, S. Dak. Office became Presidential July 1, 1945.
Dagmer Eastman, Trent, S. Dak. Office became Presidential July 1, 1945.
Edd A. Sinkler, Wood, S. Dak. Office became Presidential July 1, 1945.
John W. Woods, Worthing, S. Dak. Office became Presidential July 1, 1945.

TENNESSEE

Hobert H. Warren, Appleton, Tenn. Office became Presidential July 1, 1945.
Mary B. Roundtree, Beech Bluff, Tenn. Office became Presidential July 1, 1945.
Mary F. Ray, Buchanan, Tenn. Office became Presidential July 1, 1945.
Aubrey L. Moore, Bumpus Mills, Tenn. Office became Presidential July 1, 1945.
Thomas N. Ladd, Carters Creek, Tenn. Office became Presidential July 1, 1945.
Edwin L. Smith, Cumberland Furnace, Tenn. Office became Presidential July 1, 1945.
Charles M. Storey, Dellrose, Tenn. Office became Presidential July 1, 1945.
Emma Corbitt, Denver, Tenn. Office became Presidential July 1, 1945.
Mary Zula Greene, Duff, Tenn. Office became Presidential July 1, 1945.
Audrey D. Denton, Evensville, Tenn. Office became Presidential July 1, 1945.
Tella O. Mangrum, Fairview, Tenn. Office became Presidential July 1, 1945.
Elizabeth Givens, Medon, Tenn. Office became Presidential July 1, 1945.
Katie M. Steele, Model, Tenn. Office became Presidential July 1, 1945.
Fred H. Osgatharp, Moss, Tenn. Office became Presidential July 1, 1945.

Allie E. Fambrough, Neptune, Tenn. Office became Presidential July 1, 1945.

Marchella F. Rhymer, Newcomb, Tenn. Office became Presidential July 1, 1945.

Eunice S. York, Nolensville, Tenn. Office became Presidential July 1, 1945.

J. Green Hawks, Ralstons Station, Tenn. Office became Presidential July 1, 1945.

George P. Tucker, Sylvia, Tenn. Office became Presidential July 1, 1945.

Annie M. Edgemon, Ten Mile, Tenn. Office became Presidential July 1, 1945.

Cecilia S. England, Whites Creek, Tenn. Office became Presidential July 1, 1945.

Byron D. Norfleet, Woodlawn, Tenn. Office became Presidential July 1, 1945.

TEXAS

Elma Martin, Apple Springs, Tex. Office became Presidential July 1, 1945.

Ruth Hale Clary, Atascosa, Tex. Office became Presidential July 1, 1945.

Mary B. Bloodworth, Axtell, Tex. Office became Presidential July 1, 1945.

Mary F Bluhm, Austwell, Tex. Office became Presidential July 1, 1945.

Lucy F Cowart, Banquete, Tex. Office became Presidential July 1, 1945.

Claude O Williams, Barry, Tex. Office became Presidential July 1, 1945.

Mima Fessler, Bigwells, Tex. Office became Presidential July 1, 1945.

Jennie H Whittney, Brookston, Tex. Office became Presidential July 1, 1945.

Leona D. Allen, Campbellton, Tex. Office became Presidential July 1, 1945.

Lizzie Potts, Choice, Tex. Office became Presidential July 1, 1945.

Anna M. Dunn, Clute, Tex. Office became Presidential July 1, 1944.

Thomas O Walton, College Station, Tex., in place of A. V Smith, deceased.

Rufus H Chapman, Crowley, Tex. Office became Presidential July 1, 1945.

Sidney L. Hooper, Donna, Tex., in place of A. F. Hester, resigned

Mary L Spaw, Dripping Springs, Tex. Office became Presidential July 1, 1945.

Ethel Barker, Duncanville, Tex. Office became Presidential July 1, 1945.

Ella L. Martin, Eola, Tex. Office became Presidential July 1, 1945

Dena Butts, Farmers Branch, Tex. Office became Presidential July 1, 1945.

Jessie M. Sims, Fluvanna, Tex. Office became Presidential July 1 1945.

Elvira E. Bush, Fort Hancock, Tex. Office became Presidential July 1, 1945.

Ivah Smith, Glenflora, Tex. Office became Presidential July 1, 1945.

Lora H. Hudgins, Hungerford, Tex. Office became Presidential July 1, 1945.

Thomas C Stell, Irene, Tex. Office became Presidential July 1, 1945.

Douglas A Bigony, Klondike, Tex. Office became Presidential July 1, 1945.

Jessie Robinson, London, Tex. Office became Presidential July 1, 1945.

Mary B. Rowley, Loving, Tex. Office became Presidential July 1, 1945.

Arthur I. Tolleson, McLeod, Tex. Office became Presidential July 1, 1945.

LaVerne G Files, Monroe City, Tex. Office became Presidential July 1, 1945.

Edith S Cocek, Penelope, Tex. Office became Presidential July 1, 1945.

Lora Mae Brashear, Petersburg, Tex., in place of A. J Terry, resigned.

Arthur E. Robison, Prosper, Tex. Office became Presidential July 1, 1945.

Lela R. Maxwell, Quail, Tex. Office became Presidential July 1, 1945.

Ina C. McClellan, Riovista, Tex. Office became Presidential July 1, 1945.

John L. Guinn, Sagerton, Tex. Office became Presidential July 1, 1945.

A. Delta Sanders, Scurry, Tex. Office became Presidential July 1, 1945.

Ethel Miller, Stowell, Tex. Office became Presidential July 1, 1945.

Plevna C. Garren, Turnersville, Tex. Office became Presidential July 1, 1945.

Ella Hutchinson, View, Tex. Office became Presidential July 1, 1945.

Helen I. Burks, Webster, Tex. Office became Presidential July 1, 1945.

Lula G. Thornton, Westpoint, Tex. Office became Presidential July 1, 1945.

Rena Dobie, Wimberley, Tex. Office became Presidential July 1, 1945.

Andrew B Cody, Winfield, Tex. Office became Presidential July 1, 1945.

John F Leigh, Yantis, Tex. Office became Presidential July 1, 1945.

UTAH

Ivor Clove, Enterprise, Utah. Office became Presidential July 1, 1945.

VERMONT

Harold D. Somers, East Ryegate, Vt. Office became Presidential July 1, 1945.

Calla F Mace, Ferrisburg, Vt. Office became Presidential July 1, 1945

Nettie Healey Pike, Irasburg, Vt. Office became Presidential July 1, 1945.

Harlan P Boynton, Jamaica, Vt. Office became Presidential July 1, 1945.

Laurence K. Tibbetts, Newfane, Vt. Office became Presidential July 1, 1945.

Blanche A. Thompson, North Pownal, Vt. Office became Presidential July 1, 1945.

George I. Varney, South Strafford, Vt. Office became Presidential July 1, 1945.

VIRGINIA

Edith S. Willingham, Andover, Va. Office became Presidential July 1, 1945.

Lewis E. Robinette, Blackwater, Va. Office became Presidential July 1, 1945.

Ray L. Barlow, Buckner, Va. Office became Presidential July 1, 1945.

William H. Covington, Burgess Store, Va. Office became Presidential July 1, 1945.

Garnett N Edwards, Callands, Va. Office became Presidential July 1, 1945.

Teo T. Cogbill, Chesterfield, Va. Office became Presidential July 1, 1945.

Beulah G Nolan, Chula, Va. Office became Presidential July 1, 1945.

Josie R. Williams, Cullen, Va. Office became Presidential July 1, 1945.

Margaret C. Horton, Derby, Va. Office became Presidential July 1, 1945.

Etta Mitchell, Fancy Gap, Va. Office became Presidential July 1, 1945.

Alma R. Ricketts, Flint Hill, Va. Office became Presidential July 1, 1945.

Abram M. Goode, Henry, Va. Office became Presidential July 1, 1945.

Maurice J. Mongle, Holston, Va. Office became Presidential July 1, 1945.

Nora F. Johnson, Hurley, Va. Office became Presidential July 1, 1945.

Henry L. McGlothlin, Jewell Valley, Va. Office became Presidential July 1, 1945.

Bernice Vines, Kents Store, Va. Office became Presidential July 1, 1945.

Edna Y Smith, McClure, Va. Office Presidential July 1, 1945.

Marion V. LeMay, Mechanicsville, Va. Office became Presidential July 1, 1945.

John W. Roberts, Meredithville, Va. Office became Presidential July 1, 1945.

R. Clarke Lloyd, Millwood, Va. Office became Presidential July 1, 1945.

Lois N. Blankenship, Moseley, Va. Office became Presidential July 1, 1945.

George Ralph Smith, Penn Laird, Va. Office became Presidential July 1, 1945.

William P. Furniss, Saxis, Va. Office became Presidential July 1, 1945.

Thomas R. Apperson, Selma, Va. Office became Presidential July 1, 1945.

Alice M. Merriman, Spencer, Va. Office became Presidential July 1, 1945.

Agnes P. Gordon, Union Level, Va. Office became Presidential July 1, 1945.

Alva H. Matney, Vansant, Va. Office became Presidential July 1, 1945.

Walter Anglin, Woolwine, Va. Office became Presidential July 1, 1945.

WASHINGTON

Claude E. Googe, Algona, Wash. Office became Presidential July 1, 1945.

Antoinette T. Harris, Clayton, Wash. Office became Presidential July 1, 1945.

Erwin O. Knobel, Latah, Wash. Office became Presidential July 1, 1945.

Dorothy B. Hreha, Wilkeson, Wash. Office became Presidential July 1, 1945.

WEST VIRGINIA

Aaron E. Altizer, Accoville, W. Va. Office became Presidential July 1, 1945.

Ezra R. Patterson, Besoco, W. Va. Office became Presidential July 1, 1945.

Dorothy M. Ferguson, Braeholm, W. Va. Office became Presidential July 1, 1945.

Mearl C. Freeland, Burton, W. Va. Office became Presidential July 1, 1945.

Claudia F. Halstead, Colcord, W Va. Office became Presidential July 1, 1945.

Strauss B. Herold, Craigsville, W. Va. Office became Presidential July 1, 1945.

Ruth Corns, Davin, W. Va. Office became Presidential July 1, 1945.

Maude Price, Dott, W. Va. Office became Presdential July 1, 1945.

Fannie C. Fleener, Eunice, W. Va. Office became Presidential July 1, 1945.

A Wirt Berry, Flat Woods, W. Va. Office became Presidential July 1, 1945.

Lula Griffin, Friendly, W. Va. Office became Presidential July 1, 1945.

Harry Lowe, Gallagher, W. Va. Office became Presidential July 1, 1945.

John Sevcik, Jr., Galloway, W. Va. Office became Presidential July 1, 1945.

Flossie M. Powell, Glen Morgan, W. Va. Office became Presidential July 1, 1945.

Albert H. Taylor, Hugheston, W. Va. Office became Presidential July 1, 1945.

Lula Tharpe, La Frank, W. Va. Office became Presidential July 1, 1945.

William W. McFann, Lesage, W. Va. Office became Presidential July 1, 1945.

J. Finley Cottrell, Mahan, W. Va. Office became Presidential July 1, 1945.

Lorena D. Lewis, Malden, W. Va. Office became Presidential July 1, 1945.

Ruth B. Daugherty, Mineralwells, W. Va. Office became Presidential July 1, 1945.

Claud M. Mick, Orlando, W. Va. Office became Presidential July 1, 1945.

Forest N. Walkup, Pax, W. Va. Office became Presidential July 1, 1945.

Noretta M. Lucado, Pemberton, W. Va. Office became Presidential July 1, 1945.

Mabel Galeota, Pursglove, W. Va. Office became Presidential July 1, 1945.

Kenna J. Parsons, Putney, W. Va. Office became Presidential July 1, 1945.

Holly R. Young, Quincy, W. Va. Office became Presidential July 1, 1945.

Pearl B. Savage, Rosemont, W. Va. Office became Presidential July 1, 1945.

Alice Nemith, Short Creek, W. Va. Office became Presidential July 1, 1945.

George Lee, Slagle, W. Va. Office became Presidential July 1, 1945.

George E. Harvey, Sprague, W. Va. Office became Presidential July 1, 1945.

Catharine Hill Glass, Talcott, W. Va. Office became Presidential July 1, 1945.

Ansel C. Lambert, Volga, W. Va. Office became Presidential July 1, 1945.

Hazen S. De Vaughn, Walker, W. Va. Office became Presidential July 1, 1945.

Ruby M. Lehew, Waverly, W. Va. Office became Presidential July 1, 1945.

Harry M. Wright, Wiley Ford, W. Va. Office became Presidential July 1, 1945.

Jean Dalton, Worth, W. Va. Office became Presidential July 1, 1945.

WISCONSIN

Sam Johnson, Chaseburg, Wis. Office became Presidential July 1, 1945.

Dorothy B. Mills, Jim Falls, Wis. Office became Presidential July 1, 1944.

Robert G. Winkler, Rochester, Wis. Office became Presidential July 1, 1945.

Emil R. Kolash, Yuba, Wis. Office became Presidential July 1, 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 17 (legislative day of July 9), 1945:

SECRETARY OF THE TREASURY

Fred M. Vinson to be Secretary of the Treasury.

FOREIGN SERVICE

TO BE A CONSUL GENERAL OF THE UNITED STATES OF AMERICA

Leo D. Sturgeon

TO BE CONSULS OF THE UNITED STATES OF AMERICA

Theodore J. Hadraba
Francis C. Jordan

TO BE FOREIGN SERVICE OFFICERS OF CLASS 1, SECRETARIES IN THE DIPLOMATIC SERVICE, AND CONSULS GENERAL OF THE UNITED STATES OF AMERICA

Ellis O. Briggs
Loy W. Henderson

THE JUDICIARY

UNITED STATES DISTRICT JUDGES

Arthur A. Koscinski to be United States district judge for the eastern district of Michigan.

Dennis F. Donovan to be United States district judge for the district of Minnesota.

HOUSE OF REPRESENTATIVES

TUESDAY, JULY 17, 1945

Rev. Bernard Braskamp, D. D., pastor of the Hunton Temple Memorial Presbyterian Church, offered the following prayer:

O Thou eternal God, we are again coming unto Thee in the old and familiar way of prayer which is never closed to those who bring the sacrifices of a humble spirit and a contrite heart.

We pray that we may be blessed with clear vision and undaunted courage as we seek to discharge the duties and responsibilities of this day. May we walk before Thee and our fellow men in the beauty and strength of minds illumined by Thy wisdom and hearts warmed by Thy love.

Grant that all our thoughts and deeds may be motivated by a sincere purpose to hallow Thy name and to build Thy kingdom of good will and brotherhood. Teach and train us in the ways of goodness and obedience. May moral dignity and spiritual liberty be our glorious possession.

In Christ's name we offer our petitions. Amen.

The Journal of the proceedings of Friday, July 13, 1945, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on Saturday, July 14, 1945, the President approved and signed a bill of the House of the following title:

H. R. 3291. An act to provide for an adjustment of salaries of the Metropolitan Police, the United States Park Police, the White House Police, and the members of the Fire Department of the District of Columbia, to conform with the increased cost of living in the District of Columbia.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; and

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 3477. An act for the improvement of Savannah Harbor, Ga.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 98) entitled "Joint resolution relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1918, as amended."

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House of the following title:

H. R. 3368. An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on July 13, 1945, he did on July 14, 1945, sign the enrolled bill of the House (H. R. 3368) making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

AUTHORIZING COMMITTEE ON FOREIGN AFFAIRS TO CONDUCT STUDIES AND INVESTIGATIONS

The SPEAKER. The Chair recognizes the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I call up House Resolution 315 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on Foreign Affairs, acting as a whole or by subcommittee, is authorized and directed to conduct thorough studies and investigations of all matters coming within the jurisdiction of such committee.

The Committee on Foreign Affairs shall report to the House during the present Congress the results of its studies and investigations, together with such recommendations, for legislation as it deems desirable.

For the purposes of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places whether or not the House is in session, has recessed, or has adjourned, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, and to take testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee and shall be served by any person designated by such chairman. The chairman of the committee or any member thereof may administer oaths to witnesses.

Mr. SABATH. Mr. Speaker, later I shall yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this resolution gives the Committee on Foreign Affairs jurisdiction to make investigations relative to many important matters here and abroad.

I fully appreciate that the gentleman from Missouri, as well as myself and others, have felt and often expressed ourselves against the authorization and appointment of so many investigating committees. However, I am of the opinion as was the Committee on Rules that it will be beneficial to the membership of the House if the members of the Committee on Foreign Affairs familiarize themselves with the new and changed conditions that confront our country. During the last war I had some experience with readjustment conditions and I have observed some conditions during this war which will require our deep and serious consideration. I am fearful that many millions of dollars that we have advanced to other countries for improved machinery tools, equipment and supplies if retained by some of these foreign countries may be used to the disadvantage of American manufacturers and the labor of our country. I feel that our latest and most improved machinery should not be turned over to them to compete with our production on many products that we have been manufacturing in the United States and exporting to other countries, which provided employment for our workmen and increased our export business. I believe that the Committee on Foreign Affairs which has jurisdiction of this legislation and on whose findings and recommendations millions of dollars have been advanced and expended for various countries should make a thorough investigation and furnish the House with information and reports that will enable it to consider necessary future legislation that will protect our country's interests.

Mr. Speaker, before the defeat of Germany I refrained from saying anything relative to Great Britain, but the European war is over now and up to yesterday it appears that Great Britain was not aware that we are at war with Japan. I recall that during the last war Great Britain sent delegations headed by Mr. Balfour and others to visit our country urging that we extend help and aid because they were then fighting with their backs to the wall. Shortly thereafter large advances and loans were made to Great Britain with an agreement or understanding that they would aid the other Allied countries. However, they failed and even refused to assist the smaller countries to obtain war material, mer-

chandise, and needed supplies from the United States, but required them to purchase these goods and materials from Great Britain at a handsome profit to that country. When my attention was called to this unfair action on the part of Great Britain, I was successful in bringing about a change in the arrangements that enabled our Government to make loans and advances and to sell direct to the small Allied countries.

Mr. Speaker, I have been informed and, in fact, have evidence some months ago that Great Britain was obtaining under lend-lease a great deal of machinery, tools, material, et cetera, far in excess of its requirements for the prosecution of the war and stockpiling their own raw materials for the purpose, when the war ends, to begin immediate manufacture and, roughly speaking, to beat us to the punch before we are in position to manufacture. They plan to sell to Mexico and other South American countries where they have established many sales agencies and have conducted extensive advertising campaigns. Consequently, I feel that we should not permit that country or any other country to use our improved machinery loaned or leased to them for the production of war materials which would work to our disadvantage if retained by them to operate for civilian production.

Mr. Speaker, the Committee on Foreign Affairs should investigate the various agreements and trade agreements that Great Britain has made with other countries and particularly any negotiations with Farben and other German companies. In this morning's Washington Post I observed an article by Drew Pearson which showed how Mr. Ford's company aided German manufacturers. I will not undertake to include the complete article but excerpts therefrom which should prove American assistance and the use of American machinery and raw materials. The excerpts are as follows:

Senators probing the question of the extent to which American business helped Hitler have unearthed a very interesting document written by Dr. H. F. Albert, chairman of the Ford auto works in Germany before the war, in which he urges upon the Nazi government the importance of cooperation with American business.

This whole question of whether American business will continue to cooperate with Germany after this war, as after the last, is sure to lurk in the background of President Truman's Berlin talks. There is a definite school of thought in both Britain and the United States which advises building up Germany again as a buffer against Russia. Unfortunately the presence of representatives of Standard Oil, the Mellon interests, J. P. Morgan, and other powerful business corporations now in American uniform in Germany does not allay these Russian suspicions.

HOW FORD HELPED NAZIS

Dr. Albert told how the Ford plant at Cologne had been turned more and more into a Germany company, even though the majority of stock was still held in the United States. In detailing the benefits Ford had given to the Nazis, he said:

"In connection with this, all needed foreign raw materials were obtained through the American company (rubber, nonferrous metals) to cover the production needs of the German plant and above that, in part, for the whole industry. (This would imply that the whole German auto industry was partly supplied through Ford channels before Pearl Harbor.)

"Already during the peace the American influence had been more or less converted into a supporting position for the German plant," Dr. Albert continued.

The Ford Co. was not the only American concern that had arrangements with the Farben Works and other German industries. The Standard Oil, the duPont, Mellon, Morgan, and other interests had a working arrangement with German companies and I feel the Committee on Foreign Affairs may be able to ascertain the manipulations and activities of some of the American companies with the foreign cartels To that end, I insert the names of the members serving on the Committee on Foreign Affairs, as follows:

COMMITTEE ON FOREIGN AFFAIRS

SOL BLOOM, of New York.
LUTHER A. JOHNSON, of Texas.
JOHN KEE, of West Virginia.
JAMES P. RICHARDS, of South Carolina.
JOSEPH L. PFEIFER, of New York.
PETE JARMAN of Alabama.
W. O. BURGIN, of North Carolina.
WIRT COURTNEY, of Tennessee.
THOMAS S. GORDON, of Illinois.
JOHN S. WOOD, of Georgia.
EMILY TAFT DOUGLAS, of Illinois.
JAMES W. TRIMBLE, of Arkansas.
HELEN GAHAGAN DOUGLAS, of California.
JOSEPH F. RYTER, of Connecticut.
DANIEL J. FLOOD, of Pennsylvania.
CHARLES A. EATON, of New Jersey.
EDITH NOURSE ROGERS, of Massachusetts.
ROBERT B. CHIPERFIELD, of Illinois.
JOHN M. VORYS, of Ohio.
KARL E. MUNDT, of South Dakota.
BARTEL J. JONKMAN, of Michigan.
FRANCES P. BOLTON, of Ohio.
JAMES W. WADSWORTH, of New York.
CHARLES L. GERLACH, of Pennsylvania.
LAWRENCE H. SMITH, of Wisconsin.
CHESTER E. MERROW, of New Hampshire.

They are outstanding Members of this House and they should have our confidence. They have ability and many of them possess experience in penetrating situations and to obtain information that will be beneficial in formulating legislation that will protect our country's interests.

Mr. Speaker, I reserve the balance of my time and now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I have no requests for time on this side. Every one to whom I have talked feels that the Foreign Affairs Committee, in which committee we have the greatest confidence, should make this investigation in regard to foreign matters.

Mr. REES of Kansas. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Kansas.

Mr. REES of Kansas. What is the amount of expense involved?

Mr. ALLEN of Illinois. That has not been determined yet. That will come before the Accounts Committee. The members of the Foreign Affairs Committee must go down there and justify the amount which is granted by the Accounts Committee.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from New York.

Mr. REED of New York. Has the gentleman any amount in mind that they expect to request?

Mr. ALLEN of Illinois. I am not a member of the Foreign Affairs Committee but I understand the members of that committee will appear this afternoon before the Accounts Committee and ask for $50,000. My understanding is that the committee intends to go to seven or eight foreign countries, Russia, Iran, and many other countries. They will come in with an itemized statement of what they expect it will cost them.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Mississippi.

Mr. RANKIN. Does the gentleman mean we are going to send this Foreign Affairs Committee on a globe-trotting expedition? Does not the gentleman think it would be better to stay here and get this information? Can they not get all the information they want in the United States? Does not the gentleman think it is about time that we run our Government from Washington? Frankly, that is the way I feel about it.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. May I reply to the question asked by the gentleman from Mississippi with reference to sending the Foreign Affairs Committee on an expedition of the world. This is not contemplated. The Committee on Foreign Affairs has originated legislation such as lend-lease, UNRRA, and other matters of major importance connected with the war and in view of the fact that other Members of Congress have gone abroad and have made some investigation we think it is proper and wise for the Committee on Foreign Affairs to have some of its members acquaint themselves with facts upon a first-hand investigation. The Committee on Foreign Affairs does not expect to visit all the countries in the world by any means, but we do anticipate one or more of its subcommittees visiting such countries where problems arising now and in the postwar period will make it necessary for the Foreign Affairs Committee to have information so that it may deal intelligently with those subjects as they arise and are considered by our committee.

Mr. RANKIN. I may say to the gentleman from Texas that I am a great deal more interested in "INRRA" than I am in UNRRA, I am more interested in taking care of our people at home and our returning servicemen than I am in providing funds for somebody to waste in foreign countries. I think it is about time that we concentrate on the American people. I remember one time a member of that committee went to Europe and took a joy ride with Mussolini and came back here and made a speech praising him.

I seriously doubt the wisdom of the Committtee on Foreign Affairs going to foreign countries. We have our President over there now. We have our Secretary of State over there now. We have ambassadors, we have ministers, and

we have commercial attachés all over the world. It seems to me that we can gather all the information we want here in the United States to conduct the Government of the United States.

Mr. LUTHER A. JOHNSON. I would like to make this observation in reply to my distinguished colleague from Mississippi that not the entire committee by any means is going. A subcommittee composed of five members will go to certain countries. May I say to the gentleman that as far as concerns UNRRA affairs at home I am as much interested as the gentleman. He has no monopoly on that subject.

Mr. RANKIN. Let me say to my distinguished friend from Texas that he is one of the last men in this House whose integrity or whose motives I would question.

Mr. LUTHER A. JOHNSON. I thank the gentleman.

Mr. RANKIN. I am questioning the wisdom of passing a resolution of this kind at this time.

Mr. LUTHER A. JOHNSON. The gentleman is a fair-minded man. If other Members of Congress go and make these trips, does he not think that the committee that is going to originate and consider the legislation should make them so that they will have the information first hand?

Mr. RANKIN. Yes; there have been Members going all over the world bringing back the most superabundance of uninformation—I will not say "misinformation"—but a superabundance of uninformation or lack of information of any people I have ever seen go abroad.

Mr. LUTHER A. JOHNSON. They will simply find out what the facts are.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve the balance of my time.

Mr. SABATH. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Speaker, I am not opposing the adoption of this resolution. I am not opposing it because of a disinclination to offend people for whom I entertain a very deep affection. I must say, however, that I believe the proposal is fraught with great danger. Dividing this committee up into subcommittees and sending them on an exploratory or investigating trip around the world cannot in my opinion be productive of any good results. I would not entertain the fears that I have as to any ill effects that might result from such visits made by any other committee of this House, and I do not mean by that that I have less confidence in the personnel of this committee than in other committees, but having them represent this country as diplomatic representatives, in a sense, is in my judgment as unwise thing to do. I do not believe that this resolution would be here except for injured vanity, except for the feeling on the part of this great committee that it loses something of its importance and of its standing unless it, too, do some visiting abroad. It has not as yet been disclosed to me as to what this committee could investigate with the slightest hope of better equipping them to deal with the problems that normally come to the committee. I do not want to characterize all these visits as junketing trips taken at the expense of the people, but in the main they are largely pleasure trips, nothing more and nothing less. I have great confidence in the wisdom of the chairman of this committee. I have confidence in the wisdom of many other members of the committee. But to say that this committee shall be divided into groups of five and sent around the world on an inquisitorial sort of mission strikes me as being an extreme proposal. What are they going to investigate? Where are they going? What are the groups into which the committee is to divide itself? Are they to be steered by this wise and good man that heads the committee as its chairman, or are they to be left to go wherever interest directs?

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Mississippi.

The SPEAKER. The time of the gentleman from Georgia has expired.

Mr. COX. Will the gentleman yield me 5 minutes more? I am asking for 5 minutes.

Mr. SABATH. I yield the gentleman 5 minutes.

Mr. RANKIN. If time is that scarce, maybe we had better have the membership here. I want to tell you this is a very serious proposition. The gentleman from Georgia has a right to discuss it.

This is what I want to say to the gentleman from Georgia. In the first place, I would take the same position with reference to any other committee of this House. I happen to be head of one investigating committee, and also I have been the acting chairman of another. Instead of taking the whole committee and running out to see about things, we are trying to send investigators or individual members of the committee where investigations are deemed necessary. But I want to say this to the gentleman from Georgia, that in my opinion if this committee will just go to New York or any other place, or here in Washington, and open the doors to our servicemen who are coming home from overseas, and question them, they can get more information than they can from the multitudes in foreign countries whose reasonings they may be unable to comprehend and whose languages they cannot understand.

Mr. COX. It is perfectly evident that I am compromising with myself. I am not meeting my responsibility as my judgment dictates.

Mr. RANKIN. Let us hear your judgment.

Mr. COX. But I did have to do myself the service of at least expressing great fears.

Mr. ROBERTSON of Virginia. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Virginia.

Mr. ROBERTSON of Virginia. The gentleman will recall that the late Speaker Byrns was one of the ablest as well as one of the most beloved men who ever served here. When he was Speaker, based on his experience as chairman of the Committee on Appropriations, he told me that one thing this House should stop was the practice of writing into each appropriation bill one little line that authorized field investigations, under which any committee having to do with any departmental work could call on that department to finance their trips abroad or all over this country or wherever they wanted to go.

We know under the provisions of that authorization, which is in all of our current appropriation bills, we have just sent a subcommittee of the Committee on Appropriations to Europe, which subcommittee says it is going into all of the European countries to investigate for the State Department the conditions with reference to the embassies to see which have been bombed and which have not, and what repairs are needed, et cetera. We know we have sent a lot of Members of this House to Europe. Last summer we sent some to South America.

This resolution is not the real issue. The real issue is what Speaker Byrns told me: Are we going to continue to write into our appropriation bills a concealed authority for Members of the House to elect to go wherever they may choose to go on the assumption that it is in the interest of the Congress and of our country for them to go?

I have no knowledge at all of what is involved in this particular proposition. I did not know it was coming up. But I think sooner or later we ought to tackle the fundamental proposition of not putting general legislation for travel into appropriation bills and that we should enact specific authority to do a specific job, if that job is necessary to be done.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield.

Mr. COX. I yield to the gentleman from Missouri.

Mr. COCHRAN. This resolution has nothing to do with the provisions carried in the various appropriation bills. If this resolution passes, the committee cannot function unless the Committee on Accounts gives them money to function.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Speaker, the opposition to this resolution reminds me of the story of two young ladies who met each other at a dance. One said to the other, "I think that dance, the rhumba, is horrid and vulgar." The other said, "Yes, I can't do it either."

Well, I suppose there are a lot of Members who would like to go on these trips but who cannot go. I know I cannot go. But I sincerely feel that the visits that the Members of the House have made to Europe have brought us a great wealth of information. They have been of great assistance to us who have been unable to make such trips. It is all right to say that the commercial attachés and others of the State Department can gather this information. But you know and I know that these people who work for the executive departments are fettered and cannot express themselves as freely as the Members of the House. We at least can study the situation through our representative committees and can get a fair and honest report. The problem of commerce, both now and after the war, is one that will merit the grave consid-

eration of this Congress. I think the House should know just how far the foreign nations have gone in their efforts at the present time to stimulate the revival of international trade and how great is their volume of exports and imports. It seems to me that our own Nation is a little lax in that respect. I do believe that the committee should go and make a report to this House on these questions and also as to what use is being made to our detriment of the many items of supply that we have shipped to Europe in the past few years.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, this is the first time during the session that I have heard anyone outside of myself, speak in opposition to special and select committees. This is a very broad resolution. We could get ourselves into trouble by interfering in diplomatic affairs easier than in any other way. This committee proposes to go to various countries. At the present time no one is permitted to go into some of the countries which this committee says it intends to visit.

We had a meeting this morning of the Committee on Accounts in advance of the consideration of this resolution. I was greatly surprised to hear members of the Foreign Affairs Committee say that members of the committees of Congress that you have authorized to go abroad are going to be required to pay their transportation on Government ships and airplanes. I want to tell you before you go away from here if that is going to be the case you had better add plenty to your contingent fund, because there will not be enough money in the contingent fund to pay the expenses of all these committees that are going abroad.

We are going to have a hearing after action is taken on this resolution concerning expenses for this committee. I do think we must be extremely careful in injecting ourselves into diplomatic affairs. It may be all right for a committee to investigate expenditures under lend-lease and the disposition of property, UNRRA and other matters subject to the committees' jurisdiction, but as to matters that properly belong to the State Department we should leave alone. You can realize, as I can realize, that if a group from a foreign nation came here and did not conduct itself as we thought it should conduct itself, something serious might result.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Indiana.

Mr. HALLECK. It seems to me it is obviously true that in the final analysis committees of Congress and the Congress itself have to pass on many of these very things about which the gentleman is talking. What is there to be said against a committee of Congress finding out first hand about some of the matters involved, instead of depending upon statements of somebody else?

Mr. COCHRAN. This resolution results from the fact that a committee from the Appropriations Committee is going abroad at the invitation of the State Department. Nobody can deny that statement. The Foreign Affairs Committee, in my opinion, is justly entitled to ask for recognition, because this committee that is going at the invitation of the State Department has nothing to do with anything except appropriations. The Foreign Affairs Committee, I assume, feels that another committee might be assuming its jurisdiction.

Mr. HALLECK. Will the gentleman yield further?

Mr. COCHRAN. I yield to the gentleman from Indiana.

Mr. HALLECK. I would like to make this additional suggestion: The other day we had before us for action an appropriation for the OWI. The chairman of the Committee on Appropriations, in yielding time, referred particularly to one member who had had an opportunity to see first-hand some of the operations of OWI in the European theater and in the Asiatic theater. According to what I understood the chairman of the Committee on Appropriations to say, that particular member was in a peculiarly favorable position to express views of interest to the members, because he had had an opportunity to see for himself what OWI was doing.

Mr. COCHRAN. For instance, one of the subcommittees intends to visit eastern Europe and figures that it will take 6 weeks or 2 months to cover all the countries. From what I read in the paper there are many disputes unsettled involving a number of the countries in eastern Europe where this committee proposes to go. It is my feeling that if the committee does go to eastern Europe or anywhere else, it should certainly not become involved in any diplomatic matters that might be under consideration between countries or between this and any other country, but confine their efforts to making investigations relative to legislation over which it has jurisdiction.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, as I said a moment ago, I seriously doubt the wisdom of this resolution. I seriously doubt the wisdom of these trips. I realize that I am somewhat old fashioned in my views about our country's dealings with foreign nations.

I still adhere to the fundamental principle laid down by Thomas Jefferson when he said we should have "peace, commerce, honest friendship with all nations; entangling alliances with none."

That is the greatest statement of political wisdom, as far as international affairs is concerned, to be found in all the annals of mankind.

There is no use looking for a solution of our domestic troubles beyond the Urals, along the Rhine, the Ganges, or the Orinoco. They are here at home. Towers of Babel have been collapsing amidst a confusion of tongues ever since the days of Exodus.

If we want to prevent the chaos of the world, we must put our own house in order.

We are not seeking any territory in this war, we are not seeking control over any peoples, and no people on earth have a right to expect that we feed them, clothe them, and finance them or fight their wars in the years to come. So I submit that our diplomats all over the world with our efficient State Department headed now by one of our finest Americans, Hon. James F. Byrnes, of South Carolina, with our commercial attachés all over the world, with our generals and our soldiers coming back who have more information regarding certain countries than these committees could possibly get, because many of those young men have been abroad for years and can speak the language. I seriously doubt the wisdom of sending these subcommittees all over the world to get information that can be had for the asking. All you have to do is to consult those boys you see up there in the gallery in uniform who have been to these countries and you will get more information than you will wearing a "clawhammer" coat walking down the halls of foreign embassies. You will get more information from those boys, from our servicemen who have been overseas and who are fighting the battles of this country, than you will by spending $50,000, or even $500,000, or even $5,000,000, on trips of this kind.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. HALLECK. Did the gentleman quarrel with the request of General Eisenhower when he asked that a committee from the House and Senate go over to Europe to view the atrocities?

Mr. RANKIN. I did not, because General Eisenhower had a specific thing he wanted these Members to see; but General Eisenhower has not asked for this visitation and neither has General Patton, neither has any other general; and I for one do not expect to vote for it.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—DISPOSAL OF SURPLUS GOVERNMENT PROPERTY

The SPEAKER laid before the House the following message from the President of the United States which was referred to the Committee on Expenditures in the Executive Departments and ordered printed:

To the Congress of the United States:

On October 3, 1944, the Congress enacted the Surplus Property Act of 1944, a comprehensive scheme for the declaration, handling, and disposal of all types of surplus property.

The operations of the three-man Surplus Property Board created by that act have been marked by substantial achievements. It has set in motion the disposal machinery which Congress authorized and it has begun to implement the standards which Congress laid down for the disposal of surplus property. Regulations already promulgated or in the process of adoption cover the most important types of property—consumer goods,

plant equipment, industrial plants and farm lands. The emphasis in the Board's task will then shift from the promulgation of policy to the effectuation of basic policies already established.

The task of administration becomes increasingly difficult as the rate of surplus declarations rapidly rises. That rate is rising sharply now. To dispose of this growing volume of surplus property in a manner that will fully achieve the objectives declared by Congress will require the most efficient possible administrative machinery.

While the present Surplus Property Act was under consideration by the Congress the then Director of War Mobilization and Reconversion, Mr. Byrnes, recommended provision for a single Administrator. I think experience has proved him right.

In a field which calls for quick and decisive action, it is undesirable to dilute responsibility for the disposal of surplus property. Administration by a multi-member board has complicated day-to-day operations under the act.

More recently the retiring Chairman of the Board has stated to the Congress that although he originally shared the view that a three-man board was appropriate, his experience also led him to the belief that the act can best be administered by a single Administrator.

I am convinced that the effective performance of the vast administrative task remaining for the disposal of surplus property imperatively requires that authority to make decisions and responsibility for those decisions should be centralized in a single official. Such an official should operate, as do all other executive agencies, under the general authority conferred by the President and the Congress on the Office of War Mobilization and Reconversion. Accordingly I request the Congress to amend the Surplus Property Act of 1944 by substituting a single Administrator for the present Surplus Property Board.

HARRY S. TRUMAN.

THE WHITE HOUSE.

AMERICAN RED CROSS AND WAR REFUGEE BOARD—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

THE WHITE HOUSE,
Washington, July 14, 1945.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith reports prepared by the American Red Cross and the War Refugee Board reflecting foreign war relief operations which have been conducted during the period July 1, 1940, through April 30, 1945, from appropriations for foreign war relief consolidated and extended by the Second Deficiency Appropriation Act, 1942, and the Urgent Deficiency Act, 1944.

These reports supplement those previously submitted as of April 30, 1941, April 30, 1942, April 30, 1943, and April 30, 1944, and are of necessity of an interim nature since the foreign war relief program is still in progress.

The Second Deficiency Appropriation Act, 1945, has extended the availability of $2,150,000 of this appropriation until December 31, 1945, in order to provide for the termination of the program and a final report will be submitted following that date.

There is also transmitted herewith a statement of allocations that have been made to Government purchasing agencies from this appropriation, together with unobligated balances remaining in each allocation as of April 30, 1945. It will be noted that obligations reflected in this statement have been based on orders placed with vendors as distinguished from the report of the American Red Cross which was prepared on the basis of requisitions submitted to Government purchasing agencies.

Respectfully yours,

HARRY TRUMAN.

AUTHORIZING COMMITTEE ON FOREIGN AFFAIRS TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. JOHNSON].

Mr. LUTHER A. JOHNSON. Mr. Speaker, there seems to be some misapprehension and fear on the part of Members concerning this resolution which are wholly unfounded. This resolution was not brought here because of any jealousy on the part of this committee with reference to the prerogatives of any other committee. It was brought here purely because as a means of serving the House and the country the Foreign Affairs Committee thought that this resolution authorizing an investigation would be fruitful of good results.

With reference to the fact that this is a diplomatic committee, carrying on diplomatic negotiations, as stated by two of the distinguished gentlemen who have spoken, this committee will have no diplomatic status, the committee will not be diplomatic in its nature; it will simply be what the resolution says it is, an investigating committee. We will not be recognized as diplomatic representatives, but simply as a committee to investigate facts with reference to conditions existing in these countries concerning which we have legislated in the past and about which we will have to continue to legislate in the postwar future. As was so well pointed out by the distinguished gentleman from Indiana [Mr. HALLECK] only recently in this House, we had an instance cited of the effect of a trip abroad by a Member of this House. I heard a Member of the other body say recently at a luncheon engagement—and he is a distinguished Member from one of the Southern States—that a law should be passed requiring each Member of Congress during the recess to go abroad and find out first-hand the conditions existing over there. It is not a question of whether they should or should not go. They have gone. If they are going, we think it is only right and fair and best that the Committee on Foreign Affairs that has to do with our foreign affairs, the committee which determines our foreign policies, should have first-hand information.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. LUTHER A. JOHNSON. I yield to the gentleman from Mississippi.

Mr. RANKIN. One gentleman told me that recently he was with a group composed largely of foreign representatives, and about all they talked about was what they were going to get out of the United States after this war. I fear these trips will leave the impression that old Santa Claus is going to make further concessions after you people get back home.

Mr. LUTHER A. JOHNSON. The gentleman is sometimes easily frightened, but his fears in this instance are without foundation. The gentleman is chairman of the Committee on World War Veterans' Legislation, and his committee has had investigating committees with reference to the veterans' hospital facilities, and I think he has been doing a good job But I do not think it fair for the gentleman from Mississippi to deny to some other committee the right to investigate.

Mr. RANKIN. If this committee were going anywhere in the United States or anywhere under the American flag, I would have no objection; but I seriously doubt and I fearfully doubt the wisdom of sending an investigating committee into foreign countries. You leave the impression with those people that we are either getting ready to do something for them or that we are getting ready to do something to them.

Mr. LUTHER A. JOHNSON. There will be no such impression left. The gentleman knows full well that that is not going to be done. This investigation will deal with foreign affairs and not with domestic affairs, because it is foreign affairs of which the Foreign Affairs Committee has jurisdiction, and that is what they should investigate.

Mr. SABATH. Mr. Speaker, I yield 3 minutes to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, this is a very simple proposition. Other committees having jurisdiction over war legislation have been accorded this privilege, and they have exercised it wisely. Certainly, we have heard no repercussions so far as the House is concerned about the constructive contributions made by members of the committee on Military Affairs and the Committee on Naval Affairs, and other committees that have already been given this authority by resolution of the Committee on Rules and action on the part of the House.

We have heard much criticism that Members of Congress do not visit the sphere of war activities enough. We have passed very important war legislation. We have to review that legislation and we have to pass additional appropriations. In the early part of the year I was rather critical of the Committee on Rules for reporting out some of these resolutions, but after the experience of the past several months, considering the fine and able manner in which the members of these committees have exercised their powers while abroad. I think the

judgment of the Committee on Rules was correct, and that my critical judgment at that time was incorrect. The Committee on Rules has reported out resolutions favoring a number of committees. They have all been adopted. Why oppose this legislation in relation to the Committee on Foreign Affairs?

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. These committees are going to conduct their investigations during the vacation of the House; is that not correct?

Mr. McCORMACK. Certainly. There is no junketing about these trips. I prefer that they be made during the recess. I prefer that when Congress is in session that as few Members as possible go abroad. That is a different proposition. But I think it is for the benefit of the House that the Members of Congress visit the different theaters of war abroad, and particularly the committee interested in the war legislation that has or will come before it. This committee is not going to be engaged in or enter into any diplomatic undertakings. The committee is going to look into UNRRA, lend-lease, and other matters which relate to legislation that come before it. It will look into the Italian situation and the relief problem there. It is the proper committee to do it, and it is for the benefit of this body that that be done.

All I have to say is, starting out in the early part of the year as I did, critical of these resolutions, and the majority of the Committee on Rules in their judgment reporting them out and the House adopting them, that the majority of that committee exercised good judgment, and at this late date I think that this committee and the Committee on Interstate and Foreign Commerce are entitled to the consideration contained in these two resolutions.

Mr. SABATH. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and on a division (demanded by Mr. RANKIN) there were—ayes 91, noes 7.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

MARKETING OF FIRE-CURED AND DARK AIR-CURED TOBACCO

Mr. FLANNAGAN submitted a conference report and statement on the joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. SABATH. Mr. Speaker, I call up House Resolution 323 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the Committee on Interstate and Foreign Commerce, or any subcommittee thereof, in exercising the authority possessed by such committee, or any subcommittee thereof, under any resolution heretofore adopted by the House, to conduct any investigation, inquiry, or study with respect to any matter, may sit and act at such times and places within or outside the United States as it deems advisable, whether or not the House is sitting, has recessed, or has adjourned; and for such purposes may expend funds now available for expenditure in the United States.

Mr. SABATH. Mr. Speaker, later I shall yield 30 minutes to my colleague the gentleman from Illinois [Mr. ALLEN].

Mr. Speaker, this is another resolution unanimously reported by the Committee on Rules, giving the great Committee on Interstate and Foreign Commerce the same jurisdiction and power that you have just voted. I wish to compliment the House on its wisdom in voting in favor of the Committee on Foreign Affairs investigating that resolution, and I hope the same will be done with this important resolution.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Missouri.

Mr. COCHRAN. The gentleman made a statement there that is not based upon facts, when he said the resolution gives the same jurisdiction to the Interstate and Foreign Commerce Committee. The resolution now before the House simply provides that the committee investigating newsprint and grade labeling and the committee investigating oil shall have the right to use in making a trip abroad the funds now available to them for expenditure in the United States. It does not give them the same jurisdiction as was given the Foreign Affairs Committee. The other resolution was extremely broad and permitted the Committee on Foreign Affairs to go into any matters they desired that were under their jurisdiction as shown by the rules of the House.

Mr. SABATH. I stand corrected. If the gentleman from Missouri desires to be a little technical I will forgive him, I will excuse him, because he is a great friend of mine and actually desires that the House be correctly informed, which is always my aim. After he listens to the gentlemen of the Committee on Interstate and Foreign Commerce—I do not know whether they are going to ask for any money at all.

Mr. COCHRAN. No, they are not.

Mr. SABATH. They have a certain amount left from the investigations they were authorized to make formerly. But in view of that, I know the gentleman will not object so long as they will not ask for additional funds. I will say this, however. It is obsolutely necessary that this committee be authorized to do this work, because I know what is transpiring as to pulp, wood, and other products, and I know that they can bring about a condition whereby our country will not be deprived of any amount of pulp and newsprint paper and other products for the benefit of Great Britain and other nations.

Mr. Speaker, I make this statement because I am informed that Great Britain is endeavoring to withhold the shipment of wood pulp which is badly needed by our country and, at the same time, plans to restrict the importation of wood pulp from Canada. It is my opinion that the investigation by the Committee on Interstate and Foreign Commerce will stop any such attempt to withhold from us the needed wood pulp of which there is such a shortage in this country as to force many newspapers to reduce their circulation. I am also informed that England is seeking a restrictive agreement with Sweden and other wood-pulp export countries to limit their exports to this country. Again I wish to point out the splendid membership of the Committee on Interstate and Foreign Commerce. If there is a committee of this House in whose judgment and action we can rely, it is this great committee, and it is with pleasure that I list its membership, as follows:

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

CLARENCE F. LEA, of California.
ROBERT CROSSER, of Ohio.
ALFRED L. BULWINKLE, of North Carolina.
VIRGIL CHAPMAN, of Kentucky.
LYLE H. BOREN, of Oklahoma.
LINDLEY BECKWORTH, of Texas.
J. PERCY PRIEST, of Tennessee.
OREN HARRIS, of Arkansas.
GEORGE G. SADOWSKI, of Michigan.
RICHARD F. HARLESS, of Arizona.
JOHN W. MURPHY, of Pennsylvania.
EDWARD A. KELLY, of Illinois.
LUTHER PATRICK, of Alabama.
JOHN B. SULLIVAN, of Missouri.
DWIGHT L. ROGERS, of Florida.
BENJAMIN J. RABIN, of New York.
VITO MARCANTONIO, of New York.
CHARLES A. WOLVERTON, of New Jersey.
PEHR G. HOLMES, of Massachusetts.
B. CARROLL REECE, of Tennessee.
CHARLES A. HALLECK, of Indiana.
CARL HINSHAW, of California.
CLARENCE J. BROWN, of Ohio.
EVAN HOWELL, of Illinois.
LEONARD W. HALL, of New York.
THOMAS D. WINTER, of Kansas.
JOSEPH P. O'HARA, of Minnesota.
WILSON D. GILLETTE, of Pennsylvania.

Mr. SABATH. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. COLMER. Mr. Speaker, I certainly have no desire or purpose to say, "We told you so," but I do want to say that some of us were much gratified a few moments ago to hear the message from the President to the Congress in which the President suggested, or rather recommended, that the legislation affecting the disposition of surplus property should be revised so as to have one central head rather than a board to administer that gigantic task. In that connection I hope I will be pardoned if I call your attention to the fact that your Special Committee on Postwar Economic Policy and Planning, composed of 18 Members of the House, recommended a one-man Administrator for the job, as one of the very first acts of the committee, looking to the postwar policy and to the disposition of surplus property. We made a fight for it. The House Committee on Executive Expenditures, of which the gentleman from Alabama, the Honorable CARTER MANASCO,

is chairman, cooperated freely in that fight. The House agreed and passed legislation containing that philosophy. However, when it went over to the other body the change was made and it came back to the House with a provision for the Board.

I hope I will be pardoned again if I refer to the fact that when it came back on the conference report, I rose in this House and stated that, as chairman of the Special Committee, I could not go along with the legislation as agreed upon in conference. I pointed out then that it would not work, because of the Board provision and its many conflicting provisions. I might also add that your Special Committee on Postwar Economic Policy and Planning has been giving further study to this question of the disposition of surplus property. We are now and have been for some time making some investigation on the side, as it were, with reference to this matter. It is our purpose to offer legislation to do what the President has recommended and to set up a one-man administration rather than a board. Later we hope to offer, after the congressional recess, some further recommendations for the orderly and profitable disposition of this great national resource, surplus war property, aggregating a potential return to our depleted treasury of many hundreds of millions of dollars.

Mr. SABATH. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. TABER. Mr. Speaker, I ask unanimous consent that tomorrow, after the reading of the Journal and disposition of business on the Speaker's table and following any special orders heretofore granted, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

WAR RELOCATION AUTHORITY

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SHEPPARD. Mr. Speaker, it is an understanding of quite general acceptance that the first tenet of any governmental bureaucracy is self-perpetuation. This has been too frequently demonstrated to require documentation. However, I wish to point to one agency which furnishes an especially apposite example. It is the War Relocation Authority, created by Executive order, which primarily is engaged in relocating in their prewar communities and callings, so far as practicable, the Japanese and Japanese-Americans who, following Pearl Harbor, were placed in internment camps at the insistence of the United States Army as a measure of national protection.

It being the purpose of the War Relocation Authority to relocate these internees, that agency is making every effort to return these Japanese at once to the very places whence they were removed as a measure of national security. This agency is doing this against the urgent objections of the overwhelming majority of the citizens of California, the people chiefly concerned. The agency has the vast sum of $25,000,000 to spend in its work during the current fiscal year. It now is engaged in expending large amounts of this fund for propaganda purposes and if, as planned, the internment camps are closed on next January 1, a still larger amount of money will be available to continue, by propaganda, to bolster the policies of the War Relocation Agency and keep its staff of bureaucrats on the public pay roll, even though the ends accomplished are directly contrary to the wishes of the people of the State principally concerned and actually a threat to the safety of the United States.

Much of the agency's propaganda has been sowed in the East. Newspapers, magazines, and every other means of publication available have been fed with the sort of material calculated to represent the Japanese and Japanese-American internees as victims of persecution dictated by racial antagonism. As Americans have always taken especial pride in the welcome America traditionally has offered to oppressed people of the entire world, the propaganda often has found a fertile soil.

But there are other and very deep considerations. The people of Pacific Coast States know, by years of immediate contact, things which citizens of other sections of the Nation, notably the East, do not know or refuse to accept. There is, indeed, Mr. Speaker, such a thing as racial prejudice. It is not a blind prejudice. It is founded on lessons sternly learned.

Millions of American citizens, some naturalized, far more native-born, come from Old World ancestry. But the overwhelming majority belong to the same race. They are Caucasians, a term which, because of a use which has certain repulsive connotations, is preferred to Aryans. The Japanese are not Caucasians, they are not Aryans. They belong to an utterly alien race, a race which teaches its members that it is superior, that it is destined to rule the world, and that it cannot abandon its heritage, cannot lay aside its nationality, cannot renounce its lowalty, cannot abjure its religion.

We are dealing here with members of a race who pride themselves on their refusal to assimilate, indeed, on their innate inability to assimilate. And these are the people which the War Relocation Authority is pressing upon the people of the Pacific coast and, particularly, the people of my State of California. They are doing this through the use of the millions of dollars which have been placed at their disposal by all the taxpayers of the United States.

Californians know the facts in the situation all too well. But, in order to be able to present to the entire Nation a fair picture of conditions which have arisen, the senate of California on May 12, 1943, created a Joint Fact-Finding Committee on Un-American Activities in California under the chairmanship of Senator Jack B. Tenney, of Los Angeles County. Other members of the committee are Senator Hugh M. Burns of Fresno County and Assemblyman Nelson S. Dilworth, Dr. Jesse Randolph Kellums, of Bel-Air, and Randal F. Dickey, of Alameda. The duty of this committee has been to "investigate, ascertain, collate, and appraise all facts causing or constituting interference with the national-defense program in California." Many groups, such as the Communist Party, the Fascist organizations, and the German Nazi Bund, have been investigated but my remarks today have to do only with the results of inquiry into the activities of Japanese and Japanese-Americans and of the War Relocation Authority.

To understand the problem at all, one must first be aware of the darkly instilled motivations of the Japanese. The Japanese, from birth, has been taught that he is of a vastly superior race, a descendant of gods who will eventually be gathered to a state in which he will become merged with the godhead anew. His basic faith is Kodo which means the way of the Emperor. His religion is Shintoism, the state religion of the Japanese Empire. The tenets of his faith are obedience in all things to the Emperor. The creed of Bushido teaches that, inasmuch as the Japanese is superior to all other peoples, he can in all honor practice deceit toward any people, nation, or government which he may consider antagonistic, directly or indirectly to Japan. To quote from one of the California committee's reports:

> Bushido demands loyalty to superiors only, simplicity of living and military valor. Complete allegiance to superiors is demanded while deceit and dishonor is to be honorably practiced against all others. Treachery and brutality against one's enemies and self-sacrifice, blind loyalty, and unquestioning obedience to one's superiors are the cardinal characteristics of Bushido.

It must be borne in mind that Japan is one of the nations of the world which does not recognize alienation of its subjects. In international law, this is called dual nationality; from the Japanese point of view there cannot even be a dual nationality. There can be only one. The Japanese cannot alienate himself. By an odd quirk of thought—generally accepted by the Japanese—the individual of Japanese blood, even though born in another country, still is Japanese owing but one loyalty—loyalty to his Emperor. This, therefore, sets at naught any naturalization which may take place and even native birth.

The committee established beyond any doubt that the Japanese on the west coast were extremely active on behalf of their mother country before Pearl Harbor. On the very night, the early morning of which saw the attack on Pearl Harbor, Japanese were engaged in signalling from points of vantage in the Hawaiian Islands.

The people of Japanese blood in California are grouped into three general classes. The Issei are alien Japanese res-

ident in the United States. They are fanatical in their adherence to the Shinto-Kodo-Bushido code. Another group is described as the Nisei. These are the sons of Japanese immigrants, themselves native-born. These have, for the most part, attended American public schools but also the 240 Japanese-language schools which have been established in California. The third class is called the Kebei. These are the second generation, the sons of the native-born sons of immigrants.

It is this third class which, in many respects, may be regarded as the most dangerous to the welfare of the Pacific coast and of the entire country. It has been the usual experience in America that first and, certainly second generation sons of immigrants become thoroughly Americanized and, ofttimes almost fanatically patriotic. The Japanese present a curious, abnormal reversal of this experience.

Most Japanese are industrious and thrifty. It became the custom of the Nisei, the first generation of native-born, to send their sons back to Japan for a sojourn ranging from 2 or 3 years to 10 years during which they lived in the homes of relations, attended Japanese schools, and became thorough indoctrinated with Japanese culture, Japanese ideas of military and cultural supremacy. The committee found that, after this system was well inaugurated there would be as many as 20,000 American-born Japanese sojourning in Japan at one time. During 1941, the year of Pearl Harbor, 1,573 American-born Japanese youths entered west-coast ports returning from their period of indoctrination in Japan.

This system of returning Japanese children or youths to Japan to have their Oriental natures intensified, their loyalty to the Emperor annealed, was well organized. The committee found in Pacific-coast States no fewer than 124 separate Japanese organizations engaged in forwarding the interests of Japan. These were closely identified with 100 parent organizations of a military and Fascist character in the homeland.

It was on March 5, 1942, that Lt. Gen. John L. DeWitt, commanding officer of the Western Defense Command, issued an order for the evacuation of all persons of Japanese descent from the area. Under the supervision of the United States Army Engineers, two internment centers were established, one at Manzanar and another at Tulelake, Calif. Barracks were erected and arrangements made for the care of the 115,000 individuals of Japanese descent. Most of them had been born in Hawaii.

Japanese in California have engaged in many pursuits but most of them have been engaged in small farming or market-gardening either on leased land or land of their own. Incidentally, the California alien land law has been systematically evaded by the purchase by Japanese of the Issei class of land in the names of sons or grandsons. These properties, of course, were controlled utterly by the elders. Now the Japanese peasant can subsist on a mere fraction of what is considered a living for an Occidental American. Further, the Japanese man or woman is willing, indeed eager to work as long as there is light to work on any land he can use. No Occidental American can compete with a Japanese. As the Japanese had aptitude and skill in raising crops they were set to work at the camps to raise their own food. Almost from the start they made difficulties, refusing to work in many cases, sabotaging farming tools, fashioning wilfully broken truck springs into swords and daggers at their blacksmith shops and otherwise preparing organized resistance.

Before the removal to the internment camps, the Japanese on the west coast were found by the committee to have located themselves near places where the greatest opportunities for sabotage would be offered. They choose places adjacent to power plants, to shipyards, to oil operations, to lumber mills, and to the aircraft factories which have made 40 percent of all American airplanes. Had they not been placed in these camps, the amount of damage they could and doubtless would have inflicted is incalculable. They, themselves, have made no secret of the fact that they were prepared to commit acts of sabotage. In the months before the interment took place, night signalling from points on the coast was observed to be followed by shelling of installations from surfacing Japanese submarines or the sinking of merchant vessels of whose departures offshore enemy craft had been apprised.

There have been several outbreaks at Tulelake and Manzanar resulting in bloodshed. On one occasion, the Japanese internees imprisoned 200 members of the Caucasian administrative staff in a barracks building. They were saved by an Army command which entered the camp in armored equipment. At these camps there are held Emperor-worship rites. Before Pearl Harbor, the Japanese annually celebrated the founding of the Japanese Empire. On January 1, 1941 at such a ceremony on the two thousand six hundredth anniversary, thousands all turned toward Japan and bowed their heads in a pledge of loyalty.

If any further evidence were required of the real feeling of the Japanese and more particularly the Japanese-American youth, one has but to examine the committee report to the effect that thousands of them have applied formally to renounce their American citizenship and have their Japanese nationalism fully recognized.

These are the people the War Relocation Authority wants to have turned loose upon the people of the Pacific coast, free to resume their prewar life, free to sabotage the American war effort, free to express their reverence and fanatic loyalty to the emperor! Only last December the Japanese-American Citizens League held a meeting at Salt Lake City with the endorsement of the War Relocation Authority. The organization is made up of Japanese-Americans and also of many Caucasian admirers of the Japanese. The conference adopted a five-point program which, too, is endorsed by the War Relocation Authority. It calls upon the Government—

To restore to Japanese all rights lost as a result of evacuation.

To restore all losses sustained as a result of evacuation.

To encourage the Japanese in internment camps to assert their loyalty to the United States.

To influence Congress to amend the immigration laws so that citizenship may be granted to Japanese aliens.

To repeal the Oriental Exclusion Act and encourage Japanese immigration after the war.

Incredible as it may seem, this program has the endorsement of this War Relocation Authority, this agency of the United States with an appropriation of $25,000,000 to play with!

The War Relocation Authority has used its influence to forestall prosecutions in Japanese sabotage cases. It has been successful in tying the hands of the Federal Bureau of Investigation and preventing prosecution in the most clear-cut cases. For example, in the Monterey area, the FBI as late as February 1942 found a cache of rifles, shotguns, military maps, and 60,000 rounds of ammunition, all secreted by the Japanese.

The senate committee of California recognizes that there may be, quite probably are, a good many Japanese who are loyal to the United States or, at least, desire to be. Certainly Japanese-Americans who have joined the armed services of the United States have made good records. But there are so very many who have never renounced their loyalty to the Emperor, who never would be anything but dangerous enemies to the United States, that the policy of rapid relocation and abandonment of the internments camps would be fantastic with the war still waging. Many of the Japanese know this themselves and oppose relocation. They feel that they would not be welcome in their former communities and probably would be met by violence. They prefer the safety and protection of the camps. But this does not fit in with the theories of the War Relocation Authority.

There can be but one explanation of the attitude of the War Relocation Authority and of such organizations as the Japanese-American Citizens League. They are tinged with the misguided and short-sighted idealism which made most of the American people enthusiasts for the Japanese at the time of the Russo-Japanese War because it was felt that Japan was the underdog and Americans love an underdog. They are still under the influence of Madam Butterfly and are suffering from an advanced case of Lafcadio Hearnia.

But Californians are familiar with this particular underdog's bark and bitter bite. The military which is concerned with the defense of the United States does not want these Japanese turned loose. Californians, concerned primarily with he defense of California and the west coast generally, do not want these Japanese turned loose. Many of the Japanese themselves prefer to stay in the protection of their camps. The problem is a military problem and should be left in the hands of the military. No one informed of the full facts can avoid agreement with the finding of the

California Senate's committee that "It is dangerous to the public safety and to the safety of the Japanese aliens and those of American birth to return them to this vital defense area during the war with Japan."

ESTATE OF JAMES ARTHUR WILSON

Mr. McGEHEE submitted a conference report and statement on the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased.

RELIEF OF SAM SWAN AND AILY SWAN

Mr. McGEHEE submitted a conference report and statement on the bill (H. R. 1308) for the relief of Sam Swan and Aily Swan.

EXTENSION OF REMARKS

Mr. TABER asked and was given permission to extend his remarks in the RECORD and include a table showing the funds appropriated and the balances remaining for UNRRA, and to include some remarks on that subject.

PAUL T. THOMPSON

Mr. McGEHEE. Mr. Speaker, I call up the conference report on the bill (H. R. 905) for the relief of Paul T. Thompson.

The Clerk read the title of the bill.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 905) for the relief of Paul T. Thompson having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figures "$2,750" insert the figures "$2,000"; and agree to the same.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
CLIFFORD P. CASE,
Managers on the Part of the House.

ALLEN J. ELLENDER,
OLIN D. JOHNSTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 905) for the relief of Paul T. Thompson, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report:

The bill as passed the House appropriated to Paul T. Thompson the sum of $2,750 for personal injuries, medical and hospital expenses, and property damage sustained as the result of a collision between the farm tractor on which he was riding and a United States Army vehicle on Highway No. 82, near Nocona, Tex., on July 1, 1942.

The Senate reduced the amount to $1,500, and at the conference a compromise of $2,000 was agreed upon.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
CLIFFORD P. CASE,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

ROSEBURG RIFLE RANGE, OREG.

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 715) to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Defense Plant Corporation, and for other purposes, with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, line 4, strike out "Defense Plant Corporation" and insert "Reconstruction Finance Corporation."

Page 2, line 18, strike out "Defense Plant Corporation" and insert "Reconstruction Finance Corporation."

Amend the title so as to read: "An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Reconstruction Finance Corporation."

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MICHENER. Mr. Speaker, reserving the right to object, that bill passed the House, it passed the Senate. Then it was found there was an error in naming the agency affected, and this corrects the name of the agency?

Mr. SPARKMAN. That is correct. Meantime, the Defense Plant Corporation has been done away with and these amendments correct the name and names the Reconstruction Finance Corporation.

Mr. MICHENER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

IMPROVEMENT OF SAVANNAH HAREOR, GA.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3477) for the improvement of Savannah Harbor, Ga., with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Line 3, strike out "work" and insert "works."

Line 3, strike out "is" and insert "are."

Line 7, strike out "report" and insert "reports."

Line 8, strike out "document" and insert "documents."

After line 11, insert:

"Two Harbors, Minn., in accordance with the report submitted in House Document No. 805, Seventy-eighth Congress, second session."

Amend the title so as to read: "An act authorizing the improvement of certain harbors in the interest of commerce and navigation."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA TEACHERS' SALARY ACT, 1945

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Joint Resolution 228.

The Clerk read the House joint resolution as follows:

Joint resolution to amend the District of Columbia Teachers' Salary Act of 1945

Resolved, etc., That effective on the date of enactment of the District of Columbia Teachers' Salary Act of 1945, such act is amended in the following respects:

(1) Section 3 is amended by inserting before the period at the end thereof a comma and the following: "subject to the limitations of section 5."

(2) The third proviso of paragraph (b) of section 4 of such act is amended by striking out the word "permanent."

(3) Paragraph (b) of section 4 of such act is amended by inserting before the period at the end thereof a comma and the following: "and if entitled to a longevity increase on July 1, 1945, under the provisions of the act of June 4, 1924, as amended, one additional annual increase in salary in the amount provided in title I of this act for his class or class and group."

(4) Section 5 of such act is amended by inserting after "1945", the following: "whose annual compensation as defined in section 4 is increased under the provisions of this act at the rate of not more than $400 during the fiscal year ending June 30, 1946."

(5) Section 5 of such act is further amended by striking out the word "thereafter" and inserting in lieu thereof "after June 30, 1945."

(6) Section 6 of such act is amended by inserting after paragraph (ah) the following new paragraph:

"(ai) Superintendent of Schools, assigned under the act of June 4, 1924, as amended, shall be transferred and assigned to salary class 29 of the foregoing schedule."

(7) The first proviso of section 9 of such act is amended by striking out "group C on July 1, 1945, who" and inserting in lieu thereof the following: "group C who, on July 1, 1945."

(8) Section 24 of such act is amended to read as follows:

"SEC. 24. This act shall become effective as of July 1, 1945."

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman tell us whether these amendments have been approved by his committee?

Mr. RANDOLPH. The distinguished gentleman from Michigan asks a very pertinent question. I reply by saying that the entire membership of the District Committee approves the resolution which has been presented. It simply corrects certain technical and typographical errors in H. R. 3376 as follows:

It will be noted the Senate amended H. R. 3376 with the intention of giving to all permanent and probationary teachers and other employees of the Board of Education covered by the bill an increase in compensation of $100 for the current fiscal year over the amount of compensation such teacher or other employee would have received if the temporary bonus of $300 had been continued and if such teacher or other employee had received the $100 longevity

increase to which she was entitled under then existing law.

It appears that under the Senate amendment one who received a salary during the past fiscal year of $1,500 and whose basic salary is increased to $1,900 by H. R. 3376, would not receive this $100 increase. It also appears that certain probationary employees, if given an extra increase of $100 during the current fiscal year, will receive a higher salary than permanent employees who have been in the school system for a long number of years. The first five proposed amendments are to correct these inequities and to carry out the intent of Congress.

The sixth proposed amendment is to restore to the act a paragraph inadvertently omitted by the printer in printing the bill with amendments to accompany the report of the House Committee on the District of Columbia.

The seventh proposed amendment is to correct a mistake of the printer in inserting a House amendment in the wrong place.

The last amendment is to restore an amendment to the act approved by the Senate Committee on the District of Columbia and included in the Senate report which was overlooked. This amendment makes the act effective for all purposes as of July 1, 1945.

Mr. MICHENER. I note the ranking member of the committee, the gentleman from Illinois [Mr. DIRKSEN] is present. I therefore withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in three instances.

Last Friday I was fortunate enough to listen to the Secretary of Labor deliver one of the most intelligent and sane speeches I have ever had the pleasure of listening to. I ask unanimous consent that I be permitted to insert it in the CONGRESSIONAL RECORD.

I also ask unanimous consent that I may insert an article from the Chicago Times and also an article from the Sentinel.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. JOHNSON of California (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOLIFIELD asked and was given permission to extend his own remarks in the RECORD and include a statement of arguments for and against compulsory military training.

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD a speech delivered recently by the president of the American Federation of Shipping on the subject of strengthening America's overseas air service. This exceeds the limit established by the Joint Committee on Printing, and I am advised by the Public Printer that it will cost $156. Notwithstanding the cost, I ask unanimous consent that the extension may be made.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

PARTS CRISIS LAID TO OPA

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, located within the district which I have the honor to represent in Congress are many automotive and aviation parts manufacturers. It is needless for me to call the attention of the Congress to the vital place occupied by the automotive and aviation industry in the war economy and in the peacetime economy that must follow.

While the automotive industry is centered largely in Michigan, nevertheless its influence extends to every cross road and way station throughout the Nation. Yes, every farm is, and few commercial endeavors are not, dependent in some way upon the automobile, the tractor, and kindred equipment. It requires no argument on my part to convince any informed person that it is essential that the green light be given to this industry at the earliest possible moment in order that the least possible unemployment and commercial stagnation shall result when war activities terminate.

It is therefore absolutely necessary that the OPA, the WPB, the ODT, and the several other regulatory and control agencies of the Government determine upon and announce a definite policy so far as prices and future limitations on free enterprise are concerned. Time is of the essence. Procrastination and delay on the part of these regulators are hindering speedy reconversion and reemployment to an alarming degree. The parts manufacturers especially must have assurance immediately as to the cost of material entering into the product to be manufactured. How can a manufacturer bid on a contract until he knows what his material will cost him? The question answers itself.

Mr. Speaker, this is not idle talk. This is not imaginary fear on the part of industry. It is just plain common-sense prudence. How do the OPA and these other agencies expect the wheels of industry to start rolling on peacetime production, unless that same industry has the assurance for which I am now pleading? Patience is a virtue, but waiting on the unwinding of bureaucratic red tape won't build automobiles or put people to work.

During the last few weeks I have received many letters, telegrams, long-distance telephone calls, and have conferred personally with parts manufacturers in the automotive and aviation industry concerning the situation in which they find themselves. They have demonstrated the absolute necessity of immediate action in Washington if auto parts are to be produced. Some are of the opinion that the Congress can make the orders and fix the prices. Upon second thought, all must be convinced that the only thing the Congress can do is to write the general law. Its effectiveness must depend entirely upon its administration and the decisions of the experts and those familiar with the requirements of the specified industries. This matter has repeatedly been presented to the OPA and kindred groups, but, I am sorry to say, with not too much success. Action now, and not action weeks from now, is demanded.

On July 13 there appeared in the Detroit (Mich.) News an article which is most pertinent and to which the OPA in particular should give immediate attention. That article is as follows:

PARTS CRISIS LAID TO OPA—PRICE DELAY CALLED PERIL TO AUTO OUTPUT

(By Allen Shoenfield)

Angered by the receipt of another questionnaire instead of a long-promised pricing formula, manufacturers of automotive parts, through their trade association, today placed squarely on the shoulders of Chester Bowles, Director of the Office of Price Administration, full responsibility for threatened mass unemployment, stagnation of the industry, and the possible start of a Nation-wide business recession.

Frank Rising, general manager of the Automotive and Aviation Parts Manufacturers, Inc., swamped by long-distance calls from more than 40 association members, located primarily in Michigan and northern Ohio but including others from California to New Jersey, was bitter in his denunciation of the OPA's indecision and lack of policy.

RIDICULES OPA

"The OPA has announced with considerable fanfare that it is sending representatives to Detroit next week to confer with the large automobile companies for the purpose of establishing new prices for the end product. Nothing could be more ridiculous or more futile," said Rising.

"How can the automobile maker fix his costs if he does not know how much he must pay for the constituent parts?

"And how can the suppliers quote prices in view of the treatment they have received from the OPA?

"One thing is certain: Parts manufacturers cannot continue to operate under a March 1942 price ceiling. One company which, before the war, made 70 percent of the carburetors for the industry, estimates that it will lose from 20 to 40 percent on each unit, under present ceilings. It proposes to shut down operations and has so informed the OPA."

GLOOMY OUTLOOK

"The public should not be deceived by flamboyant announcements that the way is open for reconversion of the automotive industry and that cars will soon be rolling off the assembly lines in prewar volume. That isn't even remotely true.

"The 690,000 units scheduled for production between now and April 1 doubtless will be produced—but at a loss to the suppliers.

"They have no alternative. They must maintain good relations with old customers. And they are continuing to hope for some sort of equitable price adjustment from OPA.

"There is only one way to describe the present situation. It is a big mess.

"Long ago, parts manufacturers asked only that actual, demonstrable increases in costs, due chiefly to high wage rates, be allowed in figuring prices. We declared we desired no greater profit margin than we enjoyed before the war.

"ACTION PROMISED

"Bowles, on May 11, asserted that OPA would produce reconversion formulas 'soon' and that increases in costs would be recognized.

"Next, we were informed that OPA would be ready with a formula about June 20.

"Then we were told informally that conclusive action might be expected 'about July 9.'

"That date came and went and now about 200 suppliers have received mimeographed questionnaires, on legal-size paper, single-spaced, 7 pages long, which will take many companies 6 weeks or more to answer. Then we must wait until OPA has studied the answers and arrived at conclusions.

"The present OPA staff could not possibly process these statements before September 1. Meantime, scores of war contracts are being canceled, unemployment is mounting and shortly a recession, affecting national psychology, may be upon us. Bowles can take the blame."

Rising said that, so far as could be learned here, only 200 companies had received the questionnaires and more than 600 had not. He added that alarm was being expressed since the OPA covering letter asserted that agency would "presume" that failure to receive a statement from a manufacturer would mean that he was able to operate profitably at prescribed ceilings.

"We are told that the form is being sent to all 'major producers of automobile parts' and we wonder why not to all," Rising said. "Is this an effort to freeze out the little fellow?"

CALLED BOTTLENECK

"Bowles has issued a memorandum to newspaper editors and columnists promising that OPA will not constitute a bottleneck to reconversion, but, to date, the OPA has been the chief bottleneck encountered by industry." Rising said.

"If we are given help in getting started, volume production and keen competition within the industry will result in lowered prices. But at present many companies, without reserves after renegotiation and taxes, cannot get started at all.

"The only alternatives to assuring us a fair profit margin is reduction in wage rates or cheapening of the product, or both. Either course will mean catastrophe for the industry.

"With lowered income the public can't afford to buy automobiles and, in any case, they won't buy worthless ones.

"The answer is clearly up to Chester Bowles."

SERVICING TRUCKS ON THE LEDO ROAD

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, on July 11 the gentleman from Michigan [Mr. ENGEL] addressed the House alleging "waste and extravagance within the War Department" in connection with the recruitment of certain skilled auto-truck mechanics required to keep trucks rolling over the 4,700-mile Ledo-Burma Road into Free China. The gentleman from Michigan [Mr. ENGEL'S] remarks appear on page 7411 of the CONGRESSIONAL RECORD for July 11.

I was somewhat amazed by the gentleman from Michigan [Mr. ENGEL'S] statement and consequently asked that the matter be investigated. I am now in receipt of an official communication from the War Department which shows the following to be the facts in the case.

The project is not one conducted by the War Department, but for your information I have found that the recruitment referred to in the news story is being carried on by the War Manpower Commission for the Chrysler Export Corp., of Detroit, Mich. The corporation is operating under a Treasury procurement contract accepted at the request of the Foreign Economic Administration which provides for maintenance and repair of lend-lease trucks along the Ledo-Burma Road. The corporation does all the actual hiring and established the wage scales, which range from $300 to $525 per month, in order to induce acceptance of employment in China by the highly skilled personnel required. These workers, who are mostly over draft age, will maintain and repair the trucks turned over to the Chinese Government and will be withdrawn when they have trained the Chinese to assume the maintenance and repair work.

I am confident the Members of the House would wish me to make this explanation in justice to the War Department.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today following the other special orders.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes today upon completion of the legislative business on the Speaker's desk and after any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SPRINGER. Mr. Speaker, after the regular business of the day is completed and at the conclusion of any special orders heretofore entered, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to address the House today for 15 minutes at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes today at the conclusion of any other special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois [Miss SUMNER]?

There was no objection.

EXTENSION OF REMARKS

Mr. THOMAS of Texas asked and was given permission to extend his remarks in the RECORD and to include an article appearing in the Houston Post.

Mr. LYLE asked and was given permission to extend his remarks in the RECORD.

Mr. BROOKS asked and was given permission to extend his remarks in the RECORD and to include an editorial appearing in the Washington Star of yesterday entitled "General Chennault."

Mr. McCORMACK (at the request of Mr. PRIEST), was given permission to extend his remarks in the RECORD in two instances and in each to include an editorial.

Mr. KEOGH (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD in two instances and to include an editorial in each instance.

Mr. HOEVEN (at the request of Mr. GWYNNE of Iowa) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. FENTON asked and was given permission to extend his remarks in the RECORD and to include a newspaper article concerning the fighting record of the Eighty-second Airborne Division commanded by Maj. Gen. James M. Gavin.

Mr. REED of New York asked and was given permission to extend his remarks in the Appendix of the RECORD in two instances and to include editorials.

COL. OVETA CULP HOBBY

Mr. THOMAS of Texas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS of Texas. Mr. Speaker, several days ago Col. Oveta Culp Hobby resigned as head of the WAC's to return to her family and business in our home town of Houston. During the last 4 years Colonel Hobby has rendered to the Nation distinguished and outstanding services. To me she symbolizes the fine contributions that the womanhood of America has made to the war effort.

In the early beginning of the war effort, she was instrumental in welding together the women, and pointing out to them the great service that they must render not only in the stores and offices, but in the shipyards, factories, and on the farms if our war effort was to be a success. Later as head of the WAC's, Colonel Hobby's services and that of the WAC's was most valuable to the war program.

PRODUCTION OF PROSTHETIC APPLIANCES

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, if there is any group of heroes of this war to whom this country owes an unlimited debt, it is the men who will come back from it having been deprived, by enemy action, of some portion of their own bodies.

If there is one type of essential war production, essential war research, essential war planning, that should have had the very highest priority of anything in our whole country, it is the perfection and production of prosthetic appliances to help these men to meet their future life in America on as nearly a fair and decent basis as it is within our power to create. It has been a matter of the most profound concern to me to find that apparently we are woefully behind in this work.

I am making this speech not for the purpose of criticism nor for the purpose of spending even a moment talking about past failures. I am making it in order to say with all the vigor at my command that from this moment forward the experimental contracts for the production of prosthetic appliances, which I understand have been let by our Army to at least two large corporations, should be given a quadruple A priority, if there is any such, that immediate funds should be made available for the most intensive research in this field of which the best scientific brains in this country are capable, and that the War and Navy Departments, disregarding every consideration that might in any way deter such work, should press it with all the tremendous power at their command.

I know I speak for every Member of Congress when I say that if there is a single piece of legislation or a single dollar of funds required from this body for these purposes, it will be provided immediately.

EXTENSION OF REMARKS

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the RECORD and include quotations from letters from constituents.

Mr. REES of Kansas asked and was given pesmission to extend his remarks in the RECORD and include a resolution.

Mr. GEARHART asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Chicago Herald American July 9.

Mr. TALBOT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Bridgeport Sunday Post.

Mr. HOPE asked and was given permission to extend his remarks in the RECORD in three instances and include extraneous matters in each.

Mr. JUDD asked and was given permission to extend his remarks in the RECORD in four instances and include extraneous matters in each.

PERMISSION TO ADDRESS THE HOUSE

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. FULTON. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LEND-LEASE GRAB BAG

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include as part of my remarks an article entitled "Lend-Lease Grab Bag" from Nation's Business for July.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[Mr. GRANT of Indiana addressed the House. His remarks appear in the Appendix.]

WAR PRODUCTION BOARD DISCRIMINATED AGAINST DISABLED VETERANS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WEICHEL. Mr. Speaker, for nearly 4 years hospitals were needed for discharged war veterans, especially those deranged by war shock.

On the floor I have called attention to the failure to have these hospitals ready, specifically for the thousands of mentally-ill discharged veterans.

In the Washington Times-Herald of last night I read, and I quote:

> Vet hospitals get priorities: The War Production Board announced today that the Veterans' Administration will be given construction priorities on an equal basis with the military in obtaining priorities for construction of new hospitals.

With the War Production Board, since 1941, permitting use of materials to repair and remodel night clubs and build many kinds of other structures, it now first gives thought to the veterans who are fighting so that even the War Production Board might live.

While during all these years, veterans were discharged with injuries and physical handicaps, the War Production Board has ignored the first debt of this country. It waited until men died from lack of hospitalization and the mentally deranged veterans are roaming the streets and killing their families. Hospital care comes next to bullets, for those who fight.

Who is responsible in the executive side of the Government for this gross discrimination and injustice against the disabled war veterans, practiced for nearly 4 years? Why has the Veterans' Administration and Board of Hospitalization not interested themselves to secure the priorities before this time, and will some one now build hospitals?

It has been a national disgrace for the War Production Board to deny priorities for material to disabled war veterans for the needed hospitals.

NEW HAMPSHIRE'S WAR LOAN RECORD

Mr. ADAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. ADAMS. Mr. Speaker, in contrast with its size, which is not great, and in comparison with the number of its people, which are not many, New Hampshire is possessed of character and greatness of spirit. Its people have accepted their share of the responsibility of war and their record is a contribution to the history of this country of which none of her sons need feel ashamed.

The financial burden of this war has fallen heavily upon the people of New Hampshire as it has upon all Americans. The appeal of the Treasury for funds to conduct the war was accepted by New Hampshire people as a personal challenge to all patriotic citizens. The manner in which the people have met this challenge is a noteworthy part of the contribution of a State strong neither in wealth nor resources, but rugged in courage and spirit. The Seventh War Loan but lately came to a close. In the Fourth Loan, New Hampshire raised 127 percent of its quota; in the fifth, 156 percent; in the sixth, 221 percent to lead the Nation. In the seventh drive, maintaining her position as the first among the States, New Hampshire again leads the country, attaining 270 percent of its assigned quota.

Such is a part of a great war record. It is a tribute to the teamwork of a loyal people working diligently behind leadership which has been always persistent and resourceful.

This is a part of the record of New Hampshire's material contributions. Of infinitely greater significance is the contribution of legions of her young men and women who have borne the burden of arms. There are now nearly 39,000 who have answered the summons of the President through the Selective Service process. Over 31,000 of her sons and nearly 1,000 of her daughters have served in the Army during this war. A total of over 16,150 have served the Navy, of which 13,650 are Navy personnel, 2,050 Marines, and 450 served the Coast Guard. Thus from a State whose population was 491,524 before the war, there are now over 48,150 of New Hampshire's sons and daughters who have served their country during this war.

In addition, those who have served the Merchant Marine should not be forgotten.

Through the service of these men and women the record of New Hampshire has been written. That service has been performed in nearly every nation of the world. It will stand indelibly written upon the pages of New Hampshire's history, already full of achievements earned in every war in which this country has ever engaged. New Hampshire comes logically by its achievements. Patterned

after sturdy men, by soldiers of stature like John Stark, whose terse "Live free or die" is New Hampshire's motto; inspired by statesmen who counseled wisely like the Little Giant of Salisbury, Daniel Webster, who defended more ably than any American the Constitution of his country, New Hampshire comes well by her character and greatness of spirit. The few of us who are privileged to represent her in these Halls of Congress are proud of that history and that heritage.

All New Hampshire's people have shared in the war's work. The production of New Hampshire industries has been of inestimable value to the conduct of the war. Able management and loyal, competent labor have been recognized by 19 Army-Navy E awards to those industries whose production has been of particular importance in backing up the fighting front. People in the factories, in the sawmills, and in the shops have worked earnestly that New Hampshire might contribute its full share of products which have been so necessary to the quickening pace of war.

New Hampshire now looks ahead to the early return of all of those who are finishing up with the drudgery of war, with confidence that the same indomitable characteristics that have met the problems and the challenges of war will meet the questions confronting the people in peace and bring to her a greater measure of prosperity and happiness.

COMMITTEE ON NAVAL AFFAIRS

Mr. FULTON. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FULTON. Mr. Speaker, this afternoon I have heard of the value of experience in the handling of legislative duties. As you gentlemen know, I have wanted to be a member of the Naval Affairs Committee. I do think I will try again when the next opportunity arises, as I believe my experience and qualifications would be of assistance. For purposes of the record one defeat should be marked up.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

COMMITTEE ON MILITARY AFFAIRS

Mr. SPARKMAN. Mr. Speaker, I offer a resolution (H. Res. 324) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the Committee on Military Affairs may make reports to the House of the results of its studies and investigations provided for in House Resolution 20, during recesses and adjournments of the House. Reports so made shall be filed with the Clerk of the House.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, how many copies will be made? Will there be a sufficient number of copies so that every Member may get one?

Mr. SPARKMAN. These are simply copies of the report to be filed with the Clerk. It is my understanding that copies cannot be available to the Members until and unless their printing is authorized by the House.

Mr. MICHENER. This is just a question of filing reports during the recess?

Mr. SPARKMAN. That is all.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. DICKSTEIN asked and was given permission to extend his remarks in the RECORD, and further to extend his remarks and include a few editorials dealing with the East Indian quota.

Mr. FOLGER asked and was given permission to extend his remarks in the RECORD on the subject of decentralization and prevention of monopoly, and to include an editorial from the Washington Post.

Mr. PATRICK asked and was given permission to extend his remarks in the RECORD on the subject of Federal aid to public schools, and further to extend his remarks on the subject of Dixie's opportunity.

Mr. DE LACY (at the request of Mr. HEALY) was given permission to extend his remarks in the RECORD in two instances, and to include in one a magazine article and in the other a letter.

UNEMPLOYMENT BENEFITS DURING RECONVERSION

Mr. HEALY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HEALY. Mr. Speaker, may I take this occasion to commend the gentleman from North Carolina [Mr. DOUGHTON], the distinguished chairman of the Committee on Ways and Means, for the timely introduction of H. R. 3736, which provides for additional unemployment benefits during the reconversion period. The extreme urgency of this legislation cannot be overemphasized. That this situation has been recognized by the chairman of the Committee on Ways and Means deserves the unstinted praise of the Members of this House and of the American people.

While I prefer that the House remain in session to work on this and other necessary legislation, in view of the contemplated recess, may I suggest that hearings on this bill be scheduled as the first matter of business upon the reconvening of the House in the fall. Consideration should be undertaken at the earliest possible time. If a date for hearings is scheduled before recess, the Members of the House will have opportunity to study the local conditions obtaining in their districts and will be able to make well-considered recommendations to the committee.

There are some suggestions which I would like to make at this time for the consideration by not only the members of the committee but all the Members of the House. A magnificent record has been established by war workers and management in achieving the phenomenal production which to a large degree accounted for the defeat of Nazi Germany and is now speeding the day of victory against Japan. These workers often found it necessary to sever home ties and travel to war-production centers. With cut-backs and termination of war contracts many of these patriotic workers must again travel, either to their former homes or to areas offering employment opportunities. To expedite this migration and bring about an early period of readjustment it is imperative that travel allowances be made to families which find it necessary to move to new areas.

Another matter which deserves our attention is the determination of unemployment benefits on a basis of need. Under H. R. 3736 benefits may be paid up to $25 per week both to a single man and to the head of a family with several children. The need for additional benefits to heads of families cannot be denied. May I urge your thoughtful consideration of this very important aspect of this problem.

We are rapidly approaching the end of the most terrible war in history. If we are to win the peace, we must act quickly to prevent chaos on the home front. Some unemployment will be inevitable during the transition from war production to a peacetime economy. The brunt of this transition should not be borne by those who have so diligently directed their efforts to furnish our Nation with the sinews of war. We have in part made provision for returning veterans. Perfecting legislation is necessary to aid those who will be mustered out of the armed forces. It is the solemn duty of Congress to enact and perfect legislation which will bring an orderly transition from war to peace. May I again thank the chairman of the Ways and Means Committee for the great step taken in this direction. I am sure he will see fit to have the committee take up this bill immediately upon the reconvening of the House this fall.

SUBVERSIVE ACTIVITIES IN HOLLYWOOD

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I resent any Member of Congress, male or female, attempting to block or interfere with

the efforts of the Committee on Un-American Activities to investigate subversive activities in Hollywood, Calif., or elsewhere.

We are going through with this investigation, as planned. Patriotic, law-abiding citizens from that area are appealing to us to expose and put a stop to the schemes now being cooked up to use the motion picture shows to spread subversive propaganda, poison the minds of our children, and destroy confidence in our American institutions, for the purpose of fomenting revolution in this country.

Decent people throughout the country are already demanding a censorship for motion pictures in every State, in order to protect them from some of this slime and filth. Others are demanding a Federal censorship for the same reason.

This is one of the greatest questions now confronting Congress. It affects every home, every individual, every child in this country.

If we permit these subversive elements to get control of the press, the radio, or the motion-picture industry and use them as agencies to undermine and destroy our form of government, and our American way of life, then our boys in this war will have shed their blood in vain.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] states he will continue in his subversive investigation. No one in this House is more desirous of having a real investigation of subversive activities than I. I hope that an investigation will be made of not only subversive but of all un-American and seditious activities in the United States.

The gentleman from Mississippi [Mr. RANKIN] who talks continuously on subversive activities and who charges, at every opportunity that presents itself, outstanding Americans who advocate and favor legislation in the interest of the American wage earner and the heads of labor organizations as being guilty of subversive activities. At every opportunity the gentleman criticizes the progressive and liberal press, branding them as un-American, but thus far he has not mentioned none of the newspapers with large circulations who for days, weeks, and months have found fault and attacked legislation and activities in the best interest of our country. Neither have we heard from him with respect to outstanding publicists, propagandists, and rabble rousers, such as former Senator Reynolds, Gerald K. Smith, Joe McWilliams, Pelley, and others who have been cooperating with them, many of whom have been indicted, some convicted, and others who should have been prosecuted for un-American, subversive, and seditious activities.

Mr. Speaker, in all of the gentleman's talks and charges, and the oft-repeated reading of charges from the records of the Dies committee and even with all the fanfare and hullabaloo about communistic activities, neither has he, the Dies committee, nor anyone else, been able to prove that any of the persons or organizations they have attacked were connected with Communist organizations or tainted with communism. Yes; the Dies committee succeeded in bringing about the separation from the Government service of a few men in the Department of Labor and three men—Robert Morss Lovett, a former professor at the University of Chicago, Goodwin Watson, a former professor at Columbia University, and William E. Dodd, Jr., who served with the Federal Communications Commission. I say to the gentleman from Mississippi that these three gentlemen are as loyal and patriotic as any men in the United States.

Mr. Speaker, I repeat I am in favor of and will demand a real investigation of subversive activities and an investigation of those purported patriotic organizations who have been and are beyond any doubt following the pattern of and disseminating the contemptible propaganda of Hitler and Goebbels in the United States formerly under the leadership of Sylvester Viereck, Fritz Kuhn, Pelley and their cohorts, and now under the leadership of former Senator McReynolds, Gerald K. Smith, Joe McWilliams, and other rabble rousers.

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DICKSTEIN. Mr. Speaker, the Committee on Un-American Activities has for quite some time been investigating un-American activities in this country, and yet it has accomplished so little. Now it is their intention to investigate so-called un-Americanism in Hollywood. Are they planning to follow up a previous investigation in Hollywood which resulted in the accusation that Shirley Temple was a Communist? Do they feel that her growing up has resulted in her becoming a stronger Communist? If this committee really wanted to get to the bottom of un-American activities they would not waste precious time and money in Hollywood. They will find very little there. Not one member of this committee can present to me or to the House sufficient evidence justifying such action. There must be some basis on which to warrant the investigation of a congressional committee.

If the members of the Committee on Un-American Activities really want to destroy un-American activities in this country I can furnish them with a list of groups who are abusing mailing privileges to spread propaganda of hate and intolerance, groups who are seeking to divide our people by the preaching of falsehoods. These are the people who in my opinion warrant the investigation of Congress. These people who are making every effort to destroy the foundation of our constitutional government. All of this ballyhoo about Hollywood movies corrupting the morals of our children is nothing but a lot of noise. If the censorship of the movies needs correcting, this can be accomplished without a congressional investigation.

I am not seeking to protect any group or individual, whether in Hollywood or elsewhere, attempting to undermine our Government and our way of life, but let us turn all of our efforts toward the destruction of un-Americanism daily and openly being spread among our people.

Mr. RANKIN. We have those people already.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 20 minutes.

VETERANS' HOSPITALS

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I should like to go ahead with my speech.

Mr. RANKIN. I just want to say that we are not taking a committee to Hollywood. We are sending investigators. We do not need any of the information of the gentleman from New York [Mr. DICKSTEIN] than we already have. We have plenty of it.

Mr. VOORHIS of California. Since I yielded to the gentleman from Mississippi for that purpose, I should like to make one remark in connection with the work of that committee.

It has for a long time been a tactic of people who hated democracy because at heart they are Fascists to call people Communists who are not Communists at all but only sincere believers in the necessity of progressive constitutional improvement of the lot in life of the average man. It has likewise been a tactic of Communists, who would really like to overthrow democracy, to call people Fascists who are not Fascists but conservatives believing in freedom and democratic political institutions. Unless a committee of this sort is very critical as to people who make all these charges on both sides of the fence, not because they are true but because they are trying to discredit their political opponents, it can make most serious mistakes. For years in California every progressive person who has run for political office has been accused by certain irresponsible reactionary forces of being subversive, communistic, and all sorts of things.

Mr. RANKIN. Mr. Speaker, will the gentleman yield on that proposition? I will get him some more time.

Mr. VOORHIS of California. I yield.

Mr. RANKIN. I want to say to the gentleman from California that there is a well-organized un-American group in this country that is trying to smear every patriotic American who does not agree with their communistic ideas as pro-Fascist.

Mr. VOORHIS of California. May I say to the gentleman that there is another unpatriotic group on the other side trying to do exactly the same thing to the patriotic progressives.

Mr. RANKIN. I understand; those are the two elements we propose to investigate and expose. We are not sending the committee but we are sending our investigators out there and we expect to bring the witnesses to Washington.

Mr. VOORHIS of California. I am sorry I cannot yield any further.

Mr. RANKIN. I thank the gentleman from California.

Mr. VOORHIS of California. Mr. Speaker, in the 20 minutes allotted to me I am going to speak about three subjects each of which is somewhat unrelated to the other.

VETERANS' HOSPITALS

In the first place, since veterans' hospitals have already been mentioned on the floor this afternoon, I want to point out that in the GI bill of rights Congress authorized the expenditure of $500,000,000 for the construction of veterans' hospitals. Construction should, in my opinion, have been pushed forward on those hospitals much faster than has been done. It is my concern that too much reliance has been placed upon the possible use of buildings now being used by the Army and the Navy, some of which would, I believe, be quite unsuitable, as permanent hospitals for the care of American veterans.

I have been concerned also to note in the CONGRESSIONAL RECORD of a few days ago, July 3, to be exact, an extension of remarks by the gentleman from Indiana [Mr. SPRINGER] in which he included material indicating that the question is raised as to whether it may be necessary to deny admission to veterans' hospitals to veterans with non-service-connected disabilities. I doubt that this will be done, but the very fact that it has been discussed indicates how urgent is the need for additional veterans' hospital construction now. I think that it would be a great tragedy to have to deny hospital care to any veteran who needs it. I, for one, want to add my word to that of others who have spoken about this same subject, to the effect that the very first type of construction of all types of construction that should be pressed at the moment is the construction of a sufficiency of hospital facilities for the veterans of this and other wars.

WEST COAST FRUITS AND VEGETABLES MUST NOT GO TO WASTE

Now, Mr. Speaker, there has arisen a problem in connection with our west coast area which is serious not only for us but also for the rest of the country. I refer to the transportation problem. That problem is, of course, a problem that nobobdy by the wave of his hand or even by the most earnest effort, can solve easily, because the problem is connected with the redeployment of our armed forces and the great movement of military supplies through the west coast ports to the Pacific area.

One effect, however, of the transportation congestion that has resulted is that at this very moment there is wastage and rotting of a considerable amount of very valuable food products, particularly, of course, fresh fruits and vegetables. Recently there have been two different instances where embargoes upon the shipment of particular types of fresh fruits and vegetables has been put on by the Interstate Commerce Commission, to that none of those products could move out of west coast ports at all, in one instance the embargo lasting for 4 days and in another 5 days, I believe. At the present time such shipments are embargoed on Sundays.

We are not complaining for a moment about anything that needs to be done to move the military shipments, because, of course, that must come first. But those of us on the west coast who have been working on this problem very hard—and I see before me the gentleman from Arizona [Mr. MURDOCK] who is one of those who has been deeply concerned about it and has attended meetings with other Members and myself in an endeavor to solve the situation—are insisting that after military supplies move the very next type of freight that is accepted for movement out of the west coast shall be these perishable food commodities which otherwise will go to waste. In other words, that they should be given top priority before other civilian shipments which, in the nature of the case, could wait without being spoiled.

That is the first proposal that we make, and we make it with all earnestness. I am informed that such a priority list has been prepared and could be put into effect; that similar action has been taken in other instances where particular types of freight movement were all important.

It does not make a pretty picture, Mr. Speaker, in view of certain food shortages that do exist, to have tons of very valuable and nutritious foods going to waste for any reason.

I also want to raise one question about this transportation congestion in the west coast gateways, as they call them; that is, the railroad ports of entry that lead to San Francisco, Los Angeles, and the Pacific Northwest ports. It occurs to me it might be possible for a greater use of certain other port facilities in other sections of the country to be used, having shipments to go through the Panama Canal instead of through all the Pacific coast ports. I do not know all about the transportation problem involved in this, but I do know that certain it is that essential food shipments ought to be considered as a part of the military problem itself, for the degree to which fresh fruits and vegetables can be consumed here at home and can satisfy the needs of our people, means a lessened draft upon certain other commodities that are nonperishable. Apparently, from all we have been able to learn about this matter, one problem is a shortage of manpower on the railroads. I take off my hat at this time to the men who are now operating our railroads, for in the midst of this greatest of all wars, our railroads, with a tremendously heavier load than they ever carried before, are operating today with fewer employees than they had in World War I.

As we look ahead into the future, however, it appears that the situation might even become worse and for that reason I think I speak for Members from the west coast particularly when I say that every possible effort must be made to make available such skilled manpower with railroad experience as may possibly be spared out of the armed forces not assigned to essential duties, and that manpower from other sources ought to be devoted to this all-important purpose to the greatest extent that it can be. I have a very fine letter from our Secretary of Agriculture, our former colleague, Mr. Clinton Anderson, discussing this question and I have every confidence that he and those associated with him in the War Food Administration are doing everything in their power to solve this problem. I believe the Office of Defense Transportation is, too. It is one which we cannot permit to beat us because, after all, food supplies which otherwise would perish and be completely lost are involved and we cannot afford such a waste.

THE TRUE FUNCTION OF FOREIGN TRADE

Mr. Speaker, with the balance of my time I wish to speak in rather general fashion with regard to some of the major pieces of legislation that the Congress has passed in the past few months. It will be recalled that some of those major pieces of legislation include the reciprocal trade agreements program, the Bretton Woods agreement, the Export-Import Bank and its lending powers, which was passed only a few days ago, lend-lease, and the United Nations Relief and Rehabilitation empowering legislation. This legislation, all taken together, obviously deals with questions of foreign trade and relationships between our American economy and others in every part of the world.

I sometimes worry a bit about the attitude of Americans toward other nations, for typically enough of our own country we have a tendency to go to extremes. On the one hand there are those among us who have, I think, too great readiness to accept whatever is in other countries, particularly certain other countries, as being right, when, as a matter of fact, it is not always right; and too great tendency perhaps to have the United States pour out its bounty without consideration of how help might be given which would strengthen most the real fiber of the country attempted to be helped. On the other hand I am concerned about other groups among us who seem to have a rather deep prejudice against any foreign nation and to feel that anything that America may do toward trying to promote a healthier condition in other countries is done for purely altruistic reasons.

Obviously that is not the case, because were we to permit a condition of widespread hunger, chaos, or disorder to continue in any country on earth, unquestionably that would soon reflect itself back upon conditions in our own country, and obviously to our own detriment. We in America, more than any other nation in the world, are interested in the maintenance of peace so that the sons of those who now give their lives will not in another short span have to face the same kind of death. That is the kind of world we seek. If that be true, then the legislation that we have passed in the Congress has, I believe, been directed toward a fundamental and most worthy purpose. But I think there is one thing about all this pattern of legislation looking toward the implementation of foreign trade and economic cooperation that is many times lost sight of. For the importance of these measures lies in an American attempt to bolster the gen-

eral health of the economic life of the world in this critical period. The net effect of them if successful will be a raising of the standards of living and particularly the standards of production and wages and life in these other countries; but if relied upon to solve the problem of unemployment at home in America then we shall be sadly deceiving ourselves. Unemployment cannot be solved in any country, our own included, by means of foreign trade.

It would be a deception of the people of China, for example, were we to lead them to believe that by our lending money to China in order that she might buy consumable commodities from America she can in any long-run sense help her economic situation. Loans for the development of electric power in China, of course, is an altogether different proposition. You are there increasing China's productive capacity by which she can repay her loans out of her ability to produce and raise her standard of living and provide a better market for her own goods and ours as well.

The problem of unemployment, which is the type of problem of this century in which we live and which is the greatest enemy of democracy after war itself, is only going to be solvable to the extent that we see that its solution depends upon the expansion of the consumer purchasing power of people within each nation in balance with their power to produce. So I hope we can keep it clear in our minds that one of the most important contributions which the United States can make to the possible stability of the world is the maintenance of that balance of domestic buying power against our domestic power to produce.

In what I have to say following I shall try to develop that point and to show that unless that principle is observed any attempt to utilize foreign trade, to help either one's own country or other countries is doomed in large measure to failure.

Walter Lippmann has written in one of his outstanding books the following:

> The basic principle of an economic foreign policy is that the foreign accounts of the nation must be brought into balance by ordinary transactions.

What this means is that no nation can ultimately pay a debt to another nation except by exporting goods or performing services either to the creditor nation or to some third nation. It means also that no nation, least of all a creditor nation, can export more than it imports over any considerable period of time if it expects to be paid for its exports.

We have wanted to export more than we imported because we did not take measures to keep the American people's purchasing power as high as our power to produce. It had no explanation in sound, economic, logical fact or necessity, but was only due to the blindness of our failure to match our production economy with a monetary and distribution system which would expand as rapidly as did production. The reason we thought we had to have an excess of exports over imports, was because we did not provide for the raising of our domestic purchasing power as rapidly as our productive capacity increased.

The principle of foreign trade is a mutual exchange of goods whereby every nation receives goods which it needs or which the country from which it buys them can produce more efficiently. It is not a proper principle of foreign trade to use it as an attempt to solve the unemployment problem. For one nation to attempt to solve its unemployment problem by exporting in excess of its imports is simply to dump that unemployment problem in the lap of other nations, thus setting up a cycle of events that ultimately leads to retaliation—and which in the past has led to war.

Sound foreign trade can contribute to raising the standard of living of all nations, but the unemployment problem of every country must be solved at home if we are to have peace and a decent world.

The only correct basis for foreign trade exists where every nation enables its own people to purchase a volume of goods and services equivalent to what that nation itself produces. Then and only then will the export of a part of that nation's production bring about a situation where there will be an excess of buying power in that nation for the purchase of goods produced abroad and where imports can be received without causing unemployment in the nation.

There is only one way in which international lending can create a market for the goods of the creditor nation. That is if the loans result in building the real capital wealth of the borrowing country, in making possible an expansion of its capital plant, increasing its standards of production, standards of living, standards of wages. Where international lending has this result, it expands the market for goods generally in the borrowing country.

That, as I understand, is the basic principle and the only method under which the bank for international reconstruction and development encompassed in the Bretton Woods agreement can make loans, and that, to me, was one of the strongest arguments in its favor.

On the other hand, international loans, the proceeds of which are used simply for the purchase of consumable commodities cannot, in the long run, benefit either the borrowing or the lending nation. And the only way such loans can ever be repaid is if the lending nation in the future purchases more goods from the borrowing country than it sells to it, or accepts services from the borrowing country.

That ought to be understood, because there is no other way that such loans can be repaid.

The reasonable reduction of trade barriers is an end to be desired because it will lead ultimately to an increase in the standards of living of all nations by enabling all of them to take advantage of the most efficient production which the world affords. It would be a fundamental deception, however, to conceive that a reduction of trade barriers is a means of solving the unemployment problem in any country.

Excess savings in the hands of a few and a net deficiency of buying power in the hands of the mass of people in any nation create a situation which some people claim can be solved by foreign investment. One reason for this claim lies in the historical development in countries like the United States where the rate of return on capital throughout the years has declined. Certain citizens of the Nation seek some means of investing their money where very high rates of return can be expected. They believe this may be possible in foreign nations. Hence instead of supporting steps to increase the buying power of the population of their own country, they contend that the only solution of the unemployment problem lies in foreign investment. This is not only an unsound but a positively dangerous argument and the pursuit of such a policy will ultimately lead to economic disaster, precisely as it did in the period between the two world wars.

The only real solution of the problem is, first, to maintain a high level of domestic purchasing power in the United States and to keep this level equal with the power of the Nation to produce. Second, to make possible the borrowing of funds for capital investment by underdeveloped nations in order that their capital resources may be increased, their standards of living raised and in order that ultimately they may be in a position to buy and sell on a more equal basis with the highly industrialized countries. Third, to remove unjustifiably high barriers to the movement of international trade, not to create jobs but to balance trade and raise living standards. And fourth, to do everything possible to bring about a situation where the balance of international payments will be "brought into balance by ordinary economic transactions."

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 20 minutes, in continuation of certain matters which I discussed regarding the cartel speech I made in the House on May 21.

The SPEAKER pro tempore. Is there any objection to the request of the gentleman from California?

There was no objection.

Mr. HAYS. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXTENSION OF REMARKS

Mr. DINGELL asked and was given permission to extend his remarks in the RECORD and include a letter he received from the United Automobile, Aircraft, and Agricultural Implement Workers of America in regard to the food situation in Detroit.

Mr. JOHNSON of Oklahoma (at the request of Mr. WICKERSHAM) was given permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House the gentleman from California [Mr. HOLIFIELD], is recognized for 5 minutes.

COMMITTEE TO INVESTIGATE JAPANESE WAR REQUIREMENTS

Mr. HOLIFIELD. Mr. Speaker, I have introduced a resolution today, respectfully calling upon the President of the United States to appoint a seven-man committee of civilian experts to investigate a number of subjects directly connected with the size of the American armed services for the war against Japan.

All of us are united in our determination to see the war in the Pacific end in unconditional surrender. All of us are determined that the armed forces shall have every man, every plane, every ship, every gun, and every ounce of food or yard of cloth needed to successfully complete this gigantic task.

However, I have been bombarded by letters and requests from servicemen and their families asking how we can possibly employ 11,000,000 men in the one front war against Japan, when we required less than 13,000,000 men to fight a two-front war against Japan, Germany, and Italy?

The success of our reconversion to a civilian economy depends on the orderly absorption of the members of our armed forces into civilian life. The holding in idleness, or shifting from camp to camp needless of hundreds of thousands of military personnel is but a delayed time bomb for our civilian economy. The sooner we reduce our military personnel to the absolute military requirements, the less effect victory over Japan will have on wartime employment.

The Army has proven to be a hoarder of manpower and surplus war materials, as evidenced by the Mead committee investigations and the investigations of colleagues of mine in the House.

At the same time, the Army has made promises of a speedy discharge to millions of men according to a "democratic program." The Congress clearly expressed its feelings on the question of drafting fathers and critical farm employees. Yet, the Congress went along with the Army on their war measures when we were urgently involved in a two-front war. Now, however, when we are fighting a one-front war, the Army tells us it cannot release men over 35. The Army says it cannot release men with three or more dependents. Most of the fathers were drafted in late 1943, many were not physically fit to serve overseas. As a result, these men have been unable to amass points necessary for discharge at the present time, nor will they have sufficient points in the early foreseeable future. In the meantime, their families are undergoing disproportionate hardship.

The Army has only this week released its first doctor under the point system and yet thousands of doctors are needed immediately at home to take care of the civilian population.

The Army was willing a short time ago to release a man over 38 providing he would take a war job. Now I understand they have upped the age to 40—with only a one-front war to fight. Why?

Mr. Speaker, it seems to me these men over 35 should be released and given a chance to get set in a job so they can take care of their dependents when the war against Japan ends.

On a recent tour through German prisoner of war camps in France and Italy, I talked with the commanding officer of a certain camp. He stated that he had distributed a questionnaire asking the German prisoners if they would volunteer for labor service in the Pacific theater. Mr. Speaker, over 60 percent indicated they would volunteer for this work.

In my opinion we should utilize every German prisoner available to do the hard labor which millions of American boys are doing.

The German Nation caused this war in their insatiable greed for power. Let them expiate their crime in tears and sweat and blood wherever necessary to relieve American taxpayers and American boys.

We are feeding German prisoners and able-bodied men in the liberated countries. Let us be practical and let them earn their bread by the sweat of their brows and relieve American boys from our labor battalions.

Mr. Speaker, for these and many other reasons, I have introduced this resolution.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. O'TOOLE] is recognized for 15 minutes.

FORT HAMILTON TUNNEL FOLLY

Mr. O'TOOLE. Mr. Speaker, while it is rather unique to come before this House to speak relative to a local project, I feel that I would be amiss not only in my obligations to my own constituents but to the other people of the Nation for reasons that I will explain at greater length further on.

I am a resident and a Representative of the Fort Hamilton-Bay Ridge area in Brooklyn. This is one of the last fine residential areas remaining in the city of New York. Included within its borders are thousands of the most beautiful residences in our city. It is the home of many fine fraternal buildings, hospitals, churches, and schools. It is a section in which people from other areas of the city have migrated in an effort to find a combination of the suburbs and city. The neighborhood is featured by that which is so rare in New York City, thousands of trees, green lawns, and a park system which this Congress, during the WPA program, voted millions of dollars to develop. The area is inhabited for the major part by hard-working, thrifty people, who, after years of sacrifice and self-denial, were able to obtain a sufficient fund to buy a home. The people are proud of the section, and maintain their homes and institutions in the finest possible fashion. Every Sunday thousands of people from other sections of Brooklyn and New York drive out to Bay Ridge and Fort Hamilton yearning that they themselves might live in this last beautiful neighborhood in our city. The area represents an assessed valuation somewhere in the neighborhood of $300,000,000. It is now threatened with destruction by one of the silliest plans that has ever been called to my attention. In order to give you a true picture it will be necessary for me to describe briefly the geographical location of Bay Ridge and Fort Hamilton.

As one comes in from the ocean and sails past Coney Island and into the first bay of New York Harbor—Gravesend Bay—starting at the northerly tip of land that encompasses the bay and on the right or east is Fort Hamilton. Across the narrows on the left or west is Staten Island, another one of the five boroughs of New York. A passenger on a boat can readily discern that on the Fort Hamilton Bay Ridge shore is a fine, beautiful, residential area. Along the eastern bank of the water runs the Gowanus Belt Parkway, one of the finest scenic roads in this country. Adjacent to the Parkway and separated from the first line of homes by an area of several hundred feet are several miles of parks and play fields running parallel to the Parkway. It is a beautiful, lush scene. On the western side of the Narrows, which is Staten Island or Richmond, is an area many times larger than Bay Ridge-Fort Hamilton, which is comparatively poor, being featured by piers that are now busy but which in normal times are known as Hylan's Folly (after the mayor in whose administration they were built). Staten Island itself, while politically a part of New York City, geographically and naturally belongs to New Jersey. It is separated from the State of New Jersey by a narrow inlet perhaps ⅛ of a mile wide called Kill van Kull. It is connected to the Jersey mainland by 2 bridges and has very little in common with the State of New York. For the past 10 or 15 years efforts have been made to build a bridge from Staten Island to Bay Ridge. Fortunately for the people of my district I was a member of the Subcommittee on Bridges of the Interstate and Foreign Commerce Committee of the House. The Interstate and Foreign Commerce Committee, as all the Members of the House know, must first approve of any application for the construction of a bridge over a navigable stream and then must submit that approval to the Congress for a vote. I have pledged to my people that as long as I was a member of the committee never would a bridge be built to destroy the area that I represent. Now the proponents of a means of communication between Staten Island and Brooklyn have decided that it would be wise to build a tunnel. This move would not require the approval of Congress. A bridge or tunnel that would connect Staten Island and Brooklyn, to my mind and to the minds of many thinking people, would be a folly. Statistics show that 85 percent of the people of Staten Island do not desire to get to Brooklyn. Their wish is to reach Manhattan. If a truck could come from Staten Island to Brooklyn it would then take another 55 minutes to reach mid-town Manhattan. Now a truck can cross the ferry from Staten Island to Manhattan and reach mid-town in 35 minutes with far less use of gas, oil, wear and tear, and depreciation. Ninety percent of the residents of Staten Island who work off the island are employed in Manhattan and not in Brooklyn.

The construction of this tunnel would lead to nothing but the utter destruction of the area which I represent. It would mean not only a tunnel but it would mean the wiping out of block after block of fine homes, schools, and churches in order that the approaches to this tunnel might be constructed. It would mean that for a period of 5 years many of the fine streets of the area would be piled high for the purpose of storage with concrete, steel, wood shoring, and even explosives. It would mean that for a period of several years there would be dynamiting and all the other disturbing features that go with modern construction. Never has a tunnel or bridge of any size been built but that the connecting and surrounding area was destroyed for residential purposes.

I come before this House to warn Republican and Democrat alike that if these plans are approved and construction is contemplated, an effort will be made by the New York City Tunnel Authority to borrow money from the Reconstruction Finance Corporation. The estimated cost of this venture is $73,000,000, but, like all estimated costs on ventures of this kind, it, no doubt, would go well over $100,000,000 before it could be completed. It will be impossible for this authority to obtain these funds from private sources as the risk is far too great for any group of bankers to undertake such a hazardous loan. Anyone studying the proposition could readily see that Staten Island would not be benefited and that Bay Ridge and Fort Hamilton would be destroyed. It might be well for this House to study at some time in the near future the interstate tunnel and bridge situation in the city of New York. It, no doubt, will be shocking to many of the Members to learn that only a few of these projects are paying for themselves; that some are operated at an individual great loss. It is a matter of concern to this House, for if any funds are loaned by the Reconstruction Finance Corporation or by any other governmental agency, it is the taxpayers' money, it is the hard-earned dollars of people from all over this country.

The greatest fear that I have is that this project may be attempted as a pseudo postwar measure, a sort of reversion to the WPA boondoggling—namely, build anything, regardless of cost, regardless of operating expenses, regardless of benefit, as long as someone gets credit for doing something.

In conclusion, I wish to emphasize the importance of this matter to the Members of the House and to remind them that from time to time it is my purpose to speak to them again about this folly. I have also registered, and will continue to register, my protests to Governor Dewey, Mayor LaGuardia, the War Department, and the Reconstruction Finance Corporation and other Government loaning agencies. It is also my purpose to unite my people so that their homes will not be destroyed.

The SPEAKER pro tempore (Mr. SPARKMAN). Under previous order of the House, the gentleman from Indiana [Mr. SPRINGER] is recognized for 10 minutes.

THE SOAP FAMINE

Mr. SPRINGER. Mr. Speaker, there is a terrific shortage of soap in this country, and this shortage is becoming very alarming and most critical. When information is disclosed that soap is on the counters for sale the housewives hurriedly form a "soap line" in an effort to secure some of this very essential commodity for home use. There does not appear to be any discrimination in the kind or type of soap in which this scarcity exists, as it is almost impossible to secure either flake, powdered, laundry, or bathing soap, and this scarcity is rapidly developing into an utter impossibility to obtain it at all. Soap is a most essential commodity. At the present when lines are formed in an effort to obtain some soap—in cases where some merchant is fortunate enough to have a small quantity of it—those who are at the rear of the line are usually disappointed, because the soap is all gone before they reach the counter. In most of the stores the soap counters are entirely bare.

A report came by radio that a merchant in the State of Florida advertised the fact that he had soap for sale, and almost immediately a "soap line" was formed. Those in the line discovered that the quantity of soap was inadequate to supply all who desired to purchase soap, so a "grand rush was made" by all in a final effort to obtain soap, and the result was the merchant was injured and all of his stock of soap was carried away by those participating in the effort to secure needed soap. In many cities soap-buying stampedes have occurred and people have been injured. This is a very critical situation. The people need—they must have—soap. The investigations conducted upon this subject to this date reveal that the Government cuts in raw material allotments, diversion of civilian supplies to military and lend-lease orders are largely responsible for this grave shortage. From another source it has been reported that this acute shortage has been caused by "a shortage of fats and oils and an oversupply of Government regulations."

Mr. Speaker, quite recently the Office of Price Administration was contacted with respect to this terrific shortage of soap, and the report came back from that agency "that it had no immediate plans for rationing soap." I wonder why that agency would even contemplate rationing soap, when there is very little, if any, soap to be purchased. This serious condition should have been anticipated and prevented, rather than to contemplate the rationing of soap when there is no soap available.

This soap famine is proving to be very critical. I have received many letters from housewives pleading that something be done to provide soap for laundry and bathing purposes. If the War Food Administrator, or Lend-Lease, or any other agency of government is now, or has been, sending soap to the civilian population of foreign countries, it is high time to stop that pernicious practice. Let them give the American people the opportunity to cleanse their faces, bathe their bodies, and wash their clothing and their goods. It is time that lend-lease—which means giving soap away—cease taking from our good people the essentials of life—and soap is certainly one of those essentials—and giving it away to others in the civilian group in foreign countries.

May I make inquiry, Mr. Speaker, what the War Food Administrator wants with 10,000,000 pounds of soap during the next few months? That is the request, I learn. The people in foreign countries certainly do not eat soap. Of course, in my humble judgment, the WFA wants to send soap to foreign countries, probably to Europe where the war is over, so those housewives may laundry their clothing and their goods with comparative ease, while the American housewife will be compelled to stand by and do the best she can. She would be compelled to present herself with an uncleansed face, an unbathed body and clad in her dirty clothing—awaiting the time when all others in foreign lands are amply provided with soap before she can obtain it for essential purposes in her own home. For the War Food Administrator to demand 10,000,000 pounds of soap, within a comparatively short time, when there is very little or no soap on the shelves for sale in this country, is an unwarranted and astonishing request. Our people need soap, and they demand that the soap which is now being diverted to civilian populations in other countries be retained for use in American homes in our own country.

Mr. Speaker, when the European war was at its peak the demands for fats and oils was certainly greater than it is today. We had soap then. Now, since that phase of this war is over and the demand for fats and oils has decreased, we have very little or no soap at all. Those in charge are directly responsible for this reprehensible situation. This soap situation is comparable to the meat situation, which has been very poorly handled in the past. The people need meat, and those who toil upon the farm, in factory, and in mill must have meat. However, the regulations established by those in power are such that practically all of the red points are required for the purchase of lard, butter, oleo, and other like essentials, so that very few red points remain with which to secure meat—that is, if there is any meat on the shelves for sale. With little or no meat, and with very little or no soap, pray tell me what the people, the common people, the people of every walk of life, will do in this great Nation—the United States of America?

The people demand the exercise of good and sound business judgment in these matters, and they demand that this very serious situation be immediately solved in the interest of the people of this country.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. DIRKSEN] is recognized for 15 minutes.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION

Mr. DIRKSEN. Mr. Speaker, UNRRA seeks several billions of additional funds.

Before more money is appropriated the UNRRA operation should be thoroughly investigated.

It has been authorized to spend $1,350,000,000. Of this amount $450,000,000 has already been appropriated and a transfer of 350,000,000 of lend-lease supplies on certification by the joint chiefs of staff has also been approved. The total amount available to UNRRA from 44 nations on the basis of 1 percent of national income is estimated at $1,834,000,000. The United States' share is $1,350,000,000, or nearly 74 percent of the total.

As of March 31, 1945, UNRRA had obligated 163,000,000 and expended 41,000,000. It does not need additional funds but a request has already been prepared for presentation to Congress.

Personal observations of UNRRA in the field, which have been corroborated by other Members of the House and Senate who have been abroad, plus the unsolicited information from many persons who served with UNRRA overseas, dictate that an investigation is imperative. I have introduced a resolution to that effect and trust the Rules Committee will report it without delay.

There are so many questions to be asked.

Why does UNRRA need more than 200 persons in Washington headquarters at salaries ranging from $5,000 to $15,000? What about its commodity purchases? Why are UNRRA employees bonded in a British rather than in an American company? Why was Mr. Buell Maben, whose complicity in a transaction involving grapes as reported on page 294 of the hearings on the agricultural appropriation bill for 1946 and in the hearings on the investigation of the War Food Administration, page 449, made the head of UNRRA in Greece? If true, why did UNRRA pay $300 or more for typewriters in the black market in Cairo? Why is it reported that the accounts of UNRRA are so "messy" that they cannot be audited? Why is UNRRA being investigated by British Intelligence? What was need for many UNRRA employees in far-off Ethiopia? Why do UNRRA food supplies appear in the black market in Athens? Why were 200 tractors left on the dock in Greece for a long time when they were allegedly needed in the fields? Why are other tractors being flown to Balkan countries in America planes by American pilots at great expense? Is it true that staff members of UNRRA were carrying on black market dealings in gold sovereigns between Cairo, Egypt, and Bari in Italy? Why have so many capable men resigned from UNRRA? Why is the UNRRA and the military effort so uncoordinated that 1,500 UNRRA employees should be wasting time at Granville, France, doing nothing and awaiting assignment? There are so many other questions that should be asked, the answers to which can be obtained only by a careful investigation.

No one objects to a relief effort in behalf of stricken countries but it should be an efficient effort that will achieve good and not earn for this country a reward of ill-will and contempt.

The case can be implemented by statements from persons who are either with UNRRA overseas at the present time or who have been with UNRRA and who resigned in sheer disgust.

This is from a letter by an UNRRA field worker, dated May 25, 1945:

No one is doing anything. The issue is still the same as far as the agency is concerned. Either turn over everything at the ports without any strings attached or stand by our principles and say "no play ball—no supplies" but neither will be done. The agency will continue to kid itself. I should resign but my conscience won't let me—not after a year of salary for doing nothing.

This from a former UNRRA officer who served oversea and then resigned, came back to report to the Washington office and has now resumed private business:

I joined UNRRA August 1, 1944, as a ——— officer and spent 23 days of rather intensive schooling, or perhaps better described as indoctrination, under the leadership of a Dr. Monk, a brilliant Czech-born economist. Assisting him was a lady, Professor Krause, who claimed to be the leading "something or other" in America teaching the culture patterns of the various Balkan countries.

My first impression gained at the school was the fear of publicity. During this schooling I was struck with the fact that no teaching was relative to the American view, but entirely the viewpoint of the nationals of the Balkans. We must recognize that the local people in power were subject to bribes;" "We must pay complete attention to their viewpoint," etc., and the general impression was that we were subservient at all times to those to whom we were trying to administer help.

I saw and watched the recruitment of a large and expensive personnel—the greater share being welfare workers, etc.—a large part of which were of foreign origin, chosen I suppose for their knowledge of the various countries of Europe. No attempt was made in Washington to place the personnel. We could choose either Greek or Serbo-Croatian for language study. Many of those who chose Greek were later in Cairo—placed in the Yugoslav Mission and vice versa, and had to start anew with language study.

I was alerted in ——— and on the 26th I went to New York and then by air to Cairo. I tried to make myself a sort of official amateur photographer in Washington, stating I would gladly pay for the films myself if someone at the top would try to get priorities for films—thinking that an undertaking of this kind would want official records of the project. Nothing doing, however, along this line.

I arrived in ——— early in ——— and met the chief deputy distribution officer and for a number of days was allowed to shift for myself. There was no attempt at that time to prepare for the arrival of the various personnel who were arriving from the States and London. In fact, people arrived daily and the ——— office had no knowledge that such people were on the way.

It did not take long to note the attitude of the top personnel of the ——— office. The attitude was "the devil with Washington and London." Some meetings were being held and plans devised for various ways to put into effect rationing, etc., and it was becoming evident how much we were moving into the sphere of British influence, and the top American personnel seemed to be entirely subservient to that influence.

Slowly the various people were being attached to the various missions; namely, Greek, Yugoslav, and Albanian. I was asked if I would take the position of ——— and also the position of ——— of the ——— mission, to which I agreed. No deputy chief of that mission has yet been appointed.

I went to work with the personnel of the ——— mission and also with the AML (Allied military liaison). The "Allied" was shortly dropped and "military liaison" remained. There was a considerable amount of discord between the AML and UNRRA, and finally it was agreed that UNRRA would act as agents of the military and the military would assume full responsibility for 6 months after cessation of hostilities and then UNRRA would take over. I was quite amazed to note that whenever I spoke of the expense to the taxpayers I was given the impression the taxpayers should be glad to give, to make jobs, etc. A large part of the personnel frankly stated they were on a world tour and "to hell with the taxpayer." Many who wanted to go to ——— or elsewhere just packed up and went.

Late in ——— I was ordered to ——— Italy, and there the ——— AML was set up. Before leaving ——— we were told we were going into British battle dress, and complete British outfits, even to bed rolls and mess kits, were issued. I balked strenuously at this and flatly stated I did not come over to blot out and submerge my American identity. The top American criticized me for this stand, stating I was not representing America but rather a United Nations organization, and even blamed the American Army for not being willing to furnish uniforms while the British would. A few others then took the same stand, and the ——— office issued instructions to the effect they would pay for two uniforms anyone purchased. I bought my own at the American officers' store at ——— and did not present the bill for them.

The ——— military liaison consisted of approximately 25 British officers and a sizable complement of military privates, sergeants, etc., for office work and transportation. All the British officers were well trained, with 4 or more years' service, and were well informed on world affairs. Opposite to this, the Americans had one lieutenant colonel, one major, and one lieutenant. Also with them was the disorganized UNRRA, and up to that time no chief of mission appointed for the ——— mission.

The military liaison plan of distribution was to turn over to the party in power in the various countries the relief goods and let them distribute. Certainly a powerful political weapon. This of course was contrary to UNRRA policy. To enter any country entirely in British uniform also had its political advantages. When we had a lieutenant colonel the British brought in a brigadier general. They are very adept with the use of rank.

In my contacts with various nationals, I soon discovered that Yugoslavia did not want UNRRA personnel in their country and also were antagonistic toward the British. The British, on the other hand, were very cautious of the Russian personnel.

I did not get north of Naples, but I could personally observe no dire need in southern Italy. I felt that we in this country were being taken for a ride, although I knew the real need for rehabilitation existed throughout the war-torn countries.

I have no desire to enter into any personalities, but my experience in the business world, and as a young officer in France in the last war, convinced me I did not belong with UNRRA. It simply went against the grain and those at the top, who should have truly represented our country, could not, or would not, do so. I saw that the various countries were looking at us far differently than they did in World War I. I became convinced that central Europe was to be a hotbed of dissension for years to come, with a power-politics fight between England and

Russia, and we to foot a large share of the bill.

With this thought in mind I resigned, and though a real attempt was made to stop me from coming home, I arrived in Washington November 20.

I was asked by the various heads of UNRRA in Washington to outline my experiences and stayed over extra days for that purpose. My reactions in Cairo were confirmed in Washington, as the top personnel readily confessed to me at that time they knew absolutely nothing about what was going on in Cairo, nor could they get reports from Cairo.

This is, in brief, an outline of my experiences and it may be helpful to you. I have many notes and records of events which I managed to get home. When you are in this vicinity I should be glad to go over some of this with you personally as it might then be of more value to you.

I am of the opinion you will find the accounting of UNRRA quite a mess. For example, I made my report to the Washington office and was told my final accounting would be made and a full settlement forwarded to me in a few days. Almost 8 months have gone and as yet no accounting has been made, although I have written many times and have received promises in return. I was informed last week my trunk was being held in Cairo. I realize full well the difficulty of building an organization, and if any business enterprise were being built up like UNRRA, it would be broke long before it started, regardless of the amount of money with which it started.

I am well aware of the fact there are some excellent people in the organization trying hard to do a job, but my personal observation was that the majority cared nothing for someone else's money, and many of them were paid high salaries—many times beyond their worth. My sole interest is that of an American concerned only in the present and future of his country.

The following testimony taken from page 449 of the hearings on the investigation of the War Food Administration relative to Mr. Buell Maben and his connection with the sale of grapes in California on which the Federal Government allegedly lost $70,000 will be interesting because Mr. Maben is now the director of UNRRA in Greece:

Mr. TARVER. This man, whose name I have forgotten for the moment, who handled the grape transaction in California, where grapes were sold at 7 cents per pound with the instruction they were not to be used for wine, to a purchaser who was thereafter granted, by this man, who, I believe, was in charge of the district office at San Francisco, permission to sell them for use for the purpose of making wine, and who sold them at 11 cents per pound, a price which the Government could have gotten had the purchaser from the Government been permitted to sell them originally without the limitation as to use. This man, according to the evidence we had in the hearings on the agricultural appropriation bill, was at that time in the service of UNRRA?

Colonel OLMSTEAD. Yes.

Mr. TARVER. Do you remember his name?

Colonel OLMSTEAD. Buell Maben.

Mr. TARVER. And he is still serving with UNRRA?

Colonel OLMSTEAD. Yes; and I might add that I do not believe he sold the grapes, they were sold by the fruit and vegetable branch, and that is here in Washington. Mr. Maben granted the release, I understand.

Mr. TARVER. And the net effect of that was to cause a loss to the Government, I believe, of $70,000?

Colonel OLMSTEAD. Yes.

Mr. TARVER. I wonder if the facts with regard to that transaction, and Mr. Maben's complicity in connection therewith—and I use the word "complicity" advisedly—have been called to the attention of those in charge of the UNRRA program?

Colonel OLMSTEAD. I do not know, sir. The hearing was printed and made public and I would assume so.

Mr. TARVER. That is all.

The following letter is from one who occupied a responsible position with UNRRA overseas and who resigned about 3 months ago. Names of places are deleted to protect the identity of the author of the letter.

I entered the service of UNRRA ——— as a ——— officer. I was processed at Washington and sent out to the University of Maryland to take the prescribed training course which consisted of a choice of language and lectures on displaced persons. During this period, I tried to learn something of the duties of a ——— officer but there was no information available because no one knew. I marked time until September 6 and finally embarked for Cairo arriving there ———. From that date until November 19 I did little except read a stack of proposed distribution, transportation, and warehousing plans, very complicated and very impractical. These plans had taken months to formulate by people who sat behind a desk and had no idea what the working conditions would be. After I found out what the actual conditions are, I named these plans the UNRRA 5-year plan because it would take at least 5 years before existing conditions might be improved to a degree where these plans were feasible.

Finally, on ——— I arrived in ——— and on the 24th I was loaned to the military liaison in the Peloponnese to supervise distribution in the——— with ML HQ at ———. You have a report of some of my activities and recommendations. In addition, I selected a village that had been particularly desolated by the Germans as a model project for rehabilitation. The entire population was working with me and it was inspiring. We made plans for rebuilding the houses and barns, getting food and clothing and other necessities. At last, I was making up for all the weeks of idleness and we were going great guns and then—orders came for an evacuation immediately. The village was 30 miles from my HQ and I had to pull out without saying goodbye or an opportunity to explain to my new friends why I had to leave them actually in the lurch. I cannot tell you how bitterly disappointed I was.

I was evacuated to ——— and thence to ——— arriving there ———. I tried to explain the situation to the head of my division but failed to alter his viewpoint. I knew then that the formulated distribution program was hopeless and decided to go back to Washington and try to awaken them. I left Cairo and arrived in Washington ——— and tried again but to no avail. I'm sorry to state that I think the administrative end of UNRRA does not comprehend or cooperate with the functional branch. There are some very good people in this division and I'd know just how to get the best out of them. This thing can work but only along the lines of a business enterprise. This is what I suggest:

1. A reexamination of the principles and functions to determine what may be undertaken by UNRRA with some expectation of success.

2. Eliminate all bureaus and divisions which do not contribute to the successful operations of the curtailed functions.

3. Set up a directive staff for each country only after a survey has been made to determine the problems which have to be handled.

4. Each government should hire and pay operational personnel at the request of UNRRA. The present practice is: UNRRA hires locals and pays them, making a book charge against the government in which operations are going on. It is conceded that these charges will never be collected.

5. Intelligent liaison officers should travel constantly between the fields and Washington so that both ends may know what is going on.

The key to the entire program is distribution, and unless you have a satisfactory plan for distribution, nothing will work. Supplies in abundance are there, I've seen it, but they just can't get it out, especially to the provinces. I tell you, it can be done, and if I can contribute anything to making it work I will be most happy to do so. You see, I've had a taste of the joy one gets in helping his fellow man.

You can appreciate how much has been omitted in this résumé. I would have to write a book to get it all in. Please call on me whenever you wish.

My files disclose the names of other persons whose testimony, after serving in the field, would be highly illuminating. In the light of all this, Congress cannot appropriate additional funds until this whole matter is explored.

Recently I conferred with UNRRA officials before introducing the resolution to investigate and recited to them items and observations from my notebooks while abroad.

Shortly after the resolution to investigate was introduced it was publicized in the Stars and Stripes in the European theater on Tuesday, July 3, 1945. Its publication evoked a number of letters from that theater, of which the following is a fair sample:

As a member of the United States Army who speaks three foreign languages, I was able to visit different displaced-persons camps, and my opinion is that the whole setup is a misadministration. An American girl of the UNRRA team in Munich, in a well-dressed uniform stated to me, "I don't know what to do here." She was merely hanging around in the office. They had no roster of the men in the displaced-persons camps. This girl was not instructed what her duties in this team were. Well, it is all over the camps in my vicinity. In Bavaria is a member who rides in a black Mercedes Benz, arrives in his offices not before 10 o'clock, eats dinner at 12, and returns to the office late in the afternoon for two more hours. Keeping a large household and plenty of food, and who pays for that? I fully confirm that statement made by Representative EVERETT M. DIRKSEN which is printed in the Stars and Stripes. I ask the House to investigate this matter in order to stop the waste of millions of dollars.

(This letter was addressed to the Clerk of the House of Representatives.)

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Illinois [Miss SUMNER] is recognized for 10 minutes.

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and also at the end of them that I may attach part of an essay by Dr. Benjamin Anderson.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

Miss SUMNER of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and include therein a speech I delivered in New York.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

MEMORANDUM SHOWING FOREIGN GOVERNMENTS CAN OBTAIN UNLIMITED DOLLARS THROUGH BRETTON WOODS

Miss SUMNER of Illinois. Mr. Speaker the Bretton Woods agreement enables foreign governments to obtain unlimited amounts of American dollars. The original British draft for the Bretton Woods fund proposal set out frankly and simply a plan for a bank starting with no tangible assets through which, by means of bookkeeping entries, member governments could obtain unlimited supplies of American dollars. Both the Keynes and Morgenthau plans were thoroughly exposed at the time by Dr. Benjamin Anderson who for many years was chief bank analyst for the Chase National Bank. That part of his explanation which shows the way both Keynes and Morgenthau would create dollars follows. In his essay Dr. Anderson said that the ostensible purpose was to create "currency exchange stabilization" but he, of course, considered what he called the "hidden" purpose more important and more dangerous.

Unlike the original Keynes plan the present Bretton Woods fund agreement is written in complicated language. So complicated in fact that before the House committee the hidden purposes were not discussed. But this agreement clearly contains enough power for the fund to create unlimited dollars for member governments to spend which will be created through bookkeeping entries almost exactly as in the Keynes plan.

In the Senate hearings Dr. Anderson touched on the subject, but was asked to hurry on with his testimony. Gertrude Coogan, formerly bank analyst for the Northern Trust Co. in Chicago and author of a popular money book called Money Creators, discussed it more thoroughly—part IV, 439. And by request she submitted an additional explanation contained in volume V, page 571, of the Senate hearings. In this additional statement she showed how, thanks to various laws, our banking system has gradually been permitted to expand from the old system under which banks could only lend their capital and surplus so that now our banking system can create dollars through bookkeeping entries as against deposits, Government bonds, and other prime securities. She pointed out that the Bretton Woods agreement would further extend this money creating power so as to make additional dollars available whenever foreign government I O U's were deposited in the fund.

The way the fund operates its books are set up in dollars. That has been repeatedly admitted by Treasury witnesses. Each foreign government when it submits its quota of currency and gold, if any, receives credit on the books for the face value of its quota in dollars. Immediately thereafter it is authorized by the agreement to withdraw its currency and put in instead its nonnegotiable I O U's—though retaining its quota in dollars on the books, article III, section V—the power to replace its currency with I O U's. These newly created dollars will, of course, dilate and inflate the currency of the United States to the extent that they pass into circulation in our country.

The fund can create dollars up to the sum of 200 percent of each member's quota. Fund article V, section 3 a iii. But there is really no limit to the amount of dollars that may be obtained by a member government through depositing its I O U's since, whether or not the American representative votes for it, the fund management can release all restrictions on the amount a member can withdraw. It can release the 25 percent annual limit or the 200 percent total limit. This power to waive restrictions is contained in article V, section 4. And there is no reason to believe that the fund would refuse to waive the restrictions since foreign governments, all of whom at present are passionately eager to obtain American machine tools and other properties, have a majority and overriding vote on this proposition, regardless of how the American representative might vote on the question.

In addition to the above, there are several loopholes in the agreement and bill not discussed in this memorandum sufficiently large to enable foreign governments to obtain several times the $6,000,000,000 the plan is advertised as permitting.

Miss Cogan, for example, without referring to the above power, estimates that the fund and bank together have enough power to create $66,000,000,000 to be made available to foreign governments. In addition, providing the consent of the American representative is obtained, the fund has power to borrow and sell without limit in the United States.

The reason the American people have been led to believe this agreement involves only $6,000,000,000 is because of the way the Treasury experts insist on telling only what the American Government contributes and never telling how many dollars foreign governments can get out of it. They always tell you that the quota of the United States is $6,000,000,000. You therefore assume that six billion is the limit which foreign governments can obtain in dollars. You can search the Senate hearings without once finding a place where any Treasury expert said how many dollars foreign governments might get out of it. On July 11, in the House hearings on Export-Import Bank, I repeatedly and vainly tried to induce Dean Acheson, a Treasury witness on Bretton Woods, to tell what would be the limit in dollars foreign governments could get out of it. He always evaded the question by answering what the United States' quota would be.

Since governments have only two methods of levying on the people—through taxation and through inflating money—this bill, since it surrenders to foreign governments power to levy through inflating money, is a surrender of monetary sovereignty. Indeed it is the complete surrender to foreign governments of the sovereignty of the United States since, as the British discovered, they were able, after obtaining the money power from the King, to extract from him every constitutional power he had.

[From the Economic Bulletin of May 11, 1943]

POSTWAR STABILIZATION OF FOREIGN EXCHANGE—THE KEYNES-MORGENTHAU PLAN CONDEMNED—OUTLINE OF A FUNDAMENTAL SOLUTION

(By Benjamin M. Anderson, Ph. D.)

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"ILLIQUID ASSETS FOR CENTRAL BANKS

"The provisions of the Morgenthau plan go into great detail in dealing with these 'abnormal balances.' Countries are to cooperate to prevent their being transferred, but the countries which own them may sell them to the International Fund, and the International Fund is gradually to be repaid up to 80 percent of these balances by the end of 23 years, at which time it will still hold 20 percent of them. The International Fund is to get 2 percent interest on the balances it holds, one-half paid by the country which sells them and one-half paid by the country which owes them. The volume of international currency, unitas or bancor, will thus expand against these illiquid balances at a discount rate of 2 percent."

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"Our Federal Reserve System is allowed to take commercial paper running only 60 days. In general, central banks, are supposed to take only the prime paper of the country in which they operate and paper of a very short maturity. This International Bank of rediscount is to give credit at 2 percent on 23-year loans and gold 20 percent of the loans indefinitely thereafter. The violation of sound financial principles could hardly go further.

"THE COMPOSITION OF THE INTERNATIONAL FUND—HOW THE FUND WOULD WORK

"The Keynes bancor fund starts out with neither assets nor liabilities. At the opening of its books on the first morning of its existence it would show assets of zero and liabilities of zero. We may assume that the transactions on the first day involved the sale to the fund by the Stabilization Fund of the United States of $10,000,000 worth of French francs, francs which had been created by the export of goods from America to France, in the form of an order to pay francs drawn on a French importer, a bill of exchange. These francs were then sold by the American exporter to his bank, which in turn sold them to the Federal Reserve bank, which in turn sold them to the Stabilization Fund, which in turn sold them to the International Fund. The International Fund would pay for these francs by giving a deposit credit in bancor to the United States Stabilization Fund equivalent to $10,000,000. We may assume that the fund would then sell the francs it had purchased to the Bank of France, requiring payment in bancor. The Bank of France has no bancor, but it has an overdraft privilege with the fund. The fund thereupon debits the Bank of France in bancor in an amount equivalent to $10,000,000, and turns the francs over to it. If these are the only transactions of the day, the books of the International Fund would show at the end of the day deposits in bancor equivalent to $10,000,000 due to the United States Stabilization Fund, and loans (or overdrafts to the Bank of France equivalent to $10,000,000 in bancor. The books would balance. We should be creditor to the fund, France would be debtor."

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"What could we do with the bancor? We could not get gold for them. The fund has no gold and in any case the Keynes plan provides that the bancor shall never be dedeemed in gold. We do not want the one asset which the fund has, namely, a loan in bancor to the Bank of France. The only use we could make

of our deposit in bancor is to transfer it to the central bank or the exchange stabilization fund or the treasury of some other country to which we happened to owe money, and which was also a participant in the fund. There would presumably be no such country when the fund started. Very speedily the fund would accumulate a big balance sheet, as we exported goods to weak countries, receiving our pay in bancor deposits on the books of the fund, and the fund took in the liabilities of the importing countries.

"A fund starting with nothing is rather more than Mr. Morgenthau could stomach, evidently. He wanted a fund with some real resources. He has provided that the fund shall be constituted by each country putting something in to start with. The fund is to start with at least $2,500,000,000, being half of the aggregate quotas of the member countries which is to be not less than $5,000,000,000. The amount to be paid in by each country at the beginning should consist of 12½ percent of its quota in gold, 12½ percent of its quota in local currency, and 25 percent of its own (i. e. government) securities, except, however, that countries having less than $300,000,000 in gold and countries having less than $100,000,000 in gold need provide initially only 7½ percent and 5 percent, respectively, of their quotas in gold.

"Mr. Morgenthau's fund is thus a curious mixture of assets and liabilities. The gold put in, and the dollars which we should put in would be assets of the fund, from the standpoint of the international balance sheet, exceedingly helpful to the fund in meeting liabilities."

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"The French francs, Greek drachmas, and pounds sterling put into the fund would hardly be elements of strength from the standpoint of the international stabilization of exchange. The bonds which the Government of France and the Government of Greece put into the fund would serve to dilute the fund rather than to strengthen it. But in all events, Mr. Morgenthau would have an aggregate of gold and pieces of paper all of which he could measure in dollars, and all of which he could measure in unitas.

"The operation of the fund under Mr. Morgenthau's plan would be essentially like those under the Keynes plan. If we sold French francs, we would get unitas deposits as credits. The Bank of France buys francs from the fund and gets a loan in unitas or it has an overdraft with the fund."

The SPEAKER pro tempore. Under previous order of the House the gentleman from Kansas [Mr. REES] is recognized for 10 minutes.

CIVIL SERVICE COMMISSION

Mr. REES of Kansas. Mr. Speaker, through the press, my attention has been invited to misleading statements made by the Civil Service Commission charging me with "indulging in unjustified and unsupported generalizations" with respect to the activities of the Commission regarding veterans.

Although I have not been furnished a copy of the Civil Service Commission's statement, it appears the Commission is contending that the Veterans' Preference Act of 1944 states that veterans who have fair efficiency ratings must be discharged before nonveterans with higher efficiency ratings when reductions in force are made in the Federal service. Not only is this contention incorrect, but the fact that the Commission is willing to publicize such a misinterpretation of the law as administered is added proof that a veteran should be appointed to the Commission immediately to safeguard veterans' civil-service rights.

The section of the Veterans' Preference Act in question states that when reductions in force take place in the Government the Commission shall give due effect to tenure of employment, military preference, efficiency ratings, and length of service; provided that as between veterans and nonveterans whose efficiency ratings are above good, the veterans are retained, and that as between veterans and nonveterans whose efficiency ratings are below good, the veterans are also retained. Therefore, so far as specific language is concerned, the act is silent on the question of whether a veteran who has an efficiency rating below good shall be discharged before a nonveteran whose efficiency rating is above good. However, when the Veterans' Preference Act states that the Commission shall give due effect to military preference, it was the intention of Congress that maximum effect should be given to military preference. The Commission is not doing this, but on the contrary, it appears to have gone out of its way to give minimum effect to veterans' preference and maximum effect to the meaningless and subjective efficiency ratings.

I brought this matter to the attention of Congress in the hope that the unsatisfactory condition would be rectified by a modification of the Commission's reduction-in-force regulations. Instead of corrective measures being adopted, I was severely admonished by the Commission for daring to speak for the civil service rights of veterans. I regret that any Federal agency today would assume such an attitude, particularly so in this instance.

If by the time the House has reconvened this intolerable situation has not been corrected, I shall introduce an amendment to the Veterans' Preference Act which will make it mandatory upon the Commission to issue reduction-in-force regulations providing that veterans who are rendering satisfactory services shall be retained. At the time of hearings on that amendment I am hopeful that the House Civil Service Committee will explore the entire subject of efficiency ratings in the Government service. Aside from their immediate application to veterans, efficiency ratings are too often used by Government officials to get rid of competent Federal employees who are considered undesirable because of some personal reason. If this misplaced emphasis upon efficiency ratings continues throughout the years immediately following the war, there will not be a single Congressman who will not hear about it from his constituents.

I see in the press, too, that the Civil Service Commission cited statistics which indicate that the Commission has placed 327,500 veterans in Government jobs during the past 27 months. This means, of course, that 327,500 veterans have received Government jobs in the last 27 months which required Civil Service Commission approval—not that the Commission placed 327,500 veterans in Government jobs. The Commission does not offer statistics showing just how many of these veterans found their jobs first, with the Civil Service Commission merely performing the pro forma function of approving their applications. This is the type of misinformation which the Civil Service Commission uses constantly before the Appropriations Committees of Congress in order to justify excessive appropriations.

I agree with the Commission's statement that the American people should look at the record of the Civil Service Commission. The way for them to get a look is through investigation. If I am ever able to get a majority of the members of the House Civil Service Committee to conduct a complete, conscientious, and comprehensive investigation of the Commission, I feel sure the American people will be amazed at what the record really looks like.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 20 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker I ask unanimous consent that my remarks may be divided into two parts. My first remarks will be with regard to Colonel Hobby, who has recently been given at her request inactive duty as Director of the WAC. The second part of my remarks will be with regards to the treatment of our disabled veterans.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as part of my remarks an editorial from the Washington Star regarding Colonel Hobby's work, together with an editorial from the Washington Post, and further to include in my remarks an article appearing in Service Stripe, a newspaper published at Walter Reed Hospital, regarding a former newspaper correspondent who was with us here at the Capitol for many months, Col. Robert S. Allen.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I believe few, even those who have been closely associated with gallant little Colonel Hobby, realize the difficulties she encountered in charting a new course, as a pioneer, as head of a women's service organization. There were prejudices and unjustified criticisms of the WAC's, but she overcame them all, and she has rendered outstanding service. One hundred thousand WAC's today can testify to her integrity, her farsightedness, and her unswerving loyalty to the United States and to them. She has been a truly great person. She started her work for the women's Army service work over 3 years ago—first as the head of the WAAC, and later as the head of the Women's Army Corps, as a colonel in the Army, and she held a position on the General Staff.

Every service woman in the WAVES, the Marines, and SPARS should give their thanks to Colonel Hobby. They encountered fewer difficulties because of her pioneer work. It is easy to see a

person well poised and looking handsome in an attractive uniform and feel perhaps that the grind of daily work and perhaps encountering antagonism may not be very much. But those who know the work know how arduous and exacting her position must have been. The welfare of 100,000 women in wartime is a great responsibility. She sent many WAC's to foreign countries and in war zones everywhere.

She has given her health and her strength to her country. I hope she will take a little time for rest before she goes on to something else.

In some ways, Mr. Speaker, the work of the WAC's is just the beginning. The war in the Pacific is far from won. Those WAC's who have been over there, and who have been in parts of the world where the climate is difficult should be relieved. New WAC's are needed all the time.

Colonel Oveta Culp Hobby, Director of the Women's Army Corps, applied for inactive duty and it has been granted by the War Department. I wish to extend to her deepest appreciation for her fine work during the past four war years. Through her outstanding service the Women's Army Corps is recognized without question as an essential and vital part of our Army. Our women stand shoulder to shoulder with our men in this World War II and they did their part in securing victory in Europe. Few even of those who have been closely associated with Colonel Hobby realize the difficulties she encountered and surmounted as director of the corps. There were prejudices and unjustified criticisms, but she weathered them all. One hundred thousand WAC's today can testify to her integrity, her farsightedness, and her unswering loyalty to them and the United States. The leadership of 100,000 WAC's in wartime in war zones in all parts of the world is a great responsibility. As a member of the General Staff of the Army and by her ability and untiring work, she won the respect and admiration of the Army. She has been a truly great person and highly worthy of the Distinguished Service Medal awarded to her.

With much affection we wish the little colonel happiness in returning to her family. Under her inspiration and leadership, the WAC's have done well. She knows they will carry on.

[From the Washington Star of July 15, 1945]

COLONEL HOBBY

When Mrs. Oveta Culp Hobby came to the War Department in July of 1941, she came with the understanding that she was to stay only 3 months, her assignment being merely to organize a Woman's Interest Section in the Bureau of Public Relations. Almost before she knew it, however, the 3 months had passed, and she found herself the pioneer leader of a project unprecedented in American military history.

The project began in May, 2 years ago, when Congress authorized the formation of a Women's Army Auxiliary Corps, and Secretary Stimson appointed Mrs. Hobby its director, with the rank of colonel. The task called for tact, poise, vision, and great organizing ability, and, given these things in abundance, Colonel Hobby, breaking new new ground against not a few hidebound male military traditions, quickly shaped policy and hammered out a recruiting and training program that made the WAAC so self-evidently smart and valuable that within about a year's time the word "auxiliary" was dropped and the WAC became an integral part of the Army.

Today, as Colonel Hobby returns to private life in Texas after 4 years of outstanding war service, the women's military organization which is so largely her own creation, and as such a kind of monument to her. has a strength of 100,000. WAC's nowserve in more than 250 Army jobs in every part of the world. To the degree that they have released men for active combat duty and have turned in an unquestionably skilled and essential performance, their contribution to victory has been a very large one—a fact fully recognized by the War Department last January when it awarded the Distinguished Service Medal to Colonel Hobby.

In the words of Colonel Westray Battle Boyce, the able new director of the WAC, history books will record Pallas Athene as its insignia, but "the hearts of 100,000 women who have served under her will also record the image of Colonel Hobby as the symbol of the corps." She retires, as well, with the thanks and admiration of the Nation as a whole.

[From the Washington Post]

LITTLE COLONEL

Col. Oveta Culp Hobby returns to her family and her private life after a 4-year tour of duty with the United States Army. She was the director of a radical innovation in the affairs of that Army—and so successful a director that today the Woman's Army Corps holds an unassailable place in our military organization. She was the commanding officer of the corps from the time of its inauguration, when it enjoyed merely auxiliary status, and continued in command when, 2 years ago, its utility having been fully demonstrated, it was made a part of the Army itself. Members of the WAC have served in north Africa, in Italy, in western Europe. Five thousand of them are at present in the Pacific. The organization, now 100,000 strong, has relieved many men for combat and has contributed significantly to our military effectiveness.

Under Secretary Patterson said of Colonel Hobby that "she has fought many obstacles unique in the history of the Army but did it with great distinction." We have no doubt that it required great distinction to secure acceptance of the WAC among many of the old-line military brass hats. Fortunately, Colonel Hobby possessed, in addition to high organizing and administrative ability, a fund of tact and charm which won her the support of the most hard-boiled Regular Army officers as well as of her own subordinates.

No doubt there was sympathy among the men of the Army for the tears shed over Colonel Hobby's resignation by some of the Wacs who had long been associated with her. The demonstration was unmilitary—but thoroughly understandable. As Judge Patterson said, "The women of her corps will miss her." There is every reason to believe, however, that they will find the same splendid leadership in her successor, Col. Westray Battle Boyce.

DISABLED VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, since the beginning of World War I, I have been gravely interested in those men who sacrificed arms and legs in the defense of our country.

I know how these men feel about their losses. I am familiar with the difficulties presented to them with the use of artificial limbs. I know their problems. And I can say in all sincerity that during the ensuing years these men's paramount adverse criticism of artificial limbs has been lack of perfection.

It seems incredible to me that while thousands of persons in this and other countries have been using artificial limbs for years, nowhere in the world has any country developed superior artificial limbs for their use.

If science can give us such remarkable advancement in the perfection of material of war, there is no reason of excuse why science should not succeed in endeavoring to replace the arms and legs lost by the men whom we send to war.

For this reason I was heartened a few days ago to learn in conference with Gen. Brehon Somervell that the War Department is undertaking a new and vigorous program for the development and perfection of artificial limbs, and with his usual energy and ability to get results, I have confidence that there will be artificial limbs to offer our handicapped men.

In this direction the Office of the Surgeon General of the Army will exert additional energy toward the immediate attempt to develop these superior artificial limbs—to give our men, and here I use the General's own words—"the best that science can produce." To this end I am told the assistance of both science and other civilian knowledge will be sought and encouraged.

This program, which am told has been placed upon the highest priority, will cooperate with the Committee on Prosthetic Devices of the National Research Council at the Northwestern Technological Institute, Evansville, Ill., which was established early this year. Various agencies interested in the manufacture and use of artificial limbs will be contacted. Every effort will be made to give the Army, Navy, and Veterans' Bureau the benefit of combined research.

Mr. Speaker, what the Veterans' Administration has done is somewhat on paper. They have done more in the production of artificial legs than they have in artificial arms and hands. In the production of artificial arms and hands the Veterans' Administration has failed miserably just as the Army and Navy have failed.

This is one more problem to be met and dealt with by the Army Medical Department to whom we pay our respects. That department under the leadership of the Surgeon General, Maj. Gen. Norman T. Kirk, has thus far given us a performance far beyond that for which we dared hope.

Progressive surgery and medicine combined with modern and improved technique for the immediate care of the wounded has reduced casualties in this war to a degree which might be called miraculous.

Through the generosity and sacrifices of our civilian population the War Department has been able to supply our fighting men with every new and improved drug and medical appliance. The well-being, safety, and comfort of our men is our first concern. No effort is spared to save the life of one man.

And beyond the field of surgery we have made phenomenal advances in that of diseases.

Let us consider malaria, of which we are all familiar. The efforts of the Army Medical Department in connection with the control of malaria has reduced this

disease to one-fourth its incidence in the early part of this war. The present over-all rate of this disease in the Army is 0.01 percent.

With our attention and forces now focused upon the Pacific area, such diseases as dysentery, typhus, skin infections and dengue fever will be met and dealt with. Last year the Moore General Hospital, at Swannanoa, N. C., was opened by the Army Medical Department for the study and treatment of these so-called tropical diseases. The assistance received from this source has already been instrumental in reducing the loss of manpower.

Not content with this alone, additional measures of prevention are taken. A vigilant watch is kept over the movement of troops. Those troops and other personnel in danger areas outside of the United States are constantly attended by the danger of the dissemination of parasitic diseases. To detect the immediate source of infection is to safeguard against the loss of manpower.

In this connection, it is interesting to note that during World War I, 38 percent of the fighting men who contracted meningitis died. In this war, the loss is 4 percent. In 1918 the loss of men who died of penumonia was 24 percent as against a loss in this war of seven-tenths of 1 percent.

Figures available from December of 1941 to May of this year show 12,000 men as having died of diseases in the Army. The last war shows 62,670. It is also interesting to note that the Civil War figure is 336,216.

It can readily be seen that the preventive medicines we have been able to supply our Medical Department have been intelligently applied. We have no typhus—cholera—or tetanus and very few deaths have occurred from typhoid or yellow fever. And, too, we must not forget the epidemic of influenza which prevailed during the last war.

And so in offering gratitude to our Army Medical Department, we place in them renewed faith in their ability to now meet and solve the problem of prosthesis.

When comparing figures of other wars with this, we must not lose sight of the fact that our present casualties may be of a different type. The effects of poisonous gases are not with us in this war. But high explosives of all kinds and land mines have given us losses of limb and losses of the senses of sight and hearing. And of these we are concerned today.

Hearings aids marketed for many years are found adequate and adaptable to meet the needs of those with impaired hearing, of which to date the Army has approximately 4,000.

The Army aural rehabilitation program, conducted at three general hospitals, has already assisted between 80 and 90 percent of these men to understand ordinary conversation and to have normal social contacts. This program requires about 2 months. During this time technical training and treatment are designed to each handicapped man. Like those requiring artificial limbs, none is released without the properly fitted aid best suited to the individual case. It is estimated that one out of every thousand men hospitalized will have impaired hearing. Thirty-five percent will be sufficiently disabled to effect discharge.

Regarding the loss of sight, while this subject is still one not fully explored, the Army Medical Department has made remarkable progress. A much finer product has been developed than the glass eye of which we are familiar. The Army has developed an artificial eye made of water-clear plastic which is tinted by skillful technicians at the laboratory of the Valley Forge General Hospital at Phoenixville, Pa. Here, under the guidance of three dental students who perfected this eye, technicians have been trained to fit this improved prosthesis.

Now, again regarding the hope for improvement in the artificial arms and legs, we must, of course, realize that, like any mechanical device, perfection comes with the constant application of improved ideas. And, too, an artificial limb fitted to one man may be found entirely unsuitable to any other. Much like the fitting of dentures, each man's prosthesis is a singular matter. There will be trials and errors; many disappointments will ensue; progress may seem slow. Many changes and fittings may be necessary, and so will patience.

It is impossible, as we can see, for the War Department to consider mass production when dealing with this problem. Yet, it is one to be solved with as little delay as possible.

Thus far the war has given us approximately 12,500 amputees of which approximately 4,000 have been discharged to civilian life. Records show that of this 12,500 figure approximately 5 percent have lost more than one limb—whereas 77 percent are leg amputations. Of the leg amputations about 49 percent are below the knee.

There are but two men who have lost parts of all four limbs—a member of the Air Force who suffered this loss from being frozen following a crash, and a member of the land Army who sustained the loss as the result of a mine explosion.

The Army Medical Department is now devoting its every means and energy toward the mental and physical rehabilitation of all its men. Each casualty is treated as an individual problem. Those who have lost one or more limbs are assisted in adopting the proper philosophy to permit the use of prosthesis. Every effort will now be made toward the development and availability of the best science has to offer in the way of artificial limbs.

I believe the same skill and adherence to duty—the same application of the finest available—will continue to be given to the men and women of our military forces by the Army Medical Department. To the able doctors, nurses, and corpsmen of that department, we pay our sincere respects.

Mr. Speaker, I ask unanimous consent that copy of the bill I have introduced to amend the Veterans' Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service—incurred disabilities in excess of total disability, may be included as a part of my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

The bill referred to follows:

A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (A), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j) shall be increased by $55 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by $55 per month for each such loss or loss of use but in no event to exceed $300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $200.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $235.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $265.

"(o) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $300.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $300."

SEC. 2. That subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. I (a), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j) shall be increased by $41.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having

only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by $41.25 per month for each such loss or loss of use but in no event to exceed $225 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $150.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $176.25.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $198.75.

"(o) If the disabled person as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o) inclusive, of part II, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $225.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $225."

Mrs. ROGERS of Massachusetts. Mr. Speaker, at the present time the Veterans' Administration will only give $165 a month to a double amputation of both legs, no matter whether the amputation occurs by the ankles or above the knees or by the hips. Clearly we have been very remiss in not doing more for the amputees. I do not suppose any one who has not lost an arm or a leg realizes what it means to be always held back on account of the loss.

I have pleaded with the Veterans' Administration to agree to increased rates of compensation for these deserving men. I have appeared before several groups to further the passage of the bill.

I want to read a few of the increases in rates that were included in the bill I introduced to increase compensation for the so-called amputees. A man or woman who has lost one arm or one leg will receive an additional $20 a month. A man or a woman who has lost both legs below the knee will be given $200 a month. That will be an increase from $165 a month to $200 for that group. A man or a woman who has suffered the anatomical loss of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, will have the monthly compensation increased to $235. A man or woman who has suffered the anatomical loss of two extremities so near the shoulder or hips as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes will receive a monthly pension of $265. Then I would combine the disabilities so that a veteran may receive as much as $300 a month.

Mr. Speaker, there is very little that we can do for these men and women who have given so much for us. We cannot really compensate them for their loss. In some instances they have given just half of themselves. I have never seen a finer spirit among any group. We certainly owe them every consideration. I have tried to get a hearing before our committee on a bill for the amputees, but without any success. We have done very little for our disabled as a group in this session of Congress. Our first priority and manifest duty are to them.

I have been trying with the OPA to get even a few more gallons of gasoline for these men, who will have to stay home when they go home on their furloughs, for when they go out they cannot ride or get on streetcars or busses. To date, while I am told something will be done, but nothing has been done. Lip service again. It seems to me we are showing very little responsibility or very little conscience about our disabled in this session of Congress. I hope in the days that remain to us we shall do something.

Mr. SPRINGER. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I shall be delighted to yield.

Mr. SPRINGER. I wish to compliment the gentlewoman for the activity she has undertaken with respect to our disabled veterans. She has worked tirelessly throughout the years on this particular subject.

Mrs. ROGERS of Massachusetts. So has the gentleman.

Mr. SPRINGER. I thank the gentlewoman for that comment. The gentlewoman was speaking a little while ago about how niggardly we have been with respect to some of our veterans. In my own community I found one of the ration boards granting five gallons of gasoline to the boys when they returned from the service, for the entire period they were at home, for use in automobiles to travel about to see their relatives and friends. Some of those boards would not under any circumstances increase that amount of gasoline for the use of these boys who were home on furlough. I thought that was a tragic situation.

Mrs. ROGERS of Massachusetts. I would say to the gentleman that I think some of the public are extremely callous and extremely heartless in many ways to our veterans.

We wave the flag a great deal. We talk about our heroes. We praise them so often and talk about what we are going to do for them, but when it comes to doing something for the most seriously injured, while we have done more than any other country, we have done comparatively little. They are entitled to more than lip service.

With able-bodied people given gasoline for trips to go to the seashore and extra gasoline, it seems unbelievable that the OPA should not give our disabled service men and women at least 3 gallons a day.

I saw a demonstration at Forest Glen the other day of automobiles with special gadgets and equipment for amputees. Yet I know that the manufacturers cannot get the priorities to manufacture the cars in order to allow the amputees to buy them if they are financially able. That is one reason I feel that an increase in the rate of compensation would help because the men could perhaps buy automobiles on the installment plan so that they could get about instead of staying at home. They are our first duty. The members of the press would be particularly interested in the work that Col. Robert S. Allen is doing at the hospital in inspiring other men to use a typewriter, that is, men who have lost an arm, just as he has given his right arm for us.

I went out there the other day and he was working at a typewriter, using only his left hand. The people in charge of the reconditioning program in the hospital tell me he has so inspired the men with what he is doing that they have had to ask for two more teachers in the use of typewriters. When you read the article regarding h'm and which follows in the service magazine published at the Walter Reed Hospital, you will see he has helped to invent a different keyboard so that it will be easier for these men to write. He is making a very great contribution to others who have given their arms and legs for us.

The article in Service Stripe is as follows:

EX-COLUMNIST BOB ALLEN TACKLES THE JOB OF MAKING ONE HAND DO WRITING FOR TWO

Drop in an the typing class over in the reconditioning shops almost any afternoon and you'll find a stocky, rugged-looking colonel, sweat standing out on his brow, grimly pounding away at a typewriter with his left hand.

A few years back, when Bob Allen hunched over his Underwood like that, you could bet somebody's head would roll by morning. As coauthor with Drew Pearson of the column Washington Merry-Go-Round, the paragraphs that streamed from his typewriter toppled scoundrels from high places, inspired reforms and built reputations over night.

Now he's content to pound away by the hour at "the quick red fox jumped over the lazy brown dog" and "now is the time for all good people to come to the aid of the party."

ONE HAND FOR TWO

Content? No—Bob Allen probably never felt content about anything in his life. He's too restless, too inquisitive, too aggressive, too determined. Right now he's determined to learn to type with his one remaining hand with the same agility he used to have after 25 years' practice with two.

It's tough going.

"I've worked seriously and analytically," he says. "Three hours a day. I've taken a beating from this thing. I've made some progress. But regardless of speed, I've got to learn to write without thinking. I've been trying to reconstruct how I used to type, but I did it so unconsciously I can't remember. Now I have to think about it to write 'the dog has come back'."

It's typical of Bob Allen that he won't pat himself on the back over the fact that he can already type 20 words a minute with

one hand in 1 month's time. But according to his teacher, Mrs. K. D. Chapman, a person with two hands would have trouble doing as well.

CAN BE DONE

"It can be done, though," Colonel Allen admits. "There's no reason why a one-armed man can't learn to type just about as well as anyone. But it's not easy. And it can't be accomplished fast. It takes time, patience, and practice. Just plenty of plain, hard plugging."

It was because he felt that he ought to be making faster progress that Colonel Allen became interested in the possibilities of an improved keyboard.

As Mrs. Chapman says, "You can give him the best there is and he's still not satisfied. He's got to find out for himself that it's the best—or find out how it can be made better."

Colonel Allen has turned this same intense, searching interest onto the subject of prostheses.

"I'm looking forward to the time," he says, "when the science of electronics and hydraulics and physics, which we're using so miraculously for destruction and dismemberment, can be turned to the reconstruction of amputees. It can't be done overnight, of course. It requires the same sort of organizing that was used to harness the forces to war."

PRAISES WALTER REED

Colonel Allen was chief of combat intelligence for General Patton, and he's a lot like his two-fisted boss. He's tough and blunt and outspoken. And he's as outspoken in his enthusiasms as he is in his other opinions. He thinks Patton is the greatest field commander the United States Army has had since the Civil War, ranking with Stonewall Jackson, Phil Sheridan, and Jeb Stuart.

He's formed some opinions about Walter Reed, too.

"The medical personal, and surgical treatment at Walter Reed, and also the rehabilitation work, are wonderful," he says. "They're outstanding—certainly the equal of the best in the world and superior to most. I haven't met one disagreeable person here, and that goes for the highest to the lowest. Everyone has been gracious and considerate. They go out of their way to find what is wanted and do it. Some of the surgery I've seen here is miraculous."

WOUNDED IN GERMANY

Colonel Allen has been undergoing therapy treatment since his arrival at Walter Reed a month ago, in preparation for surgery on his right arm.

He was wounded last April when his reconnaissance party ran into a defended road block near Ordrup, Germany. Three of his group were killed, two wounded. He was hit in the arm by automatic fire at 100 yards, captured, and his right arm amputated by German surgeons. He guesses they did as good a job as they could, considering that they had only paper bandages and the rest of their equipment was no better. Three days later he was rescued when Americans took the town.

"I wouldn't be here if it weren't for penicillin," he says. "My arm was badly infected, but penicillin cleared it up in 3 days."

Colonel Allen enlisted in the last war, got his commission in 1918, served until 1920. He was a major in the Reserve when called to active duty in the spring of 1942.

He will return to the newspaper business when the war is finally won. But right now he's got more important things on his mind. He's got to learn to make that left hand take the place of two. So he mops his brow, writhes his right shoulder a couple of times to relieve the prodding ache, and plunges back into the keys.

"I think here I am, 45, trying to relearn something I learned 25 years ago. But then I think what the hell, it's got to be done. So I do it."

The SPEAKER. Under previous order of the House, the gentleman from Arkansas [Mr. HAYS] is recognized for 10 minutes.

A BIPARTISAN PEACE

Mr. HAYS. Mr. Speaker, I ask unanimous consent to include at the conclusion of my remarks radio addresses made by the gentleman from Minnesota [Mr. JUDD] and myself, and also to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HAYS. Mr. Speaker, at the opening of this session of Congress the gentleman from Minnesota [Mr. JUDD] and I introduced identical resolutions, No. 3 and No. 7, which were similar to resolutions that we had previously introduced in the Seventy-eighth Congress. In substance, the resolution provides for a bipartisan peace. It reads, as follows:

Whereas it is the sense of the Congress that measures involved in the establishment of a peace to follow the present hostilities should be considered without reference to partisanship: Therefore, be it

Resolved by the House of Representatives (the Senate concurring), That all legislation pertaining to participation by the United States in international agreements and machinery to establish and to maintain peace shall be the joint responsibility of the majority and minority parties.

Mr. Speaker, this is the only way by which we can assure our people and the people of the world that both parties intend to cooperate in maintaining a continuing program for peace. We have seen the successful consummation of the war in Europe and we pray for an early end to the war in the Pacific. The war that we fought was not a Democratic or a Republican war, it was an American war effort and unless we want to lose this war after winning it, the gentleman from Minnesota [Mr. JUDD] and I are convinced that we must work without partisanship for a national foreign policy that will be stable, continuing, and predictable, an American policy and not just a Republican or Democratic policy.

Mr. PRIEST. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Tennessee.

Mr. PRIEST. I just want to express my appreciation for the interest that the gentleman from Arkansas and the gentleman from Minnesota have taken in this matter. I have felt for a long while, and I am sure the gentleman shares my feeling in that respect, that the time has come when we must have a national foreign policy rather than a political foreign policy regardless of what party it might represent.

I hope that the Committee on Foreign Affairs will give consideration to the resolution now pending before that committee and report it to the House. I commend the gentleman for his stand in that particular.

Mr. HAYS. I am very grateful to the gentleman from Tennessee for his comment.

Mr. Speaker, I would like to quote very briefly from a statement by Mr. Barnet Nover, appearing in the Washington Post on May 26. In speaking of the San Francisco Conference he said:

Here in San Francisco one of the most heartening aspects of the Conference has been the yeoman service rendered by Commander Harold Stassen and Senator ARTHUR H. VANDENBERG. The fact that both are Republicans has made a particular impression on the delegates, since it has reflected the extraordinarily significant fact that on this great issue of international security there are no longer any party lines in America.

Because we need the resources of both the Republican and the Democratic Parties, it seems to us that it is incumbent upon the Congress now to fix joint and equal responsibility upon the parties so that they may share equally in the credit and may pledge their joint resources to the preservation of the peace that is being won at such a great cost.

I also wish to quote a statement that appeared in the minority report on the legislation pertaining to the extension of lend-lease. It appeared at page 5 of the minority report which accompanied H. R. 2013. This report, signed by five members of the minority, uses the following language:

The undersigned are all Republicans. We wish to do our part in determining a foreign policy which is not a Democratic policy or a Republican policy, but an American policy.

I wish to emphasize here the use of the language "determining a policy" for after all the responsibility for a foreign policy is that of the Congress and it is to be determined by the Congress, and that is well recognized by these gentlemen of the minority who stated that they endorse this idea of bipartisan determination of our foreign policy. The report quoted the following language used by President Roosevelt on March 1:

The structure of world peace cannot be the work of one man, or one party, or one nation.

Mr. Speaker, when the gentleman from Minnesota [Mr. JUDD] and I presented this idea to the country in a Nation-wide broadcast sponsored by the National Broadcasting Co., we were heartened by the responses that we received. I quote part of a letter from Walter T. Fisher, son of a member of the Cabinet of President Taft. He said:

I am heartily in favor of the views taken by you and Mr. JUDD.

In the same mail there came a letter from Eugene Underwood, nephew of a great Democrat, Oscar Underwood, to the same effect. I use these two quotations as being representative of Democratic and Republican sentiment throughout the Nation. So I trust that the Committee on Foreign Affairs will see fit to give our resolution a favorable report and I am confident that the members will recognize that we are offering a practical method of achieving a foreign policy free from partisanship.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include certain statements and excerpts.

Mr. CLEMENTS (at the request of Mr. PRIEST) was given permission to extend his remarks in the RECORD and include the text of an address delivered by Secretary Anderson over the National Broadcasting Co. network.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article by Dr. Pan Chao-ying entitled "China's Contribution to the United Nations." I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $121.40, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a speech recently made by Under Secretary of War Robert P. Patterson. I am informed by the Public Printer that this will exceed 2 pages of the RECORD and will cost $86.80, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. SABATH asked and was given permission to extend his remarks in the Record and include an article from the St. Louis Post-Dispatch.

SUSPENSION OF THE RULES

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. It is my understanding that the resolution for adjournment will come within the next day or two. I want to know if there is going to be a period in which the Chair will recognize Members to move to suspend the rules under certain circumstances.

The SPEAKER. It is not in order.

Mr. RANKIN. It would be in order?

The SPEAKER. It would not be in order.

Mr. RANKIN. It would not be in order? Then, if the House should adjourn this week, we will not have another suspension day?

The SPEAKER. That is correct.

Mr. RANKIN. The reason I am asking is that I have some veterans' bills which have been reported from the Veterans' Committee that I would like to take up. But if I cannot get a suspension, probably I can get a rule.

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Of course, Mr. Speaker, if the Chair recognized anyone for unanimous consent, any bill may be brought up?

The SPEAKER. That is correct, if there is no objection.

Mrs. ROGERS of Massachusetts. I thank the Speaker.

PERMISSION TO ADDRESS THE HOUSE

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent that tomorrow, after the disposition of business on the Speaker's desk and following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HARE, for 1 week, on account of official business.

To Mr. JOHNSON of California, for 10 days, on account of official business.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced the signature to an enrolled bill of the Senate of the following title:

S. 512. An act for the relief of Mr. and Mrs. Arthur R. Brooks.

BILLS PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On July 13, 1945:

H. R. 259. An act for the relief of Leo Gottlieb;

H. R. 2615. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942;

H. R. 2853. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944; and

H. R. 3376. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes.

On July 14, 1945:

H. R. 3368. An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Wednesday, July 18, 1945, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. O'TOOLE: Committee on the Library. H. R. 3243. A bill to amend the act entitled "An act to establish a National Archives of the United States Government, and for other purposes": without amendment (Rept. No. 925). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 3749. A bill to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II; with amendment (Rept. No. 926). Referred to the Committee of the Whole House on the State of the Union.

Mr. TOLAN: Committee on the Judiciary. H. J. Res. 225. Joint resolution to quiet the titles of the respective States, and others, to lands beneath tidewaters and lands beneath navigable waters within the boundaries of such States and to prevent further clouding of such titles; without amendment (Rept. No. 927). Referred to the Committee of the Whole Houses on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 928. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 929. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXI, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H. R. 3810. A bill to extend the benefits of title III of the Servicemen's Readjustment Act of 1944 to veterans of World War I: to the Committee on World War Veterans' Legislation.

By Mr. FLANNAGAN:

H. R. 3811. A bill to readjust the exterior boundaries of the Kaibab National Forest, the Grand Canyon national game preserve, and Arizona grazing district No. 1, State of Arizona, and for other purposes; to the Committee on Agriculture.

By Mr. GARY:

H. R. 3812. A bill relating to the tax treatment applicable to sales and exchanges of certain property; to the Committee on Ways and Means.

By Mr. JOHNSON of California:

H. R. 3813. A bill to provide for a survey of the advisability of establishing a military academy in the west coast area of the United States; to the Committee on Military Affairs.

By Mr. PETERSON of Florida:

H. R. 3814. A bill extending certain recognition and rights to temporary members of the United States Coast Guard Reserve, including the voluntary port security force, and members of the Coast Guard Auxiliary; to the Committee on the Merchant Marine and Fisheries.

H. R. 3815. A bill to extend to temporary members of the United States Coast Guard Reserve all the rights, benefits, and privileges to which regular members of the United States Coast Guard Reserve are entitled; to the Committee on the Merchant Marine and Fisheries.

By Mr. PRIEST:

H. R. 3816. A bill to provide for, foster, and aid in coordinating research relating to

dental diseases and conditions; to establish the National Institute of Dental Research; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTSON of North Dakota:

H. R. 3817. A bill to amend the Federal Farm Loan Act, as amended, so as to prohibit Federal land banks from refusing to make mortgage loans in States, the laws of which prevent the rendering of deficiency judgments; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 3818. A bill to amend the veterans' regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; to the Committee on World War Veterans' Legislation.

By Mr. SHEPPARD:

H. R. 3819. A bill to provide for the reinstatement of certain national service life insurance policies which have lapsed or hereafter lapse; to the Committee on World War Veterans' Legislation.

By Mr. TRIMBLE:

H. R. 3820. A bill to increase the normal tax exemption, the surtax exemption, and the exemption for each dependent, for the purposes of the Federal income tax from $500 to $600, and to provide a special deduction for farmers; to the Committee on Ways and Means.

By Mr. ROBERTSON of Virginia:

H. R. 3821. A bill to amend sections 4 and 8 of the act of September 2, 1937, as amended; to the Committee on Agriculture.

By Mr. FLANNAGAN:

H. Con. Res. 67. Concurrent resolution urging the War Department and the War Manpower Commission to take immediate action to assure manpower to the bituminous coal industry adequate to attain the needed coal production, and for other purposes; to the Committee on Military Affairs.

By Mr. ARNOLD:

H. J. Res. 229. Joint resolution proposing an amendment to the Constitution of the United States limiting the tenure of office of President and Vice President and Members of Congress to 6 years, and prohibiting the appointment of certain persons to office; to the Committee on Election of President, the Vice President, and Representatives in Congress.

By Mr. KUNKEL:

H. J. Res. 230. Joint resolution proposing an amendment to the Constitution of the United States providing for a First Vice President, a Second Vice President, and a Third Vice President; to the Committee on the Judiciary.

By Mr. MARTIN of Massachusetts:

H. Res. 325. Resolution urging an immediate international agreement to eliminate compulsory military service from the policies and practices of all nations; to the Committee on Military Affairs.

By Mr. BALDWIN of Maryland:

H. Res. 326. Resolution of appreciation of the temporary reservists of the United States Coast Guard units of the First and Eighth Naval Districts; to the Committee on the Merchant Marine and Fisheries.

By Mr. HOLIFIELD:

H. Res. 327. Resolution to investigate the necessity for the present number of personnel in the armed forces of the United States, and for other purposes; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BELL:

H. R. 3822. A bill for the relief of Mrs. Nora E. Overcash; to the Committee on Claims.

By Mr. CLARK:

H. R. 3823. A bill for the relief of Gertrude McGill; to the Committee on Claims.

By Mr. JOHNSON of California:

H. R. 3824. A bill for the relief of Edward J. Lank; to the Committee on Claims.

H. R. 3825. A bill for the relief of the estate of R. C. Randolph, deceased; to the Committee on Claims.

By Mr. LEMKE:

H. R. 3826. A bill for the relief of Oscar and Anna Carlblom; to the Committee on Claims.

By Mr. MILLER of California:

H. R. 3827. A bill for the relief of Fred W. Grant; to the Committee on Claims.

By Mr. MURRAY of Tennessee:

H. R. 3828. A bill for the relief of James R. Vaughan; to the Committee on Claims.

By Mr. PFEIFER:

H. R. 3829. A bill for the relief of Emilio Pozzo; to the Committee on Immigration and Naturalization.

H. R. 3830. A bill for the relief of Guido Vacca; to the Committee on Immigration and Naturalization.

By Mr. ROGERS of Florida:

H. R. 3831. A bill for the relief of Mrs. Mildred B. Bracewell; to the Committee on Claims.

By Mr. ROGERS of New York:

H. R. 3832. A bill for the relief of F. B. Huxley & Son; to the Committee on Claims.

By Mr. SASSCER:

H. R. 3833. A bill for the relief of Viola McKinney; to the Committee on Claims.

By Mr. TARVER:

H. R. 3834. A bill for the relief of Mrs. Eunice C. Hardage; to the Committee on Claims.

PETITIONS, ETC

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1087. By Mr. COCHRAN: Petition of Mr. J. Byrne and 310 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1088. Also petition of Mr. H. C. Bryant and 305 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1089. By Mr. LUTHER A JOHNSON: Petition of Mr. L. A. Woods, State superintendent, State Department of Education, Austin, Tex., favoring S. 1080; to the Committee on Education.

1090. By Mr. LAFOLLETTE: Petition of Oscar J. Striegel and sundry citizens of Celestine and other towns in Dubois County, Ind., against subsidies for relief from OPA, and divers other matters; to the Committee on Banking and Currency.

1091. By Mr. KEARNEY: Petition containing the signatures of 52 citizens from Cooperstown, N. Y., (Thirty-first Congressional District), requesting that House bill 2082 be enacted into law; to the Committee on the Judiciary.

1092. By Mr. MOTT: Petition signed by Mrs. Elta Sperb and 12 other citizens of Clackamas County, Oreg., urging enactment of the Pace bill, H. R. 752; to the Committee on Military Affairs.

1093. Also, petition signed by Mr. George Nelson and 20 other citizens of Canby, Oreg., urging enactment of the Pace bill, H. R. 752; to the Committee on Military Affairs.

1094. By Mr. SMITH of Wisconsin: Petition of Mr. Edward Grassman in behalf of tobacco producers of Rock County, Wis., in protest of OPA regulations; to the Committee on Banking and Currency.

SENATE

WEDNESDAY, JULY 18, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Irving W. Ketchum, stated clerk of Washington City Presbytery, Washington, D. C., offered the following prayer:

Our gracious and eternal Heavenly Father, we are grateful for the privilege of coming into Thy presence. Nothing in our lives is hidden from Thee. We come with open hearts and minds seeking Thy wisdom and counsel. Here in this Senate Chamber we turn to Thee. Without Thy help little that is wise and permanent can be accomplished. Give Thy wisdom and Thy light to those whose responsibility it is to make our country and the world a proper and free place for the building of homes and character that shall produce peace and joy.

To this end we turn to Thee. Not for our country alone but for all nations and lands do we pray. Enlighten us one toward another as nations that we may come together as one under the divine banner of friendship and cooperation.

Be with our President, we pray, together with those heads of other great nations now in conference for the good of all peoples.

Grant a speedy victory to the forces of righteousness. Our hope is in Thee. Cleanse our hearts and minds of every phase of selfishness at this critical time. May all our laws be the expression of Thy mind. And to Thee, Father, Son, and Holy Spirit, shall be our gratitude. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, July 17, 1945, was dispensed with, and the Journal was approved.

STATEMENT OF HON. LEO T. CROWLEY BEFORE SENATE BANKING AND CURRENCY COMMITTEE

Mr. BARKLEY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the statement of Hon. Leo T. Crowley made before the Committee on Banking and Currency on the Export-Import Bank legislation, which the committee has ordered reported to the Senate. This is not the complete testimony of Mr. Crowley, because questions were asked and answers given, but this is the preliminary statement he made, which I think will be useful to the Senate, and I ask that it be printed.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement is as follows:

I appreciate this opportunity to appear before your committee to recommend an increase in the lending authority of the Export-Import Bank.

The United States is approaching an extremely critical period with respect to the

financing of its foreign trade. Furthermore, the problem has the most profound implications for the reconversion of war industries at home. There has been during the war an enormous expansion in manufacturing capacities in the United States, and this expansion has been concentrated very largely in heavy industry. Unless foreign markets for the products of American heavy industry can be found during the period which lies immediately ahead, many war-expanded industries will be obliged severely to curtail their operations, and accordingly to reduce their employment of labor.

Fortunately, potential foreign demands for our products in connection with the reconstruction of war-devastated countries and the economic development of countries whose progress has been retarded by the war will be concentrated principally on the products of heavy industry. Moreover, the United States will be practically the only immediate source of supply for many of the commodities involved.

What is required in order to join our need for foreign markets and the needs of foreign countries for our products is financing. We hope and believe that a large part of the necessary financing will be provided by private financial institutions. However, there are certain types of risks and certain large risks which private banks are not in a position to assume without Government assistance and other risks which they are not prepared to assume at all. This would apply particularly to the financing over a period of years of exports of capital equipment, which must be sold on terms which take account of the time required to put it into productive use. It would apply also to long-term loans to governments whose credit is for one reason or another not established to the satisfaction of private investors.

We believe that the necessary financing of our foreign trade during the crucial period of reconversion at home and reconstruction abroad should be provided, to the extent that private credit is not available, through an expanded Export-Import Bank. In performing this role, the Export-Import Bank will be carrying on a function which it has successfully performed over a period of more than 11 years. As private banks and bankers have frequently testified, its operations have supplemented rather than replaced private capital and in this way have not only facilitated the foreign trade of the United States but have also materially assisted in the financing of foreign trade through private channels.

There should be no confusion regarding the fundamental differences between the proposed increase in the lending authority of the Export-Import Bank and other measures relating to our foreign trade which have been approved by Congress or which are under consideration by Congress. The measures which I have in mind include the appropriation for UNRRA, lend-lease, and the pending Bretton Woods legislation.

The appropriation for UNRRA is strictly for relief and has no relation to the financing on a commercial basis of our foreign trade.

With respect to lend-lease, as I and other spokesmen for the administration have repeatedly stated, lend-lease will be provided only in connection with the defense of the United States and the effective prosecution of the war to final victory. It will not be furnished for purposes of relief, rehabilitation, or reconstruction in Europe or elsewhere. Assistance to the liberated countries of Europe, which is one of the immediate problems facing us, must be provided in some other manner.

In accordance with this recognized principle, the appropriation authorized by Congress for lend-lease for 1946 was based explicitly on the assumption that Congress would increase the lending authority of the Export-Import Bank in order that it could finance portions of the so-called 3 (c) agreements for the delivery to certain European countries of industrial equipment and supplies which are not required for the prosecution of the war.

In rendering such assistance to the war-devastated countries, we would proceed on the assumption that these countries must accept the prime responsibility for their rehabilitation and must depend primarily upon their own resources in the process. Nevertheless, there is not only an inescapable obligation on the United States to help the liberated countries help themselves but also a strong element of self-interest; for, by financing their purchases of our products on a sound basis, we are greatly benefiting our own economy.

The International Bank for Reconstruction and Development is intended, it is true, to be a major source of large-scale and long-term credit for the rehabilitation of the war-torn countries and the building up of economically underdeveloped countries. Our participation in the International Bank has now been approved by the House and by this committee and will be approved shortly, I trust, by the Senate. At best, however, the International Bank cannot be in effective operation for a year or 18 months. A strengthened Export-Import Bank is therefore urgently needed during the period just ahead to provide the necessary financing of our exports in connection with reconstruction and development projects abroad. There will be no other governmental source of dollar credits for this purpose.

In the longer run the coordination of the operations of the Export-Import Bank with the policies of the representatives of the United States on the International Bank and Fund will be achieved through the National Advisory Council provided for in the Bretton Woods Agreements Act. The Chairman of the Board of the Export-Import Bank, as a member of the Council, will keep it fully informed of the bank's activities and will be guided in turn by its policy decisions applicable to the bank's operations.

The bill which you have before you has five essential features on which I should like briefly to comment. In the first place, it raises the limit on outstanding loans and guaranties of the bank from $700,000,000 to $3,500,000,000. It is believed that this proposed increase of $2,800,000,000 in the lending authority of the Export-Import Bank may suffice to meet the essential need for sound financing of exports during the present fiscal year. By the close of the year it should be possible more accurately to determine the character and scope of the demands for the assistance of the bank.

The second major feature of the bill has to do with management. At present the bank is controlled by a board of 11 trustees selected annually by the stockholders subject to the approval of the President of the United States. This board is interdepartmental in character and has on it representatives of the Departments of State, Treasury, Commerce, and Agriculture, the Reconstruction Finance Corporation, the Foreign Economic Administration, and the Export-Import Bank itself. The right to vote all of the stock of the bank, both common and preferred, is vested in the Foreign Economic Administrator. Loans are made only after formal authorization by the Board of Trustees or the executive committee of the Board.

The present bill provides that the management of the bank shall be vested in a board of directors consisting of the Foreign Economic Administrator as chairman, the Secretary of State, and three persons appointed by the President of the United States by and with the advice and consent of the Senate. Not more than three members of the Board shall be members of any one political party. We believe that efficient and responsible management of the bank requires the services of several full-time directors who shall have been confirmed by the Senate.

The bill also provides for an advisory board with the same composition as the National Advisory Council provided in the Bretton Woods legislation, except that the chairman of the Board of Directors of the Export-Import Bank would act as chairman.

The bill before you provides further that the bank shall be an independent agency of Government and that neither the bank nor any of its functions can be transferred to any other agency of the Government except by act of Congress. In this connection it will be recalled that the bank operated as an independent agency from 1934 until July 1939, when it was made a part of the Federal Loan Agency under Reorganization Plan No. 1. In 1942 the bank was placed by Executive Order under the Office of the Secretary of Commerce. In 1943 it was transferred by Executive order to the Office of Economic Warfare. When the Office of Economic Warfare was consolidated into the Foreign Economic Administration later in the same year, the bank was also transferred to the Foreign Economic Administration. Despite these numerous changes, the bank has continued to be administered by its president as a separate corporate entity, subject to the direction of the Foreign Economic Administrator and the Board of Trustees of the bank under the chairmanship of the Administrator.

With respect to the capital structure of the bank, it is proposed that the bank be provided with capital of $1,000,000,000 and that it be authorized to obtain additional funds directly from the Treasury up to two and one-half times the amount of its capital stock. This change is recommended on the score of simplicity and corresponds closely to the methods by which other Government corporations obtain their funds.

Finally, the bill removes the prohibition on loans by the bank to any government in default upon the payment of its obligations to the Government of the United States on April 13, 1934, and also removes, insofar as participations with the Export-Import Bank are concerned, the prohibition of the Johnson Act on loans by private persons to such governments.

I strongly urge the committee to give its approval to H. R. 3771 in order that the Export-Import Bank may proceed without delay to meeting the heavy demands that are being and will be made upon it for assistance in the financing of foreign trade.

PETITION

Mr. CAPPER presented a petition of sundry citizens of Junction City and Geary County, Kans., praying for the enactment of legislation providing for peacetime universal military training, which was referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BILBO, from the Committee on the District of Columbia:

S. J. Res. 83. Joint resolution to authorize the Federal Works Administrator to advance discretionary apportionment funds to be used for the purpose of making plans for the National Memorial Stadium as a postwar project; with an amendment (Rept. No. 468).

By Mr. MAGNUSON, from the Committee on Commerce:

H. R. 2690. A bill to amend the Bonneville Project Act; without amendment (Rept. No. 469).

By Mr. TAYLOR, from the Committee on Claims:

S. 542. A bill for the relief of Mrs. Minnie A. Beltz; with amendments (Rept. No. 470);

H. R. 838. A bill for the relief of Herman Gelb; without amendment (Rept. No. 471); and

H. R. 1486. A bill for the relief of Sam D. Moak; without amendment (Rept. No. 472).

By Mr. MORSE, from the Committee on Claims:

H. R. 952. A bill for the relief of the Morgan Creamery Co.; without amendment (Rept. No. 473); and

H. R. 1856. A bill for the relief of Southwestern Drug Co.; without amendment (Rept. No. 474).

By Mr. WILEY, from the Committee on Claims:

H. R. 246. A bill for the relief of L. S. Strickland; without amendment (Rept. No. 475);

H. R. 795. A bill for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof; without amendment (Rept. No. 476); and

H. R. 2725. A bill for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier; without amendment (Rept. No. 477).

By Mr. O'DANIEL, from the Committee on Claims:

S. 1265. A bill for the relief of John R. Jennings; without amendment (Rept. No. 478).

By Mr. ELLENDER, from the Committee on Claims:

S. 979. A bill for the relief of the estate of Mrs. Lillian Epstein; without amendment (Rept. No. 479);

S. 1023. A bill for the relief of Mr. and Mrs. Ernest L. Barlow; with an amendment (Rept. No. 487);

S. 1027. A bill for the relief of Mrs. Hibernia I. Conners; with an amendment (Rept. No. 488);

S. 1199. A bill conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon any claim arising out of the death of L. W. Freeman; without amendment (Rept. No. 480);

H. R. 1851. A bill for the relief of the widow and three children of Greenfield Payne; with an amendment (Rept. No. 489);

H. R. 2226. A bill for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells; without amendment (Rept. No. 481);

H. R. 2529. A bill for the relief of Earl J. Shows; without amendment (Rept. No. 482);

H. R. 2621. A bill for the relief of Haselden and Huggins Co.; without amendment (Rept. No. 483);

H. R. 2763. A bill for the relief of Fred Crago; without amendment (Rept. No. 484);

H. R. 2866. A bill for the relief of Mrs. Rita Cauvin Green; without amendment (Rept. No. 485); and

H. R. 3419. A bill for the relief of the estate of Mrs. Mary Karalis; without amendment (Rept. No. 486).

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. BARKLEY, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation two lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on July 17, 1945, he presented to the President of the United States the enrolled bill (S. 512) for the relief of Mr. and Mrs. Arthur R. Brooks.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAYBANK:

S. 1277. A bill for the relief of William S. Brown; to the Committee on Claims.

By Mr. BILBO:

S. 1278. A bill to provide for the taxation of rolling stock of railroad and other companies operated in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

(Mr. TYDINGS introduced Senate bills 1279, 1280, and 1281, which were referred to the Committee on Territories and Insular Affairs, and appear under a separate heading.)

(Mr. MEAD (for himself, Mr. PEPPER, Mr. KILGORE, Mr. MYERS, Mr. WAGNER, Mr. CHAVEZ, Mr. MAGNUSON, Mr. GUFFEY, Mr. MURRAY, and Mr. THOMAS of Utah) introduced Senate bill 1282, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

PROPOSED LEGISLATION RELATING TO FILIPINO AFFAIRS

Mr. TYDINGS. Mr. President, I ask unanimous consent to introduce three bills dealing with Filipino affairs, one having to do with trade relations between the United States and the Philippines for the future, one having to do with war damages, and the third providing for the release of certain Philippine funds held in the Treasury of the United States, so the Filipinos may get them immediately rather than after their independence, in order that they may be tided over during this period of emergency.

I ask that the bills be referred to the Committee on Territories and Insular Affairs. They do not come from the Filipino Rehabilitation Commission, however, with their approval. They have been submitted to that Commission, and later the Commission will hold itself ready to approve or to offer amendments or to make suggestions, as it sees fit.

The PRESIDENT pro tempore. Without objection, the bills will be received and referred to the Committee on Territories and Insular Affairs.

The bills introduced by Mr. TYDINGS were read twice by their titles and referred to the Committee on Territories and Insular Affairs, as follows:

S. 1279. A bill to amend an act entitled "An act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes";

S. 1280. A bill providing payment for certain damage resulting from enemy conquest and occupation and American liberation of the Philippine Islands, and for other purposes; and

S. 1281. A bill to provide for covering into the treasury of the Philippines certain Philippine funds in the Treasury of the United States.

AMENDMENT OF FAIR LABOR STANDARDS ACT OF 1938

Mr. MEAD. Mr. President, on behalf of myself, the Senator from Florida [Mr. PEPPER], the Senator from West Virginia [Mr. KILGORE], the junior Senator from Pennsylvania [Mr. MYERS], the senior Senator from New York [Mr. WAGNER], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Washington [Mr. MAGNUSON], the senior Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], and the Senator from Utah [Mr. THOMAS] I ask unanimous consent to introduce for appropriate reference a bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes.

Mr. President, the bill provides that the minimum wage of 40 cents per hour under the Fair Labor Standards Act of 1938 be raised to 65 cents per hour as soon as the bill is enacted, and that thereafter the minimum be increased by 5 cents per hour each year until a minimum of 75 cents per hour is reached. The bill also empowers industry committees to raise the minimum in particular industries to the 75-cent figure earlier than the date set for universal application of that rate. Industry committees are also empowered to establish minimum rates for key occupations higher than the general minimums of 65 to 75 cents per hour.

The bill provides for application of the law to the following types of workers who are not covered by the Fair Labor Standards Act of 1938:

First. Individuals employed within "the area of production."

Second. Individuals employed in canning and other processing of fish and allied products.

Third. Seamen.

Upon introduction of the bill, Senator PEPPER issued the following statement:

It is my firm belief that an increase in the statutory minimum wage is a necessary step in bringing about an orderly reconversion of our country to a peacetime economy. The demands of the war program have made it necessary for us to increase tremendously our industrial and agricultural productive capacity. The end of the war in Europe and the good news from the Pacific raise the immediate problem of how we can assure continued full production, or at least something like the high level of production we have achieved during the war. Unless we do keep the production level up, we are simply not going to have jobs for all the workers who want and need them, and for the veterans who will return from the fighting.

This country will never again tolerate mass unemployment such as we had during the early 1930's. Yet, such unemployment is inevitable unless we maintain a high level of purchasing power among the mass of the people. This we cannot do so long as large groups of workers are employed at rates of 40 or 50 cents an hour or less. Such low wages will put people out of jobs because there will not be enough money available to buy the goods that industry and agriculture can produce.

As Judge Vinson said in the recent report of the Office of War Mobilization and Reconversion, the American people will soon find themselves in the fortunate situation of having to buy and consume 50 percent more goods than they ever did before, even in the most prosperous peacetime period. Unless they have the money for these added purchases the situation will, in fact, be far from fortunate. The new minimum wage level which this bill provides will help furnish the wherewithal for a sound consumer market and continued prosperity in the postwar era.

As several of my colleagues who have joined in sponsoring this bill have pointed out, now is the time to raise minimum wage levels because few industries in their States are today paying below the proposed minimum. Putting a floor under wage rates will keep the economy flourishing at a high level.

I also ask unanimous consent that a summary in connection with the bill may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the bill introduced by the Senator from New York will be received and appropriately referred, and the summary will be printed in the RECORD.

The bill (S. 1282) to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes, introduced by Mr. MEAD (for himself, Mr. PEPPER, Mr. KILGORE, Mr. MYERS, Mr. WAGNER, Mr. CHAVEZ, Mr. MAGNUSON, Mr. GUFFEY, Mr. MURRAY, and Mr. THOMAS of Utah), was read twice by its title and referred to the Committee on Education and Labor.

The summary presented by Mr. MEAD is as follows:

SUMMARY OF PROPOSED AMENDMENTS TO THE FAIR LABOR STANDARDS ACT WAGE AND HOUR LAW

It is proposed:

1. That the minimum wage under the wage and hour law be raised from 40 cents per hour to 65 cents per hour as soon as the amendment to the law becomes effective; and that the minimum be increased by 5 cents per hour per year until a minimum of 75 cents per hour be reached. Thus, if the 65-cent minimum were made effective in 1945, 1 year thereafter or in 1946, the minimum would become 70 cents, and a year later (1947) 75 cents would become effective.

2. That industry committees be empowered to raise the minimum in a particular industry from 65 cents to an amount up to 75 cents earlier than 1947 in the same manner in which the 40-cent minimum was obtained through industry-committee action many years before the date provided in the law for its universal application in industries covered by the act.

3. That industry committees have power to establish minimum rates for key occupations higher than the general minimum of 65 cents to 75 cents here proposed.

4. That the following exemptions be eliminated from the act:

(A) Exemptions from the wage and hour provisions for—

(1) Individuals employed within "the area of production."

(2) Individuals employed in canning and other processing of fish and allied products.

(3) Seamen.

A NEW SOLUTION FOR AGRICULTURAL PROBLEMS—ADDRESS BY J. L. WELSH

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address entitled "A New Solution for Agricultural Problems," delivered by Mr. J. L. Welsh, of Omaha, Nebr., at a meeting at Omaha, Nebr., held under the auspices of the Central Western Shippers Advisory Board, which appears in the Appendix.]

RECOGNITION OF THE HEBREW NATION

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD correspondence between the secretary general of UNCIO and the Hebrew Committee of National Liberation at the United Nations Conference in San Francisco, which appears in the Appendix.]

CALL OF THE ROLL

Mr. BARKLEY. I make the point that a quorum is not present.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Calif.	Saltonstall
Buck	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Tobey
Chandler	McClellan	Tunnell
Chavez	McFarland	Tydings
Cordon	McKellar	Vandenberg
Donnell	McMahon	Wagner
Downey	Magnuson	Walsh
Eastland	Maybank	Wheeler
Ellender	Mead	Wherry
Ferguson	Millikin	White
Fulbright	Mitchell	Wiley
George	Moore	Willis
Green	Morse	Young
Guffey	Murdock	

Mr. HILL. Mr. President, I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are absent on public business.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. A quorum is present.

THE BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

The Senate resumed the consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Mr. BARKLEY. Mr. President, by way of notice to the Senate, I wish to announce that I hope that from now until we have concluded consideration of the San Francisco Charter the Senate will be willing to meet at 11 o'clock a. m. every day. There is no urgent legislative proposal now pending before any important committee, I think, which would be interfered with by that program, and there is a considerable amount of important proposed legislation which we must dispose of before we can attempt to recess. Therefore, I wish to advise the Senate that I hope that from now until the program is completed we may be able to meet at 11 o'clock every morning.

The PRESIDENT pro tempore. The clerk will state the first amendment of the Committee on Banking and Currency.

The first amendment was, on page 7, after line 23, to strike out section 6, as follows:

PAR VALUE OF UNITED STATES DOLLAR

SEC. 6. When the United States is requested by the fund to communicate the par value of the United States dollar, such par value shall not be communicated as other than 15 5/21 grains of gold nine-tenths fine.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 14, line 16, before the word "whether", to strike out "(i)"; in line 21, before the word "whether", to strike out "(ii)"; and in line 22, after the words "facilities for", to strike out "relief or reconstruction" and insert "relief, reconstruction, or armaments."

The amendment was agreed to.

The next amendment was, on page 15, line 1, after the word "affirmative", to strike out "either" and insert "any."

The amendment was agreed to.

The next amendment was, on page 15, after line 7, to insert:

FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS

SEC. 14. In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the fund and the bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the fund and the bank, particularly in conducting exchange transactions, the Council and the United States representatives on the fund and the bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

Mr. RADCLIFFE. Mr. President, the Bretton Woods agreement and the pending enabling bill bristle with many points highly interesting. To avoid repetition and in the interest of brevity I will attempt at this moment to touch upon a few of them only in discussing the committee amendment known as section 14 of the bill, H. R. 3314, now pending. This amendment reads as follows:

FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS

SEC. 14. In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the fund and the bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and

otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the fund and bank, particularly in conducting exchange transactions, the council and the United States representatives on the fund and bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation.

This amendment was offered by me in the Banking and Currency Committee and there adopted. It was submitted in response to the opinion quite generally held that the prosperity of the United States depends quite largely upon foreign trade. Everyone realizes that practices have grown up in international trade which are formidable obstacles to the welfare of the United States.

After the First World War restrictions upon international trade and use of currency developed almost all over the world. Trade restrictions, currency controls, competitive currency devaluations, quota and embargo systems are among the forces which are working an even tighter stranglehold upon international commerce and trade. When we sell we want to get free money in payment—not funds shackled by irritating and vitiating restrictions as to what we as seller can do with the purchase money. One does not have to be a pessimist to believe that after the pending war is over these trade restrictions will not lessen. On the contrary, they are most likely to increase rapidly and greatly unless effective steps in prevention are taken.

But that is not all that must be done. Restrictions now existing must be eliminated or greatly lessened before our foreign trade can be on a sound basis.

Unfortunately, although peace-loving governments have repeatedly declared themselves in favor of liberal trade relations and against discriminations, world trade today is discriminatory. Serious discriminations abound. Foreign-exchange control is almost universal outside the United States. As a result of war necessity much of the world trade of today is either carried on by governments or is subject to such a high degree of governmental control that private enterprise is restricted and the opportunity of the individual seriously limited.

Since the war in Europe has been won wide differences of opinion are finding expression as to how rapidly wartime controls and restrictions can be relaxed. In some countries, powerful elements insist that wartime controls be converted into peacetime systems for government direction and management of trade, money, and foreign exchange. We in the United States are not in accord with any such idea of retention.

Policies by which nations seek to manage and restrict their trade so as to force it into desired channels and by discriminatory exchange controls prevent those from whom they buy from using the proceeds of such transactions when and as they wish, are the very opposite and contradiction of our own traditional nondiscriminatory multilateral economic policy.

The United States Government imposes no restriction upon the convertibility of the American dollar into the currency of any other friendly nation. Those who sell goods to the United States can use the dollars anywhere else they desire, enemy countries and subjects excepted, of course. But this freedom exists in few European countries, and it is doubtful whether it will become the situation during the transitional period under the Monetary Fund unless the United States exerts promptly and continuously its influence as called for by the resolution which I have offered.

It is no exaggeration to say that the peoples of the earth today are confronted with a choice as to basic policies regarding this subject. Should trade slip back into its prewar dimensions there will not be enough commerce or employment for an adequate system of international trading. The necessary expansion of world trade and domestic as well as foreign trade of all nations requires opportunity for development rather than restriction.

The policy of the United States embodied in the Reciprocal Trade Agreements Act was one of the few forces working against multiplying restrictions from 1934 on. It is necessary to recapture a large measure of the buoyancy and growth which marked the latter half of the nineteenth century and that part of the twentieth before World War I. It is the part of defeatism and pessimism to accept the conclusion that the economic principles which prevailed in those days cannot in substantial measure find place, but that the world must be given over to governmental controls and managed economy.

A large part of the century before World War I was an era of steady expansion and growth. International trade, carried on in currencies such as the pound sterling, the dollar, and others which were based on gold, was stable, and commanded confidence both for current commercial transactions and for long-term investment. Managed economies were not resorted to until after World War I. The results of the wide variety of monetary exchange and trade control which European governments employed in the period between the two wars were basically unsatisfactory and should be sufficient warning against repetition of such species of error. The Bretton Woods proposals are the direct and natural result of the world's still vivid recollection of the evils of exchange and trade restrictions which characterized the period between the two world wars.

However, it is one thing to wish to be cured of bad habits and it is another actually to get the cure.

The capital of the Export-Import Bank, if greatly enlarged as proposed, should not be made available to any country which practices discriminatory exchange controls or other restrictive trade practices or is not satisfactorily in process of elimination of them. The only justification for the lending of American funds abroad would be the establishment of mutually advantageous trade relations conducive to prompt and sound recovery in line with the principles of the Atlantic Charter and other declarations of the United Nations and in accordance with the basic and historic foreign economic policy of the United States to which I have just referred.

The obligations and responsibilities of the lend-lease policy have a direct relationship to and bearing upon the objectives set forth in my amendment. The reciprocal trade agreements now in force contain certain mutual pledges of nondiscrimination in trade. Many of these agreements will require amendments from time to time to meet changed conditions and thereby to achieve in a larger extent their basic purpose. Mr. Charles P. Taft, of the State Department, stated substantially to the House Ways and Means Committee recently that, "As we enter into new agreements or negotiate the return to normal from the operations under the war clause of our existing agreements, we shall not only bargain for the elimination more rapidly of the wartime controls, but shall insist on eliminating important discriminations."

Reference was made in the Senate Banking and Currency Committee hearings to the possibility of large United States Government credit to Great Britain. No such credit should be granted unless necessary steps are taken looking to the abandonment as quickly as feasible of discriminatory exchange controls or discriminatory trade policies such as are practiced under the existing British system of bilateral currency agreements and by the functioning of the "Sterling Area."

Discriminatory practices are by no means confined to tariffs, trade, and foreign exchange but occur in the field of shipping. At present shipping of the United Nations is under joint control, but when vessels are restored to private ownership nationalistic restrictions may be imposed on foreign vessels. For example, a country practicing exchange control might refuse to allow one of its nations to convert national currency into United States dollars for the purpose of paying freight for goods shipped in an American vessel. This would have the effect of diverting the traffic to a vessel belonging to the nation exercising such exchange control, and this in spite of the fact that our treaty relations with such a country guarantee American vessels the same rights of navigation and access to commerce as to a vessel belonging to the other nation to the agreement.

Several times in our history we have had an adequate merchant marine, but on each occasion we have resorted to the pernicious folly of allowing it to fall into dangerous disuse and deterioration. Today we have a big merchant marine, which has been playing an indispensable role during the pending war. Much of this merchant marine we will continue to need throughout the years, and we intend to retain it. But a merchant marine to be really effective must have opportunity for operation under suitable conditions.

The inability to get free money for freight service, which I have just cited, is one of the many kinds of obstacles which would seriously hamper our efforts to operate successfully a merchant marine.

The idea that my amendment is not necessary because the United States Government will take steps to try to remove trade restrictions anyway is not sound. It often happens that governments fail or postpone taking necessary drastic remedial action. We realize that the crippling effects of existing restrictions are unendurable. This amendment is needed and should stand as a directive, emphasizing to ourselves and to the rest of the world the indisputable fact that continued action will be necessary to undo the damage done by unwholesome restrictions in foreign trading.

Assistant Secretary of State Dean Acheson suggests that international trade conference should seek—

To eliminate all forms of discriminatory treatment in international commerce.

To make exchange restrictions on commercial transactions unnecessary, and for the financial arrangements proposed at Bretton Woods to have their full effect.

To achieve the progressive elimination of quotas, embargoes, and prohibitions against exports and imports.

To reduce import tariffs.

To lay down fair rules of trade with reference to Government monopolies and state trading, including trade between countries where private enterprise prevails and those where foreign trade is managed by the state.

To create an international trade organization to study international trade problems and to recommend practical solutions.

Assistant Secretary of State Clayton has said:

> Let us never forget that world peace will always be jeopardized by the kind of international economic warfare which was so bitterly waged between the two world wars.

The majority report of the Banking and Currency Committee on the pending bill contains the following:

> INTERNATIONAL TRADE POLICY
>
> The elimination of unfair currency practices is of the greatest importance to this country. We made no use of these devices in the 1930's and we have no wish to use them after the war. Our foreign trade was more seriously affected than that of any other country by the growth of currency restrictions and discriminations; and there can be no doubt that an intensification of these practices after the war will have unfortunate consequences on our domestic economy.
>
> The United States has a large stake in international trade and investment. Before the war, in 1938, our exports and imports accounted for nearly 12 percent of total world trade (exports plus imports) amounting to $46,000,000,000. In the decade after the war, with fair exchange practices to encourage international trade and investment, our exports and imports may account for an even larger percentage of total world trade which may average $80,000,000,000 to $90,000,000,000 a year. If we are to realize the great advantages of international trade and investment on such a scale, we must take the lead in securing agreement on exchange practices that will make possible an expansion of multilateral trade and a resumption of private international investment.
>
> FURTHER ACTION ON TRADE BARRIERS
>
> Section 14: The committee has added section 14 for the purpose of promoting the objectives of resolution VII, adopted by the United Nations Monetary and Financial Conference last summer. That resolution recognized that the purpose of the fund to facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion of high levels of employment and real income and the development of the productive resources of all members, could not be achieved through the instrumentality of the fund alone. Accordingly, the Conference recommended that the participating governments seek to reach agreement as soon as possible on ways and means to reduce obstacles to international trade, among other things.
>
> There are many international economic problems which can best be approached through cooperation, and the committee believes that we are reaching the stage when it is desirable to secure agreement on the reduction of obstacles to international trade and the solution of other international economic problems. The purpose of section 14 is to declare the policy of the United States to seek to bring about international cooperation on these matters as soon as possible.

In harmony with these views is the provision in the San Francisco Charter calling for an economic and social council.

My amendment to this bill calls for two methods of operations. One is to eliminate unfair trade practices. These are varied in nature, including, for instance, discriminatory exchange and trade controls. Another purpose is to promote mutually advantageous commercial relations and otherwise facilitate the expansion and balanced growth of international trade and to promote the stability of international economic relations.

The need for these objectives for betterment in our international relations is self-evident. Their advantages cannot be over emphasized. But how should the job be done? It is obvious that no unilateral action on our part would be adequate. Teamwork with other nations is clearly essential. International trade conferences are now being planned as helpful aids.

The question arises, naturally, as to whether such efforts to remove trade barriers and the operations of the proposed International Bank and Fund would have any effect upon each other. Would progress in one help the other? There can be no doubt that the answer is "Yes." The interplay of their activities is necessarily close. If so, should one kind of remedy precede the other in time; and, if so, in which order, or should the fund and bank begin to operate simultaneously, if feasible, with attempts to remove trade barriers?

It is suggested, for instance, that the United States would shoot its bolt at the moment it placed its money in the fund and that it would lose thereby its trading advantage when it later attempts to correct, through bilateral agreement with some other country, harmful trade or exchange policies. The fund will do no such thing. The opportunity of Great Britain, for instance, to minimize adverse effects of an unfavorable balance of trade against her would be promoted in various ways by operations of the bank and fund. It is to her vital interest to trade and live in a world where financial conditions of the various nations are much better than they are today. If the fund is not created or is postponed, a retarding process toward trade readjustments is inevitable. If no fund is created, what substitute could be available, other than special agreements, frequently only bilateral?

Should other nations try to outsmart us, we will have opportunity to protect ourselves. In addition to any benefits which may be derived from the international bank and fund, there will be many facilities and advantages which other nations will desire to secure from us. If by starting immediately the International Bank and Fund we are shooting one bolt, we will have many others available. In short, there will be many other opportunities for activities leading to mutual advantage.

I am not ready to believe that the 44 nations planning this bank and fund are not acting in good faith, or that after the plan is in operation, they will deliberately set out to destroy the results of their handiwork. Both self-interest and a sense of fair play would prompt a policy of preservation and sensible functioning. In our international relations, we need faith as well as prudence. If we are not justified in having some faith, our international dealings must be so restricted that a form of isolationalism is inevitable. This is true whether we utilize either multilateral or merely bilateral agreements and working arrangements.

If the bank and fund were only postponed, then for how long? We would either have to delay until certain conditions precedent were met; or the bank and fund would have to be postponed indefinitely, with the hope that perhaps the plan could be revived some day, in some way.

Who can define with assurance in this changing world when present disordered international conditions would require the degree of normality which exponents of delay demand as conditions precedent? Who is to judge, if they do? Would 44 nationalities be likely, then, to reach a decision to reopen that subject in the absence, probably, of the present impetus toward international cooperation? May we assume that at a some far-removed period of time the world would be in a mood to revive or find a substitute for the Bretton Woods proposals?

Likewise, the conditions precedent to revival can probably not be defined in advance with sufficient prophetic accuracy. Plans as to requirements for reopening are likely to be too rigid and inelastic to meet conditions which may develop, but which now are largely unforseen.

Who would decide all of those knotty questions? Who could count with assurance of success on warming over the Bretton Woods proposals? It would be better that some mistakes and failures occur or that some money apparently be wasted, rather than that the world disregard this strategic moment for inter-

national cooperation. All the psychology of the moment is in favor of action now.

In stressing the importance of this amendment by placing it in this enabling legislation, I suggest that we would not in any way delay the creation of the fund. We would not even amend the plan for the fund. Therefore, no supplementary action by the other forty-four nations to amend the plan would be necessary. But we would be serving notice, by this amendment, upon our own people and upon all the world that we should take up for consideration and action these trade discriminations and currency restrictions, seeking their modifications and removal wherever feasible.

If the fund and bank did no more than to retard some existing discriminatory practices and restrictions, now increasing at a rapid pace, they would justify their existence. But the fund and bank would do more. They could prevent the militation against national welfare and international trade and financing of some ill-considered currency devaluations and other measures. By making some material contribution to economic and currency stabilization, they would make it easier, because of close interplay, to achieve success in concurrent efforts to remove trade barriers. This is a reasonable hope. This is a reasonable expectation.

We would be ill-advised if we failed to take advantage of this golden opportunity to create and to put into operation machinery both designed and equipped to help solve existing acute international problems arising largely out of the most far-reaching and tragic war this world has ever known. To fail to select at this time the fund and bank might be compared to trying to build without a cornerstone a sound international structure upon which the world can function satisfactorily and at peace.

No thoughtful person thinks that if we place approximately $6,000,000,000 in the bank and fund we are going thereby to stabilize the economic, financial, and trade conditions of the world. Not any one agency or activity alone could do that job. The operations of the San Francisco Charter, reciprocal trade agreements, lend-lease, the Export-Import Bank, and probably new international trade agreements, all closely correlated, will be among the numerous indispensable factors required. But the fund and bank can also be a useful adjunct.

The functioning of the bank and fund at the earliest possible moment in stimulating efforts to remove international trade and currency barriers will make a substantial and indispensable contribution toward the recovery of a world never before so enfeebled and prostrated. The emphasis of the call to continuing duty to try to remove trade barriers which this amendment stresses will doubtless be helpful toward the promotion of international good will, health, and prosperity. I urge its adoption, and the rejection of any amendments seeking any avoidable postponement or delay in the functioning of the International Bank and Fund.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 15, line 7, to insert section 14.

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments.

Mr. TAFT. Mr. President, I send to the desk a motion, which I ask to have read.

The PRESIDENT pro tempore. The motion will be read.

The Chief Clerk read as follows:

I move that further action on the bill be postponed until the holding of an international conference called by the Social and Economic Council of the United Nations Organization, or otherwise, for the purpose of improving international trade practices and commercial relations, carrying out recommendation VII of the Bretton Woods Conference and providing an immediate elimination or substantial reduction of discriminatory exchange restrictions and discriminatory trade practices.

Mr. BARKLEY. I wish to enter the point of order that that motion is not in order because under the rules of the Senate a motion to postpone must be either to a date certain or it must be an indefinite postponement.

Mr. TAFT. Mr. President, I ask for a ruling on the point of order.

The PRESIDENT pro tempore. The parliamentarian calls the Chair's attention to rule XXII with reference to precedence of motions:

When a question is pending, no motion shall be received but—

To adjourn.

To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.

To take a recess.

To proceed to the consideration of executive business.

To lay on the table.

To postpone indefinitely.

To postpone to a day certain.

This motion does not appear to comply with that rule, and therefore the Chair is constrained to sustain the point of order.

Mr. TAFT. Mr. President, I ask unanimous consent that the motion be considered by the Senate in its present form, because I think this is the main point and expresses clearly the issue, as I see it, before the Senate.

The PRESIDENT pro tempore. Is there objection?

Mr. BARKLEY. Reserving the right to object, would the Senator from Ohio be willing to limit debate on the motion, if consent is given for its consideration?

Mr. TAFT. Yes, Mr. President; I rather assume it would be voted on very quickly. What proposal would the Senator from Kentucky make with respect to limiting debate?

Mr. BARKLEY. With the understanding that the motion will be acted on quickly I shall not ask for limitation, but if the debate is prolonged I may later make a request for limitation of debate.

Mr. TAFT. I have no objection to a present request to limit debate.

Mr. BARKLEY. I have no objection to consideration of the motion, but I ask unanimous consent that debate on it be limited to 10 minutes; in other words, that while the motion is pending no Senator shall speak more than once on the motion or longer than 10 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. TAFT. Mr. President, this morning before the Banking and Currency Committee a hearing was held on the Export-Import Bank bill. It appeared clearly from the testimony of Mr. Crowley that we were during the next year going to lend to foreign countries, or give to foreign countries, $7,000,000,000 outside of the Bretton Woods proposals. Mr. Crowley is asking for $2,800,000,000 for the Export-Import Bank, of which approximately $1,000,000,000 is to be loaned to Russia and $1,800,000,000 to other European countries.

In addition to that, the lend-lease proposals for this year, which he described, contemplate that we give, under lend-lease, without specification as to whether it be ultimately in the form of a loan or a gift, the sum of $4,375,000,000. The two together total $7,000,000,000 for the next 12 months which we are giving for international cooperation. That amount is intended to deal with an emergency situation, without counting any of the money that is contained in the Bretton Woods proposals. These proposals are not designed, as I said yesterday, to deal with the emergency situation in any way. It seems perfectly obvious that we should deal first with that situation, and after we have spent the $7,000,000,000 decide whether we shall spend $6,000,000,000 more in order to perform our supposed duty toward international cooperation.

The suggestion of this motion is that since we accomplish nothing with this $6,000,000,000, since under Mr. Crowley's suggestion we must have the Export-Import Bank because the International Bank is not going to operate for 18 months, since the International Fund is to secure currency stabilization, and since it is perfectly obvious, and admitted on the face of the fund, that we are not going to bring about currency stabilization for 5 years, it seems obvious to me that we should postpone further consideration until we can sit down together and until we can consult with the other nations regarding the removal of trade restrictions.

We are paying $2,750,000,000 to stabilize currencies and to remove exchange restrictions, and yet under the express terms of the Bretton Woods agreements we are not going to get stabilization and we are not going to get rid of exchange restrictions for at least 5 years from the time the fund goes into operation. But we put our $2,750,000,000 into the fund immediately. It seems to me that the statesmanlike thing to do is to postpone consideration until we can consider the trade conditions of the world, until we can work out an agreement, until the nations can get into a position where they can remove trade restrictions, so that our exporters may have an opportunity to compete fairly with foreign exporters. It seems obvious that we should not now embark on a program totaling $13,000,000,000 for international cooperation when it is absolutely unnecessary to do anything like that at the present time, and when we do not accomplish

the purposes contemplated by the spending of that amount.

The United States, through the Export-Import Bank and lend-lease, is doing more than its share for the world. We are relieving the starving people of the world. Under lend-lease we are sending $1,700,000,000 worth of food abroad in the next year, and through the Export-Import Bank probably another billion dollars worth of food, or approximately $3,000,000,000 worth of food—every bit of food that can possibly be allocated by our War Food Administration. We are performing our full duty toward international cooperation if we proceed with lend-lease and the Export-Import Bank, retaining full control of our money, with the ability to meet any situation which may arise during the next 12 months.

Certainly this is not the time to go into theoretical international organizations, and put up $6,000,000,000 of American money, increasing our public debt by another $6,000,000,000. We had a deficit of $50,000,000,000 for the last fiscal year. We are going to have a deficit of at least $30,000,000,000 during the next 12 months. Should we add to it by borrowing an additional $6,000,000,000 on top of the $7,000,000,000 for the Export-Import Bank and lend-lease? Shall we borrow $6,000,000,000 more now, when we do not need to borrow the money, when we do not need to increase the national debt, when we are doing our full share in international cooperation by the measures which Congress has already approved or is about to approve?

Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were ordered.

Mr. BARKLEY. Mr. President, it is impossible, within the 10-minute limitation which we have imposed, to undertake to correct all the misapprehensions which the Senator from Ohio has sought to impart to his colleagues on the floor of the Senate.

I think it ought to be made clear that there is no appropriation of $6,000,000,000 or $13,000,000,000 involved in this legislation. We are obligated under the agreement, and that agreement must be consummated by a sufficient number of the 44 nations putting into the fund 65 percent of the $8,800,000,000 provided for; and 65 percent of the stock of the bank must be subscribed and paid for not later than the 31st day of December of this year. The nations have until that date to make their subscriptions and payments. If they do not do so before that time, the whole agreement will lapse, and another conference will be necessary in order to arrive at any understanding about international cooperation with respect to monetary arrangements or the establishment of the bank.

So the motion made by the Senator from Ohio in effect is to kill the entire Bretton Woods agreement, both as to the bank and as to the fund, because unless 65 percent of the amount is subscribed and paid for not later than December 31 of this year, the whole agreement will lapse.

The agreement provides that the smaller of two sums shall be put in by each nation in gold or dollars—25 percent of the total amount, or 10 percent of its holdings of gold and United States dollars. Whichever of those amounts would be the smaller would be the cash payment into the fund of the nation involved.

The bill under consideration provides that in paying our share of that contribution we may utilize the stabilization fund now in existence in the Treasury, approximately $2,000,000,000, which represents the profit made by the Treasury from the devaluation of gold at the time the so-called devaluation took place. Of course, that is the property of the people. It is the property of the Government of the United States, but it does not represent taxes paid into the Treasury. It is profit made from the gold transaction. Under the law creating the stabilization fund the Secretary of the Treasury has the discretion to hold it in gold or convert it into dollars. So there is no inconsistency whatever between the Bretton Woods agreement, as concerns the payment of 25 percent in gold, and the provisions of this bill, utilizing the stabilization fund in order to provide our share of the contribution, whether it be made in gold or in currency.

So far as the stock of the bank is concerned, Mr. President, the agreement provides that we shall subscribe to the stock $3,175,000,000. Twenty-five percent of that will be paid in. The other 80 percent may never be paid into the capital. We have obligated ourselves to it, but that 80 percent is really for the purpose of making good any guaranty which the bank—not the Government of the United States, but the bank—makes in guaranteeing private loans. The amount of private loans plus the amount of the guaranty can never exceed the capital of the bank, which is $10,000,000,000 plus whatever profit or surplus it may have on hand. Capital and surplus are to be considered in the same way as capital and surplus of any other bank are considered. If there are no defaults in the payment of the debts guaranteed by the bank, it is not only probable, but almost certain, that the other 80 percent will never be called. It is subject to call, but it will not be needed unless the bank is required to make good on its guaranties; and in that case all nations will be called upon, in proportion to their subscription, to pay in any part of the 80 percent necessary to make good the guaranties of these loans.

So all that is involved in the Bretton Woods proposal, so far as cash out of hand is concerned, is the 25 percent in gold, if that should be the required amount. Twenty-five percent of $2,750,000,000 is approximately $630,000,000 or $635,000,000. That is put up in gold, and the balance in dollars.

Under the bank arrangement, although we subscribe to its capital $3,175,000,000, all we shall ever be required to put up in cash, in accordance with that subscription, is $635,000,000, unless we are called upon to put in more to make good loans which have been guaranteed by the bank.

So when we add those items together, and consider that the United States may never be called upon to put up another dollar, the total falls far short of $6,000,000,000 or $13,000,000,000.

The Committee on Banking and Currency this morning unanimously reported favorably a bill, passed by the House practically unanimously, to extend the lending power of the Export-Import Bank from $700,000,000 to $3,500,000,000, allowing the bank an additional $2,800,000,000. Mr. Crowley testified before the committee that that amount is necessary in order to finance our foreign trade with other nations during the next 12 months. There is no inconsistency and no overlapping as between the functions of the Export-Import Bank and the International Bank for Reconstruction and Development or the fund which is set up in the Bretton Woods agreements.

The fund is not a bank; it is a forum or an institution where nations who desire to buy goods from other nations but who do not have enough of the currency of the nations from which they desire to buy in order to pay for the goods, may pay with their own currencies for the goods they desire to buy. Certainly, the Export-Import Bank is not engaged in that field. If we were to pass the Bretton Woods agreements today it would take a year or probably a year and a half to set up these institutions so that they would be able to function. All the nations must come in by the end of this year. If they do not come in by December 31, they will be out of the institution.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I have only 10 minutes, and I cannot very well yield.

Mr. TAFT. Then I will ask for an extension of the Senator's time. I ask if any other of the 44 nations have ratified the Bretton Woods agreements?

Mr. BARKLEY. I do not know, but I take it none has, because everyone knows that if the United States does not ratify it—just as if the United States does not ratify the San Francisco Charter—it will not be ratified, and it will be ineffective.

Mr. WHERRY. Mr. President——

Mr. BARKLEY. I am sorry that I cannot yield; I have only 10 minutes.

Mr. President, within the year the Export-Import Bank will have exhausted the amount of money we shall have provided for it. If within that year or at the end of the year the International Bank for Reconstruction and Development is set up and is able to function, the chances are that the Export-Import Bank will not be required to come back to Congress for additional funds. If the fund is set up and is functioning at the end of the year, of course, that will facilitate international trade; and it is expected by all those who are now studying the subject, both those in and those out of Government, that by reason of the enormous backing of demand for American goods all over the world we probably will be able to export from $8,000,000,000 to $10,000,000,000 of American products,

which will give employment to no less than 6,000,000 American workingmen.

But Mr. Crowley stated that if it turns out that all the details and the preliminary arrangements and other matters have not been completed within a year, it might be possible, although not probable, that he would return to the Congress at that time for additional authorizations.

The PRESIDENT pro tempore. The time of the Senator from Kentucky has expired.

Mr. BARKLEY. Mr. President, I hope the motion of the Senator from Ohio will be rejected.

Mr. MILLIKIN. Mr. President, the distinguished senior Senator from Kentucky has, I believe, conceded that not another nation has thus far ratified these agreements.

Mr. BARKLEY. I merely said I do not know of any which has.

Mr. MILLIKIN. I believe the Senator said it would be from a year to a year and a half before the organization would be set up and functioning. As has been pointed out, just this morning the Committee on Banking and Currency unanimously approved a vast extension of the lending power of the Export-Import Bank, which can fill the gap during the time when the Bretton Woods organization is being set up, and will allow plenty of time for the calling of an international economic council to serve the purposes of this motion, to wit, to get out of the way, if we can, the trade discriminations and the foreign-exchange maladjustments which, if allowed to continue, will doom the fund proposed in these agreements to certain failure.

The distinguished senior Senator from Kentucky has minimized the risks involved, I respectfully suggest, in connection with the bank part of these agreements. At this moment Bretton Woods countries owe this country over $12,000,000,000 as a residue of indebtedness from the last war. As of this time there are outstanding foreign dollar bonds of various kinds in the amount of about $4,000,000,000, and about $1,500,000,000 of those bonds are in default. I do not see how we can with prudence accept the Senator's theory that we shall be contributing only a small fraction of the total of our contributions to this bank. But, Mr. President, whether it be a fraction or whether it be the full amount, it is not necessary to contribute it today. We would not know what to do with it if we had it today. We could not set up the proposed institutions for a year or a year and a half, and in the meantime we can have an international economic council which can deal with those discriminations and maladjustments and thus provide at least a chance for these Bretton Woods agreements to get off on a sound foundation.

Mr. WHEELER. Mr. President, will the Senator yield to me?

Mr. MILLIKIN. I will yield in a moment.

Mr. President, otherwise we would plunge this fund, which is designed to secure stability of exchange, into a world which is and for a long time to come will be unavoidably unstable, and would be underwriting the very conditions we seek to remedy. We would fill that fund with worthless currencies, and we would be making loans out of the bank which would not be repaid. Remember, please, there is scarcely a country in Europe which is not confronted with one or two or three revolutions and counterrevolutions, and it is the custom of the successful revolutionary government to repudiate the debts of its predecessors.

I now yield to the Senator from Montana.

Mr. WHEELER. Mr. President, it seems to me that one of the very significant points the Senator from Kentucky made was that none of the other countries will ratify these agreements unless the United States does.

Mr. MILLIKIN. Yes.

Mr. WHEELER. Of course, that is true, for the simple reason that this country is the only country which will have dollars in the fund or bank which will be of equal value to gold, and, of course, all the other countries wish to borrow, and they wish to get dollars. They will not go into these agreements unless we first put up the money—in other words, the gold and the dollars.

Mr. MILLIKIN. Mr. President, the Senator from Montana is entirely correct. The rhapsodical fervor at Bretton Woods, came about because many countries saw an opportunity to put worthless currencies into the fund and to take out sound currency.

Mr. FULBRIGHT. Mr. President, if agreed to, this motion would, as I interpret it, mean the rejection of the whole plan, and therefore it is deserving of more than ordinary comment as to its details. I think the Senator from Ohio, in his speech of yesterday and the day before, made certain assumptions which, by constant repetition, have impressed some of the Members of the Senate. If those assumptions are correct, of course, the fund will not work. His principal assumption was that all the other nations look upon the fund purely as a grab bag and they have no intention of trying to make it functon for the purpose for which it is created.

I should like to make one or two observations regarding the opening speech of the Senator from Ohio, because I think in it he discussed the principles which are involved in this matter.

It is the first time I have ever heard an elected public official frankly admit that the people are overwhelmingly for a measure, and then seek to persuade us that they are deceived about it. The Senator from Ohio has asked those who have been elected as Representatives of the people to ignore their wishes, on the theory that they are unable to understand what this is all about.

It is a curious argument. It reminds me of the situation which existed in the country in 1919, when one of the leading Senators from a State adjoining Ohio is reported to have said that 80 percent of the people were for the League of Nations, and yet he undertook to maneuver and scheme to prevent our entry into the League. I suppose that that Senator also thought the people knew not what they wanted. I now wonder how many of us are willing to believe that the people were deceived in 1919.

The Senator from Ohio also asks us to disregard the testimony of the experts who testified before the committee or expressed their opinions by letter or through the press. He asks us to study the proposals and make up our minds independently of the experts. Obviously this unusual request arises from the fact that the preponderance of the testimony is in favor of our acceptance of the proposals. Therefore it follows that we must close our minds to the opinions of the experts and to the wishes of the people and follow the advice of the Senator from Ohio, who apparently has no faith in either the experts or the people.

His vigorous attack upon the Treasury for making available to the people information on these proposals is difficult for me to understand. He has said that the Treasury, together with certain other departments, has spent $13,000 in their efforts to supply information to the people on Bretton Woods. He has even said that it is a crime, a violation of a Federal criminal statute. Because the people are so well informed that they disagree with the Senator it is a crime, I suppose, although, if my memory serves me right, it is not the first time they have disagreed with him. I confess that I have requested information from the Treasury on several occasions. I have also discussed the matter with officials of the American Bankers Association.

I, for one, do not believe the people are deceived. I think the people know very well that international economic warfare, as well as physical warfare, is a senseless, stupid, extravagant, and wasteful pastime. I do not think they understand all the intricate details of international currency control, but I believe they are determined, unless they are again thwarted by their elected representatives, to try some new approach to those problems, and at least make an effort to bring peace and order into the world. I cannot, nor can anyone, guarantee that this particular proposal will bring stability and order to international finance. The chances are that what the proposal amounts to is an opportunity for the nations to work in cooperation, by consultation and agreement, which with wisdom and patience may establish order. But what the opponents of this proposal are urging is exactly the same old approach and the same old methods, the futility of which was proved after the last war.

It is perhaps too much to expect the human race to learn and to progress by reason alone, but certainly we should be able to learn by the hard knocks of experience. After the last war we pursued a course which, if I understand the Senator from Ohio, was quite similar to what he advocates. We did not set up a multilateral system of controls. We had a few economic conferences; we made some bilateral trading agreements; we persuaded nations to go back to the gold standard; and we passed the Smoot-Hawley Tariff Act, all of which I assume the Senator would now approve.

I believe that when we have once followed a course which has led us to disaster, it should not require much persuasion to convince us that we should not repeat the same performance. The people are aware of the fact that those old worn-out policies have, if not caused, at least contributed to our unhappy condition of today. They want us, at least, to try something which may have a chance of succeeding.

A further point stressed over and over by the opponent of this proposal is the fact that we might lose $6,000,000,000 in the transaction. I do not think it is at all likely that we shall lose anything like that amount, except in case of a third world war. But even though we run the risk of loss, the opportunity for gain is so much greater that it certainly is a good gamble. When this war is over, we shall be the greatest producing Nation in the world. With reasonably free and stable conditions in international trade, we shall be the principal beneficiaries, and our people can profit within a very few years to a far greater amount than the entire investment in this venture. Experts testified that with reasonably good conditions we can expand our foreign trade from 50 to 100 percent of what it was before the war.

Finally, I should like to say a word about the often repeated statement by those who wish to have nothing to do with other countries, that they, and they alone, are interested in the welfare of America. These men always repeat the same little speech that Churchill is interested in Britain, that Stalin is interested in Russia, and to be sure they admire them for that, but who is interested in America? The implication, of course, is that only those who believe that the way to help America is to withdraw from the world are the ones who know what is good for us.

I agree with these gentlemen that it might be nice if we could withdraw into our shell, and if everybody would leave us alone. Unfortunately, this is utterly impossible, as we are now paying so dearly to find out. It is not a question of motives, or of who is interested in America's welfare and who is not. I assume that all Senators are primarily interested in helping America. I think all Senators are just as anxious to help America as Stalin is to help Russia. The only question is the judgment or wisdom of the different viewpoints. To those who still believe that withdrawal from the world is the proper course to pursue, it seems to me it should be sufficient to recall the past 25 years. In 1919, as a nation we followed their advice. We persisted with our high tariff, our refusal to join the World Court, and to pass the Neutrality Act. It seems to me that since we followed their policies to the bitter end and have thoroughly suffered their disastrous effects, they should be willing, at least, to acknowledge the possibility of their errors. As Benjamin Franklin put it, "I cannot help expressing a wish that they would doubt a little their own infallibility."

Some people are misled by the fact that in pursuing a policy of cooperation with other nations it appears on the surface that we are concerned only with helping those other nations. The fact is that the primary purpose is to help ourselves, and the fact that incidentally we may help others should not be a reason for abandoning our own welfare. As a matter of good judgment, of enlightened, and long-term national interest, it seems to me that we must begin a new approach to our international problems. We have tried self-sufficiency, and it has failed. Let us try cooperation and participation. It can be no worse.

Bretton Woods is an effort to work with other nations toward the solution of a common end that affects us all alike. Technically it may not be—probably it is not—perfect, but with wisdom and patience we should be able with this machinery to discover the proper solution. At least it is worth our trying, for the rewards will be great if we succeed, and we already know and are now experiencing the penalties of failure.

Mr. WHERRY. Mr. President, I expect to support the motion of the senior Senator from Ohio [Mr. TAFT] that participation of the United States in the Bretton Woods program be postponed.

I believe the debate on the floor of the Senate during the past 2 days has convinced all of us that it would be impossible for the proposed international body to stabilize the currencies of the various countries of the world. I believe that the peoples of Europe should be helped wherever we can help them. I believe further that it should be done through an organization which has already been established and is already functioning; this will provide immediate relief.

For the reasons stated, I expect to vote to increase the capital stock of the Export-Import Bank. I believe that that organization can assure that the goods will be furnished to foreign countries when they are needed. They can be furnished to those countries by exporting to them raw materials and whatever else they need for rehabilitation purposes, and in doing it we keep absolute control of our dollars and where our goods go to those countries where the rehabilitation should be made.

I should like to ask the distinguished senior Senator from Kentucky a question. It was my privilege to go to Europe with a group of Senators who investigated the atrocities there and all of us had first-hand knowledge of the terrific inflation of the franc. I do not want to hark back to that point—because I have raised the point on the floor before—that our own boys were paid on the basis of the franc at 2 cents each when they could have gone out upon the market and sold their francs for five times as much. It was due, of course, to uncontrolled inflation, because in France they did not have the goods and they did not have control of the franc and France cannot control the value of their currency today.

The senior Senator from Kentucky will remember that we talked—I am not sure that he was present—with a financier, the vice president of an American bank located in France, who said, "I do not believe that France should become a member of this fund until France stabilizes her own currency."

I know the distinguished senior Senator from Kentucky has attempted to answer this question for me not only once but I think twice before. Permit me to lay the basis for the question. Our military forces made a temporary agreement to stabilize the franc according to the money value of the franc at 2 cents; and I maintain that in the long run the International Fund does the same thing on a permanent basis that we are attempting to do in France temporarily in a military way. But we are not stabilizing exchange, we are simply freezing exchange by agreement and not upon the basis of what the money is worth in the market places of the world. If we are only freezing exchange rates, then I ask the distinguished Senator from Kentucky, would not the United States be better off if, in order to control our own economy, we delay going into the Bretton Woods agreement until other countries have a chance to stabilize their economy? Then admit each country to the fund as each country stabilizes its currency, and in the meantime through the banks or agencies I have already suggested, we could make loans so that they could get the raw materials and be enabled to rehabilitate themselves. I should like to have the distinguished Senator from Kentucky answer that question because he was with me in Europe, and I know he made a considerable study of exchange rates in France.

Mr. BARKLEY. Mr. President, I thank the Senator for the compliment of asking me that question as he says now for the third time. If, by what I have said heretofore, I have not been able to convince him, I hope that I will be more successful the third time, which is supposed to have a charm attached to it. It would be impossible to give an adequate explanation of the situation throughout France, to say nothing about all the other currencies that are involved in the international situation. Of course, when we drove the Germans out of France it had been under their domination for 4 years, and when our Army went in and the English Army went in and the Canadian Army went in, it was necessary to arrive at an agreement as to the value of the franc. Such an agreement was made not only between the United States and France as to the exchange value of the franc and the dollar but there was also an agreement entered into between Great Britain and France as to the exchange value of the franc and the pound, and also with the Canadian Government as to the exchange value of the Canadian dollar and the franc.

It is true that after 4 years of German occupation nobody knew what was going to happen to France, nobody knew whether their currency was worth anything, and as a matter of fact it was not, but it was necessary to arrive at an agreement as to the exchange value of the franc, the pound, and also the Canadian dollar.

Mr. WHERRY. That is similar to what we are attempting to do under the fund, agreeing to freeze at certain prices.

Mr. BARKLEY. No; we are not agreeing to freeze at a certain price but are putting the authority in the fund to stabilize these currencies.

If I may continue further——

Mr. WHERRY. I should like to have a few minutes left.

Mr. BARKLEY. If the only thing was the international stabilization of any foreign currency, which the inhabitants of a given country would only use with which to buy things within that country, we would have no interest in it except the possibility that they might by depreciating their currency and paying their laborers in that currency to produce goods so much cheaper than we could produce them that they could undermine the markets as competitors of ours. Therefore, there is an international relationship, but none of these nations can by itself stabilize its own currency nationally. They may do it within their own realm so far as their own people are concerned, but they cannot do it internationally.

Mr. WHERRY. I thank the Senator for his answer. It confirms the very thing that has interested me in the discussion, namely, that foreign countries cannot stabilize their currencies and therefore we are freezing their currencies; that is all we are doing—just as we are doing it temporarily in France by placing a value on what the franc is worth in the market place. How will foreign currencies be stabilized? They will have to be stabilized by using sanctions or control of exchanges, and the moment that is done we have entered into the internal economy of every country against whom the Industrial Council imposes exchange restrictions. When that is done there is regimentation and controls, indeed greater controls on a world-wide basis than we have experienced here on a national basis. That is the only way we can ever attempt to stabilize foreign currencies. This is simply a freeze order; it does not mean anything more than what was done on a temporary basis by our military forces in France.

I suggest to Members of the Senate that we go ahead and lend through the agencies we have. Let us help to stabilize our own economy by choosing where we shall make loans and not just pour money down a rat hole. Let us determine what the value of the dollar shall be. Let us help other countries to help themselves. When their currencies become stabilized, then let them come into the fund, if and when that can be done. If we do that, we will not cause spiral inflation in this country. Let us keep this country sound. Let us loan, if that be necessary, to help rehabilitate the countries of Europe and elsewhere throughout the world. If we do it on that basis, we will be able to control and not go into this thing blindly, even though it might have merit.

What is the hurry to bring about stabilization now? It cannot be accomplished through the fund. It will be necessary to work through some other agency similar to the Export-Import Bank. That is the reason I intend to support the bill to increase the capitalization of the Export-Import Bank, which will be before the Senate within the next few days. Through that agency we can do the very thing that is sought through the international fund, and in doing it we will not cause as much inflation in this country but will help other countries stabilize their own currencies without sanctions or exchange control.

I think under present currency values that Bretton Woods will turn out to be an international grab bag. I want the Senate to know that the people of other countries and lands will be coming to Washington to get what they want in the way of allocations of materials and goods, just as people now come to Washington from various States of the Union to secure favors. We do not want the countries of the world to use that method, but we want them to help rehabilitate themselves and help stabilize their own currencies by sound methods over which this Government has control.

Mr. CORDON. Mr. President, a press report in the Evening Star of Monday, July 16, is, I believe, pertinent to the matter now under consideration. This report is indicative of the fact that there is not unanimity of support in other nations for the Bretton Woods agreement at the moment, that there is questioning as to its effect.

The press report is short, and I shall read it for the benefit of those of my colleagues who may not have seen it. It is under the date line of London, July 16, and reads:

A possibility that Britain would raise further objections to the Bretton Woods plan was suggested by articles in two of London's leading financial dailies today.

With the plan coming before the United States Senate, financial circles here awaited congressional arguments as a prelude to eventual debate in Parliament.

The Financial Times said opinion in Britain as a whole had "probably hardened toward acceptance of the basic principles of the final act," but that utterances by Sir John Anderson, Chancelor of the Exchequer, suggested "we do not intend just to put our signature on the dotted line, even if the American Senate passes on the legislation before it."

WILL CONSIDER MERITS

"We in this country will consider it entirely upon its merits," said the Financial Times. "It must not be assumed that we are out to raise bargaining points but our position is a peculiar one. We have already suffered severely in the cause of others and still have to face up to the inexorable pressure of economic circumstances.

"The desire of most people in Great Britain is to follow an expansionist policy in world trade but we must have room to turn around."

The Financial News, taking note of the possibility of American dollars loans, said Britain would have to "give a blank sterling check to other nations."

RISK IN BUYING UP GOODS

"The grand total of these checks would be fixed, it is true, by the amount of the British contribution to the fund," the News said. "But there is nothing in the final act that would prevent any one of the member countries from using its quota entirely in the form of sterling.

"This may not appeal to be a bad thing, for it would mean that the country concerned would increase its purchases from Great Britain. But, during the first postwar years at any rate, it is essential to export largely to countries which pay in hard exchange.

"Under the Bretton Woods plan there is a risk that an unduly large amount of our limited exportable surplus of goods would be bought up with the aid of sterling placed at the disposal of the fund."

Mr. President, that completes the report. I present it because it seems to me peculiarly timely at this moment.

Mr. WHEELER. Mr. President, I have some comments to make on the motion at this time, although I intend to support it. I am led to say a word on it because of the remarks just made by the distinguished junior Senator from Arkansas [Mr. FULBRIGHT]. I agree with his statement that every Member of the Senate is interested in the welfare of the United States. The only difference between us is as to the proper course to be followed, and what will be the best course for the United States.

The Senator stated that after the last war we followed a policy of shutting ourselves off from other nations. I was one of those who voted against and worked against the Smoot-Hawley tariff bill, because I felt that at that particular time it was a very unfortunate piece of legislation, and that it might help to bring about the situation which followed, when various foreign countries started to depreciate their currencies, deliberately and premeditatedly, for the purpose of getting around our tariff barriers. This happened in practically every country, for the simple reason that they wanted to sell their goods in the United States.

As I recall, Japan depreciated her currency 40 or 50 percent. Other countries depreciated their currencies all the way from 10 to 20 percent. Notwithstanding that fact, and notwithstanding the fact that we did not go into the League of Nations or the World Court, I cannot for one moment let the statement pass that the reason why the world found itself in the condition it confronted before we entered the war was that we did not enter the League of Nations. To me that is a perfectly ridiculous statement for any Member of the Senate who knows the facts to make, because England and France had it within their power at all times to stop Germany from going into the Ruhr. The truth is that while France wanted to stop her, England was not in favor of it. They made concessions, and if they had made the concessions to the Republic of Germany which they afterward made to Hitler, Mr. Hitler would never have risen to power in Germany, and there never would have been the condition of affairs existing throughout Europe which existed after he came to power.

For anyone to stand on the floor of the Senate and say that we were responsible for the rise of Hitler, or were responsible for the condition which existed, seems to me to be perfectly and obviously ridiculous in the face of the record which has been made.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. FULBRIGHT. I did not say we were responsible for the condition which existed in Europe.

Mr. WHEELER. I understand that, but I say the statement has been made here. I do not want the Senator to get the idea that I am attributing that perfectly ridiculous statement to him, because I know he has entirely too much intelligence and common sense to make a statement of that kind.

Mr. FULBRIGHT. If we had participated, we might well have prevented it, but that is a very different thing from saying we were responsible for the ills of Europe.

Mr. WHEELER. I agree there is a possibility that we might have prevented it, because we might possibly have joined with France instead of with England, and in that way we might have prevented what happened.

Mr. FULBRIGHT. Our influence might have been exerted.

Mr. WHEELER. Our influence might have been exerted, but no one can say that, regardless of whether we were in the League or not, we would have had sufficient influence to prevent what occurred. Not only England, but many people in this country, influential bankers and other groups, through international finance, helped to finance Mr. Hitler, and wanted him to come into power because, as they stated, they were afraid that Germany was going Communist. It was too liberal for some of the ultraconservatives throughout Europe and throughout Great Britain, and throughout some other countries.

Mr. FULBRIGHT. I admit there were many mistakes of judgment.

Mr. WHEELER. Exactly. The statement has been made on the floor of the Senate that we want to help Europe. There is no one in the Senate who is more anxious to cooperate with other countries in Europe than I am. There is no one on the floor of the Senate who is more anxious than am I to help the people of Europe at the present time, because in my judgment they will starve unless they can get food from other countries. There is no one more anxious to help them get fuel, because I think they are going to freeze this coming winter unless they get coal from without. There is no one in the Senate who is more anxious to help them in their transportation problems than I am, because it is going to be absolutely necessary for them to have transportation in order to secure food from other nations. The question is: What is the best way to help them? It is said that if we give them unlimited money they will buy materials from us. They will buy materials, Mr. President, but they will pay for them with the money we loan them.

Mr. President, we cannot continue to give away our country's natural resources and our money without bringing this country down to absolutely the same level on which European countries and other countries of the world find themselves. If Senators want to help the rest of the world on that basis, and knowing that that will be the result, they can proceed and dish out unlimited amounts of money to every country in Europe. But, Senators, when you turn over to them all our natural resources you are destroying your own country.

Mr. President, I say that the people of this country are perhaps sold on Bretton Woods and on other matters because propaganda goes out from every department of the Government that adoption of the Bretton Woods proposals mean peace, and the people, of course, are for peace. They were for peace before we got into the war. They were against many of the things which I stated upon the floor of the Senate were going to lead us into this war. They are against sin, and they are in favor of peace. So when one-sided propaganda goes out in the newspapers and over the radio and in very other manner that adoption of the Bretton Woods agreements means peace, naturally the people are for anything that will bring about peace. But how many people in this country know what the effect of the Bretton Woods proposals will be? As a matter of fact, a great many Members of the Senate cannot explain exactly the meaning of the Bretton Woods proposals. I have studied them carefully for several days, but they are so complicated that I do not know what they are. Senators who have given them consideration on the floor of the Senate and before they came to the Senate, differ in their interpretation of the proposals. Likewise we find British economists and American economists disagreeing in their interpretation of the Bretton Woods proposals.

Mr. President, when it is said that the people of the United States are for the proposals, it should be also said that they are for peace and anything that will bring about peace. But if it is proposed to deplete the resources of this country, if it is proposed to wreck the economy of this country, when the people of the United States find what effect that which is proposed to be done will have upon our own economy, as well as what we have already done and some of the things we are now doing, Senators will find that public sentiment in the United States and among the GI's who are now fighting this war and who have been fighting it will change very materially.

Mr. BALL. Mr. President, I am not quite clear in my own mind as to what would be the status of the pending bill if the Taft motion were agreed to. I should like to direct a parliamentary inquiry to the Chair. Assuming the Taft motion is adopted, under what condition could the Senate take up the bill before the conditions set forth in the motion had been fulfilled?

The PRESIDENT pro tempore. The Chair does not think that is a parliamentary inquiry. Of course, the bill could be taken up at any time by action of the Senate.

Mr. BALL. What would happen to the bill if the motion were adopted? Would it go back to the calendar?

The PRESIDENT pro tempore. It would go back on the calendar.

Mr. BALL. Could it be taken up then, say, next fall by a simple motion, without reconsidering the vote on the Taft motion?

The PRESIDENT pro tempore. That would depend upon whether the conference had been held.

Mr. BALL. Assuming the conference had not been held, could the bill be taken up next fall without first reconsidering the vote by which the Taft motion was adopted?

The PRESIDENT pro tempore. The Parliamentarian advises the Chair that it would then be too late to reconsider the vote by which the motion was adopted.

Mr. BALL. So if the Taft motion were adopted, then the Senate could not consider this bill again until after the conference mentioned in the motion had been held?

The PRESIDENT pro tempore. That is true, unless it were done on motion to suspend the rules.

Mr. BALL. Which would require a two-thirds majority or unanimous consent?

The PRESIDENT pro tempore. It would require a two-third majority, under the precedents of the Senate.

Mr. REVERCOMB. Mr. President, I want to ask for clarification of a point, and I particularly ask the Senator from New York [Mr. WAGNER] very kindly to give me his attention upon the questions I desire to propound at this time. I feel this matter should be clarified before we proceed to a vote on any part of the Bretton Woods agreements.

The term "billions of dollars" has been used throughout the discussion.

The agreements provide that the United States shall contribute money which amounts to billions of dollars—almost $6,000,000,000; that the United Kingdom shall subscribe and provide an amount reaching into the billions, a lesser amount than the United States; and that Russia should also subscribe in the billions, also a lesser amount than this country.

The word "billion" I find has a very different meaning in amount in Great Britain and in this country. The definition of "billion" in Webster's New International Dictionary of 1942 is as follows:

> Billion * * * according to the American method of numeration, which follows the French * * * a thousand millions * * * according to the English and German method a million millions.

In other words, the term "billion" as used by the British and the Germans is one thousand times more than a billion as used in this country.

I want to ask the able chairman of the Banking and Currency Committee, from which committee this agreement was reported to the floor of the Senate, if the word "billion" is anywhere defined in the agreements. I am unable to find it.

Mr. WAGNER. Mr. President, I may say to the Senator that the quotas as set forth in millions and not billions. On page 42 we find:

> Schedule A. Quotas.
> (In millions of United States dollars.)

Mr. REVERCOMB. Does the Senator feel that that clarifies the matter and takes it out of the realm of billions, when it is stated "2,750 millions"? Is that the way that the term "billions" is avoided?

Mr. WAGNER. It is in terms of millions of United States dollars, and I think that is very clear.

Mr. REVERCOMB. Therefore the word "billion" is not obliged to be used?

Mr. WAGNER. The word "millions" is used; "in millions of United States dollars."

Mr. BUTLER. Mr. President, when the bill under consideration was before the Committee on Banking and Currency I brought up a question which has not been touched upon in the debate upon the floor, and in order that the debate on

the floor may contain a record of the item I wish at this time to place in the RECORD a memorandum I received from the Treasury Department in answer to my inquiry at that time. My inquiry had to do with the power of the fund under the Bretton Woods proposals to bring into our country, or into any other country—but we are concerned principally with what it may bring into the United States—articles or commodities which have been taken on secured loans made by the fund. I am frank to say that my concern was mainly with the possibility of importations of infected meat from countries infested with the foot-and-mouth disease, which would bring into the United States meat from countries which now, under our sanitary laws, are prohibited from making such shipments into the United States. While the language of the bill under consideration might be interpreted to permit such importations, my understanding of the statement given me by the Treasury Department is very clear. As the bill was interpreted in the committee hearings, there can be no question about the denial of the right to make such importations.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the statement which I have received from the Treasury Department.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JUNE 23, 1945.

Article V, section 4, of the articles of agreement of the fund, which deals with the waiver of conditions on which member countries may purchase foreign exchange from the fund, permits the fund to take into consideration a member's willingness to pledge as collateral security gold, silver, securities, or other acceptable assets. Article IX requires certain privileges and immunities to be granted the fund by the members, and in this connection a question has been raised whether the fund could accept goods as collateral security and import them into the United States for sale here in contravention of the tariff laws, of the narcotic laws, or of the sanitary laws.

The first section of article IX imposes a limitation upon the scope of the privileges and immunities required to be conferred upon the fund. It reads:

"To enable the fund to fulfill the functions with which it is entrusted, the status, immunities, and privileges set forth in this article shall be accorded to the fund in the territories of each member."

It is not the function of the fund to interfere with laws which are in effect in other countries. It is not designed to have any direct effect on tariff laws and it is not designed to have any effect whatever, either direct or indirect, on laws relating to narcotics, sanitation, etc.

It is not necessary, however, to rely upon this general limitation in reaching the conclusion that the question raised above must be answered in the negative.

With respect to tariffs, article IX, section 9 (a), provides that "the fund, its assets, property * * * shall be immune * * * from all customs duties."

This language was prepared at Bretton Woods by the drafting committee of Commission I, and was reported by that committee to the commission where it was approved and recommended for adoption by the Conference. The Conference acted faborably upon the commission's report. In transmitting the draft of the articles of agreement, the drafting committee included in its report the following statement:

"The drafting committee, in submitting the text of article IX, section 10 (our numeration), dealing with immunities from taxation, desires to place on record certain assumptions regarding its interpretation of the intention underlying this article. These assumptions are as follows: (a) The fund is not entitled to import goods free of customs duty without any restriction on their subsequent sale in the country to which they were imported. (b) The fund enjoys no exemption from duties or taxes which form part of the price of goods sold. (c) The fund enjoys no exemption from taxes or duties which are in fact no more than charges for services rendered."

Obviously, the customs immunity is intended to cover only such materials as may be imported by the fund for its own consumption and use and not such materials as might be imported for resale as a result of a foreclosure against collateral security.

With respect to narcotics and sanitary laws, section 6 of article IX must be considered. It provides:

"To the extent necessary to carry out the operations provided for in this agreement, all property and assets of the fund shall be free from restrictions, regulations, controls, and moratoria of any nature."

The clear intention of this section, which can be ascertained from its language, is that the financial assets of the fund should always be free for use in the purchase of goods within the country to which they relate. If that fund holds currency, it should be freely available for the purchase of goods within the country of issue by any other member that requires the currency from the fund. Similarly, if the fund has a deposit in a bank it should not be subject to a moratorium. A further example is the use of exchange controls which may be consistent with the articles of agreement. Such controls could not be exercised against currency holdings of the fund. These are the types of restrictions, regulations, controls, and moratoria which could interfere with the legitimate operations of the fund agreement.

Narcotic laws, sanitary laws, etc., are not, however, an interference with the legitimate operations of the fund. They are not directed at problems with which the fund is designed to deal. They are enacted entirely without reference to such matters and for purposes which are entirely a matter of domestic policy, and any effort on the part of the fund to circumvent them would be a clear violation of its powers.

Mr. BUTLER. Mr. President, I shall take only 2 or 3 minutes to express in the simplest language my conception of the measure which is now before the Senate. I will use as an illustration what has happened this morning as concerns myself.

I have been in attendance at three different committee meetings. One was a meeting of the Committee on Banking and Currency, where there was under consideration a proposal to increase the borrowing power of the Export-Import Bank from $700,000,000 to $3,500,000,000, mainly to accomplish exactly the same purposes as are sought to be accomplished by the passage of the Bretton Woods proposal, the support of which is largely upon the taxpayers of the United States.

From that committee I went to a meeting of a subcommittee of the Committee on Finance handling veterans affairs, where we listened to a proposal for an increase in the expenditures in our own country for the proper care of the veteran when he returns home, perhaps in such condition that he must be cared for in a hospital indefinitely. No doubt there will be tens of thousands of such cases. We do not know what that item will cost. All of us are willing, I am sure, to expend to the limit required to take the best possible care of our veterans. The point is that we have responsibilities to our own people as well as to the people of other countries.

From that committee I went to the committee room of the Rules Committee, where the Joint Committee on Reduction of Nonessential Federal Expenditures was in session, hearing a report from Mr. Roy Hendrickson, of UNRRA, covering the transactions of that organization. With it was submitted a table showing the amounts of the pledges which had been made by various members of the organization and the amounts which had been paid, listing the various governments which had joined UNRRA. Again there was outlined a terrific drain upon the American taxpayer.

Mr. President, that is what happened on one morning in the conduct of the business of the Senate. It is what is going on from day to day, from week to week, and month to month. It has been going on for several years. I am beginning to wonder when we are going to start thinking of the men and women in the United States who are under obligation to pay those bills and meet those obligations. How many pipe lines are there now running from the Treasury of the United States to all parts of the world, and how many more are coming?

To my way of thinking, the Bretton Woods proposal which is under consideration today is almost a duplicate of what is proposed in the extension of the borrowing power of the Export-Import Bank. I think it would be the better part of wisdom and good business judgment to increase the capital of the Export-Import Bank to take proper care of the international business which we wish to see prospered, and do it all through one organization, which up to date, has established a pretty good record, rather than to duplicate the work through another organization.

I believe that we all have considerable faith in the old biblical saying that it is better to give than to receive; but I think that as good, practical citizens, we all know also that the time comes when we must cease giving.

I am anxious to support any plan which will bring the people of the various governments of the world together in the hope of preventing the recurrence of war. The people of the United States saved civilization in what we term the First World War, because of our strength as a Nation. Again the strength of Amercia is saving what is left of civilization in the world. If we do not carefully guard our own strength, what position will we be in if plans fail and another war should occur in the course of time Will we be in the position of a strong nation, a good neighbor, willing to come to the rescue and again save the world? I believe we owe ourselves a great responsibility in that connection.

I hope that those of us who may decide to vote against the Bretton Woods

proposal will be considered just as patriotic, just as loyal, and just as anxious to perform our responsibilities to the other peoples of the world as we are to meet our obligations to our own people.

Speaking for myself alone, I intend to vote against the pending proposal with a clear conscience. I shall vote to increase the borrowing capacity of the Export-Import Bank when the bill comes before this body; and I shall vote to support the charter which will be submitted for debate in the course of a few days.

Mr. TOBEY obtained the floor.

Mr. TAFT. Mr. President, will the Senator yield to me?

Mr. TOBEY. I am very glad to yield to the Senator from Ohio.

Mr. TAFT. Mr. President, I ask unanimous consent to withdraw the motion which I made, and in lieu thereof, applying the same limitations on debate, to move that further action on the bill be postponed until November 15, 1945.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Ohio?

Mr. AIKEN. Mr. President, I should like to ask the Senator from Ohio a question. That would leave the Congress just 2 weeks to act on this matter, would it not?

Mr. TAFT. Six weeks, if the time is not extended. I cannot imagine that it would not be perfectly easy, if necessary, to extend the time beyond December 31, which is the date in the bill. In any event, if that were the date, there would be 6 weeks before that date arrived.

Mr. AIKEN. Who would have authority to extend the time?

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Ohio?

Mr. TOBEY. Mr. President, reserving the right to object——

Mr. MURDOCK. I object.

Mr. TAFT. Mr. President, I withdraw the motion and make a motion to postpone further consideration of the bill until November 15, 1945.

The PRESIDENT pro tempore. The yeas and nays have been ordered on the Senator's original motion.

Mr. TAFT. It makes no difference. I can make another motion after the original motion is voted upon.

The PRESIDENT pro tempore. The Senator can do so.

Mr. TAFT. I do not know whether the Senator from Utah wishes to continue to insist upon his objection.

Mr. MURDOCK. One of the principal reasons why I objected was the absence of the majority leader [Mr. BARKLEY] who made the point of order against the Senator's original motion. I do not see fit to withdraw my objection at this time.

Mr. TAFT. Mr. President, I should like to have the attention of the majority leader for a moment, if I may. I asked unanimous consent to withdraw the motion I made and to offer in lieu thereof, subject to the same limitation of debate, as if it were the same motion, a motion to postpone to a date certain, namely, November 15, 1945.

Mr. TOBEY. Mr. President, let me say that to that request the Senator from Utah [Mr. MURDOCK] has objected.

Mr. TAFT. Of course, Mr. President, I could offer the motion at a later time; but if my request were agreed to, we would have to have only one vote instead of two.

Mr. BARKLEY. Of course, Mr. President, in connection with the consideration of such a motion there would be further debate and speeches.

Mr. TAFT. No; I suggested that the same limitation apply.

Mr. BARKLEY. I know; but the same Senators who have spoken on the first motion could speak on the second one.

Mr. TAFT. My request was to have the motion considered as if it were the one originally made, so that a Senator who spoke on the first motion could not speak again.

Mr. BARKLEY. Of course, Mr. President, the Senator from Ohio could, upon rejection of the motion—which I am sure he anticipates—make a further motion. So far as I am concerned, I should like to have a vote on the pending motion.

Mr. TOBEY. Mr. President, let me point out that the second child would be born under a severe handicap.

Mr. BARKLEY. Well, that would be the fault of the father of the child, not the fault of anyone else.

Mr. TOBEY. Mr. President, yesterday the Senator from West Virginia [Mr. REVERCOMB] asked me about the matter of quotas. In answer, I told him that I was familiar with the Bretton Woods agreements, but that my memory was not as perfect as it should be, and that I would submit a further statement, which I do forthwith:

The quotas assigned to the members of the fund serve several functions. Each member's quota determines the amount of the subscription which that country makes to the resources of the fund. It is also the basis for determining the normal ability of that country to purchase foreign exchange from the fund. The quota is also one of the factors which determines the relative voice of a country in management of the fund. The aggregate of the quotas of all members determines the total subscribed resources of the fund.

A number of economic factors had to be taken into consideration in determining quotas. First, it was necessary to determine what the aggregate subscriptions to the fund should be. The total of $8,800,000,000 was determined with reference to international trade fluctuations in the past and the probable fluctuation in the future.

Individual quotas were determined with reference to the relative needs of each country for financial assistance and its ability to subscribe resources to the fund. In determining the relative needs of each country account was taken of such economic factors as the volume of international trade and the magnitude of trade fluctuations for each member country. Account was also taken of each country's gold holdings and its national income as measures of its ability to subscribe. Obviously, consideration was given to the importance of a country in the whole structure of international relations.

No formula could be completely satisfactory. These are the factors that were considered. The quotas were discussed at length in a quota committee at Bretton Woods, of which Secretary Vinson was chairman. While a number of countries thought their quotas were too small, the overwhelming opinion of the Conference was that they were fair and reasonable.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. REVERCOMB. I thank the Senator from New Hampshire for supplying that information for the RECORD. I notice that he has stated that one of the factors considered relative to the fixing of quotas was the need of the subscriber. Certainly the matter of need was not used as a basis for determining the subscription of the United States, because it is very doubtful whether the United States will turn to the fund for any of this money.

Mr. TOBEY. I am speaking of the fund quotas.

Mr. REVERCOMB. Yes; and the Senator has been speaking of the need.

Mr. TOBEY. Yes; that was a factor which was considered.

Mr. REVERCOMB. What need would the United States have for its 30 percent, or whatever its percentage may be?

Mr. TOBEY. I do not think the position of the United States should be construed on the basis of need. Need is one of the factors in connection with the whole world situation which was put on paper and was in the minds of the men at the conference when they were considering the needs of the world for economic assistance. The fact that the need of the United States was not considered is a favorable factor for us; but the United States has gone into this matter—of course, I do not know whether all Members of the Senate will approve—not solely on the basis of its own need, but on the basis of the needs of the world and the attempt to bring the world out of chaos. So the needs of the world and the balances of trade and the gold holdings of the various nations, and so forth, were considered as factors, when the conferees were sitting around the table, endeavoring to determine what would be the most helpful quotas for the bank.

Mr. REVERCOMB. Mr. President, I understood the Senator to say that some of the subscribers to the fund complained that their quotas were not sufficiently large. Were those complaints based upon their feeling that they would need more, that their need was greater?

Mr. TOBEY. The complaint was based on their feeling that they would like to have more, because they thought they might need more.

Mr. REVERCOMB. Yes. So, Mr. President, I am led to believe that the word "need" has two meanings, as used in connection with this matter.

Mr. TOBEY. Of course, Mr. President, when the Senator comes down to splitting infinitives and to considering the differences between needs and nonneeds and billions and millions, I yield to his superior ability. But I did the best I could.

Mr. REVERCOMB. I am not criticising the Senator's ability.

Mr. TOBEY. I understand. Of course there is a little cynicism in the statement just made, but the need of the United States is a need to help the world, and that is the heart of this whole thing. We are going into this plan because the world needs help. Political isolationism and economic isolationism cannot hold sway in the world today. The world is prostrate. It is for our interests to help in the work of reconstructing and rehabilitating a war-torn world. The alternative to doing nothing is doing something. I have said that before, and I say it again today.

Mr. REVERCOMB. Mr. President, will the Senator yield further?

Mr. TOBEY. I yield.

Mr. REVERCOMB. The only point I make is that the Senator has placed two meanings on the word "need". I am asking this question in all earnestness, let me say. The word "need" was used in one sense as an element or factor to be used or considered in connection with the fixing of quotas. The word "need" was also used in the sense of a desire to be helpful. It is apparent that the United States itself will not need money from the fund. The Senator has explained that the word "need", as used in reference to the United States, means a need to help the world.

Other countries have complained as to the amount of their quotas, I understood the Senator to say.

Mr. TOBEY. They wanted more.

Mr. REVERCOMB. They wanted more, because of their need; is that correct?

Mr. TOBEY. I may tell the Senator that some countries, in a fine spirit of cooperation, transferred $5,000,000 of their fund to another country which they thought needed it more. They did that of their own volition, and at the conference we approved of it.

Mr. REVERCOMB. But the basis was that they would need more money out of the fund; is that correct?

Mr. TOBEY. That was one of the reasons.

Mr. REVERCOMB. That is all I have to ask at this time.

Mr. BARKLEY. Mr. President——

Mr. TOBEY. I yield to the Senator from Kentucky.

Mr. BARKLEY. I do not know how much time remains of the Senator's allotment. I merely wished to say, in reply to what the Senator from New Hampshire said in reply to the Senator from West Virginia, that while it is true the United States recognizes its duty to help the world, it also recognizes that in helping the world it will be helping itself, because the United States would neither be prosperous nor peaceful without the cooperation of the rest of the world, and it will have to help it.

I wish to make this observation because I have no time on the pending motion, in its changed form. I merely wish to say that if the motion of the Senator from Ohio to postpone consideration of the bill until the 15th of November should prevail——

Mr. TAFT. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TAFT. What is the pending question?

The PRESIDENT pro tempore. The pending question is the motion of the Senator from Ohio to postpone further consideration of the pending matter until the holding of an international conference, as provided for in his motion.

Mr. TAFT. So, Mr. President, I point out to the Senator from Kentucky that I was not permitted to make the change which I requested, namely, the change relative to postponement of consideration until the 15th of November.

Mr. BARKLEY. I had no objection to it.

Mr. TAFT. The Senator from Utah objected.

Mr. BARKLEY. I thought he withdrew his objection.

Mr. MURDOCK. No, Mr. President, I did not withdraw it.

Mr. TOBEY. I yield the floor.

Mr. BROOKS. Mr. President, I think we have finally come to the ugly realization that we cannot harness the resources of the world and train the manpower of the world to destroy, without having to face the fact that there will be an aftermath which will be almost as ugly as the war itself was. I came out of the last war with that definite feeling, and it was one of the guiding thoughts which carried me through every step I have taken before and during the present war.

There is no question that we have literally blown Europe to the ground. There is no question but that we will burn Japan to the earth. When the war is over the loss of resources in human lives, in displaced peoples, and in property rights will leave this world in a greater chaos than it has ever known in all of its history.

What we can do about the situation, Mr. President, is left to the judgment which we should exercise at the present time. Judgment should be exercised thoughtfully and promptly. To be sure, as the richest nation in the world we do have an obligation. It is without question that the San Francisco Charter will be ratified by this body within a few days, and although it may not be perfect, it is the feeble framework of what some day may become a sturdy structure and at least a step in the right direction.

We have not only furnished the greater portion of manpower to the western front, but in addition to our physical participation in the war effort we have sent from $35,000,000,000 to $36,000,000,000 worth of supplies to our allies under the rather peculiar title of "lend-lease," knowing at all times that we would receive practically nothing in return except the participation of our allies in the war.

In addition to these things, Mr. President, we have established an Export-Import Bank which has functioned reasonably well in extending and developing our export and import trade. We now propose to increase its authority to loan from $700,000,000 to $3,500,000,000 for the purpose of doing the very thing which we are proposing to do, in a measure, under the pending bill. The difference, however, is that the Export-Import Bank's functioning is under the control of the American people. We direct and control the machinery of the Export-Import Bank. It is a control which will always be under the American people.

I also invite attention to the terrific cost of UNRRA which has been established for the purpose of feeding the world.

So, Mr. President, what have we done as a Nation? We have established UNRRA, an organization through which we will help feed the world. We have established an Export-Import Bank for the purpose of extending our foreign trade, and are about to increase its capital for the purpose of making loans to foreign countries. We are still carrying on lease-lend operations with countries not engaged in any way in the war against Japan.

Mr. President, in addition to what I have enumerated we are now being asked to help create an international fund and an international bank for the purpose of stabilizing currencies of countries which do not even have stabilized governments. We do not know when they will have stabilized governments or stabilized currencies. I agree that so far as we can do so we should give aid to those countries, but it should be definitely under the control of the American people through their representatives, and not under the control of an organization which will enable dollars to be manufactured merely by book entries, especially in cases where nations have no stabilized currencies.

Mr. President, I think the present proposal has been prematurely presented. The proposal is the deliberate act, in my judgment, of those who are anxious to give America away on the basis of an hysteria of good will which may prevail in this country. It is an effort on the part of those who hope to rush the proposal through the Senate.

I think that consideration of this matter should be postponed until the Big Three Conference is completed. After that Conference we will receive a report which will inform us as to what our part should be in contributing toward a settlement of world conditions. In the meantime, I do not think we should participate in this proposed international bank and fund organization in which we would match stable American dollars and gold with the worthless securities of countries whose very governments are unstable, and which we must help to become stable. Those governments should become stable before we

are asked to contribute toward the organization of an international bank with such widespread authority as it is proposed to give to it.

Mr. TAFT. Mr. President, I again ask unanimous consent to withdraw the motion which I made, and substitute a motion to postpone to a date certain, with the understanding that if any Senator wishes to speak he may do so, and that then the vote be taken.

Mr. BARKLEY. Mr. President, as I said a few moments ago, I have no objection to the motion. However, in view of the changed motion I should like to make about a 1-minute statement, if I may do so in the time of some other Senator. I cannot do so in my own time.

Mr. TAFT. Mr. President, I suggest that the Senator have 1 minute and that I have 1 minute.

Mr. BALL. Mr. President, if the motion is to be changed I should also like to make a brief statement of perhaps 5 minutes.

Mr. TAFT. The Senator from Minnesota has not spoken. He has the right to speak.

The PRESIDING OFFICER (Mr. LUCAS in the chair). Has the Senator from Minnesota used up his time?

Mr. BALL. No; I merely made a parliamentary inquiry.

Mr. WHEELER. Mr. President, I ask unanimous consent that before the motion is voted upon the Senator from Kentucky and the Senator from Ohio be each permitted to speak for 1 minute and explain the change in the motion.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Am I to understand that the pending motion is to postpone further consideration until the 15th day of November?

Mr. TAFT. The 15th day of November, 1945.

Mr. BARKLEY. Mr. President, I wish merely to state that if the Senate should agree to the motion and further consideration of the pending bill be postponed until the 15th of November, there will not be sufficient time remaining for the nations who will participate in the fund to make their deposits and arrangements by the 31st of December, which is the limit of the time in which they may do so. Therefore, so far as the Bretton Woods proposal is concerned, the motion of the Senator from Ohio is very little better than the motion that he made originally.

Mr. TAFT. Mr. President, it is fairly obvious that the time will have to be extended, and I think there will be no difficulty in doing so.

I have assumed that an international economic conference is to be held. That is the reason I made my first motion. But, if the conference cannot be held within 4 months, it will be a simple matter to postpone again the consideration of the bill. If by the date set that conference has not been held, I would perhaps urge postponing the matter further. I think, however, that the new motion provides for a simpler method. It brings the matter up automatically on the 15th of November. It will not require a two-thirds vote. I hope that the motion will prevail to postpone to a date certain, namely, the 15th of November. It should not require more than 2 days then to dispose of the matter.

Mr. BARKLEY. We have not yet been able to dispose of it in 2 days.

Mr. AIKEN. Mr. President, I expect to speak only briefly, but I should like to attempt to clear up two or three matters.

Yesterday the Senator from Ohio made the statement that if the agreement did not go into force by December 31, 1945, the funds which had been contributed by various governments, would be returned to them; in other words, the deal would be off. Reference was made here today to December 31. Is that the correct date? I do not care what Senator answers the question.

Mr. BARKLEY. The agreement provides that the nations representing 65 percent of the fund may make their deposits and become participants to the agreement by the 31st of December.

Mr. AIKEN. The motion of the Senator from Ohio is to postpone consideration of the agreement until November 15.

Mr. TAFT. Yes.

Mr. BARKLEY. Of course, if there were any delay in consideration within the time specified, the matter might even be extended into December.

Mr. TAFT. It would come up automatically under the motion by November 15.

Mr. AIKEN. The next question which I should like to ask is this: Who would have authority to extend the time beyond December 31, and by what method would that extension be granted?

Mr. BARKLEY. The time would have to be extended by agreement of the 44 nations who signed the Bretton Woods agreements.

Mr. AIKEN. That would mean another Bretton Woods conference?

Mr. TAFT. No.

Mr. BARKLEY. Well, there is no provision in the agreements by which matters may be agreed upon by writing letters back and forth. For that reason another conference, in my judgment, would be necessary for a postponement, and if there were to be a postponement to a date beyond the 31st of December, it would have to be done by an amendment to the articles of agreement.

Mr. AIKEN. Is it the opinion of the Senator from Kentucky that it would be impossible to get 44 nations to agree to an extension of the date within the short length of time provided by the motion of the Senator from Ohio?

Mr. BARKLEY. That is my judgment, because the necessary machinery would have to be inaugurated in order to get the 44 nations together to amend the agreement, of which this is a part. The agreement would have to be amended, and it might require the concurrence of all 44 of the nations in another assembly in order to postpone the date beyond the 31st of December.

Mr. TAFT. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. TAFT. Mr. Crowley testified today before the Banking and Currency Committee that this International Bank would not get into operation until 18 months from this time.

Mr. BARKLEY. Eighteen months is required from whatever time we pass the law, not 18 months from now.

Mr. AIKEN. Mr. President, I have one last question which I will address to the majority leader, so long as he is already on his feet; I shall not ask anyone else to rise. In the opinion of the Senator from Kentucky would the approval of the Taft amendment have the effect of killing the Bretton Woods agreements?

Mr. BARKLEY. I think it would, and furthermore, I can think of nothing that would more embarrass the President of the United States, who is now engaged in negotiations at Potsdam, than for the Senate to take this action.

Mr. WAGNER. Mr. President——

Mr. AIKEN. If I have any time left, I yield to the Senator from New York.

Mr. WAGNER. Mr. President, I merely wish to emphasize what the distinguished majority leader has said, that countries that have 65 percent of the quotas must approve this agreement by December 31. Of course, all those countries are waiting for us, because if the United States does not approve none of them will, and there will be no point in the thing. So the motion offered by the Senator from Ohio is equivalent to killing the bill.

Mr. AIKEN. Are the countries constituting 65 percent of the fund those whose representatives are now meeting in Potsdam?

Mr. WAGNER. Yes.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. WHEELER. I agree entirely with what the Senator from New York just said, that there would be no point in the other nations agreeing to it if we did not agree to it because we are the only nation that has good dollars. The others are merely borrowers, and they want to put up their worthless money and get goo dollars.

Mr. TOBEY. Oh, no; Mr. President, I do not think the Senator wants to give that impression.

Mr. WHEELER. Yes, I do.

Mr. TOBEY. I must differ with the Senator.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER. The Senator from Vermont has the floor? Does the Senator yield, and if so, to whom?

Mr. AIKEN. I yield first to the Senator from Kentucky and then to the Senator from New Hampshire, if he desires.

Mr. BARKLEY. Mr. President, the Senator from Vermont and the Senator from Montana might also understand that the same thing could be said of the San Francisco Charter. If the United States does not go into it, it will not be a success; and if we remain out, other nations will not go in, because every one recognizes we must take the leadership. We have it now, and the question is whether we will retain it or give it up both in peace and in economics.

Mr. AIKEN. Then, Mr. President, from the clear and illuminating explana-

tions in reply to my questions, I have decided to vote against the Taft motion.

Mr. BALL. Mr. President, do I still have some time to speak on the pending motion?

The PRESIDING OFFICER. The Parliamentarian advises the Chair the Senator has already made one speech.

Mr. BARKLEY. Mr. President, regardless of that I ask unanimous consent that the Senator from Minnesota be recognized and be allowed to address the Senate.

Mr. LA FOLLETTE. Mr. President, I want the RECORD to show that the Senator from Minnesota propounded a parliamentary inquiry.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and the Senator from Minnesota may proceed.

Mr. BALL. Mr. President, inasmuch as the parliamentary inquiry I propounded was at least partially responsible for the change in the pending motion and inasmuch as the motion originally offered by the Senator from Ohio, I think, was tantamount to killing the bill, I want briefly to state my position.

I am in favor of the Bretton Woods agreements, and if we have to vote now I shall vote for them; but I think the Senator from Ohio has proved his case conclusively, that there is no tremendous urgency about establishing this fund. While we have a December 31 dead line for the approval of Congress, we can certainly meet that by acting November 15.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. BARKLEY. The dead line is not for the approval of Congress; the dead line is for the other nations to get in, make their arrangements, and deposit their subscription payments, both in the bank and in the fund itself.

Mr. BALL. I understand it is only necessary that they deposit their approval of the agreement to go into the fund by December 31.

Mr. BARKLEY. And to make their deposits.

Mr. BALL. While they may all want to wait on the United States to go in first, frankly I think it is about time that the United States did a little waiting. It has been my observation that in far too many of these international expenditures, under Lend-Lease and other acts, we have shown a tendency to lay our part of the deal on the table, pledging ourselves to do thus and so, and we have not gotten too much in return because we have made our commitments first and then tried to bargain.

The permanent installations we have built in Europe, Africa, and parts of Asia are to be ours for the duration of the war and 6 months thereafter only, and we have absolutely no rights in them after that time. Of course, there was a war emergency, but that has not prevented other countries, our allies, from bargaining for and acquiring substantial postwar rights when they did the same thing.

I think it would strengthen the United States in the forthcoming conference if the Congress delayed final action on this matter until after the Big Three conference so that we know what has happened there, and until after we see some more positive assurance than we have seen so far that the other nations party to this agreement intend to go ahead in good faith and try to carry out the obligations and purposes of this fund.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. BARKLEY. I think that the President of the United States, who is now engaged in the conference at Potsdam, does not agree with the position taken in the last sentence of the Senator's statement.

Mr. BALL. I am aware of that. That is all I have to say. If we are going to vote for this fund—and I am going to support it because I think the United States would get some benefit out of it—I think our position would be stronger and we would be more likely to get action on the part of other nations toward eliminating their trade restrictions if we should wait a little while and let them put their cards on the table before we put ours on the table.

Mr. BREWSTER. Mr. President, it would appear to me that the statement by the distinguished chairman of the Committee on Banking and Currency, the senior Senator from New York [Mr. WAGNER], has pretty effectively disposed of any suggestion that delay on our part would disrupt the situation. He made it perfectly clear—and he is certainly well informed—that if we do not decide to go into this arrangement, no other country will. So I am quite sure that if any delay should follow, it would not result in any embarrassment of the other countries full concurring with any postponement we might make. They are awaiting our action, and with the continuing confidence which I have in our Chief Executive from long association, I can conceive of nothing which would more strengthen his hand in the very difficult tasks which he is carrying on today than for us, instead of throwing out one of the strongest cards we have in the shape of a $6,000,000,000 fund, to intimate that we at least are beginning to pause and consider, exactly as other countries are pausing and considering. We may well await the results of these deliberations in determining what we shall find it expedient to do in the future.

Mr. President, for this reason I feel there is great force to the suggestion that we at least temporarily postpone action.

Mr. WILLIS. Mr. President, it is my intention ultimately to vote for the proposal the Senate is now considering. However, I am in hearty accord with the motion made by the senior Senator from Ohio [Mr. TAFT], and with the statements which have just been made by the Senator from Minnesota [Mr. BALL] and the Senator from Maine [Mr. BREWSTER].

Certainly in the days which are ahead we shall need in our grasp all the bargaining power we can have. Therefore to go on record now as to what we are going to do will weaken the hands of the President.

Furthermore, I do not think the proposal has been thoroughly considered by the people of the country. I know a vast amount of propaganda has been put out advocating the merits of the proposal. I do not think it has gotten into the minds of the people just what is sought to be brought about, and just what the proposed commitments would do for them.

As I stated in the beginning of my remarks, I expect to vote for the proposal at the proper time, but I know the American people would like to have a little more time for deliberation on this most important measure, and therefore I shall support the motion made by the Senator from Ohio, to postpone final action until we can know all of the conditions with which we shall be confronted in building our postwar economy.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio [Mr. TAFT] to postpone consideration of the pending measure until November 15.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BARKLEY. I withdraw the suggestion of the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BUTLER. I have a general pair with the senior Senator from Alabama [Mr. BANKHEAD], which I transfer to the senior Senator from Idaho [Mr. THOMAS], and will vote. I vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent from the Senate because of illness.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the Senator from Rhode Island [Mr. GERRY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are detained on important public business.

I further announce that if present and voting the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. GLASS], and the Senator from Utah [Mr. THOMAS] would vote "nay."

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the Senator from Florida [Mr. PEPPER], who, if present and voting, would vote "nay." I vote "nay."

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER], which has been announced and transferred.

The Senator from Idaho [Mr. THOMAS] would vote "yea" if present.

The result was announced—yeas 31, nays 52, as follows:

YEAS—31

Ball	Gurney	Robertson
Brewster	Hart	Shipstead
Brooks	Hawkes	Taft
Buck	Hickenlooper	Wheeler
Burton	Johnson, Calif.	Wherry
Bushfield	La Follette	White
Butler	Langer	Wiley
Capehart	McCarran	Willis
Capper	Millikin	Young
Cordon	Moore	
Donnell	Revercomb	

NAYS—52

Aiken	Hayden	Myers
Andrews	Hill	O'Daniel
Austin	Hoey	O'Mahoney
Barkley	Johnson, Colo.	Radcliffe
Bilbo	Johnston, S. C.	Russell
Briggs	Kilgore	Saltonstall
Byrd	Lucas	Smith
Chandler	McClellan	Stewart
Chavez	McFarland	Taylor
Downey	McKellar	Thomas, Okla.
Eastland	McMahon	Tobey
Ellender	Magnuson	Tunnell
Ferguson	Maybank	Tydings
Fulbright	Mead	Vandenberg
George	Mitchell	Wagner
Green	Morse	Walsh
Guffey	Murdock	
Hatch	Murray	

NOT VOTING—12

Bailey	Gerry	Reed
Bankhead	Glass	Thomas, Idaho
Bridges	Overton	Thomas, Utah
Connally	Pepper	Wilson

So Mr. TAFT's motion was rejected.

The PRESIDING OFFICER. The bill is before the Senate and open to further amendment.

Mr. O'MAHONEY. I desire, Mr. President, to make a unanimous consent request. There is pending on the calendar Senate bill 1270, Calendar No. 464, which was reported from the Committee on Banking and Currency yesterday. The purpose of the bill is to increase the supply of lambs and to provide a subsidy direct to lamb producers. I am of the opinion that there will be no controversy about this bill. I therefore ask unanimous consent that the unfinished business may be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 464.

Mr. BARKLEY. Mr. President, I appreciate the interest of the Senator from Wyoming in that proposed legislation. It is impossible to tell whether it will lead to discussion. No one ever knows in the Senate whether anything will lead to discussion, and I am not willing at this juncture to set aside the pending measure for any purpose. Therefore I am compelled to object. I am sure the Senator appreciates—

Mr. O'MAHONEY. Will the Senator withhold his objection for a moment?

Mr. BARKLEY. Yes.

Mr. O'MAHONEY. I desire to say that the Commodity Credit Corporation, the Reconstruction Finance Corporation, the OPA, and the Office of Economic Stabilization have all been conferring with representatives of the lamb-producing industry and have agreed upon a program. That program cannot be carried out unless this measure is presented to the House before the House adjourns at the termination of this session.

Mr. BARKLEY. I appreciate that, but the Senator's bill is not the only one that is in that situation. The Senator from Georgia [Mr. GEORGE] has a tax bill which he desires to take up. I am hoping we will dispose of the pending bill today. I have the assurance of the Senator from Ohio and others that they will cooperate in that effort, and I think they will. That will leave us the remainder of this week to dispose of a number of measures, including the tax bill and the Senator's bill, the Import-Export Bank bill and other urgent legislation, so that we can take up the San Francisco Charter on Monday as scheduled, and then when we have disposed of that, take a recess for at least 2 months.

I am sympathetic with the Senator and I want to cooperate with him, but I cannot agree to set aside the pending bill for any purpose.

The PRESIDING OFFICER. Objection is heard.

Mr. THOMAS of Oklahoma. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS of Oklahoma. Is it proper to offer an amendment at this time?

The PRESIDING OFFICER. The bill is open now to further amendment.

Mr. THOMAS of Oklahoma. Mr. President my second parliamentary inquiry is: Is it proper now for me to offer my amendment before the Senator from Maryland speaks on the bill?

The PRESIDING OFFICER. The Senator from Oklahoma may do so.

Mr. THOMAS of Oklahoma. I offer an amendment, which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On pages 6 and 7, it is proposed to strike out section 6 and in lieu thereof to insert the following:

SEC. 6. There is hereby established in the money of account of the United States a gold coin to be known as a gold ounce; such coin to contain 480 grains of pure gold (troy weight) and sufficient alloy to make it nine-tenths fine and to be of the value of $35 or units.

Mr. THOMAS of Oklahoma. Mr. President, I was not present in the Senate Chamber promptly at 11 o'clock today when the committee amendments were disposed of. I had an engagement at one of the departments, made some days ago, and I was detained.

In order that my amendment may appear as a substitute for section 6 of the original bill I ask unanimous consent that the vote by which the committee amendment to section 6 was agreed to be reconsidered.

Mr. MURDOCK. Mr. President, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. THOMAS of Oklahoma. Mr. President, I then modify my amendment to make it appear as a new section to the bill, to appear at the proper place in the bill.

The PRESIDING OFFICER. That is in order.

Mr. THOMAS of Oklahoma. Mr. President, I am convinced that this amendment is of importance or I would not take the time of the Senate to present it. The House placed in the bill a section which recited the value of the standard dollar before the world to be 15 5/21 grains of gold nine-tenths fine. That is the law today upon our statute books, and the House simply reiterated the present law in this bill by giving notice to the world that the dollar today contains 15 5/21 grains of gold nine-tenths fine.

Mr. President, unless the bill makes some reference to gold and the value of the dollar I am of the opinion that other nations will be prone to construe that the Senate and the House have gone or are going away from gold.

Mr. President, I make the statement that there now is a trend not only in the United States but throughout the world to go off gold as a base for our money and the moneys of the world. If something is not done in this bill to reestablish or restate the position of the United States I am fearful that our failure to act will be a reinforcement of the opinion which the world has that the United States is going off of gold.

So this amendment only intends to declare that a gold ounce is a legal coin. On each day the Treasury Department puts out a statement such as that which I hold up before the Senate. It is a daily statement of the United States Treasury. This statement is of date July 13, 1945. At the top of the statement we find "gold." Gold is stated on this sheet in two ways. First, the number of ounces that the United States owns, and second, the number of dollars that those ounces are worth under the law.

It is reported in this statement that we had on July 13, 577,523,818 ounces of gold. So my amendment, first, simply places in the money of account of the United States a new coin to be known as a gold ounce. If that should be done, then the Treasury Department could state in its records that we have so many gold ounces, and they would be terms of money, and also so many dollars, which likewise would be terms of money. That is the simple explanation of the amendment.

Mr. President, if there are not some good reasons for the amendment I certainly would not offer it. As I stated a moment ago, I am convinced that there is a trend in the United States away from gold. Whatever may be said of my record in the Senate in the past 18 years, I have always stood for a metallic base for our American money, and I stand now for a metallic base for our money. But if the United States Congress does not protect this gold fund which we have we may find sometime soon that we will have more than 60 percent of the gold of the world in the United States, and the other nations will not use it or recognize it as money.

Mr. BURTON. Mr. President, will the Senator yield for a question on the interpretation of one word in his amendment?

Mr. THOMAS of Oklahoma. I yield.

Mr. BURTON. The concluding language of the amendment is "and to be of the value of $35 or units." Will the Senator explain that?

Mr. THOMAS of Oklahoma. In the early days when money was first being discussed by the Colonial Congress, the Congress under the Confederation, and the United States Congress, the dollar was the first unit of currency, but it was always called a unit. The dollar was a unit of currency. In Great Britain the unit is a British pound. In Mexico the unit is the peso. In France the unit is the franc. In Italy the unit is the lira. In Russia the unit is the ruble. In Germany the unit was the mark, and so on through the category of the world's nations. So "unit" refers to the dollar. However, as I shall show later, the dollar is expressed in different forms of units. To make that more specific, we have a piece of gold weighing 15 5/21 grains of gold. That is the standard dollar. We have a piece of paper called a silver dollar. That is a unit, and it is likewise a dollar. We have Treasury notes of 1890. They are units or dollars. We have Federal Reserve notes, and other kinds of currency, but they are dollars or units of American currency. That is the purpose of the term unit.

Mr. President, unless the United States remains on the gold basis, there is no chance for the United States to continue the use of silver. Let me make that clear to Senators from silver-producing States.

I make the positive statement that unless the United States stays on the gold basis, there is no chance to continue the use of silver in our monetary system. I am for the use of gold in our monetary system. I am for the use of silver in our monetary system. Later today I shall offer an amendment to make use of the surplus silver which we now have in the United States Treasury.

As I stated a moment ago, there is now a distinct trend away from gold. The distinguished chairman of the committee admitted that the trend was away from gold. In his statement before the Senate on the 16th of July, to be found on page 7557 of the RECORD, he made this statement. After speaking about gold, he said:

> The world has found in gold only a fragile rigidity that could not survive a period of great economic stress.

Mr. President, that is an admission on the part of the chairman of the committee that gold has failed to serve its purpose as a standard of money. If gold is not a proper standard of money, I ask what would be a better standard of money? There is nothing else in the world used for basic money save silver and paper currency. If America goes off gold—we are not now on silver—what will we have in America as a standard of our money? Nothing but paper currency. If America, with almost two-thirds of the gold of the world, goes off gold, what will the world have as a basis for its money? Nothing but paper currency.

There is a fight in progress today between what might be called the dollar bloc and the sterling area or bloc, or between the money of the United States, as it circulates throughout the world on the one side, a dollar based upon gold, and on the other side the sterling area. The sterling area is based upon the British pound, and the pound is not based upon gold.

So, Mr. President, this issue brings up the struggle between the dollar and gold on the one side and the British pound, a paper pound, on the other.

I am in favor of doing all in our power to keep the United States on the gold standard; but if we leave gold, we shall have a paper dollar in America, and a paper British pound in the sterling area. I am apprehensive that when that time comes, if it ever does, the British pound may take the ascendancy. That will leave us on the basis of a paper-managed currency.

I think it is safe to say that today there is a total debt in this world of a trillion dollars. We now have upward of $300,000,000,000 of debt owed by the American Government. Add to the $300,000,000,000 of debt we now have the private debts, State debts, county debts, city debts, and corporation debts, and we have a total of half a trillion of debts owed in the United States. The other nations certainly owe another half trillion. So when this war is over the nations of the world will have an indebtedness hanging over them of at least a trillion dollars. The question is, How are those debts to be paid? Are they to be paid in paper-currency units, or will some standard govern the value of the moneys of the various countries?

I wish to place in the RECORD another quotation from a responsible authority, in addition to the statement which I cited a moment ago from the chairman of the committee, who virtually admits that gold has served its purpose, and that it is not now a very good basis for money. He states that it has failed to survive a period of great economic stress.

I should like to ask this question: If gold has not served a good purpose, what might have served a better purpose than gold?

Mr. MURDOCK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Oklahoma yield to the Senator from Utah?

Mr. THOMAS of Oklahoma. I yield.

Mr. MURDOCK. I am a little confused as to the relationship between the ounce of gold about which the Senator is speaking; that is, 480 grains of pure gold, and the gold dollar. As I remember the figure, the present gold dollar has 15 5/21 grains.

Mr. THOMAS of Oklahoma. That is correct; 15 5/21 grains of gold nine-tenths fine.

Mr. MURDOCK. The question I have in mind is this: Are the 480 grains of gold constituting the $35 unit in exactly the same ratio to the unit as 15 5/21 grains bears to the dollar?

Mr. THOMAS of Oklahoma. The answer is "Yes." However, I should like to make that plain, because it is very simple.

Mr. MURDOCK. I think it is important.

Mr. THOMAS of Oklahoma. If this amendment were adopted, it would, first, establish in our money of account system a gold ounce, which would be 480 grains of pure gold. To that, if it is ever coined, must be added enough alloy to make it nine-tenths fine, to harmonize with the remainder of the law. This amendment does not direct any coinage of money, but if we establish a coin, the Treasury can coin it at will. The alloy must be added to make the gold coin sufficiently hard to withstand the wear of circulation. If the Treasury should decide to coin gold ounces, it would be required to coin 480 grains of pure gold, which would be nine-tenths of the weight of the coin, and the last tenth would be alloy. It would be exactly like coining $20 gold pieces. A $20-gold piece contains nine-tenths pure gold and one-tenth alloy. So, if this amendment should be agreed to, and we should coin gold ounces, they would contain 480 grains of pure gold. The total weight of the coin would be approximately 533.3 grains, which would make the coin nine-tenths pure gold and one-tenth alloy.

Mr. MURDOCK. Is the figure of 480 grains of pure gold 35 times the number of grains of pure gold in a dollar?

Mr. THOMAS of Oklahoma. The answer is emphatically "Yes." There are in the American dollar today 13.71 grains of pure gold, and the balance of the grains in the dollar, if coined, would be alloy. So an ounce of pure gold would permit the coinage of $35, if we should decide to coin dollars separately.

The amendment states that there shall be enough alloy added, as the amendment reads, to make the coin nine-tenths fine. The amendment is very short, and I shall read it:

> SEC. 6. There is hereby established in the money of account of the United States a gold coin to be known as a gold ounce; such coin to contain 480 grains of pure gold (troy weight)—
>
> Which is the way we measure gold—
>
> and sufficient alloy—
>
> That is, in addition—
>
> to make it nine-tenths fine and to be of the value of $35 or units.

Mr. President, I wish to state my reasons for proposing the amendment, but first I wish to give some authorities. I have said that, in my opinion, gold is the best metal in the world to be and to remain the basis of our money. I cite as an authority Dr. Edwin Walter Kemmerer, professor of international finance, Princeton University, and president of the Economists' National Committee on Monetary Policy. He is well known among monetary people, not only in this country but throughout the world. I wish to quote from a statement recently released by Dr. Kemmerer when he was referring to gold. Let me say that he referred to the present type of gold standard—and there are three types of gold standards. The first is the gold-coin standard, which we are not on now. The second is a bullion gold standard, which means that people might get bullion from the Treasury and might use it. But today we cannot get bullion from the Treasury, except on a license basis, so

that is out of the question. At the present time we have a third system, which is what I may call a gold-exchange standard. That is practically all we have now. We do not have the coin standard; we do not have the bullion standard. We simply have the gold-exchange standard.

So, Mr. President, I now read what Dr. Kemmerer said:

> This is the only monetary standard of consequence in the world at the present time that can be correctly called a gold standard. All other standards are paper-money standards.

That simply means that the United States is the only country in the world whose currency is based upon gold. The law states that today our standard is a gold dollar, although gold dollars are not in circulation. The law states that those gold dollars contain $15\frac{5}{21}$ grains of gold nine-tenths fine. So if the Treasury Department were to decide to coin gold dollars, it would have to coin dollars of that weight and of that degree of fineness.

Dr. Kemmerer said the following in a release of May 10, approximately 2 months ago, entitled "Implications of the International Monetary Fund," in describing what he conceives to be the tendency:

> My next point was well stated in the 1931 Report of the MacMillan committee of 14 eminent British economists and financiers, including John Maynard Keynes. It said:
>
> Speaking about the report—
>
> "There is, perhaps, no more important object in the field of human technique than that the world as a whole should achieve a sound and scientific monetary system. But there can be little or no hope of progress at an early date for the monetary system of the world as a whole except as a result of a process of evolution starting from the historic gold standard."

Mr. President, the Chamber of Commerce of the United States has spoken upon this matter. It appointed a committee to consider the Bretton Woods proposals, and I shall read one conclusion to which the committee came. I quote from its publication entitled "The Bretton Woods Proposals," released in February of this year; I refer to page 91:

> The gold standard is the only international monetary standard which has commanded any general acceptance. World trade moves on values based upon gold.

I think there is no disagreement among our people that the gold standard is the best standard, and that unless we keep gold there is no chance to go back to silver.

The second point I wish to make is that this measure proposes that we approve of two charters that are tending to drive the world to a paper-standard basis and are tending to drive the United States off the gold standard. The chairman of the committee, as I have stated, has already admitted that gold is not of much account any more; at least, that is the way I construe his statement.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WHERRY. I am somewhat confused as to the Senator's last statement, namely, that we are going off the gold standard. How will the Senator's amendment help us stay on the gold standard?

Mr. THOMAS of Oklahoma. Mr. President, if I may be permitted to proceed, I shall come to that point in a moment.

Mr. WHERRY. Very well.

Mr. THOMAS of Oklahoma. If I do not make it clear, I shall be very glad to revert to it.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WAGNER. I did not say at any time that gold is now worthless. I say we are doing away with the old gold standard. But we still have a gold standard.

Mr. THOMAS of Oklahoma. Well, Mr. President, I understood that the chairman of the committee stated that we were getting away from the gold standard. I think his statement, taken in connection with the balance of the paragraph, would lead anyone to believe that the gold standard has served its usefulness and that in the future we shall not pay much attention to the gold standard.

Mr. WAGNER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. WAGNER. I did not make such a statement, and I do not wish to have the Senator misquote me.

Mr. THOMAS of Oklahoma. I have only given my interpretation of the effect of the Senator's statement.

Mr. President, the World Peace Foundation, an organization with headquarters in Boston, released a publication entitled "Bretton Woods: Clues to a Monetary Mystery." On page 97 I find the following statement:

> We have seen that the British wanted to keep the pound a safe distance from gold and that Americans wanted to tie the dollar and the fund to gold.

As I stated a moment ago, there is the issue. Great Britain wants to go off the gold standard. She is off the gold standard now, and she wants to keep off the gold standard, and she wants the world to go off the gold standard and to stay off the gold standard. If that were to happen, Mr. President, what would be the yardstick by which the currencies of the world might be valued?

Mr. MURDOCK. Mr. President, will the Senator yield there?

Mr. THOMAS of Oklahoma. I yield.

Mr. MURDOCK. It seems to me that regardless of what Great Britain wanted the language used in the Bretton Woods proposals with reference to gold could not have been in much stronger terms. I read from article IV, section 1:

> The par value of the currency of each member shall be expressed in terms of gold as a common denominator.

I do not know what stronger language could be used than the language of the Bretton Woods agreements on the question of gold.

Mr. THOMAS of Oklahoma. Mr. President, that point needs a little explanation. Before the Bretton Woods Conference met in New Hampshire, several articles were prepared. The British suggested that the world agree to a theoretical coin called a "bancor." The United States did not want to agree to a "bancor"; and inasmuch as we have 60 percent of the world's gold and inasmuch as all currencies are tied to the American dollar, they had to have the concurrence of the United States in order to go along; and let me point out that this afternoon it was stated that if we do not agree to the Bretton Woods proposals there will not be any fund or bank developed, because, after all, today the American dollar is the basis and foundation of every currency which circulates outside the borders of the country of its origin. There is no other currency unit which has any fixed gold content attached to it. If the United States goes off the gold standard, if gold ceases to be a monetary base, then there will have to be some monetary unit of some country, which will become the outstanding and accepted world unit. Great Britain is against fixing the pound in definite terms of gold. She is not now on gold; she does not want to go back to gold. She wants the British pound, called "sterling," to become the paper standard, not only of the sterling area, but of the world. If we go off gold, it is my forecast that Great Britain will have such a lead, because of the prestige of the British pound, that she will continue to expand that prestige, and sooner or later the people of the world will deal in British pounds, rather than in American dollars.

Mr. President, I put that statement in the RECORD from the publication entitled "World Peace Foundation," which draws the issue between the British on the one side, who are backing the British pound, and the United States Government on the other side which is backing United States dollars.

I again quote from Dr. Edwin Walter Kemmerer, a professor at Princeton University, who is of world-wide renown. I quote from a publication entitled "The American Dollar and the Bretton Woods Plan." I find on page 7 the following parapraghs:

> John Maynard Keynes, whose ideas largely prevailed in the development and final formulation of the Bretton Woods stabilization plan, said in his speech in the House of Lords on May 3, 1944:
>
> "If I have any authorty to pronounce on what is and what is not the essence and meaning of the gold standard, I should say that the plan is the exact opposite of it."

He was speaking of the Bretton Woods proposal. He said that it was not a gold-standard plan, but a plan exactly opposite to the gold standard. If we may believe the man who speaks for the British Commonwealth, we know that he states that the Bretton Woods proposal is not a gold standard plan, but exactly the opposite.

I read further.

> And then, after referring to his long-time opposition to the gold standard, Keynes said:
>
> "Was it not I, when many of today's iconoclasts were still worshippers of the calf who wrote that 'Gold is a barbarous relic?'"

That is what Lord Keynes thinks of gold. It is a barbaric relic. I can see very definitely that in the United States

some of our people who are interested in money are of the opinion that gold is a barbaric relic, at a time when we have more than $20,000,000,000 of that yellow metal in the Treasury of the United States.

I read further from Dr. Kemmerer's statement:

> Yes, the Bretton Woods plan is, as Keynes says, the exact opposite of the gold standard. It is a collection of managed paper money standards which, in practice would be largely controlled by a politically dominated international board.

That is the conclusion of Dr. Kemmerer who, as I have already stated, is a world renowned economist and monetary expert.

Mr. President, as I have stated, I am in favor of retaining the gold standard. I am in favor further of using silver to the full extent of the amount of silver which we have and are able to procure. From time immemorial silver has been regarded as money. We have a record of five or six thousand years in which gold and silver have been used as money or a base for money

Mr. President, if gold is discredited, if it is a relic of barbarity, and if it is ignored, and nations refuse to evalue their currencies in terms of gold, or in terms of silver, copper, or bronze, then what will the nations use as a standard or a yardstick in measuring the value of their currencies? I should like some Senator to answer my question. If gold is thrown overboard, what is there left in the world which may be used as a yardstick in measuring the value of the dollar, the pound, the ruble, the franc, the peso, or the other various monetary units of the world? There will be nothing. Then how will the nations deal with one another?

Mr. President, if on this afternoon the Congress of the United States should enact a measure taking the dollar off of gold, tomorrow there would be no dollar value in terms of gold. If that time should come, there would be no metal or anything else in the world which could be used as a yardstick in evaluating any monetary unit of any nation except by what is known as indices. We have monetary indices in this country known as the Bureau of Labor Statistics. Great Britain has a number of indices. If we could go off the gold standard, the only way by which the currency of any country could be evaluated would be by taking the indices or index system of the country and ascertaining what its money would buy in terms of property. Great Britain is on such a system at the present time. She evalues the British pound in terms of the property located in the British Empire. She evalues her pound from day to day in terms of copper, brass, meat, wheat, and other things. But gold, under the British system, is of little more importance, so far as I can understand, than any other commodity which may be found within the British Empire.

Mr. President, as I said a whole ago, we have in this country more than $20,000,000,000 worth of the world's gold. In order to be exact, I may say that on the 13th day of July we had the following number of gold dollars, or gold enough to coin into dollars $20,213,333,670.05. If the United States should go off the gold standard, as it has gone off silver, this gold would become just like silver, just like iron, just like copper, just like aluminum, or just like any other commodity which exists or is produced in the United States. If that should happen, what would become of the $20,000,000,000 in gold? That is 60 percent, or almost two-thirds of all the gold that has been mined in the entire world since the dawn of history, or at least two-thirds of all the gold that has been mined and used for monetary purposes. So far as I know, we have only approximately $33,000,000,000 worth of gold in the entire world . Of that amount we have in this country $20,000,000,000 worth. That is almost two-thirds of the total world amount. If the rest of the world goes off the gold standard, what will become of the vast amount of gold which is now in the Treasury of the United States? What could it be used for? What good would it be? It would be all right for the manufacture of watches, rings, and jewelry. Gold as a commodity is a most valuable article, but when we take away the monetary value of gold we then destroy the value of a large percentage of the gold which we have. In that event what would we do with our gold? Other nations would want it for use only in the arts and trades. It would not be used for money or for the purpose of settling international balances.

Mr. President, if that time should come the amendments which I have offered to this bill would be of great value. If that time should come we would have to dispose of this gold.

This gold is now in the form of blocks or bricks. These blocks are about the size of bricks. These blocks have been molded and cast into the form of bricks. They call them gold bricks, and on each one of the bricks is stamped the weight of the particular brick and its purity. If it is pure gold, it is stamped in the metal "Pure Gold." If it contains any alloy, the amount of the alloy is likewise stamped on the brick.

Mr. President, if gold is discarded as a monetary metal, of course we will want to dispose of this $20,000,000,000 of gold. We can sell some of the gold to the other nations for trade purposes, to use in the arts, to use in the manufacture of jewelry, and for the other things for which gold is used. But our people like gold, and our people like to hoard gold. That is why gold is not in circulation; it is because if it should be placed in circulation, the people think so much of it they would take all they could get as fast as they could buy it, and would hoard it. It would not be in circulation, because there is not enough to go around. There are two reasons why gold is not in circulation. One is that there is not enough to go around, and if the people got it they would hoard it. The second is that we need all this gold to become the basis of international exchange, because it is the only thing today in which we can settle international balances. Of course, we can trade with other nations. We can trade our cotton for foreign goods, and in that way receive payment, but all that time the value of cotton is fixed in terms of dollars, and the dollars are valued in gold.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. ELLENDER. Why does the Senator find it necessary to place his amendment on the pending measure?

Mr. THOMAS of Oklahoma. It does not modify the proposal. It would not require the countries to come back and have another meeting. It would not require them to accept the American ounce. I am placing it on the pending bill for many reasons, and I shall give them in a moment.

First, the House placed in the bill a provision that the dollar should be referred to always as a gold coin, a gold coin containing 15 5/21 ounces of gold nine-tenths fine. The House inserted that provision in the bill evidently hoping to serve notice on the world that our dollar is a gold dollar, and that gold dollar contains a certain amount of gold nine-tenths fine, as stated in the amendment.

The Senate committee struck out that section. I am apprehensive that the nations of the world will say, "Well, the House of Representatives placed a provision in the bill ratifying this agreement and authorizing the President to go into it. They placed a provision in the bill fixing the value of the gold dollar. Then the Senate committee struck that out. We construe that to mean that the Senate at least is against having our money based on gold."

Mr. ELLENDER. In any event, would not those who propose to decrease the gold content of the dollar, let us say, have to come back to Congress for the purpose of doing it?

Mr. THOMAS of Oklahoma. That is correct.

Mr. ELLENDER. What is there in the Bretton Woods proposal which would cause the Senator to feel that we might go off the gold standard?

Mr. THOMAS of Oklahoma. I have quoted from two or three authorities to the effect that this Bretton Woods proposal is a trend, or a tendency, to go off gold. Whether or not we agree to that, that is the tendency in other places, and that is the tendency of Great Britain, admittedly. They are not on gold, they do not want to go back on gold, they are against gold. They say it is a relic of barbarism. Therefore they want to have the British currency, the British pound, a paper unit to become the unit of the currency of the world.

Mr. ELLENDER. I go back to my first statement, then, in order that any change may be made it will be necessary for Congress to pass upon it.

Mr. THOMAS of Oklahoma. The Senator is exactly correct. But let me remind the Senator that the fund and the bank are not going to be handled by an American group of managers. We will have one man on the fund board and one man on the bank board, and it will be the same man. Under the set-up the President will appoint one man. He will represent our country on the fund board and the same man will represent our country on the bank board. Then there

will be alternates, who can act when the principal is not present. So that one man will be on both the fund board and the bank board.

The other nations will have their men on the board, and if Great Britain can convince the other nations that the British pound, a paper monetary unit, is a better thing to become the unit of currency of the world than the gold dollar, then the other nations will begin to deal in the British pound. It is the greatest opportunity in the world for Great Britain to propagandize the other nations as to the value and the efficiency of the British pound, a paper monetary unit.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I am glad to yield.

Mr. MURDOCK. The Senator stated a while ago that when the international monetary plan was first evolved, the British came out with a unit called "bancor," and the United States Treasury came out with a unit called the "unitas." The Treasury's reason for doing that was that they had no idea that all the nations participating in the conference would be willing to communicate the par value of their money in terms of the American dollar. That was not withing even the imagination of the Treasury Department.

Great Britain was at the conference, just as the United States was there. Great Britain, I imagine, exercised all the propaganda powers she had to persuade the countries participating in the conference as to the value, let us say, as suggested by the distinguished Senator, of the English pound sterling. But the result of the conference was not that we were going to rate our moneys in anything but gold or the United States dollar.

The reason governing the Senate Committee on Banking and Currency in striking out the language of the House was that the language of the House did not conform to the Bretton Woods agreement. On July 1, 1944, there were two kinds of dollars in the United States, one a gold dollar, and one a silver dollar, and the very able Senator from Oklahoma, who is probably the Senate's outstanding monetary authority, knows that.

Mr. THOMAS of Oklahoma. I thank the Senator.

Mr. MURDOCK. The Senator knows on that date we had a gold dollar and a silver dollar. When the House said that the United States dollar could only be communicated to the fund on the basis of gold, it was contrary to the Bretton Woods agreement. So the able Senator from Colorado [Mr. MILLIKIN], who is certainly as much interested in hard money, both gold and silver, as is any other Senator, offered an amendment providing that due to the fact that the House bill, in section 6, did not conform to the Bretton Woods language, section 6 should go out. All the other Senators present, including myself, who believe in hard money, not only gold, but also silver, voted with the Senator from Colorado to strike out the language.

Now we have in the Bretton Woods language section 1 of article 4, which is unambiguous, which is absolutely definite and certain and reads as follows:

The par value of the currency of each member shall be expressed in terms of gold as a common denominator—

Is that keeping the currency of the world tied to gold, or not?—

or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944.

Mr. ELLENDER. My knowledge about the matter which has just been quoted by the distinguished Senator prompted me to ask the Senator from Oklahoma if there were anything in the agreement itself that would make him apprehensive that our country would get off the gold standard.

Mr. MURDOCK. My purpose in getting the Senator from Oklahoma to yield was to call attention to the very reason why the Senate Committee on Banking and Currency insisted on striking out section 6. It was because of what we thought was the very favorable language of section 1 of article IV to gold, and to the United States dollar, whether silver or gold.

Mr. THOMAS of Oklahoma. Mr. President, I am not criticising the amendment submitted by the Senate committee and heretofore adopted by the Senate. But I am fearful that the other nations will take advantage of this action and say that the House placed in the bill a definite reiteration of the gold content of the American dollar and the Senate committee and the Senate itself struck that out.

Mr. ELLENDER. How can they take that position in the light of the language just quoted by the distinguished Senator from Utah, which is incorporated in the agreement?

Mr. THOMAS of Oklahoma. Let me read the section and give my interpretation of it. It is section 1 of article IV. It is titled:

PAR VALUES OF CURRENCIES

SECTION 1. Expression of par values—(a) The par value of the currency of each member—

That is each country—

shall be expressed in terms of gold as a common denominator or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944.

Mr. President, when are they going to express the value of their currency in terms of gold? And if they express the value of their currency in terms of gold on any date, can they not say the next day, "Well, that was the value yesterday, but not the value today"?

Mr. ELLENDER. But was not the date which the Senator just mentioned the date when the value of the dollar was fixed in the agreement?

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. MURDOCK. Respecting the statement just made by the Senator as to when countries or members will communicate the par value of their currencies, certainly the Bretton Woods Conference did not leave that most important point out. We find in article XX, section 4:

When the fund is of the opinion that it will shortly be in a position to begin exchange transactions, it shall so notify the members and shall request each member to communicate within 30 days the par value of its currency based on the rates of exchange prevailing on the 60th day before the entry into force of this agreement.

So the time is fixed, and the basis of communicating the par value is—what? Either in the common denominator of gold, or in the United States dollar of the weight and fineness as of July 1, 1944. How much more definite could language be than that?

Mr. ELLENDER. That is what I had in mind, and that is what prompted the few questions I propounded to the distinguished Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Mr. President, I am giving the Senate the authorities upon which I rely for my interpretation. If they are wrong I am wrong.

Mr. President, if the nations would live up to the terms of this section then some time between now and the beginning of the next year Great Britain will serve notice on the fund and on the bank—because they both deal with money—that the British pound is worth so many grains in gold. It will not be a gold ounce. A gold ounce contains 480 grains troy. The gold ounce is worth $35. The British pound now is worth about $4.02. So the gold ounce is worth approximately 8¾ British pounds. So sometime between now and the first of January, if Great Britain comes into this proposal, and if Great Britain does what the proposal indicates she will do, she will give notice to the fund and the bank that the British pound is worth so many grains in gold, or that the gold ounce is worth so many pounds sterling.

After Britain does that, what power is there to compel Great Britain to adhere to that agreement? Of course, it is provided that they can change the value of their currency. They can change it as much as 10 percent without conferring with any other country, as I understand, or they can change their currency more than 10 percent in order to rectify what might be termed an inequality or a disequilibrium, I believe the term is.

Let me be practical, Mr. President, if I may. If this provision had been in force and effect in 1920, and if Italy had been a member of this system, Italy could not have reduced the value of the lire from 19.3 cents to 5½ cents, that is a depreciation of 75 percent.

If the provision had been in effect in 1920 France could not have depreciated the franc from 19.3 to 2.85.

If it had been in effect in 1920, Great Britain could not have reduced the value of her pound.

Had it been in effect the United States could not have reduced the value of the dollar in 1933-34 from 25 grains of gold-plus to 15 grains of gold-plus.

These nations found it to be necessary to reduce the value of their units in order to serve their domestic economy after

the close of the World War I, but it took many years for the United States to come to that realization. It took many years of investigation and consideration for the United States to come to an agreement as to the value in terms of gold of the American dollar.

If we go into this agreement now and the nations fix the value of their currency, as they must, upon the basis of this proposal, then they cannot change it thereafter. And we are bound by the same agreement, I will say.

Our gold dollar contains 15 5/21 grains. If the war continues for another year or two, in place of having $300,000,000,000 of national debt we may have $350,000,000,000 of national debt, or if the war lasts longer, we may have $400,000,000,000 of national debt. We may find ourselves at a time in the future when we cannot maintain ourselves on the basis of the gold dollar with the present gold content. Then what are we going to do? What are the other nations going to do should they find themselves in such circumstances?

As I tried to suggest 2 days ago, while I am in favor of the fund and the bank, the only question that confronts me is the time of our entry.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I am glad to yield to the Senator from Utah.

Mr. MURDOCK. We find—and I say this with all due respect—on the other side of the aisle the opposition to the fund taking the position that we should not go into it because it does not freeze currencies of the members in terms of gold or United States dollars. The Senator from Oklahoma, if I understand him correctly, takes the position that we ought not to go into it because it does freeze the currencies of the world, and does not allow sufficient latitude on the part of the individual members to control the value of their respective currencies.

In my opinion the answer to both the position taken on the Republican side and the position taken by the opposition on this side is that the very fundamental purpose of the fund is to persuade countries not to engage in competitive devaluation. Forty-four countries could not have been prevailed upon to sign this agreement if they had been absolutely denied the right of some latitude in the way of devaluation. Of course, they would make the very argument that the able Senator from Oklahoma now makes, that every nation must have some latitude reserved to itself to control the value of its currency. If at Bretton Woods such a rigid control had been written into the agreement as to deny some latitude in the control of value of their respective currencies by members, that the United States could not have some latitude in the control of the value of its currency, of course that would be a violation of the constitutional provision that gives Congress the power of coining money and regulating the value thereof and there never would have been an argument. What irks me is that on the other side of the aisle we hear the argument that there is too much latitude for devaluation, and on this side the argument that there is not enough.

In my opinion the answer is that the fund handles the matter in a very sound manner, and that there is very little in either the argument the Senator from Oklahoma is making or the argument that has been made by the able Senator from Ohio [Mr. TAFT].

Mr. THOMAS of Oklahoma. Mr. President, I stated a moment ago that when this organization was first contemplated, Britain, representing the sterling area, and having the British pound for their unit, was in favor of the establishment of a theoretical coin called a bancor. The United States would not agree to the bancor. Other nations would not agree to the valuation of their currencies in terms of something which was an unknown quantity, which had no known fixed content.

So the United States, under the White plan, suggested that instead of using the bancor they would suggest a unitas. Great Britain said, "If we cannot have a bancor, we will not agree to the unitas." Other nations did not like to have their currencies valued in the terms of dollars, but there is no other currency that has a definite gold content. There is no other than the dollar. So the other nations have to have their currencies valued in the terms of the dollar. There is no other way. There is no other unit on which to base values than the dollar. So I am suggesting that we use the gold ounce. It is exactly $35 in American money. Then Great Britain could value the British pound in terms of the gold ounce. It would not be in terms of the American dollar. France could value her franc according to the value of the gold ounce. Today the franc is worth 2 cents. The gold ounce would be worth 1,750 francs. Today a gold ounce, worth $35, would be worth some eight and three-quarters British pounds. The lira is worth something—I believe 1 cent. So there would be 3,500 lire to the gold ounce. I am suggesting a simple plan for the nations of the world to value their currency every day, which would release them from the necessity of using the money of one country, such as the United States, as a basis for valuing their currency in terms of dollars.

I know that this is so simple that probably the Senate will not agree to it. Financiers do not want the money question made simple. They want it complicated. Great Britain suggested the coinage of a bancor in order to deal in bancors in international trade. What would the man in the street know about a bancor? The United States suggested that we deal in unitases throughout the world. What would the citizens of the world know about the value of a unitas?

When we come to the gold ounce, everyone knows that the weight of the gold ounce is 480 grains, troy weight. It is too simple for the financier. Bankers and those who deal in exchange want to keep the money question chaotic in the minds of the public. They want to keep it in a fog, or cloud, so that they can operate on the ignorance of the public.

The first time I went to Europe, for want of something better I converted what money I had into express money orders. I went to Europe and had a little trouble cashing those express money orders. While I was there I learned that counterfeit express money orders were in circulation in Europe, and thereafter it was almost impossible to secure exchange. One had to identify himself definitely and prove to the person with whom he was dealing that his exchange was legitimate and of value.

The next time I went to Europe I thought I would be safe, so I converted what money I had into $100 gold certificates. I was sure that they would be accepted everywhere. On one occasion I was going across from Brussels to London. I went down to the wharf at the end of the car line. There was a little time before the ship sailed, so I thought it would be a good idea to convert a $100 gold certificate into British pounds. Nearby I saw a sign which led me to believe that I could secure exchange. I approached the exchange agent. He could speak English. I told him I wanted to convert the $100 gold certificate into British pounds. He made some calculations, and offered to charge me $2.75 for converting a $100 gold certificate of the United States Government into British pounds.

It so happened that I did not think that quite a fair exchange so I did not accept the proposal. I went across to the hotel in London, presented my gold certificate, and got the full amount in British pounds, according to the exchange rate on that date. I saved $2.75. Others might not have done that.

In order that the exchange wizards may live on exchange the monetary question must be obtuse. It must be enveloped in fog. They leave the impression that only superminds can understand the money question, that the money question is not for ordinary minds to understand, but that it is a superman's job, and only supermen can understand it.

If the United States Congress were to place in our money of account system gold ounces, then the fund and the bank would have an opportunity to deal in gold ounces. It would not have to deal in gold dollars or British pounds. It could, if desired, deal in gold ounces. If they should become current throughout the country, when a person desired to take a trip around the world, or go outside the United States, instead of buying exchange in dollars he would buy exchange in gold ounces which could be used anywhere in the world where the value of money was known. He could convert his gold ounces into the currency of the particularly country at the full value of the currency at the time in terms of the gold ounce. It is so simple that exchange dealers will not approve of the plan. It is so simple that the banks which deal in exchange would not agree to it. But it seems to me that it is so simple that it should command the consideration and support of the masses of the people, who would understand it if they had the opportunity.

Just a few words more before I close——

Mr. ELLENDER. Mr. President, before the Senator goes to the next point, as I understand his amendment—and I still come back to the first questions which I asked—the amendment seeks to fix the value of the gold ounce not so far as all nations are concerned, but only so far as the United States is concerned.

Mr. THOMAS of Oklahoma. That is correct.

Mr. ELLENDER. As I pointed out a while ago, the value of the gold dollar is known today. When we speak of a gold dollar in the United States, it is on the basis of $35 an ounce. That being true, I cannot see any force in the Senator's amendment, because when we speak of a gold dollar in this agreement, it strikes me that it means a dollar of the value fixed by law today.

Mr. THOMAS of Oklahoma. Perhaps I have not made myself clear. One reason for this amendment is to place in the money of account a new coin, to be of the troy weight of an ounce, which is 480 grains.

Mr. ELLENDER. But it is to apply only to United States coins.

Mr. THOMAS of Oklahoma. That is true; but it would be a coin in the monetary system of the United States, which we could use if we so desired. We cannot trade among ourselves today in gold ounces, unless everyone knew what a gold ounce was, its weight, its fineness, and its value in terms of money. The ordinary citizen does not understand that. But if we should establish a gold ounce in our system, such publicity would be given to it that the gold ounce would become a coin, like the old $20 gold piece, or the silver dollar. It is only a convenience.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. JOHNSON of Colorado. Is not the virtue in the Senator's plan the fact that the ounce does not change? It is unchangeable.

Mr. THOMAS of Oklahoma. That is my next point.

Mr. JOHNSON of Colorado. All the other currencies, including the dollar, are changeable. They could be adjusted to the ounce, instead of having to be adjusted to something else, which may change day after tomorrow. The ounce will be perpetual. It will be here as long as this civilization is here. It will be an exact measurement as long as this civilization exists. If the dollar, the lire, the franc, the mark, the crown, or the pound is changed, the ounce will be the unchangeable fixture. It seems to me that by having that sort of a measure available to the several nations which are interested in this program, we would be making an important step forward in simplification.

Mr. THOMAS of Oklahoma. Let me try once more to answer the question of the distinguished Senator from Louisiana.

In 1930 we were on the orthodox gold standard. At that time the gold ounce was worth $20.67. When corporations and the Government itself desired to make a loan or issue bonds, as a rule the bonds provided that they were to be payable in so many dollars—say $1,000—in gold dollars "of the present weight and fineness." So the purchaser of that bond thought he would get back, at the time the bond was paid, $1,000, which he could convert into 1,000 gold dollars, and that each gold dollar would have in it 25 grains plus of gold.

In 1933 the Congress gave the President power to devalue the gold dollar by 50 percent. He took out of it only 40 percent of the gold. That meant that the President had the power to increase the value of the gold ounce from $20.67 to $35. That was the effect of the devaluation. When we reduce the weight of gold in the dollar, we increase the value of gold ounces in terms of dollars.

Some of our people objected to that. They said that it was illegal. They said that the contract provided for the payment of $1,000 in gold dollars "of the present weight and fineness," which meant that each gold dollar should contain a certain weight in gold, namely, 25.8 grains. That issue went to the Supreme Court.

The Supreme Court held, in sustaining the validity of the action of the President and the validity of the law passed by the Congress, that when the corporation or the Government itself issued a bond payable in a thousand dollars in gold of the present weight and fineness, there were two contracts under that bond. One was a contract to pay the holder of the bond a thousand dollars, whatever those dollars might be. The other contract was claimed to be a contract between the corporation or the Government and the holder of the bond, by which the corporation or the Government agreed to pay the holder of the bond a thousand gold dollars of the present weight, meaning as of the time when the loan was made. The Supreme Court held that the Congress has the power, under a provision of the Constitution, to coin money and to regulate the value thereof. Under the Constitution, the Congress can change the weight or amount of gold in the gold dollars, and that was done. The Court held that the holder of a bond could demand the fulfillment of only one contract, namely, a contract whereby the debtor agreed to pay the creditor a thousand dollars. The Court held that the debtor was not obligated to pay the holder of the bond a thousand gold dollars of the weight of 15 grains plus of gold.

Mr. President, if the amendment is agreed to as it is now presented to the Senate, the United States, in its acceptance of the Bretton Woods proposals will agree with the rest of the world that today the standard dollar is 15 5/21 grains of gold nine-tenths fine, and that will be the value of the dollar in terms of gold henceforward and forever. If we should ever agree to or consider a change of the gold content of the dollar, the other nations would say to us, "You have made a solemn agreement to keep that gold dollar at 15 plus grains of gold nine-tenths fine, and if you change the gold content of the dollar you violate that agreement, you violate the spirit of the proposal, as set forth in the Bretton Woods proposals."

Mr. President, that is one reason why I suggest the establishment in our monetary system of a gold ounce. The ounce, troy weight, has been here forever. It is here now. I suppose it will be here forever. If we deal in gold ounces, the gold ounce contains a certain fixed content of gold. No one could change it even if that were desired. If the fund were to loan gold ounces, the borrower would be obligated to pay back in terms of gold ounces. That is a simple proposition.

Suppose the matter should stand as it is today, and suppose that on the 2d day of January 1946, Great Britain desired to borrow some money from the fund. Great Britain would borrow dollars, the value of which might be changed, under our Constitution. A treaty or agreement cannot bind the Congress to maintain the same content of gold in our dollars forever. The Constitution gives the Congress the power to fix the value of the currency, and, of course, that means the power to decrease the value of the currency. That means that at any time the Congress can increase or decrease the gold content of the dollar, and no treaty which the Senate might ratify could take that power away from the Congress. If any treaty were made in contradiction of that power, the treaty would be void.

Mr. President, if the proposals are interpreted as meaning that we are forever establishing the value of the gold dollar at 15 plus grains of gold of nine-tenths fineness, that is an erroneous understanding, because neither the fund nor the bank may by its action take away the power of the Congress to change the gold content of the dollar, which means to change the value of the dollar.

But, Mr. President, if we were to deal in gold ounces, then if Great Britain were to say she wanted to borrow a thousand gold ounces, each ounce would have the value of some 8¾ British pounds sterling. Then, as far as the fund was concerned, it would be immaterial what value Great Britain placed upon her British pounds, because when she came to pay back her borrowing she would have to pay back enough of the British pounds, as of that date, to get a thousand gold ounces. If she appreciated the pound she would pay back with less pounds. If she depreciated the British pound she would have to use more British pounds, to be able to repay her borrowing.

So, Mr. President, my amendment is a proposal to clarify the decision of the Supreme Court whereby a dollar and a certain amount of gold are not or may not be the same. An ounce cannot be changed and there is no power on earth to change the weight of the ounce.

So, Mr. President, if we were to establish the gold ounce in our monetary system, the fund and the bank, if they saw fit to do so, could commence dealing in gold ounces, rather than dollars. If they deal in gold dollars, such dollars may be changed in weight and value. If they

deal in ounces, the ounces cannot change in weight.

Mr. President, as I have stated, this amendment is so simple that the chances are that those in authority will not consider it. I contend that the gold ounce would be a more stable monetary unit than the gold dollar. The gold dollar can be changed. The gold ounce cannot be changed. If the gold ounce were to be established in our monetary system and if the fund and bank were to see fit to deal in gold ounces, in place of gold dollars, then the gold ounce would become the monetary unit of the world, or at least it could become the monetary unit of the world.

Mr. President, I will give an illustration based upon history. In the colonial days each Colony had its own monetary system. Virginia dealt in wampum, made out of shells more or less polished. Virginia also dealt in tobacco. Trades were made in wampum, as a money; trades were made in tobacco, as money.

In the Carolinas corn and rice and tobacco were used as money.

In the State of New York, the State represented in part by my distinguished friend, the chairman of the Committee on Banking and Currency, dealings were made in dried codfish; that was a stable money in New York. In New York State people dealt in wrought-iron nails. They were very scarce and valuable. People also dealt in wooden bowls. In New York State they were all currency.

In the New England States people used beaver skins as currency.

So, Mr. President, in each of the Colonies there were many commodities which were recognized as having value, and which had value in terms of other property and such commodities were used as money. So long as the Colonies continued to exist as such and so long as each one was self-sufficient—sufficient unto itself—it did not make much difference.

Mr. President, before the present war started the money which I have exhibited to the Senate is money which was perfectly good in the countries in which it was circulated. The people of those countries did not deal very much outside of their boundary lines. The money was good inside of the country which issued it. When the war started the world got relatively smaller. Nations had to deal with other nations. The situation was very similar to what it was in colonial days. At that time it was found, as a matter of necessity, that an agreement had to be reached concerning a unit of money which could be circulated among all the Colonies and be recognized as money.

There were a few coins in circulation at that time. So the first agreement which the Colonies arrive at when the Revolutionary War was on was with respect to a unit which would be recognized as money throughout all the Colonies. They figured out that the thing most in circulation was what was called a Spanish silver dollar. Spain had coined what was called a Spanish silver milled dollar. I exhibit to the Senate one of those coins. It was minted in 1787. It no doubt served as one of the circulating units among all of the Colonies on the eastern seaboard. When the Colonies agreed to use that coin, everything thereafter in the way of money was measured or valued in terms of the Spanish milled dollar. Tobacco and other commodities were dealt in on the basis of Spanish milled dollars, and were worth so much in Spanish milled dollars. That unit became a circulating medium among all the Colonies.

Mr. President, the silver in that coin, now almost 200 years old, has never been changed and the silver dollar of today contains the same silver content. The pure silver in the dollar that is current today in America, 371.25 grains, is exactly to a fraction of a grain the same as the silver in the Spanish milled dollar which I have exhibited. This Spanish dollar is a little larger than the American dollar, but the American dollar is thicker. The pure silver in the two coins is the same in quantity. This coin contains a 12-percent alloy, and the American dollar contains a 10-percent alloy. That is the only reason why the Spanish milled dollar is a little larger than the American dollar.

So, Mr. President, as I have said, this dollar was the first unit of money to be circulated among the Colonies. When the Constitution was adopted the silver dollar became the first unit under the Constitution. Gold of other countries was used, but the first resolution which was passed by one of the Congresses recited that all debts should be paid in Spanish milled dollars. I have that resolution and it is as follows:

Resolved, That the principal of all loans that have been made to the United States shall finally be discharged by paying the full current value of the bills when loaned; which payment shall be made in Spanish milled dollars, or the current exchange thereof in other money at the time of payment thereof, etc.

It will be noted that it provided that all debts contracted by the Colonies in connection with the war should be paid in Spanish milled dollars, or in things of the value of the Spanish milled dollars. The silver dollar then became the standard as the first unit of our coinage, and remained the standard unit for a long time under the Constitution. Later on we went to gold. The silver content of the American dollar has never been changed since colonial days.

Mr. President, there are many reasons why we should establish in our monetary system a coin to be known as a gold ounce. I do not intent to request that the Treasury should coin gold ounces. Under the amendment the Treasury can do so at any time it sees fit. But if the world should go off gold and leave us with $20,000,000,000 of gold on our hands, which cannot be used for money in foreign exchange, we will have to dispose of it by any method which we can use. We may sell it to foreign nations for use in trade or industry, or distribute it among our people. If that time should ever come the Treasury Department could coin all or a part of the gold that we have into gold ounces. Each ounce would be of a value of $35. People would rather have gold ounces than paper currency.

As I said at the beginning of my remarks, Mr. President, unless we keep gold in good standing in our own monetary system, and if my fears are well founded that the world is gradually getting off gold, and there takes place a contest between the United States and Great Britain as to the dollar and the pound sterling, we must keep our country on a gold basis. If we do not keep it on a gold basis, there will be no chance to use silver.

Mr. President, here is a piece of paper which was printed on the printing presses of the Bureau of Engraving and Printing. It is a $2 bill. I have tried to spend it in different places and have been unable to do so. When I have given it to a cashier, for example, the cashier would always look it over and return it because he did not know what it was. The cashier would say, "If you will let me take it to the manager, I will try to see if I can use it. I never saw one like it before."

Mr. President, the silver in this dollar is worth more than the paper in the $2 bill which I exhibited. The silver in this dollar, measured by gold, is not worth a dollar. Today the domestic-mined silver is worth an ounce 71 cents plus. Among other nations silver is worth approximately 50 cents an ounce. On the basis of 50 cents an ounce the silver in this coin is worth approximately 40 cents. On the basis of 71 cents an ounce the silver is worth approximately 60 cents. I am in favor of using silver in connection with gold because there is not enough gold to go around and serve as a base for the moneys of the world.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. CHANDLER. What percentage of the world's gold supply is possessed at the present time by the United States?

Mr. THOMAS of Oklahoma. The best estimate which we have been able to obtain is that in the entire world there is approximately $33,000,000,000 worth of gold. Of that amount we have more than $20,000,000,000 worth of gold in our Treasury. We have more than twenty-thirty-thirds of all the gold in the world. While we have more than $20,000,000,000 worth of gold, there are 50 other nations which have among them some $12,000,000,000 or $13,000,000,000 worth of gold. That is all they have.

Mr. President, we have on our hands this great quantity of gold. Great Britain is off gold. She does not want to go back on the gold standard. Other nations are being importuned to remain off gold, adopt the British pound as their monetary unit, and have all currencies throughout the world evaluated from day to day in terms of British pound. Our program is to use as a monetary basis gold.

Mr. President, in order to get away from the objections of other countries I am suggesting the coinage of a gold ounce. If that should be done no nation would have to value their unit in terms of the United States dollar. Instead, they could value their unit in terms of the gold ounce which would no doubt suit them better.

Great Britain should not have any objection to having the pound valued in gold ounces unless it is desired to not use gold. As I stated a while ago, France

should have no objection to having the franc fixed in terms of gold ounces, and the same would apply to other nations. We would not accept the bancor because it was Great Britain's unit. Great Britain would not accept the unitas because it was our unit. But the nations had to accept the dollar, because there is no other nation which has any money based upon gold, and if we should dissociate the dollar from gold today, what would the value of the currency be? It is the only hitching post for the currency of the world. There is only one yardstick, and this is gold, by which to value currencies. There is not enough gold to go around, $33,000,000,000 worth, to be liberal, is all the gold there is in the world that can be used for money.

As I have said, when the war is over, there will be a trillion dollars of debts owed by the 2,000,000,000 people of this earth. We will owe half a trillion or five hundred billion. We have a debt on the United States now of almost three hundred billion. If the war goes on for a year or a year and a half, the debt will be far greater than three hundred billion. Then there are the debts owed by the States, the counties, the cities, and other subdivisions, amounting to over $250,000,000,000. So that when the war is over we will have a debt on our shoulders totaling more than half a trillion dollars. I am conservative when I say the other nations will have debts amounting to another half trillion. That will make a trillion dollars of debts resting on the shoulders of the peoples of the earth.

What are they going to pay in discharge of those debts? What will be the yardstick by which those debts will be paid? Great Britain is off gold. She will pay her debts in pounds, of whatever value she sees fit to put on those pounds in terms of property in Great Britain. If we go off gold we will determine the value of our dollar in terms of property in the United States, and we will pay our creditors paper units of a value fixed by the Congress of the United States, and gold will be only a commodity, as silver is a commodity.

If we do not stand for gold, what other nation can stand for gold? The other nations have not very much gold. We cannot expect Great Britain to be an espouser of gold when she has none to speak of. We cannot expect other nations which have no gold to be the sponsors for gold as a basis of monetary units. But here we are, with all this gold, and we have one-third of all the silver in the world. We have over 3,000,000,000 ounces of silver. Only about 10,000,000,000 ounces of silver have been mined since time began, so we have in our Public Treasury approximately one-third of all the silver that has been mined since history came to be recorded. This silver is in the Treasury of the United States.

Why not use that silver as money? When this amendment shall have been disposed of, I shall offer an amendment seeking to accomplish that purpose. I am in favor of keeping the gold we have as the standard of our money. I am in favor of adding to that gold the silver we have and the silver we can get, and using that as the basis of our money, for the obvious reason that there is not gold enough in the world to stand behind a trillion dollars of debt. Mr. President, there is not enough gold and silver in the world combined to make a very good basis for this trillion dollars of indebtedness which will hang upon the shoulders of the people of this earth.

If we discard gold and discard silver as money, then what kind of money will we have? If we discard gold and silver as money, how will the managers of this fund proceed to stabilize the currencies of the world?

The makers of the pending proposals were smart. They referred to gold and referred to American dollars, because they are synonymous. But if the other nations go off gold, as many of them have done, if Great Britain comes into this fund, as she no doubt will, she will have sitting around a long table representatives from all nations which are in the fund, and there will be only one nation there favorable to gold. Other nations, led no doubt by Great Britain, will be against gold. Under such a setting Great Britain has the finest chance in the world to propagandize the representatives around such table that her British pound is a better unit of currency than is the American dollar.

If at any time the American dollar is dissociated from gold, then there will be no unit anywhere that has a fixed gold content, and what will the units of money in the world be worth? They will be worth exactly what they will bring in the market places. They will be worth exactly what these units I hold in my hand are worth.

Here is a handful of paper currency. Most of it in circulation today throughout the world. As I said on a former occasion, one could not take this handful of money and go downtown and get his shoes shined, using that money for payment. One could not go downtown, as I stated a few days ago, and buy a lollypop, and pay for it with this handful of money. That is the kind of money that will be in circulation throughout the world if America goes off gold. We are the only country on the gold standard, and if we go off, there will be no country left on it. Then what value will the currencies of the world have? As I said, exactly what we can get for them.

I am going to do all I can to keep the United States tied definitely to gold. Unless we can keep the United States tied to gold, keep the American dollar tied to gold definitely, there will be no chance to use silver.

Because there is not enough gold in the world to become the basis of all the moneys of the world, I am in favor of expanding the metallic base by the incluson of silver, and that will be covered in another amendment. We could use a great amount of gold in this country. If we take away from gold its monetary value, then what will become of the gold mines in the United States? If we take away from silver its monetary value—and now it has a monetary value of 71 cents an ounce—then what will become of the silver mines of the United States? When I speak about the gold mines and silver mines of the United States, I might extend the question and say what will become of the gold mines of the world and the silver mines of the world, because gold and silver then will be valuable only for the making of watches, rings, jewelry, and things of that character.

So I am going to do all I can to keep the dollar tied to gold. I am going to do all I can to get the American Government to use silver as an assistant to gold, because even so there will not be too much. Only $10,000,000,000 of silver has been mined since the dawn of history. So it cannot be said that the countries are going to be overrun with either gold or silver if they are used as money. That would not be true.

Away back in 1896, when we had the Bryan campaign with free silver as the issue, I heard speakers making addresses stating that if we coined silver on the basis of 16 to 1 the people would be wading around ankle deep in silver dollars, and the people did not know but what that would be true. The people were led to believe that silver would be cheap, and would not buy anything. So in the election the people did not adopt the free-silver program. In my opinion, the main reason for not adopting the free-silver program, which meant the free coinage of silver, was that the voters thought there was too much silver in the world, and that too much silver could be produced, and therefore, money would not be worth anything, and those who had investments would lose their investments.

I want to keep the gold dollar. Other nations would rather value their currency units in something else than the American dollar, just as we would rather value our currency on the basis of gold rather than in terms of the pound, the lira, or other monetary units. Therefore I suggest a new coin, the gold ounce.

Earlier in my discussion I said that the Treasury every day puts out a statement which says we have in the United States so many gold ounces. I do not propose that the gold ounce be coined now. There are no gold dollars being coined now, but we are using gold dollars as the basis for our currency.

My amendment, Mr. President, does not affect the Bretton Woods proposals. It will not require the countries signing the proposals to meet again. My amendment does not propose to amend the proposals in any particular. It would simply amend the law placing in our system of money a gold-ounce coin which would be a legal coin. Then the Treasury later could coin gold ounces.

So if the Treasury Department should ever decide to coin the gold ounce they would coin a coin which would be slightly larger and slightly heavier than the old $20 gold piece which was in circulation before 1933.

Mr. President, I submit the amendment on its merits. It does not require the Treasury to do anything. It simply establishes by law a new coin to be called a gold ounce, to contain a certain weight of gold, which is a full ounce by Troy weight of 480 grains. It could become the basic of international exchange. It could become the basis for the making of loans among the nations of the world.

I submit the amendment as another evidence, on the part of the United States Senate at least—the House has already

passed on the matter in another form—I submit it as an evidence that the Senate and the House—the Congress of the United States—desire and plan and intend to keep the moneys of the United States on a gold basis. At the present time we have a dollar of a fixed gold content. At any time we see fit we can change that gold content. The content of an ounce however, cannot be changed. It has been fixed for years and it is fixed now, and will probably be fixed forever. No law of any nation can change the weight of an ounce in terms of grains.

So, Mr. President, I submit the amendment as another evidence that the Congress of the United States intends to remain upon the gold standard and upon a perpetually continuing metallic basis.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. THOMAS].

Mr. JOHNSON of Colorado. Mr. President, it is comforting to find in England practical men who view with favor a return to the gold standard. During the past 2 years we have heard much of the theories of Lord John Maynard Keynes, which are projected in the opposite direction to the gold standard. Mr. Keynes' theories have been infused into the Bretton Woods International Monetary Fund plan to such an extent that it will be difficult to make of it a sound document unless it contains in no uncertain terms a proposal to return to the gold standard as a primary objective of the plan.

My attention is now focused upon an article by Howard Bridgewater, city editor of the Exchange Telegraph Co., appearing in the Bankers' Magazine, London, of March 1945. Mr. Bridgewater presents a very brief and concise discussion of this subject and indicates clearly the futility of attempting to establish a currency system based on paper of uncertain value.

Every Senator should read this statement with an open mind in advance of the consideration by the Senate of the Bretton Woods agreements. Mr. Bridgewater's statement is as follows:

OUR POSTWAR CURRENCY PROBLEM

In a recent speech the Chancelor of the Exchequer indicated that he was not greatly impressed with the arguments of those members of Parliament or others who expressed themselves so boisterously upon every possible occasion in opposition to a return to the gold standard.

One would have thought that this statement would have encouraged the banking fraternity to rally to his support with slashing attacks upon those demagogs who, from factious motives, seek to stir up and influence the people against their rulers, more especially since publication in the November issue of the Bankers' Magazine of the masterly contribution of that inveterate champion of sound currency, Mr. J. H. Clifford Johnston.

But for some reason which as yet I have been unable to fathom, bankers appear to be strangely reticent in regard to this matter which, nevertheless, must greatly affect their future in common with that of the nation as a whole. Possibly this silence is deliberate—designed to avoid giving further occasion for ignorant diatribes—but if so, and whatever may be said for that attitude, isn't there some danger that the multitude will assume that silence gives consent and became hardened in their mistaken views?

After careful study of such alternative schemes as have been put forward, I find myself unshaken in opinion that international trading relations can never hope to prosper on the basis of paper currencies that are not backed by or convertible into something having a definite and fixed world value; and if only for the purpose of eliciting the views of some of your readers, amongst whom there must be many better able than I to discuss this all-important subject, I submit the following observations for consideration:

What was it that moved our forefathers, the bankers of Great Britain, and the merchants and statesmen of practically all the nations of the world to adopt gold as the basis of their currencies and to make it interchangeable therewith at a fixed rate? It was the fact that international trading had been found to be terribly handicapped, and in many directions at times brought almost to a standstill, by reason of the sharp fluctuations that occurred in the value of unrelated paper currencies. All too frequently it happened, owing to inflation in one country or another, that when the time came for payment of goods despatched from this country, the francs, kroner, lire, or escudos, etc., for which they had been sold had so depreciated in their purchasing value that the goods which were to have been bought therewith could not be obtained, in anything like the required quantity, with the cash received. Thus, the profit that the merchant expected to make was lost. As a result of the constant recurrence of this happening, international trading became, not a legitimate and profitable business, to the advantage of all concerned, but a sheer gamble.

THINGS WHICH ARE EQUAL TO THE SAME THING ARE EQUAL TO ONE ANOTHER

Inspired, no doubt, by this Euclidian axiom the genius of our forebears finally resolved this difficulty by the masterly expedient of fixing the price of gold at about the value, as a commodity, that it had at that time in all countries of the world, and then decreeing, in effect, that anyone undesirous, for any reason, of taking payment for goods in paper money, could take, in lieu thereof, a given quantity of gold, which he could then exchange at will and without loss into the currency of any other country.

This system, having become general, the world then entered upon the most prosperous period of international trading that it has ever experienced; and with a reversion thereto there is no reason to suppose that we could not again enjoy a period of world trading upon a colossal scale, whereas without it or some equally sound and automatic system calculated to insure the avoidance of loss owing to currency fluctuation, one trembles to think what may happen to our merchant marine, to our standard of living, and to the social-security plans we so glibly talk about as though they could materialize irrespective of our commerce.

Not for a moment am I suggesting that world-trading facilities could not be still further improved, as, for example, by the adoption of Mr. Clifford Johnston's proposal for the creation of a clearing house for international trade, but I fail completely to see how any currency can inspire confidence that is not based upon and convertible into something of fixed and tangible value. That surely must be the sine qua non.

It is no valid argument against the gold standard that it failed to function properly after the first Great War. No other system could have withstood the stress of that upheaval. The gold standard may be likened to a glass that, given fair usage, will give good service for a thousand years, but which, like anything else, will break if ruthlessly abused.

Mr. WAGNER. The amendment we are now discussing proposes to establish a coin containing 1 ounce of gold as money of account of the United States. When the Senator from Oklahoma [Mr. THOMAS] explained the amendment to the Banking and Currency Committee, he stated that it would not require the Secretary of the Treasury actually to coin gold ounces or place them in circulation, but it would merely establish a unit of account which the fund and bank might find useful.

It is clear to me, and I believe it is clear to the Banking and Currency Committee, that this amendment would not really do anything. I see no reason why more than one gold unit is necessary or desirable in our monetary system, and I see no reason why a second gold unit would be of any value to the fund or the bank. We already have established by law a gold unit of account which is the United States dollar, containing one-thirty-fifth of an ounce of gold. The amendment would create a second unit containing one ounce of gold worth $35. Whether you want to call 1 ounce $35, or you want to call one-thirty-fifth of an ounce $1 is certainly not a problem that requires legislative action.

It would be a serious mistake for the Senate to adopt an amendment of this character which changes the Bretton Woods Agreements Act. For that reason I hope the amendment offered by the Senator from Oklahoma will be rejected.

Mr. DOWNEY. Mr. President, we are not today haggling over minor amendments to a rivers-and-harbors appropriation bill. We are not dealing with a measure which concerns only our own country, our own State, or even our own Nation. We are considering an economic charter for the world. We are attempting to do here what has never been done before, by any body of men or any aggregation of nations: collectively to introduce order and security into the conduct of the world's trade and commerce.

Over the past 3 years, the foremost technicians in our Treasury Department, in our State Department, on the Board of Governors of the Federal Reserve System, and in other agencies have worked together to perfect an international monetary organization. They have taken this plan into conference with the experts of the other great powers, and from their deliberations there has emerged the Bretton Woods proposal now before us. Carefully conceived, thoroughly discussed, and democratically arrived at, this proposal merits our confidence and our profound approval.

There are those, like the honorable Senator from Ohio [Mr. TAFT] who argue that, before ratifying this bill or making its provisions applicable, we should "wait until conditions are more stable." This, surely, is a curious recommendation. Can one imagine the captain of a ship, caught in a violent storm, who would say: "Let us wait until the waves subside before we pour out the oil. It will be so much cheaper and easier to do when the sea is calmer." Mr. President, the time to stabilize economic conditions is when they need stabilizing. The time to start to regulate the world's

monetary system and assist in the world's reconstruction is now, not after we have returned to normalcy.

Senators, the men who talk of delay, of amendments, and even of defeat of this measure, must be curiously insensitive to the moment of history in which we stand. The world has endured six long, long years of war, of exhaustion, starvation, disease, death, and sorrow. And now, as the European phase has drawn to a bloody close, and the climax in the Pacific approaches, men all over the world—tired men, bitter men, desperately hopeful men—are asking themselves: Have we really won?

Do not imagine, Senators, that the answer to their question lies in the ruins of Berlin and Tokyo, nor in the sound of victorious brass bands, in the tramp of returning troops or in showers of paper confetti. What they are asking is: Have we really won the kind of world we were fighting for? Have we suffered and endured, only to find ourselves where we began—in a world without law, without stability, without peace? And they are fearfully wondering, Is there now hope that our leaders, even though they have not bled as we have bled, slept in muck as we have slept, or felt the sickening pangs of fear as we have felt them, will be shaken by our sacrifices into decisive action?

I do not imagine or claim, Mr. President, that one citizen out of a hundred in our world community possesses accurate or detailed knowledge of the provisions of the Bretton Woods proposal. But to millions it has come, nevertheless, to represent a symbol of our sincerity, our determination, to make good on our promises and pledges of a better postwar world. A destruction or injury to that symbol would be a brutal blow to the morale and hope of the world.

We tend, I think, to underestimate both the cynicism and the hope which grip men's minds today. Perhaps there is no real contradiction between the two, for the cynic of today is, more often than not, a man whose hopes are so dear to him that he dare not expose them to the possibility of blight, but instead denies—even to himself—their existence. Desperately, men want to believe that nations can live in peace, that statesmen can clear the obstacles to prosperous trade and industry, that wise policies can assure full employment for all. They look back, however, to the well-meaning, top-hatted gentlemen who led us into a calamitous depression and paved the way for a catastrophic war. They see influential citizens of today, who wrap their prejudices in the flag, cry "America first, and to hell with the rest," preparing in their folly the way for a new and yet more ghastly war. And is it any wonder, then, that men feel their hopes shrivel and dry up within them and come almost to believe that it is safer not to hope at all?

We fought this war to eliminate two of the most virulent and destructive exponents of nationalism in all history. Germany and Japan are defeated, but their brutal and degrading philosophy still lives, proclaiming its insistence upon an inviolate sovereignty, inflating its myth of unique virtue and unique right to power. Carried over into the field of economics, this philosophy of nationalism foreshadows a nightmare era of financial and commercial imperialism.

What can rid us of this infection? What can free us of this psychosis of fear? Not words. Only deeds. Only clear, bold, unanimous action, fulfilling the promises, redeeming the pledges, making the dream a reality, the hope a certainty.

And so, Mr. President, my vote shall be cast to engage American wealth, energy, and our national honor in this epic, pioneering, world-wide movement, the Bretton Woods agreement. The Bretton Woods agreement will, we may reasonably hope, bring closer to our reach a world of justice, prosperity, and peace.

DICTATED PEACE TERMS WITH JAPAN

Mr. CAPEHART. Mr. President, I rise to commend briefly action recently taken by our Government, as it is reported in this morning's edition of the Washington Times Herald. I trust that subsequent developments will fully justify this report.

Some 4 weeks ago, when I first suggested that the question of peace terms with Japan should be brought out in the open, and that our Government, in cooperation with its allies, should spell out the exact terms Japan should be required to meet, I felt that I was but expressing the true belief and thought of the American people.

Again last week, when I enlarged upon and clarified my views concerning this most important question on the floor of the Senate, I felt that I was giving expression to the high plane of governmental thinking and action which our people have always demanded, and will continue to demand, of their Government.

It was, however, suggested in this Chamber that such action—the defining and stating of our exact minimum terms of surrender—would place our Nation in an embarrassing position—that it was not becoming to our Nation to state terms until such terms had been requested, and that premature discussion of the matter would serve to give comfort to the enemy.

I am happy to observe from this morning's paper that our Government does not take that position—that it does not choose to follow the aloof course of secret diplomacy, but that, on the other hand, it wishes to follow a course of high statesmanship, a course which conforms to the high place now occupied by the United States in the leadership of the world.

I believe it is now apparent that Japan is almost on "its last legs." Undoubtedly, "peace feelers" of a very definite nature have been made through channels usually followed in such cases. It is obvious that present discussions are not premature.

Our Nation is in too strong a position on all battle fronts to be thought weakening by reason of its willingness to speak out now in the interests of all humanity and the future peace of the world.

We have shed much blood for security and for world peace. We are shortly to ratify in this body the United Nations Charter, a Charter for peace, a Charter which not only applies to the member nations but which is intended to apply to all nations of the earth as and when they are worthy of admittance, and are willing to assume their full share of the burden.

We shall not attain real peace until the day is reached when all nations are accepted as peaceful and cooperating members of this great body of nations.

America can follow no policy that will command the universal loyalty and cooperation of its people, as well as the respect and cooperation of the world, except a policy of frank, bold, unselfish, and Christian statesmanship.

I congratulate our leaders on the fact that such a course is being followed in the case of Japan. Peace is sought—on our terms—with a view to just punishment and future security, but without enslavement—a peace that will give hope to the world for the future.

I am more than glad that the true spirit of America has prevailed in the policy adopted, and I feel that history will approve.

I ask unanimous consent to have printed in the RECORD an article in this morning's Times-Herald entitled "Jap Peace Terms Drawn."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JAP PEACE TERMS DRAWN—PRESIDENT TO PRESENT SURRENDER OUTLINE AT BIG THREE MEET—DISPOSAL OF HIROHITO IS NOT MENTIONED

(By Arthur Sears Henning)

With rumors of peace overtures by Japan flooding Washington, it was learned last night that President Truman took to the Potsdam Conference a draft of proposed surrender terms to the enemy.

These terms were drafted by the State, War and Navy Departments for submission to British Prime Minister Churchill, and also to Russian Generalissimo Stalin if he manifests a disposition to aid the Allies in the far eastern war.

HERE ARE THE TERMS

The proposed peace terms include:

1. Surrender of all Japanese warships and aircraft.

2. Surrender of all arms and equipment of the Japanese Army in the Japanese home islands, on the Asiatic continent and in the East Indies.

3. Disbandment of all naval and military forces wherever stationed.

4. Evacuation and surrender of Manchuria, Korea, Formosa and all other territories outside of the Japanese homeland.

5. Destruction of factories and equipment for the manufacture of implements of war.

6. Supervision by an Allied commission of merchant ship building, industry, and import factilities.

7. Surrender of designated individuals for trial as war criminals.

HIROHITO NOT MENTIONED

There was no mention, so far as could be learned, of the disposition of Emperor Hirohito and the future form of government in Japan. This is a highly controversial question on which President Truman had not taken a position up to the time he departed for the Big Three Conference.

On the one hand are those who contend thato the execution of the Emperor as a war criminal and the destruction of the military dictatorship are essential to the safeguarding of the future security of the United States. Most vocal of the advocates of this policy are

the Communists and the extreme New Dealers whose views are trumpeted in the Daily Worker and other radical publications.

OTHER VIEWS OFFERED

On the other hand are those who hold that the security of the United States from future attack can be effectively safeguarded by destruction of Japan's capacity to make war, without interfering wtih Japan's political and religious institutions headed by a God-Emperor.

The Japs, it is contended by those of this persuasion, will surrender the more easily if assured of noninterference with their Emperor worship but will fight to the last ditch if their religion be subjected to dictation.

In the draft of the peace terms there was implied, if not specifically provided for, an Allied occupation force to carry out the terms of the surrender and particularly to enforce the eradication of militarism from the Japanese Government.

There was no official confirmation of any of the flying peace rumors in the Capital last night. The State Department denied receipt of any overtures for peace from Tokyo, while admitting that any communication of that character could have been dispatched directly to Truman at Potsdam.

MOVE THROUGH NEUTRAL

Any move toward surrender on the part of the Japs, it was pointed out, undoubtedly would be made through a neutral nation. For this reason unusual interest attached to the report that Tokyo had confided a peace offer to Stalin for submission to Truman and Churchill.

At the War and Navy Departments the peace rumors were discounted, although the belief was prevalent that the current devastating naval and air bombardment of the Jap homeland has produced an enemy crisis of great moment.

Significant straws in the wind were the Tokyo broadcast warning that the Japs "would fall into irretrievable confusion compelling surrender if they pinned hopes of victory on a split among the Allies" and the hurried meeting of the Jap cabinet.

ANYTHING CAN HAPPEN

While the American high command is proceeding on the assumption that the Japs will not quit until their army is defeated and that it will take from 6 to 12 months more to attain their object, some high officers were saying last night that in the light of current developments "almost anything may happen."

As they view it, Japan is now in the position of Germany about 30 days before collapse, so far as air power is concerned. The Japs, they say, are evidently short of gasoline, spare parts for plane repair, and competent pilots. This combination of deficiencies might easily precipitate the collapse of the Jap war machine.

"It means the end of the war," said the President.

"It means the termination of the influence of the military leaders who have brought Japan to the present brink of disaster.

"It means provision for the return of soldiers and sailors to their families, their farms, their jobs.

"It means not prolonging the present agony and suffering of the Japanese in the vain hope of victory.

"Unconditional surrender does not mean the extermination or enslavement of the Japanese people."

CORNER IN RYE

Mr. LANGER. Mr. President, we have been debating an international stabilization fund designed to prevent currency speculation throughout the world. While we chart this plan to prevent speculation on a world scale, however, some of the most flagrant, deplorable speculation has occurred right under the nose of the American Government here at home. I refer to the speculation on the Chicago Grain Exchange, where one company, General Foods, has succeeded in cornering 89 percent of the entire deliverable supplies of rye in the United States.

Mr. TOBEY. Is the Senator referring to rye the grain or to rye in liquid form? [Laughter.]

Mr. LANGER. I am referring to rye the grain.

At a time when the farmers of my State and the entire country are working long hours, accepting ceiling prices, and doing their best to produce enough food for the Nation, I am shocked that some of the leaders of our commercial and political world should engage in the most flagrant speculation this country has seen in many years.

At the proper time, in order to do my duty to the farmers of this Nation and regardless of whom it may involve or what the repercussions may be, I propose to introduce a resolution asking for the investigation of this entire matter. I want to ascertain to what extent the taxpayers of the United States have been robbed. The War Food Administrator rather belatedly has called for a hearing regarding one phase of the speculation in rye, namely, the operations of General Foods between 1942 and May 1944. However, it has come to my attention that some of the most deplorable of this speculation has occurred since May 1944. I do not know why the Department of Agriculture decided to halt its investigation in May 1944, but if the new Secretary, for whom I have the greatest respect, does not, after he has had sufficient time to study the matter, see fit to investigate the gigantic speculation in rye from May 1944 to June 1945, then I propose that the United States Senate go into the matter for him.

I particularly call the attention of this body to these significant facts. The company which cornered practically all the rye produced by the hard-working farmers of North Dakota, South Dakota, Minnesota, and the rest of the country is General Foods, an organization owned in large part by Mrs. Joseph Close Hutton Davies, the wife of the former American Ambassador to Belgium.

And what happened, when this giant company, which handles more food than any other concern in the United States, General Foods, found itself stuck with a tremendous amount of rye on its hands and no way of getting rid of it? The answer is that General Foods turned to Belgium, the country to which Mrs. Davies' husband formerly was accredited. I do not know what part, if any, Mrs. Davies played in this matter. I do not know what part, if any, the former Ambassador to Belgium played in the matter. But I do believe that the American people, especially the farmers of the West, are entitled to know all the facts.

I am also interested in knowing what part the former treasurer of the Democratic National Committee had to do with this tremendous gamble in rye. I am informed that Mr. Edwin Pauley, recently appointed as American ambassador in charge of European reparations, was a gambler on the rye market, and made in one transaction alone—I am informed—tremendous profits. This is an interesting operation for the former treasurer of the Democratic National Committee and the present American ambassador for reparations in Europe.

Another point which the American farmers who spent long hours raising rye are entitled to know about is what General Foods had to do with lobbying before the War Production Board in order to have rye used for industrial alcohol. I propose, Mr. President, that the United States Senate examine this unfortunate picture in detail. Let me review the facts very briefly.

In 1942, when the Department of Agriculture fixed the ceiling price on grain, it omitted to fix a ceiling price on rye. This, I am convinced, was a sincere omission calculated to help the American farmer, inasmuch as the price of rye at that time was low. The officials of the Department of Agriculture wanted to give an opportunity for rye to advance in price. However, they did not plan that big business speculators should take advantage of this rise rather than the farmer.

At this point, the General Foods Corporation went into the rye market, working through Daniel F. Rice, well-known Chicago grain speculator. And General Foods began buying rye in such quantities that on November 29, 1943, the Chicago Board of Trade finally had to step in and warn Charles W. Metcalf, vice president of General Foods, that things had gone too far. At that time, Metcalf had contracts for 175,000 bushels purchased for his personal account, plus 270,000 bushels additional long December 1943 rye futures, which was carried on the books of the brokerage houses in the names of relatives and friends for whom Metcalf held powers of attorney. The situation became so bad at that time that the Chicago Board of Trade warned Metcalf that he could not purchase further rye futures in December.

However, the speculation continued until, by May 1944, General Foods held 38 percent of all open rye futures on the Chicago Board of Trade, and also 91 percent of all the rye involved in deliveries in May.

I want to repeat that, Mr. President. The speculation continued until, by May 1944, General Foods held 38 percent of all open rye futures on the Chicago Board of Trade, and also 91 percent of all the rye involved in deliveries in May.

It was this time, May 1944, that the Department of Agriculture saw fit to investigate the operation of the rye market. However, the Department of Agriculture waited for over a year beyond May 1944, to initiate this investigation, and so far has failed to include an investigation of the period since May 1944.

And I should like to tell this body what happened since that time.

During the summer of 1944, so much rye accumulated in the Chicago grain elevators that General Foods was under pressure from grain-elevator operators to transfer their rye. The space was needed for wheat. Also, the War Food Administration was seriously embarrassed because the wheat crop was coming in and there was no room to handle

it. As a result, American farmers for a time had to dump their wheat out on the bare ground because of the shortage of elevator space—all due to the operation of General Foods.

Mr. President, as I have previously stated upon the floor of the Senate time and again, wheat was dumped on the ground in Montana, in North Dakota, and in the great State of Kansas and in some other States.

So what happened in Washington? At that time Daniel Rice, the ringleader of this tremendous rye gamble, came before the Alcohol Division of the War Production Board to do some adroit lobbying. He sat in the offices of the Alcohol Division of the War Production Board for days at a time, urging that alcohol be made from rye. So I here answer the question asked me a moment ago by the distinguished Senator from New Hampshire [Mr. TOBEY]. Ordinarily rye is a food crop. It is a comparatively poor material for alcohol. Furthermore, this country is short of food. The entire world is short of food. Yet in the end the War Production Board finally yielded to the behests of Mr. Daniel Rice and issued a directive to distillers of grain alcohol that 10 percent of their alcohol must be made from rye. This was a lifesaver to General Foods. They were able to get rid of some of their rye, which by that time had accumulated in ever-embarrassing quantities.

Meanwhile, I am informed that another pool of speculators began gathering, in opposition to General Foods. These were people who figured the war would be over last winter and that rye would be available from Argentina. So they came into the Chicago market and sold rye short. Thus a tremendous battle of the grain gamblers was waged in Chicago over the hard-won crop of American farmers.

Despite this speculation, for some reason the War Food Administration still failed to put a ceiling price on rye. By this time rye had come up to parity, but still it remained the one grain upon which there was no ceiling price. I am amazed that this happened. There can be only one reason for it; namely, that someone was playing into the hands of these speculators. Naturally, General Foods wanted the price of rye to go higher so they could get out with a profit. If a ceiling price were placed on rye there could be no profit for them. What wires were pulled I do not know, but I do know that no ceiling price was placed on rye.

However, by this time, March 1945, General Foods was again worried about the enormous supplies of rye which had accumulated. Men in the Chicago Board of Trade were demanding that the rye be moved out of Chicago. A new wheat crop would shortly be harvested. So General Foods lobbyists got busy in Washington. They got on friendly terms with the Belgians, representing the country to which Joe Davies once served as ambassador. His wife is one of the largest owners of General Foods. The Belgians wanted to buy cattle feed in this country, and the General Foods lobbyists tipped them off that they probably could buy rye. Rye is supposed to be a human food. And we are supposed to be short of human food, not only in this country but throughout the world. Nevertheless, the Belgians wanted rye as a cattle feed, and in the end they got it, at the expense of the American taxpayer. The Foreign Economic Administration gave an order to the Commodity Credit Corporation on March 19 to purchase 1,044,000 bushels of rye for Belgium.

Of course, the Belgians gave a verbal promise that the rye would be used for human consumption, but it was generally understood at the Department of Agriculture that it would be used for cattle food after it crossed the Atlantic, and we have no way of checking on the Belgians as to how they use this rye once it is delivered.

About the same time, the Foreign Economic Administration ordered 3,005,736 bushels of rye for UNRRA. I do not know whether more lobbying by General Foods was involved in this or not. This is something which should be investigated. This rye, I am informed, was for a more legitimate purpose—that of feeding Poland, Czechoslovakia, and Yugoslavia, where the people long have consumed rye.

About this time, rye had a tremendous surge upward on the grain market. But the farmer did not get the benefit of the increase. It was General Foods which had purchased rye low and held it until it got the profit. Careful news stories were fed out to the press about shipments of rye. The word leaked out to high-placed people in the know, including, I understand, Mr. Ed Pauley, that Belgium was purchasing rye; that UNRRA was purchasing rye; that rye was going up in price. So the boys climbed on the rye wagon, and cashed in. But some of the boys did not cash in enough. Mr. Dyke Collum, Texas grain operator, claimed he did not have a chance to sell rye to the Government. He protested that the Government purchased its rye for Belgium and UNRRA partly from General Foods, partly from Cargill, without consulting him.

Meanwhile, the Department of Agriculture became worried over the tremendous amounts of rye which were being moved to the Atlantic seaboard at a time when freight-car space was needed for wheat. So, finally, Agriculture officials placed an embargo on the movement of rye to the Atlantic seaboard—much to the chagrin and distress of General Foods.

Now it is a difficult thing and sometimes a most unfortunate thing when the movement of rye has to be stopped by Government order. Normally, I am opposed to any restriction of trade. But such restriction would not have been necessary had one company not taken upon itself the unpatriotic aim of cornering the rye market; if it had not accumulated such enormous stocks and held them that now these stocks are a menace to the entire grain market and a difficult problem for the transportation system of the country. Once this tremendous stock of rye is unloosed on the market, the farmer who raised it probably will suffer in the end through a depreciated price, if he is not protected by artificial price support.

Mr. President, I want the world to know that so long as I am in the Senate protecting the interests of the farmer, I propose, if we do not get the kind of an investigation at the hands of the Department of Agriculture that I believe is fair, thorough, efficient, and honest, that we shall have such an investigation here in the United States Senate, regardless of who may be involved.

THE OREGON LAMB PROBLEM—FOOD MARKETING

Mr. MORSE and Mr. MYERS addressed the chair.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). The Senator from Oregon is recognized.

Mr. MORSE. Mr. President, I appreciate that very much. I used to do a little foot racing. When I engaged in a foot race and happened to win a race, I was usually awarded the winner's prize. This afternoon I won a couple of races on the floor of the Senate under the rules laid down yesterday. I won them by at least a fifth of a second. Apparently I had to win the race three times to be recognized, and I appreciate being recognized finally by the Chair more than I can tell the present occupant of the chair.

The PRESIDING OFFICER. The Senator from Oregon was about one-half a second ahead of the Senator from Pennsylvania.

Mr. MORSE. Mr. President, ordinarily I would most certainly wish to cooperate with the majority leader by confining the debate to the subject to which the majority leader would like to confine it; but my public duty happens to be such, in regard to doing everything I can within my responsibilities as a Member of the Senate to help protect America's meat supply, that I find it impossible to extend to the majority leader the cooperation which I am sure he would like to receive from me to the extent of having all debate today limited to the subject of Bretton Woods.

Before I finish I may have something to say about Bretton Woods. But first, Mr. President, I feel absolutely compelled to discuss, for a period, the Oregon lamb problem. I feel compelled to discuss it because apparently hour by hour more confusion and more maladministration in regard to it are creeping through this Government. We have now reached the point where the boys in the bureaus are all trying to save their faces, and they are adopting the old technique that if they repeat often enough things that are not true, they will finally get some of the people—perhaps even some Members of Congress—to believe them.

They are now trying to say that there is no problem. There is a problem, Mr. President, as I shall proceed to show, and it is an exceedingly serious problem. It is a problem which involves the wastage of food. The Senate of the United States can well afford and justify pausing in its meditations on Bretton Woods to give some heed to food problems.

As I pointed out yesterday in my remarks, unless we as a Congress take the necessary steps to check the mishandling of American's food-marketing problems,

we are going to hear from the people of this country during the next 12 months. I predict that when the voters of the country fully appreciate the fact that the Congress of the United States has not established the procedures necessary to check maladministration of the Nation's food supply Congress will hear from them at the polls in 1946; and it should, because any body of elected representatives of the people under a democracy which permits a maladministration of the people's food supply should hear from the people in no uncertain terms at the polls.

Mr. President, yesterday I had inserted in the RECORD a series of editorials from Portland newspapers. One was from the Portland Oregonian of July 12, 1945. It so completely hits the nail on the head so far as the Oregon lamb problem is concerned that I am going to take the time of the Senate to read it again. Here we have a great newspaper which has pounded away on this issue for weeks. It has told this administration, through its columns, as the senior and junior Senators from Oregon have told Congress on this floor, that there is a serious lamb problem in Oregon; and yet we have the Secretary of Agriculture telling me this morning over the telephone that such information as he can get from his advisers in Oregon is to the effect that there is no problem.

There is no basis for argument between the Secretary of Agriculture and the two Senators from Oregon, because the matter involves a question of fact. I say to the Senate that the Secretary of Agriculture is being ill advised. The facts as they are brought out in this editorial are facts as of this hour. I say that the Secretary of Agriculture should do what the senior and junior Senators from Oregon asked him to do, and what we in good faith believed he was going to do when we had a conference with him several days ago, namely, select a representative from the Department of Agriculture to work with a representative from OPA. Where? Here in Washington, 3,000 miles away from this problem? Of course not, but out in the State of Oregon and in northern California, where the problem exists. Let OPA and the Department of Agriculture authorize those representatives to take the steps which are necessary to remedy the problem. That is fair. That is a reasonable request. We understood that the Secretary of Agriculture thought it was fair and reasonable. He thought it was so fair and reasonable that he called a representative of OPA in our presence, and made the suggestion. I admit that no decision was reached by those two gentlemen, but we certainly went away from that conference with at least the feeling that that fair recommendation was going to be put into effect; but it has not been put into effect. Apparently the Secretary is still relying upon long-distance communications from Oregon in regard to it, and the bungling continues.

In our conversation with the Secretary of Agriculture the two Senators from Oregon pointed out to him that there is a man in the State of Oregon who is fully versed on this problem. In fact, I say that there is no man in the West who understands the problem better. That was admitted by the Secretary of Agriculture. I refer to Mr. E. L. Peterson, chairman and director of the State Department of Agriculture of the State of Oregon. The Secretary of Agriculture said he would be perfectly willing to accept Mr. Peterson as his representative to work with an OPA representative in the field.

As I said to the Secretary this morning, Mr. Peterson is the man to whom I referred yesterday as having notified the senior and junior Senators from Oregon over the long-distance telephone that the problem was hourly becoming more critical, that farmers were loading lambs into their trucks and taking them to market, only to find no market, and bringing them back to their farms at a great loss. I say to the Secretary of Agriculture that his entire organization of advisers cannot begin to equal the soundness and reliability of Mr. Peterson, who knows this problem at the scene of action; and I repeat to him on the floor of the Senate what I said to him on the telephone this morning, namely, that the senior Senator and junior Senator from Oregon are going to continue to rely on Mr. Peterson until the OPA, the Department of Agriculture, and the Director of Economic Stabilization can get their heads together on some agreed-upon, coordinated program which will stop, within the next few hours—because that is how important it is—this tremendous loss to the sheepmen of the Willamette Valley and of northern California.

Mr. President, the editorial of July 12 from the Portland Oregonian reads as follows:

> If every concession asked of Government control agencies in the Oregon lamb situation were granted, it is still problematical that relief to producers would be adequate.

That is how serious the situation is, Mr. President. Even if all the concessions we have been asking for were to be put into effect immediately, it is still problematical, as the editor of this great newspaper points out, that some loss would not still occur. Yet, Mr. President, the Government officials have the nerve to tell us that there is no problem. I say to them, "Tell it to the sheepmen of Oregon."

Mr. President, let me digress further to say that these bureaucratic politicians have been passing this problem back and forth among themselves, apparently afraid to offend each other, and with no one apparently willing to take the leadership and say, "This is the decision, and this is the way it must be." If those bureaucratic politicians would stop passing the buck on this matter, and would give us a decision, and would notify the sheepmen of Oregon what to expect, this problem could be solved very quickly. But we are being treated, again, with that very interesting pastime of bureaucracy—buck passing.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield for a question.

Mr. LANGER. Are not some other States, in addition to Oregon, involved? Does not the same situation exist in all the sheep country?

Mr. MORSE. This particular problem involves for the most part the so-called Willamette Valley, northern California, and the southern part of Washington. Then, of course, there is an over-all sheep problem which the distinguished Senator from Wyoming is seeking to cover with the bill which was voted out of committee this morning, and which I and a group of other Senators have joined in endorsing.

Mr. President, I read further from the editorial:

> Quotas have been raised on slaughtering by plants not under Government inspection, and shipment in interstate commerce of the product of No. 2 killers is now to be permitted. But as often pointed out, dressed western Oregon lamb will not stand up under long shipments. The new market will be within a comparatively narrow range, and there it must depend upon the consumers' possession of enough points wherewith to buy.
>
> It is doubtful that the full capacity of Oregon killing plants can thus be absorbed, though in peacetimes they cannot take all of the western Oregon lamb crop. Nearly 50 percent is normally shipped to California. If several factors that now obstruct the California outlet—rationing, quotas, labor shortage in killing plants—were not encountered, the transportation obstacle, which food control authorities cannot cure, would still exist. Freight congestion causes Oregon shipments to be routed in round-about way; producers cannot always obtain cars. Shrinkage and death losses ensue en route, and animals back up on the farms.
>
> Steps asked of Government are ameliorative of a condition that is creating low prices to the producer, nonmarketing of lambs at their prime, carry-overs with attendant losses and consumption of feed needed for other livestock. The steps asked apparently are not a complete cure, if all be taken. They have been taken only in part. There should be a point holiday to move surplus lamb to the consumer's table, and bigger purchases by Government procurement agencies.
>
> In 1943 and in 1944 Oregon lamb growers were denied adequate consideration by Government authorities. Their losses and hardships are a matter of record, disprove the perfection of Government theories and make Government implications that shenanigans are going on in Oregon a shameful suspicion.

I wish to hold the administration to the major premise of this argument. That major premise goes to the question whether there is a lamb problem in Oregon. I allege, I assert, I submit that there is hourly an increasing wastage of lamb in the State of Oregon, in northern California, and in southern Washington, because this administration, apparently due to bureaucratic conflicts within itself, adamantly, stubbornly, stupidly refuses to take the steps which must be taken if the problem is to be solved.

Mr. President, this morning in my telephone conversation with the Secretary of Agriculture his advice to me was that in Portland the so-called federally inspected slaughterhouses have been taking all lamb appearing on the market. I wish to make several comments about that observation on the part of the Secretary of Agriculture. In the first place, there is even a conflict of testimony regarding the accuracy of that comment by him, but, nevertheless, it is a very significant comment, because the Secretary of Agriculture went on to point out to

me that if these farmers down the valley would haul the lambs to Portland they would be taken care of, so far as he knew. Of course, Mr. President, that shows a complete lack of understanding on his part of the marketing problem which is involved in this problem.

However, another very important principle is involved. When the Secretary of Agriculture talks about these Portland plants he is talking primarily about the big packers; he is talking primarily about Swift & Co., because that is the biggest packing house up there. I tell you, Mr. President, that what is happening is that these Government bureaus are trying to bring about a situation in which these small farmers, these small lamb producers, are going to be forced to sell the lambs to the big packers at such prices as their commission buyers see fit to pay. For 2 years that racket has been played, with the result, for example, that last year these lamb producers were forced to sell their lambs to these big packers' buyers, the spokesman of one of them later boasting that they made $4 a head on that kill because the farmers were finally squeezed into a position in which they had to dump them for what they could get for them.

Let me also tell you about the type of lamb that has been appearing thus far. I am reliably advised that the lamb appearing on the Portland market is not Choice lamb, for the most part. It is low-grade utility lamb, and the prices on it are breaking.

If the Department of Agriculture carried out the provisions of the Patman amendment, the situation would be improved. Yesterday I called upon the Secretary of Agriculture to carry out its provisions, and I repeat that call today. The Patman amendment was adopted, and one of its purposes was to protect the producers of meat in just such instances as this one. If the Patman amendment is put into effect by the Secretary of Agriculture—and he has the power to put it into effect—the result will be that those class 2 slaughterhouses in the Willamette Valley, which have historically slaughtered this lamb, will be in position to slaughter it again, and the farmers of the Willamette Valley will be protected against the squeeze play which the big packers are maneuvering themselves into position to put upon them unless this administration takes the necessary steps to protect them.

So I assert, Mr. President, that there is an obligation on the part of these various bureaus to take steps which the senior Senator and the junior Senator from Oregon have for weeks called upon the administration to take. We have pleaded with the administration for a period of 3 months to prepare for this crisis. Now we are told that there is no problem existing because such lambs as have appeared on the Portland market have been purchased. However, men in Oregon whose advice we know to be sound have told us that the backlog, the pile up of lamb is taking place "down the valley." The attitude of the Secretary of Agriculture, as stated this morning, is in effect to say to the farmers, "If you have a truckload of lamb, or if you have a dozen, fifteen or twenty of them, you must take them to Portland." The producers are told to do that even though historically they have previously been taking their lambs into the class 2 slaughterhouses where they have been slaughtered under State laws and consumed locally.

So, I say, Mr. President, that as of this hour the Department of Agriculture and other agencies of the Governmen have not taken any effective steps in the application of the Patman amendment, which should be taken if the class 2 slaughterhouses are to be opened to the capacity which will be necessary in order to take care of the surplus meat in the limited area to which I have referred.

Mr. President, let us pause for a moment and consider the rationing-point problem. The OPA has repeatedly said "We cannot lift the rationing points on those lambs because if we do so in one territory we will have to lift the rationing points on some other goods elsewhere." The Senate has heard me state on previous occasions that I think the attitude of the OPA in regard to the rationing problem involves the worshiping of a shibboleth. I tell you, Mr. President, that there is one cardinal principle which this administration cannot justify in following. This administration cannot justify maintaining a rationing-point system if, as the result of such maintenance, food is wasted. I want to see the OPA and the administration answer that one. If the application of the rationing-point system results in the wastage of food, that system should be modified for such period of time as necessary in order to prevent such wastage of food.

The application of the doctrine of uniformity in regard to rationing, and the stubborn, stiff-necked attitude of Chester Bowles relative to it, is resulting in the wastage of food. I assert, Senators, that the people of this country have the right to say to their Government in an hour as critical as the present hour, "You may not, with our consent, follow a policy which results in the wastage of food." I say to the people of America that it may be necessary for them to see to it that the necessary attention of this administration is called in a very dramatic fashion to this policy of food wastage. The Government has no right to keep from the tables of American consumers the food which would be put upon those tables if the Government were not responsible for a policy which results in the wastage of food.

A few days ago we heard about a butter problem. I, along with other Senators, received unanimous consent to have printed in the CONGRESSIONAL RECORD a series of newspaper and other communications and editorials which pointed out the fact that butter was backing up in our storage plants, that our retailers were complaining that they could not sell the butter because of the point system, and that butter in large quantities was becoming rancid.

The same pattern of explanation of the butter situation which has been followed in connection with other food mistakes was followed by the Government again. It denied the fact that butter was piling up and becoming rancid, and told the American people that it was not true. Almost at the same time it reduced the points on butter. The OPA knew very well that the situation about which complaints had been made actually did exist. I assert that, by telling the American people it was not true, they lied. The objective evidence was perfectly clear that a great deal of butter was being stored, and was becoming rancid because the housewives of America could not buy it on the basis of the point system then in effect.

Yesterday I had printed in the CONGRESSIONAL RECORD an editorial from the Portland Journal, a great Democratic newspaper, which put the bee on the misrepresentation to which I have referred.

Mr. President, I have tried to persuade the Senate to pass a resolution to appoint a Senate committee for continued investigation and study of the food practices, policies, procedures, and regulations of the OPA. I have asked the chairman of the committee to which the resolution was referred to give me an opportunity to be heard on the resolution. As long as the Senate remains in session this summer I intend to continue to press for consideration of the resolution. I assert, Senators, that there is a food problem in America; and it will not be solved intelligently and in the interest of the public if it is left to the conflicting governmental bureaus which are quarreling among themselves over the matter.

What we sorely need is to have the administration give, preferably to one person subject to check by the Congress of the United States, the necessary power to solve the food problems in the public interest. The problems will never be solved so long as bureau politics play a part in the picture.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a series of communications which I think the RECORD should show. They do not consist of all the material which I may ask to have shown in the RECORD at a later time, but they do represent a part of the material. I ask that a telegram of July 4, 1945, addressed to me and signed McDannell Brown, district director of the OPA at Portland, Oreg., be printed in the RECORD at this point as a part of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *July 4, 1945.*

HON. WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.:

Wish to advise that this office has established with our regional office a very expeditious procedure for handling applications for increased lamb quotas by class 2 slaughterers pursuant to delegation of authority recently made by national office to the regional office. This will be of great assistance in opening channels of trade which will relieve problem of producer surplus at one end and consumer shortage at the other.

Monday afternoon had meeting with Ervin Peterson, Oregon State director of agriculture; Dr. E. L. Potter, Oregon State College; R. C. Burkhardt, president of Western Oregon Livestock Association; F. L. Ritter, adviser to Oregon Meat Council; Morton

Tompkins, master of Oregon State Grange, and Ben Beisman, editor of Grange Bulletin, together with staff members of this office including F. L. Janney, rationing executive, and John Ferris, rationing specialist, at which meeting it was agreed that the program proposed by this office of increasing slaughtering quotas for class 2 slaughterers of lambs in western Oregon should be given a fair trial with full cooperation of all of the agencies represented that every effort should be made to increase the number of lambs made available to the Army or Government purchase, either by (a) increasing substantially Army set-asides to probably 75 percent of federally inspected plants' production of lambs, or (b) arranging to have the output of class 2 slaughtering establishments certified either on the basis of State inspection or some other simple procedure for Government purchase, pursuant to the authority contained in the amendment to the Extension Act. Confidence was expressed generally that if the channel could be opened to supply the needs of the armed services to the full amount of their requirements, the lamb problem might be completely solved. Dr. Potter, Mr. Peterson, and Mr. Beisman over radio programs sponsored by their organizations are going to encourage full cooperation with the foregoing program. They made it very clear, however, that if these steps fail to achieve the desired results and lambs did back up with the danger of spoilage, they would again urge a reduction or elimination of points on lamb.

It is the considered opinion of this office after close study of the problem that the Department of Agriculture and its Bureau of Animal Industry have it entirely within their power under both authority of the act of 1907 and the amendment to the Extension Act to effectively facilitate the movement of these lambs to fill Army requirements. Army procurement has advised us they are in a position to take almost any number of lambs that can be supplied of grades AA, A, and B. Most of these spring lambs in western Oregon will grade up to these requirements. Such action by the Department of Agriculture would eliminate the necessity of discriminatory rationing in this area, which we feel is unnecessary from the standpoint of civilian needs and would be unfortunate in view of the critical shortages that exist in other parts of the country. Any steps you may be able to take to call this situation to the attention of Secretary Anderson and to secure some effective action would be of tremendous assistance in supplying military needs; in aiding the lamb producers of this State and in relieving our most critical and troublesome rationing problem.

McDANNELL BROWN,
District Director.

Mr. MORSE. Mr. President, I ask permission also to introduce into the RECORD a telegram dated July 7, from Mr. McDannell Brown, director of OPA, Portland, Oreg.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegram is as follows:

PORTLAND, OREG., *July 7, 1945.*

Hon. WAYNE MORSE,
United States Senate:

As yet have had no telephone call from the Secretary of Agriculture or deputy but may possibly receive one Monday. Thought I should advise you as to our views on the three points mentioned in your wire:

1. Points should not be lifted on Oregon lamb at the present time as there is as yet no indication of a backup of lamb. Report from North Portland Livestock Market yesterday indicates few lambs coming in, all of them being taken at high prices. Discriminatory rationing should be a last resort and not until local meat shortages have been eliminated through relief on quotas of class 2 slaughterers in this State. Lifting of points may be necessary if other measures fail.

2. As pointed out in earlier wire we have made arrangement with regional office for expeditious handling of lamb quota increases for class 2 slaughterers and have already increased a number of such quotas.

3. Opening up channels for Government purchase or interstate shipment of meat from class 2 slaughterers under provisions of the Patman amendment to the extension act will not only solve lamb problem in Oregon, but also prospective problems of beef producers and will provide the best and most practicable solution for the national meat distribution problem. It can make the abundance of livestock available to supply retail counters in deficit nonproducing areas, at least to the full extent of available livestock supply. Specific recommendations on this point were submitted to Senator CORDON on his request and are as follows: "Re lambs. Patman amendment to extension act authorizes Secretary of Agriculture to certify for Government purchase or interstate shipment meat slaughtered under sanitary conditions and found fit for human consumption. We assume that purpose of this amendment was to relax stringent requirements for Federal inspection set up and administered by Bureau of Animal Industry in order to make meat from nonfederally inspected slaughter houses available to the armed services and for shipment to non-producing deficit areas.

This can be done by accepting State inspection as basis for certification by Secretary of Agriculture where State procedure is adequate to insure sanitary slaughter and detection of injurious disease that is by qualified inspectors who make "hot inspections." In addition to Federal and State inspectors the Department of Agriculture has an approved list of veterinarians and could make their approval of slaughtering plants and inspection of carcasses basis for certification by the Secretary. State Director of Agriculture Peterson has pledged his cooperation in extending State inspection to carry out such a program.

"Army procurement has indicated to us here and in letter to Senator MORSE that it will take almost any quantity of AA, A or B grade lambs offered, but these can now be supplied only by federally inspected plants. These plants last year slaughtered only approximately 13,000 per month during peak season and indications are they can do no better this year.

With Army set-aside only 25 percent, military requirements are not being met. If this set-aside were increased to 75 percent Army would get more lambs and a larger portion of civilian market would be available for supply from nonfederally inspected slaughterhouses. Unless this set-aside is increased federally inspected houses will not be able to supply Army needs and will continue to monopolize local civilian market, thus seriously curtailing number of lamb crop through nonfederally inspected plants.

"If Army requirements are fully met by either or both of the foregoing measures or by other means we believe lamb crop can be disposed of under present program without discriminatory rationing. Our experience here with BAI indicates such complete lack of cooperation that we feel no significant results will be obtained except through bypassing BAI under authority of Patman amendment.

Also please refer to wire of July 6.

We believe responsibility for a practical solution to the meat problem generally as well as the Oregon lamb problem rests largely with the Department of Agriculture in its use of the Patman amendment and with Government procurement agencies in use of their power to purchase.

McDANNELL BROWN,
District Director.

PORTLAND, OREG., *July 7, 1945.*

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Supplementing my wire yesterday recommending procedure for providing outlet for Oregon lambs wish to add following suggestion. Under current procedure Army maintains partial inspection in class 2 slaughtering plants based upon approval of facilities by BAI and inspection of meat by Army veterinarians. The difficulty in expanding this practice lies in the rigidity of BAI specifications with reference to slaughtering plants, facilities, and equipment. If Department of Agriculture could arrange with Army procurement to have the Army veterinarians available to inspect lambs slaughtered in any class 2 plant and upon certificate of veterinarian that slaughtering is done under sanitary conditions and the meat is fit for Army use. Permit immediate purchase by the Army. This would make available output of better class 2 slaughtering plants which for one reason or another do not wish to take full Federal inspection or because of technical requirements are unable to do so. We are advised by representatives of the trade that many class 2 slaughterers would take advantage of this procedure to slaughter for the Army. Thus disposing of a substantial part of the prospective lamb surplus.

McDANNELL BROWN,
District Director OPA, Portland.

Mr. MORSE. Mr. President, I wish to introduce into the RECORD a telegram of June 20, addressed to me, signed by R. L. Clark, one of the prominent livestock men and marketing authorities of our State. I pause to read part of the telegram, sent to me on June 20. Let me say that these communications have been called to the attention of the administration. The senior and junior Senators from Oregon have leaned over backward in an endeavor to get this matter worked out by way of direct negotiations with the departments involved. We plodded down to the departments and gave them our material. They would say, "Oh, yes; something is going to be done about it." We are told, "Oh, yes; we realize it is a serious matter. We are working on it now." They always seem to be working on these problems so long that when they finally come forward with a solution, the damage already done is irreparable. If they continue to buck-pass on this one, as these precious days go by, while this lamb flood is hitting the markets in the area about which I have spoken, it will be too late to save these farmers the losses they are already beginning to suffer. They have had due notice of the situation. Thus on June 20 Mr. R. L. Clark wired us as follows:

PORTLAND, OREG., *June 20, 1945.*

WAYNE MORSE,
United States Senate Chamber,
Washington, D. C.:

Lamb situation just now approaching critical stage we have tried to avoid, and prices beginning to weaken. Recent order by OPA restricting custom slaughter making situation worse since much of our kill is thus handled. Last week WFA announced Army purchasing all lambs, and OPA shouted that

problem was solved, but this is absurd because they did not provide for increased kill by Federal plant and actually restricted all others. Therefore, the real facts are that OPA and WFA are merely stalling, and have no intention of doing anything. Removal of points and unrestricted slaughter remains the only answer. Everybody, producers and consumers alike, greatly appreciate your good work. Writing.

R. L. CLARK.

He was right in his analysis of the problem. We gave OPA notice of what the problem was, just as he gave us notice in that telegram, but the steps the Government agencies have taken to date will not solve the problem.

Let me digress a moment and add this bit of additional information in regard to the conference the two Oregon Senators had with the Secretary of Agriculture a few days ago. We were told by the Secretary that the Commodity Credit Corporation agreed to buy any surplus lambs that were not handled in normal trade, and thereby protect the ceiling prices for the farmers. We were told that was going to be the policy, but unless it has happened this afternoon, no one in Oregon knows that is the policy. Lamb producers have not been so notified. Those engaged in the trade have not been so notified.

We asked the Secretary to give us, at the earliest possible time, an official release that such was going to be the policy of the Government. The senior and junior Senators from Oregon tried to point out to him how important it was that we have information made available to us that would put at rest the uncertainties and the fears which exist among the producers and slaughterhouse operators in my State.

One would think that if that were going to be the policy of the Government, the lamb producers, the livestock interests, and the slaughterhouse operators would be notified. It might stop a few truckloads of lambs going back to the farms if the slaughterhouse operator knew that he could buy the lamb, and if he could not sell it in normal trade, the Government would buy it.

Is it asking too much for the Government at least to make publicly known its policies to the parties who supposedly are going to be affected by and benefited through them? The failure to make the policy public is just a sorry example of gross inefficiency in this administration. That is the most charitable explanation of it.

I pray that the time has come when we can get some relief. I pray that the administration forces in the Senate will do what I think is their clear duty, find out the facts, and if the facts differ from what I say, let them stand on the floor of the Senate and dispute them with me, and if the facts are as I say they are, then let them, as administration leaders on the floor of the Senate, proceed to use their influence to correct these gross injustices. That is fair, is it not?

If they think they are going to beat me down on this by a do-nothing attitude, I think they will live to discover that is a sorry mistake. I am right about this, Mr. President, and I just happen to be one who believes that when he is right about something he should go the limit on it. I am not going to ignore this injustice being committed against the lamb producers of my State until the administration forces of the Congress demonstrate their good faith by taking the necessary steps to correct the injustice.

Let them tell me all they want to in the cloakroom how right I am, as some of them have on the other side of the aisle. They say, "You are doing a swell job on this, Wayne. You may help us in this. We may get some of these agencies to correct their procedures if you pour it on long enough." I appreciate the good will of those who so comment, but what I am interested in is some relief for the lamb producers of the State of Oregon, and I think the administration should provide it.

Well, Mr. President, let me go back to inserting some more material in the RECORD. I should like to have consent to insert in the RECORD a telegram I received under date of July 7 from Mr. W. P. Wing, secretary of the California Wool Growers Association.

The PRESIDING OFFICER. Is there objection?

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SAN FRANCISCO, CALIF., *July 7, 1945.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Re tel: Appreciate all you are doing. It has greatly stimulated OPA activity in making large quotas available for No. 2 slaughterers, eliminating 25 cents deduction on Army carlot orders. Getting Army to take lamb offered above utility and buying utility for prisoners. This agitation has made independent packers here realize they must buy these soft medium lambs from northern California and Oregon and keep South San Francisco market cleaned up. This needed competition has helped maintain lamb prices. Most important is to insist on regional authority out here with power to act as necessity arises. This applies not only to lamb but other livestock and all agricultural commodities.

W. P. WING,
Secretary, California Wool Growers.

Mr. MORSE. Mr. President, the lamb producers of California are very much disturbed about this matter too. They have been communicating with me. They have been pointing out that in the so-called north coast of California region the same type of lamb problem exists, and they are suffering likewise from the failure on the part of this administration to correct a mistake which is now going into its third year.

I should like to have consent to have inserted in the RECORD a letter dated June 25, a copy of which was sent to me and to the distinguished senior Senator from Oregon [Mr. CORDON], the letter being addressed to him, and copies being sent to Representatives ELLSWORTH, ANGELL, MOTT, and STOCKMAN, signed by Mr. E. L. Peterson, director of agriculture of the State of Oregon, a man to whom I have recently referred in these remarks, and who, I say, is thoroughly familiar with this problem in Oregon. He has told us in communication after communication that the three points the senior Senator and junior Senator from Oregon have urged for the settlement of this problem are necessary if it is to be settled without losses of food and without losses to the lamb producers of the State.

The PRESIDING OFFICER. Is there objection to the request?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF OREGON,
DEPARTMENT OF AGRICULTURE,
Salem, Oreg., June 25, 1945.

Hon. GUY CORDON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: There are attached two statements—one, that presented by R. C. Burkhart, president of the Western Oregon Livestock Association, before the House Food Investigation Committee meeting in Seattle on June 14; the other, a statement of the Oregon livestock situation prepared by the Oregon State Department of Agriculture. These statements are self-explanatory.

The most crucial matter affecting the entire livestock and meat situation in Oregon at this time is the western Oregon lamb problem and the hardship imposed as a result of the quota system imposed by the Office of Price Administration on non-federally inspected slaughter plants and as a corollary to the latter, the announced RMPR establishing fees for the custom killing of meat animals. Perhaps I should say fees in reverse, for under the proposed order, which is 169-1, amendment 55, custom slaughterers are required to pay to the owners of livestock being killed fees based upon the hot weight of the dressed carcass and the grade of the animal. In return for this payment by the slaughterer, he is permitted, if he has rendering facilities, to retain the hide and edible and nonedible byproducts. If he does not have rendering facilities, the rates are at a lesser figure. Under this regulation, custom killing is effectively stopped for the reason that no slaughterer can operate at a profit and abide by the regulation. As a matter of fact, there was no need whatever in this State for this regulation because established practices of custom killing had long been in use to the total satisfaction of both the slaughterer and the owner of the livestock being killed. Fees paid by the cattle owner range from $1.50 to as high as $5, averaging approximately $2.75 per animal, the slaughterer retaining the hide and nonedible byproducts. Neither the producer nor the customer were affected by this practice and there was no need for OPA to have invoked any orders regarding it.

If this order is not immediately rescinded, most of the meat shops in Oregon will be without supplies, restaurants cannot operate, hospitals, logging camps, group feeding establishments, etc., will be unable to secure meat. Already custom killers, restaurants, and meat shops are closing in what is reported to be substantial numbers. As a further result, animals will back up in producers' hands because there is not Federally inspected slaughter facilities in Oregon in sufficient capacity to handle the volume of livestock to be marketed.

I trust, therefore, that you and the other members of Oregon's delegation to Congress will intercede immediately with OPA to do at least two things—first, secure the recession of RMPR 169-1, Amendment 55, regulating fees paid by custom slaughterers; two, intercede with OPA to relieve the hardships created in Oregon by the imposition of slaughter quotas upon non-federally inspected plants; and a third and very important matter, to secure action from OPA permitting the movement of western Oregon lamb crop without the disastrous losses which have occurred during the past 2 years and will again occur

this year unless immediate action is forthcoming.

Very truly yours,

E. L. PETERSON,
Director of Agriculture.

Mr. MORSE. Now, Mr. President, I should like to read into the RECORD an excerpt from a very interesting letter which I received from one of our farmers under date of July 1. He tells about some experience he is having there in regard to the slaughtering of one lamb. He said:

I had an interesting personal experience a week ago. I killed a lamb and brought it into town to have it cut up and wrapped for the freezer by my local butcher, who makes a business of doing this. He informed me he couldn't cut up the lamb unless it was graded by an inspector of the Department of Agriculture. I asked him how in the hell were individual farmers, like myself, going to get lambs graded that were killed on the farm. He said that was OPA instructions, so we both talked to OPA and learned that we would have to call the stockyards and have a grader come out who would grade all farm slaughtered lambs that were going into individual freezers. This would cost us $2.50 an hour. The inspector came out, graded the lamb, and stamped each package of meat with the grade. In the meantime I had talked with the State administrator of the OPA, who is a personal friend of mine. He told me that this ruling is in effect to prevent the black market and to prevent the securing of country meat without giving up red points but that I would not be stuck any more than $1.10 for a single lamb. When I finally got the transaction wound up I paid $1.10 for grading the lamb and 72 cents to the butcher—2 cents a pound for cutting up and wrapping a 36-pound carcass. The lamb is now safely in my freezer.

There are lots of small farmers around me who have a few fat lambs they would like to sell but now they are afraid to kill them because of OPA and so what will happen to these lambs is a question. If they aren't killed within the next month they will shrink down to 50- to 60-pound feeders, which won't be worth very much. A number of my friends who had lambs that were $8 to $10 lambs in May-June got $3.50 to $4 for the same lambs in August last year.

The OPA seems determined to make it as difficult as possible for everybody to do business.

Mr. President, I cite that letter as furnishing another example of nonsensical muddling on the part of OPA. I appreciate the complexities of the problem, but I say there is no justification for muddling. There is no justification for nonsensical rules and regulations that result in the wastage of food and the harassment of our people.

Mr. President, I should now like to read an excerpt or two from a letter which I received under date of June 20, 1945, from Mr. R. L. Clark, of BoDine & Clark, livestock commission company, North Portland, Oreg.:

We began working on this thing—

And he means by that the Oregon lamb problem—

almost before the lambs were born in order to avoid disastrous experiences of the past 2 years. That has made us a little ahead of the hounds. Nevertheless, evidence of trouble is beginning to appear in the increased pressure on prices as supplies increase and press upon the market. To give you some idea of just what that means please consider that the dressed ceiling in Portland, Oreg., and in all other Pacific coast cities is $1.50 a hundred weight higher than it is in Chicago and yet in spite of that lambs are today selling $2 per hundred weight lower in Portland, Oreg., than they are in Chicago.

The big packers are profiting by that, Mr. President, I say by way of digression.

Jones and Vinson have both advised me in the past that our higher ceilings out here on the dressed product really solved our problem and packers could pay prices sufficient to take care of the situation and we had no complaint coming. That would be all right if the packers did it and the lambs could move, but the packers don't pay prices in line with the ceiling, and the OPA will not permit the movement through the independent plants. So a perfect monopoly is therefore created and the big packers can buy our lambs at their own price and they do it and will continue to do it unless we can get points removed and a free market established on this product which cannot under any stretch of the imagination move out of the area, that is, away from the Pacific coast.

There are 250,000 fat lambs that just won't stay fat very long, and they have to find a market some place in the next 60 days, and it will take all the available capacity—

Note this, Mr. President—

and it will take all the available capacity to handle them if it is to be done without loss and a repetition of the last 2 years' fiasco, and as this is written, there is no indication that the OPA or the WFA have any intention of doing anything.

Mr. LANGER. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from North Dakota?

Mr. MORSE. I yield.

Mr. LANGER. Did the Senator take that matter up with Mr. Bowles personally?

Mr. MORSE. I have written Mr. Bowles letters and telegrams. I have taken it up with the deputies that he has sent to my office to discuss it with me, who have demonstrated to me at each conference that they have not the slightest conception of the problems of livestock production. They are young bureaucrats here in Washington with no understanding of the problem of the western livestock producer. You only have to talk to them for about 3 minutes to understand that you are talking to men who do not understand the problem.

I hope I have answered the Senator's question.

Mr. President, this food problem is receiving and is going to receive attention in other sections of the country, because I surmise from the mail I am receiving that there are other meat problems in other sections of the country that OPA is bungling as effectively as it is bungling the Oregon lamb problem. So I should like to have inserted in the RECORD, Mr. President, by way of exhibit, a letter which I received under date of July 10, 1945, from Mr. H. A. Powell, secretary of the St. Louis Livestock Exchange, in which he encloses a copy of a letter which he wrote under date of July 10 to Representative CANNON.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE ST. LOUIS LIVESTOCK EXCHANGE,
National Stock Yards, Ill., July 10, 1945.

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: We were greatly interested in an Associated Press story from Washington this morning, in which you are quoted as criticising the OPA for incompetence and maladministration, and in which you refer to the serious losses suffered by Oregon sheepmen during the past 3 years.

In this Central West, hogs are the big factor at this time. You might be interested in enclosed copy of letter we are today sending Hon. CLARENCE CANNON, the subject being the intolerable position in which the terminal hog markets have been placed, as a result of inequitable OPA ceilings, combined with the failure of that bureau to enforce its rules and regulations covering country buying operations.

Yours very truly,

H. A. POWELL,
Secretary.

JULY 10, 1945.

Hon. CLARENCE CANNON, M. C.,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN CANNON: It was nice of you to send us the letter you received from Administrator Chester Bowles of the OPA, under date of July 4, 1945.

You ask if we have any suggestions to make on the subject, so we will get them out of our system.

Mr. Bowles' letter expresses concern over the drifting of hogs away from the terminal markets. However, we cannot understand the tears he is shedding over "our desire to keep hogs moving through the normal channels and to keep at least the usual proportion of the supply coming to the terminal markets."

As we have pointed out repeatedly, the OPA, regardless of their protests, are, through their inequitable ceilings, and failure to enforce their regulations in country buying (as Mr. Bowles admits), encouraging and accelerating the drift of hogs away from the terminal markets.

In the second paragraph of his letter, Mr. Bowles says that the disproportionate decline in the receipts of hogs at terminal markets is partly due to factors other than the differentials between country-point and terminal market ceilings. He calls attention to the fact that hog production in the interior market area declined less sharply than in the areas tributary to the 12 principal markets. The assumption from this is that the interior packers are thus "sitting pretty," with plenty of hogs available right at home.

If this is the case, will Mr. Bowles kindly explain why interior packer John Morrell, of Ottumwa, Iowa, where he has an OPA ceiling of $14.45, comes down into this market's historical territory, north Missouri, and buys hogs at $14.30 ceiling, pays for the trucking to his plant, the buying charges, insurance, etc.? If the OPA would investigate, we are confident that they would find that the landed cost of these north Missouri hogs that Morrell is taking away from St. Louis packers, were standing him from 50 to 75 cents per hundredweight, over his Ottumwa ceiling.

If the OPA permits this abnormal movement of hogs from ordinary channels to continue, we can expect further drying up of supplies at the terminal markets.

In the third paragraph of his letter, Mr. Bowles says that the reduced hog supply naturally would have a tendency to force slaughterers to buy at country points, to

obtain possession of hogs before competitors get them. We grant this, but what we object to is the OPA's deliberately encouraging and fostering such off-market buying through their inequitable ceilings, and failure to police operations of packers at country points.

In another paragraph, Mr. Bowles admits that diversion of trading to country points may be due to more favorable returns to producers. What we have objected to from the start is that these more favorable returns are the direct result of the inequitable ceilings and of the wholesale evasions of the OPA regulations. We complained as early as March 20 to Mr. Bowles direct, citing violations in specific counties in this trade area, and as far as we know, they have not turned a wheel to see that the violations are stopped, or to institute legal proceedings against those openly flouting the law.

He admits that "thus far no feasible general solution has been developed." In our opinion, a little law enforcement might get them somewhere.

He cites the recent increase in the ceiling at the south St. Paul market. This was inequitable in the first place and needed adjustment, but the 10 cents per hundredweight granted is not a drop in the bucket to what should have been granted.

Mr. Bowles takes no stock in our suggestion that ceilings should be placed on a plant-cost basis. He says that such a ceiling is more difficult for slaughterers to operate under and more difficult to enforce than are the present types, so dismisses the suggestion as one that they "do not consider a desirable solution of the problem."

Inasmuch as close to 75 percent of the hogs slaughtered by all packers are under Federal inspection, we do not see much weight in Mr. Bowles' plea that it would be more difficult to enforce than are their present rules, which they admit cannot be enforced.

Now, Mr. CANNON, the writer has been around public markets for 45 years and has reached the retirement age. Frankly, if you want to destroy these public markets in a hurry, just keep the OPA operating like it has been doing for the past year or so, and you will have them utterly ruined in short order.

We greatly appreciate your interest in this matter.

Our information is that Secretary of Agriculture Anderson will have a representative in St. Louis, together with an OPA representative, probably sometime next week. At that time we will give them all the facts that we have at hand. Very frankly, however, we are disturbed and concerned at the failure of the OPA to realize the harm they are doing to these great markets.

Very sincerely yours,

H. A. POWELL,
Secretary, St. Louis Live Stock Exchange.

Mr. MORSE. Further, Mr. President, I ask to have printed in the RECORD a letter under date July 8, 1945, written to Mr. G. B. Thorne, assistant to the Secretary of Agriculture, copies of which were sent to various Members of Congress, by W. P. Wing, secretary of the California Wool Growers Association.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CALIFORNIA WOOL
GROWERS ASSOCIATION,
San Francisco, July 8, 1945.

Mr. G. B. THORNE,
Assistant to the Secretary of Agriculture, United States Department of Agriculture, Washington, D. C.

DEAR JERRY: Further, in reference to our letter to you of July 7, concerning the northcoast and Oregon lamb situation at South San Francisco Union Stock Yards and other outlets in northern California:

The USDA review of the South San Francisco livestock market for week ended July 6, 1945, shows 12,800 as compared with 17,200 week previous. The mid-week holiday curtailed receipts. The lamb market showed Good to Choice grades active, fully steady but lightweight medium and common kinds of 25 cents lower; some sagging variously 25–50 cents; the price ranging $12.50, $12 and $11 and some $9.

This follows about the same pattern as the same time the year previous, in numbers and price although a year ago the price was slightly higher—a top of $15.25 as compared to last Friday's top at $15, however, medium and common lambs about the same. It is with these latter that we are concerned.

In comparison with the same period in 1942, the last season prior to price control, receipts the first week of July this year were four times the receipts of the same week in 1942. The lamb market on Monday, July 6, 1942, was strong with Oregon and north coast lambs, $13.50, $13.10, $13.20, $12.50. some $11.50, $10.50.

In the meantime, since 1942, costs of production have increased 40 to 50 percent.

We are concerned with what is going to happen during the next 3 to 6 weeks, including this week. The attached taken from the July 25, 1944, California Wool Grower, tells what occurred last July. We do not want a repetition this sumemr.

Unless we prepare now—secure an outlet for these commercial and utility and cull lambs at comparable dressed lamb-ceiling prices to the grower, live prices may sag, just as they did a year ago. An outlet can be secured, (1) by purchasing the dressed lamb of these medium grades at ceiling prices f. o. b. packing plants, northern California and Oregon, and (2) removal of ration points of the lower-lamb grades.

Our present lamb-price situation on the lower grades is fraught with danger. It exists on the present goodwill of the packer.

Sincerely yours,

W. P. WING, *Secretary.*

Mr. MORSE. Mr. President, I close my remarks on this subject by reading one paragraph from a letter I wrote some days ago in answer to a question which was put to me as to whether or not I am in favor of the Price Control Act. Although I think I have made clear that certain amendments should have been added to that act by the Congress when it considered the question recently, I hope though that I also made clear that I am a stanch supporter of price control. But being a stanch supporter of price controls I think it all the more important that I raise my voice to protest the abuses which are creeping into OPA. So I answered this critic in these words:

OPA is not a personal matter. OPA is not Chester Bowles. Rather, OPA is a vital part of a very necessary national economic stabilization program. Unless that program is coordinated and all segments of it work in unison we are headed for serious economic trouble in this country. It is my sober judgment that Chester Bowles, today, is the greatest handicap and obstacle to working out a coordinated stabilization program. He not only is at odds with large numbers in the Congress, but I have listened to very high officials in other agencies tell me of incident after incident in which Mr. Bowles has been wrong and too stubborn to admit it or correct the mistake until after great damage has been done. In my judgment, unless he is able to change his attitude and work more cooperatively with other officials of Government, he should be replaced.

That is still my attitude Mr. President, I say that this problem of correcting the maladministration of food marketing is one of the most serious and critical problems facing Congress. I hope that this Congress will rise to its obligation and take the steps necessary to remedy the situation. I have submitted one remedy. In good faith I have asked the Senate to establish an investigating committee to check upon the policies and procedures of OPA. I think that is fair. If OPA's policies are defensible, neither the administration nor OPA has anything to fear from such a committee. But if abuses exist in the policies of OPA, then I think they should be corrected, and the administration's policy of protecting OPA in its maladministration should stop.

Tomorrow, Mr. President, unless some remedy is provided in the meantime, I shall discuss at greater length the Oregon meat problem, because day by day the people of my State are suffering increasing losses, and I feel that at least they are entitled to have their problem daily called to the attention of the one body in the Government which can very quickly remedy the situation if it only dares to do so.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 63), in which it requested the concurrence of the Senate, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Saturday, July 21, 1945, it stand adjourned until 12 o'clock meridian on Monday, October 8, 1945, or until 12 o'clock meridian on the third day after Members are notified to reassemble in accordance with section 3 of this concurrent resolution, whichever occurs first.

SEC. 2. That the consent of the House of Representatives is hereby given to an adjournment of the Senate at any time during the month of August or September 1945, until 12 o'clock meridian on Monday, October 8, 1945, or until 12 o'clock meridian on the third day after Members are notified to reassemble in accordance with section 3 of this concurrent resolution, whichever occurs first.

SEC. 3. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and the House, respectively, to reassemble whenever in their opinion legislative expediency shall warrant it or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 715. An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Reconstruction Finance Corporation.

H. R. 905. An act for the relief of Paul T. Thompson.

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake.

H. R. 3477. An act authorizing the improvement of certain harbors in the interest of commerce and navigation.

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; and

H. J. Res. 228. Joint resolution to amend the District of Columbia Teachers' Salary Act of 1945.

THE BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

The Senate resumed the consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Mr. MYERS. Mr. President, I hope I may be pardoned if I direct the attention of the Senate to the issue which is really before us today. That issue is not merely a postwar plan of economic cooperation through a world bank and a monetary stabilization fund. As I view it, the real question is, Are we really ready to wage peace?

Are we willing to make not merely an effort, but an all-out effort, to prevent war?

We all agree that this Nation and our allies have performed miracles in the waging of war against monstrous aggressors. It has cost us tremendous sacrifices in money, and—worse—in lives. No one disputes the immediate necessity for the sacrifices. This was a war forced upon us by a world which had refused to make any effort to wage peace. But we were a part of that world, the blame was partly ours.

Now, however, not only the American people and their representatives in the Congress, but all peoples of the world realize the mistakes of those dizzy decades following the last war. We realize our mistakes in failing to join together for peace. I am convinced that the Axis aggressors also recall mistakes. Unlike us, however, they brood only over military mistakes of recent years which speeded their doom. They want another chance to prove they could have done it this time, just as after the last war Germany wanted another chance to prove that she really won that war after all.

Because of this difference of view we must be determined this time to avoid and correct the political mistakes of which we and the other nonaggressor nations were so guilty for a quarter of a century. We must prove this time that we could have won the last peace if we had tried hard enough.

True, as a result of this war, the shell of American isolationism is broken. But it is not fragmented. It still offers to too many Americans a cracked but nevertheless inviting nest in which to hide from reality. We must smash that shell into dust, and Bretton Woods is one of the tools we must use to do the job. In a military sense I am convinced that our isolationism is dead.

The simply amazing unanimity which the military alliance features of the United Nations Charter are being accorded among Members of this body proves that fact.

With only one known opponent so far, the charter will ride through triumphantly. There is support for practically all its features. There is complete agreement with the idea of military cooperation against aggressors. Later there may be differences here in determining the powers of our representative on the security council and the circumstances under which we will allow use of our armed might in the cause of peace. But on the over-all problem of joint action, I think we all agree.

We have already proved in no uncertain terms that we accept the necessity for joining with other nations in waging war against aggressor nations.

We have heard in the Senate Chamber many criticisms of British Empire and colonial policies, yet we recognized in Great Britain a gallant partner in the defense of freedom as we know and cherish it. For example, we did not let the so-called Indian problem hold up our lend-lease shipments or prevent our joining with British forces in India to drive the Japanese from Burma and provide a base for other action against Japan.

Russia has been a source of political concern in this country off and on for many years, yet we felt no compunctions about joining with the Soviet Union for one of the greatest, most successful military campaigns in all history, the total defeat of Germany. Events have borne out the wisdom of our action. We have never seriously questioned the need in this war for true international collaboration in achieving the over-all goal of victory. It has paid us dividends of great value.

Again, in this war we have never counted the cost in dollars. If anyone wishes to stop and count up the cost of an individual operation, the figures undoubtedly are available. We could determine the dollar cost of the first day's action on Tarawa, Iwo Jima, or Okinawa, or the Normandy beachhead. The figures merely prove further that preventable warfare is stupid. We all know that already. That is why the vestigial catchphrase of isolationism fail so utterly to sway us from ratifying the San Francisco Charter.

America has come a long way since Woodrow Wilson. His vision was not enough to convince us in those days. The specter of jet planes, rocket bombs, and wholesale annihilation of populations was not there then to lend persuasiveness to his warnings.

However, while we are now committed—or about to be committed here—to the necessity for waging peace under the United Nations Charter, the legislation immediately before us, proposing to implement the Bretton Woods agreements, demands of us the further assurance that we are committed to wage that peace as uncomprisingly, as thoroughly, and as completely as we have been waging war. It is here that we find American isolationism not yet vanquished. We are not penny-pinching and hedging on war materials, weapons, or ships. For the cause of war, I am sure, the Senate would vote for any appropriation bill which it thought would speed victory and save lives. So, Mr. President, I say, let us not be penny-pinchers for peace.

We now hear talk of international WPA's, of American largess to the world, of "Uncle Sap," and there is the classic piece of intellectual dishonesty and fraud about "a bottle of milk for every hottentot." Surely no one can have the pure gall to demagog us with such talk in reference to Bretton Woods.

Were there no United Nations Charter, the Bretton Woods plan by itself would be powerless to prevent war. None of us claim for it the single-handed power to achieve enduring peace, by itself. With the charter in operation, however, Bretton Woods can help to give it life and meaning. Its proposed international bank will help whole nations to rehabilitate their devastated areas by their own efforts. Its stabilization fund will help to put exchange and trade on a more even basis.

Both programs are in our own American interest. America physically is unscathed in this war. Most of our allies are less fortunate. We have a tremendous head start on them for peacetime markets. But, Mr. President, the market is big enough for all of us. By not helping our allies to recover, by placing obstacles in the way of their recovery, we would reap a transitory advantage—perhaps no advantage at all—at the expense of the friendship we have earned from them in this war. It is not worth that expense.

Let us not ever again forget—as we did a generation ago—that we are a part of the world, that our fortunes rise and fall with those of all other peoples.

The Bretton Woods plan is not a British plan or a Russian plan, or an American plan. It is a world plan. Like the San Francisco Charter, it is the best world plan of its kind that we have right now. We will not discard the United Nations Charter because it is not completely perfect in every detail. We can improve the Bretton Woods agreements, as we can improve the San Francisco Charter, as the need arises and as the world recognizes that need, but we cannot do it here by ourselves.

Mr. President, the need for action on the Bretton Woods agreements is right now. We need what we can get—everything we can get—to help achieve lasting peace. Anything which helps even a little toward that goal is a further shield for our safety, our freedom, and the lives of our children.

Let us not be spendthrifts with those treasures. The most we could lose financially through Bretton Woods—assuming there would be any loss—is not worth saving at the cost of a single American life.

Mr. BARKLEY. Mr. President, I wonder if we can obtain a vote now on the pending amendment offered by the Senator from Oklahoma. I wish to say in that connection that it is desired to conclude consideration of the pending bill today, and I hope we may sit until 6 o'clock or thereabouts, to see if we can conclude consideration of the bill today. If by that time it is obvious that we cannot do so, I propose to move for a limitation of debate on the bill.

I think we should dispose of the pending amendment now. General speeches on the subject are interesting, and, of course, we are glad to hear Senators express themselves, but I think we should vote on the pending amendment now, if possible.

Mr. WHITE. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. WHITE. If the pending amendment is disposed of, will it then be the intention of the Senator from Kentucky to request a limitation of debate?

Mr. BARKLEY. I think a limitation of debate would not apply today; but if it is obvious that we cannot finish consideration of the bill today, I intend to request a limitation of debate tomorrow. I may be an incorrigible optimist, but I still hope that we can dispose of the bill today. I understand that after the amendment now pending is disposed of, there will be only several more amendments.

Mr. WHITE. Mr. President, if my understanding is correct, there are approximately eight amendments on the desk.

Mr. BARKLEY. There are always more amendment on the desk than are ever offered.

Mr. TAFT. Mr. President, I think four more amendments will be offered. I do not think it will be possible to finish debate on the pending measure by 6 o'clock today. We have been in session since 11 o'clock this morning.

I hope that if we dispose of the pending amendment today, we shall then recess until tomorrow. I myself should be quite willing to agree to a 10-minute limitation of debate on the bill and a 10-minute limitation on each amendment, tomorrow. I think we could certainly dispose of the bill within several hours, tomorrow, under such a limitation.

Mr. BARKLEY. Well, Mr. President, I wonder whether it is possible to have a vote now on the amendment of the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Mr. President, at the time when I offered the amendment and shortly thereafter the Chamber was depopulated. Senators certainly were hungry, or else for some other reason they saw fit to leave the Chamber.

Quite a number of Senators are now present, but very few of them heard what I had to say regarding my amendment. Probably I would obtain more votes for the amendment in the absence of an understanding of it than I would if the amendment were understood. However, unless a quorum is present—because I told some Senators that I did not think there would be a vote tonight——

Mr. BARKLEY. Mr. President, I am perfectly willing to have the presence of a quorum ascertained at this time.

Mr. THOMAS of Oklahoma. That will be perfectly satisfactory to me.

Mr. BARKLEY. Therefore, Mr. President, in the hope that we may vote on the Thomas amendment at this time, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

Mr. THOMAS of Oklahoma. Mr. President, before that is done——

Mr. BARKLEY. Mr. President, I withhold the suggestion of the absence of a quorum.

Mr. THOMAS of Oklahoma. I wish to serve notice that I shall not agree to any limitation of debate. Every time we have a limitation of debate, some Senator is caught without an opportunity to make a statement which he considers important. While there is no thought of filibuster on the part of any Senator—I certainly have no thought of one—I do wish to have a chance to explain any amendment which I present to the Senate, as I think it should be explained.

I certainly have a purpose in offering the amendment, and I had a purpose in making the address which I made this afternoon. Later on during the discussion of the pending bill I shall offer an amendment to direct the Treasury Department to use the surplus silver which is not now being used. I think that matter is an important one. While I have no intent of consuming unnecessarily the time of the Senate, I want sufficient time to explain what I think the amendment would accomplish.

Mr. WHITE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. WHITE. In the circumstances I must respectfully suggest to the Senator from Kentucky that with perhaps advantage to all concerned, the Senate should recess at this time. We have been in session for more than 6 hours, and that is a long continuous session.

Mr. THOMAS of Oklahoma. It will be perfectly agreeable to me that tomorrow, after we convene, we have a quorum call and let my amendment be made the first order of business.

Mr. BARKLEY. Of course, it will be the first order of business without any agreement about it. While it is true, Mr. President, that we have been in session since 11 o'clock today, we have not made much progress. We have voted on only one proposition today, and that was to postpone consideration of the pending bill. I am perfectly willing to remain here as late as any other Senator is willing to remain. I am trying, as best I can, to facilitate the disposition of important and necessary legislation. Mr. President, persons are coming to me every day in droves and asking me when the Senate will recess. I think the Senate should recess when it is in a position to do so. Every Senator knows that next Monday we are scheduled to take up consideration of the San Francisco Charter. We must also consider the tax bill which has been reported by the Committee on Finance. There is also the measure pertaining to the Export-Import Bank which has been ordered reported to the Senate. There is also the bill in which the Senator from Wyoming is interested. The Senator from Nevada has been seeking an opportunity to have considered an airport bill. It is perfectly obvious that we cannot clear the decks and take up the San Francisco Charter next Monday unless we are willing to remain here longer than we usually remain, or restrain ourselves in debate. I am trying to accommodate the legislative program to the wishes of the Senate, and it is only in that spirit that I have, in a modest way, tried to urge action. I do not have any objection to having a vote on the pending amendment now. I do not think we are tired out. We could have a quorum call and then vote.

I do not know whether the Senator from Oklahoma will ask for a yea-and-nay vote. If he wishes one he may ask for it, and if it is not granted we can then vote viva voce. I should like to vote on the amendment today.

Mr. THOMAS of Oklahoma. I can tell tomorrow whether I shall be personally interested in asking for a "yea-and-nay vote." Inasmuch as very few Senators heard my explanation of the amendment, I think they should have a right to read the RECORD. I think that if a quorum call is had tomorrow we may then arrive at an agreement to lay this matter before the Senate.

Mr. BARKLEY. The Senator from Oklahoma is a victim of what has occurred to all of us from time to time in connection with the question of when we should address the Senate. That is a matter to which we must all submit ourselves. In all frankness, I do not think there is any good reason for postponing the vote.

Mr. THOMAS of Oklahoma. The proposal which I have made would not delay the business of the Senate.

Mr. BARKLEY. The Senator will not agree to any limitation on debate with regard to other amendments in which he has no personal interest.

Mr. THOMAS of Oklahoma. Mr. President, I have occupied only a small portion of the Senate's time today. Other speeches were made on this bill as well as on other matters.

Mr. BARKLEY. I am not complaining about what the Senator from Oklahoma has done. Yesterday I urged that from then on we limit our addresses to the bill under consideration. My admonition was not agreeable to other Members of the Senate, and I make no complaint about it. But the making of speeches on subjects other than the one which is before the Senate consumes time, and when we are operating on a time schedule it is not unreasonable to ask Senators to cooperate.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. I have sat across the aisle from the distinguished senior Senator from Kentucky long enough to have some appreciation of the difficulties of his position, and the harassments to which he is subject from time to time. I have a great deal of sympathy with him and a very measurable admiration for the patience he has always shown.

So far as I am concerned it seems to me that we have reached somewhat of an impasse. However, if there is a possibility of disposing of the so-called Thomas amendment this evening, I am perfectly willing to join with the Senator from Kentucky in an effort to dispose of it.

Mr. BARKLEY. Will the Senator from Oklahoma be willing to agree now to vote on his amendment immediately after a roll call is had when the Senate convenes tomorrow, and without further debate?

Mr. THOMAS of Oklahoma. That is perfectly agreeable so far as I am concerned.

Mr. BARKLEY. Mr. President, I ask unanimous consent that tomorrow, without further debate, and immediately following the roll call, which I will demand in order that a quorum may be developed, that the Senate proceed to vote on the pending amendment.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Kentucky?

Mr. CHANDLER. Reserving the right to object, I ask the majority leader at what time the Senate will convene tomorrow?

Mr. BARKLEY. At 11 o'clock.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Is the Senator from Oklahoma willing, without prejudice to his amendment, and without interfering with the agreement which has been reached, to withdraw temporarily his amendment so that other amendments may be offered and disposed of if the Senate is now willing to consider them?

Mr. THOMAS of Oklahoma. That is perfectly agreeable to me.

Mr. BARKLEY. Mr. President, I ask for the attention of the Senator from Ohio. At the present moment we have a very good attendance of Members of the Senate. The Senator from Oklahoma is willing temporarily to withdraw his amendment if other amendments can be offered and disposed of at the present time.

Mr. THOMAS of Oklahoma. I should rather not use the word "withdraw," but the words "temporarily lay aside."

Mr. BARKLEY. That is all I want.

Mr. TAFT. Mr. President, I do not think we should proceed now. It seems to me that when we meet at 11 o'clock in the morning we should adjourn or recess at 5 o'clock in the afternoon. If we are going to carry on into the evening, I think a notice should be given to that effect. I do not wish to proceed with some other amendment now.

Mr. BARKLEY. I am not seeking to continue into the evening.

Mr. TAFT. I understand that the amendment of the Senator from Oklahoma is now before the Senate.

Mr. GEORGE. Mr. President, would it be possible to get an agreement for a general limitation of debate tomorrow?

Mr. BARKLEY. No; the Senator from Oklahoma has announced that he will not agree to any limitation of debate.

Mr. TAFT. I have stated that I am agreeable to a limit on debate tomorrow, but I do not want to proceed now with a consideration of other amendments.

Mr. BARKLEY. I understand the Senator from Oklahoma intends to offer another amendment. I do not know whether the offer of the amendment will depend on the fate of the present amendment.

Mr. THOMAS of Oklahoma. No; it will not depend on the fate of the present amendment.

Mr. BARKLEY. I mean that the Senator is interested in not being limited himself in a discussion of the amendment which he may offer.

Mr. THOMAS of Oklahoma. If the Senator will yield, I will say that I am certain that I shall not exceed 20 minutes in my presentation of the next amendment.

Mr. BARKLEY. Does the Senator propose to offer his amendment following the disposition of the present amendment?

Mr. THOMAS of Oklahoma. I expect to offer it as soon as I can get the floor.

Mr. BARKLEY. Mr. President, I wonder if we may have an understanding that the Senator from Oklahoma will be recognized to offer another amendment which he desires to offer immediately following the disposal of the pending amendment, and that following that no Senator shall speak more than once or longer than 10 minutes on the bill or on any amendment thereto.

The PRESIDENT pro tempore. Is there objection?

Mr. TAFT. Am I to understand that means 10 minutes on an amendment and 10 minutes on the bill?

Mr. BARKLEY. Ten minutes on the bill and on any amendment, which would mean a total of 20 minutes at any one time, but when a Senator had consumed his 10 minutes on the bill, he could thereafter speak only 10 minutes on the amendment.

The PRESIDENT pro tempore. Is there objection?

Mr. BALL. Mr. President, so far we have spent 3 days on this measure. Most of the time has been taken up by three or four Senators. It seems to me this is one of the two most important measures the Senate will pass upon this year, and perhaps for many years, and, frankly, I think that the request to limit debate to 10 minutes on any amendment and 10 minutes on the bill at this time is premature, and I object.

Mr. BARKLEY. Would the Senator agree to 15 minutes? That would mean a total of 30 minutes.

Mr. BALL. So far as I am concerned, I do not intend to take up any time. If I spoke, I would not take more than 15 minutes, at any rate, but in view of the fact that all the time up to now has been taken by not more than three or four Senators, I think we will make better progress if we just proceed and let the Senate dispose of the bill in normal course. So I do not feel like agreeing to any limitation now.

The PRESIDENT pro tempore. Objection is heard.

Mr. BARKLEY. Mr. President, I wish to state at this time that if we are not able, because of the consumption of time tomorrow, to dispose of the pending bill and enter upon the discussion and disposition of the tax bill and other measures, the program we have in mind will be interfered with. I hope Senators will come tomorrow prepared to remain in session until late in the day, or even into the evening, if necessary in order that we may dispose of matters which should be acted on.

I do not wish to work any hardship on any Senator, but it is necessary that we dispose of some of these matters if we are to carry out our program, which Senators are anxious about and inquire about every day. We have received today a concurrent resolution from the House providing that on Saturday they will begin an adjournment which will last until the 8th of October. They have in the concurrent resolution a provision giving their consent in advance that the Senate take an adjournment until that date, at such time as we are able to take it during July, August, or September.

I am sure we cannot justify beginning an adjournment or recess until we have disposed of the important legislative matters ready for action, and I am sure Senators do not want to do that. Therefore I think they should be willing to submit to a little inconvenience, if necessary, in order that we may accomplish what we desire to do.

I realize that at this juncture of the day it is futile to try to proceed with Senators complaining that we have been in session for 6 hours, which is 2 hours less than the average work day under the 40-hour week which most everyone else in the United States follows. I realize that probably we are not at our best at this time of the afternoon, but I do not think the Senate is overworked or is too tired to vote on an amendment, although I am not going to insist on our voting on it at this time. However, I hope Senators will come tomorrow prepared to undergo whatever inconvenience is necessary in order that we may dispose of the pending measure and other bills.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. McFARLAND. I wish the Senator would correct the statement he just made, which would leave a false impression, namely, that Senators work only 6 hours a day when we come to the Senate Chamber and spend 6 hours on the floor of the Senate. There are at least six other hours during which we work, in addition to the 6 hours we spend in session.

Mr. BARKLEY. I thank the Senator for the correction. Of course, I meant no reflection on any Senator. I know we work many hours before we come to the Senate and after we leave the Senate. I take home with me every night work which keeps me busy until after midnight, and other Senators no doubt do the same. I am glad to do that, in order that I may familiarize myself with what is going on. I thank the Senator from Arizona. But even with the work we do before we meet and the work we do after we adjourn, I think we might

well for 2 or 3 days remain in session longer than 6 hours.

Mr. WHERRY. Mr. President, I myself wish to join with the majority leader in expressing a desire to complete all legislative matters, but I also should like to join in the statement of the Senator from Arizona [Mr. MCFARLAND]. I am quite sure that the distinguished majority leader did not mean what he said, that because we are in the Senate only 6 hours a day that is all the time we engage in work. I know many Members of the Senate work very hard 10 or 12 hours a day, even at night at times. I, for one, should like to have the RECORD show that the Senators on this side of the aisle certainly do work a full day as United States Senators, and because they are on the floor of the Senate for only 6 hours does not mean they are not working in their offices.

I was up at 6:30 this morning struggling with some OPA problems. I was called twice from Omaha last night in the middle of the night, and instead of 6 hours a day, I have been putting in about 24 hours a day attempting to get the cattlemen of Nebraska satisfied.

Mr. BARKLEY. I certainly meant no reflection on the Senator. We all know we all work long hours, and that is one reason why I want to get Senators out of town for at least a brief recess.

Mr. WHERRY. I join the Senator in that desire.

Mr. BARKLEY. I am willing to become a little more tired in the next few days in order to accomplish that.

Mr. WHERRY. I join the Senator from Minnesota [Mr. BALL] in saying the Bretton Woods bill is one of the major pieces of legislation which has come before the Senate. Since it was taken up four or five Senators who were well qualified have consumed most of the time, which was all right, but I think it should be the privilege of any Senator to discuss the bill, if he desires to do so, for it will affect the economic life of the American people for generations to come, and our failure to give full consideration to it should not be based on the fact that the House wants to take an adjournment.

Mr. BARKLEY. I do not think any Senator is to be criticized because he has seen fit to take a good deal of time in debate. Time has been occupied during the 2 days previous to today by two or three Senators. They had a right to occupy the time if they felt justified in doing so. Other Senators were not claiming the time, and I do not think that is any reason why we should now delay unduly this whole matter.

Mr. GEORGE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. GEORGE. I merely wish to commend the majority leader, and say that I hope he will give notice of a night session tomorrow, if necessary, in order to complete consideration of the pending bill, and give opportunity to consider a tax measure which is of very great importance to the business interests of the country and to the whole reconversion program. It should be passed before the House finally recesses on Saturday next.

Mr. BARKLEY. I appreciate what the Senator says. I know how diligent the Senator from Georgia has been in trying to get the tax bill before the Senate, and how he has watched almost every moment since it was reported for an opportunity to bring it up. I wish to cooperate with him.

Mr. CHANDLER. Mr. President, will my colleague yield?

Mr. BARKLEY. I yield.

Mr. CHANDLER. I merely wish to remark that this would have been an unusually nice evening to remain in session, and I regret very much we are not able to stay. Besides, it is raining outside. [Laughter.]

Mr. BARKLEY. The Senate's movements are not controlled either by rain or sunshine.

Mr. WHITE. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. WHITE. I think I should say a word about the matter of the Senate being in session 6 hours. I am the guilty person who first mentioned the fact that we had been here for 6 hours, and if the Senator from Kentucky ran into a pitfall by saying 6 hours, I wish to acquit him, and take my part of the blame.

Mr. BARKLEY. I thank the Senator. When I hear of pitfalls I think of an old friend of mine down in Paducah. He said he had a dog which used to be brought into town under the wagon every time he came in to sell his crops, and the boys around town would catch the dog and tie a tin can to his tail to see him run and howl. Finally the dog got so used to it that everytime he came to town and saw a tin can on the sidewalk he backed up to it. [Laughter.] So, when I see a pitfall of any sort I just back up to it and allow myself to get into it. [Laughter.]

Mr. MAGNUSON. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. MAGNUSON. I wanted to ask the majority leader whether on tomorrow, after the bill now pending shall have been disposed of, and after the important tax matter which the Senator from Georgia will bring up shall have been disposed of, some of us in the Senate will have an opportunity to bring up certain measures by unanimous consent which our committees have directed us to present. Will the Senate be in session Friday?

Mr. BARKLEY. I hope we may be able to have a call of the calendar for the consideration of bills before the recess starts.

Mr. MAGNUSON. I was afraid that if we did not have an opportunity to consider other bills this week, and we take up the charter next week, we would not have an opportunity to have other matters considered.

Mr. BARKLEY. No. I should like to dispose of all urgent matters this week so that when we begin considering the charter next week we will have the decks cleared for that purpose.

Mr. MAGNUSON. Then the Senate can just as well have a session on Friday?

Mr. BARKLEY. The Senate will be in session Friday, and perhaps Saturday, if necessary.

A JEWISH HOMELAND IN PALESTINE

Mr. MEAD. Mr. President, I ask unanimous consent to have inserted in the RECORD as part of my remarks a letter signed by the chairman of the American Jewish Trade Union Committee for Palestine, and also a memorandum entitled "American Labor Memorandum on Jewish Palestine."

Mr. President, succinctly stated, the memorandum calls for the elimination of all restrictions on the free Jewish immigration into Palestine and all limitations on the right of Jews to purchase and settle the land. It calls for a definite announcement in the spirit and purposes of the Balfour Declaration and the mandate of the determination to reconstitute Palestine as a free and democratic Jewish commonwealth.

There being no objection, the letter and the memorandum were ordered to be printed in the RECORD, as follows:

AMERICAN JEWISH TRADE UNION COMMITTEE FOR PALESTINE,
New York, N .Y., July 10, 1945.

Hon. JAMES M. MEAD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MEAD: Enclosed herewith is a copy of a memorandum submitted to the President and to the Secretary of State, expressing the viewpoint of American labor on Jewish Palestine.

May we respectfully urge you to do all you can to further this program.

Respectfully yours,

MAX ZARITSKY,
Chairman.

AMERICAN LABOR MEMORANDUM ON JEWISH PALESTINE

During the six long and bitter years of the war—while the Jews of Europe were being systematically exterminated by Nazi bestiality—immigration into Palestine was for periods completely shut off by the British administration, and when permitted, restricted to a bare minimum at best. While millions of Jews were being massacred, not more than ten or twelve thousand were permitted to enter Palestine each year since the promulgation of the Chamberlain white paper in 1939. Today the certificates of immigration have been exhausted and still the doors of Palestine are closed to the hundreds of thousands who are waiting in the desperate hope of at last finding rest from their wanderings and of attaining permanent security of mind and body in the Jewish homeland.

There is no valid economic reason for keeping the Jews out of Palestine. During the last 25 years Jews all over the world have bent their energies toward the upbuilding of Palestine and have poured in great resources of capital, labor, and scientific knowledge to increase the absorptive capacity of the country. The Jewish pioneers in Palestine, under the leadership of the General Federation of Jewish Labor (the Histadrut), have given the world an example of cooperative endeavor which has aroused the admiration of men of all views and of all walks of life. Palestine has been transformed from a poverty-stricken, disease-ridden backwater of the Turkish Empire into the most advanced country in the Middle East; it has become a symbol of what can be accomplished when organized labor is united with public-spirited capital. What has been achieved is merely the beginning of the development of unprecedented possibilities in bringing back to Palestine its ancient productiveness and in restoring to the Middle East generally its former position as a great center of culture and civilization.

The economic and social advances in Palestine, made possible by the Jewish endeavor, have been reflected in the life of all its inhabitants. The general population has more than doubled, and the growth of the Arab population has in fact been larger than the Jewish. Due to the remarkable reduction in the Arab death rate resulting from the improved conditions, the rate of natural increase among the Moslem population of Palestine is probably among the highest in the world; in fact, higher than officially recorded in any other country. In wages and conditions of labor, in standards of health, and in educational opportunities, the Arab community in Palestine presents a remarkable contrast to the lagging social conditions of the neighboring Arab countries whose political rulers are concerned with nothing so much as with retaining their hold on the exploited Arab masses.

Labor organizations throughout the world have all along recognized the justice of the Jewish cause in Palestine. They have been resolute in their demand for a repudiation of the 1939 white paper policy and for an honest fulfillment of the pledges made to the Jews in the Balfour Declaration and in the Palestine Mandate. At its sixty-fourth annual convention held in November 1944 in New Orleans, the American Federation of Labor called upon the Government of the United States "to take speedy and definite action on the Palestine question." In harmony with the bipartisan measures then before both Houses of Congress, the AFL resolution on Palestine called for "the free entry of Jews into Palestine and full opportunity for colonization, so that the Jewish people may ultimately reconstitute Palestine as a free and democratic Jewish commonwealth." The Congress of Industrial Organizations, meeting at the same time in Chicago, likewise urged that "steps be taken to effect the immediate rescue of the Jews in Axis-dominated countries" and appealed to Great Britain for the "unequivocal removal of the white paper policy and the full implementation of the Balfour Declaration toward the ultimate establishment of a Palestinian Jewish commonwealth in accordance with the principles of democratic action."

The British Labor Party at its convention in June 1944 accepted the resolution of its executive committee which called upon the British Government for an end to conflicting policies and halting halfway measures. It urged that Jewish immigration into Palestine be permitted in such numbers as would enable the Jews to become a majority, and that the boundaries of Palestine be extended so that once for all a decisive solution of the Jewish problem would become possible. The Liberal Party at its annual conference held in February 1945 emphatically declared that "both British honor and British interest required His Majesty's Government to reverse the policy laid down in the white paper of May 1939 regarding Palestine and to carry out faithfully the obligations under the mandate and the Balfour Declaration." Other liberal and labor parties, the British Commonwealth Party and the Socialist Parties, made declarations in the same vein. The International Trade Union Conference held in London in February 1945, with delegates from 38 national trade union organizations and with strong representation from England, the United States, France, and Russia, likewise made an unequivocal declaration calling for the fulfillment of the Balfour Declaration and the establishment of the Jewish National Home.

Labor opinion in the United States is but a firmer expression of a general American attitude voiced by the public at large and by American statesmen and legislators. From the time of President Wilson, who played a creative role in obtaining the Balfour Declaration, every succeeding President has reiterated upport for the Jewish national home. In 1922, shortly before the approval of the Palestine Mandate by the League of Nations, the Senate and the House of Representatives in a joint resolution expressed themselves, in the language of the Balfour Declaration, in favor of the establishment in Palestine of a national home for the Jewish people. Although the United States was not a member of the League of Nations, it became party to the terms of the mandate through the Anglo-American Convention of 1924, in accordance with which our Government consented to the administration of Palestine by Great Britain.

On March 9, 1944, President Roosevelt gave assurance that "the American Government has never given its approval to the white paper of 1939, and expressed the belief that full justice would be done in the matter of the Jewish national home.

The traditional American position on the Palestine question has been reaffirmed and strengthened during the past year by planks included in the platforms of both the Democratic and Republican Parties and by President Roosevelt's statement of October 15—historic pronouncements pledging support for the Jewish people's aim to reconstitute Palestine as a free and democratic Jewish commonwealth.

In line with long standing American public policy, in harmony with the liberal and labor opinion throughout the world, and not least, in a sense of kinship with the Jewish people, with its need and destiny, we of the American Jewish Trade Union Committee find ourselves in profound sympathy with Jewish aspirations in Palestine. In April 1944, in behalf of hundreds of thousands of workers in the United States, members of both the AFL and the CIO, we made a solemn declaration denouncing the white paper, appealing to the American Government for action, and urging Congress to adopt the Palestine resolution. Today, in this historic hour, when the general structure of international security has been outlined and the fate of the nations of the world is about to be decided, we again stand united in an appeal that the pledge to the Jewish people be fulfilled and that the remnant of Israel in Europe be saved. We call upon the leaders of the United Nations no longer to neglect the pressing Jewish need, and we appeal for an immediate decision on Palestine on the two minimum requisites of any solution of the Jewish problem:

1. To abolish without further delay all restrictions on free Jewish immigration into Palestine and all limitations on the right of Jews to purchase and settle the land;

2. To make simultaneously a definitive announcement, in the spirit and purpose of the Balfour Declaration and the mandate, of the determination to reconstitute Palestine as a free and democratic Jewish commonwealth.

JULY 5, 1945.

Mr. MEAD. Mr. President, this is an appropriate hour, while the Big Three are in conference, to ask for the fulfillment of the intent and the purposes of the Balfour Declaration of the League of Nations Mandate for Palestine and of the 1924 convention between the United States and Great Britain, all of which were intended to create in Palestine a national homeland for the Jewish people.

Mr. President, this is the appropriate hour to urge the free immigration of Jews into Palestine under the direction of the Jewish agency for Palestine.

This is the appropriate hour to withdraw the White Paper of 1939 and to restate our faith in the policy adopted by Congress in 1922, as contained in an approved House and Senate joint resolution, and again in 1924 by the Anglo-American convention.

Mr. President, I also ask unanimous consent to have printed at this point as a part of my remarks a statement made by the late President Franklin D. Roosevelt on October 15, 1944, bearing on this subject, as well as excerpts from the platforms of the Republican National Convention and the Democratic National Convention.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

I know how long and ardently the Jewish people have worked and prayed for the establishment of Palestine as a free and democratic Jewish commonwealth. I am convinced that the American people give their support to this aim. Efforts will be made to find appropriate ways and means of effectuating this policy as soon as practicable. (President Franklin D. Roosevelt, October 15, 1944.)

In order to give refuge to millions of distressed Jewish men, women, and children driven from their homes by tyranny, we call for the opening of Palestine to their unrestricted immigration and land ownership, so that in accordance with the full intent and purpose of the Balfour Declaration of 1917 and the resolution of a Republican Congress in 1922, Palestine may be constituted as a free and democratic commonwealth. (From the platform of the Republican National Convention adopted at Chicago, June 27, 1944.)

We favor the opening of Palestine to unrestricted Jewish immigration and colonization, and such a policy as to result in the establishment there of a free and democratic Jewish commonwealth. (From the platform of the Democratic National Convention adopted at Chicago, July 24, 1944.)

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. LUCAS (for Mr. PEPPER), from the Committee on Patents:

Casper Ooms, of Illinois, to be Commissioner of Patents.

By Mr. GEORGE, from the Committee on Finance:

Sundry candidates for appointment and promotion in the Regular Corps of the United States Public Health Service.

By Mr. BILBO, from the Committee on Commerce:

Rear Admiral Frank J. Gorman, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard to rank from the 30th of June 1942, while serving as chief planning and control officer, or in any other assignment for which the rank of rear admiral is authorized;

Commodore Wilfrid N. Derby, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, First Naval District, or in any other assignment for which the rank of rear admiral is authorized;

Commodore Raymond T. McElligott, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as assistant chief personnel officer, or in any other assignment for which the rank of rear admiral is authorized;

Commodore William K. Scammell, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Twelfth Naval District, or in any other assignment for which the rank of rear admiral is authorized;

Capt. William F. Towle, United States Coast Guard, to be a rear admiral for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Eleventh Naval District, or in any other assignment for which the rank of rear admiral is authorized;

Capt. Michael J. Ryan, United States Coast Guard, to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Sixth Naval District, or in any other assignment for which the rank of commodore is authorized;

Capt. Ellis Reed-Hill, United States Coast Guard, to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as Chief, Public Relations Division, or in any other assignment for which the rank of commodore is authorized;

Capt. John E. Whitbeck, United States Coast Guard, to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Seventh Naval District, or in any other assignment for which the rank of commodore is authorized;

Capt. Edward M. Webster, United States Coast Guard (retired), to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as Chief, Communication Division, or in any other assignment for which the rank of commodore is authorized;

Capt. William H. Barton, United States Coast Guard, to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Tenth Naval District, or in any other assignment for which the rank of commodore is authorized; and

Capt. Beckwith Jordan, United States Coast Guard, to be a commodore for temporary service in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Ninth Naval District, St. Louis, or in any other assignment for which the rank of commodore is authorized.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the matters on the Executive Calendar.

TREATIES

The legislative clerk proceeded to state the treaties on the calendar.

Mr. BARKLEY. I ask that the treaties on the calendar go over.

The PRESIDENT pro tempore. Without objection, the treaties will go over.

WAR MOBILIZATION AND RECONVERSION

The legislative clerk read the nomination of John W. Snyder, of Missouri, to be Director of War Mobilization and Reconversion for a term of 2 years.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SOCIAL SECURITY BOARD

The legislative clerk read the nomination of Arthur J. Altmeyer, of Wisconsin, to be a member, Social Security Board, for a term expiring August 13, 1951.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

That completes the executive calendar.

Mr. BARKLEY. I ask that the President be notified immediately of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until tomorrow, Thursday, July 19, 1945, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 18 (legislative day of July 9), 1945:

WAR MOBILIZATION AND RECONVERSION

John W. Snyder to be Director of War Mobilization and Reconversion for a term of 2 years.

SOCIAL SECURITY BOARD

Arthur J. Altmeyer to be a member of the Social Security Board for a term expiring August 13, 1951.

POSTMASTERS

ARIZONA

Julia S. Story, Bagdad.

MISSISSIPPI

Myrtle I. Duncan, East Tupelo.
Thelma Keown Fisher, Louise.

NEW YORK

Raymond E. Byrne, Firthcliff.
Arthur E. Pellerin, Saranac.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JULY 18, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, we would begin each day with a greater faith in Thee, continue all its hours in Thy loving favor, and end it with the benediction of Thy peace.

Fill us with a reverent and receptive spirit that we may receive the revelations and assurances that shall make us calm and courageous and inspire us to look out upon life with new vision and hope.

Grant that in all our choices and decisions we may endeavor to blend our wills with Thine and be lifted above our own vain and selfish wishes.

Give us a steadfast heart which no unholy affection can ever drag down. May we have a mind that is impervious to every evil thought. Gird us with a will that is invincible and which no unworthy desire can tempt or turn aside.

Hear us in the name of the Christ who is the great captain of our salvation. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 228. Joint resolution to amend the District of Columbia Teachers' Salary Act of 1945.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers in the following departments and agencies:

1. Department of the Navy.
2. Department of the Treasury.
3. Department of War.
4. Federal Security Agency.
5. National Archives.
6. Office of Inter-American Affairs.
7. Office of War Information.
8. Selective Service System.
9. War Manpower Commission.

Mr. McCORMACK. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

Mr. RANKIN. Mr. Speaker, I know what that resolution is, and I am going to ask the gentleman to withhold it. I do not want to make a point of no quorum, but we have some legislation here that is vitally necessary.

In the first place, I think we ought to take recesses 3 days at a time if we do anything. I have two veterans' bills that I am trying to get through. One of them is the amendment to the GI bill, straightening out some features of the measure that are vitally necessary to be straightened out if these young men who are returning to their homes are to get the benefit of what Congress thought it was providing in the GI bill last year. Another bill is to protect these men in the right to work without paying tribute—that is the first freedom.

In addition to that we have found that from every section of the country there are coming in protests concerning the activities of the OPA. In the section of the country in which I live, with its policy of scarcity, the OPA is preventing the people from preserving their fruit and berries for want of sugar.

Protests are coming in today also that they are absolutely keeping dairy farmers from getting feed and that people generally are unable to get meat.

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The SPEAKER. Will the gentleman from Massachusetts withhold his resolution temporarily?

Mr. McCORMACK. I withhold it for the time being.

Mr. COX. I am acquainted with the measures to which the gentleman from Mississippi refers. I am for both bills which he mentions, but I am confident it is impossible to get consideration under the existing circumstances. It just happens that there is not a sufficient number of members of the Rules Committee present to enable us to get a quorum. If the gentleman could find it agreeable to himself to withhold this matter and to let it go over until the House reconvenes, I promise him as a member of the Committee on Rules that I will, to the extent of my ability, endeavor to get him a rule on both bills.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield.

The SPEAKER. Without objection, the gentleman from Georgia may proceed for an additional minute.

There was no objection.

Mr. RANKIN. Let me say to the gentleman from Georgia that there is no hurry about our getting away from here; the Senate is going to stay. It would not take 2 hours to pass this bill, and you do not have to have a quorum of the Committee on Rules if nobody makes a point of no quorum.

Mr. COX. But when you got the bill up in the House you might be faced with the same situation that faces us today.

Mr. RANKIN. We already have 2,000,000 of these servicemen returned, and today they are not getting the benefits we thought we provided for them. They are denied the opportunity to work for a living. When these Members get home, they are going to wish to God they were back here unless these four things I have mentioned are straightened out. It will not take long.

I hope the gentleman from Massachusetts will not be in too big a hurry about adjourning the Congress, but will withhold that motion for a few days until we can get some votes on this legislation.

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. If the chairman, of course, brings up the GI bill, I am sure there would be absolutely no objection on the part of anyone in the House to the consideration of it.

The SPEAKER. The gentlewoman need not make that request because the Chair is not going to recognize her for that purpose.

Mrs. ROGERS of Massachusetts. There is also legislation on behalf of the amputees which is a very vital matter and there will be no objection to that.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the practical situation that confronts the House is that so far as one of the bills referred to by the gentleman from Mississippi is concerned and the one referred to by the gentlewoman from Massachusetts is concerned, neither bill is out of the committee, as I understand it.

Mr. RANKIN. Oh, yes. It was reported yesterday.

Mr. McCORMACK. It seems to me that that bill does not include the provisions of the other bill the gentleman referred to, as I understand it. It seems to me that the bill might well be considered and the necessary steps taken, as is done in connection with many bills, to see if it can be brought up by unanimous consent. Of course, so far as the other bill is concerned, the gentleman knows that cannot be brought up except under a rule. Without going into the merits or the demerits of it, I am simply taking the practical situation into consideration. Of course, I will not press at this time the resolution. The mere fact that the gentleman, or anyone else, has requested that it be held up, and that applies to a Member on either side of the aisle, would be sufficient for me to withhold it upon the mere request. But we have completed our work. The Bretton Woods bill will be passed and the Export-Import Bank bill will probably pass the other body, and so far as we are concerned we are caught up with our work. With the exception of the bill the gentleman referred to which is controversial, and the bill that the gentlewoman from Massachusetts has referred to, it seems to me unanimous consent might well be attempted on that bill.

Mr. RANKIN. Mr. Speaker, will the gentleman yield to permit me to make a unanimous-consent request?

The SPEAKER. The Chair is not going to recognize anyone to propound a unanimous-consent request on a bill about which the Chair knows nothing. The Chair does not know what the bill is.

Mr. McCORMACK. Mr. Speaker, I would suggest the usual procedure, that the minority members of the gentleman's committee be consulted, and the majority and minority leadership. Every bill has to go through the same procedure upon unanimous consent request. I can assure the gentleman so far as I am concerned in reference to the bill that the gentlewoman from Massachusetts has in mind, I have no objection. I would give my approval to unanimous consent being attempted.

Mr. RANKIN. I was going to move to suspend the rules, if I might be recognized later this afternoon or in the morning, to pass the bill with certain amendments the committee has agreed to. That has been done time and time again.

Mr. McCORMACK. The Speaker has not the authority this week to do that, but the matter can be met.

Mr. RANKIN. By unanimous consent it can be done.

Mr. McCORMACK. That can be met. But there is a certain procedure the gentleman knows about and I suggest in relation to that bill the gentleman follow it up to see what we can do.

Mr. RANKIN. Suppose the gentleman withhold his resolution?

Mr. McCORMACK. I intend to do that. I would do that upon the request of any Member of the House on either side of the aisle without the assignment of any reason because if any Member made that request I assume he would have a justifiable reason for it.

Mr. RANKIN. I want a vote on this bill, whether it passes or not. I want the bill considered by the House and disposed of, then I shall not make any point of order. I am talking about the amendment to the GI bill. The other bill is controversial; we are going to have a fight over it and I do not care to stir up a fight over it at this time, because there is not a quorum here. I do not believe there will be any votes against this other bill that I have in mind. On the other bill there will be controversy.

Mr. McCORMACK. I agree with the gentleman and I personally am in agreement on the other bill and I think we can work that out.

Mr. RANKIN. I will confer with the gentleman.

MARKETING OF FIRE-CURED AND DARK AIR-CURED TOBACCO

Mr. FLANNAGAN. Mr. Speaker, I call up the conference report on the bill (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, and I ask unanimous consent that the statement of the managers be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement of the Senate and agree to the same.

J. W. FLANNAGAN, Jr.
HAROLD D. COOLEY,
EARLE C. CLEMENTS,
Managers on the Part of the House.
ELMER THOMAS,
THEO. G. BILBO,
TOM STEWART,
ARTHUR CAPPER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying report:

The purpose of the resolution as passed by the House was to enable the growers of fire-cured and dark air-cured tobacco to vote as to whether they desired to have a quota placed upon the production of these two types of tobacco. After the resolution passed the House, the growers of flue-cured, burley, fire-cured, and dark air-cured tobacco met for the purpose of considering the entire tobacco picture and, among other things, this meeting resulted in the unanimous proposal that legislation should be brought about that would bring a fairer price relationship between burley and fire-cured and dark air-cured tobacco. Accordingly, the Senate, after considering the matter, amended the resolution by adding section 2, which reads:

"SEC. 2. Notwithstanding any other provision of law, the Commodity Credit Corporation is authorized and directed, beginning with the 1945 crop, to make available upon any crop of fire-cured, dark air-cured, and Virginia sun-cured tobacco, if producers have not disapproved marketing quotas for such tobacco for the marketing year beginning with the calendar year in which such crop is harvested, loans or other price support at, in the case of fire-cured tobacco, 75 per centum of the loan rate for burley tobacco for the corresponding crop and, in the case of dark air-cured and Virginia sun-cured tobacco, at 66⅔ per centum of such burley tobacco loan rate."

This section, it is thought, will go a long way toward maintaining the true price relationship that should exist between burley tobacco and fire-cured and dark air-cured tobacco, and thus, it is hoped, stabilize the price of fire-cured and dark air-cured tobacco.

J. W. FLANNAGAN, Jr.,
HAROLD D. COOLEY,
EARLE C. CLEMENTS,
Managers on the Part of the House.

Mr. FLANNAGAN. Mr. Speaker, some 2 or 3 months ago a resolution was introduced in the House giving the fire-cured and dark air-cured tobacco growers the right to determine whether or not they desired quotas. Prior to the introduction of the resolution the growers of these two types of tobacco met and unanimously agreed that in order to protect the growers, quotas were necessary. The resolution was referred to the Committee on Agriculture, and after hearings a unanimous report was made, and the resolution passed the House by unanimous vote. It then went to the Senate. Before the resolution came up before the Senate for consideration, the growers of fire-cured and dark air-cured tobaccos met with their Representatives here in Congress and asked that the loan value on these two types of tobacco be increased. Accordingly, the matter was presented to the Senate Committee on Agriculture and, after hearings, the Senate committee reported the resolution with an amendment to increase the loan values on these two types of tobacco. The Senate adopted that amendment by a unanimous vote, the resolution came back to the House, and conferees were appointed. After considering the Senate amendment, the majority of the House conferees agreed to the Senate amendment.

I call the attention of the Members of the House to the fact that the tobacco program has been the most successful agricultural program ever inaugurated in this country. It works. If this House will continue to leave the tobacco problems to the tobacco growers and their Representatives in the Congress it will continue to work. The success of the program has been due to the fact that not a single piece of tobacco legislation has ever been brought before this body or the other body until unanimous agreement had been reached among the growers of the different types of tobacco and among the Representatives in Congress from the districts growing those different types of tobacco.

Mr. CHAPMAN. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Kentucky.

Mr. CHAPMAN. Is it not true that all of the representatives of tobacco-producing areas have agreed that they are opposed to any change in the method of calculating parity, but that this is a proposal that is necessary in order to bring about and maintain a fairer and more equitable relationship between dark tobacco and burley tobacco, the two types that are grown in contiguous territory, especially during this period of transition from war to peace?

Mr. FLANNAGAN. I think that statement is absolutely correct. There is no disposition on the part of either the growers or the representatives of the growers to change what is known as the parity formula. We think that if the parity formula is changed—and a lot of us are of the opinion that it should be revised—it should take place only after extended hearings going into the whole parity picture. We tried our best to keep from disturbing in any way what is known as the parity formula by establishing a better price relationship between the dark-fired tobacco and air-cured tobacco on the one hand and the burley tobacco on the other hand. That is all this legislation will do.

I want to impress again on the Members of the House that before this amendment was introduced in the Senate the tobacco growers from the burley Tobacco Belt, from the flue-cured Tobacco Belt, and from the dark-fired and air-cured Tobacco Belt met here in Washington with the officials of the Department for 3 days. After consulting with the Department heads they asked for a meeting with their representatives in Congress. The meeting was held.

At this meeting certain recommendations were made to the representatives, among them the establishment of a fair and just price relationship between burley tobacco and the dark types of tobacco. This recommendation resulted in the Senate amendment.

Mr. CHAPMAN. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from Kentucky.

Mr. CHAPMAN. Is it not true that it was also found when these representatives of the different types of tobacco held their 3-day session in Washington that the cost of producing dark tobacco is now much in excess of the present parity? Is that not a fact?

Mr. FLANNAGAN. That is true. If we adopt the loan provision provided for in this amendment it will maintain the price relationships that has existed more or less over the years between burley tobacco and the dark air-cured and fire-cured tobacco.

I hope it will be the pleasure of the House to approve the conference report.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. FLANNAGAN. I yield to the gentleman from North Carolina.

Mr. FOLGER. I notice in the statement reference is made to fire-cured tobacco.

Mr. FLANNAGAN. Yes, sir.

Mr. FOLGER. Is that distinguishable entirely from flue-cured tobacco?

Mr. FLANNAGAN. That is an entirely different type of tobacco.

Mr. FOLGER. And it is so understood?

Mr. FLANNAGAN. It is so understood and so recognized, not only by the growers but by the Department of Agriculture.

I now yield 20 minutes to the gentleman from Kansas [Mr. HOPE].

Mr. HOPE. Mr. Speaker, this may appear to be a comparatively unimportant piece of legislation, but in my opinion its effect may be far-reaching. For that reason I have felt that the measure should not be brought up and disposed of on short notice without at least some opportunity being given to the membership of the House to be informed of some of the dangers which are inherent in it.

This bill, as the chairman has said, passed the House several months ago as a measure which would permit a different formula to be used in determining whether or not tobacco producers should be entitled to vote upon quotas for certain types of tobacco. It was reported out of the Committee on Agriculture, and it passed the House unanimously. It went to the Senate and was there for several months. Last week it was passed by the Senate with an amendment which very substantially changed the character of the legislation. It is to that amendment that I wish to address myself.

The bill came back to the House. It was sent to conference. A majority of House conferees agreed to the Senate amendment. The bill has now been reported by the conference committee. The Senate has adopted the conference report so that no disposition can be made of the bill, as far as the parliamentary situation is concerned, except to vote the conference report up or down. I think, under the circumstances, that the report should be voted down.

The Senate amendment provides for loans for certain types of tobacco at rates which are far higher than parity. Under the AAA Act of 1938, provision is made for loans on certain basic commodities, and there have been changes made at various times, increasing the percentage of parity upon which those loans might be made. But up until this time we have never permitted loans to be made at a higher rate than 90 percent of parity on any commodity with the exception of cotton, where the rate is now 95 percent of parity.

Mr. PACE. Will the gentleman yield?

Mr. HOPE. I yield.

Mr. PACE. Ninety-two and one-half percent.

Mr. HOPE. I stand corrected. The loan rate has been increased to 92½ percent on corn and wheat. But that is the highest we have permitted loan rates, with the single exception of cotton, and the loans have all been based upon a certain percentage of the parity price of that particular commodity.

This bill provides that certain types of tobacco, namely, fire-cured and dark air-cured and Virginia sun-cured tobacco, shall be eligible to receive loans at a rate which, in the case of fire-cured tobacco, is approximately 140 percent of parity; in the case of dark air-cured tobacco it is 165 percent of parity; in the case of the Virginia sun-cured tobacco it is about 112 or 113 percent of parity.

Mr. FLANNAGAN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I prefer not to be interrupted at this time. I will be glad to yield to my chairman a little later.

At this particular time there is no group of farmers in the country more prosperous than tobacco producers. Prices are more than double what they were before the war began and the total income of tobacco producers for 1944 was over three times what it was in the year 1940. They have never been more prosperous than they are at the present time. The price of the types of tobacco covered by this particular legislation is at this time higher than the loan rate would be if we passed this resolution. So there is no distress, no situation which is of an emergency nature and which needs to be cured at this particular time.

It is true, the first part of this legislation, the part calling for a referendum upon quotas might be said to be needed, but I call your attention to the fact that the Senate committee amended the bill so that it does not apply to the tobacco crop for this year. It applies to next year's crop, and thus there is a full year in which an election can be held to determine whether or not the producers want quotas upon these types of tobacco. So there is no emergency from that standpoint.

What I think we should do with this bill is to vote down the conference report. Then when we come back here next fall let the Committee on Agriculture go into this whole situation and consider this proposal, which has never been considered by that committee, which has never been considered by the House and which has been considered only perfunctorily by the Senate, and go into the whole question at a time when it can be considered fully and completely.

Mr. MONRONEY. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield.

Mr. MONRONEY. I think the gentleman's position is that by this quick, speedy, ill-considered action we are apt to deprive the farmers who raise 95 percent of the farm commodities of the very desirable and necessary goals of the support price program, by going 140 or 150 percent above parity on a one-crop proposition.

Mr. HOPE. Yes; that is one of the important questions that is involved in this legislation.

Mr. FLANNAGAN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield briefly to the gentleman.

Mr. FLANNAGAN. This legislation does not in any way disturb what is known as the parity formula; it is designed only to bring relief to the stricken tobacco growers in the dark air-cured and fire-cured tobacco districts.

The gentleman's statements with reference to the increase in tobacco prices is far from correct. Tobacco prices have not advanced as the gentleman would have you believe, and the tobacco prices in the dark-fired and air-cured districts have not gone up in proportion to the increase in the flue-cured and the burley types.

Mr. HOPE. I will be glad to go into that very shortly.

Mr. SMITH of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. Can the gentleman tell me whether or not the tobacco situation in Wisconsin is affected by this proposed amendment?

Mr. HOPE. No; your type of tobacco is not affected in any way by this amendment. Now as to price, the fact of the matter is that contrary to what the gentleman from Virginia just said, the price of tobacco has gone up very materially since the war began. Statistics furnished by the Department of Agriculture show that the income of all tobacco producers, and I am not differentiating between types, has increased from $234,457,000 in 1940 to $814,956,000 in 1944. A very large part of this increase was due to price increases, although there was also an increase in production. That brings me to the question of the relationship between tobacco prices, because it has been asserted here that this measure is an effort to bring about a better relationship between tobacco prices. The fact of the matter is that this legislation is an effort to do away with a relationship in tobacco prices which has always existed. That relationship is reflected in parity prices. The parity price of burley tobacco is 32 cents, whereas the parity price of the fire-cured types is 15. This relationship between the two types has always prevailed. There have been many efforts made during the time that the parity formula has been in effect to find some period which would give fire-cured tobacco a higher parity price and, as a matter of fact, Congress has passed special legislation for this purpose so that the period in which we determine parity prices for this type of tobacco is from 1919 to 1928; whereas, the parity price for all other commodities, except tobacco, is based upon the 1909 to 1914 period. We gave these growers a new period so they could get a better parity price. In the case of some tobaccos, notably burley, parity price is based upon another period, that between 1934 and 1938 so as to give that type of tobacco the most advantageous period. We have not done that for any other commodity. Tobacco is the one exception. No commodity has been treated better by Congress than tobacco, and I do not believe there is anyone who can challenge that statement. It has been the subject of special legislation all the way through.

It is contended here that because those who are interested in the production of tobacco have gotten together and all of them have agreed on a piece of legislation we should pass it. I suppose that by the same token if the brokers on the stock exchange in New York got together on some amendment they wanted made to the Securities and Exchange Act that we ought to say, "Well, that is fine, they have gotten together; now let us pass their bill." And if the bankers of the country got together on an amendment they wanted to the banking laws we ought to pass the amendment simply because they had gotten together on a program. My observation has been that when any particular group or class in this country gets together on something they get together on something for their own particular benefit. While it might be a good thing for them it does not necessarily follow that it is a good thing for the rest of the country. So I think that statement has to be taken with a grain of salt as an argument for the enactment of this legislation.

If we pass this legislation we are going to do a very unsound and a very uneconomic thing from the standpoint of tobacco production. The price of this type of tobacco has always been far below some other types. It has always been less than half the price of burley, for example, or Southern Maryland or some of the higher-priced tobaccos. This price relationship has been maintained throughout the years. It is maintained in the parity price because parity is based upon past price relationship.

The reason that this disparity in price exists is because there is a great demand for burley, which is a cigarette tobacco. The cigarette industry has expanded greatly, the production of burley has expanded to a considerable degree and the price of that type of tobacco is high. The type of tobacco covered by this bill is export tobacco. The demand is going down all the time for we are losing our export market. The logical and natural thing for the farmers who are producing this type of tobacco to do is to go into the production of some type of tobacco which is in demand and which is needed.

The effect of this legislation is to guarantee a higher price upon a type of tobacco for which the demand is diminishing. The real motive behind it is not particularly to help the producers of this type of tobacco. The purpose is to help burley tobacco producers who do not want the producers of these other types of tobacco to get into the production of burley. That is the real basis for this legislation.

I can understand why burley producers do not want producers of other types of tobacco going into the production of burley. They have a good thing and they want to hold on to it. They already have what amounts to a monopoly under the marketing quota provisions of the 1938 AAA Act. If you do not have a quota you cannot produce unless you pay a very heavy penalty. It is not only a closed-shop proposition but it is

a closed shop with a closed union. You cannot produce unless you have your quota and you cannot get a quota unless you buy or rent land that has a quota attached to it.

Mr. FLANNAGAN. Mr. Speaker, will the gentleman yield?

Mr. HOPE. I yield to the gentleman from Virginia.

Mr. FLANNAGAN. The gentleman should not misrepresent the tobacco program. The burley-tobacco program is the same tobacco program as the flue-cured people have and every other type of tobacco grower has that comes under the act. It is not a closed corporation. There is no monopoly. A national allotment is set aside every year for new growers and to bring up the acreage of all the growers who have the facilities to produce more tobacco.

Mr. HOPE. I will go into that. It lacks this much of being an absolute iron-clad, closed union in a closed shop. That is, that each year 5 percent of the acreage is left to be distributed to new growers if they come in and take advantage of it. To that extent it is not quite a closed shop. But now the complaint is being made that outsiders are coming in. They want to close up a little tighter. They say outsiders are taking advantage of this 5 percent. Proponents of this legislation say, "New people are coming in and raising burley tobacco, and we want to keep them out by making it more profitable for them to produce other types of tobacco. We want to do it at the expense of the United States Treasury and the United States taxpayers, by putting the loan rate up high enough to guarantee to them that they will get higher prices if they produce these other types of tobacco."

I have discussed the economic phase of this matter. I have discussed the fact that there is no real need for this legislation at this particular time. Now, I want to go into what I think is an equally important matter, and that is the precedent that we are setting up if we pass this legislation. What argument could anyone make if the producers of any other commodity come in and say, "We are not satisfied with our prices; we want Government loans at a higher rate"?

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. FLANNAGAN. Mr. Speaker, I yield the gentleman two additional minutes.

Mr. HOPE. What answer could I make or could the able chairman of the Committee on Agriculture make if producers came in and said, "Now, you have broken the precedent; give us loans at a rate which is comparable with those on fire-cured tobacco."

We have heard a lot of talk about inflation during these last 2 years. We are told we must hold the line. We have not had any legislation which would go any further toward breaking the line than this legislation putting a support price on commodities far above parity. We have support prices on some food commodities where we are trying to stimulate production at higher rates than that, but this is on a commodity where there is no place for increased production. We are not trying to stimulate the production of this type of tobacco. It ought to be reduced, because it is a type for which there is less demand. The export market is being lost, and these producers ought to go into the production of other types of tobacco or other farm crops. Now that is the situation.

I am very sorry to have to oppose my friends from the tobacco sections on this legislation. I have gone along with their program in the main, and I supported and cooperated to get their bill through originally in this House last February—this particular bill. But it has gone too far when they add this provision on it which breaks the line as far as inflation is concerned and sets a precedent which is bound to plague us in the future when it comes to determining loan rates and support prices on agricultural commodities.

I think the report should be voted down and the Committee on Agriculture given an opportunity at a later date to go into this question and consider it thoroughly.

Mr. FLANNAGAN. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia [Mr. ELLIS].

Mr. ELLIS. Mr. Speaker, I take this time to inform the House that I represent possibly all the counties in my State that raise burley tobacco. I think that statement is true. We raise a tremendous quantity of burley tobacco.

The information from my tobacco growers is that this resolution is very necessary to prevent possibly a chaotic condition coming about in the tobacco industry. The burley growers have no direct interest in the dark types of tobacco but are indirectly interested in that there is a sort of relationship among all the types, such a relationship as possibly does not exist in connection with any other crop in this country. Besides, there is also a tendency on the part of growers in some areas to switch from one type to another as prices are up or down; this throws the relationship and production out of balance.

If, as I believe, the price of dark-fired tobacco can be stabilized under this resolution, then this situation will be corrected and the dark-fired grower will continue to grow his own type of tobacco, which through the long years of his experience he is well qualified to do.

Mr. Speaker, I favor this resolution and hope the House in its wisdom will see fit to pass it.

Mr. FLANNAGAN. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, I am informed by the gentleman from Virginia [Mr. FLANNAGAN], the chairman of the Committee on Agriculture, that this proposed increase in loans on this type of tobacco will not affect the price of tobacco that goes into the manufacture of cigars and cigarettes. Nevertheless, I feel that we may be setting a bad precedent, as the gentleman from Kansas [Mr. HOPE] has stated, in permitting such large loans to be made far above the parity prices on tobaccos, and later it may come to plague us on other agricultural products.

The gentleman states that the tobacco growers have made more money and are more prosperous than any other growers in the United States. I know that tobacco growers are generally regarded as very prosperous, but whether these growers raising this particular grade of tobacco are in that category I do not know. The gentleman from Virginia [Mr. FLANNAGAN], in whom I have the utmost confidence, informs me that the tobacco growers who raise the cheaper grade of tobacco are really hard up and need the assistance and aid that is proposed in this bill.

Mr. FLANNAGAN. They are, and they have had a minimum of help from this tobacco program. They have had in the past year 15 cents on that tobacco, and every grower has lost money. All of this tobacco is grown by a small group. If any class of people in America needs help, it is these dark-fired tobacco growers.

Mr. SABATH. As I stated, I have the utmost confidence in the gentleman from Virginia, whose honesty and integrity is appreciated by the membership and who has never misled the House in expressing his views on legislation but, unfortunately, the cost of tobaccos going into the manufacture of cigars is so exceedingly high that today a cigar that formerly was priced to the consumer at a nickel is selling for 12 and 15 cents. I wonder what old Tom Marshall, late Vice President, would say if he were with us today. His plea for a good 5-cent cigar was Nation-wide and tobacco smokers enjoyed them at that price, but today one cannot even get a good cigar for 15 cents. It is the usual thing today to go in any store and see them priced at 25 cents, 28 cents, 33 cents, and even 55 and 60 cents.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I am sorry I cannot yield, but I shall pay my respects to the gentleman's section in a little while.

Personally, I shall not oppose this conference report, notwithstanding that many of the Members who sponsor this legislation invariably oppose legislation that in any way may be of interest and benefit to the people of my district or State. I have always endeavored to be broad and liberal-minded, and again, notwithstanding the fact that they are unfair in not lending their support to legislation beneficial to our sections, I shall vote with them in the hope that some day they will realize that they should at times cooperate and vote with us on matters that affect the American wage earner and the American people in general.

Mr. Speaker, I hope that cigar smokers will soon obtain relief from the prevailing high prices. Early in January I called attention to the outrageous increase in the price of cigars which, in many instances, had increased from 50 percent to 100 percent. Not only that we were obliged to pay much more for them, but they were found to contain inferior grades of tobacco and a lesser quantity of tobacco than in the sizes obtainable before the war. I sent a protest to Price Administrator Bowles at that time and I insert at this point an excerpt

from the letter which I addressed to him in which I registered by complaint:

JANUARY 10, 1945.

DEAR MR. BOWLES: * * * That cigar manufacturers are "putting it over" is stating it mildly. They are simply robbing the public. A much better grade and size cigar was obtainable at 5 cents than that to be had now at 15 cents or 3 for 55 cents. The cigars that sold for 8 cents and 10 cents are now 3 for 55 cents and the better cigars that sold for 3 for 50 cents are now 35 cents each or 3 for $1. Despite the higher prices the quality and quantity of tobacco in certain brands are inferior in quality and have a lesser quantity of tobacco than were sold a year ago. The White Owl and Phillies brand, which sold for 5 cents, are now 2 for 15 cents and 10 cents each, an increase of 100 percent in price. I fully appreciate that one cannot keep up with the changes in the names of brands, but it appears to me that the quality and quantity of tobacco going into the manufacture of the cigars should be fixed, as the name of the brand means nothing but misrepresentation, as is evidenced in the use of a lower grade of tobacco and partial use of scraps.

* * * * *

By going into these matters the Office of Price Administration will eliminate a great deal of criticism now being directed against it. In haste and in anger, I am,

Sincerely yours,

A. J. SABATH.

Mr. Speaker, I was heartened the other day when I read a release from the Office of Price Administration, dated July 6, to the effect that the OPA had filed suit against 11 Tampa, Fla., cigar manufacturers, demanding $1,858,647 in damages and asking for injunctions to restrain future price violations. The OPA reported that in some instances cigar manufacturers increased their prices as much as 90 percent. I am satisfied that besides these 11 manufacturers there are many others as equally guilty in increasing their prices above the price ceilings set. I feel that the OPA should proceed against all cigar manufacturers as well as the Tobacco Trust who have wilfully and deliberately changed brand names and substituted inferior grades of tobacco in the cigars which they now manufacture. The public should not continue to be mulchted by this avaricious group of manufacturers and is entitled to obtain a decent cigar at a decent and reasonable price.

Mr. Speaker, I must admit that the tobacco grower is not the greatest beneficiary of the high prices that are charged for cigars, but they are sharing to some extent as the gentleman from Kansas [Mr. HOPE] has pointed out in his statement that the price of tobacco is over 112½ to 200 percent above parity which means that the tobacco growers on the whole are receiving from 100 to 250 percent more in prices than prevailed before the war. However, the gentleman has refrained from alluding to the large profits enjoyed by other growers of agricultural products which I am sure equals those of the tobacco growers. And the consumer is obliged to pay and pay still higher and higher prices, and the cost of living continues to increase, despite which the beef, milk, butter, and other trusts and combinations, together with the farm organizations and farm leaders still persist in demanding higher prices and more and more in Government subsidies. The wage earners and white-collar workers receiving wages under $1,500 yearly, as well as the retired municipal, State, and Federal employees drawing retirement compensation of $100 a month, and other persons with small fixed incomes, can no longer stand an increase in cost of living and these unconscionable high prices must be reduced if they are to maintain a meager existence.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FLANNAGAN. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I wanted to interrogate the farmer from Chicago, the gentleman from Illinois [Mr. SABATH] about this tobacco business, but he did not yield. He spoke about cigars and the price of tobacco.

Now, I come from a county that grows a lot of good tobacco, and at one time we made 8 percent of the cigars of the Nation. Those were the days when John Marshall talked about a good 5-cent cigar. If the OPA and a few other Government agencies had not interfered, God knows we would still have a good 5-cent cigar.

I hold in my hand several cigars which I am now purchasing and which are made not in the black market. This is a 6-cent cigar and used to be the good York County 5-cent cigar. It is a good smoke, as I can prove by a lot of the Members of the House to whom I have given cigars from time to time. Yet the OPA and labor regulations will not permit them to be made now. An established little shop dare not raise the price, but some fellow can come in and open up a shop next door and take his help away and sell the same cigar under a different name for 40 or 50 cents each. Girls are getting $9 per day for putting cellophane on cigars. I can take a match and light this cigar. After it is started I can lay it down and take a bath and shave and have a cigar that is still burning. That is good tobacco in a well-made cigar. I can go down here to the Mayflower or Willard Hotel or any place and the cheapest cigar I can get is 28 cents, and from there on up to 72 cents. And every extra cent I have to pay for the cigar I have to have an extra match to keep it going. It takes 50 matches to keep a 50-cent cigar going. They do not smoke. The tobacco will not burn. They are no good. So if the OPA would just leave us country people alone and let us raise tobacco, meat, eggs, and chickens, and all these things which we need to keep America strong, we would have plenty of them, and of good quality. Why, I could light this cigar and show you what a nice white ash it makes. I can smoke it about half way and all that ash will still be on it. It is just exactly the kind that John Marshall and Joe Cannon and Andrew Mellon and all those great men in our national life spoke about.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield.

Mr. REED of New York. May I suggest to the gentleman that punk will burn while you are shaving.

Mr. GROSS. Yes; punk will burn.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. SABATH. When the gentleman has concluded his statement, will he kindly inform me where I can get some of those cigars which he has said can be purchased for 6 cents? I have been looking for some for a long time.

Mr. GROSS. Every time I get on my feet the gentleman takes issue with me. Yes; I am going to give you a box of them.

Mr. SABATH. I will hold the gentleman to his promise. That will be the first I will have had in a long time.

Mr. GROSS. I will give you a box. I have a box in my office, and I will see that you get them this very day.

What I want to say here is that we ought to give these tobacco growers this advance. I will admit they are probably not in dire need and do not need it so badly, just now, but they are good, honest, hard-working people who save their money. In the tough days that are ahead they will need it, because this Government does intend to keep up regimentation. They intend to bedevil and berate us, and we are not going to have any chance if this New Deal stays in power. So let us give these poor farmers a chance to make this extra money, because they will need that money, and we will have that many less families on relief.

Mr. HOPE. Will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOPE. Does the gentleman not think we ought to include his own tobacco growers? This applies only to tobacco growers in Kentucky and Tennessee. You have some of the lowest-priced tobacco in the country.

Mr. GROSS. I know, but we raise so much more to the acre that we definitely do not need it. For once I am going to vote for the poor southern farmers. We definitely do not need it, but I am voting for that section down there where God knows they need it; because in 1938 I went to Puerto Rico on a troopship, and they took about 800 young fellows on at Charleston, S. C., who had joined the Army. I talked to those fellows, and I said, "What are you joining the Army for now?" They said, "The Government has made it impossible for us to raise cotton. They "jacked" up the price and we cannot sell it in our foreign markets, and it is accumulating. Then we raised tobacco and the Government got to interfering in that. The first year we made money, but the next year Wallace put on quotas. The New Deal has caused a situation where dad cannot keep us any longer, and we cannot get any work. We do not have enough to eat any more." So in 1938, before the war, these poor farmer boys were joining the Army so that they would have something to eat. These boys were all right; they made good soldiers.

So I am voting to help them, and in order to get you folks a good York County 5-cent cigar again.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. FLANNAGAN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. BAILEY].

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to proceed out of order and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I want at this time to remind the Congress that in the early days of this session when the House was considering the independent offices appropriation bill, I, personally, took the floor in an effort to amend and increase an item contained in the appropriation for the Federal Works Agency. This appropriation was provided for in the Reconversion Act of the Seventy-eighth Congress and was to be a Federal fund out of which grants were to be made to cover the cost of engineering and plans for postwar projects covering public buildings and other improvements. It will be recalled that I lost my fight to have the $5,000,000 item recommended by the Appropriation Committee increased to twenty-five million.

Due to the better judgment and statesmanship of the Senate this item was amended by the Senate to read thirty million instead of the five million contained in the House version. A conference committee of the two Houses compromised and finally approved the sum of $17,500,000.

Already the "pinchpenny" policy of the House Appropriation Committee members has led us into a "bottleneck." Only yesterday I was informed by the Bureau of Community Services of the Federal Works Agency that applications for grants from this fund had poured in to such an extent that they already far exceeded the fund made available. So serious is the situation that there is grave doubt that my home city of Clarksburg will be able to secure a grant from this fund to provide engineering and planning for a sewage disposal plant because West Virginia's allotted share of these Federal moneys is so small that other requests for sewage projects already approved in West Virginia have deleted our State's share.

Mr. Speaker, I do not want to appear too critical in this matter nor do I want to criticize any one individual—I do think it unwise at this time in view of the increased unemployment and of the added possibility of a sudden collapse in the Japanese war effort that this Congress should take a 2 months' recess and leave a matter of so grave importance as this subject to the uncertainty of the future.

Again Mr. Speaker, I want to reiterate my previous statement made on the floor of this House that America wants no part of another WPA or PWA. Today out of a "backlog" of approximately $11,000,000,000 of postwar projects in the Nation as a whole more than $9,000,000,000 worth of these projects have no plans or specifications and could not be let to private contracts should we, as we most certainly will, have within the next few months a serious unemployment situation.

I trust it will be one of the first objectives of the Members of Congress on their return from their summer recess to see to it that this matter receives their first and undivided attention. It shall be my duty to keep reminding the committees and individuals whose duty it is to look after this matter and to keep on reminding them until the situation is satisfactorily met.

Mr. FLANNAGAN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to speak out of order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, our veterans are coming back to this country in great numbers from abroad and trying to get adjusted to civilian life. One of the difficulties with which many veterans are confronted is that concerning their tax liabilities under the internal revenue laws. The serviceman on sea duty or on active duty outside the continental United States has been granted an automatic extension for the filing of his income-tax return and the payment of his income tax, until the 15th day of the fourth month following the month in which he came back to the United States. For those returning after January 1, 1945, the period is 6 instead of 4 months.

The internal revenue laws contain many provisions of special benefit to returning servicemen. The pay-as you-go legislation adopted in 1943, the exclusion from gross income of $1,500 of miiltary pay, and $300 of mustering-out pay, as well as provisions relating to abatement of tax in case of death, are of great importance to servicemen. Many of the allowances for quarters and subsistence are also not a part of gross income for income-tax purposes. Our servicemen need the advice and help of persons familiar with the internal revenue laws relating to the privileges and rights accorded to veterans.

I have been particularly and sympathetically concerned with the criticism recently voiced by the American Legion that certain agencies are giving our veterans the run-around, particularly with reference to their rights under the GI bill and their rights to obtain ration stamps for food, gasoline, and certain other priorities. Our returning veterans need advice from persons who are fully qualified and entirely familiar with the laws which Congress has enacted.

The bill I am introducing will insure to the servicemen a qualified expert to advise him of his rights under the internal revenue laws. It requires the collectors of internal revenue in the various districts to designate one or more deputy collectors as a veterans' adviser to be available where practicable in the county in which the veteran resides. Each veteran adviser must have made a special study of the provisions of the internal revenue laws, regulations, and decisions applicable to veterans, and he is required to advise all veterans who make application to him either orally or in writing as to their rights and liabilities under the tax laws. Undoubtedly, in the contact with the veteran these veterans' advisers will discover some inequities in the operation of the internal revenue laws which require correction. My bill will require the collector of internal revenue for the particular district in which the veterans' adviser is stationed to make suggestions to the Commissioner of Internal Revenue for the improvement of the law or regulations relating to veterans, and if the Commissioner finds that legislation is necessary to carry out such improvements, he will report the matter to the Congress.

Mr. FLANNAGAN. Mr. Speaker, I yield myself 2 minutes primarily for the purpose of stating to the membership that our colleague the gentleman from Tennessee [Mr. JENNINGS], who is deeply interested in this legislation, was called home on account of the death of his mother. The gentleman from Tennessee, as everyone knows, has been a champion of the tobacco growers. He has been through all of these tobacco fights with us. This legislation is vital to his district, and I want the membership to know that the reason he is not here championing this legislation is due to the death of his mother.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield to me?

Mr. FLANNAGAN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I am not feeling very well today, or I would like to make a speech in favor of the adoption of the conference report. Through the years I voted for the dairy people, the poultry people, and all other groups in agriculture. I believe this tobacco matter is very essential to a lot of our States, and especially to Kentucky and my district. I shall support the conference report.

Mr. FLANNAGAN. Mr. Speaker, I appreciate the gentleman's statement.

The SPEAKER pro tempore. The time of the gentleman from Virginia has expired.

Mr. FLANNAGAN. Mr. Speaker, I move the previous question on the conference report to its adoption or rejection.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and on a division (demanded by Mr. HOPE) there were—ayes 67, noes 5.

So the conference report was agreed to.

A motion to reconsider was laid on the table.

STUDIES AND INVESTIGATIONS BY THE COMMITTEE ON FOREIGN AFFAIRS

The SPEAKER pro tempore. The Chair recognizes the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts, I submit a privileged resolution (H. Res. 328) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the study and investigation authorized by House Resolution 315 of the Seventy-ninth Congress incurred by the Committee on Foreign Affairs, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on Accounts.

Mr. COCHRAN. Mr. Speaker, this resolution follows the resolution which was adopted yesterday by the House authorizing the Committee on Foreign Affairs to look into matters that come within its jurisdiction.

The Committee on Accounts held two hearings and the members of the Foreign Affairs Committee were questioned relative to what they propose to do. We were informed that one committee would go to the Far East, another to eastern Europe, the third to western Europe, a fourth to Africa and the Mediterranean, and a fifth to the Western Hemisphere. After careful consideration of the matter, the committee recommended an appropriation of $50,000 for expenses.

There are a number of committees that are going abroad and I want to make the suggestion not only to the Foreign Affairs Committee but also to other committees that before leaving they consult one another to determine just exactly what each committee proposes to do so there will not be a duplication of effort. For instance, we just gave the Committee on Interstate and Foreign Commerce the right to go to Europe to investigate the oil situation, so that committee is going to devote itself to the oil problem. Certainly the Committee on Foreign Affairs should not spend any of its time looking into that subject. Then, again, there is a subcommittee of the Committee on Appropriations that handles the State Department appropriation bill that is going abroad. It would be well for the Foreign Affairs Committee to determine what that committee proposes to do and come to some agreement so that there would be no duplication there.

As I told the House when the resolution was under consideration, to authorize this committee to go abroad it would be necessary to appropriate money for expenses. This resolution does that.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMITTING THE UNITED STATES TO BE MADE A PARTY DEFENDANT IN CERTAIN CASES INVOLVING PARTITION OF PROPERTY

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 603) to permit the United States to be made a party defendant in certain cases, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman explain the bill? As I understand it, this bill has passed the House in a previous Congress and it is again reported in this Congress by the Judiciary Committee?

Mr. WALTER. That is correct. The Judiciary Committee has approved the bill on two occasions unanimously. The object of the bill is to permit the United States to be made a party defendant where there have been claims against certain estates that cannot be settled until the exact claim of the United States is adjudicated and determined. This merely permits the filing of a bill which will make the United States a party defendant and the service section of the bill was written, in fact, by the Attorney General.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1 of the act entitled "An act to permit the United States to be made a party defendant in certain cases", approved March 4, 1931, as amended (46 Stat. 1528, U. S. C., title 28, sec. 901), be, and the same is hereby, amended to read as follows:

SECTION 1. Upon the conditions herein prescribed for the protection of the United States, the consent of the United States is given to be named a party in any suit which is now pending or which may hereafter be brought in any United States district court, including those for the districts of Alaska, Hawaii, and Puerto Rico, and the District Court of the United States for the District of Columbia, and in any State court having jurisdiction of the subject matter, to quiet title to or for the foreclosure of a mortgage or other lien upon real estate or personal property, and in all cases where the partition of real estate is sought by any of the owners thereof, and also in all cases wherein an executor or administrator seeks to sell the real estate and/or personal property of any decedent, for the purpose of securing an adjudication of any mortgage, claims, lien, or right the United States may have or claim to have on or against the real estate or personal property involved."

SEC. 2. That section 2 of the act entitled "An act to permit the United States to be made a party defendant in certain cases", approved on March 4, 1931, as amended (46 Stat. 1528, U. S. C., title 28, sec. 902), is hereby further amended to read as follows:

"SEC. 2. Service upon the United States shall be made by serving the process of the court with a copy of the bill of complaint upon the United States attorney for the district or division in which the suit has been or may be brought, or upon an assistant United States attorney or a clerical employee designated by the United States attorney in writing filed with the clerk of the court in which suit is brought, and by sending copies of the process and bill, by registered mail, to the Attorney General of the United States at Washington, District of Columbia. The complaint shall set forth with particularity the nature of the interest or lien of the United States on such property, and only such mortgage, claim, lien, right, or interest of the United States as is described in the complaint shall be affected by the judgment or decree rendered in the cause. The United States shall have 60 days after service as above provided, or such further time as the court may allow, within which to appear and plead."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOREIGN CLAIMS ACT MADE APPLICABLE TO THE PHILIPPINE ISLANDS

Mr. STIGLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3111) to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries," and its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. MICHENER. Mr. Speaker, reserving the right to object, this is a bill from the Committee on Claims, and I see the ranking minority member of that committee present.

Mr. PITTENGER. This bill is being brought up at the request of the War Department. The chairman of the committee is away on official business and the gentleman from Oklahoma [Mr. STIGLER] has been designated to bring it up. We have consulted the majority leader and other members of the committee and this action is agreeable. The committee wants this, the War Department asked to have it passed in order to settle claims in the Philippine Islands. Under existing law, they cannot settle claims of those people the same as they can with people in other countries. I will ask the gentleman from Oklahoma to verify that.

Mr. STIGLER. That is true. It only adds a new section to the Foreign Claims Act, section 8, which reads as follows:

SEC. 8. This act shall be applicable, notwithstanding other provisions hereof, to claims of inhabitants of the Philippine Islands arising in such islands which would be within the provisions of the act but for the fact that the Philippine Islands is not foreign territory: *Provided*, That such claims arising out of accidents or incidents occurring in time of war may on good cause shown be presented within 1 year after peace is established.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. STIGLER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I may say that the representatives of the War Department contacted me this morning and expressed the strong hope that this meritorious bill be passed. I told them that I would look into it, and if it were meritorious and equitable, we would make every attempt to have it passed. I want the RECORD to show that the War Department, through one of its representatives, has contacted me and that the War Department is interested in the passage of this bill.

Mr. STIGLER. That is true.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act of January 2, 1942 (55 Stat. 880; 31 U. S. C. 224d), as amended by the act of April 22, 1943 (57 Stat. 66), be, and hereby is, further amended

by inserting an additional section at the end thereof to read as follows:

"SEC. 8. This act shall be applicable, notwithstanding other provisions hereof, to claims of inhabitants of the Philippine Islands arising in such islands which would be within the provisions of the act but for the fact that the Philippine Islands is not foreign territory: *Provided*, That such claims arising out of accidents or incidents occurring in time of war may on good cause shown be presented within 1 year after peace is established."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TWENTY-FOURTH ANNUAL REPORT OF THE BOARD OF ACTUARIES OF THE CIVIL SERVICE RETIREMENT AND DISABILITY FUND

Mr. RAMSPECK. Mr. Speaker, I offer a resolution (H. Res. 329) and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the letter of the President of the Civil Service Commission transmitted to the House of Representatives on June 20, 1945, the twenty-fourth Annual Report of the Board of Actuaries of the Civil Service Retirement and Disability Fund for the fiscal year ended June 30, 1944, be printed as a House document.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AMENDING SERVICEMEN'S READJUSTMENT ACT OF 1944

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3749) amending the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. HOOK. Mr. Speaker, reserving the right to object, may I ask the gentleman if this is an amendment to what is known as the GI bill of rights?

Mr. RANKIN. Yes.

Mr. HOOK. I think that there should be an over-all amendment to it and a complete renovation of the GI bill of rights. It should not be done piecemeal; therefore, I object.

The SPEAKER. The Chair would not have recognized the gentleman from Mississippi unless he had gone over the bill with the gentlemen interested and found that there were many necessary and helpful relaxations with the provisions of the bill.

Mr. HOOK. Under those circumstances, Mr. Speaker, I withdraw my objection.

Mr. SABATH. Mr. Speaker, further reserving the right to object, in view of what has been stated by the gentleman from Mississisippi [Mr. RANKIN], I am fearful that there may be an impression that the Committee on Rules has not acted upon application for a rule. May I say that there has not been an application made for a rule. This bill was only reported yesterday, July 17, by the Committee on World War Veterans' Legislation, and consequently there was no delay this time on the part of the Committee on Rules in giving consideration to the granting of a rule.

I wish to say that I believe the proposed legislation is in the right direction. I think it should be considered now because it will clarify the provision of the original GI bill and serve to eliminate a great deal of red tape and delays that have been encountered that the Congress did not anticipate when the legislation was enacted. I wish to further assure the House that I am as much interested and have consistently supported and aided in the passage of legislation in the interest and for the benefit of the veterans of all wars as any other Member of this House, and intend especially to see that the boys who are now returning receive all possible aid and help that this great Government owes and must extend to them.

Mr. MICHENER. Mr. Speaker, further reserving the right to object, and I shall not object, I do not want to vote for a bill until I know what is in it, and therefore I ask the gentleman to explain the bill.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Missouri.

Mr. COCHRAN. I notice that this bill contains 48 pages. There are many amendments that we should make to the so-called GI bill of rights. Complaints in reference to the bill are coming in every day. Meetings have been held in my city complaining about the provisions of that law. I said at the time that we considered that bill that I thought we should be extremely careful and get the views of those who served in World War II and not accept the views of those who served in World War I until we had approval from those who the law would affect.

I would like to know from the gentleman from Mississippi if his committee has heard from those who are engaged in this war or from those discharged or whether they have been listening again to the authors of the original bill.

Mr. RANKIN. May I say to the gentleman from Missouri that when he speaks of the length of the bill, it is the entire GI bill with certain changes. I will say to the gentleman from Missouri that we not only heard from the veterans of this war but we had at least two veterans of this war on the committee. What we are trying to do is to iron out the inconsistencies, weaknesses, and the shortcomings of the former GI bill and make it workable for the benefit of these men who are returning and want to take advantage of it.

Mr. COCHRAN. Are the provisions of H. R. 3119 included in this legislation? Communications I am receiving are to the effect that if the provisions of the bill H. R. 3119, in reference to education, were passed they would limit private business schools to charging veterans a tuition rate sufficient only to pay that portion of the salary of the teacher used for teaching veterans. That would be a discrimination.

Mr. RANKIN. We made some amendments to this bill that met their objections. We permitted them to recognize these correspondence schools.

Mr. COCHRAN. I am talking now about shorthand schools. Business colleges that teach shorthand, accounting, and so forth. Old established schools.

Mr. RANKIN. That is what they are.

Mr. COCHRAN. They are not correspondence schools. For instance one school has three places in St. Louis where students attend.

Mr. RANKIN. As a rule a large number of them are; but all these schools that can meet the requirements now are provided for in this bill. The provisions in the bill H. R. 3119 to which objection was raised are not included in the provisions of this bill.

Mr. COCHRAN. They are eliminated from this legislation?

Mr. RANKIN. They are not in this legislation.

Mr. COCHRAN. I am pleased to get that information.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. There was no opposition to any of the provisions that are in the bill. They are very few. The veterans organizations, the schools, and everybody else agreed to what is in the bill. We had no controversy about anything. It was unanimous.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from Ohio.

Mr. JENKINS. I understand that the Veterans of Foreign Wars has some complaint against the GI bill. Has there been an effort to relieve that situation?

Mr. RANKIN. Yes.

Mr. JENKINS. May I compliment the leadership and the gentleman from Mississippi on their patience and good sense in ironing out what appeared earlier in the day to be a serious impasse. We have now come to the place where we can all agree to pass this bill.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from California.

Mr. VOORHIS of California. May I ask whether, if this bill is brought up for consideration under the present circumstances, the bill will be read for amendment as bills normally are, and whether there will be an opportunity for discussion of it under the 5-minute rule?

Mr. RANKIN. It was understood with the Speaker that if he recognized me to take up this bill it will be accepted as it is, with the committee amendments included.

Mr. VOORHIS of California. And without any opportunity for other amendments to be offered to it?

Mr. McCORMACK. If the gentleman will yield, of course, the gentleman does not want to press that now, because we are operating under a unanimous-con-

sent situation. The gentleman realizes that. This bill has many provisions which are a decided improvement over the original GI bill.

Mr. VOORHIS of California. I have no intention whatever of objecting to the consideration of the bill. I do think, however, that this is a matter of such moment that with regard to certain aspects of the GI bill—and I have read this bill, incidentally, in the last hour—there are one or two points, one on education, and one on the matter of loans to be made, and another matter that has to do with the dependents' allowances for disabled service-connected men, in which there is at least a very great deal of interest. If it is impossible for those matters to be considered today, I should just like to know it.

Mr. RANKIN. They can be ironed out in the Senate, I may say to the gentleman from California.

Mr. VOORHIS of California. I do not like to depend on the Senate to iron things out.

Mr. McCORMACK. In the light of the present situation in the House, may I say to the gentleman from California that the practicalities of the situation that confront us are such that if unanimous consent is granted, which I hope it will be, the bill will be passed as reported out of committee, with the committee amendments.

Mr. RANKIN. That is right.

Mr. MICHENER. May I say that the word "practicality" is the key word in this situation. It seems to me that those who are in favor of doing something to help veterans can ill afford to object at this time and prevent the enactment of that which is good in the bill and which is agreed to. They would hardly be justified in objecting at this time on the ground the bill does not go far enough. Congress will be in session within a few weeks, at which time the Congress may amend the proposed legislation. At that time, when this question of practicality is not before the Congress, the gentleman from California and others who are vitally interested in the veterans can present their amendments.

Mr. RANKIN. Let me say to the gentleman from Michigan that I hope he is not laboring under the illusion that this is the last veterans' bill we are going to have, because there will be some others brought in at the next session.

Mr. MICHENER. I am sure there will be as long as the distinguished gentleman from Mississippi is chairman of the Committee on World War Veterans' Legislation.

Mr. RANKIN. That is right.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. COLMER. Mr. Speaker, I shall not object to the consideration of this bill at this time but I do want to point out that it appears to me, and I am sure to a great many Members of the House, that it is a little doubtful wisdom whether or not legislation should be enacted in this way dealing with such an important subject. The House will recall when the original bill was passed it was rushed through the Senate, practically every Member of the Senate being coauthor of the bill. It was brought over here and rushed through. Now they have found it does not work so well. So the distinguished chairman of the Committee on World War Veterans' Legislation, my able colleague [Mr. RANKIN], has been trying to do something about it, as well as his committee. But I dare say that the gentleman from California [Mr. VOORHIS], is one of the few Members of the House who has had an opportunity to read this bill and who has read it. It was introduced only yesterday and is rather far reaching and complicated. We are doing again exactly what we did before. We are rushing through legislation without, in many instances, knowing what it is all about. If those in charge of veterans' legislation want to rush this bill through in this form I am not going to object to it. But I would prefer to stay here long enough to give it the consideration it deserves.

Mr. McCORMACK. The gentleman used the word "rush." May I suggest that it is probably a little out of place. If the gentleman wants to use the word "hasten" I would not seriously challenge it. But my friend uses the phrase "doubtful wisdom." Of course, I cannot argue much with the gentleman on that phrase but I do say that in addition to wisdom and doubtful wisdom there is such a thing as practical wisdom and there is plenty of practical wisdom here today.

Mr. COLMER. Of course, the gentleman will understand that I happen to be making these remarks and I use the phrases that occur to me. However, I appreciate the gentleman's suggestion. I still think it is doubtful and of doubtful wisdom or judgment to legislate hurriedly or hastily simply because we all want to help the veterans. It is because of my interest in the veteran that I make these few timely observations.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield.

Mr. SABATH. I just want to answer the gentleman from Mississippi [Mr. COLMER], that the gentleman from California is not the only Member who has read the bill. When I was informed that the gentleman from Mississippi [Mr. RANKIN], would ask unanimous consent for the consideration of the bill, not knowing really what it contained, I immediately got busy and familiarized myself with the bill and read the same. I think it contains very constructive amendments and provisions that will be helpful to the veterans. I think the bill should pass, because it is something to which the veterans are entitled.

Mr. SHEPPARD. Mr. Speaker, will the gentleman yield?

Mr. MICHENER. I yield to the gentleman from California.

Mr. SHEPPARD. Mr. Speaker, I have no intention of objecting, of course, to the presentation and enactment of this legislation.

I would like to ask the chairman of the committee whether there was any consideration give in the amendment you are attaching to the bill relative to the amount of moneys that can be secured from banks in the lending category. Have you changed that at all?

Mr. RANKIN. We have not changed the amount of the guaranty. It is $2,000.

Mr. SHEPPARD. The reason I ask, Mr. Speaker, is predicated on the fact that I have been informed, as of late yesterday afternoon, that the Veterans' Bureau considers that under the language of the original bill only 60 percent of the loans would be acceptable instead of 80 percent.

Mr. RANKIN. We did increase the time in which they could apply; the time for repayment; also we liberalized the rules with reference to appraisals, so that these loans would not be so hard to get through. In other words, our liberalizations have all been in favor of the veterans.

Mr. SHEPPARD. Is it the intention of the chairman and the members of his committee that the veterans should have an opportunity for 80 percent participation instead of 60 percent? That is the whole point of my question.

Mr. RANKIN. Eighty percent.

Mr. SHEPPARD. Would the gentleman make that a part of this record so that the Veterans' Administration can get the intent of Congress?

Mr. RANKIN. It is in the bill already.

Mr. MICHENER. Well, Mr. Speaker, we are all expressing our views as to whether or not we are for the bill or against it. I think we are speaking generally whether we are for a principle or against a principle. Going back where I started when I first reseved the right to object, can the gentleman from Mississippi [Mr. RANKIN] state in a general way what the bill does, that is explain this bill, or at least insert in the RECORD the committee report so that we will know what we are voting on?

Mr. RANKIN. I can go through the entire bill, if the gentleman desires it. However, I will say to the gentleman that there are 21 members on that committee, and those members went through this bill carefully. Every change in here is approved by the entire committee.

Mr. MICHENER. I have great confidence in the committee, especially when it is unanimous. I certainly shall not object and I hope no one else objects, but I would like the RECORD to show what the bill contains, in addition to the fact that it was a bill that had the approval of 21 members of the committee.

Mr. RANKIN. If the gentleman desires, I will have the bill and report inserted in the RECORD at this point.

Mr. MICHENER. I hope the gentleman does that.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill and report be inserted in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The bill and report are as follows:

H. R. 3749

[Omit the part in black brackets and insert the part printed in italic]

A bill to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II

Be it enacted, etc., That Public Law 346, Seventy-eighth Congress, be amended to read as follows:

That this act may be cited as the "Servicemen's Readjustment Act of 1945."

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, second only to the War and Navy Departments, to priorities in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service: *Provided,* That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans.

SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of addition hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible: *Provided,* That there is hereby authorized to be appropriated the sum of $500,000,000 for the construction of additional hospital facilities.

SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agreements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facilities, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

Nothing in the Selective Training and Service Act of 1940, as amended, or any other act, shall be construed to prevent the transfer or detail of any commissioned, appointed, or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs: *Provided,* That no such detail shall be made or extend beyond 6 months after the termination of the war.

SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

SEC. 104. No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided,* That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: *And provided further,* That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

Any veteran entitled to a prosthetic appliance shall be furnished such fitting and training, including institutional training in the use of such appliance as may be necessary, whether in a Veterans' Administration facility, other training institution, or by outpatient treatment, including such service under contract and including necessary travel expenses to and from their homes to such hospital or training institution.

The Administrator of Veterans' Affairs may procure any and all items mentioned herein, including necessary services required in the fitting, supplying, and training in use of such items by purchase, manufacture, contract, or in such other manner as the Administrator may determine to be proper without regard to any other provision of law.

SEC. 105. No person in the armed forces shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have, and any such statement against his own interest signed at any time, shall be null and void and of no force and effect.

CHAPTER II—AID BY VETERANS' ORGANIZATIONS

SEC. 200. (a) That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full time accredited representatives of the veterans' organizations specified in section 200 of the act of June 29, 1936 (Public Law, No. 844, 74th Cong.), and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: *Provided,* That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to prejudice the right of the American Red Cross to recognition under existing statutes.

(b) The necessary regulations shall be promulgated by the Secretary of War and the Secretary of the Navy jointly with the Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each of such veterans' organizations who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such authorized representatives in the providing of available space and equipment for such representatives.

CHAPTER III—REVIEWING AUTHORITY

SEC. 300. The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: *Provided,* That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: *And provided further,* That this section shall not apply to any war risk, Government (converted), or national service life-insurance policy.

SEC. 301. The Secretary of War and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, on their own motion or upon the request of a former officer or enlisted man or woman or, if deceased, by the surviving spouse, next of kin, or legal representative, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided,* That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the act of June 29, 1936 (Public Law, No. 844, 74th Cong.). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with the facts presented to the board. The Articles of War and the Articles for the Government of the Navy are hereby amended to authorize the Secretary of War and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War or the Secretary of the Navy, respectively: *Provided,* That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within 15 years after such discharge or dismissal or within 15 years after the effective date of this act whichever be the later.

SEC. 302. (a) The Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall

be the duty of any such board to review, at the request of any officer retired or released to inactive service, without pay, for physical disability pursuant to the decision of a retiring board or board of medical survey, the findings and decision of such retiring board or board of medical survey. Such review shall be based upon all available service records relating to the [officers] *officer* requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit, and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the retiring board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of the retiring board shall be transmitted to the Secretary of War, the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

(b) No request for review under this section shall be valid unless filed within 15 years after the date of retirement for disability or after the effective date of this act, whichever is the later.

(c) As used in this section—

(1) the term "officer" means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps, or Coast Guard, or any of their respective components;

(2) the term "counsel" shall have the same meaning as when used in section 301 of this act.

TITLE II

CHAPTER IV—EDUCATION OF VETERANS

SEC. 400. (a) Subsection (f) of section 1, title I, Public Law No. 2, Seventy-third Congress, added by the act of March 24, 1943 (Public Law No. 16, 78th Cong.), is hereby amended to read as follows:

"(f) Any person who served in the active military or naval forces on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation No. 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII."

(b) Veterans Regulation No. 1 (a), is hereby amended by adding a new part VIII, as follows:

"PART VIII

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable, and whose education or training was impeded, delayed, interrupted, or interfered with by reason of his entrance into the service, or who desires a refresher or retraining course, and who either shall have served 90 days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service-incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: *Provided*, That such course shall be initiated not later than 4 years after either the date of his discharge or the termination of the present war, whichever is the later: *Provided further*, That no such education or training shall be afforded beyond 9 years after the termination of the present war: *And provided further*, That any such person who was not over 25 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with.

"2. Any such eligible person shall be entitled to education or training, or a refresher or retraining course, at an approved educational or training institution, for a period of 1 year (or the equivalent thereof in continuous part-time study), or for such lesser time as may be required for the course of instruction chosen by him. Upon satisfactory completion of such course of education or training, according to the regularly prescribed standards and practices of the institutions, except a refresher or retraining course, such person shall be entitled to an additional period or periods of education or training, not to exceed the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed 4 years: *Provided*, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution: *Provided, however*, That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired, such period of instruction shall be extended to the termination of such unexpired quarter or semester.

"3. (a) Such person shall be eligible for and entitled to such course of education or training as he may elect, and at any approved educational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: *Provided*, That, for reasons satisfactory to the Administrator, he may change a course of instruction: *And provided further*, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfactory.

"(b) Any such eligible person may apply for a short, intensive, postgraduate or vocational training course of less than 30 weeks: *Provided*, That the Administrator shall have the authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: *Provided further*, That the limitation of paragraph 5 shall not prevent the payment of such agreed rates, but there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost of the course bears to $500.

"4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship and refresher or retraining training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: *Provided*, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the Administrator shall utilize such existing facilities and services in training on the job when such training is of 1 year's duration or more.

"5. The Administrator shall pay to the educational or training institution, for each person enrolled in full time, part time, or correspondence course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: *Provided*, That in no event shall such payments, with respect to any person, exceed $500 for an ordinary school year: *Provided further*, That no payments shall be made to [institution] *institutions*, business or other establishments furnishing apprentice training on the job: *And provided further*, That if any such institution has no established tuition fee, or if its established tuition fee shall be found by the Administrator to be inadequate compensation to such institution for furnishing such education or training, he is authorized to provide for the payment, with respect to any such person, of such fair and reasonable compensation as will not exceed $500 for an ordinary school year.

"6. While enrolled in and pursuing a course other than a course in a correspondence school under this part, such person, upon application to the Administrator, shall be paid a subsistence allowance of $60 per month, if without a dependent or dependents, or $85 per month, if he has a dependent or dependents, including regular holidays and leave not exceeding 30 days in a calendar year. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor performed as part of their apprentice or other training on the job at institutions, business or other establishments, shall be entitled to receive such lesser sums, if any, as subsistence or dependency allowances, as may be determined by the Administrator: *Provided*, That any such person eligible under this part, and within the limitations thereof, may pursue such full-time or part-time course or courses as he may elect, without subsistence allowance.

"7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII, may elect which benefit he desires: *Provided*, That, in the event of such election, subsistence allowance hereunder shall not exceed the amount of additional pension payable for training under said part VII.

"8. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control, whatsoever, over any State educational agency, or State apprenticeship agency, or any educational or training institution: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual

agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall, from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions.

"10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for training personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"11. As used in this part, the term 'educational or training institutions' shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, correspondence schools, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public, Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training.

"12. The Government shall pay for these correspondence courses quarterly as the course is completed.

"13. No correspondence school shall be approved unless it was in existence prior to the date of this Act."

SEC. 401. Section 3, Public Law Numbered 16, Seventy-eighth Congress, is hereby amended to read as follows:

"SEC. 3. The appropriation for the Veterans' Administration, 'Salaries and expenses, medical and hospital, and compensation and pensions,' shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation Numbered 1 (a)."

SEC. 402. Public Law Numbered 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation Numbered 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof."

SEC. 403. Paragraph 1, part VII, Veterans Regulation Numbered 1 (a) (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended by inserting after the word "time" the words "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940".

TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

CHAPTER V—GENERAL PROVISIONS FOR LOANS

SEC. 500. (a) Any person who shall have served in active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for benefits of this title. Any such veteran may apply within six years after separation from the military or naval forces, or six years after termination of the war, whichever is the later date, but in no event more than eight years after the termination of the war, to any of the established lending agencies hereinafter set forth for a loan for the purposes set forth in the title in any amount that may be agreed upon between the lender and the veteran, and when such a loan is made by the lender the lender is automatically guaranteed 50 per centum of the loan by the Administrator of Veterans' Affairs and this Act is the guaranty: *Provided*, That the aggregate amount guaranteed shall not exceed $2,000: *Provided further*, That no loan shall be negotiated until thirty days after the date of *the* veteran's discharge.

(b) Interest for the first year on that part of the loan [guaranteeed] *guaranteed* shall be paid by the Administrator out of available appropriations.

(c) The liability under the guaranty, within the limitations of this title, shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation: *Provided*, That loans guaranteed shall bear interest at a rate not exceeding 4 percent per annum and shall be payable in full in not more than 20 years.

Certificate of eligibility

SEC. 501. (*a*) An honorable discharge shall be the veteran's certificate of eligibility to apply for a guaranteed loan. All veterans who have a discharge other than honorable or dishonorable shall received from the Administration upon request after discharge a certificate of eligibility. Upon the making of a loan as provided herein the lender shall endorse on the back of the honorable discharge or certificate, in lieu of discharge or certificate of eligibility, the date and amount of the loan and shall also forthwith transmit to the Administrator a statement setting forth the full name and serial number of the veteran, amount and terms of the loan, and the legal description of the property. No approval of the loan shall be required from the Administrator. Loans may be made by any Federal Reserve bank, National bank, State bank, private bank, building and loan association, insurance company, or mortgage and loan company established prior to the date of this act, and any other lending institution or any person approved by the Administrator.

(b) All national banks wherever located and all other banks and trust companies located in the District of Columbia and other Territories and possessions of the United States, without regard to the limitations and restrictions of any other statute or ruling of the Federal Reserve Board, are authorized to make any loans guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as the same is now or may hereby be amended.

Purchase or construction of homes

SEC. 502. (a) Any application made by a veteran under this title for a loan to be used in purchasing residential property or in constructing a dwelling [or] *on* unimproved property owned by him to be occupied as his home may be approved if the lender finds—

(1) that the proceeds of such loans will be used for payment for such property to be purchased or constructed by the veteran;

(2) that the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expense; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) that the purchase price paid or to be paid by the veteran for such property or the construction cost, including the value of the unimproved lot, does not exceed the reasonable value thereof as determined by the lender's appraisal.

(b) Any application for a loan under this section for the purpose of making repairs, alterations, or improvements in, or paying delinquent indebtedness, taxes, or special assessments on residential property owned by the veteran and used by him as his home, may be approved by the lender if the proceeds of such loan will be used for such purpose or purposes.

(c) No first mortgage shall be ineligible for insurance under the National Housing Act, as amended, by reason of any loan guaranteed under this title, or by reason of any secondary lien upon the property involved securing such loan.

Purchase of farms and farm equipment

SEC. 503. Any application made under this title for the guaranty of a loan to be used in purchasing any land, building, livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings or equipment, to be used in farming operations conducted by the applicant may be approved if the lender finds—

(1) that the proceeds of such loan will be used in payment for real or personal property purchased or to be purchased by the veteran, or for repairing, altering, or improving any buildings or equipment, to be used in bona fide farming operations conducted by him;

(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

(3) that the ability and experience of the veteran, and nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by the lender's appraisal.

Purchase of business property

SEC. 504. Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, buildings, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved if the lender finds—

(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used by him in the bona fide pursuit of such gainful occupation;

(2) that such property will be useful in and reasonably necessary for the efficient and successful pursuit of such occupation;

(3) that the ability and experience of the veteran, and the conditions under which he proposes to pursue such occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such occupation; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by the lender's appraisal.

SEC. 505. In the event the veteran defaults in the payment of his loan and after suit or foreclosure and sale the deficiency is determined, then upon notification from the lender, the Administrator of Veterans' Affairs shall pay to the lender its guaranty not in excess of $2,000 and not in excess of the deficiency, and be subrogated to the rights of the lender to the extent of the amount paid on the guaranty: *Provided*, That prior to suit or foreclosure the lender shall notify the Administrator, and within 30 days thereafter the Administrator may, at his option, pay the lender the [face] *unpaid balance* of the loan plus accrued interest and receive an assignment of the loan and security and thereafter sue or foreclose in the name of the Veterans' Administration.

TITLE IV

CHAPTER VI—EMPLOYMENT OF VETERANS

SEC. 600. (a) In the enactment of the provisions of this title Congress declares as its intent and purpose that there shall be an effective job counseling and employment placement service for veterans, and that, to this end, policies shall be promulgated and administered, so as to provide for them the maximum of job opportunity in the field of gainful employment. For the purpose there is hereby created to cooperate with and assist the United States Employment Service, as established by the provisions of the act of June 6, 1933, a Veterans' Placement Service Board, which shall consist of the Administrator of Veterans' Affairs, as Chairman, the Director of the National Selective Service System, and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Employment Service. The Board shall determine all matters of policy relating to the administration of the Veterans' Employment Service of the United States Employment Service.

(b) The Chairman of the Board shall have direct authority and responsibility for carrying out its policies through the veterans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, 76th Cong., approved September 16, 1940, as amended (U. S. C., title 50, sec. 308)). The Chairman may delegate such authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service.

(c) The public records of the Veterans' Personnel Division, National Selective Service System, and the Veterans' Employment Service of the United States Employment Service shall be available to the Board.

SEC. 601. The United States Employment Service shall assign to each of the States a veterans' employment representative, who shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least 2 years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he has been assigned. He shall be administratively responsible to the Board, through its executive secretary, for the execution of the Board's veterans' placement policies through the public employment service in the State. In cooperation with the public employment service staff in the State, he shall—

(a) be functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment and for placement of veterans in employment;

(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

(c) promote the interest of employers in employing veterans;

(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment; and

(e) assist in every possible way in improving working conditions and the advancement of employment of veterans.

SEC. 602. Where deemed necessary by the Board, there shall be assigned by the administrative head of the employment service in the State one or more employees, preferably veterans, of the staffs of local employment service offices, whose services shall be primarily devoted to discharging the duties prescribed for the veterans' employment representative.

SEC. 603. All Federal agencies shall furnish the Board such records, statistics, or information as may be deemed necessary or appropriate in administering the provisions of this title, and shall otherwise cooperate with the Board in providing continuous employment opportunities for veterans.

SEC. 604. The Federal agency administering the United States Employment Service shall maintain that Service as an operating entity and, during the period of its administration, shall effectuate the provisions of this title.

SEC. 605. (a) The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title; such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service. Any funds appropriated pursuant to this special item as contained in the budget of the United States Employment Service shall not be available for any purpose other than that for which they were appropriated, except with the approval of the Board.

(b) The War Manpower Commission shall from its current appropriation allocate and make available sufficient funds to carry out the provisions of this title during the current fiscal year.

SEC. 606. The term "United States Employment Service" as used in this title means that bureau created by the provisions of the act of June 6, 1933, or such successor agencies as from time to time shall perform its functions and duties, as now performed by the War Manpower Commission.

SEC. 607. The term "veteran" as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been, or is engaged, and who has been discharged or released therefrom under conditions other than dishonorable.

TITLE V

CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

SEC. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of 52 weeks, which (1) begins after the first Sunday of the third calendar month after the date of enactment hereof, and (2) occurs not later than 2 years after discharge or release or the termination of the war, whichever is the later date: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: *Provided further*, That no readjustment allowance shall be payable for any week commencing more than 5 years after the termination of hostilities in the present war.

(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

(1) the person is residing in the United States at the time of such claim;

(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full workweek and the wages for the week are less than the allowance under this title plus $3;

(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

(4) the person is able to work and available for suitable [works] *work: Provided*, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

CHAPTER VIII—DISQUALIFICATIONS

SEC. 800. (a) Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for misconduct in the course of employment;

(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed: *Provided*, That this subsection shall not apply if it is shown that—

(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work; and

(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute: *Provided, however*, That if in any case separate branches of work, which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premises, each such department shall, for the purposes of this subsection, be deemed to be a separate factory, establishment, or other premises.

(c) (1) If a claimant is disqualified under the provisions of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for not more than four immediately following weeks.

(2) In addition to the disqualification prescribed in paragraph (1) above, the Administrator may, in cases of successive disqualifications under the provisions of subsection (a) of this section, extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed eight additional weeks in the case of any one disqualification.

(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern: *Provided*, That the Administrator may prescribe conditions and standards for applicants in any State having no applicable statute.

(2) In determining under subsection (a) of this section the suitability of work, no work shall be deemed suitable for an individual if—

(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

(B) the wages, hours, or other conditions of the work offered are subtsantially less favorable to him than those prevailing for similar work in the locality.

CHAPTER IX—AMOUNT OF ALLOWANCE AND PAYMENT

SEC. 900. (a) The allowance for a week shall be $20 less that part of the wages payable to him for such week which is in excess of $3: *Provided*, That where the allowance is not a multiple of $1, it shall be computed to the next highest multiple of $1.

(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service during the period stated in section 700 the veteran shall be entitled to 4 weeks of allowances, but in no event to exceed the maximum provided in section 700: *Provided*, That the allowance for the qualifying 90 days service shall be 8 weeks for each such month.

SEC. 901. (a) Readjustment allowances shall be paid at the intervals prescribed by the unemployment compensation law of the State in which the claim was made: *Provided*, That if none are so prescribed readjustment allowances shall be paid at such reasonable intervals as may be determined by the Administrator.

(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

SEC. 902. (a) Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

(b) Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than $100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1), between $100 and his net earnings for such month.

(c) Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

(d) Subsection (b) of section 700 and section 800 shall not apply in determining the eligibility for allowances of a claimant under this section.

CHAPTER X.—ADJUSTMENT OF DUPLICATE BENEFITS

SEC. 1000. Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of $1, shall be readjusted to the next higher multiple of $1.

CHAPTER XI—ADMINISTRATION

SEC. 1100. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies or the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment-compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least 2 years, shall be located in each participating State department or agency.

(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: *Provided, however*, That cooperative rules and regulations relating to the performance by Federal or State departments, or agencies, of functions under agreements made therewith may be made by the Administrator after consultation and advisement with representatives of such departments or agencies.

(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than 6 months.

(f) The Administrator shall also from time to time certify to the Social Security Board such State departments or agencies as may be participating in the administration of this title, and the amount of the administrative expense incurred or to be incurred by a State under agreements made pursuant to this section. Upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person, be returned to the Treasury and credited to the current appropriation for carrying out the pupose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

SEC. 1101. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

SEC. 1102. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

SEC. 1103. In the case of any veteran eligible under the provisions of this title who either at the time of application for the benefits herein provided is a "qualified employee" as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said act. In such cases, the conditions and standards as to suitability of work or existence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures prescribed by or under said act shall govern, if not in conflict with the provisions of this title, the appellate procedures being subject to final appeal to the Administrator. In such cases, a reference in this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board.

CHAPTER XII—DECISIONS AND PROCEDURES

SEC. 1200. The authority to issue subpenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the act of June 29, 1936 (49 Stat. 2033–34; U. S. C., title 38, secs. 131–133), shall be applicable in the administration of this title.

CHAPTER XIII—PENALTIES

SEC. 1300. Any claimant who knowingly accepts an allowance to which he is not entitled shall be ineligible to receive any further allowance under this title.

SEC. 1301. (a) Whoever, for the purpose of causing an increase in any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or

representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

(b) Whoever shall obtain or receive any money, check, or allowance under this title, without being entitled thereto and with intent to defraud the United States, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both.

CHAPTER XIV—DEFINITIONS

SEC. 1400. As used in this title—

(a) The term "week" means such period or periods of seven consecutive calendar days as may be prescribed in regulations by the Administrator.

(b) The term "wages" means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

TITLE VI

CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

SEC. 1500. Except as otherwise provided in this act, the administrative, definitive, and penal provisions under Public, No. 2, Seventy-third Congress, as amended, and the provision of Public, No. 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a, and 556a), shall be for application under this act. For the purpose of carrying out any of the provisions of Public, No. 2, as amended, and this act, the Administrator shall have authority to accept uncompensated services, and [too] *to* enter into contracts or agreements with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

SEC. 1501. Except as otherwise specified, the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this act and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this act.

SEC. 1502. Wherever used in this act, unless the context otherwise requires, the singular includes the plural; the masculine includes the feminine; the term "Administrator" means the Administrator of Veterans' Affairs; the term "United States" used geographically means the several States, Territories, and possessions, and the District of Columbia; the term "State" means the several States, Territories and possessions, and the District of Columbia; and the phrases "termination of hostilities in the present war," "termination of the present war", and "termination of the war", mean termination of the war as declared by Presidential proclamation or concurrent resolution of the Congress.

SEC. 1503. A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this act or Public Law No. 2, Seventy-third Congress, as amended.

SEC. 1504. The Administrator shall transmit to the Congress annually a report of operations under this act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

SEC. 1505. In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit.

SEC. 1506. (a) Before any proposed regulation or order to carry out the purposes of this act shall be issued by any governmental agency exercising authority conferred hereunder, other than intraagency administrative rules or orders governing the conduct of its activities or interagency rules governing relations with other agencies of the Government, a draft thereof shall be submitted to the Committee on Finance of the Senate of the United States and to the Committee on World War Veterans' Legislation of the House of Representatives.

[(b) The draft of such proposed regulation or order shall be immediately assigned to the Committee on Finance in the Senate and to the Committee on World War Veterans' Legislation in the House of Representatives,] for study, to consider whether such rule or regulation is made in conformity with the spirit, letter, intent, and purpose of this Act, and that no unusual or unexpected use of powers herein granted is proposed. Such regulation or order may be approved or disapproved by the Committee on Finance of the Senate or by the Committee on World War Veterans' Legislation of the House of Representatives, or a duly authorized subcommittee of either. In the absence of action by either committee approving or disapproving such regulation or order, it may go into effect not earlier than the fifteenth day following, but not including the date of the receipt of the draft of such proposed regulation or order by [the President of the Senate and the Speaker of the House of Representatives] *chairman of such committees.* If sooner approved by either committee it may go into effect immediately upon such approval. Disapproval of such regulation or order by either committee shall suspend its issuance: *Provided,* That in the event of conflicting committee actions the earlier action shall govern.

[(c)] (*b*) For the purposes of this section the Committee on Finance of the Senate and the Committee on World War Veterans' Legislation of the House of Representatives, or any duly authorized subcommittees thereof, are authorized to sit and act during the sessions, recesses, and adjourned periods of the Congress.

[(d)] (*c*) This section shall be effective from the date of its approval.

AMENDING THE SERVICEMEN'S READJUSTMENT ACT OF 1944 TO PROVIDE FOR A READJUSTMENT ALLOWANCE FOR ALL VETERANS OF WORLD WAR II

Mr. RANKIN, from the Committee on World War Veterans' Legislation, submitted the following report:

The Committee on World War Veterans' Legislation, to whom was referred the bill (H. R. 3749) to amend the Servicemen's Readjustment Act of 1944 to provide for a readjustment allowance for all veterans of World War II, having considered the same, report favorably thereon, with the following amendments, and recommend that the bill as so amended do pass:

Page 9, line 24, change "officers" to "officer."

Page 15, line 24, change "institution" to "institutions."

Page 21, line 19, after "of", insert "the."

Page 21, line 21, change "guaranteeed" to "guaranteed."

Page 22, line 6, before "An", insert "(a)."

Page 22, after line 23, insert the following:

"(b) All national banks wherever located and all other banks and trust companies located in the District of Columbia, and other Territories and possessions of the United States, without regard to the limitations and restrictions of any other statute or ruling of the Federal Reserve Board, are authorized to make any loans guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as the same is now or may hereby be amended."

Page 23, line 2, after "dwelling", strike "or" and substitute in lieu thereof "on."

Page 26, line 11, strike "face" and insert in lieu thereof "unpaid balance."

Page 32, line 18, change "works" to "work."

Page 32, line 25, before "Notwithstanding", insert "(a)."

Page 44, line 5, change "too" to "to."

Page 46, beginning line 7, strike the period, strike all of lines 8, 9, and 10, and strike that part of line 11 preceding "for."

Page 46, beginning line 24, after "the", strike the remainder of line 24, strike line 25 through the period, and insert in lieu thereof "chairmen of such committees."

Page 47, line 5, change "(c)" to "(b)".

Page 47, line 11, change "(d)" to "(c)".

PURPOSE OF THE BILL

The Servicemen's Readjustment Act of 1944, was approved June 22, 1944. Beginning with the convening of the Seventy-ninth Congress numerous bills were introduced proposing various changes in the act. Your committee conducted hearings and met in executive session on numerous occasions to consider proposed changes. In addition to proposals made on which no bills were before the committee and much correspondence on the subject, 39 bills referred to the committee received study preparatory to recommendations contained in this bill, as reported. Your committee determined upon a reenactment of the Servicemen's Readjustment Act of 1944, with certain amendments found justifiable.

EFFECTS OF THE BILL

The bill will reenact, with amendments, the Servicemen's Readjustment Act of 1944, to be known as the "Servicemen's Readjustment Act of 1945."

Title I of the act, pertaining to hospitalization, claims, and procedures, would be amended to liberalize the provisions of section 104 to insure ample authority governing the procurement of prosthetic appliances and services in connection therewith to the disabled veterans, including necessary travel expenses. Section 302 would be clarified to use the proper reference to the retiring board of the Navy, namely, "Board of Medical Survey."

Title II of the act, pertaining to education of veterans, would be liberalized by extending the time in which a course can be initiated from 2 to 4 years after either the date of discharge or the termination of the present war, whichever is the later, and by extending the period during which education or training may be afforded, from 7 to 9 years after the termination of the present war. It will provide for short intensive postgraduate or vocational courses of less than 30 weeks with a provision that there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost bears to $500. The rate of subsistence allowance will be changed from $50 to $60 per month if the veteran is without a dependent or dependents and from $75 to $85 per month if he has a dependent or dependents.

The bill also provides for the inclusion of correspondence schools within the term "educational or training institutions," with appropriate amendments to the title to preclude payment of subsistence allowance while pursuing a course in a correspondence school and to include such courses within the provisions pertaining to payments to institutions. Provision is also made that the Government shall pay for the correspondence courses quarterly as the course is completed,

and no correspondence school shall be approved unless it was in existence prior to the date of the act.

The loan title III of the Servicemen's Readjustment Act has been completely revised; essentially, the eligibility and objectives are retained. The bill would extend the time within which application for a loan may be made, from 2 to 6 years after separation from the military or naval forces or after termination of the war, whichever is the later date, but in no event more than 8 years (now 5 years) after the termination of the war. The bill provides that the eligible veteran may apply to any of the established lending agencies set forth in the bill for a loan for the purposes set forth in the title in any amount that may be agreed upon between the lender and the veteran, and when such loan is made by the lender the lender is automatically guaranteed 50 percent of the loan by the Administrator of Veterans' Affairs and the act is the guaranty. The aggregate amount guaranteed shall not exceed $2,000. It is provided that no loan shall be negotiated until 30 days after the date of the veteran's discharge. It will be noted that the application may be approved by the lending agency rather than the Administrator of Veterans' Affairs.

The bill as reported amends the loan title in several respects so as to conform with the purpose of simplifying the loan procedure and to remove complications in connection therewith. The bill provides that an honorable discharge shall be the veteran's certificate of eligibility to apply for a guaranteed loan, and veterans who have a discharge other than honorable or dishonorable shall receive from the Administrator upon request after discharge a certificate of eligibility. Upon making a loan the lender will endorse on the back of the honorable discharge or certificate in lieu of discharge or certificate of eligibility, the date and amount of the loan and shall also forthwith transmit to the Administrator a statement setting forth the full name and serial number of the veteran, amount and terms of the loan, and the legal description of the property. No approval of the loan shall be required by the Administrator. The title is revised to conform with this change.

The bill specifies that loans may be made by any Federal Reserve bank, national bank, State bank, private, bank, building and loan association, insurance company, or mortgage and loan company established prior to the date of this act, and any other lending institution or any person approved by the Administrator. The bill further provides that all national banks wherever located and all other banks and trust companies located in the District of Columbia and other Territories and possessions of the United States, without regard to the limitations and restrictions of any other statute or ruling of the Federal Reserve Board, are authorized to make any loans guaranteed under the Servicemen's Readjustment Act of 1944, as the same is now or may hereby be amended.

The title, in connection with loans for homes, farms, or business property, substitutes for "reasonable normal value thereof as determined by proper appraisal" contained in the present law, the language "reasonable value thereof as determined by the lender's appraisal."

The title also provides that in the event the veteran defaults in payment of his loan and after suit or foreclosure and sale the deficiency is determined, then upon notification from the lender, the Administrator of Veterans' Affairs shall pay to the lender its guaranty not in excess of $2,000 and not in excess of the deficiency, and be subrogated to the rights of the lender to the extent of the amount paid on the guaranty. It is provided that prior to suit or foreclosure, the lender shall notify the Administrator, and within 30 days thereafter the Administrator may, at his option, pay the lender the unpaid balance of the loan plus accrued interest and receive an assignment of the loan and security and thereafter sue or foreclose in the name of the Veterans' Administration.

Title IV, pertaining to the employment of veterans, is reenacted without amendment.

Title V, pertaining to readjustment allowances, is reenacted without amendment.

Title VI of the act is reenacted without amendment except to add an additional section, No. 1506, which provides that any proposed regulation or order to carry out the purposes of this act, other than intraagency administrative rules or orders governing the conduct of its activities or interagency rules governing relations with other governmental agencies, shall, before becoming effective, be submitted to the Committee on Finance of the Senate and to the Committee on World War Veterans' Legislation of the House of Representatives. If neither committee acts within 15 days the rule or order would become effective. If approved by either committee, it would become effective immediately upon such approval, and if disapproved by either committee it would not be issued. It is provided that in the event of conflicting committee actions the earlier action shall govern. Provision is made for such committees or duly authorized subcommittees to sit and act during sessions, recesses, and adjourned periods of Congress. It is provided that this amendment shall be effective from the date of its approval.

RAMSEYER RULE

While the bill to a large extent reenacts the existing law, certain sections contain specific amendments.

In accordance with the provisions of clause 2a, rule XIII, of the Rules of the House of Representatives, the changes in the present law made by the various sections of the bill are shown as follows (existing law proposed to be omitted is in the black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, *second only to the War and Navy Departments,* to [priority equal to the highest granted any department or agency of the Government] *priorities* in personnel, [service, space,] equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities [. During the continuance of the present war and for six months after its termination, the Administrator is authorized, for the purpose of extending benefits to veterans and dependents, and to the extent he deems necessary, to procure the necessary space for administrative, clinical, medical, and outpatient treatment purposes by lease, purchase, or construction of buildings, or by condemnation or declaration of taking, pursuant to existing statutes.], *and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service: Provided, That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans.*

SEC. 104. No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided,* That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: *And provided further,* That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

Any [person] *veteran* entitled to a prosthetic appliance shall be [entitled, in addition to necessary] *furnished such* fitting and training, including institutional training [,] in the use of such appliance *as may be necessary,* whether in a [service or a] Veterans' Administration [hospital] *facility, other training institution,* or by out-patient treatment, including such service under contract *and including necessary travel expenses to and from their homes to such hospital or training institution.*

The Administrator of Veterans' Affairs may procure any and all items mentioned herein, including necessary services required in the fitting, supplying, and training in use of such items by purchase, manufacture, contract, or in such other manner as the Administrator may determine to be proper without regard to any other provision of law.

SEC. 302 (a) The Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall be the duty of any such board to review, at the request of any officer retired or released to inactive service, without pay, for physical disability pursuant to the decision of a retiring board *or board of medical survey,* the findings and decision of such retiring board *or board of medical survey.* Such review shall be based upon all available service records relating to the officer requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit, and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the retiring board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of the retiring board shall be transmitted to the Secretary of War, the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

(b) No request for review under this section shall be valid unless filed within fifteen years after the date of retirement for disability or after the effective date of this Act, whichever is the later.

(c) As used in this section—

(1) the term "officer" means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps, or Coast Guard, or any of their respective components;

(2) the term "counsel" shall have the same meaning as when used in section 301 of this Act.

TITLE II

CHAPTER IV—EDUCATION OF VETERANS

SEC. 400. (a) Subsection (f) of section 1, title I, Public Law Numbered 2, Seventy-third Congress, added by the Act of March 24, 1943 (Public Law Numbered 16, Seventy-eight Congress), is hereby amended to read as follows:

"(f) Any person who served in the active military or naval force on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans

Regulation Numbered 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII."

(b) Veterans Regulation Numbered 1 (a), is hereby amended by adding a new part VIII, as follows:

"PART VIII

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable, and whose education or training was impeded, delayed, interrupted, or interfered with by reason of his entrance into the service, or who desires a refresher or retraining course, and who either shall have served ninety days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service-incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: *Provided*, That such course shall be initiated not later than [two] *four* years after either the date of his discharge or the termination of the present war, whichever is the later: *Provided further*, That no such education or training shall be afforded beyond [seven] *nine* years after the termination of the present war: *And provided further*, That any such person who was not over 25 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with.

"2. Any such eligible person shall be entitled to education or training, or a refresher or retraining course, at an approved educational or training institution, for a period of one year (or the equivalent thereof in continuous part-time study), or for such lesser time as may be required for the course of instruction chosen by him. Upon satisfactory completion of such course of education or training, according to the regularly prescribed standards and practices of the institutions, except a refresher or retraining course, such person shall be entitled to an additional period or periods of education or training, not to exceed the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed four years: *Provided*, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution: *Provided, however*, That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired such period of instruction shall be extended to the termination of such unexpired quarter or semester.

"3. (*a*) Such person shall be eligible for and entitled to such course of education or training as he may elect, and at any approved educational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: *Provided*, That, for reasons satisfactory to the Administrator, he may change a course of instruction: *And provided further*, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfactory.

"(*b*) *Any such eligible person may apply for a short, intensive, postgraduate or vocational training course of less than 30 weeks: Provided, That the Administrator shall have the authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: Provided further, That the limitation of paragraph 5 shall not prevent the payment of such agreed rates, but there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost of the course bears to $500.*

"4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship and refresher or retraining training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: *Provided*, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the Administrator shall utilize such existing facilities and services in training on the job when such training is of one year's duration or more.

"5. The Administrator shall pay to the educational or training institution, for each person enrolled in full time [or], part time, *or correspondence* course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: *Provided*, That in no event shall such payments, with respect to any person, exceed $500 for an ordinary school year: *Provided further*, That no payments shall be made to [institution] *institutions*, business or other establishments furnishing apprentice training on the job: *And provided further*, That if any such institution has no established tuition fee, or if its established tuition fee shall be found by the Administrator to be inadequate compensation to such institution for furnishing such education or training, he is authorized to provide for the payment, with respect to any such person, of such fair and reasonable compensation as will not exceed $500 for an ordinary school year.

"6. While enrolled in and pursuing a course *other than a course in a correspondence school* under this part, such person, upon application to the Administrator, shall be paid a subsistence allowance of [$50] *$60* per month, if without a dependent or dependents, or [$75] *$85* per month, if he has a dependent or dependents, including regular holidays and leave not exceeding thirty days in a calendar year. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor performed as part of their apprentice or other training on the job at institutions, business, or other establishments, shall be entitled to receive such lesser sums, if any, as subsistence or dependency allowances, as may be determined by the Administrator: *Provided*, That any such person eligible under this part, and within the limitations thereof, may pursue such full-time or part-time course or courses as he may elect, without subsistence allowance.

"7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII, may elect which benefit he desires: *Provided*, That, in the event of such election, subsistence allowance hereunder shall not exceed the amount of additional pension payable for training under said part VII.

"8. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control, whatsoever, over any State educational agency, or State apprenticeship agency, or any educational or training institution: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall, from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions.

"10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for training personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"11. As used in this part, the term 'educational or training institutions' shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, *correspondence schools*, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public, Numbered 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training."

"12. The Government shall pay for these correspondence courses quarterly as the course is completed.

"13. No correspondence school shall be approved unless it was in existence prior to the date of this Act.

TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

CHAPTER V—GENERAL PROVISIONS FOR LOANS

SEC. 500. (a) Any person who shall have served in [the] active military or naval service of the United States at any time on or after September 16, 1940, and prior to the

termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of ninety days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for [the] benefits of this title. Any such veteran may apply within [two] *six* years after separation from the military or naval forces, or [two] *six* years after termination of the war, whichever is the later date, but in no event more than [five] *eight* years after the termination of the war, to [the Administrator of Veterans' Affairs for the guaranty by the Administrator of not to exceed 50 per centum of a loan or loans for any of the purposes specified in sections 501, 502 and 503] *any of the established lending agencies hereinafter set forth for a loan for the purposes set forth in the title in any amount that may be agreed upon between the lender and the veteran, and when such a loan is made by the lender the lender is automatically guaranteed 50 per centum of the loan by the Administrator of Veterans' Affairs and this Act is the guaranty: Provided,* That the aggregate amount guaranteed shall not exceed $2,000 [If the Administrator finds that the veteran is eligible for the benefits of this title and that the loan applied for appears practicable, the Administrator shall guarantee the payment of the part thereof as set forth in this title.]: *Provided further, That no loan shall be negotiated until thirty days after the date of the veteran's discharge.*

(b) Interest for the first year on that part of the loan guaranteed [by the Administrator] shall be paid by the Administrator out of available appropriations. [No security for the guaranty of a loan shall be required except the right to be subrogated to the lien rights of the holder of the obligation which is guaranteed: *Provided,* That pursuant to regulations to be issued by the Administrator the mortgagor and mortgagee shall agree that before beginning foreclosure proceedings for default in payment of principal or interest due, the Administrator shall have at least thirty days' notice with the option of bidding in the property on foreclosure or of refinancing the loan with any other agency or by any other means available.]

(c) [Loans guaranteed by the Administrator under this title shall be payable under such terms and conditions as may be approved by the Administrator: *Provided,* That the] *The* liability under the guaranty, within the limitations of this title, shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation: *Provided [further],* That loans guaranteed [by the Administrator] shall bear interest at a rate not exceeding 4 per centum per annum and shall be payable in full in not more than twenty years. [The Administrator is authorized and directed to guarantee loans to veterans subject to the provisions of this title on approved applications made to persons, firms, associations, and corporations and to governmental agencies and corporations, either State or Federal.]

Certificate of eligibility

Sec. 501. (a) An honorable discharge shall be the veteran's certificate of eligibility to apply for a guaranteed loan. All veterans who have a discharge other than honorable or dishonorable shall receive from the Administrator upon request after discharge a certificate of eligibility. Upon the making of a loan as provided herein the lender shall endorse on the back of the honorable discharge or certificate, in lieu of discharge or certificate of eligibility, the date and amount of the loan and shall also forthwith transmit to the Administrator a statement setting forth the full name and serial number of the veteran, amount and terms of the loan, and the legal description of the property. No approval of the loan shall be required from the Administrator. Loans may be made by any Federal Reserve bank, National bank, State bank, private bank, building and loan association, insurance company, or mortgage and loan company established prior to the date of this Act, and any other lending institution or any person approved by the Administrator.

(b) All national banks wherever located and all other banks and trust companies located in the District of Columbia and other Territories and possessions of the United States, without regard to the limitations and restrictions of any other statute or ruling of the Federal Reserve Board, are authorized to make any loans guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as the same is now or may hereby be amended.

Purchase or construction of homes

SEC. [501. (a)] *502.* (a) Any application made by a veteran under this title for [the guaranty of] a loan to be used in purchasing residential property or in constructing a dwelling [or] *on* unimproved property owned by him to be occupied as his home may be approved [by the Administrator of Veterans' Affairs] if [he] *the lender* finds—

(1) that the proceeds of such loans will be used for payment for such property to be purchased or constructed by the veteran;

(2) that the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and [expenses] *expense*; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) that the purchase price paid or to be paid by the veteran for such property or the construction cost, including the value of the unimproved lot, does not exceed the reasonable [normal] value thereof as determined by [proper] *the lender's* appraisal.

(b) Any application for [the guaranty of] a loan under this section for the purpose of making repairs, alterations, or improvements in, or paying delinquent indebtedness, taxes, or special assessments on residential property owned by the veteran and used by him as his home, may be approved by the [Administrator] *lender* if [he finds that] the proceeds of such loan will be used for such purpose or purposes.

(c) No first mortgage shall be ineligible for insurance under the National Housing Act, as amended, by reason of any loan guaranteed under this title, or by reason of any secondary lien upon the property involved securing such loan.

Purchase of farms and farm equipment

SEC. [502] *503.* Any application made under this title for the guaranty of a loan to be used in purchasing any land, [buildings] *building,* livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings or equipment, to be used in farming operations conducted by the applicant, [or to purchase stock in a cooperative association where the purchase of such stock is required by Federal statute as an incident to obtaining a loan on which a guaranty is sought,] may be approved [by the Administrator of Veterans' Affairs] if [he] *the lender* finds—

(1) that the proceeds of such loan will be used in payment for real or personal property purchased or to be purchased by the veteran, or for repairing, altering, or improving any buildings or equipment, to be used in bona fide farming operations conducted by him;

(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

(3) that the ability and experience of the veteran, and [the] nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable [normal] value thereof as determined by [proper] *the lender's* appraisal.

Purchase of business property

SEC. [503] *504.* Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, buildings, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved [by the Administrator of Veterans' Affairs] if [he] *the lender* finds—

(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used by him in the bona fide pursuit of such gainful occupation;

(2) that such property will be useful in and reasonably necessary for the efficient and successful pursuit of such occupation;

(3) that the ability and experience of the veteran, and the conditions under which he proposes to pursue such occupation, are such that there is a reasonable likelihood that he will be successful in the pursuit of such occupation; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable [normal] value thereof as determined by [proper] *the lender's* appraisal.

[SEC. 504. The Administrator of Veterans' Affairs is authorized to promulgate such rules and regulations as are deemed necessary and appropriate for carrying out the provisions of this title, and may delegate to a subordinate employee authority to approve loans subject to the provisions of this title and the rules promulgated thereunder.

[SEC. 505. (a) The Administrator 'shall designate such agency or agencies, if any, as he finds equipped to determine whether the guarantee of loan should be approved under this title. In any case wherein a principal loan, for any of the purposes stated in section 501, 502, or 503, is approved by a Federal agency to be made or guaranteed or insured by it pursuant to applicable law and regulations, and the veteran is in need of a second loan to cover the remainder of the purchase price or cost, or a part thereof, the Administrator, subject otherwise to the provisions of this title, including the limitation of $2,000 on the total amount which may be guaranteed, may guarantee the full amount of the second loan: *Provided,* That such second loan shall not exceed 20 per centum of the purchase price or cost and that the rate of interest thereon shall not exceed that on the principal loan by more than 1 per centum: *And provided further,* That regulations to be promulated jointly by the Administrator and the head of such agency may provide for servicing of both loans by such agency and for refinancing of the principal loan to include any unpaid portion of the secondary loan with accrued interest, if any, after the curtailment thereon equals twice the amount of the secondary loan.

[(b) Any person who is found by the Administrator of Veterans' Affairs to be a veteran eligible for the benefits of this title, as provided in section 500 hereof, and who is found by the Secretary of Agriculture, by reason of his ability and experience, including training as a vocational trainee, to be likely to carry out successfully undertakings

required of him under a loan which may be made under the Bankhead-Jones Farm Tenant Act, shall be eligible for the benefits of such Act to the same extent as if he were a farm tenant.]

Sec. 505. In the event the veteran defaults in the payment of his loan and after suit or foreclosure and sale the deficiency is determined, then upon notification from the lender, the Administrator of Veterans' Affairs shall pay to the lender its guaranty not in excess of $2,000 and not in excess of the deficiency, and be subrogated to the rights of the lender to the extent of the amount paid on the guaranty: Provided, That prior to suit or foreclosure the lender shall notify the Administrator, and within thirty days thereafter the Administrator may, at his option, pay the lender the [unpaid balance] of the loan plus accrued interest and receive an assignment of the loan and security and thereafter sue or foreclose in the name of the Veterans' Administration.

TITLE VI

CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

Sec. 1506. (a) Before any proposed regulation or order to carry out the purposes of this Act shall be issued by any governmental agency exercising authority conferred hereunder, other than intra-agency administrative rules or orders governing the conduct of its activities or interagency rules governing relations with other agencies of the Government, a draft thereof shall be submitted to the Committee on Finance of the Senate of the United States and to the Committee on World War Veterans' Legislation of the House of Representatives[.]

[(b) The draft of such proposed regulation or order shall be immediately assigned to the Committee on Finance in the Senate and to the Committee on World War Veterans' Legislation in the House of Representatives,] *for study, to consider whether such rule or regulation is made in conformity with the spirit, letter, intent, and purpose of this Act, and that no unusual or unexpected use of powers herein granted is proposed. Such regulation or order may be approved or disapproved by the Committee on Finance of the Senate or by the Committee on World War Veterans' Legislation of the House of Representatives, or a duly authorized subcommittee of either. In the absence of action by either committee approving or disapproving such regulation or order, it may go into effect not earlier than the fifteenth day following, but not including the date of the receipt of the draft of such proposed regulation or order by the chairman of such committees* [President of the Senate and the Speaker of the House of Representatives]. *If sooner approved by either committee it may go into effect immediately upon such approval. Disapproval of such regulation or order by either committee shall suspend its issuance: Provided, That in the event of conflicting committee actions the earlier action shall govern.*

[(c)] (b) *For the purposes of this section the Committee on Finance of the Senate and the Committee on World War Veterans' Legislation of the House of Representatives, or any duly authorized subcommittees thereof, are authorized to sit and act during the sessions, recesses, and adjourned periods of the Congress.*

[(d)] (c) *This section shall be effective from the date of its approval.*

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VOORHIS of California. Mr. Speaker, reserving the right to object, the only reason I take this time is because I am inclined to think this is the only opportunity and manner in which Members will have a chance to discuss the bill. Am I correct in that?

Mr. McCORMACK. That is the hope.

Mr. VOORHIS of California. I will not disappoint the gentleman, I assure him.

Mr. McCORMACK. The gentleman never disappoints me. He is a pleasure to me.

Mr. VOORHIS of California. I thank the gentleman. I would like to ask whether I am correct in the assumption that the loans are not participating loans of the Government, but rather are straight loans made by private institutions, guaranteed 50 percent by the Government.

Mr. RANKIN. No. The Government guarantees 50 percent up to $2,000.

Mr. VOORHIS of California. But the Government does not participate in the loan?

Mr. RANKIN. Oh, no. The Government does not participate. These are not direct Government loans, if that is what the gentleman from California means. These are loans secured from private individuals, private banks, or loaning companies.

Mr. VOORHIS of California. That was my understanding, but I just wanted to clear up what I thought might possibly have been a misunderstanding on the part of some Members.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield to me?

Mr. VOORHIS of California. I yield.

Mr. COCHRAN. As I understood the gentleman from Mississippi [Mr. RANKIN] he said the bill provides for more liberal appraisal.

Mr. VOORHIS of California. That is right.

Mr. COCHRAN. What does that mean? Does that mean that we are going to let private individuals and corporations make the appraisal of property on which we are going to guarantee loans?

Mr. VOORHIS of California. I assume—and the gentleman will correct me if I am wrong—that what was meant by that was that the words "normal value" have been changed to "reasonable value" in the bill. Am I correct about that?

Mr. RANKIN. That is correct.

Mr. COCHRAN. What is the difference between the two?

Mr. VOORHIS of California. I cannot answer the gentleman precisely, but I believe "normal" value is somewhat more restricted than "reasonable" value would be.

Mr. COCHRAN. And I do not think anyone else can.

Mr. PACE. Will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. PACE. There has been a greater change than that. They not only strike out "normal value," but they eliminate Government appraisal, and leave the value entirely up to the lender's appraisal. If the lender happens to be the owner, selling the place on credit, it would appear to me that they are accepting, in that instance, the owner's own appraisal of the value of his own property. I am not so sure that we render any great service to a veteran in encouraging him to buy property beyond its real, normal value.

Mr. COCHRAN. The gentleman from Georgia is absolutely correct. I think that in making this change you take away from the veteran the protection that the Veterans' Administration has been giving him by making an appraisal of the property before the loan is approved. I had called to my attention several cases which showed that prices asked veterans for property who intended to buy because they could secure the $2,000 loan had been inflated. In one instance property that could have been purchased 2 years ago for $5,000 was held at $6,500, and in another instance property that could have been purchased for $6,000 was increased in price to $8,500. It seems to me that the Government should protect itself and in doing so automatically protects the veteran. I agree that it might be well to have someone who lives in the vicinity where the property is located make the appraisal rather than sending a man from Washington or from some regional office but for the Government to discontinue entirely making appraisals does not seem sound to me.

Mr. PACE. There have been many instances already where veterans have been taken advantage of. They have put down the money that they happened to have, two or three thousand dollars, bought the property with the expectation of getting a loan and having it guaranteed, yet when it was appraised the appraisers found that it was nowhere near the value the veteran had promised to pay for it.

Mr. RANKIN. The very proposition the gentleman from Georgia lays down is what obtains in Georgia, Mississippi, and every other State. We find a Government man sent down there to appraise a piece of property who knows nothing about it, hampering the veterans in their efforts to consummate loans to buy land and to buy homes. The man who makes the loan is the most careful to see that his money is not lent on fictitious values.

Mr. PACE. Mr. Speaker, will the gentleman yield further?

Mr. VOORHIS of California. I yield briefly.

Mr. PACE. I call the gentleman's attention to a case of this kind which came to my attention just last week by the Governor of the Farm Credit Administration: A veteran had promised to pay $12,000 for a farm. He had paid $4,000 of his own money on it; then he went to get a loan and they had it appraised and an honest appraisal was that the farm was worth only $5,000.

Mr. RANKIN. The trouble there was the veteran went and paid his money before he had the appraisal made; but in this case he has the appraisal made before he buys the land.

Mr. PACE. But the gentleman's bill reads that the value shall be determined by the lender's opinion of its value. Does not this set it up so that a man can sell a farm, making the loan, put his own value on it, and the veteran unless he is well informed on values, would have absolutely no protection of a fair and impartial appraisal?

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. CUNNINGHAM. I wish to take the floor for a couple of minutes to answer the gentleman from Georgia. The veteran is well taken care of in the bill as it is now drawn.

I should like to go back to the original GI bill, in which a year or two ago we thought we had included provisions for the protection of the veteran, but as it turned out they were unworkable. The Veterans' Administration issued a pamphlet of 17½ printed pages touching one paragraph in title III, the loan title. I defy anyone to understand what we put through this Congress in the light of those interpretations or rulings. Then we waited until we got reports from the field. Representatives of the veterans' organizations, of the lending organizations, of the building and loan associations, and others came before our committee and told us the difficulties they were experiencing in the operation of title III of that GI bill. First, we found that 90 percent of the loans being made up to date were made by building and loan associations only, whereas it was intended that the veteran could get it from the local banks and various other institutions. In addition, we found that when the veteran applies for a loan the lender makes an appraisal, for which the veteran is charged $15, but before the loan is approved a Government appraiser, a Veterans' Administration appraiser from here in Washington, or appointed out in the field, must make another appraisal, for which the veteran is charged $15. Now, suppose that the lender's or the bank's appraisal was $5,000 and that was the agreed price for the purchase of the property. The banker, we will say, was going to make a loan of $5,000, $4,000, or whatever it might be on the basis of that appraisal. Then the Veterans' Administration appraisal is made and the value is set at only $4,800. The whole thing was stymied. Probably 2 months' time had elapsed, and in the final analysis the veteran was unable to get a loan after waiting 2 months.

Your committee on investigation found we do not know how many, but in the thousands, employees are being hired by the Veterans' Administration to supervise and appraise these guaranteed loans. We took the position that if we would save that money, it would more than offset any loss that might occur in the guaranty by letting the veteran deal with his own banking institution in his own community.

So title III was rewritten and it fell to me to redraft that title. I do not say it is perfect in its present form but, as it is now, the lender and the veteran may enter into negotiations for a loan for any amount they agree upon. The lender's appraisal is final. There is no second appraisal. There is only one to be paid for.

In addition to that, we have set out in title III what is the significance of eligibility, namely, an honorable discharge or if it is neither honorable or dishonorable, then upon application by the veteran the Administrator of Veterans' Affairs must issue a certificate of eligibility.

The veteran goes into a bank in the district represented by the gentleman from Georgia [Mr. PACE], for instance, and the banker says: "This is a good loan. I will make it to you." He endorses on back of the honorable discharge or the certificate of eligibility the amount of the loan and the terms of it. He sends word to Washington, giving the boy's name, his serial number, the amount and terms of the loan, together with the legal description of the property. That is all. The Veterans' Administration will have to do nothing else unless it is called later on to make good.

Coming back to the question asked by the gentleman from Georgia, here is a veteran who will go to a man lending money and he will be gypped. We wrote into the bill and spelled out the banks and lending institutions that may make these loans and all of them must have been established prior to the date of the original act, with a further provision that the Veterans' Administration may approve any subsequent lending agency or person who can qualify.

It was the thought of the committee that here is a bank in the gentleman's home community, an established institution; it is not going to make a bad loan or a bad appraisal when it has 50 percent or more of its own money in the loan. Even if there were some slipped through, the ultimate cost would be much less than the amount of money now being spent with the hundreds of thousands of employees to administer this act through red tape. It was our further thought that it would be much better for the veteran and relieves these men in the Veterans' Administration who are now spending their time in red tape on the loan section of this bill to let them give their services to the rehabilitation of the injured and the sick.

Mr. RANKIN. I would like to have the gentleman complete the statement right there, and I want to call his attention to one thing to which the gentleman from Georgia referred. They seem to overlook the fact that the Veterans' Committee put in days and weeks on this proposition. I may say to the gentleman from Georgia that only 220 have been able to buy farm land under this bill. If one should unload on to a veteran some land with the understanding he is to get it back, he will be badly fooled because the Veterans' Administration can step in and be subrogated to the veteran's rights, which will keep down the thing the gentleman fears.

Mr. VOORHIS of California. May I ask the gentleman whether a fair statement in brief words of this matter would be that what is provided for is that all a man needs is an honorable discharge in order to enable him to go and negotiate with any bank that he may choose to go to on his own motion and his own responsibility for a loan for the stated purposes, and if he gets such a loan the Government will guarantee it up to $2,000?

Mr. CUNNINGHAM. That is exactly right.

Mr. VOORHIS of California. That will liberalize and simplify the procedure. There is no doubt about that. But I think there is justification for what the gentleman from Georgia says, nonetheless.

Mr. CUNNINGHAM. It does one thing further, because the original intent of the Congress did not work out. This is a veterans' bill and the purpose was to establish the credit of the veteran in his home community so that he would be a good risk to the bank in view of the aid that the Government was giving him in the form of a guaranty.

Mr. VOORHIS of California. The gentleman understands that I am not going to object to this bill, but on that very point the biggest problem of all has been, has it not, that the veteran who went into the service at 17, 18, 19, or 20, who now has aged 10 years in the time he has spent in service, does not have a credit rating to go to that bank with? He is the fellow that has still got to have help, and we ought not to deceive him into thinking that he will get it from this measure. That was the problem where I hoped something might be done.

Mr. CUNNINGHAM. May I answer the gentleman by saying that it was our thought that this guarantee up to $2,000 would give to the boy who had no credit rating a credit rating. If it fails in that, then we have not made the guarantee high enough. But the other objection does not apply to that provision.

Mr. PACE. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. PACE. I want to get the record straight. As I understand the gentleman's interpretation, if we should have at some time a depression in land values, that the Veterans' Administration will here step in and act where the Reconstruction Finance Corporation acted before; that if any of the lending agencies have any bad loans that they have made on real estate that they can, of their own free will, without any voice from any Government agency, have a veteran to take over that farm and get a guarantee of at least $2,000 of Government money to help bail them out. That practice will be permitted under this bill.

Mr. CUNNINGHAM. It will be, if the banks and the insurance companies and the established lending institutions want to be involved in a conspiracy to defraud and be subject to the conspiracy laws.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. May I call the gentleman's attention to the fact that a local banker who has lived in the community for years and years, and has the respect of everyone, knows a great deal more about land values in that particular community than some representative from the Veterans' Administration here in Washington.

Mr. VOORHIS of California. I would agree that there is no question about that. But there are others, such as the Federal land banks, which do know about land values because that is their business.

Mr. CUNNINGHAM. Mr. Speaker, if the gentleman will yield further, I do not think I completely answered the gentleman from Georgia. In addition to that, you must not forget the fact that even if

there is a conspiracy, the bank itself has at least a 50-percent interest in these loans, and if there is a loss he is going to suffer proportionately.

Mr. VOORHIS of California. The committee has unquestionably simplified the procedure very much.

Mr. CUNNINGHAM. We hope so.

Mr. VOORHIS of California. I would personally feel that an independent appraisal, where available—and I think they are available from the Farm Credit Administration and the FHA—would have been a protection to the veteran in this matter.

Mr. CUNNINGHAM. And the moment you do that you will get into more red tape and you will hold up the veterans for 2 months or more.

Mr. VOORHIS of California. There is no question but that would sometimes be true.

Mr. PACE. Mr. Speaker, will the gentleman yield further?

Mr. VOORHIS of California. I yield to the gentleman from Georgia.

Mr. PACE. I am exceedingly anxious to make these benefits available to the veterans. I have certainly great confidence in the bankers and the insurance companies of this Nation, but I was struck with the fact that to my knowledge this is the first instance of where the Government has come in and guaranteed loans without in any way investigating the loan or the value of the property on which the loan is made.

Mr. CUNNINGHAM. That is absolutely right. We are leading up to the judgment of the good people at home.

Mr. PACE. That is so striking that I could not restrain making some comment on it.

Mr. CUNNINGHAM. I think the gentleman has some confidence in the integrity of the bankers in their own communities.

Mr. RANKIN. The very proposition that he refers to has kept the veterans from getting any loans.

Mr. CUNNINGHAM. There is one thing that I think you should have in mind. We have changed the period of time from 2 to 6 years after discharge during which the veteran can apply for a loan.

Mr. VOORHIS of California. That is most important, because otherwise he would have only the period of inflated values in which to apply for one.

Mr. CUNNINGHAM. The boy going to school, if he goes through school, would have to wait a long time, and the statute of limitations would run.

Mr. SABATH. I was one who originally opposed that these loans be made by the bankers and insisted that they should be made directly by the Government, to save the high interest rates and expenses incident in making these loans. I did so because of my experience in making investigations some years ago whereby the lenders put on fictitious prices, and many of the investors and bondholders who bought these securities in good faith, thinking that the property was worth a certain amount of money, were defrauded and lost nearly everything they invested. Many of those who were defrauded were widows, and among these investors were also many estates. I feel that in the future there should be a real restriction on the lenders' putting the price on the property, because they may do the same thing they did in various States, in my city, and all over the United States, put on excessive prices and then charge an extra commission as a result of placing that higher estimate on the value of the property. It is a dangerous thing, and I am fearful about it. I think we should have provided that the loans be made directly by the Government, eliminating the high cost of making these loans and the excessive interest.

Mr. VOORHIS of California. I agree with the gentleman's basic position. I think this group of veterans who went into the service right out of school and who have had no business record at all will probably not get very many loans unless they are direct Government loans.

Mr. SABATH. That is what should have been done in the first place.

Mr. VOORHIS of California. I think the earlier situation under the bill as we originally passed it was one so complex, with so much red tape in it, that it just did not work at all.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield so that I may reply to the gentleman from Illinois?

Mr. VOORHIS of California. I yield.

Mr. CUNNINGHAM. Under the rewritten title in this bill, H. R. 3749, all of the safeguards and restrictions are still there that were in the original bill except that it is left to the banker in Chicago, let us say, to put those safeguards into effect, rather than some fellow in the Veterans' Administration here in Washington.

Mr. SABATH. I do not have so much confidence in the bankers, in view of my experience.

Mr. CUNNINGHAM. They are the local bankers.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Virginia.

Mr. SMITH of Virginia. Am I not right in this, that these loans are guaranteed by the Government only to the extent of 50 percent?

Mr. RANKIN. Or up to $2,000.

Mr. SMITH of Virginia. But only 50 percent of the amount borrowed in any event?

Mr. RANKIN. That is right.

Mr. SMITH of Virginia. The result is that the bank assumes the responsibility for the other 50 percent. I think that is a snare and a delusion as far as the veteran is concerned. From the standpoint of a practical banker, if a strange veteran walks into his bank and wants to borrow $1,000 and says, "Uncle Sam guarantees $500 of that," and the banker says, "Who guarantees the other $500 and what security have you?" and the veteran says, "None at all," the banker naturally is just not going to make that loan.

Mr. RANKIN. The gentleman has not read the bill. There is no such provision as that in the bill. It is based on the property.

Mr. SMITH of Virginia. There is a joint guaranty of 50 percent of that loan?

Mr. RANKIN. Yes.

Mr. SMITH of Virginia. I think I know what I am talking about. I think I know something about the banking business and how it operates. I call this to the attention of the chairman in a purely sympathetic way. I suggest that when you go to make permanent changes in this bill you consider the method that was pursued under the Home Owners' Loan Act, where the Government guaranteed a certain percentage of the total loans that the bank made. The bank could then set up a reserve for its losses and absorb the losses on the whole instead of having to take the losses on each separate loan. The experience of the bankers was that the Government lost very little money on that, and the bankers operated under it not only profitably but willingly and gladly. Under this proposition, however, if the bank has to assume half the liability of losses on these loans to veterans that have no financial credit, I am very much afraid that the veterans are going to be terribly disappointed, because loans will not be made, and the whole bill will be a snare and a delusion as far as making loans to veterans is concerned.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from North Carolina.

Mr. FOLGER. I call attention to the fact that while we have all confidence in our local banks, this permits almost anybody to lend to the veterans.

Mr. VOORHIS of California. I understood not.

Mr. FOLGER. The bill reads as follows:

> Loans may be made by any Federal Reserve bank, national bank, State bank, private bank, building and loan association, insurance company, or mortgage and loan company established prior to the date of this act, and any other lending institution or any person approved by the Administrator.

I do not know how that could be broader.

Mr. VOORHIS of California. May I ask the chairman if he will explain what the relationship is between the language the gentleman from North Carolina has just read and the committee amendment which immediately follows it, on page 22 and the top of page 23?

Mr. RANKIN. May I say to the gentleman from North Carolina that we are not taking the position that these veterans do not know their way around. What we are trying to do is help the veteran to help himself.

Now what is the gentleman's question?

Mr. VOORHIS of California. The question is, What is the relationship between this language in lines 19 to 24 on page 22, which the gentleman from North Carolina has just read, and subparagraph (b), which is apparently a committee amendment?

Mr. RANKIN. That is the national banks. I will say to the gentleman that the national banks came to us and said they were precluded from making these loans. Therefore, we adopted this amendment to put them on a parity with State banks, so far as making these loans is concerned.

Mr. VOORHIS of California. Is it correct that other lending institutions have to be approved by the Administrator of Veterans' Affairs?

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. CUNNINGHAM. It was the understanding, and the committee was advised by people who had been before it, that paragraph (b), commencing at the bottom of page 22 and carrying over to page 23, would put national banks and other lending institutions on a par with the building and loan associations as to the amount which could be loaned on the appraised value.

Mr. VOORHIS of California. I see.

Mr. CUNNINGHAM. There is a disparity at the present time. The building and loan associations can lend up to about 90 percent, whereas a national bank can lend only about 60 percent. This brings it up on a parity. At least that is what we were advised this would do.

Mr. THOMASON. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Texas.

Mr. THOMASON. What changes, if any, have been made with regard to veterans who may want to go to school?

Mr. VOORHIS of California. That is a point about which I wanted to ask a question myself.

Mr. THOMASON. There are many of us who have had no opportunity to read and study this bill.

Mr. RANKIN. I will explain that to the gentleman.

Mr. THOMASON. I should like to know exactly what it does for all these young veterans who want to go to college.

Mr. RANKIN. When the gentleman from California [Mr. VOORHIS] gets through, if the gentleman from Texas wishes to interrogate me, I shall be glad to answer that question.

Mr. VOORHIS of California. I will be glad to yield to the gentleman for that purpose.

Mr. RANKIN. Let us get through with what you are on now.

Mr. VOORHIS of California. I would like to ask one question, myself.

Mr. McCORMACK. Of course, the gentleman from California is pursuing a most unusual procedure under a unanimous-consent request and under a reservation of right to object in controlling all the time in this manner and yielding to the several gentlemen. Any one of the Members can reserve the right to object.

Mr. RANKIN. Furthermore, the gentleman is thereby controlling debate on the matter.

Mr. McCORMACK. I think the Member ought to exercise the right, under a reservation of objection in his own right, and let other Members exercise that privilege in their own individual right.

Mr. VOORHIS of California. I will be glad to do that right now. I hoped that possibly I was helping to expedite this discussion. Certainly I have not personally taken much of the time. There is just one more question I would like to ask, whether the committee gave consideration or not, as to the veterans who were over 25 years of age when they went into the service, who were not in school at the time but who, due to their experience in the service, may have found there was a particular profession or vocation which they would like to pursue and would therefore like to go ahead with their education. I am afraid that the 25-year age limitation will preclude that possibility.

Mr. RANKIN. No, sir. The gentleman entirely misunderstands the 25-year age limitation. There has been a great barrage of misunderstanding and it has been preached in every Army camp by men who did not understand it themselves. Here is what happened with reference to that provision. These men are not denied loans because they are over 25 years of age.

Mr. VOORHIS of California. No; I know that.

Mr. RANKIN. They are permitted to finish school.

Mr. VOORHIS. I know that.

Mr. RANKIN. But with reference to the man who was not over 25 years of age when he entered the service, we wrote into the law that he was presumed not to have finished his education. That is the only difference.

Mr. VOORHIS of California. That is with reference to the men under 25 years of age.

Mr. RANKIN. Yes.

Mr. VOORHIS of California. The group I am worried about are those over 25 years of age.

Mr. RANKIN. They are not discriminated against. They come in and secure loans for that purpose, if they had not finished their education.

Mr. VOORHIS of California. That is right.

Mr. RANKIN. Yes.

Mr. VOORHIS of California. But if they were not in school at the time and if they now want to return to school, then, as I understand it, the provision would not be applicable. Is that correct?

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield.

Mr. CUNNINGHAM. When we wrote into the bill the 25-years-of-age provision, you will notice we said if the veteran was not over 25 years of age on the day he was inducted into the service.

Mr. RANKIN. That was in the old bill.

Mr. CUNNINGHAM. That would mean they would be 28 or 29 years of age, on the average, when they are discharged. We thought that was high enough to go. Now it is presumed that a man's education was interrupted. He does not need to furnish any proof at all to get the benefits he is entitled to under the GI bill. However, if he was over 25 on the day he went into the service, he is still entitled to all the benefits under the bill, provided he makes an affidavit or furnishes proof that his education was interrupted, interfered with, or impeded by his induction into the service. I understand from General Hines that they accept the veteran's affidavit on that point.

Mr. VOORHIS of California. Is that new in this draft of the bill or was that in the original bill?

Mr. CUNNINGHAM. It is just the same as the original bill. The only difference is in the amount of subsistence allowance.

Mr. VOORHIS of California. Mr. Speaker, I withdraw my reservation of objection.

Mr. HOOK. Mr. Speaker, reserving the right to object, I want to ask one question with regard to the loans. That is, as to whether or not this loan applies, for instance, to a veteran who has been admitted to practice law or medicine before he went into the service. Then he comes back from the service and he wants to make a loan for the purpose of establishing an office to get started in the practice of his profession again. Does this loan apply to that sort of individual?

Mr. RANKIN. I yield to the gentleman from Iowa [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. As I understand the gentleman's question, can a lawyer, for instance, who comes back and wants to buy some law books and office equipment and establish himself in business, secure a loan for that purpose?

Mr. HOOK. Yes; any profession.

Mr. CUNNINGHAM. I am inclined to think he can, under the business section of this bill, if the lender feels it is reasonable for him to go ahead.

Mr. HOOK. I had understood the Veterans' Administration has heretofore ruled that he was not eligible for a loan for that purpose.

Mr. CUNNINGHAM. Of course, as we have written the bill now it is not up to the Administration to determine that. I think he could get it.

Mr. RANKIN. That is my understanding. That is referred to on page 25 of the bill.

Mrs. ROGERS of Massachusetts. Will the gentleman yield?

Mr. HOOK. I yield.

Mrs. ROGERS of Massachusetts. There is also a very good provision in the bill which provides that the Veterans' Administration, before deciding on its rules and regulations, shall submit them either to the House or the Senate. So I think from now on the Veterans' Administration will interpret the law as we expect to have it interpreted.

Mr. HOOK. Mr. Speaker, I withdraw my reservation of objection.

Mr. McCORMACK. So that the RECORD will show what the intent of the committee was, which is an important matter, I take it it is the intent of the committee that such case should be covered by the provisions of this law.

Mr. CUNNINGHAM. Yes. It was our original intention, but it was not so interpreted by the Veterans' Administration.

Mr. LYLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on this legislation.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LYLE. Mr. Speaker, I am deeply conscious of the difficulties of writing legislation of this nature. So much—perhaps too much, has been said and promised, in the hysteria of war, during

the heat of battle, and in the enthusiasm of a grateful people anxious to encourage and soothe the battle-weary, that it is now more difficult to solve. So much, indeed, that most of us returned only to be disillusioned.

What do we seek to accomplish by this legislation? What manner of man is a veteran, and what is his relationship to government?

I address myself to this subject knowing full well that I do so with heart, mind, and emotions prejudiced in favor of those who have served in our armed forces, and with a deep and personal sense of affection and gratitude for all of them.

We cannot intelligently discuss what the Government owes to those who have served, for there is no criterion or measuring stick that can adequately measure obligations and debts so great and immeasurable. Nor can we discuss what we will give them, for we have no gifts worthy of the occasion, nor is it ours to give, for they and each of them have earned—not a part but the whole—the whole of a full, free, and fruitful life as Americans. It is not an emotional problem, nor a political problem, nor are we dealing with a strange manner of man.

Who is the veteran? He is America today and tomorrow. He is the boy who played end last year on the football team, the doctor who guided you back to health. He is the boy who delivered your papers, sold you clothes, insurance, the girl who taught school, worked in your office, the farm boy, rancher, grocery clerk, the mechanic. He is laborer, student, business, and professional man. He is America—typical American, imbued with a deep sense of love for freedom, decency, and the dignity of the individual.

The veteran is the average American who, through no fault of his own, has been taken from the normal pursuits of freemen to the far corners of the world to help stamp out and obliterate from the face of the earth men who have become beasts through acceptance and practice of philosophies inconsistent with the survival of decent civilization. Because he is normal he is tired and weary of war, of battle, of killing, of all the nastiness and ugliness of war. He is weary of separation from loved ones. He wants a normal American life.

What does the veteran expect of Congress? I am satisfied he does not want special privilege, nor does he want any gifts, easy jobs, or a soft spot in which to spend the remaining part of his life. The veteran is a normal American asking only for a peaceful world and opportunity—opportunity to step back into his place in a free and decent world, where individual initiative, effort, and ambition permit him climb as high as his ambitions, ability, and good fortune warrant. And Congress can do nothing for him except to clear the path and to write in indelible language his right to enjoy the fruits of his labors—opportunity in a free America.

Do we seek to accomplish this in this legislation? I think so. However, I regret to say I do not believe we have the answer. We must pass this, of course, but we must not believe it relieves us of our great obligation. If our Government is to share its credit with veterans, then it must do so in a manner fully capable of meeting the credit demands of a man converting from the role of a soldier to home owner, businessman, or farmer-rancher.

We can and will intelligently solve this problem, for less is unworthy of the service of our millions of men and women.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RIVERS. Mr. Speaker, reserving the right to object, does the interpretation placed by the gentleman from Iowa apply to all professions?

Mr. CUNNINGHAM. Yes.

Mr. RIVERS. I think we should have that definitely covered in the bill, in order to show those who will interpret the administration of this law just what is meant. As the gentleman says, the intent of the committee was to apply to all professions alike, and to all businesses.

Mr. RANKIN. I will read the provision of the bill to the gentleman:

SEC. 504. Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, building, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved if the lender finds—

And so on.

Mr. RIVERS. That includes all professions as well as businesses, enunciated in the bill?

Mr. RANKIN. Yes, sir.

Mr. McCORMACK. The reason I asked the question was to put that in the RECORD. I recognize that the words "gainful occupation" may not be construed as a profession. But yet that matter can be considered when the bill goes to the Senate. I am sure the gentleman from Mississippi will have that in mind.

Mr. RANKIN. What is that?

Mr. McCORMACK. When the bill goes to the Senate, if, in addition to "gainful occupation," the words "or profession" should be included, the gentleman will have that in mind?

Mr. RANKIN. Why, certainly. However, there is no necessity for it. It is included in the bill right now.

Mr. HENDRICKS. Mr. Speaker, I wanted to ask the gentleman from Iowa [Mr. CUNNINGHAM] one question. He said that if a man's education were interrupted of course he could go on to school. Is there not a provision that even though he is not in school or his education is not interrupted, yet under certain circumstances it is assumed that it was interrupted?

Mr. CUNNINGHAM. Yes; if he is not over 25 he is entitled to education regardless of whether it was interrupted or not.

Mrs. ROGERS of Massachusetts. And if over 25 he is entitled to education if his schooling actually was interrupted.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FOLGER. Mr. Speaker, reserving the right to object, I wish to ask the gentleman from Iowa a question: In section 501, on page 22, there is the language:

No approval of the loan shall be required from the Administrator.

And that is followed by a period.

Loans may be made by any Federal Reserve bank * * * or mortgage and loan company established prior to the date of this act.

Mr. CUNNINGHAM. That is right.

Mr. FOLGER. Suppose some veterans come back and themselves want to help their fellow veterans; they have some money and they want to form a mortgage and loan company to help them. Could they do it?

Mr. CUNNINGHAM. They would have to go to the Veterans' Administration and get approval of their institution.

Mr. FOLGER. No; there is a comma after the word "or."

Mr. CUNNINGHAM. Provision is made for them to get approval.

Mr. FOLGER. But there is a comma after the word "or" and it does not apply to them. "And any other lending institution or person approved by the Administrator." I am suggesting that you ought to give that right to these men if they come back and want to form a mortgage and loan company without having to get the approval of the Administrator. Since this is not required of mortgage or loan companies already operating.

Mr. CUNNINGHAM. That is a good point; but let me give you the history of it and then you will understand what happened. I want to say to the membership that a year ago as we passed the bill in the House it was substantially as it is now; that is, it did not require any approval of the Veterans' Administrator. When we got into conference one of the members of the conference committee from the other body wanted to know why it was and said that under that there would be organized in Brooklyn lending associations to meet the boys at the boat. Well, we sort of laughed it off and we took their version.

In the bill as rewritten the gentleman will find we included a provision to the effect that they are not eligible for loans until 30 days after discharge. We have endeavored to get the boys discharged and back to their home communities. We want these things handled in their home communities where it is possible. That was the opinion of the committee. If the comma changes the intent of the committee we will have to change the comma, but I do not believe it does. Any of these boys could form lending associations by getting the approval of the Veterans' Administrator; that is all that is required.

Mr. FOLGER. But we should make it certain that they have that absolute right, and do not have to get anybody's approval.

Mr. CUNNINGHAM. The purpose was to prevent the fly-by-night racketeer from springing up to take advantage of the veterans. Probably in trying to protect the veteran we did him an injustice.

Mr. RANKIN. The fly-by-night racketeer the gentleman refers to is the very thing we were trying to protect the veteran against.

Mr. FOLGER. But you help him with one hand and slap him in the face with the other.

Mr. RANKIN. We did the best we could.

Miss SUMNER of Illinois. Mr. Speaker, reserving the right to object, I just wondered why, at this place where you talked about their having to get the approval of the Administrator, why you do not fix it up now, why you wait to get in conference before you fix it.

Mr. RANKIN. What page is the lady talking about?

Miss SUMNER of Illinois. Page 22.

Mr. RANKIN. Where?

Miss SUMNER of Illinois. Page 22, where it says "approved by the Administrator."

Mr. RANKIN. What line?

Miss SUMNER of Illinois. Line 24—so that in the event that the institution does take advantage of the discharged soldier that the approval of the Administrator could be withdrawn.

Mr. RANKIN. That follows at any rate.

Miss SUMNER of Illinois. I do not think it is the way it has been changed.

Mr. RANKIN. Certainly; the Administrator has to approve these new enterprises, and ought to.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Public Law 346, Seventy-eighth Congress, be amended to read as follows:

That this act may be cited as the "Servicemen's Readjustment Act of 1945."

TITLE I

CHAPTER I—HOSPITALIZATION, CLAIMS, AND PROCEDURES

SEC. 100. The Veterans' Administration is hereby declared to be an essential war agency and entitled, second only to the War and Navy Departments, to priorities in personnel, equipment, supplies, and material under any laws, Executive orders, and regulations pertaining to priorities, and in appointments of personnel from civil-service registers the Administrator of Veterans' Affairs is hereby granted the same authority and discretion as the War and Navy Departments and the United States Public Health Service: *Provided*, That the provisions of this section as to priorities for materials shall apply to any State institution to be built for the care or hospitalization of veterans.

SEC. 101. The Administrator of Veterans' Affairs and the Federal Board of Hospitalization are hereby authorized and directed to expedite and complete the construction of additional hospital facilities for war veterans, and to enter into agreements and contracts for the use by or transfer to the Veterans' Administration of suitable Army and Navy hospitals after termination of hostilities in the present war or after such institutions are no longer needed by the armed services; and the Administrator of Veterans' Affairs is hereby authorized and directed to establish necessary regional offices, suboffices, branch offices, contact units, or other subordinate offices in centers of population where there is no Veterans' Administration facility, or where such a facility is not readily available or accessible: *Provided*, That there is hereby authorized to be appropriated the sum of $500,000,000 for the construction of additional hospital facilities.

SEC. 102. The Administrator of Veterans' Affairs and the Secretary of War and Secretary of the Navy are hereby granted authority to enter into agrements and contracts for the mutual use or exchange of use of hospital and domiciliary facilities, and such supplies, equipment, and material as may be needed to operate properly such facilities, or for the transfer, without reimbursement of appropriations, of facilities, supplies, equipment, or material necessary and proper for authorized care for veterans, except that at no time shall the Administrator of Veterans' Affairs enter into any agreement which will result in a permanent reduction of Veterans' Administration hospital and domiciliary beds below the number now established or approved, plus the estimated number required to meet the load of eligibles under laws administered by the Veterans' Administration, or in any way subordinate or transfer the operation of the Veterans' Administration to any other agency of the Government.

Nothing in the Selective Training and Service Act of 1940, as amended, or any other Act, shall be construed to prevent the transfer or detail of any commissioned, appointed or enlisted personnel from the armed forces to the Veterans' Administration subject to agreements between the Secretary of War or the Secretary of the Navy and the Administrator of Veterans' Affairs: *Provided*, That no such detail shall be made or extend beyond 6 months after the termination of the war.

SEC. 103. The Administrator of Veterans' Affairs shall have authority to place officials and employees designated by him in such Army and Navy installations as may be deemed advisable for the purpose of adjudicating disability claims of, and giving aid and advice to, members of the Army and Navy who are about to be discharged or released from active service.

SEC. 104. No person shall be discharged or released from active duty in the armed forces until his certificate of discharge or release from active duty and final pay, or a substantial portion thereof, are ready for delivery to him or to his next of kin or legal representative; and no person shall be discharged or released from active service on account of disability until and unless he has executed a claim for compensation, pension, or hospitalization, to be filed with the Veterans' Administration or has signed a statement that he has had explained to him the right to file such claim: *Provided*, That this section shall not preclude immediate transfer to a veterans' facility for necessary hospital care, nor preclude the discharge of any person who refuses to sign such claim or statement: *And provided further*, That refusal or failure to file a claim shall be without prejudice to any right the veteran may subsequently assert.

Any veteran entitled to a prosthetic appliance shall be furnished such fitting and training, including institutional training in the use of such appliance as may be necessary, whether in a Veterans' Administration facility, other training institution, or by outpatient treatment, including such service under contract and including necessary travel expenses to and from their homes to such hospital or training institution.

The Administrator of Veterans' Affairs may procure any and all items mentioned herein, including necessary services required in the fitting, supplying, and training in use of such items by purchase, manufacture, contract, or in such other manner as the Administrator may determine to be proper without regard to any other provision of law.

SEC. 105. No person in the armed forces shall be required to sign a statement of any nature relating to the origin, incurrence, or aggravation of any disease or injury he may have, and any such statement against his own interest signed at any time, shall be null and void and of no force and effect.

CHAPTER II—AID BY VETERANS' ORGANIZATIONS

SEC. 200. (a) That upon certification to the Secretary of War or Secretary of the Navy by the Administrator of Veterans' Affairs of paid full-time accredited representatives of the veterans' organizations specified in section 200 of the act of June 29, 1936 (Public Law No. 844, 74th Cong.), and other such national organizations recognized by the Administrator of Veterans' Affairs thereunder in the presentation of claims under laws administered by the Veterans' Administration, the Secretary of War and Secretary of the Navy are hereby authorized and directed to permit the functioning, in accordance with regulations prescribed pursuant to subsection (b) of this section, of such accredited representatives in military or naval installations on shore from which persons are discharged or released from the active military or naval service: *Provided*, That nothing in this section shall operate to affect measures of military security now in effect or which may hereafter be placed in effect, nor to prejudice the right of the American Red Cross to recognition under existing statutes.

(b) The necessary regulations shall be promulgated by the Secretary of War and the Secretary of the Navy jointly with the Administrator of Veterans' Affairs to accomplish the purpose of this section, and in the preparation of such regulations the national officer of each of such veterans' organizations who is responsible for claims and rehabilitation activities shall be consulted. The commanding officer of each such military or naval installation shall cooperate fully with such authorized representatives in the providing of available space and equipment for such representatives.

CHAPTER III—REVIEWING AUTHORITY

SEC. 300. The discharge or dismissal by reason of the sentence of a general court martial of any person from the military or naval forces, or the discharge of any such person on the ground that he was a conscientious objector who refused to perform military duty or refused to wear the uniform or otherwise to comply with lawful orders of competent military authority, or as a deserter, or of an officer by the acceptance of his resignation for the good of the service, shall bar all rights of such person, based upon the period of service from which he is so discharged or dismissed, under any laws administered by the Veterans' Administration: *Provided*, That in the case of any such person, if it be established to the satisfaction of the Administrator that at the time of the commission of the offense such person was insane, he shall not be precluded from benefits to which he is otherwise entitled under the laws administered by the Veterans' Administration: *And provided further*, That this section shall not apply to any war risk, Government (converted), or national service life-insurance policy.

SEC. 301. The Secretary of War and the Secretary of the Navy, after conference with the Administrator of Veterans' Affairs, are authorized and directed to establish in the War and Navy Departments, respectively, boards of review composed of five members each, whose duties shall be to review, on their own motion or upon the request of a former officer or enlisted man or woman or; if deceased, by the surviving spouse, next of kin, or legal representative, the type and nature of his discharge or dismissal, except a discharge or dismissal by reason of the sentence of a general court martial. Such review shall be based upon all available records of the service department relating to the person requesting such review, and such other evidence as may be presented by such person. Witnesses shall be permitted to present testimony either in person or by affidavit and the person requesting review shall be allowed to appear before such board in person or by counsel: *Provided*, That the term "counsel" as used in this section shall be construed to include, among others, accredited representatives of veterans' organizations recognized by the Veterans' Administration under section 200 of the act of June 29, 1936 (Public Law, No. 844, Seventy-fourth Congress). Such board shall have authority, except in the case of a discharge or dismissal by reason of the sentence of a general court martial, to change, correct, or modify any discharge or dismissal, and to issue a new discharge in accord with

the facts presented to the board. The Articles of War and the Articles for the Government of the Navy are hereby amended to authorize the Secretary of War and the Secretary of the Navy to establish such boards of review, the findings thereof to be final subject only to review by the Secretary of War or the Secretary of the Navy, respectively: *Provided*, That no request for review by such board of a discharge or dismissal under the provisions of this section shall be valid unless filed within 15 years after such discharge or dismissal or within 15 years after the effective date of this act whichever be the later.

SEC. 302 (a) The Secretary of War, the Secretary of the Navy, and the Secretary of the Treasury are authorized and directed to establish, from time to time, boards of review composed of five commissioned officers, two of whom shall be selected from the Medical Corps of the Army or Navy, or from the Public Health Service, as the case may be. It shall be the duty of any such board to review, at the request of any officer retired or released to inactive service, without pay, for physical disability pursuant to the decision of a retiring board or board of medical survey, the findings and decision of such retiring board or board of medical survey. Such review shall be based upon all available service records relating to the officers requesting such review, and such other evidence as may be presented by such officer. Witnesses shall be permitted to present testimony either in person or by affidavit, and the officer requesting review shall be allowed to appear before such board of review in person or by counsel. In carrying out its duties under this section such board of review shall have the same powers as exercised by, or vested in, the retiring board whose findings and decision are being reviewed. The proceedings and decision of each such board of review affirming or reversing the decision of the retiring board shall be transmitted to the Secretary of War, the Secretary of the Navy, or the Secretary of the Treasury, as the case may be, and shall be laid by him before the President for his approval or disapproval and orders in the case.

(b) No request for review under this section shall be valid unless filed within 15 years after the date of retirement for disability or after the effective date of this act, whichever is the later.

(c) As used in this section—

(1) the term "officer" means any officer subject to the laws granting retirement for active service in the Army, Navy, Marine Corps, or Coast Guard, or any of their respective components;

(2) the term "counsel" shall have the same meaning as when used in section 301 of this act.

TITLE II

CHAPTER IV—EDUCATION OF VETERANS

SEC. 400. (a) Subsection (f) of section 1, title I, Public Law Numbered 2, Seventy-third Congress, added by the Act of March 24, 1943 (Public Law Numbered 16, Seventy-eighth Congress), is hereby amended to read as follows:

"(f) Any person who served in the active military or naval forecs on or after September 16, 1940, and prior to the termination of hostilities in the present war, shall be entitled to vocational rehabilitation subject to the provisions and limitations of Veterans Regulation Numbered 1 (a), as amended, part VII, or to education or training subject to the provisions and limitations of part VIII."

(b) Veterans Regulation Numbered 1 (a), is hereby amended by adding a new part VIII, as follows:

"PART VIII

"1. Any person who served in the active military or naval service on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable, and whose education or training was impeded, delayed, interrupted, or interfered with by reason of his entrance into the service, or who desires a refresher or retraining course, and who either shall have served 90 days or more, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training proram, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, or shall have been discharged or released from active service by reason of an actual service-incurred injury or disability, shall be eligible for and entitled to receive education or training under this part: *Provided*, That such course shall be initiated not later than 4 years after either the date of his discharge or the termination of the present war, whichever is the later: *Provided further*, That no such education or training shall be afforded beyond 9 years after the termination of the present war: *And provided further*, That any such person who was not over 25 years of age at the time he entered the service shall be deemed to have had his education or training impeded, delayed, interrupted, or interfered with.

"2. Any such eligible person shall be entitled to education or training, or a refresher or retaining course, at an approved educational or training institution, for a period of 1 year (or the equivalent thereof in continuous part-time study), or for such lesser time as may be required for the course of instruction chosen by him. Upon satisfactory completion of such course of education or training, according to the regularly prescribed standards and practices of the institutions, except a refresher or retraining course, such person shall be entitled to an additional period or periods of education or training, not to exceed the time such person was in the active service on or after September 16, 1940, and before the termination of the war, exclusive of any period he was assigned for a course of education or training under the Army specialized training program or the Navy college training program, which course was a continuation of his civilian course and was pursued to completion, or as a cadet or midshipman at one of the service academies, but in no event shall the total period of education or training exceed 4 years: *Provided*, That his work continues to be satisfactory throughout the period, according to the regularly prescribed standards and practices of the institution: *Provided, however*, That wherever the additional period of instruction ends during a quarter or semester and after a major part of such quarter or semester has expired, such period of instruction shall be extended to the termination of such unexpired quarter or semester.

"3. (a) Such person shall be eligible for and entitled to such course of education or training as he may elect, and at any approved educational or training institution at which he chooses to enroll, whether or not located in the State in which he resides, which will accept or retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue: *Provided*, That, for reasons satisfactory to the Administrator, he may change a course of instruction: *And provided further*, That any such course of education or training may be discontinued at any time, if it is found by the Administrator that, according to the regularly prescribed standards and practices of the institution, the conduct or progress of such person is unsatisfactory.

"(b) Any such eligible person may apply for a short, intensive, postgraduate or vocational training course of less than 30 weeks: *Provided*, That the Administrator shall have the authority to contract with approved institutions for such courses if he finds that the agreed cost of such courses is reasonable and fair: *Provided further*, That the limitation of paragraph 5 shall not prevent the payment of such agreed rates, but there shall be charged against the veteran's period of eligibility the proportion of an ordinary school year which the cost of the course bears to $500.

"4. From time to time the Administrator shall secure from the appropriate agency of each State a list of the educational and training institutions (including industrial establishments), within such jurisdiction, which are qualified and equipped to furnish education or training (including apprenticeship and refresher or retaining training), which institutions, together with such additional ones as may be recognized and approved by the Administrator, shall be deemed qualified and approved to furnish education or training to such persons as shall enroll under this part: *Provided*, That wherever there are established State apprenticeship agencies expressly charged by State laws to administer apprentice training, whenever possible, the Administrator shall utilize such existing facilities and services in training on the job when such training is of 1 year's duration or more.

"5. The Administrator shall pay to the educational or training institution, for each person enrolled in full time, part time, or correspondence course of education or training, the customary cost of tuition, and such laboratory, library, health, infirmary, and other similar fees as are customarily charged, and may pay for books, supplies, equipment, and other necessary expenses, exclusive of board, lodging, other living expenses, and travel, as are generally required for the successful pursuit and completion of the course by other students in the institution: *Provided*, That in no event shall such payments, with respect to any person, exceed $500 for an ordinary school year: *Provided further*, That no payments shall be made to institutions, business or other establishments furnishing apprentice training on the job: *And provided further*, That if any such institution has no established tuition fee, or if its established tuition fee shall be found by the Administrator to be inadequate compensation to such institution for furnishing such education or training, he is authorized to provide for the payment, with respect to any such person, of such fair and reasonable compensation as will not exceed $500 for an ordinary school year.

"6. While enrolled in and pursuing a course other than a course in a correspondence school under this part, such person, upon application to the Administrator, shall be paid a subsistence allowance of $60 per month, if without a dependent or dependents, or $85 per month, if he has a dependent or dependents, including regular holidays and leave not exceeding 30 days in a calendar year. Such person attending a course on a part-time basis, and such person receiving compensation for productive labor performed as part of their apprentice or other training on the job at institutions, business, or other establishment, shall be entitled to receive such lesser sums, if any, as subsistence or dependency allowances as may be determined by the Administrator: *Provided*, That any such person eligible under this part, and within the limitations thereof, may pursue such full-time or part-time course or courses as he may elect, without subsistence allowance.

"7. Any such person eligible for the benefits of this part, who is also eligible for the benefit of part VII, may elect which benefit he desires: *Provided*, That, in the event of such election, subsistence allowance hereunder shall not exceed the amount of additional pension payable for training under said part VII.

"8. No department, agency, or officer of the United States, in carrying out the provisions of this part, shall exercise any supervision or control, whatsoever, over any State educational agency, or State apprenticeship agency, or any educational or training institution: *Provided*, That nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized, by existing provisions of law, to exercise over any Federal educational or training institution, or to prevent the furnishing of education or training under this part in any institution over which supervision or control is exercised by such other department, agency, or officer under authority of existing provisions of law.

"9. The Administrator of Veterans' Affairs is authorized and empowered to administer this title, and, insofar as he deems practicable, shall utilize existing facilities and services of Federal and State departments and agencies on the basis of mutual agreements with them. Consistent with and subject to the provisions and limitations set forth in this title, the Administrator shall, from time to time, prescribe and promulgate such rules and regulations as may be necessary to carry out its purposes and provisions.

"10. The Administrator may arrange for educational and vocational guidance to persons eligible for education and training under this part. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for training personnel in the various crafts, trades, and professions: *Provided*, That facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

"11. As used in this part, the term 'educational or training institutions' shall include all public or private elementary, secondary, and other schools furnishing education for adults, business schools and colleges, correspondence schools, scientific and technical institutions, colleges, vocational schools, junior colleges, teachers colleges, normal schools, professional schools, universities, and other educational institutions, and shall also include business or other establishments providing apprentice or other training on the job, including those under the supervision of an approved college or university or any State department of education, or any State apprenticeship agency or State board of vocational education, or any State apprenticeship council or the Federal Apprentice Training Service established in accordance with Public, No. 308, Seventy-fifth Congress, or any agency in the executive branch of the Federal Government authorized under other laws to supervise such training.

"12. The Government shall pay for these correspondence courses quartedly as the course is completed.

"13. No correspondence school shall be approved unless it was in existence prior to the date of this act.

SEC. 401. Section 3, Public Law No. 16, Seventy-eighth Congress, is hereby amended to read as follows:

"SEC. 3. The appropriation for the Veterans' Administration, 'Salaries and expenses, medical and hospital, and compensation and pensions,' shall be available for necessary expenses under part VII, as amended, or part VIII of Veterans Regulation No. 1 (a), and there is hereby authorized to be appropriated such additional amount or amounts as may be necessary to accomplish the purposes thereof. Such expenses may include, subject to regulations issued by the Administrator and in addition to medical care, treatment, hospitalization, and prosthesis, otherwise authorized, such care, treatment, and supplies as may be necessary to accomplish the purposes of part VII, as amended, or part VIII of Veterans Regulation No. 1 (a).

SEC. 402. Public Law No. 16, Seventy-eighth Congress, is hereby amended by adding thereto a new section 4 to read as follows:

"SEC. 4. Any books, supplies, or equipment furnished a trainee or student under part VII or part VIII of Veterans Regulation No. 1 (a) shall be deemed released to him: *Provided*, That if he fail, because of fault on his part to complete the course of training or education afforded thereunder, he may be required, in the discretion of the Administrator, to return any or all of such books, supplies, or equipment not actually expended or to repay the reasonable value thereof."

SEC. 403. Paragraph 1, part VII, Veterans Regulation No. 1 (a) (Public Law No. 16, 78th Cong.), is hereby amended by inserting after the word "time" the words "on or" and deleting the date "December 6, 1941" and substituting therefor the date "September 16, 1940."

TITLE III—LOANS FOR THE PURCHASE OR CONSTRUCTION OF HOMES, FARMS, AND BUSINESS PROPERTY

CHAPTER V—GENERAL PROVISIONS FOR LOANS

SEC. 500. (a) Any person who shall have served in active military or naval service of the United States at any time on or after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released therefrom under conditions other than dishonorable after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be eligible for benefits of this title. Any such veteran may apply within 6 years after separation from the military or naval forces, or 6 years after termination of the war, whichever is the later date, but in no event more than 8 years after the termination of the war, to any of the established lending agencies hereinafter set forth for a loan for the purposes set forth in the title in any amount that may be agreed upon between the lender and the veteran, and when such a loan is made by the lender the lender is automatically guaranteed 50 percent of the loan by the Administrator of Veterans' Affairs and this act is the guaranty: *Provided*, That the aggregate amount guaranteed shall not exceed $2,000: *Provided further*, That no loan shall be negotiated until 30 days after the date of veteran's discharge.

(b) Interest for the first year on that part of the loan guaranteed shall be paid by the Administrator out of available appropriations.

(c) The liability under the guaranty, within the limitations of this title, shall decrease or increase pro rata with any decrease or increase of the amount of the unpaid portion of the obligation: *Provided*, That loans guaranteed shall bear interest at a rate not exceeding 4 percent per annum and shall be payable in full in not more than 20 years.

Certificate of eligibility

SEC. 501. An honorable discharge shall be the veteran's certificate of eligibility to apply for a guaranteed loan. All veterans who have a discharge other than honorable or dishonorable shall receive from the Administrator upon request after discharge a certificate of eligibility. Upon the making of a loan as provided herein the lender shall endorse on the back of the honorable discharge or certificate, in lieu of discharge or certificate of eligibility, the date and amount of the loan and shall also forthwith transmit to the Administrator a statement setting forth the full name and serial number of the veteran, amount and terms of the loan, and the legal description of the property. No approval of the loan shall be required from the Administrator. Loans may be made by any Federal Reserve bank, National bank, State bank, private bank, building and loan association, insurance company, or mortgage and loan company established prior to the date of this act, and any other lending institution or any person approved by the Administrator.

Purchase or construction of homes

SEC. 502. (a) Any application made by a veteran under this title for a loan to be used in purchasing residential property or in constructing a dwelling or unimproved property owned by him to be occupied as his home may be approved if the lender finds—

(1) that the proceeds of such loans will be used for payment for such property to be purchased or constructed by the veteran;

(2) that the contemplated terms of payment required in any mortgage to be given in part payment of the purchase price or the construction cost bear a proper relation to the veteran's present and anticipated income and expense; and that the nature and condition of the property is such as to be suitable for dwelling purposes; and

(3) that the purchase price paid or to be paid by the veteran for such property or the construction cost, including the value of the unimproved lot, does not exceed the reasonable value thereof as determined by the lender's appraisal.

(b) Any application for a loan under this section for the purpose of making repairs, alterations, or improvements in, or paying delinquent indebtedness, taxes, or special assessments on residential property owned by the veteran and used by him as his home, may be approved by the lender if the proceeds of such loan will be used for such purpose or purposes.

(c) No first mortgage shall be ineligible for insurance under the National Housing Act, as amended, by reason of any loan guaranteed under this title, or by reason of any secondary lien upon the property involved securing such loan.

Purchase of farms and farm equipment

SEC. 503. Any application made under this title for the guaranty of a loan to be used in purchasing any land, building, livestock, equipment, machinery, or implements, or in repairing, altering, or improving any buildings or equipment, to be used in farming operations conducted by the applicant, may be approved if the lender finds—

(1) that the proceeds of such loan will be used in payment for real or personal property purchased or to be purchased by the veteran, or for repairing, altering, or improving any buildings or equipment, to be used in bona fide farming operations conducted by him;

(2) that such property will be useful in and reasonably necessary for efficiently conducting such operations;

(3) that the ability and experience of the veteran, and nature of the proposed farming operations to be conducted by him, are such that there is a reasonable likelihood that such operations will be successful; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by the lender's appraisal.

Purchase of business property

SEC. 504. Any application made under this title for the guaranty of a loan to be used in purchasing any business, land, buildings, supplies, equipment, machinery, or tools, to be used by the applicant in pursuing a gainful occupation (other than farming) may be approved if the lender finds—

(1) that the proceeds of such loan will be used for payment for real or personal property purchased or to be purchased by the veteran and used by him in the bona fide pursuit of such gainful occupation;

(2) that such property will be useful in and reasonably necessary for the efficient and successful pursuit of such occupation;

(3) that the ability and experience of the veteran, and the conditions under which he proposes to pursue such occupation, are such that there is a reasonable likelihood that

he will be successful in the pursuit of such occupation; and

(4) that the purchase price paid or to be paid by the veteran for such property does not exceed the reasonable value thereof as determined by the lender's appraisal.

SEC. 505. In the event the veteran defaults in the payment of his loan and after suit or foreclosure and sale the deficiency is determined, then upon notification from the lender, the Administrator of Veterans' Affairs shall pay to the lender its guaranty not in excess of $2,000 and not in excess of the deficiency, and be subrogated to the rights of the lender to the extent of the amount paid on the guaranty: *Provided*, That prior to suit or foreclosure the lender shall notify the Administrator, and within 30 days thereafter the Administrator may, at his option, pay the lender the face of the loan plus accrued interest and receive an assignment of the loan and security and thereafter sue or foreclose in the name of the Veterans' Administration.

TITLE IV

CHAPTER VI—EMPLOYMENT OF VETERANS

SEC. 600. (a) In the enactment of the provisions of this title Congress declares as its intent and purpose that there shall be an effective job counseling and employment placement service for veterans, and that, to this end, policies shall be promulgated and administered, so as to provide for them the maximum of job opportunity in the field of gainful employment. For the purpose there is hereby created to cooperate with and assist the United States Employment Service, as established by the provisions of the act of June 6, 1933, a Veterans' Placement Service Board, which shall consist of the Administrator of Veterans' Affairs, as chairman, the Director of the National Selective Service System, and the Administrator of the Federal Security Agency, or whoever may have the responsibility of administering the functions of the United States Employment Service. The Board shall determine all matters of policy relating to the administration of the Veterans' Employment Service of the United States Employment Service.

(b) The chairman of the board shall have direct authority and responsibility for carrying out its policies through the vetreans' employment representatives in the several States or through persons engaged in activities authorized by subsection (g) of section 8 of the Selective Service Act of 1940 (Public Law 783, 76th Cong., approved September 16, 1940, as amended (U. S. C., title 50, sec. 308)). The chairman may delegate such authority to an executive secretary who shall be appointed by him and who shall thereupon be the Chief of the Veterans' Employment Service of the United States Employment Service.

(c) The public records of the Veterans' Personnel Division, National Selective Service System, and the Veterans' Employment Service of the United States Employment Service shall be available to the Board.

SEC. 601. The United States Employment Service shall assign to each of the States a veterans' employment representative, who shall be a veteran of the wars of the United States separated from active service under honorable conditions, who at the time of appointment shall have been a bona fide resident of the State for at least 2 years, and who shall be appointed, subject to the approval of the Board, in accordance with the civil-service laws, and whose compensation shall be fixed in accordance with the Classification Act of 1923, as amended. Each such veterans' employment representative shall be attached to the staff of the public employment service in the State to which he has been assigned. He shall be administratively responsible to the Board, through its executive secretary, for the execution of the Board's veterans' placement policies through the public employment service in the State. In cooperation with the public employment service staff in the State, he shall—

(a) be functionally responsible for the supervision of the registration of veterans in local employment offices for suitable types of employment and for placement of veterans in employment;

(b) assist in securing and maintaining current information as to the various types of available employment in public works and private industry or business;

(c) promote the interest of employers in employing veterans;

(d) maintain regular contact with employers and veterans' organizations with a view of keeping employers advised of veterans available for employment and veterans advised of opportunities for employment; and

(e) assist in every possible way in improving working conditions and the advancement of employment of veterans.

SEC. 602. Where deemed necessary by the Board, there shall be assigned by the administrative head of the employment service in the State one or more employees, preferably veterans, of the staffs of local employment service offices, whose services shall be primarily devoted to discharging the duties prescribed for the veterans' employment representative.

SEC. 603. All Federal agencies shall furnish the Board such records, statistics, or information as may be deemed necessary or appropriate in administering the provisions of this title, and shall otherwise cooperate with the Board in providing continuous employment opportunities for veterans.

SEC. 604. The Federal agency administering the United States Employment Service shall maintain that Service as an operating entity and, during the period of its administration, shall effectuate the provisions of this title.

SEC. 605. (a) The Board through its executive secretary shall estimate the funds necessary for the proper and efficient administration of this title; such estimated sums shall include the annual amounts necessary for salaries, rents, printing and binding, travel, and communications. Sums thus estimated shall be included as a special item in the annual budget of the United States Employment Service. Any funds appropriated pursuant to this special item as contained in the budget of the United States Employment Service shall not be available for any purpose other than that for which they were appropriated, except with the approval of the Board.

(b) The War Manpower Commission shall from its current appropriation allocate and make available sufficient funds to carry out the provisions of this title during the current fiscal year.

SEC. 606. The term "United States Employment Service" as used in this title means that bureau created by the provisions of the act of June 6, 1933, or such successor agencies as from time to time shall perform its functions and duties, as now performed by the War Manpower Commission.

SEC. 607. The term "veteran" as used in this title shall mean a person who served in the active service of the armed forces during a period of war in which the United States has been, or is, engaged, and who has been discharged or released therefrom under conditions other than dishonorable.

TITLE V

CHAPTER VII—READJUSTMENT ALLOWANCES FOR FORMER MEMBERS OF THE ARMED FORCES WHO ARE UNEMPLOYED

SEC. 700. (a) Any person who shall have served in the active military or naval service of the United States at any time after September 16, 1940, and prior to the termination of the present war, and who shall have been discharged or released from active service under conditions other than dishonorable, after active service of 90 days or more, or by reason of an injury or disability incurred in service in line of duty, shall be entitled, in accordance with the provisions of this title and regulations issued by the Administrator of Veterans' Affairs pursuant thereto, to receive a readjustment allowance as provided herein for each week of unemployment, not to exceed a total of 52 weeks, which (1) begins after the first Sunday of the third calendar month after the date of enactment hereof, and (2) occurs not later than 2 years after discharge or release or the termination of the war, whichever is the later date: *Provided*, That no such allowance shall be paid for any period for which he receives increased pension under part VII of Veterans Regulation 1 (a) or a subsistence allowance under part VIII of such regulation: *Provided further*, That no readjustment allowance shall be payable for any week commencing more than 5 years after the termination of hostilities in the present war.

(b) Such person shall be deemed eligible to receive an allowance for any week of unemployment if claim is made for such allowance and the Administrator finds with respect to such week that—

(1) the person is residing in the United States at the time of such claim;

(2) the person is completely unemployed, having performed no service and received no wages, or is partially unemployed in that services have been performed for less than a full workweek and the wages for the week are less than the allowance under this title plus $3;

(3) the person is registered with and continues to report to a public employment office, in accordance with its regulations;

(4) the person is able to work and available for suitable works: *Provided*, That no claimant shall be considered ineligible in any period of continuous unemployment for failure to comply with the provisions of this subparagraph if such failure is due to an illness or disability which occurs after the commencement of such period.

CHAPTER VIII—DISQUALIFICATIONS

SEC. 800. Notwithstanding the provisions of section 700, a claimant shall be disqualified from receiving an allowance if—

(1) he leaves suitable work voluntarily, without good cause, or is suspended or discharged for misconduct in the course of employment;

(2) he, without good cause, fails to apply for suitable work to which he has been referred by a public employment office, or to accept suitable work when offered him; or

(3) he, without good cause, does not attend an available free training course as required by regulations issued pursuant to the provisions of this title.

(b) Notwithstanding the provisions of section 700, a claimant shall also be disqualified from receiving an allowance for any week with respect to which it is found that his unemployment is due to a stoppage of work which exists because of a labor dispute at the factory, establishment, or other premises at which he is or was last employed: *Provided*, That this subsection shall not apply if it is shown that—

(1) he is not participating in or directly interested in the labor dispute which causes the stoppage of work; and

(2) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage there were members employed at the premises at which the stoppage occurs, any of whom are participating in or directly interested in the dispute: *Provided, however*, That if in any case separate branches of work, which are commonly conducted as separate business in separate premises, are conducted in separate departments of the same premise, each such department shall, for the purposes of this

subsection, be deemed to be a separate factory, establishment, or other premises.

(c) (1) If a claimant is disqualified under the provisions of subsection (a) of this section, he shall be disqualified to receive any readjustment allowance for the week in which the cause of his disqualification occurred and for not more than four immediately following weeks.

(2) In addition to the disqualification prescribed in paragraph (1) above, the Administrator may, in cases of successive disqualifications under the provisions of subsection (a) of this section, extend the period of disqualification for such additional period as the Administrator may prescribe, but not to exceed eight additional weeks in the case of any one disqualification.

(d) (1) In determining under subsection (a) of this section the suitability of work or the existence of good cause with respect to a claimant, the conditions and standards prescribed by the unemployment compensation laws of the State in which he files his claim shall govern: *Provided*, That the Administrator may prescribe conditions and standards for applicants in any State having no applicable statute.

(2) In determining under subsection (a) of this section the suitability of work, no work shall be deemed suitable for an individual if—

(A) the position offered is vacant due directly to a strike, lock-out, or other labor dispute; or

(B) the wages, hours, or other conditions of the work offered are substantially less favorable to him than those prevailing for similar work in the locality.

CHAPTER IX—AMOUNT OF ALLOWANCE AND PAYMENT

SEC. 900. (a) The allowance for a week shall be $20 less that part of the wages payable to him for such week which is in excess of $3: *Provided*, That where the allowance is not a multiple of $1, it shall be computed to the next highest multiple of $1.

(b) The number of weeks of allowances to which each eligible veteran shall be entitled shall be determined as follows: For each calendar month or major fraction thereof of active service during the period stated in section 700 the veteran shall be entitled to 4 weeks of allowances, but in no event to exceed the maximum provided in section 700: *Provided*, That the allowance for the qualifying 90 days service shall be 8 weeks for each such month.

SEC. 901. (a) Readjustment allowances shall be paid at the intervals prescribed by the unemployment compensation law of the State in which the claim was made: *Provided*, That if none are so prescribed readjustment allowances shall be paid at such reasonable intervals as may be determined by the Administrator.

(b) Any allowances remaining unpaid upon the death of a claimant shall not be considered a part of the assets of the estate of the claimant, or liable for the payment of his debts, or subject to any administration of his estate, and the Administrator may make payment thereof to such person or persons he finds most equitably entitled thereto.

SEC. 902. (a) Any person qualified under subsection (a) of section 700, and residing in the United States who is self-employed for profit in an independent establishment, trade, business, profession, or other vocation shall be eligible for readjustment allowances under this title within the time periods applicable, and not in excess of the total amount provided in this title.

(b) Upon application by the veteran showing, in accordance with rules prescribed by the Administrator, that he has been fully engaged in such self-employment and that his net earnings in a trade, business, profession, or vocation, have been less than $100 in the previous calendar month, the veteran shall be entitled to receive, subject to the limitations of this title as to time and amount, the difference (adjusted to the next highest multiple of $1), between $100 and his net earnings for such month.

(c) Payment of such allowance shall be made by the Administrator to each eligible veteran at the time and in the manner other payments are made directly to veterans by the Administrator.

(d) Subsection (b) of section 700 and section 800 shall not apply in determining the eligibility for allowances of a claimant under this section.

CHAPTER X.—ADJUSTMENT OF DUPLICATE BENEFITS

SEC. 1000. Where an allowance is payable to a claimant under this title and where, for the same period, either an allowance or benefit is received under any Federal or State unemployment or disability compensation law, the amount received or accrued from such other source shall be subtracted from the allowance payable under this title (except that this section shall not apply to pension, compensation, or retired pay paid by the Veterans' Administration); and the resulting allowances, if not a multiple of $1, shall be readjusted to the next higher multiple of $1.

CHAPTER XI—ADMINISTRATION

SEC. 1100. (a) The Administrator of Veterans' Affairs is authorized to administer this title and shall, insofar as possible, utilize existing facilities and services of Federal and State departments or agencies on the basis of mutual agreements with such departments or agencies. Such agreements shall provide for the filing of claims for readjustment allowances with the Administrator through established public employment offices and State unemployment-compensation agencies. Such agencies, through agreement, shall also be utilized in the processing, adjustment, and determination of such claims and the payment of such allowances. To facilitate the carrying out of agreements with State departments or agencies and to assist in the discharge of the Administrator's duties under this title, a representative of the Administrator, who shall be a war veteran separated from active service under honorable conditions and who at the time of appointment shall have been a bona fide resident of the State for at least 2 years, shall be located in each participating State department or agency.

(b) The Administrator, consistent with the provisions of this title, shall prescribe such rules and regulations and require such records and reports as he may find necessary to carry out its purposes: *Provided, however*, That cooperative rules and regulations relating to the performance by Federal or State departments, or agencies, of functions under agreements made therewith may be made by the Administrator after consultation and advisement with representatives of such departments or agencies.

(c) The Administrator may delegate to any officer or employee of his own or of any cooperating department or agency of any State such of his powers and duties, except that of prescribing rules and regulations, as the Administrator may consider necessary and proper to carry out the purposes of this title.

(d) Allowances paid by the cooperating State agencies shall be repaid upon certification by the Administrator. The Secretary of the Treasury, through the Division of Disbursement of the Treasury, and without the necessity of audit and settlement by the General Accounting Office, shall pay monthly to the departments, agencies, or individuals designated, the amounts so certified.

(e) The Administrator shall from time to time certify to the Secretary of the Treasury for payment in advance or otherwise such sums as he estimates to be necessary to compensate any Federal department or agency for its administrative expenses under this title. Such sums shall cover periods of no longer than 6 months.

(f) The Administrator shall also from time to time certify to the Social Security Board such State departments or agencies as may be participating in the administration of this title, and the amount of the administrative expense incurred or to be incurred by a State under agreements made pursuant to this section. Upon such certification the Social Security Board shall certify such amount to the Secretary of the Treasury, in addition to the amount, if any, payable by said Board under the provisions of section 302 (a) of the Social Security Act, as amended, and the additional amount so certified shall be paid to each State by the Secretary of the Treasury out of the appropriation for the Veterans' Administration.

(g) Any money paid to any cooperating agency or person, which is not used for the purpose for which it was paid shall, upon termination of the period covered by such payment or the agreement with such agency or person be returned to the Treasury and credited to the current appropriation for carrying out the purpose of this title, or, if returned after the expiration of period covered by this title, shall be covered into the Treasury as miscellaneous receipts.

SEC. 1101. (a) No person designated by the Administrator as a certifying officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to the payment of any allowance certified by him under this title.

(b) No disbursing officer shall, in the absence of gross negligence, or intent to defraud the United States, be liable with respect to any payment by him under this title if it was based upon a voucher signed by a certifying officer designated by the Administrator.

SEC. 1102. Any claimant whose claim for an allowance has been denied shall be entitled to a fair hearing before an impartial tribunal of the State agency or such other agency as may be designated by the Administrator. The representative of the Administrator located in each State shall be the final appellate authority in regard to contested claims arising in such State, subject to review by the Administrator.

SEC. 1103. In the case of any veteran eligible under the provisions of this title who either at the time of application for the benefits herein provided is a "qualified employee" as defined in section 3 of the Railroad Unemployment Insurance Act, as amended, or was last employed prior to such application by an employer as defined in section 1 (a) of the said act, claim may be made through an office operated by or a facility designated as a free employment office by the Railroad Retirement Board pursuant to the provisions of said act. In such cases, the conditions and standards as to suitability of work or existence of good cause, the intervals for making claim for and payment of benefits, and the administrative and appellate procedures prescribed by or under said act shall govern, if not in conflict with the provisions of this title, the appellate procedures being subject to final appeal to the Administrator. In such cases, a reference in this title to a cooperating State agency shall be deemed to include the Railroad Retirement Board.

CHAPTER XII—DECISIONS AND PROCEDURES

SEC. 1200. The authority to issue subpenas and provisions for invoking aid of the courts of the United States in case of disobedience thereto, to make investigations, and to administer oaths, as contained in title III of the act of June 29, 1936 (49 Stat. 2033–34; U. S. C., title 38, secs. 131–133), shall be applicable in the administration of this title.

CHAPTER XIII—PENALTIES

SEC. 1300. Any claimant who knowingly accepts an allowance to which he is not en-

titled shall be ineligible to receive any further allowance under this title.

SEC. 1301 (a) Whoever, for the purpose of causing an increase in any allowance authorized under this title, or for the purpose of causing any allowance to be paid where none is authorized under this title, shall make or cause to be made any false statement or representation as to any wages paid or received, or whoever makes or causes to be made any false statement of a material fact in any claim for any allowance under this title, or whoever makes or causes to be made any false statement, representation, affidavit, or document in connection with such claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

(b) Whoever shall obtain or receive any money, check, or allowance under ths title, without being entitled thereto and with intent to defraud the United States, shall he punished by a fine of not more than $1,000 or by imprisonment for not more than 1 year, or both.

CHAPTER XIV—DEFINITIONS

SEC. 1400. As used in this title—

(a) The term "week" means such period or periods of 7 consecutive calendar days as may be prescribed in regulations by the Administrator.

(b) The term "wages" means all remuneration for services from whatever sources, including commissions and bonuses and the cash value of all remuneration in any medium other than cash.

TITLE VI

CHAPTER XV—GENERAL ADMINISTRATIVE AND PENAL PROVISIONS

SEC. 1500. Exceopt as otherwise provided in this act, the administrative, definitive, and penal provisions under Public, No. 2, Seventy-third Congress, as amended, and the provisions of Public No. 262, Seventy-fourth Congress, as amended (38 U. S. C. 450, 451, 454a, and 556a), shall be for application under this act. For the purpose of carrying out any of the provisions of Public, No. 2, as amended, and this act, the Administrator shall have authority to accept uncompensated services, and to enter into contracts or agreemnets with private or public agencies, or persons, for necessary services, including personal services, as he may deem practicable.

SEC. 1501. Except as otherwise specified, the appropriations for the Veterans' Administration are hereby made available for expenditures necessary to carry out the provisions of this act and there is hereby authorized to be appropriated such additional amounts as may be necessary to accomplish the purposes of this act.

SEC. 1502. Wherever used in this act, unless the context otherwise requires, the singular includes the plural; the masculine includes the feminine; the term "Administrator" means the Administrator of Veterans' Affairs; the term "United States" used geographically means the several States, Territories and possessions, and the District of Columbia; the term "State" means the several States, Territories and possessions, and the District of Columbia; and the phrases "termination of hostilities in the present war," "termination of the present war," and "termination of the war," mean termination of the war as declared by Presidential proclamation or concurrent resolution of the Congress.

SEC. 1503. A discharge or release from active service under conditions other than dishonorable shall be a prerequisite to entitlement to veterans' benefits provided by this act or Public Law No. 2, Seventy-third Congress, as amended.

SEC. 1504. The Administrator shall transmit to the Congress annually a report of operations under this act. If the Senate or the House of Representatives is not in session, such reports shall be transmitted to the Secretary of the Senate or the Clerk of the House of Representatives, as the case may be.

SEC. 1505. In the event there shall hereafter be authorized any allowance in the nature of adjusted compensation, any benefits received by, or paid for, any veteran under this act shall be charged against and deducted from such adjusted compensation; and in the event a veteran has obtained a loan under the terms of this act, the agency disbursing such adjusted compensation shall first pay the unpaid balance and accrued interest due on such loan to the holder of the evidence of such indebtedness to the extent that the amount of adjusted compensation which may be payable will permit.

SEC. 1506. (a) Before any proposed regulation or order to carry out the purposes of this act shall be issued by any governmental agency exercising authority conferred hereunder, other than intraagency administrative rules or orders governing the conduct of its activities or interagency rules governing relations with other agencies of the Government, a draft thereof shall be submitted to the Committee on Finance of the Senate of the United States and to the Committee on World War Veterans' Legislation of the House of Representatives.

(b) The draft of such proposed regulation or order shall be immediately assigned to the Committee on Finance in the Senate and to the Committee on World War Veterans' Legislation in the House of Representatives, for study, to consider whether such rule or regulation is made in conformity with the spirit, letter, intent, and purpose of this act, and that no unusual or unexpected use of powers herein granted is proposed. Such regulation or order may be approved or disapproved by the Committee on Finance of the Senate or by the Committee on World War Veterans' Legislation of the House of Representatives, or a duly authorized subcommittee of either. In the absence of action by either committee approving or disapproving such regulation or order, it may go into effect not earlier than the 15th day following, but not including the date of the receipt of the draft of such proposed regulation or order by the President of the Senate and the Speaker of the House of Representatives. If sooner approved by either committee it may go into effect immediately upon such approval. Disapproval of such regulation or order by either committee shall suspend its issuance: *Provided*, That in the event of conflicting committee actions the earlier action shall govern.

(c) For the purposes of this section the Committee on Finance of the Senate and the Committee on World War Veterans' Legislation of the House of Representatives, or any duly authorized subcommittees thereof, are authorized to sit and act during the sessions, recesses, and adjourned period of the Congress.

(d) This section shall be effective from the date of this approval.

The SPEAKER. The Clerk will read the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 9, line 24, change "officers" to "officer."

The amendment was agreed to.

Mr. RANKIN. Mr. Speaker, since the bill has been printed in the RECORD, I ask unanimous consent that further reading of the committee amendments be dispensed with, they to be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The committee amendments are as follows:

Page 15, line 24, change "institution" to "institutions."

Page 21, line 19, after "of", insert "the."

Page 21, line 21, change "guaranteeed" to "guaranteed."

Page 22, line 6, before "An", insert "(a)."

Page 22, after line 23, insert the following:

"(b) All national banks wherever located and all other banks and trust companies located in the District of Columbia and other Territories and possessions of the United States, withcut regard to the limitations and restrictions of any other statute or ruling of the Federal Reserve Board, are authorized to make any loans guaranteed under the provisions of the Servicemen's Readjustment Act of 1944, as the same is now or may hereby be amended."

Page 23, line 2, after "dwelling", strike "or" and substitute in lieu thereof "on."

Page 26, line 11, strike "face" and insert in lieu thereof "unpaid balance."

Page 32, line 18, change "works" to "work."

Page 32, line 25, before "Notwithstanding", insert "(a)."

Page 44, line 5, change "too" to "to."

Page 46, beginning line 7, strike the period, strike all of lines 8, 9, and 10, and strike that part of line 11 preceding "for."

Page 46, beginning line 24, after "the", strike the remainder of line 24, strike line 25 through the period, and insert in lieu thereof "chairmen of such committees."

Page 47, line 5, change "(c)" to "(b)."

Page 47, line 11, change "(d)" to "(c)."

The SPEAKER. The question is on the committee amendments.

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SNYDER (at the request of Mr. HENDRICKS), was given permission to extend his remarks in the RECORD and to include an address by Major General Richards.

ADJOURNMENT OF THE HOUSE UNTIL OCTOBER 8, 1945

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 68) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Saturday, July 21, 1945, it stand adjourned until 12 o'clock meridian on Monday, October 8, 1945, or until 12 o'clock meridian on the third day after Members are notified to reassemble in accordance with section 3 of this concurrent resolution, whichever occurs first.

SEC. 2. That the consent of the House of Representatives is hereby given to an adjournment of the Senate at any time during the month of August or September, 1945, until 12 o'clock meridian on Monday, October 8, 1945, or until 12 o'clock meridian on the third day after Members are notified to reassemble in accordance with section 3 of this concurrent resolution, whichever occurs first.

SEC. 3. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and the House, respectively, to reassemble whenever in their opinion legislative expediency shall warrant it or whenever the majority leader of the Senate and

the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

The SPEAKER. The question is on the resolution.

Mrs. ROGERS of Massachusetts. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I shall have to object because I would like to have some assurances that a bill to grant increased compensation to amputees will be considered.

The SPEAKER. This is a privileged resolution.

Mrs. ROGERS of Massachusetts. I ask the gentleman from Massachusetts to withhold his resolution until later in the day so that we can work out something regarding the amputee bill. We have done nothing in this session of the Congress for those men or in fact for the disabled veterans.

The SPEAKER. The Chair understood from those in charge of veterans' legislation that if he recognized a gentleman on the bill just passed, objection to this resolution would be withdrawn.

Mrs. ROGERS of Massachusetts. That was not my understanding. I understood that we would have a hearing in reference to these amputees. We have done nothing for the disabled in this session of Congress. We have just passed the GI bill, for which I am very glad, but we have done nothing for those who need help the most—our disabled.

Mr. McCORMACK. The gentlewoman from Massachusetts has manifested her opposition. I may say that the gentlewoman is aware of the fact that the bill that just went through was passed under agreement. I realize she has another bill, but perhaps that can be worked out and the bill brought up by unanimous consent. That is another proposition, however. The gentlewoman understood the situation clearly, if not expressly, at least by implication. I understand the gentlewoman from Massachusetts is opposed to this resolution, and she has certainly manifested her opposition to it.

Mrs. ROGERS of Massachusetts. I wish the gentleman would withhold it. He said he would on the request of anyone. I think later in the afternoon something can be worked out. I assure you, Mr. Speaker, I do not want to make a point of no quorum, but these men are disabled, and it is simply doing lip service if we do not do something for them. It makes a great difference to them.

Mr. RANKIN. Mr. Speaker, a point of order.

Mrs. ROGERS of Massachusetts. I feel very strongly about this. I am sorry to have to make the point.

The SPEAKER. The gentlewoman's conversation is out of order unless the gentleman from Massachusetts withdraws the resolution, which the Chair trusts he will not.

Mr. McCORMACK. The gentleman from Massachusetts is complying with a previous understanding. The gentleman from Massachusetts has always kept his word in the past no matter what others might say to the contrary. Mr. Speaker, I offer the resolution.

Mrs. ROGERS of Massachusetts. Mr. Speaker, there is no quorum here. I do not want to raise the point of no quorum but I do feel that bill should have consideration.

The SPEAKER. The gentlewoman may raise the question of a quorum not being present at any time she desires.

Mr. RANKIN. Mr. Speaker, I agreed to call the committee together if I could get unanimous consent to do that. I ask unanimous consent that I may call the members of the Committee on World War Veterans' Legislation together at 4 o'clock this afternoon.

Mrs. ROGERS of Massachusetts. Then something can be passed to give the amputees more compensation. Therefore I shall not make the point of no quorum.

The SPEAKER. The Chair cannot entertain a unanimous-consent request.

Mr. RANKIN. Then I will call the committee together tomorrow morning at 10 o'clock.

The SPEAKER. That is perfectly all right.

Mrs. ROGERS of Massachusetts. With that understanding, Mr. Speaker, I withdraw my objection.

The SPEAKER. The question is on the resolution offered by the gentleman from Massachusetts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MARTIN of Massachusetts (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD.

Mr. FEIGHAN (at the request of Mr. CARNAHAN) was given permission to extend his remarks in the RECORD and include an analysis of the improvements made in the Dumbarton Oaks proposals by the San Francisco Conference in the light of the recommendations made by official Catholic, Protestant, and Jewish agencies entitled "The San Francisco Charter; Goals and Achievements."

Mr. TRIMBLE asked and was given permission to extend his remarks in the RECORD.

Mr. KELLY of Illinois asked and was given permission to extend his remarks in the RECORD and include a short newspaper article.

Mr. HEALY asked and was given permission to extend his remarks in the RECORD and include a magazine article.

Mr. TRAYNOR asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article on nylon by the Du Pont Co., and in the other an article on rocket powder tested by the use of sound waves by the Hercules Co.

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an article on full employment with statements signed by several Members of Congress, and in the other an article on the trouble in Macedonia, and two newspaper articles.

Mr. RYTER asked and was given permission to extend his remarks in the RECORD and include the commencement address delivered by the majority leader, the gentleman from Massachusetts [Mr. MCCORMACK], at Boston College June 13, 1945.

Mr. SHEPPARD asked and was given permission to extend his remarks in the RECORD.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD.

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include an article by the national commander of the American Legion.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD in two instances and include in one an article from the Milwaukee Journal.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include certain excerpts, an article, a letter, and a portion of another article.

Mr. FULTON (at the request of Mr. ADAMS) was given permission to extend his remarks in the RECORD.

Mr. SCHWABE of Missouri asked and was given permission to extend his remarks in the RECORD and include an article written by the secretary of the Missouri State Chamber of Commerce.

Mr. SPRINGER asked and was given permission to extend his remarks in the RECORD and include an editorial and certain other excerpts.

PERMISSION TO ADDRESS THE HOUSE

Mr. SMITH of Wisconsin. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. TABER] is recognized for 15 minutes.

APPROPRIATIONS

Mr. TABER. Mr. Speaker, I ask unanimous consent to revise and correct—I say "correct" because I shall use over-all figures from tables—the remarks I expect to make now, and to include certain tables prepared by myself in reference to appropriations.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. TABER. Mr. Speaker, the total direct appropriations of dollars by the Congress at this session run approximately $59,000,000,000. The largest item of permanent appropriation is the interest on the public debt, which is approximately $5,500,000,000, as I recall. There is an enormous number of permanent appropriations, which run into a considerable amount, besides that. On top of that there is a great lot of reappropriations; that is, enormous funds that have been provided for the Army and the

Navy, whose eligibility would expire the 30th of last June unless reappropriations were made. Those things altogether, appropriations and reappropriations, have made available by the operation of legislation in this session of Congress approximately $91,785,000,000.

In addition, there are probably $50,000,000,000 that have heretofore been appropriated that were already obligated prior to the 1st of July, so that the total amount available to the different agencies of the Government for expenditure would run somewhere around $140,000,000,000.

These are enormous sums. It is impossible without a detailed picture of all these methods of making funds available to give a correct picture.

There are enormous funds that have been provided for the Reconstruction Finance Corporation and enormous funds that have been provided for other loan agencies of the Government. Some of these will show tremendous losses, especially the investment of the Reconstruction Finance Corporation funds, under the operations of the Defense Plants Corporation, in buildings and other things for the war effort. It is absolutely impossible until you get a complete picture of that for anyone to say just what the effect of these things might be.

Title	78th Cong., 1st sess.	78th Cong., 2d sess.	79th Cong., 1st sess.
Agriculture	967, 442, 616. 00	730, 352, 070. 00	923, 622, 438. 00
District of Columbia	70, 301, 292. 00	75, 439, 278. 00	74, 546, 860. 00
Independent offices	3, 883, 067, 316. 00	11, 402, 107, 548. 00	5, 829, 102, 636. 00
Interior	122, 103, 376. 00	124, 252, 296. 36	135, 657, 258. 00
Labor—Federal Security	1, 137, 167, 010. 00	1, 112, 644, 464. 00	1, 116, 210, 884. 00
Legislative—Judiciary	40, 894, 478. 00	59, 701, 018. 66	50, 994, 481. 66
Military	71, 507, 694, 152. 00	49, 107, 801, 074. 00	39, 086, 605, 860. 00
Navy	32, 422, 759, 198. 00	32, 648, 961, 701. 00	25, 086, 430, 607. 00
State, Justice, and Commerce	226, 852, 680. 00	247, 384, 980. 00	280, 947, 500. 00
Treasury	8, 091, 858, 177. 00	11, 204, 825, 853. 00	12, 279, 863, 353. 00
War Department—civil functions	97, 156, 798. 00	126, 711, 580. 00	113, 176, 692. 00
First deficiency	6, 279, 981, 739. 96	520, 762, 870. 04	2, 373, 837, 128. 31
Second deficiency	260, 256, 179. 72	2, 596, 551, 468. 68	3, 636, 203, 476. 79
National war agencies	2, 911, 697, 224. 00	1, 033, 437, 242. 00	769, 364, 850. 00
Lend-lease, FEA, and UNNRA	6, 273, 629, 000. 00	3, 920, 320, 000. 00	----------
Farm labor	26, 100, 000. 00	31, 359, 200. 00	----------
Emergency maternity and infant care	----------	6, 700, 000. 00	----------
Census of agriculture	----------	----------	6, 784, 000. 00
Public Health Service	----------	----------	184, 000. 00
Flood damage, etc	----------	----------	20, 055, 000. 00
Children's Bureau	----------	----------	2, 200, 000. 00
Total	138, 328, 225, 323. 41	114, 949, 312, 643. 74	91, 785, 787, 024. 76

In addition to these figures there was $120,000,000 loan authorization in the second deficiency bill.

The following table is a break-down of the items in the different bills:

Agriculture:
- Regular ---------- $589, 931, 520. 00
- Permanent ---------- 73, 321, 686. 00
- Reappropriations ---------- 42, 869, 232. 00
- Loan authorizations ---------- 167, 500, 000. 00
- Transfer of funds ---------- 50, 000, 000. 00
- Total ---------- 923, 622, 438. 00

District of Columbia:
- Regular ---------- 65, 635, 660. 00
- Highway and water fund ---------- 8, 911, 200. 00
- Total ---------- 74, 546, 860. 00

Independent offices:
- Regular ---------- 3, 121, 900, 230. 00
- Permanent ---------- 288, 850. 00
- Trust funds ---------- 2, 706, 913, 556. 00
- Total ---------- 5, 829, 102, 636. 00

Interior:
- Regular ---------- 111, 690, 258. 00
- Permanent ---------- 23, 967, 000. 00
- Total ---------- 135, 657, 258. 00

Labor-Federal Security:
- Regular ---------- 1, 115, 617, 256. 00
- Trust funds ---------- 593, 628. 00
- Total ---------- 1, 116, 210, 884. 00

Legislative: Regular ---------- 50, 994, 481. 66

Military:
- Regular ---------- 21, 496, 902, 030. 00
- Permanent ---------- 465, 701, 279. 00
- Reappropriation ---------- 8, 885, 501, 051. 00
- Contingent reappropriation ---------- 8, 238, 501, 500. 00
- Total ---------- 39, 086, 605, 860. 00

Navy:
- Regular ---------- $23, 601, 136, 064. 00
- Permanent ---------- 6, 286, 130. 00
- Reappropriation ---------- 80, 000, 000. 00
- Contract authority ---------- 1, 399, 008, 413. 00
- Total ---------- 25, 086, 430, 607. 00

State, Justice, Commerce, and Judiciary:
- Regular ---------- 265, 521, 700. 00
- Permanent ---------- 15, 425, 800. 00
- Total ---------- 280, 947, 500. 00

Treasury-Post Office:
- Regular ---------- 1, 342, 958, 105. 00
- Indefinite ---------- 1, 656, 925, 000. 00
- Permanent ---------- 6, 163, 333, 073. 00
- Trust funds ---------- 3,116, 647, 175. 00
- Total ---------- 12, 279, 863, 353. 00

War Department — Civil functions:
- Regular ---------- 112, 450, 940. 00
- Permanent ---------- 725, 752. 00
- Total ---------- 113, 176, 692. 00

The most discouraging thing about appropriations during this session has been the increased inefficiency of the Bureau of the Budget. The Bureau of the Budget was set up under the Budget and Accounting Act of 1920 and was designed to screen out unnecessary appropriations before they came to the Congress for consideration. More and more the Bureau of the Budget has become an organization to promote spending rather than to curtail it. It is time that some very radical action be taken by the Congress to straighten out that situation. The operations of the Government have become so complex that the hearings on the appropriation bills that have come before the Congress this year have taken hour after hour that we should not have had to take, because we have had so many things come up here that have no merit. I can refer to one or two. For instance, we had this Agricultural census item early in the year, an item that had been turned down by the previous Congress. Then we had the census of manufactures, an item which was designed to give a false picture of the manufacturing situation. There was the census of business, an item which was designed to give a false picture of the business situation; and a census of consumer expenditures, and all that sort of thing, items that were designed to deceive people rather than help business people in their operations, because business and the earnings of wage earners and the manufacturing situation are at the present time all in a state of flux. The result of such censuses would be to have a group of statistics showing what manufacturing is going on today and what earnings are being made, what expenditures are being made by different groups, and those statistics would not have the slightest bit of correctness in them in 10 or 12 months when they would become available for the people to use.

Then we had such an item as the OWI. There has been in this Congress, with the advent of the larger Democratic majority, an increasing unwillingness to use the ordinary tables of arithmetic, the multiplication table, the addition table, the subtraction table, and division table. You know, if you take a picture of what they might need in one spot, and then another, and then another, and you cover all the spots they have, and then add them up, you can tell something about what they might need. But you take an over-all figure that they might hand you and you get nowhere near it, and you get way beyond what they have any idea of expecting.

There has been altogether too much of that influence on the part of the committees and the Congress here. I am hopeful that the recess will freshen them up and get them in the frame of mind where they will do some cutting.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. SHORT. It is not true that at this session of the Congress we have had very little of any subtraction. It has all been adding and dividing.

Mr. TABER. There has been a great deal of adding and dividing and not enough of subtracting. That is one of the troubles with this Congress. As a matter of fact, if my recollection serves me correctly, the appropriations made by this Congress are probably above the figure set by the Budget, over-all. That is not a very pleasant picture.

Mr. SHORT. It really amounts to between one-third and one-quarter of the total wealth of this Nation?

Mr. TABER. Yes, for this one single year's appropriation. With a record of over $100,000,000,000 of expenditures in the last fiscal year. I am glad we have passed this resolution that was introduced by the majority leader this afternoon, because it will give the Members an opportunity to go back home and to hear first-hand what the folks back there

think about the schemes for increasing our expenditures and increasing our burden.

We have got to be very careful in the days to come about our expenditures and about our loans to other countries. I do not mean that we should not do what we can to prevent starvation in the world. I do not mean that we should not meet our fair share of the responsibilities of the world, but I do mean that we should require other countries to help themselves where they are able to do so. We should not be carrying the entire burden ourselves. We must come to realize that there is only one way to meet the increasing burdens upon the Treasury. Unless we are able to raise by taxation, just as soon as this war is through, enough money to meet our obligations and amortize our debt, in addition to our Federal expenditures, we are going to be in the throes of inflation. We have been in throes of moderate inflation, but nevertheless a very decided trend in that direction, for the last 3 years. Unless we are prepared to curb appropriations, to cut out unnecessary activities, to cut out an attempt to carry the burden of the world where people themselves are not doing their part, we are in for trouble.

I hope that when the Congress returns from this recess it will have a renewed and progressive vision; that it may see the situation that the world is confronted with, and that it may do its part to keep the United States right side up and to prevent the destruction of our economic system here, and to preserve the liberties of the United States of America.

The SPEAKER pro tempore (Mr. MURDOCK). The time of the gentleman from New York has expired.

Under previous order of the House the gentleman from California [Mr. HAVENNER] is recognized for 10 minutes.

UN-AMERICAN ACTIVITIES

Mr. HAVENNER. Mr. Speaker, yesterday the gentleman from Mississippi [Mr. RANKIN] made the following statement in the House, which appears on page 7648 of the CONGRESSIONAL RECORD. I quote:

> Mr. RANKIN. Mr. Speaker, I resent any Member of Congress, male or female, attempting to block or interfere with the efforts of the Committee on Un-American Activities to investigate subservise activities in Hollywood, Calif., or elsewhere.

I assume, Mr. Speaker, from a conversation which I had with the gentleman from Mississippi [Mr. RANKIN] yesterday, that his remarks had reference to a brief conference which several Members of the California delegation in this House had last week with the new chairman of the standing Committee on Un-American Activities of this House, the gentleman from Georgia [Mr. WOOD]. That conference was attended by the following members of the California delegation: Mrs. DOUGLAS, Mr. VOORHIS, Mr. KING, Mr. MILLER, and myself. We asked for this conference with Chairman WOOD in order to acquaint him with certain facts about investigations held in previous years in Hollywood and elsewhere by subcommittees and agents of the old Special Committee on Un-American Activities of this House, under the chairmanship of former Representative Martin Dies. Mr. Speaker, I want to assert most emphatically that there was no intention to attempt to block any legitimate investigation by the new standing Committee on Un-American Activities, whether it be conducted in Hollywood or elsewhere. I believe it to be the duty of this committee to investigate thoroughly any responsible reports of subversive activities in this country, no matter where they may occur.

However, Mr. Speaker, I felt that it was my duty to tell the new chairman about my own experience with the old Dies Committee investigations and the experiences of a number of our citizens of California, both in public office and in private life.

Mr. Speaker, I have read with care the printed reports of hearings held by a subcommittee of the Dies committee during the year 1940 concerning well-known people in California against whom secret accusations of un-American and subversive activities had been made. I think it is a significant fact that the investigations of these secret accusations were conducted just prior to the State and National elections which were held in California that year. As a Member of the Democratic Party it appears to me that it is also very significant that practically all the persons investigated were Democrats, and the testimony taken against them was subsequently released for publication by their Republican opponents for election to office.

Mr. Speaker, I have already stated to the House on several occasions that the secret testimony taken against me by a subcommittee of the old Dies committee, to the effect that I was a member of the Communist Party, was perjured in its entirety. My examination of the records of the Dies committee discloses the fact that another present Member of Congress from California was accused by the same witness of holding membership in the Communist Party, and that a similar accusation was made against other public officials in my State who were seeking reelection to high offices that year. Mr. Speaker, I now assert, without fear of successful contradiction, that the secret testimony given against these men was equally as false as the testimony against me, and that it constituted perjury of the most vicious and malicious type.

It could not have been merely a coincidence that all of the prominent people in California who were thus falsely accused were members of the Democratic Party and that some of them were at that time engaged in campaigns for re-election to high office. While I am on the subject, I may observe that the public press has published statements to the effect that more than a dozen Members of Congress, some in the other House, were secretly investigated by the old Dies committee on accusations of subversive activity, and I believe that all of them were likewise members of the Democratic Party. In not a single instance, Mr. Speaker, was the charge of subversive or un-American activity sustained. And I am convinced Mr. Speaker, that all of these secret accusations against Members of Congress and other high public officials were false in their entirety, and that the testimony given in support of these charges was deliberate perjury.

Mr. Speaker, one of the bloodiest and most terrible criminal rackets ever broken up by the law enforcement agencies of this country was the one commonly known as Murder, Inc. It occurs to me that the procedure adopted by investigators of the old Dies committee, in permitting false accusations of subversive and un-American activities against Members of Congress and other public officials to be spread upon official records of this House, might well be termed Perjury, Inc.

It was for the purpose of informing the new chairman of the standing Committee on Un-American Activities about what had occurred during the old Dies committee investigations in Hollywood and elsewhere that we members of the California delegation conferred with him last week. We have every confidence in his determination to conduct a fair and impartial investigation of all responsible complaints that are made to his committee. We will support him in this determination, and we are convinced that he will not permit the committee to be used in secret campaigns to besmirch the reputations of Members of Congress and other honorable citizens.

Mr. Speaker, I cannot escape the feeling that it is significant that the recent investigation of alleged communistic activities in Hollywood, which was ordered by the standing Committee on Un-American Activities of this House before the new chairman, the gentleman from Georgia [Mr. WOOD], became a member of that committee, was started just a few months before the commencement of the next State campaign in California, which will begin shortly after the first of the year. The old Dies committee investigations in California were begun at a similar time 4 years ago. It appeared to us to be strange that none of the Democratic Members of this House from southern California had received any complaints of subversive activities in Hollywood recently, and that they were not informed of the nature or source of these complaints before the Committee on Un-American Activities ordered its recent investigation. Our conference with the new chairman of the committee, to which the gentleman from Mississippi [Mr. RANKIN] apparently referred in his remarks yesterday, was merely for the purpose of giving him the information I have just presented to the House.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER pro tempore. The Chair may say that there is one other special order. The gentleman from Wisconsin [Mr. SMITH] has a special order.

Mr. SMITH of Wisconsin. Mr. Speaker, I gladly yield to the gentleman.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it seems a little strange for the gentleman from

California [Mr. HAVENNER] to attempt to enlighten the Committee on Un-American Activities on conditions in Hollywood. I understand he lives six or seven hundred miles from Hollywood.

So far his suggestion that this investigation being launched "just before a political campaign in California" is concerned, I must say that, since we have political campaigns every 2 years, we are just about as far from an election in either California or Mississippi as we can get, because it is considerably more than a year before the campaign comes off in either State.

The gentleman from California says that certain "perjured testimony" was given before the Dies committee concerning other persons besides himself. We have discussed the proposition as to him, and I have offered to give him the opportunity to come before the committee and to make any statement he desires. But I submit he is going pretty far afield to accuse witnesses of perjury with reference to other persons or issues with which the gentleman from California is not familiar.

He would sound much more plausible if he confined his statements to his own case. We are investigating subversive activities in Hollywood at the urgent request of law-abiding people in California. The chairman of the State committee on un-American activities in California is a Democrat.

Mr. HAVENNER. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. For a question.

Mr. HAVENNER. I would like to correct the gentleman. Is he talking about the chairman of the legislative committee out there?

Mr. RANKIN. Yes.

Mr. HAVENNER. The gentleman in question has changed his registration to Republican.

Mr. RANKIN. Oh, political changes are in order in California. Candidates usually run on both tickets, but Senator Tenney was elected as a Democrat. The Petrillo racket drove him out of his job. He ran for the Senate as a Democrat. He was elected and is now head of the Un-American Activities Committee in California; and from the information we get, he is doing a splendid job.

Maybe he changed his registration on account of the Communist infiltration in that area. If the revival of righteousness and the house-cleaning inside the party which President Truman is putting on continues, then Senator Tenney will no doubt return to the party.

You happen to be looking at one man now who has always been a Democrat, but who never expects to be a Communist.

Communism is the most dangerous influence in the world today. I am talking about the communism of Leon Trotsky that is based upon hatred for Christianity. Remember that communism and Christianity can never live in the same atmosphere. Communism is older than Christianity. It is the curse of the ages. It hounded and persecuted the Saviour during his earthly ministry, inspired his crucifixion, derided him in his dying agony, and then gambled for his garments at the foot of the cross; and has spent more than 1,900 years trying to destroy Christianity and everything based on Christian principles. But they are reckoning without their host. Christianity will be here "Till the sun grows cold, and the stars are old, and the leaves of the Judgment Book unfold."

Mr. Speaker, on yesterday there was related at the other end of the Capitol one of the most horrible stories that has shocked the conscience of civilization since the crucifixion of Christ.

I am reinserting that page of the RECORD as part of these remarks. I hope every real American newspaper reproduces it, in order that the American people may see what kind of treatment would be meted out to the white Christian women of this country if the Communists ever got complete control.

These alien-minded communistic enemies of Christianity, and their stooges, are trying to get control of the press of the country. Many of our great daily newspapers have now changed hands and gone over to them. Read them carefully and you will get the Communist line.

They are trying to take over the radio. Listen to their lying broadcasts in broken English and you can almost smell them.

They are now trying to take over the motion-picture industry, and howl to high heaven when our Committee on Un-American Activities proposes to investigate them.

They want to spread their un-American propaganda, as well as their loathesome, lying, immoral, anti-Christian filth before the eyes of your children in every community in America.

The old-line American producers, actors, and writers in Hollywood are behind this investigation. They know this subversive element would destroy them.

Listen to this statement which appeared in a California paper a few days ago:

> One hundred and ninety-one paintings by contributing artists of New Masses—a Communist magazine—found places in the homes of Hollywood film celebrities.

It would be interesting to know the names of the movie celebrities into whose homes those Communist paintings went.

I am sure that some of them got into the home of Charlie Chaplin, that perverted subject of Great Britain who has become notorious for his forcible seduction of white girls, whom I hope our new Attorney General will deport without delay.

I am sure that some of those loathesome paintings found their way into the home of James B. Cassidy who went to Hollywood as a physical strong man, who could bend iron rods with his teeth, for the purpose of making a picture—that was never made.

You will remember that he is said to have escaped military service on the ground of physical disability; that he walked in his sleep. He and Harry Bridges, the west coast Communist leader, proposed to make a social picture from the book Undercover, which is known to be aggregation of lies published by a slimy little Armenian Communist who has seven different aliases to his name.

But they got scared and failed to make the picture when reaction against their subversive activities began to spread throughout the country. They realize that Alcatraz penitentiary was strong enough to hold the strongest man—even though he walks in his sleep.

You know this Cassidy went to Mexico and contacted that notorious Mexican Communist, Lombardo Talledano, who is said to be a member of the Comintern.

These two Communists now want to make a picture from a fictional counterpart of this book Undercover, called See What I Mean.

They are both scared stiff now since the investigators for our committee on un-American activities, the California committee on un-American activities, and the FBI are all on their trails.

I am sure that some of these Communistic pictures got into the home of Howard Koch, a red writer in Hollywood who is a member of the Communist Party, and, of course, they got into the home of the notorious subversive Dalitano Traumo, who is both a writer and producer as well as a member of the Communist Party.

And I am sure that a reasonable share of them got into the home of Max Opels, the refugee French Communist who is one of the new motion-picture directors in Hollywood, who is busy making subversive productions. I hope that we do not have to get an investigator who can speak French in order to make this bird understand what we mean. By the way, this Communist Cassidy is the white-haired boy Walter Winchell plugs for every Sunday.

I am going to ask our investigators to look into this matter and dig up Winchell's connection with this subversive outfit.

Remember, that members of the Motion Picture Producer's Association in Hollywood, which is composed largely of real high-class Americans, are utterly disgusted with these subversive elements and their activities which threaten the destruction of the motion-picture industry in America.

This Motion Picture Producer's Association is composed of such people as Y. Frank Freeman, chairman, Sam Wood, Joe E. Grant, Mrs. Lela Rogers, mother of Ginger Rogers, and other fine upstanding Americans who have tried to uphold the traditions of our country and the principles for which it stands.

Real American motion-picture actors, such as Cary Grant, Gary Cooper, Spencer Tracy, Humphrey Bogart, as well as Cecil B. DeMille, the great producer, are literally burned up with the Communist activities of these subversive elements.

The Motion Picture Alliance for Americanization is backing the Committee on Un-American Activities of the State of California, and will back our efforts to try to bring into the open and expose these subversive rats, who would destroy everything for which Christian America stands. I am inserting the speeches made in the Senate yesterday by Senators EASTLAND, MCCLELLAN, WHEELER, REVERCOMB, and MAYBANK.

Remember that these white girls who were herded into this subway, or air-raid shelter in Stuttgart and raped at

the point of Communist bayonets, were not responsible for the war which Hitler waged.

My God! How can the Christian people of America or any other country condone such outrages! Remember that this doctor to whom the Senators referred was not a Nazi, but was a high-class anti-Hitler doctor in Stuttgart. Yet, these communistic brutes stood him against the wall and made him watch these black apes rape his wife and daughters.

The speeches of the Senators referred to follow:

MASS RAPE OF GERMAN GIRLS

Mr. EASTLAND. Mr. President, on the 29th of June, during a speech which I made against the appropriation for the Fair Employment Practice Committee, I stated that recently when I was in Europe I was informed by high ranking officers and other officials that from 2,000 to 5,000 German girls of good families were rounded up and placed in the subway of the city of Stuttgart, Germany, and there criminally assaulted by French Senegalese or Negro soldiers. I further stated that those soldiers were dressed in American uniforms, and that the population of that part of Germany thought those soldiers were American soldiers, and that American prestige had thereby been damaged.

A few days later, on July 6, there appeared in the newspapers of this country a Reuters article dated Frankfurt, July 6, meaning Frankfurt, Germany. I read that article:

"After an inquiry into reports that Senegalese and Berber troops had rounded up and raped several thousand German women in a Stuttgart subway, Sixth United States Army group headquarters today announced that the investigation indicated that such incidents did not take place.

"The statement issued here today said 'all American liaison officers with the French Army corps or lower units which can have been in or near Stuttgart at any time, have submitted written reports to the Sixth United States Army group headquarters stating that, to the best of their knowledge and belief, incidents such as those aleged did not take place.'

"The report that German women had been assaulted was originally attributed to Senator JAMES EASTLAND, who told the United States Senate last week, after a visit to Europe, that he had learned of the incident from high ranking United States officers."

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. WHEELER. Let me say that when I was in Europe I heard not only one general make a statement about this matter but I heard two generals make a statement. I shall not disclose the names of the generals, but certainly one of them told all members of our group——

Mr. EASTLAND. Was the Senator from Montana chairman of the delegation?

Mr. WHEELER. I was chairman of the delegation that went over with me. There were four of us.

Mr. EASTLAND. That is a different delegation from the delegation of which I was a member.

Mr. WHEELER. It was a different delegation, yes. One Senator was talking with the general and called me over and said, "I want you to listen to this." The general told us the story. I am not sure whether he said that those involved were Africans or whether they were Goums or Senegalese; and, frankly, I do not know the difference between Goums and Senegalese, whether they are different races, or what they are; but the general said, as I recall, that 2,000 women were lined up in a tunnel. One of the other Senators who was in the group said he understood there were 5,000. There is no question, however, that the general also made the statement that a German doctor, a very fine doctor, who was not a Nazi, had this experience: These men put the doctor against a wall and made him watch while they raped his daughters and his wife—I forget whether there were two or three daughters—and lined them up and raped them.

Perhaps the general who told us that story did not know what he was talking about, but that is the statement he made, not only to me but to other Senators in my group. I heard from very high-ranking people in Italy that a similar thing took place in Italy. I do not care to say who made the statement, but the story was related by people of the highest reputation in Italy.

Mr. EASTLAND. I should like to say there, Mr. President, that I received the same information of an occurrence in Italy on July 5, 1944.

Mr. WHEELER. I cannot understand how anyone in the Sixth Army would deny the incident in view of the statements which were made by individuals connected with the Sixth Army. I cannot believe that the statements of denial which were sent out could have come from anyone in high authority in the Sixth Army.

Mr. EASTLAND. Mr. President, I was in Europe as a member of another committee, a committee different from the committee of which the distinguished Senator from Montana was chairman. I received information from reliable sources, from very high authority, from men who were in a position to know the truth, which was exactly as I outlined to the Senate on the 28th day of June last.

Mr. WHEELER. Mr. President, will the Senator yield further?

Mr. EASTLAND. I yield.

Mr. WHEELER. Let me say that one of those who told us of the incident said that as a matter of fact the American boys who were located at Stuttgart were so thoroughly disgusted with what was going on there that they asked to be detached from the city of Stuttgart. I understood that as a matter of fact it was an area which the Americans were supposed to take over, but the French came in, and because of the way these Goums or Senegalese conducted themselves there the American boys asked to be taken out of there.

Mr. EASTLAND. I ask the Senator from Montana, is it not a fact that the general who related the incident of the German doctor's plea for asylum stated that the doctor went to him personally with that plea?

Mr. WHEELER. It is my recollection that the doctor did come to him. I am not sure about that particular statement, but that is my recollection about it. There is, however, no question about what he told us as to the large number, where it was 2,000 or 5,000. My understanding was that the crime took place in a tunnel rather than a subway.

Mr. EASTLAND. The statement has been made on the floor of the Senate that there are no subways in the city of Stuttgart. In Europe any underground passageway or tunnel is known as a subway. It is only in the United States that underground passageways through which trains run are called subways. There is a tunnel in the city of Stuttgart, which will hold from 12,000 to 15,000 people.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. MCCLELLAN. I was a member of the same committee of which the Senator from Mississippi was a member on this trip to Europe. I have never been in Stuttgart, and I do not know whether they have tunnels or subways, whether they have both or neither. But, Mr. President, I was present on two occasions when we received information from two different sources, one a high military authority, and the other a high official not in the military service. On those two separate occasions substantially the same statements were made to us by these high officials which have been related here by the Senator from Mississippi.

Mr. President, I had not intended to have anything to say on this subject, but since it has been reported by the Senator from Mississippi and denied by Army officials, the American people are entitled to know the truth. I had assumed that in due time, when they thought it wise and proper to do so, the military authorities would advise the American people as to what had occurred. I left it to their discretion. I felt that in their discretion they would take the necessary and proper action under such circumstances. Now that it has been told, and apparently from some military source it is sought to be denied, I think the American people should know the facts. I have no personal knowledge of the incident, of course; but I do know that what the Senator from Mississippi relates with respect to information given to him did occur, because I received the same information, at the same time, from two sources. I think the Senator from Mississippi also received it from another source. The truth about it is that it was almost common talk everywhere we went in Europe on that trip. No one denied it then. I emphasize the fact that the information came from two sources of high authority, although the information did come also from many other sources which we might not accept as authentic.

Mr. President, I have made these remarks simply in the interest of fairness to all concerned. The action of the military authorities in trying to suppress the truth will, it seems to me, place our Government in the position of condoning the shameful deeds of those who perpetrate the crimes. The American people do not condone them, and I am sure they much prefer that the whole truth be told rather than suppressed.

Mr. EASTLAND. Mr. President, that information was received by most of the members of both committees. On several occasions in Europe it was discussed by several of us who were members of both committees.

In addition, I should like to read from a news article in a pro-Communist newspaper, the newspaper PM. Everyone knows the background of this newspaper. Everyone knows that it would not send an investigator to the city of Stuttgart to make a fair and impartial investigation for the purpose of letting the American people know the true facts as to what happened there.

PM sent a reporter named Victor H. Bernstein to Stuttgart. On July 10, from Stuttgart, he wrote an article which was published in that newspaper. I shall quote what he said. He tried to cover up, but when he was pinned down to the facts, the facts which he related substantiated the story of this horrible occurrence in the city of Stuttgart. Listen to this—he is talking about the rapes which took place there:

"A third fact which undoubtedly contributed to Senator EASTLAND's exercise in fancy is that unquestionably there was a lot of raping going on in the first few weeks of French occupation. Americans to whom I talked put the figure at a couple of thousand. The German police chief—"

It is obvious that the police chief was installed by the French and was an agent of the French. He had a desire to cover up and protect the French officers and French soldiers involved.

"The German police chief put the figure at 1,500."

Whether it was 1,500, 2,000, or 5,000—and the estimates from reliable sources run as

high as 5,000—I say that it is a horrible occurrence and that the Army of the United States should not resort to deception and misrepresentation to hide the facts from the American people.

The statement was made that there is no subway in the city of Stuttgart. As I stated, in Europe any underground passageway is called a subway. What does this same reporter state about the tunnel in Stuttgart?

"There is, as in most large German cities, an extensive system of underground shelters, including a huge tunnel through one of Stuttgart's many hills, capable of holding 12,000 to 15,000 people."

I quote further from his article:

"Moreover, the whole spirit permeating the French forces in Germany, certainly at first, was one to encourage looting and raping."

Mr. President, when we arm, equip, and clothe soldiers and place them in authority over helpless women and children, it is certainly incumbent upon the American Government to see that, so far as possible, American standards are maintained, and that there is no looting, murdering, or raping, such as unquestionably occurred in the city of Stuttgart. The character of every good woman, whether she be black, white, yellow, or red, is entitled to protection. In this instance the soldiers involved have not been disciplined or punished. The officers who so flagrantly permitted this outrage have not been court-martialed, and so far as the Senate knows these soldiers still parade in Europe in American uniforms.

As the Senator from Arkansas has said it was common knowledge and common talk in Europe that such an occurrence took place. I have heard Members of Congress, who were not members of any committee, state that they secured the same information. It was common knowledge that this was one of the most horrible occurrences in modern times. Too many persons in high places in Europe related the terrible occurrence to too many United States Senators for the Sixth Army successfully to cover it up. I am amazed that such an untruthful statement—and I say that advisedly—should have been released as that quoted in the Reuters dispatch. This thing happened, and the Army by denying it in the eyes of the victims and the people in this country who know the facts is condoning this terrible occurrence. The American Army's informational headquarters should play fair and square with the American people. Our people have a right to know the facts.

In addition, while the city of Stuttgart was occupied by the French they were under our command and the city was under our control. I do not say this to blame any American officers. In fact, in my judgment, they are not to blame and there has been no dereliction of duty on their part. I state this simply to show that the Army has investigated this affair and well knows all the facts.

Mr. President, we are all servants of the people. We handle their affairs. That is just as true of the Army as it is of any other public employee. It is the future of America, the future of our country that we are all here attempting to mold. The people of that part of Germany blame the United States because the French Negroes wore American uniforms and they thought American soldiers were involved.

Mr. President the only reason for censorship in a free country is to withhold information that will be helpful to the enemy. There could be no reason for censorship in this case, because the war with Germany is over. In fact, the very reverse is true: There should be an open, frank, and fair disclosure. The great American Army—and we have the greatest Army in the world, Mr. President—must always speak the truth and state the facts and deal fairly, squarely, and honorably with the people of America. The Army should not play with words. If our information was wrong, why do they not point out in what particulars it was wrong? If there is a conflict of detail, why does not the Army give us the correct detail? If there are different versions, why does not the Army give the correct version? If no German girls were raped, why does not the Army say so? If 2,000 or 5,000 were raped, why does not the Army give the figures and truthfully tell the American people the exact details? Mr. President, a number of Members of the Senate know what happened. High officers and high Government officials know that it happened. The whole truth will come out some time. What earthly reason is there for not making known now the full particulars? Mr. President, this is no time for deception, and the Army should not attempt to whitewash or cover up anything.

Mr. TOBEY obtained the floor.

Mr. REVERCOMB. Mr. President, will the Senator yield to me?

Mr. TOBEY. I yield.

Mr. REVERCOMB. In view of the fact that, according to the reports, a denial has been made by the Army in Europe of the statements made by the Senator from Mississippi. I think it is only fair that I should make a statement at this time. I wish to say that I heard from a source which I consider entirely reliable, while in Europe as a member of the Committee on Military Affairs, substantially the story spoken of by the Senator from Mississippi. There is no doubt in my mind, from the information which was given to me, that high military authority did make a statement concerning the rape of German women by French colonial Negro soldiers; and the figure that I heard was 5,000 women criminally assaulted.

I had not intended to make any statement on this subject, as it had already been fully called to the attention of the public and it deals with French soldiers over whom we have no direct control, and not with American troops; yet, in view of the fact that it has been denied by the Army, I think it is but fair for me, as a member of the committee and a Member of the Senate who was there, to say that I did hear that story from a source which I consider reliable.

Mr. MAYBANK. Mr. President, will the Senator yield to me?

Mr. TOBEY. I yield.

Mr. MAYBANK. I should merely like to say, as a member of the committee, that I heard more or less the same statements which the Senator from Mississippi has made regarding French troops; not Americans. When I returned I intended not to say anything about them because they were French, believing that at the proper time the Army or someone else would do so. But as a member of that committee, I feel that in justice to my colleague I should say that I heard the same thing.

I hope all real American newspapers will reproduce these Senators' remarks in order that the American people may see what kind of treatment would be meted out to the white Christian women in this country if the Communists ever got things under their own control. Remember, they closed every church in Russia, killed their ministers, and murdered millions of Christian men, women, and children when Trotsky was in power.

When Lenin died Trotsky thought he was going to take over. But Stalin "beat him to the draw." Stalin happened to be born a Christian. He was educated for the priesthood in the Orthodox Russian church, and when he began to remove the commissars from the army, restore military discipline, and open the churches, then a wave of Communists headed for America.

Today they are trying to use the press, the radio, and the picture shows to spread their vicious propaganda to destroy everything our boys are fighting for.

That is the gang the Committee on Un-American Activities is after now, and we are going to continue this fight until we drive these subversive enemies from American soil.

We are going to save America for Americans.

(Mr. RANKIN asked and was given permission to revise and extend his remarks and include quotations from yesterday's CONGRESSIONAL RECORD.)

The SPEAKER. Under previous order of the House the gentleman from Wisconsin [Mr. SMITH] is recognized for 10 minutes.

OPA POLICIES A THREAT TO FULL EMPLOYMENT

Mr. SMITH of Wisconsin. Mr. Speaker, on last May 11, the Office of Price Administration announced:

A reconversion pricing program under which most peacetime goods returning to the market will sell at 1942 retail price was outlined by Price Administrator Chester Bowles.

But very little import has been given that announcement by the Members of Congress. Yet, it constitutes the basis of a real threat to reconversion and full employment. Likewise, labor groups have failed or ignored the danger that resides in this announcement of price policy by Mr. Bowles. Perhaps these last groups have been lulled into a sense of security by the statement that "goods returning to the market will sell at 1942 retail price."

Mr. Speaker, I am directing the attention of the House to this matter in the hope that the leadership on both sides of the aisle will recognize the problem so that our workers and soldiers will have jobs in the postwar period and not idle promises. Every Member recalls the warning that sounded from the well of this House against OPA practice, and especially the predictions made by many members that this agency would create a food shortage unless certain administrative abuses were corrected. Those predictions came true, Mr. Speaker, and today, we are in the midst of the most critical food situations in our history. This must not happen in the matter of jobs.

When the Congress adopted the Price Control Act, it intended that the law would be administered so as to defeat inflationary trends as a result of the war. Many policies to that end have been used to defeat the will of Congress, and today inflation is with us. The answer, of course, to inflation is production and more production. Right now, OPA should be engaged in a program to encourage business and industrial activity. Only by this method is full employment possible. Instead, what is OPA doing? It has announced that industry prices will be frozen, on most products, on the 1942 price level. In such an announcement of policy, OPA ignores facts which control the situation. We cannot brush

aside these facts with a wave of the hand, for if we do, we shall be in a peck of trouble. Consider that since 1941, the price of raw materials has risen 35.6 percent; that straight-time wages have advanced 34.9 percent, but the prices manufacturers have received for their goods have advanced, on the average, only 13.01 percent. But Mr. Bowles says, notwithstanding, industry will have to absorb the costs. The argument by OPA is that all business has profited by the war, and they can now afford to work for no profit. It is a nonsensical position and wholly unrealistic. It can only mean unemployment for millions of workers because business firms will close their doors if they cannot make a reasonable return on invested capital.

Mr. Speaker, already reports are reaching us to the effect that manufacturers who are in the process of reconversion from war to peace are running head-on into OPA's reconversion pricing formula. They contend that present policies work against volume production, the goal toward which we must strive if we are to meet "full employment" requirements.

At the present time, the automotive industry, along with hundreds of other firms, are attempting to convince OPA that a sensible program for pricing new cars must be adopted if that industry is to produce the cars authorized by WPB. Production means employment, but these essentials are geared to price. Automobile manufacturers are not interested in producing motorcars just for the sake of making them. In this industry, OPA insists upon a price formula which limits increases in retail ceilings to about 10 percent above the prices in 1942. To insist upon such a formula evidences a lack of appreciation for the problems involved, and if they persist, will result in unemployment.

One more example of short-sighted policy in this connection will suffice to illustrate the point I am attempting to make. I refer to the radio industry, a most important field for development in the postwar period.

Radio manufacturers Mr. Speaker, have served notice on OPA that they cannot operate if present ceilings are to prevail. Some adjustment, they maintain, in retail prices must be made or plans for reconversion will have to be delayed. In this event, thousands of workers who have been looking to this field for employment will be compelled to seek work elsewhere. Likewise, thousands of returned soldiers and sailors cannot count upon this industry for jobs. I am reliably informed that the radio industry submitted plans a year ago to OPA for reconversion. But as usual, this agency has failed to act. It has treated this, and other industries as it has the food industry, and we will get the same result here as presently prevails in food. It is time for Congress to take a hand in this situation. It is up to the leadership in both Houses to act before it is too late.

Mr. Speaker, Mr. Charles S. Davis, president of the Borg-Warner Corp., has written a most interesting article on the subject, Prices, Profits, and Production. He suggests that the way to block inflation is with productive jobs. At this point, I will insert a part of his article dealing with this question:

PART IV. SOUND POLICIES CAN PROMOTE JOBS AND PROSPERITY THROUGH PRODUCTION

1. Sound policies will prevent the inflation of profit margins.

Business seeks no present abandonment of price control. But it does urge that the controls be based on sound policies, written into the law by Congress.

The proper objective of price control is to prevent the wartime condition of "too much money and too little goods" from inflating profit margins. If it were the basic policy of the Price Administrator to tie ceiling prices to production costs, and to limit profit margins to those established by prewar competitive conditions, that objective would be achieved.

Such a policy would prohibit unnecessary and unwarranted price increases. But it would at the same time encourage production by preserving the margins necessary as a business incentive. It would be a policy of price control—not of profit control. And it would provide a sound means of combating—and eventually of curing—inflation.

In urging adoption of such a policy, businessmen are not asking for special favors. They are not seeking guaranteed profits nor guaranteed prices, nor cost-plus contracts, nor subsidized markets. They are asking only an opportunity to earn a fair reward on a specific product basis for their productive efforts. The policy of cost absorption does not allow them that opportunity.

There is no denying that a fair profit policy would necessitate higher ceiling prices on some commodities. But if production is the cure for inflation, then prices high enough to encourage production are an essential ingredient in any sound method of inflation control. To deny necessary price increases is to reduce production and perpetuate the inflationary condition of "too little goods."

2. Sound policies will enable business to build prosperity.

American business is determined to build postwar prosperity for all Americans. It has the management know-how, which, combined with the best labor force and the best capital facilities ever known, can do that job.

Private business cannot continue to produce and provide jobs on a hand-out basis; nor can it long continue to employ labor and capital in the production of goods that cannot be sold at prices high enough to cover all costs, including a fair profit margin to those who supply the capital facilities.

Business is at some disadvantage, compared with Government, in providing jobs. For business must meet its expenses out of its income from goods produced and sold. It has no power to recover its losses by compulsory levies: That is, it has no power to tax.

But there is one compelling advantage in the kind of jobs supplied by business. They are and must be useful jobs. They are and must be jobs that produce goods worth what they cost. The kind of prosperity created by productive jobs in private enterprise is real prosperity—built on an abundance of useful goods and services.

That kind of prosperity requires markets. But with all the things we want and with all the money we have to buy them, we need not worry too much about postwar markets. If we have confidence that America's vitality is unimpaired; that the future will bring vigorous growth and not stagnation; that America will continue to provide a full opportunity for every man to advance by his own efforts; we will grasp our opportunities for ever-improving standards of living. Then we will have all the markets necessary to continuous employment and continuous prosperity.

3. * * * and provide postwar jobs. * * *

But business needs more than markets. It needs funds with which to work. It must be able to provide factories, and tools, and machines; it must be able to buy raw materials and supplies; and it must be able to pay its wage bill before it get the income from the final sale of its products.

Those things cost money. Lots of money—cash down in advance. The National Industrial Conference Board estimated that it cost $6,215 in 1940 to provide just one typical job in manufacturing industry. Of course, manufacturers provide only about one-fourth of all the jobs. But the capital needs in manufacturing alone add up to quite a figure, when we talk in terms of a total of fifty or sixty million jobs.

It is true that we already have a vast accumulation of productive assets. But if we are going to have more jobs than ever before, we are going to need more capital than ever before.

And where is that needed capital to come from? Certainly, it ought to come from private savers, with their $116,000,000,000 of wartime savings. It ought not to come from the Government, with its $250,000,000,000 of wartime debt.

Our private citizens have plenty of money to finance the capital expansion necessary to provide the needed postwar jobs. They will invest it, if they have a fair prospect of earning a profit to compensate for the risks they take. And if we want to preserve the American system, Government policies must allow them that opportunity for profit.

Profit is the reward we give those who take the risks of providing jobs and goods for others. It is the payment we make for our factories, and machines, and equipment, and working funds. It supplies the reserve for rehabilitation, improvement, and extension of existing plants and production facilities. If it is good to have productive assets, it is good to pay the price necessary for their creation and maintenance. A wise Government will certainly recognize that fact.

The price-control policy we propose, by restoring the incentive to investment and reinvestment, will enable industry to provide the facilities for plenty of productive postwar jobs.

4. * * * and help solve the problem of postwar Federal revenue.

However economical the Government may be, it will need far more revenue in the future than ever before in our peacetime history.

It might, for a time, get that revenue by exorbitant tax rates on a low level of national income—tax rates which would destroy productive incentives and eventually compel us to abandon the free and voluntary system of production. Or it can get it by reasonable tax rates on a very high level of national income. The higher our income, the less the percentage burden of taxation.

If we are to achieve a national income high enough to support the Government without draining the vitality from the economy, and if it is to be real income, not an inflationary illusion, it can come only from an unprecedented output of honest and actual goods and services.

We can arrive at such unprecedented output only by providing the utmost encouragement to investment, production, and employment. We can get it only by stimulating new businesses to start, and existing businesses to expand. We can get it only by vitalizing the spirit of American enterprise.

5. Sound policies must come from Congress.

It is generally agreed that price control is, as Mr. Bowles calls it, a stop-gap and a purely war measure, which should be dis-

continued as soon as we can again concentrate on the production of civilian goods.

Meantime, all of the advantages, and a minimum of disadvantages, can be gained from price control by the adoption of a sound basic policy.

That policy would require establishment of ceiling prices on every commodity or service under OPA control, at a point which would cover actual production costs for the typical producers, and allow them the same profit margin on every item as they earned under the competitive conditions of a representative prewar period. Preferably, it would take a period of high employment and high national income, such as 1941, as representative.

Such a policy would not open the door to excessive profits nor involve any relaxation of our efforts to fight inflation. It would prevent any company from taking advantage of our condition of too much money and too little goods to expand its profit margins. It would provide no guaranties or subsidies to inefficient concerns, with costs higher than the industry average. And it would pass on to the consumers the benefits of the industry-wide increases in productive efficiency which management has achieved during the war.

But it would permit the individual concern to benefit by its own superiority and to increase its profit by increasing its output. It would restore the incentive to efficiency and productivity, which is destroyed by the cost-absorption principle, and revive the American tradition of opportunity for gain through service.

Prices based on such a policy would be fair and equitable, as required by the Price Control Act. The Price Administrator has recognized that fact by announcing a formula, for reconversion goods, which follows it. But he refuses to apply that fair and equitable policy to all products. He has made it clear that, left free to exercise his own discretion in establishing pricing standards, he will continue with cost absorption and the profit squeeze.

Only a clear mandate from Congress, in the form of an amendment to the act, can remedy this situation.

By such amendment, Congress can accomplish three important objectives:

First. It can itself establish fair standards, leaving it to the Price Administrator to apply and administer the policy of Congress, but not to make the law.

Second. It can provide for the uniform application of those fair standards, so that all business will be treated on an equal basis.

Third. It can guard against arbitrary or capricious changes of policy, and give business confidence to plan and build postwar prosperity.

These things that business asks are reasonable. They are of vital importance to business. They are of no less concern to the millions who look to business for their peacetime jobs, and for the goods to validate their wartime savings.

Only with fair prices, which yield fair profits, will we be able to block inflation with productive jobs. Only if Congress establishes policies which encourage production by preserving incentives will we be able, as freemen, to build the prosperous postwar future to which we all aspire—and which we all can share.

Mr. Speaker, here we have the problem stated very simply but extremely well. Our responsibility as Members of Congress cannot be avoided. The time to act is now.

DO NOT SLANDER OUR FIGHTERS

Mr. LATHAM. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes and to revise and extend my remarks and include an article from the New York Sun.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LATHAM. Mr. Speaker, for a period of almost 3 years in this war I commanded some of the splendid young men who make up our fighting United States Navy, and I strongly resent the current talk to the effect that these men who are returning from the front are potential criminals.

Nothing is further from the truth. We are not a nation of killers. Our fighters hate killing. Having seen the savagery of war, they yearn all the more for the time when they can exchange the gun for the fishing rod, the tank for the farm tractor, and the hand grenade for the baseball. The American boys who know the death-dealing power of modern weapons will be more reluctant to use them than the inexperienced novice who has never fired a shot.

Mr. Speaker, if, by coincidence, some of those who have taken a part in this war turn up among our future criminals, it will not be because of their military training but in spite of it.

Let us stop this slander of our veterans.

Under leave to extend my remarks, I include the following article from the New York Sun:

LIBELING THE FIGHTERS

Two libels against the American fighting man have had widespread circulation. One is that he will come home from the wars in such a state of nerves that every household will have to keep a tame psychiatrist. The other is that he will come home in such a state of morals that he will be ripe for a career of crime. The first libel, put into circulation out of decent concern for a small number of veterans who will need psychiatric attention, has passed through the phase of exaggeration and overemphasis and may soon be expected to be whittled down to size.

On the second libel, which also was used against veterans of the First World War, an expert witness gives devastating testimony. Edward E. Conroy, head of the New York office of the Federal Bureau of Investigation, in a talk to the Advertising Men's Post of the American Legion, said that the postwar criminal will be a product of juvenile delinquency and not of military training. Dabblers in criminology start with the thesis that 10,000,000 men have been trained to kill and that some of them will keep right on after demobilization. By coincidence rather than by cause some criminals of the postwar age will be veterans of this war, but these will be criminals in spite of their military training rather than because of it. Mr. Conroy said just what the average person knows in his heart, that with some scattered exceptions when the fighting men come home they will be peaceful, law-abiding, decent citizens.

Those still in the service and those who are currently receiving discharges may well ask, even if not quite seriously, protection from their friends or at least from those who worry so publicly about them.

THE ADJOURNMENT RESOLUTION

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. Mr. Speaker, when the vote was taken a few minutes ago on the resolution to adjourn from July 21 to October 8, the motion offered by the majority leader, I voted "No," not that I expected to prevent the adjournment for recess and not that I wanted to prevent an adjournment for recess, for Congress needs a change of scene. I certainly believe that after months of hard work the Members of Congress ought to get away from Washington. Nerves are frayed and on end. We ought to go home to meet our constituents to find what they are saying and thinking, and I think perhaps our thinking will be clarified. I voted against the adjournment as a protest against our taking time off with so much undone.

I for one, would like to go home, and need to go home. I would like to get away from Washington for a while as a change. Therefore, I need to explain more fully the purpose for my voting "No." I am a member of a committee which contemplated making a trip to Europe. At a meeting recently I said to the other members of the committee, "I will not oppose the committee's going but I cannot go myself. I cannot with satisfaction go out of the country, because there is too much for me to do within the country." That indicates about the same reason for my voting "No" against the resolution to adjourn at the end of this week.

I feel, Mr. Speaker, that much remains to be done by Congress and done quickly, in view of the circumstances, with millions of men coming home from the armed forces before we have made adequate preparation. We have not, in spite of the work we did here today in amending the GI bill of rights—and I favored those needed amendments—but even with that we have not done all we ought to do in laying a foundation for peace and the postwar period. It is my firm conviction that we have not planned sufficiently for veterans nor war workers, soon to be unemployed.

I have heard a great deal said about too little too late. I know there have been times when that charge was hurled at Congress. I do not believe it could rightfully be made against the Seventy-seventh Congress or the Seventy-eighth Congress when we were preparing for war. We laid in ample time the legislative foundations. We voted millions and billions of dollars for defense and for preparation. We have carried on that war to a successful conclusion, that is, those men in uniform in the galleries have fought the war successfully on a legislative foundation that this Congress prepared years in advance. I regret to say I do not believe, Mr. Speaker, that we have been equally forehanded in preparing for the end of the war, or that we have made the same preparation for the days of peace that we made for the war itself.

Every word spoken by the gentleman from Mississippi [Mr. RANKIN] when he protested the offering of the resolution to adjourn earlier in the session today because he knew of important legislation pertaining to veterans which ought to be passed by the House before we take a summer recess, might be said with equal

propriety concerning other legislation in the interests of veterans, such as the bill H. R. 520, reported out by the Committee on Irrigation and Reclamation, which is also designed to benefit them in the postwar period. The gentleman from Mississippi is quite right in demanding that needed changes in the GI bill of rights ought to be made before we go home. Time is of the essence, and the problem of dealing fairly and properly with our returning veterans is very pressing. I am glad the gentleman from Mississippi was so insistent that he got action on this worthy measure before we decided on a summer recess after next Saturday.

No doubt, there are many other bills pertaining to the welfare of veterans or pertaining to employment in the postwar days, in addition to H. R. 520, which should be enacted before Congress takes any time off for a vacation. The bill designed to enable qualified veterans to have homes on newly irrigated lands should have been enacted before this week of adjournment. Its opponents held it up, and they may take due credit for this delay; and let there be no mistake about it, there will be more than a 3 months' delay because the measure must await our reconvening after the summer recess. If the Reclamation Bureau could have had this enactment of H. R. 520 prior to adjournment, plans could have been perfected to enable hundreds of veterans and thousands of employees to be benefited at once. On the other hand, a delay of 2 or 3 months now, even if the bill is enacted immediately upon our reconvening, will cause its beneficial effects to come too late to help tens of thousands who will be seeking employment before it can be written on the statute books. I greatly fear that many of us do not adequately comprehend the employment problem and the veterans' problems which are daily increasing and which are likely to assume such staggering proportions before next October. When Congress lays the legislative foundation for a beneficial administrative program, the legislation must precede administrative action by many weeks and months.

There are some who cry out against Government planning, even for the benefit of those to whom the Government is most obligated, as in this case, veterans and war workers. What would those people have as our policy? Would they have us do nothing and let the war work end and the members of the armed forces come home in great numbers, seeking employment where not enough employment may be found? A policy aimed at such results may be favorable to the employer class, but by no stretch of the imagination can I see how it could be favorable to the tens of millions seeking employment. Some years ago a captain of industry, as hard-boiled as a Prussian lieutenant, said: "What business needs is a long line at the employment window." Such a business leader apparently would have our returning veterans come back home to be welcomed only with flag waving and thrown among the millions of discharged war workers into a great reservoir of unemployed, where each would be forced to dispose of his labor for what he can get in a glutted market. I am sure that that is not what any of these men in uniform have fought to bring about and to preserve in this country.

As a member of the Special House Committee on Postwar Economic Policy and Planning, I take considerable pride, although I had only a small part in it, in the legislative policies recommended by that committee and drafted into law by appropriate legislative committees. Yes; we have favored and brought about contract-termination, and we have enacted a law for the disposal of surplus war property, and that has been followed by legislation for reconversion from war to peace. Even so, our work is not completed with that and there are vast areas of planning which have not yet been touched. True, the Colmer Committee on Postwar Planning has issued seven reports, but the job is not as complete, as the number 7 might seem to indicate.

What disturbs me is this: although that planning committee put "first things first" and got on the most important legislation at the beginning, yet all the legislation we have put on the books is favorable to business, management, and industry generally, with mighty little attention given to the laboring masses. What can I say when I go home and meet with a group of laboring men? How much have I planned in lawmaking for them to serve in these most difficult days that we know are ahead? Well, I have tried to get some legislation through that would create employment and help to create homes, but that legislation is not on the statute books, and I fear if we look at the entire picture we will find that the masses of laboring people, including former war workers and also men just out of uniform, will find themselves in a great labor reservoir with inadequate planning to furnish the necessary jobs. To me this is a very sobering thought.

As for the veterans, we have earmarked $500,000,000 for hospitals for them. Already we have more than enough returned to tax our facilities to the limit, and those numbers will be greatly increased within the next few weeks. I feel that we cannot say we are amply ready to receive our returning veterans until a great deal more is done to provide the needed hospitalization for health and medical care. It is not enough, and will not be enough at the last hurried moment, for the Veterans' Administration to take over the temporary and sometimes improperly built hospitals which the Army had. Only a well-planned building program, having in view the best interests of the wounded or sick servicemen, and one which will adequately take care of all of them, can be said to be a well-planned policy, and this cannot be done without a timely legislative foundation and the proper administration of many wholesome measures—some of which are not yet enacted.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 715. An act to provide the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Reconstruction Finance Corporation;

H. R. 905. An act for the relief of Paul T. Thompson;

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake;

H. R. 3477. An act authorizing the improvement of certain harbors in the interest of commerce and navigation;

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; and

H. J. Res. 228. Joint resolution to amend the District of Columbia Teachers' Salary Act of 1945.

ADJOURNMENT

Mr. MURDOCK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Thursday, July 19, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

612. Under clause 2 of rule XXIV, a letter from the Archivist of the United States, transmitting reports on records proposed for disposal by various Government agencies; to the Committee on Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COCHRAN: Committee on Accounts. H. Res. 328. Resolution providing for the expenses of conducting the study and investigation authorized by House Resolution 315 of the Seventy-ninth Congress; without amendment (Rept. No. 931). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McGEHEE: Committee on Claims. S. 711. An act for the relief of Ernest L. Fuhrmann; without amendment (Rept. No. 930). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3807) for the relief of Mrs. Rosalie Helen Hoskins, and the same was referred to the Committee on War Claims.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLOOM:

H. R. 3835. A bill to extend the existing programs for the interchange of persons, knowledge, and skills between the people of the

United States and the peoples of the other American Republics and the Philippines, so as to provide for the interchange of persons, knowledge, and skills between the people of the United States and the peoples of other countries; to the Committee on Foreign Affairs.

By Mr. ENGLE of California:

H. R. 3836. A bill to repeal an act which withdrew certain public lands of the United States in the State of California from settlement; to the Committee on the Public Lands.

By Mr. HUBER:

H. R. 3837. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. MORRISON:

H. R. 3838. A bill to provide for the discharge from the armed forces of persons who have lost two or more brothers or sisters in the present war; to the Committee on Military Affairs.

By Mr. PRICE of Illinois:

H. R. 3839. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. REED:

H. R. 3840. A bill to provide for veterans' advisers in the various internal revenue districts; to the Committee on Ways and Means.

By Mr. HOOK:

H. R. 3841. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. KEOGH:

H. R. 3842. A bill to amend the act entitled "An act to prohibit the unauthorized wearing, manufacture, or sale of medals and badges awarded by the War Department," as amended; to the Committee on Military Affairs.

By Mr. MANSFIELD of Montana:

H. R. 3843. A bill to provide for the disposition of tribal funds of the Confederated Salish and Kootenai Tribes of Indians of the Flathead Reservation in Montana; to the Committee on Indian Affairs.

By Mr. O'TOOLE:

H. R. 3844. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. SNYDER:

H. R. 3845. A bill to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public-health centers and for planning construction of additional facilities, and to authorize grants to assist in such construction; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN of Massachusetts:

H. J. Res. 231. Joint resolution proposing an amendment to the Constitution so as to make ex-Presidents of the United States Members of the Senate; to the Committee on the Judiciary.

By Mr. JARMAN:

H. Res. 330. Resolution authorizing the Special Committee on Postwar Economic Policy and Planning of the House of Representatives to have printed for its use additional copies of part 5 of the hearings held before said special committee during the second session of the Seventy-eighth Congress and the current session; to the Committee on Printing.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHURCH:

H. R. 3846. A bill for the relief of Lt. Samuel Adams Lynde, United States Navy; to the Committee on Claims.

By Mr. MORRISON:

H. R. 3847. A bill for the relief of Saul or Solly Magdoff; to the Committee on Immigration and Nationalization.

By Mr. POAGE:

H. R. 3848. A bill for the relief of the legal guardian of Johnnie Pollock, a minor; to the Committee on Claims.

By Mr. WALTER:

H. R. 3849. A bill for the relief of Francisco Cozzolino; to the Committee on Immigration and Naturalization.

By Mr. WHITE:

H. R. 3850. A bill for the relief of L. G. Chimenti; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1095. By Mr. ADAMS: Petition of Berlin (N. H.) Aerie, Fraternal Order of Eagles, asking that January 31 be declared a national holiday; to the Committee on the Judiciary.

1096. By Mr. COCHRAN: Petition of Mr. A. L. Morrison and 310 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1097. Also, petition of Mr. F. M. O'Brien and 311 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1098. By Mr. MOTT: Petition signed by Mrs. Effie M. Wright and 59 other citizens of Philomath, Oreg., urging enactment of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

1099. Also, petition signed by Mrs. Harry Rushold and 22 other citizens of Clackamas County, Oreg., urging enactment of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

SENATE

THURSDAY, JULY 19, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Harry L. Bell, D. D., minister, Columbia Heights Christian Church, Washington, D. C., offered the following prayer:

Our Father and our God of infinite mercies, it is from Thee that all things come. Thou givest power to the faint and to him that hath no might. Thou increaseth strength. In Thee we live and move and have our being. They that wait for Thee renew their strength; they mount up with wings as eagles; they run, and are not weary; they walk, and faint not.

We would be building here, O Father, a righteous and reverent nation. Depart not from us. Leave us not to our own devices. We came to this land to follow after Thee as our conscience did lead us. We built houses of worship in remote wildernesses and in busy city streets. We are a God-fearing people, O God. Make us worthy of Thee and Thy continued blessings.

Our Heavenly Father, the earth is convulsing with conflicts of upheavals and death. In a world of strife and bitterness, teach us, O God, how to love even the unlovable. Purge us of selfish interests.

We pray for the President of the United States. Grant unto him this very day Thy divine wisdom and guidance. We pray for our sons and daughters who, from dawn to dusk, are struggling to save the precious treasures we hold sacred. As they face the hardships before them this day, give a promise to every tear and a blessed assurance to every doubt.

Bless the homes represented in this Senate Chamber, and every home in our land, with the assurance that Thou art ever and always near us. Through Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, July 18, 1945, was dispensed with, and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 603. An act to permit the United States to be made a party defendant in certain cases, and for other purposes;

H. R. 3111. An act to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; and

H. R. 3749. An act to amend the Servicemen's Readjustment Act of 1944 to provide for readjustment allowance for all veterans of World War II.

THE POLISH QUESTION—CORRESPONDENCE WITH STATE DEPARTMENT

Mr. VANDENBERG. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an exchange of letters with the State Department regarding our American obligations under the Yalta agreement with respect to free elections and subsequent developments of independent government in Poland.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JULY 9, 1945.

Hon. JOSEPH C. GREW,
Under Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: In the absence of the Secretary, I take the liberty of addressing this inquiry to you.

It is clear that the settlement of the Polish question thus far made is inadequate and unconvincing to millions of our citizens, among whom I may say that I am numbered. There still seems to be no clear assurance that the Polish people will themselves have the final opportunity of untrammeled self-determination under this new provisional government which is imposed upon them by Britain, Russia, and the United States, within Polish boundaries similarly dictated by these external powers.

I wish to inquire whether our responsibility under the Yalta agreement is presumed to have been discharged by the creation of this new provisional government or whether the three-power obligation continues until the promised "free elections" have actually

occurred? If the obligation continues, as would seem to be our own unavoidable share of this responsibility, I wish to ask the following questions:

1. When the new provisional government begins to operate, will the United States be permitted to send full diplomatic and consular representatives into Poland?

2. Will the American press be permitted to send its uncensored correspondents into Poland?

3. Will the United States participate, on an equality with the other powers, under their Yalta obligation, in a general supervision of these "free elections" to make certain they are "free" in fact as well as name?

I am sure you will agree that we cannot be guilty of default in any of these directions; and that the greatest measure of realistic self-determination for the Polish people, including the members of the Polish Army which has played such an heroic part in our victory over the Axis, is the only course consistent with the Atlantic Charter, the Moscow declaration, the Yalta agreement, and the San Francisco Charter. I respectfully urge that the full weight of our American influence should be exerted in behalf of final determinations which will clearly serve the ends of justice in behalf of Poland, not only for the sake of Poland but also for the sake of all the great powers concerned (and our unity) and for the sake of the international peace and security which we are unitedly seeking to stabilize.

I shall welcome any information you can give me upon this subject in response to my questions.

With sentiments of great respect and with warm personal regards, I beg to remain,

Cordially and faithfully,

A. H. VANDENBERG.

DEPARTMENT OF STATE,
Washington, July 17, 1945.

The Honorable ARTHUR H. VANDENBERG,
United States Senate.

MY DEAR SENATOR VANDENBERG: I have received your letter of July 9, 1945, in which you raise several questions concerning the new Polish Provisional Government of National Unity, recently established in Warsaw, and the United States Government's policy toward that government. For greater convenience to you, I have considered individually, in the order of their appearance in your letter, your several statements and questions:

1. "There still seems to be no clear assurance that the Polish people will themselves have the final opportunity of untrammeled self-determination under this new Provisional Government which is imposed upon them by Britain, Russia and the United States, within Polish boundaries similarly dictated by these external powers."

Since the rival Polish groups in Poland and in London were unable to settle their differences, it was decided at Yalta to set up a commission, composed of Mr. Molotov, people's commissar for foreign affairs of the U. S. S. R., Sir Archibald Clark-Kerr, British Ambassador to the U. S. S. R., and Mr. W. Averell Harriman, American Ambassador to the U S. S. R., which would be empowered to bring these groups together in order that members of the Polish Provisional Government then functioning in Warsaw and other Polish democratic leaders from within Poland and from abroad could consult with a view to the reorganization of the Provisional Government on a broader democratic basis, and the formation of a new Polish Provisional Government of National Unity with which the Governments of the United States, the United Kingdom and the Soviet Union could establish diplomatic relations. Arrangements were finally made to bring the three groups of Poles together and they met in Moscow between June 17 and June 21 to discuss the composition of the new government. On June 21 the leaders informed the Commission established by the Crimea Conference that complete accord had been reached by them regarding the formation of a new Polish Provisional Government of National Unity. After studying the report submitted by the Polish leaders, the three Commissioners concluded that the Polish groups represented had set up a government in conformity with the Crimea decisions. The Commission's decision was accepted by the Governments of the United States, the United Kingdom and the Soviet Union.

Thus, since this Government was set up by the Poles themselves, the new Government was not imposed upon the Polish people by the United States, Great Britain, and the Soviet Union.

2. "I wish to inquire whether our responsibility, under the Yalta agreement, is presumed to have been discharged by the creation of this new Provisional Government or whether the three-power obligation continues until the promised free elections have actually occurred?"

The formation of the new Polish Provisional Government of National Unity constituted a positive step in the fulfillment of the Crimea decisions. The decisions will be further implemented when the new Government carries out its pledge to hold free and unfettered elections as soon as possible on the basis of universal suffrage and the secret ballot. In this connection the Crimea decisions also provide that the Ambassadors in Poland of the three powers shall keep their respective Governments informed about the situation in Poland. It is clear, therefore, that the creation of the new Government does not alone discharge us from the responsibilities we assumed at Yalta.

3. "When the new Provisional Government begins to operate, will the United States be permitted to send full diplomatic and consular representatives into Poland?"

Mr. Osubka-Morawski, Prime Minister of the new Polish Provisional Government of National Unity, in his message to President Truman requesting the establishment of diplomatic relations with his Government stated:

"I have the honor in the name of the Provisional Government of National Unity to approach the Government of the United States of America with a request for the establishment of diplomatic relations between our nations and for the exchange of representatives with the rank of Ambassador."

On the basis of the assurances given by the United States at the Crimea Conference, President Truman established diplomatic relations with the new Government and informed the Prime Minister that he had chosen as Ambassador Extraordinary and Plenipotentiary to Poland the Honorable Arthur Bliss Lane. Ambassador Lane and initial members of his staff are making arrangements to proceed to Warsaw as soon as possible and thus, in accordance with the Crimea decisions, the Ambassador will be in a position to keep this Government "informed about the situation in Poland."

4. "Will the American press be permitted to send its uncensored correspondents into Poland?"

In the discussions relative to the recognition of the new Polish Provisional Government of National Unity, the United States Government made it clear that it expected American correspondents to be permitted to enter Poland in order that the American public may be informed of the situation in that area. You may be assured that the United States Government will use its full influence to attain this desired end.

In addition to these conversations regarding the entry of American correspondents into Poland, the Department of State has for some time been pressing the Soviet authorities for authorization for American correspondents to enter eastern and southeastern Europe in order to be in a position to report accurately to the American public on developments there. The Department will continue its efforts to obtain permission for American correspondents to operate freely in all areas.

5. "Will the United States participate, on an equality with the other powers, under their Yalta obligation, in a general supervision of these 'free elections' to make certain they are 'free' in fact as well as name?"

President Truman in his message to the Polish Prime Minister stated that "I am pleased to note that Your Excellency's Government has recognized in their entirety the decisions of the Crimea Conference on the Polish question, thereby confirming the intention of Your Excellency's Government to proceed with the holding of elections in Poland in conformity with the provisions of the Crimea decisions." This undertaking with regard to the holding of free and unfettered elections was one of the vital points considered in connection with the establishment of diplomatic relations between this Government and the new Polish Provisional Government of National Unity.

As indicated above, the American Ambassador and his staff will make reports on the situation in Poland and on the basis of these reports this Government will give consideration to the question of whether supervision of elections would be advisable. If it is decided to supervise the elections, the United States Government will, of course insist upon its right to participate on an equal basis with the other powers.

In conclusion, I wish to point out that American policy with regard to Poland continues to be based on the decisions of the Crimea Conference. Both President Roosevelt and President Truman have gone on record that the United States Government stands unequivocally for a strong, free, and independent Polish state.

I welcome this opportunity to exchange views with you, since I believe it is of vital importance that the Members of the Congress be afforded a clear understanding of questions relating to our foreign relations and policy. Under such conditions the State Department can best carry out the foreign policy of the United States as determined by the President and the Congress.

Sincerely yours,

JOSEPH C. GREW,
Acting Secretary.

TRIBUTE TO LT. WILLIAM H. ADAMS

Mr. O'MAHONEY. Mr. President, Members of the Senate who served in this body with the late Senator Alva B. Adams, of Colorado, will be pleased to learn that his son, Lt. William H. Adams, has recently been awarded the Silver Star for gallantry in action in the European war. Senator Adams was held in the highest affection and esteem by all who served with him, and they know how proud he would have been to read the citation which accompanied the medal bestowed upon his son by the Army.

I ask unanimous consent that the full text of the citation, as presented in a newspaper story from the Pueblo (Colo.) Chieftain be printed at length in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LT. WILLIAM H. ADAMS AWARDED STAR FOR GALLANTRY IN ACTION

Second Lt. William H. (Billy) Adams, son of Mrs. Alva B. Adams and the late United States Senator Alva B. Adams, has been awarded the Silver Star Medal for gallantry in action at Restorf, Germany, April 22, 1945, it was officially learned here Saturday.

Lieutenant Adams, now stationed at Heroldsburg, near Nurnberg, where his father and mother once visited with a senatorial party, is with the Chemical Warfare Service, Thirteenth Corps of the Ninth Army. The citation which went forth with the medal, reads:

"At about 23:15 hours Lieutenant Adams' 4.2-inch chemical mortar platoon had been attacked from all sides by an enemy force that quickly gained points within 50 and 100 yards of the platoon.

"Lieutenant Adams swiftly organized his platoon's defense in a house and directed their effective fire, inflicting many casualties on the enemy. Constantly exposing himself to the intense enemy small arms and bazooka fire, once knocked to the floor by the blast of an enemy bazooka shell, he continually directed his platoon and assisted in carrying his wounded men to a place of comparatively safety.

"Until dawn when the attack was finally repelled, Lieutenant Adams displayed superior leadership, confidence, and cool courage. His actions were an inspiration to his men and reflect the highest credit upon himself and the armed forces of the United States."

The citation was ordered by Major General Gillem.

Lieutenant Adams has been in the armed services for 3 years.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the board of directors of the Chamber of Commerce of Honolulu, T. H., requesting the President to nominate a citizen of the Territory of Hawaii for appointment to the United States Circuit Court of Appeals for the Ninth Circuit; to the Committee on the Judiciary.

A letter in the nature of a petition from a citizen of Los Angeles, Calif., relating to Federal nurseries; to the Committee on Education and Labor.

By Mr. CAPPER:

A letter in the nature of a petition from Mrs. Seth J. Owens, president, American Legion Auxiliary Unit, No. 15, of Iola, Kans., praying for the enactment of the so-called Gurney-May bill, providing for peacetime compulsory military training; to the Committee on Military Affairs.

DESIGNATION OF BIRTHDAY OF FRANKLIN D. ROOSEVELT AS A NATIONAL HOLIDAY

Mr. TOBEY. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the Berlin (N. H.) Aerie, Fraternal Order of Eagles, memorializing Congress to designate the birthday of the late President Franklin D. Roosevelt as a national holiday.

There being no objection, the resolution was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress to designate the birthday of the late President Franklin Delano Roosevelt as a national holiday

Whereas Franklin Delano Roosevelt served as President of the United States from March 4, 1932, until his untimely death on April 12, 1945, having been elected to four successive terms and having become the first American President honored by his fellow citizens with more than traditional two terms;

Whereas President Roosevelt assumed office during the depression, one of the great domestic crises in the Nation's history, and by wise, courageous, and humanitarian leadership restored confidence and faith in America;

Whereas President Roosevelt championed the cause of the workingmen of America and ushered in a new era of consideration for the rights of labor and the common man;

Whereas President Roosevelt espoused and signed the National Social Security Act, generally recognized as the greatest social measure in American history, climaxing a 14-year educational campaign by the Fraternal Order of Eagles in behalf of State and Federal old-age security legislation;

Whereas President Roosevelt awakened our Nation to the menace of fascism to our free institutions and our very existence as a free people and led America and its allies, the United Nations, in the mightiest world struggle for human freedom, culminating in the unconditional surrender of Germany and in decisive victories over Japan;

Whereas President Roosevelt charted a course for preventing future wars, by means of a permanent world peace organization, economic cooperation, and international good will, thereby embodying during the most critical period in modern history the hopes, the aspirations, and the ideals of his fellow countrymen, and the oppressed peoples of the entire world; and

Whereas Franklin Delano Roosevelt is assured an immortal place in world history and will earn the gratitude of American generations yet to come and the esteem and affection of free peoples in all lands: Now, therefore, be it

Resolved, That Berlin Aerie, Fraternal Order of Eagles, hereby respectfully petition the Congress of the United States to designate January 31, the birth date of Franklin Delano Roosevelt, as a national holiday; and be it further

Resolved, That copies of this resolution be sent to the United States Senators from this State and the Congressman of this district.

EXTENSION AND MAINTENANCE OF CREDIT FOR PURCHASE AND CARRYING OF SECURITIES—PETITION

Mr. HART. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD, a petition of Thomas J. Reardon, of Hartford, Conn., relating to the extension and maintenance of credit for the purchase and carrying of securities.

There being no objection, the petition was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

In accordance with the Constitution of the United States, I, Thomas J. Reardon, a citizen of the United States, resident of Hartford, Conn., respectfully petition the Congress of the United States to consider and take action upon the following grievance and proposed remedy:

Whereas for the purpose of stabilizing the economy of this Nation following the collapse of 1907, Congress instituted the Federal Reserve bank, and whereas the direct evidence of the failure of the Federal Reserve bank to prevent an economic collapse of 1929 substantiates the following accusation:

The Federal Reserve bank allowed the credit wealth of the Nation to be siphoned into speculation prior to 1929. That was the period of inflation credited to their false method of valuation and whereas they still insist on using the same false method of valuation which will promote the very thing they are trying to prevent.

The Federal Government treated the effect by Government bond issue—some forty-seven billion—and had not solved the unemployment problem. War and production of implements of war employed all the employable and adding some hundreds of billions more of debt as a burden on the people of the Nation.

Whereas we are confronted with the problem of production to furnish employment to meet the current expenses of government and liquidate a debt which private enterprise producing the things people desire and will purchase inasmuch as their ability to earn will permit, and the credit wealth of the Nation supporting the production will furnish the bloodstream of the whole economic system when so employed.

To prevent repetition of the experience prior to 1929, it is only necessary for Congress, by legislation, to substitute "yield" for "market quotation" as a method of valuation for the extension of credit for the purchase and carrying of securities as follows:

A bill amending regulation U (loans by banks) and regulation T (extension and maintenance of credits to brokers, etc.)

An amount not greater than 50 percent of the value determined by yield as follows:

On common stock to be at least 5 percent per annum.

On preferred stock to be at least 4 percent per annum.

On bonds to be at least 3 percent per annum.

And yield that determines the value at the time of the loan shall be the minimum yield per annum for the previous 5 years.

Discontinue the special privileges of brokers and dealers.

POLITICAL OR ECONOMIC COOPERATION BY UNITED STATES WITH OTHER NATIONS TO PREVENT WAR—PETITION

Mr. HART. Mr. President, I also ask unanimous consent to present for appropriate reference and to have printed in the RECORD a petition from Thomas J. Reardon, of Hartford, Conn., relating to political or economic cooperation by the United States with other nations to prevent war.

There being no objection, the petition was received, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

In accordance with the Constitution of the United States, I, Thomas J. Reardon, a citizen of the United States, resident of Hartford, Conn., respectfully petition the Congress of the United States to consider and take action upon the following grievance and proposed remedy:

Whereas man's two major problems are war and economic misery. These being of man's own making, the cause and remedy can be definitely determined and set down. It is an absolute fact that the overwhelming majority of the two-billion-odd people in the world do not want war or economic misery. The evidence is clear that minorities have involved majorities in those catastrophes, minorities being the administrators in the different forms of government. The exercise of the common sense of the common people, which Thomas Jefferson said is the greatest force on earth, would be the most potent influence in correcting this situation;

Whereas the purpose and intent of our forefathers is to forever prevent men by evil method governing people without their consent. Their set of principles, their doctrine, their idealism, and their realism, they set down in our Constitution, second only to the law of God, is evidenced by their wisdom in implementing good will. Providing for change is evidence that they did not claim perfection;

Whereas a set of principles proposing to prevent war and economic misery is subscribed to by the administrators of the various kinds of governments assembled in San Francisco to build a method of government to that end. The method of attaining this end is now disclosed in the proposed charter,

which document itself clearly discloses the falseness of the premises upon which it is based;

Whereas the pagan sovereign states and nations have a method of government wherein the people are subjects, while we declared our separation and independence as an evidence of a divine sovereign people's method of government, wherein the people are masters and limit by our Constitution the authority and discretion of the administrators in peace and war;

Whereas Congress resolved to cooperate with other nations by constitutional processes to prevent war and economic misery; while at the Convention at San Francisco, attended by our delegates, a constitution for the prevention of war and economic misery has been devised and now awaits adoption; and

Whereas this so-called Charter is in fact a constitution, upon the question of the adoption of which our delegates will vote, although there is no provision in the Constitution of the United States for the adoption or ratification of such a Charter or constitution of a world-supreme government; and once we are in we cannot get out, as we have interpreted our Constitution denying the right of any signatory to secede. And, again, when a state ratifies a constitutional amendment it cannot rescind its action. It has exhausted its authority. In the Constitution there are no provisions for the action necessary for this Nation to cooperate with other nations in the manner and form disclosed after the various conferences at San Francisco; and admitting, as its proponents do, that it is only an experiment, there is no exit in the event of failure: Therefore be it

Resolved, That before committing this Nation to any plan of political or economic cooperation with other nations to prevent war,

Congress will summon the voting citizens for their verdict by ballot; and providing that three-quarters of the voters concur.

This alone is a barrier against the evil will of minority manipulators, the cause of war and economic misery all down through the history of man; preventing the unconstitutional surrender of our "divine sovereignty" by taking this constitutional means to attain this "divine end."

ADEQUATE MANPOWER FOR BITUMINOUS COAL INDUSTRY—REPORT OF MILITARY AFFAIRS COMMITTEE

Mr. REVERCOMB. Mr. President, on behalf of my colleague [Mr. KILGORE] and myself, from the Committee on Military Affairs, I ask unanimous consent to report favorably without amendment the concurrent resolution (S. Con. Res. 21) urging the War Department and the War Manpower Commission to take immediate action to assure manpower in the bituminous-coal industry adequate to attain the needed coal production, and for other purposes, and I submit a report (No. 501) thereon.

It is a concurrent resolution dealing with the release of men in the service for the purpose of increasing manpower in coal mining. It is a very important measure. The manpower situation in the State of West Virginia and other coal-producing States is in a precarious condition, in view of the great demand which will be made for the use of coal in the days ahead of us.

The PRESIDENT pro tempore. Without objection, the report will be received, and the concurrent resolution will be placed on the calendar.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURDOCK, from the Committee on Banking and Currency:

H. R. 3771. A bill to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes; without amendment (Rept. No. 490).

By Mr. ELLENDER, from the Committee on Claims:

S. 1183. A bill to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army; without amendment (Rept. No. 500);

S. 1250. A bill for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida; without amendment (Rept. No. 491);

H. R. 1245. A bill for the relief of John F. Davis; without amendment (Rept. No. 492);

H. R. 1301. A bill for the relief of Madeline Winter and Ethel Newton; without amendment (Rept. No. 493); and

H. R. 1346. A bill for the relief of Alaska D. Jeannette; without amendment (Rept. No. 494).

By Mr. O'DANIEL, from the Committee on Claims:

H. R. 2699. A bill for the relief of Dr. Jabez Fenton Jackson, and Mrs. Narcissa Wilmans Jackson; with an amendment (Rept. No. 495).

By Mr. CAPPER, from the Committee on Claims:

H. R. 3417. A bill for the relief of Clarence J. Spiker and Fred W. Jandrey; without amendment (Rept. No. 496).

By Mr. MORSE, from the Committee on Claims:

H. R. 1595. A bill for the relief of the Borough of Beach Haven, Ocean County, N. J.; without amendment (Rept. No. 497); and

H. R. 3175. A bill to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood; without amendment (Rept. No. 498).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 788. A bill for the relief of the estate of George J. Ross; without amendment (Rept. No. 499).

By Mr. REVERCOMB (for himself and Mr. KILGORE), from the Committee on Military Affairs:

S. Con. Res. 21. Concurrent resolution urging the War Department and the War Manpower Commission to take immediate action to assure manpower in the bituminous-coal industry adequate to attain the needed coal production, and for other purposes; without amendment (Rept. No. 501).

BILLS AND A JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE:

S. 1283. A bill for the relief of the estate of Homer V. Colley; and

S. 1284. A bill for the relief of the board of trustees, Summerville Consolidated School District, Chattooga County, Ga.; to the Committee on Claims.

(Mr. MAGNUSON introduced Senate bill 1285, which was referred to the Committee on Commerce, and appears under a separate heading.)

By Mr. CAPPER:

S. J. Res. 85. Joint resolution proposing to amend the Constitution of the United States to exclude aliens in counting the whole number of persons in each State for apportionment of Representatives among the several States; to the Committee on the Judiciary.

NATIONAL RESEARCH FOUNDATION ACT OF 1945

Mr. MAGNUSON. Mr. President, prior to our entrance into the war this country never instituted a national mobilization of its scientific potentialities. War came and we found that basic science and applied science became an integral part of fighting this war. We learned a lesson. We mobilized quickly what scientists were available. The scientists of this country in all fields of endeavor have done an excellent job in helping to win the war and now in helping to bring it to an end.

These scientists have come to a definite realization that we should have some legislation and embark upon some program so that such a thing may not again happen. They have prepared data which I have assembled in a bill which I now ask unanimous consent to introduce for proper reference. The purpose of the bill is to keep our scientific potential in this country mobilized so that we may use it quickly when we call upon it at any time in the future for the defense of our country.

There being no objection, the bill (S. 1285) to promote the progress of science and the useful arts, to secure the national defense, to advance the national health, prosperity, and welfare, and for other purposes, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Commerce.

DECLARATION OF POLICY WITH RESPECT TO RATIFICATION OF UNITED NATIONS CHARTER

Mr. MOORE submitted the following resolution (S. Res. 158), which was referred to the Committee on Foreign Relations:

Resolved, That if and when the Charter of the United Nations, signed by 50 nations of the world at San Francisco on the 26th day of June 1945 and submitted to the Senate of the United States by the President for ratification, shall have been ratified, it shall be the policy of the United States that all powers to be exercised by the representative of the United States on the Security Council, as established pursuant to chapter V, with respect to the use of measures set forth in articles 41 and 42 of chapter VII of the Charter of the United Nations, shall be in accordance with directions first had and obtained from the President of the United States.

SEC. 2. When the President of the United States shall direct the representative of the United States on the Security Council, as established by the Charter of the United Nations, to vote for the use of the measures, or any of them, set forth in articles 41 and 42 of chapter VII of the Charter of the United Nations, he shall report his actions in such regard to the Congress of the United States.

SEC. 3. The policy of the United States as stated in sections 1 and 2 hereof shall be made a covenant of a treaty between the United States Government and the Security Council of the United Nations, to be con-

cluded in accordance with article 43, chapter VII, of the Charter of the United Nations.

SEC. 4. No representative of any United Nations Organization shall commit the United States Government to the expenditure or loan of any moneys, or the extension of credits, or the use of real or personal property, except military equipment and matériel when used to enforce the measures provided for in article 43 of chapter VII of the Charter under the conditions herein expressed unless the Congress of the United States shall have made an appropriation specifically for such purposes, or shall have passed an act in accordance with law authorizing such action.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were severally read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 603. An act to permit the United States to be made a party defendant in certain cases, and for other purposes; to the Committee on the Judiciary.

H.R. 3111. An act to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries"; ordered to be placed on the calendar.

H. R. 3749. An act to amend the Servicemen's Readjustment Act of 1944 to provide for readjustment allowance for all veterans of World War II; to the Committee on Finance.

ADDRESS BY ASSOCIATE JUSTICE BLACK AT HOLLYWOOD BOWL

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Hon. Hugo L. Black, Associate Justice of the Supreme Court of the United States, at Hollywood Bowl on June 22, 1945, which appears in the Appendix.]

ON REMOVING SUSPICION—EDITORIAL BY JOHN W. OWENS

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an editorial entitled "On Removing Suspicion," written by John W. Owens, and published in the Baltimore Sun of July 18, 1945, which appears in the Appendix.]

ARGENTINA AND THE UNITED NATIONS

[Mr. AUSTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Argentina and the United Nations," published in the July 9, 1945, issue of the Caledonian Record of St. Johnsbury, Vt., which appears in the Appendix.]

THE UNITED NATIONS CHARTER—ADDRESS BY DR. ELMER LOUIS KAYSER

[Mr. HATCH asked and obtained leave to have printed in the RECORD a discussion of the United Nations Charter by Dr. Elmer Louis Kayser, dean of George Washington University, which appears in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT

[Mr. HATCH asked and obtained leave to have printed in the RECORD a series of six articles published in the Washington Daily News on the proposed Federal Labor Relations Act, which appear in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT—EDITORIAL FROM WASHINGTON POST

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial entitled "Destructive Criticism" published in the Washington Post of July 19, 1945, which appears in the Appendix.]

PROPOSED NATIONAL LABOR RELATIONS ACT

[Mr. HATCH asked and obtained leave to have printed in the RECORD an editorial entitled "Constructive Critic" and an article entitled "Bad Outweighs Good in Proposed Labor Bill," both published in the Washington Daily News, which appear in the Appendix.]

PROPOSED FEDERAL LABOR RELATIONS ACT

[Mr. HATCH asked and obtained leave to have printed in the RECORD the second of two articles by William M. Leiserson, dealing with the proposed Federal Labor Relations Act and published in the Washington Daily News, which appears in the Appendix.]

THE BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

The Senate resumed the consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Colo.	Saltonstall
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Vandenberg
Cordon	McMahon	Wagner
Donnell	Magnuson	Walsh
Downey	Maybank	Wheeler
Eastland	Mead	Wherry
Ellender	Millikin	White
Ferguson	Mitchell	Wiley
Fulbright	Moore	Willis
George	Morse	Young
Guffey	Murdock	

Mr. HILL. Mr. President, I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. OVERTON], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDENT pro tempore. Eighty Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment offered by the senior Senator from Oklahoma [Mr. THOMAS] inserting a new section, on which, under the unanimous-consent order of yesterday, a vote will now be taken without further debate.

Mr. THOMAS of Oklahoma. Mr. President, I ask that the amendment be stated.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On pages 6 and 7 it is proposed to strike out section 6 and to insert the following:

SEC. 6. There is hereby established in the money of account of the United States a gold coin to be known as a gold ounce; such coin to contain 480 grains of pure gold (troy weight) and sufficient alloy to make it nine-tenths fine and to be of the value of $35 or units.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. THOMAS of Oklahoma. Mr. President, my purpose in offering the amendment which has just been voted upon was to present an opportunity to call to the attention of the Senate, of the Congress, and of the country a fact which is obvious, I think, to anyone who has made a study of developments in the last few years. One important development is that the world is now off the gold standard, and sentiment is obviously rapidly growing in this country for us to follow suit and likewise go off the gold standard, in which event we will have left on our hands more than $20,000,000,000 of the monetary gold of the world.

Mr. President, I was under no illusion when I offered the amendment. My purpose in offering it was that I might be able to state my position with respect to the necessity and the advisability of retaining a metallic base for our currency.

I now offer a second amendment, as I stated in my former address I would do. I ask that the amendment be stated from the desk.

The PRESIDENT pro tempore. The clerk will state the amendment.

The CHIEF CLERK. On page 9, at the end of line 9, it is proposed to strike out the period and insert a colon and the following: *"Provided*, That the Secretary of the Treasury is authorized and directed to use all silver in the Treasury not held as security for outstanding currency of the United States, and all silver which may from time to time come into the Treasury, to pay all or part of the subscription of the United States as called for to the International Bank for Reconstruction and Development: *And provided further*, That all silver which may be paid into such Bank shall be valued in terms of gold from day to day on the basis of the commercial or fair world price per ounce, and on such basis such silver shall be regarded as the full equivalent of gold."

Mr. THOMAS of Oklahoma. Mr. President, I shall take but a very few moments to explain the amendment.

We have in our Treasury approximately 3,000,000,000 ounces of silver. A large percentage of that silver is not in

use; it is a surplus commodity. I desire to make the record in connection with the offering of the amendment.

I submit for the record a letter of date May 26, 1943, from the Treasury Department signed by D. W. Bell, Under Secretary of the Treasury. I ask that the letter be read at the desk. It states the amount of silver we had and the condition in which the silver was at the time the letter was written.

The PRESIDENT pro tempore. The clerk will read.

The Chief Clerk read as follows:

THE UNDER SECRETARY
OF THE TREASURY,
Washington, May 26, 1943.

Hon. ELMER THOMAS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This is in reply to your letter of May 20, 1943, in further reference to Treasury silver stocks.

In calculating the amount of silver held by the Treasury on May 30, 1942, as stated in paragraph 2 of my letter of April 30, 1943, consideration was given to standard silver dollars and subsidiary silver coins held in the Treasury, but not to standard silver dollars and subsidiary silver coins outside of the Treasury. A break-down of Treasury silver holdings on May 30, 1942, is as follows:

	Millions of ounces
Silver dollars	371.4
Subsidiary silver coins	10.1
Silver bullion	2,524.9
Total	2,906.4

Treasury holdings of silver do not include silver dollars and subsidiary silver coins held by the public and the banks. Silver coins outside the Treasury, however, are included in the monetary stocks of silver as defined in the Silver Purchase Act.

Very truly yours,

D. W. BELL,
Under Secretary of the Treasury.

Mr. THOMAS of Oklahoma. Mr. President, that letter recites that the Treasury had on hand as of that date 2,906,000,000 ounces of silver. The letter further recites that the dollars outside the Treasury are not calculated in this estimate. Neither is the amount of silver in subsidiary coins and minor coins considered in this list.

I have before me a statement of date April 30, 1945, showing that at that time there were outside the Treasury 123,391,557 standard silver dollars, and that the Federal Reserve banks at that time held 1,822,159 standard silver dollars, making a total in excess of $125,000,000.

The same statement shows that on the same date, April 30, 1945, there were subsidiary silver coins outside the Treasury, which meant half dollars, quarter dollars, and dimes, in the total sum of $786,227,162.

Mr. President, add to the amount of silver held by the Treasury, the silver dollars in circulation and the subsidiary silver in circulation and it will be found that the total is approximately 3,300,000,000 ounces of silver. That is approximately the amount of silver that is now in the Treasury and in circulation in this country and abroad.

The question is: Shall we retain this silver and use it for money? The fact is that a very large percentage—not a majority, but a large number of ounces of silver owned by the Government is held as surplus. It is not coined. It is not proposed to coin it, insofar as I know, although I have understood that the distinguished junior Senator from Utah has had a conference recently with responsible authorities in the Treasury Department upon this subject, and if he cares to make a statement at this time with respect to this so-called surplus or free silver, I shall be glad to yield for such a statement.

Mr. MURDOCK. Mr. President, the statement I have to make is this: I believe the conference I had with the Secretary of the Treasury was about June 30. At that time I called to the Secretary's attention the fact that there was a large amount of silver in the Treasury which in my opinion should be used as a basis for the issuance of silver certificates under silver legislation now on the statute books. I pointed out that by the use of such silver the Secretary of the Treasury could save the taxpayers of the United States several million dollars annually. I also pointed out to the Secretary that, due to the fact that our expenditures daily run into hundreds of millions of dollars, and that the money for such expenditures was being procured by the Government going in debt through the medium of bonds, the issuance of silver certificates against idle silver was certainly no more inflationary than the creation of credit dollars, and I am sure the distinguished Senator from Oklahoma will join me in that position.

After quite a lengthy discussion with the Secretary on these points he finally agreed that he would be willing to monetize at the full monetary value of silver, which is $1.29 per ounce under our law, and begin issuing silver certificates as funds were needed by the Treasury.

The Secretary gave me the figures showing the quantity of silver which had passed from the Treasury into industry, and which had passed out of the Treasury for lend-lease purposes. He also pointed out that for coinage purposes and for lease-lend purposes in the next year there would probably be needed 300,000,000 ounces of silver, and that for subsidiary coinage and other emergencies the Treasury also felt that it should have at least 100,000,000 ounces of silver as a reserve in the Treasury. He gave me the figure of 696,000,000 ounces of free silver in the Treasury, or silver against which silver certificates had not been used. Deducting the 400,000,000 ounces which the Secretary says are needed for coinage, lease-lend, and other purposes, it leaves approximately 300,000,000 ounces of free silver in the Treasury today which could me monetized as suggested by me under present law, and at $1.29 per ounce would amount to approximately $387,000,000.

The Secretary of the Treasury agreed that he would immediately submit that proposition to the President for approval.

The Secretary of the Treasury on July 5 sent a letter to the President of the United States giving him full information as to my proposal and what we had agreed on. The proposition to monetize 300,000,000 ounces of silver at $1.29 an ounce was approved by President Truman, and I am advised by the Treasury that as funds now are currently needed by the Treasury those silver certificates will come into circulation.

In my opinion, if I may add this observation, Mr. President, that under this policy we have accomplished more for silver than could be accomplished in any other way. I do not think that anyone will challenge the fact that I have been an advocate of silver money and the use of silver in our monetary system ever since I came to Congress, and I feel now that we have gotten the Treasury Department to move away from the adamant position which it has maintained for years, that it would monetize silver only up to its cost value; that that position taken by the Treasury has been changed, and that now it is willing to monetize free silver at its full monetary value as funds are needed by the Treasury.

In my opinion we have accomplished more for silver by that action than by almost anything that could take place.

While I admire very much the fine position which the Senator from Oklahoma has always taken for silver and for gold, I simply cannot go along with him at this time on his amendment, and I will explain my reasons briefly after the Senator concludes.

What I have just related is what has actually happened in the Treasury in the last couple of weeks, and, in my opinion, it adds prestige to silver, not only in the United States, but throughout the world, and is a very satisfactory accomplishment.

Mr. THOMAS of Oklahoma. I thank the Senator from Utah for his statement of the position of the Treasury Department, and likewise the position of the President of the United States. If that pledge should be carried out, the silver which is in the Treasury, which might be called free silver, or which is surplus silver, will be monetized on the basis of the issuance, either in the form of dollar coins, or on the basis of dollar silver certificates, or $5 silver certificates, at the rate of $1.29 for each ounce of free or surplus silver in the Treasury.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Oklahoma yield to the Senator from Ohio?

Mr. THOMAS of Oklahoma. I yield.

Mr. TAFT. I should like to ask the Senator from Utah what is the status of silver which is lend-leased and what is the status of silver which is loaned to industrial concerns for bus bars, and so forth? Are the silver certificates to be issued against that silver? Is that considered to be in the Treasury, or does it have to come back to the Treasury before silver certificates can be issued?

Mr. MURDOCK. My understanding is that the silver which has passed out into industry, largely through the Defense Plant Corporation, is still the property of the Treasury, but is not available for any purpose at this time except the purpose it is now serving. It is the hope of the Secretary of the Treasury that that silver will be returned as its uses for war purposes are no longer necessary, and that it will come back into the Treasury. If that happens, I shall insist as vigorously as possible that that silver, as it comes

back into the Treasury and as additional funds are needed, be monetized the same as the 300,000,000 ounces which are now free, and I am hopeful that that will be done.

Mr. TAFT. The policy to which the Senator has referred and which the Secretary of the Treasury has endorsed, does not apply to that silver, but only to the free silver in the Treasury?

Mr. MURDOCK. The Senator is correct in that statement.

Mr. THOMAS of Oklahoma. Mr. President, the purpose of this amendment was to make use of our surplus silver. The Treasury has issued certificates in payment for the silver, and if no good use is to be made of the silver, of course, it will be a dead commodity, so to speak, in the Treasury of the United States. My purpose in offering this amendment was to make use of that silver by directing the Secretary to put the silver either in the Fund or the Bank, and thus decrease the amount of dollars that would have to be put in the Fund or Bank. Under the proposal as it stands before the Senate, the Treasury would put into those two funds—the Bank fund and the Fund itself—$1,800,000,000 of gold, and the balance, in the sum of $4,125,000,000, would be deposited in the two funds in the form of dollars, the kind of dollars that we appropriate and have in circulation. So in order to decrease the number of dollars we would have to put in those two funds I proposed to direct the Treasury Department to add to those funds what silver we have. The amendment which I offered was to put the silver in the Fund on the basis of the value of the silver in terms of gold. If the silver were worth 50 cents an ounce, it would require 2 ounces of silver to make $1 in the Fund of either the Fund proper or the Bank.

However, judging from the statement of the Senator from Utah, the Treasury has made a more liberal proposition than my amendment proposes. My amendment would require silver to be placed in the Fund or the Bank on the basis of its value in terms of gold; but the proposition of the Treasury Department is to monetize the silver on the basis of $1.29 an ounce. If that is done, we can as a result of this monetization take the certificates and put them in the Bank on the basis of $1.29 an ounce, or more than double the dollars which my amendment would provide. In view of the promises made I am not prepared to urge my amendment; so I will make the record, and after I shall have done so, I will withdraw the amendment.

I now ask to have placed in the RECORD a letter from the Under Secretary, Mr. Bell, stating the number of ounces of silver that have been disposed of to other countries. In brief, the statement is as follows: Australia received recently 11,800,000 ounces; Ethiopia, 5,400,000 ounces; the Fiji Islands, 200,000 ounces; India, 140,000,000 ounces; the Netherlands, 56,700,000 ounces; the United Kingdom, 62,100,000 ounces; and Saudi Arabia, 13,100,000 ounces; or a total of 289,300,000 ounces.

I ask that the entire letter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE UNDER SECRETARY OF THE TREASURY,
Washington, April 26, 1945.

Hon. ELMER THOMAS,
United States Senate.

MY DEAR SENATOR: Reference is made to your letter of April 9, 1945, to Secretary Morgenthau requesting certain information in regard to silver.

1. The largest amount of silver that has been held by the United States Government at the end of any month was the 2,906,400,000 fine ounces held on May 31, 1942.

2. (a) Under the provisions of the act of July 12, 1943, commonly known as the Green Act, 85,300,000 fine ounces were sold in accordance with War Production Board priorities through March 31, 1945. An amount of 11,400,000 fine ounces sold to the Philippine Government for coinage purposes is included in this total of 85,300,000.

(b) No silver has been sold by the Treasury to a foreign government since 1940.

(c) Through March 31, 1945, the following amounts of silver have been supplied to the specified foreign governments under lend-lease for coinage purposes and other war uses:

	In millions of fine ounces
Australia	11.8
Ethiopia	5.4
Fiji Islands	.2
India	140.0
Netherlands	56.7
United Kingdom	62.1
Saudi Arabia	13.1
Total	289.3

During the war period an amount of 903,000,000 fine ounces of silver has been made available for nonconsumptive uses in war plants under lease arrangements.

3. The reports on foreign monetary stocks received by the Bureau of the Mint during the war period have been so incomplete that no accurate estimate of the amount of silver held at the present time by foreign governments and peoples can be made upon the basis of these reports. It may be conjectured, however, that exclusive of silver obtained under lend-lease, silver in foreign countries amounted to 3,000,000,000 ounces of monetary silver and 7,000,000,000 ounces of nonmonetary silver as of December 31, 1944.

For your information, there is enclosed a Treasury press release of December 7, 1944, relating to the use of Treasury silver in the war effort.

Very truly yours,

D. W. BELL,
Under Secretary of the Treasury.

Mr. THOMAS of Oklahoma. Along with the letter from the Treasury Department, I received a press release dated December 7, 1944. It is an explanation of the status of the silver which at that time was in the Treasury. I ask unanimous consent that the statement be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Treasury silver to the amount of 1,226,300,000 fine ounces has been put to work in a variety of war jobs since Pearl Harbor, Secretary of the Treasury Morgenthau said today. Most of the tasks assigned to this large quantity of metal have been under lease arrangements, the rest under lend-lease and outright sale.

The Treasury early in 1942 launched a policy of directing all available silver into urgent war uses. Its legal staff, with the concurrence of the Attorney General and the approval of the President, found authority for releasing "free silver" holdings to war plants under lease contracts; a considerable amount of "silver ordinary", to which usual restrictions did not apply, was disposed of; further sale and leasing of silver was facilitated by new legislation.

Wartime silver transactions accomplished so far under the Treasury policy were summed up by Secretary Morgenthau, as follows:

Provided for nonconsumptive uses in war plants under lease arrangements, 903,000,000 fine ounces.

Supplied to various foreign governments under lend-lease for coinage purposes and other war uses, 243,700,000 fine ounces.

Sold from "silver ordinary" stock to industrial users certified by War Production Board, 5,000,000 fine ounces.

Sold in accordance with WPB priorities under terms of the act of July 12, 1943, commonly known as the Green bill, 41,000,000 fine ounces.

Used as basis of new alloy developed by the Bureau of the Mint for coinage of wartime "silver nickels," 33,600,000 fine ounces.

For many of these uses copper previously had been required, and the substitution of silver released thousands of tons of copper for other vital war-production needs. Development of the wartime silver nickels using an alloy of silver lessened considerably the requirements of the Bureau of the Mint for both copper and nickel for coinage.

Curtailment of Treasury purchases of silver also has contributed to the employment of the metal in war tasks. Practically all foreign silver received in this country since Pearl Harbor has gone into essential manufactures under WPB priorities. Domestically mined silver is made available in limited quantities under WPB control to nonessential industries, acquisitions of newly mined domestic silver by the Treasury having been reduced to purely nominal quantities.

Most of the Treasury silver distributed under lease to war plants has been fabricated into electrical conductors for installation in aluminum and magnesium plants and other factories engaged in war work. Title to this silver remains in the Treasury. The uses to which it is put are nonconsumptive, and all of the metal will be returned to the Treasury after the termination of the war. This leasing arrangement was inaugurated in April 1942 in cooperation with the Defense Plant Corporation. A small part of the silver turned over to the Defense Plant Corporation already has been returned to the Treasury with an "honorable discharge" from its war duties.

Far eastern areas have benefited from the lend-leasing of silver to foreign governments. India, for example, received an allotment of 100,000,000 fine ounces. The Government of the Netherlands, among others, arranged with the Treasury for supplies of silver to be used in coinage. All the lend-lease contracts with foreign governments require return of the silver to the Treasury on an ounce-for-ounce basis after the war.

Silver made available to war industries under the act of July 12, 1943, is used for the production of engine bearings, brazing alloys and solders, by WPB order. Sales of silver made under the authority of this act are at the fixed price of 71.11 cents per fine ounce.

Sale of a stock of silver ordinary was made in the fall of 1942 to industries which were in urgent need of the metal for immediate war production uses. Silver ordinary represents minor accumulations from such sources as purchases for coinage prior to the Silver Purchase Act, recoveries of bullion lost in melting and coining processes, and balances of silver in excess of amounts estimated to be contained in mutilated coin.

Mr. THOMAS of Oklahoma. Mr. President, recently a financial writer, Mr. Robert P. Vanderpoel, prepared a statement under the heading "Silver

makes real war contribution." There are two paragraphs in this statement under the subheading entitled "Silver Goes to War." I ask unanimous consent that those two paragraphs in the statement be printed in the RECORD at this point as a part of my remarks.

There being no objection, the paragraphs were ordered to be printed in the RECORD, as follows:

SILVER GOES TO WAR

Secretary Morgenthau has just revealed that 1,226,300,000 fine ounces of Treasury silver have been put to work in a variety of war jobs. Some of the silver has been leased to industry, some has been lend-leased to other nations, and some has been sold outright.

More than 900,000,000 ounces have gone directly into war plants in this country.

Mr. THOMAS of Oklahoma. On June 21, 1944, just prior to the assembling of the delegates at Bretton Woods, a number of Senators prepared a statement asking the conference to consider silver. The original of this statement was sent to the President. I ask unanimous consent to have the statement, together with the names of the signers printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
SPECIAL COMMITTEE ON THE
INVESTIGATION OF SILVER,
June 21, 1944.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: We have studied the International Monetary Fund plan that has been made public by the United States Treasury. Since whatever plan is ultimately adopted will have to be approved by the Congress, we feel it is our duty to pass on to you without delay certain conclusions we have reached pertaining to this plan.

The experts' plan suffers from a basic, organic defect in that no place in it is assigned to silver. As a result, there will be an insufficiency of media for the settlement of international balances, and the use of silver as money will be undermined.

We strongly urge, therefore, that the plan be revised forthwith so that parities for the currencies of member countries will be fixed in silver, as well as gold. By specifying fixed parities in terms of silver also, the following results would be attained:

1. The physical supply of standard money would be expanded for the enlarged needs of the postwar world.

2. The preference of a large part of the population of the world for silver money would be recognized.

3. The nations of Europe and the Far East now in the throes of wild paper-money inflation could return to silver coinage on a sound basis.

4. The remonetization of gold and silver would thus be effected simultaneously and internationally.

Elmer Thomas, Chairman, Special Silver Committee; Edwin C. Johnson; Pat McCarran; Sheridan Downey; James E. Murray; Abe Murdock; Ernest W. McFarland; Harlan J. Bushfield; E. V. Robertson; Carl Hayden; Mon. C. Wallgren; Guy Cordon; Gerald P. Nye; J. G. Scrugham; B. K. Wheeler; Hugh Butler; Henrik Shipstead; Dennis Chavez; Jno. Thomas; Kenneth S. Wherry; Elbert D. Thomas; Chan Gurney; Carl A. Hatch; Rufus C. Holman; D. Worth Clark; E. H. Moore.

Mr. THOMAS of Oklahoma. Mr. President, since 1933 a number of laws with regard to silver have been enacted by the Congress and a number of orders and directives have been issued by the President. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a condensed chronology of action with regard to silver subsequent to March 4, 1933.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONDENSED CHRONOLOGY OF ACTION WITH REGARD TO SILVER SUBSEQUENT TO MARCH 4, 1933

May 12, 1933: The President was authorized to fix the weight of the silver dollar, to provide for unlimited coinage of silver, and for a period of 6 months from the date of the passage of the act to accept silver in payment of the whole or any part of the debt due from any foreign government to the United States, such silver to be accepted at not to exceed the price of 50 cents an ounce. Under this latter authority 22,734,824.35 fine ounces of silver were received from foreign governments, which, at 50 cents an ounce, were valued at $11,367,412.18. (Thomas amendment.)

July 22–26, 1933: An agreement was entered into between the United States, Australia, Canada, China, India, Mexico, Peru, and Spain relative to silver. The entire London Economic Conference also adopted a resolution relating to silver. (See Executive Agreement Series No. 63, U. S. Government Printing Office, Washington, D. C., 1934.)

December 21, 1933: The President by proclamation directed the coinage mints to receive for coinage into standard silver dollars, silver mined subsequent to December 21, 1933, from natural deposits in the United States or any place subject to the jurisdiction thereof. Fifty percent of the silver so received by the mint was deducted as seigniorage and the amount returned to the depositor of the silver was 64 plus cents per fine ounce. Supplemental proclamations were issued on April 10 and April 24, 1935, reducing the amount retained for seigniorage to 45 and 40 percent, respectively, and resulting in a return to the depositor of 71 plus cents per fine ounce of eligible silver mined on or after April 10, 1935, but prior to April 24, 1935, and a return of 77.57 plus cents per fine ounce for eligible silver mined on or after April 24, 1935. Regulations governing the receipt of newly mined domestic silver have been issued from time to time. The proclamation of December 21, 1933, as amended, provided that it "shall remain in force and effect" until December 31, 1937, unless repealed or modified.

January 30, 1934: The Gold Reserve Act vested in the President certain authority with respect to fixing the weight of the silver dollar and subsidiary coins and the issuance of silver certificates.

June 19, 1934: The Silver Purchase Act (among other things) declared it to be the policy of the United States that the proportion of silver to gold in the monetary stocks of the United States should be increased, with the ultimate objective of having and maintaining one-fourth of the monetary value of such stocks in silver; and whenever and so long as the proportion of silver in the stocks of gold and silver of the United States is less than one-fourth of the monetary value of such stocks, the Secretary of the Treasury, subject to certain conditions, is authorized and directed to purchase silver at such rates and at such times and upon such terms and conditions as he may deem reasonable and most advantageous to the public interest. Provision was also made for the sale of silver under certain conditions, the issuance of silver certificates, regulations of the acquisition, importation, exportation, or transportation of silver, the "nationalization" of silver, and the imposition of a tax of 50 percent of the profits made on certain transfers of silver. Treasury regulations relating to the tax on transfers of interests in silver bullion were issued on June 19, 1934. These regulations have been amended from time to time.

June 28, 1934: The Secretary of the Treasury issued regulations relating to the exportation of silver from the United States.

August 9, 1934: Executive order was issued requiring the delivery of certain silver to the United States mints, and the amount returnable for the silver was fixed at 50-plus cents per fine ounce. On the same day the President by proclamation made eligible for receipt by the United States mints certain silver situated in the continental United States on August 9, 1934. The amount returned for such silver was 50-plus cents per fine ounce.

August 17, 1934: Treasury regulations were issued relating to the delivery and receipt of silver under Executive order and proclamation of August 9 and relating to transactions in silver and the filing of reports relative thereto. These regulations have been amended from time to time.

May 20, 1935: The order of the Secretary of the Treasury of June 28, 1934, relating to silver was amended so as to prohibit, except under license, the importation into the continental United States of certain foreign silver coin. The total receipts of silver by the United States mints under the Executive proclamation of December 21, 1933, by purchase as provided in the Silver Purchase Act of June 19, 1934, and by transfer under the Executive proclamation of August 9, 1934, amounted to 1,280,677,719 ounces of silver as of the close of business on June 30, 1937.

July 6, 1939: The Congress enacted legislation providing that the mints shall receive for coinage into standard silver dollars silver mined subsequent to July 1, 1939, from natural deposits in the United States and the director of such mint shall pay to the producer of such silver approximately 71 cents per fine ounce for the silver so produced and delivered.

It has been estimated by some authorities on silver that there has been produced to date some ten billion ounces which has been either coined or held in reserve as monetary metal. This, of course, is in addition to the silver which has been used for jewelry, in the arts and in the manufacture of the many and various items for exchange in trade and commerce.

Of the silver used for coin, and monetary reserves, the United States has acquired and now (May 10, 1941) holds 2,846,377,739.21 fine ounces.

Mr. THOMAS of Oklahoma. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement showing the various commodities which have been in the past used for money, not only in this country but throughout the world. It shows that practically everything movable of value has been used for money at one time or another.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMODITY MONEY IN VARIOUS COUNTRIES

Grain—early money among all peoples.
Spice and amber—money of the Baltic.
Rock salt—money of Asia and Africa.
Fish hook—money of the Eskimos.
Tobacco—Virginia Colony and south seas.
Nails—New England and Scotland.
Soap—Mexico.
Hard cheese—China.

Woodpecker scalps—Oregon and among Indians.
Cocoa beans—Mexico.
Grass mats—south seas.
Silk—Mongolia.
Cotton cloth—money today in the Congo.
Beaver and coon skins—American Colonies.
Gold dust and nuggets—in gold fields.
Whisky—part pay in United States railroad construction.
Groceries, clothing, and general commodities—in America today on construction works.
Musket balls and flints—early Colonies.
Brick tea—money of Mongolia, Tibet, and Siberia.
Bread—money of Alaska.
Bamboo—money of China.
Gum drops—Eskimos.
Knife, dress, bridge, spear, and other shaped bronze coins—of ancient China.
Chopping knife—coins of the Aztecs.
Ring—money of the Celts.
Spear—coins of the Congo.
Copper cross—the Balbuba's price for a wife.
Plate—money of Sweden and Russia.
The large coin, Sweden, copper, 12 by 24 inches, weighing 31 pounds.
The smallest coin, India, gold, size of a large pinhead; weight, 1 grain.
Shoe and boat shape silver—China.
Bullet and pack saddle—Siam.
Hat money—Penang.
Metal shells, leech and tiger tongue—coins of the Laos States.
Wire—money of Arabia.
Bar—money of Java and Ceylon.
Metal coins from iron to platinum.
Coins of glass, porcelain, clay, rubber, wood, birch bark.
Stone money of Yap up to 30 inches in diameter, weight up to 170 pounds.
(NOTE.—Many of the above forms of money are included in the remarkable collection of the Chase National Bank, New York.)

Mr. THOMAS of Oklahoma. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement with respect to silver. I had intended to read the statement, but now find that to be unnecessary. I will content myself by asking that the statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

Silver is one of the "noble" metals, not easily oxidized and is used for coin, jewelry, plate, photography, and for a multitude of other purposes.

The principal properties of silver, upon which much of its usefulness rests, are (1) its resistance to a wide variety of corrosive agents; (2) its strong bonding power; (3) its electrical and thermal conductivity; (4) its remarkable optical reflectivity, and, (5) its ability to form salts and compounds with valuable photosensitive and bactericidal properties.

Silver falls in the same class with gold and platinum as regards corrosion resistance. It is not subject to atmospheric corrosion and is exceptionally resistant to weak acids and organic compounds, including those encountered in food products. Because of its resistance to alkalies, organic acids, and certain mineral acids, silver found wide use in the chemical industry as a lining for equipment, such as stills, condensers, autoclaves, tanks, piping, heating coils, and reaction vessels, even when tin was readily available. Silver is resistant to acetic, lactic, formic, and carbolic acids; acetate rayon, vinegar, dyestuffs, sodium and potassium hydroxide, ink, tanning chemicals, essential oils, and perfume essences.

The superiority of silver for electrical purposes has long been recognized. It is a better conductor of electricity than copper, the relative conductivity being 100 to 92.7; it is, furthermore, free from oxides which resist the passage of the current.

Silver is the whitest of all metals, and its reflectivity is of the order of 95 percent through the region of greatest sensitivity of the human eye; in the infra-red section, the metal may reflect as much as 98 percent.

The photosensitivity of silver salts, for example, the halides, is the basis upon which the photographic industry has been built. Aerial photography has increased the demand for silver in this field.

During recent years silver has attained a new and important strategic position. It is no longer used only as a metal for exchange media, as a reserve for paper currency, and in the fabrication of tableware, household ornaments, jewelry, and novelties. These uses have long been generally recognized, but many of the new uses are not so well known. Silver plays a part in the building of airplanes, battleships, submarines, and tanks, and in the manufacture of many guns, bombs, torpedoes, and shells that go into battle service. Moreover, it is used to conduct electric power for the production of aluminum, the metal of which many articles of war equipment are largely made. Silver is used also in lighting, telephone, and telegraph systems, railway-signaling devices, air-conditioning units, domestic refrigerators, and washing machines, and, to a limited extent, in a multitude of other products.

The demand for the minting of silver coins also has increased. In addition to coins for our own use we produced 281,050,000 coins for foreign countries in the fiscal year ended June 30, 1942.

Such a metal, with its voluminous uses, is not destined to become even a near worthless commodity, instead, the demand for silver will increase rather than diminish.

From the earliest days silver has been considered a precious metal and from antiquity has been used as money. Following are some of the ancient silver coins: The didsachm of Aegina, containing 192 grains, issued 700 B. C.; the coin of Caulonia, containing 128 grains, issued 700 B. C.; the Syracusan medallion, containing 263.6 grains, issued 485 B. C.; the tetradrachm of Ephenes, containing 234 grains, issued 400 B. C.; the stater of Amphipolis, containing 250.5 grains, issued 400 B. C.; the coin of Argos, containing 184 grains, issued 400 B. C.; the Roman denarius, containing 66.7 grains, issued 280 B. C.; the Roman victoriatus, containing 44.5 grains, issued 280 B. C.; the sheckle of Jerusalem, containing 220 grains, issued 143 B. C.; and the Roman aurens, containing 123 grains, issued about 27 B. C.

As civilization advanced silver remained the popular monetary metal throughout the world. At the birth of the American Republic practically all nations were on bimetallic standards. This meant that the nations used both silver and gold as money, and further that such nations maintained a fixed ratio between the two metals. Inasmuch as silver was more plentiful than gold the ratio was established on the basis of the quantity production of the two metals and ranged from 12 to 1 to 16 to 1.

As the Colonies progressed, they found many reasons for the joint adoption of a common monetary unit and the first unit agreed upon was the Spanish milled dollar. Later, upon the recommendation of Thomas Jefferson, the Continental Congress, by the resolution of July 6, 1785, adopted the dollar as the money unit of account.

At first the weight of the dollar was fixed temporarily at 375.64 grains of fine silver, but very soon steps were taken to regulate and fix the weight permanently. The authorities collected 1,000 of the newest and least worn Spanish milled dollars and melted such dollars in order to separate the alloy from the fine silver and then the weight of the residue—fine silver bullion—was divided by 1,000 in order to secure the average weight of fine silver in the circulating Spanish milled dollars.

Through this process the average weight was found to be 371¼ grains of fine silver; hence, the authorities regulated and fixed the weight of the standard dollar at the said 371¼ grains of fine silver and from that time until the present the amount of fine silver in the standard dollar has never been changed.

The weight of the gold dollar, however, has been changed at least on three separate occasions since its first adoption as a joint standard of value. The weight of the gold dollar was reduced twice during the administration of President Jackson and then 100 years later the weight was still further reduced during the administration of President Roosevelt.

From the earliest times silver has been regarded as the peoples' money as distinguished from gold, the favored money of the rich and well to do peoples of the world.

Because of the greater demand for silver than gold, the white metal was, during much of the earlier-day period, at a premium over gold.

In 1834, as stated, the weight of the gold dollar was reduced and the ratio between gold and silver was thrown out of balance and from such time up to 1873, when silver was demonetized, the silver dollar commanded a premium over gold of some two to five cents per unit.

Previous to the Napoleonic wars silver was the principal money of Great Britain, and sometimes was the only coin. But after the Battle of Waterloo, and when peace had been fully established throughout Europe, England, in 1816, passed a law demonetizing silver and adopting the single gold standard. During the fifties, and while there was an enormous output of gold from California and Australia, an effort was made by Chevalier, of France, and Maclaren, of England, and other writers upon political economy, to demonetize gold. Germany, Austria, and Holland adopted the single silver standard and closed their mints against gold. The effort to demonetize the yellow metal, because it was plentiful and cheap, would have succeeded if England could have been satisfied that gold would continue to be the plentier metal. In 1854 England sent commissioners to California and Australia to investigate the probable continuance of the output of gold, and after thorough investigation it was ascertained that the great gold placers would soon be exhausted.

England inferred, and correctly so, from the experience of 350 years that in the long run silver would be more plentiful than gold, and she therefore adhered to her gold policy.

The War Between the States closed in 1865. In that same year a union was formed between France, Italy, Greece, Belgium, and Switzerland, by which it was agreed to establish common coins, weights, and measures.

In 1867 the French Emperor extended an invitation to the United States and all the nations of Europe to hold a conference in Paris for the purpose of extending the principles of the union throughout the commercial world. Mr. Samuel B. Ruggles was appointed commissioner for the United States.

It is agreed by many writers, supported by letters and official records, that the movement for the general demonetization of silver and the establishment of the single gold standard was brought about by the delegations attending the conference in Paris.

The act of Congress demonetizing silver and establishing the single gold standard has been the subject of much discussion and debate. The history of the passage of the act will not be dwelt upon here further than to call attention to the facts: (a) That at least two attempts were made to demonetize silver prior to 1873, but upon each occasion when it was known just what was proposed to be accomplished the demonetization bills received practically no support; and, (b) The bill, later to become the act of February 12,

1873, was so manipulated in its passage through both the House and Senate that none of the Members, save those who were in charge of the measure, knew that if enacted it would demonetize silver and set up the single gold standard.

The bill had a title as follows—"An act revising and amending the laws relative to the mints, assay offices and coinage of the United States," and contained 67 sections.

The title of the bill was misleading and no one save the authors and managers suspected that the measure contained any device for the demonetization of silver. In the brief presentation of the bill to the Senate, Mr. Sherman, the Senator from Ohio, represented the measure to be a mere codification of the mint laws, with only such changes as were necessary to harmonize and make such laws into a consistent system.

The bill did not contain any direct provision for the demonetization of silver but it was "what it did not contain" that destroyed silver as one of he primary and basic monetary metals. The bill omitted the silver dollar from the list of coins, which omission was not observed and the attention of the Senate was not called to such fact.

The section, 15, of the act of February 12, 1873, which demonetized silver, is as follows:

"SEC. 15. That the silver coins of the United States shall be a trade dollar, a half dollar, or 50-cent piece, a quarter dollar, or 25-cent piece, a dime, or 10-cent piece; and the weight of the trade dollar shall be 420 grains troy, the weight of the half-dollar shall be 12 grams and one-half of a gram, the quarter dollar and the dime shall be, respectively, one-half and one-fifth of the weight of said half-dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding $5 in any one payment."

As will be noted, section 15 made no reference to the standard silver dollar and in section 14 it was provided "That the gold coins of the United States shall be a one-dollar piece which, at the standard weight of 25.8 grains, shall be the unit of value; * * *"

In support of the conclusions reached and expressed relative to the demonetization of silver, the following persons are called to testify—

Senator Thurman, on the 15th of February, 1878, in debate said:

"I cannot say what took place in the House, but know when the bill was pending in the Senate we thought it was simply a bill to reform the mint, regulate coinage, and fix up one thing and another, and there is not a single man in the Senate, I think, unless a member of the committee from which the bill came, who had the slightest idea that it was even a squint toward demonetization." (CONGRESSIONAL RECORD, vol. 7, pt. 2, 45th Cong., 2d sess., p. 1064.)

Senator Conkling, in the Senate, on March 30, 1876, during the remarks of Senator Bogy on the bill (S. 263) to amend the laws relating to legal tender of silver coin, in surprise, inquired:

"Will the Senator allow me to ask him or some other Senator a question? Is it true that there is now by law no American dollar? And, if so, is it true that the effect of this bill is to make half dollars and quarter dollars the only silver coin which can be used as a legal tender?" (CONGRESSIONAL RECORD, vol. 4, pt. 3, 42d Cong., 1st sess., p. 2062.)

On February 15, 1878, during the consideration of the bill above referred to, the following colloquy between Senator Blaine and Senator Voorhees took place:

"Mr. VOORHEES. I want to ask my friend from Maine, whom I am glad to designate in that way, whether I may call him as one more witness to the fact that it was not generally known whether silver was demonetized. Did he know, as Speaker of the House, presiding at that time, that the silver dollar was demonetized in the bill to which he alludes?

"Mr. BLAINE. I did not know anything that was in the bill at all. As I have before said, little was known or cared on the subject. [Laughter.] And now I should like to exchange questions with the Senator from Indiana, who was then on the floor and whose business it was, far more than mine, to know because by the designation of the House I was to put questions; the Senator from Indiana, then on the floor of the House, with his power as a debater, was to unfold them to the House. Did he know?

"Mr. VOORHEES. I very frankly say that I did not." (Ibid., p. 1063.) Senator Beck, in a speech made in the Senate January 10, 1878, said:

"It (the bill demonetizing silver) never was understood by either House of Congress. I say that with full knowledge of the facts. No newspaper reporter—and they are the most vigilant men I ever saw in obtaining information—discovered that it had been done." (CONGRESSIONAL RECORD, vol. 7, pt. 1, 45th Cong., 2d sess., p. 260.)

Senator Hereford, in the Senate, on February 13, 1878, in discussing the demonetization of silver, said:

"So that I say that beyond the possibility of a doubt (and there is no disputing it) that bill which demonetized silver, as it passed, never was read, never was discussed, and that the chairman of the committee who reported it, who offered the substitute, said to Mr. Holman, when inquired of, that it did not affect the coinage in any way whatever." (Ibid., p. 989.)

Senator Howe, in a speech delivered in the Senate on February 5, 1878, said:

"Mr. President, I do not regard the demonetization of silver as an attempt to wrench from the people more than they agree to pay. That is not the crime of which I accuse the act of 1873. I charge it with guilt compared with which the robbery of two hundred million is venial." (CONGRESSIONAL RECORD, vol. 7, pt. 1, 45th Cong., 2d sess., p. 764.)

General Garfield, in a speech made at Springfield, Ohio, during the fall of 1877, said:

"Perhaps I ought to be ashamed to say so, but it is the truth to say that, I at that time being chairman of the Committee on Appropriations, and having my hands over-full during all that time with work, I never read the bill. I took it upon the faith of a prominent Democrat and a prominent Republican, and I do not know that I voted at all. There was no call of the yeas and nays, and nobody opposed that bill that I know of. It was put through as dozens of bills are, as my friend and I know in Congress, on the faith of the report of the chairman of the committee; therefore, I tell you, because it is the truth, that I have no knowledge about it." (CONGRESSIONAL RECORD, vol. 7, pt. 1, 45th Cong., 2d sess., p. 989.)

Mr. Holman, in a speech delivered in the House of Representatives July 13, 1876, said:

"I have before me the record of the proceedings of this House on the passage of that measure, a record which no man can read without being convinced that the measure and the method of its passage through this House was a 'colossal swindle.' I assert that the measure never had the sanction of this House, and it does no possess the moral force of law." (CONGRESSIONAL RECORD, vol. 4, pt. 6, 44th Cong., 1st sess., Appendix, p. 193.)

Mr. Cannon, of Illinois, in a speech made in the House on July 13, 1876, said:

"This legislation was had in the Forty-second Congress, February 12, 1873, by a bill to regulate the mints of the United States, and practically abolished silver as money by failing to provide for the coinage of the silver dollar. It was not discussed, as shown by the RECORD, and neither Members of Congress nor the people understood the scope of the legislation."

After the enactment of this law silver was still money but only token money and gold became the basic, primary money for redemption purposes.

From 1873 to 1900 many efforts were made to remonetize silver but all such efforts failed.

On March 14, 1900, the Congress enacted legislation providing as follows:

"PUBLIC, NO. 39

"SEC. 1. That the dollar consisting of twenty-five and eight-tenths grains of gold nine-tenths fine, as established by section 3511 of the Revised Statutes of the United States, shall be the standard unit of value, and all forms of money issued or coined by the United States shall be maintained at a parity of value with this standard, and it shall be the duty of the Secretary of the Treasury to maintain such parity."

While the United States has been on the single gold standard since 1873, yet at the present time the law is such that we could go on a bimetallic standard at any time within the discretion of the President.

In the act approved May 12, 1933, it is provided in section 43, among other things, as follows:

"The President is authorized—

* * * * * *

"(2) By proclamation to fix the weight of the gold dollar in grains nine-tenths fine and also to fix the weight of the silver dollar in grains nine-tenths fine at a definite fixed ratio in relation to the gold dollar at such amounts as he finds necessary from his investigation to stabilize domestic prices or to protect the foreign commerce against the adverse effect of depreciated foreign currencies, and to provide for the unlimited coinage of such gold and silver at the ratio so fixed."

Thus, under the broad powers conferred, the President may, within his discretion, either increase or decrease the size and weight of the standard silver dollar and under the same powers conferred he has already reduced the size and weight of the gold dollar by some 40 percent.

As an additional recognition of silver, the Congress passed the Silver Purchase Act of 1934 wherein it is provided as follows:

"SEC. 2. It is hereby declared to be the policy of the United States that the proportion of silver to gold in the monetary stocks of the United States should be increased, with the ultimate objective of having and maintaining, one-fourth of the monetary value of such stocks in silver."

In order to carry out the policy as outlined in section 2 of the act, the Secretary of the Treasury is authorized and directed to purchase silver at home or abroad until either one of two things happen: (a) Until the commercial price of silver reaches the monetary value of the metal or $1.29 per ounce, or (b) until the silver purchased and held equals in value one-fourth of the metallic reserves of the United States.

Under the act the United States has acquired and now holds almost 3,000,000,000 ounces of silver.

Then again under the provisions of the act approved July 1, 1939, the United States is accepting all domestically mined silver and is paying for same the sum of some seventy-one cents plus per ounce, which means, in effect, that the mints are open to the free and unlimited coinage of domestically mined silver at the ratio of $1 for approximately 1½ ounces of silver.

At the present time silver is recognized as one of the most useful and valuable commodities everywhere and is used as either primary or token and subsidiary coinage money in most countries.

In the United States we are using silver as money as follows: (a) approximately 50,000,000 standard silver dollars in circulation; (b) approximately $400,000,000 in subsidiary silver coin—halves, quarters, and dimes—in circulation; and, (c) almost $2,000,000,000 in silver certificates in circulation.

Every silver certificate states on its face that "This certifies that there is on deposit in the Treasury of the United States of America one dollar (or the amount of the

bill) in silver payable to the bearer on demand."

This certificate means that there is $1 in silver, as measured by gold, back of every dollar in such certificate so that silver certificates are based upon and backed by full value making them worth 100 cents to the dollar as valued in gold.

Thus it is seen that in addition to the fact that silver is favored by law, the white metal is most useful and valuable for use in the arts, photography, manufacturing, trade and commerce, all of which gives the metal a permanently recognized place among the major commodities of the world.

Mr. THOMAS of Oklahoma. Mr. President, with the record made, and upon the basis of the statement and promise made by the Senator from Utah [Mr. MURDOCK] that the Treasury is to commence coining our silver on the basis of $1.29 an ounce, coining the silver we now have in the Treasury, and his statement that he hopes to have the remaining silver, as it comes back, likewise coined in the future, I am content, so I withdraw my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Oklahoma is withdrawn.

The bill is before the Senate and open to further amendment.

Mr. TAFT. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Ohio will be stated.

The LEGISLATIVE CLERK. On page 2, at the end of line 6, it is proposed to add the following:

Provided, however, That this acceptance shall become effective only when the governments of the countries having 65 percent of the quota set forth in schedule (a) shall have agreed that the Articles of Agreement to the Fund shall be amended to insert section 6 in article XIV, as follows:

"SEC. 6. No member shall be entitled to buy the currency of another member from the Fund in exchange for its own currency until it shall have removed all restrictions inconsistent with article VIII, sections 2, 3, and 4."

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Kentucky.

Mr. BARKLEY. I have consulted with the Senator from Ohio, and the arrangement which I am about to propose is agreeable to him, as well as to the Seantor from Oklahoma.

I ask unanimous consent that during the further consideration of the pending bill no Senator shall speak more than once cr longer than 15 minutes on the bill or any amendment.

Mr. BALL. I object.

The PRESIDING OFFICER. Objection is heard.

The question is on agreeing to the amendment offered by the Senator from Ohio.

Mr. TAFT. Mr. President, the purpose of this amendment is to provide that if the Fund goes into effect a nation which wishes to obtain currency from the fund, may not do so until it removes the currency restrictions and discriminations which it is the purpose of the Fund to remove. The whole purpose of the Fund, as stated in the Articles and in the various speeches proposing it—or, rather, one of the two purposes; one purpose is to establish stability of exchange—is to remove all currency discriminations. The argument is that those discriminations grew up in the 1930's, really, when the Germans were experts in special kinds of currencies. The proposal is that those be removed. It seems obvious to me that if we are to put our money into this Fund, it should not go to some nation which takes the money and does not in any way remove those restrictions. I cannot understand the purposes for which this Funds is proposed to be established if it is not going to be carried out for 5 years.

My amendment is a proposal to amend article XIV. Article XIV now reads as follows, on page 29:

Exchange restriction. In the postwar transitional period members may, notwithstanding the provisions of any other articles of this agreement, maintain and adapt to changing circumstances (and, in the case of members whose territories have been occupied by the enemy, introduce where necessary), restrictions on payments and transfers for current international transactions.

Mr. President, the very purpose of the proposal is to remove currency restrictions. Under another section of the proposal the members agree that they will not impose any restrictions on payments and transfers for current international transactions. The very reason that we are proposing putting $2,750,000,000 into this Fund is to bring about a removal of these restrictions. Of course, we can start the Fund, we can go on with the Fund, we can advance money to the nations which thereby will be to remove their restrictions, we can thereby assist them to remove the restrictions, but it seems to me that until the restrictions are removed other nations should not be able to get the American dollars which will be paid into the Fund by the United States Government. That is obviously the purpose of the amendment.

The condition at which the amendment is aimed exists chiefly today in the British Empire. I have already referred to the testimony which shows that today the British Empire is maintaining and is proposing to continue to maintain the currency restrictions which now are in effect. Lord Keynes said frankly that they cannot remove and will not remove those restrictions during the transitional period—a period of uncertain duration, he said. The agreement makes it clear that that will be at least 5 years, and may continue for a long time after 5 years.

So, Mr. President, I have called a number of cases to the attention of the Senate. I called the attention of the Senate to the fact that American airplanes have been offered to Egypt, but they cannot be purchased in Egypt because the Egyptians are told by the British, "No; you cannot make such a purchase with the pounds that you have or we will not recognize them in England. If you want to use those pounds at all, you can use them only to a limited extent, and you must use them to buy airplanes from Great Britain." The evidence on that point is perfectly clear.

Yesterday I referred to a case of chemical engineers in this country who have outstanding orders from India for vegetable ghee plants, a vegetable lard substitute. Yet they are told that although the India government has plenty of dollars that we have spent in India, the British will refuse to permit the importation of goods of that kind into India because they will not permit those dollars to be used for the purpose of buying goods from this country. The British Government insists on taking those dollars for itself, and gives the Indians British pounds which, if good at all, will be good only for the purchase of plants or other goods in Great Britain.

Mr. President, what is the sense of our putting in all this money for the purpose of expanding our export trade and for the purpose of removing exchange restrictions, if we are going to permit those restrictions to continue for a period of 5 years, while all the funds to which Great Britain is entitled under the agreement are drawn out by her and are used by her without doing any of the things she is supposed to do in return for the receipt of those moneys?

Mr. HICKENLOOPER. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. HICKENLOOPER. I should like to ask the Senator from Ohio his opinion regarding the following observation: Bearing in min his argument made the other day about the sterling bloc areas and the restrictions imposed by the British Government on the British Commonwealth and on Britain's debtors, it appears to me that the British Empire is headed for the greatest economic isolation policy the world has seen for a great many years. We have heard so much in recent months and eyars about isolation and its evils that it would seem to me that that might be an economic evil that is rearing its ugly head at the very outset of an attempt by the United States to establish a freer commerce in the world's goods. Will the Senator from Ohio comment on that observation?

Mr. TAFT. Mr. President, I think the Senator from Iowa is correct. The British sterling area is now an area of isolation. It is almost impossible for us to trade with the British at the present moment. In fact, I would also say to the Senator that probably Russia is the greatest isolationist nation in the world today—so isolationist that Americans cannot even go into Russia or Russian-controlled territory except under the most severe restrictions and in the very fewest number possible. I do not know what the Russian economic policy is. It may or may not be isolationist. But certainly the British policy—and the policy which is really forced upon the British by their position—is one of the economic isolation of the British Empire to the greatest possible degree.

The British do not propose to permit any imports to come into Britain except in return for some exports which they propose to supply. They are acting contrary to the whole multilateral trade theory on which the Hull program has been based, on which our program is based; and under article XIV they are not only authorized to continue that economic isolationism but, besides that, we will give them out of this Fund $325,000,000 a year which they may draw down as a permanent loan until they

obtain $1,300,000,000 of American money which they may spend in this country for American products.

Mr. President, how will my amendment work if it goes into effect? Most of the Fund will go into effect. Most nations will be able to remove their restrictions—and certainly so, with the additional aid given by the Fund. The British will simply be in the position—and other nations will also be; I refer to Great Britain only as the chief example—of having to settle their economic affairs; they will have to secure other loans or they will have to adopt other policies and put themselves on a sound basis before they can draw the money under the Fund; that is all. If they can solve their problems, and if this money is insufficient to enable them to solve their problems—and it is—then, before they can get the advantage of this money they will have to solve their other problems.

I think that is a reasonable proposal. I think it is one which is in accord with all the logic of the situation. It seems to me that we should make it perfectly clear that we are going into this agreement for certain definite purposes and that we are not going to permit our money to be used until those purposes are secured.

Mr. BARKLEY. Mr. President, I wish very briefly to comment on the amendment offered by the Senator from Ohio. I think we should all understand that the effect of the amendment, and possibly its object—I do not know about that—is to kill the entire agreement. The amendment provides that the United States may not accept membership in the Fund until the Articles of Agreement have been changed by the nations who have signed it. To do that would require holding another convention or an assembly at Bretton Woods, or somewhere else. That, of course, would be impossible prior to the expiration of the time during which the nations representing 65 percent of the signers shall accept membership and place their contributions in the Fund. There can be no question whatever about that, because the Senator seeks in a very material way to amend the Articles of Agreement. He also seeks to prevent the United States from entering into the arrangement until the Articles of Agreement have been changed. That, as I have already said, would require holding another conference.

I assume that we all recognize the fact that a nation which has been under great stress financially, and otherwise, can no more recover overnight than a human being can recover overnight from typhoid fever, the measles, or pneumonia. No man who has ever undergone a long siege of illness was able to function on the day he got out of bed. Because of the long illness which many of the nations have undergone, many of them have not yet become convalescent.

Mr. President, what is this sterling area and the blocked sterling about which we have heard so much. The sterling area existed before the war. It existed among a group of nations which had financial, economic, and international trade agreements largely with England, or with the United Kingdom, and kept their deposits of exchange in the banks of London because it was more convenient for them to do so. Those nations were exporting either to the United Kingdom, or to other parts of the British Commonwealth, or were importing articles of trade from the United Kingdom or from various parts of the British Commonwealth. They were transacting more business with one another and with the British Empire, or with the British Commonwealth of nations, than they were with any other nation. Therefore, as a matter of convenience, they kept their balances of exchange in the banks of London.

Mr. President, there was also a dollar area prior to the war. I may say that the sterling area included all the countries of the British Empire with the exception of Canada and Newfoundland. It included Egypt, Iraq, Portugal, and some of the Scandinavian and Balkan countries. It should be kept in mind that prior to the war there was no formal arrangement between those countries regarding an exchange policy with respect to the sterling area. The relationship was entirely voluntary and informal. Fundamentally it was not far different from the close relationship which existed between the United States and a number of Latin-American Republics as well as other countries, including parts of the British Empire to which I have referred. Those countries with the close trade relationships with the United States conformed in a general way to our exchange policies, and they kept a considerable part, if not a majority, of their exchange balances in the banks of New York. They were trading with us, and it was convenient for them to keep their balances in the New York banks, just as the other countries to which I have referred kept their balances of exchange in the banks of London. It was purely an informal arrangement which existed prior to the war, and it continued during the war. I may say that notwithstanding these formal arrangements, exchange rates between countries of the sterling area varied considerably in many cases. It is impossible to define precisely the countries which could be regarded before the war as being sterling area countries. Those which I have named were in a general area embracing countries which carried on their exchange business chiefly with London.

The principal feature of the sterling area countries was in the concentration of their reserves in London banks, which held large foreign deposits in much the same way as the New York banks hold large deposits for the countries with which we trade.

Mr. President, no aspect of the prewar sterling arrangements is contrary to the principles of the International Monetary Fund. Until the outbreak of the war in 1939 the currencies of the sterling area were frequently convertible into dollars and other currencies, and no discriminatory exchange or restrictions applied on the basis of special relations between the various currency countries and the sterling countries. The prewar sterling principles, as I have said, as they might exist after the postwar transitional period, would be in complete harmony with the principles of the International Monetary Fund. However, it is a condition which cannot be easily brought about overnight or in the midst of war. As I have already said, a man who is suffering from a long illness cannot become normal and active as soon as he is able to get out of bed.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. My point is that we should not give nations $325,000,000 next year when they will not be able to perform the purposes of the Bretton Woods program. The British have more than $2,000,000,000 in balances in this country. They do not need $325,000,000 in cash. Why give them any money until they remove the restrictions which are now in existence?

Mr. BARKLEY. The Senator from Ohio has tried to emphasize his contention that we should not put any money into the Fund because the British Government does not need it, and therefore we are dumping it in only for the purpose of giving it away.

Mr. TAFT. But it is contended that eventually we shall loan them $2,000,000,000 or $3,000,000,000.

Mr. BARKLEY. Objections to the restrictions to which reference has been made are largely centered on the sterling area and the blocked sterling of the United Kingdom.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AIKEN. I wish to ask another elementary question. Why are the arguments against the Bretton Woods agreements all directed against the British Empire and Russia when more than half of the markets of the world are outside those two countries? As I understand, the British Empire and Russia control less than half of the markets of the world. I thought that it was the countries outside of the British Empire and Russia that we were trying to put on their feet through the Bretton Woods agreements. I am wondering why all the arguments have been directed against the British Empire and Russia when the great potential opportunity for expansion of commerce and trade lies probably outside those two countries. Those are the ones which offer us the opportunity for more trade, for an expanded trade both in sales and purchases. Why do we not consider this matter in the light of helping other countries of the world rather than the effect it is going to have on Russia and the British Empire?

Mr. BARKLEY. The only answer I can suggest to the Senator's inquiry is that those who are emphasizing the British and Russian situations evidently feel that there is some particularly vulnerable situation as applied to those two countries which might not be applicable to every country, and they are using that as an argument against the entire Fund.

Mr. AIKEN. It looks to me as if Russia and Great Britain were being used as "red herrings."

Mr. TAFT. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The obvious reason is that our trade with Great Britain is greater than that with any other great nation in the world. Our trade with the

British Empire is by far our greatest trade, it is by far the trade capable of greatest expansion, and it is the trade that is being most limited.

The second reason is that Great Britain and Russia have the largest quotas outside of that of the United States, and, together with their satellites, will control the board of the Fund, so that if they agree with two or three others they may control entirely the operations of the Fund. It seems to me perfectly obvious that they are used as examples, and since they are the most important examples I do not see why they should not be used as illustrations.

Mr. BARKLEY. Of course, there is not a board of directors of any corporation anywhere in the world where three or four who have large blocks of stock cannot get together and control the votes of the board. The only remedy is for some one member to own a majority of the stock, and the Senator from Ohio would not be in favor of that.

Mr. AIKEN. The Senator from Ohio does no think, does he, that the ratification of the Bretton Woods agreements would diminish or destroy our trade with the British Empire?

Mr. BARKLEY. I yield to the Senator from Ohio to answer.

Mr. TAFT. Oh, no; but we give them a billion three hundred million dollars, for which we are not getting anything.

Mr. BARKLEY. That is merely the old, hackneyed argument, that we are giving them a billion three hundred million dollars. We are not giving them anything.

Mr. TOBEY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. TOBEY. Addressing myself to the majority leader, I would point out to him that at Bretton Woods this subject was gone into thoroughly by the delegates from all the nations, and at the hearings of Commission 1, I think it was, experts from every country testified that some flexibility like unto that provided in the article referred to is essential to carry the agreements into effect.

The Senator has cited to us the situation of Great Britain. We all realize what Great Britain is up against financially. She is almost in extremis in her plans for taking care of her economic future. There is the great problem of block balances which she must face, and in my opinion she will eventually fund a considerable part of these into long maturities.

There is the matter of her loss of the large income she obtained from investments in prewar days, no longer available because she was obliged to sell these investments to provide the sinews of war. There is the matter of the great losses she has sustained in her merchant marine.

Mr. President, that is but a part of the serious situation which confronts Great Britain today. About 17 percent of our foreign trade is with Great Britain, the rest with the world at large.

The situation before us is this: If the amendment offered by the Senator from Ohio shall be agreed to, it will hamstring the Bretton Woods agreements. They will have to go back and be acted on anew by 43 nations.

The Senator from Ohio did not read all of article 14, and I wish to read what he omitted. This is the good faith of the article, and the good intent:

> Members shall, however, have continuous regard in their foreign exchange policies to the purposes of the Fund; and, as soon as conditions permit, they shall take all possible measures to develop such commercial and financial arrangements with other members as will facilitate international payments and the maintenance of exchange stability. In particular, members shall withdraw restrictions maintained or imposed under this section as soon as they are satisfied that they will be able, in the absence of such restrictions, to settle their balance of payments in a manner which will not unduly encumber their access to the resources of the Fund.

Getting back to Bretton Woods and the men behind these agreements, I would not impugn the good faith of one of the nations represented. As to Great Britain, I stated yesterday, and I wish to repeat, when she accepts the agreements, as I think she will, she will do her part to carry them through in good faith.

The great value of Bretton Woods is that we have 44 nations, a great majority of the nations of the world, in solidarity behind the great purposes of the Bank and the Fund, and this is no time to be cynical as to Bretton Woods. It is time to get behind the agreements, and give encouragement to a sorely stricken world.

Mr. BARKLEY. Mr. President, I appreciate what the Senator from New Hampshire has said. In addition, the articles of agreement provide that the Fund, and the Board of Directors, or the Governors, at any time when they find that any nation is carrying on its exchange operations in a way to defeat the object of the Fund, may declare that nation ineligible for any further benefits under the Fund.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The Senator from New Hampshire has suggested that I questioned the good faith of Great Britain. I have not at any time questioned her good faith, and I have not questioned the good faith of Russia. My point is that the agreements permit them to do the things I have suggested. Let me read once more Lord Keynes' statement. He said:

> What, then, are these major advantages that I hope from the plan to the advantage of this country? First, it is clearly recognized and agreed that, during the postwar transitional period of uncertain duration, we are entitled to retain any of those wartime restrictions, and special arrangements with the sterling area and others which are helpful to us, without being open to the charge of acting contrary to any general engagements into which we have entered.

Without being charged with bad faith. I do not charge them with bad faith. I say these agreements have been written so that present restrictions can be maintained.

Mr. BARKLEY. It was done because the whole world recognized that these restrictions which were imposed as a war measure, and of necessity, in order to enable England to finance her part of the war, cannot be removed at once, and a certain time has to be given in order to work out the arrangements.

Mr. TOBEY. There must be a certain amount of flexibility.

Mr. BARKLEY. The Senator is absolutely correct.

Now I wish to conclude what I have to say without further interruption, if I may, in order that this sterling area and sterling bloc situation may be cleared up.

During the war, in an attempt to conserve their foreign exchange resources, the various countries of the sterling area have introduced exchange restrictions, purely as a war measure. These wartime exchange restrictions enable England and the sterling area countries to carry on the war with the greatest efficiency. During the war, the need for dollar and other free exchange has been far in excess of the supply. They have been buying things from us, and they needed more dollars than they could obtain. To assure the use of dollars and other free exchange only for the most essential war purposes, and not for any other essential war purposes, England and other countries have found it necessary to limit transactions in these currencies.

That is why, as a result of the condition which had existed for years prior to the war, countries involved in the war have been compelled to impose these restrictions, purely as a war measure. They are as anxious as any other country can possibly be to get out from under them. They have to do it gradually.

Now as to the blocked sterling balances, Britain has financed her wartime expenditures in some sterling area countries by purchasing with sterling local currencies she needed. She has purchased with sterling, for example, Indian rupees, Egyptian pounds, Australian pounds, Iraqui dinars, and so forth. The United Kingdom has used these funds for troop pay, for war supplies, and other expenditures. The central banks or currency boards of these countries own the balances and keep them on deposit in banks in London, or invest them in British treasury bills which yield less than 1 percent annually. Bank balances, under this arrangement, bear no interest whatever.

These balances have grown steadily, during the war, until they probably amount to about $16,000,000,000, or they will amount to that much by the end of the war. The largest holders of sterling balances are India, with balances reported to be well over a billion pounds, and Egypt, with balances reported to be in excess of 300,000,000 pounds.

These countries are not complaining because of these balances or these restrictions, but they know, as I think every informed man should know, that Britain will not be able to liquidate these balances either in goods or in foreign currencies for some time after the war. That is because British monetary reserves are adequate only for British postwar needs, and in the early postwar period Britain will not be able to use her exports to pay debts. She will need the foreign exchange to pay for her current imports. Nevertheless, the problem is not as difficult as it appears. There are a number of favorable factors that should be kept in mind in connection

with both the sterling area and the sterling bloc.

First, a considerable portion of these sterling balances represent more or less permanent currency reserves for countries of the sterling area. Balances of $2,000,000,000 in sterling after the war would not be excessive for this purpose.

Second, it may be possible for Britain to induce sterling area countries to write off a portion of these holdings as a part of their contribution to a common war. Much of the expenditure was for defense of these various areas, such as India and Egypt and other countries. Further, prices at which the expenditures were made were abnormally high, perhaps three times the prewar level, and it is hoped and expected that when the war ends, by arrangement made between England, India, Egypt, and other countries, they may write off a part of their sterling balances because Britain overpaid several times the prewar level prices in making these expenditures in order to conduct the war.

Finally, it must be kept in mind that Britain would have little interest in liquidating her sterling debt by means of a dollar loan. Britain does not want to burden her balance of payments by having to service a dollar loan. She feels that she can handle a sterling debt much easier than she could handle a dollar obligation, which is perfectly natural, because she is paying no interest whatever on many of these sterling balances, and she knows and we know that she could not obtain dollar balances without paying interest to service the dollar loans.

So, Mr. President, it seems to me that the Bretton Woods Conference was wise in providing flexibility. It may take 5 years, for instance, for Great Britain to get out from under these restrictions, these sterling-bloc arrangements which it was necessary for her to make in order to finance the war. She did that before we got into the war. She was doing that when she was in a desperate situation, when Hitler was knocking at the very doors of the English Channel, and England was the only country that stood between him and world conquest. These restrictions were then being made and these sterling blocs were then being formed in order that England might finance the expense of conducting her part of the war. They have been necessary since then.

For these reasons I do not think we ought to be unreasonable in allowing and agreeing that there must be flexibility in the arrangement that will enable Great Britain and her various dominions to get out from under these restrictions so that they may assume a normal international economy and trade relationship with all other countries of the world, including the United States.

As I said at the outset, the adoption of this amendment would mean that the President of the United States could not accept membership in the Fund until there had been another conference and the articles of agreement had been amended. Of course, that could not be brought about during the present calendar year. The Bretton Woods agreement would lapse. We would almost be compelled to start ab initio to write a new agreement. It might result in disaster to the economic relationship which we hope will exist when things get back to a more normal basis in world trade.

Mr. President, I hope the amendment will not be agreed to.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TUNNELL. I should like to ask the Senator some questions with reference to the practical effect of the amendment. I have had no opportunity to read it, and one does not hear distinctly, or I do not hear distinctly when it is read from the desk. But would not the pratical effect of this amendment be to give notice to Great Britain that she should not become a member of the organization?

Mr. BARKLEY. Mr. President, the amendment reads as follows:

Provided, however, That this acceptance shall become effective only when the governments of the countries having 65 percent of the quota set forth in schedule (a) shall have agreed that the Articles of Agreement of the Fund shall be amended and that a new section be added to artlce—

The amendment says "article —." I think it is article XIV—

reading as following.

And this is the new section to article XIV which the Senator from Ohio wants to put into the articles of agreement before we accept membership——

Mr. TUNNELL. I suppose the whole matter would have to go back to the other 44 nations?

Mr. BARKLEY. Yes; that is true. This is what the Senator from Ohio wants to add to that article:

The provisions of this article shall be subject to the principle that the Fund shall use its resources only for current monetary stabilization operations and to afford temporary assistance to members in connection with seasonal and emergency fluctuations in balance of payments of any member for current transactions, and that the Fund shall not use its resources to provide facilities for relief, reconstruction.

Mr. TAFT. Mr. President, will the Senator yield to me for a moment?

Mr. BARKLEY. I yield.

Mr. TAFT. That is not the amendment under consideration.

Mr. BARKLEY. That is the one which was handed to me; but I now have the amendment. It has the virtue of being shorter than the one I started to read.

Mr. TUNNELL. There are probably others.

Mr. BARKLEY. I will read it:

Provided, however, That this acceptance shall become effective only when the governments of the countries having 65 percent of the quota set forth in schedule (a) shall have agreed that the Articles of Agreement to the Fund shall be amended to insert section 6 in article XIV, as follows—

So far they are the same. I continue reading:

SEC. 6. No member shall be entitled to buy the currency of another member from the Fund in exchange for its own currency until it shall have removed all restrictions inconsistent with article VIII, sections 2, 3, and 4.

In other words, the effect of the amendment would be to say that until all countries, including England, have removed whatever restrictions are now in existence, which have been brought about as a war measure, they will be ineligible to participate in the fund or to draw any of the benefits from it, and that we cannot accept membership in the Fund until the Articles of Agreement have been amended as provided in the amendment. That means another conference.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. The amendment provides that the acceptance shall become effective when countries having 65 percent of the quota have agreed to the amendment. Any nation that is not able to conform to the covenants it has entered into in article VIII by removing exchange restrictions, shall not be entitled to draw from the Fund. The way the Senator from Kentucky stated it was that all nations had to remove these restrictions before any could draw from the Fund. The provision is that no nation may draw until it removes its restrictions.

Mr. BARKLEY. I believe the Senator is quibbling over language. We both mean the same thing.

Mr. TUNNELL. In view of what the Senator from Kentucky has just said with reference to the situation of Great Britain, would not the adoption of the amendment be practically a notice to Great Britain that she could not become a member?

Mr. BARKLEY. Undoubtedly, because it is obvious that it is from every standpoint impossible for Great Britain to remove these restrictions at once. They could not be removed by the 31st of December. They could not be removed in all likelihood in the year 1946. They certainly cannot be removed while the war with Japan is still going on. Therefore it would be the same as serving notice on Great Britain that under the conditions which now exist between her and other nations she would not be entitled to enjoy the benefits of the Fund.

Mr. TUNNELL. If that were done, would not that be practically sounding the death knell of the whole proposition?

Mr. BARKLEY. Of course. It undoubtedly would sound its death knell, and in view of the attitude taken by the Senator from Ohio respecting the matter, I think the death knell is what he has his aim upon.

Mr. TUNNELL. No doubt it has been his attitude that he is opposed to the whole agreement.

Mr. BARKLEY. Yes.

Mr. TUNNELL. And the adoption of the amendment would accomplish the purpose of killing it without a direct vote.

Mr. BARKLEY. Oh, yes.

Mr. TUNNELL. Suppose that the organization should be formed without Great Britain and the other nations which are in the so-called sterling bloc. Would not that result, in practical effect, in two great organizations? That is, instead of stabilization, would it not result in a division of the world into two organizations, each of which would be attempting to stabilize its currency for its own members?

Mr. BARKLEY. It would result either in a division of the world into two large blocs, or it would result in the total collapse of any economic international ar-

rangement by which all nations might survive.

Mr. TUNNELL. This would affect not only Great Britain but all the nations which are interested in the sterling bloc, or have funds in that bloc.

Mr. BARKLEY. Undoubtedly; and any other nation which might have any restrictions at all brought about by the necessities of the war.

Mr. TUNNELL. So the amendment is in effect, is calculated to destroy and wipe out this agreement.

Mr. BARKLEY. Undoubtedly. I repeat my hope, Mr. President, that the amendment will be defeated.

Mr. WILEY. Mr. President, I had not expected to say anything in this debate. I am not a member of the Senate Committee on Banking and Currency, which considered Bretton Woods. Neither have I had time, except in the past few days, to give any detailed consideration to the measure. I have listened to all the speeches delivered on the floor of the Senate, and they provoke me to express these ideas:

First, there is a great divergence of opinion among bankers, economists, and farm organizations as to the value of the Bank and the Fund in the postwar period. Some opinions are as far apart as the poles.

Second, everyone agrees that the matter of administration of both the Fund and the Bank is the most important factor in the picture. Without good administration, both sides of the argument agree that the Bretton Woods idea would operate detrimentally to all concerned. I do not think any large degree of proof is required to demonstrate the correctness of that conclusion.

Third, there is a difference of opinion as to whether or not it would be advisable to postpone action until after President Truman returns from Europe. Yesterday that proposition was voted down.

Fourth, there is a difference of opinion as to the advisability of having the Bank without the Fund.

Fifth, there is a diversity of opinion as to whether it would be better to have one American organization—something on the order of the Export-Import Bank—backed solely by American resources and managed by Americans, to dish out the money.

Shakespeare once said something which has been quoted over and over again:

> Neither a borrower nor a lender be
> For loan oft loses both itself and friend,
> And borrowing dulls the edge of husbandry.

In Henry IV, Shakespeare also said:

> I can get no remedy against this consumption of the purse;
> Borrowing only lingers and lingers it out,
> But the disease is incurable.

Note the last clause, the disease is incurable.

We are living in a paradoxical time. A few years ago this Chamber rang with the voices of those who damned the international bankers, the individuals and banking corporations whose business it was to provide the economic life blood for intercourse, trade, commerce, and industry. They were severely condemned.

Now America becomes the great international banker. But while she provides the funds, she does not control them. Is that wise? When defaults occur, will Uncle Sam again be called "Uncle Shylock"? Let us think this thing through.

I believe that when we do business we should do business. When we engage in charity, we should forget business. We should decide now, if we are going into this international game of rejuvenating other lands, whether it be business or charity. We should also decide whether the role of a meddler—and we cannot help meddling if we are to supervise loans—is the role which we wish to undertake.

On the subject of what we are entering into, the situation in Europe, which is provoking so much controversy among men who want a free press, should cause us to pause in our deliberations here.

Mr. President, one of the most momentous meetings of our time is occurring at this moment at Potsdam, 10 miles west of Berlin, yet the reporting of this meeting is turning out to be possibly the most inadequate reporting of any major international gathering.

This is definitely not the fault of the able newspaper and radio correspondents who are assembled near the scene of the conference. The correspondents want to bring light to the peoples of the United Nations who hunger for that light, who crave the truth about the decisions being reached at Potsdam.

Rather, this inadequate reporting is the fault of the ridiculous censorship which has been clamped over all but the most trivial items about the conference.

Because of this censorship, correspondents are being forced to cool their heels outside the official compound. Within the compound, the entire group of delegates are locked up like indiscreet maidens who might talk too much. The correspondents cannot even get to the technical advisers of the State Department to discuss the proceedings with them.

Instead, the correspondents are being spoon-fed a dish of trivial mush—handouts about such things as how much wine, and how many alarm clocks and refrigerators have been flown to the conference. As a result, the correspondents are being forced to write many of their stories of the progress of the conference on the basis of sheer conjecture and rumor.

Mr. President, during the military operations in Europe the correspondents of the press and radio were entrusted with the highest military secrets affecting the lives of countless Allied fighting men and, indeed, the success of those operations. The correspondents established a magnificent record of faithfulness to that trust. Is this consorship now to be their reward? Is this censorship to be the shape of things to come?

Everyone can appreciate the need for reasonable privacy of the Big Three leaders. No one questions the need for protection from harm of those men and their highest aides. But we do question why, for example, it is necessary to lock up even the technical advisers beyond reach.

I have not the slightest doubt that if President Truman could have his way there would be no censorship at Potsdam. He has pledged to make no secret commitments. He has nothing to fear from the open truth. The blame for the censorship lies elsewhere. This censorship must not go unchallenged.

I, therefore, invite attention once again to Senate Concurrent Resolution 20, which I introduced on July 9 for the purpose of putting a stop to censorship like this.

I respectfully but firmly submit that Congress should take action on this resolution now. I fear that unless it does we are in for more, and not less, muzzling of the press abroad. The promises of the United Nations will come to be thought of as mere "lip service," and the heart, the spirit, and the faith of the world will once again be broken.

The Potsdam censorship is a ghastly example of dictatorial behavior. It cannot possibly be of help in inaugurating the new world era of freedom. Let the censorship there be lifted—now.

Mr. President, I wish to return to a subject which causes my memory to click. I am speaking now in relation to the Bretton Woods agreements. I expect to vote for the Bretton Woods program.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. TOBEY. The correct pronunciation is "Bretton"—with a short "e." Will the Senator please pronounce it correctly? It jangles my nerves to hear it called "Bray-ton" Woods.

Mr. WILEY. I thank the Senator, but I am not so sure that he is correct. It depends upon whether one is in Wisconsin, New Hampshire, on the high seas, or in Britain, Brittany, or elsewhere. I am sorry the Senator's nerves are so tender.

Mr. TOBEY. If the Senator were to call it "Bray-ton" Woods in New Hampshire, he might not come out alive.

Mr. WILEY. I do not care to enter into that discussion, because it only takes us away from the discussion of serious matters which we should consider.

It will be remembered that under the set-up of the Bank under the Bretton Woods proposals, the plan was to lend as much as $9,000,000,000 or $10,000,000,000. The way that is proposed to be done can best be set forth by an illustration given in the testimony.

If one of the public utilities of Athens should be destroyed, and it were desired to build another, Athens could make application to the Bank for $50,000,000, for example. The investigators of the Bank would decide whether or not it was a good loan. Then the Greek Government would guarantee the loan if it were approved. The Bank would also guarantee it. The paper or bonds of the Greek utility would then be sold to the American people, or to people anywhere in the world. But there is no other place in the world to sell them except in America. Of course, our people, seeing the guaranties, would buy the bonds. Would it not be a tragedy if some morning we should wake up to find that we were having an experience with that paper similar to that which we had in our own country a few years ago, when certain great financial houses sold their bonds, guaranteed by one of the great bond companies of this country, in every

hamlet and city of the country? Then those bonds went sour and the bonding houses and other financial houses which floated them went sour.

Mr. President, is it not strange that we are giving so much consideration to the creation of additional foreign trade? To me it is tragic, when we realize how many other nations, such as Britain and France, are in need of that trade. Let us not fool ourselves. The $15,000,000,000 of blocked currency is just as significant regarding what is going to take place in the postwar period—in spite of Bretton Woods and in spite of the San Francisco Charter—as anything else we can dream of.

Nations are fighting for their lives. The nations which have been bleeding to death are going to do the things that will sustain them economically. Fifteen billion dollars, so we have been told, is owed by Britain to the group of nations which constitute the sterling bloc. What has Britain done? She has done exactly what Germany and other nations did before the war. She has said, "With that $15,000,000,000 you can buy in Britain."

I do not blame her; but let us not close our eyes and think that we are preaching a Sunday-school lesson or anything of the kind to the people of Europe. They know what this is all about. The question is, Do we know what it is all about? That is why I am talking as I am today. I say to the Senate that we have had a lot of buncombe sold us here on the floor of the Senate about this foreign trade. We want to be friends with Britain; we want to be friends with France. They need that foreign trade. Yet we say that we must do this in order to get that trade.

Where is the best market in the world, Mr. President? Thank God, it is right here in the United States of America. The American people have been "buffaloed" with a lot of propaganda on the reciprocal trade agreements proposition. The people of America were not told that 65 percent of our imports are on the free list. Then we reduced the tariff another 25 percent on the balance. But we did not interfere with the South's cotton. The South is being paid 4 cents on every pound of cotton which it exports, and the South has an import quota on cotton. No, Mr. President, the whole idea there was to get some magical formula into operation, a formula which will not really be magic, let me point out.

So let us see. We know that our foreign trade has averaged only from 3 percent to 5 percent of our national income. Right now, instead of mixing up in international financial deals, in which we are liable to be holding the bag in the years to come, I feel that the better course would be to act the part of the good Samaritan. I think the senior Senator from Indiana [Mr. WILLIS] quoted Scripture yesterday and said that it is more blessed to give than to receive, but that we should do so wisely, and not under the guise of some financial deals for which we would be charged with being "Uncle Shylock."

Mr. President, I heard something said earlier today by the distinguished majority leader about interference by the Senate if it should add an amendment. Wait a minute; what has Britain decided to do? Does anyone know? Let me read to the Senate an Associated Press article coming right from Britain, published in the Christian Science Monitor, and dated at London, July 16:

LONDON, July 16.—A possibility that Britain would raise further objections to the Bretton Woods plan was suggested by articles in two of London's leading financial dailies today.

With the plan coming before the United States Senate, financial circles here awaited congressional arguments as a prelude—

Note this—

to eventual debate in Parliament.

The Financial Times said opinion in Britain as a whole had "probably hardened toward acceptance of the basic principles of the final act," but that utterances by Sir John Anderson, Chancellor of the Exchequer, suggested "we do not intend just to put our signature on the dotted line even if the American Senate passes on the legislation before it."

Mr. President, I do not like the argument which has been made in the Senate, by which we, who are the congressional makers of treaties and similar agreements, are to be told that we cannot and should not vote an amendment because that would upset some other nation's apple cart. The matter is bigger than that. We must consider a little self-interest. I am not sure that I shall vote for the amendment; as I have said, I have not been a member of the committee which has been considering this matter.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. WILEY. I prefer not to yield at this time.

Mr. President, I wish to say that if we who are Members of the Senate are to be told by the executive branch of our Government that we must follow after the Executive line of thinking—the fallacy of which was demonstrated so clearly yesterday by the distinguished junior Senator from Oregon [Mr. MORSE] when he took the hide off the OPA—if we are to be told that we simply must follow in the Executive footsteps all the time, we might just as well adjourn sine die and let the Executive run the show; but if we do that, freedom will go out the window. We need to keep in operation the checks and balances of the Republic.

I have read part of an article coming from London, and I now read further from it:

"We in this country will consider it entirely upon its merits," said the Financial Times. "It must not be assumed that we are out to raise bargaining points,"—

But listen to this, Mr. President—

"but our position is a peculiar one. We have already suffered severely in the cause of others and still have to face up to the inexorable pressure of economic circumstances."

There you have it, Mr. President. Now I read further:

"The desire of the people of Great Britain is to follow an expansionist policy in world trade, but we must have room to turn around."

Mr. President, I am still quoting from the article from the London Financial News:

The Financial News, taking note of the possibility of American dollar loans, said Britain would have to "give a blank sterling check to other nations." He added:

"Under the Bretton Woods plan there is a risk that an unduly large amount of our limited exportable surplus of goods would be bought up with the aid of sterling placed at the disposal of the Fund."

Mr. President, this gives me an opportunity to speak on another subject which came up in the Senate in the course of this debate. The Senator from Ohio [Mr. TAFT] spoke of the great threat presented by Government propaganda. Tens of thousands of men and women are paid to engage in that work; some say that more than 20,000 employees of the Government engaged in it, engaged in "selling" the public just one side—the Government's side. It may be that there is a difference of opinion on a given subject among Government officials, but only one side of the matter is presented to the public. I agree that as soon as possible we should demobilize the whole crew of Government propagandists. If the people's money is to be spent for such a purpose, the Government should present both sides.

Mr. President, from what I have said, do not get the idea that I am entirely unsympathetic to the proposition which we are discussing. I realize that this Bretton Woods idea did not originate in Congress. It was born in the fertile minds of New Deal economists, and if I have any fear at all it will be that if we allow such economists to run this show—representing America—we will find that we will not only be "holding the bag," but that we will not have materially helped our European neighbors.

When Alexander Hamilton dealt with Thomas Jefferson in relation to the location of the seat of government—and he gave Jefferson the right to designate this site and got Jefferson's support of his proposition that the Federal Government would assume the obligations of the various States—he had faith in something in this country. His faith was not based upon foreign soil. He had faith in American industry and in its ability to produce and to save. All the obligations of the Federal Government and of the States were thereby made good.

What is the pertinency of these remarks? Just this: These foreign countries are in bad shape. Some of the nations of Europe are bleeding to death. They are in economic turmoil. The object of Bretton Woods is high and noble, namely, to lend assistance so that life will once again be worth while living in those stricken areas.

But I ask you, Mr. President, whether this shot-in-the-arm is going to do the job. Perhaps I should ask, "Will it even help?" If it will, then it will be worth the shot. But before we can be sure that it will help, we must know that these nations are entering upon the highway to help themselves as we did, as we have always done. And we must make sure, too, that in our dealing with them we are not depriving them of the very thing that will help nourish them back into economic and political health.

I refer to the matter of foreign trade. We have made a fetish of it. We propagandized the subject so that one would think that instead of 5 percent of our income being dependent upon foreign trade 95 percent of it is so dependent.

Now, do not get me wrong. I believe America should increase her foreign trade. But I know that the best, the healthiest, and the soundest markets in the world are here in America, and I am not in favor of:

(a) Chiseling away the foreign markets of some of the other nations which absolutely need those markets in order to live.

(b) Spending our substance, like the prodigal of old, in foreign lands.

I hope that what happened at San Francisco is an omen of what will take place in the world between nations. I hope that they not only desire to cooperate but will cooperate. I hope that all nations will do what we did on this continent, and unless they do there will be no stabilization of money or currency. I hope that all nations will stop using unfair practices, such as currency blocking, currency devaluation, and so forth, in their international dealings. Will they stop such practices? It will be up to them.

Mr. RADCLIFFE. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. RADCLIFFE. A few minutes ago I understood the Senator to say that the purpose—I had the impression that he emphasized as the sole purpose of this proposal is to help other nations. Would not the Senator be willing to enlarge upon the scope of his statement? Does he not believe that it is highly desirable that we also receive some benefit from the pending plan, and that also we would undoubtedly obtain some advantage from the successful operation of the Bretton Woods program? It may be, as suggested, that our foreign trade is only 5 percent of our total income.

Mr. WILEY. No; it is not that much.

Mr. RADCLIFFE. Whatever the percentage may be—I do not have the figures before me——

Mr. WILEY. The greatest volume of our foreign trade at any time was only 5 percent, and that was when we had an income of——

Mr. RADCLIFFE. Oh, is not the issue greater than that? If we eliminate our foreign trade, which would result in our country getting into a condition of undoubted economic isolationism, does not the Senator foresee that there would be many grave disadvantages which would accrue to our country, that many valuable industries would be injured thereby, and that we would be affected adversely in many other respects?

Mr. WILEY. I do not disagree with that statement. I have always said that during this period many foreign countries need assistance and aid. But let us not chisel away from them the very thing which they need in order to sustain their life's blood and their well-being. Spending our substance like prodigals in foreign countries will not cure the situation. We built up Germany following the First World War. We lost billions of dollars. Shall we repeat the experiment?

Mr. RADCLIFFE. If the Senator will further yield to me, I should like to give one illustration.

Mr. WILEY. I do not question the statements of the Senator that if the Bretton Woods arrangement operates successfully, it will be beneficial to us as well as to the other countries.

Mr. RADCLIFFE. Of course, we should not enter into any kind of an agreement or other arrangement, public or private, unless we assume that it will probably result successfully. But every plan must be administered efficiently if we reckon at all upon success.

Allow me to give one illustration. We have made up our minds that we will maintain a merchant marine. We have tried to do so in the past at various times but each time we abandoned the effort. That was a dangerous program for us to follow out. At the present time, the various agreements existing throughout the world in regard to foreign shipping impose various kinds of restrictions on us in the operation of our merchant marine.

It is desirable that those restrictions be eliminated and until they are so disposed of our merchant marine cannot really operate successfully. In fact, it is doubtful whether it can operate at all in certain sections of the world until currency exchange and other present restrictions are removed. I will not trespass upon the Senator's courtesy by going into detail, but I am sure the Senator knows substantially what I have in mind, and I will not offer other explanation.

Mr. WILEY. I understand fully what the Senator has in mind. Of course, there again we are confronted with the same problem with which we are confronted in connection with the United Nations Charter. It is a wonderful instrument, and its purposes are noble. The real question is whether the contracting parties will live up to it with the will, desire, and continuance of purpose to carry through. We have had noble charters on previous occasions. We had the Kellogg-Briand Pact outlawing war. Approximately 50 nations signed it, but they did not live up to the nobility of its original purpose.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WILEY. I yield for a question or a short comment.

Mr. AIKEN. The statement was made that our foreign commerce represents 5 percent of our income. I think the Senator will find that following the First World War our foreign commerce in 1921 represented about 12 percent of our income.

Mr. WILEY. I do not quite understand the Senator's statement. I have looked at the figures time and time again. I may tell the Senator very frankly that the hope is, according to the best economists we have in the Government—and I heard them testify—that in the postwar period we will have a maximum income of approximately $160,000,000,000. Those economists have told us that, if 5 percent of that income can be realized from foreign trade, it will be a wonderful thing. But I do not care to quibble over what the amount may be.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WILEY. I yield.

Mr. TAFT. The maximum amount which our exports have ever reached in recent years was 7 percent of our income. The Senator is referring to exports and imports. When we deal with national income we must make comparisons with exports because exports and not imports are what go to make up our national income. I think it is perfectly clear that the total will be not more than 5 percent, no matter what kind of a policy we adopt.

Mr. WILEY. I thank the Senator.

Mr. AIKEN. Of course, the goods are resold, and that must be counted in the total figures.

Mr. TAFT. When we compare foreign trade with national income, we must realize that national income means payments, money payments, not goods. Consequently when we compare foreign trade with national income we must compare only the exports, and not the two together.

Mr. WILEY. Mr. President, let me make myself clear. I do not wish to be placed on the spot with the idea that I am not in favor of getting all legitimate foreign trade we can get. Of course we want that. But I am not one of those optimists who, when he has $95 in his pocket, will let someone get the $95 out of his pocket while he, himself, is looking for the other five.

There is an old saying that distant pastures always look the greenest. They are not, however. When we think of world conditions, we realize that what the world needs is economic, political, and spirtual health. The world does not need us to be chiseling in on what other countries need to sustain their economic health.

Mr. President, that is very evident, and the fear of Britain is very evident. The British are not going to be taken for a ride. They know what business is, through the experience of centuries. We have not yet learned. We have been taken for so many rides that I do not want us to be taken for any more.

After all, Mr. President, this money is not our money, it does not belong to any of us. I think some folks will show whether or not they are sincere, when the plan goes into operation, by their eagerness to buy the bonds of Greece, for example. This money belongs to the people. We have had our lend-lease, and we have had our other great charitable performances. I merely say that we have to get a few "Scotchmen" on our side who will think this thing through and trade as a Scotchman should.

The object of the Fund is to provide the nations who have weak currency with stable American dollars, the right to borrow them by depositing their unstable currency with the Fund, the idea being that a shot of American "dough" will do the job. I agree with those who say that this by itself, if the nations continue in their old ways, will not help any. It will just give them the American "dough" to spend.

On the other hand—and it seems to me this is what the American administrator must insist upon—if these nations, whose currency is completely shot as we had demonstrated to us the other day on the floor of the Senate, one of the Senators exhibited a roll of money which would choke an ox, representing the currencies of different nations, little pieces of paper representing billions of some-

thing in those countries. If those nations desire to be assisted, then the greatest assistance we can give is not this economic shot, though we can give that also, but a shot of constructive economic ideas. We have economists in this country who have not gone "hog wild" along the lines of Hitler's and Mussolini's advisers. Such men should be used. We have others, however, who have followed from A to Z all the synthetic thinking of the economists who advised Hitler and Mussolini.

The method of the Bank is to guarantee the bonds or the paper of the projects found to be sound, so that the bonds or the paper can be sold in the markets of the nations.

Before I conclude, I want to mention briefly another matter that was called to my attention by the remarks of Admiral HART, the Senator from Connecticut.

Some of us have for years continuously urged that Uncle Sam cease playing the role of a prodigal. Whether we realize it or not, the war has served to impoverish America in many ways. We have lost some of the finest of our blessed young men. We have spent over a quarter of a trillion dollars. We have drained the American earth of its minerals, and we have overworked our soil to yield the greatest possible amount of foods and textiles.

The so-called inexhaustibility of our wealth is so much hokum. Our so-called ability to feed, clothe, arm, transport the rest of the world is so much buncombe.

As Admiral Ernest J. King said last April in one of his rare speeches:

> Rich as we are, we do not have the human or physical resources to dissipate our parsimony, generation after generation, in this manner.

As Chairman Krug of the War Production Board said in March:

> There is a limit to everything and America is reaching that limit. I hope we can get this idea over to the other nations of the world, for we have scraped the bottom of the barrel in several respects.

We do not think about that. What we do here in the Senate, is argue little segments of the whole subject, and forget the perimeter.

Let us make this matter unmistakably clear. Without our mineral resources, for example, the United States would be reduced to an agricultural type economy, capable of supporting far less than the 138,000,000 people now living within our borders at a standard which is the envy of the world. The fact is that we owe our industrial and military power to our great mineral resources, the equal of which has not yet been developed in any other area of the globe.

But it is a fact that as of 1944 we had already exhausted the following percentages of our commercial reserves of these minerals: Over 95 percent of our mercury, over 80 percent of our lead, over 70 percent of our chromium, 70 percent of our tungsten, 70 percent of our zinc, 60 percent of our copper, almost 60 percent of our petroleum, over 30 percent of our iron ore.

At the annual rate of use of 1935–1939, our tungsten will be exhausted in 4 years; vanadium in 7 years; our lead in 12 years; petroleum 18 years; zinc 19 years, copper 34 years.

We had better think a little about husbanding our resources. I am not talking about paper greenbacks, or even about our gold. I am talking about those things without which this Nation cannot live in safety.

We must husband our natural resources. We must make unmistakably clear to the United Nations Social and Economic Council that the United States does not intend to continue and cannot continue to lavish its unreplaceable wares upon the peoples of the earth. Let us make clear to the Social and Economic Council that we do not intend to use disproportionate amounts of our own financial resources as well as mineral resources in relation to the financial and mineral resources expended by the other nations.

We need tight-fisted, practical Americans in high places—men with warm hearts and souls, but men who are conscientious trustees of the peoples' values. We must stock-pile essential materials for our future national defense.

We must not give away mineral resources necessary to American safety—resources bought with the blood and lives of our servicemen. Let our best expert mineralogists investigate the islands we have bought with our blood and see what mineral resources we have there. Also let those who deal for America "talk turkey" to the Dutch and others of our allies, and let us see what we can obtain in lands that we are reconquering for them to reimburse this Nation for the minerals we have spent in this Great War.

We must be watchful lest free trade "nuts" open the floodgates and eliminate production in those industries where we must retain our skills for purposes of national defense.

We must beware lest, as admonished by Saint Paul, we fail to look out for our own, and become unworthy, and an infidel to our own cause.

Like the prodigal, we must awake and get rid of our prodigality, and come to a realization of the need to travel back to the father's house—an America, sane, realistic, and brotherly.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had passed without amendment the bill (S. 714) to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two House on the amendment of the House to the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased.

The message further announced that the House insisted upon its amendment to the bill (S. 794) for the relief of Mr. and Mrs. John T. Webb, Sr., disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. MCGEHEE, Mr. HOOK, and Mr. PITTENGER were appointed managers on the part of the House at the conference.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (H. J. Res. 98) relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended, and it was signed by the President pro tempore.

Mr. ROBERTSON. Mr. President, as a result of this debate on the Bretton Woods agreement, I feel sure that even the Senators across the aisle will agree with me that the outstanding figure, the one Senator who really understands this whole proposition, who apparently understands the mass of intricacies it contains, is the distinguished and able senior Senator from Ohio [Mr. TAFT]. For my part, I feel indebted to him for his untiring energy, for his clear reasoning, for the service he has rendered this week to his country and to the world. His approach has been nonpartisan. He has been just as quick and ready to agree with his opponents as he has been to disagree with them. I feel that in the years to come, when this measure will be on trial, that many of us, and many of those on the other side of the aisle, will turn to the CONGRESSIONAL RECORD of this week and read and ponder the wisdom of this man.

The country and the world should know that we who feel and are conscious of the inherent weakness of the Bretton Woods agreement, are equally anxious to do what we can to bring about, not only world peace but world economic and currency stabilization.

We differ with the proponents in our ideas as to how best to attain this objective and in the methods to be employed to put those ideas into effect.

We realize that it is the United States, which is not only the keystone of this arch, but the very foundation of whatever structure is erected to bring about world economic stabilization.

We also realize that it is an absolute necessity that the United States take control and through its stabilized currency, seek to bring about this world stabilization.

Never were truer words spoken than those used yesterday by the distinguished majority leader, the Senator from Kentucky [Mr. BARKLEY] and the distinguished chairman of the Banking and Currency Committee, the Senator from New York [Mr. WAGNER] to the effect that if the United States did not pass this Bretton Woods measure and thus become a member of the Bank or Fund, no other nation would do so.

There is the crux of this whole question. The United States is absolutely indispensable to the whole set-up. American stabilized currency, the United States dollar, is the very foundation of any plan for world economic stabilization.

Without the United States dollar the whole thing collapses. Without the United States dollar the whole thing is null and void. We are all agreed on that; no one on the other side of the aisle denies it.

Any plan for world stabilization without the United States is doomed to failure before it starts. We are all agreed on that, but we differ as to method.

This bill will be passed. The vote which took place yesterday clearly indicates this, and I know that nothing I say will alter the situation.

In the Bretton Woods bill, a Fund or Bank is set up and operated by the equivalent of a Board of Directors or a loan committee. But this Board of Directors or loan committee is different from any Board of Directors or loan committee in existence in any bank in the world today, in that it is composed of the borrowers themselves or their nominees. If there are 50 members, contributors, or stockholders in the Bretton Woods Bank or Fund, 49 of them are borrowers. I think there is some restriction that no borrower may pass on his own loan.

I was amazed when the distinguished Senator from New Hampshire [Mr. TOBEY] advised the Senate, during the earlier days of this debate, that most of the bankers throughout the country favored this proposal. How long would their banks last if their loan committees were composed of the borrowers, they having the final word on all loans?

We do not have to have very long memories to recall the many banks in this country that were in difficulties, a number of them as a result of unsecured loans to their own stockholders, or at least loans on their endorsement.

What strange minds are at work in the various departments of Government to think up the many extraordinary and fantastic ideas which come before the Congress or which are issued in many directives and orders? Where do these people come from? Are they the result of some special or peculiar college course? OPA is an example of a bureau from which is issued the most extraordinary orders and complicated instructions for carrying out those orders that it is possible to imagine. I have seen orders issued in the last 2 weeks by OPA which even the many able and distinguished lawyers in the Senate would be unable to follow. I ask, Where do these people come from?

I apply the same reasoning to the Bretton Woods proposal. We are confronted by a world situation which requires our help to straighten it out. We are the only nation in the world that can help to do it.

To my way of thinking, to be really efficient and helpful, we must not only put up the money, but we must also control it, and through that control carry out our idea of how to obtain world economic and currency stabilization to the world.

This is the fundamental difference between your viewpoint, your method, and that of the minority: Your bill, the Bretton Woods proposal, places the handling of the money and the making of the loans in the hands of a committee of the borrowing nations.

Remember that the United States is the only nation that will put money into the Fund or Bank under the Bretton Woods proposal and not borrow from the Fund or Bank. Furthermore, as I understand, the United States can be outvoted at any time by the borrowers in the disposition of the money in the Fund or Bank.

That is your proposal. That is your idea of how to obtain world economic and currency stabilization. As I have said, you have the votes to pass it, and if it becomes the law of the land, I hope and pray it will achieve its object.

But why take this risk? Why go into the realms of fantasy when we already have in this country a bank of our own that can do this very thing? I refer to the Export-Import Bank. The very Banking and Currency Committee of the Senate which reported the Bretton Woods bill to the Senate with recorded opposition has just unanimously agreed vastly to increase the capital of the Export-Import Bank to enable it to do the very things it is hoped may be done by the Bretton Woods proposal.

In my judgment the world would be better off, and would realize economic and currency stabilization quicker and more definitely through the Export-Import Bank under the able direction of Leo Crowley than it ever would under Bretton Woods. Why increase the number of banking institutions when we can do the job with what we have? Let us put our money into the Export-Import Bank. Let that bank make an impartial and unbiased review and survey of the whole world economic situation. Let that bank make the loans based on its review and survey. I think there is no doubt that investment in the Export-Import Bank is a sounder financial proposition for the United States than Bretton Woods. Also I firmly believe that control by the United States of whatever fund or bank is to be used is a necessity, both in the interest of the United States and of all participating nations, and most definitely in the interest of world harmony and peace.

Mr. AIKEN. Mr. President, I have been very much interested in the remarks of the Senator from Wyoming, and particularly in his criticism of the world Bank because its affairs would be controlled by the borrowers. It recalls to my mind a domestic situation which occurred in this country 10 years ago, when we were in the midst of the greatest depression the world ever knew, and our agricultural interests all over the country were very desperate; in fact, our farmers were in almost the same condition in which many of the small nations of the world find themselves today.

At that time Congress authorized the establishment of various agencies to lend to the farmers. Among those agencies was the Production Credit Corporation. I well recall how at that time production credit associations were organized all over the country. I was one of the incorporators of such an association in my own district. We simply had to do it in order to save agriculture. We could not get credit anywhere else, any more than the small nations, which today have not the proper financial standing, can obtain credit.

We organized production-credit associations, which have now completed 10 or 11 years of their existence. I think there is today no form of banking in the country with a record of such low losses as that of the production-credit associations. My own association has loaned several million dollars with no losses whatsoever.

The point I wish to make is this: Every incorporator of a production-credit association is a borrower, and every director of a production-credit association, which makes loans amounting to hundreds of millions of dollars a year, is also a borrower. He is required to be a borrower. And yet, so far as I know, no other method of banking shows such a small percentage of loss on its loans as do these associations, which are a sort of bank, and which are operated wholly by the borrowers. I hope that the International Bank will be as successful in being operated by the borrowers as the production-credit associations have been.

ADMINISTRATION OF SURPLUS PROPERTY DISPOSAL ACT

Mr. STEWART. Mr. President, I wish to devote just a moment to refer to a message from the President, sent here on Tuesday, I believe, recommending a one-man board, or control by one man, of the Surplus Property Board, instead of the three-man board which we now have under existing law. Last week I introduced a bill in the form of an amendment to the Surplus Property Act, and at that time I stated that although in the bill I introduced a year ago I had advocated the appointment of one man to control the Board or to serve as Administrator of the Board, I would not press for that to be done at this particular time in view of the fact that we spent so many weeks last summer in fighting out that and other questions. But I am happy that the President has sent this message to the Congress; and, so far as I am concerned, I am quite willing to modify the bill I have introduced so as to provide in it that one man shall be appointed to serve as Administrator over the Surplus Property Board.

I merely wish to add that I think the most important thing the bill I have introduced contains is a provision for placing the surplus-property problem in its entirety under the control of the Surplus Property Board or under the control of a Surplus Property Administrator, if the Congress sees fit to pass such a law as an amendment to the Surplus Property Act. I think that is even more important than any other thing we can do now in connection with that problem. In light of the confusion and uncertainty which exist regarding surplus property, it seems to me that the sooner we provide for having control placed under one authority and the sooner we provide that the right to dispose of surplus property shall be taken away from every other Government agency the sooner we shall render a real service to the country. I do not make the accusation that any surplus property is being improperly disposed of; but, as I have said before, with the situation as it is, with no particular body which can exercise central control and no individual who can exercise central or complete control, with no inventories obtainable, and with no information about the situation, except merely a smattering, there is great opportunity for the doing of things which should not be done. I am afraid a great deal of damage has already been done, because I know a great deal of property has already

been declared to be surplus. I know that, as the war has progressed and as conditions have changed up to this date, a great deal of property has been or should have been declared to be surplus. I say I know that; I think it is so, and on the best information I have been able to obtain, I believe it to be true. However, we seem to have only a meager amount of information about what has become of that property. The statement was made that this matter might become a second Teapot Dome and might embarrass the present administration most seriously. I think that could happen. I think there is a responsibility and duty on the Congress to enact such legislation as will prevent improper disposition of surplus property and obviate the occurrence of anything which would become a scandal. That duty rests upon us today, and we should take such steps at once.

So, Mr. President, I hope the President's recommendation with respect to one-man control will be adopted; and, as a matter of fact, I hope the bill I introduced the other day will be passed, so that the Surplus Property Act will be amended as my bill provides. As I have said, it represents the views which were covered by the bill we introduced last year. The Senator from Ohio [Mr. TAFT] joined with me in introducing that bill, and so did the Senator from Montana [Mr. MURRAY]. Many of the provisions contained in the bill I recently introduced, providing for amendment of the Surplus Property Act, were contained in the bill which we introduced last year, and at that time we insisted on its passage.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. TAFT. Am I not correct in saying that the bill we introduced provided for a single administrator?

Mr. STEWART. It did, indeed; that is correct.

Mr. TAFT. Also the bill provided for conferring the additional powers which now are found to be necessary.

Mr. STEWART. As I remember—and I speak from memory—I think the bill, in the nature of an amendment to the Surplus Property Act which I submitted last week, contains a great many of the provisions which were included in the bill, the passage of which we urged a year ago, after the Senator from Ohio and I and other Senators had worked for many weeks on it.

Mr. TAFT. The bill which was passed was so substantially amended by the Committee on Military Affairs, as I recall, that its authors did not recognize their own child.

Mr. STEWART. I think the greatest amount of the damage was done in conference; the conferees almost rewrote the bill. Nevertheless, it was entirely different when it finally was passed by both Houses of Congress, last summer, from what our original ideas were.

I merely wish to add that I think the passage of the bill I have introduced providing for an amendment of the Surplus Property Act so as to place a single administrator in control should be given early attention. I hope the bill can be considered and passed before the Congress adjourns for the summer, because if we take a 60-day recess, I do not know how much more surplus property will take flight, by night or otherwise, and will continue to afford an opportunity for damage to be done.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. WHERRY. I wish to endorse what the distinguished junior Senator from Tennessee has said relative to the operations in connection with the disposal of surplus property and to suggest to him, as a partner working on the Senate committee, that not only do I support the enactment of such legislation by the Congress but I am ready to vote for what he now suggests.

Mr. STEWART. Mr. President, I appreciate the statement of the Senator from Nebraska. His work last year and his work this year on the surplus-property problem and on the Subcommittee on Small Business, which, as a special committee, has assumed jurisdiction over proposed legislation for small businessmen, has been invaluable. It was through his efforts, as I stated on the floor of the Senate the other day, that public announcement was made of the loss of many thousand cans of canned milk which should have been declared surplus property if the situation had been properly handled and if knowledge of it had been possessed by one central authority. In that event, the canned milk probably would have been declared surplus and would have been disposed of in such a way that it would not have been lost entirely to the Government and to civilians throughout the entire world at a time when the shortage of food is so serious a problem.

Mr. President, let me say that I hope the bill I have introduced can be passed before a recess is taken by the Congress.

THE BRETTON WOODS AGREEMENTS—INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK

The Senate resumed the consideration of the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

Mr. BUSHFIELD. Mr. President, a few minutes ago the distinguished Senator from Vermont [Mr. AIKEN] spoke of the production-credit associations and the fine work they have been doing among the farmers in this country. I have not heard any Member of this body, even during the debate on the Bretton Woods agreements, suggest that the loans to be made under the Bretton Woods agreements will ever be repaid. I do not know whether it is expected that they will be repaid, but it is very clear in my mind that following the last World War we loaned $11,000,000,000 to foreign nations, and very little of it has ever been repaid. In addition, about $14,000,000,000 worth of foreign bonds were peddled among the people of this country by a few international bankers, and very few of those bonds have been repaid. As a matter of fact, a definite fraud was perpetrated upon the people of this country at that time, and it took in all classes of our people. Now, under the Bretton Woods agreements, we are proposing to loan or give away—whichever it may be called—more billions of dollars, and I am wondering what the distinction is between the fraud which was perpetrated 25 years ago and the present proposal. That question has been in my mind for several days, and I cannot arrive at an answer to it. Apparently the billions of dollars we are going to throw into this thing—and I am not "kidding" myself about the result of the vote on it—will be given away, without hope of having them returned to the people of this country.

Mr. WHERRY. Mr. President, supplementary to the remarks made by the distinguished junior Senator from Wyoming [Mr. ROBERTSON] relative to the lending agency known as the Export-Import Bank, I should like to say that in the debate we have had on the floor of the Senate for the past several days we have discussed an international lending-spending policy. Very soon we shall be called upon to pass upon another section of that policy which has been presented to us in the form of a bill to expand lending power of the Export-Import Bank to $3,500,000,000.

As I have already said on the floor of the Senate, I expect to support the proposed increase. I think we should make those loans to foreign countries under the control of an agency which has already been established. However, I wish to say that we may be certain that other lending proposals will be presented in due time. These spending-lending schemes always come to us by piecemeal, because it is my opinion that the American public would not stand for one huge spending-lending program if it were offered at one time.

Mr. President, during the course of the debate which has been taking place it has been represented that the United States did nothing for the world during the period between World War I and the present World War. It was represented that if we had helped more in a material way, and had given greater economic cooperation, we might have helped to avert the present war. I am thinking particularly of the very forceful argument which was made yesterday by the distinguished junior Senator from Arkansas [Mr. FULBRIGHT], who, to my regret, is not in the Chamber at the present time. On page 7672 of the CONGRESSIONAL RECORD will be found his remarks, from which I quote in part:

> To those who still believe that withdrawal from the world is the proper course to pursue, it seems to me it should be sufficient to recall the past 25 years. In 1919, as a Nation we followed their advice. We persisted with our high tariff, our refusal to join the World Court, and to pass the Neutrality Act. It seems to me that since we followed their policies to the bitter end and have thoroughly suffered their disastrous effects, they should be willing, at least, to acknowledge the possibility of their errors.

It has always been represented by proponents of the Bretton Woods program that we should help foreign nations help themselves, because in so do-

ing we thereby insure a lasting peace. That argument is made with the greatest of force, and it is urged frequently in behalf of the adoption by the Senate of the Bretton Woods program.

I was very much interested in the statement of the junior Senator from Arkansas relative to the fact that we had done nothing from 1919 to 1939 to aid foreign nations. I am considering now the period between the two great World Wars so that there may be no confusion about what we did during that time. It has been contended that the United States did not do its part in its relationship with other nations of the world in affording them the articles which they needed, and in engaging in international trade with them. What do the figures show, Mr. President? From 1919 to 1939 Americans sold goods and services to foreigners in the total amount of $91,296,000,000. That figure represents a great volume of business. It represents a great volume of services and a huge quantity of goods. Those transactions took place during the period with reference to which it has been said that America did not do anything to help establish the economic relationships of the nations of the world, and thereby contributed to bringing on the Second World War.

Mr. President, what about those doing business with us? Foreigners sold goods and services to Americans from 1919 to 1939 in the amount of $79,261,000,000.

The excess of goods and services furnished to foreigners by Americans during the period from 1919 to 1939, exclusive of the First World War debts, amounted to $12,035,000,000.

Some will say, "Yes, but the goods were all paid for." I agree that they were paid for in some form of a token payment. However, most of the goods were paid for in bonds which later defaulted, which have not yet been paid, and will not be paid to the people of this country.

So, in addition to the foreign trade which we carried on with other nations of the world during the period with reference to which it has been said that we did not do our part in conducting the business of the world, we gave to foreign nations in the way of excess goods and services $12,035,000,000.

I do not wish to bring the subject of the wars into this argument, but if Senators wish to add to the amount which I have stated the defaulted bonds of foreign nations, another $12,000,000,000 could be added which would bring the total up to approximately $25,000,000,000.

Mr. President, such vast outpouring of resources and labor was a part of our international contribution to the world during the period in which we hoped to substitute dollars for bullets. Later on we lost our dollars, and did not escape the bullets in the Second World War. We also poured out nearly $13,000,000,000 which is unaccounted for. The outpouring of our wealth did not make for peace. It was followed by World War II. A crop of dictators sprang up, played world politics, and we were called Uncle Shylock.

Mr. President, if we may judge by the vote taken yesterday, I predict that we will again pour out untold billions of dollars in our resources and our labor. I think that is the situation which is ahead of us in this new era of dollar diplomacy.

Mr. President, I have before me a table showing the balance of goods and services between the United States and foreign countries during the period 1919 to 1939, which I invite all Senators to examine before they decide to vote to continue the spending-lending spree which we have already established. I ask unanimous consent that the table be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

The balance of goods and services between the United States and foreign countries, 1919–39

[In millions of dollars]

Year	Credits—What Americans sold to foreigners in goods and services						Debits—What Americans received from foreigners in goods and services					
	Merchandise	Merchandise adjustments	Miscellaneous services	Freight and shipping	Tourist expenditures	Total	Merchandise	Merchandise adjustments	Miscellaneous services	Freight and shipping	Tourist expenditures	Total
1919	7,920	------	170	510	(1)	8,600	3,904	------	------	437	(1)	4,341
1920	8,228	------	26	203	(1)	8,457	5,278	------	------	110	(1)	5,388
1921	4,485	------	------	90	(1)	4,575	2,509	------	11	57	(1)	2,577
1922	3,832	------	58	71	60	4,021	3,113	------	------	64	360	3,537
1923	4,167	------	71	65	100	4,403	3,792	------	------	73	500	4,365
1924	4,591	------	96	76	100	4,863	3,610	------	------	68	600	4,278
1925	4,910	------	94	75	100	5,179	4,227	------	------	83	660	4,970
1926	4,809	------	------	127	142	5,078	4,431	------	18	188	640	5,277
1927	4,865	------	------	140	153	5,158	4,184	------	21	206	681	5,092
1928	5,128	------	------	147	163	5,438	4,091	------	88	227	715	5,121
1929	5,241	------	------	206	183	5,630	4,400	------	105	272	821	5,598
1930	3,843	------	------	155	160	4,158	3,061	------	16	251	762	4,090
1931	2,424	------	7	117	112	2,660	2,090	------	------	189	568	2,847
1932	1,612	------	3	73	71	1,759	1,323	------	------	118	446	1,887
1933	1,675	85	105	49	71	1,985	1,450	162	20	65	292	1,989
1934	2,133	88	103	61	94	2,479	1,655	85	38	96	314	2,188
1935	2,283	105	129	63	117	2,697	2,047	86	52	99	409	2,693
1936	2,456	66	191	68	139	2,920	2,423	41	68	129	497	3,158
1937	3,349	79	230	107	160	3,925	3,084	42	61	210	563	3,960
1938	3,094	61	189	118	166	3,628	1,960	43	67	164	532	2,766
1939 [2]	3,177	64	147	125	170	3,683	2,318	44	59	249	469	3,139
21-year total	84,222	548	1,619	2,646	2,261	91,296	64,950	503	624	3,355	9,829	79,261

[1] Not reported.
[2] Unrevised.

The United States sold goods and services to foreigners from 1919–39 totaling $91,296,000,000
Foreigners sold goods and services to United States 1919–39 totaling 79,261,000,000

Excess of goods and services sold by Americans to foreigners, 1919–39 12,035,000,000

Source: Selected from Balance of Payments of the United States. Annual tables 1919 to 1939, Department of Commerce. Excludes war debts and other purely financial transactions.

Mr. TAFT. Mr. President, roughly speaking, the difference to which the Senator refers, namely, approximately $12,000,000,000, represents largely, I believe, the money which was advanced to European nations following the First World War of approximately $6,000,000,000, plus another $1,000,000,000 which we loaned during the 1920's. Some of that money, of course, has been repaid. A large portion of it has not been repaid.

I have before me a tabulation entitled "America's Experience With Foreign Lending and With Defaults on Loans Made to Foreign Countries," which gives all the data concerning the subject which seems to be available, although it is not in any sense complete. I ask unanimous consent that it be printed in the RECORD immediately following the table which has been put into the RECORD by the distinguished Senator from Nebraska [Mr. WHERRY].

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

AMERICA'S EXPERIENCE WITH FOREIGN LENDING AND WITH DEFAULTS ON LOANS MADE TO FOREIGN COUNTRIES

TABLE I. WHAT FOREIGN COUNTRIES CAN DRAW FROM THE BRETTON WOODS POOL OF CREDIT

This table gives the quotas of foreign nations to the Bretton Woods International Fund and Bank. It shows what the total pool of credit will be and the United States contribution. The size of the quotas in the Fund also shows what each country may borrow because each country may buy (borrow) the currency of another country up to 200 percent of its quota.

In other words, this table shows the pool or line of credit which will be available to foreign borrowers. The aggregate total of the pool is $17,900,000,000 ($8,800,000,000 in the Fund and $9,100,000,000 in the Bank).

(Source: United Nations Monetary and Financial Conference, Final Act and Related Documents, State Department publication No. 2187, conference series 55, Washington, D. C., 1944.)

TABLE I

	Bretton Woods quotas	
	Fund	Bank
Australia	$200,000,000	$200,000,000
Belgium	225,000,000	225,000,000
Bolivia	10,000,000	7,000,000
Brazil	150,000,000	105,000,000
Canada	300,000,000	325,000,000
Chile	50,000,000	35,000,000
China	550,000,000	600,000,000
Colombia	50,000,000	35,000,000
Costa Rica	5,000,000	2,000,000
Cuba	50,000,000	35,000,000
Czechoslovakia	125,000,000	125,000,000
Denmark	(1)	(1)

[1] Shall be determined after Danish Government is ready to sign agreement.

TABLE I—Continued

	Bretton Woods quotas	
	Fund	Bank
Dominican Republic	$5,000,000	$2,000,000
Ecuador	5,000,000	3,200,000
Egypt	45,000,000	40,000,000
El Salvador	2,500,000	1,000,000
Ethiopia	6,000,000	3,000,000
France	450,000,000	450,000,000
Greece	40,000,000	25,000,000
Guatemala	5,000,000	2,000,000
Haiti	5,000,000	2,000,000
Honduras	2,500,000	1,000,000
Iceland	1,000,000	1,000,000
India	400,000,000	400,000,000
Iran	25,000,000	24,000,000
Iraq	8,000,000	6,000,000
Liberia	500,000	500,000
Luxemburg	10,000,000	10,000,000
Mexico	90,000,000	65,000,000
Netherlands	275,000,000	275,000,000
New Zealand	50,000,000	50,000,000
Nicaragua	2,000,000	800,000
Norway	50,000,000	50,000,000
Panama	500,000	200,000
Paraguay	2,000,000	800,000
Peru	25,000,000	17,500,000
Philippine Commonwealth	15,000,000	15,000,000
Poland	125,000,000	125,000,000
Union of South Africa	100,000,000	100,000,000
Union of Soviet Socialist Republics	1,200,000,000	1,200,000,000
United Kingdom	1,300,000,000	1,300,000,000
Uruguay	15,000,000	10,500,000
Venezuela	15,000,000	10,500,000
Yugoslavia	60,000,000	40,000,000
Total	6,050,000,000	5,925,000,000
United States	2,750,000,000	3,175,000,000
Grand total	8,800,000,000	9,100,000,000

TABLE II. UNPAID DEBTS OF WORLD WAR I OWING TO THE UNITED STATES

Of the countries entitled to use the Bretton Woods pool of credits, the countries shown in this table, on January 1, 1945, owed the United States $12,425,993,107.27 as a result of loans made by the United States to the Allied Governments before and after the armistice which ended World War I. Almost everyone today agrees that this is money out the window and down the hatch.

These were loans made in connection with the prosecution of the war and also covering the sale of surplus war and relief supplies by the United States to various European nations.

These debts include amounts of unpaid principal, and interest postponed, accrued, and payable under funding and moratorium agreements. The total figure does not represent the full total loss, the original loans have been scaled down, terms have been readjusted, other revisions have been made.

(Source: Memorandum covering the world indebtedness of foreign governments to the United States (1917–21) showing the total amounts paid by Germany under the Dawes and Young plans, Treasury Department, fiscal service, Bureau of Accounts, revised January 1, 1945, "Statement showing indebtedness of foreign governments to the United States, January 1, 1945.")

TABLE II.—*War debts owed to the United States by Bretton Woods countries, Jan. 1, 1945*

Australia	
Belgium	$499,421,077.60
Bolivia	
Brazil	
Canada	
Chile	
China	
Colombia	
Costa Rica	
Cuba	
Czechoslovakia	172,778,593.22
Denmark	
Dominican Republic	
Ecuador	
Egypt	
El Salvador	
Ethiopia	
France	$4,568,112,799.40
Greece	36,655,615.10
Guatemala	
Haiti	
Honduras	
Iceland	
India	
Iran	
Iraq	
Liberia	
Luxembourg	
Mexico	
Netherlands	
New Zealand	
Nicaragua	
Norway	
Panama	
Paraguay	
Peru	
Philippine Commonwealth	
Poland	302,915,014.20
Union of South Africa	
U. S. S. R.	443,152,568.69
United Kingdom	6,339,714,782.58
Uruguay	
Venezuela	
Yugoslavia	63,242,656.28
Total	12,425,993,107.27

TABLE II-A

The data of table II is here continued for the non-Bretton Woods countries.

Foreign government indebtedness to U. S. Government (World War I debts), Jan. 1, 1945

Argentina	
Bulgaria	
Danzig	
Estonia	$24,205,435.81
Finland	8,842,109.88
Germany	26,024,539.88
Hungary	2,707,752.98
Ireland	
Italy	2,049,722,534.34
Latvia	9,995,371.04
Lithuania	8,956,353.95
Rumania	74,018,719.94
Armenia	25,891,371.09
Japan	
Total	2,231,364,191.62

TABLE III. GENERAL CREDIT STANDING OF FOREIGN GOVERNMENTS IN THE MATTER OF FOREIGN-DOLLAR BONDS

This table is a partial index to what may be called the general credit worthiness of foreign governments in the matter of foreign-dollar bonds at the end of 1940.

On December 31, 1940, the countries participating in the Bretton Woods plans had foreign-dollar bonds outstanding amounting to $4,052,106,249.

Of these bonds outstanding, $1,555,091,429 were in default as to interest and/or sinking fund. Funding bonds are included in this figure. In other words, at the end of 1940, foreign borrowers participating in the Bretton Woods plans had failed to meet their obligations on over 38 percent of the outstanding dollar bonds issued or guaranteed by their governments.

These figures include bonds, issued or guaranteed by foreign governments or subdivisions thereof, which have been publicly offered and in respect of which default exists or is threatened. They are loans floated by national, state, provincial, departmental, municipal, or corporate entities.

All outstanding dollar bonds are included; no separation is made of the American-owned portion of these dollar bonds.

(Source: Foreign Bondholders Protective Council, Inc., annual report, 1940, p. 71.)

TABLE III.—*Outstanding foreign dollar bonds (publicly and nonpublicly offered), issued or guaranteed by governments or political subdivisions thereof—principal amounts outstanding as of Dec. 31, 1940* [1]

	Outstanding	In default
Australia	$243,589,000	
Belgium	34,833,200	$9,544,000
Bolivia	60,852,927	60,852,927
Brazil	352,498,145	352,498,145
Canada	1,922,208,265	88,586,312
Chile	170,208,500	170,208,500
China	11,427,512	11,427,512
Colombia	137,955,774	135,001,321
Costa Rica	8,077,188	8,077,188
Cuba	101,982,900	32,245,100
Czechoslovakia	4,286,800	4,286,800
Denmark	125,488,000	
Dominican Republic	14,853,000	3,348,000
Ecuador	12,262,700	12,262,700
Egypt		
El Salvador	12,081,525	12,081,525
Ethiopia		
France	13,099,600	
Greece	36,044,500	36,044,500
Guatemala	2,710,100	1,344,100
Haiti	7,948,051	7,948,051
Honduras		
Iceland		
India		
Iran		
Iraq		
Liberia	1,429,000	
Luxembourg		
Mexico	303,832,453	303,832,453
Netherlands		
New Zealand		
Nicaragua		
Norway	107,729,000	
Panama	17,604,552	14,172,052
Paraguay		
Peru	85,656,500	85,656,500
Philippine Commonwealth		
Poland	77,661,543	77,661,543
Union of South Africa		
Union of Soviet Socialist Republics	75,000,000	75,000,000
United Kingdom		
Uruguay	54,673,324	2,709,500
Venezuela		
Yugoslavia	56,112,190	50,302,700
Total	4,052,106,249	1,555,091,429

[1] Bretton Woods countries only.

TABLE III-A

The data of table III is here continued for the non-Bretton Woods countries.

Outstanding foreign dollar bonds (publicly and nonpublicly offered) issued or guaranteed by governments or political subdivisions thereof principal amounts outstanding as of Dec. 31, 1940

	Outstanding	In default
Argentina	$228,030,165	$13,861,790
Bulgaria	16,634,500	16,634,500
Danzig	4,367,885	4,367,885
Estonia	3,271,500	
Finland	13,893,000	
Germany	511,797,553	490,320,400
Hungary	17,085,600	11,197,100
Ireland	816,500	
Italy	102,149,400	102,149,400
Latvia		
Lithuania	4,700,694	4,700,694
Rumania	88,394,350	88,394,350
Armenia		
Japan	296,854,000	
Total	1,288,595,147	731,626,119

TABLE IV. A 38-YEAR RECORD OF AMERICAN FOREIGN DOLLAR LOANS

This table shows the status of foreign securities issued and taken in the United States during the 38-year period 1897–1935. It includes not only publicly issued bonds and shares but also those privately taken—insofar as the latter could be identified.

The table excludes all American corporate securities and all issues of foreign corporations in which there is a minority American

interest of the direct-investment type. It excludes World War I debts.

Bonds floated and taken in the United States during the period totaled	$5,036,737,000
Total outstanding on Dec. 31, 1935	4,205,616,000
Total amount of bonds in default as to interest	1,251,766,000

This is only the condition as of December 1935. It takes no account of previous or cumulative losses by periodic adjustments of principal or by previous defaults on interest.

(Source: Lewis, Cleona, America's Stake in International Investments, Brookings Institution, Washington, D. C., 1938, p. 659.)

TABLE IV.—*Status of American portion of foreign dollar loans (public and private issue, Government and corporate) Dec. 31, 1935*[1]

	Total taken in (1897-1935)	Bonds outstanding Dec. 31, 1935	Bonds in default as to interest
Australia	$271,200,000	$252,704,000	
Belgium	188,000,000	151,515,000	
Bolivia	63,445,000	54,524,000	$54,524,000
Brazil	379,050,000	309,151,000	288,102,000
Canada	[2]2,040,765,000	[2]1,822,763,000	[2]78,334,000
Chile	256,378,000	228,068,000	228,068,000
China	1,771,000	1,771,000	1,771,000
Colombia	177,318,000	144,220,000	144,220,000
Costa Rica	9,800,000	8,781,000	7,198,000
Cuba	175,508,000	115,218,000	72,497,000
Czechoslovakia	37,750,000	29,042,000	3,284,000
Denmark	155,521,000	134,380,000	995,000
Dominican Republic	19,000,000	15,464,000	
Ecuador			
Egypt			
El Salvador	7,000,000	4,492,000	4,492,000
Ethiopia			
France	246,610,000	148,423,000	
Greece	26,000,000	24,636,000	24,636,000
Guatemala	550,000	435,000	435,000
Haiti	20,273,000	9,809,000	
Honduras			
Iceland			
India			
Iran			
Iraq			
Liberia	2,192,000	2,192,000	
Luxembourg	8,000,000	6,007,000	
Mexico	116,900,000	116,900,000	116,900,000
Netherlands	44,149,000	43,310,000	
New Zealand			
Nicaragua			
Norway	175,655,000	150,435,000	
Panama	18,800,000	16,895,000	12,217,000
Paraguay			
Peru	80,142,000	74,143,000	74,143,000
Philippine Commonwealth	88,268,000	86,262,000	2,500,000
Poland	139,255,000	96,559,000	
Union of South Africa			
Union of Soviet Socialist Republics	29,000,000	29,000,000	29,000,000
United Kingdom	143,000,000	20,067,000	
Uruguay	54,937,000	51,039,000	51,039,000
Venezuela	10,000,000	10,000,000	10,000,000
Yugoslavia	50,500,000	47,411,000	47,411,000
Total	5,036,737,000	4,205,616,000	1,251,766,000

[1] Bretton Woods countries only.
[2] Includes Newfoundland.

TABLE IV–A

The data of table IV is here continued for the non-Bretton Woods countries.

Status of American portion of foreign dollar loans (public and private issue, Government and corporate) Dec. 31, 1935

	Total taken in (1897-1935)	Bonds outstanding Dec. 31, 1935	Bonds in default as to interest
Argentina	$388,844,000	$325,589,000	$74,815,000
Bulgaria	13,500,000	12,916,000	12,916,000
Danzig	3,000,000	2,590,000	
Estonia	4,000,000	3,592,000	
Finland	42,000,000	32,106,000	
Germany	1,121,725,000	755,351,000	752,381,000
Hungary	65,100,000	48,294,000	48,294,000
Ireland	15,000,000	1,805,000	

Status of American portion of foreign dollar loans (public and private issue, Government and corporate) Dec. 31, 1935—Con.

	Total taken in (1897-1935)	Bonds outstanding Dec. 31, 1935	Bonds in default as to interest
Italy	$341,483,000	$239,343,000	$3,781,000
Latvia			
Lithuania	1,846,000	1,846,000	
Rumania	10,000,000	9,115,000	9,115,000
Armenia			
Japan	416,879,000	323,717,000	
Total	2,423,377,000	1,756,264,000	901,302,000

TABLE V. MOST RECENT EXAMINATION OF AMERICA'S FOREIGN LOANS

This table shows the results of another independent examination of the "status of American portion of foreign dollar bonds (amounts outstanding, partial, and complete defaults) as to interest service at end of 1943."

These bonds include all publicly and privately placed issues, regardless of whether they are Government guaranteed, which have come to the attention of the Department of Commerce.

World War I loans are excluded.

The total bonds outstanding at the end of 1943 were	$2,288,500,000
In complete default as to interest	404,200,000
In partial interest default through service at adjusted terms	204,000,000
In partial interest default through service at reduced rates	349,000,000
Total in interest default on one account or another	957,200,000

(Source: Estimated United States holdings of foreign dollar bonds, at end of 1943, according to the Status of Interest Service, International Payments Unit, Bureau of Foreign and Domestic Commerce, June 13, 1945.)

TABLE V.—*Status of American portion of foreign dollar bonds (amounts outstanding, partial and complete defaults) as to interest service at end of 1943*[1]

	Bonds in partial defaults		Bonds in complete default	Total amount of bonds outstanding
	Through adjustments	Through reduced rates		
Australia				[2]$89,300,000
Belgium			$3,000,000	12,400,000
Bolivia			53,600,000	53,600,000
Brazil		$208,900,000	6,000,000	214,900,000
Canada	$53,400,000		1,000,000	1,133,700,000
Chile	20,800,000	138,900,000		181,200,000
China			2,200,000	2,200,000
Colombia	25,400,000		89,100,000	125,900,000
Costa Rica			6,800,000	6,800,000
Cuba	17,600,000			24,500,000
Czechoslovakia			2,000,000	2,000,000
Denmark				44,900,000
Dominican Republic				5,300,000
Ecuador				
Egypt				
El Salvador			9,800,000	9,800,000
Ethiopia				
France				1,000,000
Greece			14,800,000	14,800,000
Guatemala	1,600,000			1,600,000
Haiti				5,600,000
Honduras				
Iceland				
India				
Iran				
Iraq				
Liberia				
Luxemburg				
Mexico	39,000,000		85,500,000	124,500,000
Netherlands				
New Zealand				
Nicaragua				
Norway				25,000,000
Panama	8,300,000	1,200,000	200,000	13,500,000
Paraguay				
Peru			53,200,000	53,200,000
Philippine Commonwealth			1,500,000	24,000,000
Poland			45,400,000	45,400,00
Union of South Africa				
Union of Soviet Socialist Republics				5,400,000
United Kingdom				
Uruguay	37,900,000		700,000	38,600,000
Venezuela				
Yugoslavia			29,400,000	29,400,000
Total	204,000,000	349,000,000	404,200,000	2,288,500,000

[1] Bretton Woods countries only.
[2] Includes Oceania.

TABLE V–A

The data of table V is here continued for the non-Bretton Woods countries.

Status of American portion of foreign dollar bonds (amounts outstanding, partial and complete defaults) as to interest service at end of 1943

	Bonds in partial defaults		Bonds in complete default	Total amount of bonds outstanding
	Through adjustments	Through reduced rates		
Argentina	$53,600,000		$600,000	$160,100,000
Bulgaria			4,800,000	4,800,000
Danzig			1,800,000	1,800,000
Estonia			1,300,000	1,300,000

Status of American portion of foreign dollar bonds (amounts outstanding, partial and complete defaults) as to interest service at end of 1943—Continued

	Bonds in partial defaults		Bonds in complete default	Total amount of bonds outstanding
	Through adjustments	Through reduced rates		
Finland	$1,300,000			$3,700,000
Germany			$73,100,000	73,100,000
Hungary			31,600,000	31,600,000
Ireland				300,000
Italy			66,300,000	66,300,000
Latvia				
Lithuania			400,000	400,000
Rumania			4,400,000	4,400,000
Armenia				
Japan			98,800,000	98,800,000
Total	54,900,000		283,100,000	446,600,000

Mr. TUNNELL. Mr. President, I have listened very attentively to the debate on Dumbarton Oaks and also Bretton Woods. I have been interested in the statement that no one seems to understand the monetary question. I think that many persons understand practically all that it is necessary to understand in regard to the monetary question. I do not know that we must understand each of the technicalities which might be connected with this great subject. I sometimes ride in an automobile, but I do not know anything about the machinery of it. I know when the automobile needs fixing. I know when it goes and when it stops.

During the early part of this year I was in the Mediterranean area. At that time we heard constantly the contention being made that something would have to be done with reference to the money question if America was to have any trade in that area following the Second World War. The people of that area are desirous of buying where they can buy the cheapest, and selling where they can sell for the highest price. They are ordinary human beings, who have the business outlook in a situation of this sort. I found that they were anxious that something be done.

We then heard a great deal about the sterling bloc in that area; and there is a sterling bloc. In the debate I have heard in the Senate I have heard no one deny that something should be done.

Unfortunately we have had hints that a partisan political matter is being made out of the money question. A few days ago I saw a headline in the Washington Post in which it was stated that TAFT Opens GOP Fight Against Bretton Woods. Since that I have seen that an attempt is being made to make this a partisan political matter. Fortunately, in the vote yesterday there was a very clear indication that many Senators on the other side of the aisle did not believe in making it a partisan political issue.

Mr. President, I think we have been shown that there is a necessity for something being done, and even in the presentation of the motion that was made yesterday that this question be postponed until the 15th of November, there was a plain admission that something should be done within a short time.

I shall now read some of the quotations from the closing address to the Bretton Woods Conference by Henry Morgenthau, Jr., with reference to the question as to whether anything need be done. This is one quotaiton:

The actual details of a financial and monetary agreement may seem mysterious to the general public. Yet at the heart of it lie the most elementary bread-and-butter realities of daily life. What we have done here in Bretton Woods is to devise machinery by which men and women everywhere can exchange freely, on a fair and stable basis, the goods which they produce through their labor. And we have taken the initial step through which the nations of the world will be able to help one another in economic development to their mutual advantage and for the enrichment of all.

I quote further from the same address:

To seek the achievement of our aims separately through the planless, senseless rivalry that divided us in the past or through the outright economic aggression which turned neighbors into enemies would be to invite ruin again upon us all. Worse, it would be once more to start our steps irretraceably down the steep, disastrous road to war. That sort of extreme nationalism belongs to an era that is dead. Today the only enlightened form of national self-interest lies in international accord. At Bretton Woods we have taken practical steps toward putting this lesson into practice in monetary and economic fields.

I quote further:

This is the alternative to the desperate tactics of the past—competitive currency depreciation, excessive tariff barriers, uneconomic barter deals, multiple currency practices, and unnecessary exchange restrictions—by which governments vainly sought to maintain employment and uphold living standards. In the final analysis, these tactics only succeeded in contributing to world-wide depression and even war. The International Monetary Fund agreed upon at Bretton Woods will help remedy this situation.

Second, long-term financial aid must be made available at reasonable rates to those countries whose industry and agriculture have been destroyed by the ruthless torch of an invader or by the heroic scorched earth policy of their defenders.

Long-term funds must be made available also to promote sound industry and increase industrial and agricultural production in nations whose economic potentialities have not yet been developed. It is essential to us all that these nations play their full part in the exchange of goods throughout the world.

They must be enabled to produce and to sell if they are to be able to purchase and consume. The International Bank for Reconstruction and Development is designed to meet this need.

Objections to this Bank have been raised by some bankers and a few economists. The institution proposed by the Bretton Woods Conference would indeed limit the control which certain private bankers have in the past exercised over international finance. It would by no means restrict the investment sphere in which bankers could engage. On the contrary, it would expand greatly this sphere by enlarging the volume of international investment and would act as an enormously effective stabilizer and guarantor of loans which they might make. The chief purpose of the International Bank for Reconstruction and Development is to guarantee private loans made through the usual investment channels. It would make loans only when these could not be floated through the normal channels at reasonable rates. The effect would be to provide capital for those who need it at lower interest rates than in the past, and to drive only the usurious money lenders from the temple of international finance. For my own part, I cannot look upon the outcome with any sense of dismay. Capital, like any other commodity, should be free from monopoly control, and available upon reasonable terms to those who would put it to use for the general welfare.

Here is a further quotation:

This monetary agreement is but one step, of course, in the broad program of international action necessary for the shaping of a free future. But it is an indispensable step in the vital test of our intentions. We are at a crossroad, and we must go one way or the other. The Conference at Bretton Woods has erected a signpost—a signpost pointing down a highway broad enough for all men to walk in step and side by side. If they will set out together, there is nothing on earth that need stop them.

Mr. President, I have heard no argument which would tend to show that this statement of the Secretary of the Treasury was not correct and did not correctly depict the situation. There is the necessity, all admit the necessity, yet some say action should not be taken now, and some say it should not be taken at all.

It is said by some, "Let us simply fight the only proposal that exists," on the theory that no other one will ever succeed. This, to my mind, is an attack not only upon the economy of the Nation but upon the actual existence of the Nation.

We have been told that the proposal is simply a gift of billions of dollars. There is nothing in the record, and nothing in the history of events which led up to the Bretton Woods Conference, that would give or justify that impression, and I do not know why such statements are made.

The Senator from South Dakota a while ago called attention to the fact that approximately $14,000,000,000, I believe he said, in money was gotten from the United States by way of bonds during the twenties. He is correct in that statement. The administration which was in power at that time was doing exactly what Senators have seen other administrations do at other times. It was encouraging the sale of worthless bonds to the banks of this Nation for the purpose of selling American goods in South America. That is what happened and that is why the bonds were purchased to such an extent as they were. In my sec-

tion of the country they were recommended by the national bank examiners when they went to the banks. That was what was being done in the 1920's. The administration, at that time, unloaded the worthless bonds on the small banks of this Nation, and there was a loss. But it was done for the purpose of trade. It was done deliberately, it was done effectively, and it was done for the purpose of selling American goods in exchange for the money for which the bonds were delivered. That is exactly what happened, and that is why there was a loss. But that was not a gift in the ordinary sense. It was the way in which the American people or the small bankers of the Nation were fooled into the purchase of those bonds, and for a time the bubble was kept from breaking until in 1929 it burst. There was an end of it then. That is the history of the loss to which the Senator from South Dakota referred.

Mr. President, it is said that this is a gift. Those who went to Bretton Woods were not exactly such individuals as one would expect to attempt to defraud the world. There is nothing in the Bretton Woods agreements that says it is to be a gift. Just the opposite is what is stated in the agreement. I shall name some of those who participated in that conference. To me they do not seem to be swindlers.

First, Henry Morgenthau, Jr., Secretary of the Treasury, chairman of the delegation.

Fred M. Vinson, Director, Office of Economic Stabilization, vice chairman.

Dean Acheson, Assistant Secretary of State.

Edward E. Brown, president, First National Bank of Chicago.

Leo T. Crowley, Administrator, Foreign Economic Administration.

Marriner S. Eccles, Chairman, Board of Governors of the Federal Reserve System.

Mabel Newcomer, professor of economics, Vassar College.

BRENT SPENCE, House of Representatives; chairman, Committee on Banking and Currency.

CHARLES W. TOBEY, United States Senate; member, Committee on Banking and Currency.

ROBERT F. WAGNER, United States Senate; chairman, Committee on Banking and Currency.

Harry D. White, Assistant Secretary of the Treasury.

JESSE P. WOLCOTT, House of Representatives; member, Committee on Banking and Currency of the House of Representatives.

These individuals attended that Conference and they thought something had to be done or should be done. I have heard nothing on the floor of the Senate to contradict that idea. People generally realize that something should be done.

Mr. President, what is the alternative? Let us look at that for a few minutes. In the first place we have been told that some arrangement could be made between Great Britain and the United States. And the first step toward that arrangement is the offer of the amendment by the Senator from Ohio, which would drive the United Kingdom out of the Bretton Woods agreement.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. TAFT. The amendment would not drive the United Kingdom out of the Bretton Woods agreement.

Mr. TUNNELL. I will not yield, Mr. President, for that kind of argument.

Mr. TAFT. It simply says——

Mr. TUNNELL. This debate has to be absolutely on the level. There is no use to tell me that it would not, because everyone who knows anything about the situation knows that it would.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. TUNNELL. I will yield to the Senator if he wants to ask a question or make a fair suggestion, but do not make a suggestion such as that.

Mr. TAFT. The suggestion merely is that what the amendment does is not to drive them out. It simply says, "You have to put your whole house in order before you draw money from this Fund." As a matter of fact, the British fully expect to put their house in order. They expect to——

Mr. TUNNELL. I shall not yield to the Senator to make a speech.

Mr. TAFT. I will make a speech in my own time.

Mr. TUNNELL. That is all right. I wish the Senator would.

Mr. TAFT. If the Senator will yield—the statement the Senator made is not true.

Mr. TUNNELL. I will say that the statement made by the Senator from Ohio now is not true. He knows very well that his amendment would keep Great Britain out, and I would go further and say that it is done for that purpose deliberately. I do not know what the motive is behind this amendment. I do not know why the objective is to drive Great Britain out. But anyone who has listened to the arguments knows that that is the effect and, coming from an intelligent source, must be the object.

There is the proposition. Knowing that Great Britain at this time cannot possibly do the things required by the amendment, it demands that she do them now. Again I repeat the headline of the Washington Post, "TAFT Opens GOP Fight on Bretton Woods." At a time when the future of the world is at stake, we are fighting a political battle.

Without Great Britain in this great organization what could be the outcome? Oh, Senators talk about sterling blocs. Yes; there is a sterling bloc, and that is exactly one of the things necessary to be eliminated. And here is a proposition which would eliminate it, but not by giving, as debaters have said, without the slightest excuse for making the statement—not by giving. There is no use trying to defeat this bill by an argument which is not warranted, and for which there is no excuse.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. MURDOCK. Does not the Senator feel that the Bretton Woods agreement works hand-in-glove with the United Nations Charter signed at San Francisco?

Mr. TUNNELL. Unquestionably.

Mr. MURDOCK. They supplement and complement each other.

Mr. TUNNELL. Yes. Yesterday in one of the newspapers I saw a cartoon which pictured a man with his trousers off. That man, of course, represented the World Charter, and the trousers were the Bretton Woods agreement. They were being handed to him to put on.

Mr. MURDOCK. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Delaware yield to the Senator from Utah?

Mr. TUNNELL. I yield.

Mr. MURDOCK. I wonder if in the opinion of the distinguished Senator such a condition as this might exist in the minds of some of the opponents of the Bretton Woods agreement: Because of the unanimity in America today for the United Nations Charter, the opposition does not dare to come out in the open and fight that instrument; but in order to fight the United Nations Charter, its opponents try to cripple it by fighting Bretton Woods. Does the Senator agree that that might possibly be the attitude of mind of some of the opponents of Bretton Woods?

Mr. TUNNELL. I think there is no question about that.

I have already read what the Secretary of the Treasury has said. He said:

> This monetary agreement is but one step, of course, in the broad program of international action necessary for the shaping of a free future. It is an indispensable step in the vital test of our intentions.

We are speaking now from our standpoint with relation to other nations. I do not go as far as some go in the idea of helping other nations. I think there are two sides to the question. I believe that for our own sake, and not from the standpoint of any other nation, something must be done. If I believed that there was the slightest ground for the statements which have been made on the floor of the Senate, that these loans are intended as gifts of several millions of dollars, I would not favor the proposal. But when an unfair statement is made, not based upon fact, for the purpose of striking at the peace of the world, then I will not sit by idly and hear such a statement repeated.

Two things have been found to be necessary. One is the stabilization of currency. I believe that none of us is too young to remember something about the lessening of the value of the currency in Germany after the First World War. I believe I heard the Senator from Kentucky say that a wheelbarrow load of money was required to pay for some small article such as a pair of shoes, showing how the currency had been depreciated in that country. It can be done. Each nation has the right to depreciate its currency, and each nation has been doing so when it suited its purpose.

I was asked by the Senator from Utah something about where the opposition is

coming from. I have suggested one source which involves a political angle. I read again a sentence from the speech of the Secretary of the Treasury:

> The institutions proposed by the Bretton Woods Conference would indeed limit the control which certain private bankers have in the past exercised over international finance. It would by no means restrict the investment sphere in which bankers could engage.

It would not damage honest investment. It might take the control away from certain banking interests which wish to use it for their own benefit. The Secretary says that that is one reason for the opposition. He did not say the opposition here, but the opposition; and the opposition counts here more than anywhere else.

I have heard it said that a gift is involved. The amount we are to raise, as I remember, is $2,750,000,000. That is in connection with the plan for stabilizing currency. Two billion seven hundred and fifty million dollars is a terrific amount of money, and I for one do not want the Government of the United States to give it away to any other nation. I do not think we are under sufficient obligation to any other nation in the world to give it $2,750,000,000 if we are to get no benefit from the transaction.

I have heard the statement made that we will get nothing, but that is only an idle prophecy. I do not know whether anyone who makes such a statement would wish to be quoted a year from now. If this organization succeeds in stabilizing currency—and who will say that it will not?—we will obtain a benefit from it.

We have the best financial brains in the world behind this plan. Some of the men who really know what this means testified before the committee. If any Senator has doubts as to what financial experts are, let him read the first two volumes of the testimony taken before the committee. He will find how little some of the home-made experts on finance really know about it. They seldom made a statement that was not refuted by the real experts without any difficulty. I was greatly impressed by the fact that the real experts had absolutely no trouble in showing that there was no such situation as that suggested by some of our people who thought they knew about finance.

I listened with a great deal of interest to the Senator from Utah [Mr. MURDOCK] because throughout the hearings and throughout this debate he has shown that he knows what this is all about. This is the situation which existed as to so many nations prior to this war: The only money with which they could buy anything in their homeland was either the pound sterling or their own currency. But some of our people say that we ought to have bilateral agreements—an agreement between the United States and Great Britain, an agreement between the United States and France, and so forth. I believe that that is what the so-called sterling bloc would like to have done. But under this arrangement, if people want their dollars to buy something in the United States, where they cannot sell their products, they can sell their products to a nation which needs them, and buy what they need with American dollars purchased through this organization.

The bilateral agreement is really confined to what can be traded. It is a matter of barter between nations. The bilateral agreement is practically confined to that field. The difficulty with the sterling bloc, so far as our Nation is concerned, is that a number of nations which might be purchasers of American goods are tied up in the sterling bloc, and can buy only through Great Britain. That gives Great Britain an advantage which it otherwise could not have. If Great Britain becomes a party to the Bretton Woods agreement, it places itself in a position where it agrees as soon as it can be done, to remove restrictions and discriminations, and give the world a chance to buy. If any country—and it matters not what country—wishes to buy something in the United States, and yet its products are not salable in the United States, this is exactly the sort of organization which is needed, so that it can sell where its goods are wanted and buy from the country which has what it needs. So far as I have heard in this debate, that proposition has not been denied.

It is said that consideration of the bill should be postponed for 3 months, 5 years, or some other period. Those who are opposed to it will suggest anything to put it off, anything to defeat it. But in the meantime, after this war, trade is to be established in the channels which the nations can set up. The United States has not been in a position to sell its goods to advantage to the rest of the world. We have been told by the opponents of the Bretton Woods agreements that they will not enable the United States to sell its goods to advantage to the rest of the world. Perhaps they will not, but any alternative proposals will not have that result, either. I refer to any suggestions which have been made in opposition to the Bretton Woods agreements. No workable suggestion has been made. The opponents of the Bretton Woods agreements say, "If you go into this, Great Britain will stick to her private arrangements." Let me inquire whether Great Britain will not stick to her private arrangements if we do not go into the Bretton Woods agreements.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. LUCAS. The question raised by the able Senator from Delaware with respect to Great Britain's continuance of her private arrangements; for instance, with respect to the wartime restrictions which she now has, is a most interesting one. We have been told, for instance, that India has a tremendous amount of money in the Bank of England, that that money is frozen at the present time, and that the only country with which India can trade is England. Certainly those wartime restrictions could continue long after the war unless we enter into an agreement of the kind now proposed; and there is nothing in the world, as I understand the situation, which would keep England from continuing those restrictions, thereby preventing India, which has a large balance of money in the Bank of England, from trading with this country.

But if England enters into the Bretton Woods agreement, which she approved a year ago, she will agree as soon as possible to release the wartime restrictions and controls, thereby giving India, for instance, and other countries which have such large credit balances in London, an opportunity to trade with this country much sooner than otherwise would be the case. I ask the Senator whether I am correct in that statement?

Mr. TUNNELL. The Senator is entirely correct.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me?

Mr. TUNNELL. I yield.

Mr. RADCLIFFE. Commenting on what the Senator from Illinois has just said, let me emphasize that not only would it undoubtedly be the desire of Great Britain to do what the Senator has suggested, but the Bretton Woods agreements would create facilities, which do not now exist, to enable the accomplishment of that purpose by our ally, Great Britain, who has contributed so greatly to the success of the United Nations in this war and has suffered so greatly in doing so.

Mr. TUNNELL. There is no doubt about it. The point I am attempting to emphasize is that this difficulty is not something which has just developed. It is something which has been known for a number of years by everyone familiar with the situation. There has been this difficulty with respect to American trade; it has been a handicap under which we have been laboring. Here is an agreement which, if carried into effect and if observed conscientiously by ourselves as well as by other nations, will reach the very difficulty which has been causing us to suffer.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. TUNNELL. I yield.

Mr. MURDOCK. Even in the bilateral agreements which England has recently entered into—for instance, the one with Sweden—there are found provisions to the effect that anything in the agreements which may be in conflict with or which do not conform to the Bretton Woods agreements will be void.

Mr. TUNNELL. That is correct. To say that the promises made in the Bretton Woods agreements will not be observed is to say that we will be defrauded by other nations. The statement has been made on the floor of the Senate time and time again within the last several days that the Bretton Woods agreements do not mean anything, but that they will result simply in giving away $6,000,000,000 for which we will receive nothing. If that be true, not only are other nations attempting to defraud the United States, but our own representatives, the Senator from New York [Mr. WAGNER] and the Senator from New Hampshire [Mr. TOBEY] have been guilty of gross negligence; they have allowed someone to put something over on them. I do not think it is possible to put anything over on either one of them, and I will trust

their judgment just as fully as I would trust the judgment of the critics, and perhaps a trifle more so.

Mr. President, the first purpose is to establish the value of currency. In order to make that entirely clear, let me refer to the Mediterranean area, because I think of it in particular. Suppose a person living in Morocco has certain goods which he wishes to sell in the United States—for instance, fertilizers, which are shipped from that area, and perhaps tropical fruits which are not grown in the United States to any great extent—and suppose that person wishes to buy something in the United States, for instance, automobiles or anything else that we manufacture; perhaps shoes. The person who wishes to buy such articles in the United States does not know how he can pay for them. He does not know how to get the dollars with which to pay for the things he buys here. The Bretton Woods agreements will furnish him with a ready-made organization for that purpose; they will provide him an opportunity to sell his goods, not alone to the United States, but wherever he can get the most money for them, and then he will be able to buy where he can buy the cheapest. I am stressing that point in particular because of what our position will be after this war is over.

A few years ago we were told that the United States did not have the necessary ships. Today the United States has the ships—more than any other nation in the history of the world has ever had. If this war were to close during the year 1945, the United States would have 55,000,000 tons of shipping—sufficient to carry all the commerce of the world. We have the money. Only a few days ago I saw a statement to the effect that we have $142,000,000,000 in the form of deposits in our banks. We have the brains; even though in some quarters the Bretton Woods brains may be under suspicion, we do have the brains to transact business. We have the greatest manufacturing industries the world has ever seen. Having the money, the men, the brains, and the shipping facilities, why should we not sell?

Everywhere I went on the eastern hemisphere I met with the same statement. Namely, "We cannot handle the money question." Here, Mr. President, is being made an honest effort to handle the money question as between our own Government and the government which controls that great area abroad about which we have been speaking. Some say, "Oh, she will not observe the agreement." Yet, not for the world would those same persons impugn the motives or conduct of Great Britain.

Mr. President, the motion now pending before the Senate would kill the Bretton Woods agreements, and, I venture to say, it is so intended. To do so would leave our immense amount of shipping, our money, our products, and our people generally handicapped in world trade.

Why should we not take that fact into consideration? It has not been long since we were debating in this Chamber the question of what we should do following the war in order to dispose of the great volume of products which we manufacture and grow. We need a method by which to dispose of them. We are now being offered a method by which it is intended—notwithstanding what the opponents of the agreements may say—to open the way of the United States to world trade. There has been expressed such a fear on the part of a certain element in American business life that they will fight exports in order to prevent having any imports. That is the situation with which we are confronted, and yet unless some way is provided by which we may dispose of our exports, of goods which we will have for sale when the war is over, we will have not merely a little panic but a big one.

Mr. President, shall we grasp the opportunity which is being presented to us, or shall we allow political opportunism to get in the way of not only our own future but the future of the entire world? That is the question which the Senate must decide.

Mr. BARKLEY. Mr. President, yesterday afternoon I announced that Senators could prepare themselves for an evening session. In view of the fact that many Senators have asked me if I meant what I said, I wish now to announce that we will hold an evening session. We are compelled to dispose of the pending legislation. We must later take up the tax bill, the Export-Import Bank bill, and other proposed legislation which has come to the Senate for disposition. Senators may be prepared for a night session unless we can dispose of these matters before then. I feel that Senators are entitled to this announcement at this time in order to accommodate themselves to the situation.

Mr. WHITE. Mr. President, I am glad that the Senator from Kentucky has made the very definite statement which has just come from him. I agree with him that it is of the utmost importance that we proceed with proper dispatch to the conclusion of the legislative work which is now immediately before the Senate, and which will soon thereafter follow. I do not like night sessions any more than does any other Senator. I think the time has come when the Senator from Kentucky is wholly justified in the announcement which he has made.

Mr. BARKLEY. I believe the Senate is willing to accommodate itself to the program, but I merely wanted to advise Senators that we may be compelled to hold a night session.

Mr. WILLIS. Mr. President, I have listened with profound reaction to the very able arguments made by my distinguished colleagues in opposition to the participation of the United States in the International Monetary Fund and the International Bank, based upon the Bretton Woods agreements.

On the basis of cold, practical business principles alone, I would have to vote against American participation in these proposals, for there is no assurance that this Nation's participation will bring back to us dollar for dollar the huge amount we will have to invest. But I submit to the Senate that people of America do not view the Bretton Woods proposals from the standpoint of business alone. The people of America, like the people of the world, are striving to build a just and durable peace. They view the Bretton Woods proposals as an effort to strike out on a new and uncharted path toward a goal toward which civilized men have worked since the dawn of history—peace. It is worth while that in our day we make our effort, though it may be unsuccessful, toward this same goal.

Therefore, the Bretton Woods proposals should not be measured wholly by the standards applied in cold business operations. They constitute, together, an investment in confidence that other nations are honestly striving for the same goal toward which we are toiling. Without confidence, all business principles fail. With confidence, many seemingly unsound proposals will succeed.

I have just returned from a brief stay in Indiana where I talked with men and women in all walks of life. I found one common bond among them all—a desire that this Nation, under God, shall do everything reasonable and proper and possible to convince other nations that our whole aim is to promote just and lasting peace among all the nations of this world. I have an idea that this desire for peace—lasting peace—is as strong in the heart of the average Russian and the average Frenchman and the average Britisher—yes, even the average German—as it is in the heart of the average American.

I realize, Mr. President, that we cannot legislate morality, just as I realize that many of our citizens are prone to put too much faith in charters and treaties and plans and conferences. We know a just and lasting peace can come only through spreading knowledge and tolerance and good will in every nation, so that the day will come when more men will want peace than will want war.

Mr. President, let us be coldly realistic about the problems we shall have to face in the future. The task of maintaining peace in the world will rest upon three nations, the United States, Great Britain, and Russia. These three nations together will control this program. The task will be made successful to the degree that we can establish cooperation and confidence among all the other nations as to our sincerity of purpose in our international relations. This proposed legislation is an earnest of these intentions.

But in spite of charters, in spite of agreements, in spite of funds and banks, America must be strong—militarily strong, economically strong, morally and spiritually strong, if we are to successfully discharge our opportunity in the world of tomorrow. But for our past economic might, this world today would doubtless be prostrate under the heel of the aggressors. We in the Senate must always be on guard and must realize that it is folly to recklessly squander our resources, lest one day, in the face of an even graver crisis, we find ourselves destitute as a Nation.

Cognizant of all these facts, most of which it may be said should impel me to vote against the Bretton Woods proposal, there is one larger fact to which my mind ever returns when I ponder this proposal and correlated measures now before the Senate. That fact is that we have invested astronomical sums to

win this war. We have invested hundreds of billions of dollars in money, almost a million men in casualties, more than 100,000 lives of the finest of our youth, and untold amounts of irreplaceable raw materials to keep this country sovereign and free. Therefore, I cannot but look upon the sum we are called upon to invest here other than as a relatively small pledge in our endeavor to make these former expenditures to have been worth while. If it delays another war for but a year it will be a most profitable investment.

I have come, therefore, to look upon the Bretton Woods proposals not as an economic cure-all, but as one more faltering step we are making as a Nation with the hope in our heart and the prayer on our lips that this is another step on the road to a just and lasting peace.

Mr. President, I am willing to admit that my colleagues who predict that in 5 or 10 years the operations of this Bank and this Fund will bring us untold grief may be right. They will be as quick as I shall be to rejoice if their prophecies are but unrealized gloomy forebodings. I am willing to gamble that this investment will bring profitable and, I sincerely hope, rich returns. There is certainly a possibility—indeed, a strong probability—that many men in our Nation and in other nations will be noble and honest and willing to pay promptly as we all wish.

I am going to vote for this proposal because—I repeat—it represents another step toward what we hope is the ultimate goal—a just and lasting peace. I will cast my vote in the hope and in the prayer that men will be different in the future, and that we in this body who supported these proposals will not have cause, in future years, to rue the day we supported this proposal.

Mr. MORSE. Mr. President, the address just made by the distinguished Senator from Indiana [Mr. WILLIS] so clearly sets out my point of view in regard to Bretton Woods that I am somewhat hesitant to proceed to make the remarks I had prepared for delivery at this time, because I think in one sense they will be somewhat cumulative. Yet, Mr. President, I do not feel that I can let this debate come to a close without placing in the RECORD my view as to Bretton Woods, which so nearly coincides with the attitude just expressed by the Senator from Indiana that it will be somewhat repetitious.

The more I study the Bretton Woods proposals, the more I appreciate how fundamental the pending bill is to postwar prosperity and peace.

The Fund and Bank, it seems to me, will go a long way toward preventing a repetition of the chaotic conditions of the 1930's when normal world economic relations broke down. In the discontent and unemployment that followed, the cankerous growth of dictatorship took root, grew, and eventually cast its evil shadow over the entire civilized world.

The sequence is now pretty well established. In world depression, when the people lose hope for economic betterment, they are all too easily swayed by the reckless promises of an adventuresome leader. "Follow me," he says, "and I will gain for you a place in the sun. If our neighbors cannot understand our needs, we may be compelled to use strong measures."

That sort of talk sounds good to the unemployed whose sensibilities have been dulled by lack of opportunity. But, of course, prosperity and employment purchased by strong-armed methods can be maintained only by the continued and unscrupulous use of these methods, which in turn generates suspicion and hatred, and eventually leads to war.

In the shrunken world of today, there is no room for that sort of shoving and pushing. The bullies who do it are bound to get mixed up in a brawl, and then all of us are likely to get hurt. We dare not run the risk of repeating the experience of the 1930's.

That is what the Bretton Woods proposals are about. They offer a way to get all nations to cooperate in bringing about universally desired objectives. They deal with the everyday business of living, producing, trading, and prospering, not in the world of Daniel Boone—the world of the flintlock, the oxcart, and the hand loom. No; they deal with the world as it is—with the world of General Eisenhower, of robot bombs, stratoliners, and mass production.

Plans for political and military security, prepared at Dumbarton Oaks and welded into effective form at San Francisco, are tremendously important. There is no doubt of that. But in order to give this superstructure a firm foundation, in order to eliminate the economic conflicts that lead to war, we must provide for international cooperation at the level of day-to-day business transactions. Peace cannot be reduced to a chapter in the textbooks. If it is to endure, it must be vital, a result of sensible arrangements that take into account the individual's urge constantly to improve his standard of living through increased production and expanding trade.

To be sure, we do not have in the Bretton Woods proposals the entire answer to the problem of achieving postwar prosperity and peace. What we do have is a good beginning—something on which to build. Behind these proposals lie several years of intensive study and consultation among the United Nations on two great problems. First, how can we restore or replace what has been destroyed? Second, how can monetary and financial systems be put back in working order and made to promote peace rather than generate conflict?

These questions go to the heart of the postwar problem. They set one to thinking of the incalculable destruction of total war, of transportation systems reduced to exploded locomotives and twisted rails, of factories and port facilities charred and gutted, of valuable machinery stripped from its foundation and carted away.

In the Articles of Agreement drawn up at Bretton Woods, together with the enabling legislation now before us, are partial solutions to these problems. They may not be the best that could be devised by a single expert working in a vacuum. But they were not devised in a vacuum. They were hammered out by representatives of 44 different countries and are to be applied to a very imperfect world.

The job of rebuilding and restoring is too great for any one country to bear alone. It is a job that can be successfully undertaken only by all countries working together.

Mr. President, during the lunch hour I had a conference with an American representative on UNRRA who has just returned from China. The story he tells and the information he presents in regard to the chaotic economic conditions which confront that country are sufficient, it seems to me, to convince any reasoning person that we cannot permit that chaos to continue in a large segment of the world and expect prosperity and peace in the United States.

The point that we must always bear in mind is that our own interest in seeing that this job is done does not rest entirely on American generosity. While to be sure we like to see other people prosper for their own sake, our first concern must be, as it is here, with what is best for us. Our own self-interest as a nation in my judgment dictates support for Bretton Woods. In order that other countries may provide markets for our surpluses and produce raw materials to feed our factories, we must wish for their prosperity as we would wish for our own. So great has been the disruption and destruction of war that to untangle the wreckages, to rebuild and restore the old, to uncover, and develop the new, will require the concerted efforts of all countries.

In this the International Bank for Reconstruction and Development will play a potent role. It will make certain that the necessary foreign capital is available, supplied by private investors rather than by governments, to supplement local materials and local labor.

Mr. TAFT. Mr. President, will the Senator yield for one question?

Mr. MORSE. I am glad to yield.

Mr. TAFT. The Senator referred to relief to be extended by the International Bank to cities which are destroyed. The other day I read into the RECORD Mr. Crowley's statement as follows:

> At best, however, the International Bank cannot be in effective operation for a year or 18 months.

There is in the Senate the Export-Import Bank bill which has to do with an organization intended to deal with that particular situation. So I really do not quite see what the International Bank has to do with the present condition in Europe which has to be met.

Mr. MORSE. I think the realistic fact is that these war-torn areas are not going to be rebuilt completely, for a period of 5 years and more. If we have at least the Bretton Woods machinery ready to do what it can do, limited as it may be, even in 18 months, I think that will justify our support of it.

Mr. President, the Bank will encourage private international investment by guaranteeing the repayment of principal and interest—and that means that all member countries bear the risk. When private capital is not available,

even with the Bank's guaranty, the Bank will make direct loans. Both guaranteed and direct loans will be made in connection with specific projects, with the stipulation that they will be used to pay for necessary imports from abroad.

But this sort of aid will not be enough. Steps must also be taken to reestablish workable exchange relationships among the world's currencies, and to prevent the unfair use of monetary devices to interfere with trade.

The nations of Europe must have assurance that once their economies are restored they will be able to sell their goods to pay for imports which the United States, perhaps more than any other country, will be in a position to supply. England and Canada, our best customers, are also counting on an expansion of exports. It is a well-established fact, however, that a few countries cannot expect a substantial increase in their foreign trade unless the increase is general. And it is apparent to all that trade expansion on an appreciable scale will not be possible until the currency restrictions that have hampered commerce in the past are lifted.

The International Monetary Fund will meet this specific problem. The Fund provides, first, for the joint determination of exchange rates, based on gold as a common denominator. Each nation will propose its own gold parity, but before a country may become a member of the Fund and have access to its resources, the Fund must be convinced that the parity proposed is in harmony with other parities. Similar provision is made for international cooperation on changes in exchange rates, on the relaxation of exchange restrictions, and on other international monetary and financial problems. In this way, the Fund will provide the order and stability in exchange relationship that is essential to a revival of world trade.

Mr. President, may I say by way of digression that I for one recognize that there is, of course, in this organization or in any type of international organization we set up in any field of human endeavor, ample opportunity for the exercise of bad faith and for the promoting of world political alinements that might do injury to members of the Fund.

My answer to that is more an expression of a hope than of an argument. If we cannot hope for world cooperation, if we cannot expect nations to act in good faith in their relations with each other, then the world situation is truly hopeless. I for one feel that we at least ought to make this attempt. The money that is involved, as has been pointed out so ably by the Senator from Indiana, is after all small compared with the great cost of war. We ought to make at least this attempt to develop a greater degree of cooperation and understanding on the international economic front. It is a reasonable insurance premium.

If we cooperate wholeheartedly in the achievement of these ends, we will have done much toward eliminating in advance the causes of another orgy of mechanized murder, of another total war which might well mean total destruction of modern civilization. We have so depleted the wealth of the world in this war, a depletion which I am satisfied we have not even started to comprehend as yet, that I seriously doubt whether the world could hang together as groups of civilized peoples if we undertook such another holocaust. It is certainly more than probable that we are faced, along with the other civilized nations, with the last great opportunity to establish world peace on both the economic and military fronts.

The Fund and Bank proposals for international cooperation must still be accepted by the participating governments. I am quite sure that the majority of the people of the United States are for them. The House of Representatives has approved them by the overwhelming vote of 345 to 18. I am convinced that by a preponderant majority the Senate will approve them.

The Members of this body are fully aware of what is at stake. They know that on the action we take may well depend our chance for an enduring peace. If the postwar period is allowed to become one of economic confusion and chaos, if economic and political isolation are allowed to take firm root in any part of the world, the years ahead may turn our present victories into nothing more than an armistice, a breathing spell in which to prepare for another total war. The Senate of the United States must not let that happen again.

If on the other hand we take the lead in getting all countries to work together, to solve their common economic problems through international cooperation, we shall have eliminated a constant and irritating source of international friction. We shall have cleared the way for the reconstruction of the war-torn countries, for the development of the backward areas of the world—for trade, prosperity, and, above all, for enduring peace.

It is because of the potential possibilities of Bretton Woods as a great force in world economic stabilization, its success, of course, depending upon the good faith cooperation of the nations of the world, that I am glad to raise my voice in support of Bretton Woods, and to urge its adoption by the Senate of the United States.

Mr. BALL. Mr. President, referring to the pending amendment offered by the Senator from Ohio [Mr. TAFT], I wish to say that I believe a great many Senators are concerned with the indefiniteness of the transition period during which restrictions may be retained on exchange. While we may not want to support the amendment in its present form, I am wondering if the chairman of the Committee on Banking and Currency will say what his attitude would be if an amendment were submitted in the same form as sections 13, which was placed in the bill by the House committee, under which the governor representing the United States would be directed to submit an amendment to the board of governors providing that, say, after 3 years or 5 years there should be a limitation on the use of the Fund by members who at that time still retained restrictions on the free exchange of currencies.

Mr. WAGNER. Mr. President, answering the Senator from Minnesota, I wish to read section 4 of article XIV, as follows:

SEC. 4. Action of the Fund relating to restrictions: Not later than 3 years after the date on which the Fund begins operations and in each year thereafter the Fund shall report on the restrictions still in force under section 2 of this article. Five years after the date on which the Fund begins operations, and in each year thereafter, any member still retaining any restrictions inconsistent with article VIII, sections 2, 3, or 4, shall consult the Fund as to their further retention. The Fund may, if it deems such action necessary in exceptional circumstances, make representations to any member that conditions are favorable for the withdrawal of any particular restriction, or for the general abandonment of restrictions, inconsistent with the provisions of any other article of this agreement. The member shall be given a suitable time to reply to such representations. If the Fund finds that the member persists in maintaining restrictions which are inconsistent with the purposes of the Fund, the member shall be subject to article XV, section 2 (a).

That would deny the member anything out of the Fund.

Mr. BALL. Yes; I am familiar with the section 4 which the Senator has just read. But still I do not think that ties it down particularly; that under the language of the agreement it is still entirely within the discretion of the governors of the Fund as to whether they shall in effect expel a member from the Fund, which would be quite drastic action. I do not think they would do it. I think many people in the United States and many Senators would feel better if our Government were at least willing to propose an amendment whereby if a member nation did not after 3 or 4 years eliminate these restrictions, its right to use the Fund would either be eliminated or drastically limited. It seems to me that any nation which after 3 or 4 years still retains exchange restrictions, thereby shows that it has not solved its internal economic problems, and it should not use the Fund for that purpose. Therefore it should be suspended from use of the Fund until it has internal economic stability.

Mr. WAGNER. Mr. President, section 2 of article XV has this to say about compulsory withdrawal:

SEC. 2. Compulsory withdrawal: (a) If a member fails to fulfill any of its obligations under this agreement, the Fund may declare the member ineligible to use the resources of the Fund. Nothing in this section shall be deemed to limit the provisions of article IV, section 6, article V, section 5, or acticle VI, section 1.

The proposed amendment would require the various nations to hold another conference, if that could ever be done, and to that extent I imagine the adoption of the amendment would result in killing the bill, as the distinguished majority leader said a little while ago.

Mr. BALL. I was not talking about the pending amendment so much as I was asking the Senator's attitude concerning an amendment in the same form as section 13 which was put in the bill by the House committee, under which the United States would direct its member on the Board of Governors to propose an amendment to limit the use of the Fund on the part of a member who after 3

or 4 years had not removed the restrictions set forth in article VIII.

Mr. WAGNER. Mr. President, we regard the language as—

Mr. BALL. The Senator means he would oppose such an amendment?

Mr. WAGNER. Yes. We believe the present language is of such nature as would permit the Fund to adjust the entire matter.

Mr. BARKLEY. Mr. President, has the Senator from Minnesota concluded?

Mr. BALL. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the senior Senator from Ohio [Mr. TAFT] on page 2, at the end of line 3.

Mr. TAFT. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Colo.	Saltonstall
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Vandenberg
Cordon	McMahon	Wagner
Donnell	Magnuson	Walsh
Downey	Maybank	Wheeler
Eastland	Mead	Wherry
Ellender	Millikin	White
Ferguson	Mitchell	Wiley
Fulbright	Moore	Willis
George	Morse	Young
Guffey	Murdock	

The PRESIDENT pro tempore. Eighty Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT].

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. Mr. President, I ask unanimous consent to modify my amendment by striking out the last line and inserting the words "referred to in article VIII, sections 2, 3, and 4, which have not been approved by the Fund."

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Ohio to modify his amendment? The Chair hears none, and the amendment is modified as requested.

Mr. TAFT. Mr. President, the section originally read as follows:

> No member shall be entitled to buy the currency of another member from the Fund in exchange for its own currency until it shall have removed all restrictions inconsistent with article VIII, sections 2, 3, and 4.

The senior Senator from Oregon [Mr. CORDON] pointed out that since sections 2, 3, and 4 refer to exceptions under article XIV, the amendment as written was ambiguous. The modification simply makes it clear that the restrictions referred to in article VIII, sections 2, 3, and 4, may be modified by the Fund; but if they have not been modified by the Fund, then no member shall be entitled to exchange currency.

The argument which has been made against this amendment will be made against any and all amendments, and that is that we cannot dot an "i" or cross a "t" in the agreements written at Bretton Woods, because otherwise that would mean a complete defeat of the proposals. I can quite understand why the Treasury Department was loath to have amendments started in the House, and have a whole series of them; but we now come to the last agreement, and it seems obvious that if we think this provision should be different, we should make it different.

I call attention to the substantial difference between the San Francisco Charter and the Bretton Woods agreement. At San Francisco all the differences were fought out, and the Charter was agreed to and signed without reservations, whereas the agreements at Bretton Woods, in the first place, were presented rather as proposals than as signed agreements to be ratified. The act of agreement says:

> The proposals formulated at the conference for the establishment of the Fund and the Bank are now submitted, in accordance with the terms of the invitation, for consideration of the governments and people of the countries represented.

The reservations appear on page 116 of the green book which I hold in my hand. They are also in the RECORD, although not in the copy which Senators have.

The Australian delegation made a number of reservations, particularly on the matter of drawing currency and exchange.

> The Australian delegation considered that in view of the wide fluctuations in the balance of payments of many agricultural countries, the annual drawing rights should be greater than 25 percent of the quota.

The French delegation made the following reservation with respect to article V, section 3 (a) (3iii):

> Reservation as to lack of flexibility as a result of prescribing a definite quantitative limitation on the purchase of currency from the Fund to the extent of 25 percent of the quota in a 12-month period.

The Soviet delegation had a number of reservations. So it is not as though this were a finished document, submitted to be accepted or rejected. I believe we have a perfect right to modify it, if we think it should be modified. It is said that modifications would kill it. The fact is that the agreement is so greatly to the advantage of all the countries which expect to borrow dollars that I have no fear whatever that they will not accept any reasonable reservation which we may make. I see no reason to think that such reservations would not be accepted by the other nations without the necessity for calling an additional conference. We are having an international conference every month anyway, and I see no reason why, in a matter of this importance, there should not be such a conference if it should become necessary.

The proposal before us is simple. It is not a proposal to exclude England from the Fund, as was suggested by the distinguished Senator from Delaware [Mr. TUNNELL]. It is a proposal simply that before any nation can draw down money for the purpose of enabling it to remove its exchange restrictions, it shall remove the exchange restrictions, or shall do so at the same time that it draws the money. The very purpose of drawing is that the country should remove those exchange restrictions. I pointed out that the English have stated that they do not intend to revoke their restrictions. They say they cannot revoke them, but they are going to draw the $1,300,000,000 which they will be entitled to draw just the same, and they are going to maintain all the restrictions in the sterling area. That is not an evidence of lack of good faith, because the agreement permits them to draw the money without accomplishing the results which are supposed to be accomplished by the Fund.

The British would not be excluded from the Fund by this amendment. They would simply be barred from the use of it until they settled their whole problem. Their problem can be settled if they wish to settle it. They can fund their long-term balances. They can determine how much more money they think they ought to draw in order that they may settle their affairs in a way which will enable them to remove the exchange restrictions; and if they are unable to draw the money until they do make such settlement, that is one additional incentive to them to make the settlement.

It seems to me that from our standpoint the whole purpose of the Fund as it is presented to us, is that it will make for a great increase in international trade; that it will increase our exports; and yet the greatest customer we have today has become practically an economic isolationist, and has said, "Under present conditions we are forced to say that we are going to discriminate against your exports. We are going to prevent people in the sterling area, or half of them, from taking your exports, because they have sterling, and we are going to permit them to use that sterling only in Great Britain."

That is the purpose of the amendment. It seems to me it is a very simple one.

I wish to have printed in the RECORD at this point, as a part of my remarks, and I ask unanimous consent for that purpose, an article by Henry Hazlitt, the financial editor of the New York Times, appearing in the Times of June 25, 1945.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The article referred to is as follows:

USING AMERICA'S BARGAINING POWER

(By Henry Hazlitt)

Administration leaders are planning to obtain congressional approval of the Bretton Woods agreements before the summer recess. This implies that the Senate Banking and Currency Committee, the full Senate, and the conferees of the two Houses are all expected to agree and act on the measure within the next 2 weeks. Such speed on a measure that will profoundly affect the economic future of this country and of the entire world perhaps for many years to come will be possible only if the Senate takes an even more uncritical view of the agreements than was taken in the House.

The Bretton Woods agreements have been sold to the American public by a set of specious slogans. The most effective of these has been that their acceptance precisely as they stand means international cooperation and freedom of world trade, while their serious amendment would mean isolationism and trade wars. Nothing could be further from the truth. As Prof. E. W. Kemmerer, monetary authority of world-wide reputation whose long record as an internationalist is beyond question, has put it:

"Realistically speaking, * * * the trend of the Bretton Woods monetary plan would be away from currency stability, free exchange, and internationalism and toward currency debasement, exchange controls, paper-money standards, and monetary nationalism. In other words, it would be in the direction exactly opposite to the primary purpose of the Fund as contemplated by its leading American proponents."

The economist who has had more influence than anyone else on the present form of the proposed Monetary Fund is Lord Keynes. It is significant that in the summer of 1933 Lord Keynes, in an article in the Yale Review, frankly recommended economic isolationism. He opposed the export of capital. He deplored international trade as full of dangers. "Above all," he insisted, "let finance be primarily national."

Perhaps Lord Keynes has since modified his views. But encouragement of essentially nationalistic policies runs throughout the Bretton Woods plan.

"We are determined," said Lord Keynes in the House of Lords in May of last year, "that, in the future, the external value of sterling shall conform to its internal value as set by our domestic policies, and not the other way round. * * * [And these domestic policies themselves] shall be immune from criticism by the Fund. * * * That is why I say that these proposals are the exact opposite of the [international] gold standard."

Lord Keynes got the provisions he was determined upon. He also got a provision under which other nations can be specifically authorized "to impose limitations on the freedom of exchange operations" in American dollars if these become "scarce." He even got a provision under which member nations are authorized permanently to "exercise such controls as are necessary to regulate international capital movements." They could not in practice control such capital movements without policing all foreign exchange transactions. In these provisions the Fund deliberately sanctions exchange controls, blocked currencies, nationalistic and quasi-autarchic trade policies.

The extraordinary argument has been put forward that America's entrance into the proposed Monetary Fund would strengthen our bargaining power in getting financial reforms or trade concessions from other countries. Again the truth is the exact opposite. If we approve the Fund just as it stands, we shall be throwing away our immense financial bargaining power—a bargaining power that could be our strongest weapon for securing world monetary stability and the removal of paralyzing restrictions on international trade. For we shall be tossing billions of dollars into an international pool which other nations may draw on as a matter of right and almost automatically, regardless of what we may think of their policies.

We can keep our bargaining power for reform only if the Fund is amended so that its managers can exercise beyond any doubt complete discretion regarding the terms and conditions on which individual nations may borrow from it. The minimum amendment to make this possible would explicitly authorize the managers of the Fund to withhold its resources from any nation which in their opinion was following either internal or external policies not conducive to exchange stability.

Mr. TAFT. Mr. President, I should like to read a part of the article at this time:

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Mr. President, the amendment I have offered is substantially the amendment described in the article. I hope my amendment will be agreed to.

Mr. BARKLEY. Mr. President, I wish merely to utter this word; I do not care to enter into an argument. I call attention to the fact that the so-called reservations recited by the Senator from Ohio are not reservations in the real sense of the word. They are not reservations in the sense of reservations which the Senate would adopt in connection with the ratification of a treaty, by which the treaty itself would be modified. These are things which the delegates to the Bretton Woods Conference wanted to get into the agreement, but they did not get them into the agreement, and the agreement has been signed as it is by the representatives of all the nations.

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment of the Senator from Ohio, which will be stated.

The LEGISLATIVE CLERK. On page 2, at the end of line 6, it is proposed to add the following:

Provided, however, That this acceptance shall become effective only when the governments of the countries having 65 percent of the quota set forth in schedule (a) shall have agreed that the Articles of Agreement to the Fund shall be amended to insert section 6 in article XIV as follows:

"SEC. 6. No member shall be entitled to buy the currency of another member from the Fund in exchange for its own currency until it shall have removed all restrictions referred to in article VIII, sections 2, 3, and 4 which have not been approved by the Fund."

The PRESIDENT pro tempore. The question is on agreeing to the modified amendment of the Senator from Ohio.

Mr. TAFT. I ask for the yeas and nays.

The PRESIDENT pro tempore. The yeas and nays have already been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). On this vote I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS], and will vote. I vote "yea."

Mr. SHIPSTEAD (when his name was called). On this vote I have a pair with the Senator from Maryland [Mr. TYDINGS]. If present, the Senator from Maryland would vote "nay." If permitted to vote, I would vote "yea."

Mr. WAGNER (when his name was called). I have a general pair with the Senator from Kansas [Mr. REED], who I am advised if present would vote "yea." I transfer that pair to the Senator from Florida [Mr. PEPPER], and I will vote. I vote "nay."

The roll call was concluded.

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the Senators from Rhode Island [Mr. GERRY and Mr. GREEN], the Senator from Texas [Mr. O'DANIEL], the Senator from Louisiana [Mr. OVERTON] and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

The Senator from Montana [Mr. WHEELER] is detained in a committee meeting.

I am advised that, if present and voting, the Senator from North Carolina, the Senator from Alabama, the Senator from Rhode Island [Mr. GREEN], the Senator from Florida, and the Senator from Maryland would vote "nay."

I further announce the necessary absence of the Senator from Utah [Mr. THOMAS], who, if present, would vote "nay." He has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER], the transfer of which has been announced heretofore. If present, the Senator from Kansas would vote "yea."

The Senator from California [Mr. JOHNSON], who would vote "yea," has a pair on this question with the Senator from North Carolina [Mr. BAILEY], who would vote "nay." He is unavoidably absent.

The Senator from Idaho [Mr. THOMAS] would vote "yea."

The result was announced—yeas 23, nays 53, as follows:

YEAS—23

Brooks	Hart	Revercomb
Buck	Hawkes	Robertson
Bushfield	Hickenlooper	Taft
Butler	La Follette	Wherry
Capehart	Langer	Wiley
Capper	McCarran	Willis
Cordon	Millikin	Young
Gurney	Moore	

NAYS—53

Aiken	Guffey	Murdock
Andrews	Hatch	Murray
Austin	Hayden	Myers
Ball	Hill	O'Mahoney
Barkley	Hoey	Radcliffe
Bilbo	Johnson, Colo.	Russell
Briggs	Johnston, S. C.	Saltonstall
Burton	Kilgore	Smith
Byrd	Lucas	Stewart
Chandler	McClellan	Taylor
Chavez	McFarland	Thomas, Okla.
Donnell	McKellar	Tobey
Downey	McMahon	Tunnell
Eastland	Magnuson	Vandenberg
Ellender	Maybank	Wagner
Ferguson	Mead	Walsh
Fulbright	Mitchell	White
George	Morse	

NOT VOTING—19

Bailey	Green	Thomas, Idaho
Bankhead	Johnson, Calif.	Thomas, Utah
Brewster	O'Daniel	Tydings
Bridges	Overton	Wheeler
Connally	Pepper	Wilson
Gerry	Reed	
Glass	Shipstead	

So Mr. TAFT's amendment, as modified, was rejected.

The PRESIDENT pro tempore. The bill is before the Senate and open to further amendment.

Mr. MILLIKIN. Mr. President, I send to the desk the amendment which I ask to have read.

The PRESIDENT pro tempore. The amendment offered by the Senator from Colorado will be stated.

The CHIEF CLERK. On page 2, at the end of line 6, it is proposed to add the following:

Provided, however, That this acceptance shall become effective only when the governments of the countries having 65 percent of the quota set forth in schedule (a) shall have agreed that the Articles of Agreement to the Fund shall be amended by striking out section 5 of article VII and inserting the following:

"SEC. 5. The provisions of this article shall not be invoked to excuse failure to comply with any treaty, reciprocal trade agreement or public or private debt agreement or other contract now or hereafter in effect."

Mr. MILLIKIN. Mr. President, it is agreeable to me that the amendment be voted upon without debate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was rejected.

Mr. MILLIKIN. Mr. President, I send to the desk another amendment which I ask to have read.

The PRESIDENT pro tempore. The amendment offered by the Senator from Colorado will be stated.

The CHIEF CLERK. On page 2, at the end of line 6, it is proposed to add the following:

Provided, however, That this acceptance shall become effective only when the governments of the countries having 65 percent of the quota set forth in schedule (a) shall have agreed that the Articles of Agreement to the Fund shall be amended by striking out article VII.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was rejected.

Mr. LANGER. Mr. President, I send to the desk the amendment which I ask to have read.

The PRESIDENT pro tempore. The amendment will be read.

The CHIEF CLERK. On page 2, before the period in line 6, it is proposed to insert the following:

Provided, That the President shall not accept such membership on behalf of the United States unless and until the Articles of Agreement of the Fund and the Articles of Agreement of the Bank are amended so as to prohibit the use of the resources of the Fund, or the making of loans by the Bank, for the purpose of enabling any member to purchase or produce arms, ammunition, or implements of war.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from North Dakota.

The amendment was rejected.

Mr. TAFT. Mr. President, I send to the desk the motion which I ask to have read.

The PRESIDENT pro tempore. The motion will be read.

The Chief Clerk read the motion, as follows:

Mr. TAFT moves to refer the bill and the amendments to the Committee on Banking and Currency, with instructions to eliminate all reference to the International Bank for Reconstruction and Development and report the bill immediately in a form authorizing the President to accept membership for the United States in the International Monetary Fund.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Ohio.

Mr. TAFT. Mr. President, this is the last time I shall consume time of the Senate in connection with the pending bill.

This is a proposal which has been brought about by the fact that we have now pending on the Senate Calendar a bill to increase the lending power of the Export-Import Bank from $700,000,000 to $3,500,000,000, which represents an increase of $2,800,000,000.

Mr. Crowley testified before the Banking and Currency Committee within the past few days and stated that he wants the $2,800,000,000 so that it may be loaned to European nations, with the possible exception of perhaps $100,000,000 which may be used in South America.

Heretofore the Export-Import Bank has been primarily for the purpose, in most instances, of helping American exporters in South America. We are now asked to approve a new policy which will enable the Export-Import Bank to go into Europe and make rehabilitation loans following the present war. In other words, the bill proves what I have been saying right along, namely, that the International Bank in particular is not an emergency proposition, and it is not intended to be used to reconstruct Europe. When asked why he wanted the funds in addition to those which would be provided by the International Bank for making loans, Mr. Crowley testified that at best the International Bank could not be put into effective operation for a year or 18 months.

So the proposition is not an emergency one, Mr. President. It is not one for the purpose of taking care of Europe today. It is a long-distance plan for the guaranty of investments abroad when we do not guarantee the same investments at home.

I invite the attention of the Senate to the total amount of financing which we are now being asked to approve. Mr. Crowley testified that during the 12 months we will send abroad under lend-lease $4,400,000,000 worth of goods. That will be probably a gift. Some of it may be paid for; Belgium, I believe, will pay for the goods which she receives; but in general, it will be a gift. The amount will be, in money value, $4,400,000,000. To that we add through the Export-Import Bank $2,800,000,000. Mr. Crowley has said that that is only for the next 12 months; that it will last only 12 months. It is no longer a revolving fund. It is an outright long-term loan which will be made to the countries of Europe for 15, 20, or 25 years. That means that we will spend, even without considering or approving this bill, $7,200,000,000 in the form of gifts and loans for rehabilitation purposes alone. I think it is doubtful whether we should spend that much money. Certainly, if we are going to spend that much, in my opinion it should solve the European problem by itself. I believe that if the $7,000,000,000 were properly applied and negotiated with each nation wherever it was needed, it would solve the underlying trade problems. But, as it will actually be disbursed I do not think it will solve those problems. Now we are being asked to add to that sum the International Monetary Fund in the amount of $2,750,000,000. That totals approximately $10,000,000,000 which will be drawn out of the Treasury or at least authorized within the next 2 years.

Mr. President, it is interesting to see where that money will go. Some have said, "Well, the British are able to maintain the pound at $4.03." Why? Largely because we have been sending them lend-lease at the rate of $4,000,000,000 a year, and we propose to send them more lend-lease this year at the rate of $2,000,000,000 a year, for which they pay nothing, and which will enable them to balance their trade budget to a large extent. England is not supposed to be a direct beneficiary of the Export-Import Bank, but nevertheless she may receive $200,000,000. In a little more than 3 years she may draw $975,000,000 out of the Fund. In other words, out of this $10,000,000,000 the British will receive more than $3,175,000,000.

Under the lend-lease provision, during the next 12 months the Russians will receive $1,000,000,000. According to Mr. Crowley's testimony the Russians will receive another $1,000,000,000 out of the Export-Import Bank. Out of the Fund she will be able to draw within a little more than 2 years $900,000,000. So we are about to make a loan to Russia which

will be in addition to any military supplies which will be used in carrying out the war against Japan. Some of the material may be useful. It may be food for the Army. I do not know exactly where the supplies will go. However, the $2,900,000,000 is in addition to any direct military supplies.

France will get about $1,500,000,000 and other nations about $2,300,000,000, of this $10,000,000,000.

In the first place, I doubt whether we should lend Russia such a sum as $2,900,000,000. I think it is very doubtful whether it is wise national policy, for a great many reasons which I can think of.

The $3,000,000,000 that we lend to England is almost immediately used up on their current balances, and does not enable them to solve their basic problem. I predict to the Senate that the administration will be back here asking for at least $3,000,000,000 more for England, either under lend-lease or the Export-Import Bank, or some other provision, because it will probably take that much in order to do the essential things for England, instead of the things which are proposed, like the stabilization of currency which will not stabilize. So I judge that probably at least another $13,000,000,000 will have to be provided.

In addition to that, we set up this Bank, under which there may be sold in this country, under international guaranty, we ourselves putting up $3,000,000,000, a total of $9,100,000,000. So that if we pass the pending bill and the Export-Import Bank bill, we will be making available to Europe and the world, mostly Europe, about $19,000,000,000. I think probably we will have an additional English loan of two or three billion dollars, which would make it total about $22,000,000,000.

I say that any such program of foreign lending is going to wreck this country, and it is going to be on such a tremendous scale that the money can never be paid back. We will just repeat the experiences of the twenties. The twenties were referred to as "the dizzy decade of the twenties." In the twenties we did exactly what is now proposed, except that we did not do it on such a grand and magnificent scale. We advanced $4,000,000,000 just after the armistice, and that is entirely charged off; no one ever thought of paying it. We then went on and loaned at the rate of about a billion dollars a year for 8 or 9 years, so that we probably loaned abroad altogether, in addition to what was done during the war, approximately $12,000,000,000. That is about the difference between our exports and imports as shown in the table submitted by the Senator from Nebraska today.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. CHANDLER. I agree with a great deal the Senator from Ohio has said about this subject, but I want him to remember that during the last war we had not bargained with our partners, and we had nothing left except money, and they needed money. In the last war we had not contributed nearly so much in either money or manpower or material as we have committed ourselves to do and have done in this war. That was the reason, with the full knowledge of what had gone before, that some of us, even on this side, have insisted that we undertake to make some agreements with our partners before the end of the war. Those agreements were not made.

When President Wilson was at the peace conference, things did not turn out satisfactorily even there. Before he had left the peace conference, agreements were made which he did not like. We had only one power left, and that was the American dollar, and we had agreed to make loans to some of the foreign countries then. If one reads the history of that time he will find that Mr. Wilson got in touch with the then Secretary of the Treasury, who, if my memory serves me correctly, was the Honorable CARTER GLASS, of Virginia, and undertook to stop a commitment for the loan of money to our allies. But it was too late; the loans had already been granted, and that was the last card President Wilson had to play. From that time on our condition got gradually worse, until the upshot of it was that the American people, at least some of them, lost confidence in what we were undertaking to do, and we never did go into the so-called League of Nations.

This time we have committed ourselves beyond what was ever committed by any other nation, I suppose, in the history of man, in manpower, in money and materials, and we have not made the agreements some have urged.

I want Russia in the war against Japan. I want England fully in the war against Japan, just as fully as we committed the American boys to the destruction of Germany; and without our full commitment of men, materials and money, Germany would not have been brought to the place where she is today, that is, brought to heel.

I regret that these understandings were not had sooner. I asked for them 2 or 3 years ago, and was criticized by many of my own brethren for asking. They said, "That is something you should not do. You should not ask that."

Now the only thing we have left that other people need, is money. We have the war now; the war now is our war, it is no other country's war but the American people's war, and we have to finish it. I am anxious to have Russia and England fully commit themselves, just as fully as we committed ourselves in the war in Europe. If it takes a few more billion dollars, very well; it is our war now, and we want to have it finished.

Mr. TAFT. The Senator seems to have missed the point of what I have been saying. I have not counted one dollar that has gone into this war. I have not counted one dollar or any war materials that are going to England and Russia today. What I say all refers to postwar rehabilitation and relief. Not only that, but we are giving it, without one single condition. Once we pass the pending bill $6,000,000,000 is gone, and we have no strings on it. We have no strings on the $4,000,000,000 of lend-lease that is going out during the year which began on the 1st of July.

The only bargaining weapon we have left is the Export-Import Bank. There is $2,800,000,000, and we can make our conditions, because we are lending it ourselves. That is a weapon, and I hope it will be used as a weapon.

Mr. CHANDLER. Mr. President, I wish to ask the Senator what he thinks the effect would be of our failure to enter into these agreements at this time, when we find ourselves in need of the support other countries can give us, and if they do give it to us—I mean in the war—it may result in a shortened war, in the loss of fewer American lives?

Mr. TAFT. I should say that if we did not pass the Bretton Woods bill the other nations would say, "Well, we never really thought they would do such a foolish thing as was proposed there. We wish they would." But I do not think it would set us back one iota. Just today we have read different articles from English newspapers saying, "This thing is so foolish we do not think England should go into it." There is no settled opinion abroad about this matter. Most of the nations would like to get the money, but after all, the money would be split up into such little pieces that it would not do any one nation any particular good.

As to the Bank, that is not going to become operative for 18 months, and the people abroad are not worrying about what is to happen 18 months from now. What they want is help now, and the way to help them is by direct loans from this Government.

There are two departments of the Government concerned. The Treasury Department says, "We would like to make the loans through an international bank." Mr. Crowley says, "I would like to make the loans through the Export-Import Bank." They compromise by both coming in before the Congress and asking for both of them. So we just have a duplication, different departments of the Government, one wanting to do it the international way, the other wanting to do it the national way.

My suggestion in this amendment is that if the Congress is determined to go into this currency stabilization fund—that is what all the debate has been about, so far as Bretton Woods is concerned—very well; that is $10,000,000,000 we are going to spend in lend-lease, in the Export-Import Bank and in the Fund in the next 12 months. Let us spend it, but let us hold off this permanent Bank, and see what happens when we spend that $10,000,000,000 in 1 or 2 years. Let us not pass the Bank part of the bill. Incidentally, the Bank has always been an appendix to the Fund. It was just an afterthought. When Mr. Morgenthau presented it first he said it might be worked out, and might not be. Even when the delegates went to Bretton Woods they were not certain it could be worked out. It is a new policy. It is a different policy. It is a policy of Government guarantee of sale of securities in the United States, which is what happened after the last World War.

It is said that the bonds may be sounder by reason of this policy. That may be so. But that, Mr. President, is not so much the question. The question is, Are we doing this in such a tremendous volume that after doing it the nations involved will have to say, "We are sorry, but we cannot pay it back?" And if they say that there is no way under the sun by which we can compel them to pay it back.

I think lending should be in reasonable amount. It ought to be small at the time. After all, a billion dollars is a large amount of money. People have gotten so used to speaking of "a billion" that they do not think what it really means. We could do a tremendous amount of good for Europe with a billion dollars. I think we could solve the whole problem with six or seven billion dollars if that were the limit allowed.

So, Mr. President, instead of offering an amendment, which would raise a very difficult issue because it would be necessary to rewrite the whole bill, I have simply moved to recommit the bill to the Banking and Currency Committee with instructions to eliminate the Bank and bring back the Fund.

Mr. TOBEY. Mr. President, I shall take about 3 minutes. We are nearing the close of the debate on this very far-reaching matter. I think all of us who have listened to the debate for the last 4 days will pay tribute to the great ability of the Senator from Ohio and to his tenacity of purpose, and to his sincerity. I certainly do.

But the Senator from Ohio in my judgment is entirely wrong in advocating the elimination of the Bank. We sat in the Banking and Currency Committee through these hearings, as did Representatives who attended the hearings of the House committee, and the only voice that has been raised against the Bank is the voice of the Senator from Ohio. Witness after witness criticized the Fund, but even the American Bankers' Association paid tribute to the Bank.

Mr. President, the Bank is conservatively organized. It can lend only 100 percent of its resources, capital, and profit.

Mr. President, when the whole country, the banking interests and representatives of numerous organizations which appeared before the committee, and both committees of Congress, of the House and Senate, favor the Bank, which is half of the Bretton Woods agreement, let not the Senator from Ohio become an accessory after the fact and destroy this Bank.

Therefore, I say, defeat this amendment. Vote it down and pass the bill. And so, so far as the Bank goes, send notice out to the world that David was right when he said in one of the psalms:

How good and pleasant it is for brethren to dwell together in unity.

Mr. TAFT. Mr. President, I ask for the yeas and nays on my motion.

The yeas and nays were not ordered.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Ohio.

The motion was rejected.

Mr. TAFT. Mr. President, I ask for the yeas and nays on the bill.

Mr. BALL. Mr. President, is the bill not open to amendments?

The PRESIDENT pro tempore. It is.

Mr. BALL. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. At the proper place in the bill it is proposed to insert a new section as follows:

SEC. —. The governor of the Fund appointed by the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement to provide that after the Fund has been in operation 3 years the right of a member to use the Fund's resources shall be suspended or limited if such member has in effect exchange restrictions inconsistent with article VIII, sections 2, 3, and 4. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

Mr. BALL. Mr. President, this amendment is in the same form as the language adopted by the House Banking and Currency Committee with respect to the Fund and Bank. In other words, it merely directs the United States governor of the Fund to propose to the board of governors an amendment to the Articles of Agreement. If it is not agreed to by the governors we are still in the Fund 100 percent; but if agreed to it would simply provide that if any member retains restrictions on exchange after 3 years, the right of such member to use the resources of the Fund could be either suspended or limited.

It seems to me very clear that article XIV, which provides for these restrictions during the transition period, is wide open. That period might be extended any number of years. I think the people of the United States will feel a great deal more secure, whether an amendment is made to the articles or not, if the position of the United States Congress that it would like to have such an amendment is made clear, that Congress believes that 3 years after this Fund begins operations restrictions should be eliminated. I think we would all feel much better concerning the Fund if such an amendment were adopted.

Obviously the United States in the next 5 years will not need this Fund nearly as much as the other nations will. One can take American dollars, so far as I know, and go anywhere in the world and buy with them anything that is for sale. The reason other currencies today are not so good is that there is nothing to buy with them in most countries. This country, with perhaps the exception of South America, is the only country where there is any surplus of any kind for sale, and we do not have too much.

If the abuses possible under article XIV should develop it would be well to have the protection which my amendment would afford. After all, any nation which still must retain exchange restrictions 3 years after this Fund begins operations obviously has not stabilized its internal economy.

One of the stated "purposes" of the Fund is to eliminate exchange restrictions. Therefore it seems to me to be perfectly consistent with the Articles of Agreement as they now stand, to provide that any nation still retaining restrictions 3 years after the operations of the Fund begin shall be suspended—or perhaps only be limited in its use of the Fund's resources.

Mr. President, I have listened for 4 days to the discussion of this bill and I think the Senator from Ohio, although I disagree with his final conclusion in opposition to the bill, has performed a very valuable service because he has certainly made it clear, and I think the proponents of the bill have admitted it, that the bill is not a complete panacea for the world's economic troubles; that many of its articles contain provisions which, if not watched diligently by the United States representative, are open to abuse. Careful watch should be kept to make certain that the billions which the United States will contribute to these two international organizations shall not be dissipated without accomplishing their purpose.

Mr. President, I hope the United States governor and executive directors of these two institutions will represent the interests of the United States and push our need and desire for free multilateral trade without any exchange restrictions as vigorously as I believe they should be pushed, and much more vigorously, I might say, than unfortunately some of our representatives abroad have pushed our interests in the past few years.

To me the Bretton Woods agreements bear the same relationship to the immediate economic reconstruction problems after this war as the San Francisco Charter and the United Nations Organization therein proposed bear to the peace settlements which we hope will soon be under way in Europe. In other words, the charter and the United Nations Organization are not designed to make the peace settlement after this war, although obviously their task will be much easier the fairer and more just those peace settlements are. In the same way, the Monetary Fund and the International Bank are not designed to meet the immediate economic problems following this war, the internal stability problems of nations. The United Nations Organization is designed to prevent a recurrence of the little aggressions of the thirties which led to the Second World War. Similarly, the Fund and Bank are designed to prevent a recurrence of the barter systems, the various restrictions on trade, and the currency manipulations of the 1930's which led to or helped along the world-wide depression.

Twenty-five years ago the United States Senate refused to approve the United States joining the League of Nations, the first attempt by the nations at joint international action to prevent war. Therefore, I believe that there is perhaps an obligation on us to be the first nation to ratify the San Francisco Treaty, and I hope we shall be.

The Charter and the Organization which it envisages cannot begin to function effectively until we have enacted a statute defining our delegates' powers, and perhaps later ratified another treaty

setting up the military forces with which it will operate.

I think there is no such urgency or pressure on the United States to rush into this Monetary Fund and International Bank. A few weeks ago the Congress extended the Reciprocal Trade Agreements Act for 3 years, authorizing the President to make an additional 50-percent reduction in our tariffs. I believe that the United States Congress and the executive branch have both amply demonstrated that we are willing to go all the way in the field of economic cooperation to maintain stability in the world after the war. Unfortunately, I do not think we have anywhere near the same assurance from the other nations which are parties to this agreement. It was for that reason that I voted for the motion of the Senator from Ohio [Mr. TAFT] to postpone consideration of this bill until next November, because I think we should have a little more assurance that the nations which signed this agreement really mean to go along with its purposes, rather than take advantage of the loopholes provided in article XIV.

However, I believe that the Senator from Ohio argued from two false premises: First, that it is the purpose of this Monetary Fund to stabilize currencies within the various countries. I believe that article I, paragraph 3, clearly indicates that its purpose is to promote exchange stability, and not economic stabilization within a country. That is obviously a different problem. The first paragraph of article I reads as follows:

To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.

In other words, the purpose is to establish a multilateral trade system. I believe that the United States and the private enterprise system on which we depend, have a tremendous stake in seeing to it that a multilateral system of trade, with free competition, and with private enterprise having a chance, prevails in the postwar world. Therefore, I believe that we are justified in putting $6,000,000,000 into this venture in that direction.

I believe that the other premise on which the Senator from Ohio went a little astray was his assumption—as it seemed to me—that a majority of the voting stock in the Fund and Bank would be held by nations with no fundamental interest in seeing to it that it was operated on a reasonably conservative basis. I do not believe that the list of members and their contributions bears out that argument. For example, Belgium, Australia, Canada, and all the other members of the British Commonwealth, Denmark, India, the Netherlands, New Zealand, Norway, the Union of South Africa, and the United Kingdom are all great trading nations. They have just as great an interest as has the United States in maintaining international exchange stability and a system of multilateral clearances of trade balances. Their total quotas are $5,350,000,000. Clearly they will have a majority control on the board of governors of the Fund, and it seems to me that they will have much the same interest that the United States will have in maintaining as much freedom as possible in world commerce, and a system of multilateral clearances. I certainly do not believe that any one of those nations would want to be placed in the position of putting 225 percent of its quota into the Fund, drawing out perhaps 100 percent of its quota in dollars, and having all its currency in the Fund turn out to be worthless. Every one of those nations has a reputation in the world for commercial stability and honesty in its dealings, and I do not believe that they would deliberately sabotage the International Fund and Bank, as well as their own stability and reputation, by deliberately filling up the Fund with worthless currency.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. RUSSELL. The Senator's amendment has not been printed, and I do not have a copy of it before me. As I understand the amendment, it would not in any way delay the operation of the Bretton Woods agreement.

Mr. BALL. Not at all.

Mr. RUSSELL. It would merely instruct our representative on the board to endeavor to reduce the time within which currencies would be stabilized.

Mr. BALL. It would place a limit on the very indefinite transition period during which exchange restrictions could be maintained, as provided in article XIV.

Mr. RUSSELL. What is the period which the Senator suggests?

Mr. BALL. I suggest 3 years. The article itself provides that 3 years after the beginning of operations the Fund itself shall make a survey of such restrictions.

Mr. RUSSELL. The amendment is merely a directive to the representative of the United States on the board of governors to take certain action to facilitate the stabilization of currencies.

Mr. BALL. It is not even a directive to the board of governors. It is a directive merely to our representative on the board.

Mr. RUSSELL. I believe that the amendment is very timely.

Mr. BALL. It would still be up to the board to decide whether or not to adopt the amendment.

Mr. AUSTIN. Mr. President, will the Senator yield for a question?

Mr. BALL. I yield.

Mr. AUSTIN. Assume that the proposal contained in the pending amendment were carried out, and that it were defeated in the board. Thereupon is it probable that the following provision would have effect, just as though such a proposal had never been made? I refer to section 4, which reads in part as follows:

SEC. 4. Action of the Fund relating to restrictions.—Not later than 3 years after the date on which the Fund begins operations and in each year thereafter, the Fund shall report on the restrictions still in force under section 2 of this article. Five years after the date on which the Fund begins operations, and in each year thereafter, any member still retaining any restrictions inconsistent with article VIII, sections 2, 3, or 4, shall consult the Fund as to their further retention.

Mr. BALL. I believe that section would be in full force and effect.

Mr. AUSTIN. Should we adopt the pending amendment, would it in any way affect section 4, to which I have just referred?

Mr. BALL. Not at all. That section could not possibly be affected unless at our instance the board of governors should propose an amendment which would be subsequently ratified as provided for in the present Articles of Agreement.

Mr. AUSTIN. Mr. President, will the Senator yield for a further question?

Mr. BALL. I yield.

Mr. AUSTIN. Does the Senator consider that his proposal would affect any other part of the basic agreement?

Mr. BALL. I do not think it would have any effect at all on the agreement. I think it would be merely an instruction to the United States representative on the board of governors to propose a certain amendment, as the House of Representatives has done in the case of two other amendments which the House committee adopted. I may add that even if the board of governors did not approve the proposal and did not even propose an amendment, I think it would be a healthy thing for the Congress of the United States, by adoption of the amendment, to serve notice that we were expecting the other nations to do their part at the earliest possible date in removing exchange restrictions and really carrying out the purposes of this Fund.

Mr. BARKLEY. Mr. President, I do not like to take the time of the Senate, but I feel that some comment should be made on the amendment offered by the Senator from Minnesota. I regret very much that I feel compelled to oppose the amendment, for reasons which I shall express very briefly.

In the first place, our member of the board of governors and the board of governors as a whole will be free at any time to offer suggestions for amendments. The amendment of the Senator from Minnesota would require our member of the board of governors at the end of 3 years, regardless of conditions which might exist at that time, to propose amendments to the Articles of Agreement to the effect that if at that time any nation had not removed its restrictions, it should be denied use of the Fund or such parts of it as might be available.

Mr. BALL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BALL. I think the amendment provides that the use of the resources shall be suspended or limited.

Mr. BARKLEY. Well, if they are suspended, they may be suspended forever—indefinitely. That would be the same as declaring the nation ineligible at least during the period of suspension to participate in the Fund.

Mr. BALL. The intention of the wording is to leave discretion as to just what kind of a limitation would be made on the use of the Fund's resources—whether a complete suspension or a limitation on the 25 percent of its quota which it might withdraw, or some other limitation. The

wording was deliberately left general so that the board of governors would have complete discretion in the matter.

Mr. BARKLEY. Mr. President, the amendment would not increase the powers of the board of governors or of our representative or of any other representative. Under the agreement, they can suggest amendments at the end of 6 months after the agreement becomes effective, if they wish to do so, and can submit the amendments to all the nations for agreement. It seems to me dangerous to compel our member of the board of governors, by putting him in a strait jacket, to propose amendments, regardless of conditions which might exist at the end of the 3 years.

Furthermore, Mr. President, we are now almost at the end or conclusion of consideration of the bill, and I think the debate has been very fruitful and useful. I think it has been for the most part on a high level, dealing with a technical and involved subject. I wish to congratulate the Members of the Senate, whether they have been for or against this proposal, for the diligence with which they have attempted to study and discuss it. I pay tribute to the Senator from Ohio for his diligence and laborious efforts. I think he has frequently expressed a distorted view of the meaning of the agreement, but even in his distortions I think he has been perfectly sincere and honest. I do not have to pay tribute to the Senator from Minnesota, in whose sincerity and ability I have so frequently expressed my confidence.

However, Mr. President, adoption of the amendment would imperil passage of the bill at this time. We may as well understand that. The House of Representatives is waiting for the Senate to act on a resolution permitting the House to adjourn on Saturday. A quorum of the House is not in the city now. The House of Representatives has studied the amendments which the committee has proposed and which have been adopted by the Senate, and I am told there will be no difficulty in having them agreed to without objection on the part of the House. Then this legislation could be completed and could go to the President for his signature.

The amendment proposed by the Senator from Minnesota involves the injection into the proposal of a new equation which has not been considered in committee, either in the House of Representatives or in the Senate. I think it would be almost disastrous to do anything which would imperil passage of the proposed legislation at this time.

For that reason and for the reason that the amendment is not necessary in the first place, inasmuch as our representatives and all other representatives will be free to do whatever they may see fit to do under the conditions which may then exist and, of course, under conditions which might prompt the suggestion of amendments long before 3 years, I therefore hope the amendment will be rejected.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WHITE. The amendment, as I understand it, directs that an amendment be offered at the end of 3 years. I was wondering whether the amendment is in such language that it would be such a directive as to the time when an amendment should be offered as to be a denial of the right to offer an amendment sooner.

Mr. BARKLEY. No; it would not be a denial of the right to offer an amendment sooner. The amendment is stated in five or six lines, and so I shall read it:

SEC. —. The governor of the Fund appointed by the United States is hereby directed to propose promptly and support an amendment to the Articles of Agreement to provide that after the Fund has been in operation 3 years the right of a member to use the Fund's resources shall be suspended or limited if such member has in effect exchange restrictions inconsistent with article VIII, sections 2, 3, and 4. The President is hereby authorized and directed to accept an amendment to that effect on behalf of the United States.

Mr. President, the amendment would not require our delegate to wait for 3 years before proposing his amendment. The amendment might be interpreted as an instruction to our delegate at once to propose an amendment to the articles of agreement, providing that at the end of 3 years thereafter, if it were agreed to, the nation concerned should be suspended or limited in its operations under the Fund. Our member of the board of governors would not have to wait for 3 years; but he would be instructed to make such a proposal, I should say, as soon as practicable after the operation of the Fund is organized.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. BARKLEY. I yield.

Mr. AIKEN. Suppose our director were to make such a proposal, but suppose it were not acted upon until after the end of the present Congress. Would not that in effect be attempting to bind the succeeding Congress? It does not look right to me.

Mr. BARKLEY. The present Congress will end on the 3d day of January 1947.

Mr. AIKEN. Even though our representative made the proposal promptly, it might not be acted upon until after the end of the present Congress.

Mr. BARKLEY. No, Mr. President; there is no limitation as to when it may be acted upon; but our representative would be directed promptly to offer the amendment to the articles and to support such an amendment, and I suppose the board of governors would have any length of time they might see fit to take to determine whether they would act favorably or unfavorably upon the proposal which our delegate might make.

Mr. AIKEN. But suppose they did not act upon it until the end of the present Congress? What would be the effect of that?

Mr. BARKLEY. I do not know that that would have any effect. If the amendment were adopted and if it went into the agreement, of course it would be binding and obligatory upon our delegate to make the proposal as soon as possible.

Mr. AIKEN. That is true.

Mr. BARKLEY. But the fact that it was not acted upon prior to the termination of the present Congress, which would occur on the 3d day of January 1947, in my judgment would not necessarily have any effect upon the binding force of the amendment on our delegate to the Board of Governors.

Mr. AIKEN. Even though it might not be adopted until the end of the 3 years, does the Senator think the instructions of this Congress would still hold?

Mr. BARKLEY. If the amendment is placed in the bill we are now considering, it will be permanent law until repealed; and if our delegate made the proposal, it might be made within a week after they organize. There would be no obligation for them to act upon it at once. It might be suspended in the Board of Governors, but our delegate would be compelled to propose it.

Mr. AIKEN. That is true.

Mr. BARKLEY. Regardless of time, he would be required to propose it.

Mr. AIKEN. But the Board of Governors would not be compelled to act upon it, even within the 3 years; would they?

Mr. BARKLEY. Oh, no; by an act of Congress we could not require the Board of Governors ever to act upon it. It would have to become a part of the Articles of Agreement before they would be compelled to act upon it.

Mr. AIKEN. Suppose a proposal were made and it was not acted upon for, say 4 years, and then was approved. Would whoever was then President still be obligated to accept it?

Mr. BARKLEY. I suppose it would be a binding obligation upon our delegate so long as it were in the law and until Congress repealed it.

Mr. DOWNEY. Mr. President, I should like to ask the able majority leader a question. Is it not true that if a year from now, or 2 or 3 or 5 years from now, the Congress of the United States wanted to direct its representative in the Bretton Woods organization to take any action on behalf of our Government looking to a request for an amendment, that could be done?

Mr. BARKLEY. Oh, yes. We are now passing upon a proposed act of Congress providing for the manner of appointment of our member of the Board of Governors. It is subject to amendment hereafter, just as any other law would be if, in 2 years or 5 years or 6 months, even, Congress should desire to amend its own law which we are now seeking to pass. If Congress desired to do that, it could be done.

Mr. DOWNEY. Then it would seem to me much better judgment for Congress to wait a year, 2 years, or 3 years, and then make such a decision if it should desire to make it.

Mr. BARKLEY. I think it would be in the interest of wisdom for Congress to be governed by any decision made in the wisdom of the Fund rather than to instruct in advance our member of the Board of Governors to offer amendments to the Articles of Agreement before the Board of Governors could pass upon them.

Mr. BALL. Mr. President, I think it would clear up the question which the Senator from Vermont asked with reference to the language if I should state

that the language is identical with that which was put in the bill by the House in sections 12 and 13, in which our representative on the Board is directed to propose amendments and authorize our President to accept amendments on behalf of the United States.

Mr. BARKLEY. That is where our member of the Board is instructed to obtain an interpretation from the Fund as to the use of the funds, and if the interpretation shall be of a certain type, he is instructed to vote for the amendment.

Mr. VANDENBERG. Mr. President, I have opposed every amendment which has been offered to this bill which could in any way interfere with the immediate successful launching of this great venture. I shall continue to oppose any amendment which would trend even indirectly in that direction.

However, it seems to me that the Senator from Minnesota now presents a totally different proposition. It cannot possibly interfere with the successful launching of the Fund. It cannot possibly interfere with the Fund during the initial years of its existence. It can never interfere with the operation of the Fund except with the approval of the governing Board. All that the Senator from Minnesota is asking the Senate to do, in my judgment, is to underline the fact that although we decline to put any restrictions upon the Fund at the present time, the Senate of the United States believes that sooner or later those who take advantage of loans for the purpose of stabilizing currency and removing restrictions upon international trade should complete their end of the bargain in order to justify receiving the loan.

Mr. President, I cannot vote "No" on a proposition which asks me to emphasize—and that is all it does—the fact that it is the opinion of the Senate of the United States that those who draw down this Fund for purposes of stabilizing their international trade, and for the object of removing restrictions to international trade, shall do what they undertake to promise to do sooner or later. I cannot believe that the Senate wants to decline to say that in the long view we are anxious that these restrictions shall be removed, that we intend that this Fund shall be used for that purpose, and that somewhere down the line we intend to ask for a test as to whether or not the restrictions have been removed by the beneficiaries of this Fund.

Mr. President, when the able Senator from Kentucky suggests that the amendment would jeopardize the passage of this bill because the House might decline to agree to an amendment of this nature, I am unable to share his anxiety. This amendment is in the precise language which the House itself twice used in amending the bill. I cannot understand why any Member of the House should disagree for an instant to the fundamental principle which is involved, and it is the only principle on which we are to vote. I certainly intend to vote for the amendment.

Mr. BARKLEY. Mr. President, despite what the Senator from Michigan has said, if this were a proposition to amend the act in the interim between its passage and its signature by the President, and the actual setting up of the Fund in its operation, I might be willing to support it. There will be ample time between the enactment of the bill and the date when the Fund will go into operation, in which to amend the law in any particular. I do not share the optimism of the Senator from Michigan when he suggests that in view of the parliamentary situation we are not endangering the passage of this bill by adopting the proposed amendment. It is a situation which I have not created. I think if this amendment should be agreed to, and it should happen that it would interfere with the immediate passage of the act, we may as well have agreed to the motion which the Senator from Ohio made yesterday to postpone consideration of the bill to the 15th day of November, because in all likelihood that may be what will happen.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. BALL].

Mr. BALL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WILLIS (when his name was called). I am paired with the senior Senator from Arizona [Mr. HAYDEN] who is necessarily absent. I am informed that if he were present he would vote "nay." If I were permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. BUTLER. I have a pair with the senior Senator from Alabama [Mr. BANKHEAD], which I transfer to the senior Senator from Idaho [Mr. THOMAS], and will vote "yea."

Mr. SHIPSTEAD. I have a pair with the senior Senator from Maryland [Mr. TYDINGS]. Not being advised how that Senator would vote if present, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Florida [Mr. PEPPER], who if present would vote "nay." I am therefore free to vote, and I vote "nay."

Mr. HILL. I announce that the senior Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the senior Senator from Rhode Island [Mr. GERRY], the junior Senator from Rhode Island [Mr. GREEN], the Senator from West Virginia [Mr. KILGORE], the Senator from Louisiana [Mr. OVERTON], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS], are absent on public business.

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES], and if present and voting the Senator from Utah [Mr. THOMAS] would vote "nay."

I further announce that if present and voting the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Rhode Island [Mr. GREEN], the Senator from West Virginia [Mr. KILGORE], and the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from California [Mr. JOHNSON] is unavoidably absent.

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER], the transfer of which has been announced heretofore. If present, the Senator from Kansas would vote "yea."

The Senator from California [Mr. JOHNSON], who would vote "yea," is paired with the Senator from North Carolina [Mr. BAILEY], who would vote "nay."

The Senator from Idaho [Mr. THOMAS] would vote "yea" if present.

The result was announced—yeas 29, nays 46, as follows:

YEAS—29

Austin	Ferguson	Robertson
Ball	Gurney	Russell
Brooks	Hart	Taft
Buck	Hawkes	Vandenberg
Bushfield	Hickenlooper	Wheeler
Butler	La Follette	Wherry
Byrd	Langer	White
Capehart	Millikin	Wiley
Capper	Moore	Young
Cordon	Revercomb	

NAYS—46

Aiken	Hill	Murray
Andrews	Hoey	Myers
Barkley	Johnson, Colo.	O'Daniel
Bilbo	Johnston, S. C.	O'Mahoney
Briggs	Lucas	Radcliffe
Burton	McCarran	Saltonstall
Chandler	McClellan	Smith
Chavez	McFarland	Stewart
Donnell	McKellar	Taylor
Downey	McMahon	Thomas, Okla.
Eastland	Magnuson	Tobey
Ellender	Maybank	Tunnell
Fulbright	Mead	Wagner
George	Mitchell	Walsh
Guffey	Morse	
Hatch	Murdock	

NOT VOTING—20

Bailey	Green	Shipstead
Bankhead	Hayden	Thomas, Idaho
Brewster	Johnson, Calif.	Thomas, Utah
Bridges	Kilgore	Tydings
Connally	Overton	Willis
Gerry	Pepper	Wilson
Glass	Reed	

So Mr. BALL's amendment was rejected.

The PRESIDENT pro tempore. The bill is still open to amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The PRESIDENT pro tempore. The question now is, Shall the bill pass?

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. BUTLER (when his name was called). I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS], and will vote. I vote "nay."

Mr. SHIPSTEAD (when his name was called). I am paired with the senior Senator from Maryland [Mr. TYDINGS], who would, if present, vote "yea." I am informed. If permited to vote, I would vote "nay."

Mr. WILLIS (when his name was called). On this vote I have a pair with the senior Senator from Arizona [Mr. HAYDEN]. I am informed that if he were present he would vote "yea," as I am about to vote. I vote "yea."

The roll call was concluded.

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. I am advised that if present and voting the Senator from Kansas would vote as I intend to vote, and I am therefore at liberty to vote. I vote "yea."

Mr. HILL. I announce that the senior Senator from Virginia [Mr. GLASS] is detained because of illness.

The Senator from Florida [Mr. PEPPER] is detained because of the death of his father.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the senior Senator from Rhode Island [Mr. GERRY], the junior Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. OVERTON], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS], are detained on public business.

The Senator from Arizona [Mr. HAYDEN] is necessarily absent.

I am advised that if present and voting, the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Rhode Island [Mr. GREEN], the Senator from Arizona [Mr. HAYDEN], the Senator from Florida [Mr. PEPPER], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS], would vote "yea."

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON], are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from California [Mr. JOHNSON] is unavoidably absent.

The Senator from New Hampshire [Mr. BRIDGES] and the Senator from Kansas [Mr. REED] would vote "yea" if present.

The Senator from California [Mr. JOHNSON], who would vote "nay," is paired with the Senator from North Carolina [Mr. BAILEY], who would vote "yea."

The Senator from Idaho [Mr. THOMAS] would vote "nay" if present.

The result was announced—yeas 61, nays 16, as follows:

YEAS—61

Aiken	Guffey	Murray
Andrews	Hatch	Myers
Austin	Hickenlooper	O'Mahoney
Ball	Hill	Radcliffe
Barkley	Hoey	Russell
Bilbo	Johnson, Colo.	Saltonstall
Briggs	Johnston, S. C.	Smith
Buck	Kilgore	Stewart
Burton	La Follette	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Tobey
Chandler	McClellan	Tunnell
Chavez	McFarland	Vandenberg
Cordon	McKellar	Wagner
Donnell	McMahon	Walsh
Downey	Magnuson	White
Eastland	Maybank	Wiley
Ellender	Mead	Willis
Ferguson	Mitchell	Young
Fulbright	Morse	
George	Murdock	

NAYS—16

Brooks	Hawkes	Robertson
Bushfield	Langer	Taft
Butler	Millikin	Wheeler
Capper	Moore	Wherry
Gurney	O'Daniel	
Hart	Revercomb	

NOT VOTING—18

Bailey	Glass	Reed
Bankhead	Green	Shipstead
Brewster	Hayden	Thomas, Idaho
Bridges	Johnson, Calif.	Thomas, Utah
Connally	Overton	Tydings
Gerry	Pepper	Wilson

So the bill (H. R. 3314) was passed.

ESTATE OF JAMES ARTHUR WILSON—CONFERENCE REPORT

Mr. ELLENDER submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 592) for the relief of the Estate of James Arthur Wilson, deceased, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the figures, to wit, $7,000, inserted by the House, insert the figures "$6,000"; and the House agree to the same.

ALLEN J. ELLENDER,
KENNETH S. WHERRY,
JAMES M. TUNNELL,
Managers on the Part of the Senate.

DAN R. MCGEHEE,
CLIFFORD P. CASE,
Managers on the Part of the House.

Mr. WHITE. Is that a claim bill?

Mr. ELLENDER. It is.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

THE OREGON LAMB PROBLEM—WASTAGE IN FOOD MARKETING

(On request of Mr. MORSE, and by unanimous consent, the following remarks by him were ordered to be printed at this point in the RECORD:)

Mr. MORSE. Mr. President, I wish to speak on a domestic problem. I ask to have my remarks on this domestic problem placed in the RECORD at the conclusion of the debate on Bretton Woods.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. FULBRIGHT. I wonder if by any chance the Senator is about to tell us something about Oregon lambs? [Laughter.]

Mr. MORSE. I shall not disappoint the Senator from Arkansas. That is exactly what I am going to talk about. I hope he will help me get some action from the administration in regard to the problem.

The PRESIDING OFFICER. The Senator from Oregon requests that his remarks on the domestic problem be placed in the RECORD after the discussion on Bretton Woods.

Mr. MORSE. After today's discussion on Bretton Woods.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MORSE. I have a little sense of continuity, Mr. President, and that is why I want my remarks placed at the end of the Bretton Woods debate. Also, I have some very deep convictions as to the responsibility of the United States Senate to do more than it has done to date to stop food wastage in America, and hence I must again warn and caution the Senate that food wastage is taking place, and the Oregon lamb problem is but an example of it.

I should like to read a telegram which I received this morning from the Seattle Chamber of Commerce, in the home State of the present occupant of the chair [Mr. MAGNUSON].

SEATTLE, WASH., *July 18, 1945.*

Hon. WAYNE MORSE,
Senate Office Building, Washington, D. C.

To alleviate present shortage and provide meat for in-plant feeding and restaurants in Puget Sound and other critical labor areas, the Seattle Chamber of Commerce urges favorable consideration be given to lifting of OPA order and permitting Williamette Valley lambs to go to markets supplying these restaurants and feeding facilities. This would temporarily relieve meat situation as affected by OPA order of July 1 cutting point rations. Please continue to urge OPA to reinstate ration point values as they existed prior to July 1 for group 3 and 4 restaurants investigated recently by Mr. Boyle of OPA.

SEATTLE CHAMBER OF COMMERCE.

Mr. President, we see from the telegram from the Seattle Chamber of Commerce that exactly the same problem exists in Seattle, Wash., in regard to restaurants as exists in the great war port of Portland.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MORSE. I am glad to yield to the Senator from Michigan.

Mr. FERGUSON. The Senator from Oregon is speaking on the question of OPA bungling. I should like to read into the RECORD at this time a small item from a letter which I received from a firm of wholesale drygoods dealers in Detroit.

Mr. MORSE. I shall be very happy to have the Senator do so.

Mr. FERGUSON. The letter reads in part, as follows:

The scarcity of essential textile items becomes steadily more acute. At present, it is only a laughing matter that men in Detroit are buying ladies' panties for their own use because of the shortage of men's shorts, but when colder weather rolls around and warmer underwear is not available for

children and outdoor workers, the howls will be terrific.

So the OPA headquarters may expect something after the weather becomes cold in Detroit.

Mr. MORSE. Let me say to the distinguished junior Senator from Michigan that he is perfectly welcome to take care of his Michigan problem on underwear. I am going to stick to Oregon lambs. [Laughter.]

Let me tell the Senator about the restaurant situation in Seattle and Portland, two great war ports, where many thousands of war workers are building ships for the successful prosecution of the war in the Pacific. The reports we are receiving from Seattle and Portland show that restaurant after restaurant is being shut down because it cannot get the necessary points with which to buy food to feed the consumers. We are receiving communications from chambers of commerce and from laborers, inquiring as to what this administration thinks these workers are going to eat if the restaurants are not kept open to feed them.

I think it is a pretty sad state of affairs if we have reached the point where bureaucratic stubbornness is making it impossible for the war centers of this country to keep open the restaurants necessary to supply the workers with food. I do not know of any problem facing the United States Senate that could be more critical.

Mr. President, as I stated yesterday, I am at a loss to understand why the administration forces in the United States Senate are not getting behind this problem and giving to me the support which is necessary to solve it. I am satisfied that if a dozen Democratic Senators were to join in this fight, as they should, headed by the leadership of the Democratic Party in the Senate, this problem would be solved in a hurry. I place that responsibility on the Democratic Party today. I invite its members to join with me in seeking to solve the food shortage and wastage problem in the States of Oregon, Washington, and California. I invite them to join with me in trying to open the restaurants of those areas, which can be easily opened if OPA is required to make the necessary changes in its regulations. I also invite them to join with me in trying to stop the wastage of lambs so sorely needed in the three States where these soft lambs are produced.

Mr. MAGNUSON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Washington?

Mr. MORSE. I yield.

Mr. MAGNUSON. I am sure that the Senator does not mean to imply that the Senator from Washington has not made numerous trips to the OPA regarding the restaurant situation in the city of Seattle and other ports, including ports on the Columbia River.

Seriously, I wish to ask the Senator from Oregon whether or not the authority to change the regulations of which the Senator from Oregon complains—and in many instances I join with him—rests with the OPA in Washington, or whether that authority has been delegated to the regional office in Seattle or Portland? I am not now speaking about lambs; I am speaking about restaurants.

Mr. MORSE. I understand. First let me say to the Senator from Washington that I do not know how any Senator could receive finer cooperation than the junior Senator from Oregon has received from the senior Senator from Washington, not only with regard to OPA problems, but with regard to all problems of mutual interest to the two great States of Oregon and Washington. So my criticism directed to the Democratic Party is not directed to the Senator from Washington as an individual; but I repeat that if the Senator from Washington and other Democratic Senators, including the great senior Senator from the State of New York [Mr. WAGNER], whom I now see in the Chamber, and who is chairman of the committee that has failed to act upon my resolution would get behind the resolution which I have introduced, which calls for the creation of a special committee of the Senate to maintain a constant watchdog vigilance over OPA, we would get action.

Let me say to the senior Senator from Washington that the trouble is with the type of procedure he has described. He has gone to the OPA. I have gone to the OPA. Other individual Senators have gone to the OPA. We can never obtain action from those bureaucrats in that way. But if the United States Senate were to create a committee with full investigatory power to put those fellows on the carpet and run the vacuum cleaner over them a few times to get the dust and bugs out of them, we would find that we would get action.

Now as to the Senator's question. It is my understanding that the Washington office of OPA could solve the restaurant problem if it cared to. I think it is true that considerable authority has been delegated to regional offices in regard to it but apparently not enough to solve the problem. However, whoever in OPA is responsible for it, I say that OPA should proceed without delay to open those restaurants. It is inexcusable for OPA to close the channels of food for consumers that are dependent upon restaurants.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHEELER. I may say to the Senator from Oregon that the Committee on Agriculture and Forestry appointed a subcommittee, and I happened to be a member of it. We went into the meat situation. We thought we gave it a fairly good going-over, and that we showed up a number of things which were happening. I am frank to say that we received very little assistance from the OPA, and we obtained very few results as a consequence of our investigation. Frankly, I felt that what the OPA needed was a housecleaning. I still think I am correct in believing that the OPA needs a housecleaning from top to bottom.

Mr. MORSE. I entirely agree with the senior Senator from Montana, and I am glad to have that statement from him. I shall appreciate his support of my resolution, because I think the adoption of my resolution is the parliamentary way of producing a housecleaning in the OPA. Of course, I am sure it is not necessary for me to tell the senior Senator from Montana that I would start first with Mr. Chester Bowles, and I would send him back to the advertising business.

Mr. LANGER. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield.

Mr. LANGER. I wonder whether the Senator from Oregon has seen a dispatch by the Associated Press from Topeka, Kans., which reads as follows:

LACK OF MEAT AFFECTS HARVEST IN KANSAS

TOPEKA.—Nearly 2,500,000 bushels of standing wheat in one western county may go unharvested because of shortage of food ration points, Gov. Andrew Schoeppel was advised Monday.

Representative Clair Curry, of Greeley County, on the Kansas-Colorado border, telegraphed the Governor there was a lack of food in restaurants in the area and consequently harvest crews were passing on to other regions.

"The fellows are not stopping with their combines or trucks," Curry declared. "Some are returning home. The points have already been cut from eight to six per man per day. That amount will not feed a harvest hand."

Curry said at least 15 men told him they went to bed without supper Sunday night.

Governor Schoeppel contacted H. O. Davis, State OPA director, who said he was sending a rationing officer to the area to investigate and attempt an adjustment.

Curry complained that "we have plenty of meat available in the pastures and fields but cannot use it."

That bears out what the distinguished junior Senator from Oregon has said.

Mr. MORSE. Mr. President, I thank the Senator very much for this contribution. What he has said just illustrates the situation again, and is further evidence, that if the committee which I suggest is appointed by the Senate and goes to work, it can check the gross incompetence and maladministration on the part of the OPA.

Mr. President, this morning I received a telegram from a very substantial citizen of Oregon, Mr. Fred Hartung. In his telegram he states the following:

PORTLAND, OREG., *July 19, 1945.*

United States Senator WAYNE L. MORSE,
Washington, D. C.:

OPA have granted increased quota lambs to J. A. Robbins, my business partner. Unable to get all increased quota killed at Brander Meat Co., Portland. We have contract with State-inspected plant with available manpower in Vancouver, Wash., to kill 300 or more lambs weekly. Filing request OPA today for additional quota lambs to be slaughtered Kurth & Carlson, Vancouver plant. Source of supply will be Willamette Valley lambs now coming to market in increasing large numbers. Can you secure immediate action OPA on request for quota lambs to be killed at Kurth & Carlson for us?

FRED HARTUNG.

The telegram illustrates the need of greater use of one of the three remedies which the senior and junior Senators from Oregon have tried to convince this administration must be adopted if we are to prevent this food wastage. I refer to the removal or lifting of quotas on class 2 slaughterhouses. Let me say again that historically the bulk of these lambs

have been killed in the class 2 slaughterhouses. They have been consumed locally in Oregon, Washington, and northern California.

The Patman amendment was passed to accomplish that very purpose, and for the third day in a row I call upon the Secretary of Agriculture to put the Patman amendment into full force and effect. Until he does so, he will continue to open himself to the charge, not alone by the Senators from Oregon, but by the people in Oregon who are calling upon us about this problem, that apparently a play is being made in favor of the large packers in Portland. He should not be any party to a squeeze play upon the small farmers of the Willamette Valley, forcing them, as this flood of lambs increases, to dump their lambs in the Portland markets at such prices as Swift & Co. and the other federally inspected packing plants wish to pay. If the Secretary of Agriculture will exercise his full authority under the Patman amendment he will make a great step forward toward the solution of this problem and protect the farmers of my State from a big packers' monopoly.

Now let me call the attention of the Senate to a telegram which I received this morning from E. L. Potter, of the livestock division of Oregon State College.

Mr. MAGNUSON. Mr. President, I wonder if the Senator will yield to me before he reads the telegram.

Mr. MORSE. I am glad to yield to the Senator from Washington.

Mr. MAGNUSON. Has the Senator from Oregon inquired of the Secretary of Agriculture regarding this matter? If so, what was his reply? I am familiar with the Patman amendment, of course.

Mr. MORSE. I was about to come to that point. The junior and senior Senators from Oregon had a conference with the Secretary of Agriculture.

Mr. MAGNUSON. Of course, sometimes the Cabinet officers do not read the CONGRESSIONAL RECORD every morning.

Mr. MORSE. I am a little suspicious that they have been reading the RECORD regarding this matter. The junior and senior Senators from Oregon had a conference with the Secretary of Agriculture; we laid this problem squarely before him. We told him the importance of having him exercise his authority under the Patman amendment. We pointed out the relationship of the class 2 slaughterers to this problem. He will have to speak for himself, but I will speak about the impression he left with me, namely, that he seemed to understand the problem thoroughly—so thoroughly, as I said yesterday on the floor of the Senate, that he telephoned the OPA and explained the situation and said he was willing to appoint a representative of the Department of Agriculture if the OPA would appoint someone to represent it, and would agree to send those two men out into the field and would agree to give them authority to solve this problem. He suggested that such representatives be chosen with the understanding that if they could not agree they would clear their disagreements through Washington.

So far as we have been able to ascertain that has not yet been done. Why? Because the Secretary of Agriculture apparently is relying upon some gross misinformation—I say it is misrepresentation—namely, that there is no lamb problem now because such lambs as have appeared at the Portland market have been purchased. Just think of that. That is the answer which apparently satisfies the Secretary of Agriculture. One must go out of Portland, down into the valley, if he is to see what is happening to the lambs involved in this problem. That is where the problem is. If the Secretary of Agriculture wishes to take the position that the lamb producers of Oregon cannot use the class 2 slaughter houses and cannot market these lambs as they have historically marketed them, but that they must be a party to this play in favor of the big packers, then in my judgment the Secretary of Agriculture is clearly wrong and must be subject to severe criticism.

Mr. President, the lambs cannot be handled in those Portland markets; they cannot begin to be handled there. The result is that the lambs simply are not being sent there and wastage is resulting.

Mr. REVERCOMB. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield.

Mr. REVERCOMB. I am very much interested in the statement just made by the able junior Senator from Oregon to the effect that the Secretary of Agriculture indicated that he would appoint a representative if the OPA would appoint one, and would send them to the State of Oregon with authority to work out a solution of the problem in that State. Why does the Secretary of Agriculture wish to consult with the OPA under the Patman amendment? As I understand the Patman amendment, in the first instance if the Secretary of Agriculture find that a wrong has been done under the rules and operations and practices of the OPA, he has a right on his own initiative to make a correction. I am particularly interested in the matter of the issuance of class 2 permits for slaughterers—not so much with regard to the question of Oregon lambs, but I, too, have taken up this subject with the Secretary of Agriculture with particular reference to the slaughtering of meat in my own State of West Virginia.

In West Virginia there are cattle in the fields which have been locally raised, and which the local residents are not allowed to use. Yet, they are in need of meat throughout the coalfields and the agricultural sections. As I understand, when a wrong is done, or particularly a hardship has been worked as a result of the enforcement of a rule of the OPA, the Secretary of Agriculture has the right and authority, under the Patman amendment to grant relief. I think the Secretary of Agriculture should exercise that right and authority. He should not stand back and say in effect, "If the OPA will do thus and so I will do thus and so."

I join the distinguished Senator from Oregon in presenting this problem. He has presented the Oregon-lamb problem, and I, for my State, present the cattle problem. The people who are living in our respective sections of the country are entitled to meat. The Government, through its official agencies, should put an end to shutting off the supply of meat to the people of the country when the meat is available.

Mr. MORSE. I thank the Senator from West Virginia, and welcome him into the fraternity for OPA reform.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHERRY. I should like to state that the problem of beef and lambs is not restricted to Oregon or to West Virginia. We are suffering similar experiences throughout the Middle Western States. I think the OPA is absolutely responsible for the conditions which exist.

I am glad that the junior Senator from Oregon has brought the lamb problem to the attention of the Senate. I am also glad that the Senator from West Virginia has told us about the meat problem which exists in his State. I hope that all Senators from States which are being confronted with meat problems will continue to bring the matter to the attention of the Senate. I think that a committee should be appointed under the resolution which was submitted by the Senator from Oregon. I thought that resolution had been submitted also on my behalf.

Mr. MORSE. As a sponsor.

Mr. President, I appreciate the support of the Senator from Nebraska. I hope that the distinguished Senator from New York who is chairman of the committee before which my resolution is now resting will recognize that I am getting votes one by one in support of the resolution to appoint a special committee to investigate the OPA. I hope the Senator from New York will assist me in getting the resolution out of committee and onto the floor of the Senate.

I return to the consideration of a telegram which I received from Mr. E. L. Potter. I was about to tell the Senate Mr. Potter's qualifications for expressing a view in connection with this subject. He is a very able member of the livestock division of the Oregon State College. I know of no person who has a more practical and expert understanding of this problem. He is a recognized authority on livestock marketing problems. He has been one of the most ardent workers in cooperating with the various governmental agencies in an attempt to work out a solution of this problem. He offered his cooperation to the OPA in order to see if some program could not be worked out which would be satisfactory to the processors and to the producers. He sent me the following telegram:

McDannell Brown——

He is the head of the OPA in Portland—

this morning over the radio denies existence of lamb problem thereby reversing previous position and declaring war on producers. Our work so far total loss.

I do not have to tell the Senate what happened. The head offices in Wash-

ington must save face. They are now relying on the rationalization that lambs having been purchased in Portland as they appeared on the market there at the big packers prices there is no lamb problem in Oregon.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MORSE. I yield to my distinguished colleague.

Mr. CORDON. Mr. President, since my distinguished colleague took the floor in further discussion of this question I have been in a long telephonic conversation with the director of agriculture of the State of Oregon. I asked him particularly whether the lamb problem in that State has ceased to be critical. I was advised by him that it is not less but more critical, that the peak of the lamb production will be reached within the next 10 days, and that the loss to the producers will increase as the peak is reached, and thereafter.

The director of agriculture of Oregon is a gentleman who is known to the Secretary of Agriculture of the United States, who has said that he has the greatest confidence in the knowledge and ability of Mr. Peterson. So I think we may accept the latter's statement at full value.

Mr. Peterson further advised me—I desire this information to be known to my distinguished colleague because it came to me since he started discussing the matter from the floor of the Senate today—that he has contacted the Army procurement authorities in Seattle; that the Army advises that it is not only willing to purchase Oregon lamb to the limit and down to utility grade but that it is anxious to make such a purchase; that it is now using reserve stocks, but cannot make any purchase except of federally inspected carcasses.

In the State of Oregon there are 8 slaughterers having Federal inspection and approximately 200 class 2 slaughterers having State inspection. The Army is limited to the output of 8 slaughterers in the State of Oregon. Those slaughterers cannot supply the demands of the Army. That outlet is closed to the producers.

Mr. President, allow me also to call my colleague's attention to the fact that Mr. Peterson again reiterates that there are but two fully adequate answers to this problem:

First. To permit the Army to purchase from class 2 slaughterers and under adequate State inspection lambs down to utility grade and increase slaughtering quotas.

Second. To remove the points from the soft lambs and permit the presently existing domestic consumption in that State to take up the slack which it will do immediately, and the problem will be solved.

Mr. MORSE. I thank my colleague very much for his statement.

Mr. President, yesterday I stated that the facts do not coincide with the statements being made by the Secretary of Agriculture and by OPA to the effect that there is no lamb problem in Oregon. I asked the Democratic side of the Senate to stand up and dispute the facts as the senior Senator and junior Senator from Oregon have presented them on this floor. I am at a loss to understand why we do not get action from the Democratic side of the aisle on this matter because my friends over there admit that I am right in this fight. In view of the face-saving propaganda now being put out by the Government agencies that there is no lamb problem, we felt, of course, that it was necessary for us to make a new check of the present conditions. The distinguished senior Senator from Oregon has just reported the facts given to him by the Director and chairman of the Oregon State Department of Agriculture who, incidentally, is the man, as I pointed out on the floor of the Senate yesterday, whom the United States Secretary of Agriculture said he would be perfectly willing to appoint as his representative in Oregon to solve the problem.

I say to the Secretary of Agriculture that had he appointed him, he would have received the advice that very able representative just gave to the senior Senator from Oregon. It would have been advice absolutely contrary to the procedures and policies the Secretary of Agriculture has followed up to this hour in regard to this problem.

Mr. President, I talked this morning over the telephone with the editor of the Oregonian, Mr. Palmer Hoyt, and to the editor of the Portland Journal, Mr. Don Sterling. They both verified the fact that the lamb situation in Oregon is critical.

I do not know what more we have to do with this administration in order to get a problem across to them. I do not know what proof they want. I do know that if they continue to sit back here 3,000 miles away from a tremendous food wastage out in the Willamette Valley, and do not do anything about it, they are guilty of a great public disservice.

Therefore I again invite the Democratic side of the Senate to assist us in this situation, because apparently on the Republican side all we can do is present the facts and hope and pray that the Democratic side will assume its responsibility of being a majority party, and take through the necessary administrative channels the facts we present, and get an injustice corrected.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. LANGER. I still do not know the difference between Oregon lambs and other kinds of lambs. They both eat grass, and they both grow the same. Why should the OPA make one set of regulations for Oregon lambs and another set for North Dakota lambs, for example.

Mr. MORSE. I shall be very glad to take the Senator through the problem. I have explained it before on the floor of the Senate, but I certainly want the Senator from North Dakota, coming from a great agricultural State, to understand the situation.

Oregon, southern Washington, and north coast California lambs are what are called soft lambs. Because of climatic conditions, the early grass we have out there, and the great amount of moisture, we have developed a quality of lamb that is known as the soft lamb, in that it cannot stand shipment. It is a milk-fed lamb. When these lambs are put into boxcars and shipped the distance from Portland to San Francisco, there not only is such great loss in shrinkage that their shipment becomes unprofitable, but there is a great mortality rate.

Mr. LANGER. By milk-fed lamb, the Senator means one that is not weaned by the ewe?

Mr. MORSE. They stay with the ewes longer than lambs raised elsewhere. The feed is such as to cause the ewes to carry a good milk supply for a longer period of time. Hence, the lambs are fattened on their mothers' milk.

Mr. LANGER. What age are they when they are sold, or about what is their weight?

Mr. MORSE. They weigh from 50 to 80 pounds. They are large lambs, but they are what are called high-shrinkage lambs. When we were before the Director of Economic Stabilization a few days ago, Mr. Vaughn, of Dixon, Calif., who is now one of the big sheepmen in that section of the country, and the purchaser of large numbers of lambs, told of an experience in his early buying days, a rather costly experience. He said that when he found it possible to get these Oregon lambs he once bought many of them and shipped them a rather long distance to his feeding lot. About a third of them died either in shipment or within a few days after shipment. They just cannot stand shipment. As I have said, the shrinkage is so great when they are shipped that they become unprofitable, so far as shipment is concerned.

What has happened historically, as I have tried to make clear, is that those lambs have been slaughtered in our local markets and have been consumed locally.

Mr. President, I have just one more word. I think we should have in the RECORD an interesting letter I received this morning from Burnt Woods, Oreg. It gives an example of a little different type of food wastage, so far as livestock is concerned—wastage which results from failure to permit the marketing of livestock when it is fat and ready. The writer of this letter says:

> Today I turned back on the range last year's wether lambs. They are fat now, but the grass is drying up. These lambs will be for sale next year about June 15. The butcher shops are empty. The people need the meat. The administration has given the Government-inspected plants a monopoly on the meat supply.

Mr. President, that is the feeling which exists throughout the Willamette Valley, namely, that this administration is playing with the big packers and forcing these farmers to sell such lambs as the big packers will accept in the Portland market and at the packers' prices. The letter continues:

> It is against the law for me to butcher and ship my own livestock. This used to be a free country, but it is a long ways from it today.

Well, Mr. President, this shows his attitude, and his attitude is typical. I am afraid that if those farmers are not given relief they are rightly going to hold this administration responsible for the great injustice that is being done them.

I close by referring again to my telephone conversation with Mr. Don Sterling, editor of the Portland Journal, a great Democratic newspaper. He urged me to try to make clear to people back here in Government that we have little meat in our butcher shops; that many of our restaurants are closed down; that we cannot even feed, to the degree they should be fed, the war workers in the great city of Portland.

I hope this will be the last time I shall have to speak on this subject, because I just cannot believe, with this reiteration, this mounting of fact upon fact, this presenting to the administration over and over again the operative facts of this very critical problem, that we cannot get some relief. But if by tomorrow afternoon we do not have the relief, I shall again press this subject upon the attention of the Senate, and I shall again urge that the Senate proceed to take the steps the country has the right to expect from it, namely, to adopt the resolution which the Senator from Nebraska [Mr. WHERRY] and I have offered, calling for the appointment of a committee to maintain a constant watch over OPA. I think such a committee is necessary if we are to clean house in OPA. Unless we clean house in OPA, I am satisfied Americans are going to suffer more and more from a maladministration of their food supply.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MORSE. I am glad to yield.

Mr. LANGER. I received a petition, and I wonder if it pictures the situation the Senator faces in his State, as it is in my State. The petition is addressed to the Senators and Representatives in Congress from the State of North Dakota, including also the distinguished junior Senator from North Dakota [Mr. YOUNG] and myself. The petition reads:

We, the undersigned farmers and residents of the vicinity and community of Zeeland, McIntosh County, N. Dak., respectfully petition you as follows:

I might add that Zeeland is a little town of about 150 people. This is their complaint:

That whereas it has come to our attention that there is at present only one butcher in the village of Zeeland, N. Dak., having a so-called slaughtering permit issued by the OPA or whatever organization claims to have the right to issue such permits; and

Whereas said butcher has as his butcher shop equipment only one small meat counter equipped with refrigerating apparatus; and

Whereas one Mr. Frank Wolf, of Zeeland, N. Dak., at the request of many of us, has installed a food locker system in said village, and is otherwise equipped to handle fresh meats and other items usually sold in butcher shops; and

Whereas we have been informed that the persons claiming to have authority to license meat slaughterers have refused to issue to the said Mr. Frank Wolf a permit to engage in meat slaughtering under OPA regulations, although he is qualified under all State, county, and local regulations;

We, the undersigned, therefore request that you, as our Senators and Representatives in Congress, investigate the reasons why such a limit has been placed on slaughtering permits in this vicinity and especially in the case of Mr. Wolf;

And we further petition that if possible such a permit be issued to Mr. Wolf inasmuch as present meat and butcher situation in the village of Zeeland, N. Dak., is intolerable.

My distinguished colleague the junior Senator from North Dakota [Mr. YOUNG] and I after counting the names on the petition found that it includes the entire community. Inasmuch as the distinguished Senator from Oregon is an expert on the matter of OPA——

Mr. MORSE. Oh, no. I deny that, Mr. President. No one could be an expert on that organization.

Mr. LANGER. I should judge, after listening to the Senator for so many, many hours and many days that if anyone should qualify as an expert——

Mr. MORSE. I know a good deal about it, but we need a committee with power to find out all about it.

Mr. LANGER. I am satisfied the distinguished Senator from Oregon knows a great deal about OPA. The junior Senator from North Dakota and I want to do something for Zeeland. We want to do something for Mr. Wolf. We want to do something for the people who signed the petition, by way of getting them meat. We would like very much to have the Senator's advice, in view of the fact that men and women have petitioned to Congress, as they have a right to do.

Mr. MORSE. My advice is: two more votes for my resolution from the two Senators from North Dakota. Let the Senate give me that committee and we will get action from the OPA and correct the injustices which are now rampant.

Mr. President, as I take my seat today I at least have this encouraging feeling, and that is that some of the Democratic Senators who continue to talk to me in the cloakrooms and tell me I am right about this are beginning to scratch their heads in an effort to determine whether perhaps they ought not to join our fraternity, the membership of which is open to all United States Senators—the fraternity for OPA reform.

TAX-ADJUSTMENT BILL OF 1945

Mr. GEORGE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 457, House bill 3633.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 3633) to facilitate reconversion, and for other purposes, which had been reported from the Committee on Finance with an amendment.

Mr. GEORGE. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendment be first considered.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will state the committee amendment.

The amendment was, on page 18, after line 14, to strike out:

(d) Section 122 (b) of the Internal Revenue Code is amended by inserting at the end thereof a new paragraph, reading as follows:

"(3) Operating loss of certain successor and predecessor railroad corporations: If a railroad corporation, as defined in section 77m of the National Bankruptcy Act, as amended, acquires property from one or more other railroad corporations, as so defined, in a receivership proceeding, or in a proceeding under section 77 of the National Bankruptcy Act, as amended, and if the basis of the property so acquired is determined under section 113 (a) (20), such corporations shall, for the purposes of this section, be deemed to be the same taxpayer."

(e) The amendment made by subsection (d) shall be applicable to taxable years beginning after December 31, 1941. In the case of taxable years beginning prior to January 1, 1942, and after December 31, 1938, provisions having the effect of such amendment shall be deemed to be included in the revenue laws respectively applicable to such taxable years.

(f) Section 710 (c) (3) of the Internal Revenue Code is amended by inserting at the end thereof a new subparagraph, reading as follows:

"(C) Unused excess-profits credit of certain successor and predecessor railroad corporations: If a railroad corporation, as defined in section 77m of the National Bankruptcy Act, as amended, acquires property frome one or more other railroad corporations, as so defined, in a receivership proceeding, or in a proceeding under section 77 of the National Bankruptcy Act, as amended, and if the basis of the property so acquired is determined under section 113 (a) (20), such corporations shall, for the purposes of this section, be deemed to be the same taxpayer."

(g) The amendment made by subsection (F) shall be applicable to taxable years beginning after December 31, 1941. In the case of taxable years beginning prior to January 1, 1942, and after December 31, 1939, provisions having the effect of such amendment shall be deemed to be included in the revenue laws respectively applicable to such taxable years.

Mr. GURNEY. Mr. President, may we have an explanation of the amendment? I believe it is the amendment which provides in case of reorganization of a railroad that if the railroad in some way or other changes its corporate set-up it would not be entitled to the same consideration as if it retained its original set-up.

Mr. GEORGE. I propose to make a brief explanation. Before explaining the amendment which is the only one reported by the Senate Finance Committee to the bill, Mr. President, I think it would be well to make a brief statement concerning the bill.

The bill, which passed the House recently, is intended to facilitate reconversion in the interim period before the final end of the war. It does not and is not intended to provide tax relief which will be needed in the transition and the postwar period.

The bill, as amended by the Finance Committee, provides for only those recommendations which were made by the Joint Committee on Internal Revenue Taxation for Postwar Taxation. This is a nonpartisan committee composed of equal representation from both parties and consists of six members from the Finance Committee and an equal number from the House Ways and Means Committee. This committee has for over a year been conducting studies in taxation preparatory to making recommendations for a postwar tax structure.

This bill is the culmination of the work of the joint committee relating to the interim period. The joint committee is continuing its studies and later will make further recommendations relating to the transition and postwar period.

The Finance Committee made only one amendment to the bill as passed by the House. It adopted an amendment striking out a House provision providing special relief for reorganized railroads. This provision deals with the treatment of reorganized railroads with regard to carry-overs from, and carry-backs to the old corporations. This is a technical provision which your committee did not believe was germane to the purpose of the bill, and provides for a change in tax liabilities of railroads which would result in a definite revenue loss to the Government. This provision was not in the recommendations to which the joint committee unanimously agreed and the Finance Committee believed it should have further study and a hearing before final action is taken on this subject. Accordingly, the Finance Committee eliminated this provision without prejudice to its future consideration.

The purpose of this bill is twofold: to improve the cash position of businesses facing the necessity of reconversion expenditures, and to provide incentive to small business to enter peacetime production during or by 1946. The first of these is provided for by speeding up refunds and credits; the second, by increasing the excess-profits tax exemption to $25,000 for 1946.

Specifically, the bill as amended provides as follows:

First. The excess-profits tax specific exemption is increased from $10,000 to $25,000, effective for 1946 and subsequent years. A pro rata portion of the increase in exemption is provided for corporations with fiscal years beginning in 1945 and ending in 1946. Existing law provides that no excess-profits tax return is required if the excess-profits net income is not more than $10,000; the bill increases the limitation to accord with the increase in the specific exemption. The increase in the specific exemption will result in a net revenue loss in 1946 of $160,000,000, and will relieve some 12,000 corporations from paying excess-profits taxes. Almost all of these are small corporations, upon which the excess-profits is especially burdensome. The maximum tax benefit to any corporation under this provision is $6,825.

Before leaving that particular subject, Mr. President, I should say that the increase in the specific exemption from $10,000 to $25,000 will result in a gross loss in revenue from the excess-profits tax of approximately $300,000,000, but their taxable incomes, for normal and surtax purposes, will be increased, and the actual net loss to the Treasury for taxable years ending in 1946 will be only $160,000,000. That is the only actual out-of-Treasury cost not now provided by law that the bill will entail.

Second. The bill provides that instead of paying a 95 percent excess-profits tax with a 10 percent postwar credit, a corporation in effect will pay an 85½ percent excess-profits tax with no postwar credit. This is provided by permitting corporations to take their 10 percent postwar credit currently for 1944 and subsequent years instead of in the form of bonds which mature over a period of several years after the war, as provided by present law. By making this postwar credit available currently, the cash position of business will be improved by not collecting from corporate taxpayers approximately $1,500,000,000 in 1945 and 1946, which they would otherwise pay and not receive back until several years after the war. About $830,000,000 of this amount is for 1945 and about $710,000,000 for 1946.

Third. Corporations which have outstanding postwar refund bonds issued with respect to 1942 and 1943 liabilities will be able at their option to cash these bonds on or after January 1, 1946, instead of waiting 2 to 4 years following the end of the war. The total amount of outstanding bonds issued with respect to 1942 and 1943 liabilities is estimated at about one and one-third billion dollars.

Fourth. The bill provides for the speed-up of refunds resulting from carry-backs of net operating losses and of unused excess-profits credits. So far as the net loss carry-back is concerned, it will apply to individuals in business, as well as corporations, and will afford relief not only from the excess-profits tax, but also from the income tax. The bill provides for the prompt payment of refunds resulting from carry-backs by permitting the use of either of two procedures. The taxpayer may request that current tax payments to the exent of the refund arising from an esimated carry-back be deferred, or if he waits until the end of the year in which the carry-back arises he may request that he be given a tentative refund within 90 days. The effect of the tax deferment provision on an estimated net operating loss can be illustrated as follows:

Suppose a corporation estimates that it will incur a net loss for the calendar year 1945, which will result in an overpayment of $100,000 with respect to prior years' taxes. Assume further that the third installment of its tax for 1944 which is due on September 15, 1945, amounts to $100,000. The corporation may, under the provisions contained in this bill, defer $50,000 of this installment and $50,000 of the December 15 installment and utilize the $100,000 for reconversion purposes. If the corporation had waited until after the end of 1945 before filing the refund claim, either because it was uncertain of the size of the loss or because it had no taxes to pay in 1945, it could file a claim for the $100,000 and receive a tentative refund within 90 days. It is this provision which is also available to individuals in business.

The amount of the refunds resulting from the operation of these carry-backs will depend largely upon the future pattern of business earnings, and for this reason is difficult to forecast. It has been estimated, however, that the amount of refunds resulting from losses and unused credits for 1945 and 1946 would amount to perhaps $1,000,000,000

Fifth. Refunds arising from the recomputation of amortization deductions on emergency facilities certified to be no longer necessary for national defense, would become available under this bill within 90 days after filing the claims. This provision will help individuals in business, as well as corporations, and will apply to income taxes as well as to excess-profits taxes. For example, assume a corporation owning emergency facilities for which a certificate of nonnecessity has been granted files a claim and is entitled to a refund of $50,000. Under existing law, the $50,000 might not be refunded to the corporation for a year or two. Under the provisions of this bill the corporation may file an application for a tentative refund and receive payment within 90 days. It has been estimated that the refunds speeded up by this provision will amount to approximately $1,750,000,000.

It will be recalled that provision was made in the 1942 act for the speeding up of the amortization of the cost of facilities constructed under certain conditions for war purposes, or for national defense purposes. As we then wrote the law, amortization through a 5-year period was provided, but it was likewise provided that in the event of the ending of the war before 5 years, the amortization might be recomputed over the shorter period if a certificate of nonnecessity had been issued. So the provision in this bill makes possible the payment of refunds arising from the recomputation of the amortization of national defense facilities within 90 days.

In summarizing the effect of this bill on receipts of the Government, I should like to emphasize that with the exception of the increase in the specific exemption, resulting in a revenue loss of $160,000,000, the provisions of this bill do not reduce the ultimate revenue which will be received by the Federal Government. They merely speed up the payment of money which the taxpayers are entitled to under existing law, but which would not be available in many cases soon enough to aid in reconversion. The speed-up of refunds and credits provided for in this bill would improve the cash position of business in the next 2 years by adding approximately $5,500,000,000 to their cash balances. All of this represents money which taxpayers are entitled to under present law, but unless this bill is enacted, this money will not be available to them until several years later. The details of this estimate are shown in the following table:

Cash which would be made promptly available to business, as a result of the speed-up of refunds and credits as proposed in this bill

[In millions of dollars]

1. Current availability of postwar credit in 1945	830
2. Current availability of postwar credit in 1946	710
3. Refund of outstanding postwar bonds, 1946	1,300
4. Speed-up refunds due to recomputations of amortization deductions, 1945 and 1946	1,700
5. Speed-up refunds resulting from the carry-back of net operating losses and unused excess-profits credit, 1945 and 1946	1,000
Total amount of refunds and credits	5,540

Prompt enactment of this bill is necessary if taxpayers are to take full advantage, this year, of the provisions for speeding-up refunds and credits. Only with the immediate enactment of this bill will it be possible for businesses anticipating losses or unused excess-profits credits for 1945 to defer payment of the September 15 installment of their 1944 tax liabilities. Similar situations exist in the case of 1944 postwar credits and refunds arising from the recomputation of amortization deductions on emergency facilities. Businessmen are now planning for reconversion to peacetime operations. Delay in the enactment of this bill would continue the present uncertainty and thus make planning more difficult. Also, it is believed that the early enactment of this bill would be interpreted as an indication of the desire of Congress to encourage timely reconversion and business expansion.

Mr. President, that substantially covers the scope of the bill, but I should like to make one further observation.

The bill was worked out, as I have stated, by the Joint Committee on Internal Revenue Taxation. Participating with the Joint Committee were, of course, its own staff, the Treasury staff, and the staff of the Bureau of Internal Revenue. Five points in connection with the so-called interim bill, the bill now before the Senate, were agreed upon, so all the provisions contained in this bill, after the elimination of the amendment to which attention has already been directed, had been approved by the Senate Finance Committee.

The real purpose of this bill is not to affect the ultimate liability of any taxpayer, but to make funds presently available to improve and strengthen the cash position of individuals and corporations engaged in business during the reconversion period. Businessmen are now attempting to reconvert as fast as they can secure releases of materials and as fast as necessary manpower can be obtained. In order to reconvert they must necessarily plan. In order to plan, there must be some certainty about when they will be able to receive what is already provided in existing law by way of refunds or other relief. The only change in ultimate tax liability is in the case of the increase in the specific exemption, for excess-profits tax purposes from $10,000 to $25,000.

Permit me to say that consideration was given to an increase of the exemption beyond $25,000. Many members of the committee had also given careful consideration to the application of this particular provision of the bill to 1945 as well as 1946.

Mr. BUCK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. BUCK. Of course, there was objection to that, or it would have been done.

Mr. GEORGE. Yes; there were objections to it.

Mr. BUCK. Will the Senator state what they were, please?

Mr. GEORGE. I shall be happy to do so, and I shall do so as briefly as I can.

The first and primary objection was on the basis of revenue loss. The revenue loss for 1945, if the increase in specific exemption were made applicable to 1945, would amount to $235,000,000. This should be compared with the revenue loss for 1946 which amounts to $160,000,000. Thus, there will be a loss over the 2 years of approximately $400,000,000. The committee reached the conclusion that it would not be wise to reduce revenues by taking out of the Treasury $400,000,000 at this time, in view of the tremendous financial burdens now resting upon the Government.

For the taxable year 1943, when the specific exemption was $5,000, 68,000 corporations filed returns showing excess-profits-tax liability. For 1944, when the exemption was increased to $10,000, the number of corporations liable for excess-profits taxes was reduced to a total of 51,000, making a reduction of 17,000. For the calendar year 1945 the number of corporations liable to excess-profits tax is estimated at approximately 45,000. For the calendar year 1946 it is estimated that under existing law the number of corporations liable to excess-profits tax will be 31,000. The bill, in increasing the specific exemption to $25,000, will reduce to 19,000 the number of corporations liable to excess-profits tax. Accordingly, the bill reduces by 12,000 the number of corporations liable for excess-profits tax. The relief granted by the bill is, therefore, considered to be ample to take care of the small corporation.

Mr. HART. Mr. President, will the Senator yield?

Mr. GEORGE. Mr. President, I should like to have the Senator permit me to proceed, because the reasons I am discussing are among those which persuaded the joint committee to vote to apply this provision of the bill to the period commencing after December 31 next.

The bill provides relief for fiscal years ending in 1946. If the change is made applicable to 1945, the 1945 fiscal years of some corporations have already been closed and in some instances full payment of the tax has been made. For example, a corporation with a fiscal year ending January 31, 1945, was required to file its return on April 15, 1945, one with a fiscal year ending the last day of February was required to file its return on May 15, and one with a fiscal year ending on March 31, was required to file its return on June 15. Furthermore, a corporation with a fiscal year ending April 30 should have filed its return on July 15, 1945. To apply the relief to 1945 would, therefore, result in an administrative burden on the Bureau resulting in some refunds.

During 1945, most small businesses will be engaged in war work or will be producing for abnormal war demands. Any increase in the specific exemption for 1945 would be unduly generous while production is still primarily geared to war needs and Government expenditures are continuing at their present high level.

Also, increasing the specific exemption for 1945 would result in substantial windfalls, because in some cases the excess-profits tax has entered into selling prices and has, therefore, been passed on to the consumer for a full one-half of the year 1945.

I think this particular reason was controlling on many Members: For the first part of the year 1945 we were engaged in war on two fronts. For at least the greater part of 1945, and probably during all of 1945, we will be engaged in war on one front. Therefore, it would seem unwise to make further increases in this exemption while the war is going on.

I ask Senators to give particular attention to the following statement: Under this amendment an established corporation with a capital of $500,000 could earn 13 percent in 1945 yet would pay no excess-profits tax; a corporation with $250,000 could earn 18 percent; and a $100,000 corporation could earn 33 percent. Therefore, in view of the purpose of this bill, it seems that we have dealt liberally with the smaller corporations. It must always be remembered that the excess-profits taxpayer is entitled not merely to the specific excess-profits exemption which now is being increased by this bill to $25,000 but to the excess-profits credit based either upon his invested capital or upon his prior earnings.

So, when the two are added, the vast majority of what might be called smaller corporations and smaller businessman will not be subject to escape excess-profits taxes after 1945. The primary purpose of the bill is not to affect the ultimate liability of the taxpayer, but to make presently available to the taxpayer the benefits already guaranteed him under the law, by moving up and expediting the payment of those benefits. This, be it always remembered, is to enable the American businessman to meet the problems of reconversion, to get his plant in order, to increase his production, and to do so as fast as the circumstances will permit. He could not claim any equitable right to the cancellation of the 1945 excess-profits tax liability by the increase in the excess-profits tax exemption, because the year is more than half over, and in most cases reconversion is only just starting.

So we were persuaded that with a deficit now running at the rate of approximately $45,000,000,000 a year, it would not be wise, nor particularly equitable, to apply the increased exemption against the 1945 taxes. No reduction was made in the taxes on individuals or on partnerships.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. AIKEN. A day or two ago I received a letter in which the writer made the statement that this bill granted relief to corporations which was not granted to individuals engaged in the same line of business. I have had no opportunity at all to look into the matter or discuss it with anyone. I ask the Senator from Georgia if there are any provisions in the bill which grant certain privileges, exemptions, or reliefs to corporations which are not granted to individuals engaged in the same line of business?

Mr. GEORGE. Individuals do not pay excess-profits taxes, and thus the same relief could not be applicable to the individual who is not liable to excess-profits taxes. But an individual engaged in business is given the same treatment with respect to the amortization of defense

facilities, and also for the net loss carry-over.

Mr. AIKEN. Then, in the Senator's opinion, there is no discrimination such as that to which I have referred?

Mr. GEORGE. No. Of course, the individual income-tax payer could, and perhaps would, complain that he had not been given tax reductions. But the only relief which we have given, which will affect the final and ultimate liability of the taxpayer, is in the case of smaller corporations with respect to the excess-profits tax.

Mr. AIKEN. I thank the Senator. I have no knowledge on the subject. I am merely seeking information.

Mr. GEORGE. I may say to the Senator from Vermont that the committee will continue its work in connection with individual tax relief. Excise taxes and other forms of taxes will also be studied.

Mr. HART. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. HART. With regard to the four stricken paragraphs in section 4, they being, as stated, outside the scope and purposes of the pending bill, will the Senator explain somewhat more fully why they are outside the scope of the bill?

Mr. GEORGE. The provision which I have already said was stricken without prejudice, and for the purpose of studying in the committee, did affect the tax liability of corporations. The committee was of the opinion that those paragraphs were not germane to any one of the points on which the joint committee had already agreed, in cooperation, as I have said with the Treasury, including the Bureau of Internal Revenue. Although the other House included the provisions to which the Senator is inferring in the bill, the Senate Finance Committee, by a divided vote, decided to eliminate them. The decision was controlled by the desire to study the question and conduct hearings on it inasmuch as it does affect the actual tax liability of the railroads, and inasmuch as it does actually involve the payment out of the Treasury of certain sums of money by way of refunds.

There are many aspects of the stricken provisions which need further study. Some of the important problems are:

First. The provision is limited to the reorganization of railroads in receivership or under section 77 of the National Bankruptcy Act. It provides no relief whatever for bus companies, steamship companies, and other corporations which also lose the benefit of carry-backs and carry-overs when a new corporation is organized.

Second. Of the 28 principal railroads which have been listed in reorganizations since 1939, 10 had left receivership by the middle of 1945. Of these 10, 2 reorganized under existing charters, and 1 changed its capital structure without reorganization. For reorganized companies to benefit from this legislation as it affects carry-overs, losses and unused credits must have arisen prior to reorganization, and such losses and unused credits must not have been fully absorbed against income of the old company prior to the completion of the reorganization.

Most railroads in receivership had unused credits or losses in 1940 and 1941. However, most of those losses and unused credits were absorbed by the end of 1943 or 1944. Therefore, only those railroads which were reorganized earlier in the war period would benefit from the retroactive aspect of the legislation.

It is estimated that five of the seven remaining companies which have been reorganized to date would receive tax benefits through 1944 from the carry-over adjustment amounting to approximately $8,500,000. Of this amount it is estimated that $6,000,000, or approximately 75 percent, will go to one road.

The carry-back adjustment will benefit only those companies with income or excess-profits taxes immediately prior to reorganization, and losses or unused credits immediately subsequent thereto.

The 9 companies completing reorganization by the end of 1944 would not benefit from the provision as related to carry-backs. The companies coming out of reorganization in 1945 could benefit only if they had unused credits in 1946 or in 1947, assuming retention of carry-backs through the latter year. If income in 1946 were to decrease 30 percent as compared with 1944, 3 of the 11 companies in the process of reorganization would benefit. Most of the other 5 paying excess-profits taxes in 1944 would not benefit unless earnings decreased at least 50 percent between these 2 years. The Government will actually lose $8,500,000 in revenue from the retroactive effects of these provisions—I refer to the provisions as they appeared in the House bill—which go back as far as 1939.

The only other provision in the House bill which loses Government revenues, as contrasted with moneys which ultimately would be paid to the taxpayer, is the provision to which I have already referred raising the excess-profits specific exemption from $10,000 to $25,000. However, the maximum net benefit to any one corporation through increasing the specific exemption to $25,000 is less than $7,000. Yet, under this railroad provision it is estimated that one corporation will receive a tax benefit of approximately $6,000,000. That is no reason why, if upon a study of the railroad provisions they are found to be just, they should not be adopted. But under the provisions as drawn in the House bill it appears that in computing the carry-overs the new railroad will get the benefit of some interest accruing to the old company, even though it will never be paid. This section is intended to take care of the new companies. If they organize under the old charter they have certain benefits in any event.

I doubt the equity—and this was the view of the committee—of allowing a deduction for accrued interest in computing the carry-overs when such interest has not and will not be paid. We could only ascertain the facts by a hearing, and by a further study of this particular amendment.

It is true that some of the railroads are required to get new charters under some State laws to carry out their plans for reorganization. This, however, is due to the fact, so far as I know, that the railroad company is not able to secure the consent of the stockholders of the old railroad, who are frozen out under the plan of reorganization. Hence the necessity of getting a new charter or forming a new company. In this respect the railroads are in the same predicament with bus companies, steamship companies, and many other corporations which are required to secure new charters.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TAFT. However, the railroads which do reorganize are able to reorganize without a new corporation, and do the same thing to their stockholders under the laws of their States which might be done in forming a new corporation in other States.

Mr. GEORGE. That would be true, undoubtedly.

Mr. TAFT. It would be under section 77 of the Bankruptcy Act. A railroad reorganizing under State law does exactly the same thing to its stockholders and bondholders, which in some States can only be done by reorganizing and forming a new corporation, as I understand.

Mr. GEORGE. Yes; I think so; and I think in some States even the trustees can vote. I grant that what the Senator from Ohio says is true, but it has not quite the full application that this amendment in its broad terms would have.

It is said that the proposed legislation would put railroads which reorganize under a new charter on the same basis with railroads which reorganize under an old charter. That is the view that is expressed by the proponents of the amended provision, and, in a large and general sense, there is a great deal of truth in the statement. But the statement is not entirely accurate under this provision as it actually came to the Senate from the House.

A careful examination of the provisions of the amendment will reveal that it is only for the purpose of getting tax relief out of the carry-backs and carry-overs that the new railroad company is treated as the old corporation. For other purposes of taxation the new railroad receives benefits accruing to a new corporation. This might result in tipping the scales out of balance in favor of the new company if the railroad provision were permitted to remain in the bill.

Finally, the equities of granting this type of relief, particularly with reference to the carry-overs, need to be studied, for the following reasons: When the court, in its receivership proceeding, approved the plan of reorganization, it considered the value of the then properties with reference to the parties concerned. It may be possible that if the court had contemplated that the new corporation would receive the benefit of the carry-overs from the old railroad, some relief might have been accorded to some of the junior bondholders, or even stockholders, of the old railroad. Losses suffered by

the old corporation reduce its assets. The value of the claim of low-priority creditors and shareholders in the old corporation, and their participation in the new corporation, is reduced or eliminated. If such losses can be carried over and used to reduce losses of the new corporation, a windfall may result to the group not bearing the burden of the old taxes.

Mr. President, I wish to repeat that many members of the committee were of the opinion that this amendment is meritorious, at least in part, and we desired to study it, and desired also to gather certain information, which we could do only through a hearing, before we finally committed ourselves to the amendment. Those of us who voted to eliminate it, that is, a majority of the committee, although by a bare majority, I should say in fairness, were at pains to include in the report the statement that it was eliminated without prejudice, and for the purpose of study. Ample time is ahead of us to give the relief of this character, because this is a relief provision which affects the tax liability of the taxpayer, and there are hundreds of other instances arising under various circumstances which are also entitled to be considered. Those we eliminated, and we therefore felt that this single provision, which affected the liability of the taxpayer, although included by the House, should be eliminated from the bill, without prejudice.

Mr. MAYBANK. Mr. President——

Mr. GEORGE. If the Senator from South Carolina will permit, I should like to have inserted in the RECORD following my remarks a brief explanation of several provisions of the tax-adjustment bill.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SUMMARY EXPLANATION OF THE PROVISIONS OF THE TAX ADJUSTMENT BILL OF 1945

Section 2 increases the specific exemption for excess profits taxes from $10,000 to $25,000. The full increase applies to taxable years beginning after December 31, 1945, and the increase is prorated for fiscal years beginning in 1945 and ending in 1946.

Section 3 provides that for taxable years beginning after December 31, 1943, the postwar credit of 10 percent of the excess-profits tax shall be deducted in computing the tax currently payable; and that postwar refund bonds issued with respect to 1942 and 1943 tax liabilities shall be payable on or after January 1, 1946.

The principal effect of section 4 is to add two new sections, 3779 and 3780, to the Internal Revenue Code.

Section 3779 provides that payment of taxes for the preceding year may be deferred if a corporation expects that operations of the current year will result in a net operating loss or unused excess-profits credit that may be carried back to reduce taxes of a preceding year. For example, due to cancellation of contracts on July 1, 1945, a corporation may expect an unused excess profits credit which can be carried back to reduce the tax liability for 1943 by $100,000. It may then apply for an extension of time for payment of $50,000 of the installment of 1944 taxes due on September 15, 1945, and $50,000 of the installment due on December 15, 1945.

Section 3780 provides that after filing a return for the year of a net operating loss or an unused excess-profits credit, the taxpayer may file an application for the prompt adjustment of the tax liabilities for previous years affected by the carry-back of such a loss or unused credit. For example, when the corporation previously referred to files its returns for 1945 on or about March 15, 1946, the indicated carry-back may result in a reduction of the 1943 tax liability by $120,000. Under new section 3780 the Commissioner would apply $100,000 against the 1944 taxes, payment of which was deferred, and refund or credit the balance of $20,000 to the taxpayer within 90 days. An individual filing a return for 1945 or 1946 which shows a net operating loss from his business might similarly obtain a prompt refund of 1943 or 1944 taxes attributable to the carry-back of the net operating loss.

The provisions of the new sections of the code relate to losses or unused credits anticipated or arising in taxable years ending on or after September 30, 1945.

Section 5 relaxes certain restrictions upon the allowance of refunds or the assessment of deficiencies resulting from the carry-back of a net operating loss or unused excess-profits credit. The time for making such adjustments for a year to which such carry-back applies, say 1943, is extended to conform to the period during which such adjustments might be made for the year, say 1945, in which the carry-back arises.

Section 6 makes certain adjustments with respect to interest so that, in general, interest computations will not be necessary in the case of prompt refunds due to carry-backs, and so that interest charges in connection with tax adjustments due to carry-backs will be made on a comparable basis for the taxpayer and the Government.

Section 7 provides for the prompt refund or credit of overpayments of taxes of prior years due to the recomputation of deductions for amortization of emergency facilities. Ordinarily, the cost of an emergency facility supplied by the taxpayer may be amortized over a 5-year period. But this period will be shortened, with consequent larger amortization deductions and reduced taxes for prior years, if the facility is no longer necessary for national defense. Refunds attributable to such a shortened amortization period are to be made within 90 days after an application for a preaudit adjustment is filed.

Mr. MAYBANK. Mr. President, will the distinguished Senator from Georgia yield to me?

Mr. GEORGE. I yield.

Mr. MAYBANK. Some time last week I made a short statement in connection with the subject of the large number of aliens now present in this country, who were paying no taxes. They apparently are here on visitors' visas. Since that time I have been privileged to discuss the matter with many individuals, and also with the distinguished chairman of the Finance Committee.

Today there appeared an excellent article by Henry J. Taylor, a special writer for Scripps-Howard, the substance of which is that some 250,000 European nonresident aliens here made approximately $800,000,000 in profit on the New York Stock Exchange and in other markets throughout the country.

There also appeared in the Scripps-Howard newspapers a most excellent editorial which in substance stated that some of these refugees are not poor.

I understand from the distinguished chairman of the Finance Committee that perhaps some additional tax bills will be presented before the Senate adjourns for the summer. I also understand from him that the Treasury Department and others are giving considerable attention and thought to this problem; I might say this most serious problem.

Mr. President, I ask unanimous consent that the article and the editorial may be printed at this point in the RECORD.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

ALIENS CLEAN UP PROFITS AND PAY NO TAXES

(By Henry J. Taylor)

NEW YORK, July 19.—About 250,000 European nonresident aliens here, most of whom live in New York, recently have taken some $800,000,000 in profits from our security markets without paying any taxes to the United States.

In their New York Stock Exchange operations alone (to say nothing of real estate investments, commodity speculations or private side-deals) the estimated loss in Treasury income is about $200,000,000.

Strictly speaking, their methods may not have been illegal, but the whole status of nonresident alien tax exemptions is due for a review.

In passing the 1936 Revenue Act, Congress left a big loophole. In section 211 (b) of the Internal Revenue Code, Congress exempted nonresident aliens, not engaged in business here, from the capital-gains tax.

The tax which Americans pay on the net gain realized on the sale of property ranges from 25 percent on profits obtained after 6 months ownership, to 80 or 90 percent on short-term transactions in top income brackets.

Resident aliens or nonresident aliens known to be engaged in business here are taxed at the same rate. But noncitizen visitors, here for a short stay on a visitor's permit were presumed by Congress to be paying taxes in their own countries on any American profits. They were exempted partly as relief from double taxation, but specifically on the assumption that they were not to engage in business here. The 1936 act regarded them as transients in America for study, travel, medical care or such purposes "not engaged in trade or business in the United States and not having a place of business therein." Subject to this and other provisions, the act says they "need not make a tax return on any capital gains, whether on a turn-over in 6 months or longer."

Americans abroad were given similar reciprocal exemptions by several countries, notably England and France. The effect, however, has mounted to a major scandal.

Living in hotel suites and in other ways avoiding the appearance of engaging in business, nonresident aliens and refugees have found that they could go into almost any commodity exchange house, jewelry commission merchant's establishment, real estate concern, or New York broker's office, present their visitor's card and visa, give their residence as Rio, Cairo, or Mexico City (three favorites), and avoid all tax payments to the United States. More than 250,000 of them have profited this way on the New York Stock Exchange alone.

Among six important stock brokerage firms here, I found that more than 25,000 nonresident aliens from Germany, France, the Netherlands, Czechoslovakia, Switzerland, and Scandanavia opened brokerage accounts running from a few thousand to $3,000,000, the last sum deposited by a group of visitors from Amsterdam who have been here since 1939.

"The heaviest traders we have," one broker reports, "are rich Swiss. They cleaned up in the shipping shares. Now they are buying anything having to do with electronics."

SOME REFUGEES AREN'T POOR

You may have been interested in the dispatch from New York by Henry J. Taylor, telling how nonresident aliens have taken an estimated $800,000,000 in tax-free profits out of stock-market transactions, to say nothing of their real estate deals.

Our immigrant laws are purposefully lenient to provide asylum for political refugees, permitting them to come into our country on visitors' visas. The average political refugee is not wealthy. But some of them, according to Mr. Taylor's findings, are more than well off, and many have made a killing in our boom markets and have had a free ride from the tax viewpoint.

We have no reason to be angry with our alien visitors. They don't write our tax laws. Congress does that. They don't interpret and apply our tax laws. The Bureau of Internal Revenue does that. The present law, with the loophole through which aliens have operated, was enacted in the piping peacetimes of 1936. Aliens here on temporary visas were presumed to be taxed by their own governments, and Congress gave them relief from double taxation, partly because that was the fair thing to do and partly to encourage other governments to stop the double taxation of Americans temporarily residing in their lands.

It was a good enough law for peacetime. But with the war in Europe, many of our alien visitors couldn't go home, and thousands more came over here and stayed. Their governments were overthrown and couldn't tax their incomes here. And our Congress was too busy with the war, or too unconcerned, to change the law to fit changed conditions.

Congress should change the law to recapture a fair share of those profits. But apparently Congress is still too unconcerned. The House of Representatives at least is getting ready for a long vacation. If there is to be no change in the law, we hope at least the Internal Revenue Bureau will apply the strictest possible interpretation to the present tax laws to get as much revenue as possible before the visitors who have been so long with us depart for their homelands. Our Government needs revenue.

Mr. MAYBANK. Mr. President, I should like to ask the distinguished chairman of the Finance Committee to give his opinion as to what might possibly be done in this connection. The taxpayers of the United States have a great interest in the matter. Two hundred and fifty thousand nonresident aliens are making $800,000,000 in profits.

Mr. McMAHON. Mr. President, in view of the question raised by the Senator from South Carolina it perhaps would not be amiss for me to say a few words on this subject, since it is a matter I have been working on for some time. I became conscious last spring of the fact that this great body of refugees who came here back in 1939 and 1940 had been and were making great speculative profits in the way of capital gains.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. McMAHON. Yes.

Mr. MAYBANK. The immigration authorities tell me that some came in 1942, 1943, and some even in 1944.

Mr. McMAHON. I presume they have been coming in since 1939.

Mr. MAYBANK. On special plane and ship priorities.

Mr. McMAHON. In any event we are glad that these people were able to obtain refuge here. But I could see no reason based in justice why they should be permitted to make these gains and not pay the taxes the American citizen was paying. Apparently these people are getting ready to go back now to Europe, to Switzerland, and to other countries of the world, with these profits they have made, without paying tax on them. It was because of that situation that I requested Mr. GEELAN, one of the Representatives from Connecticut, to introduce in the House a bill to amend section 211 (b) of the Internal Revenue Code, which would provide that these people should be taxed as American citizens are taxed.

As the result of the introduction of the bill the Treasury Department took cognizance of the matter, and I held several conferences with the General Counsel of the Treasury, and Mr. Stam, the able tax counsel to the Finance Committee, and with the distinguished chairman of the Finance Commitee, the Senator from Georgia. It was finally determined by the Bureau of Internal Revenue that they had not been interpreting correctly what constituted a resident and what constituted a nonresident. I am happy to tell the Senator from South Carolina that under the new regulations which have been issued by the General Counsel of the Treasury Department and under the new instructions which have gone out to the collectors of internal revenue, this situation can be corrected providing the new interpretation of what constitutes a resident and what constitutes a nonresident is followed.

The Treasury Department under release of June 28—and I am glad that they finally got around to doing it—stated:

Noting that the income tax laws exempt nonresident aliens not engaged in a trade or business in the United States from taxation on profits from transactions upon securities or commodities exchanges, the Commissioner directed careful scrutiny of claims for such exemptions. * * *

Aliens in this country who are classified as "resident aliens" are subject to the same taxes as citizen of the United States. Under the tax laws, an alien may be regarded as a "resident" of the United States even though he intends to return to his own country. The classification of "nonresident alien" is limited primarily to transients who are in the United States only for a very brief or fixed period of time.

In order to establish exemption, a nonresident alien must also show that he was not engaged in a trade or business in this country. Therefore, the exemption cannot ordinarily be allowed to an alien who has, while in the United States, earned compensation for personal services, participated in commercial or industrial activities, or bought and sold property.

So I think I can inform the Senator from South Carolina that, due to the new interpretation by the Treasury of what has been the law, an improvement can be looked for and that these people will be taxed.

Mr. MAYBANK. Mr. President, will the Senator again yield?

Mr. McMAHON. I yield.

Mr. MAYBANK. I had the privilege of discussing with the distinguished Senator from Connecticut the matter to which he has just referred. I certainly want to commend him for his interest and for his ability in keeping after the Treasury Department. But is it not the opinion of the Senator from Connecticut that we should have even additional legislation to make certain that these aliens who are here, many of whom are making fortunes, who came here on plane and ship priorities, shall not be permitted to make those fortunes and carry them away from the shores of America without being taxed on them, while our people are called upon to pay taxes in every form? Does the Senator not believe that there should be additional legislation enacted?

Mr. McMAHON. I was inclined to feel that perhaps the importance of the subject was such as to warrant the consideration of an amendment defining what constituted a resident and what constituted a nonresident which would be binding not only upon the Bureau of Internal Revenue but upon the courts. But I will say to the Senator that after studying very carefully this document which comes from the Treasury Department I am not prepared to say that the situation has not been taken care of. I would appreciate it if the Senator, who is interested in the subject, would study it over the week end. I understand there are a couple of other minor tax bills which are coming up next week. If the Senator concludes that the subject is not sufficiently covered, I shall be glad to join with him in an amendment positively to remove all doubt on the subject.

Mr. MAYBANK. Mr. President, I want to thank the Senator from Connecticut. My only thought is to remove all doubt, as the Senator has suggested, not only from the Treasury Department, the Internal Revenue Bureau, but from the courts themselves, because it seems to me that in these times when heavy taxes are laid upon our own people, certainly no one should be in the United States as a visitor on a visitor's passport, making huge sums of money, and taking them away without being taxed on them.

Mr. McMAHON. I may say to the Senator from South Carolina that there has been some effort, in discussions on this subject which I have seen, to indicate that certain people from certain countries are involved in this scheme. So far as I know it is not confined to any one class or any one race or any one religion. It seems to be general, and these refugees, all of them, seem to have taken advantage of the situation. I may say particularly the Swiss seem to have taken advantage of this interpretation by the Bureau of Internal Revenue, which has now been changed.

Mr. MAYBANK. Mr. President, will the Senator again yield?

Mr. McMAHON. I yield.

Mr. MAYBANK. I should like to say that that was the substance of the excellent editorial which I asked unanimous consent to have printed in the RECORD—the fact of the taking advantage of what was perhaps a defect in the law.

Mr. McMAHON. I do not think it was so much a matter of a defect in the law as it was the interpretation of it by the Treasury Department.

Mr. MAYBANK. I thank the Senator.

Mr. McMAHON. I should like to have the Senator himself examine it, to see whether he is satisfied, as I am at this point, that the matter has been taken care of, and that the interpretation now placed upon the law by the Treasury Department as a result of the introduction of this bill is a correct one.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. LANGER. When the article first appeared in the newspapers 2 months ago with regard to the $800,000,000 being taken out by refugees, I took it up with the Assistant Secretary of the Treasury. Under the ruling which the distinguished Senator just read, it is very doubtful whether money made in past years, in the years 1941, 1942, and 1943, is covered, or whether only future income will be affected. If there is any way we can get the money which these refugees have made since the war started, we want to be certain to get it.

Mr. McMAHON. The tax would undoubtedly apply, under the present interpretation of the Bureau of Internal Revenue, when the gain was made. If the alien came here in 1939, 1940, or 1941, under the interpretation of the Treasury Department, his returns can now be reexamined, the tax can be assessed, and he cannot get clearance to go back to Europe until he pays the tax.

Mr. LANGER. Some of these refugees did not make any income-tax returns. They said they were not citizens or residents here.

Mr. McMAHON. I will say to the Senator from North Dakota that, as I understand the revenue laws, they are required to file returns.

Mr. LANGER. I understand.

Mr. McMAHON. Of course, many Americans do not file returns. However, the Bureau of Internal Revenue, with its greatly augmented force, is making a drive on all these people, and I am informed that within the past few weeks it has done very well in bringing large amounts of money into the Treasury Department.

Mr. LANGER. When I discussed this matter a little over a month ago, I was informed by the Assistant Secretary that the Treasury Department was satisfied that hundreds of them did not make returns, feeling that they had a right not to do so. Has the Senator since discussed the question with the Treasury Department?

Mr. McMAHON. I have. I ask that the Treasury release on the subject be placed in the record following my remarks. It is quite lengthy, and I shall not detain the Senate at this hour to read it, but I should like to have the Senator read the release and the interpretation.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

TREASURY DEPARTMENT,
BUREAU OF INTERNAL REVENUE,
Washington, June 28, 1945.

Joseph D. Nunan, Jr., Commissioner of Internal Revenue, today directed field offices of the Bureau of Internal Revenue to give special attention to the tax problems of alien war refugees living in the United States, to assure fair and proper taxation of the income, if any, of such individuals.

Noting that the income-tax laws exempt nonresident aliens not engaged in a trade or business in the United States from taxation on profits from transactions upon securities or commodities exchanges, the Commissioner directed careful scrutiny of claims for such exemptions. Before allowing such exemptions, proof will be required that the individuals concerned were not, in fact, residents of the United States and were not engaged in a trade or business in this country.

Aliens in this country who are classified as "resident aliens" are subject to the same taxes as citizens of the United States. Under the tax laws, an alien may be regarded as a "resident" of the United States even though he intends to return to his own country. The classification of "nonresident alien" is limited primarily to transients who are in the United Staes only for a very brief or fixed period of time.

In order to establish exemption, a nonresident alien must also show that he was not engaged in a trade or business in this country. Therefore, the exemption cannot ordinarily be allowed to an alien who has, while in the United States, earned compensation for personal services, participated in commercial or industrial activities, of bought and sold property.

Aliens who desire to clarify the status of securities or commodity transactions which they have not reported in United States income-tax returns for years subsequent to January 1, 1940, should consult the internal revenue agent-in-charge or the collector of internal revenue in the local district in which they reside. Such interviews are advised particularly in the case of aliens planning to return to foreign countries, inasmuch as they are required to obtain tax-clearance certificates before departing.

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF
INTERNAL REVENUE,
Washington, D. C., June 27, 1945.

TAXATION OF ALIENS DERIVING INCOME FROM TRANSACTIONS ON THE STOCK MARKET, FROM THE SALE OF SECURITIES, FROM DEALINGS IN COMMODITIES, AND FROM OTHER SOURCES WITHIN THE UNITED STATES

Collectors of Internal Revenue, Internal Revenue Agents in Charge, Heads of Field Divisions of the Technical Staff, and Others Concerned:

1. The Bureau has under consideration the question of the taxation of capital gains, profits, and other income derived from sources within the United States by aliens who have left their country of origin, especially in Europe, on account of war conditions and who during their stay in the United States have accumulated considerable income as the result of transactions in the stock market and on the commodity exchanges. Attention is invited to the fact that aliens for Federal income-tax purposes fall within the following general classes: (1) nonresident aliens not engaged in trade or business within the United States who are taxed only on fixed or determinable annual or periodical income; (2) nonresident aliens not engaged in trade or business within the United States whose fixed or determinable annual or periodical income exceeds $15,400; (3) nonresident aliens engaged in trade or business within the United States; (4) resident aliens.

2. Very little difficulty is encountered in connection with the collection of income tax with respect to the first class. Such aliens are taxable under section 211 (a) of the Internal Revenue Code at the rate of 30 percent, and the entire amount of tax is, in general, required to be withheld at the source under section 143 (b) of the Internal Revenue Code. With respect to the second class, although a tax rate of 30 percent is required to be withheld at the source from their fixed or determinable annual or periodical income, they are also subject to surtax and returns are required to be filed by the individuals in such cases on Form 1040NB (a), accounting for the balance of the tax. With respect to those individuals engaged in trade or business within the United States, such aliens are subject to tax on their entire income from sources within the United States, including capital gains. However, as provided in section 211 (b) of the Internal Revenue Code the phrase "engaged in trade or business within the United States" does not include the effecting, through a resident broker, commission agent, or custodian, of transactions in the United States in commodities, or in stocks or securities. It follows that a nonresident alien, not otherwise engaged in trade or business in the United States, would not be subject to tax on capital gains merely by reason of such transactions in commodities or stocks or securities. Special attention should, however, be given to the cases of aliens who derive profits from these transactions and who claim to be nonresident aliens not engaged in trade or business within the United States. In this connection it should be pointed out that the term "engaged in trade or business within the United States" includes the performance of personal service within the United States at any time within the taxable year as specifically provided by section 211 (b) of the code. It follows, therefore, that if any of the aliens of this class perform personal services in the United States at any time during the taxable year they would be subject to tax on their entire income derived from sources within the United States, including capital gains. However, certain other activities such as the buying and selling of personal or real property, on the alien's own behalf or on behalf of others, would ordinarily constitute engaging in trade or business. In the investigation of the tax liability of any nonresident alien claiming not to be engaged in trade or business within the United States particular attention should, therefore, be given to such activities of the alien.

3. The most important class of aliens with whom the Bureau is concerned are those who, having realized profits on securities transactions or otherwise, claim to be nonresidents of the United States and have thus failed to file proper income tax returns even though they are in fact residents of the United States. In connection with the general question as to what constitutes residence in the United States it should be borne in mind that residence is a mixed question of law and fact and the element of intention is one of primary importance. The Federal income tax laws have been uniform in levying a tax on the entire income of aliens, if resident in the United States, and residence has been construed by the Bureau in all rulings as something which may be less than domicile. (*Bowring* v. *Bowers* (24 F. (2d) 918).) In other words, residence, although used as the equivalent of domicile in connection with probate matters, succession taxes, and inheritance taxes, as well as the estate tax law, is not necessarily the same as domicile for Federal income tax purposes. It is stated in section 29.211–2 of regulations 111 that an alien actually present in the United States who is not a mere transient or sojourner is a resident of the United States for the purposes of the income tax. It is also stated in that section that if he lives in the United

States and has no definite intention as to his stay, he is a resident. Furthermore, one who comes to the United States for a definite purpose which in its nature may be promptly accomplished is a transient; but if his purpose is of such a nature that an extended stay may be necessary for its accomplishment, and to that end the alien makes his home temporarily in the United States, he becomes a resident, though it may be his intention at all times to return to his domicile abroad when the purpose for which he came has been consummated or abandoned. These provisions of the regulations, it is thought, will cover many cases of aliens who, by reasons of conditions stemming from the war, have come to the United States.

4. Attention is invited to the last sentence of section 29.211–2, Regulations 111, which states that an alien whose stay in the United States is limited to a definite period by immigration laws is not a resident of the United States within the meaning of that section, in the absence of exceptional circumstances. The general rule adopted by the Bureau is that the type of visa issued is only one of elements entering into the classification of the alien as a resident or nonresident. It is believed that there are many cases now which will come under the phrase "in the absence of exceptional circumstances" because of the fact that many visitors' permits, or temporary visas, were issued to aliens who desired merely to get out of the war-torn country under any conditions and under any passport or visa so long as they reached the shores of the United States. For example, while the vast majority of such aliens originally entered the United States on temporary permits, numerous extensions of such permits have been applied for and granted and a great number of applications have been made by such aliens to enter a third country in order to qualify for reentry to the United States on immigrants' visas, thus indicating an intention to become residents of the United States even though such immigrants' visas may not have been granted. On the other hand the possession of an immigrant's visa by an alien, upon his initial entrance into the United States, is not conclusive of his classification as a resident of this country. Those aliens, therefore, who are properly classified as residents within the meaning of the regulations referred to above and under the general rules of law relating to what constitutes residence, should in every case be required to file returns on Form 1040 accounting for income from all sources, both within and without the United States, including capital gains. Furthermore, all nonresident aliens who are physically present in the United States and who have been engaged in trade or business within this country at any time during the taxable year should file complete returns on Form 1040B, accounting for their entire income from sources within this country, including capital gains.

5. In view of what has been said above the field officers of the Bureau are requested to take prompt action and set up the necessary procedure for the purpose of investigating those cases where it is evident that the aliens have made gains from dealings in stocks, securities, commodities, and similar transactions, to the end that aliens engaged in trade or business within the United States, and those who are resident aliens, may be properly taxed on such capital gains and that only nonresident aliens not engaged in trade or business within the United States shall be relieved of taxation in this respect, as provided by sections 211 (a) and 211 (c) of the Internal Revenue Code.

6. In connection with the examination of aliens information should be obtained regarding (a) date of arrival in the United States; (b) whether members of the alien's family accompanied him; (c) type of visa or permit issued to him; (d) reasons for coming to the United States; (e) whether the alien registered under the Selective Service Act; (f) what funds, securities, or other personal property were brought into the United States by the alien or transferred to his account, or held for his benefit directly or indirectly through nominees or otherwise, prior to or after his arrival; (g) whether he performed personal services or engaged in any other business activities within the United States; (h) complete disclosure as to capital gains from dealings in securities or commodities; (i) whether he owns any real estate in the United States in his own name or in the name of a nominee; (j) if the alien entered the United States on a temporary permit how many times has it been renewed; and (k) has the alien applied for or been granted an immigration visa or otherwise declared his desire or intention to reside in the United States.

7. I. T. 3386 (C. B. 1940–1, 66) holding that a subject of a foreign country who entered the United States on a temporary visa which had been renewed from time to time during continuance of the war, has the status of a nonresident alien, is modified to accord with the foregoing principles.

Correspondence relating to this mimeograph should refer to its number and the symbols IT:P.

JOSEPH D. NUNAN, Jr.,
Commissioner.

Mr. JOHNSON of Colorado. Mr. President, I rise to discuss the committee amendment to delete certain parts of House bill 3633, namely, the railroad reorganization provisions.

As the chairman has stated, this question was decided in committee by a very close vote—I think perhaps by a majority of one. I gave notice in the committee that I would be compelled to oppose the action of the majority in deleting these provisions.

For 4 days we have been listening to oratory on the floor of the Senate about stabilizing the world. We are going to stabilize Siam, Abyssinia, Iran, and Iraq, to say nothing of Italy, England, Russia, and all the rest of the world, but when it comes to a little matter of stabilizing railroads in receivership in the United States, we hold back and say, "Nothing doing." We vote billions without hesitation for the stabilization of far-away countries, but when it comes to railroads in this country trying to get out of receivership, we say, "You cannot pass this way. You must stay in receivership." That is what the committee amendment does. It keeps railroads in receivership. During the depression railroads representing one-third of the railroad mileage in this country went into receivership. Some of those roads have since reorganized and come out of receivership, but there are 19 roads—and not unimportant roads—still in receivership, and because the Congress does not enact a provision such as that contained in this tax bill, those railroads are not permitted to come out of receivership, or if they do come out, they do so at a great loss.

The objective of the provision included in the bill by the House was to enable railroads to come out of receivership. I know that it is said that this is something new and that it should be given a great deal more study. However, I recall that the very provision contained in this bill was passed by the Senate in 1943 or 1944, went to conference, and was deleted in conference. Then the House, in this bill, restored the provision.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I yield.

Mr. GEORGE. I call the Senator's attention to the fact that the amendment which was carried to conference in 1943 was much more limited than the present provision.

Mr. JOHNSON of Colorado. Perhaps it was not exactly the same, but it was very close to it. It had the same purposes and objectives.

The present provision was adopted by the House the other day. I looked up the Journal, and I noticed that it passed the House by a vote of 246 to 91. It was debated at length.

As we all know, there is not supposed to be a quorum present in the House. It is admitted by everyone that this is an emergency tax measure and that it should be enacted without delay. Yet the Senate Committee on Finance has reported an amendment striking out certain provisions. The amendment must go to the House. I do not know whether that means that the bill will not be enacted into law until late October or November, when the House returns from its vacation. However, it seems to me that this provision does not enable any railroad in receivership to do anything which railroads not in receivership are not now able to do as a matter of right.

For example, if railroad A has never been in receivership, it is entitled to the benefits of the carry-back and carry-over provision; but if a railroad is in receivership, and if it must have a new charter, if it is not organized under the laws of certain States of the Union—I believe those States are Delaware, Illinois, and Wisconsin—if it is reorganized and must have a new charter, it is not entitled to the benefits of the carry-over or carry-back provisions.

The present situation results in rank discrimination. The amendment reported by the Committee on Finance would keep railroads in receivership. It is said that the House provision would cost the Treasury something. I believe that it would make money for the Treasury, because the railroads which are in receivership receive a credit on their tax bill for the interest due their bondholders, and for their debts. Whether they pay those debts or not, the Treasury gives them a credit. Of course, that results in a loss to the Treasury.

For the life of me I cannot understand why the Treasury is so anxious to keep railroads in receivership. Why not get them out? Why not get them on a solid, sound, and firm basis of operation, so that they can do their part in the economy of this country and render the service which they are organized to render? The Treasury says that we must keep them in receivership. It provides an incentive to keep them in receivership.

Why are they in receivership? They are in receivership because during the period of frenzied finance, the days when

watering stock was a common practice among high financiers, these railroads put water in their stock. They have debts which never can be paid, which they never can meet. They have issued stock which is worthless. So they go into receivership. When they come out of receivership they find that because they have eliminated their bad debts and worthless stock and have placed themselves on a sound financial basis, they must have new charters, according to the laws of some of the States. Because they must have new charters, the Treasury Department in this way will not permit them to come out of receivership.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am glad to yield.

Mr. CAPEHART. What is the position of the Treasury in refusing to allow them to come out of receivership, and what does the Treasury Department hope to gain?

Mr. JOHNSON of Colorado. I cannot under stand the logic of the Treasury Department's position. However, I understand that the Treasury's position is that the railroads that are in receivership are not entitled to the carry-over and carry-back provisions of the tax laws. The Treasury takes the position that if those railroads remain in receivership they are entitled to the benefits of those provisions, that so long as they remain in receivership they will receive those benefits, or that if they never went into receivership they could receive the benefits, or that if they can come out of receivership and do not have to write a new charter they can receive the benefits. But the Treasury takes the position that if they have to write a new charter when they write off their bad debts and their bad stock, they may not receive the benefits of those provisions.

Mr. CAPEHART. Is the excuse that there will be a loss of revenue?

Mr. JOHNSON of Colorado. The Treasury's excuse is that there will be a loss of revenue. But I cannot believe that will be true, because we know that a going concern will pay more taxes than a firm in a receivership will pay. As every businessman knows, there is nothing quite so expensive as operating a business in receivership. Being in receivership is an unfortunate situation; when a company has many debts against it, the bad stock with which it has to contend, the claims filed against it, and court expenses, receivership operation is expensive; and certainly the losses will be very great and the gains will be very small in that sort of situation.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. JOHNSON of Colorado. I yield.

Mr. CAPEHART. I do not think there is anything I can add to what the Senator from Colorado has just stated, except perhaps one or two brief comments.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSON of Colorado. I am glad to yield the floor; but if the Senator from North Dakota wishes to ask a question or make a brief comment, I will yield to him at this time.

Mr. LANGER. Mr. President, I merely wish to say that the reason given for the insolvency of some of the railroads is not the only reason. All over the West there were 9 years of drought. I know of one railroad which, on a 700-mile line, hauled only one carload of wheat during that period. Some of those railroads are very much interested in this matter. Some of them are in the hands of receivers. A number of them have sent telegrams to me in which they have pleaded that the measure which has been mentioned by the Senator from Colorado be enacted.

A few moments ago, in discussing this matter with the Senator from Vermont, he handed me a telegram which in many respects is similar to the telegrams I have received from North Dakota. His telegram reads as follows:

RUTLAND, VT., *July 14, 1945.*

GEORGE D. AIKEN,

United States Senator, State of Vermont:

The Rutland Railroad is in the process of reorganization and vitally interested in provisions bill H. R. 3633. We sincerely hope that you will support provision which removes a discrimination and inequality re treatment of reorganizations and that such provision be retained in bill.

W. E. NAVIN,
Trustee, Rutland Railroad.

Mr. President, that railroad is in the same shape that railroads in North Dakota, South Dakota, and in some other States are in.

If it is in order, I now move that the part of the bill which was disapproved by the committee be reinserted.

The PRESIDENT pro tempore. Such a motion is not in order.

The question is on agreeing to the amendment of the committee.

Mr. CAPEHART. Mr. President, a moment ago I said that I did not think there was very much I could add to what the Senator from Colorado had said. I should like to say a word about the situation in Indiana. In Indiana there are railroads which are vitally interested in this matter, and they employ a number of people. We believe they are entitled to some relief.

I have discussed the matter with the able senior Senator from Georgia [Mr. GEORGE], the chairman of the Finance Committee, and he is sympathetic with the position of the railroads which are in bankruptcy. We have been assured that the matter will be taken up in connection with the next tax bill; but it seems to me that inasmuch as the House of Representatives voted for this portion of the bill by such a large majority—as I recall, the vote was almost 300 in favor of it and approximately 88 against it—and inasmuch as the railroads do need this relief and inasmuch as we are in a mood today to relieve almost everyone throughout the world—a few minutes ago we authorized the appropriation of some $6,000,000,000 for that purpose—I ask and beg the Senate to do a little something today for our own people. I voted for the Bretton Woods Agreements, and I was delighted to do so. Now let us do the generous thing and vote a few dollars—very few, in comparison with what we have been doing for people throughout the world—for the help of railroads which need relief. I ask that we do that. I assure the Senate that our people in Indiana will appreciate a little help, and I am certain that is true of the people in the other States.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. GURNEY. Mr. President, I wish to express just one thought to supplement the statements which have already been made against adoption of the committee amendment. First, I wish to thank the chairman of the committee for his very frank and sincere assurance that a full hearing will be given on this proposition, provided the committee amendment stands. I have gone into the matter to some extent simply for the reason that a railroad in my section of the country is vitally interested in the provision placed in the bill by the House of Representatives. That railroad needs to be able to take advantage of that provision in order to reorganize. I realize there is a controversy whether the railroads should benefit from carry-backs or losses which have been sustained in past years; but as a matter of fairness, it seems to me that a new railroad which has a new charter should receive the same benefit that is received by a railroad which reorganizes and keeps its old name or its old charter. Merely because it has to change its name in order to secure a new charter is no reason for discriminating against it. It should have an equal chance to get along from now on.

Certainly we all know that the transportation system in this country needs a great deal of help, and needs it immediately. What we advocate would be only a gesture on the part of Congress to perhaps a few of the small railroads. Of course, some are not so small; I understand that the Wabash Railroad is interested in this amendment; and in our territory the M. & St. L. is interested. The operations of that road are in the Dakotas and Minnesota, and I understand it also runs down South a little way. Inasmuch as the arguments on each side are almost equal in force; and inasmuch as we certainly could, if we wished to do so, use against this amendment the same argument that the majority leader used against the amendment proposed by the Senator from Minnesota [Mr. BALL] to the Bretton Woods agreement, this afternoon, when he said that probably the bill providing for participation of the United States in the Bretton Woods agreement would not be passed until November if that amendment were adopted, I do not think it would be fair to the House of Representatives for the Senate to adopt this amendment and then expect 90 Members, more or less, of the House of Representatives who might be present in the House at its sessions following today to override the judgment of some 240 Members of the House of Representatives a short time ago.

Therefore, Mr. President, I hope the Senate will not adopt the committee amendment.

Mr. LA FOLLETTE. Mr. President, I rise to support the committee amend-

ment. I wish the Senate to know that this is not the same amendment which was adopted by the Senate in connection with a previous tax bill and later eliminated in conference. That amendment was much narrower in its application, and not so sweeping as is the particular amendment now under consideration.

In the second place, I wish the Senate to know that the other House had no opportunity to vote on this particular amendment. The bill was brought in under a restricted rule, and the vote referred to by the Senator from Colorado [Mr. JOHNSON] was the vote on the passage of the bill. Furthermore, the House committee——

Mr. JOHNSON of Colorado. Mr. President, the Senator is entirely incorrect. The vote in the other House to which I referred was on this particular question, and the vote stood 246 to 91.

Mr. LA FOLLETTE. I think if the Senator will refer to the RECORD he will find that he is in error. If he is not, I shall be glad to acknowledge my error. But I think he will find upon reviewing the RECORD that there was no opportunity for a direct vote on this particular amendment. There was considerable discussion in the other House upon the amendment.

Mr. JOHNSON of Colorado. I am sorry. My statement that the vote was on this particular point is in error.

Mr. LA FOLLETTE. In the third place, Mr. President, I wish to emphasize that there was no hearing before the House Ways and Means Committee on this amendment. It was submitted in the closing hours of the committee's consideration of the bill, and was adopted by a divided vote of the Ways and Means Committee.

The provisions in question are exceedingly restricted in their application. Not only is this class legislation in that it applies only to railroads, but it is almost individual taxpayer legislation in that it applies only to a very few railroad-corporation taxpayers. Only five railroads out of the 10 which have already completed their reorganization will receive any benefit from these provisions. There are 18 not yet reorganized, and of these, seven have not even plans for reorganization, and they will not be out of receivership in time for any carry-backs.

The 11 which may possibly be benefitted are those which have plans and may come out of receivership soon.

It is estimated that the total tax reduction for these five railroads will be approximately $8,500,000, and that of the five, one railroad will obtain relief to the extent of $6,000,000 or more. I refer to the Wabash Railroad. Fifty-seven percent of its common stock, as I understand, was owned by the Pennsylvania Railroad Co. or by the Pennroad Corp., when the Wabash went into receivership.

The proposed legislation might possibly benefit some of the 11 railroads which have not completed their reorganization. But there is no evidence, and there has been no investigation of a sufficiently thorough character from which it may be ascertained whether or not this retroactive piece of special legislation will benefit the remaining railroads which have not yet completed their reorganization.

Mr. President, there is not a scintilla of evidence before the Senate Finance Committee—and I hazard the assertion that there is not a scintilla of evidence before the Ways and Means Committee of the House of Representatives—that the failure to grant this type of special legislation is deterring the reorganization of any of the 11 railroads which are still in receivership.

However, Mr. President, it is entirely possible that by reason of the timing of their reorganization—I am referring now to the 11 companies which are still in receivership—and the absence of carry-backs in the period immediately after the reorganization, none of the 11 railroads still in receivership will be affected by this proposed legislation.

I believe that every Senator will concede that retroactive tax legislation is not to be desired except as it is employed to remedy a proven and clearly demonstrated case of inequity.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. JOHNSON of Colorado. I wish to ask the Senator a question. He has mentioned the names of some railroads, and has included the name of the Wabash.

Mr. LA FOLLETTE. I did not intend to state the names of any railroads, but the Senator asked me for the name of the railroad and I think he is entitled to have it.

Mr. JOHNSON of Colorado. Yes; I think it was perfectly proper to have named the Wabash, because that road is in a position to receive the greatest amount of good from this legislation. However, the question which I wish to ask the Senator from Wisconsin is this: Does he think that the Wabash is entitled to the benefits of the tax laws of this Nation to any less degree than is the Union Pacific Railroad, for example, or some other more prosperous railroad, such as the C. B. & Q., or other railroads which have not been in receivership?

Mr. LA FOLLETTE. I will reply to the Senator by saying that I would have to know in detail all the considerations which went into the court's approval of the reorganization of the Wabash before I could state whether that road is entitled to the proposed retroactive relief legislation. I presume that in approving the reorganization the court went as far as, in protecting the equities which existed in the form of common stock and junior bonds, as it was possible to go under the circumstances.

Mr. JOHNSON of Colorado. Mr. President, the point I am trying to make is that the Union Pacific Railroad, the C. B. & Q., and many other railroads which have not been in receivership, will receive carry-over and carry-back benefits.

Mr. LA FOLLETTE. Certainly; but if the court had known that at some time in the 11th hour during the consideration of a piece of tax legislation, which is not directly germane or related, and without a hearing, this proposal was to be put over, and that the Wabash was about to receive $6,000,000 in relief to which it was not entitled at the time the reorganization was approved by the court, it might have been possible for the court to have insisted further on the preservation of the equities of the junior bondholders, or other equity elements involved in the reorganization.

Mr. JOHNSON of Colorado. I may say that a reorganized railroad must not only have the approval of the Federal court in which its receivership is pending, but it must also have the approval of the Interstate Commerce Commission.

Mr. LA FOLLETTE. What the Senator has stated is true, and if the Interstate Commerce Commission had known that this railroad was to receive a retroactive benefit of $6,000,000, perhaps it would have asked for an amendment in some nature before approving the reorganization. I cannot answer the Senator's question until I know more about the situation, and I cannot know more about it until the Ways and Means Committee of the House of Representatives, or the Finance Committee of the Senate, or both of them have had an opportunity to go into the matter. As has been stated by the chairman of the committee, it is our intention to go into the matter, and to go into it without prejudice. We intend to go into it with the benefit of the investigation of the joint committee staff.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I should like to continue with my remarks. I do not wish to decline to yield to any Senator, but the hour is getting late and I know that the Senate wishes to complete consideration of the pending bill. I am sure that if I might be permitted to proceed without interruption I could conclude very briefly. However, I shall be glad to yield to the Senator from Indiana.

Mr. CAPEHART. A moment ago the Senator stated that one railroad would receive under this proposal 37 percent.

Mr. LA FOLLETTE. No.

Mr. CAPEHART. The Pennsylvania Railroad owns 37 percent of the Wabash, and the Wabash would benefit to the extent of $6,000,000.

Mr. LA FOLLETTE. No; I stated that it was my information—I am not positive of the fact but it was told to me by one of the experts at the time the Wabash went into receivership—that the Pennsylvania, or the Pennroad Corporation, owned a substantial percentage of the stock of the Wabash Railroad. I believe that I stated that the percentage was 57 percent.

Mr. CAPEHART. Yes; the thought being that one corporation would receive all this money. The fact is that the Pennsylvania Railroad is owned by many thousands of stockholders.

Mr. LA FOLLETTE. That was not my point at all. My point was that a substantial percentage of the stock of this road, when it went into receivership, was owned by the Pennsylvania Railroad Co. or by the Pennroad Corp., and that one of the two companies will still retain control of the road when it comes out of reorganization and has been approved by the court.

Mr. BARKLEY. If the Senator from Wisconsin will yield, I am just now informed that the percentage of stock of

the Wabash owned by the Pennroad Corp. was 78 percent.

Mr. LA FOLLETTE. I was then certainly conservative in saying 57 percent.

The proposed legislation would be retroactive, and, I repeat, I think all Senators familiar with tax legislation know that retroactive legislation is undesirable, except, as I previously stated, to take care of a demonstrated inequity and injustice. I emphasize that without the retroactive features of the proposed legislation the $8,500,000 tax reduction would not occur, which I think is a point, in view of the argument which has been urged that this provision of the House bill will facilitate the reorganization of the 11 railroads which are still in receivership.

There has been no demonstration that there is a substantial lack of equity in the existing law. It can be argued with much plausibility that if this amendment is desirable and equitable for railroads in reorganization it is equally equitable and desirable for all corporations which are involuntarily reorganized because of bankruptcy and other factors.

I know it can be said that some distinction can perhaps be made between railroads and other types of corporations, but the fact remains that when in the Revenue Act of 1942 sections 112 to 112 (b) (9) and 113 (a) (20) were added to the Internal Revenue Code, affecting railroads in reorganization only, public demand required that similar amendments to the code affecting corporations generally be made, and that urging, and the argument that "You did it for the railroads and therefore it is only fair to do it for other corporations," resulted in sections 112 (b) (10) and 113 (a) (22) being added as a part of the Revenue Act of 1943.

I say frankly that the Senate should pause and consider, before it lets this camel's nose under the tent, because I am satisfied that if it does, the entire camel will be in by the time we come to another general tax revision, and that will create administrative headaches and inequities between corporations which will cause us to rue the day when we rushed into this matter without sufficient knowledge and sufficient facts, and without sufficient time to investigate.

To allow reorganized corporations generally to be treated as the same corporations for the purpose of carry-backs or carry-overs, would involve a great number of serious problems, since in some cases it might be equitable and in other cases very unfair to disregard the difference in corporate entity.

Furthermore, I wish to say, Mr. President, that the provisions in State laws with regard to charters are placed there for the purpose of trying to protect the equities of the persons who own common stock and junior and senior securities in corporations. I do not think we should take action to brush those provisions lightly aside simply on the plea that we are to give relief to only a few railroad corporations.

Abuses such as the acquisition of the bankrupt corporation to obtain the benefits of the carry-over of a net operating loss or unused credit might be expected if this provision were extended to the general corporate field.

It has been argued in the case of a reorganization under the Bankruptcy Act resulting in the formation of a new corporation that the new enterprise is essentially the same as the old one, and therefore, the carry-overs and carry-backs from or to the old corporation are desirable and equitable. As a matter of fact, the two corporations are not the same in many ways, and the differences result in many problems of equity and administration with respect to carry-overs and carry-backs.

One important difference is that the old corporation will have deducted large amounts of accrued but unpaid interest on the basis of old bonded debt, whereas after reorganization interest charges are materially less, sometimes only one-fourth or one-third as much as for the old corporation. To the extent that a loss or unused credit results from the deduction of these excessive interest charges, the carry-over of the net operating loss or unused excess profits credit from the old corporation to the new would be neither desirable nor equitable.

The new corporation is owned by different persons than the old since as the result of the reorganization the old stockholders are in general frozen out.

The new corporation has a different excess profits credit than would have been the case had the reorganization been effected by a mere refinancing of the orginal corporation. In some cases the credit is larger than that which a refinanced corporation would have had.

Reorganizations are frequently effected in the middle of the year so that if there is a new charter, the first taxable year of the reorganized company and the last taxable year of the predecessor are short taxable years, with resultant variations and complications if carry-overs or carry-backs are allowed.

In at least one case the reorganized railroad will be a merger of several companies which did not file a consolidated return, and in another case the old corporation was split into two.

It is argued that one railroad which was reorganized by a rearrangement of the capital structure of the existing corporation obtained a tax benefit through the carry-over of unused excess profits credits amounting to over $8,000,000, and it is inequitable to deny similar benefits to other corporations which for various reasons could not effect their reorganization by use of the original corporation. It may be questioned whether from the standpoint of abstract justice the one railroad should have been permitted the benefits of the carry-over of an unused excess profits credit, which arose largely because of excessive interest deductions in the period prior to reorganization. It can hardly be argued that because one railroad obtained questionable advantages, a bill should now be enacted to provide five additional railroads similarly questionable advantages.

I wish to make one further point, and then I shall be through. As every Senator knows, the railroads have been enjoying unusual prosperity as a result of the war business, and it seems to me that we would create inequities by a retroactive provision which extends substantial benefits to corporations which reorganized before there was the accumulation of profits as a result of war business, and to those which in the future will have to reorganize, undoubtedly, in a manner which will give very much greater recognition to the equities involved in the old corporation, and may result in the securing of approval of the stockholders, as was true in the case of the Erie, and thus enable them to retain their old corporate charter.

Mr. President, I think it would be a great mistake for the Congress now to enact the House provision. I think it should be thoroughly studied, and I will say here and now that if, after proper investigation and proper hearings, a showing can be made, that this is equitable, that it does not create a dangerous precedent so far as the general corporate-tax structure is concerned, I shall be the first to support it. But if the Senate adopts the provision it will be acting, just as the House did, without hearings, without investigation, and without full knowledge of the consequences which will flow from the rejection of the committee amendment.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. JOHNSON of Colorado. I should like to ask the Senator a question. If the railroads now in receivership remain in receivership, are they or are they not entitled to the benefits of the carry-over and the carry-back provisions?

Mr. LA FOLLETTE. So long as the corporate entity remains the same they are.

Mr. JOHNSON of Colorado. That is correct. The only time they lose their tax rights voted by the Congress is when they come out of receivership with a new charter.

Mr. LA FOLLETTE. As I stated, there are 10 roads that have already coue out of receivership, and the information I have been able to obtain indicates that this amendment will benefit only 5 of them. So the statement cannot be made that it is proposed in the effort to secure equity as between railroads. As I now see it, and with the light I now have, it indicates to me that the operation and effect of this amendment is to give relief to five railroads, and to give it to them without having full knowledge as to what would have been the reaction of both the courts and the Interstate Commerce Commission if they had known that this retroactive tax benefit was to be allowed.

Mr. JOHNSON of Colorado. If the Senator will yield once more, I promise I will not bother him again.

Mr. LA FOLLETTE. I yield.

Mr. JOHNSON of Colorado. According to the data which have been given to me there are 19 railroads in receivership, instead of merely a few as the Senator has indicated.

Mr. LA FOLLETTE. I referred to 18, and I said that 10, I understood were still in receivership.

Mr. JOHNSON of Colorado. Nineteen good-sized railroads are still in receiver-

ship, and the Wabash Railroad, which the Senator talks about, came out of receivership in 1942.

Mr. LA FOLLETTE. Yes, exactly. That is one of the points I made. The Wabash came out at a time when it could get by on a reorganization which would be very much less generous to the stockholders and the junior bondholders than in the case of any railroad that is going to come out now after having enjoyed the war-transportation business.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. GURNEY. The Senator made a statement that the railroads had had a very unusual profit opportunity because of much war business. I am sure the Senator will be fair, because he knows that in the last war the Government took over the railroads. Even though the railroads have had a large opportunity for profit I think they deserve a pat on the back for a mighty fine job done.

Mr. LA FOLLETTE. I agree with that, but I will also say that in general we have been exceedingly generous with the railroads in our tax legislation. I do not want to go into that matter now. But I will say that I think the railroads are making a great mistake, and if they do not watch their step they are going to overreach themselves. Congress in its policy has been exceedingly generous to the railroads, and they are going to be coming here, I have no doubt, under the next tax bill, and ask for further relief on their deferred maintenance. They can whip a willing horse to death if they do not watch their step.

Mr. GURNEY. The railroads certainly may have been treated generously by Congress, but certainly the railroads have willingly given extra good service to the country in a time of dire need.

Mr. LA FOLLETTE. I grant that, and nothing I have said can be construed by the Senator from South Dakota or anyone else as being in criticism or derogation of the war job which the railroads have done. But that does not alter the question that the Senate should pass on this amendment on its merits, insofar as we know what they are, which I grant we do not know too much about.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield to the Senator from Michigan and then I will yield the floor.

Mr. FERGUSON. I should like to put this question to the Senator: Do I correctly understand that the Wabash Railroad has a new charter now and that the provision in question would apply to the new corporation?

Mr. LA FOLLETTE. It would give the new corporation retroactively the same carry-overs and carry-backs which it would enjoy if it were still the Wabash, or the old corporation prior to reorganization.

Mr. FERGUSON. Then we would have this proposition, that the new corporation would benefit, and it may be possible under the reorganization that stockholders or bondholders of the old corporation who in fact advanced the money, or were entitled to it, would receive nothing?

Mr. LA FOLLETTE. Of course, it is too late for those who are frozen out in the Wabash reorganization to get any benefit of anything that Congress does now.

Mr. FERGUSON. So it gives it to the new corporation and benefits the new stockholders, is that a correct analysis?

Mr. LA FOLLETTE. Yes, exactly. It benefits the new owners of whatever equities there are in the new corporation.

Mr. TAFT. Mr. President, I think I ought to correct what I think are errors in the point of view of the Senator from Wisconsin. In the first place railroads, particularly those in receivership, have always been treated differently from other corporations. Anyone who has practiced law knows that there has been a regular law of railroad receivership which in a way treats the railroad as an entity as ordinary corporations are not treated.

In the second place, that has been recognized by Congress in passing section 77 of the bankruptcy law which deals with railroads only. Later by 77 (b) we passed a bankruptcy law of a similar kind applying to other corporations.

Under section 77 of the bankruptcy act a railroad may be reorganized. So far as that is concerned it may still be the same corporation, and the court is given power—I think I am correct in saying—to wipe out the stockholders if the court wishes to do so in the reorganization.

The only difference is that that cannot be done over the provisions of a State charter. If under the State law a railroad cannot reorganize without going through a judicial sale, then it must go through a judicial sale. But the net result is just the same.

The Wabash, for instance, had to reorganize by judicial sale, as I understand, because it was a corporation under the laws of the State of Indiana primarily, and under the laws of the State of Indiana it could not be reorganized without a judicial sale. If the Wabash had been a corporation of the State of Ohio, it could have reorganized simply under section 77 of the Bankruptcy Act, and it would have gotten exactly the same results. After a railroad corporation has been reorganized under section 77 in the State of Ohio, there is just the same change in the stockholders and the same wiping out of stockholders and the same wiping out of bonds as if the reorganization had taken place under a judicial sale when under the State law it had to be done in that way.

Then provisions were made with respect to carry-backs and carry-overs. They were urged by the Treasury. They were invented by Mr. Randolph Paul—the carry-backs particularly—in order to meet the present situation, because it was pointed out that the railroads, for instance—but it is true of all corporations—may make large profits during the war period and may have to pay very high taxes on those profits, as they have done. But they cannot deduct anything for deferred maintenance. All of them have let their roadbeds and their cars and other equipment go to pot, and the moment the war is over they are going to have to spend a tremendous amount for maintenance of all kinds, and undoubtedly operate practically at a loss, or near a loss, in the postwar period.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. WHEELER. I think the Senator would not want to leave the impression that the roadbeds of the railroads have gone to pot. As a matter of fact, the roadbeds of the railroads have been kept up during this period better in many respects than they were during the prior period. Many of the railroads have improved their roadbeds so they are in far better condition than they previously were.

Mr. TAFT. Some have and some have not. If the Senator will permit me, I do not think that statement is entirely true, because they have been limited in their steel, they have been limited in their labor, and they have been limited in the materials they have had to provide. While they have kept their main roadbeds in shape, I think it will be found that there has been considerable deterioration. However, I do not wish to make a particular point of it.

Mr. WHEELER. Mr. President, will the Senator further yield?

Mr. TAFT. I yield.

Mr. WHEELER. What the Senator says with reference to rolling stock is true, but I think his statement with respect to roadbeds is inaccurate. I happen to know that many railroads have made a great deal of improvement in roadbeds.

While I am on my feet, let me point out something with reference to the reorganized railroads. I do not wish anyone to get the idea that reorganized railroads are in a poor position. As a matter of fact, some of the roads which are coming out of reorganization are coming out with far more money in their treasuries, because of the tremendous profits they have made in the past few years, than they have ever had before. Some of them have more money in their treasuries than their stock and bonds are selling for. They could pay off all their bonds under the reorganization.

Mr. TAFT. I still would prefer not to be a railroad stockholder or bondholder, and I am not one, because I do not think the railroads have much future, so far as I can see, from a financial standpoint. Once the war is over, I think they are going to have about the same difficulty they have had all along.

However, the point is that this carry-back provision was proposed by the Treasury, and the railroads were denied deferred maintenance because the carry-back provision was put in the law. The Pennsylvania Railroad has the full benefit of the carry-back and carry-over provisions. Some of the roads which have been reorganized have full advantage of the carry-back and carry-over provisions, but certain other roads which have to be reorganized in a different way do not get the advantage of those provisions. That is one reason why I feel that the provision in the bill

is fair, because it seems to me that today there is discrimination which is wholly and completely unreasonable.

I do not agree at all with the Senator from Wisconsin [Mr. LA FOLLETTE] that there are all sorts of other differences between the various forms of reorganization. I think they are exactly the same, except as to the manner in which they must be carried out. I do not believe that all the other points make any serious difference. I think there are very minor differences in the way in which the two kinds of reorganized railroad corporations are treated. For that reason it seems to me that the language in the House provision is a fair amendment to correct discrimination and to permit exactly the same treatment of railroads which have been reorganized in one way as is accorded to those which have been reorganized in another way.

All the railroads in the country get the advantage of the carry-back and carry-over provision, if it is an advantage, except a certain limited number of roads which are barred from it because they are reorganized in a certain way. Of the 18 roads in receivership, as I understand, a fair number will not reorganize if they are subject to the taxation which will result from the failure to apply to them the provisions which are applied to other roads.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. HAWKES. Mr. President, I should like to ask the chairman of the committee a question.

Mr. GEORGE. I shall be very glad to answer any question I can answer.

Mr. HAWKES. I was not a member of the committee at the time, but I am told that this same provision went through the Senate in 1943. Is that correct?

Mr. GEORGE. No; that is not an accurate statement. There was an amendment which had a much more limited effect than the pending provision.

Mr. HAWKES. It was not the same as this?

Mr. GEORGE. It was not the same. It went through the Senate in the sense that it was carried to conference for study. It went to conference, and the amendment was rejected in the conference. We were unable to secure its approval there.

Mr. HAWKES. If I may ask one further question, were hearings held at the time that amendment to the revenue law was made?

Mr. GEORGE. Not on this question.

Mr. HAWKES. No hearings were held on this question?

Mr. GEORGE. Not on this precise question. That is why I ask the Senate to sustain the committee in this amendment, because we have dealt perfectly fairly with the railroads which will be affected. We wish to study the question, and we need some hearings in order to know exactly what should be done.

It is true, as the distinguished Senator from Ohio [Mr. TAFT] says, that railroad corporations, being public carriers, have received somewhat different treatment in many States, and in the Federal tax statutes, but let me emphasize a fact which the railroads of the country ought not to overlook. We gave to all railroads undergoing reorganization through bankruptcy or receivership immense advantages in the act of 1942. We are dealing with new corporations. There is no need to say that the property is the same. Of course, the property is the same when an apartment house or hotel which has gone through receivership, or a steamship company, which is also a carrier, or a bus line which has gone through receivership, is purchased. Under the House provision, none of such corporations would receive any benefit.

We gave to all railroad corporations, even the new corporations acquiring the property of one or more bankrupt railroads, the full advantage—and a very great advantage it was—of taking the valuation of the property as if it were still in the hands of the original owner. It is true that we applied the loss carry-forward and carry-back principle in a broader way than it had been employed in our law before, but it was not the invention of Mr. Paul. The loss carry-back was known to the First World War Excess Profits Tax Act. That is to say, under that act corporations were permitted to carry back losses which had been incurred.

The only thing that has happened is this: We allowed the old railroad corporations the loss carry-back and carry-forward provision which we put in the law in 1942. They did not particularly need any permission to keep the same basis of valuation, but we did allow them the loss carry-back and carry-forward provision, for this reason:

The railroads, among other corporations, were before the committee asking for a deferred maintenance allowance. We had long hearings on that subject. They said, with a great deal of reason, "We cannot make improvements. We cannot keep our properties up during this war period into which we are entering, and we therefore want a deferred maintenance allowance." Innumerable other corporations were before the committee asking for an inventory depreciation allowance so that they could take care of their rapidly declining inventories at the end of the war.

We decided—and Mr. Paul, of course, was general counsel of the Treasury at that time, and participated in the decision, and agreed to it—that we would apply the loss carry-back principle so as to take care, perhaps not of all cases—it is to be doubted whether we did take care of all cases—but many cases. The railroads were given particular consideration. Even the new corporation acquiring the property of a defunct, bankrupt railroad or railroads had the right to take the valuation of the old companies. Now the new corporation wishes, without further study, to have the loss carry-back of the old corporation. It wishes to carry back its losses and make adjustments.

There are new questions injected into this issue, and we ought to have an opportunity to study them. In all fairness, we expect to study them, and we wish to do whatever is equitable and right. But it cannot be overlooked that any court, or the Interstate Commerce Commission, might require something vastly different in a reorganization plan if it knew that this additional great advantage was to be given to a railroad coming out of receivership, perhaps even before we enact the law.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WHEELER. Of course, the Commission and the courts are supposed to look into this problem. In passing upon the reorganization of a railroad, they look forward to the earnings, and the amount of money the corporation must pay in taxes, as well as the amount of money it is to receive in refunds. I do not know whether that has been done in this particular instance. It would make a great deal of difference in my vote on this bill. Certainly I do not wish to do anything that is unfair to the railroads in this instance, but I would not vote in favor of such a provision without any hearings having been held, either before the committee of the House or the committee of the Senate. I understand that no hearings were held on this matter before the House committee and that no hearings were held upon it before the Senate Finance Committee.

Mr. GEORGE. The Senator is correct. That is the position the committee took, namely, that this amendment could be eliminated without prejudice, for the purpose of providing an opportunity to conduct hearings and to ascertain what were the real equities of a new company in a case where a new charter was obtained or had to be obtained. That is the only reason why we have come before the Senate asking that the House provision be rejected, namely, so that we may make the study and render real equity to the railroads.

Remedial tax measures of this charter can always be made retroactive, and no ultimate harm would be done to the railroads if we were to find that this provision was not too broad and in every case would do substantial equity.

Mr. LANGER. Mr. President, will the Senator yield to me?

Mr. GEORGE. I yield.

Mr. LANGER. Does not the Senator think it is rather unfair to bring up an amendment of this sort at this late hour, after 7 o'clock in the evening, after we have had a long discussion of the Bretton Woods agreements? I am very grateful to the Senator from Wisconsin for giving us the information which he did, because if I had voted against adoption of the committee amendment I would have voted wrong. What is the hurry in this matter, Mr. President, I inquire?

Mr. GEORGE. Mr. President, if the Senator is right now, there will be no regrets.

Mr. LANGER. I am right now, but there may be something in the measure on which I would vote wrong.

Mr. GEORGE. Let me say to the Senator that the real purpose of getting the bill through the Senate at this time is in order to permit the House to consider it before it adjourns. The House of Representatives is preparing to adjourn on

Saturday evening. If any amendment is to be made on which the House of Representatives will have to act, we should get the bill to the House of Representatives tomorrow. The real purpose of the bill is, not to give relief to the taxpayers, but to improve the taxpayers' position, so as to enable them really to plan for the reconversion period, inasmuch as they are now being cut back in their contracts.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TAFT. I have been interested in the statements regarding the possible situation in the House of Representatives. Of course, if the committee amendment prevails, any Member of the House of Representatives could prevent passage of the bill, because all he would have to do would be to object to the amendment. In other words, if we wish to have speed in the passage of the bill, we had better pass the bill as it is, with the railroad provision in it. I do not think the Senator can properly urge that the committee amendment should be adopted in order to speed action on the bill, because that might result in complete delay of the bill until the House of Representatives returns. I understand that only approximately 100 Members of the House of Representatives are now in the city, and that any objection whatever could block passage of the bill by the House of Representatives.

Mr. GEORGE. Mr. President, of course the Senator is correct; but that would be a responsibility for the House of Representatives to assume, if it felt that it should take that responsibility.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. GURNEY. I wonder if it would not be a long time before the railroads would have another opportunity to secure the proposed relief. In other words, we will not have another tax bill until approximately a year from now; is that correct?

Mr. GEORGE. No; I would not make that statement. We have already been making a study for the transitional and postwar period, and we will continue it with renewed energy during the recess and when we come back following the recess.

Mr. GURNEY. It was my understanding that another tax measure will not be passed by the Congress until next spring, and that, therefore, if we are to secure relief for the railroads it will have to be done in this bill, or else it will have to wait until the next tax year.

Mr. GEORGE. No, Mr. President; of course, I would not say when we will take up the next tax bill.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment.

Mr. BURTON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BURTON. I understand that a vote "yea" will be to strike out the House provision, and that if we wish to retain the House provision we must vote "nay."

The PRESIDENT pro tempore. That is correct.

The question is on agreeing to the committee amendment. [Putting the question.]

Mr. LA FOLLETTE and Mr. GEORGE requested a division.

Mr. MILLIKIN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. MILLIKIN. I should like to understand what the vote is to be. If we vote "yea" what will we be voting for?

The PRESIDENT pro tempore. A vote of "yea" will be a vote to strike out the House language.

On this question a division has been requested.

On a division, the amendment was agreed to.

The PRESIDENT pro tempore. The bill is still open to amendment.

Mr. MURDOCK. Mr. President, I send to the desk an amendment, which I ask to have stated.

Mr. WHERRY. Mr. President, I should like to call up an amendment.

The PRESIDENT pro tempore. The Senator from Nebraska was on his feet some time ago, endeavoring to obtain recognition; and the Chair now recognizes him.

Mr. WHERRY. Mr. President, since I have the floor, I should like to ask the present occupant of the chair if there are any further committee amendments to be disposed of?

The PRESIDENT pro tempore. There are no further committee amendments to be considered.

Mr. WHERRY. I now offer the amendment which is at the desk, and ask to have it stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. The following amendments are proposed:

Page 1, line 11, strike out "1945" and insert "1944" and strike out "1946" and insert "1945."

Page 2, line 4, strike out "1946" and insert "1945."

Page 2, line 7, strike out "1945" and insert "1944."

Page 2, line 24, strike out "1945" and insert "1944."

Page 2, line 25, strike out "1945" and insert "1944" and strike out "1946" and insert "1945."

The PRESIDENT pro tempore. The Chair asks the Senator from Nebraska if the language stated does not constitute merely a change of dates, and the Chair asks whether the amendments cannot all be voted upon en bloc?

Mr. WHERRY. This is correct.

The PRESIDENT pro tempore. Without objection, that course will be pursued.

Mr. WHERRY. Mr. President, for the benefit of the Members of the Senate I should like to state that the amendment would simply grant retroactive to January 1, 1945, the increased exemption from $10,000 to $25,000 extended for the tax year 1946. There has already been some discussion of the amendment on the floor of the Senate. I have talked at various times during the past week with the able chairman of the Finance Committee. I told him then, as I am telling the Senate now, that the members of the Senate Small Business Committee feel that one of the aids we can give to small business today will be to grant the immediate relief requested under the provisions of this amendment.

I should like to say that the amendment is sponsored jointly by the junior Senator from Montana [Mr. MURRAY], our present most able chairman of the Small Business Committee, the junior Senator from Tennessee [Mr. STEWART] and, from this side of the aisle, the junior Senator from Indiana [Mr. CAPEHART], and myself.

The amendment is self-explanatory. As the distinguished chairman of the Finance Committee has already stated, the amendment would apply to approximately 45,000 small business corporations in this country this tax year. It would apply for the next year, and to about 31,000 corporations the following year.

As I understand the situation, the only objection made to the adoption of the amendment is based on the fact that for the taxable year 1945 there would be a loss in revenue of $235 000,000 and, on the basis of the estimates—and I grant that the estimates probably are correct—a loss of perhaps $160,000,000 for 31,000 businesses for the taxable year 1946. So, in all, if the estimates are correct, the amount would be approximately $400,000,000.

Mr. President, I doubt very much if the estimate of $160,000,000 for the second year is really and truly a safe guide to follow, because no one can tell what will happen. During the reconversion period we might gain so many businesses that the amount of revenue to be received would more than offset the amount of loss.

Mr. President, I should like to read a telegram which has been recently received. It is a sample of hundreds of telegrams which have come to the Small Business Committee. It is similar to the testimony which has been taken in all four corners of the United States, from scores of persons representing various lines of business who have asked for this proposed tax relief. The telegram reads, as follows:

Trust you will use your influence to make proposed $25,000 exemption in new tax bill effective as of January 1, 1945, instead of 1946. This, in my opinion, would be most encouraging to small business and the returning servicemen considering establishing themselves in business. Besides small business will be called upon to absorb first shocks of unemployment because it will take large businesses more time to readjust.

The sender of the telegram is the president of an association which is producing merchandise for this country. I believe that most of the members of his association would be classed among the 45,000 who are asking for this additional exemption. He is not alone in that respect; neither is the Small Business Committee; nor are the businessmen of the country.

I have talked with the chairman of the Senate Finance Committee, and I am sure that he feels this exemption

should be granted the small businessmen at the present time, if it were possible to do so. I have even talked to the distinguished chairman of the Ways and Means Committee of the House of Representatives. I believe that if it were not for the time element involved, and the mechanics of the passage of the proposed measure, the chairman of the Ways and Means Committee of the House would be favorable. I am sure he desires to see small business favored as much as possible, although I am quite certain from what I have heard that, because of the time element involved, he feels that the bill should be passed as it came to the Senate from the House of Representatives. I am not quoting him nor the distinguished Senator from Georgia [Mr. GEORGE], but I know they both feel kindly toward granting relief to small business to the extent that it can be done.

Mr. President, in his report to the President, Justice Byrnes made a statement last March, as follows:

Before the manufacturer returns to production he will want to know something more than the ceiling price. He will want some idea about taxes in order to determine whether there will be a profit in his business. Everybody cannot be an employee. There must be an employer if people are going to get jobs. Before a man puts his own money and asks his friends to put money in a business, he wants to know that there is some prospect of his making a profit.

The excess-profits tax is a war tax. With the ending of the war there should be an end to excess-profits taxes. It cannot be done upon VE-day because we will still have war production and war profits, but the administration and the leaders of the congressional committees might well announce an intention to urge the elimination of the excess-profits taxes when the war with Japan is at an end.

I have only two more short paragraphs which I wish to read.

In another report which Justice Byrnes made to the President on March 31, 1945, which was after the report which I just read, he stated as follows:

In my report to the President and the Congress on January 1, I stated that a major reduction in tax rates should not be made until Japan has been defeated. At that time I recommended three tax revisions which I believe would not significally reduce tax revenues but would encourage business to prepare for expanded output after the war is won.

Here is the point which I should like to stress to the Members of the Senate.

These three measures include: (1) The acceleration of depreciation allowances—the President has publicly approved this suggestion; (2) the easing of the financial condition of corporations, handicapped through lack of capital in carrying out their reconversion plans, by making immediately available after VE-day—

That was the end of the war in Europe. I continue reading:

a part of their postwar refund of excess-profits tax, and by reducing correspondingly the compulsory savings provision in the excess-profits tax; and (3) an increase in the excess-profits tax specific exemption from the present $10,000 to $25,000.

That is the point in this amendment about which we are talking. I am reading what was advocated by Justice Byrnes, and which was submitted in his report to the President of the United States.

I continue:

These revisions are desirable in the period between VE-day and VJ-day and I renew my recommendation for their early consideration by the Congress.

By the adoption of this amendment we would do exactly what Justice Byrnes suggested in his report to the President of the United States and we would be doing it at the proper time.

Mr. President, I have one more point I wish to stress. The distinguished chairman of the Senate Finance Committee, in making his opening statement in behalf of the bill, stated that the committee wanted to accomplish two things. The committee has accomplished a great deal through the proposed bill. I thank the committee for it. I think the committee has done a splendid piece of work. As I recall the remarks of the distinguished chairman of the committee, he said that it was the desire to put small business in a strong position and to permit it to reconvert now for 1946. That is exactly what the amendment would permit being done. It holds open to those who need relief the knowledge that the tax question has been adjudicated. Its effect goes back to January 1945. That means that small business will obtain relief through the legislation if it be now adopted. Certainly we should afford them such relief. The only objection which can be brought against the amendment is on the ground that the Government would lose $400,000,000 in revenue if the prediction and judgment of some prove to be correct.

Mr. President, in conclusion, I wish to say that I do not want to restate what has already been said in connection with the consideration of the Bretton Woods program.

Mr. FULBRIGHT. The Senator used the figure of $400,000,000. That is not correct.

Mr. WHERRY. The first year the amount would be $235,000,000, and the second year it would be $160,000,000. I obtained the figures from the chairman of the committee. I was told that the loss would be approximately $400,000,000.

Mr. FULBRIGHT. The Senator's amendment would not cause a total loss in that sum.

Mr. WHERRY. The Senator is correct, and I thank him for the correction. I thought I made it plain that the first year the amount would be $235,000,000 and that in the second year it would be $160,000,000. I accept the correction of the distinguished junior Senator from Arkansas and thank him for it. It makes my case so much stronger.

Mr. President, in conclusion I should like to say that I feel seriously that the 45,000 small business corporations to which I have referred would not only be benefited, but that a greater benefit would result from a clarification of the tax question.

All the veterans who return and want to go into business will see what the tax structure is. It will help the reconversion process of all businesses which have taken war contracts, and I think in the end that while there will be loss of revenue of $235,000,000, but so many more firms will be induced to start to reconvert and establish themselves in business that not only will we recover a large amount of that loss, but the second year we will recover more than the $160,000,000 which it is said will be the loss involved for that year.

Mr. BARKLEY. Mr. President, I wish to say just a word about the amendment. I think the Senate should understand that the House voted on this specific proposal under a special rule when the tax bill was under consideration in the House, and defeated it by a substantial majority. I think the vote was in the neighborhood of about 120 to 95. So that the House has passed on the proposal, and we would run a very decided risk in sending the bill back to the House with this amendment on it. In view of the parliamentary situation, if, the House having passed upon it and defeated it, we should return it under the conditions which exist in the House, in view of the pending adjournment, I think we would run a very great risk that the bill would not be enacted at all at this time.

Two billion, one hundred and thirty-five million dollars may not seem to be much money in one sense of the word, but in another sense it is a good deal of money. The difficulty about the situation is that the corporations which operate on a calendar year basis have already set aside what will be equal to 6 months' taxes, and have passed that on to the public. The public, in the purchase of goods which are manufactured by these companies, has already paid one-half of this year's taxes. Those companies which operate on a fiscal-year basis have already paid their taxes, and this would involve refunds covering that portion of the fiscal year which goes back to the first day of January.

So, Mr. President, it seems to me that these three reasons should militate against the adoption of the amendment now.

Mr. WHERRY. Will the Senator yield?

Mr. BARKLEY. In a moment. I know how sympathetic all of us are to small business. I am myself, and I am as anxious, by reduction of taxes or any other way, to help small business. But we have here a practical situation. We have all been showered with communications about this matter. They have come to all of us from all over the country. We frequently have that situation to confront, and we have to exercise judgment in determining now whether we shall take a chance in sending the bill back carrying an amendment which the House has voted on, and run the risk of not getting any legislation.

I now yield to the Senator from Nebraska.

Mr. WHERRY. The argument the Senator is making would be an equally good argument against the action on the committee amendment.

Mr. BARKLEY. Oh, no; it is an entirely different thing.

Mr. WHERRY. The bill will have to go back to the House for action on the Senate committee amendment.

Mr. BARKLEY. Yes; but the situation is not one in which the House refused to put something on a bill and we send it back with that included.

Mr. WHERRY. But we will have to send it back to the House for them to accept the Senate amendment.

Mr. GEORGE. Mr. President, actually what took place in the House is that those who were opposed to the provision which was just stricken out were not given any opportunity to vote on it, because it was brought in under a restricted rule, but the particular amendment which the Senator is now offering was actually voted upon in the House and voted down. So that we would know full well that the House would not take this amendment, and we would simply run the risk of tying up the benefits which he want to give. We are giving to the small corporations full release from all excess profits taxes after December 31 of this year. In all fairness, I think they should be satisfied with the situation.

Mr. BARKLEY. I thank the Senator from Georgia for emphasizing the point I was just about to make, that we would endanger the relief we are providing in the bill for all corporations which come under it, and for that reason I think the amendment should not be agreed to.

Mr. WHERRY. Mr. President, I shall ask for a yea-and-nay vote on the amendment. I feel that this is one of the most important amendments which have been before the Senate in connection with any tax bill, and the businessmen of this country are intensely interested in this proposed amendment. It does seem to me that if we can give relief to the amount of billions of dollars for people across the water, as was done today in the passage of the Bretton Woods legislation, we can do the same thing to help stabilize our own American economy. Businessmen are asking for it, and I should like to have a yea-and-nay vote.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. O'MAHONEY. I should like to offer one consideration. I knew nothing about this amendment until the Senator spoke for it, and I am very sympathetic with what he has had to say, but it appears now, from what has been stated by the Senator from Georgia and the Senator from Kentucky, that in the House of Representatives a record vote was taken upon the matter. That brings about this parliamentary situation, that if the Senate should add this amendment to the bill, when it goes to the House, some of the Members of the House will feel themselves morally bound to point out to the House that the Senate is asking the House to reverse a record vote. It seems to me that that would endanger the whole bill and therefore endanger the relief which the Senate desires.

What I am pointing out is that I would imagine some member of the Committee on Ways and Means would feel himself obligated to say to the House, "This amendment reverses the record vote of the House," and I think it would endanger the whole bill.

Mr. GURNEY. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. In a moment. I wish to thank the Senator from Wyoming for his contribution. My reason for asking for a record vote was that I felt that after it was stated that a record vote was had in the House, it would be necessary to have a record vote here if we were to send the bill back.

Mr. O'MAHONEY. Oh, yes.

Mr. WHERRY. Of course, we will have to do that.

Mr. O'MAHONEY. I am not objecting to a record vote.

Mr. WHERRY. I asked for a record vote.

Mr. O'MAHONEY. I am not objecting to a record vote; I am merely calling the attention of the Senator to the fact that since the House had a record vote upon this matter, if we undertake to ask the House now to reverse its action, we do so knowing that there are fewer Members of the House present than were present when the vote was taken.

Mr. WHERRY. I think the point is well taken, and I thank the Senator. I want the Finance Committee to know that I do not desire to cause any difficulty; I want to cooperate 100 percent. But I do know that the members of the Small Business Committee have gone throughout the length and breadth of this land, and the telegram to which I have referred is not unusual. We have had telegrams for days and weeks and months asking for this remedial provision, and I have made definite commitments that this amendment would be offered to this tax bill. I am quite sure that the distinguished chairman of the Finance Commitee knows I talked to him about it. I wanted to get it into the bill. I wanted the committee to accept it, and I feel so deeply about it that I feel we should have a record vote.

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. GURNEY. I merely wish to point out to the Senator from Nebraska that the argument the Senator from Wyoming used could have been used against the railroad amendment, which was defeated here a few minutes ago, because the House had a vote of 240 to 91, or something in that neighborhood, in favor of the provision, which the Senate rejected.

Mr. O'MAHONEY. Mr. President, that is an incorrect statement of fact, if I am correctly advised. There was no record vote in the House upon the railroad amendment at all.

Mr. GURNEY. I know nothing about it except that the statement was made that a record vote was taken.

Mr. BARKLEY. Mr. President, will the Senator from Nebraska yield?

Mr. WHERRY. I yield.

Mr. BARKLEY. I merely wish to say that the railroad amendment was put in the House bill at the last moment by the committee. There was no separate vote on it, and it would have required a rule to get a separate vote. They did have a rule for a vote on the proposal of the Senator from Nebraska, and had a record vote under the rule.

Mr. WHERRY. The statement did not come from me. I think what the distinguished Senator from South Dakota referred to was the vote on the amendment I offered.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER (Mr. HILL in the chair). Does the Senator from Nebraska yield to the Senator from Montana?

Mr. WHERRY. I yield.

Mr. WHEELER. I feel very sympathetic to what the Senator from Nebraska has said, and to his amendment, but I do wish to say that I think the Senator is jeopardizing the whole piece of legislation by offering the amendment, because if it should be adopted, my information is that it would have to be submitted to the House again, and with a majority gone, one Member could hold it up, whereas as to the other amendment, the chances are that that would not happen. I think if the amendment should be adopted it would jeopardize the only relief the small businessmen will get, and, much as I am in sympathy with the amendment, I think, frankly, it is a mistake to offer it at this time.

The PRESIDENT pro tempore. The question is on agreeing to the amendments en bloc offered by the Senator from Nebraska [Mr. WHERRY].

Mr. WHERRY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GEORGE. Mr. President, I suggest the absence of a quorum. But before the roll is called I should like to make a statement. Adoption of the amendment is a very certain way of defeating this tax legislation. I suggest most respectfully to Senators that this is a worth-while bill if we are really going to approach realistically the whole reconversion program. If there is to be any benefit under this bill it will take the Treasury at least a couple of months to prepare and send out all the necessary forms and instructions, and not until the last quarter of this year can the Treasury begin to take action under the bill.

I now suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hatch	Myers
Austin	Hawkes	O'Daniel
Ball	Hickenlooper	O'Mahoney
Barkley	Hill	Radcliffe
Briggs	Hoey	Revercomb
Brooks	Johnson, Colo.	Robertson
Buck	Johnston, S. C.	Russell
Burton	Kilgore	Saltonstall
Bushfield	La Follette	Smith
Butler	Langer	Stewart
Byrd	Lucas	Taft
Capehart	McClellan	Taylor
Cordon	McKellar	Thomas, Okla.
Donnell	McMahon	Tunnell
Ellender	Magnuson	Wheeler
Ferguson	Maybank	Wherry
Fulbright	Mead	White
George	Millikin	Wiley
Guffey	Mitchell	Willis
Gurney	Murdock	Young
Hart	Murray	

The PRESIDENT pro tempore. Sixty-two Senators having answered to their names, a quorum is present.

Mr. WHITE. Mr. President, much as I admire the Senator from Nebraska, I cannot support the amendment he has offered, and I have the earnest hope that he will not press it to a final vote at this time.

Mr. President, there are two reasons which motivate me in the position I am taking. In the first place, the pending legislation comes before this body sanctioned by the tax experts of the Senate of the United States. It comes here with the approval of men who have served on the Finance Committee of the Senate for long periods of time and who are the authorities on the tax problems of the Senate of the United States if anyone can qualify as a tax expert. This amendment does not have the approval of that committee.

I submit in the first place that it is a very dangerous thing, a thing of doubtful wisdom, to attempt on the floor of this body to amend a tax bill which has had the sanction of this standing committee of the Senate of the United States.

But beyond that, and as a very practical matter, so it seems to me, Mr. President, we are simply asking the House to rebuff us if we adopt this amendment, in the light of the present circumstances. It appears clear that the House acted definitively and by a record vote on substantially the same amendment, and decided against it by an overwhelming majority of the Members of that body. It is simply inconceivable to me that with the reduced membership of the House, with most of that body now away from this city, a minority of the total membership of that House will allow to come to a final vote and will adopt there an amendment which the House with full membership has definitely passed on and definitely rejected. I feel that if the amendment were adopted by the Senate it would be nothing but a futility on our part, which would cause us embarrassment and regret and accomplish nothing else.

So I myself cannot support the amendment of the Senator from Nebraska, and it would bring great pleasure to me if he felt it wise in all the circumstances to withdraw his amendment.

Mr. WHERRY. Mr. President, I am very thankful to the minority leader for his statement of the reason why he cannot support the amendment. If I felt as he does I would not support it either. But Mr. President, it is not a question of our likes or dislikes. If there is anything I could do for him or for the majority leader I would do it. But we have been talking about this relief for 6 months. It has been asked for by Justice Byrnes.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHERRY. I yield.

Mr. BARKLEY. The Senator I think will admit that in Mr. Justice Byrnes' statement he did not anywhere suggest a retroactive tax provision, which this is. The Senator's amendment is retroactive, and nowhere did Justice Byrnes suggest that.

Mr. WHERRY. He asked that relief be given between VE-day and VJ-day. That is where we are. This amendment has been talked about for months, from one corner of the land to the other. I do not know whether the committee considered it or not.

Let me say this for the Senator from Georgia [Mr. GEORGE]. No one could have been finer to me. He has done everything he could do. I realize the parliamentary situation, and I am indeed sorry for it. At the same time, I think the record ought to be made as to how we feel about it, and I think if the House is in session we ought to act on the amendment, if we want to give relief to the businessmen of the country.

We give billions of dollars to nations across the ocean; but when it comes to giving a little relief at home to help stabilize our economy, we run up against this technicality and that technicality. Members of the House want to go home, and we cannot do anything unless we get together by Saturday night. I am ready to stay here all summer. I think that when we come to a piece of legislation which is as important as this, to stabilize the economy of 45,000 small businessmen, we ought to stand up and be counted, not only in the Senate, but also in the House. I think we ought to have a record vote, and we ought to send the amendments back to the House and ask the House to accept the Senate position. That is the reason I am forced to ask for a yea-and-nay vote. I hope the amendments will be agreed to.

I regret exceedingly that we have a parliamentary situation which in any way embarrasses the distinguished chairman of the Committee on Finance, because I hold him in as high regard as I do any other Member of the Senate.

Mr. MURRAY. Mr. President, I am supporting the amendments offered by the distinguished Senator from Nebraska. I think it would be very unfortunate if the technicality which has been advanced should prevent the Senate from acting favorably on these amendments. It seems to me that something must be done for the small concerns which are telegraphing to our committee complaining about the situation. They are unable to get materials for reconversion, and they face months of idleness in many parts of the country as a result of their failure to obtain materials.

It seems to me that the least we should do to aid them in the reconversion period is to adopt these amendments, which would advance the period of exemption up to 1945. I therefore hope that the Senate will accept the amendments.

The PRESIDENT pro tempore. The question is on agreeing to the amendments offered by the Senator from Nebraska, which are being considered en bloc. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BUTLER. I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS] and will vote. I vote "yea."

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the Senators from Rhode Island [Mr. GERRY and Mr. GREEN], the Senator from Louisiana [Mr. OVERTON], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are absent on public business.

The Senator from Florida [Mr. ANDREWS], the Senator from Mississippi [Mr. BILBO], the Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. CHAVEZ], the Senator from California [Mr. DOWNEY], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. HAYDEN], the Senator from Nevada [Mr. MCCARRAN], the Senator from Arizona [Mr. MCFARLAND], the Senator from Texas [Mr. O'DANIEL], the Senator from New York [Mr. WAGNER], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

I also announce the following general pairs:

The Senator from New York [Mr. WAGNER] with the Senator from Kansas [Mr. REED].

The Senator from Utah [Mr. THOMAS] with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from California [Mr. JOHNSON] is unavoidably absent.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The following Senators are unavoidably detained on public business:

The Senator from Kansas [Mr. CAPPER], the Senator from Oklahoma [Mr. MOORE], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Michigan [Mr. VANDENBERG].

The result was announced—yeas 30, nays 31, as follows:

YEAS—30

Aiken	Ferguson	Robertson
Ball	Gurney	Russell
Brooks	Hawkes	Smith
Buck	Hickenlooper	Stewart
Burton	Johnson, Colo.	Taft
Bushfield	Langer	Thomas, Okla.
Butler	Mead	Wherry
Capehart	Millikin	Wiley
Cordon	Murray	Willis
Ellender	Revercomb	Young

NAYS—31

Austin	Hoey	Murdock
Barkley	Johnston, S. C.	Myers
Briggs	Kilgore	O'Mahoney
Byrd	La Follette	Radcliffe
Donnell	Lucas	Saltonstall
Fulbright	McClellan	Taylor
George	McKellar	Tunnell
Guffey	McMahon	Wheeler
Hart	Magnuson	White
Hatch	Maybank	
Hill	Mitchell	

NOT VOTING—34

Andrews	Gerry	Reed
Bailey	Glass	Shipstead
Bankhead	Green	Thomas, Idaho
Bilbo	Hayden	Thomas, Utah
Brewster	Johnson, Calif.	Tobey
Bridges	McCarran	Tydings
Capper	McFarland	Vandenberg
Chandler	Moore	Wagner
Chavez	Morse	Walsh
Connally	O'Daniel	Wilson
Downey	Overton	
Eastland	Pepper	

So Mr. WHERRY's amendments were rejected.

Mr. MURDOCK. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Utah will be stated.

The LEGISLATIVE CLERK. On page 28, after line 11, it is proposed to insert the following:

That section 23 (m) of the Internal Revenue Code is amended by adding the following at the end of the first paragraph thereof:

"All expenditures for wages, fuel, repairs, hauling, supplies, and so forth, incident to and necessary for the drilling of wells and the preparation of wells for the production of oil or gas may, at the option of the taxpayer, be deducted from gross income as an expense or charged to capital account. In addition to the foregoing option, the cost of drilling nonproductive wells at the option of the taxpayer may be deducted from gross income for the year in which the taxpayer completes such a well or be charged to capital account returnable through depletion as in the case of productive wells."

SEC. 2. (a) Taxable years beginning after December 31, 1944: The amendment made by section 1 shall be applied to all taxable years beginning after December 31, 1944, but shall not be deemed to grant a new option to any taxpayer who has exercised an option in accordance with regulations in force prior to the enactment of this joint resolution.

(b) Taxable years beginning prior to January 1, 1945: If, in computing income and profits taxes for any taxable year beginning prior to January 1, 1945, the taxpayer deducted intangible drilling and development costs from gross income as an expense and such deduction was taken in accordance with an option granted under regulations then in force, such deduction shall be deemed to be allowable under the law applicable to such taxable year.

Mr. MURDOCK. Mr. President, if I may have the attention of the Senate, I shall hurriedly state the purpose and effect of the amendment and what it would accomplish. A recent statement in an opinion of the Fifth Circuit Court of Appeals was to the effect that its decision involving a regulation of the Bureau of Internal Revenue in the identical language of my proposed amendment could have involved adjustments of $1,000,000,000 in income taxes. For years a regulation promulgated by the Treasury Department granted to the taxpayer engaged in the business of drilling oil well the option of either charging to his expense account the intangible expenses and costs of drilling an oil well or charging them to his capital account. That regulation has been a part of the Treasury regulations under the tax law for several years.

Recently, in a tax case, a taxpayer claimed deductions, as expenses, of the intangible costs of drilling certain oil wells. The validity of the deductions was challenged, disallowed by the Commissioner of Internal Revenue, and the taxpayer appealed to The Tax Court.

The Tax Court held that, notwithstanding the regulation, in that particular case the intangible costs of drilling could not be charged as expenses and must be charged to the capital account.

The case was appealed by the taxpayer to the Federal Circuit Court for the Fifth Circuit. The circuit court held that the regulation was violative of the tax laws involved and hence void, and decided against the taxpayer, affirming the decision of the Tax Court.

After that decision was rendered, the Bureau of Internal Revenue on March 29, 1945, following the decision of the Federal circuit court—which, as I recall, was on March 5, 1945—handed out the following statement:

Special ruling, March 29, 1945.

Deductions: Depletions: Deductibility of oil- and gas-well drilling costs as expenses.

Mr. President, I wish to have the Senate pay strict attention to this statement issued by the Commissioner of Internal Revenue:

Notwithstanding the decision of the fifth circuit in the *F. H. E. Oil Co. case* (45-1 U. S. T. C., sec. 9200) that the option given by regulations to treat as expense oil and gas well drilling costs is contrary to law, the Bureau of Internal Revenue will continue to follow the provisions of section 29.23 (m)-16 of regulation 111, and corresponding provisions of prior regulations. In the event of a clarification of the law impelling a change from the rule applied in the regulations, in no event would such a change be retroactive unless so directed by Congress.

Mr. President, as a result of that statement we have the strange anomaly that a bureau has said to the taxpayers of the United States that, notwithstanding a decision of a Federal circuit court of appeals that a regulation is violative of the statutes and hence void, it—the bureau—will administer the regulation as it has in the past.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. LUCAS. Do I correctly understand that the Bureau of Internal Revenue held that the court really violated the law in making the decision which it did?

Mr. MURDOCK. The Senator is correct. The regulation and statement which I have just read simply provide in substance—I do not wish to repeat them—that notwithstanding a decision of the Federal Court of Appeals for the Fifth Circuit holding void and contrary to law a certain regulation, the Bureau of Internal Revenue will ignore the decision and will continue the regulation in force, as it has done in the past.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. CORDON. Do I correctly understand that the decision of the Court of Appeals has become final, or is there a further appeal in the matter?

Mr. MURDOCK. I was coming to that point. After the first decision of the Court was handed down and after the statement to which I have referred was made by the Bureau of Internal Revenue, due to the tremendous amount of tax adjustments that might be involved, to wit, $1,000,000,000—as was set out in the briefs of counsel for the oil companies—a rehearing of the matter was had.

In the rehearing the Federal court said that because of the fact that $1,000,000,000 in tax adjustments might be involved, instead of holding, as it had in its first decision, that the regulation was wholly void, it would hold in the second decision, on the rehearing, that the facts in the case did not come within the regulation. The court in its decision on the rehearing limited its application to just the cases before it and without holding the regulation generally invalid. But the court maintained, as it did in the first case, that when an oil well is drilled as the consideration for acquisition of an interest in oil property, the expense of drilling the well cannot be considered as an expense, but must be considered as a capital expenditure.

Mr. LUCAS. Then, am I correct in understanding that that decision is final?

Mr. MURDOCK. It is final insofar as that Court is concerned.

However, we have the following very strange anomaly—and I hope Senators will pay attention to this: The court upheld the Commissioner of Internal Revenue; and after the Commissioner was upheld by the Court's decision, he said, "Notwithstanding the decision, the regulation still stands." It was after this statement that the court modified its decision as I have heretofore indicated.

Mr. President, on how many occasions have we heard Senators on both sides of the aisle condemn legislation because of provisions holding that the findings of fact of bureaus could not be interfered with by a Federal court? How often have we heard legislation challenged on the floor of the Senate because there had not been an adequate appeal to the courts from the decisions of bureaus? However, under the circumstances which I now relate, we have had a complete reversal of that situation, and we find a bureau defying a Federal court. Stranger than that, we find the Congress of the United States, for the first time in its entire history, resorting to a concurrent resolution, which I will later place in the RECORD, in order to set the Congress up as an appellate court for the purpose of interpreting the laws of the country, and in so doing condemning the decision of a Federal court.

Many Senators have said they believe in the absolute independence of the judiciary. I ask those Senators to give attention to what is being done right here in the Halls of Congress.

Mr. President, I ask unanimous consent that the decision of The Tax Court in this case be printed in the RECORD at this point as a part of my remarks

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

OPINION

Hill, Judge: We are first called upon to determine whether petitioners are entitled to deduct from income in each of the taxable years in question "intangible drilling and development costs" incurred in the drilling of nine oil wells on leased property. The amounts expended are not in controversy. Petitioners assert that regulations 101, section 23 (m)-16,[1] and the identical provision

[1] Art. 23 (m)-16. Charges to capital and to expense in the case of oil and gas wells.—(a) Items chargeable to capital or to expense at taxpayer's option:

(1) Option with respect to intangible drilling and development costs in general: All expenditures for wages, fuel, repairs, hauling, supplies, etc., incident to and necessary for the drilling of wells, and the preparation of

of regulations 103, granting to them an option to deduct such expenditures or to charge them to capital, apply in this proceeding.

If they do, then petitioners must prevail, for they previously exercised the option in favor of deducting intangible drilling and development costs. However, respondent contends that the option does not extend to such costs incurred under the facts here, on the ground that the drilling and completion of the wells in question were a part of the consideration for the acquisition of rights under the several leases and assignments.

Thus, we have a clear-cut issue and one which is new only as it bears upon the particular facts which are here before us. The principle to be applied is settled. It is well stated in *Hardesty* v. *Commissioner* (127 Fed. (2d) 843), as follows:

"The ultimate question for decision, therefore, is whether or not the oil wells drilled in this case were drilled as consideration for the assignment of the undivided interests in the oil properties; for if they were drilled as consideration for the assignment, the drilling and development costs are not deductible under the regulation but must be treated as a capital expenditure. * * *"

The answer to this question has recently been held determinative under similar facts in *Hunt* v. *Commissioner* (135 Fed. (2d) 697); *Stansylvania Oil & Gas Co.* v. *Commissioner* (135 Fed. (2d) 743); and *Walsh* v. *Commissioner* (135 Fed. (2d) 701). So it is in the present proceeding.

Petitioners first attack the principle itself and the conclusions reached in the above cited cases which support it. They argue that there exists no basis for an exception in instances where drilling is performed as a part of the consideration for capital interests acquired. Hence, they say, cases refusing the option in such instances are incorrectly decided and should not be followed. We are not impressed by this contention.

Petitioners' further contentions are advanced upon the premise that the Hardesty case and the others in its line apply solely to instances where drilling is expressly stated in the lease instrument as constituting a consideration for the property rights which passed thereunder. Proceeding upon this premise, petitioners seek to distinguish the facts here except as to their acquisition of interests in 15.4375 acres of the McKinzie tract from McMeans, King, Madigan, and Cheatham. Save as noted, petitioners allege, in short, that under the terms of each instrument in evidence they were not obligated to drill; that they could not be forced to respond in damages for failure to drill; and that drilling provisions were conditions subsequent, the failure to perform which merely resulted in the divesting of title to property which had vested in them upon the execution of the particular instrument. They urge these circumstances as taking the case without the ambit of the Hardesty case and the rule there applied and, conversely, as placing it within that of regulations 101, section 23 (m)-16, supra.

Petitioners' contentions beg the question. As we have indicated, the determinative inquiry to be made is whether the drilling of the wells constituted a part of the consideration for the interests which petitioners acquired in the several tracts. This inquiry is not limited to a casual examination of the leases and assignments to ascertain if the parties therein expressly stated that drilling was "consideration" for the grant. Nor can the question be resolved by noting that the drilling provisions have the aspect of conditions rather than covenants or promises. A conclusion based upon this distinction would exalt words over substance. Moreover, the answer is not dependent upon whether the leasehold interests be regarded as vesting upon the execution of the leases or assignments, subject to defeasance for nonperformance of conditions, or upon the completion of wells upon each of the leased tracts.

In *United States* v. *Sentinel Oil Co.* (109 Fed. (2d) 854), the court said:

"Appellee attempts to distinguish the State Consolidated case from the instant one, by the fact that in the former case title to the property was not to pass until after the property owner had received his $1,400 from the proceeds of the well, while in the instant case title passed upon the execution of the contract. We do not think that this distinction changes the situation. In both cases the drilling expenditures were the consideration for the passing of title to the land."

We do not unders nd the Hardesty and other recently reported decisions as requiring varying answers contingent upon variables in terminology used in the leases. Petitioners err in assuming that they stand for any such amorphous distinction. While it may be true that the instruments considered in these cases did contain express provisions to drill, the decisions were based, as we have said, upon the fact that the drilling was a consideration for the interests acquired, not upon the formalities of conveyancing.

With the foregoing explanation of the principle involved and the contentions of the parties, we come to a consideration of the real question. The several leases and assignments through which petitioners claim to have acquired rights and interests in the first seven tracts listed in the findings of fact may be considered together. In each instance the property was leased for the purpose of mining and operating for oil and gas and for a purely nominal consideration. In each instance the instrument contained a clause which provided, in substance, that unless the petitioners commenced an oil well within a certain number of days and diligently prosecuted the drilling to completion the lease and assignment would terminate as to both petitioners and their grantors. These instruments, consequently, fall within the category of the "unless" form of lease which terminates ipso facto upon the failure to exercise the option granted. *Bowes* v. *Republic Oil Co.* ((Mont., 1927), 252 Pac. 800). The usual "unless" lease contains a provision entitling the lessee to extend the time during which he must drill to avoid termination by the payment of a specified rental. However, no so-called delay rental clauses are here involved. Such a printed clause was deleted in one of the leases covering the Standard of Kansas tract and was expressly subordinated to the typed drilling provision in the other. Although not so stated in the lease, construction requires that the printed delay rental provision be held subordinate to the typed drilling provision in the lease involving the First National Bank tract. *Habermel* v. *Mong* (31 Fed. (2d) 822). None of the other instruments contain a delay rental clause. In view of the expressed limitation of the grants, the nominal consideration, the provisions for drilling within a period measured in days, and the refusal to accord options to extend the period by the payment of rentals, it appears obvious that the primary purpose of these leases and assignments was to procure the drilling of wells to test the underlying structure for oil. It cannot be gainsaid that the essence of the consideration for such leases and assignments was the drilling of the wells in question. *Chi.-Okla. Oil & Gas Co.* v. *Shertzer* ((Okla., 1924), 231 Pac. 877); *Investors' Utility Corp.* v. *Challacombe* ((Tex., 1931), 39 SW. (2d) 175).

The same conclusion obtains when the question is approached from the petitioners' standpoint. In this view it is necessary to determine what interests petitioners had in each tract, as grantees, after the date of each lease or assignment but before a well was completed on the tract. As we have indicated above, petitioners contend that they had a fee interest, subject to termination upon breach of condition subsequent and, since they were thus drilling upon their own property, that the deduction for intangible drilling costs must be allowed. However, petitioners misconceive the legal effect of their "unless" leases and assignments. These instruments did not confer upon petitioners a title to the several tracts, but merely gave to them a privilege of going upon the land for the purpose of drilling a well. The effect of the "unless" lease with a delay rental clause was stated by the Circuit Court of Appeals for the Fifth Circuit in *Gillespie* v. *Bobo* (271 Fed. 641), wherein the court said:

"Such instruments as the one in question have been passed on frequently by the courts of Texas. It is well settled by the decisions of those courts that such an instrument confers on the so-called lessee a privilege for the specified time, with the option to secure the extension of the privilege for an additional period upon complying with the prescribed condition, and that time is of the essence of such a provision as the one above set out. *Ford* v. *Barton* (Tex. Civ. App.) (224 S. W. 268); *Bailey* v. *Williams* (Tex. Civ. App.) (223 S. W. 311); *Young* v. *Jones* (Tex. Civ. App.) (222 S. W. 691); *Ford* v. *Cochran* (Tex. Civ. App.) (223 S. W. 1041)."

The court in that case further said:

"The consequence of a failure to do what is required to acquire a right or thing is not a forfeiture of it. * * * The equitable rule as to relieving against forfeitures has no application to the case of a failure of a holder of an option to do, within the fixed time, what is required to acquire the thing which is the subject of the option. Equity does not undertake to dispense with compliance with what is made a condition precedent to the acquisition of a right."

The instruments here conferred merely the same rights upon petitioners as the lease involved in the Gillespie case gave to the lessee, less the option to secure an extension of time. Petitioners had no capital interest in the property until the wells were commenced and completed in accordance with the terms of the drilling provisions. It follows that such provisions could not be conditions subsequent terminating an interest theretofore obtained. The Supreme Court of Texas takes a like view. In *Waggoner Estate* v. *Sigler Oil Co.* (19 S. W. (2d) 27, 30), that court said:

"A clause similar to the first [this clause provided that if no well was commenced on the land or on before June 1, 1919, the lease should terminate as to both parties] was referred to is a dictum in *Texas Co.* v. *Davis*, (113 Tex. 331, 254 S. W. 304, 255 S. W. 601), as creating a condition subsequent; that effect having been ascribed to it by distinguished counsel on both sides, and by the learned judges writing the majority and minority opinions in the Court of Civil Appeals (232 S. W. 549). This may have arisen from failure to recognize a distinction between the customary 'drill or pay' clause and the 'unless' clause. The clauses under consideration in the Davis case and here come within the class of 'unless' clauses. The correct rule seems to be that, while

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wells for the production of oil or gas, may, at the option of the taxpayer, be deducted from gross income as an expense or charged to capital account. Such expenditures have for convenience been termed intangible drilling and development costs. * * *

(2) Option with respect to cost of nonproductive wells: In addition to the foregoing option the cost of drilling nonproductive wells at the option of the taxpayer may be deducted from gross income for the year in which the taxpayer completes such a well or be charged to capital account returnable through depletion and depreciation as in the case of productive wells.

the usual 'drill or pay' clause in an oil lease does introduce a condition subsequent, for the benefit of the lessor alone, yet, as said by Mr. Summers, 'where the "unless" drilling clause is used, a failure of the lessee to drill or pay a stipulated sum of money ipso facto terminates the lease, without the necessity of reentry, action or their equivalents by the lessor. For this reason the interest created in the lessee by such lease cannot be one terminable by breach of condition subsequent.'"

In that case the Supreme Court of Texas further clearly indicates the determinative characteristic of a condition subsequent as applied to oil and gas leases as follows: "As stated in Justice Bonner's opinion, under a limitation the estate granted is automatically terminated on the happening of stipulated events, while under a condition subsequent the lessor has the election to terminate or continue the contract after breach of the condition."

Under the "unless" provision of the leases and assignments in the instant proceeding the failure to perform the condition to drill would ipso facto terminate the conrtact as to both parties. In such event the lessor or assignor would have no right of election to terminate or to continue the contract. Hence, such condition was not a condition subsequent.

In Chi-Okla. Oil & Gas Co., an oil and gas lease required the drilling of a test well within a specified time and provided that the failure so to drill would ipso facto terminate the lease. The Supreme Court of Oklahoma stated in its opinion therein that—

"As the right of the lessee to the possession of any part of the lands depends upon his entry for the purpose of prospecting for the minerals, the mere grant of such right by the terms of the lease does not operate, in praesenti, to vest an estate in the lands in the lease. *Lowther Oil & Gas Co.* v. *Miller-Sibley Oil Co.* (53 W. Va. 501, 44 S. E. 433, 97 Am. St. Rept. 1027.)"

The quoted pronouncement of the Oklahoma Supreme Court is applicable to the facts here. It follows that the vesting of an estate under the lease there involved and similarly under the leases and assignments here involved occurred only upon the performance of the condition to drill the test well. Such condition was, therefore, not a condition subsequent to the vesting of title but was a condition precedent to such vesting. It is obvious that there can be no divestiture of title by the failure to perform a condition the performance of which is necessary to the vesting of title.

We think it clear that the right to oil and mineral in place, obviously a capital asset, accrued to petitioners under each "unless" instrument only upon the drilling of the well. The exercise of the privilege to drill was the assumption of the obligation to drill, the performance of which was the primary consideration for the leasehold interest in each tract. Petitioners drilled not to prevent the loss of something already acquired or to avoid liability for damages, but to acquire the thing for which the drilling was required as consideration, namely, title to oil in place. Since the intangible drilling and development costs here involved arose in connection with the drilling of the first well on each tract, it is apparent from the foregoing discussion that they form a part of the consideration for and constitute capital expenditures in the acquisition of the First National Bank, Standard of Kansas, Dodge, M. K. Carter, A. W. Johnson, Burkitt, and Betz-Robinson tracts. Accordingly, such costs may not be deducted but can be recovered only through depletion allowances. *Hardesty* v. *Commissioner, supra; Hunt* v. *Commissioner, supra; Walsh* v. *Commissioner, supra; Hugh Hodges Drilling Co.* (43 B. T. A. 1045); *Nunn-Stubblefield Oil Co.* (31 B. T. A. 180).

We next consider the question in relation to the drilling of the dry hole on the Monnig tract. In each instance the assignment to petitioners was not executed until after they had drilled on the property. Petitioners drilled to enjoy the avails of a contract whereby the first parties agreed to assign their leasehold interest in the tract provided petitioners performed a positive undertaking to drill. Performance was required in order to obtain any interest in the tract which was the subject of the contract. In the final analysis the position of the parties was practically identical to that existing in respect to the "unless" type instruments. Under the latter, leasehold interests automatically became vested in petitioners when the drilling requirement was performed, while here the passing of title was contingent upon the execution of a further instrument, the assignment itself. However, in both cases petitioners were entitled to no interest in oil in place until a well was drilled. Clearly the drilling of the well on the Monnig tract also was a consideration for the interests acquired. See *Nunn-Stubblefield Oil Co., supra,* wherein the material facts are undistinguishable from those here giving rise to the Monnig leasehold.

Petitioners contend that the rule of the Hardesty case does not apply where the well turns out to be as here a dry hole. There is no merit to this contention. *United States* v. *Sentinel Oil Co., supra.* Regardless of the outcome, the drilling operation was undertaken as a part of the consideration for the assignment of the lease. The option accorded by the regulations to expense the cost of nonproductive wells extends only to situations in which such a well is drilled by the taxpayer on land in which he has a fee interest.

The instruments in evidence to sustain the deduction claimed respecting the McKinzie tract present a different picture. By the agreement dated November 4, 1938, petitioners specifically agreed to commence and continue a well as part of the consideration for the assignment of interests in 11.25 acres. Petitioners were released from the obligation as to 2 acres 3 days later. Drilling was likewise expressly made a consideration for the assignment of H. F. Cheatham's interest in 6.1875 acres of the McKinzie tract. Hence, in respect of 15.4375 acres in this tract petitioners clearly drilled the well as a consideration for the acquisition of a capital asset and petitioners concede as much. None of the other instruments in evidence, however, contain any reference whatever to drilling. Accordingly, petitioners contend that they need capitalize only so much of the intangible drilling costs of the McKinzie well as 15.4375 bears to 67.5. This contention is based upon the theory that their interests in the McKinzie tract embraced a total of 67½ acres and is made in reliance on *Hunt* v. *Commisioner, supra.*

The difficulty in following petitioners lies not with their general proposition, but in the state of the record. It is elementary that the burden of showing the respondent's determination to be erroneous falls upon the petitioners. Among other facts, petitioners here were each obliged to establish that they had an interest in each tract upon which they drilled; that the drilling was not consideration for the interests acquired; and, with respect to the McKinzie tract which raises the apportionment issue, the numerator and denominator of the ratio to be applied. To establish these matters in connection with the McKinzie tract petitioners offered in evidence 11 instruments, all of which were received. One was an oil lease covering a seven-sixteenths interest in a 67½-acre tract. However, this interest was granted to Carter & Gragg Oil Co., a partnership. There is nothing in the record which purports to show that petitioners acquired any interest whatever in this portion of the 67½-acre tract from Carter & Gragg, or anyone else. We cannot indulge in an assumption that they did.

Of the remaining 10 instruments, 3 were assignments of a one-tenth interest in a certain lease by which Alice McKinzie leased her undivided interest in the 67½-acre tract. Two instruments were assignments of a one-third interest in a certain lease by which other parties leased their undivided interest in the 67½-acre tract. We do not know the extent of the original lessors' interests in the tract, however, since the leases themselves were not offered in evidence and no testimony was given on this point. Consequently, we are unable to determine what interests petitioners obtained. Moreover, a one-sixteenth interest in the 67½-acre tract is altogether unaccounted for. It is obvious that proof of the denominator of the apportionment ratio is lacking to such a degree as to make any figure a mere guess. In these circumstances we must sustain respondent.

Furthermore, it is at once apparent that petitioners have failed to prove a right to expense the intangible cost of the McKinzie well upon a totally different ground. As we have stated, several of the assignments contained no drilling provisions. Upon this fact alone is based petitioners' contention that drilling could constitute no part of the consideration for the interests thus acquired. But as assignees of a lease petitioners acquired no greater rights than those of their assignor thereunder and were subject to all the obligations, conditions, and considerations imposed by the lease upon the assignor. None of the leases in relation to the McKinzie tract, except the lease to Carter-Gragg Oil Co., were offered in evidence and no evidence was offered as to the provisions thereof. Not having the information which such evidence would afford for consideration in connection with the provisions of the intervening assignments of the leases, we have no factual basis upon which to determine whether it is permissible under the regulations in question to expense the intangible drilling costs of the well drilled on such leased premises. We cannot, therefore, hold that respondent erred in denying the applicability of such regulations in respect of the drilling of such well.

This observation applies also to the State of the proof respecting petitioners' acquisition of interests in the A. W. Johnson, M. K. Carter, Burkitt, Betz-Robinson, and Monning tracts. In each instance the assignments covering these properties themselves contained drilling provisions which, as we have held, required drilling as a part of the consideration for the capital assets which petitioners acquired. This suffices to support our conclusion as to the drilling expenses on these tracts. However, had these assignments been silent regarding drilling or had drilling provisions therein been of a character not bringing them within the rule of the Hardesty case, we would still be obliged to approve the respondent's determination disallowing deductions for the intangible costs of the wells on these tracts, since neither the underlying leases nor their provisions are before us.

FHE was not a lessee under the lease conveying interests in the First National Bank tract. Fleming-Kimbell was not mentioned in the assignment of the leasehold interest in the Betz-Robinson tract. No evidence was offered to supply the missing links. Nevertheless, FHE claimed a deduction for intangible drilling expenses in connection with the First National Bank well and Fleming-Kimbell claimed one for similar expenses in connection with the Betz-Robinson well. It can not be said, and in fact is not contended that such expenses are deductible on the theory that petitioners, in the named instances, were merely acting as contractors drilling for others and so entitled to a business expense deduction, for petitioners did not actually do the drilling. The drilling was

contracted by them, not to them. Such expenses are not deductible by FHE in respect of the well on the First National Bank tract nor by Fleming-Kimbell in respect of the well on the Betz-Robinson tract, because of failure to prove an interest, respectively, in such tracts.

For the reasons discussed above we hold that petitioners are not entitled to expense the intangible drilling and development costs connected with any of the nine wells.

The second question in this proceeding is whether charitable contributions made by Fleming-Kimbell during the taxable year ended April 30, 1939, are to be deducted from gross income from the property in computing the limitation on percentage depletion pursuant to section 114 (b) (3) of the Revenue Act of 1938. Respondent claims that they are, while petitioners contend to the contrary.

The statute provides that the allowance for percentage depletion shall not exceed 50 percent of the net income of the taxpayer from the property (computed without allowance for depletion). The Commissioner has issued a regulation [2] defining the term "net income of the taxpayer from the property" for the purposes of this limitation. It requires that "gross income from the property" be reduced by the allowable deductions attributable to the mineral property upon which the depletion is claimed. *Montreal Mining Co.* (2 T. C. 688). It does not provide that gross income must be reduced by all the deductions which may be allowed the taxpayer by statute. The answer here turns upon whether the charitable deductions in question are attributable to Fleming-Kimbell's oil properties.

We do not think that they are so attributable. To be deductible as ordinary and necessary expenses under section 23 (a) of the Revenue Act of 1938, charitable contributions must have in a direct sense a reasonable relation to the business of the taxpayer corporation. However, the respondent makes no contention that the charitable contributions involved here were so closely related to Fleming-Kimbell's business as to make them deductible under section 23 (a). On the contrary, the parties seem to assume that the instant charitable contributions are of the character deductible only by virtue of section 23 (g) of the Revenue Act of 1938, which permits the deduction of certain contributions up to a limited amount regardless of their connection with a corporate taxpayer's business. Charitable contributions thus deductible do not appear to constitute deductions attributable to the mineral property upon which depletion is claimed within the meaning of the quoted regulations. On this issue, we sustain the petitioner.

Reviewed by the court.

Decisions will be entered under Rule 50.

Mr. MURDOCK. I ask unanimous consent that the statement of the Bureau of Internal Revenue be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[Sec. 6180.] Special ruling, March 29, 1945.

Deductions: Depletion—Deductibility of oil and gas well drilling costs as expenses.—Notwithstanding the decision of the fifth circuit in the *F. H. E. Oil Company case* (45–1 U. S. T. C., sec. 9200), that the option given by regulations to treat as expense oil and gas well drilling costs is contrary to law, the Bureau of Internal Revenue will continue to follow the provisions of section 29.23 (m)–16 of regulation 111, and corresponding provisions of prior regulations. In the event of a clarification of the law impelling a change from the rule applied in the regulations, in no event would such a change be retroactive unless so directed by Congress.

Back reference: Section 29.23 (m)–16 at 451 C. C. H., section 298.088.

Following is the text of a letter to Mr. Wesley E. Disney, Southern Building, Washington, D. C., dated March 29, 1945, and signed by Joseph D. Nunan, Jr., Commissioner (symbols, IT: EV: NR: LPA):

"Receipt is acknowledged of your letter dated March 28, 1945, with reference to the procedure which the Bureau proposes to follow in the application of the regulation relating to intangible drilling and development costs for oil and gas wells.

"The Bureau proposes to continue to follow the provisions of section 29.23 (m)–16 of regulations 111, and corresponding provisions of prior regulations, notwithstanding the decision in the case of *F. H. E. Oil Company* (45–1 U. S. T. C., sec. 9200). In the event of a clarification of the law impelling such a change, in no event would such a change be retroactive unless so directed by Congress."

Mr. MURDOCK. I ask unanimous consent that two decisions of the United States circuit court of appeals be printed in the RECORD at this point as a part of my remarks.

There being no objection, the decisions were ordered to be printed in the RECORD, as follows:

IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT—No. 11167—F. H. E. OIL CO., PETITIONER, v. COMMISSIONER OF INTERNAL REVENUE, RESPONDENT; AND FLEMING-KIMBELL CORP., PETITIONER, v. COMMISSIONER OF INTERNAL REVENUE, RESPONDENT

PETITIONS FOR REVIEW OF DECISIONS OF THE TAX COURT OF THE UNITED STATES

(March 6, 1945)

Before Sibley, Holmes, and Waller, circuit judges:

Sibley, circuit judge: This consolidated case concerns income taxes for the years 1939 and 1940, and particularly the parts of Art. 23 (m) (16) of Regulation 101 and Regulation 103 applicable in those years, reading as follows: "(1) * * * All expenditures for wages, fuel, repairs, hauling, supplies, etc., incident and necessary for the drilling of wells and the preparation of wells for the production of oil or gas may, at the option of the taxpayer, be deducted from gross income as an expense or charged to capital account * * *; (2) in addition to the foregoing option the cost of drilling nonproductive wells at the option of the taxpayer may be deducted from gross income for the year in which the taxpayer completes such a well or be charged to capital account rturnable through depletion as in the case of productive wells." A number of wells were sunk by the taxpayers in each of the tax years, all of them productive except one. The taxpayers, in accordance with their prior practice, sought to deduct as expense the "intangible costs" defined in the above quotation, but the Commissioner disallowed the deductions, holding that the entire cost of the well was in each instance a capital investment. The Tax Court upheld the Commissioner. Four judges dissented, agreeing with the majority that the costs of drilling were capital expenditures, but thinking the regulations clearly gave the taxpayers the option they claimed. See 3 Tax Court 13, where the facts are fully stated.

For the purpose of this review it is enough to say that the productive wells were drilled on leases made or assigned to the taxpayers on nominal considerations, without any obligation on their part to drill, but providing that unless a well should be made within a limited number of days their rights and interests should cease. The unproductive well was made under an assignment of a lease with retained royalties, made pursuant to a contract which bound the taxpayer within 30 days to commence and prosecute with diligence a test well to a stated depth. The assignment stood good, although the test well failed.

A regulation giving the option which is in dispute has existed, with increasing complexity, since 1918, and has recently been broadened. The legislative mind of the Treasury Department seems determined to maintain the option. The administrative mind, represented by the Commissioner and his lawyers, and supported generally by the courts, is bent on whittling it away. The question of its validity has seldom been raised, the taxpayers not wishing to attack it because it favors them, and the Commissioner not being in position to repudiate the regulation of his own department. The judges have not thought it their business to raise the question; but if the option be in truth, contrary to the revenue statutes, it is void, and it is the duty of the judges to declare and uphold the law, and disregard the regulation.

The option to treat as expense what is in fact, as all of the judges of The Tax Court agree, a capital investment, conflicts with the law in two important respects. First, the Congress, repeating what has been in the statutes from the beginning of income taxation, provides in section 23 (a) of the Revenue Code, for the deduction of business expenses and defines them. Section 24 provides: "No deduction shall in any case be allowed in respect of * * * (2) any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate." Under section 23 (b) and (m) the exhaustion of capital investments is to be cared for by depreciation and depletion allowances from year to year. Second, the Congress has provided specially for depletion and depreciation (which are both allowances for wasting capital investments) in the case of oil and gas wells in section 114 (b) (3), giving the taxpayer a flat depletion allowance of 27½ percent of the gross income from the property, but not less than if computed by the usual formulas. This depletion allowance includes and returns the investment in the well as well as the oil and gas in place, and when the percentage allowance is taken there can be no additional allowance by way of depreciation of the well. *United States* v. *Dakota-Montana Oil Co.* (288 U. S. 459). But this regulation purports to allow the intangible drilling cost to be deducted as an expense, and when oil and gas are produced the full 27½ percent allowance may again be taken under the statute, giving the driller of successful gas or oil wells a double deduction not permitted by Congress.

The regulation is supposed to be authorized by section 23 (m), "In the case of mines, oil, and gas wells, other natural deposits, or timber, a reasonable allowance for depletion and for depreciation of improvements, according to the peculiar conditions in each

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[2] ART. 23 (m)–1. Depletion of mines, oil and gas wells, other natural deposits, and timber; depreciation of improvements.—

* * * * * *

(h) "Net income of the taxpayer (computed without allowance for depletion) from the property," as used in section 114 (b) (2), (3), and (4) and articles 23 (m)–1 to 23 (m)–28, inclusive, means the "gross income from the property" as defined in paragraph (g) less the allowable deductions attributable to the mineral property upon which the depletion is claimed * * * including overhead and operating expenses, development costs properly charged to expense, depreciation, taxes, losses sustained, etc., but excluding any allowance for depletion. Deductions not directly attributable to particular properties or processes shall be fairly allocated.

case; such reasonable allowance in all cases to be made under rules and regulations to be prescribed by the Commissioner, with the approval of the Secretary." The power given is to regulate depletion and depreciation allowances; not to regulate expense deductions, or to give options or double deductions. Early regulations determined that an oil well is so intimately a part of the oil reserve which it reaches as to be a part of it, not capable of removal, useful only to get the oil, and perishing in value as the oil is exhausted; so that its cost ought to be returned by depletion along with the cost of the oil, and not by ordinary depreciation based on the physical deterioration of the structure. Such regulation was held to be valid in *United States* v. *Dakota-Montana Oil Co., supra,* and that it was adopted into the percentage measure of depletion when Congress provided that measure in the Revenue Act of 1926. The court in that case (288 U. S., p. 461) took note of the option in controversy in these words: "Article 223 (regulation 69) purports to permit the taxpayer to choose whether to deduct costs of development and drilling as a development expense in the year in which they occur or else to charge them to capital account returnable through depletion. In the latter event, which is the case here, etc." Nothing was said as to the validity of the other choice, and so far as we have discovered, nothing has ever been said by the Supreme Court.[1]

In this court the option given by the regulation has never been attacked, and has generally been accepted as valid, though almost every effort to narrow it has succeeded. In *Commissioner* v. *Rowan Drilling Co.* (130 Fed. (2d) 62), the double deduction spoken of above occurred. The taxpayer drilled wells for an interest in the oil, and took an expense deduction for the intangible drilling costs. In a later year the 27½ percent depletion allowance was taken. He had recovered already the entire intangible drilling costs, but was held entitled to the percentage depletion for all years to come as though he had not. The court said the allowance of the expense deduction was wrong, but could not be corrected in the pending case.

In the whittling down of the option, although given in most comprehensive words, the Commissioner has been sustained by this court in denying the right to treat such drilling costs as expense when the taxpayer contracts with another for a completed well for a fixed price. *Hughes Oil Co.* v. *Bass* (62 F. (2d) 176). The taxpayer was said thereby to buy a well, a capital investment. But the Commissioner was held to his regulation when the contract to drill the well was on a cost-plus basis, in *Commissioner* v. *Ambrose* (127 Fed. (2d) 47), no one attacking the regulation. A similar result was reached in *Retsall Drilling Co.* v. *Commissioner* (127 Fed. (2d) 355). In *Hardesty* v. *Commissioner* (127 Fed. (2d) 843), it was held the regulation did not apply to every taxpayer who drills an oil well, but only to one developing his own oil property; and where one having no interest in the oil property drilled a well in consideration of obtaining an interest in the well and the property, he made a capital investment and could deduct no part of the cost as expense. Again in *Hunt* v. *Commissioner* (135 Fed. (2d) 697), the Commissioner ruled, and this court agreed, that where oil interests were acquired under contracts to drill wells, the driller made capital investments and could have no option to deduct any costs as expenses; but where he already had a half interest and thus acquired an additional half he could deduct a proportional part of the intangible drilling costs. One judge then for the first time argued that the true reason for disallowing expense deductions in the Hardesty and Hunt cases was that the part of the regulation giving the option was void, since the making of a producing well by one who owned the oil reserve, or became entitled thereby to an interest in it, was a capital investment returnable only through depletion under the statute.

In the present case the Commissioner has again narrowed the application of the option by asserting that "the taxpayer" does not include one who owns an interest in the oil property, and is not bound to drill, but who unless he does so in a limited time will, by the terms of this lease or assignment, lose his interest. The majority opinion of The Tax Court holds that he who thus drills to keep his interest is in the same case as is he who drills to obtain an interest, and that in drilling he makes a capital investment, no part of which can be called expense. The minority opinion points out that the applicable regulation purports to give the option to every taxpayer who drills on his own account an oil and gas well, saying nothing about when or on what conditions he got or is to get his title.

The minority is right as to what the regulation says. The majority is right in holding that the regulation in giving an optional expense deduction cannot prevail against the fact that a capital investment, an "improvement or betterment of the estate or property" has been made, for by the statute the cost of such cannot be deducted as expense, but can be recouped only by annual allowances for depletion or depreciation. The Hardesty case and the main part of the Hunt case are similarly right. The taxpayers before us, though it be allowed that they owned an interest in the oil property when they drilled (but only for a few days unless they drilled) and though they did not have to drill by force of any contract, still in drilling were improving and bettering the property which they had and at the same time perfecting their title to it. For both reasons they were making a capital expenditure by drilling, as much so as if making any other permanent structure. The cost, none of it, was an expense of business any more than similar costs in building a house would be. As applied to such an outlay, the option is contrary to law.[2]

The only case in an appellate court broadly upholding the option to which we have been cited is *Ramsey* v. *Commissioner* (66 Fed. (2) 316), reaffirmed by the same court, though the option was denied application, in *Grison Oil Co.* v. *Commissioner* (96 Fed. (2) 125). In the Ramsey case the taxpayer owned his leases outright and voluntarily drilled on them through contractors on a footage basis of payment. He was allowed to expense his intangible drilling costs under the then regulation. In a later year he sold the leases and in returning the profit sought to reduce it by including in his cost basis the entire cost of the well. Of course, he should not have been allowed, on general principles, to include as cost what he had been permitted to treat as expense, but the court thought the validity of the option in the regulation should be determined, and upheld it. The first argument put forward was: "Whether an oil well is a permanent improvement is at least a debatable question. * * * The hole is of value only if oil is found, and then only as long as the sands will produce." It seems to us clear that a producing well is a permanent improvement. It costs more in many cases than the land in which it is constructed, and multiplies many times the value of the oil it reaches. It is permanent, because not intended to be removed, and indeed incapable of removal as a whole. It is not temporary, though its useful life is limited. Many buildings put up for special purposes have a useful life less than their physical life. That fact only increases the proper rate of annual depreciation or depletion. We are not impressed by this argument. The other argument was that the regulation had long existed and the revenue statutes had been reenacted with their relevant parts substantially unchanged. This argument is, of course, good where a regulation resolves statutory ambiguities or uncertainties, but is of no force at all when a regulation is contrary to the terms of the statute. It is not the business of Congress to review and revise regulations. The Congress in every revenue act has defined expenses and stated plainly what could not be treated as expense; and has provided for oil and gas wells modes of depletion for returning the capital invested in them. If these provisions contravene prior regulations, instead of approving the regulations they annul them. The Ramsey case indeed dealt with a regulation prior to 1926, and before the Congress first enacted the flat percentage depletion for oil and gas wells, which is incompatible with expensing drilling costs, because the whole cost of the well is supposed to be covered in the percentage depletion, as settled by the Dakota-Montana Oil Co. case, supra.

In the special circumstances here The Tax Court has unanimously held as a matter of fact that the wells were drilled under such circumstances as that the drillers were making capital investments. The evidence and the law supports that finding. The statute overrides the regulations and forbids deducting any of the drilling costs as expenses, providing instead that they be absorbed by depletion. Whether the cost of any unproductive well, after abandoning it and salvaging what is salvable, can be treated as a realized loss is not here in question.

Judgment affirmed.

Waller, circuit judge, concurring in the result.

IN THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE FIFTH CIRCUIT—No. 11167—F. H. E. OIL COMPANY, PETITIONER, v. COMMISSIONER OF INTERNAL REVENUE, RESPONDENT, AND FLEMING-KIMBELL CORPORATION, PETITIONER, v. COMMISSIONER OF INTERNAL REVENUE, RESPONDENT

PETITIONS FOR REVIEW OF DECISIONS OF THE TAX COURT OF THE UNITED STATES

On motion for rehearing, May 4, 1945, before Sibley, Holmes, and Waller, circuit judges.

Sibley, circuit judge: A vigorous motion for rehearing, supported by an exhaustive brief, contends that the decision is wholly wrong, and especially that the cost of drilling the "dry hole" should have been deducted as an expense of business or as a loss realized. Upon an assertion that the whole oil producing business is affected by the argument of our opinion to the effect that the option to deduct the drilling cost of a successful well, as given by regulation of the Treasury Department, is contrary to the statute and wholly void, we permitted briefs to be filed by 30 counsel for other oil producers as amici curiae.

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[1] In *F. H. E. Oil Co.* v. *Helvering* (308 U. S. 104), the taxpayer had elected to deduct drilling costs as expense, and had been allowed to do so. No one questioned the propriety of the deduction. The controversy was over another part of the regulation which required that such an expense deduction would apply in ascertaining the 50 percent of net income to which the statute limited the percentage deduction for depletion. That part of the regulation was upheld as an interpretation of the depletion statute, and resolving an ambiguity in it as to the meaning of net income. No opinion was asked or expressed as to the validity of the expense option.

[2] *Hogan* v. *Commissioner* (141 F. (2d) 92) and *Choate* v. *Commissioner* (— U. S. —) deal with equipment, and not with the well itself, or the intangible cost of drilling it.

No new and controlling decisions are cited. It still appears that only the tenth circuit has squarely considered the validity of the option in the light of the statute and has sustained it, and that was before the introduction into the statute of percentage depletion on oil wells. With this exception all the appellate courts, including the Supreme Court and this court, have treated the option as allowable, because no one attacked it. The decisions about other related provisions of the regulations are not in point. They express no considered opinion on the option itself. What is new in the briefs is the assertion, which we take to be true, that probably a billion dollars of corrections might result in expense deductions in tax returns made within the statutes of limitation, if the option is invalid. Also new is the contention that in the Second Revenue Act of 1940 there is language now found in Internal Revenue Code, section 711 (b) (1) (I), as amended in the excess-profits amendment of 1941, which refers to the deduction in the past of intangible drilling and development costs in drilling oil wells, the argument being that Congress evidently had in mind the option to do this given by the various regulations, and did not disapprove. Certain it is that the option has been acted on widely, and for many years, and courts and Congress have done nothing drastic about it. A total annulment of it, retroactive in its operation, would have grave effect on persons not before this court. We should therefore go no further than our duty takes us in deciding this case; we should decide it only.

While we see no fault in our previous reasoning, and think the former opinion a right one to have been rendered 20 years ago, we find it unnecessary to consider so broadly the validity of the option and now confine our decision, as the majority of The Tax Court did, to a holding that wells drilled to get an oil property, or to get a better and more extensive interest in it, are so clearly capital investments in that property that no part of their cost can be called an expense of business. The question whether a successful oil well on property which the driller fully owns is a permanent improvement, as is an artesian water well on a ranch, or a tunnel for a railroad, or the underground part of a large building, in all of which the cost of "making a hole in the ground" is plainly a part of the capital investment, we can and do lay to one side. The question we must decide is whether one who does not own an oil property and who agrees to make a well to obtain an interest in it (as in *Hardesty* v. *Commissioner* (127 Fed. (2d) 843) and *Hunt* v. *Commissioner* (135 Fed. (2d) 697)), or as in this case, who has an interest for a few days only unless he makes a well, and makes it in order to enlarge and extend his temporary interest, thereby makes a capital investment which cannot be a mere business expense under the statute. The answer is in both cases, "Yes." He is putting out his money to acquire property, and acquires it. It is not an ordinary expense of business, as these parties asserted it was in their petitions to The Tax Court, and the regulation cannot make it such; or what is worse, give the taxpayer an option to treat it as such.

Now as to the dry hole. If we were discussing permanent improvements, which like other capital investments are not ordinary business expenses, of course the fact that the well did not reach oil and was abandoned would be most material. If one drilled such a well on his own property, he would probably have either a right to a deduction as for an expense or as a business loss, for he has only a valueless hole in the ground. This alternative was claimed in the petition to The Tax Court. It was denied because the well, while drilled on a lease assigned to the taxpayer, was drilled as the consideration for the assignment, the contract binding the assignee to make the well in a stated time, and providing that if he did not his assignment should terminate. He drilled the well as the price of his interest in the property. Although this well failed, he still has the assigned lease. We understand that there are other producing wells on the same lease. But if the property he thus acquired proves valueless, he must realize his loss by a disposition of it, just as though he had paid money for it.

The motion for a rehearing is denied and the judgment of The Tax Court stands affirmed.

Waller, circuit judge, specially concurring:

I think that The Tax Court was justified in holding that the cost of drilling a well on each of the nine tracts was a part of the consideration for the assignment of the lease to the taxpayer where, as in this case, the lease could not be kept alive by the payment of an annual rental but required drilling, termination, or reversion within a certain time, so long as the holdings of this court in *Hardesty* v. *Commissioner* (127 F. (2d) 743), *Hunt* v. *Commissioner* (135 F. (2d) 697), *Stansylvania Oil and Gas Company* v. *Commissioner* (135 F. (2d) 743), and *Walsh* v. *Commissioner* (135 F. (2d) 701) are unreversed.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. FERGUSON. What was the date of the decision of the circuit court of appeals on the rehearing? Has the time expired for filing the petition for the writ of certiorari?

Mr. MURDOCK. The date of the decision was May 4, 1945.

Mr. FERGUSON. Does the Senator know whether or not a petition has been filed for a writ of certiorari?

Mr. MURDOCK. I do not think certiorari will be applied for. Why? Because the oil interests and the Bureau of Internal Revenue, although they were opposed to each other in the cases, both take the position that the regulation is legal, and that they intend to apply it.

Mr. FERGUSON. In other words, both parties are satisfied with the decision.

Mr. MURDOCK. In my opinion they should be satisfied, but evidently they are not satisfied.

Mr. GEORGE. I wish to say, in order that there may be no confusion in the RECORD, that of course the case is still appealable. Ninety days have not yet expired. The taxpayer is not satisfied with his case because he lost it, but he lost it on another ground. The Bureau of Internal Revenue did not ask for a decision holding the regulation to be invalid. The court made that finding. The Treasury insisted that it should be given the decision on other grounds. There is nothing in this bill about oil, rules of computing expenses, capital deductions, or anything of that kind. This matter is wholly extraneous to the bill.

Mr. MURDOCK. Mr. President, I cannot yield further. I frankly admit that there is nothing about oil in this tax bill. However, when we have a situation such as that with which Congress is confronted today, and there is afforded an opportunity to remedy that situation, I say it is the duty of Congress to remedy it whether there is any mention made in the bill of oil or not. It is a tax bill. It is stated to be for the relief of the taxpayer. If there is a billion dollars of tax adjustments involved in this matter, certainly now is an appropriate time to remedy the situation.

What the Senator from Georgia [Mr. GEORGE] has said, if I understood him correctly, was true. The Treasury Department challenged the regulation on the basis of the facts involved in this case. But the court, in the first instance, although it referred to that fact, said in effect this: When the court finds that, even though the validity of the statute is not challenged, a regulation contravenes and violates the statute, then the court on its own initiative should so hold. But when it was called to the attention of the court at the second hearing that to hold that the regulation retroactively was invalid would involve the adjustment of a billion dollars in taxes, then it said that probably on account of that fact it should not hold that the regulation was invalid in its general application nor invalid retroactively, but that its ruling should be applied specifically to this case. That in effect was what the court did.

In considering the question involved, the court returned again to the question of whether or not expenditures such as were claimed by the taxpayer should be deducted as expense, and again stated it to be the law that under the facts in this case the option contained in the regulation could not be legally exercised or claimed.

Mr. FERGUSON. The court finally held that the regulation was invalid under the facts of the particular case.

Mr. MURDOCK. The Senator is correct, and I shall read two or three lines from the rehearing decision. I cannot believe, Mr. President, when I read the report of the Ways and Means Committee of the House of Representatives, and when I read the report of the Senate Finance Committee, that a careful reading of these decisions was had. It seems to me that what was done in connection with Concurrent Resolution 50 was done haphazardly. That is the reason that tonight, although the hour is late, I earnestly plead with my colleagues in the Senate not to do what is contemplated being done in Concurrent Resolution No. 50. If the oil industry is entitled to the regulation, and it is the law, as the chairman of the Finance Committee in his report has said it is, and as the chairman of the Ways and Means Committee of the House of Representatives has said it is, it is our duty to write it into the statute so that there can be no question about it.

Mr. President, I wish to read only a few lines from the decision. It reads as follows:

> The question we must decide is whether one who does not own an oil property and who agrees to make a well to obtain an interest in it—

Citing certain cases—

> or as in this case, who has an interest for a few days only unless he makes a well, and makes it in order to enlarge and extend his temporary interest, thereby makes a capital investment which cannot be a mere business expense under the statute. The answer is in both cases, "Yes."

That he cannot charge it as expense, but that it must be charged to his capital account.

He is putting out his money to acquire property, and acquires it. It is not an ordinary expense of business, as these parties asserted it was in their petitions to the Tax Court, and the regulation cannot make it such; or what is worse, give the taxpayer an option to treat it as such.

Can there be any doubt in the mind of any lawyer here what the court held? The court held that under these facts the regulation was invalid and the taxpayer could not under the statutes of the United States have an option either to charge it as expense or to capital account.

The court did not back up at all, except that it decided that a general application of their decision retroactively involved too much tax adjustment, and for that reason they modified that part of the former decision which held the regulation generally and retroactively invalid.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. FERGUSON. The Senator is now asking that that be changed, and that the taxpayer be given the option?

Mr. MURDOCK. My amendment takes the regulation in question, the very language of it—the language which the chairman of the Committee on Ways and Means of the House says is the law, the language which the chairman of the Finance Committee of the Senate says is the law, and which is contained only in a regulation today, but which a Federal court says is not the law—and writes it into the law, so that there can be no question in the future as to whether the regulation is law or not.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. CORDON. As I view it, the Senator's amendment is in effect a legislative declaration of the law in accordance with the understanding of the law of the chairmen of both committees which have dealt with the question.

Mr. MURDOCK. That is exactly what my amendment does. It takes the Finance Committee of the Senate at its word, it takes the House Committee on Ways and Means at its word, and takes the action of the House which sustained the Ways and Means Committee, and I say to both committees and to the Senate, if this is the law, then let us write it into the law, as we should do as a legislative body.

Mr. FERGUSON. Is not this the fact, that the important consideration is not what a Member of this body or a Member of the House may say is the law, but what a court determines to be the law?

Mr. MURDOCK. Now the Senator is putting his finger right on the crux of the whole thing. I believe, and I believe all Senators here agree, in the separation of powers as between the three departments of government. I believe that that separation of power is the very foundation of our constitutional system, and I say tonight that whenever this body, or whenever the Congress as a whole, encroaches on the judiciary or encroaches on the Executive, we violate the Constitution, just as we accuse the Executive at times of invading the functions of the Congress.

Mr. FERGUSON. Will the Senator yield further?

Mr. MURDOCK. I yield.

Mr. FERGUSON. Except where Congress passes a law; then they are not encroaching upon it.

Mr. MURDOCK. Absolutely not.

Mr. GEORGE. Mr. President, I should like to ask a question, because I expect to have something to say about this matter. Does the Senator from Michigan mean to say that Congress cannot express its sense of what its intent and purpose was in passing a law?

Mr. FERGUSON. By passing another statute?

Mr. GEORGE. No; just by simple resolution declaring its intent and purpose.

Mr. FERGUSON. A joint resolution?

Mr. GEORGE. Yes; by joint resolution.

Mr. FERGUSON. There is no doubt about that, and that is the same as an interpretation of the law. I agree with the Senator from Georgia in that.

Mr. GEORGE. That is all that has happened in this case, and all this argument is just beside the question. The joint resolution is here.

Mr. MURDOCK. That is the trouble now; it is not a joint resolution and the Senator knows that.

Mr. GEORGE. It is a simple resolution.

Mr. MURDOCK. It is a concurrent resolution.

Mr. GEORGE. Very well.

Mr. MURDOCK. And all the precedents of the Senate tell the Senator from Georgia, they tell the Senator from Utah, and they tell every other Senator, that a concurrent resolution should not be used for any such purpose.

Mr. President, it has not been many years since I, as a new Member of the Senate, stood on this floor, when the debate on the lend-lease bill was proceeding, and challenged at that time the use of the concurrent resolution to terminate legislation. I predicted at that time that just as surely as Congress adverted to the concurrent resolution to terminate legislation, it would come back to plague us.

Little attention was paid to what I said that night. It was another night when everyone wanted to go home. I called attention then to the fact that the use of the concurrent resolution to terminate legislation was violative of the Constitution of the United States. From that day down to the present we have provided the same procedure in at least a dozen other instances to repeal or terminate legislation, and just as I predicted then, we now have people from the outside coming in and saying, "Here is a convenient way to get rid of a court decision if we do not like it."

I wonder if the Congress wants to do that. I realize tonight that I am probably just a voice crying in the wilderness, as I was before, but I predict, as I have predicted to the able chairman of the Committee on Finance, that if Congress follows this procedure, interpreting the laws of this country, and condemning a court decision by a concurrent resolution, then we set ourselves up as an appellate court to pass on decisions of the judiciary.

Mr. President, can we do that and still maintain the proper separation of powers which is contemplated by the Constitution? What an easy matter it is for some pressure group to come here, through their lobbyists, and call the attention of a few of their friends to the fact that a certain court decision is violative of their rights, or that it interferes with some of their privileges, and without proper attention on our part, getting a concurrent resolution passed through Congress, we setting ourselves up thereby as an appellate court, condemning an action of the judiciary.

I wish to call the attention of the Senate to the language, if I may have order.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. MURDOCK. I know a discussion of this kind is usually not interesting to Senators, but I say again tonight that if the Senate does what is contemplated by Concurrent Resolution 50, it will be faced with it down through the years, and it will come back to plague us, just as similar action heretofore taken is now doing.

I wish to read from the language of the House report:

The validity of these regulations has been questioned in a recent court action on the theory that the statute providing for deduction of business expenses is ambiguous.

I hope Senators will pay attention to this language:

However, this position is untenable.

Which position? The position of the United States Circuit Court of Appeals is declared untenable in the report of a legislative committee.

I continue reading from the report:

However, this position is untenable since the language of the statute is so general in its terms as to render an interpretative regulation appropriate.

And in the closing sentence of the paragraph in the same report we find this:

Congress had approved the administrative construction adopted in such regulations and has thereby given them the force and effect of law.

There, Mr. President, is a report of a legislative committee in the face of a judicial decision of a circuit court of appeals holding that a regulation is invalid, saying that Congress has given that regulation the force of law.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. FERGUSON. I now have before me House Concurrent Resolution 50. It was agreed to in the House and is on the Senate Calendar. I cannot agree with the distinguished Senator from Georgia that a concurrent resolution is a law, or is such an act as will reverse or set aside a court decision.

Mr. GEORGE. Mr. President, I never said that, I never thought that, and I never even imagined that that could be

true. All I said was that the Senate of the United States——

Mr. MURDOCK. Mr. President, I have the floor.

Mr. GEORGE. Yes; I know.

Mr. MURDOCK. And if the Senator wants me to yield, I am happy to do so.

Mr. GEORGE. I merely wanted to correct the statement made by the Senator from Michigan.

Mr. MURDOCK. All I want the Senator to do is to recognize the fact that I have the floor.

Mr. GEORGE. Oh yes; I recognize that fact.

Mr. MURDOCK. Now I yield.

Mr. GEORGE. I never made such an assertion and never had any such idea. But I do say that any legislative body can express its own idea of its intent and purpose. It can say that it is the sense of this body that this is the intent of the body. It is not a law. It is not intended to be a law.

Mr. FERGUSON. Mr. President, now I understand the opinion of the Senator from Georgia.

Mr. GEORGE. Yes. That is all.

Mr. FERGUSON. And I agree that insofar as saying what Congress intends, this method could be used. But I agree now with the Senator from Georgia that it is not a law, that it cannot be considered a law, and cannot in any way affect a court decision, which is the law.

Mr. MURDOCK. Mr. President, the Senator has well stated the situation. The point I make is this. Can the Congress of the United States by the use of the concurrent resolution interpret laws and in reports supporting a concurrent resolution condemn as untenable the position of one of our circuit courts? Does the Senator from Michigan think that is a proper procedure for a legislative body?

Mr. FERGUSON. Mr. President, I will answer that by saying that I consider that when the circuit court of appeals decides a case Congress should consider that to be the law and treat it as the law, and if Congress wants to reverse it or change it or repeal it Congress should enact a statute or pass a joint resolution which would be in effect a statute so to repeal that law.

Mr. MURDOCK. The Senator is taking exactly the position that I take tonight. I have gone to the chairman of the Finance Committee of the Senate, recognizing him as one of the great lawyers of the Senate, and saying to him that if Congress must agree to this resolution of interpretation, if we must do that, then let us do it by making it a part of the law.

I agree with the Senator from Georgia that we can by law construe a law. We can by law interpret a law. But we cannot properly by concurrent resolution, which is not a law, set ourselves up as a court and say what the law is, not only to the courts of the country but to the Chief Executive, whose veto power is a part of the legislative procedure of this Government. We cannot pass a law by exclusive action of the House and the Senate—can we? Before any bill or any action of Congress becomes the law it has to be submitted to the President, does it not? It has to be approved by the President, or if disapproved, then it can only become law by overriding the President's veto by a two-thirds vote of Congress. When we do something, as is contemplated by House Concurrent Resolution 50, we do what? We not only strike at the judiciary, we not only encroach on the independence of that third arm of the Government, but, Mr. President, we encroach on and strike down the veto power of the President.

When I made my first argument upon this question before the Senate I read at that time part of the great speech of Calhoun on this very subject, pointing out that to strike down or to interfere at all with the veto power of the President would be to unbalance the entire system of checks and balances set up under the Federal Constitution.

Mr. President, I did not know about this concurrent resolution until one of the attorneys for the oil companies called my attention to it and asked me to support it. My answer to him was "I do not disagree with the fact that the oil industry is entitled to an option of either expensing the intangible costs of drilling an oil well or charging it to capital account; but, my dear friend, you are asking me to do something which in my opinion violates the very oath that I took when I became a Senator, and that is to uphold the Constitution and to maintain inviolate that separation of powers between the three departments of government that is so essential to the successful operation of our Federal system."

Mr. President, I ask that House Concurrent Resolution No. 50 be printed at this point in the RECORD as a part of my remarks.

There being no objection, House Concurrent Resolution No. 50 was ordered to be printed in the RECORD, as follows:

Resolved by the House of Representatives (the Senate concurring), That in the public interest the Congress hereby declares that by the reenactment, in the various revenue acts beginning with the Revenue Act of 1918, of the provisions of section 23 of the Internal Revenue Code and of the corresponding sections of prior revenue acts allowing a deduction for ordinary and necessary business expenses, and by the enactment of the provisions of section 711 (b) (1) of the Internal Revenue Code relating to the deduction for intangible drilling and development costs in the case of oil and gas wells, the Congress has recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury Regulations granting the option to deduct as expenses such intangible drilling and development costs.

Mr. MURDOCK. Mr. President, I also ask that the report of the Senate Committee on Finance be included as a part of my remarks. I do not include the House report, because the Senate report includes the House report, as I understand.

There being no objection, the report (No. 398) was ordered to be printed in the RECORD, as follows:

The Committee on Finance, to whom was referred the concurrent resolution (H. Con. Res. 50) declaring Congress to have recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the concurrent resolution do pass.

This resolution seeks to reaffirm what the committee believes to have been the intent of Congress as reflected in Treasury regulations giving to the taxpayer the option to either capitalize or charge to expense intangible drilling and development costs in the case of oil or gas wells.

The consideration and adoption of this resolution should not be construed as creating any implication adverse to mines respecting their development costs.

For the information of the Senate the report of the House Committee on Ways and Means on this resolution is attached hereto.

(H. Rept. No. 761, 79th Cong., 1st sess.)

The Committee on Ways and Means, to whom was referred the resolution (H. Con. Res. 50), declaring Congress to have recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and corresponding provisions of prior regulations, granting the option in the case of oil and gas wells to deduct, as an expense, intangible drilling and development costs, having had the same under consideration, report it back unanimously to the House without amendment and recommend that the resolution do pass.

The purpose of the resolution is to remove any doubt as to the validity of Treasury regulations giving to the taxpayer the option to either capitalize or charge to expense intangible drilling and development costs in the case of oil and gas wells. These regulations have been in effect for more than 28 years, and the Congress has continued, in successive revenue acts adopted since that time, the basic statutory provisions from which such regulations are derived. Furthermore, in section 711 (b) (1) (I) of the Second Revenue Act of 1940, relating to the excess-profits tax, the validity of the regulation was expressly recognized by statute. Section 711 (b) (1) (I) of the Internal Revenue Code specifically provides for an adjustment to the net income of the base-period years where the taxpayers' deduction for intangible drilling and development costs had been abnormal or disproportionate during those years. The Treasury Department in 1942 recognizing that the interpretation of the statute by the regulations had become a part of the statute, recommended in the revenue bill of 1942 that the expensing of development costs be eliminated from the statute for 1942 and subsequent years. Congress was unwilling to adopt this recommendation of the Treasury and expressed its desire to continue the regulation in effect.

The validity of these regulations has been questioned in a recent court action on the theory that the statute providing for deduction of business expenses is ambiguous. However, this position is untenable since the language of the statute is so general in its terms as to render an interpretative regulation appropriate. In practical administration there are admittedly border-line cases between deductible business expenses and nondeductible capital outlays which make such a regulation necessary. Congress has approved the administrative construction adopted in such regulations and has thereby given them the force and effect of law.

The Petroleum Administrator for War has estimated that, for the current year, it would be necessary to drill 27,000 additional wells for oil and gas to sustain the production of petroleum essential for the maintenance of our military and civilian requirements and that petroleum needs would be equally great for the year of 1946.

The uncertainty occasioned by raising doubts as to the validity of these regulations is materially interfering with the exploration for and the production of oil. The Treasury Department and the Bureau of Internal Revenue have announced that they

will continue to recognize the regulations under which they now operate unless otherwise directed by Congress.

For these reasons your committee deems it necessary to have Congress reaffirm its position that such regulations are in accordance with and have the full force and effect of law.

The consideration and adoption of this resolution should not be construed as creating any implication adverse to mines respecting their development costs.

Mr. MURDOCK. Mr. President, I have the utmost respect for the great chairman of the Finance Committee of the Senate. There is nothing more irksome to me than to take a position against him. But I come back to the simple argument that if the oil people are entitled to this regulation, if it is the law of the land as stated by the chairman of this committee, in the face of that decision of the circuit court, then I say that the only remedy for such an anomalous situation is to write that regulation into the law.

The argument probably will be made that if my amendment is included that will mean the end of the tax bill. But we have already included one amendment on the recommendation of the chairman of the Finance Committee. In my opinion, there is no way of getting out of a conference with the House on this matter, and I ask sincerely and earnestly here tonight that you do not do what is contemplated in Concurrent Resolution 50, but that you do what is the correct thing to do—if the regulation is the law and if it is what the oil people are entitled to, let us write it into the law here tonight as proposed by my amendment. Let us do away with the uncertainty that is created by the court decision and the position taken by the Internal Revenue Bureau, the proposed concurrent resolution, and the reports supporting it.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. CORDON. I notice that the concurrent resolution is here, having passed the House. The matter which is now under consideration has already had consideration by the House, and the House has acted favorably upon the concurrent resolution. The Senator's amendment is simply the same action in a different, and in my opinion preferable, form. If the amendment is agreed to, the bill will go to conference. Certainly it would be no more than pro forma action to get the conferees on the part of the House to agree to the inclusion in the bill of the same declaration that has already passed the House in the form of a concurrent resolution.

Mr. MURDOCK. That is the point I wish to make now. The House has said it wants this provision in the law. The Senate Finance Committee has said that it wants this provision in the law. I say to the Senate, Why do we not, in carrying out our legislative function, act as a legislative body rather than set Congress up as an interpreter of the law? We can say, "This is the law" and enact it as the law. If there is anything wrong with that procedure, I do not know what it is.

In my opinion, this is the first time in more than 150 years that the procedure resorted to in this instance has been proposed. Just as sure as we follow it, every pressure group in the country, whenever there is an adverse decision in one of our Federal courts, will be here asking us to do something by concurrent resolution instead of meeting the question head on by the enactment of a law. That is all I ask.

Mr. President, I ask that certain precedents which I have briefed on the question of concurrent resolutions be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

JUNE 26, 1945.

MEMORANDUM ON CONCURRENT RESOLUTIONS

Article I, section 7, subdivision 3 of the Constitution of the United States provides:

"Every order, resolution, or vote, to which the concurrence of the Senate and the House of Representatives may be necessary (except on a question of adjournment) shall be presented to the President of the United States."

While this constitutional provision would seem literally to require that every concurrent resolution be submitted to the President, the Senate Committee on the Judiciary has indicated that a somewhat more liberal reading of the constitutional provision may be warranted. Senate Report No. 1335, Fifty-fourth Congress, second session, was submitted pursuant to a resolution of the Senate which directed the Judiciary Committee to inquire, among other things, as to whether concurrent resolutions generally are required to be submitted to the President of the United States.

On the subject of concurrent resolutions, the committee report may be summarized as follows: Concurrent resolutions, except in a few early instances in which the resolution was neither designated as concurrent or joint, have not been used for the purposes of enacting legislation but to express the sense of Congress upon a given subject, to adjourn longer than 3 days, to make, amend, or suspend joint rules, and to accomplish similar purposes, in which both Houses have a common interest, but with which the President has no concern. They have never embraced legislative provisions proper, and hence have never been deemed to require Executive approval. While resolutions, other than joint resolutions, may conceivably embrace legislation, if they do so they require the approval of the President. But Revised Statutes, Second Edition, 1878, page 2, sections 7 and 8, prescribe the form of bills and joint resolutions, and it may properly be inferred that Congress did not intend or contemplate that any legislation should thereafter be enacted except by bill or joint resolution. That is a fair inference, because Congress provided no form for legislation by concurring resolution. Moreover, the rules of the respective Houses treat bills and joint resolutions alike, and do not contemplate that legislation shall be enacted in any other form or manner.

In substance, it was the conclusion of the committee that concurrent resolutions were, as a matter of congressional practice, never used to enact legislation, but that if they were so used the approval of the President would be required. The committee report concludes that—

"Whether concurrent resolutions are required to be submitted to the President of the United States" must depend not upon their mere form but upon the fact whether they contain matter which is properly to be regarded as legislative in its character and effect. If they do, they must be presented for his approval; otherwise, they need not be. In other words, we hold that the clause in the Constitution which declares that every order, resolution, or vote must be presented to the President, to "which the concurrence of the Senate and House of Representatives may be necessary," refers to the necessity occasioned by the requirement of the other provisions of the Constitution whereby every exercise of "legislative power" involves the concurrence of the two Houses; and every resolution not so requiring two concurrent actions, to wit, not involving the exercise of legislative powers, need not be presented to the President. In brief, the nature or substance of the resolution, and not its form, controls the question of its disposition."

Cannon's Precedents of the House of Representatives, volume VII, section 1045, states that a "concurrent resolution" is not used in conveying title to Government property. His authority for this statement is that on January 15, 1923, a concurrent resolution declining a devise of land to be used as a national park was considered and agreed to with the following amendment:

Insert: *"Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled"* in lieu of *"the Senate (the House of Representatives concurring)."* (64 CONGRESSIONAL RECORD 1773.)

In section 1037 of volume VII, Cannon states that "a concurrent resolution is without force and effect beyond the confines of the Capitol." In addition, in section 1084, Cannon states that on June 1, 1920, the Senate was considering the concurrent resolution respectfully declining to grant to the Executive the power to accept a mandate over Armenia, as requested in the message of the President, when Mr. Hitchcock, of Nebraska, offered an amendment empowering the President to appoint American members of a joint commission to supervise certain fiscal relations of Armenia. Mr. Henry Cabot Lodge, of Massachusetts, presented a point of order to the effect that this was a concurrent resolution, that concurrent resolutions did not go to the President, but that since the proposed amendment was legislation requiring the assent of the President it would not be in order on a resolution which does not go to the President. Thomas R. Marshall, Vice President of the United States, said that so far as he was aware there was no opinion of the Supreme Court to the effect that a concurrent resolution need not go to the President, and consequently overruled the point of order which had been made against it.

In response to an inquiry from the Secretary of the Interior, Attorney General Caleb Cushing, on August 23, 1854, rendered an opinion in which he held that a declaratory resolution of either House of Congress is not obligatory against the judgment of the Executive. He characterized the contrary view as follows:

"According to the letter of the Constitution, resolutions of the two Houses, even a joint resolution, when submitted to the President and disapproved by him, do not acquire the force of law until passed anew by a concurrent vote of two-thirds of each House. On the present hypothesis, the better way would be not to present the resolution to the President at all, and then to call on him to accept it as law, with closed eyes, and, however against law he may know it to be, yet to execute it out of deference to the assumed opinion of Congress.

"In the second place, the hypothesis puts an end to all the forms of legislative scrutiny on the part of Congress. A declaratory law, especially if it involve the expenditure of the public treasure, has forms of legislation to go through to insure due consideration. All these time-honored means of securing right legislation will pass into desuetude, if the simple acceptance of a resolution, reported by a committee, is to be received as a constitutional enactment, obligatory on all concerned, including the Executive.

"In this way, instead of the revenues of the Government being subject only to the disposition of Congress in the form of a law constitutionally enacted, they will be transferred to the control of an accidental majority, expressing its will by a resolution, passed, it may be, out of time, and under circumstances, in which a law, duly and truly representing the will of Congress, could not have passed. And thus, all those checks and guards against the inconsiderate appropriation of the public treasure, so carefully devised by the founders of the Government, will be struck out of the Constitution." (6 Op. Attorney General 694.)

With specific reference to the authority of Congress to declare by resolution, without presentation to the President, the meaning of an existing law, the Attorney General stated (idem, p. 694):

"A mere vote of either or of both Houses of Congress, declaring its opinion of the proper construction of a general law, has, be it repeated, in itself, no constitutional force or obligation as law. It is opinion merely, and to be dealt with as such, receiving more or less of deference, like other mere opinions, according to the circumstances."

Mr. GEORGE. Mr. President, I would not submit any argument here tonight except that I am anxious to have this legislation passed. I believe it is in the interest of the taxpayers of the country. I know that if the action which the able Senator from Utah is now inviting the Senate to take is taken, it will be impossible to secure consideration of this measure, for this very simple reason:

There is on the calendar of the Senate a so-called concurrent resolution. I do not believe that the nature of a thing is absolutely determined by what name is given to it. A so-called concurrent resolution passed the House and came over to the Senate. The Senate Finance Committee reported it, and it is on the calendar. It may or may not be taken up and acted upon; but if taken up, of course, it would be entirely proper and competent for the Senator from Utah to resist it and ask that it be not approved. On the contrary, the able Senator now, before the concurrent resolution has been called up, is offering the concurrent resolution as an amendment to the pending tax bill.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MURDOCK. The reason I do so is very simple. Under the Constitution, as the Senator well knows, all revenue legislation must originate in the House. The concurrent resolution referred to is not legislation. I think the Senator will agree to that, will he not?

Mr. GEORGE. I am not discussing it, because it is not before the Senate as a concurrent resolution. If it is before the Senate at all, it is because the Senator is adopting it as an amendment.

Mr. MURDOCK. I am asking the Senator a fair question. Does he consider that House Concurrent Resolution 50 constitutes legislation if passed by the Senate?

Mr. GEORGE Ordinarily a concurrent resolution is not legislation; but I am not going into the question, and do not wish to go into the question as to whether a thing which is really a joint resolution can be called a concurrent resolution, or whether the name is controlling. I should say that ordinarily the Senator is correct. It has always been the parliamentary ruling that a concurrent resolution is not legislation, and does not go to the President.

Mr. MURDOCK. That is the point I make. So if I should offer the amendment which I now offer to the tax bill as an amendment to the concurrent resolution, in all probability the point would be made that inasmuch as the concurrent resolution is not tax legislation the offering of my amendment would constitute the initiation of tax legislation in the Senate, and probably it would be ruled out of order.

If the Senator would agree with me tonight that the concurrent resolution, notwithstanding the fact that it is called a concurrent resolution, is in fact a joint resolution, I would join him in a minute in passing it and having it sent to the President for his signature. I would be glad to join the Senator in doing that very thing.

Mr. GEORGE. I have not gone into that question, but I will say to the Senator that I will make no point whatever if the so-called House Concurrent Resolution 50 is brought up. I will make no point that his amendment, or any amendment which he may wish to offer as a substitute for it, is not in order, because it would be in order. As I interpret the concurrent resolution, it does nothing on earth except express the sense of the Congress regarding its own intent. Apparently it is not intended to constitute a law, because it is not in the form in which a joint resolution would ordinarily go to the President for his approval or disapproval.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MURDOCK. First, let me say that I am very anxious to do exactly what the Senator wishes to do, and that is to make sure that the oil industry gets the advantage of this regulation. That is why I am so anxious to do it by legislation rather than by concurrent resolution.

Mr. GEORGE. I will say to the Senator that there are already in the Senate Finance Committee bills which undoubtedly deal with revenue, and one of which, at least—perhaps both of which—we shall have to bring out during the coming week. The Senator could certainly attach to either of those bills, if he wished to do so, any other revenue measure. I realize that the Senator did not wish to embarrass this particular bill by offering an amendment which really is not germane in any sense, and one which would jeopardize any possible chance of having the bill approved prior to October, or whenever we return. I say that for this reason:

One of the most highly controversial features of our revenue laws has been the question of depletion allowance. Connected therewith has been the question of the intangible drilling costs in the case of oil and gas wells. In 1942 Treasury representatives came before the Finance Committee and made a frontal assault on the depletion allowance. One of the chief arguments against the depletion allowance was the existing Treasury regulation which allowed intangible drilling costs to be "expensed," as they say in the industry, or to be treated as a deductible expense, or added as a capital asset, at the option of the taxpayer. That raised the old question which had been before Congress from year to year in one form or another, and we had a prolonged fight in the Finance Committee and on the floor of the Senate.

The result was that the Treasury was defeated in its aim and purpose. Following that legislation, when the Senate again adhered to the principle of the depletion allowance for oil and gas and certain other minerals and refused to remove what the Treasury called a double advantage to the oil and mineral producers, namely, the depletion allowance, the right to treat intangible drilling costs as an expense, at the option of the taxpayer, rather than to capitalize them, the Treasury lost in its contention.

Following that time the case to which the able and distinguished Senator from Utah referred arose. The Treasury, of course, made the attempt in that case to challenge the right of the taxpayer to exercise the option which he claimed he had a right to exercise, under the old Treasury regulation which had stood for about 25 years. However, it was not attacked on the ground that it was contrary to the statute, as I understand, nor was the regulation attacked as such. They were attacking what the taxpayer was trying to do in that case. In other words, they claimed the taxpayer could not do it under the facts in the case and that it did not come within the regulations. The court rendered a decision. Subsequently, on a rehearing, it modified its viewpoint.

Mr. MURDOCK. Mr. President, will the Senator yield at this point?

Mr. GEORGE. I yield.

Mr. MURDOCK. I assume that the Senator does not take the position that the court changed its position with respect to the invalidity of the regulation, so far as the court was concerned.

Mr. GEORGE. Yes—so far as that case was concerned.

Mr. MURDOCK. Of course, the court said in its first opinion that, although the taxpayer did not challenge the regulation and although the tax collector had not challenged the regulation, when it—the court—was confronted with a regulation which obviously was in violation of law, it was the duty of the court to say so. That is what the court said.

Mr. GEORGE. I understand. I may say in passing that it is a very dangerous practice for an appellate court to decide that it has discovered what able counsel of interstate bodies have not discovered, and to hold a regulation illegal, for the simple reason that a lawyer generally knows his case and litigants for large States know their cases also, and the courts need the advice of counsel, although I understand that many of them think they do not.

Mr. MURDOCK. Mr. President, will the Senator yield at this point?

Mr. GEORGE. Yes. I was simply lecturing the court.

Mr. MURDOCK. But we find that in deciding the case the court cited a number of cases in support of the position it took.

Mr. GEORGE. I know that. I say that I am simply lecturing the court, and I am insisting on what I think is always a much safer thing for courts to do, namely, to allow the lawyers to develop the points which they believe to be controlling. If the court discovers something else which it knows to be controlling, all good and well. But in this case, regardless of what one may think about it, the court decided against the taxpayer, but finally the court modified what it had said with respect to the conflict of the Treasury regulation with the statute.

House Concurrent Resolution 50 was submitted in the House of Representatives. It was agreed to by the House of Representatives and came to the Senate. The Senate Finance Committee, to which it was referred, has reported it favorably, and it has been placed on the calendar. In the report which the Senate Finance Committee made on the resolution the following is stated:

> This resolution seeks to reaffirm what the committee believes to have been the intent of Congress as reflected in Treasury regulations—

Certain Treasury regulations.

That is all; that statement is in the report. The committee report is that the resolution seeks to reaffirm what the committee believes to have been the intent of Congress as reflected in certain regulations. That is not the law. It will not be binding on a court. It will not have anything to do with the law if the law is right. The courts may continue to make their decisions with respect to regulations. But in the measure now before the Senate there is nothing about the resolution; it is not referred to at all; it is wholly extraneous.

The resolution is on the calendar; and when it comes up for consideration in the Senate, the Senate may pitch it out entrely and may say it is not proper procedure and should not be agreed to. But I say that any legislative body which is a sovereign body under everyone's law has a right to express its opinion as to what it intends to do or what it intended to do. The Congress of the United States expressed its opinion that what the Turks were doing in Europe long long numbers of years ago was outrageous and contrary to the dictates of humanity, and so forth and so forth. Certainly a legislative body can say what its purpose or intent is in taking certain action. That is not binding on a court, any more than what it said in the first instance was. The courts frequently find that something was not the intent of the legislature, when probably it was; and sometimes they find that something was the intent of the legislative body, when probably it was not; but they examine the law and arrive at their own decision.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MURDOCK. I am in full agreement with the Senator regarding what can be done by concurrent resolution, and I agree with him that by concurrent resolution we can condemn things which occur in Europe or things which occur in this country. But when we try to tell the courts of the country, as we do here, what the law is, when they have held just the opposite, and when a committee of Congress not only condemns the action of the court but takes the position—as is done in both reports—that the position of the court is untenable, I simply think that cannot be done by means of concurrent resolution.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. HATCH. I asked the Senator from Georgia to yield because I am more or less familiar with the whole question which is being debated. I do not think there is an iota of difference between the position of the Senator from Utah and the position of the Senator from Georgia—absolutely none—except this—and let me say first that I think the position of the Senator from Utah is sound.

Mr. MURDOCK. I thank the Senator.

Mr. HATCH. I do. But I should also say that we are confronted with a certain practical situation. The Senator from Georgia has explained that this matter is not involved in this particular measure, so far. When House Concurrent Resolution 50 comes before the Senate, I think we can all debate the question and discuss it to our heart's content. But right now I see no particular reason for indulging in this debate. But I do think the Senator from Utah is really sound in the position he takes.

Mr. GEORGE. I am not disputing that. However, I am pointing out the effect of it, and I am pointing out the Treasury's position on it.

I was about to make an additional statement, and with that I will be through and will be willing to have the Senate vote on this matter. The Treasury has taken a flat position on this issue, and the Treasury has also said that so far as past transactions are concerned—in other words, so far as its regulation is concerned—it would go on and would abide by it, regardless of what the court had said or had not said.

But the Treasury does not wish to approve any legislation which lays down the law for the future. So, suppose this amendment is added to the bill. The bill thus amended would go to the House of Representatives. The Treasury would appear before the House committee and would ask that the bill be held for conference. That undoubtedly would be done, and that would be the end of the tax bill, because before a conference could be held we would have adjourned and gone home until October.

The issue can be raised either on consideration of House Concurrent Resolution 50, when it comes before the Senate, or on consideration of another tax bill, if one is reported and considered at this session, before the adjournment.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. FERGUSON. I should like to inquire whether it is the intention of the Senator to call up House Concurrent Resolution 50, following consideration of the pending measure.

Mr. HATCH. I hope the Senator does so.

Mr. GEORGE. I should like to get it off the calendar, because it is there now. However, I do not know that I shall call it up immediately after action is taken on the pending bill. Another tax bill might be reported out before that.

Mr. FERGUSON. Does the Senator from Georgia anticipate that within a short time a revenue bill will be reported from the committee and will be ready for consideration by the Senate?

Mr. GEORGE. Yes; I anticipate that may be done either on Friday or Saturday.

Mr. FERGUSON. The Senator from Utah may endeavor at that time to attach what he now proposes to attach.

Mr. GEORGE. Yes.

Mr. MURDOCK. If the Senator from Georgia will assure me that he will not attempt to call up Concurrent Resolution No. 50, and would prefer to have me offer my amendment to some other tax bill, and I may have that opportunity before the Senate passes on Concurrent Resolution No. 50, I shall have no objection.

Mr. GEORGE. That will be all right with me, so far as I am concerned, but there are several other Senators who are interested in Concurrent Resolution No. 50, and I could not bind them.

Mr. HATCH. The Senator from Georgia may not bind other Senators in respect to Concurrent Resolution No. 50.

Mr. GEORGE. No.

Mr. MURDOCK. Will the Senator from Georgia agree to what I have suggested?

Mr. GEORGE. I would certainly be willing to give the Senator from Utah an opportunity to seek to offer his amendment to some other revenue bill which will come before the Senate. I would not want to undertake to bind other Senators, however, who are interested in the matter, by saying that concurrent resolution No. 50 will not be called up, because any Senator may call it up.

Mr. BARKLEY. In that connection I may say, Mr. President, that following the disposition of the Export-Import Bank bill tomorrow, I hope to move that the calendar be called for consideration of bills to which there is no objection. The concurrent resolution to which reference has been made will not be included in the call of the calendar, which will begin where we left off the last time the calendar was called. It would be subject to any Senator's objection. Under those circumstances, it would take a motion to bring the concurrent resolution before the Senate, and the chances are, I believe, that it would go over until after the recess of the Senate.

Mr. HATCH. As a matter of fact, Mr. President, I am quite sure that a motion will be made.

Mr. BARKLEY. It will then be necessary for the Senate to act on the motion.

Mr. GEORGE. I could not undertake to bind any Senator.

Mr. MURDOCK. I understand that. If the Senator will agree that he will not call up Concurrent Resolution 50, or move to have it considered, and afford me an opportunity to offer my amendment to a tax bill which may come up tomorrow or Saturday, I shall be perfectly willing to withdraw my amendment now.

Mr. GEORGE. I believe there is a tax bill on the calendar to which the distinguished Senator from Wisconsin [Mr. LA FOLLETTE] secured approval of the Senate Finance Committee to offer an amendment. I do not remember what bill it is. But there is another tax bill which will have to be brought before the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Utah.

Mr. MURDOCK. Mr. President, I do not wish to interfere with the Senator from New Mexico [Mr. HATCH], but if the matter could go over tonight, so that I may have an opportunity to attach the amendment to a tax bill which will be called up tomorrow or Saturday, then the Senator could call up the concurrent resolution at any time he desired to do so.

Mr. HATCH. I shall be very glad to have the matter go over tonight, but I will not make any agreement.

Mr. MURDOCK. With the assurance which I have received from the Senator from Georgia [Mr. GEORGE] that he does not intend to call up Concurrent Resolution 50, I withdraw my amendment at this time.

The PRESIDENT pro tempore. The bill is before the Senate and open to amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 3633) was read the third time and passed.

PAYMENTS OF SUBSIDIES TO PRODUCERS OF CERTAIN FARM PRODUCTS

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 464, Senate bill 1270.

Mr. LANGER. I object.

Mr. O'MAHONEY. Mr. President, if the Senator from North Dakota will withhold his objection for a moment, I will make a statement with respect to the bill.

Mr. LANGER. I withhold the objection.

Mr. O'MAHONEY. This is a measure which has been reported by the Banking and Currency Committee of the Senate. The bill is designed to make it possible for the Commodity Credit Corporation to carry out a program to sustain the lamb producer.

Mr. LANGER. I withdraw my objection. [Laughter.]

Mr. O'MAHONEY. I thank the Senator.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WHITE. I may say to the Senator from Wyoming that I have talked with minority members of the committee, and I find no opposition on their part to the proposed legislation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation, which had been reported from the Committee on Banking and Currency with an amendment, on page 2, line 8, after the word "correspondingly", to strike out "*And provided further*, That the Corporation is authorized to carry out subsidy operations with respect to 1946 and 1947 sugar crops to such extent as the Secretary of Agriculture may determine necessary to obtain the maximum necessary production and distribution of sugar", so as to make the bill read:

Be it enacted, etc., That the amount of funds authorized to be expended by Commodity Credit Corporation pursuant to section 3 of the act of April 12, 1945 (Public 30, 79th Cong.), shall be increased by such amounts as may from time to time be determined by the Secretary of Agriculture as follows: (1) Not to exceed with respect to livestock and livestock products, $595,000,000; (2) not to exceed with respect to wheat and wheat products, $190,000,000; and (3) not to exceed with respect to butterfat and butter, $100,000,000: *Provided*, That the amounts authorized to be expended pursuant to section 1 of the act of June 23, 1945 (Public, 88, 79th Cong.), for subsidy payments on meat, butter, and flour shall be reduced correspondingly.

The amendment was agreed to.

The PRESIDENT pro tempore. The bill is before the Senate and open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to a third reading, was read the third time, and passed.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the committee report be printed in the RECORD at this point.

There being no objection, the report (No. 465) was ordered to be printed in the RECORD, as follows:

The Committee on Banking and Currency, to whom was referred the bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

This bill, as reported by the committee, authorizes an increase in the amounts of the subsidies which may be paid by the Commodity Credit Corporation with respect to certain agricultural commodities and the products thereof. Any increase in the amount of subsidies paid by the Commodity Credit Corporation will be conditioned upon a corresponding decrease in the amount of subsidies authorized to be paid by the Reconstruction Finance Corporation. Thus, no over-all increase in subsidies is authorized.

Under existing law, limitations are placed upon the amounts of the subsidies which may be paid by the Commodity Credit Corportion or the Reconstruction Finance Corporation. The limitations with respect to the Commodity Credit Corporation are contained in Public Law 30, Seventy-ninth Congress, and those with respect to the Reconstruction Finance Corporation are contained in Public Law 88, Seventy-ninth Congress. Under the latter act, the Reconstruction Finance Corporation is authorized to pay the following subsidies, among others. With respect to meat in an amount not to exceed $595,000,000, with respect to flour in an amount not to exceed $190,000,000, and with respect to butter in an amount not to exceed $100,000,000. Under this bill, the amount of Commodity Credit Corporation funds authorized to be expended for subsidy purposes will be increased by such amounts as may be determined from time to time by the Secretary of Agriculture as follows: (1) Not to exceed with respect to livestock and livestock products, $595,000,000, (2) not to exceed with respect to wheat and wheat products, $190,000,000, and (3) not to exceed with respect to butterfat and butter, $100,000,000. These amounts correspond to the amounts stated above as those which the Reconstruction Finance Corporation is authorized to expend for subsidies with respect to similar commodities; and whenever an increase is made under this bill in the amount of subsidies paid by the Commodity Credit Corporation with respect to any such class of agricultural commodities or the products thereof, a corresponding reduction will be made in the amount authorized to be paid by the Reconstruction Finance Corporation with respect to agricultural commodities of that class or the products thereof.

The enactment of this bill will tend to centralize in the Secretary of Agriculture the responsibility for the production of food, and at the same time will afford greater flexibility in working out the food program. This should serve to enable the Secretary of Agriculture to overcome some of the difficulties which have been encountered in the production and distribution of food. For example, the Commodity Credit Corporation will be enabled to pay subsidies to the producers of lambs on the basis of an arrangement which has already been worked out informally and which will do much to relieve the present plight of the producers of lambs and result in a greater supply of their product for the consuming public. While it is generally agreed that this arrangement will result in substantial improvement in the production and distribution of lambs, the Commodity Credit Corporation, which has the basic authority to pay such a subsidy under existing law, does not have available funds to use for that purpose within the existing limitations. The Reconstruction Finance Corporation, on the other hand, does have available funds which can be used for paying the subsidy to lamb producers, but does not have the basic authority to pay such a subsidy under existing law. Thus, it is apparent that in this case the flexibility which would be provided by this bill is necessary in order to attain an objective which has been generally agreed upon as desirable.

INCREASE IN LENDING AUTHORITY OF EXPORT-IMPORT BANK

Mr. BARKLEY. Mr. President, earlier in the day the Committee on Banking and Currency reported House bill 3771 dealing with the increased lending power of the Export-Import Bank. I ask unanimous consent that the Senate proceed to the consideration of the bill at this time, with the understanding that it will not be dealt with until tomorrow.

There being no objection, the Senate proceeded to consider the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

TREATIES

The legislative clerk proceeded to state the treaties on the calendar.

Mr. BARKLEY. Mr. President, at this late hour it will not be possible to deal with the treaties. I hope that we can dispose of them tomorrow.

The PRESIDENT pro tempore. Without objection, the treaties will go over.

UNITED STATES PATENT OFFICE

The legislative clerk read the nomination of Casper Ooms to be Commissioner of Patents.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the Coast Guard.

Mr. BARKLEY. I ask unanimous consent that the Coast Guard nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the Coast Guard nominations are confirmed en bloc.

UNITED STATES PUBLIC HEALTH SERVICE

The legislative clerk proceeded to read sundry nominations in the Public Health Service.

Mr. BARKLEY. I ask unanimous consent that the Public Health Service nominations be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are confirmed en bloc.

Mr. BARKLEY. Mr. President I ask that the President be immediately notified of all nominations this day confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That completes the calendar.

RECESS

Mr. BARKLEY. Mr. President, I wish to thank and congratulate the Senate on the hard day's work which it has done today. At any time a Senator desires to have me testify under oath, or otherwise, that he has worked more than 6 hours today, I will be his witness. [Laughter.]

As in legislative session, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 9 o'clock and 10 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 20, 1945, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 19 (legislative day, July 9), 1945:

UNITED STATES PATENT OFFICE

Casper Ooms to be Commissioner of Patents.

COAST GUARD OF THE UNITED STATES

TEMPORARY SERVICE

Frank J. Gorman to be a rear admiral, from June 30, 1942, while serving as chief planning and control officer, or in any other assignment for which the rank of rear admiral is authorized.

Wilfrid N. Derby to be a rear admiral, from June 1, 1945, while serving as district Coast Guard officer, First Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Raymond T. McElligott to be a rear admiral, from June 1, 1945, while serving as assistant chief personnel officer, or in any other assignment for which the rank of rear admiral is authorized.

William K. Scammell to be a rear admiral, from June 1, 1945, while serving as district Coast Guard officer, Twelfth Naval District, or in any other assignment for which the rank of rear admiral is authorized.

William F. Towle to be a rear admiral, from June 1, 1945, while serving as district Coast Guard officer, Eleventh Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Michael J. Ryan to be a commodore, from June 1, 1945, while serving as district Coast Guard officer, Sixth Naval District, or in any other assignment for which the rank of commodore is authorized.

Ellis Reed-Hill to be a commodore, from June 1, 1945, while serving as chief, Public Relations Division, or in any other assignment for which the rank of commodore is authorized.

John E. Whitbeck to be a commodore, from June 1, 1945, while serving as district Coast Guard officer, Seventh Naval District, or in any other assignment for which the rank of commodore is authorized.

Edward M. Webster to be a commodore from June 1, 1945, while serving as chief, Communication Division, or in any other assignment for which the rank of commodore is authorized.

William H. Barton to be a commodore, from June 1, 1945, while serving as district Coast Guard officer, Tenth Naval District, or in any other assignment for which the rank of commodore is authorized.

Beckwith Jordan to be a commodore, from June 1, 1945, while serving as district Coast Guard officer, Ninth Naval District, St. Louis, or in any other assignment for which the rank of commodore is authorized.

UNITED STATES PUBLIC HEALTH SERVICE

APPOINTMENTS AND PROMOTIONS IN THE REGULAR CORPS

To be assistant dental surgeons, effective date of oath of office

Donald L. Truscott
Stanley J. Ruzicka
John C. Heckel
Arthur J. Lepine
William B. Treutle
Felice A. Petrucelli
Frederick S. Loe, Jr.
Eugene H. Hess
Robert J. Herder
Carl E. Johnson

To be passed assistant dental surgeons, effective date of oath of office

Charles H. Wright, Jr.
George A. Nevitt
Herbert A. Spencer, Jr.

To be assistant sanitary engineers, effective date of oath of office

Donald L. Snow
Roscoe H. Goeke
Ernest C. Anderson

To be passed assistant sanitary engineers, effective date of oath of office

Harry G. Hanson
Richard F. Poston
Edmund C. Garthe
Charles D. Spangler
Fredrick C. Roberts, Jr.
Leonard M. Board

Passed assistant surgeon to be surgeon, effective August 16, 1945

Robert H. Felix

HOUSE OF REPRESENTATIVES

THURSDAY, JULY 19, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou God of all grace and goodness, we rejoice in Thy kind and kingly providence and the glad assurance that Thy thoughts concerning us are those of good will and love.

We thank Thee for the joy and hope that this assurance gives us; for its inspiration in moments of doubt and discouragement; for its restraining influence in times of temptation and turpitude; for its strengthening and consoling power when the struggle of life with all its problems and perplexities is so difficult and our hearts are overwhelmed.

We pray that the day may be hastened when the soul of men and nations shall be filled with this same Godlike spirit of good will and love. May our hearts be purged from every feeling that violates the value and dignity of human personality and human rights. Help us to cultivate the spirit of reverence and respect for all mankind.

Grant that prejudice and bigotry may be banished and supplanted by tolerance and cooperation. May we resent with righteous indignation every attempt to stir up antagonism between people because of color or creed or class. May the hot embers of hatred be forever extinguished. May Christ's spirit reign supremely.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include an editorial from the Manufacturers' Record.

Mr. WOODRUM of Virginia asked and was given permission to extend his remarks in the RECORD and to insert a short editorial appearing in the New York Times of July 6 on military training and also a short article in the same issue of the New York Times by Arthur Krock on the same subject.

Mr. ROMULO asked and was given permission to extend his remarks in the RECORD and include a speech made by General MacArthur.

Mr. BARTLETT asked and was given permission to extend his remarks in the RECORD in two instances and to include therein an exchange of letters between Under Secretary of the Interior Abe Fortas and himself and an editorial from the Alaska Weekly.

PRESIDENT HARRY S. TRUMAN

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, the practical realism of President Harry S. Truman has again been shown in despatches from the Big Three meeting in Potsdam, Germany. Within a few hours after his first formal meeting with Churchill and Stalin he made clear the position of this country by stating that the swift defeat of Japan is the principal issue confronting the United Nations—particularly Russia, Britain, and the United States. It is understood that President Truman—without making any direct demands—informed his colleagues that the loss of lives in the Pacific must be ended as quickly as possible. With that accomplished, the foundation can be laid for a just and permanent peace.

President Truman is wasting no time in making his position clear. His honesty and directness are to be commended and our prayers and hopes are, I believe, in good hands. We may be certain that he will represent his country—all of us—in the highest tradition of American statesmanship. We are fortunate, indeed, to have this man from Missouri with his straight thinking and common sense guiding this Nation in one of its most critical hours.

RECOMMENDATIONS FOR THE IMPROVEMENT OF THE SUGAR SITUATION

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, reports reaching every Member of Congress indicate that the sugar situation has now become so critical that ration coupons and quotas from a practical standpoint are mere empty promises. Housewives find that they are unable to redeem the few coupons they have been issued for home canning. Industrial users are able to obtain from sugar refineries only a fraction of the drastically curtailed quotas under which they are now operating. Regardless of quotas and coupons, unless steps are taken immediately to actually make sugar available to housewives, canners, and other commercial users, much of the produce from victory gardens and vast quantities of other foods now coming to harvest are certain to be lost.

The Republican Congressional Food Study Committee, of which I am chairman, has continually carefully investigated this whole situation and I have five specific recommendations that will help relieve this deplorable situation:

1. BORROW SUGAR FROM THE UNITED KINGDOM

It is reported that for more than 2 years past Great Britain has held stocks of sugar in excess of normal peacetime practice. It is recommended that administration food officials make arrangements to borrow immediately 200,000 or more tons of sugar now in the West Indies from the United Kingdom until next January or February, when the new production will start reaching the market.

2. BORROW SUGAR FROM MILITARY ALLOCATIONS

Transfer allocations of sugar temporarily from military to essential civilian use. It is reported that our military services have enough sugar already on hand for the present quarter. If it will not impair military activities, Federal food officials should immediately ascertain, and if possible secure from the military services as much of this sugar as possible. This can be replenished later.

3. EMBARGO EXPORTATION OF AMERICAN-ALLOCATED SUGAR

A month ago the Republican Congressional Food Study Committee strongly recommended that an embargo be placed on the shipment of sugar available to the United States to any foreign country until such time as their actual stock piles are disclosed and justified. Up to this time no apparent action has been taken on this recommendation. The recommendation is renewed.

Looking ahead to 1946 the following recommendations are made:

4. EXPAND SUGAR-BEET PRODUCTION

It is recommended that a policy be established at once that will encourage the greatest possible acreage of sugar-beet production. Sugar beets are harvested 6 months after planting. Until cane-sugar production reaches a point adequate to meet needs, expand sugar beet acreage to the maximum.

5. PREPARE NOW TO PRODUCE SUGAR IN THE ORIENT

The military pattern in the Orient seems to have taken shape. It now appears that before long certain areas in tropical climate where sugarcane grows faster than any other place in the world will be recaptured from our enemies. Steps should now be taken by the administration to move in immediately after our military forces with the necessary machinery and equipment to bring about speedy production of sugarcane.

Mr. Speaker, it probably took a great deal of courage for the Secretary of Agriculture to deliver the radio address he made on the evening of July 16. According to the press he painted a gloomy picture of the food situation. Certainly it was a most severe condemnation of all Federal officials who have been responsible for creating this tragic situation.

While laying the groundwork for increased production—

Said the Secretary of Agriculture—

we are not overlooking any opportunities for bringing immediate relief from shortages.

Almost 4 years have passed since Pearl Harbor and almost 6 years since the outbreak of war in Europe. The American people have a right to know why this groundwork was not laid long years ago. The same administration with its "palace guard" and satellites has received every authority it needed from Congress to secure an adequate food supply to meet any demands.

He pointed out that "we have embarked on a rigid policy of close scrutiny of military and foreign demands for food." Why have Federal authorities waited until after we have exported some $5,500,000,000 worth of food at wholesale prices—not retail—on lend-lease to embark on a policy of scrutiny?

Two of our most important commodities are meat and sugar and on these two items the Secretary of Agriculture presented the gloomiest outlook. He indicated that for 1946 we may have even less meat to eat than this year, and as for sugar he said:

It may be several years before the important sugar producing and exporting countries regain their prewar output. Until that time, nations tha import as large a part of their total supplies as the United States does can expect to be short of sugar.

As an example of Administration confusion and incompetence, only 16 months ago the Chief of the Administration's Sugar Division testified before the Appropriations Committee of the House that there would be a huge sugar surplus in 1944. He then estimated 8,600,000 tons of sugar would be available while both domestic and export demands would total only 6,800,000, leaving a surplus of 1,800,000 tons of sugar.

Prior to that time the Republican Congressional Food Study Committee's investigations uncovered the fact that a serious sugar shortage was inevitable.

Relief can be had immediately, and more relief can be had in 1946, if the above five specific recommendations are carried out.

EXTENSION OF REMARKS

Mr. ELLIS asked and was given permission to extend his remarks in the Appendix of the RECORD.

ABUSE OF LEND-LEASE

Mr. ELLIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. ELLIS. Mr. Speaker, today I have placed in the Appendix of the RECORD an amazing story on lend-lease written by an American citizen.

While the story reveals nothing particularly new in the reckless waste of American dollars and supplies, it does give the viewpoint of a soldier. And do not think for one moment that they have failed to observe this waste and the treatment experienced by our armed forces.

The story of our allies in the Middle East being swamped with American cigarettes and precious canned goods while our men were without is a sickening revelation. Gasoline sent them on lend-lease in United States tankers, delivered to the gasoline dumps of our Allies in United States trucks, was later purchased by our forces—cash on the barrel-head—at excessive prices.

We pay $1 per head to the French-British company for United States troops passing through the Suez Canal to the Far East to drive the Japs out of the possessions of our allies.

Up until December 1944 we had delivered $3,523,684,000 in lend-lease to the Mediterranean area. The consumer goods sent to the absolute monarchs,

such as in Arabia and Egypt, add to their personal fortune. The goods are sold in the markets. In Egypt the shops in Alexandria and Cairo are filled with American merchandise for those who have the money to buy, and they are mostly foreigners.

Poverty and disease are prevalent and 99 percent of the population received nothing and know nothing about lend-lease.

From 90 to 95 percent of the supplies sent to north Africa, on lend-lease comes from the United States, but British officials insist on sitting in on conferences in many instances where they had furnished none of the supplies and where their interests were only justified by their concern for postwar relations of the Empire.

Lend-lease files and records of all kinds are open to the British, who inspect them frequently.

The Egyptian Army could not withstand an assault by the Metropolitan Police, and a British tank whirled up in front of the king's palace dictates their foreign policy.

I was told by a member of our Naval Affairs Committee that several months ago a drought condition prevailed in Bermuda where they depend completely on rain water. The tankers in which we sent fresh water for their relief were charged $400 per day dockage.

A sailor told me here in Washington that he was aboard a cruiser which took part in the landing operation in Italy. During the days of preparation he went to the supply ship for flashlight batteries; none were on hand. He went ashore in north Africa and purchased a supply of United States made batteries from a native merchant.

The termination of the war in Europe does not end this mad flight of dollars. Russia is down for $900,000,000 in lend-lease for the current fiscal year; Great Britain is down for $2,500,000,000; Italy for $100,000,000, and France for a goodly sum, on top of the $800,000,000 already given.

In addition to the lend-lease operation we have the $3,500,000,000 Export-Import Bank, $17,000,000,000 in the Bretton Woods proposal and many other agencies, all designed to channel dollars to all the countries of the world. And our debt keeps mounting near $300,000,000,000; more than the war spending of all our allies combined.

In these days of food shortages, huge quantities of rationed goods continue to flow out of the country on lend-lease.

In the name of common sense, in the name of the men and women in our armed forces, and for the sake of coming generations, let us stop this senseless operation. The Congress should take the necessary action now before we are compelled to do so by an incensed public opinion.

ESTATE OF JAMES ARTHUR WILSON

Mr. PITTENGER. Mr. Speaker, I call up the conference report on the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased.

The Clerk read the title of the bill.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 592) for the relief of the Estate of James Arthur Wilson, deceased, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House, and agree to the same with an amendment as follows: In lieu of the figures, to-wit: "$7,000" inserted by the House, insert the figures "$6,000"; and the House agree to the same.

DAN R. MCGEHEE,
CLIFFORD P. CASE,
Managers on the Part of the House.
ALLEN J. ELLENDER,
KENNETH S. WHERRY,
JAMES M. TUNNELL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 592) for the relief of the estate of James Arthur Wilson, deceased, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The bill as passed the Senate appropriated to the estate of James Arthur Wilson, deceased, the sum of $5,000, for the death of the said James Arthur Wilson, which resulted from an accident involving an Army truck in Greensboro, N. C., on July 20, 1944.

The House increased the amount to $7,000, and at the conference a compromise of $6,000 was agreed upon.

DAN R. MCGEHEE,
CLIFFORD P. CASE,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SAM SWAN AND AILY SWAN

Mr. PITTENGER. Mr. Speaker, I call up the conference report on the bill (H. R. 1308) an act for the relief of Sam Swan and Aily Swan.

The Clerk read the title of the bill.

The Clerk read the conference report.

The conference report and statement are as follows:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1308) for the relief of Sam and Aily Swan, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the figures "$3,000" insert the figures "$2,000"; and agree to the same.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
CLIFFORD P. CASE,
Managers on the Part of the House.
BRIEN MCMAHON,
WAYNE MORSE,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1308) for the relief of Sam and Aily Swan, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report:

The bill as passed the House appropriated to Sam and Aily Swan the sum of $3,000, on account of damage to their home owned jointly by them, caused by an explosion on October 13, 1941, in a stone quarry where blasting operations were being conducted by the Work Projects Administration.

The Senate reduced the amount to $1,500, and at the conference a compromise of $2,000 was agreed upon.

DAN R. MCGEHEE,
EUGENE J. KEOGH,
CLIFFORD P. CASE,
Managers on the Part of the House.

The conference report was agreed to.

A motion to reconsider was laid on the table.

MR. AND MRS. JOHN T. WEBB, SR.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 784) for the relief of Mr. and Mrs. John T. Webb, Sr., with a House amendment, insist on the House amendment, request a conference with the Senate, and appoint conferees.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. MCGEHEE, HOOK, and PITTENGER.

AMENDMENT OF FEDERAL EMPLOYEES COMPENSATION ACT

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 714) to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MICHENER. Mr. Speaker, reserving the right to object, as I understand, this is an emergency matter, financially at least. It passed the Senate and has had some committee consideration in the House. Will the gentleman explain the details of the bill and state the necessity of calling it up at this time?

Mr. WALTER. Mr. Speaker, this legislation is designed to amend the United States Employees Compensation Act so that those employees of the United States who were on Guam and in the Philippines and who were unable to file their claims within the time required under existing law will be able to file their claims.

Sections 2 and 3 are intended to relieve hardship in individual cases. In certain cases of occupational disease or severe injury the injured employee may suffer prolonged disability before finally succumbing to the effects of such disease or injury. During this period his

income is reduced to the level of disability-compensation payments, and if death occurs after a lapse of 6 years the dependents are denied compensation for the death and no provision is made for the payment of the expense of the burial. The amendment proposed in section 2 will permit payment of compensation and burial expense in all cases where the death is a result of an injury otherwise within the purview of the law. Section 3 would permit the continuance of compensation after a period of 8 years to certain dependent persons without other means of support.

The fourth section has to do with the payment of compensation to employees of the United States in foreign countries. Under existing law it is necessary to pay these employees in accordance with the schedules in effect in this country, notwithstanding the fact that such payments are substantially disproportionate to compensation which may be payable in similar cases under local law at the place outside the United States where such employees may be working at the time of injury.

If this legislation is enacted into law it will enable the Compensation Commission to make the payments in accordance with the laws of the several countries in which work is being done and should result in a very large saving to the Government. It is anticipated this will eliminate friction and dissatisfactions met with where a standard of compensation by the United States may be higher than that which local authorities consider adequate for other local employees in a particular area.

Mr. GWYNNE of Iowa. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Iowa.

Mr. GWYNNE of Iowa. As I understand, the last provision applies only to people who are not citizens or residents of this country?

Mr. WALTER. That is correct.

Mr. GWYNNE of Iowa. May I say that this bill has been before Subcommittee No. 3 and has been considered thoroughly.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. WALTER. I yield to the gentleman from Indiana.

Mr. SPRINGER. The provisions of this bill, as I understand them, extend the statute of limitations from 1 year to 5 years for the purpose of filing claims of the character included in this legislation?

Mr. WALTER. Precisely. There are about 400 claims, and I may say to the gentleman from Indiana that unless this legislation is enacted the result will be the filing of many private bills. The necessity of doing that will be obviated if there is a general law to take care of these cases.

Mr. SPRINGER. As I understand it, the subcommittee of which the gentleman from Pennsylvania is chairman has given this measure consideration?

Mr. WALTER. Yes; it was considered and unanimously agreed to by the committee. It has passed the Senate on the Unanimous Consent Calendar.

Mr. SPRINGER. I thank the gentleman.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 20 of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended, is amended by adding at the end thereof the following new sentence:

"Failure to give notice of injury or to file claim for compensation for disability or death within the time in the manner prescribed by this act shall not bar the claim of any person thereunder if such claim is filed within 5 years after the injury or death and if the Commission shall find (1) that such failure was due to circumstances beyond the control of the person claiming benefits, or (2) that such person has shown sufficient cause or reason in explanation thereof, and material prejudice to the interest of the United States has not resulted from such failure; and upon such finding the Commission may waive compliance with the applicable provisions of the act."

SEC. 2. That the first paragraph of section 10 of such act is amended by striking therefrom the words "within 6 years", and the wards "subject to the modification that no compensation shall be paid where the death takes place more than 1 year after the cessation of disability resulting from such injury, or, if there has been no disability preceding death, more than 1 year after the injury;", and by deleting the comma and adding a colon following the word "pay" therein; and that section 11 of such Act is amended by striking therefrom the words "within 6 years", and the last sentence of such section.

SEC. 3. That subdivision (G) of section 10 of such act is hereby amended by striking therefrom the words "for a period of 8 years" and "before that time", and by substituting the word "until" for the word "unless" therein.

SEC. 4. That section 42 of such act is hereby amended by adding at the end thereof the following new paragraph:

"Whenever the Commission shall find that the amount of compensation, as provided by other provisions of this act, payable to employees of the United States who are neither citizens nor residents of the United States, any Territory, or Canada, or payable to any dependents of such employees, is substantially disproportionate to compensation for disability or death which may be payable in similar cases under local law, regulation, custom, or otherwise, at the place outside the United States, any Territory, or Canada, where such employees may be working at the time of injury, the Commission may provide for payment of compensation upon such basis as will be reasonably in accord with prevailing local payments in similar cases, (1) by adoption or adaptation of the substantive features (by a schedule or otherwise) of local workmen's compensation provisions, or other local law, regulation, or custom applicable in cases of personal injury or death, or (2) by establishing and promulgating, for specific classes of employees, areas or places, special schedules of compensation for injury and death (including schedules for the loss or loss of use of members and functions of the body); and irrespective of the basis adopted may at any time modify or limit therein (a) the maximum monthly and total aggregate payments for injury and death (including modification and limitation of medical or other benefits), and (b) the percentages of the employee's wage payable as compensation for such injury or death, and to modify, limit, or redesignate the class or classes of beneficiaries entitled to death benefits, including the designation of persons, representatives, or groups, who would be entitled under local law or custom to payment on account of death, whether or not included in the classes of beneficiaries otherwise specified in this act. In the cases of such noncitizens and nonresidents, the Commission or its designees are authorized to make lump-sum awards (in the manner prescribed by section 14 of this act), whenever the Commission or its authorized designee shall deem such settlement to be for the best interest of the United States, and also in any such cases to compromise and pay claims for any benefits so provided for, including claims in which there is a dispute as to jurisdiction or other facts, or questions of law. Compensation so payable shall be in lieu of all other compensation from the United States for the same injury or death, and any payment so made shall for all purposes be considered as compensation under this act and as satisfaction of all liability of the United States in respect to the particular injury or death. The Commission may delegate to any officer, agency, or employee of the United States, with such limitations and right of review as it deems advisable, authority to process, adjudicate, compute by lump-sum award, compromise, and pay any claim or class of claims for compensation, and to provide other benefits, locally, under this paragraph, in accordance with such regulations and instructions as the Commission shall deem necessary, and for such purpose the Commission is authorized to provide or transfer funds (including reimbursement of amounts paid under this act). Should the Commission find (1) that conditions prevent the establishment of facilities for processing and adjudicating claims of such noncitizens and nonresidents, or (2) that such noncitizens and nonresidents are alien enemies, the Commission may waive the application of this act, in whole or in part, and for such period or periods of time as the Commission shall fix. The provisions of this paragraph may be applied retrospectively as the Commission may determine, and, where necessary, with such adjustment of compensation and benefits as the Commission may find to be proper. The action of the Commission or its designees in allowing or denying any payment under this act shall be final and conclusive for all purposes and with respect to all questions of law and fact, and not subject to review by any other official of the United States, or by any court by mandamus or otherwise, and credit shall be allowed in the accounts of any certifying or disbursing officer for payments in accordance with such action. Wherever used in this section, the geographical reference to the United States shall mean the continental United States."

SEC. 5. (a) The amendments to such act shall be applicable retrospectively as follows:

(1) The amendment in section 1 of this act shall apply to injury and death cases, whether or not reported or acted upon where the injury (or injury causing death) occurred on or after December 7, 1940.

(2) The amendment in section 2 shall be applicable in any case of death following injury where the injury occurred prior to the date of approval of this act and the employee is receiving or is entitled to receive compensation for injury on or after such date.

(3) The amendment in section 3 shall be applicable in any case where a beneficiary, affected by the provisions of section 10 (G) of such act, (a) is receiving compensation (or whose claim is in the process of initial adjudication) on the date of the approval of this act, or (b) whose compensation has been terminated by reason of the limitation provisions of such section 10 (G) within 3 years prior to the date of such approval, should be found by the Commission to be suffering hardship at the time of approval of this act by reason of such termination.

(b) In any case where an employee employed by the United States within the purview of such act or any extension thereof suffers disability or death after capture, detention, or other restraint by an enemy of the United States, during the present war, such disability or death shall in the administration of such act be deemed to have resulted from injury occurring while in the performance of duty, whether or not the employee was engaged in the course of his employment when taken by the enemy: *Provided*, That this subparagraph shall not apply in the case of any person (1) whose residence is at or in the vicinity of the place from whence he was thus taken, and (2) who was not living there solely by virtue of the exigencies of his employment, unless such person was so taken while he was engaged in the course of his employment: *Provided further*, That compensation for disability or death shall not be paid during any period of time during which the disabled person (or the dependents of such person, or any one of them) should receive or be entitled to receive any pay, other benefit, or gratuity from the United States on account of detention by the enemy or by reason of the same disability or death, unless such pay, benefit, or gratuity is refunded or renounced.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. McGLINCHEY asked and was given permission to extend his remarks in the Appendix of the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent that I may address the House on tomorrow for 25 minutes at the conclusion of business on the Speaker's desk.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNISTS IN THE ARMED SERVICES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include excerpts from a report of the Subcommittee on Military Affairs.

The SPEAKER. Is there objection to the request of the gentlemen from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is gratifying to note that President Truman is going to hurry home as soon as the Potsdam Conference is over. I hope he continues his policy, when he gets back, of cleaning house. I hope he begins next with the War Department, and puts a stop to the commissioning of Communists in the United States Army.

There are three men in the War Department who are charged with responsibility for these commissions, namely, Mr. Stimson, Mr. Patterson, and Mr. McCloy. If they are responsible for this condition then they ought to resign.

The members of the Committee on Un-American Activities are getting constant protests from men in the armed forces to the effect that these Communists who have been commissioned in the United States Army, are using their power to try to indoctrinate the men in the armed forces with Communist philosophies which are directly opposed to our form of government.

The Subcommittee on Military Affairs has made an investigation and found that many Communists have been commissioned in the United States Army over the protests of the Members of Congress, if not in flagrant violation of law.

These men, as a rule, have been placed in positions where they could yield the greatest influence, and probably render the greatest harm, in preaching their subversive doctrines to our men in the armed forces, and around the separation centers.

Communism is as directly opposed to our form of Government and our way of life as Marxist atheism is to the principles of Christianity: and any man who preaches that Marxian doctrine, or attempts to inculcate it in the minds of our returning servicemen is an enemy to our form of government.

Under permission granted me to extend my remarks in the RECORD, I am inserting a report of the Subcommittee on Military Affairs giving the names of the individual Communists who have been commissioned in the United States Army, and giving the background of each one of them.

I hope every Member of Congress and every patriotic individual in America will take time to examine this report.

It reads as follows:

INVESTIGATIONS OF THE NATIONAL WAR EFFORT

WEDNESDAY, JULY 18, 1945.

The special committee met, pursuant to notice, at 10:30 a. m., in room 1310, New House Office Building, Hon. R. EWING THOMASON (chairman), presiding.

Present: Representatives THOMASON (chairman of the special committee), DURHAM, ROE (New York), ARENDS, and ELSTON.

Also present: H. Ralph Burton, general counsel to the committee.

Mr. THOMASON. The committee will be in order.

The CHAIRMAN. This is a continuation of hearings which are being held relative to the subject of the alleged commissioning of officers and of the existence of enlisted personnel in the Army, having backgrounds reflecting Communist ideology or subversive influences or activities of any kind.

Mr. Burton, will you take the stand?

You have been conducting for the committee investigations of officers commissioned in the Army and enlisted personnel having Communistic backgrounds or associations, and it is requested that you state for the record what you have found.

Mr. BURTON. I have found certain persons who hold commissions and also some enlisted personnel in the Army whose backgrounds reflect communism in some form and am prepared to present the facts which have been developed thus far.

The CHAIRMAN. Proceed.

Mr. BURTON. I submit the following:

"Maj. Edward Newhouse, ASN [redacted], Fiftieth Army Air Force, Washington, D. C.:

"A picture of and an article about him appear in the Daily Worker December 6, 1934.

"Member of advisory committee, American Writers Union.

"Writer for the Daily Worker 1934, the New Masses 1936.

"Responded to the call for Congress of American Revolutionary Writers.

"Has contributed to or has been cited in the magazine International Literature, organ of the International Union of Revolutionary Writers.

"Wrote for the Partisan Review during the period of its domination by the Communist Party.

"Was a sponsor of the Writers' and Artists' Committee for Medical Aid to Spain."

"Capt. Herbert Aptheker, [redacted] Nine Hundred and Fortieth Field Artillery Battalion, APO 408, New York:

"Instructor, History of the Negro in America, M. A., Columbia. Author of The Negro in the Civil War; Negro Slave Revolts in the United States; The Negro in the American Revolution; The Negro in the Abolition Movement.

"Faculty member, Jefferson School of Social Science, a new adult educational center, the result of a merger of two other educational institutions which were indisputably under Communist control—the Workers' School and the School for Democracy.

"Contributor to New Masses.

"Contributor to Negro Quarterly.

"Donor to Social Work Today, a magazine founded in 1934, whose avowed purpose is to serve as 'a journal of progressive social work, thought and action.' A study of the contents and policies of the magazine indicates that it is primarily a vehicle whereby the line of the Communist Party is promulgated among social workers in a form calculated to be most palatable and effective to that particular group."

"Capt. Horace Warner Truesdell, ASN [redacted] Headquarters, Seventh Civil Affairs Unit, APO 654, New York (also Horace Truesdale, also Horace W. Truesdale):

"Member, American League for Peace and Democracy.

"Chairman, executive committee, Washington Committee for Aid to China.

"Member, Washington Committee for Democratic Action.

"President, Russian Reconstruction Farms, Inc.

"Truesdell testified before a solicitor of the Civil Service Commission that he had been a member of the Socialist Party for 3 years, that he belonged to the so-called Left Center Party, and that as an organizer of the English-speaking branch, one of his duties was to get new members. He claimed that without effort on his part he was named on three committees—resolutions, propaganda, and making arrangements for Victor Berger to speak in Washington. As a result of this testimony, a letter was sent to Truesdell June 6, 1920, by the Civil Service Commission reprimanding him for his political activities, but no further action was taken."

"Lt. Richard C. Criley, ASN [redacted], Corps of Military Police, Seventh Civil Affairs Unit, APO 654, New York:

"As Dick Criley, helped handle California Young Communist League.

"One Dick Criley, of 1140 Clay Street, San Francisco, Calif., is listed in report of California Secretary of State, September 1938, as member of State central committee, Communist Party."

"Lt. Irving Fajans, ASN [redacted], Office of Strategic Services, Box 2601, Washington, D. C.:

"On honor roll of Young Communist League members fighting in the Spanish Civil War.

"Executive secretary, New York post, Veterans of Abraham Lincoln Brigade."

"1st Lt. Edward W. Finkelstein, ASN [redacted] Twenty-sixth Field Artillery Battalion, APO 9, care Postmaster, New York:

"Chairman, Philadelphia District International Workers Order. The order, with a membership of 155,000 and assets of $1,889,611, is a fraternal organization which has from its very inception demonstrated by its pronouncements, its activities, and the authoritative statements of the Communist Party that it is a subservient instrument of the Communist Party of the United States.

"Defense director, Eastern Pennsylvania District Committee, International Workers Order."

"Lt. Irving Goff, ASN [redacted], Office of Strategic Services, Box 2601, Washington, D. C.:

"Speaker, Communist School, New York City.

"Coauthor, Guerrilla Warfare in Union of Soviet Socialist Republics and Spain.

"Files of the State Department show that one Irving Goff, of 2815 West Thirty-first Street, Brooklyn, N. Y., and 2019 West One Thousand and Thirteenth Street, New York City, was issued a passport No. [redacted] on February 10, 1937, at age 27, for travel to Spain to visit relatives. Passport allegedly lost.

"He fought with the Abraham Lincoln Brigade in Spain, the fifteenth of the so-called international brigades established by the Spanish Loyalist Government in its decree of September 23, 1937. Evidence shows that this organization was Communist-dominated and served as pawn in the machinations of the Communists in the United States and Spain.

"As executive secretary of the Veterans of Abraham Lincoln Brigade, protested imprisonment of Earl Browder. Veterans of Abraham Lincoln Brigade was formed at a meeting of furloughed American members of the Spanish "red front" army December 18, 1937. Affiliates and cooperates with organizations formed in other countries by veterans of the International Brigade.

"One Irving Goff, of 2930 West Nineteenth Street, Brooklyn, N. Y., signed Communist Party petition for Browder-Ford in 1940.

"(There are no such addresses as: 2815 West Thirty-first Street, Brooklyn, N. Y.; 2019 West One Thousand and Thirteenth Street New York City; or 2930 West Nineteenth Street Brooklyn, N. Y.)."

"Lt. Vincent Lossowski, ASN [redacted], Office of Strategic Services, Box 2601, Washington, D. C.: Fought with Abraham Lincoln Brigade in Spanish Civil War."

"Lt. Jerry Trauber (James), ASN [redacted], Nine Hundred and Seventy-eighth Field Artillery Battery, [redacted] New York:

"Editorial board, New Pioneer (Young Communist Organization).

"Junior director, International Workers Order, 1938. A picture of and an article about him appear in the Daily Worker November 20, 1936.

"National language secretary, speaker at International Workers Order parley. A picture of and an article about him appear in the Daily Worker May 29, 1939.

"Communist member of the International Workers Order to aid the Daily Worker, as reported in the Mass Commonwealth report of 1938.

"Member of R. Saltzman Jubilee Committee (Communist).

"Sponsor of Tallentire Jubilee Committee (Communist).

"Member, executive committee, International Workers Order, which has from its very inception demonstrated by its pronouncements, its activities, and the authoritative statements of the Communist Party that it is a subservient instrument of the Communist Party of the United States.

"This 24-year-old director of the junior section was only 18 years old and the junior section only 5 months old when he took over in December 1932. Under his direction the junior membership rose from 250 to 22,500."

"Lt. Milton Wolff, ASN [redacted], Office of Strategic Services, Washington, D. C. (box 2601):

"Commander, Spanish Red Battalion.

"Member, Young Communist League, New York.

"National commander of the Communist-controlled Veterans of the Abraham Lincoln Brigade.

"Listed in the 1938 Yearbook of the Young Communist League on the honor roll of members fighting in Spain."

"Second Lt. Gerald Cook, ASN [redacted], Four Hundred and Sixtieth Amphibious Truck Co., [redacted], New York:

"Fought in Spanish Civil War with Republican Army for 2 years.

"National secretary of Abraham Lincoln Brigade.

"Although he denied at a hearing that he was a Communist or a member of the Young Communist League, he was listed in the 1938 Yearbook of the Young Communist League on the honor roll of members fighting in Spain.

"Charged in 1940 with having had connections with 11 Communists arrested in Detroit for enlisting men for a foreign army.

"City Magistrate's Court, New York, N. Y. (Gerald Cook) No. 233795, May 12, 1934, disorderly conduct.

"City Magistrate's Court, New York, N. Y. (Jerry Cook), No. 306820, April 26, 1940, disorderly conduct, picketing French consulate, 15 days."

"Second Lt. Joseph Lash, ASN [redacted] (this party apparently did originally use a middle initial P., and was the one at Camp Lee, Va., under the name Joseph Lash):

"President of American Student Union (May 1938), which has been exposed as a Communist front by the testimony of Lash himself before the Special Committee on Un-American Activities on January 21, 1942.

"Associate editor of the Student Advocate, published by the American Student Union at New York City.

"Member, administrative committee, American Youth Congress.

"Member, national council, American Youth Congress.

"Represented American Student Union at national assembly of American Youth Congress on October 7, 1939.

"Delegate to the Second World Youth Congress, held at Vassar College, August 16–23, 1938. The World Youth Congress was completely under the domination of Communists.

"Vice chairman, united student peace committee of the American Youth Congress.

"Affiliated with Coordinating Committee to Lift the Embargo, one of the numerous Communist-front enterprises organized around the Communists' agitation over the Spanish civil war.

"Affiliated with American League for Peace and Democracy, originally called the United States Congress Against War and Fascism. It has also been known as the American League Against War and Fascism, which was founded in New York City in September 1933. The organizing committee was composed of Communists and non-Communists. Communists, however, have continued in control.

"Endorser of International Student Congress Against War and Fascism.

"Speaker at Red May Day gathering, New York City.

"General secretary of International Student Service at $4,000 a year in 1940.

"From January 1936 to December 1939 employed by American Student Union.

"Employed by League for Industrial Democracy, New York City."

"Sgt. Marc Blitzstein, AAF, [redacted] assigned on detached service to OWI:

"Blitzstein is one of the foremost activists in Communist ranks in the United States. He is a musician, composer, and dramatist who received in March 1941 a Guggenheim Fellowship to write a musical play. Among his plays and songs are the Cradle Will Rock, Class Conscious Blues, Moscow Metro, Songs of Freedom and No for an Answer. His plays have been produced by Communist cultural movements throughout the country. No for an Answer was barred in New York City because of its subversive character. His songs are reproduced in Communist song books and sold at propaganda centers in the United States.

"Contributed many articles to Communist publications, including the Daily Worker, New Masses, Theater Workshop, Equality, Soviet Russia Today, New Theater News, TAC, Equal Justice, Voice of Freedom, Free World, and People's Daily World.

"Aided in raising of funds for the New Masses and Daily Worker.

"Supported Communist candidates for President and Vice President of the United States. Earl Browder and James W. Ford; and Israel Amter, Communist candidate for Governor of New York.

"On a handbill distributed from the Chicago headquarters of the Communist Party, Blitzstein was quoted as having said: "New Masses can be counted on for a complete and accurate analysis."

"The following comment appeared in the April 23, 1942, issue of the Daily Worker:

"'Can music be politically articulate? Don't ask Marc Blitzstein that dated academic question. He wrote No for an Answer and the Cradle Will Rock, and now he's supervising Music at Work, the unique, militant, wartime concert to be performed at the Alvin Theater on May 10 for Russian War Relief.'

"Blitzstein enlisted as a private in August 1942, arrived in eastern theater of operations in October, assigned headquarters squadron, Eighth Air Force, later to Eighth Bomber Command. On February 23, 1943, started musical work in connection with public relations, promoted sergeant November 1943, headquarters Eighth Air Force. Was assigned to headquarters, USSTAF, and put on detached service with the production unit, Pinewood Studios, Iver, Buckinghamshire, on Anglo-American film project under direct supervision of OWI. According to the most recent information received from the Army, he is director of music and musical composer for the production unit in the making of the film, The Liberation of France.

"A very partial list of Blitzstein's known connections with Communist fronts, publications, and other activities follows:

"Instructor, Downtown Music School, 1937 (Communist).

"Entertained by Philadelphia Workers School.

"Signer of letter to President Roosevelt in behalf of Spanish democracy, auspices of the American Friends of Spanish Democracy.

"Signer of petition in behalf of Si Gerson (Communist), sponsored by League of American Writers.

"Entertained at New Masses meeting.

"Speaker at Workers Bookshop, New York City.

"Sponsor of benefit ball for New Masses.

"Signer of petition issued by International Labor Defense.

"Joined with the International Labor Defense in protesting to Japanese Government against the arrest of Japanese Communists.

"Member, Musicians' Committee to Aid Spanish Democracy.

"Signer, open letter in support of Soviet Union during Hitler-Stalin pact.

"Participated in a Communist mass celebration for William Cropper, Daily Worker cartoonist.

"Contributor of manuscript to aid Spanish democracy, sponsored by League of American Writers.

"Received anniversary award of New Theater League.

"Judge in Young Communist League 'sound contest.'

"Sponsor of International Labor Defense fund drive.

"Sponsor of the First American Rescue Ship Mission Campaign to transport 150,000 Spanish refugees to Mexico and South America.

"As member of the American Peace Mobilization, active during the Hitler-Stalin pact, he participated in TAC antiwar program in Manhattan.

"Participated in tribute to John Reed, deported American Communist who is buried in the Kremlin.

"Writer of play for the New Theater League in Philadelphia.

"Signer of petition sponsored by National Federation of Constitutional Liberties appealing for freedom of Sam Darcy, convicted of perjury.

"Attended emergency peace mobilization meeting in Chicago following the signing of Hitler-Stalin pact.

"Entertained at fund-raising party for equality at home of Lillian Hellman.

"Entertained at meeting of American Friends of Chinese People.

"National Committee, League of American Writers.

"Endorsed American Peace Mobilization.

"Signer of statements urging President and Congress to defend rights of Communist Party, 1941.

"Contributor to the New Masses, 1941.

"Gave a performance of No for an Answer to raise funds for Allan Shaw and other Communists who were charged with sedition in Oklahoma, auspices of International Labor Defense.

"Member, Schappes' Defense Committee. Schappes imprisoned for perjury in investigation of Communist activities in New York schools.

"Contributor to International Labor Defense.

"Addressed 'anti-Cliveden' rally.

"Wrote composition especially for New Masses rally.

"Signer, open letter to President Roosevelt asking him to rescind order to deport Harry Bridges.

"Appeared on program of the second annual liberty ball of the American Labor Party.

"Signer of the call to the Conference on Constitutional Liberties in America (organization ensuing from the conference denounced as Communist by Department of Justice).

"Participated victory fiesta of the International Workers Order.

"Favored Presidential clemency for release of Earl Browder, 1942.

"Sponsor, New Theater League and Southern New Theater School, 1940."

"T-5 Theodore Draper, [redacted] Headquarters, Eighty-fourth Infantry Division, APO 84, New York:

"Editor, New Masses.

"Contributing editor, China Today, official organ of the American Friends of the Chinese People, which has given prominent display to news, manifestos, and reports of the Communist Party of China.

"Editor, Student Review, which carried the advertisements of a number of typical Communist organizations and agencies.

Sgt. Samuel Dashiell Hannett, technical-4, ASN 3118358, Headquarters, Alask .n Department, editor camp newspaper, The Adakian:

"Sponsor of relief ship for Spain (during Spanish civil war).

"President, League of American Writers.

"Editorial council, Equality.

"Signer of appeal to dismiss charges against Sam Darcy, Communist leader.

"Citizens Committee for Harry Bridges.

"Signer of statement urging President and Congress to defend rights of Communist Party.

"Signer of call for American People's meeting, 1941 (American Peace Mobilization).

"Signer of open letter to the Government and people of the United States to lift Spanish embargo.

"Defended Moscow purge trials in New Masses, 1938.

"On advisory board of Films for Democracy.

"Signer of petition to Franklin D. Roosevelt protesting District of Columbia grand jury inquiry into the New Masses.

"Member of Citizens Committee to Free Earl Browder.

"Sponsor of Tom Mooney committee.

"Endorser of North American Spanish Aid Committee.

"Chairman of Motion Picture Artists Committee, Spanish Refugee Relief Committee.

"Signer of open letter to Franklin D. Roosevelt urging a declaration of war on the Finnish Government in the interests of speedy victory by the United Nations over Nazi Germany and its Fascist allies, sponsored by the American Council on Soviet Relations.

"Sponsor of luncheon for the Conference on Constitutional Liberties.

"Member of National Emergency Conference for Democratic Rights.

"Chairman of Committee of Election Rights (chief purpose of this committee was the defense of the interests of the Communist Party).

"Signer of appeal to release Luis Carlos Prestes (Brazilian Communist League).

"Conducted craft sessions at the Fourth American Writers' Congress.

"Chairman of Committee on Free Elections of the National Federation for Constitutional Liberties."

Mr. BURTON. I submit a statement relative to certain individuals who because of the alleged sympathy with subversive ideologies on their part, according to the advice from intelligence sources, had their commissions withheld or were removed from officer candidate schools, whose records were submitted to the Secretary of War's personnel board (frequently termed the Craig board) and then reviewed for final decision by the Deputy Chief of Staff, acting in consultation with the Assistant Secretary of War and to nine of whom commissions were issued notwithstanding the adverse recommendation of the board; to be entered in the record if approved.

The CHAIRMAN. Entry in the record is approved.

Mr. BURTON. The statement referred to is as follows:

"In 1942 and 1943 the commanding officers of the various officer candidate schools and aviation cadet training schools, for alleged counter-intelligence reasons, removed certain candidates from these schools or upon graduation withheld from them their commissions. Such action was taken in accordance with the recommendations or directions of intelligence agencies at appropriate levels.

"To determine whether any injustice had been done to the individuals involved, the War Department during 1943 and 1944 reviewed 42 such cases.

"Of the 42 cases so reviewed, 2 involved allegations affecting the moral character of the candidates and 40 involved matters of alleged sympathy or affiliation with subversive ideologies (8 Nazi, 30 Communist, 1 Fascist, and 1 Japanese).

"There 40 cases were initially reviewed by the Secretary of War's personnel board, under a special reference, and were finally reviewed by the Office of the Deputy Chief of Staff, acting in consultation with the Assistant Secretary of War.

"The personnel board recommended that in one case the removal from school or the withholding of commission be reversed and the individual be commissioned, and that in the other 39 cases the removal or withholding be sustained.

"The final reviewing authority confirmed the personnel board's recommendations as to 25 of the 40 cases. That is, it ordered commissioned the one man recommended by the personnel board to be commissioned and it sustained the removal or withholding action taken by the local commanders in 24 other cases. In a 26th case, the individual had been discharged from the Army before completion of the final review.

"In the remaining 14 cases which were thus reviewed, the final reviewing authority did not follow the recommendations of the personnel board that the removal or withholding be sustained. The final reviewing authority authorized 5 of these 14 candidates to return to school—but none of them ever graduated or were commissioned. It ordered the other 9 candidates to be commissioned as second lieutenants in the Army of the United States; all but one (limited service for physical disability) serving overseas. Of these 9 last-mentioned individuals, 3 were the subject of testimony before this special committee by Major General Bissell and Major General Donovan on March 13, 1945."

The CHAIRMAN. Committee is recessed subject to call of the Chair.

Mr. SABATH. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, it is indeed unfortunate that the gentleman from Mississippi [Mr. RANKIN] should attack Secretary of War Stimson, Under Secretary of War Patterson, and Assistant Secretary of War McCloy who have rendered the country conscientious and valuable service in the prosecution of the war. I am aware that two of them as Republicans, and perhaps the Assistant Secretary of War, were called upon by our late President to serve at the most critical period in the history of our country. While I have not always agreed with their administrative actions and departmental regulations, I know them to be men of unquestioned integrity, directing their every effort in the success of our military forces.

The gentleman from Mississippi bases his demand for their resignation because the War Department issued a statement that 16 commissioned officers and 3 enlisted men in the performance of their military duties have clearly evidenced their loyalty to our country and the principles for which this country is fighting. The statement was in answer to a statement of Investigator Burton of the House Committee on Military Affairs, who, I am informed, was formerly attorney for Father Coughlin and his National Union for Social Justice, to the effect that an investigation of their activities reflects communism in some form.

I understand that in the case of one or two of these men insinuations were raised by reason of the fact that they had written articles for several small newspapers long before they entered the military service. For the time being I do not wish to give unnecessary publicity to these gentlemen, except to say that in due justice to them, after reading of their connections before and during their military service, I am satisfied they are loyal and patriotic men. One or two of them are held as having communistic leanings because they donated a small sum to the Spanish committee which was aiding the Spanish form of democratic government and opposed the Nazi-Falangist leader Franco. I am satisfied that a great majority of the American people today are of the opinion that their contribution to that cause deserves praise and not condemnation. Several other of these gentlemen who have been smeared with the taint of communism, according to the statement of the War Department, have rendered extraordinary military service for which they have been decorated. Personnally, I have a high regard for the chairman of the subcommittee of the Committee on Military affairs, the gentleman from Texas

(Mr. THOMASON) and the other members of his subcommittee. It is my hope that they will not be imposed upon or be influenced by Investigator Burton in smearing honest and sincere men whose names he may not like or because they have contributed articles to small papers in order to make a livelihood, or because they belonged to organizations which advocated peace and opposed war. In this connection I could give the names of writers for some of our large newspapers who have written much stronger articles than these gentlemen against the Government and against war.

Mr. Speaker, these 16 commissioned officers and 3 enlisted men upon our entry in the war immediately offered their services to the country. The War Department states that they have proven their loyalty and patriotism and have served the country honorably and with distrinction. That cannot be said of many other writers and publications who have and still continue to embarrass the War and Navy Departments and our Government at every opportunity, and who directly or indirectly endeavor to create discord among the United Nations. If I can obtain the complete records of these men, I shall, with their consent, as soon as possible, insert them in the CONGRESSIONAL RECORD, feeling confident that the country as a whole will resent the unwarranted insinuations and attacks made against them.

I repeat that I am satisfied that there is no justification for the insinuations against these men because they were investigated before they entered the military service by Army Intelligence and there is not a scintilla of evidence that they have not and are not now loyally serving our country. I reiterate it is manifestly unfair for any one to make unwarranted insinuations because they have written articles in the past upon orders from some publications, the same as many writers are doing for various newspapers.

Mr. RANKIN. It is not years ago. It is going on right now.

Mr. SABATH. The gentleman cannot prove a single thing or that they have not been patriotic, good American citizens. And you know it.

If the gentleman from Mississippi is desirous of saving our democratic form of government, I ask him why it is that he has not begun an investigation of real un-American, subversive, and seditious activities and especially, at the present time, to investigate the activities of former Senator Reynolds who some years ago wrote an article Why Not Play Ball With Hitler and Mussolini, and who today is imitating the pattern of Hitler-Goebbels propaganda in this country, assisted by Gerald K. Smith, Joe McWilliams, and others of their ilk. I am sure the gentleman can obtain a great deal of evidence and information on that score by reading today's issue of the Washington Daily News which surely cannot be said to have communistic leanings. He will learn something about the Reynold's Nationalist organization which is endeavoring to corral into its fold anti-Democratic groups, the American Firsters, the Silver Shirts, the former Ku Klux Klanites, and joiners of similar organizations.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PITTENGER. Mr. Speaker, I always listen with a great deal of interest to the remarks of the gentleman from Mississippi. I heard his short speech made a few moments ago. I think it unfortunate that we should make any statement that will reflect on the confidence that the people have in the fine work that the Secretary of War and other War Department officials have been doing and are doing. I simply want to say that I think they have been doing a good job. If anybody made a mistake, and if anybody let a bunch of Communists get on the pay roll of the Army of the United States or on any other pay roll of the United States Government, in any of its departments, that matter ought to be investigated and those people ought to be fired. A Communist has no business in this Republic of ours undermining our free institutions, on the pay roll of the United States.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. PITTENGER. I yield to the gentleman from Mississippi.

Mr. RANKIN. What I am complaining of is that they have been investigated, found to be Communists, and these men are protecting them.

Mr. FOLGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOLGER. Mr. Speaker, I do not like to get into a controversy of any kind, but I think it is highly unfortunate and deplorable that such an attack as the gentleman from Mississippi [Mr. RANKIN] has made should be made upon the men who are directing this war in such a magnificent way. I did not get the other name, and I might include him, too, but Secretary Stimson and Under Secretary Patterson are as patriotic and as far from having any Communists or subversive elements in the service as any two men in this Nation.

EXTENSION OF REMARKS

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD in two instances, and include in each editorials.

Mr. ARNOLD (at the request of Mr. SCHWABE of Missouri) was given permission to extend his remarks in the RECORD in two instances, and include in each excerpts from the Wall Street Journal.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD.

Mr. PHILBIN asked and was given permission to extend his remarks in the RECORD.

Mr. STIGLER asked and was given permission to extend his remarks in the RECORD and include an address by Federal Communications Commissioner Paul A. Walker.

The SPEAKER. Under previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 20 minutes.

THE FUTURE OF FREE AMERICAN INSTITUTIONS

Mr. VOORHIS of California. Mr. Speaker, when I asked for time for tomorrow I had intended to surrender completely my time for today, but I cannot refrain from taking a couple of minutes of that time now in view of what has been said on the floor this afternoon.

In the first place, may I say that I share completely the sentiments expressed by the gentleman from North Carolina [Mr. FOLGER]. I think it perfectly fantastic to think that Secretary Stimson and Under Secretary Patterson could have the slightest sympathy with communism or anything of the sort.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from North Carolina.

Mr. FOLGER. I understand that Assistant Secretary McCloy was named, too, and I should like to have the gentleman include him.

Mr. VOORHIS of California. I feel the same way about him. It so happens that both Secretary Stimson and Under Secretary Patterson are members of the Republican Party. That to my mind is not the significant fact, however, but rather their records as American citizens.

In connection with this matter, and it seems to be coming up in the House day by day and more and more, I cannot refrain, Mr. Speaker, from trying to make some contribution toward what I think is nothing less than the protection of free institutions in our country. I heard a radio broadcast last night to the effect that the Communist Political Association, or whatever the name is that is now used, is going to hold a secret convention at which neither the press nor the public will be admitted. There have been some things said on the floor of the House about Communist plots, but if we wanted really to find out about that, it would be well to know what goes on in that convention. I believe it completely un-American for any political organization to proceed in secret in this Nation, particularly one whose basic philosophy is one of the establishment of dictatorship and the rule of a handful of people over the rest by means of force. The Communists, of course, are not alone in the use of such tactics. Some groups which would have us believe they are at the opposite extreme pursue exactly the same secret tactics and are subject to the same criticism.

I do not believe that Communists—and when I say that I mean the genuine article; I am not talking as same do about people who are progressives or are devoted to the welfare of the common people, and who insist that new conditions of life have to be met by new measures in order that the people may live—I am

not talking about them, I am talking about people under the discipline of an international organization and whose very movements and thoughts are directed and controlled by that international organization. I say that people like that, people who are in truth Communists, ought not to be commissioned in the United States Army. I just don't believe they have been.

Mr. KOPPLEMANN. Mr. Speaker, will the gentleman yield?

Mr. VOORHIS of California. I yield to the gentleman from Connecticut.

Mr. KOPPLEMANN. I should like very much for the distinguished gentleman, whose judgment on many matters is so good, to say something about this continuous vilification of those who are called Communists but who are opposed to communism.

Mr. VOORHIS of California. I am glad the gentleman said that, as that is exactly what I am about to do. One of the greatest dangers to future liberty in America comes from two kinds of people, who call themselves, on the one hand, anti-Communists, and who call themselves, on the other hand, anti-Fascists. The best cloak for a real Communist is to call himself an anti-Fascist, and the best cloak for a real Fascist is to call himself an anti-Communist. That tactic was used over and over again. Indeed, it was the very tactic that lifted Hitler to power in Germany, the very one.

There are throughout the length and breadth of this Nation groups of people who are nothing more nor less than honest conservatives who have been accused of being Fascists when it was not true at all. And there are also millions of people who are nothing more nor less than honest progressives who over and over again in some sections of the press and elsewhere are accused of being Communists when that word is not applicable whatsoever to their position. This, Mr. Speaker, is the sort of thing which, if persisted in long enough and if well enough financed as it was in Germany, can rend our Nation apart and actually destroy our liberties.

Now, over against what I said about this Communist convention, I want to say that if you read the papers as I have tried to do, you have read also about some other organizations, notably one for which Joe McWilliams, the Yorkville fuehrer of prewar days, is working, which is attempting to get under way in this country.

This organization apparently is going to be antilabor, anti-Catholic, anti-foreign-born American, anti-Negro, anti-Jewish, and I do not know what else it is going to be anti. It is to be organized around little groups for all the world like Communist cells. But it will shout about how it is the very spearhead of anticommunism. An organization of that sort and the work it does will manufacture Communists faster than they can be manufactured in any other way because some people will say, "If this kind of bid for power by a special group of people seeking to outlaw all sorts of American citizens, because of race, color, or creed, is going to make progress in this country, then we will resort to something ourselves in order to counteract it." Mr. Speaker, no man can effectively fight communism unless he fights, also, against fascism and all its breed of children—bigotry, hatred, intolerance—the same as no one can effectively fight fascism unless he is equally earnest and alert in fighting communism. This is the unbreakable rule for anyone who really loves freedom and upon its observance and that of another principle I am about to state the whole future of human freedom depends.

Mr. Speaker, we have to mean what we say. There are in my judgment small groups in this country at both extremes, small groups who do not believe in democracy and who do not believe in free institutions who would like to set up a dictatorship in this Nation by themselves and to shut all the rest of the citizens of this country out of participation in its democratic political life. Those groups and their activities, in my judgment, the American people have a right to know about. It is the only defense that I know of which democracy has against such groups. Exposure of their activities is the proper function, I believe, of this Congress and other bodies in this Nation. But if that function is abused, to the extent of trying to use it for purely political purposes so that people attempt to gain political advantage because they are conservatives by smearing those who are progressives and accusing them of being Communists, or if the same tactics are used on the other side, and I condemn it just as much, then you are going to play right into the hands of extreme Fascist groups on the one hand and Communist groups on the other. For to the extent that those people can become associated in the public mind with others who do not share their position but are falsely accused of doing so that is so much water on their wheels.

The future of freedom in our country depends upon the number of people who are ready to say: "However much I may disagree with another man's particular political, economic, or social beliefs, as long as that man says that he seeks to accomplish his purposes by no other method except the means laid down in the United States Constitution for accomplishing them, I will defend his name as a sincere American with all my vigor." As long as a man or woman says, "I may seek radical measures, but I will never seek to put them into effect until the majority of the American people vote for them in a free election"; as long as he says, "I will abide completely by the political institutions of my country in seeking my ends," no accusation of un-American activities can fairly be made against that man or woman. I say there must be a rising up of all thoughtful people in this Nation who will say that every man, regardless of his particular views, if he puts them on that basis, has a right to be protected in that position as a good, loyal, patriotic American citizen.

When we get that 98 percent of the people of America to stand together on those fundamental issues, then we will be able to stop the danger that comes from a continuous growth of a group of people who say they are joined together because they are anti-Communist, when, as a matter of fact, they seek Fascist ends in this country, and a conglomeration on the left of people who say they are anti-Fascist, when as a matter of fact they really seek the ultimate end of communism. That kind of division of our people, with the extremes calling the turn, with the extremes able to use propaganda to gather up support to which they are not entitled, is the thing I fear. Let everyone who truly cares for the future of liberty beware the point of view which is anti-Fascist and not anti-Communist and the point of view that is anti-Communist but lets the rank seeds of fascism grow and flourish without doing anything to stamp them out.

Mr. Speaker, I close by saying that our major duties in this regard are, first, to pursue a peace that can be a firm and lasting peace; not only to ratify the United Nations Charter but, more, to recognize the necessity of our Nation working with the other United Nations in every available way until we achieve the establishment of such a peace. We are not going to always agree with those nations. We should not try. We should take a strong position when we think they are wrong. Nothing is to be gained by making excuses for wrong international policies by whatever country pursued. But we should make it clear that America's cooperation and her work for peace and her good will toward all peaceful peoples are going to be consistent.

Second, we have to have a program in America that will prevent unemployment in the future. If we do those things, and if we always accord to other people who abide by the basic American institutions and methods the same right to patriotism as we demand for ourselves, then I shall have no fear. Wild talk, however well intentioned, may turn out to defeat the very purposes that those engaging in it may think they serve. The test of patriotism is a man's devotion to the United States as a nation and the free constitutional political institutions for which our Nation stands. If a man can pass that test, then regardless of what his race or creed, regardless of his particular views on other questions, certainly he is entitled to the name of a good American.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, I find myself again in accord with the gentleman from California [Mr. VOORHIS] who has just spoken. I regard him as one of the most industrious, most sincere and most patriotic men in this House. I am in hearty accord with all he has had to say during the last few minutes.

The reason I have asked for this time is that I have just come to the floor and I take it that some reference has been made to a—not an official report to the House, but some findings made by a subcommittee of the Committee on Military Affairs yesterday to the full committee, and in connection with which I had some part.

I would like to say, first, that it has just come to my attention that somebody has expressed some criticism of the distinguished Secretary of War, Mr. Stimson, the able Under Secretary of War, Judge Patterson, and the efficient Assistant Secretary of War, Mr. McCloy. I want it strictly understood that I do not share in that criticism. In my judgment, there are no more outstanding, more patriotic and more efficient Americans than those three men. The results this far in the war prove that they knew what they were doing. Their part in the war effort has been as brilliant as any in military history.

Mr. SHORT. Mr. Speaker, will the gentleman yield at that point?

Mr. THOMASON. I yield.

Mr. SHORT. I think the gentleman from Texas is expressing the consensus of opinion of all members of the Committee on Military Affairs.

Mr. THOMASON. My friend from Missouri just beat me to that, because that is the unanimous opinion of the Committee on Military Affairs. In addition to that, I might say that I yield to no Member of this House or to nobody in the country in my praise, as well as my loyalty, to the War Department for the magnificent job they have done. They are human and they have made mistakes, but they have been mistakes of the head and not of the heart.

Mr. SHORT. Of course, the gentleman from Texas knows full well that the gentleman from Missouri does not hesitate to differ with any one of those three gentlemen at any time.

Mr. THOMASON. I might say that is true of every member of the Committee on Military Affairs. I have done that myself. Yet no member of that committee ever questioned their loyalty, ability or patriotism.

Mr. WALTER. Mr. Speaker. will the gentleman yield?

Mr. THOMASON. I yield.

Mr. WALTER. Did the investigation the gentleman just mentioned disclose any knowledge on the part of these three officials of the issuance of the commissions?

Mr. THOMASON. I am going to make a brief statement about what that situation is so there will be no misunderstanding about it.

The Committee on Military Affairs was charged with the duty of investigating how and to whom commissions were issued in the Army, and they were especially charged with ascertaining whether or not anybody of Communist or Fascist background or any other political ideology contrary to our own had been granted commissions in our Army. The chairman of the full committee set up a special subcommittee to investigate the whole field, and it so happened that I was named chairman. The other members of that subcommittee, in order that the membership may know and the RECORD show, are: The gentleman from North Carolina [Mr. DURHAM], who had a good record, if I may say so, in the last war and who has a son in this one; the gentleman from New York [Mr. ROE], who has been an officer in this war and resigned only upon his election to Congress; the gentleman from Illinois [Mr. ARENDS], who was in the last war; and likewise the gentleman from Ohio [Mr. ELSTON], who served in the last war. I believe we can modestly say we are not crackpots, Red chasers, or publicity seekers. We only want to do faithfully and well the job assigned to us.

For several months this subcommittee in a quiet way has been trying to ascertain facts and facts only. It has not sought to smear anybody or to whitewash anybody. All in the world we have undertaken to do is to investigate the records and hear the witnesses in order that the truth be known. The document filed yesterday with the full committee could hardly be called an official report. We made no independent findings of our own. We only reported the facts thus far disclosed.

Our investigators will continue their work during the recess and we will resume hearings later. The committee is able and willing to defend the facts thus far adduced and will continue the same policy.

The committee has not said that a single one of the men mentioned in the report of yesterday is now a Communist. We reported only the facts regarding their communistic background, ideologies, and associations in the days before they entered the service. General Donovan testified before the committee; he is head of the Office of Strategic Services and a great American, and likewise General Bissel, who is head of G–1, head of Army Intelligence. They testified at length before the committee; and I believe the record will disclose that some of the men mentioned in the statement have outstanding, even brilliant military records. I do not profess to know the officers or officials in the War Department responsible for the commissioning of these men. Frankly, it is my own opinion that some of the men in question did not deserve commissions. I know many fine young men far better qualified and whose political philosophy has never been questioned who have done their best to be even admitted to officer candidate schools and failed. I challenge anybody to question the truthfulness of the factual statements we have made. I repeat that we have only stated the facts and the truth and any interested citizen can draw his own conclusions. We stand on the record.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. SHORT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas may proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. I yield.

Mr. SABATH. I am indeed gratified with the statement of the gentleman from Texas that his committee has not found anything against them with the exception of things that happened in days gone by when they might have had such leanings. During the war and in the last 3 years they have performed their duty loyally and patriotically in every way and have served the country to the best of their ability. Is not that right?

Mr. THOMASON. I think that is a fair statement. I repeat that so far as my connection with this investigation is concerned, and I did not seek it, all I want is the truth and to perform the duty that was assigned to me. I want the RECORD to show that so far as has been shown up to this moment these men or some of them at least, have good records in the Army. I want to repeat, too, that we have stated the actual facts regarding their past affiliations. We have not charged anybody with being a Communist and we have not charged anybody with being a Fascist. We have given the facts as they have been adduced from the witness stand. The question is, in view of their past records, did these men rate commissions?

Let me say further that we have only started this investigation. When the House resumes work in October the committee expects to investigate the records of any man who has been reported to that committee where there is substantial and reliable evidence that he was unfit for a commission, whether he has Communist leanings, Fascist leanings, or any other kind of leanings antagonistic to our present form of government, and we will put the truth in the RECORD.

I would like to repeat that there has been no reflection, but on the contrary the utmost confidence, in the high officials of the War Department. We have only set out the truth about these men and the public is entitled to know it. The mothers and fathers of this country are entitled to know the type, experience, qualifications, and political philosophy of the commanding officers of their sons. I challenge anybody to question the record of these men as we reported it yesterday. You can be your own judge. We are not prosecuting them, we are not defending them; we are simply stating the facts. Are they better qualified than many men who sought commissions and whose political beliefs were not in question?

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Illinois.

Mr. SABATH. I have not requested one commission in the Army or in the Navy. I do not know any of these men personally. I feel that the gentleman is honest and sincere in his views and I hope that he will continue to make a thorough investigation of any man who is not deserving to be in our armed forces or who has been disloyal or unpatriotic, whether he be Fascist or Communist. I am with the gentleman and if I can be of any service to eradicate these Communists or Fascists, I shall gladly cooperate with the gentleman.

Mr. THOMASON. I have never thought that the truth would hurt anybody, at least, it ought not to.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for three additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, I see the gentleman from Illinois [Mr. ARENDS] is present. I assumed authority to speak for him and the other members of the committee in assuring the House that there is going to be a full and absolutely fair investigation of every responsible and deserving complaint that comes to us, whether the individual is reported to be either a Communist, Fascist, or believe in and practice any other ideology that is contrary to our present form of government.

I do not know a single one of these men, I never saw one of them in my life, so far as I know, and I have no personal interest in them. It is not my nature to do anyone an injustice or to smear him. I pay them tribute and a compliment for any meritorious or patriotic service they may have rendered since they have been in the Army; nevertheless, their names were sent to the committee and if the gentleman from Illinois [Mr. SABATH] has some Fascists or any other undeserving officers that he wants to know the truth about so far as their record is concerned, this committee will try to get it for him. That is fair enough, is it not? That is all this committee intends to do. It has no time to be challenging the patriotism or the fine job done by anybody.

One of the greatest men in America, in my opinion, is Secretary Stimson, and right along with him I want to include the Under Secretary, Mr. Patterson, than whom there is no abler or finer man in this Government. They will be the first to discharge any officer whose loyalty to this Government is even in serious doubt. The duty assigned the committee, however, is to inquire into the background of those who because of political and subversive beliefs should never have been given commissions and that we propose to do in a fair and judicial manner. That is the way every member of the Committee on Military Affairs feels about the matter.

Mr. SABATH. I took the floor to deny the statement made by the gentleman from Mississippi.

Mr. THOMASON. I am speaking only my own sentiments and telling this House how our committee has proceeded and how it expects to proceed in the future.

Mr. ARENDS. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from Illinois.

Mr. ARENDS. I am glad the gentleman made that statement, for the simple reason that we are not pointing our fingers at anybody in the Army, regardless of what someone might say on the floor, but without working an injustice on anyone we base our findings on truth and on fact, and if there is any Communist within the Army, especially in a strategic position, we want to know about it and bring it to the light of the country.

Mr. THOMASON. I thank my colleague from Illinois. I do not know what some newspaper editors, columnists, or commentators are going to say, but the committee will not say that a man is a Communist or Fascist if there is no evidence to support it. That is an easy and perhaps a popular thing to say these days, wher you do not like somebody or do not agree with him.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. I yield to the gentleman from North Carolina.

Mr. FOLGER. I am sure there is not a man in Congress who doubts the wisdom and the patriotic approach of the work that this subcommittee did and will do. No one is afraid of the fairness and the fine way in which anything will be done that they may perform. I am speaking now for this Congress and its Membership in asking the question if the gentleman believes there is any Member in this House who doubts the patriotism of Secretary Stimson or Under Secretary Patterson or Mr. McCloy.

Mr. THOMASON. I do not know of such a person. I do not speak for anybody but myself, but I trust them to the limit, and I think they are great men and doing a great job and ought to be left where they are until this terrible war is over. I might go a little further and say that I do not belong to a school that thinks the man who does not agree with me is a Communist or a Fascist. We are going to find out the facts. If a man has a commission in our Army, that is public business. That is the taxpayers business. It is the business of the people of America to know the character and thinking of its Army officers and that is all this committee is charged with doing, and I will say that without fear and without favor that is what this committee is trying to find out. We will undertake to get the facts and you can arrive at your own conclusions.

INCREASED COMPENSATION FOR AMPUTEES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to include as part of my remarks a letter from General Hines stating that the passage of the bill introduced by the gentleman from Mississippi [Mr. RANKIN], chairman of the Committee on World War Veterans, for increased compensation for amputees, would serve a useful purpose. In that letter General Hines urges speedy enactment of legislation for the amputees.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, late yesterday afternoon the Committee on World War Veterans unanimously reported a bill which would increase in certain instances compensation paid to amputees. I regret very much that higher rates of compensation were not given to the amputees, but the Bureau of the Budget had already cleared this particular bill. At any rate, the bill tends to equalize certain inequalities that now exist between the compensation paid to amputees of World War I and amputees of World War II. Doctors tell me that the loss of a hand or a foot is a great shock to a person, there is always a feeling of frustration and a very difficult adjustment to make. I believe their lives are often shortened because of their disabilities.

Under the Rankin bill, no increase whatsoever is given for a single amputation and no increase is given for the loss of an arm or a foot or an eye. No increase is given to a man who has lost both eyes or both feet or both hands. And the rates in the other brackets are too low. I consider the increased rates of compensation in this bill too low. I doubt if any Member of Congress can leave Washington happily if the amputees are not given added compensation.

In past years we have passed a great deal of legislation for the veterans. The Rating Schedule Board also has not interpreted it always as we thought it would. If this bill passes—and I hope it will be brought up and passed quickly—the Senate can then make certain adjustments and changes when it reaches the other side, and I know certain inequalities that exist even with this bill will be corrected over there.

Mr. Speaker, under leave to extend my remarks, I include a portion of General Hines' letter, above referred to:

There are forwarded herewith two copies of a draft of a proposed bill entitled "A bill to amend the veterans' regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total dsability," with the request that same be introduced and referred to the appropriate committee for consideration.

The proposed legislation would provide rates of pension for specific service-incurred disabilities under Veterans' Regulation No. 1 (a), as amended, on a parity with the rates of compensation payable for similar disabilities under the World War Veterans' Act, 1924, as amended, and remove certain inequalities which now exist, particularly as between veterans of World War I and World War II. It would also recognize the great difference existing between double amputations at various levels and provide a more flexible scale for the authorization of monetary benefits to the most severaly disabled veterans.

The rates of compensation payable to veterans of World War I under Public Law 141, Seventy-third Congress, March 28, 1934, which reenacted, with limitations, certain provisions of the World War Veterans' Act, 1924, as amended, which had been repealed by the Economy Act (Public Law 2, 73d Cong.) are the rates (or 75 percent of the rates if the disability is connected with service by virtue of statutory presumptions), provided by the World War Veterans' Act, 1924, as amended. The rates of pension payable for specific service-incurred disabilities to persons who meet the requirements of Public Law 2, Seventy-third Congress, March 20, 1933, as amended, are governed by part I, paragraph II, subparagraphs (k) to (o), Veterans' Regulation No. 1 (a), as amended, with respect to veterans of the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, World War I and World War II, and by part II, paragraph II, subparagraphs (k) to (o), for persons who served in active military or naval service on or after April 21, 1898, in time of peace. The rates provided for peacetime service under part II of the regulation are approximately 75 percent of the rates provided for wartime service under part I.

The rates of pension for wartime service under part I of Veterans Regulation No. 1 (a), as amended, have since been extended to persons entitled to pension for service-incurred disabilities under the general pension law (Civil War and Indian War veterans) and to persons whose disabilities resulted from extra-hazardous peacetime service, and who are eligible for pension under the general pension law or part II, Veterans Regulation No. 1 (a), as amended. Likewise, the rates of pension for peacetime service-incurred disabilities under part II of the regulation have been extended to persons who served in time of peace prior to April 21, 1898, who are entitled to pension under the general pension law. Thus it will be noted that numerous groups are affected by the rates provided in part I and part II of Veterans Regulation No. 1 (a), as amended.

Aside from the inequalities which exist as between World War I and World War II veterans by reason of the rates for specific service-incurred disabilities under existing law, particularly as affecting blind veterans, no differentiation is made in the rates for specific disabilities under Veterans Regulation No. 1 (a), as amended, among double amputations at various levels. For example, the blinded World War I veteran receives generally $215 per month with a minimum requirement of 5/200 visual acuity. The World War II veterans receives only $190, with a minimum requirement of light perception only. Further, a World War I veteran receives $35 per month for loss or loss of use of hand or foot in addition to any other rate, with $300 as the maximum amount. The World War II veteran receives this additional allowance of $35 per month only when the basic pension is between $11.50 and $115 per month, with $265 as the maximum amount.

The bill would continue the existing requirement of blindness of one eye, with only light perception for the $35 additional monthly rate, but would provide specific rates for three grades of blindness (1) with 5/200 visual acuity or less; (2) requiring regular aid and attendance; and (3) anatomical loss, at $165, $215, and $235 per month, respectively. The first two grades of blindness correspond with provisions of the World War Veterans' Act, 1924, as amended, and the third, which is total darkness, is a new, higher, rate.

Whereas previously no allowance has been made for blindness of one eye, having only light perception, in addition to the loss of two or three extremities, it is intended under this bill, if enacted, to allow an additional $35 per month for this condition; thus the loss of use of both hands, one foot, and one eye, to light perception, will be compensated at $165, plus two allowances of $35 each, or $235 per month, under the second part of subparagraph (k).

The maximum rate, as a result of including helplessness as one of the entitling multiple disabilities, is intended to cover, in addition to obvious losses and blindness, transverse myelitis with loss of use of both legs and loss of anal and bladder sphincter control, generally resulting from severance of the spinal cord in action or incident to airplane or motorized military equipment crashes; also the loss of use of two extremities with near blindness and absolute deafness, or with severe multiple injuries outside the useless extremities, these conditions being construed as loss of use of two extremities and helplessness.

It is deemed necessary, in the interests of veterans whose disabilities exceed the requirements for any specific rate, to vest authority in the Administrator, in his discretion, to allow the next higher or an intermediate rate in such cases.

As enactment of the proposed legislation will fulfill an urgent need and serve a beneficial and equitable purpose, it is desirable that this legislation be secured at the earliest possible date.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 98. Joint resolution relating to the marketing of fire-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on July 18, 1945, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 715. An act to provide for the transfer by the Secretary of War of the Roseburg Rifle Range, Douglas County, Oreg., to the Reconstruction Finance Corp.;

H. R. 905. An act for the relief of Paul T. Thompson;

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake;

H. R. 3477. An act authorizing the improvement of certain harbors in the interest of commerce and navigation;

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.; and

H. J. Res. 228. Joint resolution to amend the District of Columbia Teachers' Salary Act of 1945.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 50 minutes p. m.) the House adjourned until tomorrow, Friday, July 20, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

613. A letter from the Administrator, Veterans' Administration, transmitting a draft of a proposed bill to amend the veterans regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; to the Committee on World War Veterans' Legislation.

614. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to provide for the opening of a road within the boundaries of the District of Columbia Training School property in Anne Arundel County, Md.; to the Committee on the District of Columbia.

615. A letter from the Secretary of the Department of Agriculture, transmitting copies of the quarterly estimates of personnel requirements for each of the Department's reporting units for the quarter ending June 30, 1945; to the Committee on the Civil Service.

616. A letter from the President of the Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill to provide for the taxation of rolling stock of railroad and other companies operated in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLMER:

H. R. 3851. A bill to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator; to the Committee on Expenditures in the Executive Departments.

By Mr. MILLS:

H. R. 3852. A bill to promote the progress of science and the useful arts; to secure the national defense; to advance the national health, prosperity, and welfare, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ENGLE of California:

H. R. 3853. A bill providing housing for veterans of World War II regularly enrolled as students at universities or colleges; to the Committee on World War Veterans' Legislation.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the House of Representatives of Uruguay in honor of Franklin D. Roosevelt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURLEY:

H. R. 3854. A bill for the relief of the estate of Robert Mahoney; to the Committee on Claims.

By Mr. FOLGER:

H. R. 3855. A bill for the relief of Martin A. Tucker and Emma M. Tucker; to the Committee on Claims.

By Mr. GAMBLE:

H. R. 3856. A bill for the relief of Francesco Garuffi; to the Committee on Immigration and Naturalization.

By Mr. IZAC:

H. R. 3857. A bill for the relief of Warren H. Thompson and Madeline Parent; to the Committee on Claims.

By Mr. SOMERS of New York:

H. R. 3858. A bill to authorize the cancellation of deportation proceedings in the case of Alphonse Pellicano; to the Committee on Immigration and Naturalization.

By Mr. SPRINGER:

H. R. 3859. A bill for the relief of Iva Gavin; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1100. By Mr. KUNKEL: Eighteen petitions, totaling 550 names, against prohibition legislation; to the Committee on the Judiciary.

1101. By Mr. SHORT: Petition of Mrs. Earl Gahagan and other persons of Jasper County, Mo., urging the passage of the Bryson bill, H. R. 2082; to the Committee on the Judiciary.

1102. By the SPEAKER: Petition of board of directors of the Chamber of Commerce of Honolulu, petitioning consideration of their resolution with reference to nomination of a citizen of the Territory of Hawaii for appointment to the United States Circuit Court of Appeals for the Ninth Circuit; to the Committee on the Judiciary.

1103. Also, petition of Branch 11, Boston, Workmen's Benefit Fund of America, petitioning consideration of their resolution with

reference to protesting any and all proposals for compulsory peacetime military training; to the Committee on Military Affairs.

1104. Also, petition of the Lincoln Electric Co., Cleveland, Ohio, petitioning consideration of their resolution with reference to welding the Liberty Bell; to the Committee on the Library.

SENATE

FRIDAY, JULY 20, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. Clyde Brown, diocesan missioner of the Protestant Episcopal Church, diocese of Washington, D. C., offered the following prayer:

Almighty God, who hast given us this good land for our heritage and hast made of this Nation the cradle of freedom and good will, we beseech Thee to be present with the Members of the Senate of the United States here assembled. Guide them in all their deliberations with Thy Holy Spirit that, being freed from all error, ignorance, pride, and prejudice, their judgments may be just and equitable, not only for the people of this Nation but for all peoples; that this Nation, under God, may take its rightful place in helping to lead the troubled and war-torn world to a true and lasting peace based on justice and right to all mankind.

Give to all of us the will to do our full share in restoring the desolate and down-trodden peoples, wherever they may be, not only with sustenance for their bodies but also peace to their souls through freedom from tyranny and want and the opportunity to choose their own way of life.

All of which we humbly ask in the name of Him who gave His life that we might be free. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 19, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 14, 1945, the President had approved and signed the following acts:

S. 24. An act for the relief of the Truckee-Carson Irrigation District;

S. 100. An act to authorize an exchange of certain lands with William W. Kiskadden in connection with the Rocky Mountain National Park, Colo.;

S. 301. An act for the relief of Mr. and Mrs. James E. McGhee;

S. 454. An act to revive and reenact the act entitled "An act creating the Arkansas-Mississippi Bridge Commission; defining the authority, power, and duties of said Commission; and authorizing said Commission and its successors and assigns to construct, maintain, and operate a bridge across the Mississippi River at or near Friar Point, Miss., and Helena, Ark., and for other purposes," approved May 17, 1939;

S. 497. An act to amend an act entitled "An act to provide for the purchase of public lands for home and other sites," approved June 1, 1938 (52 Stat. 609);

S. 501. An act for the relief of the Catholic Chancery Office, Inc.;

S. 527. An act to extend the times for commencing and completing the construction of a bridge across the St. Croix River at or near Hudson, Wis.;

S. 660. An act to transfer certain lands situated in Rapides Parish, La., to board of supervisors of Louisiana State University and Agricultural and Mechanical College;

S. 712. An act for the relief of William B. Scott;

S. 748. An act for the relief of Nita Rodlun;

S. 761. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut occupied by Eighty-third United States Naval Construction Battalion at Camp Rosseau, Port Hueneme, Calif., on December 22, 1944;

S. 812. An act to amend section 3 of the San Carlos Act (43 Stat. 475–476), as supplemented and amended, and for other purposes;

S. 822. An act to reimburse certain Navy personnel for personal property lost or damaged in a fire at Naval Base 2, Rosneath, Scotland, on October 12, 1944;

S. 824. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as a result of a fire in Quonset hut E-12 at the amphibious training base, Camp Bradford, naval operating base, Norfolk, Va., on January 20, 1945;

S. 867. An act for the relief of Ruby Doris Calvert, as administratrix of the estate of Frederick Calvert, deceased; and

S. 911. An act authorizing the conveyance of certain lands to the city of Cheyenne, Wyo.

PROPOSED FULL-EMPLOYMENT LAW

Mr. WAGNER. Mr. President, as chairman of the Banking and Currency Committee, I have just received an extremely significant report on the full-employment bill, S. 380, now pending before the committee.

This report is from Mr. Henry Morgenthau, and represents his last official act as Secretary of the Treasury. "I could not leave the Treasury with a sense of having completed my work," writes Mr. Morgenthau, "without informing you of my strong support for S. 380, the so-called full-employment bill."

With regard to the extensive hearings the committee is now planning on this measure, Mr. Morgenthau makes the following statement:

> The fact that you and your committee plan to come to grips with the practical side of this problem is to me highly encouraging. * * * Under the searching spotlight of public discussion and the give-and-take of congressional hearings, we often find ourselves in agreement on objectives, and practical men in Congress find a way of bridging our differences over methods. It is my earnest hope—my expectation—that this will occur in the course of your hearings on S. 380.

Concluding his report, Mr. Morgenthau states:

> Prompt enactment of S. 380 will give this country—industry, agriculture, labor, and government—a definite policy with which to approach the epoch-making problems of reconversion. Delay, on the other hand, offers the spectacle of this country facing this rapidly approaching crisis with indecision, confusion, and stop-gap emergency measures.

It is extremely significant to me that while Mr. Morgenthau ends his distinguished career as the Secretary of the Treasury with an endorsement of the full-employment bill, his successor in that high office, Mr. Fred Vinson, has also taken a position of leadership on behalf of the same proposal. In Mr. Vinson's recent report to the committee as War Mobilization and Reconversion Director, he stated that the full-employment bill is the necessary first step from which a full-dress program of economic policies to promote the well-being of our free competitive economy will stem.

Mr. President, I ask unanimous consent that Mr. Morgenthau's report on the full-employment bill, from which I have just quoted, be printed at this point in the RECORD in connection with my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

JULY 16, 1945.

Hon. ROBERT F. WAGNER,
United States Senate.

DEAR BOB: I could not leave the Treasury with a sense of having completed my work without informing you of my strong support for S. 380, the so-called full-employment bill

I think too much time and effort have been wasted on ideological word battles over the subject of full employment. Too little time and effort have been directed to the much more difficult—and less spectacular—task of making a fair and impartial study of what industry, agriculture, labor, and government can do to give this country the best possible assurances of a sound and balanced economic structure after the war.

The fact that you and your committee plan to come to grips with the practical side of this problem is to me highly encouraging. It offers assurance of that kind of a down-to-earth examination of the facts which is characteristic of the American democratic process at its best. Under this process many of us are inclined to fuss and fume at the start over the irreconcilable attitude of our political adversaries. But under the searching spotlight of public discussion and the give and take of congressional hearings, we often find ourselves in agreement on objectives and practical men in Congress find a way of bridging our differences over methods. It is my earnest hope—my expectation—that this will occur in the course of your hearings on S. 380.

The bill impresses me as being an appropriate basis from which to commence an analysis of the problem of a prosperous post-war America—call it full employment if you like or high employment as some seem to prefer. It is particularly appropriate because it directs our initial attention to premises and operating principles. It rightly leaves for subsequent determination the formulation of actual programs for implementing the policies established in S. 380.

I am, therefore, more interested at this time in the approach of S. 380 to the problem of full employment than I am in the detail of its actual provisions. I am strongly of the opinion that government does have a definite responsibility, together with industry, agriculture and labor, for seeing to it that a sound and prosperous economy in this country is maintained—an economy that will be able to absorb profitably the honest toil of the American worker and offer full encouragement to American productive genius. The

precise terms in which this responsibility is defined in S. 380 is therefore less important in my judgment, than the fact that the responsibility is clearly defined and accepted.

I am confident that there will emerge from the careful discussions of your committee an effective procedure for discharging the responsibility thus defined.

Finally, it is my belief that S. 380 should be acted upon by your committee and the Congress with all the speed that is possible and consistent with a careful consideration of its provisions. Prompt enactment of S. 380 will give this country—industry, agriculture, labor, and government—a definite policy with which to approach the epoch-making problems of reconversion. Delay, on the other hand, offers the spectacle of this country facing this rapidly approaching crisis with indecision, confusion, and stop-gap emergency measures.

As you and I agree, our returning soldiers and those on the home front who have contributed so generously to victory deserve—yes, are entitled—to know now where their Government stands on the issue of full employment and prosperity after the war.

Sincerely,

H. MORGENTHAU, Jr.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

TRANSFER OF CERTAIN PROPERTY TO COLORADO RIVER INDIAN TRIBES AND OFFICE OF INDIAN AFFAIRS

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to transfer certain property from the War Relocation Authority to the Colorado River Indian Tribes and the Office of Indian Affairs, and for other purposes (with an accompanying paper); to the Committee on Indian Affairs.

PERSONNEL REQUIREMENTS

A letter from the Secretary of Agriculture, transmitting, pursuant to law, estimates of personnel requirements for the quarter ended June 30, 1945, for that department (with accompanying papers); to the Committee on Civil Service.

AMENDMENT OF VETERANS REGULATIONS TO PROVIDE RATES OF PENSION FOR SPECIFIC SERVICE INCURRED DISABILITIES

A letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service incurred disabilities in excess of total disability (with an accompanying paper); to the Committee on Finance.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A letter in the nature of a petition from Ray W. Biddulph, of Jamestown, Pa., praying for an investigation of WPB Conservation Order M-221, relating to poultry and livestock feed bags; to the Committee on Banking and Currency.

A letter in the nature of a petition from William Grabamski, of Bayonne, N. J., relating to the Polish Government; to the Committee on Foreign Relations.

The petition of George W. Hurley, of Bakersfield, Calif., relating to the Kern River Valley Authority, the Kern River University, and Kilowatt College; ordered to lie on the table.

By Mr. TYDINGS:

A resolution adopted by the council of the city of Baltimore, Md., favoring the enactment of Senate bill 1128, the so-called seamen's bill of rights; to the Committee on Commerce.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. HATCH, from the Committee on Public Lands and Surveys:

S. 504. A bill to quiet title and possession with respect to that certain unconfirmed and located private land claim known as claim of Daniel Boardman, C. No. 13, in Cosby and Skipwith's Report of 1820, certificate 749, and being designated as section 44, township 7 south, range 3 east, Greensburg Land District, Livingston Parish, La., on the official plat of said township; without amendment (Rept. No. 502);

H. R. 1992. A bill to authorize the sale of certain public lands in Alaska to the Catholic bishop of Alaska, in trust for the Roman Catholic Church; without amendment (Rept. No. 503); and

H. R. 2613. A bill to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico; without amendment (Rept. No. 504).

CLASSIFICATION OF SURPLUS REAL PROPERTY

Mr. LUCAS. Mr. President, from the Committee on Agriculture and Forestry I ask unanimous consent to report favorably the bill (S. 1224) to amend the Surplus Property Act of 1944, and I submit a report, No. 505, thereon.

Mr. President, I introduced this bill some time ago. Briefly, the purpose of the bill is to grant to former owners of real property acquired by the Government after December 31, 1929, the first priority to repurchase such property when it is declared surplus by the Government agencies by which it is held. I think that when the Surplus Property Act was passed last year, it was generally understood by Senators that former owners of agricultural land would have such a priority, but the act does not so state, and it is not construed in that way by those administering it.

The Committee on Military Affairs which has been handling surplus-property questions, has requested that this bill be referred to them for consideration. I have no objection to that, but I hope that the Committee on Military Affairs will with due haste and all convenient speed report the bill back.

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be referred to the Committee on Military Affairs.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Several officers of the line of the Navy to be civil engineers in the Navy, with the rank of ensign.

By Mr. HATCH, from the Committee on Public Lands and Surveys:

Thomas F. Britt, of Arizona, to be register of the land office at Phoenix, Ariz. (reappointment).

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

S. 1286. A bill for the relief of Sam Bechtold; to the Committee on Claims.

S. 1287. A bill to repeal certain provisions of law relating to trading with Indian tribes; to the Committee on Indian Affairs.

By Mr. THOMAS of Utah:

S. 1288. A bill to authorize the course of instruction at the United States Military Academy to be given to not exceeding 20 persons at a time from the American republics, other than the United States; to the Committee on Military Affairs.

By Mr. WAGNER:

S. J. Res. 86. Joint resolution to provide for the proper observance of the one hundred and fifty-fourth anniversary of the adoption of the first 10 amendments to the Constitution, known as the Bill of Rights; to the Committee on the Judiciary.

SEA-AIR POWER—ARTICLE BY SENATOR WALSH

[Mr. WALSH asked and obtained leave to have printed in the RECORD an article entitled "Sea-Air Power," written by him and published in the July number of Sea Power, which appears in the Appendix.]

IN-PLANT FEEDING—PAPER READ BY WILLIAM R. DAVIS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a paper entitled "In-Plant Feeding," read to the In-Plant Feeding Conference held at Bellevue-Stratford Hotel, Philadelphia, Pa., March 21, 1945, by Mr. William R. Davis, which appears in the Appendix.]

THE FEPC—ARTICLES BY LOWELL MELLETT

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD four articles by Lowell Mellett published in the Washington Evening Star, which appear in the Appendix.]

PRESERVATION OF FREEDOM IN AMERICA—EDITORIAL COMMENT ON ADDRESS BY HON. JAMES A. FARLEY

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an editorial from the Salt Lake City Deseret News of June 29, 1945, commenting upon an address delivered in Salt Lake City by former Postmaster General James A. Farley, which appears in the Appendix.]

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senator answered to their names:

Aiken	Chavez	Hoey
Andrews	Cordon	Johnson, Colo.
Austin	Donnell	Johnston, S. C.
Ball	Downey	Kilgore
Barkley	Eastland	La Follette
Bilbo	Ellender	Langer
Brewster	Ferguson	Lucas
Briggs	Fulbright	McCarran
Brooks	George	McClellan
Buck	Guffey	McFarland
Burton	Gurney	McKellar
Bushfield	Hart	McMahon
Butler	Hatch	Magnuson
Byrd	Hawkes	Maybank
Capehart	Hayden	Mead
Capper	Hickenlooper	Millikin
Chandler	Hill	Mitchell

Moore	Russell	Tydings
Morse	Saltonstall	Vandenberg
Murdock	Shipstead	Wagner
Murray	Smith	Walsh
Myers	Stewart	Wheeler
O'Daniel	Taft	Wherry
O'Mahoney	Taylor	White
Radcliffe	Thomas, Okla.	Wiley
Revercomb	Tobey	Willis
Robertson	Tunnell	Young

Mr. HILL. Mr. President, I announce that the senior Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. PEPPER] is absent because of the death of his father.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Rhode Island [Mr. GREEN], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are absent attending to public business.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The PRESIDING OFFICER (Mr. HOEY in the chair). Eighty-one Senators have answered to their names. A quorum is present.

LOCATION OF PEACE CAPITAL IN UNITED STATES

Mr. WILEY. Mr. President, on July 12, 1945, I introduced, with brief comments, Senate Concurrent Resolution 20, which provides as follows:

Resolved by the Senate (the House of Representatives concurring), That the United Nations be, and hereby are, invited to locate the seat of the United Nations Organization within the United States of America.

My purpose in introducing this resolution was not to have designated any particular place within the United States which would serve as the home of the United Nations. There are many American localities which possess exceptional historical, cultural, natural, and other qualifications to become the "peace capital."

Rather, my purpose was to have the Senate and the House go on record so as to indicate, on behalf of the American people, that they feel that the seat of the world organization should be on free American soil.

Mr. President, today the Big Three are meeting at Potsdam, 10 miles west of Berlin.

What a wonderful thing it would be if President Truman could receive word soon that Congress had taken the first step, the issuance of this invitation, to insure that the permanent headquarters of the new league were on a far more democratic site than Potsdam.

The issuance of so frank and forthright an American invitation would strengthen the President's hand in his dealing with Churchill and Stalin.

It would lend added emphasis to our ratification of the United Nations Charter.

It would signify that America intends to assert her right of leadership.

It would signify that we intend to snap out of the inferiority complex which has dogged our relationships with Europe. It would signify that we no longer intend to play a "weak sister" in world diplomacy, or "a second fiddle" to Britain, Russia, or any other power.

The New World—this beloved country of ours—made it possible to defeat the Axis. Last year, for example, we produced almost as much in the way of arms as the Axis and our allies combined. We do not discount the war effort of our gallant allies, their sacrifices in blood and treasure. But they know that without us victory would have been impossible.

Why should we not take pride in our might and in the meaning of our free institutions to the world? Why should we continue to hang back in false modesty in fear of proclaiming the glory of our works and of our free spirit?

In my previous speech, I stressed the reasons why the acorn of peace could best grow in American soil to a sturdy oak.

I cited the reasons why our America would provide the best home for the United Nations. For ours is a home where the "four freedoms" exist in fact, rather than in hope alone, where the courts are open to the humblest, where Government is the servant and not the master, where the humblest in the land can aspire to the highest political, economic and social accomplishment, where the poorest is blessed with the best things of life—freedom and opportunity.

But now let me indicate why many lands other than America should be disqualified as locations for the peace capital:

First. The peace capital must not be placed at a scene of past failures, past mistakes, past intrigues, past hates, past fears. This would rule out Geneva, Switzerland, site of the old League of Nations, however, worthy may be the qualifications of that city. It would also rule out Vienna, scene of many a past conference which failed, Vienna, which is but a shell of its former self.

Second. The peace capital must not be placed in an area which is within the orbit of dictatorship. Dictatorship is still too prevalent in the world, yes, in the Western Hemisphere it is too prevalent. The New World organization is supposed to open a new era, an era of freedom. It must not be suffocated by being placed in an area or near an area of censorship, of one-party control, of secret police.

This means, bluntly, that the new organization must not be set up within Europe, Europe, with its intense conflict of interests.

Some will say that the "Peace Capital" should not be set up within the territory of any great power, but only in that of a small power. To that I say that so long as democratic processes prevail in the United States, and every dissenting opinion has a chance to be aired, broadcast, and printed, there need be no fear of the American Government exercising influence on the world organization within its borders.

Let us not blink at these truths. Let us have the courage of our convictions, of our faith in America.

The governors of our States have expressed their faith in America. The Thirty-seventh Annual Governors' Conference unanimously passed a resolution inviting the United Nations to locate their peace capital here.

I therefore respectfully urge that immediate action be taken on Senate Concurrent Resolution 20, that this action be taken either prior to or simultaneous with our action on the United Nations Charter.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 1308) for the relief of Sam Swan and Aily Swan.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased;

S. 714. An act to amend the act entitled "an act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; and

H. R. 1308. An act for the relief of Sam Swan and Aily Swan.

INCREASE IN LENDING AUTHORITY OF EXPORT-IMPORT BANK

The Senate resumed the consideration of the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. MURDOCK. Mr. President, it is my intention to make a very brief statement concerning the measure pending before the Senate, which is House bill 3771, to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

Mr. President, the bill to provide for increasing the lending authority of the Export-Import Bank, which was reported out unanimously by the Banking and Currency Committee, requires no lengthy explanation and should occupy the Senate but briefly. The bank itself has behind it 11 years of successful experience. It can be depended upon to continue to use its available funds to the benefit of our foreign trade. The need for additional funds is urgent, as is also the need for removing existing restrictions on loans by the bank and by private persons to countries in default on their obligations to the United States.

In the years after the war we shall have the capacity and ability to turn out a much greater volume of goods than in 1939. The United States will always be its own best customer. However, in order to attain continuing high levels of employment and production, the United States will need to look to outlets for its products on a scale vastly larger than ever before. Such outlets are already available in the markets of the many countries of the world.

In Europe and the Far East, homes have been destroyed or devastated, factories looted, transportation and communications systems wrecked, and industries closed for lack of raw materials and adequate machinery. At the same time, many large areas, not devastated by the war, are on the threshold of a new era of industrialization and development. A great need exists and a vast market awaits the output of our industry, labor, and agriculture.

Many of the countries in need of American products do not have the dollars with which to make their purchases in the United States. Lend-lease aid is not available for reconstruction purposes. Help will not be immediately provided by the new International Bank for Reconstruction and Development, because it will not be in operation for some time to come. Many of our exporters, businessmen and farmers, large and small, do not have sufficient resources to extend the credit terms that are needed to enable them to sell to the largest market that ever awaited their goods. Other uncertain economic conditions resulting from the war have created risks which private capital alone may be unwilling or unable to assume in the period ahead.

The committee believes that it is to our advantage to sell to other countries the products of our industries and farms for the purposes of reconstruction and development. This Nation has always found that its best customers were the countries whose standards of living were high, and whose industries were well developed. With production facilities rebuilt or expanded, other countries will be able to sell their goods to us, to service and pay their debts more readily, and to buy more goods from us.

An important byproduct will be the benefits which this country and the world will receive in terms of world peace and political and economic stability. Closed factories, idle capital, and widespread unemployment breed war and rebellion as well as depression. They cause economic chaos and instability which will always constitute grave threats to the peace of the world and to democracy. Financial help from abroad is necessary to stabilize the war-devastated countries economically and to start them on the road to recovery.

We believe that the increase in the lending authority of the bank proposed in H. R. 3771 is necessary to enable the Export-Import Bank to expand the assistance it has given in facilitating the foreign trade of the United States through the financing of development projects abroad, and also to undertake part of the urgent new task of financing reconstruction in Europe and other devastated areas. The proposed legislation will also permit the Export-Import Bank to carry out the President's recommendation that it finance portions of the 3 (c) lend-lease agreements.

The Export-Import Bank has engaged during the past 11 years in a considerable variety of operations to help our exporters and importers. It has maintained a desirable flexibility in its operations in order that it might meet the needs of both large and small exporters and offer new facilities to foreign traders as changing conditions require. It has done this through the extension of credit to United States exporters and importers to finance specific export and import transactions. For example, an individual exporter comes to the bank and indicates that he has an opportunity to sell certain equipment, say machinery, or certain materials, such as raw cotton, to a foreign buyer. However, the commodity is of such a character or customary terms are such that either short- or medium-term credit is required. The applicant represents that he cannot himself provide the credit, usually because of his limited capital resources. He represents further that the credit is of such a character or in such an amount that commercial banks to which he has applied are not in a position to assist him to the extent required. Under these conditions, the Export-Import Bank, after a full investigation of the facts in the case, may extend a credit to help him.

The Export-Import Bank is faced at present with a heavy demand for this type of credit for reasons which will be apparent. Foreign markets which have been partially or completely closed during the war are being reopened. Pent-up demands for our products, especially for caiptal equipment requiring extended terms of payment, is on an unprecedented scale. Furthermore, it will be necessary for American exporters, if they are to expand their markets to meet postwar demands, to extend credits.

I think there will be no dissent from the view that the Export-Import Bank should be given resources adequate to enable it to engage in the financing of foreign trade of the type which I have just described. It is a strictly commercial type of business undertaken at a reasonable risk, and the benefits to our foreign trade and to our whole economy are obvious.

I take it that Senators are generally familiar with the history of the Export-Import Bank. The bank was established in 1934. Its record during the 11 years that it has been in existence has been an outstanding one. Although the operations of the bank have been on a relatively small scale—partly because of its limited resources and partly because it has assiduously avoided taking business away from private institutions—the bank has been nevertheless completely self-supporting and has accumulated a reserve against possible losses. The avoidance of competition with private lending institutions has been a basic principle governing the bank's activities.

The Bretton Woods legislation has wisely provided for a National Advisory Council which will coordinate the activities of the Export-Import Bank and the policies of our representative on the International Bank. The present bill provides for an Advisory Board to the Export-Import Bank composed of the same persons who constitute the National Advisory Council. Moreover, the Congress itself will have full opportunity periodically to review the operations of the Export-Import Bank.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. TAFT. On the question which the Senator has just raised, as to the powers of the Advisory Board, in the bill which we passed yesterday there is set up a board composed of the Secretary of the Treasury as Chairman, the Secretary of State, the president of the Export-Import Bank, the Secretary of Commerce, and the head of the Federal Reserve Board, who are given power to direct the activities of the representative of the United States on the Fund and Bank, and also to coordinate with them the activities of the Export-Import Bank. As I read that provision, that Board probably has power to issue directives to the Export-Import Bank with respect to policy, and perhaps with respect to particular loans. In this bill we have the same Board or committee set up, except that now the head of the Export-Import Bank is chairman, instead of the Secretary of the Treasury, and the Board seems to be given only advisory power. Does the Senator think that the fact that the Board created by the pending bill would have only advisory powers in any way modifies the power given to the Board in the bill passed yesterday over all foreign lending by the United States?

Mr. MURDOCK. As I understand and construe the provisions in the new bill, there is no conflict whatever. As the Senator has stated, we have the identical personnel on both Advisory Boards. However, the Secretary of the Treasury is Chairman of one Board and the President of the Export-Import Bank is chairman of the other Board. It is my opinion that the Board established under the Bretton Woods bill is given full power to coordinate the functions of the International Bank and the functions of other lending agencies serving similar purposes, including the Export-Import Bank. Suppose there were an overlapping of functions as between the International Bank and the Export-Import Bank. It is my position that in a situation of that kind the Board set up to coordinate activities could direct the Export-Import Bank to cease certain types of loans, let us say, which are overlapping or duplicating loans made by the International Bank. But it seems to me that there is no conflict, and that there can be no conflict between the functions of the Board advising the International Bank and the Board, consisting of the same personnel, advising the Export-Import Bank. I can see no conflict.

Mr. TAFT. I should like to have it understood that the bill in no way modifies the provisions of the bill passed yesterday. As I understand the Senator's statement, whatever powers were given to the Board in the bill relating to Bretton Woods would not in any way be modified by the passage of this bill today. Is that true?

Mr. MURDOCK. That is my opinion.

Mr. TAFT. I think it is very important that the powers which we gave to the Board yesterday to coordinate all foreign lending of the United States should not be impaired. As I understand the Senator, he says that it is not the intention by this bill to impair whatever powers were given in the bill passed yesterday.

Mr. MURDOCK. That is my position, and I am glad to be in agreement with the Senator.

The need for quick action on the bill before us arises from the fact that the Export-Import Bank has virtually exhausted its loanable funds. As of June 30, it had outstanding loans of $214,000,000 and undisbursed commitments of $336,000,000. The sum of these two items is $550,000,000, or only $150,000,000 less than the maximum amount of loans which the bank is permitted to have outstanding under existing legislation. In the meantime, the bank has authorized additional credits amounting to approximately $100,000,000 and has before it for consideration a number of other projects which are being held in abeyance because of lack of funds.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MURDOCK. I yield.

Mr. LANGER. Has the Senator with him a list of such loans, showing who owes the money?

Mr. MURDOCK. I have not a list of them.

Mr. LANGER. Are the loans owed to us by foreign governments or foreign corporations?

Mr. MURDOCK. I should say that the loans could be owing to us from foreign corporations or foreign governments; but I think the Senator will find—at least, it is my assumption—that the large bulk of the loans consists of loans to our own importers and exporters. The very purpose of the bank is to support and increase, wherever possible, the foreign trade of the United States.

Mr. LANGER. The reason I ask the question is that it is claimed that the bank has made a profit.

Mr. MURDOCK. That is true.

Mr. LANGER. What I wish to know is whether the Senator's committee has checked over the loans to find out whether or not there are some bad loans among them.

Mr. MURDOCK. I think there are some bad loans admitted by the bank, and my information is that the total is about $250,000.

Mr. LANGER. Of bad loans?

Mr. MURDOCK. Of bad loans, but which the bank feels may be worked out and something realized from them.

Mr. LANGER. Did the Senator's committee go over the loans at the time it considered the proposed legislation?

Mr. MURDOCK. Not the individual loans.

Mr. LANGER. I notice that a report must be made every 6 months.

Mr. MURDOCK. Yes.

Mr. LANGER. Does the Senator's committee receive the report, or does it go to the Secretary of the Treasury and the President?

Mr. MURDOCK. I am advised that the report goes not only to the Secretary of the Treasury, but also to the Congress; and I assume it is addressed to the Secretary of the Senate or to the Presiding Officer.

Mr. LANGER. I so assumed; and I wondered why we could not obtain a copy of that report.

Mr. MURDOCK. I think the Senator can obtain a copy. I will take it upon myself to see that he gets it.

Mr. LANGER. But the Senator does not have a copy of the report with him, does he?

Mr. MURDOCK. I do not have it with me.

Mr. President, the shortage of loanable funds is one of the two principal present obstacles to the effective operation of the Export-Import Bank. The other is the restriction in existing law on loans by the Bank to countries in default on their obigations to the United States and the related prohibition of the Johnson Act on private credits to such governments. The law applicable to the Bank prevents it from assisting certain European countries during the initial stages of their reconstruction and, by the same token, prevents it from helping to reopen these markets to American exporters. The law applicable to private persons prevents private banks from participating with the Export-Import Bank in financing trade with these countries regardless of the soundness of their credit or the extent of their need for assistance.

I pass over the other features of the the bill with only brief comment. It provides for a change in the management of the Bank so that it will be run by a board of five directors, including the Foreign Economic Administrator and the Secretary of State, and three full-time directors to be appointed by the President with the advice and consent of the Senate. It provides that the Bank shall be an independent agency of government and forbids the transfer of any of its functions or powers to any other agency of government except by act of Congress. It provides that the Bank shall be provided with capital of $1,000,000,000 to be subscribed by the United States and that it may sell its obligations to the Treasury in an amount not to exceed two and a half times its capital stock. It further provides that the Bank may not have outstanding at any one time loans and guarantees in excess of three and one-half times its capital stock, or $3,500,000,000.

Finally, Mr. President, the bill provides for complete and detailed semiannual reports to the Congress on its operations.

Because of the urgency of the need, I urge the Senate to pass the bill without delay.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the report of the Committee on Banking and Currency on the bill.

There being no objection, the report (No. 490) was ordered to be printed in the RECORD, as follows:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

GENERAL STATEMENT

The bill lays down the policy of Congress with respect to the loans of the Export-Import Bank; reorganizes the management of the bank; establishes it as an independent agency of government; increases the lending authority of the Bank and changes the method by which it obtains its funds; and removes certain restrictions on its operations.

The increase in the lending authority of the Export-Import Bank proposed in this legislation is necessary to enable the Bank to expand the assistance it gives in facilitating the foreign trade of the United States through the financing of exports and imports and development projects abroad, and also to undertake part of the urgent new task of financing reconstruction in Europe and other devastated areas.

The testimony presented to the committee shows that the Export-Import Bank has virtually exhausted its loanable funds. As of June 30, 1945, the Bank had outstanding loans of $214,000,000 and undisbursed commitments of $336,000,000. The sum of these amounts, $550,000,000, was only $150,000,000 less than the maximum amount of loans which it may have outstanding under existing legislation. Applications presently under consideration involve amounts sufficient to exhaust this remaining balance.

In the face of this shortage of funds, heavy demands are being made upon the Bank for the extension of credit. These demands come principally from two directions. On the one hand, American exporters, perceiving the opportunities for increasing their export business on a commercial basis because of the accumulated foreign demand for our products and the partial relaxation of export controls in the United States, are actively soliciting business in foreign countries. They find themselves, as before the war, under the necessity of selling on terms appropriate to the type of commodity involved, the ability of the foreign buyer to pay, and the competition offered by competing suppliers. Under these conditions, exporters are applying in increasing numbers to the Export-Import Bank for credit assistance which is not obtainable from private banks. The Bank should be in a position to meet these demands.

At the same time, governments of foreign countries and their agencies are coming to the bank seeking financial assistance for the purchase of American equipment and materials to be used in connection with reconstruction and development projects. Insofar as the Latin-American countries are concerned, this is a function which the Export-Import Bank has performed for a number of years on an increasing scale and one which it should be in a position to continue in the interest both of creating immediate markets for our products and of so strengthening the economies of the Latin-American countries that they will be steadily growing markets for American goods.

The problem with respect to the liberated countries of Europe becomes daily more urgent. These countries cannot expect, under the established policies of this Government, to receive via lend-lease equipment and materials for the restoration of their economies. Although some of the countries have limited resources of their own which can be used to finance purchases in the United States in part, their requirements are large and there are other claims upon these resources which must be satisfied. Furthermore, it will naturally be some time before they are in a position to export goods and services as a means of paying currently for what they buy from the United States and other suppliers.

The demands upon the Export-Import Bank both from our own foreign traders wanting to reopen markets abroad and from foreign countries wishing to renew their purchases from the United States can be met, provided only suitable financing is available. In view of the fact that it is an established operating agency of Government with 11 years of successful experience behind it, the Export-Import Bank would seem to be the obvious

vehicle for the financing on a sound basis of our foreign trade to the extent that private financing is not available.

It cannot be emphasized too strongly that the maintenance of foreign markets for our products through adequate private and governmental financing will materially ease the problem of reconversion in the United States. This follows from the fact that the products which are most in demand by foreign countries are the products produced by the very industries which have been most expanded during the war. Domestic manufacturers applying to the Export-Import Bank for assistance in financing their foreign sales have repeatedly indicated that, unless markets for their products can be found in foreign countries, they will be obliged because of the decline in domestic demand for war purposes to curtail their operations or in many instances to close down altogether.

The committee has considered the relation between the past and future operations of the Export-Import Bank and other activities authorized or about to be authorized by Congress with a bearing on the financing of foreign trade. These other activities will not remove the necessity for the operations of the Export-Import Bank contemplated under this legislation.

Funds of UNRRA are to be used strictly for relief purposes and not for the financing of our foreign trade during the period of reconstruction which lies ahead. Lend-lease will not be used for reconstruction in Europe or elsewhere, and therefore does not in any sense meet the rehabilitation problems of the liberated countries. It might be noted that the present bill will permit the Export-Import Bank to carry out the President's recommendation that it finance portions of the 3 (c) lend-lease agreements.

So far as the Bretton Woods institutions are concerned, it should be recognized that, although the proposed International Bank may eventually be the principal avenue for dollar credits to foreign countries for reconstruction and development, it will not be in effective operation for many months. Furthermore, even after the International Bank is in full operation, there will undoubtedly be a need for a strictly national agency in the field of foreign-trade financing. This is partly because there are certain types of financing in which the International Bank will not engage and partly because there are certain national purposes to be served through an institution such as the Export-Import Bank. The operations of the Export-Import Bank and the policies of our representatives in the International Bank will be coordinated by the National Advisory Council already provided for in the Bretton Woods legislation.

HISTORY AND ORGANIZATION OF THE EXPORT-IMPORT BANK

The Export-Import Bank of Washington was established in 1934 by Executive order to help promote the recovery of our foreign trade.

The Congress continued the Bank as an agency of the United States in January 1935 and gave it, in addition to its powers in the charter, certain additional powers to be exercised for the purpose of aiding in the financing and facilitating of exports and imports and the exchange of commodities between the United States and other countries. Through subsequent legislation, the Congress continued the bank until January 22, 1947.

When the Bank was created there was no limitation imposed by law upon its lending authority. In 1939 the Congress provided that loans outstanding at any one time should not exceed $100,000,000. The limit was increased to $200,000,000 in March 1940 and to $700,000,000 in September 1940.

From 1934 until July 1939 the Bank operated as an independent agency. In 1939 the Bank was made a part of the Federal Loan Agency under Reorganization Plan I and in 1942 the Bank was placed by Executive order under the office of the Secretary of Commerce. In July 1943 it was transferred to the Office of Economic Warfare and later in the same year to the Foreign Economic Administration. The operations of the Bank have continued to be administered by its president subject to the direction of the Foreign Economic Administrator and the board of trustees of the Bank under the chairmanship of the Administrator.

The Bank has presently outstanding $1,000,000 of common stock issued jointly to the Secretaries of State and Commerce and $174,000,000 of preferred stock sold to the Reconstruction Finance Corporation. The Bank has obtained all of its funds from the Reconstruction Finance Corporation with the exception of the original $1,000,000 from the Secretaries of State and Commerce and such funds as it derived from its earnings.

Under its charter, the Bank is controlled by a board of 11 trustees elected annually by its shareholders subject to the approval of the President of the United States. In the interim between board meetings the powers of the board are exercised by an executive committee of 7 trustees. Loans are made only after formal authorization by the board of trustees or the executive committee.

The Bank has engaged in a wide variety of transactions to carry out the fundamental purposes of Congress of promoting the export and import trade of the United States either directly or indirectly. It has extended short-term loans to finance United States agricultural and industrial exports and medium- and long-term loans to other countries for development projects, has guaranteed export credits, has underwritten letters of credit, and has extended lines of revolving credit to small United States exporters and importers. The activities of the Bank have been limited to financing of a character or an amount not obtainable solely from private sources, to avoid competition with private institutions.

From its organization to June 30 of this year, the Export-Import Bank had authorized loans aggregating $1,269,000,000. Of these total authorizations, $429,000,000 were canceled either because the applicants found they did not require them or arranged to obtain necessary credits from private sources. Actual disbursements have amounted to $504,000,000, of which $290,000,000 have been repaid.

Returning a profit is not the major objective of the Bank. Nevertheless, it is the policy of the Bank's management not only to meet all administrative expenses out of earnings, but also to accumulate a reasonable reserve against possible losses and thus keep the agency self-sustaining. The earnings of the Bank from its organization to date, after payment of all administrative expenses, have amounted to approximately $42,000,000. The Bank has paid dividends of over $18,000,000 on the present stock held by the Reconstruction Finance Corporation. This leaves undivided profits of about $24,000,000.

The committee is not aware of any substantial opposition to the proposed increase in the lending authority of the Export-Import Bank. It is especially notable that the legislation has the active support of the private banking community.

EXPLANATION OF THE BILL BY SECTIONS

Section 1

Section 1 provides that the act may be cited as the "Export-Import Bank Act of 1945."

Section 2

Section 2 deals with the powers of the Bank and states the policy of Congress with respect to loans to be made by the Bank.

Subsection (a) continues the existing Export-Import Bank of Washington, a banking corporation organized under the laws of the District of Columbia, as an agency of the United States. It continues the existing powers under the Bank's charter and restates and clarifies the powers conferred upon the Bank by statute to make loans, to discount, rediscount, or guarantee notes, drafts, bills of exchange, and other evidences of debt or to participate in the same for the purposes of promoting the foreign trade of the United States.

Subsection (b) provides that it is the policy of the Congress that the Bank in the exercise of its functions should supplement and encourage and not compete with private capital, and that loans, so far as possible consistently with carrying out the purposes of subsection (a), shall generally be for specific purposes, and in the judgment of the Board of Directors, offer reasonable assurance of repayment.

Section 3

Section 3 provides for the management of the Bank.

Subsection (a) (1) establishes by law the Board of Directors of the Bank which is to consist of the Foreign Economic Administrator as chairman, the Secretary of State, and three persons appointed by the President with the advice and consent of the Senate. The Secretary of State may, to such extent as he deems it advisable, designate to act for him in the discharge of his duties as a member of the Board any officer of the Department of State who shall have been appointed by and with the advice and consent of the Senate.

Subsection (a) (2) provides that if the Foreign Economic Administration ceases to exist in the Office for Emergency Management in the Executive Office of the President, the Administrator of the Foreign Economic Administration will no longer be a member of the Board, and the President is to appoint a member to take his place. In that event the Chairman of the Board will be designated by the President.

Subsection (a) (3) requires that not more than three directors may be members of any one political party. The term of each of the appointed directors is to be 5 years and the salary $12,000 per annum unless the director is an officer of the Bank in which event he may elect to receive the salary of such officer.

Subsection (b) provides that a majority of the Board of Directors shall be a quorum.

Subsection (c) empowers the Board of Directors to adopt such bylaws as are necessary for the management and functioning of the Bank.

Subsection (d) establishes an advisory board with the same composition as the National Advisory Council on International Monetary and Financial Problems provided for in the Bretton Woods Agreements Act, except that the chairman of the Board of Directors of the Bank serve as Chairman in lieu of the Secretary of the Treasury.

Subsection (e) provides that until October 31, 1945, or until two of the appointed members of the Board of Directors have qualified, whichever is the earlier, the affairs of the Bank shall continue to be managed by the existing board of trustees.

Subsection (f) establishes the Bank as an independent agency of the United States Government and provides that its functions, powers, and duties shall not be transferred or consolidated with any other department, agency, or corporation of the Government unless the Congress shall otherwise by law provide.

Sections 4 and 5

Sections 4 and 5 provide for the capital structure of the Bank.

A capital stock of $1,000,000,000 is authorized. Outstanding common and preferred stock is to be surrendered to the Bank and canceled. The Secretary of the Treasury is to pay the Reconstruction Finance Corporation the par value of the preferred stock which the Reconstruction Finance Corporation will surrender. Of the authorized amount of capital stock of $1,000,000,000,

payment for $175,000,000, equivalent to the par value of the outstanding preferred and common stock, will be made by the surrender of such stock. Payment for the balance, $825,000,000, will be made by the Secretary of the Treasury at the call of the Board of Directors of the Bank. Authorization is given to the Secretary of the Treasury to finance these payments as public-debt transactions.

Section 6

Section 6 authorizes the Bank to issue obligations for purchase by the Secretary of the Treasury in an amount not to exceed $2,500,000,000. The Secretary of the Treasury is authorized to finance these purchases as a public-debt transaction.

Section 7

Section 7 provides that the Bank shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and a half times the authorized capital stock of the Bank.

Section 8

Section 8 provides that the provisions of the existing charter relating to the term of existence of the Bank, its management, and to its capital stock are superseded by this legislation, and exempts the Bank from complying with any law relating to the amendment of certificates of incorporation or to the retirement or increase of stock of District of Columbia corporations and from the payment of fees or taxes to the District of Columbia in connection with the capital stock of the Bank.

Section 9

Section 9 requires the Bank to transmit semiannual reports of operations as of the close of business on June 30 and December 31 of each year.

Section 10

Section 10 repeals existing legislation pertaining to the Bank contained in section 9 of the act of January 31, 1935, as amended.

Section 11

Section 11 relieves from the prohibition against loans to foreign governments in default on their obligations to the United States Government as of April 13, 1934, contained in the Johnson Act, any person, including any individual, partnership, corporation, or association, who acts for or participates with the Bank in any operation or transaction or acquires any obligation issued in connection with any operation or transaction engaged in by the Bank.

Mr. MURDOCK. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram from Eugene P. Thomas, president of the National Foreign Trade Council, Inc., to the Senator from New York [Mr. WAGNER], chairman of the Committee on Banking and Currency.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *July 16, 1945.*

Hon. ROBERT F. WAGNER,
Chairman, Senate Banking and Currency Committee,
Senate Office Building,
Washington, D. C.

The National Foreign Trade Council through its executive committee at a meeting today endorses and recommends the approval by the Senate of legislation to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, as provided in bill H. R. 3771 already approved by the House of Representatives.

Included in this endorsement the council especially recommends the policy under which the functions of the Bank would be exercised as stated in section 2 paragraph (B). We request that this endorsement be made a matter of record, as a part of the hearings of your committee on this legislation.

EUGENE P. THOMAS,
President National Foreign Trade Council, Inc.

Mr. LANGER. Mr. President, will the Senator yield for several questions?

Mr. MURDOCK. I yield.

Mr. LANGER. I am very friendly to this Bank and I wish to have the Senator know that I intend to vote for the bill.

Mr. MURDOCK. I am glad to hear that.

Mr. LANGER. I simply wish to obtain some information. I should like to know what rate of interest is charged to the exporters and importers.

Mr. MURDOCK. I am advised that the average interest rate is approximately 4 percent.

Mr. LANGER. Very well. I notice in the very last paragraph of the report, on section 11, the statement that section 11 of the bill "relieves from the prohibition against loans to foreign governments in default on their obligations to the United States Government as of April 13, 1934, contained in the Johnson Act, any person," individual, partnership, and so forth, "who acts for or participates with the Bank" in such connections.

Let me say that I understand that at the present time England cannot borrow any money from us because of the provisions of the Johnson Act, because England is one of the defaulting nations. But suppose England organizes a corporation corresponding to the RFC in this country. Could that corporation borrow?

Mr. MURDOCK. Yes; I should say that, under the provisions of this bill, when it is enacted, such a corporation would be able to borrow from the Bank.

Mr. LANGER. So for all practical purposes the Johnson Act would be repealed, would it not?

Mr. MURDOCK. So far as it affects the Export-Import Bank or private individuals, associations, or corporations cooperating with or participating with the Emport-Import Bank, it would be repealed by this measure.

Mr. LANGER. Can the Senator tell me whether Russia is one of the defaulting nations?

Mr. MURDOCK. I am advised that Russia is one of the defaulting nations.

Mr. LANGER. That is my recollection; as I recall, the Government prior to the present Russian Government defaulted.

So, Mr. President, if Russia wished to obtain some money with which to buy machinery to use in manufacturing machinery, she could, in obtaining from the Export-Import Bank a loan with which to buy the machinery in this country, obtain that money up to the amount which the Board of Directors might authorize; is that correct?

Mr. MURDOCK. That is correct.

Mr. LANGER. What would be the largest amount which Russia could obtain, provided she got all of it?

Mr. MURDOCK. The total limit on the obligations which the Bank can have outstanding is to be $3,500,000,000.

Mr. LANGER. How does the Senator arrive at that figure?

Mr. MURDOCK. That is provided in the bill. It is spelled out in the bill. I read section 7 of the bill:

> The Export-Import Bank of Washington shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and one-half times the authorized capital stock of the Bank.

The authorized capital stock of the Bank under the bill is $1,000,000,000.

Mr. LANGER. I refer to section 6, line 17, page 7, providing that—

> The aggregate amount of such obligations outstanding at any one time shall not exceed 2½ times the authorized capital stock of the Bank.

So, as I understand, $1,000,000,000 would be the capital stock, and 2½ times that would be $2,500,000,000 more, which would be notes and debentures in the Treasury, which would make a total of $3,500,000,000. Is that correct?

Mr. MURDOCK. That is correct.

Mr. LANGER. So this Board could loan the entire $3,500,000,000, if it cared to do so to one country, or it could divide it up, or it could do whatever it wished to do under the terms of the law, provided it thought what it did would be in the best interests of the exporters and importers of this country; is that correct?

Mr. MURDOCK. I think that could be done. But certainly we cannot assume that any bank serving under the act would engage in that type of activity.

Mr. LANGER. Of course, we would not expect the Bank to do so. I cited an extreme case.

Now I should like to discuss the bad loans.

Mr. MURDOCK. They aggregate $250,000.

Mr. LANGER. What is the nature of the bad loans; can the Senator tell me?

Mr. MURDOCK. I am not advised. Perhaps the general counsel of the Bank can inform me about that.

Mr. LANGER. I am interested in knowing whether the money is owing from private concerns or from governments.

Mr. MURDOCK. I am advised that all the loans in default are owing from private concerns.

Mr. LANGER. Are they private concerns organized in the United States? Are they United States concerns, or are they foreign concerns?

Mr. MURDOCK. I am advised that there is one small loan to a foreigner, and the rest of them are loans to individuals and corporations in the United States.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. MURDOCK. I yield.

Mr. LANGER. I should like to know whether any country is favored in the rates of interest. I understand that the Board can fix the rates of interest.

Mr. MURDOCK. Yes.

Mr. LANGER. For example, is England favored by having a lower rate of interest than Ethiopia has, or does the Board make a rule that all foreign governments shall pay the same rate of interest?

Mr. MURDOCK. I hardly see how such a procedure as that would be possible, because the loans are made, not exclusively to governments, but to individual exporters and importers of all countries who are eligible. I would imagine that probably there are different rates of interest in existence, but I am not fully advised as to that. We can ask the counsel of the Bank that question.

Mr. LANGER. I mean, are the exporters and importers of England, for example, given a lower rate of interest than the exporters and importers of Ethiopia?

Mr. MURDOCK. As I have explained to the Senator, there is no uniform interest rate. However, I am advised by counsel for the Bank that the Bank itself aims to discriminate in no way; but if there is a different interest rate in one country as distinguished from another country, loans may be made to borrowers of that country at a higher or lower rate, let us say, than to the borrowers of the other country.

Mr. LANGER. When a loan is made, does the Bank take any collateral as security?

Mr. MURDOCK. Yes.

Mr. LANGER. Can the Senator give us an example of a typical loan?

Mr. MURDOCK. The Bank takes whatever security is offered by the borrower—his notes, securities, or whatever collateral he may offer or may have. But certainly if loans are made without the pledging of some security.

Mr. LANGER. Suppose a concern wished to buy machinery with which to build a hydroelectric plant. That machinery would be shipped out of this country, of course.

Mr. MURDOCK. That is true.

Mr. LANGER. Am I to understand that the Export-Import Bank would have a mortgage on that machinery?

Mr. MURDOCK. I should think a mortgage on machinery shipped to another country would be wholly useless.

Mr. LANGER. That is correct. What security would the Bank have in that case?

Mr. MURDOCK. In my opinion, as I explained in my previous statement, that would work in the following way: Let us consider, as an example, electrical machinery, and let us assume that the Westinghouse Co. or the General Electric Co. or Allis-Chalmers or some other manufacturer of such machinery had an order from, let us say, Brazil, Czechoslovakia, or any other country, for 100 generators. It may be that an exporter here would be unable to finance the whole transaction and would be unable to obtain private capital, which is always a prerequisite, as I understand, under the policy of the Bank, namely, that if the credit can be arranged through a private bank or private agency of any kind, then of course the Export-Import Bank will not come into the picture. But if the exporter in this country convinces the Bank that he is unable to carry the entire credit load of the transaction at the time, and is unable to get private capital or to obtain credit through a private bank, then he will come to the Export-Import Bank. The Bank will make or guarantee the loan, and will take securities from that exporter in the form of mortgages or other collateral in this country which, of course, could be used in case of a default in satisfying his obligations.

Mr. LANGER. Will the Senator yield for one more question?

Mr. MURDOCK. I yield.

Mr. LANGER. How often does the Board meet?

Mr. MURDOCK. The Board meets at the call of the Chairman.

Mr. LANGER. As a practical matter, how often does the Board meet?

Mr. MURDOCK. I am advised that the Board meets every week or two.

Mr. LANGER. How many employees does the Bank have?

Mr. MURDOCK. It has 60 employees.

Mr. LANGER. Are they all in this country?

Mr. MURDOCK. They are all in this country.

Mr. LANGER. Is there any effort being made by the Export-Import Bank to send persons to foreign countries for the purpose of working up business?

Mr. MURDOCK. I am advised that no such procedure as that has ever been engaged in by the Bank.

Mr. LANGER. If we are going to help foreign trade would it not be advisable for the Bank to have someone in Mexico or South America, for example, seeking business just as England seeks it?

Mr. MURDOCK. That might well be, but the position which the United States is in today, and the position in which it will be in during the first few years of the postwar period, is this: As I see the picture, it will be in the position of not having to search for business. I think we may be confronted with such a tremendous demand for all types of goods and commodities both from our own people and from abroad that our productive capacity will be taxed to the limit. I do not think we shall need to go hunting for business. We will have all the business we can possibly take care of without doing any soliciting. Of course, if the time comes when competition takes place for foreign trade, I agree with the Senator from North Dakota that this country should be just as aggressive as any other country on the globe in soliciting foreign trade. I would be only too glad to join the Senator if, when that time comes, it should be necessary to amend this act, or any other act, in order to be sure that we have representatives in foreign countries wherever business is obtainable, and that they will be in position to get that business for us.

Mr. LANGER. Does not the Senator agree that that time is here now?

Mr. MURDOCK. No. I say that at the present time the question is not one of the United States obtaining business, but it is one of taking care of the business when it comes.

Mr. LANGER. Does not the Senator agree that three and a half billion dollars is entirely inadequate, and that, as a matter of fact, it should be much larger so that we may establish trade relations at this time with every country in South America before those countries make their deals with some other country which may be a competitor of ours?

Mr. MURDOCK. I admit that $3,500,000,000, in terms of world commerce is not very great, but the Senator must keep in mind the fact that the gold which is already earmarked in this country and owned outside and the dollar holdings throughout the world amounts to about $25,000,000,000. We must consider that fact along with any loans to be negotiated with either the Export-Import Bank or with the International Bank. We must take into consideration that those dollar and gold holdings which already exist will be first expended. That is why I take the position that, instead of the United States Government, or our private enterprises, going out and looking for business, they should keep in mind that in the years immediately following the conclusion of the Japanese war we shall not, in my opinion, lack orders of all kinds. Of course, when that time ends, when normal conditions return and we are confronted with a competitive situation in our efforts to secure foreign trade, I would support the policy of maintaining representatives in every place on the globe whose duty it would be to look after American trade and see that we get our legitimate share of it.

Mr. LANGER. I may say to the distinguished Senator that it is my understanding that during this war, especially during the latter part of the war in Europe, England was shipping supplies to South America. England has been establishing trade in South America. As a matter of fact, England is further ahead in her South American trade than is this country.

Mr. MURDOCK. My information as to England is this: That her export business has diminished to a negligible point because of the fact that a great proportion of her entire productive capacity is now and has been for a long time devoted to the war effort. That statement applies to her shipping as well. It is also devoted to the war effort. One of the serious problems in England is to reestablish her export trade. In my opinion, in order to have a healthy economic situation throughout the world, England must again develop and establish her export business.

Mr. LANGER. It is my understanding that England has bought most of the sugar in South America and in Cuba.

Mr. MURDOCK. I assume that England has certainly exercised every power at her command to purchase all the sugar she can purchase in order to meet her essential needs.

Mr. LANGER. In this country we have a shortage of sugar. Would the Senator say that the situation to which I have referred is a form of competition?

Mr. MURDOCK. No; I say that probably the reason for our shortage in this country is that the Philippine Island sugar industry, which is a very substantial part of the sugar industry of the world, has been completely wiped out. When a great producer of sugar is taken out of the picture, as the Philippine producers have been taken out, and the burden of supplying sugar is transferred to the Cuban growers and to the cane and beet producers of the United States, there cannot help but be a shortage. We must also keep in mind the fact that

we consume probably as much or more sugar today than we have ever consumed in the past.

Mr. LANGER. I understand that, but of the sugar which is available in South America and in Cuba, is it the Senator's understanding that England has obtained most of it?

Mr. MURDOCK. I cannot say that England got most of it, but in order for England to exist I am sure that she must have a substantial part of that South American and Cuban production. I assume that the division of the sugar crop in Cuba among the United Nations is certainly by agreement. I believe that any sugar which England is now receiving from Cuba is received under an agreement with the United States.

Mr. LANGER. Let us assume that a corporation in Africa wishes to obtain electrical and other machinery for the purpose of building a large dam in order to irrigate, say, a half a million acres of land on which would be raised crops in competition with the farmers of this country. It would be entirely within the discretion of the Board, as I understand, whether or not a loan for the purchase of the machinery would be granted. Am I correct?

Mr. MURDOCK. I cannot conceive of the Export-Import Bank making a loan purely for reclamation purposes in some other country unless the reclamation project involves a great deal of material which must be shipped from the United States to that country.

Mr. LANGER. That is what I am inquiring about.

Mr. MURDOCK. Of course, if an application of the kind to which the Senator refers should come to the Export-Import Bank, and the purpose of the loan is to build a great multiple-purpose dam, such as a great irrigation dam for the control of navigation and floods, and involves, let us say, the installation of numerous electrical generators, as well as other equipment, which in turn will involve the purchase in this country of a hundred thousand tons of cement, and vast tonnages of reinforcement steel, then certainly the Export-Import Bank will consider the application for the loan. If it was a good loan, considering the grade of securities which were available here from exporters of cement, steel, and electrical equipment, then I would assume that the bank would make the loan. I do not think that any Government agency of this kind, or any private agency, can consider that the fact that the production of agricultural commodities in some other country may come in competition with us would be a basis for the denial of a loan.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. MURDOCK. I yield for one more question from the Senator from North Dakota, and then I will yield to the Senator from Iowa.

Mr. LANGER. Can the Senator from Utah tell us the largest loan that has been made by the Export-Import Bank and the smallest loan?

Mr. MURDOCK. I am advised that the largest loan is a $50,000,000 loan to China and the smallest a loan of $2,000.

Mr. LANGER. I am very thankful to the Senator for the information. I may add that I am not a member of the committee, and the only opportunity a Senator who is not a member of the committee has to obtain information is to ask some member of the committee. I think the Senator from Utah has done a good job in explaining the matter.

Mr. MURDOCK. I thank the Senator from North Dakota; I am always glad to yield to him, and I admire his vigorous interest in all questions coming before the Senate.

Mr. HICKENLOOPER. Mr. President——

Mr. MURDOCK. I yield to the Senator from Iowa.

Mr. HICKENLOOPER. Mr. President, first let me say that I am familiar with the operations of the Export-Import Bank; I think it has been successful, and I expect to support it; but, apropos of what has gone on and what is happening to our foreign trade, I think it would be rather interesting to read excerpts from a letter I have which has just been written by a manufacturer's agent in Venezuela. It is quite significant at least at this time as to our neglect of our foreign trade at this moment.

Mr. MURDOCK. I am happy to yield to the Senator for that purpose.

Mr. HICKENLOOPER. Discussing orders he had to cancel because he could not get deliveries in this country, his letter states:

FEA and WPB had better take full cognizance of the fact that English, Swedish, and Swiss manufacturers' agents are out taking orders from all comers for all kinds of equipment and offering deliveries from 30 to 90 days ex-factory with no priority requirement.

A client of ours just canceled an order for a 200 hp. Cleaver-Brooks boiler for a textile mill, which we had on order for the past 6 months and were unable to obtain priority, on the grounds that England was offering him an equivalent boiler at a lower price and for 90 days' delivery ex-factory. We can't blame him, as WPB has been fooling around 6 months and still hasn't assigned the priority on the grounds that the boiler is not necessary. Nevertheless, they approve a high priority for the structural steel required for a 7-story office building which damn well could have been built of reinforced concrete as dozens of others are being built here. There is enough steel in the aforementioned structure to build 100 boilers and 1,000 hoists.

I may say that the subject of this letter was a cancellation of orders for hoists which they were unable to deliver.

We here have stopped trying to figure out some of the decisions being made by FEA and WPB as we always come out with the same answer. We know that a terrible war has just ended and that we still have a tremendous war to win in the Pacific. However, we still have an even more tremendous economic war ahead and while other countries are making great headway in securing a sound position for themselves in this "postwar war," we sit around and sew the seeds of more ill will with clients anxious to do business with us. Who can blame these clients for swinging back to the European market; prices are lower and deliveries quicker. Instead of asking us fellows here who are trying to hold onto these markets for the United States and American manufacturers if we know a war is going on, we believe the question would better be put to England, Sweden, Switzerland, and others.

The Oerlikon factory in Switzerland is offering electric motors, generators, and other electrical equipment based on delivery 6 weeks ex-factory; we still quote 10 to 12 months after receipt of priority.

England just took an order here for 1,000,000 square feet of asbestos cement sheets at 9 cents per square foot based c. i. f. Maracaibo, while our net cost on which we based a competition bid was 13.6 cents per square foot.

As a result of your letter of May 9, and as you request, you may consider our order No. 5007 officially canceled.

We will order these hoists from England as England always delivers the goods—don't think they are kidding with that slogan. A boatload of asbestos cement sheets and piping valves and fittings (bronze included), paint and paint-coloring materials, etc., just arrived last week.

This is a letter, Mr. President, written to a manufacturer in this country who photostatted it and sent it to me. He can fill no orders. He is an exporter of some size, and he is tremendously concerned about the loss of the market because of inability to deliver, while at the same time our allies, apparently, are delivering metal and machinery, and equipment and tools and all manner of supplies to the South American market, and at a lower price.

Mr. MURDOCK. Mr. President, in reply to the observations made by the able Senator from Iowa, I may say I have no doubt that situations such as he relates are occurring and that mistakes have been made by the War Production Board and by FEA, but Switzerland, Sweden, and some of the other countries which might be mentioned have not the responsibility at this time of defeating Japan. That is almost exclusively our task and that of Great Britain. I cannot condone the situation to which the Senator refers, but it is my hope and my belief that it is the exception rather than the rule, and I think that the situation with which we are confronted will not be one of lacking business, for in my opinion we will have plenty of it.

Mr. BARKLEY. Mr. President——

Mr. MURDOCK. I yield to the Senator from Kentucky.

Mr. BARKLEY. In connection with that letter or any similar complaint that might be made by representatives of American manufacturing plants in South America or elsewhere, I think it ought to be said that none of our plants can export to any part of the world for foreign domestic use and consumption as a peacetime operation anything that is not released by the War Production Board, the FEA, and the War and Navy Departments, all of them working together to see that the war is served first, and that nothing can be sent out of this country that is essential in the manufacture of war materials. So, as the Senator from Utah said, Switzerland, Sweden, and other countries which are not in the war are not laboring under any such restrictions; they do not have to consult anybody about exporting stuff to other countries.

So far as England is concerned, of course everyone knows that England is making a feverish effort to get something manufactured which she can ship somewhere in order to help her pay for imports, and to pay her debts and some of the war expenses.

Mr. MURDOCK. Is not the United States Government intensely interested in aiding Britain in building up again her export trade? Englar d cannot come out of the present situation without some help.

Mr. BARKLEY. Undoubtedly. It is to our economic and financial advantage that she do build up her export trade, because the more completely she can pay, the more rapidly she can do it, the more we are relieved from any obligation to assist financially or economically in the rehabilitation of a country which must rely upon its exports in order to live.

Mr. BUSHFIELD. Mr. President, will the Senator from Utah yield?

Mr. MURDOCK. I yield.

Mr. BUSHFIELD. As I understand, the Export-Import Bank has been in existence for about 11 years.

Mr. MURDOCK. I think the Senator is correct.

Mr. BUSHFIELD. An amount in excess of a billion dollars has been handled by the bank in that period of time, and there are about $200,000,000 left in loans at the present time. Am I substantially correct?

Mr. MURDOCK. From its organization to June 30 of this year the Export-Import Bank has authorized loans aggregating $1,269,000,000. Of these total authorizations, $429,000,000 were canceled, either because the applicants found they did not require the loans or arranged to obtain necessary credits from private sources. Actual disbursements have amounted to $504,000,000, of which $290,000,000 has been repaid.

Mr. BUSHFIELD. That leaves a little more than $200,000,000 in outstanding loans now, does it not?

Mr. MURDOCK. I think, besides that, there are commitments.

Mr. BUSHFIELD. I understand there are commitments.

Mr. MURDOCK. It brings it up to very near the maximum limit of $700,000,000.

Mr. BUSHFIELD. Can the Senator tell me about what the losses have been during the existence of the bank?

Mr. MURDOCK. I am advised that the total losses, that is, loans in default, up to this time, approximate $250,000.

Mr. BUSHFIELD. Even that does not necessarily mean that those are all total losses, does it?

Mr. MURDOCK. No. I think the bank is very hopeful of being able to work out most of those satisfactorily.

Mr. BUSHFIELD. From the experience of 11 years it would appear to me that the bank has been operated upon an extremely splendid pattern.

Mr. MURDOCK. I agree with the Senator.

Mr. BUSHFIELD. If it is operated in that way—and I have the impression that this particular bank is operated in an excellent manner—it is something for us to be very thankful for and to be interested in, and I am interested in knowing whether the bank is operated upon a banking basis.

Mr. MURDOCK. I am sure that the figures the Senator will find in the report indicate that it is operated in a very businesslike way.

Mr. BUSHFIELD. I thank the Senator.

Mr. BARKLEY. Mr. President, will the Senator from Utah yield?

Mr. MURDOCK. I yield.

Mr. BARKLEY. I think it is true, and should be stated in that connection, that while the total loans in default amount to about $250,000, the profits of the institution offset that, so that on the whole there is no loss in the operation of the Bank.

Mr. MURDOCK. The profits are stated in the report to be $42,000,000.

Mr. BARKLEY. Of course; so that the $250,000 in default, even if it were all lost, is insignificant in comparison with the profits.

Mr. MURDOCK. Mr. President, I have nothing further to say unless there are further questions, and I yield the floor.

Mr. TAFT. Mr. President, I believe we should pass the bill increasing the capital stock of the Export-Import Bank, but I should like to make it perfectly clear what the purpose of the bill is, and to read some of Mr. Crowley's testimony to show its purpose. I think this is the last time the capital of the Bank should be increased, and I do not think the reasons which apply this year will be likely to apply again.

The Export-Import Bank was formed in 1934. At that time it had a total capital of $11,000,000. In 1939 it was increased to $100,000,000; in March 1940, to $200,000,000; in September 1940, to $700,000,000; and it has had a capital stock of $700,000,000 since that time.

Now it is proposed suddenly to increase it to $3,500,000,000—five times its present capital. The purpose of this increase really is not at all in line with the original purpose of the Export-Import Bank, and I think that ought to be clearly understood. The history of the Bank has been in general successful. It has loaned money. When it was formed its main purpose was—and that is the argument made for it today, I think rather inaccurately—to help finance American exporters. It can serve a very useful purpose and has served a useful purpose by helping American exporters extend credits to South America and elsewhere which the ordinary American bank is not willing to finance. In many countries it has been customary to give 2 or 3 years' credit, even 5 years' credit. Our banks are not willing to finance for so long a period, and most of our exporters, unless they are very large companies, cannot do it themselves. Also, there is some risk that they do not like to take, particularly small exporters who do not have the facilities to examine credits in South America and other countries, and the Export-Import Bank serves a very useful purpose in that respect, and has done so.

But now really the Export-Import Bank has two functions. One is the function I have just mentioned and the other is the political function of making loans to governments. That function has not been very widely used, although I think there have been some direct Government loans made by the Export-Import Bank to Brazil, and, I believe, to Mexico, although usually for particular projects. We financed the construction of a steel mill, for instance, in Brazil at one time, and I think that project was desirable, even though it does create competition for our own manufacturers.

It has been urged that this particular increase is for the purpose of increasing American exports. I do not believe that that is in any way its real purpose. Furthermore I do not believe that lending on such a scale as $3,500,000,000 to be spent in a single year is properly a function of the Government. I do not believe we ought to undertake by loans to governments to build up a supply of dollars abroad that can be used to pay for exports from this country.

The distinguished Senator from Utah [Mr. MURDOCK] said that this increase will open up to American producers and manufacturers the largest market that ever awaited them. That is not true, either, because the American market is probably five times or ten times as large as any world market the American manufacturers will ever have, and the American market will always be the best market they can secure. Furthermore, I do not believe that foreign trade financed by loans from this country in more than a reasonable amount, representing the real desire of our people to invest abroad, is a sound method of increasing foreign trade. We should only build up a foreign trade based on exchange profitable to both sides.

The real purpose of this fund, however, is to give the Government $2,800,000,000 to loan foreign countries for rehabilitation, and only for the next 12 months. Mr. Crowley's testimony made it clear that when we pass this bill we will be providing for foreign countries for rehabilitation purposes, possibly including some relief, although UNRRA was supposed to take care of relief outside of this, about $7,000,000,000 during the next 12 months, as $4,400,000,000 is to go abroad under lend-lease, distributed to various countries. Of the $4,400,000,000, Mr. Crowley testified that $1,700,000,000 would be food from the United States, although we are necessarily short of food. I believe, however, that we can properly and we should set aside that amount of food for shipment abroad.

Now we add to the $4,400,000,000 this $2,800,000,000 which Mr. Crowley says is to last for only 12 months. In effect, what this is for is to supplement lend-lease. Although lend-lease is being used, in my opinion, for reconstruction purposes, contrary to the intendment of the act, still I think the officials in charge feel they cannot press it any further. Having obtained an appropriation of $4,400,000,000 for the current fiscal year begining the first of July, they feel that that is just about as far as they can possibly go.

I may say, referring to the lend-lease provision, that Mr. Crowley says the figure may be reduced. In committee I asked him the question:

Now Mr. Crowley, unless the war ends immediately or within the next few months,

there is not much chance that this figure will be reduced any, this $4,000,000,000 figure?

Mr. CROWLEY. No; I would say not. I would say not, Senator.

I asked him:

But if it is ended immediately it might be reduced?

Mr. CROWLEY. Well, certainly a very large part of it would be saved if it ended immediately?

Senator TAFT. Yes.

Mr. CROWLEY. Or in the next 6 months, a large part of it would be saved.

Senator TAFT. But if the war goes over 6 months, probably there won't be much saving, is that right?

Mr. CROWLEY. Not a great deal.

So that if the war continues for 6 months, this lend-lease expenditure will be run up to $4,000,000,000 or so. But then we run out of lend-lease funds, and this proposed increase of $2,800,000,000 is for loans to European governments primarily to supplement lend-lease.

Mr. President, I only want to say, first, that I think that with $4,400,000,000 of lend-lease funds, plus the $2,800,000,000 for the Export-Import Bank, or a total of $7,000,000,000, we are doing our full share toward the rehabilitation of Europe. I made that statement yesterday. I do not think as I made clear yesterday, that the new International Bank is needed. Yet, it is clear that the International Bank is a permanent institution. It probably will not be available during the next 12 months. Now that we have passed th bill it is not a bargaining weapon that can be used further by our Government in securing anything that we may wish to secure, and I believe that the pending bill does furnish, with lend-lease, the only means, the only bargaining weapon we have in a financial sense to secure such concessions as may be necessary from foreign governments to assist in securing a stable peace or in securing the opening up of trade markets to the exports of the United States.

Mr. VANDENBERG. Mr. President, may I ask the Senator a question?

Mr. TAFT. I yield.

Mr. VANDENBERG. Do any of the figures which the Senator has given include the obligation which we inevitably confront in respect to the recuperation of the Philippine Islands?

Mr. TAFT. No. The question occurred to me that the pending bill as drafted does not permit loans to the Philippine Islands, and I think the sponsors of the bill might wish to consider an amendment to make such loans available, although there will be other legislation, I understand, to assist the Philippine Islands. Still it is clear that, apparently, the Export-Import Bank funds are to be used only to assist exports from the United States and its possessions to foreign countries, and the Philippines will not be a foreign country until they secure their independence a year from this time. So that, as I see it, the bill will not aid the Philippines during the 12-month current period.

Mr. VANDENBERG. Then the general figures the Senator has given do not include any estimates in respect to the Philippine Islands?

Mr. TAFT. No; I think not.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Maryland, who may have some further explanation to make.

Mr. TYDINGS. I think the Senator's position is an accurate one with reference to the Philippines. It certainly is doubtful whether they would be within the purview of the act. I have submitted to the Senator in charge of the bill an amendment which I have asked him to favor, which would remove any doubt about the ability of the Filipinos to take advantage of the operations of the Export-Import Bank. I agree with the Senator that at the present time it is not clear whether or not they could come in under it. They certainly ought to have as much right as any other nation to come in under it.

Mr. VANDENBERG. They have a primary right. If we have any obligation abroad, it starts in the Philippines.

Mr. TAFT. Under the terms of the bill which we are considering, the Export-Import Bank is authorized to make loans, and so forth, "for the purpose of aiding in the financing and facilitating of exports and imports and the exchange of commodities between the United States or any of its Territories or insular possessions and any foreign country or the agencies or nationals thereof." So it seems clear that it would not cover loans to the Philippine Islands.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MURDOCK. I am in full agreement with the statement which the Senator has made with reference to the Philippines, and the statement made by the Senator from Michigan. However, we are again confronted with the parliamentary situation of the House not having a quorum. A single objection could stop the legislation and delay it until after the recess.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. While it is undoubtedly true, under the language of the bill, that loans could be made for the purpose of financing exports from the United States to the Philippine Islands——

Mr. TAFT. Not for that purpose.

Mr. BARKLEY. It does not seem possible that a loan could be made to the Philippine Islands for the purpose of exporting goods from the Philippines to some other country. In view of the contemplated comprehensive legislation which we expect to take up soon in regard to the Philippine Islands, and in view of the parliamentary situation, I doubt very much the wisdom of attempting to deal with that subject in this bill. I do not want to do anything which would delay enactment of the pending bill, because the Export-Import Bank is out of money. Its lending ability is exhausted, and if it were forced to wait until October or November, its functions would certainly be crippled.

Mr. TAFT. However, the same parliamentary situation exists with respect to both bills passed yesterday. I do not know that we would add anything to our problem by amending this bill if an amendment seemed wise.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. I should like to ask the Senator from Ohio or the Senator from Maryland whether it would not be better, rather than to try to amend this bill, to have the whole Philippine problem put before us as one problem, involving individuals and the Government, and involving our obligations to ourselves? Should not the necessary legislation be enacted separately at the proper time, rather than placed in this bill by an amendment, whereby we should never know what was done with relation to the Philippines except indirectly through the Export-Import Bank officers?

Mr. TAFT. That is true; and yet the Fillipinos need aid. They know that they are entitled to greater consideration than is the rest of the world; and yet they come here and find agencies already established which cannot help them. Such agencies can help every other country in the world, but they cannot help the Filipinos. If there is no legislation dealing with the Philippines, we are placed in an awkward situation. On the merits of the question, apart from the procedural problem, I should say that such an amendment ought to be included in this bill. I do not think we could lose anything by it.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TYDINGS. I understand that the Philippine Government now has an application pending for a loan of $60,000,000. That is due to the fact that the municipal governments and the provincial governments in the Philippines are to a large extent without money. They have had no tax collections for 3 or 4 years, and it is very difficult for them to finance the police forces, for example, in some of the smaller towns, because everything is in a chaotic condition in those places. However, I understand that it will be possible, if the government wishes to make the loan, to get the money from other sources. I am advised that their application for such money as we feel we should like to lend them can be accommodated whether an amendment to this bill is adopted or not. Therefore, so far as I am personally concerned, I have no objection to letting the Philippine provision wait until we meet in the fall, much as I should like to see it adopted now. I am advised from the other end of the Capitol that if an amendment is added to the pending bill, it may delay enactment of the bill to such an extent that the amendment may not carry out the purpose for which it is intended.

Mr. TAFT. Let me ask the Senator from Maryland whether in his opinion the RFC could make a loan to the Philippine Commonwealth today?

Mr. TYDINGS. In my opinion the RFC, or some of its subsidiaries, could make a loan to the Philippine Commonwealth.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. TOBEY. I should like to address a question to the Senator from Maryland. To the Senator's knowledge, are there any outstanding Philippine bonds which are guaranteed by the United States Government, or have they all been paid off?

Mr. TYDINGS. I suppose the Senator is referring primarily to railroad bonds.

Mr. TOBEY. Yes.

Mr. TYDINGS. I understand, from a partial exploration of that question, that we have no legal obligation to guarantee such bonds. However, we are in the position of having morally endorsed the bonds, because we have more or less floated them for the Filipino Government. I am advised that, from a strictly legal standpoint, we are not obligated, but some persons think we are morally obligated. Others think we are not.

Mr. TOBEY. There were some issues of Philippine bonds which were guaranteed definitely by endorsement of the United States Government. I assume that those have been retired.

Mr. TYDINGS. I do not wish to give the Senator a definite answer, because I might be in error. My opinion is that there are none with respect to which we are legally obligated. If there are any at all, the number is very small.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. LANGER. If the pending bill were enacted, could the Export-Import Bank make loans to governments notwithstanding the Johnson Act?

Mr. TAFT. The bill expressly provides that the Johnson Act shall not apply to such loans.

Mr. LANGER. Then if the bill were enacted, such loans could be made, even though the Johnson Act were not repealed?

Mr. TAFT. Yes. As a matter of fact, my impression is that such loans can be made today, regardless of the Johnson Act. As I understand, the Johnson Act does not apply to loans made by the RFC or the Export-Import Bank. I am subject to correction in making that statement, but my impression is that it applies only to private loans to the governments concerned or their municipalities. I do not believe that it applies to government institutions.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. BARKLEY. The Senator's interpretation is correct. The Johnson Act prohibits private loans by citizens of the United States to governments which are in default, but it does not prevent a loan by the United States Government or any of its Government-owned corporations.

Mr. TAFT. I do not quite know why the provision with respect to the Johnson Act is in this bill. It clearly exempts such loans from the provisions of the Johnson Act, even though they might otherwise be exempt.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. A while ago the Senator stated that the policy which heretofore existed with respect to the Export-Import Bank was to be changed, in that it would be used for other purposes than to expand our foreign trade. Will the Senator be a little more specific?

Mr. TAFT. I do not think that is quite what I intended to say. Of course, loans to governments may be made, and the borrowing governments may be required, as a condition of obtaining the loans, to buy goods in this country, which would result in exports. But there are two functions of the Export-Import Bank. I should like to see those functions separated by statute. Certainly the board should separate the two functions. One of those functions is to help American exporters. For example, a small-business man in Cincinnati who has machine tools which he can sell in Brazil should be helped to get orders for machine tools in Brazil. He should be enabled to ascertain the credit standing of the prospective purchasers in Brazil, and then perhaps enabled to extend a 3-year credit, which the British or German exporter can extend. It is a direct service to American exporters.

Mr. ELLENDER. Why could not that be accomplished under the terms of the law as it now exists?

Mr. TAFT. The other department or function has to do with direct dealings with governments. For example, if we lend $1,000,000,000 to Russia, as is proposed under the terms of this bill, Russia will select the goods which she wishes to buy in this country. We are not going to help our exporters. We are going to deal with Russia. Perhaps we will require Russia to buy in this country, but undoubtedly Russia will select the goods, and we shall have no further function in assisting our exporters. It is a different kind of approach. The net result is claimed—properly, no doubt—to result in the increase of American exports if an increase brought about by lending money is a sound proposition.

But one is kind of a service agency to American exporters and the other is really a political matter of loans to governments.

Mr. ELLENDER. Suppose we had simply amended the act by increasing the capital of the Bank. Could not the Bank have made loans to Russia?

Mr. TAFT. Yes. I objected when the funds of the Bank were increased from $200,000,000 to $700,000,000; I objected on the ground that the Bank was going into the business of making loans to governments. As a matter of fact, it was; it was making loans to Brazil and Mexico.

When we have a bank which becomes involved in large figures such as billions of dollars, I think it forgets the exporters and does not really do what it was created to do, namely, help the exporters, the businessmen.

Mr. ELLENDER. Does the record show whether money was loaned to any foreign government other than Brazil?

Mr. TAFT. I do not know; I have not gone into that matter, and I cannot tell the Senator. The amounts involved at that time have now become, seemingly, so small as compared to what we are now dealing with that I, perhaps, have lost interest in the size of those loans.

Mr. ELLENDER. Does the record show whether the Export-Import Bank has made profits?

Mr. TAFT. Yes; the Bank has made profits. The Senator will find a statement of that in the report. I think there may be some outstanding loans; but the loans are in very good shape at the present time, so far as we can see, and I have no doubt that nearly all of them will be repaid.

They say:

> The earnings of the Bank from its organization to date, after payment of all administrative expenses, have amounted to approximately $42,000,000.

That has been in a period of approximately 10 years, so it amounts to approximately $4,000,000 a year. If the Bank were an ordinary bank, it would have paid taxes perhaps to the extent of half of that sum. But the Bank has had a profitable operation.

Mr. ELLENDER. I thank the Senator. I will further inspect the report.

Mr. TAFT. Mr. President, I have made the point that I should like to see the Bank divided. At this time I should like to read some of the testimony of Mr. Crowley to show just what the proposal is. I asked Mr. Crowley:

> Why not use the International Bank? Why loan some of our money one way and some the other?

This was his reply:

> The International Bank for Reconstruction and Development is intended, it is true, to be a major source of large-scale and long-term credit for the rehabilitation of the war-torn countries and the building up of economically underdeveloped countries. Our participation in the International Bank has now been approved by the House and by this committee and will be approved shortly, I trust, by the Senate. At best, however, the International Bank cannot be in effective operation for a year or 18 months. A strengthened Export-Import Bank is therefore urgently needed during the period just ahead, to provide the necessary financing of our exports in connection with reconstruction and development projects abroad. There will be no other governmental source of dollar credits for this purpose.

That statement is not quite correct, because Lend-Lease, I think, could be said to provide some $4,400,000,000 worth of credits; but perhaps technically the state is a correct one.

Mr. Crowley further said:

> It is believed that this proposed lending authority of the Export-Import Bank may suffice to meet the essential need for sound financing of exports during the present fiscal year. By the close of the year it should be possible more accurately to determine the character and scope of the demands for the assistance of the Bank.

In other words, Mr. President, the fact that this is not the same thing that we have had before is perfectly evident, because for 10 years we have gone on with $700,000,000, turning that over in the form of short-term loans; and now, all of a sudden, we are going to add $2,800,-

000,000, and we are going to lend it all in permanent loans in a period of 12 months. So it is perfectly clear from Mr. Crowley's testimony that the $2,800,000,000 is something different, and is really a matter of political policy in making loans for reconstruction and development.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. A moment ago I found the answer to the question I asked a while ago about the earnings of the Bank. Evidently the Bank has been very well and satisfactory managed.

The next question I had in mind at the time I was seeking information as to the way the Bank was managed is, Why is it that the committee saw fit to change the management of the Bank, as provided for in section 3 in the light of such a fine showing by the present Bank management? Does the Senator know the reason for that?

Mr. TAFT. I do not know, except as I understand the situation the Bank has been batted around a good deal. It was an independent agency for a while. Then in 1939 it was transferred to the Federal Loan Agency, and then in 1942 it was transferred to the Department of Commerce, and then in 1943 it was transferred to the Office of Economic Warfare, and then at the end of that year it was transferred to the Foreign Economic Administration. The Bank is tired of being batted around, and it wishes to be an independent agency, directly under the President.

Mr. MURDOCK. Mr. President, will the Senator further yield?

Mr. TAFT. I yield to the Senator from Utah, if he, perhaps, can answer the question of the Senator from Louisiana better than I can.

Mr. MURDOCK. I think the answer to the question is that at the present time there are 11 directors, and they are all part-time directors, selected from different departments of government. While the Bank has, in my opinion, done a very outstanding and successful job in making the loans, it is thought by the persons presently associated with it that if there could be at least three full-time directors in the directorate, it would be better than the present rather promiscuous directorate coming from different departments. So the result would be that there would be two part-time directors and three directors who would devote their entire time to the business of the Bank.

Mr. ELLENDER. The additional change proposed is that they would be responsible to the President, rather than to the Foreign Economic Administrator.

Mr. TAFT. There is another matter which should be made clear. Under the Bretton Woods plan we have created a council of five men under the chairmanship of the Secretary of the Treasury, and under that plan, as I understand it, they are given power to boss the general policies of the Export-Import Bank and coordinate them with those of other lending authorities, namely, the man on the International Bank and the man on the International Fund. So the Export-Import Bank will not be quite the independent agency it set out to be when it drew up this bill.

Mr. ELLENDER. After the enactment of the pending bill, who, aside from the Chief Executive, will supervise its functions?

Mr. TAFT. No one except the president and the Board created under the Bretton Woods bill to coordinate all policies of foreign lending.

Mr. President, in order to show what the money is to be used for, I should like to read further from Mr. Crowley's testimony. I asked him whether $1,000,000,000 of it was to be loaned to Russia. After some discussion which I shall not read, he said:

I would say that in working out the proportion of money, it would be fair to assume, with the size of Russia and the necessity for exports, that from $750,000,000 to $1,000,000,000 would be a reasonable amount to expect that they would get out of this allocation.

He further said:

What I think of the Export-Import Bank situation is this: That during the next 12 months it gives this Government a chance to study its foreign loans and we may determine how far we may want to go in appropriating more money for foreign credits.

Mr. President, unfortunately we have gone right ahead without waiting for that study, and we have appropriated approximately $6,000,000,000 under the Bretton Woods agreements bill, in addition to the lend-lease funds and to this $2,800,000,000.

Mr. Crowley further testified as follows:

This is the amount of money that we feel can reasonably be used during the next 12 months in meeting requirements that we feel are necessary in order to handle our export trade, plus some loans to those governments that will enable them to rebuild their economy.

If Russia gets a billion dollars, after that you have $1,800,000,000 left for countries like Belgium, Holland, Denmark, and Norway, as well as other countries. My experience with Belgium, Holland, the Netherlands, and Denmark is that they are taking hold, are rehabilitating themselves, and that it is of advantage to us to assist them economically in getting back on their feet.

I asked him this question:

Mr. Crowley, what about the British? Is there anything in here contemplated for the British?

He replied:

There is no obligation from the British, Senator, and I do not see how, in $2,800,000,000, that there could be enough money available here to take care of any large amount of aid to Britain from that source, because when you realize the number of countries that are going to call upon us for export help, and assuming that Britain and France may want a substantial amount of it, there is not very much left for Great Britain.

I think that, instead of the words being "Britain and France," they should be "Russia and France."

I continue reading:

Senator TAFT. Well, then, I understood you to say that that leaves a billion eight million for the other countries in Europe, I suppose including other countries outside of those you mentioned, perhaps; but, as I understand it, none of it is intended to go, for instance, to South America.

Mr. CROWLEY. Oh, yes.

Senator TAFT. The seven hundred million you have already got is enough for South America, is it, or——

Mr. CROWLEY. Well, we made some loans. We always have some loans that are being made to South America, and a hundred or two hundred million dollars set aside, Senator, would undoubtedly take care of most of the demand in South America during the next year.

Senator TAFT. I see. Well, supposing that a man wanted to export textile machinery to England, would that be the occasion of help from this fund?

Mr. Crowley finally made the following statement:

If you are going to talk about a billion dollars to England or a billion dollars to Russia, then it is fair to expect that two billion eight would take care of our other requirements, but I think there is sufficient money in here to take care of a sizeable amount of the demand that we will get from Russia, and we will be able to take care of a reasonable request of a few hundred million dollars for textile machinery and things like that for Russia, if we can get it.

Senator TAFT. They have to have the best modern American textile machinery to compete with our textile mills under the new tariff law. I think it is important they get it.

Senator BARKLEY. That is res adjudicata.

So, Mr. President, I think the Senate should understand what the $2,800,000,000 is for. It is to be added to the lend-lease funds which we shall be compelled to give in order to secure the rehabilitation of Europe. It is the only fund by whcih the present emergency can be taken care of. As I pointed out yesterday, the Bretton Woods agreements are wholly unsuited and insufficient for the purpose.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ELLENDER. Can the Senator point out how the Export-Import Bank is able to obtain better securities for its loans to foreign governments than the International Bank created by the Senate on yesterday? In other words, will not the two banks function almost in the same way insofar as loans to foreign governments are concerned?

Mr. TAFT. I think that the Export-Import Bank is a better medium than the so-called International Bank.

Mr. ELLENDER. That may be. I am referring to the question of securities for the loans actually made. In making a loan to a foreign government and in requiring security therefor, are not both banks on the same level, that is are they not in the same position for demanding similar kind and quality of security?

Mr. TAFT. Yes; except that in the case of the Export-Import Bank we may designate what the security shall be, and in the case of the International Bank a board of directors, consisting primarily of European representatives, will say what security shall be required. I think that from our standpoint it would be safer to follow this plan than to leave the discretion to the International Bank.

Mr. ELLENDER. That may be true but, as I understand the Bretton Woods proposal establishing an International

Bank, we have retained the power of vetoing the granting of any loans before the money actually passes.

Mr. TAFT. Yes. I think perhaps that is true.

Mr. ELLENDER. Then there seems to be little or no difference between the two banks in respect to the kind and quality of security that they would respectively require when dealing with foreign governments.

Mr. TAFT. Under the International Bank we are forbidden to require that the dollars which are loaned and obtained from the sale of securities in this country, shall be used to buy goods from this country. Under the Export-Import Bank arrangement we may insist upon such requirement, and we usually do.

Mr. ELLENDER. I understood that, but my inquiry has to do with the form and quality of security and not——

Mr. TAFT. I may also say that under the present arrangement we may say to a nation, "You have unsound security, and unless you balance your budget we do not think that a loan to you will be repaid." Under the Fund we may not say that. The nation is entitled to draw the money without such a condition being attached.

Mr. ELLENDER. As a matter of fact, in the operation of the International Bank do we not force a nation to do so indirectly?

Mr. TAFT. When a veto is provided under the Bank?

Mr. ELLENDER. No; I mean since all nations desiring loans are forced to stabilize their currencies and put them in order before they are in good standing with the Bank. In other words, as I understand the Bretton Woods proposals, before a loan is considered for a nation that nation must belong to the International Bank and must also be a member of the Stabilization Fund. Before a loan is made to a country, it will be necessary that the country seeking the loan stabilize its currency.

Mr. TAFT. I do not wish to return to the argument which was made yesterday, but I tried to point out that we are expressly forbidden to require a nation to remove exchange restrictions. We permit it to devaluate its currency, and must allow it to do anything else which it may wish to do in accordance with its political policies.

Mr. ELLENDER. The point I wish to make is that inasmuch as the International Bank which was created yesterday must be operated in conjunction with the Stabilization Fund, and inasmuch as all countries that choose to do so must become members of the Fund and the Bank in order to secure loans, the Export-Import Bank is in no better position to obtain securities of a better kind and quality than the International Bank. Then if we add to that our power of veto as to all loans, we do not need to fear that our venture will bring total losses, as was argued on the floor of the Senate this week.

Mr. TAFT. I think we are in a much stronger position so far as the Export-Import Bank is concerned. We are not just 1 member of a board of 12. Furthermore, I may suggest to the Senator that at the present time President Truman, who is now in Berlin, is in position to say that if certain things are done, and certain policies are conformed with, an Export-Import Bank loan may or may not be made. He has complete discretion, and he may impose any conditions he pleases in connection with making a loan. The International Bank has no such control. That money has gone. The fact that at some time in the future our people may have a possible veto power over the granting of a loan is a very poor weapon under present circumstances.

Mr. ELLENDER. Yes; but that veto power exists and may be exercised before the loan is consummated.

Mr. FERGUSON. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. FERGUSON. I should like to inquire of the Senator from Ohio as to section 11, in relation to repeal. Is it a repeal or a partial repeal of the Johnson Act? I have the Johnson Act before me, and it provides:

> That hereafter it shall be unlawful within the United States or any place subject to the jurisdiction of the United States for any person to purchase or sell the bands, securities, or other obligations of, any foreign government or political subdivision thereof or any organization or association acting for or on behalf of a foreign government or political subdivision thereof, issued after the passage of this act, or to make any loan to such foreign government, political subdivision, organization, or association, except a renewal or adjustment of existing indebtedness while such government, political subdivision, organization, or association, is in default in the payment of its obligations, or any part thereof, to the Government of the United States.

Section 2 provides:

> SEC. 2. As used in this act term "person" includes individual, partnership, corporation, or association other than a public corporation created by or pursuant to special authorization of Congress, or a corporation in which the Government of the United States has or exercises a controlling interest through stock ownership or otherwise.

There appears on page 9 of the pending bill the following provision:

> SEC. 11. Notwithstanding the provisions of the act of April 13, 1934 (48 Stat., ch. 112, p. 574), any person, including any individual, partnership, corporation, or association, may act for or participate with the Export-Import Bank of Washington in any operation or transaction.

What is meant by the word "participate"? How could an individual participate in one of these loans, and if he could, would it mean a repeal of the Johnson Act?

Mr. TAFT. I do not quite understand why there is any necessity to insert section 11. It seems to me perfectly clear it does not apply to the Export-Import Bank loans. I suppose, however, that the Export-Import Bank may guarantee a loan. An exporter, the General Electric Co., for instance, may export an electric generator to England, and the Export-Import Bank could simply guarantee the loan, instead of making the loan itself, in which case I suppose the General Electric Co. would be forbidden by the Johnson act to make the loan. I presume that under section 11 the General Electric Co. could manage to make the loan, in spite of the provisions of the Johnson Act.

Mr. FERGUSON. Provided the Export-Import Bank would guarantee it.

Mr. TAFT. I do not know about guarantees. It reads:

> May act for or participate * * * or may acquire any obligation issued in connection with any operation or transaction engaged in by the Bank.

I suppose "any obligation issued in connection with any operation or transaction engaged in by the Bank" is considered sufficient to cover the case I speak of, if it is handled in a correct manner; I mean not by a direct guarantee but by a joint undertaking and understanding between all the parties.

Mr. BARKLEY. And Mr. President, if the Bank made the loan itself under section 11, it seems that private individuals could purchase an obligation and thereby own it, whereas it could not make the loan itself directly without this provision. That might be a participation. Participation would be where they put up part of the money to make the loan, or I suppose it might be held that participation would be satisfied if a private individual or corporation purchased the obligation of a foreign country for a loan made by the Export-Import Bank. It is in order to get around any confusion in that regard that this section was inserted.

Mr. FERGUSON. Would not repeal of the Johnson Act be a better method to adopt?

Mr. BARKLEY. I think so, and I am for the repeal of the Johnson Act. A bill to that effect is now pending before the Committee on Finance. We have had a hearing on it, and I think the overwhelming feeling in the committee is that the bill should be reported favorably, but for various reasons the committee has not acted upon it. I think when the committee does act it will report the bill favorably. But in the meantime we had a repealer of the Johnson Act in the bill which passed yesterday, insofar as it affects the operations of the International Bank. I agree that the entire Johnson Act should be repealed. It serves no good purpose now, and it is only holding back Americans who desire to make loans to foreign governments in the form of municipalities and subdivisions, for essential work they desire to carry on.

Mr. TAFT. Mr. President, I shall conclude in a moment. My conclusion is that we should pass the pending measure, because it provides for about the only emergency aid that is possible to be given to European countries today, and I think such emergency aid should be extended. I think both the Fund and the Bank are wholly useless for that purpose. I do not think they will accomplish anything for that purpose. I think this additional authority for the Export-Import Bank, together with lend-lease, a total of $7,000,000,000, is a most generous provision. It is a little larger than I thought it should actually be during the next 12 months. I hope very much that lend-lease expenditures may be reduced, as Mr. Crowley suggested. I hope all this money may not be necessary, because even with it all, we are not taking care

of the real trade situation throughout the world.

If this should once be adopted, I think it very doubtful whether we should ever again provide for continuing this policy. I do not like Mr. Crowley's statement that $2,800,000,000 is for 12 months, and he may be back for more. I said he implied that. He said he did not imply it. I am willing to take him at his word, and I hope we may not have to continue emergency relief beyond the 12 months. I hope this very generous provision may be accepted as very ample evidence of our desire to continue international cooperation.

Mr. BARKLEY. Mr. President, by way of clarification I wish to make a brief statement before the vote on the bill. What the Senator from Ohio has said with regard to the probable borrowers from this fund is substantially correct. Mr. Crowley said there was no formal application from Russia at this time to borrow from the Fund, but I think it is reasonable to assume that anywhere from seven hundred and fifty million to a billion dollars will be allocated to Russia. Somewhere between a hundred million and two hundred million will be earmarked for South American countries. That will leave a little more than a billion and a half for other countries, largely in Europe. It will not be necessary to name them, because I do not wish to have the CONGRESSIONAL RECORD even carry any implication that there is any obligation to lend to any specific country, because they might see it if they were named in this debate, but we all understand, in the main, what countries will obtain the money.

In my judgment, the $2,800,000,000 is not, as the Senator from Ohio has said, to supplement lend-lease. Lend-lease stands on an entirely separate and independent basis. The two things are wholly independent of each other. Lend-lease is a war measure. Lend-lease was not conceived by either the President or the Congress primarily as an aid to the countries which will receive lend-lease aid. The act authorized the President to make these loans to any country whose preservation the President of the United States deemed essential to the safety and security of the United States. So that lend-lease was based upon our own safety and security, while Russia has said, through Marshal Stalin, that they could not have successfully fought the Germans without the lend-lease we made available to Russia, and Prime Minister Churchill has said that our lend-lease aid to England played a substantial part in aiding England to fight Germany. That does not rob the act itself of these indications of the basic objective of the loans and leases, which were to aid the United States by preserving and keeping in the war the associated nations which have been fighting against Germany.

It is true that $4,375,000,000 or approximately $4,400,000,000 is contemplated as a maximum of loans during the next year.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. Of course, they are not loans. They are lend-lease.

Mr. BARKLEY. They are lend-lease.

Mr. TAFT. But that only covers the part that goes through the FEA. It does not cover any of the military lend-lease. It does not cover any of the direct war aid. My point is that since the war in Europe has ended, although war with Japan continues, the $4,400,000,000 which is going to Europe is, for all practical purposes, a reconstruction loan. In my opinion and in my discussion I intended to separate the two entirely. The lend-lease is one thing and the $4,400,000,000 is really a postwar rehabilitation loan, in effect.

Mr. BARKLEY. I cannot agree at all with the statement of the Senator on that subject. Mr. Crowley made it plain before the committee yesterday or the day before that all these grants under lend-lease are war grants. Not one of them is for reconstruction or rehabilitation or development—not one. It is true that practically $1,700,000,000 of it is for food, and it does not include military materials supplied by the Army and Navy. Those are matters of military secrecy, and they are handled by the War and Navy Departments, and not by the lend-lease set-up.

Mr. Crowley also stated that, with one or two exceptions, he is making no contract for lend-lease that extends beyond the 31st of December. So if the war should end in the meantime, lend-lease would for all practical purposes end, and there would be quite a saving out of this $4,400,000,000. No new contracts would be made extending beyond the 31st of December if the war should terminate prior to that date, and to that extent, if that should happen, there would be quite a saving. He testified, of course, as we would know, anyhow, that the amount of money saved beyond the 31st of December would depend upon how soon thereafter the war ended. If it ended at any time prior to the end of the fiscal year, there would be some saving; but the sooner it would end the greater would be the saving.

So the $2,800,000,000 for the Export-Import Bank is not to supplement lend-lease. It is entirely for a different purpose. Although the loans are to be made to foreign governments, they are to be made to facilitate the exportation of American products, and every dollar of it will be spent in the United States.

Mr. TAFT. Mr. President, will the Senator yield for a moment?

Mr. BARKLEY. I yield.

Mr. TAFT. My suggestion is this: We made a lend-lease agreement with France that covers locomotives, machinery, and all kinds of commodities which are helpful to us while the war is on perhaps, and also helpful to rehabilitation. My suggestion is that if that is to be cut off at the end of the war I think it would be a proper use and the intended use of this $2,800,000,000 to loan France the money to finish up the delivery of those goods. In that sense I think it is a supplement, in time, to the lend-lease program.

Mr. BARKLEY. Of course, I cannot say, nor can the Senator from Ohio say whether any of this $2,800,000,000 will go to France. I do not know whether it will. But under our lend-lease agreement with France, from the material we had in France at the end of the war, France agreed to buy whatever she might need, and pay the United States according to the value agreed upon by the United States and France. It would be obviously more economical for us to sell a large amount of our surplus material that will be found in Europe to the nations of Europe; especially the material in France. We have sent to Europe more than 300,000 automotive vehicles for war purposes; we have sent more than 30,000 freight cars and approximately 2,000 railway engines. In the reconstruction of those countries undoubtedly they will need much of the surplus material which will be found on the ground in the European countries which have been devastated. The railway system of France has been largely destroyed. Bridges over the rivers, and tracks and yards have been destroyed. For our own purposes we have helped to rehabilitate some of them in order that we might ship our own goods and our own troops over them. But we do not desire to bring all that material back to the United States. It would be uneconomical to do it. If we brought it back here and sold it, it would be sold in competition with the products of American labor currently at work producing the same articles. So it is to our own interest to sell these things to the countries in which they may be found at prices that can be agreed upon. Our agreement with France provides that she may purchase at prices agreed upon and upon terms fixed by the United States and, of course, agreed to by France to pay for goods she may want to purchase out of things that were sent over as a part of lend-lease, but which we do not desire to reship to the United States, and which may be useful to France, to Belgium, to Holland, and other countries.

So that only indirectly can it be said that what may be purchased out of lend-lease may be used later for reconstruction purposes. But it will be used by the governments that buy it for their own reconstruction under their own plan, and after agreeing to paying the United States for whatever they take.

I do not wish to rehash any of the arguments we have indulged in here all this week about the Fund and the Bank. It is not necessary to do so. I am happy to believe that the Members of the Senate and the people of the country have a high estimate of the administration of the Export-Import Bank. It has done a fine job. It has facilitated the exportation of American goods, and the proposed increase is solely for that purpose. The form of the loans is a little different because these loans will be made to governments. The purpose is the same, to enable those governments to buy in the United States the products of our labor and our industry and our financial investment.

I am glad to feel that the country endorses the Export-Import Bank and its administration. Not only has it done an excellent job in facilitating the exportation of American goods, but it has made a profit in the enterprise of some $42,000,000, which is not a bad showing. Even if none of the loans which are now in default should ever be repaid, it would have a very comfortable and probably an unexpected profit out of its operations, beyond what we thought it would have when we created the Bank.

Mr. President, I am glad there is no opposition to this measure, and I hope it will be adopted without amendment so that it can be sent immediately to the President.

Mr. TAFT. Mr. President, before passage of the bill I ask to have inserted in the RECORD a table showing the growth of the Export-Import Bank, which I think would be very useful for anyone studying the history of the Bank.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Growth of Export-Import Bank[1]

Laws	Date	Capital stock	Lending power (borrowing power)	Other information
Executive Order 6581	Feb. 2, 1934	[2] $11,000,000	Apparently unlimited	Bank an independent agency set up under authority granted President by National Industrial Recovery Act June 16, 1933. Preferred stock obtained from RFC.
Public, No. 1, 74th Cong., 1st sess., 49 Stat. 4	Jan. 31, 1935	(2)	do	Bank authorized "with the approval of the Secretary of the Treasury to borrow money * * * for the purposes aforesaid" (aid in financing exports and imports between United States and foreign countries). Continued Bank until June 30, 1937.
Public, No. 2, 75th Cong., 1st sess., 50 Stat. 5	Jan. 26, 1937	(2)	do	Continued Bank to June 30, 1939.
Public, No. 3, 76th Cong., 1st sess., 53 Stat. 511	Apr. 4, 1939	(3)	$100,000,000	Put limit of $100,000,000 on lending power; extended life of Bank to June 30, 1941.
Do	July 1, 1939			Grouped with other agencies to form Federal Loan Agency, reorganization plan I, pt. 4, sec. 402 (c).
Public, No. 420, 76th Cong., 3d sess., 54 Stat. 38	Mar. 2, 1940	(4)	$200,000,000	Increased the limit of lending power to $200,000,000.
Public, No. 792, 76th Cong., 3d sess., 54 Stat. 961	Sept. 26, 1940	(5)	$700,000,000	Increased limit of lending power from $200,000,000 to $700,000,000 and extended bank to Jan. 22, 1947.
Executive Order 9071	Feb. 24, 1942			Transferred Bank to Department of Commerce under direction of Secretary of Commerce.
Executive Order 9361	July 15, 1943			Transferred Bank from Commerce Department to Office of Economic Warfare.
Executive Order 9380	Sept. 25, 1943			Bank consolidated into FEA when FEA created.
H. R. 3771, 79th Cong., 1st sess.		[6] $1,000,000,000	$3,500,000,000	Bank to be made independent agency (no mention of duration of Bank).

[1] The Second Export-Import Bank dealt only with Cuba, was of short duration and was finally absorbed into the Export-Import Bank.
[2] Common stock, $1,000,000; preferred stock, $10,000,000, obtained from Reconstruction Finance Corporation. As greater capital funds were needed the Bank issued preferred stock to RFC, after periodic amendments to art. 3 of the Bank's corporate charter, thereby increasing its total capital stock and lending power.
[3] Limit of $100,000,000 put on lending power. This automatically put a limit on the capital stock, $1,000,000 of which was the original common stock and $99,000,000 of which could be preferred stock issued to RFC.
[4] Same as (3) except that limit on lending power raised to $200,000,000.
[5] Same as (4) except that limit on lending power raised this time to $700,000,000, not more than $500,000,000 of which could be loaned to countries of the Western Hemisphere.
[6] Total authorized capital stock to be $1,000,000,000—certificates to be issued by the Bank to the President of the United States. Borrowing authority of $2,500,000,000 to be obtained by issuing notes to the Secretary of the Treasury. Funds over $1,000,000,000 capital not to be considered capital stock of the Bank. Total capital funds, i. e., loaning authority, to be $1,000,000,000+$2,500,000,000=$3,500,000,000.

Mr. CORDON subsequently said: Mr. President, earlier in the afternoon the Senate passed the bill extending the powers of the Export-Import Bank. I believe that the RECORD should carry a copy of the Executive order which created the bank and defined its powers in the first instance. I think it would be more effective and useful in time to come if the RECORD is made complete in that respect. Therefore, I ask unanimous consent that Executive Order No. 6581 of February 2, 1934, creating the bank be printed in the RECORD immediately following the completion of the proceedings of today in connection with the passage of the bill so that the RECORD will be complete at that particular place.

There being no objection, the Executive order was ordered to be printed in the RECORD, as follows:

EXECUTIVE ORDER 6581—AUTHORIZING THE FORMATION OF A BANKING CORPORATION TO BE KNOWN AS EXPORT-IMPORT BANK OF WASHINGTON

Whereas the Congress of the United States has declared that a national emergency exists by reason of widespread unemployment and disorganization of industry; and has declared it to be the policy of Congress to remove obstacles to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, to provide for the general welfare, by promoting the fullest possible utilization of the present productive capacities of industries, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry; and

Whereas in order to meet said emergency and to provide the relief necessary to protect the general welfare of the people the Congress has enacted, inter alia, the following acts:

1. National Industrial Recovery Act, approved June 16, 1933;

2. Reconstruction Finance Corporation Act, approved January 22, 1932;

3. Bank Construction Act, approved March 9, 1933; and

Whereas in order effectively and efficiently to carry but the provisions of said acts it is expedient and necessary that a banking corporation be organized with power to aid in financing and to facilitate exports and imports and the exchange of commodities between the United States and other nations or the agencies or nationals thereof;

Now, therefore, under and by virtue of the authority vested in me by the National Industrial Recovery Act of June 16, 1933, it is hereby declared that an agency, to wit: a banking corporation, be created pursuant to title 5, chapter 9, section 261 of the Code of the District of Columbia, under the name of Export-Import Bank of Washington.

The governing body of said corporation shall consist of a board of trustees composed of five members, and the following persons, who have been invited and who have given their consent to serve, shall act as incorporators and shall handle the concerns of the corporation for the first year:

Daniel C. Roper, Secretary of Commerce.

Robert F. Kelley, Chief of the Division of Eastern European Affairs, Department of State.

Chester C. Davis, Administrator, Agricultural Adjustment Administration.

Stanley Reed, General Counsel, Reconstruction Finance Corporation.

Lynn P. Talley, Executive Assistant to the Directors of the Reconstruction Finance Corporation.

The operations of the corporation shall be carried on in the District of Columbia, and the main office of the corporation shall be at 1825 H Street NW., Washington, D. C.

The amount of capital stock of the corporation shall be $11,000,000, divided into classes and shares as follows:

(1) One million dollars par value of common stock, divided into 10,000 shares of the par value of $100 each; and

(b) Ten million dollars par value of preferred stock, divided into 10,000 shares of the par value of $1,000 each.

The Secretary of State and the Secretary of Commerce are hereby authorized and directed to cause said corporation to be formed, with such certificate of incorporation, and bylaws, as they shall deem requisite and necessary to define the methods by which the corporation shall conduct its business.

The persons above named are authorized and directed to subscribe for all of the common capital stock for the use and benefit of the United States, of which amount five shares may be held in the respective names of the initial trustees and their successors if required by the law under which said banking corporation is incorporated.

There is hereby set aside for the purpose of subscribing for the common capital stock of said corporation the sum of $1,000,000 out of the appropriation of $3,300,000,000 authorized by section 220 of the National Industrial Recovery Act and made by the Fourth Deficiency Act, fiscal year 1933, approved June 16, 1933 (Public, No. 77, 73d Cong.).

It is hereby further directed that any common stock in said corporation standing on the name of the United States shall be voted by such person or persons as they—the Secretary of State and the Secretary of Commerce—shall appoint as their joint agent or agents for that purpose. Any vacancies occurring in the initial board of trustee shall be filled by the board of trustees, subject to the approval of the President of the United States.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *February 2, 1934.*

The PRESIDING OFFICER. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H. R. 3771) was ordered to a third reading, read the third time, and passed.

FEDERAL FARM PROGRAMS AND WAR FOOD PRODUCTION

Mr. GUFFEY. Mr. President, it would be a great mistake if the public were led to believe that the new Secretary of Agriculture is a miracle man.

He is an aggressive administrator, and his experience in Congress will contribute to his success. He has received complaints against the inevitable necessities of a wartime program of food production and food consumption, but there is little he can do except consolidate the gains made by his predecessors in securing the remarkable food production of the past 4 years, and try to bring about a better distribution of that food production.

When we hear advice from men who have no accomplishments behind their words demanding that the United States adopt the policy of the dictators in empowering a food czar to enforce a food program on this country, we have nothing new and startling in political philosophy. When Mr. Hoover handled the food situation during the last World War we had 30-cent sugar and only a spoonful to a cup of coffee. We had 90-cent butter, and only enough for the rich to spread on their bread. We had 35-cent gasoline to power the wagons of the big packers when meat was served twice and three times a week.

With a war of dwarf dimensions compared with this one Mr. Hoover, the idol of the reactionaries, increased the food supply of America a mere 5 percent. Yet there are people today who want us to chart our food policies after his program of 1917–18 and forget the fact that we have increased our present food-production program 50 percent above his best record, and 37 percent above our prewar level. This country may be relieved of the thought that we are headed back to Hooverism, to czarism, or to Bromfieldism.

We are not headed back to the days of Hoover, or to the dreams of Bromfield and his works of fiction, or out to the ways of Hitler and Mussolini, autocratic czars and dictators.

The gigantic success of the war-food program has come first from the undisturbed patriotism of the American farmer. He knew what his job was, and he set about to do it, as he was privileged to do under the democratic food program set up by Henry Wallace a decade ago.

These democratic processes were set up 10 years ago, because it was in the early part of the Roosevelt administration that Henry Wallace licked the depression, through the elected representatives of farmers in every community of the country, to carry to the farmer an over-all plan to lift the farmers to a level of parity income.

These are the Democratic committees that carried the war-food program to the American farmers, and having learned to trust these neighbor committeemen in the past, the farmer responded to the impulses of patriotic service inspired by these committeemen and followed definite goals that have not only produced tremendous quantities of food but have produced the kind of food products most needed by the armed and civilian populations of the earth.

The war-food program has not been a success because of one man or a handful of men. It has been the job of thousands of men, acting as mobilizers of production, and millions of farmers who believed in a democratic system of doing the job.

Mr. Bromfield is a farmer who has been successful during a war boom. He has never farmed through a depression. He says that farmers were not given enough machinery because bunglers at Washington found it necessary to use steel to build a wall of tanks and ships between our boys and the enemy.

It is true that farmers did not have enough machinery to do the job that was given them, but the farmer knew the job had to be done, and he did it with his bare hands when necessary. What little machinery was available, it is true, did not go to the dude ranchers and farms of fiction writers. Committees of farmers met weekly and allocated the few machines that were available to the farms where production demanded the best equipment. The available machinery was allotted to the most productive farms, and that is what counted in the war food goals.

It is probably true that the speed of the war program brought on some inequities and created some misfits in personnel. Every war program brings forth some visionary persons with patriotic fervor to do something for their country. Every war program brings on some mercenary businessmen who want to get on the inside track for the sake of their business.

The war-food program has been saddled with a few dollar-a-year men who never separated their past interests from their war responsibilities. Most, if not all, of these are not now connected with the war food program. Secretary Anderson will move against any visionary and mercenary misfits. He will only fortify the work of the men who have performed so magnificently in the past 10 years.

The variety of agricultural programs devised by Congress in the past decade may be somewhat confusing to farmers—and to the great mass of American citizens.

Secretary Anderson, a man with congressional experience, is eminently fitted to recommend a cure for any evils which an overanxious Congress created through various farm programs during a time when pressure came from all sides for the doing of something to relieve the farm situation.

In new fields of legislation a trial-and-error method is set up to determine which of the farm programs possess the greatest virtues and fulfill the greatest needs; that trial-and-error plan has been tested in the fire of war.

Secretary Anderson will now be able to appraise the systems that have operated to the greatest satisfaction of farmers and with the greatest service to our war program.

The time has come for a just appraisal of all functioning programs and the making of consolidations which will bring about a less confusing picture to farmers and a more economical vehicle of government. When we were fighting a depression and when we were fighting a war we found it necessary to move without too serious regard for economy.

Today—as we face ultimate victory in the not-too-distant future—we must give thought to the consolidations necessary to economies of the postwar period.

The various agricultural acts of the Roosevelt administration seem to have weathered the storm of protest by our political adversaries and to have come through the depression and the war with flying colors.

During our testing period by trial and error we are well satisfied that rural electrification has been successful in bringing the comforts and conveniences of city life to millions of American farmers. The 14 rural-electrification cooperatives of Pennsylvania have brought new meaning to farm life in the Keystone State.

The Farm Security Administration has brought to the underprivileged farmer a chance to live with the more fortunate farmers who, through birth, marriage, or prestige, have financial resources or a backlog of credit for farm operations.

The Soil Conservation Service has taken long strides in saving our soil resources for future generations, and the Agricultural Adjustment Agency and its fundamental democratic farmer-elected committees have brought new fertility with conservation practices, so that uniformly high production comes from farms of a community in the great war-food program.

Farmers have not been told how to do it. They have been shown how, and they have been given the tools with which to do it.

Our war-food program has been successful because the Federal Government has been willing to make an investment in agricultural advancement.

After wealth had been sent from country to city for many generations, the Roosevelt administration provided a way to send some wealth from the city back to the country. Having provided these tools, we now need an organized tool house.

Some States found it profitable, during the depression, to use public-works money for agricultural buildings in each county. All the agricultural programs were housed under one roof.

During the war, a farmer who wanted machinery and credit got them in the same house. If his wife wanted to know how to use a pressure cooker, she went to the Agricultural Building and had the opportunity of watching a demonstration.

With a little auditorium for farm meetings, community or county elections of AAA committeemen, farm-security demonstrations, or 4-H Club round-ups, these buildings gave operating space for the

agricultural programs of a county and fulfilled as worthy a purpose as Federal buildings for the distribution of mail.

As we face the future, we should think about the consolidation of Federal farm programs under one roof and tie that necessity to our plan for postwar developments in connection with public works. Every county in Pennsylvania should have an agricultural building for the convenience and service of Pennsylvania farmers.

CALL OF THE ROLL

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CHAVEZ in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	Myers
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Colo.	Saltonstall
Buck	Johnston, S. C.	Shipstead
Burton	Kilgore	Smith
Bushfield	La Follette	Stewart
Butler	Langer	Taft
Byrd	Lucas	Taylor
Capehart	McCarran	Thomas, Okla.
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Cordon	McMahon	Vandenberg
Donnell	Magnuson	Wagner
Downey	Maybank	Walsh
Eastland	Mead	Wheeler
Ellender	Millikin	Wherry
Ferguson	Mitchell	White
Fulbright	Moore	Wiley
George	Morse	Willis
Guffey	Murdock	Young

The PRESIDENT pro tempore. Eighty-one Senators having answered to their names, a quorum is present.

THE CALENDAR

Mr. HILL. Mr. President, I ask that the Senate proceed to the consideration of measures on the calendar to which there is no objection, beginning where the last call terminated, at No. 450.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will proceed to call the calendar.

CONVEYANCE OF LANDS TO SPRINGFIELD TOWNSHIP, MONTGOMERY COUNTY, PA.

The bill (H. R. 2285) to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes was considered, ordered to a third reading, read the third time, and passed.

CONSTRUCTION OF RURAL POST ROADS

The bill (H. R. 169) to amend sec. 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads'" was considered, ordered to a third reading, read the third time, and passed.

RECOGNITION OF SERVICE OF MERCHANT SAILORS

The bill (H. R. 2581) to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors was considered, ordered to a third reading, read the third time, and passed.

PAPERS RELATING TO THE TERRITORIES OF THE UNITED STATES

The bill (H. R. 2522) to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States was considered, ordered to a third reading, read the third time, and passed.

CLAIMS FOR DAMAGES OCCASIONED BY ARMY, NAVY, AND MARINE CORPS

The bill (S. 936) to amend the act approved January 2, 1942, as amended by the act approved April 22, 1943, entitled "An act to proved for the prompt settlement of claims for damages occasioned by Army Navy, and Marine Corps forces in foreign countries" was announced as next in order.

The PRESIDENT pro tempore. This bill is the same as Calendar No. 490, House bill 3111; and, without objection, the Senate will proceed to the considera- of the House bill.

There being no objection, the bill (H. R. 3111) to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries" was considered, ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 936 will be indefinitely postponed.

SHORE-LINE INVESTIGATION

The Senate proceeded to consider the bill (H. R. 2032) authorizing general shoreline investigation at Federal expense and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936.

Mr. AUSTIN. Mr. President, I move to amend the bill on page 2, line 10, after the name "Lakes" and the comma, by inserting the words "Lake Champlain." I have taken the matter up with the Senator from Wyoming [Mr. ROBERTSON], who reported the bill, and the amendment is entirely satisfactory to him.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Vermont.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TERMS OF THE UNITED STATES DISTRICT COURT, DISTRICT OF NEVADA

The bill (S. 940) to provide for terms of the District Court of the United States for the District of Nevada was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 94 of the Judicial Code, as amended (U. S. C., title 28, sec. 174), is amended to read as follows:

"The State of Nevada shall constitute one judicial district, to be known as the district of Nevada. Terms of the district court shall be held at Carson City on the first Mondays in February and May, at Las Vegas on the first Mondays in March and October, at Reno on the first Mondays in January and June, and at Elko on the first Monday in November: *Provided*, That suitable accommodations for holding court at Elko shall be provided by the local authorities but only until such time as such accommodations shall be provided upon the recommendation of the Director of the Administrative Office of the United States Courts in a public building or other quarters provided by the Federal Government for such purpose."

MEDALS TO NEXT OF KIN OF PERSONS IN THE MILITARY OR NAVAL SERVICE

The Senate proceeded to consider the joint resolution (S. J. Res. 49) authorizing the presentation of medals to the widows, children, or mothers of persons who lose their lives in the military or naval service during World War II, which had been reported from the Committee on Military Affairs, with amendments, on page 1, line 6, after the words "to the", to strike out "widow, or if there is no surviving widow to the eldest child, or if there is no surviving widow or child to the mother" and to insert "next of kin"; in line 9, after the word "life", to insert "in line of duty"; on page 2, line 1, after the word "serving", to strike out "on active duty" and to insert "actively"; and on page 2, line 5, after the period, to insert "For the purposes of this act, the next of kin of any such person shall be deemed to be the first mentioned of any of the following who survive such person: Widow or widower, eldest son, eldest daughter, father, mother, eldest brother, eldest sister, eldest grandchild", so as to make the bill read:

Resolved, etc., That the Secretary of War and the Secretary of the Navy are authorized and directed to cause to be prepared at the United States Mint a medal of such design as may be approved by the President for presentation to the next of kind of each person who shall have lost his or her life in line of duty while serving actively in the military or naval forces of the United States during the period beginning on December 7, 1941, and ending on the date of the termination of the present war as proclaimed by the President. For the purposes of this act, the next of kin of any such person shall be deemed to be the first mentioned of any of the following who survive such person: Widow or widower, eldest son, eldest daughter, father, mother, eldest brother, eldest sister, eldest grandchild.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "Joint resolution authorizing the presentation of medals to the next of kin of persons who lose their lives in line of duty in the military or naval service during World War II."

REGULATION OF PRICING OF FISH OR SEA FOOD

The Senate proceeded to consider the bill (S. 1204) to amend subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food, which was read, as follows:

Be it enacted, etc., That subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, is amended by adding at the end thereof the following new sentence: "For the purposes of this subsection, fish and other sea food shall be deemed to be agricultural commodities."

Mr. ELLENDER. Mr. President, may we have an explanation of the bill?

Mr. BREWSTER. As the sponsor of the bill, I am glad to explain its purpose.

It is designed to require that in conducting the responsibilities concerning food production and distribution the Secretary of Agriculture shall exercise in respect to fish exactly the same powers which have been bestowed upon him in connection with agricultural products. I think this meets with the unanimous approval of all the fishing interests of the country. The bill was considered by the Committee on Banking and Currency, and is designed to alleviate in some degree the difficulties of the present situation. I hope the bill may be passed.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL MEMORIAL STADIUM

The Senate proceeded to consider the joint resolution (S. J. Res. 83) to authorize the Federal Works Administrator to advance discretionary apportionment funds to be used for the purpose of making plans for the National Memorial Stadium as a postwar project, which had been reported from the Committee on the District of Columbia, with an amendment, on page 1, line 3, after the word "That", to strike out "$600,000" and to insert "$150,000", so as to make the joint resolution read:

Resolved, etc., That $150,000 of the funds appropriated for the Federal Works Agency by the Independent Offices Appropriation Act, 1946, for the purpose of enabling such agency to carry out the provisions of title V of the War Mobilization and Reconversion Act of 1944 shall be available only for the purpose of enabling the Federal Works Administrator to make advances to the commission appointed pursuant to the provisions of the joint resolution entitled "Joint resolution to consider a site and design for a National Memorial Stadium to be erected in the District of Columbia," approved December 20, 1944. Any such advances to the commission shall be available for expenditure by the commission to enable it to make the necessary architectural, engineering, and economic investigations, studies, and surveys, and to prepare appropriate designs, plans, working drawings, and specifications for the establishment in the District of Columbia of an athletic field and stadium as a memorial to the men and women who gave their lives while serving as members of the armed forces during World War I and World War II. Such advances may be made without regard to the provisions of so much of section 501 (b) of such War Mobilization and Reconversion Act of 1944 as relates to the apportionment of funds appropriated for the purpose of making loans or advances under title V of such act. In the event that funds are hereafter obtained by the commission from private sources for use in the construction of such athletic field and stadium, the advances made pursuant to this joint resolution shall be repaid to the Federal Works Administrator from such funds, and upon such repayment shall be covered into the Treasury as miscellaneous receipts.

Mr. BYRD. Mr. President, I should like to have an explanation of the joint resolution.

Mr. BILBO. This joint resolution, introduced by the junior Senator from Ohio [Mr. BURTON], the junior Senator from New York [Mr. MEAD], and myself, provides for the investigation of the national memorial stadium project, to enable the Federal Works Agency to carry out the provisions of the Reconversion Act of 1944, title V, in which provision was made for the appropriation of $17,500,000 to the States and the District of Columbia, Alaska, Hawaii, and Puerto Rico, to make surveys, investigations, architectural, engineering, and so forth, on postwar projects.

Upon investigation we found that this national project which we hope to establish in the Nation's Capital, in which the 48 States of the Union are justly interested and of which they are proud, was not eligible so that General Somervell could consider advancing the necessary funds to make the survey

This is the reason for the measure. The plan respecting the National Stadium is not that Congress shall build it, although it will be located in Washington in the District of Columbia. The money is not coming from the Government, but the plan is that private enterprise shall put up the money to build the stadium. Before the commission can even make a report on it to the Congress, or before the proposition can be presented to any financial syndicate to provide the funds to build this National Memorial Stadium it is necessary that blueprints, specifications, and all details are worked out so as to be able to present to any national organization the feasibility of the plan, the fact that the project is self-liquidating, and would be a wise investment. The measure is only to make the stadium eligible along with thousands of other projects throughout the Nation.

Mr. BYRD. Can the Senator point out where in the joint resolution it is required that the construction of this building shall be by private funds?

Mr. BILBO. Will the Senator repeat the question?

Mr. BYRD. What language provides that the stadium shall be constructed with private funds?

Mr. BILBO. I do not have the measure before me, but it is provided in a joint resolution passed by the House creating the Stadium Commission, which is composed of three Senators, three Representatives, and three individuals to be appointed by the District Commissioners. It provides that they shall devise a self-liquidating financial scheme to build the stadium.

Mr. BYRD. Will the Senator permit the measure to be passed over temporarily?

Mr. BILBO. Very well.

Mr. BYRD. I should like the Senator to show me the provision that this expenditure shall be paid for by private funds.

Mr. BILBO. I shall obtain the information requested.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. CORDON. I note from the report on Senate Joint Resolution 83 that, I quote:

The purpose of this resolution is to allow the Federal Works Administrator in his discretion to make the National Memorial Stadium eligible for an allocation of funds.

Mr. BILBO. That is the purpose of the resolution, yes.

Mr. CORDON. I note that the joint resolution itself provides, I quote:

That $150,000 of the funds appropriated for the Federal Works Agency by the Independent Offices Appropriation Act, 1946, for the purpose of enabling such agency to carry out the provisions of title V of the War Mobilization and Reconversion Act of 1944 shall be available only for the purpose of enabling the Federal Works Administrator to make advances.

That language would appear to earmark the total amount for that specific purpose and leave it available in the hands of the Administrator for no other purpose.

Mr. BILBO. If the Senator would present an amendment the purpose of which is to make it compulsory on the part of the Administrator to permit the Commission to have so much of that sum as is necessary I shall be glad to accept it.

Mr. CORDON. I simply asked the Senator whether the joint resolution intended to rest that discretion in the Administrator or whether it was intended to earmark the total amount.

Mr. BILBO. It was the intention of the committee, and the intention of all of us, that the matter would still be left to the discretion of General Fleming, who is the head of the war funds.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. BILBO. I yield.

Mr. ELLENDER. As I have understood from private conversations I have had with the Senator from Mississippi, this is merely an advance which is proposed to be made, and it will be repaid if and when the stadium is built from private funds; is that correct?

Mr. BILBO. That is correct. The last sentence of the joint resolution provides:

In the event that funds are hereafter obtained by the commission from private sources for use in the construction of such athletic field and stadium, the advances made

pursuant to this joint resolution shall be repaid to the Federal Works Administrator from such funds, and upon such repayment shall be covered into the Treasury as miscellaneous receipts.

Mr. BYRD. I ask that the joint resolution be passed over temporarily.

The PRESIDENT pro tempore. The joint resolution will be passed over.

AMENDMENT OF BONNEVILLE PROJECT ACT—BILL PASSED OVER

The bill (H. R. 2690) to amend the Bonneville Project Act was announced as next in order.

Mr. MAGNUSON. Mr. President, I shall ask that the bill be passed over, but I wish to make an explanation to the Senate. The bill is a very important one to the Senators from Oregon, the Senators from Washington, and to the Bonneville Authority. It includes many provisions which have been unanimously agreed upon by the House and Senate Commerce Committees.

One section of the bill was in some dispute. It involves a controversy between the Attorney General and the attorneys of the Bonneville Authority as to the question of what legal authority will be given these attorneys. Since the bill was reported from the committee day before yesterday the Attorney General and the Bonneville attorneys have had and are having conferences in which they are attempting to iron out their difficulties and present to us an amendment.

I wish to serve notice on the Senate that in view of the importance of the bill I shall ask unanimous consent to bring it up out of order some time next week after consideration of the San Francisco Charter is concluded, in order that this important legislation may be passed.

I now ask that it be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

HERMAN GELB

The bill (H. R. 838) for the relief of Herman Gelb, was considered, ordered to a third reading, read the third time, and passed.

MRS. MINNIE A. BELTZ

The Senate proceeded to consider the bill (S. 542) for the relief of Mrs. Minnie A. Beltz, which had been reported from the Committee on Claims, with amendments, on page 1, line 6, after the words "sum of" to strike out "$10,000" and insert "$5,000" and at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Minnie A. Beltz, Seattle, Wash., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said Mrs. Minnie A. Beltz against the United States on account of personal injuries sustained on August 18, 1944, when she was struck while crossing Aurora Avenue at the intersection of Halladay Street, Seattle, Wash., by a United States Navy station wagon: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SAM D. MOAK

The bill (H. R. 1486) for the relief of Sam D. Moak, was considered, ordered to a third reading, read the third time, and passed.

SOUTHWESTERN DRUG CO.

The bill (H. R. 1856) for the relief of the Southwestern Drug Co., was considered, ordered to a third reading, read the third time, and passed.

MORGAN CREAMERY CO.

The bill (H. R. 952) for the relief of the Morgan Creamery Co., was considered, ordered to a third reading, read the third time, and passed.

MRS. LUCILE MANIER AS ADMINISTRATRIX OF THE ESTATE OF JOE MANIER

The bill (H. R. 2725) for the relief of Mrs. Lucile Manier as administratrix of the estate of Joe Manier, was considered, ordered to a third reading, read the third time, and passed.

L. S. STRICKLAND

The bill (H. R. 246) for the relief of L. S. Strickland, was considered, ordered to a third reading, read the third time, and passed.

RECEIVER OF NORTH JERSEY UTILIZATION & SEWERAGE DISPOSAL PLANT, INC.

The bill (H. R. 795) for the relief of the duly appointed receiver of North Jersey Utilization & Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof, was considered, ordered to a third reading, read the third time, and passed.

JOHN R. JENNINGS

The bill (S. 1265) for the relief of John R. Jennings was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John R. Jennings, South Jacksonville, Fla., the sum of $5,000. The payment of such sum shall be in full settlement of all claims of the said John R. Jennings against the United States on account of personal injuries and damage to his automobile sustained on April 22, 1943, near Camp Blanding, Fla., when such automobile was struck by a United States Army vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

HUGH P. GUNNELLS AND MRS. DEZAREE GUNNELLS

The bill (H. R. 2226) for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF MRS. MARY KARALIS

The bill (H. R. 3419) for the relief of the estate of Mrs. Mary Karalis was considered, ordered to a third reading, read the third time, and passed.

JURISDICTION TO HEAR CLAIM ARISING OUT OF DEATH OF L. W. FREEMAN

The bill (S. 1199) conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon any claim arising out of the death of L. W. Freeman, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment as if the United States were subject to suit in tort, upon any claim against the United States arising out of the death of L. W. Freeman, late of Dobson, N. C., who was killed January 29, 1938, near Dobson, N. C., when the automobile which he was driving was struck by a Civilian Conservation Corps truck operated by one Paul J. Flynn: *Provided*, That the judgment, if any, shall not exceed a total sum of $5,000.

SEC. 2. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, appeals therefrom and payment of any judgment thereon, shall be in the same manner as in the cases over which such court has jurisdiction under the provisions of paragraph 20 of section 24 of the Judicial Code, as amended.

SEC. 3. The act entitled "An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon the claim of Etta Houser Freeman," approved June 26, 1943, is hereby repealed.

ESTATE OF MRS. LILLIAN EPSTEIN

The bill (S. 979) for the relief of the estate of Mrs. Lillian Epstein was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Mrs. Lillian Epstein, the sum of $5,000, in full settlement of all claims against the United States on account of the injury and death of Mrs. Lillian Epstein as the result of an accident which occurred on September 26, 1944, on Wadsworth Avenue, 40 feet south of One Hundred and Seventy-ninth Street, New York, City, N. Y., when the said Mrs. Lillian Epstein was struck by a United States mail truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction shall be fined in any sum not exceeding $1,000.

MR. AND MRS. ERNEST L. BARLOW

The Senate proceeded to consider the bill (S. 1023) for the relief of Mr. and Mrs. Ernest L. Barlow, which had been

reported from the Committee on Claims with an amendment at the end of the bill to add a proviso, so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ernest L. Barlow, Issaquah, Wash., the sum of $250, and to Mrs. Ernest L. Barlow, the sum of $250. The payment of such sums shall be in full settlement of all claims against the United States on account of personal injuries sustained on November 22, 1941, by the said Ernest L. Barlow, by his wife, Dorothy M. Barlow, and by his minor child, Dolores J. Barlow, when the automobile in which they were riding on Hazelwood Highway between Renton and Lake Washington Bridge, King County, Wash., was struck by a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WIDOW AND THREE CHILDREN OF GREENFIELD PAYNE

The Senate proceeded to consider the bill (H. R. 1851) for the relief of the widow and three children of Greenfield Payne, which had been reported from the Committee on Claims, with an amendment to the title.

The bill was ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "An act for the relief of the estate of Greenfield Payne."

HASELDEN & HUGGINS CO.

The bill (H. R. 2621) for the relief of Haselden & Huggins Co. was considered, ordered to a third reading, and passed.

FRED CRAGO

The bill (H. R. 2763) for the relief of Fred Crago was considered, ordered to a third reading, read the third time, and passed.

EARL J. SHOWS

The bill (H. R. 2529) for the relief of Earl J. Shows was considered, ordered to a third reading, read the third time, and passed.

MRS. RITA CAUVIN GREEN

The bill (H. R. 2866) for the relief of Mrs. Rita Cauvin Green was considered, ordered to a third reading, read the third time, and passed.

MRS. HIBERNIA I. CONNERS

The Senate proceeded to consider the bill (S. 1027) for the relief of Mrs. Hibernia I. Conners, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "the sum of", to strike out "$10,000" and insert "$3,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Hibernia I. Conners, of Memphis, Tenn., the sum of $3,000, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her on December 6, 1944, when the automobile in which she was riding was struck by an Army vehicle driven by a civilian employee of the War Department, at the intersection of East Parkway South and Union Avenue, in Memphis, Tenn.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MADELINE WINTER AND ETHEL NEWTON

The bill (H. R. 1301) for the relief of Madeline Winter and Ethel Newton was considered, ordered to a third reading, read the third time, and passed.

JOHN F. DAVIS

The bill (H. R. 1245) for the relief of John F. Davis was considered, ordered to a third reading, read the third time, and passed.

ALASKA D. JEANNETTE

The bill (H. R. 1346) for the relief of Alaska D. Jennettee was considered, ordered to a third reading, read the third time, and passed.

REIMBURSEMENT TO CERTAIN FRUIT GROWERS FOR DAMAGE AS A RESULT OF MEDITERRANEAN FRUITFLY ERADICATION

The bill (S. 1250) for the relief of certain claimants who suffered losses and sustained damages as the result of the campaign carried out by the Federal Government for the eradication of the Mediterranean fruitfly in the State of Florida was announced as next in order.

Mr. VANDENBERG. Let the bill go over.

Mr. AIKEN. Mr. President, I have been a Member of the Senate for 4½ years. Periodically this bill comes up on the calendar and is objected to by the Senator from Michigan. I have some knowledge of the conditions which existed at that time among the fruit growers, and with respect to the Mediterranean fruitfly scare. I realize that a great many small fruit growers had their entire season's work wiped out by the Government, for reasons over which they themselves had no control whatsoever. I am wondering if the Senator from Michigan can tell us why he objects to this bill, which would reimburse the small fruit growers—and I presume some large ones, too—for their losses caused by the Government at that time.

Mr. VANDENBERG. Mr. President, the President pro tempore of the Senate could answer this question even more eloquently than I could. Since we are in somewhat of a hurry this afternoon, I think it is hardly worth while to enter upon a discussion of the question. Let me say generally that the Senator from Tennessee [Mr. MCKELLAR] and I seriously doubt the responsibility of the Government for the loss.

Mr. AIKEN. It is entirely possible that the Government might not have been legally responsible for the loss; but when it wipes out the year's work of a man, his family, and the help which he has hired, for a reason which later proves to be groundless, it seems to me that the Government should assume some responsibility. I do not know any of the particulars with respect to the individual cases in Florida. I know the general condition which prevailed at that time, and I know about the scare over the Mediterranean fruitfly, which later passed away. Many persons lost their year's earnings. That is why I wonder whether the Government should not assume some responsibility, even though technically and legally it perhaps had the right to destroy the crops at that time.

Mr. VANDENBERG. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. AIKEN. Mr. President, let me say that I think it is a long way from a Mediterranean fruitfly to the San Francisco Charter for World Organization. That is all I have to say.

The PRESIDENT pro tempore. The clerk will state the next business on the calendar.

DR. JABEZ FENTON JACKSON AND MRS. NARCISSA WILMANS JACKSON

The Senate proceeded to consider the bill (H. R. 2699) for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "the sum of" to strike out "$525.30" and insert "$50."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLARENCE J. SPIKER AND FRED W. JANDREY

The bill (H. R. 3417) for the relief of Clarence J. Spiker and Fred W. Jandrey, was considered, ordered to a third reading, read the third time, and passed.

JURISDICTION TO DETERMINE CLAIM OF LEWIS E. MAGWOOD

The bill (H. R. 3175) to confer jurisdiction upon the United States district court for the eastern district of South Carolina to determine the claim of Lewis E. Magwood was considered, ordered to a third reading, read the third time, and passed.

BOROUGH OF BEACH HAVEN, OCEAN COUNTY, N. J.

The bill (H. R. 1595) for the relief of the borough of Beach Haven, Ocean County, N. J., was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF GEORGE J. ROSS

The bill (S. 788) for the relief of the estate of George J. Ross, was considered,

ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of George J. Ross, of Salt Lake City, Utah, the sum of $5,000, in full satisfaction of the claim of such estate against the United States for compensation for the death of the said George J. Ross, as a result of personal injuries sustained by him when the automobile in which he was riding collided with a Government-owned automobile driven by an employee of the Federal Public Housing Authority in the performance of his official duties, near Farmington, Utah, on March 20, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

PAYMENT OF CLAIMS ARISING FROM ARMY ACTIVITIES

The bill (S. 1183) to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Crecencio L. Garcia, of Jemes, N. Mex., $5; to Oscar L. Horton, of Athol, Mass., $64.50; to Royal Insurance Co., Ltd., of Seattle, Wash., $245.25; to Robert D. Myers, of Indiana, Pa., $37.50; to Pearl Spaulding, of Daytona Beach, Fla., $45; to H. R. Potter, of Austin, Tex., $49.70; to Maria W. Atwood, of Franklin, N. H., $450; to the River Lines, of San Francisco, Calif., $1,000; to Corey Brothers, of Charleston, W. Va., $293.62; to the American Automobile Fire Insurance Co., of Detroit, Mich., $42.57; and to Kui T. Ching, of Honolulu, T. H., $482.40. The payment of said sums shall be in full settlement of all claims of the claimants named above against the United States for damage to or loss or destruction of property caused by military personnel or civilian employees of the War Department or of the Army, or otherwise incident to noncombat activities of the War Department or of the Army, determined by the Secretary of War to be meritorious, which are not payable under the provisions of the act of July 3, 1943 (57 Stat. 372; 31 U. S. C. 223b), entitled "an act to provide for the settlement of claims for damage to or loss or destruction of property or personal injury or death caused by military personnel or civilian employees, or otherwise incident to activities, of the War Department or of the Army": *Provided*, That no part of the amounts appropriated in this act in excess of 10 percent of any claim shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

MANPOWER IN THE BITUMINOUS COAL INDUSTRY

The concurrent resolution (S. Con. Res. 21) urging the War Department and the War Manpower Commission to take immediate action to assure manpower in the bituminous-coal industry adequate to attain the needed coal production and for other purposes, was announced as next in order.

Mr. GURNEY. Mr. President, reserving the right to object, I know that the concurrent resolution reached the Calendar only yesterday. I have not had time to study all my objections to it; but my main objection originated a long time ago when the Congress enacted the selective-service law. At that time we made every effort to be sure that no class deferments were made. The concurrent resolution would disturb that policy, in my opinion, for it would give a furlough from combat duty or from service anywhere in the Army to those selected to work in the coal mines.

I realize that this is a concurrent resolution, and not a bill, requiring the Army and the Navy to discharge or furlough certain men, but still it is a statement by the Congress which would be viewed with some concern by the military forces. Certainly, if these men were to be discharged; others would have to be found elsewhere in our population to take their places in the Army and Navy. I believe that if we are to consider deferring classes of men who work in any particular industry, we should thoroughly consider the entire question. No hearings were held in the Committee on Military Affairs on the concurrent resolution.

Other industries need help. I mention one which is critically short of manpower, namely, the agricultural industry. Farmers in the Middle West need men. We hear from them every day. Boys are being taken from the farms where production is actually curtailed by reason of the boys leaving the farms. The lumber industry is another such industry, as is the fishing industry. I could name many such industries. Therefore I believe I shall have to object to the consideration of the concurrent resolution.

Mr. REVERCOMB. Mr. President, will the Senator withhold his objection until I make a statement?

Mr. GURNEY. I am glad to withhold my objection for a moment.

Mr. REVERCOMB. Mr. President, the concurrent resolution was submitted by my colleague the senior Senator from West Virginia [Mr. KILGORE]. I heartily joined him in the purpose of it.

As has been stated, this is a concurrent resolution, and not a direction or command of the Congress. It is simply an expression of the sense of the Congress as to what should be done. Let me say to the Senator that the concurrent resolution would not involve the discharge of any men in the Army who are not entitled to discharge under the point system. The first request in the concurrent resolution is that the discharge of 10,000 men in the Army who are already entitled to discharge be expedited so that they may return to the coal mines; secondly, that 20,000 men within the continental United States—not outside, not in the foreign field of action—who may be spared from service be furloughed if they desire to return to the mines and are mine workers.

I point out that the coal situation in this country is very critical. I am advised today that the Secretary of the Interior, Mr. Ickes, is very much in favor of the concurrent resolution, and is quite hopeful that it will be agreed to by the Senate and by the House of Representatives. He knows quite well the situation which exists in the production of the necessary fuel for the winter. Let me say to my friend from South Dakota that the time is at hand when coal must be produced for the needs of the coming winter.

Our ally, England, did this very thing long ago, when she released from her military forces the miners and returned them to the mines in order to produce fuel for the nation.

I realize that there is a shortage of men in many industries. I realize that we shall have to put up with some shortages for a time. But coal is needed in the war effort, and is also needed to keep the people of this country warm. The fuel-production program for the Nation is in a very hazardous situation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BARKLEY. In the report on the concurrent resolution it is stated, as we know—and I think it might be well to call attention to this point, in support of the Senator's position— that the miner of coal is engaged in an expert occupation. A shortage of labor in the coal mines cannot be supplied by the employment of just anyone. That situation is not true with respect to many other occupations.

In view of the shortage of coal, which everyone admits, and in view of the inability to supply the labor needed in the coal mines from the general community or from other occupations, probably it is sensible that this body of expert men who know mining, but who now are in the Army, should be released for that purpose, in order that there may be a sufficient supply of coal to meet the demands during the coming winter for coal for war purposes and for domestic purposes. It seems to me that situation emphasizes the importance of this proposed legislation and takes it out of the category of legislation relative to occupations in other industries where there is a shortage which is not comparable to the shortage in the coal industry.

Mr. REVERCOMB. Mr. President, I am glad to hear the majority leader make that statement, and I concur in it. It is a known fact that the coal-mining industry is an unusual one. A man who is to be a coal miner must almost be raised in the mines. He must know his work.

This measure would take, by means of furlough, from those serving in the armed forces and now within this country, only men who have worked in the mines and who wish to go back there and work, and who will work in the mines during the time of their furloughs.

Adoption of the concurrent resolution is requested because we face a national emergency situation which must be met or else we will suffer nationally.

I hope the Senator from South Dakota will not insist on his objection, and I hope we may proceed to consider and to adopt the concurrent resolution which, as I have said, is but a request. I was informed only a few months ago that its adoption is urged by one who knows this situation and who apprehends what lies ahead. We should let the furloughing of the 10,000 men who are all ready for discharge under the point system be expedited so that they may return at once, so that those men, who are to be used as miners, may go on furlough and may, by working in the mines, produce the coal needed by this country.

We are asking that that be done. Of course, if it cannot be done, if the War Department says that their use in the way requested will not fit into the plan for conducting the war, the War Department will not need to comply with the request. The War Department would not be commanded to do so; it would not be directed or ordered by law to do so. But the country needs the services of these men in the mines and needs them now. That is, indeed, the greatest service for national good that these men may be called upon to perform.

Mr. President, I hope the concurrent resolution will be adopted.

Mr. GURNEY. I should like to make one further statement. It is simply impossible for me to agree that the concurrent resolution be adopted. In fact, the matter is so serious that I would wish to have a yea-and-nay vote on it. We have not heard from the other interested party affected by the measure. The Secretary of the Interior says he needs the men for coal mining. I should like to call up the Secretary of Agriculture and find out whether men are needed on the farms. I should like to ask Mr. Ickes whether he needs men in the lumber camps, and I should like to ask a few others whether they think men are needed elsewhere.

However, the group which has been left entirely out of consideration are the military forces who would be so vitally affected. While the concurrent resolution merely provides that the War Department be urged to do these things, still it is rather hard for the Military Establishment to get around a request by the Congress.

Therefore, Mr. President, I repeat my objection.

The PRESIDENT pro tempore. Objection being heard, the concurrent resolution will be passed over.

Mr. BARKLEY. That completes the calendar.

The PRESIDENT pro tempore. The Chair desires to state that the short form by which the measures on the calendar were passed was used because practically all of them are claims bills. For that reason the short form was used.

REFERENCE OF MISSOURI VALLEY AUTHORITY BILL—RESOLUTION INDEFINITELY POSTPONED

Mr. BARKLEY. Mr. President, I move that the Senate proceed to consider House Joint Resolution 145, Calendar No. 353.

Mr. McCARRAN. Mr. President, before the Senator makes that motion, will he yield to me, so that I may make a motion regarding a resolution on the calendar which I desire to have removed from the calendar?

Mr. BARKLEY. I yield for that purpose.

Mr. McCARRAN. I refer to Senate Resolution 93, which is found on the calendar under the heading "Subjects on the table." Adoption of that resolution has now become unnecessary, because by agreement the bill affected by the resolution was referred to the Committee on Irrigation and Reclamation.

Therefore, Mr. President, I move that Senate Resolution 93 be indefinitely postponed.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

NOTICE OF CONSIDERATION OF PUBLIC AIRPORTS BILL

Mr. McCARRAN. Mr. President, will the Senator from Kentucky yield to me, so that I may make a statement with regard to Senate bill 2, Calendar No. 220?

Mr. BARKLEY. That measure was not called during today's call of the calendar.

Mr. McCARRAN. That is correct; it was not.

The PRESIDENT pro tempore. The call of the calendar commenced with Calendar No. 450.

Mr. McCARRAN. I merely asked the Senator from Kentucky to yield to me so that I might make a statement regarding the bill.

Mr. President, I refer to Senate bill No. 2, the so-called airport bill. I wish the Senate to know that as soon as possible after the Senate reconvenes following the approaching recess, the Senator in charge of the bill will attempt to have it brought before the Senate for consideration.

APPLICATION OF PROVISIONS OF EXPORT-IMPORT BANK BILL TO THE PHILIPPINES

Mr. TYDINGS. Mr. President, will the Senator from Kentucky yield to me before he makes his motion, so that I may make a statement?

Mr. BARKLEY. I yield.

Mr. TYDINGS. A while ago the Senate passed the Export-Import Bank bill. While the bill was pending before the Senate it was brought out that perhaps the Philippine Islands would not be entitled to participate with other foreign nations in receiving the benefit of the bill. It was suggested that an amendment to the bill including the Philippine Islands be adopted. Because the adoption of such an amendment would have taken the bill to conference and would thus perhaps delay or kill the whole legislation, the Senator from Maryland did not offer the amendment, but on this subject he would like to offer a concurrent resolution and call for its immediate consideration. I believe it would bring on no debate. It would correct the situation referred to, so that when the bill is finally enacted the desired result relative to the Philippine Islands may be obtained.

Mr. BARKLEY. Mr. President, it is likely that the Senate will be in session practically all afternoon. The measure for which I am about to move consideration by the Senate has been on the calendar for some time, and farmers and farm groups in the United States are interested in having action taken on it. I think we should proceed to its consideration now.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The PRESIDENT pro tempore. Does the Senator from Kentucky make his motion at this time?

Mr. BARKLEY. Mr. President, I therefore move that the Senate proceed to the consideration of Calendar No. 353, House Joint Resolution 145, providing for membership of the United States in the Food and Agriculture Organization of the United Nations. The joint resolution has been reported from the committee without amendment.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky.

Mr. REVERCOMB. Mr. President, I find myself compelled to object to adoption of the motion to proceed to the consideration of the measure at this time because it deals with one of the arrangements by which this country would enter into another international compact. The measure would be so far-reaching in its effect on the people of this country, particularly those engaged in agriculture, that I think it should be given most careful and extended consideration.

In order that the Senate may know what passage of the joint resolution would mean, I desire to call attention to a conference which was held at Hot Springs, Va. Some Members of the Senate will remember it, and, of course, it has heretofore been referred to. In the month of May 1943 the representatives of approximately 20 nations met at Hot Springs, Va., in what was known as a United Nations Conference on Food and Agriculture. Many Senators will recall that it was a very secret and guarded conference. At that time the press announced to the people of this country that the reporters and other representatives of the press were not allowed to go near those meetings. The sessions were held behind closed doors. Soldiers were stationed on the grounds of the hotel in which the meeting was being held.

Out of that meeting came what is known as the Final Act and Section Reports of the United Nations Conference on Food and Agriculture. I wish to invite the attention of the Senate, and particularly of those Senators who are interested in agriculture and come from agricultural States, to some of the provisions and recommendations which are contained in the report.

On page 23 of the report I find in section XXII the following:

> Occupational adjustments in rural populations. The United Nations Conference on Food and Agriculture——

Mr. LANGER. Mr. President, from what page of the report is the Senator reading?

Mr. REVERCOMB. From page 23.

Mr. LANGER. In the copy which I hold before me there is no page 23.

Mr. REVERCOMB. The Senator must be reading from a different copy because I am reading from page 23 of the report which I have before me.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. I invite attention of the Senator from West Virginia to the fact that the report which he has before him is not accurate, and does not reflect what is now before the Senate. The report which the Senator has before him relates merely to the beginning of the negotiations which were ultimately submitted to 44 separate countries, and subsequently came back in a quite different form. If the Senator wishes to address himself to the matter before him, he will find Report No. 353, accompanying House Joint Resolution 145, relates to the matter now before the Senate. The report which the Senator has before him has been greatly changed.

Mr. REVERCOMB. Mr. President, I of course want to speak to the subject matter before the Senate. The issue which is before us grew out of what occurred on the occasion to which I have referred, and I am speaking of the recommendations which were signed by the representatives of the countries which were represented at the Conference, including representatives of the United States of America. When one reads the recommendations upon which this action was taken, and which was signed by the representatives of this country, one feels as I do, and is shocked and surprised.

Mr. BUSHFIELD. I invite the Senator's attention to the joint resolution which is the subject of the motion now before the Senate. The resolution reads:

That the President is hereby authorized to accept membership for the United States in the Food and Agriculture Organization of the United Nations, the constitution of which is set forth in appendix 1 of the First Report of the Governments of the United Nations.

Evidently that is the report to which the Senator is referring.

Mr. REVERCOMB. No; I believe that the report which is referred to in the joint resolution came later. It was made in August 1944. I am referring to the first report, which is entitled, "Final Act and Election Reports of the United Nations Conference on Food and Agriculture." It was the preliminary step taken prior to the final so-called constitution which was written at a later date, and to which I assume the able Senator from Vermont has referred.

I read from page 23 of the report. This is the final act which came from the United Nations Conference on Food and Agriculture held at Hot Springs, Va.:

SECTION XXII. OCCUPATIONAL ADJUSTMENTS IN RURAL POPULATIONS

The United Nations Conference on Food and Agriculture recommend—

And I repeat that the representaives of our Government recommended this, together with the representatives of the other nations who were represented at the Conference—

1. That, in order to effect the necessary occupational adjustments in agricultural populations:

(a) Agricultural efficiency should be improved and new lands brought under cultivation wherever possible.

(b) Areas which have a large agricultural population in relation to their agricultural resources should:

(I) Develop industries suitable to the area, particularly for the processing and preserving of the agricultural produce of the country, and, where feasible, for the manufacture of machinery, fertilizer, and equipmend needed for agriculture;

(II) Be encouraged wherever it is economically sound to supply processed articles instead of the raw product, and in particular to take advantage of any reductions of trade barriers in the importing countries;

(III) Be assisted in securing capital for the development of industrial and transportation facilities and for the development of export outlets for processed products;

(IV) Be assisted in securing facilities for the importation of machinery and tools where such are necessary;

(V) Be assisted in securing and training technical personnel;

(VI) Undertake programs of public works and, where necessary, be assisted in securing technical advice and access to capital;

(VII) Develop sources of employment of public and private services;

Down to that point——

Mr. AUSTIN. Mr. President, will the Senator yield at that point?

Mr. REVERCOMB. I will yield in a moment. Down to that point I have read recommendations which are probably very laudable, but I shall continue to read something else which I wish to call to the attention of the Senate. Before doing so, however, I yield to the Senator from Vermont.

Mr. AUSTIN. I ask the Senator to point out where, in the constitution of this organization, there is anything like what the Senator has been reading.

Mr. REVERCOMB. Whatever may be contained in the constitution, or whatever may be the power that was placed in it, what I have read reveals better than anything else which could be read before the Senate, the intent and purpose of the actors under the constitution.

I continue to read the recommendations:

(c) Where agricultural settlements are possible, appropriate steps should be taken to facilitate the movement of people from overmanned agricultural areas.

That is a part of the recommendations. I repeat:

Where agricultural settlements are possible, appropriate steps should be taken to facilitate the movement of people from overmanned agricultural areas.

What I have read is a recommendation to transfer people from one area to another, taking them from overmanned agricultural areas. Of course, we will not find anything like that written into the constitution. What I have read is only a declaration of the purposes and objects of those who brought the constitution into being.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. REVERCOMB. I will yield in a moment.

If I read the language correctly, it means that if those who are given authority under the constitution of the United Nations Organization on food find that there is an overmanned agricultural area in some section of the country, appropriate steps may be taken to facilitate the movement of people from it. Have we to come to the point in this country where we will subscribe to an organization which will direct the movement of people engaged in agricultural work from an overmanned area to another area? I hope not.

I now yield to the Senator from South Dakota.

Mr. BUSHFIELD. Let me ask the Senator, who is to decide when Jones and Smith and others in a community are overmanning the community and should remove to some other country?

Mr. REVERCOMB. I take it the organization set up under the United Nations food constitution will decide that. This is the declared purpose of the people who brought into being the constitution which we are asked to subscribe to at this time.

Mr. President, I discuss this question at some length because I feel that perhaps none of us has given the thought and time to this important question which should be given to it. Not until a short time ago today did I know that the joint resolution would be called up for consideration on the floor of the Senate today, and I hope its consideration will be delayed so that we may all give some thought to it.

I wish to proceed now to read from the recommendation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BARKLEY. This joint resolution was called on the calendar weeks ago, and its consideration was postponed on account of the fact that the Senator from Vermont, who had made the report, was temporarily absent from the city. It was again called, and, as I remember, the Senator from West Virginia objected to its consideration under the call. Therefore the Senator has known since the 11th of June that the measure was on the calendar, and that if it could not be considered on the call of the calendar a motion would be made to take it up on its own merits; and that is what we are doing now.

Mr. REVERCOMB. Mr. President, I knew that the joint resolution was on the calendar. I knew that it was passed over on the call of the calendar for consideration of measures by unanimous consent. I objected to its consideration and passing on a consent call. But I did not know this matter was to be called up especially today until a very short time ago.

Let me read further. Here is a recommendation, and I call this particularly to the attention of those who are from agricultural communities.

In order to help in intranational and international migration where these are feasible—

I read the language again.

In order to help in intranational—

That is, within the country, from State to State—

and international migration—

That is, from country to country—

where these are feasible—

It is recommended that—

(I) Occupational training should be provided;

(II) Labor bureaus should be set up where necessary—

What such labor bureaus are to do I am not informed, but apparently the labor bureaus are set up to bring about migration from country to country under this United Nations Organization.

Mr. YOUNG. Mr. President, will the Senator from West Virginia yield?

Mr. REVERCOMB. I yield.

Mr. YOUNG. If we follow out the ideas behind the trade agreements and give away the American farm markets to foreigners, I think it is entirely reasonable to assume that of course we will have to transport the farmers of America to the cities or perhaps to other countries.

Mr. REVERCOMB. I think the point is well made, but the agreements to which the able Senator refers have become law under vote of a majority of the Congress.

I hope a mistake will not be made, and I hope the Senate will not agree to put into effect a constitution which arose out of and was based upon the principles and expressions contained in this report signed by the representatives of the United States.

I proceed:

in order to help in intranational and international migration where these are feasible.

(III) Transportation, communication, housing, sanitation, health, and other public facilities necessary to effective settlement should be provided by the country receiving the migrants.

Mr. President, what country will be paying for the transportation, the communication, the housing, the sanitation, and the health and other public facilities? It will be the United States of America, because this is the only country to which people wish to come. Are we going to place ourselves in the position of endorsing at this time a plan to foster migration to the United States for agricultural purposes, and to pay for the transportation? It is to be paid for by the country receiving the migrants.

(IV) Steps should be taken to provide for the economic security of the migrants.

We are not only going to bring them into this country—and there is no limit placed upon the number; thousands are to be brought here for agricultural purposes, and we are to pay their way here—but in addition we are to take steps to assure to them economic security in America.

Oh, the argument is made, "No, this is not written into the constitution to which we are asked to subscribe today." Of course it is not. We do not put provisions of that kind in a constitution. But this is the action out of which that constitution arose, and this is the report and the language and the intent of the persons who brought into being that constitution.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BUTLER. I should like to ask the Senator from West Virginia whether it would not appear more practical for us to give serious consideration to the return and the care of our own citizens who are now in foreign countries fighting the battles of the world, getting them reestablished here, before we undertake to bring in myriads from other countries.

Mr. REVERCOMB. Of course, there can be no doubt in my mind about that. I think the Senator from Nebraska is exactly right, and I am glad he brought up the point at this time.

How can we here in this country subscribe to a constitution based upon this idea of migration into this country of people from other lands, when we have out of our own land several million boys to be brought back, to be cared for, and to make their way and their living in a peaceful world in their own country?

Let us proceed. This is a further recommendation.

(e) Where emigration is possible, an international organization should support arrangements to provide adequate safeguards for the settlers and for the countries concerned, and to facilitate the movement through other appropriate means.

Can there be any doubt about the meaning of that language or the purpose of those who subscribe to it? In this tide of great international feeling which has swept over the world and has swept over us, have we reached the time when we are to subscribe to a plan of international migration, of moving people from other countries into our own farming sections by an agreement under which we enter into an agricultural organization for the world? Have we reached the point in America when we are to set up any organization which may extend into any State or any farming community and say, "You are too thickly settled here. We are going to move you somewhere else"? There is another country that has done that in the past, and we understand they are moving whole communities today, but I hope that will not happen in America, and I hope we will not subscribe to any plan based upon the idea of bringing about that kind of thing.

In some of the discussions upon the agreements we have not had the benefit of declared purpose and of declared intent. We have reasoned and we have drawn our conclusions as to what might happen under circumstances which exist. But, ah, Mr. President, we have the written, signed word of those responsible for bringing into being this United Nations food constitution, saying what they intend to do.

There is no argument, I say, in the claim that that language does not appear in the constitution. The countries which signed the constitution subscribed to the language I have read to the Senate today.

So, Mr. President, upon the motion to consider the bill I hope that the Senate will not vote to consider this important matter. I can go no further at this time than to point out the report of the representatives of the several nations upon which this constitution is based; and I say that if we subscribe to the constitution at this time we will do so without a proper consideration of the matter; we will do so with the facts called to our attention that the constitution was written after a preliminary conference at Hot Springs, Va., at which the delegates stated that they favored the migration under a world organization of people from one country to another.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. WILEY. I have listened to the comments of the Senator from West Virginia. This matter came up in the Foreign Relations Committee. I should like to call the Senator's attention to article IV, on page 34 of House Document 128. The matter was presented in a rather hurried manner to the Foreign Relations Committee.

Article IV—Functions of the Conference—is as follows:

The Conference may, by a two-thirds majority of the votes cast, make recommendations concerning questions relating to food and agriculture to be submitted to member nations for consideration with a view to implementation by national action.

I also read paragraph 3, as follows:

3. The Conference may, by a two-thirds majority of the votes cast, submit conventions concerning questions relating to food and agriculture to member nations for consideration with a view to their acceptance by the appropriate constitutional procedure.

Having in mind the particularly important fact that it is the function of this organization when they arrive at any conclusion to submit it to each government, or, as it is stated here, to "appropriate constitutional procedure," I should like to have the distinguished Senator comment so I can see whether I am mistaken in my conclusion as to the power of this organization.

Mr. REVERCOMB. I would say that of course a two-thirds majority under the provisions referred to by the Senator from Wisconsin would be sufficient to submit the question, and it would only be acted upon, according to these provisions, by the member countries. I am not sufficiently advised about this constitution to discuss at length the particular provision referred to along with the other provisions. That is one reason I say we ought to have more time to consider this proposed legislation and not have it called up at this time. It is too important.

Mr. WILEY. Mr. President, will the Senator again yield?

Mr. REVERCOMB. I yield.

Mr. WILEY. I agree fully with the conclusion that there should be an exhaustive discussion of the subject. However, if we can agree on what I think is the very basis of the difference between apparently the Senator's understanding and mine—if we can agree that no action can be taken by this organization until there has been constitutional agreement by each member government, then it seems to me that much

of the fear which the Senator has expressed would disappear.

Mr. REVERCOMB. I wonder if the fear would disappear. In view of the fact that the representatives of our own Government, in a conference prior to the writing of this constitution, declared the things I have read today to the Senate. The document from which I have read is not in the hands of Senators. I obtained it from the State Department. I would say that few individuals have seen it. It is the report the preliminary sessions of the various nations before they brought forth the proposed constitution.

The able Senator from Wisconsin says it would be entirely safe under the provisions read by him, if upon two-thirds vote they would submit their recommendations for action to the respective member nations. I say it would not be safe if the member nations are going to take the course set forth in this report of the United Nations conference on food and agriculture held at Hot Springs, Va.

But be that as it may, let me say to the Senator from Wisconsin that what I am speaking against today is the immediate consideration of the proposed legislation. I think it is too important, I think it is too involved, I thing there is too much to it to proceed at once without a proper study of it, and for that reason I am asking the majority leader not to insist upon consideration of the joint resolution today, but if he desires to fix a day certain when we may be ready to go into this important subject, very well.

I have detailed the provisions of this report because I wish to have Members of the Senate know what was behind this constitution, and what brought it about. What do the countries which have written it and submitted it to us think, and what did their representatives think and believe in before that constitution was written? I have read what they believed with respect to the migration into this country of foreign agricultural labor. There are many other things in the report which ought to be studied and read, and I hope that in the course of time they may be brought to the attention of the Senate. At this time I urge the majority leader not to insist upon proceeding with this important piece of legislation, but to fix a day certain or a time certain when we may proceed to consider it with full knowledge of the cause which is before us.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AIKEN. Can the Senator from West Virginia tell us what powers are proposed to be granted to the Agricultural Organization of the United Nations which were not held by the International Institute for Agriculture, if that is the correct name?

Mr. REVERCOMB. I am not prepared to draw a distinction between the two sets of powers.

Mr. AIKEN. It is my recollection that in both instances there was only power to ascertain facts and make recommendations.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. I can quickly call the attention of my colleague to the evidence which answers his question. On page 31 of the House hearings appears the following in the testimony of Mr. Acheson:

> What will undoubtedly happen to the Rome Institute will be that it will be absorbed into this new organization. The Rome Institute was a pioneer in this field; it dealt solely with agriculture and did not deal with the aspect of foods and nutrition.

That is the difference between the two.

> The Rome Institute has its office, as you know, in Rome. During the war it became entirely a captive of the Axis. It has practically no set-up at the present time; it has a small staff, a few people, and it has a library. That is about the only asset it has.

If the Rome Institute is to go out of existence, the proposed Food and Agriculture Organization is to gather together the information and place it in the right spots to insure greater production, greater consumption, and a balancing of consumption and production. There is also a health aspect in this procedure to which I shall call attention if I have an opportunity.

Mr. AIKEN. Is the proposed organization to be granted powers in the broader field in which it will work, as compared with the International Institute of Agriculture, whose function was strictly agricultural?

Mr. AUSTIN. I think probably it would have greater powers; but there are no such powers as those mentioned by the distinguished Senator from West Virginia. He is talking about an entirely different subject, and not this subject.

Mr. REVERCOMB. Does the Senator from Vermont mean to say that the United Nations Conference on Food and Agriculture, held at Hot Springs, Va., was not the forerunner of this constitution?

Mr. AUSTIN. Yes; but there was a great difference between the fact of holding that meeting and what the meeting ultimately did.

Mr. REVERCOMB. I will give the Senator the exact time. The United Nations Conference on Food and Agriculture was held at Hot Springs May 18 to June 3, 1943, whereas this constitution was adopted at a meeting held in August 1944, as I recall.

Mr. AUSTIN. No. This constitution is the product of work which followed the date which the Senator has last mentioned, and ultimately came into its present form near the date of the letter published in this report, which is March 13, 1945.

Mr. REVERCOMB. Let me say to the Senator from Vermont that I shall read from the joint resolution which is under discussion. This is the language of the joint resolution itself:

> That the President is hereby authorized to accept membership for the United States in the Food and Agriculture Organization of the United Nations—hereinafter referred to as the "Organization"—the constitution of which is set forth in appendix I of the first report to the Governments of the United Nations by the Interim Commission on Food and Agriculture, dated August 1, 1944.

Mr. AUSTIN. Yes, indeed; but that is not the language of the constitution as it was submitted with this report. That is a mere identification. It does not undertake to state the terms of the constitution. But even the constitution to which the Senator now refers did not refer to the subjects and powers about which he is making his address. That is a wholly different matter.

Mr. REVERCOMB. I do not agree that it is extraneous matter. I no more agree that it is extraneous matter to the constitution of the United Nations on food than I agree that the notes in connection with the Constitutional Convention are extraneous to the Constitution of the United States. They throw light on the intent and meaning. The same parties or the same nations were there represented. The same governments took part. They declared what their intention was as to migration. They declared their intent, and recommended that migration be fostered among the several nations, and that the receiving nations pay the way of the migrants and make them secure after their arrival.

Let me say further that if that does not throw light on the intent of those who entered into this agreement, nothing in the world could. The two occurrences were a little more than a year apart. The first was a preliminary meeting for the purpose of beginning the organization, and the second was a meeting at which the constitution was brought forth.

I have brought up this question at this time to point out to the Senate the vast importance of the subject which is suddenly thrust upon us. I say "suddenly thrust upon us." It is true that the joint resolution has been on the calendar, but little notice was given that it would be called up today. I charge no one with wrong in that connection. I do not charge that anyone was mistreated.

We are all concerned with this important question, and I think we ought to have more time to consider it. I urge the majority leader to fix a time certain, to which we may direct our work from now on, so as to be prepared to discuss the subject fully.

The Senator from Vermont says that the report which I have read, and which I obtained from the State Department, has no relation to the constitution. I cannot agree with that statement. I think it sheds light on the very purpose of the organization. It shows the declared recommendations of the nations which wish to subscribe to the constitution.

The report from Hot Springs on the immigration question is signed by the representatives of the United States. Naturally, details are not written into a constitution; but the same nations and, so far as I know, the same governments, as then constituted, which made this report from Hot Springs in 1943, brought into being the constitution on the same subject in 1944. I know of nothing which would throw greater light on the intent

than the recommendations of those who brought forth the constitution itself.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. WILEY. I believe that the subject is one which must have clarification, and I join in the request of the distinguished Senator that we have time to consider it.

However, I feel that what he read in relation to immigration is something with which the world is seriously concerned. In 1939 it was my privilege to represent this Government at the Interparliamentary Union at Oslo, Norway. At that time it was my privilege to meet a Mr. Nansen, the son of Fridtjof Nansen. Fridtjof Nansen, the famous Norwegian explorer, was one of the great leaders in the League of Nations. His son took over his job. After the last World War, 10,000,000 Europeans were displaced, and the nations got together and formed an organization. I do not know the name of it, but I know that Fridtjof Nansen, Sr., was active in that organization, and after he died his son became the head of the organization. The purpose of the organization was to find homes for the millions who were displaced by the war.

Of course, I could not agree to any organization which would attempt to take away from the Congress of the United States its constitutional powers with respect to immigration. However, I feel that just as the situation to which I have referred was a result of the First World War, we now have millions more in the same situation.

If we are to try to solve the problems of the world, we cannot ignore this problem. However, I do not think the solution of it is to be found in opening the gates of America to a large immigration. I believe that there are places on the earth where great masses of Europeans could be cared for. We have in our laps the great Palestine problem. There are overpopulated areas in Europe. There is to be a change in the boundaries between Poland and Russia, and between Poland and Germany. There are other things which will cause great changes and a tremendous migration.

Looking at the matter charitably, it seems to me, judging from what the Senator has read, that he might say that the conference had in mind taking up consideration of that matter. But I do not find anything like that in the present constitution which was submitted to the Committee on Foreign Relations. I wish to make it clear that there is nothing in the measure which gives power to this organization. All it can do is recommend to the Congress of the United States what it thinks are appropriate steps to be taken in view of all the factors which it can consider.

I thank the Senator for yielding to me.

Mr. REVERCOMB. Mr. President, I thank the Senator for his remarks. Of course, his views regarding immigration into this country are thoroughly in accord with my own. I am entirely against letting down the bars regarding immigration, particularly when so many of our men have left this country during the war and must return here to live when the war is over. I am thoroughly in accord with the Senator's view of that situation.

My point of view is that to call up this important question now, when we have just finished dealing with other important legislation to which we have given our whole attention for a considerable length of time, would not be the proper procedure. I think we are unable to give it the attention it requires in the time now at our disposal. I urge that a little time be given to study this important constitution, for we are supposed to subscribe to a new constitution of the United Nations relative to food and agriculture. I cannot think of anything more important to this country or anything which would require more study on the part of the Senate.

I now urge the distinguished senior Senator from Kentucky [Mr. BARKLEY], the majority leader, to give all of us more time to consider this question.

APPLICATION OF PROVISIONS OF EXPORT-IMPORT BANK BILL TO THE PHILIPPINES

During the course of Mr. REVERCOMB's remarks,

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. TYDINGS. I ask the Senator's pardon for interrupting his address, but the Export-Import Bank bill passed by the Senate earlier today may be in the process of enrollment, and if the concurrent resolution which I hold in my hand is not quickly acted on it would be of no value, even if Congress were to adopt it. As was brought out by the Senator from Ohio and the Senator from Michigan in discussing the bill earlier today, the Philippine Islands were left out of the scope of the Export-Import Bank. The bill has gone to the House and I am afraid, unless action is taken immediately, it will be enrolled before the correction I propose is made.

Mr. REVERCOMB. Does the Senator wish to proceed with the concurrent resolution he speaks of?

Mr. TYDINGS. I should like to ask unanimous consent to have a correction made in the Export-Import Bank bill, simply to have the Philippine Islands included in the scope of the bill which was passed earlier today. I do not think any Senator is opposed to it. If the proposal should result in debate I will withdraw it immediately.

Mr. REVERCOMB. I am glad to yield to the Senator for the purpose he has in mind, with the understanding that the present procedure may be transposed, so as not to appear in the midst of the discussion which has been taking place.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BARKLEY. Mr. President, I wish to make a statement. It is a little unusual to instruct the enrolling clerks of the two Houses by way of correction to put something in a bill which was not in the bill as it passed either House and was not intended to be in the bill. We frequently instruct the enrolling clerks to put something in a bill that was left out by oversight. That is not the case in this matter. No effort was made to get this provision into the bill in the House or the Senate, and it is not by way of correction, because the bill as it is now, in process of or ready for enrollment, is not incorrect. There is no error committed in the enrollment.

I am not going to object, but I want it distinctly understood that it is an unusual thing to amend a bill by way of correcting the enrollment when neither House considered the item or acted upon it. With the understanding that it establishes no precedent, Mr. President, in that regard I shall not object.

Mr. WHITE. I simply want to echo what the Senator from Kentucky has said. I think it does establish a precedent, and, I think, an unhappy one, but I am not going to object.

Mr. TYDINGS. Mr. President, I want to reecho what both Senators have said, and I hope what is proposed to be done will not establish a precedent. I hope the concurrent resolution will be adopted.

The PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The Chief Clerk read the concurrent resolution (S. Con. Res. 23), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House, in the enrollment of the bill (H. R. 3771) to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes, is authorized and directed, on page 2, line 8, after the word "country" to insert the following: "(or the Philippine Islands)."

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

Mr. TYDINGS. Mr. President, I take this opportunity to thank the Senator from West Virginia for his courtesy in yielding to me so the correction could be made.

Mr. REVERCOMB. I have been glad to yield to the Senator from Maryland for that purpose.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The Senate resumed the consideration of the motion of Mr. BARKLEY to proceed to the consideration of House Joint Resolution 145 providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

Mr. BARKLEY. Mr. President, I shall not discuss the details of the joint resolution or the details of the constitution. I wish to address myself particularly to the remarks of the Senator relative to postponement of consideration of this measure. This joint resolution passed the House of Representatives on April 30, 1945. It came to the Senate and was referred to the Committee on Foreign Relations.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. AUSTIN. This subject matter—the proposition to study the charter—was referred to the Committee on Foreign Relations of the Senate long before that, namely, on March 15, 1944, nearly

1½ years ago; and a subcommittee was appointed, which gave a great deal of study to this subject, even before the House of Representatives had passed the measure.

Mr. BARKLEY. I thank the Senator for his remarks. I was speaking of this particular joint resolution; but the subject matter was before the Senate Committee on Foreign Relations nearly a year and a half ago; and a subcommittee was appointed, and gave detailed and careful consideration to the whole subject. On March 15, 1944, I believe, that process of investigation by the committee began.

This particular House joint resolution was passed by the House of Representatives the same year and was referred to the Senate Committee on Foreign Relations; and thereafter, on the 11th day of June, it was reported to the Senate from the committee. It has been on the calendar for certainly more than a month—from the 11th of June to the 20th day of July, which is 5 weeks. It was called twice during the call of the calendar; and the second time it was almost on the verge of passage, when it was realized that the Senator from Vermont had gone to his home State on an important mission and it was felt that it should not be passed in his absence. So it went over.

It was later called during a subsequent call of the calendar. At that time the Senator from West Virginia objected. I then said that I intended to move to have it taken up at the earliest possible date, and that if it took a motion to have it considered by the Senate, such a motion would be made at the earliest opportunity either by myself or the Senator from Utah [Mr. THOMAS] or the Senator from Vermont [Mr. AUSTIN]. This is the first opportunity we have had to do so.

No clarification of the matter is necessary, except insofar as we can debate it on the floor of the Senate. We cannot clarify it by having the Senate take a recess until October; because when we return following the recess we shall not find that it has been clarified in our absence. If anything about it needs to be clarified, that can best be done on the floor of the Senate.

I do not think anything about it really needs clarification. The Senator from West Virginia has referred to a memorandum made at Hot Springs or to some recommendations or a memorandum which he dug up in the State Department. We must pass on this constitution according to its present terms, not according to what someone wished to place in it, but did not succeed. There is nothing in this constitution and there is nothing in this joint resolution about immigration; the subject is not even mentioned. No authority is given anyone with respect to immigration. The mere fact that someone discussed it in the conferences or even submitted a memorandum about it does not indicate anything.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. BARKLEY. I shall yield in a moment.

I said a while ago, when I made the motion, that the farmers and farm organizations of this country are anxious to secure action on this matter. A conference is to be held very shortly in Caracas, and delegates for the United States have been appointed to attend it. I have seen a copy of a letter sent to the Senator from Vermont by Mr. Albert Goss, head of the National Grange, urging immediate action upon this House joint resolution; and Mr. Goss has been calling me over the telephone every day for a week. He telephoned me this morning and urged that we try to have action taken on this measure, because he said it was important, in order that action may be taken before the conference on agriculture is held in the city of Caracas.

The National Council of Farmer Cooperatives is urging the taking of immediate action on this joint resolution. The Senator from Vermont has handed me a telegram from John H. Davis, executive secretary of the National Council of Farmer Cooperatives; and I shall take the liberty of reading it, inasmuch as I have mentioned it. It is addressed to the Senator from Vermont, and it reads as follows:

WASHINGTON, D. C. *July 19, 1945.*

Senator WARREN R. AUSTIN:

In view of fact that Food and Agriculture Organization is an integral part of United Nations Organization and in view of fact that first meeting of Food and Agriculture Organization is being planned for October 1945, it is vital that United States Senate approve FAO bill House Joint Resolution 145 before it recesses. We strongly urge that you do your utmost to get such action.

JOHN H. DAVIS,
Executive Secretary, National Council of Farmer Cooperatives.

The Senator from Vermont has also handed me a telegram sent to him by Edward A. O'Neal, president of the American Farm Bureau Federation, dated July 19, which was yesterday. The telegram reads as follows:

WASHINGTON, D. C., *July 19, 1945.*

Senator WARREN R. AUSTIN,
Senate Office Building:

I understand that a sufficient number of nations have ratified the charter of the International Food and Agriculture Organization to enable it to proceed with the establishment of the organization and that arrangements are being made for an organization meeting probably in October 1945. It is therefore very important that House Joint Resolution 145 be approved by the State and enacted into law before the Congress recesses in order that the United States may become a member and have a voice in the establishment and operations of this international organization. This is of vital importance to our farmers. This bill has the support of all national farm organizations. I sincerely hope that you can get favorable action by the Senate on this legislation before the congressional recess.

EDWARD A. O'NEAL, *President,*
American Farm Bureau Federation.

I may say that under the terms of the constitution provision has been made that when 20 of the nations signing the constitution have accepted membership in it, the organization goes into effect. Up to the present moment 23 nations have accepted membership in the organization. The United States is not one of them. So, in regard to the agricultural and food constitution, the other nations are not waiting for us to accept membership in the organization, but we should certainly be a member of it by the time it holds its first meeting in October.

In view of the circumstances, Mr. President, and the length of time the proposed legislation has been on the calendar subject to the study of Members of the Senate, during which time it was given careful consideration by the Committee on Foreign Relations, I feel justified in urging that it be taken up now. If the Senate desires to postpone it until October, which would be too late for the American Government to appoint delegates to attend the conference, the Senate may do so. However, I do not at this time feel justified in withholding the motion to proceed to the consideration of the joint resolution.

Mr. REVERCOMB. Mr. President, by way of brief reply to the majority leader, I wish to say that I believe it to be far more important to this country that we give careful consideration to this proposal than it is to rush into it without having a thorough discussion of it, and acquiring a thorough knowledge of it, which would not be the case if we should proceed to consider it now.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I will yield in just a moment.

The Senator has referred to the report from which I have read as a memorandum. Allow me to say to the Senator that it is something more than that. It is a report which was signed by the representatives whose names have been affixed to the document as representing the Governments of Australia, Belgium, Bolivia, Brazil, Canada, Chile, China, Colombia, Costa Rico, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Egypt, El Salvador, Ethiopia, French Representative, Greece, Guatemala, Haiti, Honduras, Iceland, India, Iran, Iraq, Liberia, Luxemburg, Mexico, Netherlands, New Zealand, Nicaragua, Norway, Panama, Paraguay, Peru, Philippine Commonwealth, Poland, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom, United States of America, Uruguay, Venezuela, and Yugoslavia. Covers almost the entire habitable face of the earth. All those countries were represented at the Conference. The document is very much more than a memorandum. It is a carefully drawn report and act. It is entitled "Final Act and Sections Report of the United Nations Conference on Food and Agriculture." The Conference was held from May 18 to June 23, 1943. The report represents the recommendations of the Conference with regard to the kind of an international food organization which should be established, and its constitution follows the action which was taken.

Mr. MILLIKIN. Mr. President, will the Senator from West Virginia yield in order that I may ask a question of the senior Senator from Vermont?

Mr. REVERCOMB. I yield.

Mr. MILLIKIN. Is there anything in the constitution which would preclude recommendations on matters of the type mentioned by the junior Senator from West Virginia?

Mr. AUSTIN. I am unable to answer the question in that form without making a thorough study of the entire charter.

Mr. REVERCOMB. I think that what the Senator from Vermont has stated is the crux of the whole matter. He said that he would prefer not answering the question until he has had an opportunity to study the entire constitution. I join with him. I want a similar opportunity, and I want every Member of the Senate to have an apportunity to study the matter very thoroughly. I do not believe the joint resolution should be considered until we have had an opportunity to study the entire constitution.

Mr. AUSTIN. Mr. President, if the Senator has finished his statement by which he interrupted my answer to the question propounded by the Senator from Colorado, I should like to complete what I started to say.

Mr. REVERCOMB. I thought the Senator had completed his statement.

Mr. AUSTIN. What has been said causes me to say that even my partial answer has been misunderstood by the distinguished Senator from West Virginia.

I have studied the charter for approximately a year and a half, and have given very careful consideration to it. As a result of that study I have not discovered anything of the nature to which the Senator from Colorado has referred. It is because he asked the question that I replied as I did. In order to be perfectly sure and accurate, I should like to look at the charter again.

I wish to say, however, that there is nothing in the charter itself, or in the acceptance of it by the President, if he accepts it, that permits any modification of it without our consent. We cannot be bound by any modification of the charter without our consent. Such consent would have to be obtained in a constitutional manner. When I have the opportunity I shall try to make as simple and brief an explanation of it as I can. Whether the Senate decides to proceed to consider the joint resolution at this time or not, what I say today may help to inform Senators about what the measure provides.

Mr. MILLIKIN. I notice under article I, paragraph 2, subparagraphs (c) and (d), that it is a part of the function of the Organization to recommend national and international action with respect to "(c) the conservation of natural resources and the adoption of improved methods of agricultural production; (d) the improvement of the processing, marketing, and distribution of food and agricultural products."

It occurs to me offhand that that description might be sufficiently ample to cover the matters which the distinguished Senator from West Virginia [Mr. REVERCOMB] has mentioned.

I notice, moreover, under article IV, paragraph 2, that it is stated:

> The Conference may, by a two-thirds majority of the votes cast, make recommendations concerning questions relating to food and agriculture to be submitted to member nations for consideration with a view to implementation by national action.

Not for consideration alone, but "with a view to implementation by national action" of various things pertaining to the functioning of the Organization.

It seems to me that the project is on more than a conversational basis, and should be given most careful study. Personally, I hope it will go over so that we may go into it very thoroughly.

Mr. REVERCOMB. Mr. President, in view of the importance of the proposed legislation, I wish to move that action on the joint resolution be postponed. I think the motion is in order.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDING OFFICER (Mr. GEORGE in the chair). The Senator will state it.

Mr. AUSTIN. There being a motion pending to proceed to the consideration of the joint resolution, is the motion of the Senator from West Virginia now in order?

The PRESIDING OFFICER. The Chair is of the opinion that it is not. The question is on the motion to take up the joint resolution.

Mr. REVERCOMB. Mr. President, I thought a motion to postpone was in order, even in the face of a motion to consider.

The PRESIDING OFFICER. The Chair knows of no parliamentary procedure under which a motion to postpone will take precedence over a motion to take up a measure.

Mr. REVERCOMB. Mr. President, I wish to express the hope that, on the question of taking up at this time, this very important matter, which has been so little considered, the motion will not be agreed to.

Mr. AIKEN. Mr. President, all my life I have been a farmer, I have always lived among farmers, I have always worked with farmers and farm organizations, and I wish to say now that I believe that United States membership in an international food and agriculture organization is absolutely vital to the welfare of the American farmer. I believe it to be the utmost importance that at the first meeting of this organization the United States be represented.

The Senator from West Virginia [Mr. REVERCOMB], the Senator from Wisconsin [Mr. WILEY], and the Senator from Colorado [Mr. MILLIKIN] have stated that they think we should have more time to consider the proposal. I wish to say that every farm organization in the United States has studied the agreement, or constitution word for word, and I know that the leaders of these organizations and their experts have made a more thorough study of this matter than all the Members of the Senate combined will make if we are given a year in which to consider it.

When Alfred Goss, of the Grange; Ned O'Neal, of the Farm Bureau, John Davis, of the Council of Farm Cooperatives, Jim Patton, of the Farmers' Union, and other farm leaders, say that it is necessary for us to act upon this promptly so that we may be represented at the first meeting of this food and agriculture organization, they mean exactly what they say. We should not let the American farmers down by rejecting the motion of the Senator from Kentucky. In my opinion the Senate will be very remiss in its obligations to American agriculture unless it takes up this joint resolution and acts upon it promptly.

Mr. LANGER. Mr. President I wish to support everything that has been said by the distinguished junior Senator from Vermont [Mr. AIKEN]. I did not know this matter was to be brought up, and during the last few moments I called up the farm organizations of my State, and they stated they had been waiting for weeks and weeks to have this matter disposed of. I certainly wish to compliment the Senator from Kentucky, the majority leader, for bringing it up now. All other industries have been taken care of. Why should not agriculture be taken care of before the Senate adjourns and goes home for 2 or 3 months?

Mr. President, I hope the motion of the Senator from Kentucky will prevail.

Mr. REVERCOMB. Mr. President, let me say that I would not take a position here which I thought for one moment was injurious to the farmers of this country. I am taking a position which I am quite certain is in support of the farmers everywhere, not a farm organization, not an officer of any farm organization. I have not conferred with them. I did not know their views until they were spoken by a Senator who preceded me. But I say that we will do more in defense of the farmers of this country, in view of the light which has been shed on this question by the prior meeting which brought forth the constitution, if we take some time to consider the proposal.

I do not subscribe to the view expressed by the able Senator from Vermont [Mr. AIKEN] that if we are to take time to consider we will know less about the matter than some organizations, farm or otherwise, now know. I wish to say, Mr. President, that we will know what we are doing.

I take this position, not for any organization, not for any particular group; I am taking it for the welfare, as I see it, of the people of this country, and in particular for the welfare of the farmers, in protecting them against having an influx of people into this country from abroad. Let me say further, Mr. President, I do not believe the farmers of America want to have set up over them any superorganization.

It is said here that it is only by way of suggestion and recommendation to our own Government that action can be taken. That is the first step in a movement of this kind. I say that the time may be when, if we consider this matter, I will join with others in support of the proposal, but I want it to be very clear in my mind that it will not bring about what was recommended in the preceding Conference held at Hot Springs, Va.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AIKEN. I merely want it understood that I did not intend to infer that

if the Senator from West Virginia studied the matter he would know less about it.

Mr. REVERCOMB. I understand the point of the remark.

Mr. CAPEHART obtained the floor.

Mr. BARKLEY. Mr. President, will the Senator permit me to read into the RECORD the letter from Mr. Albert Goss which I did not have at my desk when I read the telegrams a while ago?

Mr. CAPEHART. I yield.

Mr. BARKLEY. This letter is addressed to the Senator from Vermont [Mr. AUSTIN], and a copy was sent to me. It is dated July 14, and reads:

THE NATIONAL GRANGE,
Washington, D. C., July 14, 1945.

Hon. WARREN R. AUSTIN,
United States Senator, Senate Office Building, Washington, D. C.

MY DEAR SENATOR: I would like to bring to your attention the measure completing America's approval of the farm and agricultural organization (FAO) agreement. You will recall that this measure has passed the House and has had committee approval in the Senate. It is my understanding that it was placed on the calendar but no action was taken since you were absent.

We would like to see approval of this measure immediately following the action on Bretton Woods, if possible. The Third Inter-American Agricultural Conference convenes at Caracas, Venezuela, on July 24. A great many of the participating nations have already approved this agreement and since the movement was initiated by the United States, it would be embarrassing to enter this agreement without the United States taking action.

I discussed this with Senator BARKLEY who was of the opinion that the measure had no opposition in the Senate and might be slipped in at an early date. With your approval, I am sure this could be accomplished and I am also sure that our delegation going to the Caracas Conference would appreciate it.

I am sending copy of this letter to Senator BARKLEY.

Yours sincerely,

A. S. GOSS,
Master, the National Grange.

Mr. O'DANIEL. Mr. President, I should like to ask a question of the majority leader. Inasmuch as we have a new Secretary of Agriculture, upon whose shoulders rests a great responsibility regarding the policies as to agriculture in this Nation, may I inquire whether his opinion has been given on this question?

Mr. BARKLEY. I am not able to answer the Senator. I myself have not inquired of the new Secretary, directly, so that I am not able to reply, but I have every reason to believe he is in favor of prompt action by the Senate in favor of the joint resolution.

Mr. O'DANIEL. Can the Senator from Vermont give me the information?

Mr. AUSTIN. I can say that the former Secretary of Agriculture, who was Secretary at the time of the hearings, in April 1945, testified urging the passage of the joint resolution, and at the present time the Secretary of Agriculture is represented by Mr. Howard Tolley, agricultural economist, favoring the joint resolution, who assisted me in drafting the favorable report.

Mr. O'DANIEL. I understood that the former Secretary was greatly in favor of it.

Mr. BARKLEY. The new Secretary of Agriculture was a Member of the House of Representatives at the time the joint resolution was passed, and I understand he supported it.

Mr. O'DANIEL. That is what I was interested in.

Mr. BARKLEY. If the Senator desires to have me get the last word from the new Secretary, I shall be glad to call him up.

Mr. O'DANIEL. I should like to know what the new Secretary desires in regard to it, because he has to share in the great responsibility of formulating the policy affecting agriculture in the United States.

Mr. CAPEHART. Mr. President, I am vitally interested in agriculture, as I am a farmer, and have been all my life. I would not want to do anything that would hurt agriculture because it is the fundamental industry of America. I should like to ask the junior Senator from Vermont to tell us wherein what is now proposed is going to help the farmer. I am interested in that particular question, and I think every Senator should be interested in it. Wherein would this benefit the farmer? Not a word has been said here today about how it will benefit the farmer. Will the Senator tell us exactly how it will help the American farmer?

Mr. AIKEN. Mr. President, I think the question under discussion is whether the joint resolution should be taken up for action at this time. I had not even planned to discuss the matter when it came up. However, briefly I will say that in this shrinking world every phase of our own national economy, which includes agriculture, must be considered in the light of its relationship to the whole world. It would help the farmer to have an organization which would be a fact-finding organization in that respect. There are other ways in which it would help the farmer. It would increase food consumption throughout the whole world by seeing to it that people have better diets and become better customers for manufactured goods.

I will say that I know the farm organizations and their economists have made an intensive study of this whole situation. I know they are very much interested in seeing that the United States joins this organization, and I am also. As I undertook to say a short time ago, I believe they have made a more intensive study than any of us here could make in the time which we would have. I am personally satisfied that it would have advantages for the American farmer. I would not set my opinion above those farm leaders who have been spending literally weeks and months in studying this agreement word for word. I am satisfied that we ought to belong to this organization, and now, as soon as we can, so that our representatives may attend the first meeting to be held at Caracas in October.

Mr. CAPEHART. Is the purpose to increase consumption of farm products throughout the world?

Mr. AIKEN. Yes, I think so. I think about 75 percent of the population of the world is engaged in agriculture, yet 75 percent of the people of the world are also dying of slow starvation, all at the same time, I understand.

Mr. CAPEHART. Would one of the purposes possibly be to curtail production?

Mr. AIKEN. I would not think so.

Mr. CAPEHART. Would one of the purposes perhaps be to divide up the production of wheat in the world and say to us that we should plant so many acres of wheat, and Argentina should plant so many acres of wheat, and some other country so many acres of wheat, and possibly the same thing with respect to corn and other farm products?

Mr. AIKEN. I would not say that in the aggregate it would curtail production. I would say that in some countries the diet of the people is heavily unbalanced on the side of one form of food or other. There are sections of the world where people feed too heavily on cereals, and their lives become shortened; they have too few of the resistant vegetables such as lettuce and tomatoes. I suppose the over-all purpose of this organization is to improve the diet, the health, and the general standards of welfare of the people of the world. I know that our American agriculture, organized agriculture particularly, is intensely interested in this subject.

It is unthinkable that we should let the rest of the world proceed with an organization without our country, even if they could proceed without us.

I am not afraid of heavy immigration into the United States. I do not think the rest of the world has any designs on the United States in that respect. There are continents, however, such as Africa, South America, and Australia which are under-settled. There are countries such as Germany, Italy, Belgium, and other countries which are heavily overpopulated. Belgium produces only 15 percent of the food needed to support her population. It may be that in time there may be migration from one of the overpopulated countries to one of the underpopulated continents, and the world would be better off.

Mr. CAPEHART. Does the Senator think any such thing would happen to us?

Mr. AIKEN. I do not think there are any designs to flood the United States with people from European countries, although we must all remember we are, ourselves, descendants of immigrants.

Mr. BUTLER. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. BUTLER. I should like to ask the Senator from Vermont a question or two. By what right did our representatives attend the Hot Springs Conference in Virginia?

Mr. AIKEN. I am unable to answer that question.

Mr. BUTLER. Evidently they attended the Conference and something came out of that meeting.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. CAPEHART. I yield.

Mr. BARKLEY. The Hot Springs Conference was initiated by the Government of the United States and our delegates to that Conference were named by the President of the United States.

Mr. BUTLER. Could they not by the same right or token be delegated to attend the meeting to be held in Venezuela or Colombia, wherever it is to be held, without the Senate taking action at this time on this particular measure?

Mr. BARKLEY. Of course, the Caracas meeting is not a meeting of the food and agricultural organization with which the proposed legislation deals. That is another sort of meeting. But delegates have already been appointed to that conference by the President of the United States. What those delegates are interested in is that when they attend the conference they may be in a position of representing the United States as a Nation which initiated this movement; that they may represent a Nation which is interested in it.

Mr. BUTLER. I should like to say at that point to the distinguished majority leader that up to date I have not seen one word of hearings where a real farmer spoke his mind on anything in connection with this matter. It was the farm leaders who testified, as has been said by my distinguished friend the Senator from Vermont. With no reflection whatsoever on any leader who has been named here this afternoon, I should like to say that quite frequently it is the case that farm leaders do not speak the opinion of the farmers, and there are about 6,000,000 farm families in the United States. I should like to have hearings held on a question of this kind before a committee where such hearings should be held. We have before us an agricultural proposition which was determined by the Committee on Foreign Relations. I realize that there is a foreign relations connection with the matter, but I also realize that there is distinctly an agricultural phase to this matter which should be passed upon by men who are familiar with agricultural problems, and not exclusively social reforms and matters pertaining to foreign relations.

Mr. BARKLEY. Mr. President, will the Senator permit me to say in that connection that I appreciate the yearning of the Senator from Nebraska to have some real farmers come before a committee to testify, but I have observed in the past that when the views of the farm leaders coincide with those of the Senator from Nebraska, either in favor or against something, he is very glad to have their impression and their testimony.

Mr. BUTLER. Mr. President, in that case the leaders are coinciding with the real farmers. [Laughter.]

Mr. BARKLEY. I am glad to know that the Senator from Nebraska and the Senator from West Virginia represent the real farmers, and if that is true the heads of organizations which have been selected by the real farmers probably ought to resign and allow Senators to take over.

Mr. AIKEN. Mr. President, I should like to say to my colleague from Nebraska that I am a farmer. I never had any other occupation in the world. I do not represent organized agriculture in any way. I believe in the organization we are now discussing.

Mr. AUSTIN. Mr. President, usually this type of debate does not adhere to the real question. The real question here is whether it is expedient to proceed to the consideration of the proposed legislation. The joint resolution comes before us at this time because it is timely to act upon it now. The Senate has had before it, and the people of the United States and of 44 other states in the world have had before them, the subject of economic and social relations among nations, with a view to attaining sufficient security and peace, and an expanding economy, prosperity, and happiness. Yet here we are today, trembling about approaching the consideration of a subject which is only a part of the whole problem, when we are all familiar, and our people are all familiar, with the problem. It is not a problem relating to a single farm, and what kind of fertilizer is good for one kind of crop, or what kind of fertilizer is good for another kind of crop. In considering this organization, a food and agricultural organization, we are dealing with agricultural economics and agricultural sociology.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. AUSTIN. I yield.

Mr. BARKLEY. In response to the question of the Senator from Texas [Mr. O'DANIEL], let me say that I have just talked with the Secretary of Agriculture personally. He authorizes me to say that not only he but the whole Department of Agriculture feel that this is a vitally important matter. I am authorized to say that he hopes that the joint resolution will be enacted by the Senate without delay. I may also say that there was a record vote in the House on the joint resolution, and it passed the House by a vote of 291 to 25.

Mr. O'DANIEL. Mr. President, will the Senator from Vermont yield?

Mr. AUSTIN. I yield.

Mr. O'DANIEL. I wish to thank the majority leader for obtaining that information. We have reports from farm leaders and others who purport to be farm leaders, and I thought it was no more than right that we have a report concerning the opinion of the Secretary of Agriculture, who, in my judgment, occupies a high position with reference to the policy of agriculture in this country. I thank the Senator for obtaining the information.

Mr. BARKLEY. I thank the Senator for giving me the opportunity to ascertain the Secretary's views.

Mr. AUSTIN. Mr. President, from our selfish point of view, from a nationalistic point of view, this country's prosperity and happiness depend upon our leading the rest of the world in an expanding economy. There is no other leader in the world. There is none left with the knowledge or capacity to take this problem in hand and carry the torch to a better level of economics and society. We are no longer hitched to the old theory that in our economics we must compete with every other country on the globe for more of the same small pie than we had before, getting it by taking it away from someone else. We have found that that method is a failure, and results in distress in some places and extraordinary surplus in others.

We now know, and all who have considered the matter, even back on our hillsides and in our valleys, know that what we must have is a larger pie. We must create a greater market. We must build a consumption which will call for a production in our country which will make us richer and happier than we have ever been before.

We have learned that we cannot tread around in this little mill, depending upon what we can take away from some other country in the way of marketing agricultural goods and food. If we wish to expand our activity and raise our agricultural community to a higher level, we know that we must have more consumers, consumers who demand the kind of products we produce. We know that that result cannot be attained unless the general health of the economic world is improved. It is our duty as the legislature of the people of the United States to do our part here in bringing to the world the new idea of creating a greater pie, in which we will obtain our part, not by taking it away from some other country.

It may be said, "You have a nice metaphor there, but what is the practical side of it? How are we to carry out the program?" The only way in the world to carry it out is through the mechanism which will bring to us the information which will show us where we can encourage a higher level of civilization, where we can create an additional market, where we can get a greater consumption of the goods we wish to sell. Furthermore, we cannot gather the information which is necessary to create this new economy in the world without some organization which collaborates and puts the whole thing together, analyzes it, and distributes it. We cannot have systematic research without organization and backing. It may be begun on a very modest basis in this organization; but once begun, it may develop, and that research will contribute to the happiness of the world and of all humanity.

I have spoken of this matter purely from the selfish point of view. Our pocketbooks require that we act while the rest of the world will cooperate and act with us. This is our opportunity. The door is open. Are we going to shy at the threshold, waiting to call in individual farmers to testify about world economy? The farmers who appeared knew something about agricultural economics; and if anyone cares to go into a detailed study, he will find their testimony and statements in the record.

It is not only a question of raising food and other agricultural products, which in the case of this institution would include forest products and fisheries, but it is a matter of distribution, and of balancing production and consumption. In the record of the hearings will be found the testimony of experts on the subject of commerce, and the distribution of commodities. That, in a general way, is a part of the objective.

I now wish to invite attention to the testimony of Dr. Parran on the subject

of health, which is involved in this attempt to furnish one of the instrumentalities which humanity demands of us at this time, not bye and bye. I read from Dr. Parran's testimony, beginning at the middle of page 39 of the House committee hearings:

At Hot Springs, for the first time in history, delegates representing 44 nations agreed unanimously that the conquest of hunger and the progressive improvement of diet are attainable goals. This Conference, in effect, was made possible by the advances in science, particularly in three directions:

First, the development of agricultural science has made it possible to grow much more food than grew before.

Second, mechanical science applied to production and transportation has lightened the labor of man, replaced domestic and draft animals to some extent, and has multiplied greatly mankind's capacity to produce and distribute food.

Third—and this point is perhaps not so well known as the first two—the newer knowledge of nutrition and its relation to human health is one of the greatest scientific miracles of our time, and it has taught us and we have learned what is required to nourish the human body. Thus it is possible to eradicate all of the many diseases which are caused by a deficiency in the diet; to reduce infant and maternal mortality, to prolong the active productive span of life, and to attain a higher level of physical and mental vigor.

I know what he is talking about. I visited Palestine in 1936, and I made a close study of the economic and social conditions there. I saw the effect upon infant mortality of the change in the diet of the people of Palestine which was brought about by the Jews in Palestine. They were able to produce those changes by virtue of the knowledge they had.

That is what this institution deals in—knowledge. It does not take any goods and move them about. It does not engage in a single transaction in commerce. It is not an operating organization. It is a research institution which gathers information and disseminates it, according to the scientific plan which is devised, by means of obtaining information here and there all over the world, including the sour spots, the deserts, the swamps. They can be transformed, and I and other Senators have seen such transformations wrought in other places.

The question now before the world is how to get the proper diet to the people, in order, of course, to improve their lives and to make them happier and more productive, but from our selfish economic point of view in order to make the pie bigger.

Mr. BUTLER rose.

Mr. AUSTIN. I yield to the Senator from Nebraska.

Mr. BUTLER. I think we can all agree wholeheartedly with the sentiments expressed by the distinguished senior Senator from Vermont as to the desire for the advancement of health and food conditions throughout the world; but I wonder why we refer these problems to an international organization of agriculture, supposed to be speaking for those who are concerned with agriculture, instead of to an international medical organization. I think perhaps such an organization is already in existence.

Mr. AUSTIN. Mr. President, it is clear that the Senator from Nebraska is confused about the facts. I have not referred to any international medical organization or to any member of an international medical organization. I have referred to the testimony of an expert who knows what the conditions in the world are, and who subsequently described—as the Senator will note if he will read the testimony—conditions here and there which should be remedied by an institution of this kind, which would be able to collect the information and provide it to those who can disseminate it, and thus help to raise the standard of those who are on a low standard, and call upon those who produce more than is necessary, to supply from their surplus those who are in want. That work is proposed on the basis of improving health. One cannot consider the perfectly desperate condition of Europe and Asia without recognizing that the health of the world is threatened by that condition, the remedying of which depends partly upon getting food to people who have it not.

Mr. BUTLER. Mr. President, the facts the Senator has given are taken from testimony which I think was given at Hot Springs, Va.

Mr. AUSTIN. Again the Senator is mistaken. They were taken from hearings held by the House Committee on Foreign Affairs, on April 12, 1945.

So far, Mr. President, the objections which have been interposed to having the Senate proceed to the consideration of this measure have been based upon something which is as far from the facts and as far from the subject matter as anything could be.

Mr. LANGER and Mr. REVERCOMB addressed the Chair.

Mr. AUSTIN. I yield first to the Senator from North Dakota.

Mr. LANGER. Mr. President, I wish to make one thing very clear, namely, that aside from the testimony of Dr. Parran, we must consider the matter of livestock and grain in this country. For example, in my State of North Dakota in 1 year we lost nearly 10,000 horses because of what we call sleeping sickness. There is no use in spending a great deal of money in North Dakota to prevent the spread of that disease, when from right across the line from Canada—from Saskatchewan and Alberta—the disease might be brought into our State again, thus doing away with the benefit of any preventive measures which we might have taken. Similarly, there would be no use in spending a great deal of money for the prevention and cure of Bang's disease, so far as our livestock is concerned, when further infections of that disease might come into our State from Canada. Of course, in order to prevent the spread of the hoof-and-mouth disease, for instance, we continue to put embargoes on the importation of livestock from Argentina, Mexico, and other countries; and, in an effort to prevent the importation of oranges affected with scab and other diseases, we imposed embargoes against the importation of fruit from abroad, in many instances.

Let me also refer to varieties of wheat which have been developed. Some varieties are rust-proof and frost-proof. There are some varieties of wheat which can stand a temperature of 40 degrees below zero. The quicker we can make use of the information now possessed by Russia, for instance, which has 30,000 different kinds of wheat, and which has already sent 60 organizations all over the world to study the various flours and the various varieties of wheat and other grains, the quicker we shall be able to obtain the benefit of that knowledge, and the better it will be for everyone.

So, Mr. President, it is not only a matter of the health and welfare of human beings, about which Dr. Parran testified, but we also must consider the welfare and development of livestock and the improvement of all sorts of grains and other crops.

Mr. AUSTIN. Mr. President, let me state for the RECORD that the Dr. Parran to whom I have referred is Dr. Thomas Parran, Surgeon General of the United States Public Health Service.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. TOBEY. I came into the Chamber late, but I know something about this organization. I wish to speak briefly in commenting upon the remarks of the Senator from Vermont, and I honor him for what he has said on the floor of the Senate this afternoon.

Mr. President, addressing myself to the remarks of the Senator from Vermont, I say I can see where there may be a great difference of opinion in this body about some of the measures for international cooperation. For instance, on the Bretton Woods agreements which we debated during the past 4 days there was a manifest difference of opinion on several points, but each group was sincere, and finally, last night, we gave our support to it.

On the matter of the San Francisco Charter, which will be before the Senate next week, there will be great differences of opinion as to the wisdom of the limitation on veto powers contained therein, and that subject would be germane for discussion in connection with consideration of the Charter.

But I cannot for the life of me understand how any man can object to consideration of this long-overdue legislation which would put into effect this great organization for the world-wide study of food supplies. The best definition I can give of research is "to extend the borders of knowledge" of such matters.

If there is one thing that we should do, it is that our Nation should cooperate to the limit with the stricken world to put it on its feet again. That is why we voted for the Bretton Woods agreements; that is why we will vote for the San Francisco Charter; and that is why we should vote for this measure today.

Mr. President, I close with a statement which comes from a man whose name is Maxwell Anderson. He wrote a great play, Valley Forge. I shall qucte

a few words from that play. Laugh them off if you will. Here is the quotation—and I appeal to the Senate today to remember this as we vote on this matter:

There are some men who lift the level of the age they inhabit until all men stand on higher ground in that lifetime.

Mr. President, let that be the spirit and purpose of America. That is what America, my country, is trying to do in the Bretton Woods agreements, in the San Francisco Charter, in these food agreements, in the aviation agreements—to put a prostrate world back on its feet, realizing that we all are interdependent and that in the last analysis we are "one world."

I urge the Senate to adopt this proposed legislation now, speedily—pronto. It is all too long overdue.

Mr. AUSTIN. Mr. President, I do not intend to make a long speech. My time would have been shortened a great deal if colloquy had not been interposed. I do not intend to discourage that, but I am trying to have my colleagues understand that the pending motion has to do with a matter which relates to the collection and dissemination of knowledge for the benefit of the human race. It does not relate to any reformation of our economic system, any exercise of dictatorial power, any movement of masses of people any modification of our immigration laws, or any interference with the domestic life of any other country on earth.

Mr. President, I shall read a few extracts from the testimony of Hon. William L. Clayton, Assistant Secretary of State, who knows this subject if anyone in America knows it. His statement answers many of the questions which have been asked, and I believe it will answer some questions which have not been asked. I read from the bottom of page 33 of the committee hearings:

First, as to production. Already the highly developed agricultural countries have built up a great body of knowledge on how to produce food and agriculture products abundantly and efficiently and they are learning more every year. Through the facilities of the Food and Agriculture Organization this knowledge can be pooled and can be carried quickly to the far corners of the earth, including the countries that are not yet so far advanced.

I am skipping a part of his statement, and read further:

The second major point I have in mind concerns the way the Food and Agriculture Organization could help increase total consumption of food and other agricultural products by emphasizing the need for better nutrition and better levels of clothing and housing. Greater consumption must go hand in hand with greater production. Otherwise increased production makes no sense at all. During recent years the world has learned how much trouble unused production can cause, not only to producers but eventually to consumers as well.

The efforts of every country to seize advantage for itself seem especially tragic and futile now that we can look back and realize that all the time the total world market they were competing for was becoming smaller. World trade in agricultural products shrank more than 4 percent from 1929 to 1937 in terms of volume, and nearly 60 percent in constant dollar value. There were times in the period when the dip was much greater. During the same period, to make matters worse for this country's farmers our share of the dwindling total dropped from more than 13 to between 8 and 9 percent. As we see it now, the great need was for greater consumption.

I now read what Mr. Clayton said with regard to balancing consumption against production:

Naturally, a great part of the job of balancing consumption against production will need to be done within each nation. Even for those internal tasks the information gathered by the Food and Agriculture Organization and its recommendations on the basis of pooled experience can be extremely valuable.

The rest of the job of establishing balance depends on the way world commerce is conducted.

I skip there and read:

Through the Food and Agriculture Organization, the nations of the world can gather and analyze this information.

He described that information early in his testimony.

Coming to his last point he states:

This last point, and the others I mentioned earlier add up into one great and simple truth. Working together, the nations of the world can expand world trade, and raise living levels of producers and consumers of food and agriculture products. We know how to produce and we know the need for greater production. The need now is for a world-wide balancing of consumption with production. When nations strive for that balance separately their efforts cancel each other out. We know that from experience. Intelligent cooperation among nations is what is needed. Establishment of the Food and Agriculture Organization will do much to stimulate that kind of cooperation and make it productive of the fullest results.

That is all I shall read from the hearings.

I now invite attention of the Senate to the constitution itself. Article I covers the functions of the organization. It is necessary to read it. I always dread reading anything aloud, but I must read this because it is the only way by which I can get it exactly before the Senate. I read:

ARTICLE I (FUNCTIONS OF THE ORGANIZATION)

The Organization shall collect, analyze, interpret, and disseminate information relating to nutrition, food, and agriculture.

2. The Organization shall promote and, where appropriate, shall recommend national and international action with respect to

(a) scientific, technological, social, and economic research relating to nutrition, food, and agriculture;

(b) the improvement of education and administration relating to nutrition, food and agriculture, and the spread of public knowledge of nutritional and agricultural science and practice;

(c) the conservation of natural resources and the adoption of improved methods of agricultural production—

I pause in reading to make a comment. The language which I have read could apply even to us. But there are spots on this globe where the earth is being turned over with a stick at the present time.

Mr. President, I apologize for taking so much time. I will finish reading the category:

(d) the improvement of the processing, marketing, and distribution of food and agricultural products;

(e) the adoption of policies for the provision of adequate agricultural credit, national and international;

(f) the adoption of international policies with respect to agricultural commodity arrangements.

3. It shall also be the function of the organization—

(a) to furnish such technical assistance as governments may request;

(b) to organize, in cooperation with the governments concerned, such missions as may be needed to assist them to fulfill the obligations arising from their acceptance of the recommendations of the United Nations Conference on Food and Agriculture; and

(c) generally to take all necessary and appropriate action to implement the purposes of the Organization as set forth in the preamble.

That is all. There is nothing in it about immigration. There is nothing in it about the peculiar materal whch was discussed a few minutes ago relating to an earlier report of the interim commission, which met at Hot Springs. By the way, nothing will be found of that kind in Report No. 1 which is referred to in the resolution itself. I have that report in the form in which it came out. I have before me an original. It is marked "confidential." Of course, it is no longer confidential.

It is the first report to the governments of the United Nations by the interim commission on food and agriculture. There is not anything in it like the material which was urged as a reason for not proceeding with the consideration of the joint resolution.

Mr. REVERCOMB. Will the Senator yield?

Mr. AUSTIN. Certainly.

Mr. REVERCOMB. The Senator made reference a while ago to a report which was confidential and is now no longer confidential. I trust the Senator did not mean to infer that there was any revelation of a confidential report in the matter from which I read.

Mr. AUSTIN. No; it never occurred to me that that could be true.

Mr. REVERCOMB. What I read was anything but confidential.

Mr. AUSTIN. I did not mean that, of course.

Mr. REVERCOMB. I merely wanted that clarified.

Mr. AUSTIN. Certainly.

Mr. CHANDLER. Mr. President, is there anything in the so-called arrangement between the United States and other nations whereby those empowered under this instrument would have ample authority to move farm populations in the United States?

Mr. AUSTIN. I can say to the Senator definitely, "No" there is not one single obligation on the United States created by this joint resolution, excepting the necessary contribution to the Fund. There is no other obligation whatever,

and the United States and every other member of this Organization will be just as free after it signs and becomes a member as it was before. It will be vastly richer, however.

Mr. CHANDLER. I thank the Senator.

Mr. REVERCOMB. Mr. President, I shall not take very much longer in the discussion of the suggestion that we be given more time for the consideration of this important measure.

First I wish to say that I have no desire to belittle the high aspirations and the esthetic ambitions declared here on the floor of the Senate for the help of the world. I subscribe to them heartily. But I wish to say that that is going to be obtained through practical measures. This country is going to help the world by staying strong and protecting itself. Once we become weakened, we will be of very little help to the other countries of the world.

I have listened with interest to the able discussion, from his viewpoint, by the senior Senator from Vermont [Mr. AUSTIN]. He says, and I use his own words, that this joint resolution does not deal with a single farm or fertilizer or a certain group, that it deals with agricultural economics and sociology. I wish to say that unless this Government does in a practical, sound, and reasonable way protect the farm interests and the people of this country there will not be any single farms, there will not be any great single crops. This is a practical question, and not within the realm of fancy, to which some reach out without considering the practical side of it.

Mr. President, it is said here, and repeated time after time, that the United Nations Conference on Food and Agriculture held at Hot Springs, Va., May 18 to June 3, 1943, had nothing to do and no connection with this joint resolution. I challenge that statement. The able Senator from Vermont himself read from testimony of one witness before the committee who spoke of what was determined at the Hot Springs Conference. This very proposed so-called constitution grew out of the meeting that was called and the Conference held at Hot Springs.

Of course, there has not been written into the constitution anything about the migration of people, but the report signed by the representatives of the United States, with their names listed, along with those of other countries, recommended to the United Nations and to the rest of the world that migration be brought about under this international group to be set up, not only within a country, but from one country to another. Can it be said that that report has nothing to do with this Organization? I challenge that statement, because it was born of and fostered by what was done at the Hot Springs Conference.

We would be led to believe that this Organization has to do only with the distribution of information, disseminating of news, the improvement of crops, and the curing of the diseases of crops. Let me read from the proposed constitution itself. I read from article I:

> The Organization shall promote and, where appropriate, shall recommend national and international action with respect to * * *
>
> (d) the improvement of the processing, marketing, and distribution of food and agricultural products;
>
> (e) the adoption of policies for the provision of adequate agricultural credit, national and international;
>
> (f) the adoption of international policies with respect to agricultural-commodity arrangements.

I wish to read another provision to which I invite the attention of my friend the Senator from Kentucky [Mr. CHANDLER], who asked a question as to whether there was anything in this constitution about migration. No, there is nothing in it about migration, and there wou'd not be in a constitution. The migration of people from other countries to this country, or from one country to another, wherever the international Organization might direct the move, was a recommendation of what should be done; but it was out of that that the constitution came into being. But let me tell the Senate what is in the constitution. I call attention to article XX:

> AMENDMENT OF CONSTITUTION
>
> * * * * *
>
> 2. Other amendments shall take effect on adoption by the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference.

Prior to that there is this with respect to amendments:

> Amendments to this constitution involving new obligations for member nations shall require the approval of the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference and shall take effect on acceptance by two-thirds of the member nations for each member nation accepting the amendment and thereafter for each remaining member nation on acceptance by it.

This follows the provision I have just read:

> Other amendments shall take effect on adoption by the Conference by a vote concurred in by a two-thirds majority.

So, once adopted, two-thirds of the members can change and amend this constitution.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. CHANDLER. What is the right of withdrawal?

Mr. REVERCOMB. I do not know. I intend to propound that question.

Mr. BURTON. Mr. President, that is provided for in article XIX.

Mr. REVERCOMB. Article XIX reads:

> Any member nation may give notice of withdrawal from the Organization at any time after the expiration of 4 years from the date of its acceptance of this constitution. Such notice shall take effect 1 year after the date of its communication to the director-general of the Organization subject to the member nation's having at that time paid its annual contribution for each year of its membership including the financial year following the date of such notice.

Mr. CHANDLER. The Senator will concede that any arrangement between nations to solve the food problems of the world would not be effective without the United States participating.

Mr. REVERCOMB. I should think the United States would want to be in any arrangement which pertained to food.

Mr. CHANDLER. I do not assume at all that we are not going to get the worst of it; I do assume we will, because we have the food, we have the money, we have the resources, and if one does not think we are going to get the worst of it, all he has to do is travel around in other countries and see their lack of resources. But it will not succeed without the United States being a party to it. We are parties so long as we pay dues. I would not agree to our being imposed upon too much. If we are imposed upon too much and if there is an opportunity to get out of it, we could get out of it. I simply want to find out if what we are doing is entering into an arrangement whereby we can use the facilities we have and the resources we have to solve the food problems of the world, because there are millions of people in the world who die because they do not have a grain of wheat or a grain of corn. If the problems are ever going to be solved they must be solved by the United States. It is all tied up with the hope for peace. We cannot have peace in the world when people are hungry. Many people are hungry and without the bare necessities of life. So long as that situation continues we are not going to be able to arrange a lasting peace. If the conditions become too burdensome upon the United States and we are imposed upon we can withdraw. That is not a threat to withdraw, but we still can withdraw. I simply want to be certain that the Senator agrees that we have that right.

Mr. REVERCOMB. Mr. President, the Senator from Kentucky has said something which is quite germane to the whole subject. He says he knows that the United States is going to get the worst of anything we go into. I am afraid he is right; I rather think he is. It is with that in mind that we ought to approach the subject. There is no reason why this country should get the worst of it and there is no reason why the elected representatives of the people of this country should subscribe to something with the knowledge or feeling that their own country is going to get the worst of it.

Mr. President, I want to be generous. I want this country, even if it means depriving itself, to take any necessary step to prevent hunger. I want that done. But I do not want to subscribe to a supergovernment or a superorganization having to do with food and agriculture that is going to control the agriculture of this country. I am afraid this is one step toward that end.

What we are arguing at this time is the question of whether to give greater consideration to the subject. I had hoped that we would give greater consideration to it. I have urged it, and it is on that basis that the discussion started.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. CHANDLER. The statement I made that we would get the worst of it is not meant in any other sense than to explain that when one goes in partnership with others who do not have resources and who do not have money and who do not have equipment, they

can obtain food only by adopting American methods and machinery, and having equipment and access to those things. Otherwise they are not going to be able to raise the food in sufficient quantity. They do not know anything about how to live in accordance with our understanding of living in the United States. Unless we go into this Organization it will not succeed. When we go into it we must do so with a full realization of the condition the world is actually in, with its depleted resources in money and material and men, with millions of people in slavery and in distress and hungry.

Mr. President, we have spent billions of dollars to make war, and we have sacrificed however many of the lives of our sons as have been necessary so far to win the fight. We must spend money now and we must cooperate for peace just as earnestly as we did cooperate successfully for war. I would not go into this Organization with any understanding that in going into it we are going to fail in any sense to put up money and manpower and material and equipment. The Organization is in the interest of peace. It is formed in order to bring about peace in the world, the thing for which we have fought.

Mr. REVERCOMB. We all want peace, Mr. President, but when it comes to the question of placing the funds of this country into the hands of an organization such as this I believe we should give to the subject due consideration. I subscribe to the general principle that American funds should be handled by the United States as a matter of its own generosity, that it is its own gift, and not with any other consideration.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BURTON. The Senator spoke in regard to a provision for amendment of the constitution, and he suggested that the constitution could be amended by a two-thirds majority of the members. I believe, however, he read just before that a provision which is an unusual and a protective provision, to the effect that if new obligations were involved in an amendment such amendment would not become effective upon a member except upon the acceptance of the individual member concerned.

Mr. REVERCOMB. Yes; and what "new obligations" may mean is something I cannot define and it is not defined here. After that there is a second clause which says that by a vote of two-thirds majority the constitution may be amended.

Mr. BURTON. Such amendments are those that do not involve new obligations for members.

Mr. REVERCOMB. I do not know what an amendment would be which did not involve some kind of obligation.

Mr. BURTON. Will the Senator yield for one other question while I am on my feet?

Mr. REVERCOMB. Yes.

Mr. BURTON. I want to inquire with regard to the effectiveness of this constitution at the present time. It is provided that it shall become effective when 20 acceptances have been filed. Something has been said about 23 acceptances having been filed. Is the constitution therefore now in effect?

Mr. BARKLEY. Twenty-three have accepted the terms of the constitution of the Organization.

Mr. BURTON. Then the Senator regards the organization as now an active concern, ready to hold its first meeting?

Mr. BARKLEY. Twenty acceptances are required, and 23 have been filed.

Mr. REVERCOMB. Mr. President, the question is whether we shall proceed at this time to the consideration of this important international matter, and I wish to insist and urge that we defer and postpone consideration of it.

Mr. MORSE. Mr. President, will the Senator yield long enough for me to discuss the Oregon lamb problem?

Mr. REVERCOMB. I trust that if the Senator does so, he will make his discussion on lambs today short.

Mr. MORSE. I shall not discuss it at any great length, but I do want to help complete the record.

Mr. BARKLEY. Would the Senator from Oregon be willing to make his discussion on the joint resolution? I am anxious to get a vote on my motion to proceed to consideration of the joint resolution.

Mr. MORSE. I am very anxious, I will say to the majority leader, that I have as many Members in the Senate as possible to hear this important discussion this afternoon, because I say in all seriousness I think Senators should hear it. It is not going to take me long, and if the Senator from West Virginia does not wish to yield for that purpose I shall be very glad to seek to obtain the floor in my own right, but I am going to discuss the matter, I will say to the majority leader, before we vote on his motion.

Mr. BARKLEY. I do not know whether that is intended to be in the nature of a threat. I have tried in every way I could to cooperate with the Senator from Oregon, and it is a little unusual to ask a Senator who has the floor to yield for such a thing as the Senator from Oregon says he wants to do. I shall not object, although under the rules such yielding would take the Senator from West Virginia off his feet. It would seem to me that the Senator's lamb speech would be just as appropriate on the joint resolution as it is on the motion. I am not going to object to the Senator making his speech. I am not going to try to take the Senator from West Virginia off his feet. But I should like to have a little cooperation.

Mr. MORSE. I may say to the majority leader, so that we can become better acquainted, that I never threaten. I simply announced to the majority leader that I intended to use the floor as is my right as a Member of this body, in a discussion of the Oregon lamb question before the Senator's motion is put. If the Senator wants to argue that I do not have that right I will be very much interested in his discussion on that question.

Mr. BARKLEY. I am not going to argue with the Senator from Oregon, but under the Senate rules, which I am not going to invoke, he does not have the right to make a speech in the time of another Senator. Under the rules, a Senator who yields for that purpose loses the floor if any other Senator wishes to make the point. I do not intend to make it. The point I made was that the Senator could make his lamb speech after the Senator from West Virginia had finished speaking on the motion.

Mr. MORSE. I shall be very glad to make it at that time.

Mr. REVERCOMB. Mr. President, am I to understand from the majority leader that he desires the lamb speech made after I conclude? Does the majority leader desire that I conclude before the Senator from Oregon proceeds to discuss lambs?

Mr. BARKLEY. I can answer the Senator's question by saying that I desire that the Senator from West Virginia conclude—period. [Laughter.]

Mr. REVERCOMB. I know how very much the Senator from Kentucky desires to have me quit.

Mr. President, I feel that I have said all that can be said seriously on this subject, and I now yield the floor.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky [Mr. BARKLEY] to proceed to the consideration of House Joint Resolution 145.

THE OREGON LAMB PROBLEM

Mr. MORSE. Mr. President, I shall detain the Senate for a few minutes to discuss the Oregon lamb problem. I am very desirous of building up a record of fact with regard to the Oregon lamb problem. In my discussion of it yesterday I pointed out that in my judgment the Secretary of Agriculture was being misinformed with regard to the facts. I have felt that if the Secretary of Agriculture were given the facts he would act on the basis of the merits of those facts.

One of the questions which apparently has been puzzling the Secretary of Agriculture because of misinformation which he has been receiving is the question as to whether or not there is a lamb problem in Oregon from the standpoint of the lambs available for marketing actually being purchased.

I hold in my hand a letter dated July 18, 1945, an air-mail letter which arrived this morning. I emphasize the date, because I think it is very important to make clear to the Secretary of Agriculture that the data which I am presenting to him are data practically up to the immediate hour, and not data of a week, 10 days, or 2 weeks ago. This letter is from George R. Claxton:

DEAR SENATOR MORSE: I wish to take up the marketing question of lambs with you. I have lambs to sell. I made the rounds at Salem with no success.

He means the rounds of the packing houses.

"Quota filled," they say. Well, why butcher old sheep at this time of the year when the other is fit, or have to wait and take a shrink in weight, and then turn back until they fill up their quota with old stuff, and you can whistle? This should be cleared up.

Yours truly,

GEORGE R. CLAXTON.

I am very much impressed with letters such as this one, which I have been receiving. They are being written by the farmers of the Willamette Valley, men who are so disturbed about the fact that they cannot sell their lambs that they finally appeal to their Senators in Washington. What they ought to be able to do is load up the lambs and take them to the packing houses of their local communities and have them purchased, as has been the case historically for years past.

I wish to give the Secretary of Agriculture some more data and facts, which he, in very good faith, and quite properly, has requested.

Mr. FERGUSON. Mr. President, will the Senator yield to me for an observation?

Mr. MORSE. I am very glad to yield for an observation.

Mr. FERGUSON. Mr. President, the subject of food is an important one. The joint resolution which was under discussion at the time the Senator from Oregon began what he had to say on the food question involved the same general question. Coming from Michigan, I know that this is a serious problem.

Last evening 400 restaurant keepers of the city of Detroit and vicinity held a protest meeting at the Statler Hotel in Detroit. Those men are law-abiding citizens. They want to comply with all the orders of the Government, but they find themselves confronted with the problem that they are getting 64 percent of one red point per meal to feed the people of Detroit and vicinity.

Detroit is in a peculiar position. We have men there who work hard, who work long hours, because they are producing the wherewithal with which we are going to win the war with Japan, and which we have used to win the war with Germany.

Mr. President, we find ourselves confronted with the same problem with which the Senator from Oregon finds himself confronted. I am told today that in the latter part of June a communication setting forth these facts was sent to the OPA, and those who sent the petition have not even had the courtesy of a reply. This is a serious matter. I have telephoned to the OPA, and after going from one to the other, I finally found the man who claimed that he would try to find the petition.

Mr. President, we need food in America. The Senator from Oregon has brought to the attention of the Senate the fact that there is food in Oregon, but because of the rules and regulations of the OPA, it cannot reach the tables of the American people.

In April an order was issued known as order No. 1, which prohibited the class 2 slaughterers of the Nation from killing beef, when the people have beef on the hoof that could be killed. So, Mr. President, I hope that the Senate will give attention to this matter very soon. If the Senator from Oregon does not soon get results, he will not be able to speak on the lamb problem, because the lambs will be mutton by the time he gets through.

We cannot obtain relief. The people of Detroit have not had relief. Now we are to be the first city to have 10 class 2 slaughterers on the no-quota list; and yet there are 34—24 of them in Michigan—on the quota list, when the people of Detroit cannot get enough food in the restaurants.

A great many persons in Detroit who are working hard simply cannot be provided with the proper food to do their work on the basis of 64 percent of one red point for a meal. Something must be done. The OPA cannot solve these problems on an over-all national basis. The OPA must consider specific cases. That is the kind of a case which the Senator from Oregon is talking about. The lambs are there.

Seventy thousand Michigan farmers have cattle which could be killed if it were not for the regulations of the OPA limiting the quota that can be killed, which results in a failure to provide the people of Detroit and the metropolitan area with food.

Mr. President, this is a serious domestic problem. We have been talking about the over-all international problem with respect to food but here in America today we have a domestic problem which should be solved. We should sit here and listen to what is being said by the Senator from Oregon, and give it attention. Mr. Bowles is not in the city today. The last four times I called him he was not in the city. He should be here in Washington helping to solve the domestic problems of America, in order that we may have food when food exists in America but cannot reach the tables of the American people.

Mr. MORSE. I thank the distinguished Senator from Michigan for his very able presentation of the basic problem to which I have been trying to call the attention of the Senate for several days. My deepest regret is that only eight or nine Members on the Democratic side of the aisle were in the Chamber to hear the Senator's remarks. I regret very much that apparently that has been indicative of the administration's entire attitude toward the food problem. Until the Democratic administration exercises greater vigilance in this matter, the American people will continue to have less and less food on their tables.

Mr. YOUNG. Mr. President, I am sure the farmers of America and the consumers of our country appreciate the fight the able Senator from Oregon is putting up in their behalf. If we can in some way solve this problem of today, we will increase the production of tomorrow.

I have in mind the hog situation back in 1943. That problem was never solved. As a result, hog production was cut down 35 percent.

I know that the bureaucrats in Washington have claimed credit for the tremendous production of farm crops which has occurred in the past several years. I would say it occurred in spite of them. I would say it was due to three or four reasons: First of all, the abundant rainfall all over the United States, for which we can thank God and no one else; second, the extreme patriotism of the farmers of America; third, I believe the new varieties of corn, wheat, and other products, which I think have added perhaps one-third to the production; fourth, the modern machinery which has enabled the farmers to increase production tremendously, despite the shortage of labor.

Mr. MORSE. I thank the Senator for his remarks.

Mr. MOORE. Mr. President, will the Senator yield to me?

Mr. MORSE. I yield.

Mr. MOORE. I am glad to see that a serious note has been injected into this all-important matter. We are talking about food for the American people. Mr. President, in my opinion, we have almost reached the time when one who speaks about the American people and the Constitution of the United States is classified as a crackpot; we are not supposed to discuss old-fashioned subjects of that kind.

I have been glad to hear the Senator from Michigan [Mr. FERGUSON] and other Senators recite in this Chamber instances in which shackles are being put upon the people of this country by the institution known as OPA, which is supposed to handle the distribution of food throughout this country and prevent the occurrence of an inflationary spiral.

I think it is rather well known in the country that I have said that it is impossible for the OPA to be administered with justice and fairness, even if there is a willingness and an intent and a desire to do so. I wish to cite an instance in my own State which is a flagrant example; yet I know it is merely one of many which exist throughout the country. The situation is extremely serious, and there is no facetiousness in that remark. In my candid opinion, consideration of the OPA should replace consideration of the international situation, about which many people are so greatly concerned, almost to the exclusion of consideration of our own people and our own country.

In Oklahoma, at Cushing, where a substantial number of people are engaged in the oil industry, in mining, in farming, and in other occupations, a packing house had a quota of 400,000 pounds of liveweight cattle and 400,000 pounds of liveweight hogs a month. Only recently, after it was understood that the quota could be used by that packing house, the OPA issued an order entirely eliminating its hog quota and reducing its cattle quota to 110,000 pounds a month—with the result that a state of starvation has almost been produced in that community. The situation is so serious that the refinery employees there have threatened to strike unless they get meat.

Mr. President, the strike is the weapon which can be used in this country. Strikes have been encouraged throughout this country time and time again. The strike is the instrument of power today; it is what is wielding the influence. The strike—not Senators or Representatives—is all powerful.

It was stated time and time again that when we had a new Secretary of Agriculture there would be some relief for this situation. The Senator from Oregon has been telling the Senate how the Department of Agriculture has seen fit to team up with the OPA and pretend to care for the situation in Oregon. I think the statute gives the Secretary

of Agriculture the right to take the matter into his own hands; yet it looks as if we may be appeasing the indispensable organization known as the OPA.

Mr. President, how long will the people of this country tolerate the tyranny which is being practiced by the OPA and similar institutions?

I have written a letter to Mr. Chester Bowles, of the OPA, a man who is praised by high and low throughout this country as a person of integrity, knowledge, and capability. I have called his attention to a particular matter by means of a letter which I wrote to him on July 16, 1945. In my letter to him I referred to the threat of the Office of Price Administration's district office at Dallas, Tex., to have OPA investigators proceed at once with a check-up of the contents of private frozen-food lockers in six Southwestern States. In other words, Mr. Bowles has threatened that he himself, upon his own motion, will go through this country, including Dallas, Tex., and places in other Southwestern States, and will invade the food lockers of the citizens of this country, and that he will do so without a search warrant.

Mr. President, that would be a violation of the Constitution of the United States; it would be a violation of the Bill of Rights. Yet, as I have pointed out, Mr. Bowles would do that at this time.

If he thinks his organization is as indispensable as all that, he almost places himself in the position of being a crackpot.

Mr. President, if it will not interfere with the sequence of the remarks of the Senator from Oregon, I should like to have printed at this point in the RECORD the letter which I have written to Chester Bowles, calling his attention to the unconstitutional actions on his part in attempting to violate the rights of our citizens, protected under the Bill of Rights.

Mr. MORSE. I have no objection at all.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 16, 1945.

Hon. CHESTER BOWLES,
Administrator, Office of Price Administration, Washington, D. C.

DEAR MR. BOWLES: I note from the press releases that the Office of Price Administration's district office at Dallas, Tex., has ordered OPA investigators to proceed at once with a check-up of the contents of private frozen-food lockers in six southwestern States.

Sometime ago I observed, in some remarks I had to make with respect to what I deem to be the unsoundness of the principles on which OPA is predicated, that undoubtedly great quantities of meat and other foods had been hoarded by individual citizens. This applies to the kitchen pantry as well as to frozen-food lockers. That is to say, the statement is as applicable to other scarce foods as it is to meat.

The issue I desire to raise with you at this time, however, is the constitutional right of OPA investigators to forcefully enter the private domain and seize the private propperty of any citizen of the United States without a search warrant or an order of the courts. Certainly, the Emergency Price Control Act does not attempt to confer such authority on the OPA. If it did, it would be beyond the constitutional authority of the Congress.

OPA investigators are as amenable to the provision of the bill of rights prohibiting forceful search and seizure as any other officer of the law, unless armed with the proper legal authority. They have no more right to enter a frozen-food locker and seize the contents therein, than a Treasury official would have to enter a lock box at the bank and seize gold certificates, without a search warrant or a court order. They have no more right to enter a frozen-food locker and seize the property contained in it, than they have to forcefully enter a private home and seize the food in the kitchen pantry.

It seems significant that this unconstitutional program has been delayed until after the Congress extended OPA for another year. During the recent consideration of the extension of OPA by the Congress, we were assured that the future conduct of its affairs would be within legal and constitutional limits. This, however, does not appear to be the case, in view of recent developments.

The action of OPA with respect to the search and seizure of food lockers is a serious invasion of the Constitution. Whether or not the people have cheated is not an issue. In many cases they have, but if so, there are perfectly legitimate, constitutional, and legal methods by which OPA may enforce the provisions of the law or regulations promulgated in conformity with the law. Most certainly, there is no authority by which OPA, or any other agency of government, may justify resorting to illegal or unconstitutional means to accomplish its desired ends.

If you persist in this method of operation, I trust the courts of the land will have the courage and the necessary respect for the Constitution to deal with your investigators as any other violators of the law. I trust the people whose rights have been invaded will resort to the courts for proper redress.

Yours very truly,

E. H. MOORE.

Mr. MORSE. Mr. President, I thank the Senator from Oklahoma for his remarks. He has given great support to the measure now pending before the Committee on Banking and Currency; I refer to the resolution introduced by the Senator from Nebraska [Mr. WHERRY] and myself. It calls for an investigation by the Senate of the policies and practices of the OPA.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHERRY. I should like to ask the Senator from Oregon what the status of that resolution is at the present time. Has there been a hearing on it?

Mr. MORSE. There has not yet been a hearing on it. I have asked the chairman of the Banking and Currency Committee for a hearing on it. I am sorry he is not now in the Chamber, because I was going to ask him on the floor of the Senate this afternoon whether he could give me any indication as to whether he is disposed to immediately give me a hearing on the resolution and, if so, when; because if we cannot obtain a hearing on it in the immediate future by the Committee on Banking and Currency, I shall move to have the committee discharged. I say that because I am not going to fail to do everything I can do to check what I think is a concerted effort to prevent a housecleaning in OPA.

Mr. WHERRY. Mr. President, will the Senator yield further to me?

Mr. MORSE. I am glad to yield.

Mr. WHERRY. I should like to say at this point that I do not wish to take the time of the Senate this afternoon to review the meat situation which confronts the livestock feeders of America, but I expect to say something about it before the Senate takes its recess.

In the meantime I should like to suggest to the Senator from Oregon, by way of supplementing the remarks he made yesterday on the floor of the Senate relative to the situation in which the restaurants of this country find themselves, that the Small Business Committee has received hundreds and hundreds of letters and communications relative to the situation confronting the restaurants of the Nation at this time.

I desire to say for the benefit of the Senate that the Small Business Committee is now making a preliminary survey. If what has been charged in the letters and telegrams is true, I am quite sure it will lay a basis for a complete hearing relative to the restaurant situation throughout the Nation.

Mr. President, approximately a week ago I submitted for the RECORD a resolution coming from Grand Island, Nebr. In that resolution the restaurant owners notified the mayor of Grand Island that unless the point system was changed and unless food was provided, they would have to close their doors. In Grand Island there is located the Quaker Oats Ordnance Depot, where great quantities of ammunition are produced for our military forces. The situation in that location is alarming; and what is true there is, I am quite sure, true in many other places in the country.

I should like to say now that I wish the Committee on Banking and Currency would report the resolution of the junior Senator from Oregon [Mr. MORSE] who really was the author of the resolution, but by an error my name was placed upon it. Of course, I am glad to be a party to it and to join in submitting it with the distinguished junior Senator from Oregon, who is rendering such valuable service here in calling the attention of the Senate to the acute situation existing in the State of Oregon relative to the lamb supply there. Let me point out that the Senator from Oregon has discussed many other things in addition to the lamb situation in Oregon; he has discussed many related situations throughout the country. He has gone much further than that. He has suggested many things which involve the food situation throughout the country. If there was ever a need for a special committee to investigate the food situation, that time is now. The Senator is justified in asking the Senate to appoint a committee which will have for its object legislation primarily, but also the making of suggestions to the Department of Agriculture and to the OPA, in particular, for the effective distribution of food. If we cannot produce and properly distribute food in our own country, there is no use of trying to distribute it to the peoples throughout the world.

As the Senator from Oregon has said, we have wasted food in many sections because of the mismanagement of our food-distribution system. I think that a senatorial committee should be appointed

to advise with the Department of Agriculture, as well as the OPA, on questions concerning the distribution of food to the people of the United States. Such a committee is necessary if the people are to have a fair chance to obtain food and meat which they badly need.

Mr. MORSE. I thank the Senator.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BUSHFIELD. I am interested in what the Senator from Nebraska has been saying with reference to conserving food and not wasting it.

Every Senator in this Chamber knows my feelings with reference to OPA. I not only sought strenuously to reduce its powers, but I have gone so far as to advocate its complete abolition.

Many of our people in South Dakota are farmers as well as townspeople. They operate farms either by proxy or directly. Our people like frozen-food lockers. Many of them have such lockers. I have discovered to my amazement that if I live in town, for example, kill a steer on my farm, bring it to town and put it in my food locker, I may come into contact with the OPA. If an OPA snooper finds that I have food in my locker for which I do not have the necessary points, he either confiscates my meat or demands that I put up the points.

Mr. MORSE. What the Senator from South Dakota has stated is just another argument for the adoption by the Senate of my resolution.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. I may state in futherance of what has been said by the distinguished Senator from South Dakota, that I have evidence and knowledge in my office of a regional meeting of the OPA having been held in a certain town in the Middle West. At that meeting a list of towns was discussed in which there had been no prosecutions by the OPA. Apparently the citizens of that community had been complying with the law. However, the OPA had directed the operators to go into the community and find some excuse for prosecutions. The operators were told, "Do not take ordinary people, but get some prominent names on your list. We want to impress them with the power of the OPA." That took place only about 2 months ago.

There is one other thing which I should like to call to the attention of Senators. I refer to the reconversion policies of OPA. I think those policies are doing more to discourage reconversion by American business than anything else. When the over-all industry policy to roll back prices to the level of 1941 and 1942 was announced, even the OPA itself admitted that increases in the prices of materials and labor in producing manufactured articles had resulted in greater cost of production. At the same time the OPA insisted, and are insisting adamantly, if you please, that the prices must be rolled back to those of 1941 and 1942, and that the manufacturer or merchant must absorb the costs regardless of what may happen to him, and whether he goes bankrupt or not. That policy has been enforced in order that the OPA could hold the mysterious price line, and say in effect, "We have held the price line."

Mr. President, the Senator from Oregon may well continue his fight against the reconversion policies of OPA.

I know that the OPA says that each individual may come and make out his case. But months will sometimes pass before some underling in the OPA will finally arrive at the point where he will bluntly and discourteously tell a businessman, "No, we will not give you a price increase. Those months may mean even life or death in the reconversion of small business.

I congratulate the Senator on the vigor of his fight, and I certainly hope it will continue with increased vigor until finally this great bureaucratic organization, which in many ways is strangling industry, will be compelled to establish and promulgate sensible and efficient American business principles of operation.

Mr. MORSE. I thank the Senator from Iowa for his grand support. I hope that many Democratic Senators who are now absent from the Chamber will read his comments tomorrow in the CONGRESSIONAL RECORD.

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BUSHFIELD. I cannot agree with the distinguished Senator from Iowa that all the rules and the regulations of the OPA are made by underlings. We developed before the Committee on Agriculture and Forestry that the chief counsel of this great and glorious OPA had never tried a lawsuit in his life, and had never appeared before a jury.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. BUTLER. I thank the Senator from Oregon, and I promise him, as well as other colleagues present, that I will take only a very few minutes to add my statement to what has already been said.

I commend the junior Senator from Oregon for his persistence in attempting to obtain badly needed relief.

I should like to read into the RECORD three telegrams of a large number which I have received. The telegrams which I should like to read into the RECORD were received today. Here is one that was received from Elwood, Gosper County, Nebr.:

> I have had a slaughter permit pending in Washington for 3 months. We are in the midst of a big harvest and no meat. Not even lunch meat. There is no other permit in Gosper County and we need the meat badly.

Gosper County is one of the largest wheat-producing counties of the State. It produces more food than do many States which are represented in the Senate.

Here is another from Harvard, Nebr., Clay County:

> Harvard is forced to feed more than 1,200 people daily including defense workers from the air base, the Navy depot soldiers and their families, and harvest hands. The two cafes are out of points, the butcher shops are out of meats and have been for weeks. No one here has been granted a slaughter permit. Our cafes plan to close unless something can be done immediately. Harvest hands and workers here must be fed. Conditions are critical. We need help. What can you do for us?

I do not know that we can say the remark in that communication about the cafes planning to close is a threat to strike, but it is the last and only thing they can do if they are not permitted to serve some of the meat that is plentiful in its original and live state, if only the OPA would make it available immediately.

Here is another communication, from Chappell, Nebr., Cheyenne County, the largest wheat-producing county in the world, and Chappell is the largest single shipping point for wheat in the United States:

> Meat situation acute. Harvest of bumper wheat crop to begin next week. No meat available for harvest help. Cafes threatening to close for lack of meat. Facilities are adequate to handle butchering, slaughterers' permits. Storage also available. OPA will not furnish adequate meat permit to Chappell food market due to the fact that they were unable to slaughter in 1944 due to sickness. Please lend your immediate support to alleviate critical condition.

Mr. President, I personally handled these three telegrams with the OPA and with the Department of Agriculture today. I find, as the Senator from Michigan told us a while ago, that Mr. Chester Bowles is absent from the city. I am going to be a little more frank than was the Senator from Michigan, and say that the explanation from his office was that he was away on vacation. I think it is a very poor time for a man who is holding the very responsible position Mr. Chester Bowles occupies, when situations are as critical as they are in all the grain-producing States, to be away. I think he should be here on the job, making decisions for those who are working under him, because I was advised today that the decisions in these matters cannot be made until the officials can hold conferences and get in touch with Mr. Chester Bowles.

Someone must do something about this, or the people in Nebraska, and elsewhere, where there is an abundance of meat animals, will have to take matters in their own hands. I cannot advise them to do that, and I hope they will not have to do it, but wheat has to be harvested, and the people have to be fed.

Mr. MORSE. Mr. President, I assure the Senator I deeply appreciate his remarks, and I wish to say to my Republican colleagues that I very much appreciate the fact that a majority of the Republican representation in the Senate of the United States is present at this moment to consider this very vital domestic problem. I deeply regret that only a small sprinkling of Democratic Senators are present in the Chamber.

Mr. WILEY. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. WILEY. I agree with a great deal of what has been said. I wish to say, with regard to the new Secretary of Agriculture, that I wrote him some time ago in relation to the butter situation, and he replied that they were having an investi-

gation, and in August might reduce the points. I immediately answered the letter and called his attention to the fact that the average citizen had 54 red points, that butter would take 24 points a pound, and cheese 12 points a pound, which would make 36. That would leave the difference between 36 and 54, or about 18 points, for meat for the whole month.

Then I called his attention to the further fact that as the result of the high points required people here in Washington were not getting and could not afford to buy butter, and that butter on hand was becoming rancid. I am frank to say that I told him that the result of the high point requirement meant, as the distinguished Senator from Oregon has said, destruction of fat, and that fat was going to the soap manufacturers.

I am happy to say that within 2 days after he received that letter, instead of waiting until August, he immediately reduced the points required for butter from 24 to 16. I did make the suggestion to him that I thought, in view of the fact that this country, especially the children, needed the food and the vitamins contained in butter, butter points should be put down to the basis of oleomargarine, that we could not afford to have a destruction of foods.

Now, in view of the fact that he acted so expeditiously on my suggestion, I wish to ask the idea of the distinguished Senator as to whether or not this suggestion would not be the remedy: Should not Secretary Anderson and OPA immediately delegate to the head of OPA in every State the power immediately to license the slaughterers, and should they not be instructed to go into the various communities and appraise the situation, get the facts, see the needs, and get a directive from Secretary Anderson and OPA to put necessary licenses through immediately?

Mr. MORSE. The Secretary of Agriculture has that authority now, under the Patman amendment.

Mr. WILEY. But does not the Senator think that if he followed that out, we would have a remedy?

Mr. MORSE. I have suggested it to him in speeches from this floor, and I have suggested it to him in personal conferences, and I have made a good many other suggestions to him. I am going to have something to say, before I conclude, in regard to a conversation I had with the Secretary of Agriculture this afternoon.

Mr. WILEY. I wish to repeat, the difficulty that has been spoken of here so often by my distinguished Republican colleague has been very patent in my own State, where people need meat, and where they have the slaughtering facilities, but have not been able to get the permits.

Only yesterday a newspaper from my State called attention to the fact that a farmer had slaughtered an animal and had given some of the meat away, and that some OPA official had taken it upon himself—now listen to this: Think of living in a country that is called the home of the brave and the land of the free, where such a thing as this could happen—he had taken it upon himself to impose upon this farmer, who had slaughtered his own meat, and had given some of it away to a neighbor, a restriction under which he and his family could not have meat for a certain length of time.

Stop and think of that! I wish to congratulate the Senator from Oregon. As has been said before, we have discussed for weeks now the international situation, and we have come to a general conclusion as to it. We want to do what is necessary to help the poor people abroad, but if we incapacitate America from producing, if we take from our children the vitamins and the food elements necessary, if we take from the workers the things they should have, we will not be in the production line to help ourselves.

I have a letter on my desk from Milwaukee right along the line suggested by one of the other Senators. The letter states that men working in factories say, "Unless we get meat we will have to go out on strike." I do not know whether that was a matter of being emotionally upset or not, but I think the situation so dramatically depicted by the Senator from Oregon is one which merits our earnest, immediate consideration, and I suggest that he make concrete suggestions on the floor of the Senate, and if they are not carried out immediately, that the investigation he has requested be ordered.

Mr. KILGORE. Mr. President——

Mr. MORSE. I thank the Senator from Wisconsin. I should like to proceed now to introduce some evidence into the RECORD, and after I do that I shall be glad to yield again, but for the time being I shall not yield until I put this evidence in the RECORD.

I assure the Senate that I am trying to supply the Secretary of Agriculture with the evidence he needs in order to take the steps he should take so as to rectify this situation. I am satisfied that if he is given the evidence, we can count on the Secretary of Agriculture to take the steps necessary.

I want to read into the RECORD a telegram sent to me by the Independent Retail Meat Dealers Association, H. E. Carlson, secretary:

PORTLAND, OREG., *July 20, 1945.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Lamb sales in our retail markets are slowing up greatly. Customers are not willing to spend their points on lamb when beef is available. We appreciate your past efforts to correct this situation and trust that you will continue to urge OPA to remove ration points on lamb.

INDEPENDENT RETAIL MEAT DEALERS' ASSOCIATION,
H. E. CARLSON, *Secretary.*

As I have said to the Secretary of Agriculture several times, and said to him again over the telephone again today, I am satisfied that because of the local phases of this problem, because we are dealing with a quality and type of meat that must be slaughtered and consumed locally, the only way the problem can be successfully handled is by way of lifting the ration points.

I wish to introduce into the RECORD, Mr. President, a telegram which I received from the president of the Albany Chamber of Commerce, Albany, Oreg., the county seat of Linn County, in the very heart of the lamb-producing area of the Willamette area. A large percentage of the soft lambs are produced in Linn County. The telegram is as follows:

ALBANY, OREG., *July 19, 1945.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Increasing lamb quotas is a step in the right direction, but if the consumer does not have points with which to buy, we are no better off. The only sensible answer to the whole OPA muddle is to eliminate the OPA at the first opportunity. Pending that action, please press to step up ration points for individuals so they can buy lamb and other foods.

ALBANY CHAMBER OF COMMERCE,
J. W. SAVAGE, *President.*

Mr. President, one does not have to be told, I am sure, as one listens to that telegram, that the members of the Albany Chamber of Commerce are getting a little hot under the collar about this matter. They cannot be blamed for that. If Senators were out there and saw the situation, as the senior Senator and junior Senator from Oregon have seen it during the past 3 years, they would know that the people of that valley are becoming somewhat irritated and disgusted with the continuation of the maladministration of the Oregon lamb problem by the officials of the Federal Government, who ought to correct it without this constant urging on our part.

Mr. President, I now introduce into the RECORD a telegram which I think is of great importance because of the sender. It is a telegram to which I am sure the Secretary of Agriculture will give great weight. It is a telegram which sets forth what I told the Secretary over the telephone this afternoon in a rather long conversation. It is from D. E. Nebergall, president of the Nebergall Packing Co. of Albany, Oreg. Let me qualify my witness, if I may.

Mr. Nebergall is a man about 70 years of age, one of the most substantial and outstanding men in the State of Oregon, a man of pioneer stock, a man whose integrity cannot be questioned, a man who does not act from selfish motives, but who places the public interest first. He has been in frequent conversation with the two Senators from Oregon. He has helped keep us informed as to this problem, and he has told us over and over again that it cannot be solved unless the Administration follows the three-point plan I have emphasized so frequently on the floor of the Senate: The problem of ration points, the problem of quotas, and the problem of the Government standing ready to purchase the surplus lamb if it does not move in normal trade.

I had a long telephone conversation with him last night and he told me, as I have told the Secretary of Agriculture several times, that the problem has not been solved as yet by any steps that have been taken up to the present time. So in this telegram he said:

What is the OPA going to do about our Oregon lambs? Many of the lambs that were fat 30 days ago—

And listen to this, Mr. President—

many of the lambs that were fat 30 days ago are now feeders with no chance of getting them back on the market until fall. The State-inspected slaughterers have had their

quota increased, but the consumer cannot buy lambs at the present high-point value. Consequently the additional quota is not and will not do the job. If the Willamette Valley farmers do not get relief at once the sheep industry will be out of business.

D. E. NEBERGALL.

He is president, as I said, of a well-established packing firm in the Willamette Valley, a man whose testimony I assure Members of the Senate can be absolutely relied upon. I also wish to place in the RECORD a telegram which I received today from Wade Newbegin, chairman, agricultural committee, Portland Chamber of Commerce, as follows:

PORTLAND, OREG., *July 19, 1945.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

After 2 years of bungling lamb situation in Oregon it would appear OPA should be able to correct for third year in time to prevent great loss to Oregon farmers. Surely Congress will take some action to investigate and curb OPA policy of discouraging production in the guise of price control as only by encouraging flood of production can prices really be controlled.

WADE NEWBEGIN,
Chairman, Agricultural Committee,
Portland Chamber of Commerce.

There again is a man in the State of Oregon—and if Senators inquire they will find that what I now say is the fact—who is a man whose judgment has great influence throughout the length and breadth of that State. He is chairman of the agricultural committee of the Portland Chamber of Commerce. He has been keeping the senior and junior Senators from Oregon informed exactly about this problem, and he has told us over and over again that there is no solution other than the three-point solution which the two Senators from Oregon have been presenting in behalf of the lamb producers of Oregon.

One more telegram, Mr. President, I wish to place in the RECORD because it furnishes more evidence that I am sure will be helpful to the Secretary of Agriculture, because I know that when he receives the evidence he is going to act upon it. I told him about it this afternoon. I know that on the basis of the evidence which the senior Senator and the junior Senator from Oregon have supplied him he has the necessary data and the facts upon which to act now. I wish to place this telegram in the RECORD. It is from Fred M. Brenne of the Eugene, Oreg., Chamber of Commerce. Eugene is the county seat of Lane County. Lane County borders Linn County. Those two counties produce a large percentage of the soft lambs produced in the Willamette Valley. The telegram is as follows:

EUGENE, OREG., *July 20, 1945.*

Hon. WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.:

Please add our organization's name in support your logical efforts to improve critical lamb situation. Local growers point out necessity of lowered point values and increased quotas to avert serious loss this season. Your common-sense approach to lamb problem shared by farm, business, labor, and other groups in Eugene area. Sincerely.

FRED M. BRENNE,
Manager, Eugene Chamber of Commerce.

Mr. President, I wish to say to the Members of the Senate that if they think it is pleasant for me to stand up here day after day and call the attention of the Senate to this problem, they are mistaken. I have not enjoyed doing it from the standpoint that I do not like to trespass on the precious time of my colleagues, but I would have failed in my public duty as a Senator from the State of Oregon if I did not try to remind the Senate of the great problem of food wastage in this country, as represented by this case. I have continually assured the Secretary of Agriculture of my cooperation, but I have made clear to him, I admit, in very definite and certain language, that I must have from him the support which the senior Senator and the junior Senator from Oregon are entitled to, in solving this problem on the basis of the evidence. He assured me this afternoon again over the telephone that he was investigating the evidence and that he was going to give it his immediate consideration. I expressed to him then my keen and deep appreciation for the cooperation he is extending to me. I only wish we were getting the same type of cooperation from the OPA.

Mr. CORDON rose.

Mr. MORSE. I yield to the senior Senator from Oregon.

Mr. CORDON. Mr. President, I realize that interruptions, when a Senator is discussing a matter of this character, are never welcomed, and I hesitate to interrupt even my colleague at this moment.

Mr. MORSE. I am always glad to yield to my colleague on any matter.

Mr. CORDON. I have been working with my colleague in this matter, as he has stated, for lo, these many weeks, and I am happy to report to him and to the Members of the Senate at this moment that at least some progress has been achieved.

As my colleague has just stated, the Secretary of Agriculture called him today. The Secretary has more recently been discussing the matter with me, and I understand that he has been in telephonic conversation with representatives of the press and of agriculture in our home State of Oregon today. The Secretary has authorized me to state publicly that this afternoon he requested OPA to lift the points from Oregon soft lamb of all classes. He has done so only after complete investigation, independently of the reports which he had received from OPA. He is convinced at this time that the case which we have made is justified. I am deeply appreciative of the Secretary's position, and I compliment him for the courage he has shown in the step which he has taken.

Mr. MORSE. Mr. President, that announcement is most gratifying, and I join with the senior Senator from Oregon in paying my high respects to the Secretary of Agriculture, because I think he has demonstrated what I have said he would demonstrate if the people would give him the facts. If the misinformation which has been given to him by other agencies had not been given to him, I am satisfied that this matter would have been cleared up at a much earlier date.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. MORSE. I shall be glad to yield in a moment.

I am also very happy to say that in my judgment this announcement, if it is to be put into effect, will solve the Oregon lamb problem, and relieve me from the necessity of discussing it on the floor of the Senate again, and will also relieve the Senate from listening to me discuss it. However, that does not mean that I shall not continue to press the senior Senator from New York [Mr. WAGNER], chairman of the Bank and Currency Committee for an early hearing on the resolution which has been submitted, calling for a special Senate OPA committee.

I am glad now to yield to the Senator from New Mexico.

Mr. HATCH. The only reason I rise at this time is a little pardonable pride, in view of what the Senator said about a sprinkling of Democrats. I invite his attention to the fact that the Secretary of Agriculture, to whom he has paid such a high and very justifiable tribute, is also a Democrat.

Mr. MORSE. I assure the Senator from New Mexico that if he is laboring under the delusion that I believe that all Democrats are bad, he is mistaken. I think there are some very fine statesmen among them, and I have so stated publicly many times.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. ROBERTSON. I wish to congratulate the Senator from Oregon for what he has undertaken during the past week, and the support which he has given the Secretary of Agriculture in helping him to take the steps necessary to remove or have removed the points from fresh or green lamb in Oregon.

Possibly I can speak on the lamb question with more authority than most Members of this body. Some weeks ago, with the Senators from Oregon, I attended a meeting before Economic Stabilizer Davis, at which Clinton Anderson was present. This was a week or so before he assumed the office of Secretary of Agriculture.

Two proposals were placed before the Economic Stabilizer in relation to lambs and lamb production, and the distribution of meat. The first was a straightforward proposal to remove the ceiling on lambs. This was immediately taken up and accepted by Mr. Clinton Anderson, and he enlarged somewhat upon it and advised the meeting of his own acceptance of the proposals and his desire to see it carried out. He pointed out to the meeting—and perhaps it is not out of place for me to point out to the Senate—that of the entire meat consumption of the United States, but 5 percent is lamb. Mr. Anderson continued and pointed out that the people who eat lamb are largely in the higher-income brackets, so that a rise in the price of lamb would not affect the cost of living. He favored that proposal.

The second proposal was for a subsidy of $2 to be paid to the lamb producer. That was the final verdict of the Eco-

nomic Stabilizer, Mr. Davis, as a result of that meeting.

But there was a hitch in that arrangement. It developed that according to the law in existence at that time such a subsidy had to be paid through the RFC and could be paid only to the packer, so the producer of the lamb would get no benefit.

Yesterday the Senate passed a measure—and the House concurred in it this morning—which in effect placed the payment of that subsjidy in the hands of the Commodity Credit Corporation.

On my return from Reno, Nev., recently, where I went to attend the funeral of our late dear friend, Senator Scrugham, I stopped off in Wyoming. I found there a tremendous wave of lamb buying by buyers from the East and Middle West, in an effort to obtain those lambs before the knowledge of either the ceiling elimination or the subsidy became general. I telegraphed Mr. Anderson, pointing out to him the condition which existed. I read his reply:

Senator E. V. ROBERTSON,
Cody, Wyo.:

Lamb order being submitted to Economic Stabilizer Will Davis and not final but provides for removal of present 95-cent subsidy and substitution of $2 subsidy through December and two fifty for first 6 months of 1946, payable to packer, since only available funds are RFC and cannot be paid directly to producer. However, may get special legislative rider making possible direct producer payment.

That is the measure to which I have referred. I think the last sentence is the most interesting, and possibly the most important part of the telegram:

Could not get approval of my idea for direct price increase.

In view of that telegram, among other things, I congratulate the Senators from Oregon on the announcement which the senior Senator from Oregon has just made.

Mr. MORSE. I thank the Senator from Wyoming very much.

Mr. President, I close my remarks by paying my very sincere respects to my colleague the senior Senator from Oregon, because without his cooperation and leadership in this matter, and the excellent work which he has done in every conference in which we have sat together on this problem, I am sure that the solution which has been reached would not have been reached. I am greatly indebted to him. I wish to say to the Senate that I find it a great pleasure to work as a teammate of the senior Senator from Oregon.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TAFT. I do not wish to have the Senate get the wrong idea. I do not understand that OPA has lifted the points. This is merely a recommendation.

Mr. ROBERTSON. Yes.

Mr. TAFT. I think that ought to be clearly understood.

Mr. MORSE. The Senators from Oregon clearly understand it. We believe that at least that recommendation puts the problem into the lap of the administration; and I am satisfied that the solution recommended by the Secretary of Agriculture is so sound that the administration will recognize it and see to it that it is put into effect.

Mr. CHANDLER. Mr. President, will the Senator yield to me before he takes his seat?

Mr. MORSE. I yield.

Mr. CHANDLER. I do not wish the Senator to get the impression that the only lamb crop in the United States is in Oregon, or that only Republicans eat lamb, or that because he has taken an active part in these discussions, we on the Democratic side of the aisle are not just as much interested in the lamb situation as he is.

It may be that some mistakes have been made. I do not want the Senator from Oregon to assume that if the Republicans had been carrying on this program they would not have made some mistakes, too. I presume they would have.

Mr. MORSE. We will take judicial notice of that.

Mr. CHANDLER. But the present Secretary of Agriculture has been in office less than a month. He is a country man, too, and he knows something about this problem. I suggest that before Senators become too critical, they give him a chance, because he has not had a chance.

My next point is that if Senators do not like the OPA and if they wish to get rid of it, they should introduce a bill providing for its abolition. I do not know whether a bill providing for abolition of the OPA has been introduced. The OPA has made some mistakes, but I think it has rendered important service to the people of our country at a very critical time.

Mr. MORSE. Mr. President, the Senator's statement with respect to the Secretary of Agriculture is an exceedingly fair one, and I join him in it.

As to the second comment made by the junior Senator from Kentucky, I should like to make perfectly clear to him, if I have not made it clear before—although I have said it many times—that I am a stanch supporter of the Stabilization Act, and I think it very important that we maintain price control. I have said that again and again. But in order to maintain the confidence of the people of the United States in the OPA, we must eliminate the abuses in its administration. I have cried out only against the abuses, not against the necessity for price control.

Mr. CHANDLER. Mr. President, I should like to point out that many of the criticisms have been made in such a way by certain of the Republican Senators that some persons might almost assume that the Democrats are not concerned with this matter. Of course, I do not wish that misapprehension to exist. I want the people of the country, including the people of Kentucky, to know that I, too, am vitally interested in this matter.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr BARKLEY. Mr. President, will the Senator yield to me?

Mr MORSE. I will yield to the Senator from Kentucky in a moment, although I desire to take my seat, if I may.

Mr. BARKLEY. I was wondering if we could not get a vote on the pending motion.

Mr. MORSE. I should like to do so. First, I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, on the question of ration points for restaurants, on which I have spoken in the Senate, the OPA called me from the floor, after I made my remarks, and said that I might expect some report by the middle of next week.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The Senate resumed the consideration of the motion by Mr. BARKLEY to proceed to the consideration of House Joint Resolution 145, providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Kentucky.

Mr. REVERCOMB. I ask for the yeas and nays.

The yeas and nays were ordered; the legislative clerk proceeded to call the roll, and Mr. AIKEN and Mr. AUSTIN answered in the affirmative when their names were called.

Mr. REVERCOMB. Mr. President——

The PRESIDENT pro tempore. For what purpose does the Senator address the Chair?

Mr. REVERCOMB. I desire to propound a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. REVERCOMB. The vote now is on——

Mr. CHANDLER. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator from West Virginia is propounding a parliamentary inquiry, and he has a right to do so.

Mr. CHANDLER. I make the point of order that a parliamentary inquiry cannot be made after the roll call has commenced.

The PRESIDENT pro tempore. A parliamentary inquiry can be made at any time.

Mr. BARKLEY. Debate cannot be indulged in, but a parliamentary inquiry can be made at any time.

The PRESIDENT pro tempore. That is correct.

The Senator from West Virginia wishes to propound a parliamentary inquiry, and he will please state it.

Mr. REVERCOMB. The vote now is on the motion of the Senator from Kentucky to take up this measure; is that correct?

The PRESIDENT pro tempore. That is true.

The legislative clerk resumed the calling of the roll.

Mr. BUTLER (when his name was called). I have a general pair with the

senior Senator from Alabama [Mr. BANKHEAD]. I transfer that pair to the senior Senator from Idaho [Mr. THOMAS], and I will vote. I vote "nay."

Mr. WAGNER (when his name was called). I have a general pair with the Senator from Kansas [Mr. REED]. I transfer that pair to the Senator from Florida [Mr. PEPPER], who if present would vote "yea." Having transferred my pair, I am at liberty to vote, and I vote "yea."

The roll call was concluded.

Mr. HILL. Mr. President, I announce that the senior Senator from Virginia [Mr. GLASS] is detained by illness.

The Senator from Florida [Mr. PEPPER] is detained because of the death of his father.

The Senator from Florida [Mr. ANDREWS], the Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Texas [Mr. CONNALLY], the senior Senator from Rhode Island [Mr. GERRY], the junior Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Utah [Mr. THOMAS] are detained on public business.

The Senator from California [Mr. DOWNEY], the Senator from Arizona [Mr. HAYDEN], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Georgia [Mr. RUSSELL], the Senator from Maryland [Mr. TYDINGS], and the Senator from Montana [Mr. WHEELER] are necessarily absent.

The Senator from Utah [Mr. THOMAS] has a general pair with the Senator from New Hampshire [Mr. BRIDGES].

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER]. The transfer of that pair has heretofore been announced.

The Senator from Iowa [Mr. WILSON] is absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent on account of illness.

The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], and the Senator from New Hampshire [Mr. TOBEY] are detained on public business.

The result was announced—yeas 56, nays 12, as follows:

YEAS—56

Aiken	Hart	Mitchell
Austin	Hatch	Morse
Ball	Hawkes	Murdock
Barkley	Hickenlooper	O'Daniel
Bilbo	Hill	O'Mahoney
Briggs	Hoey	Radcliffe
Burton	Johnson, Colo.	Saltonstall
Byrd	Johnston, S. C.	Smith
Capper	Kilgore	Stewart
Chandler	La Follette	Taylor
Chavez	Langer	Thomas, Okla.
Cordon	Lucas	Tunnell
Donnell	McCarran	Vandenberg
Eastland	McClellan	Wagner
Ellender	McFarland	Walsh
Ferguson	McKellar	White
Fulbright	Magnuson	Wiley
George	Maybank	Young
Gurney	Mead	

NAYS—12

Brooks	Millikin	Shipstead
Bushfield	Moore	Taft
Butler	Revercomb	Wherry
Capehart	Robertson	Willis

NOT VOTING—27

Andrews	Glass	Pepper
Bailey	Green	Reed
Bankhead	Guffey	Russell
Brewster	Hayden	Thomas, Idaho
Bridges	Johnson, Calif.	Thomas, Utah
Buck	McMahon	Tobey
Connally	Murray	Tydings
Downey	Myers	Wheeler
Gerry	Overton	Wilson

So Mr. BARKLEY's motion was agreed to; and the Senate proceeded to the consideration of the joint resolution (H. J. Res. 145) providing for membership of the United States in the Food and Agricultural Organization of the United Nations.

The PRESIDENT pro tempore. The joint resolution is before the Senate and is open to amendment.

Mr. BARKLEY. Mr. President, I had hoped when we convened today that we might be able to conclude all necessary legislation so that the Senate could recess over until Monday next. It is now obvious that we shall have to hold a session of the Senate tomorrow. For that reason I am not going to ask Members of the Senate to remain further tonight to consider this measure. I have conferred with the Senator from West Virginia and the arrangement which I shall propose is agreeable to him.

I ask unanimous consent that at not later than 2 o'clock tomorrow afternoon the Senate proceed to vote on the joint resolution and all amendments which may be pending thereto, if any.

The PRESIDENT pro tempore. If there is no objection, the provision of the rule requiring a quorum call upon the submission of a request for unanimous consent to vote on the final passage of a bill, will be waived.

Mr. BARKLEY. Of course, inasmuch as we just had a quorum call of the Senate, it would not be necessary, but it does include the waiver of the call.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. GURNEY. Inasmuch as we have heard the contention made that we have not had sufficient notice of a consideration of the joint resolution, can the Senator state if there are any other bills which will be taken up tomorrow?

Mr. BARKLEY. There is a bill which the Senator from Georgia [Mr. GEORGE] wishes to take up now, to which objection was made yesterday by the Senator from Utah. He and the Senator from New Mexico have reached an agreement by which there will be no further objection to the measure which the Senator from Georgia wishes to take up.

Tomorrow, following the disposition of the matter with reference to which we have just reached an agreement, it is expected to take up in executive session the two treaties which have been on the calendar for some time, and which were earlier reported to the Senate. It is the desire to get them out of the way and clear the desk for consideration of the charter next Monday.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. I hope it will also be possible tomorrow to take up Calendar No. 183, House bill 2348, an act to provide for the coverage of certain drugs under the Federal narcotic laws. I have been responsible for holding the bill on the calendar in order to present an amendment which has to do with another subject matter. The Finance Committee has authorized the presentation of an amendment to the measure. I do not think there will be any objection to it. I hope an opportunity will be afforded to have the bill considered tomorrow.

Mr. BARKLEY. I think an opportunity will be afforded. There may be some routine matters which I cannot now foresee, which we will desire to dispose of tomorrow.

Mr. GEORGE. I do not believe that the bill to which the Senator from Wisconsin refers will cause any protracted debate.

Mr. BARKLEY. No; I think not.

Mr. KILGORE. Mr. President, I may say to the distinguished majority leader that I expect tomorrow to ask for action on Calendar No. 501, Senate Concurrent Resolution 21, consideration of which was passed over today on the objection of the Senator from South Dakota [Mr. GURNEY].

Mr. BARKLEY. I omitted to refer to it. The Senator from West Virginia has advised me that he will move tomorrow that the Senate proceed to the consideration of the concurrent resolution.

Mr. GURNEY. That is what I had in mind also. Of course, the Senator has the right to call it up.

Mr. BILBO. It is understood that no Senator will be precluded from calling up any bill which is on the calendar.

Mr. GURNEY. I understand that.

Mr. BARKLEY. No; no Senator will be precluded from doing that.

Mr. President, I hope that tomorrow Senators will be prepared to remain in the Chamber so that it will be unnecessary to consume time with quorum calls. We expect to receive from the House—I do not know why it has not already come over, because the House has acted on it—reports on the Bretton Woods measure, the tax bill, and the bill in which the Senator from Wyoming [Mr. O'MAHONEY] was interested, which the Senate passed last night.

It will be my purpose tomorrow to call up the concurrent resolution which has been received from the House, providing that when the House adjourns tomorrow it will stand in adjournment until the 8th day of October 1945, and that when the Senate adjourns, at such time as it may be able to adjourn following the disposition of the charter, it stand in adjournment also until the 8th day of October. So that it is important that Senators be here tomorrow and that we dispose of everything which should be disposed of before we recess tomorrow until Monday, at which time it is pro-

posed that the Senate shall take up the charter.

DEDUCTION IN COMPUTING TAXES OF EXPENSES OF INTANGIBLE DRILLING AND DEVELOPMENT COSTS

Mr. GEORGE. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House Concurrent Resolution 50.

The PRESIDENT pro tempore. The clerk will state the concurrent resolution for the information of the Senate.

The legislative clerk read the concurrent resolution (H. Con. Res. 50), as follows:

Resolved, etc., That in the public interest the Congress hereby declares that by the reenactment, in the various revenue acts beginning with the Revenue Act of 1918, of the provisions of section 23 of the Internal Revenue Code and of the corresponding sections of prior revenue acts allowing a deduction for ordinary and necessary business expenses, and by the enactment of the provisions of section 711 (b) (1) of the Internal Revenue Code relating to the deduction for intangible drilling and development costs in the case of oil and gas wells, the Congress has recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury regulations granting the option to deduct as expenses such intangible drilling and development costs.

Mr. GEORGE. Mr. President, I suggest that this is the concurrent resolution which was discussed last evening by the distinguished Senator from Utah [Mr. MURDOCK], when he offered the substance of the regulations as an amendment to the then pending tax bill. This is merely a concurrent resolution expressing the sense of the Congress, but is a matter of importance, because smaller oil producers throughout the country in all the oil-producing areas are somewhat disturbed by a court decision, and they think the expression of the sense of the Congress as to the intent of Congress in the passage of certain laws would tend to settle the matter somewhat.

I understand that the Senator from Utah, in conference with other Senators from the oil-producing areas, has agreed upon a substitute which is satisfactory all the way around. I have no objection to the substitute, if I am correctly advised about it.

Mr. MURDOCK. The Senator is correctly advised.

Mr. GEORGE. The Senator will present the substitute.

The PRESIDENT pro tempore. The clerk will state the amendment in the nature of a substitute for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the resolving clause and to insert the following:

That whereas the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury regulations grant the option of deducting as expenses intangible drilling and development costs; and whereas the taxpayers of the country and the Bureau of Internal Revenue have relied on the validity of said section of the regulations; and whereas as a result of certain decisions rendered by the United States Circuit Court of Appeals for the Fifth Circuit, the present status of said section of the regulations and its application has been rendered uncertain, it is therefore the sense of Congress that the substance of said section of the regulations does correctly express the will and intent of the Congress and should be enacted as a part of our tax laws at the earliest possible date.

Amend the title so as to read: "Concurrent resolution declaring the sense of Congress that the substance of section 29.23 (m)-16 of Treasury Regulations 111 should be enacted as a part of the tax law."

Mr. WHITE. Mr. President, I shall not object to the disposition of the matter in the manner now suggested. As I understood the concurrent resolution as it was read from the desk, and the substitute, I do not like them any better than I did the original concurrent resolution which the Senator from Utah discussed. I think they have the infirmities he pointed out, and that this would be an unwise precedent for us to establish.

Mr. LA FOLLETTE. Mr. President, I wish to concur in the statement made by the able Senator from Maine. I think it would establish a very questionable precedent for Congress, several years after an act had been passed, to attempt to determine what the intent of our predecessors was when they passed certain legislation.

I realize that the Senator from Utah by his substitute has tried to correct in some measure the original concurrent resolution and to save it from that infirmity. Nevertheless, the substitute in and of itself is an expression of what Congress hopes and thinks at the moment it might enact at some later date. I think the grave error is in attempting to meet decisions of the courts by an expression of legislative opinion which has no force of law, and in this particular instance, as I understand the situation, the matter was decided by the Fifth Circuit Court of Appeals, and it is still possible that it may go to the Supreme Court.

If in the case of decisions which may be made by either the district courts or the circuit courts of appeal we proceed to indicate that a court either has or has not correctly interpreted the intent of the Congress, I think we will be engaging in a very bad practice, and that it may be one which will return to plague us.

Mr. President, I raised this issue in the committee, and I was overwhelmed by the members of the committee, who seemed to feel that for some reason or other this pious legislative wish, if properly enacted through a concurrent resolution, might have some bearing on the situation existing, and I am not disposed to oppose it. I want the RECORD to show that I think this is a very bad practice. I think it has absolutely no legal effect whatsoever, and I would have no respect for any court which would even take judicial notice of the fact that we had taken this ridiculous action.

Mr. TAFT. Mr. President, I was not able to attend the meeting of the Finance Committee when this matter was discussed. I agree with the Senator from Wisconsin that it seems to be very bad practice. I did not greatly object to the original resolution because I remember that when it came up in the Finance Committee when the last tax bill was under consideration the intention was as stated in the resolution. It does state what the Finance Committe at least intended. But when we undertake to say that we think this should be enacted into law at the earliest possible date and tell ourselves what we ought to do next year, I think such a resolution goes beyond any reason. I think it is far more unreasonable than the original resolution. I do not propose to vote for it because I do not know what I might think about the subject next year when it comes up again in the Finance Committee. I do not propose to bind myself now by expressing an opinion of what I will do next year when the tax bill comes up. So I am opposed to the resolution as amended.

Mr. FERGUSON. Mr. President, I had something to say on this subject last evening. I am of the same opinion now as I was then that this had no place in the law. It is not law. We have this situation: We have a court rendering a decision interpreting an act of this body and of the House, which it has a legal right to do. The court has spoken, and that is the law until it is reversed or in some way modified by this body through proper procedure. What is now proposed to be done, Mr. President, is not a proper procedure. It attempts to tell the Supreme Court, if this matter is taken to the Supreme Court on certiorari or appeal, that we want the court to decide this case in another way than that in which the circuit court of appeals has decided it.

This identical question was before the Committee on the Judiciary when we considered the insurance bill. An attempt then was made to tell the Supreme Court what we thought was meant by the national legislature when it enacted the antitrust law. The Committee on the Judiciary did not adopt the proposal, and I am glad it did not adopt it. We now find ourselves in the position, while there is a case pending which can be appealed, of telling the court what we intend to do, and not only doing that, Mr. President, but telling the court that we want to make it the law some time in the future.

Mr. GEORGE. Mr. President——

Mr. HATCH. Mr. President, I want to correct the Senator myself.

Mr. GEORGE. If the Senator will permit me, I should like to say that if this case goes up on appeal to the Supreme Court of the United States, it would not, in my opinion, involve this question, and could not involve it, because the court which made the decision in the first instance has subsequently made another decision; and the particular point as to whether or not this regulation was contrary to law or against the statute probably could not be made an issue.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. FERGUSON. Yes.

Mr. WHITE. Is not the effect of this action, if we take it, to encourage the administrative officers of the Treasury Department to proceed without any regard to court decisions which may be rendered, and must not the further

effect of it be to cast some shadow of doubt and some disrepute upon decisions of our courts?

Mr. GEORGE. Will the Senator permit me again?

Mr. FERGUSON. I yield.

Mr. GEORGE. Let me assure the Senator from Maine that the proposal has no such purpose, and it could have no such effect. This is the situation: There was a case decided by one of the nine circuit courts of appeals. There are eight others.

It is not an attempt to persuade the court or try to control the court in this particular case on this question. It is an attempt rather in this war period to say to the oil interests of the country, "It is the sense of Congress that this regulation of the Bureau of Internal Revenue which has been in force under one statute or another for 25 years, is in accordance with the intent of Congress." It is for the purpose of settling an agitated condition which has arisen, which ought to be helped, if we can do it in this way.

Mr. FERGUSON. Mr. President, we have a court decision. It was stated last evening by the Senator from Utah [Mr. MURDOCK] that the court had interpreted the statute even though that was not necessary. If this case is appealed the Supreme Court would have the same right to interpret that statute. But that is not the only thing. As the Senator from Maine has suggested, What is the purpose of this concurrent resolution if it is not to have an administrative agency rule in accordance with the present interpretation by this body?

Mr. President, the court has spoken. I do not know how many other cases may be pending. There may be one started tomorrow. This would be an attempt, then, to try to influence, in effect, the decision of that court, because this body by its action today would attempt to interpret the act. If we believe that this is the correct rule, that the companies should have the right of an option as to whether to treat this item as cost or as capital, then, Mr. President, we should pass a law dealing with the subject.

These are serious times and both bodies should be in session to perform their functions and to pass such laws as are necessary, instead of this body going outside its official capacity and attempting to interpret the law, when it has the right to pass laws and only the right to pass laws.

Mr. President, I am opposed to the concurrent resolution and I hope the Senate will not adopt it.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from West Virginia.

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. The Chair recognizes the Senator from New Mexico.

Mr. HATCH. Mr. President, I raise the point that the Senator from Michigan cannot hold the floor and yield to some other Senator. I have stood on the floor seeking recognition for some time.

The PRESIDING OFFICER. The Chair understood that the Senator from Michigan had concluded his remarks and the Chair recognized the Senator from New Mexico.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. HATCH. I will be glad to yield to the Senator from West Virginia. I simply do not like the idea of Senators farming out time.

Mr. REVERCOMB. I thank the Senator from New Mexico. I assure him I was not trying to keep him from the floor.

I heard the very interesting remarks made a moment ago that adoption of this resolution may be considered to be an attempt to influence the courts. I do not know what interpretation may be placed on that statement made by the Senator from Michigan, but if there is one body in the world that not only influences but guides the courts upon the principles of law that are laid before them, it is this body.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. REVERCOMB. The Senator has the floor, and I defer to him.

Mr. HATCH. I wanted to make a few remarks in defense of the legislative body of the Government.

Mr. REVERCOMB. May I proceed for a moment, and then I shall be glad to hear the Senator?

Mr. HATCH. Yes.

Mr. REVERCOMB. Most of this discussion has pertained to the form and the method of proceeding here, whether by concurrent resolution or by law enacted, but we seem to have lost sight of the substance of the question, which is this: For many years, under the internal revenue laws, there has been a rule that the oil companies may deduct certain items—may charge them to expenses or charge them to capital gain. That rule has been in force for several years. It is a very just and fair rule. Suddenly a court, through dictum, as I understand, the issue not being involved, made a statement upsetting that rule. Rather than quibble over the form or method of arriving at the end, let us do what is right and keep in force in this country a fair and just rule under the law which we believe to be right. Let us look rather to the substance than the shadow. Let us follow substance rather than form, and do whatever is right, whatever form we use.

Mr. HATCH. Mr. President——

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. FERGUSON. Mr. President, it is now said that the court has by dictum decided the rule which should be followed as the interpretation of this body. This body is not an interpreter of the laws enacted by Congress. This body's duty and province is, in conjunction with the House, to enact laws, and to expect the executive branch to carry them out, and expect that the courts, when the laws are properly taken before them, will interpret those laws. That is exactly what the court has done.

Are we going to tell these agencies on all occasions—if we do it in this instance, why not on all occasions?—that we want to tell them how to interpret our laws? Where is the place in our Government for a judicial system if we attempt to do so?

Mr. President, I opposed this same proposal when it came before the Judiciary Committee in connection with the insurance bill. I think it should be opposed here.

As I previously stated, we have no right to interpret the law. The law is to be enacted by us. The executive branch and the judicial branch then have their functions. Again, let me say that I hope the Senate will not indulge in this form of legislative interpretation.

Mr. HATCH. Mr. President, I should like to make a few general observations. Of course, the legislative branch of the Government does enact the laws in the first instance. The executive is to enforce, and the judiciary is to interpret. But throughout hundreds of years laws have grown up by various methods, by common interpretation. What ordinary people determine to be a cowpath becomes a trail, and the trail finally becomes a road, and becomes a vested right.

Furthermore, there is a well-known rule of law which some Senators, I am afraid, have forgotten, that legislative interpretation is important. The courts want to know what the legislative body had in mind. If one reads the cases, he will find a very well defined and positive rule that the legislative interpretation is an important consideration in the courts; and I hope it will never become unimportant. I hope that the legislative interpretation may always be given effect, both by the executive and the judicial branches of Government. That is all this proposal does, Mr. President.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. FERGUSON. The distinguished Senator from New Mexico is correct in the proposition that courts are anxious to know what the legislative branch means when it enacts a law, but they look only to what the legislative body meant when it enacted the law.

Mr. HATCH. The Senator is getting into deep water. I think he will not be able to sustain his argument.

Mr. FERGUSON. The Senator will be able to swim in the water he is now in.

Mr. President, the courts look to what committees have said. They look to what the legislative body argued on the matter; but they are not going to permit the legislative body, some years later, after there has been an interpretation by a circuit court of appeals—not one of the district courts but a circuit court of appeals—to interpret the law.

Again I say that this body has no right, at this late date, after the decision, to pass this kind of a measure. It is not an act. It is a concurrent resolution. But, Mr. President, even though this is essential, even though it is desirable, and I would vote for it if it were here in the regular way, I feel that this is not the way to do it.

Mr. HATCH. Mr. President, I wish to make a suggestion. I offer an amendment to the amendment in the nature of a substitute offered by the Senator from Utah [Mr. MURDOCK], in order to meet one of the objections which has

been made. I hope the Senator from Utah will agree to it.

I suggest that the words "should be enacted as a part of our tax laws at the earliest possible date" be stricken from the substitute. Does the Senator from Utah agree with me? We have the same idea.

Mr. MURDOCK. Mr. President, I stated my position last night with respect to this type of procedure. I think it is ridiculous and absurd. I think, as I stated last night, that if the Senate tries to do by a concurrent resolution what is attempted in this instance, we shall regret it for years to come, and it will keep coming back to plague us. The only reason why I agreed not to enter an objection to the unanimous-consent request for consideration of the concurrent resolution in its present form was the anxiety of some Senators who thought that something should be done. I am still of the opinion that if Congress wants to act on this matter it should enact the regulation into law, which I attempted to have done last night by amendment.

I now withdraw my amendment. I am willing to let the Senate vote on the original concurrent resolution, which in my opinion never should have been resorted to in the attempt to accomplish what is now being attempted.

The PRESIDENT pro tempore. The Senator has the right to withdraw his amendment.

The question is on agreeing to the original concurrent resolution.

Mr. FERGUSON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. Is unanimous consent necessary to vote on the concurrent resolution?

The PRESIDENT pro tempore. It has been taken up, and the question is now before the Senate.

Mr. WHITE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHITE. I understood that the Senator from Georgia [Mr. GEORGE] asked unanimous consent for its consideration, but I did not hear that request put.

The PRESIDENT pro tempore. As the Chair recalls, the clerk was directed to state the resolution for the information of the Senate. No objection was heard, and it was declared in order.

Mr. WHITE. I bow to the decision of the Chair, but I did not so understand it.

The PRESIDENT pro tempore. That is the recollection of the Chair.

Mr. GEORGE. Mr. President, I think that is undoubtedly true. I asked unanimous consent that the unfinished business be temporarily laid aside, and that the concurrent resolution be taken up, and there was no objection. Then I said I would be willing to accept the substitute. I think the substitute and the original are directed to the same end.

There is a grave misapprehension on the part of very able and learned Senators who have spoken on this issue. There is no need to amend the law. The regulation of the Treasury is in accordance with existing law. Why cannot Congress make that declaration, if it has the nerve to do so?

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. MURDOCK. If I can read the English language—and I placed both decisions in the RECORD last night—the circuit court of appeals holds that the regulation is not law, but is violative of the law.

Mr. GEORGE. I understand that, but the circuit court of appeals decision is not binding. It is only one of a number of circuit courts. There has been no adjudication of the question. I think it is perfectly tenable to say that the law of the land is in accordance with the rule of the interpreting agent, the administrative agent. I think it is perfectly sound to say that when one rule has been adopted and followed for 25 years, and the legislative acts have repeatedly, and by implication—sometimes almost expressly—recognized that rule of interpretation, it has a standing as a part of the law of the land.

But that is not the question here. The question here is whether the Congress has a right to express its opinion or to express the sense of its intent and purpose in enacting a particular law.

Mr. BARKLEY. Mr. President, will the Senator yield at this point?

Mr. GEORGE. I yield.

Mr. BARKLEY. I do not recall very clearly what happened in the Finance Committee regarding this matter, when the law which is involved and upon which the regulation of the Treasury was issued was under consideration. But I have a vague recollection—which I hope the Senator from Georgia will correct if I am wrong—that we did have the matter under consideration in the committee, and that the Treasury Department said it was not necessary to put it in the law, but that it could attend to it by way of regulation; and my recollection is that it was pursuant to the advice of the Treasury Department that it could do this thing by way of regulation, instead of having it included in the law, that the Congress probably did not put in the law what the regulation contemplates.

I ask the Senator whether I am correct about that.

Mr. GEORGE. The Senator is correct in a measure, but I will state to him exactly what happened. The Treasury insisted that the law which gives a depletion allowance should be changed. On that question there was an honest division of opinion in the committee. Certain Senators thought the depletion allowance should be withdrawn from gas-well and oil-well developments.

The principal argument made by the Treasury was that a regulation which for 25 years had been adhered to gave to the oil companies the extraordinary right of charging their drilling costs as expenses. The position taken by those of us on the committee was that if that were true, we would not change either the rule of depletion allowance or the right to charge drilling costs to expenses, at the option of the oil producer.

Subsequently this decision was made. I know how decisions are sometimes made. I know that someone suggested to the court that something should be done about this regulation which gives to the producers of oil and gas the option to charge the drilling costs as an expense item or to pass them into the capital structure of the property.

At any rate, the court did at first look beyond the record in that case, so to speak, and beyond the issue which had been properly raised; and the court said that this regulation of the Treasury was contrary to the statute, that the statute did not authorize it.

Mr. BARKLEY. Mr. President, I thank the Senator for his more exact statement of what happened. I do not like this way of legislating or getting at the matter.

Mr. GEORGE. Neither do I; but I do not think there is any question that the Congress has the right to say what its intention was in the passage of a law. The adoption of such a resolution does not have the effect of law; I grant that; and I grant that the other way is the better way. But the Congress of the United States, which is a sovereign body—by the way, just as sovereign as the Executive and just as sovereign as the judiciary—has the power of a sovereign. I think there is no doubt that it can say what its intent was.

I wish to remind the Senator from Michigan that this is not something which happened in a Congress 25 years ago or even longer ago than that. Right through the last tax act we have dealt with the same problem. In the enactment of the excess-profits tax law, which is now on the statute books, we recognized the option of the producer either to charge his so-called intangible drilling costs as an expense item or to pass them into his capital structure. The Congress has dealt with this matter from time to time; and in the present law, which many of the Senators now present actually assisted in passing, the rule was recognized.

I say in all good faith that the Treasury itself predicated its chief argument for repeal of the depletion allowance provisions of the law on the fact that the oil producers already have what the Treasury called this extraordinary and unfair right.

On that issue, many of us agree with the Treasury. Others do not. The majority do not, and there was no disturbance of this right which they had, and no disturbance of the depletion allowance provisions.

Mr. FERGUSON. Mr. President, I have great respect for the able senior Senator from Georgia; but in this particular case I am unable to follow his reasoning.

I agree with the Senator from Utah that the substitute is equally as bad as the original. If the Senator from Georgia is correct in his position that the law today is just what this body now wishes to interpret it as being, then, as the Senator from Utah has said, I see no reason whatever for having this body attempt to interpret it. If the court had said that the opposite interpretation was the right one, then the only way we

could change it would be by means of a new law.

I have discovered no argument to prove to my satisfaction or, it seems to me, to the satisfaction of this body that it is necessary that we adopt this measure today. Why cannot it be adopted when the Senate reconvenes in October? From what I have heard, it should be adopted, but it should be adopted in the regular way.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MURDOCK. We also find that the Bureau of Internal Revenue has stated very emphatically that notwithstanding the decision of the circuit court of appeals, it intends to administer the regulation and to apply it just as it has in the past. So why is there any necessity for action by the Congress at this time? Especially, why is there any reason for action by means of a concurrent resolution?

Mr. FERGUSON. Mr. President, that being true, I see no reason whatever for adoption of this concurrent resolution.

The PRESIDENT pro tempore. The question is on agreeing to the concurrent resolution.

Mr. DONNELL. Mr. President, I do not like to take the time of the Senate at this late hour, but I think one statement made on the floor of the Senate demands attention, namely, that this case is one in which we are simply looking at the shadow and are overlooking the substance.

To my mind the Senator from Michigan has put his finger upon an exceedingly important point of substance, not merely a shadow. If the procedure here sought to be adopted were adopted by the Senate, it would mean that this legislative body, which is only a part of the Congress, could take action 27 years after the enactment of a law, and could do so at a time when it has almost a completely different personnel, with perhaps only one or two exceptions—I judge that only one or two of the present Members of this body were Members of the Senate at that time—and could undertake to determine here and now what was the intent a quarter of a century ago.

To my mind this is a matter of highest substance. We may say as often as we wish that we are not establishing a precedent, but the fact is that we are establishing one. To my mind, Mr. President, it is a mistake for the Senate now to undertake to go back many years and say what was the intent of the Congress at some previous time. Congress spoke its intent. In my opinion, the Senator from Michigan was correct in his statement that the interpretation of the meaning of the acts of Congress is a matter for the courts, and that for the Congress to say what was meant 25 years ago might result in persons who had acted on the rights which they conceived they had under the laws which the Congress passed finding that they had acted in the wrong. As a matter of fact, Congress speaks through its statutes. As the Senator from Michigan has said, the interpretation of an act of Congress does not rest with the Congress. The statement which was made by the distinguished Senator from New Mexico to the effect that the courts will inquire into the intent of Congress may be true as an abstract statement. Nevertheless, it refers not at all to the situation which we are discussing, but to the fact that the court will examine the debates which were had during the consideration of the statute. Certainly, no Congress should pass upon a statute which was enacted by another Congress 20 or 25 years ago.

So, Mr. President, from the standpoint of sound public policy, I hope that this great body will not put itself in a position of being absurd, and undertake to state what was the intention of a Congress which enacted a law years ago.

Mr. President, I hope the concurrent resolution will not be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the resolution. [Putting the question.]

The Chair is in doubt.

Mr. HATCH. I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll. During the call of the roll the following occurred:

Mr. BARKLEY. Mr. President, may I propound a parliamentary inquiry?

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Would it be possible to ask unanimous consent that the roll call on this matter be had immediately when we convene tomorrow, without any further debate?

Mr. HATCH. Mr. President——

The PRESIDENT pro tempore. The result has not been announced. The Parliamentarian informs the Chair that it would be in order to ask unanimous consent.

Mr. BARKLEY. In order to avoid the necessity of trying to bring other Senators in at this time, I propose to ask unanimous consent that the roll call on the concurrent resolution be had immediately on the convening of the Senate tomorrow.

The PRESIDENT pro tempore. Is there objection?

Mr. WHITE. Mr. President, reserving the right to object, have we not had the roll call, and is it not in order now that the result be announced?

The PRESIDENT pro tempore. The result has not been announced.

Mr. WHITE. I did not hear the Chair's statement.

The PRESIDENT pro tempore. The Parliamentarian informs the Chair that such a request as that of the Senator from Kentucky is in order until the result is announced.

Mr. WHITE. Mr. President, if it is a unanimous consent request, I feel I must object.

The PRESIDENT pro tempore. The Senator from Maine objects.

The vote was recapitulated by the legislative clerk.

The PRESIDENT pro tempore. On this vote——

Mr. WHITE. Mr. President, if I may do so, I withdraw my objection to the unanimous-consent request made by the Senator from Kentucky.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. Under the unanimous consent agreed to, the Senate will proceed to vote immediately on the concurrent resolution when we convene tomorrow?

The PRESIDENT pro tempore. If there is a recess.

Mr. WHITE. As I understand, only those Senators who have not responded thus far upon the call will be permitted to vote.

The PRESIDENT pro tempore. There will be another roll call on the same question tomorrow, under the unanimous-consent request.

Mr. WHITE. This roll call, so far as it has proceeded, is then vacated?

The PRESIDENT pro tempore. It is vacated by unanimous consent.

Mr. DONNELL. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. DONNELL. Will any debate be permitted tomorrow on this question?

The PRESIDENT pro tempore. Under the unanimous consent request, the question would be voted on immediately after the reassembling of the Senate.

Mr. FERGUSON. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. FERGUSON. Will a quorum call be in order?

The PRESIDENT pro tempore. Yes; a quorum call is always in order before a vote.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m., tomorrow.

The motion was agreed to; and (at 6 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Saturday, July 21, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate, July 20 (legislative day of July 9), 1945.

DIPLOMATIC AND FOREIGN SERVICE

George Gregg Fuller, of California, now a foreign-service officer of class 4 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

APPOINTMENTS IN THE SELECTIVE SERVICE SYSTEM

The following-named persons for appointment to the positions indicated:

Paul G. Armstrong to be State director, Illinois, with salary at the rate of $8,225 per annum.

Louis A. Boening to be assistant State director, Illinois, with salary at the rate of $6,230 per annum.

Frank D. Rash to be State director, Kentucky, with salary at the rate of $6,230 per annum.

John Van B. Metts to be State director, North Carolina, with salary at the rate of $7,175 per annum.

Holmes B. Springs to be State director, South Carolina, with salary at the rate of $6,230 per annum.

Carleton C. Pierce to be State director, West Virginia, with salary at the rate of $5,600 per annum.

John L. McCormick to be State director, Alaska, with salary at the rate of $5,180 per annum.

Milton E. Ballangee to be State director, Hawaii, with salary at the rate of $5,915 per annum.

Angus J. Gallagher to be administrative officer, national headquarters, with salary at the rate of $7,175 per annum.

Ronald M. Holmes to be administrative officer, national headquarters, with salary at the rate of $6,230 per annum.

Austin S. Imirie to be administrative officer, national headquarters, with salary at the rate of $7,175 per annum.

Kenneth H. McGill to be Chief, Research and Statistics Division, national headquarters, with salary at the rate of $7,175 per annum.

Blynn T. Shafer to be Assistant Chief, Research and Statistics Division, national headquarters, with salary at the rate of $6,230 per annum.

IN THE NAVY

Vice Adm. Robert C. Giffen, United States Navy, to be a vice admiral in the Navy, for temporary service, to continue until his detachment from duty as commander, service force, United States Atlantic Fleet, to rank from the 14th day of May 1944.

Vice Adm. Alan G. Kirk, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 10th day of September 1944.

Capt. Oswald S. Colclough, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as Assistant Judge Advocate General.

Capt. James M. Shoemaker, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, naval air bases, Philippines, and until reporting for other permanent duty.

Capt. Ben. H. Wyatt, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as an island commander in the Pacific Ocean area, and until reporting for other permanent duty.

Capt. Richard R. McNulty, United States Naval Reserve, to be a commodore in the Naval Reserve, for temporary service, to continue while serving as supervisor, United States Merchant Marine Cadet Corps.

IN THE MARINE CORPS

Col. Ford O. Rogers to be a brigadier general in the Marine Corps, for temporary service, from the 25th day of November 1943.

Col. Byron F. Johnson to be a brigadier general in the Marine Corps, for temporary service, from the 27th day of January 1945.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Amanda C. Funderburg, Cropwell, Ala. Office became Presidential July 1, 1945.

Nannie P. McCaskill, Garland, Ala. Office became Presidential July 1, 1945.

Hattie R. Walker, Highland Home, Ala. Office became Presidential July 1, 1945.

Georgia Miller, Jamestown, Ala. Office became Presidential July 1, 1945.

Era M. Culberson, Kellyton, Ala. Office became Presidential July 1, 1945.

Willodene C. Smith, Lapine, Ala. Office became Presidential July 1, 1945.

James W. Sandlin, Magnolia Springs, Ala. Office became Presidential July 1, 1945.

Mae B. Gamel, Remlap, Ala. Office became Presidential July 1, 1945.

Clifton E. DeLoach, Vida, Ala. Office became Presidential July 1, 1945.

ARIZONA

Olive Tompkins, Camp Verde, Ariz. Office became Presidential July 1, 1945.

Patricia C. Bradley, Cavecreek, Ariz. Office became Presidential April 1, 1945.

ARKANSAS

Buford B. Hammond, Beech Grove, Ark. Office became Presidential July 1, 1945.

Ruth Shock, Enola, Ark. Office became Presidential July 1, 1945.

Clara L. Broyles, Farmington, Ark. Office became Presidential July 1, 1945.

Lewis L. Walker, Higginson, Ark. Office became Presidential July 1, 1945.

Otto Bee Stamps, Kingston, Ark. Office became Presidential July 1, 1945.

John A. Harris, Lafe, Ark. Office became Presidential July 1, 1945.

Drucellia Garrett, Manning, Ark. Office became Presidential July 1, 1945.

Myrtle M. Saylors, Oil Trough, Ark. Office became Presidential July 1, 1944.

Sibyl M. Standefer, Pearcy, Ark. Office became Presidential July 1, 1945.

Elsie Elisabeth Reynolds, Reyno, Ark. Office became Presidential July 1, 1945.

Arthur Wright, Russell, Ark. Office became Presidential July 1, 1945.

Lena M. Dancer, Springfield, Ark. Office became Presidential July 1, 1945.

James F. Feits, Viola, Ark. Office became Presidential July 1, 1945.

CALIFORNIA

Irene Beckley, Grimes, Calif. Office became Presidential July 1, 1945.

Otto J. Hanzlik, Nuevo, Calif. Office became Presidential July 1, 1945.

George Christian, South Dos Palos, Calif. Office became Presidential July 1, 1945.

CONNECTICUT

Albert T. Babcock, Oakdale, Conn. Office became Presidential July 1, 1945.

GEORGIA

I. V. Baldwin, Naylor, Ga. Office became Presidential July 1, 1945.

George M. Hope, Pembroke, Ga., in place of M. E. Harvey, deceased.

J. Robert McGarrah, Plains, Ga., in place of M. H. Campbell, resigned.

ILLINOIS

Alfrieda D. Kingery, Jewett, Ill. Office became Presidential July 1, 1945.

Edith A. Defenbaugh, Magnolia, Ill. Office became Presidential July 1, 1945.

Grettle F. Spencer, Whittington, Ill. Office became Presidential July 1, 1945.

IOWA

William F. Dunn, Bernard, Iowa. Office became Presidential July 1, 1945.

Lee W. Lugar, Derby, Iowa. Office became Presidential July 1, 1945.

Anna E. St. Clair, Floris, Iowa. Office became Presidential July 1, 1945.

Nettie Evelyn Mack, Hardy, Iowa. Office became Presidential July 1, 1945.

Carmelita B. Collins, Imogene, Iowa. Office became Presidential July 1, 1945.

Cora G. Bigelow, Lester, Iowa. Office became Presidential July 1, 1945.

Edith O. Jacobson, Ottosen, Iowa. Office became Presidential July 1, 1945.

Olive S. Squires, Palo, Iowa. Office became Presidential July 1, 1945.

Celestine M. Mischo, Panama, Iowa. Office became Presidential July 1, 1945.

Ervey Engelhardt, Saint Olaf, Iowa. Office became Presidential July 1, 1945.

Emmett E. Butler, Treynor, Iowa. Office became Presidential July 1, 1945.

Lillie Grace Snakenberg, Webster, Iowa. Office became Presidential July 1, 1945.

Vera L. Coleman, Westgate, Iowa. Office became Presidential July 1, 1945.

Rubye E. Stegemann, Williamson, Iowa. Office became Presidential July 1, 1945.

Letha Doughten, Woolstock, Iowa. Office became Presidential July 1, 1945.

KENTUCKY

Roy Hays, Rochester, Ky. Office became Presidential July 1, 1945.

Norman V. Dossett, Sacramento, Ky. Office became Presidential July 1, 1942.

MARYLAND

Ernest F. Colaw, Crellin, Md. Office became Presidential July 1, 1945.

Mildred R. Bramble, Rhodesdale, Md. Office became Presidential July 1, 1945.

Cora M. Lohr, Swanton, Md. Office became Presidential July 1, 1945.

MICHIGAN

Roscoe B. Huston, Detroit, Mich., in place of R. B. Huston. Incumbent's commission expired June 27, 1942.

MISSISSIPPI

Cora Lee Lyon, Cedarbluff, Miss. Office became Presidential July 1, 1945.

Charlie C. Roberts, Dixon, Miss. Office became Presidential July 1, 1945.

William H. Swales, Edinburg, Miss. Office became Presidential July 1, 1945.

Lela R. Bracken, Harrisville, Miss. Office became Presidential July 1, 1945.

Benjamin H. Chatham, Montrose, Miss. Office became Presidential July 1, 1945.

Mamie McAlister, Paden, Miss. Office became Presidential July 1, 1945.

Algie A. Edwards, Polkville, Miss. Office became Presidential July 1, 1945.

George W. Miles, Pulaski, Miss. Office became Presidential July 1, 1945.

Lauren N. Tillson, Sylvarena, Miss. Office became Presidential July 1, 1945.

Lamar Coker, Toomsuba, Miss. Office became Presidential July 1, 1945.

MISSOURI

Charles A. Boyd, Camden Point, Mo. Office became Presidential July 1, 1945.

Laura L. Procter, Centertown, Mo. Office became Presidential July 1, 1945.

Vern Rozell, Chadwick, Mo. Office became Presidential July 1, 1945.

Earle F. Stewart, Coffey, Mo. Office became Presidential July 1, 1945.

Lawrence Ruckman, Denver, Mo. Office became Presidential July 1, 1945.

William L. Shelton, Edgar Springs, Mo. Office became Presidential July 1, 1945.

Lila B. Coull, Greenwood, Mo. Office became Presidential July 1, 1945.

Edith B. Sympson, Guilford, Mo. Office became Presidential July 1, 1945.

Ross N. Glascock, Hartsburg, Mo. Office became Presidential July 1, 1945.

Ethel M. Vaughan, Lanagan, Mo. Office became Presidential July 1, 1945.

Roxie M. Shook, Larussell, Mo. Office became Presidential July 1, 1945.

Prudy T. Keith, Leonard, Mo. Office became Presidential July 1, 1945.

Marie E. Triplett, Long Lane, Mo. Office became Presidential July 1, 1945.

Mora Tracy, Mayview, Mo. Office became Presidential July 1, 1945.

Ruby M. Laurie, Osage Beach, Mo. Office became Presidential July 1, 1945.

Ethel McCurry, Pleasant Hope, Mo. Office became Presidential July 1, 1945.

Virgil Reinhard, Pollock, Mo. Office became Presidential July 1, 1945.

Mildred E. Vassar, Rothville, Mo. Office became Presidential July 1, 1945.

Albert George Layton, Vanduser, Mo. Office became Presidential July 1, 1945.

MONTANA

Julia L. Rose, Brady, Mont. Office became Presidential July 1, 1945.

Carl Anderson, Fallon, Mont. Office became Presidential July 1, 1945.

Edward F. Turck, Moore, Mont. Office became Presidential July 1, 1945.

NEW HAMPSHIRE

James F. Magee, Wolfeboro Falls, N. H. Office became Presidential July 1, 1945.

NEW MEXICO

Annie L. Nicholas, Oil Center, N. Mex., in place of R. G. Holt, resigned.

NEW YORK

E. Freeman DeZutter, Alton, N. Y. Office became Presidential July 1, 1945.

Irving S. Whipple, Basom, N. Y. Office became Presidential July 1, 1945.

Ethel F. Conte, Bridgewater, N. Y. Office became Presidential July 1, 1945.

Anna M. Jackson, Burnt Hills, N. Y. Office became Presidential July 1, 1945.

Anna M. Hackal, Calverton, N. Y. Office became Presidential July 1, 1945.

Louis C. Heim, Collins Center, N. Y. Office became Presidential July 1, 1945.

Charles A. Fisher, Davenport, N. Y. Office became Presidential July 1, 1945.

Howard Vadney, Feura Bush, N. Y. Office became Presidential July 1, 1945.

Ralph M. Fierle, Lake View, N. Y. Office became Presidential July 1, 1945.

F. Marion Moseley, Manorville, N. Y. Office became Presidential July 1, 1945.

Daniel J. O'Rourke, Massapequa Park, N. Y. Office became Presidential July 1, 1945.

Clayburn J. Culver, Panama, N. Y. Office became Presidential July 1, 1945.

Mary A. Cunningham, Pattersonville, N. Y. Office became Presidential July 1, 1945.

Margaret N. Lynch, Pomona, N. Y. Office became Presidential July 1, 1945.

Lester C. Trowbridge, Rhinecliff, N. Y. Office became Presidential July 1, 1945.

M. Michelina Ostermayr, St. Josephs, N. Y. Office became Presidential July 1, 1945.

Rosalie E. Molin, Smithtown, N. Y. Office became Presidential July 1, 1945.

Josephine R. Reilly, South Salem, N. Y. Office became Presidential July 1, 1945.

Dorothy E. Tash, Stafford, N. Y. Office became Presidential July 1, 1945.

Freda F. Way, Stormville, N. Y. Office became Presidential July 1, 1945.

Norbert F. Marzolf, Strykersville, N. Y. Office became Presidential July 1, 1945.

Ward W. Mount, Three Mile Bay, N. Y. Office became Presidential July 1, 1945.

William Holdorf, Tribes Hill, N. Y. Office became Presidential July 1, 1945.

Anna F. Barrett, Victory Mills, N. Y. Office became Presidential July 1, 1945.

Carl G. Kemp, Wading River, N. Y. Office became Presidential July 1, 1945.

OKLAHOMA

Newport W. Sanford, Bethany, Okla., in place of N. W. Sanford. Incumbent's commission expired May 20, 1941.

Leonard H. Roberts, Sweetwater, Okla. Office became Presidential July 1, 1945.

OREGON

Anna May Conklin, Metzger, Oreg. Office became Presidential July 1, 1945.

TENNESSEE

Maude Pack, Delano, Tenn. Office became Presidential July 1, 1945.

Gene S. Kemp, Difficult, Tenn. Office became Presidential July 1, 1945.

Charles C. Brooks, Eidson, Tenn. Office became Presidential July 1, 1945.

Alice E. Davis, Elgin, Tenn. Office became Presidential July 1, 1945.

Lucille B. Johnson, Hampton, Tenn. Office became Presidential July 1, 1943.

Roy P. Blevins, Shady Valley, Tenn. Office became Presidential July 1, 1945.

Walter A. Adkins, Winfield, Tenn. Office became Presidential July 1, 1945.

TEXAS

Caroline B. Fisher, Markham, Tex. Office became Presidential July 1, 1945.

Joseph W. Caldwell, Sumner, Tex. Office became Presidential July 1, 1945.

VIRGINIA

Aubrey G. Graham, Norfolk, Va., in place of J. E. Milan, retired.

WASHINGTON

Elsie J. Trana, Maple Valley, Wash. Office became Presidential July 1, 1945.

WEST VIRGINIA

Thomas W. Alkire, Carolina, W. Va. Office became Presidential July 1, 1945.

Harriet W. Stephenson, Jolo, W. Va. Office became Presidential July 1, 1945.

Mary Thelma Garrett, Simpson, W. Va., Office became Presidential July 1, 1945.

HOUSE OF REPRESENTATIVES

FRIDAY, JULY 20, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, day by day we are the beneficiaries of Thy bountiful providence. Show us how we may conserve and cultivate the worthy and valuable experiences of each succeeding day. Whatever is sinful and sordid, wilt Thou forgive and remember no more against us.

Grant that we may make the most of and the best of this new day which has come to us laden with so many glorious blessings and opportunities. May we use all its hours not only for enjoyment but for progress in the nobler ways of living.

May our creed and conduct, profession and practice, talk and walk, harmonize in cordial and constant agreement. Help us to be faithful to our highest trusts, and loyal to every royal instinct and aspiration which Thou hast implanted within us.

We pray that we may be noble partners with Thee in contributing to the welfare and happiness of needy humanity. Inspire us with the spirit of the Christ to bring in that blessed day when men and nations shall live together in the fellowship of peace.

To Thy name we shall give all the glory. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 3314. An act to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development; and

H. R. 3633. An act to facilitate reconversion, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1270. An act relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 592) entitled "An act for the relief of the estate of James Arthur Wilson, deceased."

INTERNATIONAL MONETARY FUND AND THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 7, strike out all after line 23 over to and including line 3 on page 8.

Page 8, line 5, strike out "7" and insert "6."

Page 8, line 11, strike out "8" and insert "7."

Page 10, line 17, strike out "9" and insert "8."

Page 12, line 5, strike out "10" and insert "9."

Page 12, line 20, strike out "11" and insert "10."

Page 13, line 13, strike out "12" and insert "11."

Page 13, line 23, strike out "13" and insert "12."

Page 14, line 13, strike out "14" and insert "13."

Page 14, line 16, strike out "(i)."

Page 14, line 21, strike out "(ii)."

Page 14, line 22, strike out "relief or reconstruction" and insert "relief, reconstruction, or armaments."

Page 14, line 25, strike out "either" and insert "any."

Page 15, after line 6, insert:

"FURTHER PROMOTION OF INTERNATIONAL ECONOMIC RELATIONS

"SEC. 14. In the realization that additional measures of international economic cooperation are necessary to facilitate the expansion and balanced growth of international trade and render most effective the operations of the Fund and the Bank, it is hereby declared to be the policy of the United States to seek to bring about further agreement and cooperation among nations and international bodies, as soon as possible, on ways and means which will best reduce obstacles to and restrictions upon international trade, eliminate unfair trade practices, promote mutually advantageous commercial relations, and otherwise facilitate the expansion and balanced growth of international trade and promote the stability of international economic relations. In considering the policies of the United States in foreign lending and the policies of the Fund and the Bank, particularly in conducting exchange transactions, the Council and the United States representatives on the Fund and the Bank shall give careful consideration to the progress which has been made in achieving such agreement and cooperation."

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. WHITE. Mr. Speaker, we have just let the Bretton Woods agreement go through without an effort to protect the basic principle of this international monetary agreement—the integrity of money used in international trade—by removing the restrictions on its international circulation. How can any international monetary plan be successful when the contracting nations are left to funnel trade into their country by issuing money limited to use only in certain countries—namely blocked currency. We are told the contracting nations must safeguard their credit by protecting the tremendous volume of blocked currency outstanding. Which is the more important, the success of the new monetary Commission or the advantage to be obtained for some country by the use of blocked currency? If the contracting nations are sincere in their effort to do away with inequalities of international exchange and restraint of international trade, what is to prevent any nation from recalling their outstanding blocked currencies in exchange for international money good in any country as a means of making this new international money system work and to safeguard the successful operation of this new international monetary convention? Evidently the advantage accorded this favored nation at the very outset is the chief objective of the Bretton Woods scheme—control of international trade by the control of the creation and circulation of international money. The American representatives at the Bretton Woods Conference have flaunted the expressed purpose of our Government as laid down in section 311 of the United States Statutes:

SEC. 311. It is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such a safe system of bimetallism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts.

TO FACILITATE RECONVERSION

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 3633) to facilitate reconversion, and for other purposes, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 18, strike out all after line 14 over to and including line 7 on page 20.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina.

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

PAYMENT OF SUBSIDIES BY THE COMMODITY CREDIT CORPORATION AND THE RECONSTRUCTION FINANCE CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, will the gentleman from Kentucky please explain briefly the purposes of the bill?

Mr. SPENCE. Mr. Speaker, this bill provides for the transfer of food subsidies now paid by the Reconstruction Finance Corporation to the processor, to the Commodity Credit Corporation in the Department of Agriculture. The purpose of the bill is that the subsidies, instead of being paid to the processor, shall be true production subsidies and shall be paid to the producer. There is no increase in the amount of subsidies that shall be paid. The $595,000,000 now paid to the meat processors shall be paid to the producers of livestock and livestock products. The subsidy of $100,000,000 on butter now paid to processors shall be paid to the producers of butterfat and butter. The subsidies now being paid on flour shall be paid to the wheat producers and the producers of wheat products.

The Reconstruction Finance Corporation has no means of paying these subsidies to the farmers. The Department of Agriculture has the mechanism by which the subsidies can be paid directly to the farmer, and instead of being a roll-back subsidy will, in effect and in truth, be production subsidies. This bill has the approval of the Reconstruction Finance Corporation, of the Department of Agriculture, of the Director of Economic Stabilization, and the Director of War Mobilization. In fact, it has the approval of all departments of government interested. It seems to me it is something that should have been done long ago.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. GROSS. What is the object of a wheat subsidy? No matter who gets it, what is the object of it?

Mr. SPENCE. In this case it would increase the production of wheat.

Mr. GROSS. Is it not true that wheat is lying in the elevators and cannot be moved and is spoiling and is a nuisance? I have seen it lying around like that, and the gentleman from Kansas and others have testified to that.

Mr. SPENCE. The question here does not arise whether or not we will continue subsidies. Subsidies are in the law and they will continue for a year. The question is whether these subsidies will be administered by the Reconstruction Finance Corporation and the subsidies paid to processors, or whether the subsidies will be paid by the Commodity Credit Corporation directly to farmers whom we are trying to help.

Mr. GROSS. How much money was spent in the last year for wheat subsidies in this country?

Mr. SPENCE. I do not know. I think $190,000,000 was authorized for flour. This will now go to the wheat grower if directed by the Secretary of Agriculture.

Mr. GROSS. Yet they ground up hundreds of millions of bushels of the best wheat to feed the livestock because it could not be used in any other way, and when they fed that to the livestock the corn laid around and spoiled. What is the sense of all this?

Mr. SPENCE. I do not think those questions arise; it is just a question of how this subsidy is going to be administered. It is already provided for by law.

Mr. GROSS. Is it not true that the question should be, How can we cut it all out and save the taxpayers that money?

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. Was there any opposition to this bill in the Senate?

Mr. SPENCE. There was no opposition to the bill in the Senate, as I understand it; it was voted out by the committee unanimously. I am sure there is no opposition in the House.

Mr. BROWN of Georgia. Under this bill the subsidy goes to the producers.

Mr. SPENCE. The subsidy goes to the producers direct, something we have devoutly wished to accomplish ever since subsidies were inaugurated.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Missouri.

Mr. COCHRAN. There is no authorized increase in the over-all subsidies, is there?

Mr. SPENCE. No.

Mr. COCHRAN. None whatever, it is simply a different method of distribution.

Mr. SPENCE. It is a matter of distribution, and if the payment of subsidy is authorized by the Commodity Credit Corporation there is a corresponding reduction in the subsidy that the Reconstruction Finance Corporation is authorized to use.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield to the gentleman from Ohio.

Mr. JENKINS. Is it not a fact that it will require a much larger personnel to distribute the subsidies to the producers?

Mr. SPENCE. No; I think not. I think the mechanism is already established in the Department of Agriculture through the agencies they control. The Reconstruction Finance Corporation has neither the authority nor the mechanism of agencies by which it could do it.

Mr. JENKINS. Let me pursue that a little further. It stands to reason that there are many more producers than there are processors.

Mr. SPENCE. That is true.

Mr. JENKINS. The Reconstruction Finance Corporation can distribute these subsidies to food processors of which there may be only 10,000; but there might be a million producers.

Mr. SPENCE. Absolutely; and that is the reason the Reconstruction Finance Corporation never had the authority to distribute to the farmers, and it did not have the agencies by which it could make the distribution.

Mr. JENKINS. Let me ask this so we will have it clear, that if this is transferred to the Department of Agriculture they already have the facilities and will not be required to build up any new agencies.

Mr. SPENCE. That is correct. I have here a letter from the Secretary of Agriculture which I intend to put in the RECORD, and also a letter from Mr. Goodloe, General Counsel of the Reconstruction Finance Corporation, in which it is stated that the Department of Agriculture is equipped to make these subsidy payments and the Reconstruction Finance Corporation cannot make them directly to the farmer.

Mr. JENKINS. If it should hereafter develop that they were going to have to hire half a million more people to distribute these subsidies, it would be contrary to what the gentleman expects.

Mr. SPENCE. There is no appropriation for that purpose. They say that under the present set-up of the Department of Agriculture they can administer this law as it ought to be administered.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point a letter from the Secretary of Agriculture, Mr. Anderson, and a letter from the General Counsel of the Reconstruction Finance Corporation, Mr. Goodloe.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

(The letters referred to follow:)

DEPARTMENT OF AGRICULTURE,
Washington, July 17, 1945.

Hon. BRENT SPENCE,
Chairman, Banking and Currency Committee,
House of Representatives.

DEAR MR. SPENCE: In accordance with our telephone conversation of today, I want to comment briefly on S. 1270. This bill authorizes a reduction limitation or ceiling on food subsidies and a corresponding increase in the Commodity Credit Corporation limitation or ceiling.

It is urgent that legislation of this character be enacted without delay so as to enable the proposed lamb-subsidy payments to be made directly to producers. Under existing law, while the Reconstruction Finance Corporation has sufficient funds to carry out the lamb-subsidy program, it does not have the authority to make these payments directly to producers. On the other hand, while the Commodity Credit Corporation has the authority to make the lamb-subsidy payments directly to producers, it does not have the funds under the existing applicable subsidy limitations.

The bill would authorize a similar shift in other food subsidies now paid to processors by Reconstruction Finance Corporation if subsequent developments indicate that such a shift would make for increased production. I want to emphasize that total subsidy limitation for the two agencies would remain unchanged.

I deeply appreciate your consideration of this legislation at this time.

Sincerely yours,

CLINTON P. ANDERSON,
Secretary.

RECONSTRUCTION FINANCE CORPORATION,
Washington, D. C., July 17, 1945.

Hon. BRENT SPENCE,
Chairman, House Banking and Currency Committee,
Washington, D. C.

DEAR CONGRESSMAN SPENCE: This is in response to your telephone inquiry in regard to S. 1270 introduced in the Senate yesterday by Senator O'MAHONEY for himself and eight of his colleagues. You are correct in your understanding that this legislation is desired by the Department of Agriculture and the Reconstruction Finance Corporation. It has also been cleared with the Office of War Mobilization and Reconversion and the Office of Economic Stabilization. The bill was unanimously reported today by the Senate Committee on Banking and Currency with the "provided further" clause relating to sugar stricken and we are hopeful that this bill will be enacted this week.

The bill does not increase the total overall limit provided by the Congress for the payment of subsidies during the fiscal year ending June 30, 1946.

The general purpose of the bill is to permit the Secretary of Agriculture to transfer to Commodity Credit Corporation at such times and in such manner as he may determine the administration of the food subsidy programs now handled by the Reconstruction Finance Corporation. Such programs are limited to meat, butter, and flour. In view of the fact that Congress recently has seen fit to centralize in the Secretary of Agriculture (who also succeeds to the authority of the War Food Administration) certain authority and responsibility with respect to food, it would be desirable that the Secretary of Agriculture likewise be given authority with respect to the three food subsidy programs handled by RFC.

The specific and immediate purpose of the bill is to permit the payment to the growers of the lamb subsidy. At present the lamb subsidy is 95 cents per 100 pounds and is paid by RFC to the slaughterer, and it is proposed that the payments be increased in amount to $2 per 100 pounds for the 6 months ending December 31, 1945, and $2.50 per 100 pounds for the 6 months ending June 30, 1946, the payments to be made to the growers. Legislation is necessary to accomplish this for several reasons:

1. While the Commodity Credit Corporation has the authority and the facilities for making payments directly to growers, it cannot undertake the lamb program within the limitations on the use of its funds for subsidy payments as provided in section 3 of the act of April 12, 1945 (Public, 30, 79th Cong.); and

2. While RFC could make the payments within the limitations on its funds for subsidy payments proposed by the act of June 23, 1945 (Public, 88, 79th Cong.), RFC has neither the facilities for making such payments directly to growers nor the legal authority so to do. The latter is occasioned solely by the fact that RFC is authorized to pay subsidies on commodities that have been defined as strategic or critical by the President pursuant to section 5d of the RFC act, as amended. Meat (beef, pork, lamb, mutton, and veal) but not livestock, have been so defined and section 2 (e) of the Emergency Price Control Act of 1942, as amended by section 102 of the Stabilization Extension Act of 1944, provides that no additional agricultural commodities or commodities manufactured or processed in whole or substantial part from any agricultural commodity intended to be used as food for human consumption, shall for the purposes of that subsection be defined as strategic or critical pursuant to the provisions of said section 5d of the Reconstruction Finance Corporation Act, as amended.

Very truly yours,

JOHN D. GOODLOE,
General Counsel.

Mr. WOLCOTT. Mr. Speaker, further reserving the right to object, I view this bill as the last chapter of a very interesting book which has been written in respect to subsidies, especially in respect to so-called consumer subsidies. It will be recalled that for some years how we on this side of the aisle and many on the other side have been fighting valiantly if not always successfully to prevent the payment of consumer subsidies. Some of you know them better perhaps as rollback subsidies.

In section 2–e of the OPA act as originally enacted, the Reconstruction Finance Corporation was authorized to pay subsidies to obtain a maximum amount of critical and strategic material. We of course thought when that bill was passed that when we referred to "strategic and critical materials" we were referring to copper, lead, zinc, nickel, and the minerals principally, but the President in his wisdom included in his Executive order butter, meat, and flour as strategic and critical materials.

It has always been contended that there was not authority in law to pay these subsidies for the purpose of maintaining maximum prices, that the law provided for the payment of subsidies to the producer to get the maximum amount of production. Last year the Senate wrote a prohibition into the law, which we accepted, prohibiting the payment of subsidies after June 30, 1945. This year S. 502 amended that prohibition to authorize the payment of certain subsidies, and the subsidies referred to in this bill now being considered, S. 1270, are the subsidies referred to in S. 502, which we enacted some weeks ago. In the bill S. 502 we amended the so-called Taft amendment prohibiting the payment of subsidies to the extent that the Reconstruction Finance Corporation could through its subsidiary corporations pay certain subsidies on butter to the amount of $100,000,000, on wheat up to $190,000,000, and on livestock up to $595,000,000. That continued the rollback subsidy program.

This bill in effect simply transfers the $595,000,000, which the RFC was authorized to pay as subsidies on meat and livestock, the $190,000,000 on wheat, and the $100,000,000 on butter, from the Reconstruction Finance Corporation to the Commodity Credit Corporation for the purpose of paying not subsidies to maintain maximum prices, which we have always contended was illegal, but subsidies to the producer for the purpose of obtaining a maximum amount of production. That is why I say this is the last chapter, I hope, in this fight which we have been carrying on to prevent the payment of subsidies to processors or to consumers for the illegal purpose of maintaining maximum prices.

There has never been any objection whatsoever to the payment of any reasonable amount of subsidies to the producer to obtain a maximum amount of production. We have the assurance that if this bill is enacted into law the subsidies which would otherwise be paid to a processor to maintain maximum prices will now be directly paid to producers and only in such sums under the

limitation which we have set in here to obtain the maximum amount of production.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. JENKINS. I have not had a chance to read this bill and I do not believe anybody else has. The gentleman is an expert on this. I agree with what he says that the subsidy ought to go back to the producer as soon, as rapidly, and as completely as possible. But let me ask the gentleman in the Department of Agriculture, will it be necessary for them to build up a great big list of new personnel in order to carry this out?

Mr. WOLCOTT. The Commodity Credit Corporation has expended and committed over $3,000,000,000. If I remember correctly their limit at the present time is $5,000,000,000. I think we extended it. However, it is over a $3,000,000,000 concern. They have ample personnel to administer this law without the addition of one single person to the pay roll of the Commodity Credit Corporation. It is right along the line of their present activity, so there is no reason to believe that the personnel of the Commodity Credit Corporation will be increased by a single individual.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Arizona.

Mr. MURDOCK. Do I understand from the gentleman that this is a premium payment to the producers of lamb and mutton?

Mr. WOLCOTT. Yes, and beef, pork, or any other meat—livestock or livestock products.

Mr. MURDOCK. But it is a payment chiefly to the producer?

Mr. WOLCOTT. Yes.

Mr. MURDOCK. I favor it for that very reason and I am glad to have the gentleman's statement.

Mr. WOLCOTT. May I make this further statement. Take the case of butter. The roll-back on butter was 5 cents a pound. It was static. It was more or less set at 5 cents a pound. Under this act, if the Department of Agriculture, through the Commodity Credit Corporation, can get a maximum amount of production of butter for less than 5 cents paid to the producer, there is a possibility of our saving some money.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Kentucky.

Mr. SPENCE. In answer to the gentleman's question, one of the main incentives for the immediate passage of this bill is that the subsidy on lambs might be paid. They feel that is very essential at this time.

Mr. WOLCOTT. That is the immediate important problem.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Pennsylvania.

Mr. GROSS. How will the small wheat farmer who sells 500 bushels, say, qualify for this subsidy?

Mr. WOLCOTT. Why, that is done through the machinery that has already been set up for the payment of any other subsidies. If I were to advise the farmers in my district in respect to all of these problems, I would tell them to go to their county agents. The county agent has the information or can obtain the information as to where he can apply for the subsidy.

Mr. GROSS. There ought to be somebody here in the House today who could tell us that, and not say "presumably."

Mr. WOLCOTT. I can say very definitely that they may go to the county agent. He is the only direct representative that they have. They will go to the county agent. The county agent represents the Federal and the State and county governments, and they can get sufficient information from him and sufficient forms from him to make application. The application eventually gets to the Commodity Credit Corporation. The channels through which it goes I am not positive about, but I do know that they can originate with the county agents.

Mr. HOLMES of Washington. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Washington.

Mr. HOLMES of Washington. Is it not true that the technical changes brought about in S. 1270 are merely to increase the flexibility of the payment of subsidies as from the Reconstruction Finance Corporation to the Commodity Credit Corporation rather than giving any increase in total subsidies, and likewise does not this technical change direct the subsidy back to the producer?

Mr. WOLCOTT. That is substantially correct. If I am in error, I shall welcome a correction but as I understand, all of these moneys will be transferred from the Reconstruction Finance Corporation to the Department of Agriculture, so that the Reconstruction Finance Corporation for all practical purposes will be out of the picture.

Mr. HOLMES of Washington. I appreciate the gentleman's statement.

Mr. WOLCOTT. I may also say that there will be much more flexibility in the use of the money under the Commodity Credit Corporation than there has been under the Reconstruction Finance Corporation.

Mr. HOLMES of Washington. I want to go on record as saying that I am interested in the fine statement made by the gentleman regarding this matter, because I consider it an expeditious move in relation to the functioning of the flexibility of the subsidy program.

Mr. MANSFIELD of Montana. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Montana.

Mr. MANSFIELD of Montana. I want to compliment the gentleman from Michigan and the gentleman from Kentucky for explaining this bill in a way that all of us can understand. The gentleman has mentioned the fact that there is a relation between what is being done in this bill and what has already been passed in S. 502. Does anything contemplated in this measure affect the subsidies for copper, lead, and zinc as outlined in S. 502? Will the premiums to be paid for those scarce metals still be continued in the same way through the Metals Reserve Corporation and the RFC?

Mr. WOLCOTT. Nothing whatsoever.

Mr. MANSFIELD of Montana. Just foodstuffs?

Mr. WOLCOTT. The subsidies provided for copper, lead, and zinc in S. 502 remain where they are and as I understand it the premiums will continue to be paid in the manner in which they have always been paid through the Metals Reserve Corporation or through the RFC if Metals Reserve Corporation is finally taken over by the RFC.

Mr. MANSFIELD of Montana. I thank the gentleman.

Mr. PITTENGER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Minnesota.

Mr. PITTENGER. In line with the fine explanation the gentleman has made of this problem, I would be enlightened on why we have to continue enlarging and spending these subsidies for producers when all of us know there is a shortage, and all the producers want to do is to be allowed to produce instead of following this program of burdening the taxpayers with a lot of subsidies when most of us have been opposed to them?

Mr. WOLCOTT. I think the gentleman and I are in complete agreement that eventually all of these subsidies should be eliminated, and as I understand, this is a step forward in that direction which will facilitate the final liquidation of all these subsidies.

The nice part about these subsidies is that they are going to be paid to the producer. The farmer, the livestock raiser, is going to be assured that he will get the subsidy. Of course, it will accomplish the same purpose that has been accomplished in respect to maximum prices that the roll-back subsidies had. The only difference will be that the farmer will get this to encourage an expansion of production, which we need more than anything else in the food line in the country today.

Mr. PITTENGER. But, as a matter of fact, the whole program would be unnecessary if they would let the producers produce. Is there not something else back of this that the gentleman has not mentioned?

Mr. WOLCOTT. Of course, the whole thing would be unnecessary if they would let the prices go up; but they cannot let the prices go up under control sufficient to prevent an inflationary tendency, so we have gone along with this program in that respect.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from North Carolina.

Mr. FOLGER. Is it not true that this becomes really a production-incentive payment rather than a subsidy?

Mr. WOLCOTT. That is my understanding of it.

Mr. BROWN of Georgia. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Georgia.

Mr. BROWN of Georgia. The gentleman referred to the fact that all of those on the left side of the aisle had voted against consumer subsidies and some on the right.

Mr. WOLCOTT. I intended to say most of those on the left of the aisle and some on the right.

Mr. BROWN of Georgia. A majority of those on the right voted against consumer subsidies.

Mr. WOLCOTT. The gentleman is absolutely correct. I think the gentleman from Georgia and most of us are in hearty accord that there was something distasteful, at least, about the payment of these and any other subsidies.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Ohio.

Mr. JENKINS. Who is going to set up the conditions which the producers will have to meet in order to be entitled to the subsidy? Many producers might not be entitled to the subsidy.

Mr. WOLCOTT. Mr. Anderson, who is now the Secretary of Agriculture and War Food Administrator, will have the obligation and the power to set up this program.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Michigan.

Mr. MICHENER. To make a long story short, as I get it the purpose of this legislation is to centralize authority in the Commodity Credit Corporation, and to eliminate the Reconstruction Finance Corporation, to the end that production of the things we need may be increased now.

Mr. WOLCOTT. It also give the Secretary of Agriculture and the War Food Administrator a great deal of jurisdiction as to the maintenance of prices, so it is a step in the direction of the objectives that are sought by the Republican Food Committee, chairmanned by the gentleman from Ohio [Mr. JENKINS]. This is the first step, we hope, toward the centralization of the production, distribution, and pricing of foods under a single head.

Mr. MICHENER. It makes for better administration, for simplified administration, without additional personnel being employed and without additional expense to the taxpayer.

Mr. WOLCOTT. The gentleman is correct, according to my understanding.

Mr. JENKINS. In that connection, if everything that the gentleman has indicated ought to be done is done, it will have a very satisfactory and salutary conclusion.

Mr. WOLCOTT. We have been given reasonable assurance that it will be done.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Illinois.

Mr. SABATH. I have observed that the gentleman representing the rural sections, the farmers, are very much interested in this. So am I. I have a great deal of confidence in the Secretary of Agriculture, and I think that under him the matter will be properly handled. What I should like to know is, Where does the consumer come in? What possible benefit will inure to the consumer by reason of this legislation? I have been told that about $5,000,000,000 has been paid in subsidies. I have not seen any evidence that prices have been held down. Unfortunately people come in demanding higher prices for everything they produce. Today all these commodities are higher, twice as high as they were when the President originally started to hold prices down, to hold the cost of living down. That was his intention, but that has not been accomplished because the producers have taken advantage of it. Unfortunately the consumers, especially the low-paid wage earners, the white-collared people, have been obliged to pay much higher prices out of their earnings.

Mr. WOLCOTT. I do not think the gentleman is contending that the Office of Price Administration has been a complete failure. Even I believe that the OPA has been very successful in certain lines in keeping consumer prices somewhat in place.

Mr. SABATH. Oh, yes; it has helped the farmer and the producer.

Mr. WOLCOTT. Now, this is how we will benefit your consumer. It should assure more production of vital foods. Your consumers today are not getting enough butter, meat, lamb, beef, or pork production.

Mr. SABATH. You know the reason why.

Mr. WOLCOTT. This is at least a cog in the machinery which may increase the production of beef, lamb, pork, butter, and all of the other commodities which are now subsidized. I think the gentleman is highly in accord with that intent.

Mr. SABATH. You know why the people are not getting butter.

Mr. WOLCOTT. Why?

Mr. SABATH. Because the dairy people are getting such tremendously high prices for milk that they will not use it to make butter. They are selling milk because they can get as much as $4 per hundred pounds where formerly it was sold at 95 cents a hundred.

Mr. WOLCOTT. I suggest the gentleman take that up with the War Food Administrator.

Mr. SABATH. That is why there is a shortage of butter.

Mr. WOLCOTT. I suggest the gentleman take that up with the War Food Administrator because he has absolute control over that.

Mr. COCHRAN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Missouri.

Mr. COCHRAN. Is not the proper answer to the question of the gentleman from Illinois that the consumers being numerically far in excess of the number of producers, will be called upon to pay in the form of taxes the money that it will take to carry out the provisions of the act? In the end the consumers are really the producers either by increased cost or by payment of taxes to meet the cost of subsidies.

Mr. SABATH. Consumers are paying right along.

Mr. WOLCOTT. I will say to the gentleman, if we get additional production of vital foods as a result of these subsidies, then they will not pay nearly as much as when the taxpayers have to pay in taxes $3 for every dollar paid in subsidies as there would be if it was poured down a rat hole by attempting to maintain maximum prices by reason of subsidies such as you have been doing. At least they will get some benefit from these subsidies if the producer is encouraged to increase his production.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from Mississippi.

Mr. RANKIN. In reply to the window-sill farmer from Chicago, Mr. SABATH——

Mr. SABATH. Mr. Speaker——

Mr. RANKIN. I do not yield.

Mr. SABATH. Mr. Speaker, a point of order.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. I will withdraw that. He is not a window-sill farmer. I doubt if he would know how to farm even on a window sill.

The SPEAKER. Without objection, the gentleman from Mississippi may withdraw those words.

There was no objection.

Mr. RANKIN. In reply to the gentleman from Illinois——

Mr. SABATH. That is better.

Mr. RANKIN. Who talks like a window-sill farmer, I want to say to the gentleman from Michigan that the wheat farmer, the corn farmer, and the cotton farmer would not be receiving real parity today if they got twice as much as they are getting now. If the price of wheat on the farm were doubled and if the price of corn and cotton on the farm were doubled, they would not then be getting as much in proportion as are the people who are working in defense industries, and others who are enjoying the benefits of this inflation that we have now. The farmers' prices are being held down to the irreducible minimum. They are under no obligation to produce materials to feed and clothe the rest of the country and sell them below the cost of production.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield.

Mr. SABATH. Is it not a fact that the farmer is receiving three times as much for cotton and four times as much as he did some years ago, and that the same thing applies to wheat and all the other commodities that the farmers raise?

Mr. WOLCOTT. I do not think they are getting three and four times as much.

Mr. SABATH. Everyone will concede that the farmers are prosperous as they have never been before, and they are making more money than they ever did before.

Mr. RANKIN. How about when the exchanges were closed and the commodities went down to nothing?

Mr. SABATH. The figures show that the defense workers are earning less than $1,300 a year.

Mr. GROSS. Mr. Speaker, reserving the right to object, this matter of sub-

sidies has been like a sore thumb here and everywhere for a long time. The best evidence we can get as to what ought to be done here is just to take an appraisal of things and see how much money has been spent and what has been accomplished. The other day we read in the paper about a new subsidy going into effect to the producer of livestock, 50 cents per 100 pounds, but he has got to feed a steer of a certain grade and quality. Then he has got to sell it to an approved slaughterer who will get his authority to slaughter from the OPA. Then he has got to have the carcass inspected. Fifty cents per 100 pounds means on the hoof, that is approximately one cent a pound dressed meat. Would it not be better to increase the price of beef a cent a pound and give the people beef and cut out all the red tape?

The gentleman from Michigan [Mr. WOLCOTT] who spoke a moment ago told about not needing any more personnel. He cannot tell the farmers that. Neither could he explain how a small farmer could qualify. This morning I read in the local paper that in my home county in Pennsylvania they are going to give the farmers wheat insurance now. But 50 farmers must subscribe for wheat insurance, then the Department of Agriculture will set up an agency to administer it. When all is said and done it gets back to this, that the little man who needs it never gets it. It will be just the same as in cotton. You fellows who have these broad cotton acres are the fellows who get the thousands and thousands and thousands of dollars, and not the poor colored tenant farmer down there who is plodding after a mule up and down the field in the heat, and living in a dog house. He is not the man who gets it. It is you rich boys and a few life-insurance companies. The little wheat farmer will never get a dollar of this, but it will set up a gigantic agency all over the country. Offices will be opened and clerks hired in every county in the U. S. A. that raises wheat. The gentleman cannot tell me that the county agents are going to administer this. I know better. I worked with the first county agent in my county in Pennsylvania more than 30 years ago when county agents was so new that farmers wanted to know what they sell and I have been working with county agents ever since and I have never seen one yet that administered a Federal program. Not that they could not but the politicians will not stand for it. They want an agency of their own. It makes more jobs. And cost is never thought of.

This money should be saved and this whole thing should be stopped. The gentleman from Chicago [Mr. SABATH] was quoting prices. I made a speech the other day, comparing the farm situation of today with that of 1937. I recommend the reading of that speech to the gentleman from Illinois. It is in the RECORD of June 23. I proved in that speech that in 1937, before these nuisance agencies were begun, before subsidies and roll-backs were prescribed that the farmer was better off and that the consumer had as much to eat as he wanted. You may talk of 40-cent butter and 45-cent eggs, but the fact still remains that through the years the consumer paid 60 cents for butter and 65 cents for eggs, many times, when his earning capacity was only half what it is today, but he did not complain, and he had butter and meat and eggs three times a day. What we need is more common sense and the elimination of politics and bureaucracies and this huge spending racket. Let us try to get back to common sense, instead of trying to reach every little farmer with a check once or twice a year in the earnest hope that he will be scared enough to vote for the continuation of this thing. I am against all food subsidies. I am a farmer and I come from a long line of farmers. My roots are deep in the soil. We do not want this wheat subsidy. God knows we do not need it. I know hundreds of farmers who get milk subsidies today amounting to as much as $100 a month, and they are really ashamed to take it. Many are refusing to accept it. They want an honest dollar. Their children do not want to pay ten times as much in taxes in the years to come. Let us get down to common decency and let people pay their bills and let us get somewhere. Our children will pay a dime for every penny we waste today.

The SPEAKER. The time of the gentleman has expired.

Is there objection to the request of the gentleman from Kentucky [Mr. SPENCE]?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the amount of funds authorized to be expended by Commodity Credit Corporation pursuant to secIton 3 of the act of April 12, 1945 (Public, 30, 79th Cong.), shall be increased by such amounts as may from time to time be determined by the Secretary of Agriculture as follows: (1) Not to exceed with respect to livestock and livestock products, $595,000,000, (2) not to exceed with respect to wheat and wheat products, $190,000,000; and (3) not to exceed with respect to butterfat and butter, $100,000,000: *Provided*, That the amounts authorized to be expended pursuant to section 1 of the act of June 23, 1945 (Public Law 88, 79th Cong.), for subsidy payments on meat, butter, and flour shall be reduced correspondingly.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTION CONTEST—HICKS AGAINST DONDERO

The SPEAKER laid before he House the following communication from the Clerk of the House, which was read by the Clerk and referred to the Committee on Elections No. 3, and ordered to be printed:

JULY 20, 1945.

The honorable the SPEAKER,
House of Representatives.

SIR: From John W. L. Hicks, of Detroit, Mich., in the Seventeenth Congressional District thereof, the Clerk has received two packets of material which the said Hicks proposes as a record in what appears to be an attempt to contest the seat of the returned Member. These packets were not addressed to the Clerk in the manner provided by law nor was the record adduced in the manner contemplated by the provisions of the statutes.

There has also been received in this office a motion of the returned Member, Hon. GEORGE A. DONDERO, to dismiss this attempted action, as well as an affidavit by the said Hicks in opposition to this motion.

Since this action has not proceeded in accordance with the provisions of the statutes, the Clerk is transmitting all of the material received in this matter to the House for its disposition.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

HON. FRED M. VINSON TO BE SWORN IN AT THE CAPITOL AS SECRETARY OF THE TREASURY

The SPEAKER. The gentleman from North Carolina [Mr. DOUGHTON] is recognized.

Mr. DOUGHTON of North Carolina. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON of North Carolina. Mr. Speaker, we are all aware of the fact that Judge Fred M. Vinson, a former very able Member of the House and of the Committee on Ways and Means, has recently been appointed Secretary of the Treasury.

At the suggestion of Speaker RAYBURN and myself he has agreed to take the oath of office in the Ways and Means Committee room in the New House Office Building next Monday morning at 10:30. It will be an open meeting and everyone is invited who wishes to attend, and I assume that every Member of the House who is in the city will wish to be present.

During my service of 35 years in Congress no appointment made by any Executive has been more pleasing to me, I am sure, nor more reassuring to the country. I congratulate Judge Vinson and the country on his appointment.

EXTENSION OF REMARKS

Mr. ROMULO. Mr. Speaker, I ask unanimous consent to insert in the RECORD the statement I made before the United Nations Conference in San Francisco. It exceeds the limit established by the Joint Committee on Printing and I am advised by the Public Printer that the cost will be $298.

The SPEAKER. Notwithstanding the cost, without objection, the extension may be made.

There was no objection.

Mr. LUDLOW asked and was given permission to extend his remarks in two instances, in one to include a letter and in the other the text of a resolution and a statement in reference thereto.

Mr. MILLER of California asked and was given permission to extend his remarks in the Appendix and include a statement.

Mr. RYTER asked and was given permission to extend his remarks in the Appendix of the RECORD and include a memorial addressed to the President of the United States.

Mr. ERVIN asked and was given permission to extend his remarks in the Appendix and include an editorial from the Charlotte Observer of Charlotte, N. C.

Mr. ERVIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and

to include therein a part of the testimony of Mr. R. C. Kidd before the Committee on World War Veterans' Legislation on the subject of the difficulty of obtaining supplies for the Veterans' Administration.

This exceeds the limit established by the Joint Committee on Printing and I am advised by the Public Printer that the cost of printing will be $182. In view, however, of the public interest in the matter, I ask that the extension may be made notwithstanding the cost.

The SPEAKER. Notwithstanding the cost, and without objection, the extension many be made.

There was no objection.

Mr. ROE of Maryland asked and was given permission to extend his remarks in the RECORD and include an editorial from the Metropolitan News of West Hartford, Conn.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the Appendix and include an article from the Montana Standard, of Butte, Mont., of Monday, July 16, 1945.

Mr. JENKINS asked and was given permission to extend his remarks in the RECORD and include therein a letter from one of his constituents.

PERMISSION TO ADDRESS THE HOUSE

Mr. LATHAM. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes today at the conclusion of the legislative business for the day and other special orders.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

MISTREATMENT OF PATIENTS AT ST. ELIZABETHS HOSPITAL

Mr. GRANT of Indiana. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

THE NAVY SHOULD GET OUT OF ST. ELIZABETHS

Mr. GRANT of Indiana. Mr. Speaker, the newspapers this morning carried one of the most disturbing and distressing stories I have read for a long time, the story of a young sailor who was found dead at St. Elizabeths Hospital, apparently the result of heavy blows inflicted on his body while he was a mental patient in the institution, a casualty of this war.

The Navy Department and the Committee on Naval Affairs of this House will be derelict in their duty if they leave one stone unturned in getting at the bottom of this situation.

I do not know that anybody in a position of authority is guilty of wrong doing, but I do say that the facilities at that hospital are so overtaxed that the Navy should get out of St. Elizabeths.

Let me cite you the case of a young naval officer, a mental casualty of the Normandy invasion, who was a Navy patient at St. Elizabeths a few weeks ago. While well on the road to recovery from his mental fatigue, he suffered an acute attack of appendicitis. Who performed the emergency operation? A Navy Surgeon? No. The Navy had a contract with a civilian surgeon downtown, and that young naval officer waited 3 hours in the operating room while they tried to find the civilian surgeon downtown to bring him out to perform this emergency operation. This surgeon is a man of good repute, but such arrangements for the care of our Navy personnel is a mighty poor way to discharge our responsibilities to these young men, the casualties of this war. They are deserving of better treatment than that.

We have an excellent naval medical center just north of the District in Bethesda to treat injuries to body and limb. We should have an equal or even greater obligation to those unfortunate men who have been the mental casualties of the war. They must not become our forgotten men.

Again, I repeat, both the Navy Department and the Naval Affairs Committee, of which I am privileged to be a member, must get to the bottom of this whole story. But, whatever may be the conclusions reached in the instant case, the Navy should get out of St. Elizabeths.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mr. TALLE asked and was given permission to extend his remarks in the RECORD and to include a newspaper article.

Mr. HORAN (at the request of Mr. MICHENER) was given permission to extend his remarks in the RECORD and to include therein a letter.

PERMISSION TO ADDRESS THE HOUSE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House today for 5 minutes after any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

SCIENTIFIC RESEARCH

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. RANDOLPH. Mr. Speaker, Senator MAGNUSON, of Washington, has presented in the other body 1285, which is legislation proposing to put into effect the recommendations of Dr. Vannevar Bush and others who believe that the time is now, not later, for this Government to formulate a scientific research program for America.

I have introduced similar legislation in the House, H. R. 3860. It is my understanding that the gentleman from Arkansas, Representative MILLS, has also offered a like bill. It is a comprehensive approach to a vital problem that I had attempted to help solve many years ago. I call the attention of my colleagues to the fact that in 1936 I presented a bill to establish a scientific research commission. The proposal was reintroduced in succeeding Congresses. In 1937 hearings were held on the measure by a subcommittee of the Interstate and Foreign Commerce Committee.

Mr. Speaker, in January 1937, I said in a Nation-wide radio speech, in support of my measure, that "if passed, this bill will provide the foundation for an intensive research program from which new industrial and commercial developments may spring. As these developments appear, new and profitable outlets for capital will be provided, as well as new and better jobs for millions of workers."

It shall be my purpose, when the House reconvenes in October, to discuss fully this subject and its relationship to the continued advancement of our people and our own Nation.

The SPEAKER. The time of the gentleman from West Virginia has expired.

SUGAR SHORTAGE

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FLOOD. Mr. Speaker, much has been said in this Hall and much has been written in the press about the sugar problem and the sugar shortage. Possibly there has been a maldistribution of sugar, with special reference to the canning season. We all understand and fully appreciate the problems and difficulties surrounding this situation.

Mr. Speaker, I would like to point out that there seems to be in certain sections of Pennsylvania, especially in my county, and in the hard-coal fields, a discrimination in the amount of the poundage of sugar given for canning purposes. The surrounding counties and surrounding areas, either with State or national approval, have been getting much larger amounts than those allocated to my district at this time. In this area from which I come, and which I have the honor of representing in this Congress, the people depend to a certain extent on canning for their food during the winter months, and I think that the OPA, the State, and the district offices, as well as the National office here, should take pains to see that the regulations, which, in effect, amounts to discrimination, are not permitted to continue upon their books.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. SABATH asked and was given permission to extend his remarks in the RECORD and include an editorial and an article.

Mr. MORRISON asked and was given permission to extend his remarks in the RECORD.

Mr. RANKIN asked and was given permission to extend his remarks in the RECORD and include letters from overseas veterans.

PERMISSION TO ADDRESS THE HOUSE

Mr. SABATH. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I

may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

AMENDING VETERANS REGULATIONS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3644) to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman explain what this bill is and the emergency character of it?

Mr. RANKIN. Yes; I will be glad to. May I say to the gentleman from Michigan that this bill provides for additional assistance to veterans with double amputation disabilities. A bill has been introduced at the other end of the Capitol that is considerably more liberal, as I understand, than the measure before the House.

It restores to these double amputees the compensation that they were getting prior to the economy bill and also provides additional compensation, as I will try to explain as I go along, or as is explained in a letter to the Speaker of the House written by the Veterans' Administration. I will say to the gentleman from Michigan that this bill was approved unanimously by the Committee on World War Veterans' Legislation; it has the approval of the Veterans' Administration as well as the approval of the Bureau of the Budget.

In a letter to the Speaker of the House, General Hines goes on to state that—

> The rates of compensation payable to veterans of World War I under Public Law 141, Seventy-third Congress, March 26, 1934, which reenacted, with limitations, certain provisions of the World War Veterans' Act, 1924, as amended, which had been repealed by the Economy Act (Public Law 2, 73d Cong.) are the rates (or 75 percent of the rates if the disability is connected with service by virtue of statutory presumptions) provided by the World War Veterans' Act, 1924, as amended.

The rates are governed by part 1, paragraph II, subparagraphs (k) to (o), Veterans Regulation No. 1 (a).

Now, then, these changes are made in order to give the veterans benefits which I shall try to explain to the membership of the House. In the first place, it takes away the inequalities that existed between veterans of World War I and veterans of World War II. In addition to that, the letter goes on to say:

> Aside from the inequalities which exist as between World I and World War II veterans by reason of the rates for specific service incurred disabilities under existing law, particularly as affecting blind veterans, no differentiation is made in the rates for specific disabilities under Veterans Regulation No. 1 (a), as amended, among double amputations at various levels. For example, the blinded War I veteran receives generally $215 per month with a minimum requirement of 5/200ths visual acuity. The World War II veteran receives only $190 with a minimum requirement of light perception only. Further, a World War I veteran receives $35 per month for loss or loss of use of hand or foot in addition to any other rate, with $300 as the maximum amount.

The World War II veteran receives this additional allotment of $35 per month only when the basic pension is between $11.50 and $115 per month, with $265 as the maximum amount.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. Perhaps the gentleman has seen the story in the press stating that Sgt. Frank Hansel is the only veteran of this war who in combat has lost both legs and both hands. I am wondering how the gentleman could say that the limit would be $300. I notice that this veteran's compensation will be $265. I am wondering what this bill will do for a veteran like him. He comes from my district and, of course, I am very much interested in him as well as in all other veterans.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachustts. Under this bill he would receive $300. I think the Senate will probably add to these rates. This bill was reported out in order to help these amputees who have given so much for us. I think the Senate will add to certain rates. There are certain rates that have not been considered here and that will be considered over there. The important thing is to get a bill through so that some of the men can be given more immediately. These men go home and in many instances they cannot wear their prostheses. In talking with the men at the hospital, you will find that to them it just means the difference, in the cases that are raised, of their being able to live and get along and have someone to care for them.

Mr. RANKIN. May I say to the gentleman from Kentucky also that this bill provides for individuals who have lost one arm and one leg, or one eye and one arm, or one eye and one leg. They are considered double disabilities. I could go ahead and read the rate schedule in here, but, as I said a moment ago, we are trying to wipe out the differentials that now exist in the payments to World War II veterans and those to World War I veterans for the same disabilities. I am sure there will be no objection to the bill.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Illinois.

Mr. SABATH. The bill, then, is merely to equalize the benefits and help out the ex-servicemen?

Mr. RANKIN. It is more of an equalization bill than it is an increase in compensation.

Mr. SABATH. Does that include also the matter in which the gentlewoman from Massachusetts was so much interested, as to taking care of the amputees?

Mr. RANKIN. Those are the ones to whom this bill applies.

Mrs. ROGERS of Massachusetts. If the gentleman will yield, may I say that even this does not equalize the rates as between World War I veterans and World War II veterans, but the committee felt that the Senate would equalize those rates when the bill got over there. We had to act quickly, as the House is adjourning. We have confidence that the Senate will do that. My bill that I had hoped would pass had higher rates of compensation.

Mr. ROBSION of Kentucky. If action in the Senate is deferred, that would put the legislation over until October. Could an amendment be offered in the Senate and the bill acted on here before we adjourn?

Mrs. ROGERS of Massachusetts. My belief is that the Senate will act before we adjourn.

Mr. BRADLEY of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. BRADLEY of Pennsylvania. Will it be possible to include as an amendment in the House the provisions that will be necessary?

Mr. RANKIN. I have been recognized with the understanding that the bill will be accepted as it is. I do not want to take any advantage of the leadership. I have asked for this in order to do what I think is a great measure of justice to these men who have suffered the greatest disability in the war, short of losing their lives.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa, a member of the committee

Mr. CUNNINGHAM. As I understand, the bill now before us has the approval of the Bureau of the Budget?

Mr. RANKIN. That is right.

Mr. CUNNINGHAM. It was the belief of many on the committee, including the gentlewoman from Massachusetts and the chairman, that we should do more for the amputees, but it was felt that at this late hour no other bill had any chance of getting through. It is better to have this bill passed as it is, although it is not enough for the amputees, and we recognize that fact, it is better to have it go through now and have it become law at once, because the need is urgent that they get some extra money at the present time. Is that correct?

Mr. RANKIN. Yes; and we will be back here in September or October.

Mr. CUNNINGHAM. We can increase it then?

Mr. RANKIN. We can increase it then, if necessary.

Mr. SABATH. I wish to say I am extremely anxious to do everything I can in my power to help these most deserving men. We cannot do too much for them.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the bill, the report, and the letter to the Speaker be printed in the RECORD at this point.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The matter referred to follows:

A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new paragraphs (p) and (q) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j) shall be increased by $35 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by $35 per month for each such loss or loss of use but in no event to exceed $300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $165.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be $200.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $215.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $235.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $300.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $300."

SEC. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) are added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j) shall be increased by $26.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by $26.25 per month for each such loss or loss of use, but in no event to exceed $225 per month.

"(l) If the disabled person, as the result of service-incurred disability has suffered the anatomical loss, or loss of use of both lands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $123.75.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be $150.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $161.25.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $176.25.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part II, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $225.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $225."

SEC. 3. The increased rates provided by this act shall be effective from the first day of the first month following the passage of this act, and shall be deemed to include the 15 percent increase in the rate of compensation or pension payable for service-incurred disability under section 1, Public Law 312, Seventy-eighth Congress, May 27, 1944, or Public Law 469, Seventy-eighth Congress, December 7, 1944.

INCREASING THE RATES OF COMPENSATION OR PENSION FOR SERVICE-INCURRED DISABILITIES IN EXCESS OF TOTAL DISABILITY

Mr. RANKIN, from the Committee on World War Veterans' Legislation, submitted the following report:

The Committee on World War Veterans' Legislation, to whom was referred the bill (H. R. 3644) to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability, having considered the same, report favorably thereon, with the following amendments and recommend that the bill as so amended do pass:

Page 2, line 9, before the word "but", insert "for each such loss or loss of use."

Page 4, line 10, before the word "but", insert "for each such loss or loss of use."

The above amendments are for the purpose of clarification in accordance with the intent of the particular subparagraphs.

HISTORICAL BACKGROUND OF BILL

Your committee has considered a large number of bills pending before it and determined that action should be taken to insure rates of pension in World War II seriously disabled cases more comparable with those of World War I and to make other desirable changes in World War II service connected specific rates for the most severe disabilities, in order to remove injustices.

The bill (H. R. 3644) reported herein, except for the clarifying amendments, above stated, is identical with the draft of proposed legislation accompanying the letter from the Administrator of Veterans' Affairs to the Speaker, House of Representatives, dated July 19, 1945, set forth in this report.

This bill is recommended by the Veterans' Administration with the approval of the Bureau of the Budget.

EXPLANATION OF THE BILL

Veterans Regulation 1 (a), part I, paragraph II, as amended, would be amended to provide pension for specific war service incurred disabilities on a parity with the rates of compensation payable for similar disabilities to World War I veterans under the World War Veterans' Act, 1924, as amended. There would be removed certain inequalities which now exist, particularly as between veterans of World War I and II. The bill recognizes the great difference existing between double amputations at various levels, and provides a more flexible scale for the authorization of monetary benefits to the most severely disabled veterans.

In order to preserve uniformity, the bill amends part II, paragraph II, of Veterans Regulation No. 1 (a), as amended, to adjust the peacetime service-connected rates for similar disabilities to the recognized 75-percent ratio to war service connected rates.

A more detailed explanation of the effects of the bill is contained in the afore-mentioned letter from the Administrator of Veterans' Affairs which follows:

JULY 19, 1945.

Hon. SAM RAYBURN,
The Speaker's Rooms,
House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: There are forwarded herewith two copies of a draft of a proposed bill entitled "A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability," with the request that same be introduced and referred to the appropriate committee for consideration.

The proposed legislation would provide rates of pension for specific service-incurred disabilities under Veterans Regulation No. 1 (a), as amended, on a parity with the rates of compensation payable for similar disabilities under the World War Veterans' Act, 1924, as amended, and remove certain inequalities which now exist, particularly as between veterans of World War I and World War II. It would also recognize the great difference existing between double amputations at various levels, and provide a more flexible scale for the authorization of monetary benefits to the most severely disabled veterans.

The rates of compensation payable to veterans of World War I under Public Law 141, Seventy-third Congress, March 28, 1934, which reenacted, with limitations, certain provisions of the World War Veterans' Act, 1924, as amended, which had been repealed by the Economy Act (Public Law 2, 73d Cong.) are the rates (or 75 percent of the rates if the disability is connected with service by virtue of statutory presumptions) provided by the World War Veterans' Act, 1924, as amended. The rates of pension payable for specific service-incurred disabilities to persons who meet the requirements of Public Law 2, Seventy-third Congress, March 20,

1933, as amended, are governed by part I, paragraph II, subparagraphs (k) to (o), Veterans Regulation No. 1 (a), as amended, with request to veterans of the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, World War I, and World War II, and by part II, paragraph II, subparagraphs (k) to (o) for persons who served in active military or naval service on or after April 21, 1898, in time of peace. The rates provided for peacetime service under part II of the Regulation are approximately 75 percent of the rates provided for wartime service under part I.

The rates of pension for wartime service under part I of Veterans Regulation No. 1 (a), as amended, have since been extended to persons entitled to pension for service-incurred disabilities under the general pension law (Civil War and Indian War veterans) and to persons whose disabilities resulted from extrahazardous peacetime service, and who are eligible for pension under the general pension law or part II, Veterans Regulation No. 1 (a), as amended. Likewise, the rates of pension for peacetime service incurred disabilities under part II of the regulation have been extended to persons who served in time of peace prior to April 21, 1898, who are entitled to pension under the general pension law. Thus it will be noted that numerous groups are affected by the rates provided in part I and part II of Veterans Regulation No. 1 (a), as amended.

Aside from the inequalities which exist as between World War I and World War II veterans by reason of the rates for specific service-incurred disabilities under existing law, particularly as affecting blind veterans, no differentiation is made in the rates for specific disabilities under Veterans Regulation No. 1 (a), as amended, among double amputations at various levels. For example, the blinded World War I veteran receives generally $215 per month with a minimum requirement of 5/200 visual acuity. The World War II veteran receives only $190, with a minimum requirement of light perception only. Further, a World War I veteran receives $35 per month for loss or loss of use of hand or foot in addition to any other rate, with $300 as the maximum amount. The World War II veteran receives this additional allowance of $35 per month only when the basic pension is between $11.50 and $115 per month, with $365 as the maximum amount.

The bill would continue the existing requirement of blindness of one eye, with only light perception for the $35 additional monthly rate, but would provide specific rates for three grades of blindness (1) with 5/200 visual acuity or less; (2) requiring regular aid and attendance; and (3) anatomical loss, at $165, $215, and $235 per month, respectively. The first two grades of blindness correspond with provisions of the World War Veterans' Act, 1924, as amended, and the third, which is total darkness, is a new, higher, rate.

Whereas previously no allowance has been made for blindness of one eye, having only light perception, in addition to the loss of two or three extremities, it is intended under this bill, if enacted, to allow an additional $35 per month for this condition; thus the loss of use of both hands, one foot, and one eye, to light perception, will be compensated at $165, plus two allowances of $35 each, or $235 per month, under the second part of subparagraph (k).

The maximum rate, as a result of including helplessness as one of the entitling multiple disabilities, is intended to cover, in addition to obvious losses and blindness, transverse myelitis with loss of use of both legs and loss of anal and bladder sphincter control, generally resulting from severance of the spinal cord in action or incident to airplane or motorized military equipment crashes; also the loss of use of two extremities with near blindness and absolute deafness, or with severe multiple injuries outside the useless extremities, these conditions being construed as loss of use of two extremities and helplessness.

It is deemed necessary, in the interests of veterans whose disabilities exceed the requirements for any specific rate, to vest authority in the Administrator, in his discretion, to allow the next higher or an intermediate rate in such cases.

As enactment of the proposed legislation will fulfill an urgent need and serve a beneficial and equitable purpose, it is desirable that this legislation be secured at the earliest possible date.

Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of this proposed legislation to the Congress for its consideration.

Very truly yours,

FRANK T. HINES,
Administrator.

RAMSEYER RULE

In accordance with the provisions of clause 2a, rule XIII, of the Rules of the House of Representatives, the changes in the present law made by sections 1 and 2 of the bill are shown as follows (existing law proposed to be omitted is in black brackets; new matter is in italics; existing law in which no changes are proposed is shown in roman):

"That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) added to said paragraph II, to read as follows:

"'(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or [the] loss of [the] use of [only] one foot, or one hand, or *blindness of* one eye, *having only light perception*, the rate of pension provided in part I, paragraph II, *subparagraphs* (a) to (j) [,] shall be increased by $35 per month; *and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by $35 per month for each such loss or loss of use but in no event to exceed $300 per month.*

"'(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or [of] both feet, or of one hand and one foot, *or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden* or [is] so helpless as to be in need of regular aid and attendance, the monthly pension shall be [$150] *$165.*

"'(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of [both hands and one foot, or of both feet and one hand, or if the disabled person as the result of service-incurred disability is blind in both eyes, having only light perception] *two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place,* the monthly pension shall be [$175] *$200.*

"'(n) If the disabled person, as the result of service-incurred disability [is blind], *has suffered blindness* in both eyes, [having only light perception, and has suffered the anatomical loss or loss of use of one hand or of one foot] *rendering him so helpless as to be in need of regular aid and attendance,* the monthly pension shall be [$200] *$215.*

"'(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss [or loss of use as provided in subparagraph (l) to (n), inclusive, of part I, paragraph II of this regulation, and/or blindness in both eyes, having only light perception, which conditions under subparagraphs (l) to (n), inclusive, entitle him to two or more of the rates provided in these subparagraphs, no specified condition being considered twice in the determination.] *of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes,* the monthly pension shall be [$250.00] *$235.*

"'(p) *If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $300.*

"'(q) *In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $300.*'

"SEC. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) are added to said paragraph II, to read as follows:

"'(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or [the] loss of [the] use of [only] one foot, or one hand, or *blindness of* one eye, *having only light perception*, the rate of pension provided in part II, paragraph II, *subparagraphs* (a) to (j) [,] shall be increased by $26.25 per month; *and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by $26.25 per month for each such loss or loss of use but in no event to exceed $225 per month.*

"'(l) If the disabled person, as the result of service-incurred disability[,] has suffered the anatomical loss, or loss of use of both hands or [of] both feet, or of one hand and one foot, *or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden* or [is] so helpless as to be in need of regular aid and attendance, the monthly pension shall be [$75.00] *$123.75*

"'(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of [both hands and one foot, or of both feet and one hand, or if the disabled person, as the result of service-incurred disability, is blind in both eyes, having only light perception] *two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place,* the monthly pension shall be [$87.00] *$150.*

"'(n) If the disabled person, as the result of service-incurred disability, [is blind] *has suffered blindness* in both eyes, [having only light perception, and has suffered the anatomical loss or loss of use of one hand or of one foot] *rendering him so helpless as to be in need of regular aid and attendance,* the monthly pension shall be [$100.00] *$161.25.*

"'(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss [or loss of use as provided in subparagraph (l) to (n), inclusive, of part II, paragraph II, of this regulation, and/or blindness in both eyes, having only light perception, which conditions under subparagraphs (l) to (n), inclusive, entitle him to two or more of the rates provided in those subparagraphs, no specified condition being considered twice in the determination] *of two extremities so near the shoulder or hip as to prevent the use of a*

prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be [$125.00] *$176.25.*

"'(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part II, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $225.

"'(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate but in no event in excess of $225.'"

Mr. RAMSPECK. Mr. Speaker, will the gentleman yield for a question?

Mr. RANKIN. Yes.

Mr. RAMSPECK. I notice in paragraph (n), page 2, and paragraph (o) on page 3, there is a different rate which applies to a person who has lost both eyes. I wonder if that is a contradiction. I presume there is some explanation for it which does not occur to me at the moment. One rate is $215 and the other rate is $235.

Mr. RANKIN. One rate applies where the man suffers blindness in both eyes. That is the first paragraph. The other one is where he suffers a double disability, the loss of two extremities. In other words, he may have lost one arm and one leg.

Mr. RAMSPECK. It also says for the loss of both eyes. That is in line 5, page 3. I wonder if that would complicate the situation. Which rate would a man get for the loss of both eyes?

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mrs. ROGERS of Massachusetts. I believe I can explain that in this way. It does not seem to me, so far as the rating schedule of the Bureau is concerned, that this recommendation is logical. They recommend a certain sum for the loss of sight, but for the anatomical loss, that is, when the eyes are destroyed and the eyes are out, they recommend a greater sum. Of course the man is blind in either instance.

Mr. RAMSPECK. Of course, if the man still has his eyes but cannot see, he gets $215 a month, and if he actually loses his eyes physically, then he would get a higher rate?

Mrs. ROGERS of Massachusetts. Yes.

Mr. RANKIN. The last paragraph applies where the eyes are entirely gone, and the other applies where he is in such bad condition that he has to have an attendant or has to have help, and where there is a possibility of regaining his sight.

Mrs. ROGERS of Massachusetts. The Bureau has recommended a higher rate of compensation for various of these items. The time was short, and it is necessary to get it over to the Senate in order to have the Senate act on the higher rates.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHENER. Further reserving the right to object, the debate here has demonstrated fully that this is not the best way to pass legislation of this kind. I hope that this legislation will not be another venture in futility. Veterans' bills have the sympathy of everyone. We all want to do something for the veteran. Ofttimes, when we legislate as we are legislating here, we sometimes really do more injury than good. Of course, I am not going to object, and I cannot conceive of anyone who would have the temerity to object. But I do hope when Congress reconvenes that the distinguished members of the Committee on World War Veterans' Legislation will give heed to what is happening now. Bring in your bills in the usual way, and in time, so that we may all read the bill and so that amendments may be offered and mature consideration given. Thus the bill will express what all the Members of the House want it to express.

Mr. Speaker, I withdraw my reservation of objection.

Mr. RANKIN. Let me say to the gentleman from Michigan that if I had my way Congress would stay here and we would bring in, not only this bill, but other veterans' bills pending before my committee that are necessary to take care of our returning servicemen. But we felt that this bill was so vitally necessary, owing to the condition of these wounded men, that it ought to be passed at this time.

Mr. MICHENER. I think the gentleman is right. But what I am calling attention to is the fact that his committee has been in session right along and this bill was not reported out, I believe, until after the resolution of adjournment had passed the House.

Mr. RANKIN. I did not vote for the resolution of adjournment. I am in favor of Congress remaining in session.

Mr. KEARNEY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. KEARNEY. It is also true that the Committee on World War Veterans' Legislation has also been conducting an intensive investigation of the Veterans' Administration.

Mr. RANKIN. There is not a committee in Congress that has worked harder than the Committee on World War Veterans' Legislation for the last few months. We have not only had this investigation on our hands, we have had amendments to the GI bill which the Scripps-Howard papers jumped on today. I hope I may live to see some legislation that will please Roy Howard again, especially if I have anything to do with it. I do not know what has happened to him, but he has certainly gone off the dead end in his almost daily attacks on me.

But, speaking about this legislation not being straightened out, it is in better shape than the average bill that has been passed here in the past week, and the explanations are more clear. It is simply an attempt to do justice, as far as we are justified in going, under the recommendation of the Budget and under the opportunities we have to present legislation, to those men who have suffered double disabilities in this war.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j) shall be increased by $35 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by $35 per month but in no event to exceed $300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $165.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be $200.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $215.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $235.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $300.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $300."

SEC. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and two new subparagraphs (p) and (q) are added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j) shall be increased by $26.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subpara-

graphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by $26.25 per month but in no event to exceed $225 per month.

"(l) If the disabled person, as the result of service-incurred disability has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $123.75.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, the monthly pension shall be $150.

"(n) If the disabled person, as the result of service-incurred disability, has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $161.25.

"(o) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $176.25.

"(p) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part II, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $225.

"(q) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate but in no event in excess of $225."

SEC. 3. The increased rates provided by this act shall be effective from the first day of the first month following the passage of this act, and shall be deemed to include the 15-percent increase in the rate of compensation or pension payable for service-incurred disability under section 1, Public Law 312, Seventy-eighth Congress, May 27, 1944, or Public Law 469, Seventy-eighth Congress, December 7, 1944.

With the following committee amendments:

Page 2, line 9, after the first word "month", insert "for each such loss or loss of use."

Page 4, line 10, after the first word "month", insert "for each such loss or loss of use."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as part of my remarks a bill that I introduced in the House (H. R. 3818) and which was introduced in the Senate by Senator JOHNSON and Senator CAPPER, to add additional compensation; and further to include as part of my remarks a table showing the rates that the men who have lost their sight would receive and under certain spinal-cord cases, the rates paid for the loss of use of their limbs, the amount that the World War I veterans are receiving, a table containing veterans regulation 1 (a), part 1, a copy of the so-called Rankin bill which passed this afternoon, a table which includes the amount with the exception of $20 for the loss of a hand or arm, or leg or arm, or the loss or use thereof, in addition to the table which gives rates which are included in the bill that I introduced for the amputees and which Senator JOHNSON and Senator CAPPER introduced in the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the rates of compensation contained in the following bill are the rates the World War veterans hope will be adopted in the Senate:

H. R. 3818

A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability

Be it enacted, etc., That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation No. 1 (A), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j), shall be increased by $55 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by $55 per month for each such loss or loss of use but in no event to exceed $300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $200.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $235.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $265.

"(o) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o), inclusive, of part I, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $300.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $300."

SEC. 2. That subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulation No. 1 (a), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j), shall be increased by $41.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (o), inclusive, of part II, paragraph II, as herein amended, the rate of pension shall be increased by $41.25 per month for each such loss or loss of use but in no event to exceed $225 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $150.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $176.25.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $198.75.

"(o) If the disabled person as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (o) inclusive, of part II, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $225.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $225."

Mr. Speaker, H. R. 3644, which the Committee on World War Veterans' Legislation reported unanimously to the House and which was passed by the House today, does not increase compensation rates as high as my bill, H. R. 3818. The committee felt that it was as high a rate as could be secured under the agreement that the Speaker would recognize the chairman of the committee for passage at that time.

If you will look at the following rating schedule, made up by the Veterans' Administration, you will see that under the Rankin bill there still are certain inequalities, that veterans of World War I with certain amputee disabilities or the loss of sight receive more than the veterans of World War II with similar disabilities:

	World War Veterans' Act	Veterans Regulations 1 (a), pt. I	Rankin bill [1]	Rogers bill, Senators Johnson and Capper bill [1]
Loss 2 extremities, below knee or elbow	$200	$165	$165	$200
Blind 5/200 vision without attendant	215	115	165	200
Helpless or bedridden	165	165	165	200
Loss 2 extremities, above knee or elbow	200	165	200	235
Blindness with attendant	215	165	215	235
Loss 2 extremities at hip or shoulder	200	165	235	265
Double total, including 1 total and helpless from other pathology, including blind and deaf	300	300	300	300
Loss 2 extremities below knee or elbow and another extremity or eye	200	175	200	235
Loss 2 extremities above knee or elbow and another extremity or eye	200	175	235	265
Loss 2 extremities at hip or shoulder and another extremity or eye	200	175	270	300
Blindness and 1 extremity	300	{165 or 175.}	250	265
"Traumatic myelitis"	300	165	300	300
Loss 2 extremities and another extremity and eye	300	175	{200, 235, 270}	270 or 300

[1] General Hines' approval.

The rating schedule board of the Veterans' Administration and General Hines first recommended the bill that passed this afternoon. I think they made those recommendations largely because of a visit they made at my request to the amputees at the Walter Reed Hospital. They sat down and talked to some of the amputees and talked over the degree of amputation, the degree of disability, and came back and made certain recommendations which are included in the bill just passed. I had asked General Hines if he would send some of the rating board men out there. I made that request as a result of a visit I made at the request of the Walter Reed amputees to talk over legislation, what they thought would be more adequate compensation. You cannot compensate these men but you can at least give them a little bit more to get along with, show a little more appreciation for what they have given for us.

This first proposal of General Hines was not satisfactory to the rating board, or to him and I introduced another bill, and then introduced a bill which is similar to the bill introduced by Senator JOHNSON and Senator CAPPER in the Senate, which I hope will come up for action this afternoon before the Finance Committee in the Senate and pass immediately.

The amounts that are in the bill before the Senate, and the bill that I introduced in the House, are amounts that were fairly recently recommended by the rating schedule board itself and by General Hines as being a more equitable amount to pay as compensation to the amputees. I feel very sure that the Senate will amend the bill we passed to include these amounts. The World War Veterans' Committee agrees to accept the higher rates of compensation specified in Senator JOHNSON'S bill.

I bring to the House the profound thanks of these men with whom I have been working at the hospital for the passage of the bill today. They are all members of the Disabled American Veterans. They have worked steadily for the other men with similar disabilities. I know it will mean a very great deal to them. We owe to them for their interest and their painstaking study of the whole problem the fact that so much is about to be done for all of the amputees.

As you all know, they have an amazing spirit and an amazing courage. They are not thinking just of themselves. And those who are on their way out of the hospitals and into civilian life are thinking still of others who are disabled and of how they can make this country a better place in which to live.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

COL. OVETA CULP HOBBY

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks and include therewith an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, my colleague from Texas [Mr. THOMAS] has called attention to the fact that his distinguished constituent, Col. Oveta Culp Hobby, of Houston, Tex., and director of Women's Army Corps, has resigned. Speaking as another Texan, and I am sure for the Texas delegation and likewise all the membership of the House, and especially for the Committee on Military Affairs, I join in the high compliment that he paid this distinguished woman. I have known her since she was a girl in her teens. Her father and my good friend was a member of the Texas legislature when I was speaker. I gave her the first public job she ever held. I have watched her career with interest and pride. All Texas has rejoiced in her success. She pioneered and succeded in an undertaking unprecedented in American military history. She and her great organization of more than 100,000 fine women, have made a contribution to the war effort that will never be forgotten by a grateful Nation. I am sure we all wish her health and happiness in all the days to come.

I can best express my feelings toward Colonel Hobby if I read a short editorial from the Washington Daily News of a few days ago:

THE LITTLE COLONEL

To Col. Oveta Culp Hobby, Women's Army Corps:

Your countrymen will remember you with gratitude and admiration. Your associates, first in the WAAC and then in the WAC, will continue to think of you with respect and affection. History will find your 4-year mission unique, for you pioneered as a director of American servicewomen who answered the wartime call to the colors.

In this uncharted field you won signal success. Under your leadership, the women of this country contrived a new expression of patriotism, to prove themselves unsurpassed in zeal and fortitude. It is with regret that the men and women of American learn of your resignation as head of the Women's Army Corps.

As civilians, Colonel Hobby, we do not salute. But to you, a devoted commander and a lovely lady, our hats are off.

Those are my sentiments.

SECOND LT. WILLIAM J. CORDES, JR.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include a letter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, about the middle of April a fine, brave young American gave his life in defense of our country while leading a platoon in the battle for Germany.

He was Second Lt. William J. Cordes, Jr., of Atlanta, whose father is one of my good friends. When death came to this brave soldier, he was demonstrating the courage and the physical endurance which have made our fighting men unbeatable.

Three times he swam a swollen river in an effort to get a guide rope across. He was well liked and respected by the men he led.

About a month before his death his last letter was written to his father. Because it informs us of what he believed he was fighting for, I think it should be of interest to all. I therefore make it a part of my remarks. My sympathy goes out to his parents and his wife, who mourn him, as do his host of friends in Atlanta.

The letter is as follows:

SOMEWHERE IN FRANCE, *March 13, 1945.*

DEAR POP: I'm writing you on my second anniversary in the Army. I've been lucky, but having enlisted instead of being drafted was what made things easy on me. You have my cheers and backing in any use of your influence to make this peace enforced by armed might. Please do your share, whatever it may be, to make the next peace lasting. If things look bad for the lasting peace we all want, I'm going into politics, where I can have more than one vote every 4 years.

The Rhine is not behind our armies as yet, but when it is, there will be no other natural military obstacle that our might cannot crush or flank.

Franklin D. Roosevelt's part in deciding that Germany was to be crushed first was commendable. Our secondary effort against the Japs is doing all right; and after Germany is crushed, the job of softening up Japan will have been done, and a knock-out should come soon after our full strength is employed, I think and hope.

America, I have felt for the past year or so, is losing part of the freedom endowed it, and I am not losing sight of it—war measures must be eliminated and power must be taken away as freely as it was given when the national emergency is over. Any semblance of unnecessary control must dissolve. A new administration will be the first step, and leaders who have thought in terms of war must think in terms of peace with the world. This necessitates international free trade and international competition for markets.

You are still my voice; think about my ideas. I want to get back to my wife and future. Please pay attention to the things affecting the security of Nan's and my family, and do what you can for us until I get back.

W. J. C., Jr.

ADDITIONAL COPIES OF PART 5 OF THE HEARINGS HELD BEFORE THE SPECIAL COMMITTEE ON POSTWAR ECONOMIC POLICY AND PLANNING

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report a privileged resolution (H. Res. 330, Rept. No. 935), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That in accordance with paragraph 3 of section 2 of the Printing Act, approved March 1, 1907, the Special Committee on Postwar Economic Policy and Planning of the House of Representatives be, and is hereby, authorized and empowered to have printed for its use 1,000 additional copies of part 5 of the hearings relative to postwar agricultural policy, held before said special committee during the second session of the Seventy-eighth Congress and the current session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FIFTH ANNUAL REPORT OF THE BOARD OF TRUSTEES OF THE FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND

Mr. JARMAN. Mr. Speaker, from the Committee on Printing, I report a privileged resolution (H. Res. 322, Rept. No. 936), and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund,, transmitted to the House of Representatives on May 11, 1945, including the Fifth Annual Report of the Board of Trustees of the Federal Old-Age and Surivivors Insurance Trust Fund, in compliance with the provisions of section 201 (b) of the Social Security Act, be printed with an illustration, as a House document.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. The Chair reminds the gentlewoman that there are three other special orders.

Mrs. ROGERS of Massachusetts. Mr. Speaker, then I ask unanimous consent that I may address the House for 5 minutes following those special orders.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

The SPEAKER. Under the previous order of the House, the gentleman from California [Mr. VOORHIS] is recognized for 25 minutes.

Mr. VOORHIS of California. Mr. Speaker, if the gentlewoman from Massachusetts wishes, I shall be pleased to yield to her.

Mrs. ROGERS of Massachusetts. I thank the gentleman very much, but will wait until my name is reached in the regular order.

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CARTELS

Mr. VOORHIS of California. Mr. Speaker, on May 21 I addressed the House at length on the subject of the imminent danger of a reconstruction of Germany's war-making power and the central place which the revival of cartels has in connection with that danger. I should like to read to the House one short paragraph from a letter written to his mother by a young American soldier from my own district who was a prisoner of the Germans. He says:

I was with a bunch sent in to try and stop the German drive in Belgium last December. We were trapped and after fighting for days without ammunition, and food getting low, our regimental commander surrendered us and we were marched up near the Yugoslav border to a prison camp. It was a dirty, filthy place, and the food was slop but we had to eat it anyway. We only stayed there 3 weeks and then we started marching again. We were heading west this time. There was no particular place that they were taking us to. They just had to keep us out of the Red Army's way. Then our troops crossed the Rhine and they were sure in a pinch. We marched about 600 miles since last December. An awful lot of our boys died on the way. They died from starvation, dysentery, some were shot, others beaten to death.

I hope we are not going to forget what some of these American soldiers went through either at the hands of the Germans or at the hands of the Japanese. I believe that the war-making power of both those nations has got to be smashed and prevented from rising again.

On June 13 there appeared an associated press dispatch in practically all newspapers which read in part as follows:

Mass production of improved V-2 rocket bombs capable of pin-point accuracy at a range of 3,000 miles was within reach of German scientists when the European war ended, in the announced opinion of United States Army ordnance intelligence experts.

The subcommittee of the Senate Committee on Military Affairs, which is headed by the Senator from West Virginia [Mr. KILGORE] recently issued a subcommittee report—report No. 6. In this report we find the following statement:

It appears that if Germany had held out 6 months longer she would have been sending more destructive V-2 bombs to smash the heart of New York. Germany's recuperative power rests on her greatly expanded machine-tool industry, her highly developed scientific and technical facilities, and her large reserves of skilled scientists and technicians.

Again from this same Senate report we read:

The Germans, who have twice within the century launched the most devastating wars, have already set in motion plans for a third attempt to enslave the world.

And the report continues by saying:

Germany today is better prepared to implement her plot for world conquest than she was at the end of World War I, and that one of the reasons for this is that one of her major resources consists of a world-wide network of economic and political reserves and a system of commercial interrelationships penetrating the economies of other nations.

It is about this point made in the Kilgore report and elsewhere that I wish to address the House today, for the Kilgore report also contains this alarming language:

While final figures are not yet available estimates presented to the subcommittee indicate that many of the major war industries are still intact, and given a period for repair and rehabilitation could readily attain and surpass their previous war-production level.

To bring the point yet closer home the Kilgore report makes the same major point which I made in my speech of May 21, namely, that during the period of World War II the Germans have continuously used neutral countries as a cloak and exported their assets and personnel to these neutral countries and further than that the report states, and I quote:

The United States itself may be one of the most important safe havens for German assets.

In this connection, it seems to me nothing short of alarming to read the forthright statement of the gentleman from Texas, Mr. LINDLEY BECKWORTH, in the CONGRESSIONAL RECORD of July 9, where he quotes at considerable length from the annual report of the Office of the Alien Property Custodian for the year ending June 1944. In the quotations submitted by the gentleman from Texas from this report, the Alien Property Custodian pointed out that the Hugo Stinnes Corp. and the wholly owned subsidiary, the Hugo Stinnes Industries, Inc., were incorporated in the State of Maryland in the year 1926. Further that American citizens were the principal purchasers of the notes and debentures of this corporation and that $21,000,000 of the proceeds were paid to German banks which had claims against the Stinnes estate. The Alien Property Custodian's report further points out that 99 percent of the assets of the Hugo Stinnes Corp. are located in Germany and German-occupied countries. And then to repeat a quotation already inserted in the RECORD by the gentleman from Texas, the Alien Property Custodian's report contains these very significant words:

Payment of the American security holders in these companies, therefore, largely depends upon conditions in postwar Germany.

The gentleman from Texas [Mr. BECKWORTH], quite properly it seems to me, asked the United States Treasury to furnish him a list of American citizens owning property in Germany. This information was refused him as was information as to German and Japanese citizens owning property in the United States and information on Americans owning property in Japan.

Mr. Speaker, I believe that had the gentleman from Texas been furnished such a list as he requested, it would have been altogether proper and I further believe that one of these days the American people are going to demand that such information be made available to them.

In other words there are American citizens owning interest in German corporations of which the Stinnes Corp. is only one example, who have a vested interest in seeing the revival of Germany's war-making power. And when I say the revival of Germany's war-making power, what I am referring to is the same point made in the Senate committee report already quoted where they state:

A witness before the subcommittee who only recently interrogated some of Germany's key industrial leaders, now jailed, point out that these leaders confidently expect to be rescued from their present plight by powerful British and American friends who were their former cartel affiliates. These industrialists remain the principal custodians of Germany's plans for future war.

Again the Kilgore report states:

An elaborate memorandum prepared by I. G. Farben shows how that giant concern exploited every possible connection with the nationals of other countries.

Now, Mr. Speaker, it is well known that by the use of cartel relationships and absolutely controlled Germany industry, Hitler was able to virtually disarm the democracies by depriving them of vitally necessary war materials. This was done by the cartel agreements which limited production in the democracies. It is not necessary to recount further this story except perhaps to make one or two points with regard to it.

Shortly after I made my speech on May 21, I received a letter from a lieutenant in the American Army who told me that he had before the war been employed by a certain chemical company in the United States on a certain new process, then still in the laboratory stage. He stated that that company was most anxious that no other American company should secure this process and made an intense effort to keep it confidential. When, however, this young officer moved with his command, into a certain German city and inspected a plant owned by the Germans by the same name as the American concern for which he had worked, he found it damaged to only a small extent and was able to determine that the very process that had been so carefully guarded in the United States had been developed to the highest degree by the German concern and that the American company had even sent an American chemist to Germany to assist them in this work.

On July 14 the Associated Press carried an article under a headline reading as follows: "Farben plants seen as main parts of Nazi war machine." The article featured a statement by Col. Edwin Pillsbury, of the United States Army, who had directed military seizure of 24 plants of I. G. Farbenindustrie in the American zone of occupation. The article stated:

Colonel Pillsbury said investigation has disclosed that the combine controlled virtually all German chemical production, supplied the Nazis with needed foreign exchange, engaged in industrial sabotage, checked on chemical production in every country, and hampered production outside Germany.

Then the article quoted Colonel Pillsbury in the following way:

It is one of the most amazing stories of modern times. The manner in which Farben agents gained control of certain industries and carried on a role of domination in the world's chemical industry is almost unbelievable.

Perhaps an understanding of some of these things will be a little clearer as I quote briefly from documents which I have had the privilege of perusing, which documents have been translated from German and consist of papers of the I. G. Farbenindustrie. One of these documents goes into great detail in advising all the representatives of I. G. Farben in various parts of the world as to means whereby, in case of war, the properties, patents, personnel representatives, and other assets of I. G. Farben could be protected. I shall not take the time of the House to go into complete detail about this. One quotation from this document reads as follows:

The sales apparatus of I. G. Farben abroad has been organized in such fashion that I. G. or its several affiliate companies do not openly hold shares or other interests in their agent firms.

The paper talks about arrangements "under which shares or similar interests are acquired by individuals or firms with their own means, subject, however, to an option in favor of I. G. Farben permitting I. G. to acquire the shares for itself or to have third parties acquire them." It speaks of the danger of having such holdings held by citizens of countries at war with Germany because, and I quote:

An enemy national (that is an American or British citizen) will inevitably be caught between his patriotic feeling and his loyalty to I. G. Farben.

I would like, Mr. Speaker, to underline the words "loyalty to I. G. Farben." A strange loyalty it is which this German cartel expects from citizens of other countries whose very lives are being destroyed by the products and machinations of that huge German concern. And may I say at this point, Mr. Speaker, that one of the things, which in my judgment would contribute more to the hope of future peace in the world than anything I know of, would be the complete breaking up of I. G. Farbenindustrie in all its aspects and a complete destruction of all opportunity for that huge cartel to ever exist again. I am not of course talking about essential production for the basic welfare of the German people. I am talking about I. G. Farben as it has existed in the past.

It was part of I. G. Farben's stated policy to assign ownership of its plants abroad to citizens of neutral countries, and in this connection it is significant that while the Office of Alien Property Custodian has seized only $154,000,000 worth of known German properties, our Treasury Department has frozen assets in the amount of seven billions of dollars because of its belief that while these assets are held in the names of nationals of neutral countries they in all probability are actually German owned.

And so, Mr. Speaker, if there is one primary duty that the American section of the Allied Control Commission of Germany has, it is to see to it that Germany's war-making power is not rebuilt and above all to see that the German industrialists referred to in the Senate committee report which I have quoted, do not have another opportunity to use cartel agreements in order to hamstring the economies of the United States, Britain, France, and other countries. And yet we find that some of the very people who today hold the top positions in the work of the American Control Commission in Germany are men who either in the past or at this very moment are officials of American companies who had close connections with German companies before the war, owned factories in Germany, or had connections with some of the very German industries which the Senate committee report has warned against and which I warned against in my speech in the House on May 21.

There is no use blinking the fact, Mr. Speaker, that factory after factory built with American and British capital in Germany became very useful indeed to Hitler when he declared war. I suppose one can hardly blame American businesses for seeking markets wherever they can find them, but it is one thing to seek markets in open, honest, and fair competition and it is quite another thing to erect factories abroad in foreign countries whose main purpose is to take advantage of cheaper foreign labor and undersell products manufactured in the United States, and it is a still worse thing to enter into cartel agreements with companies in foreign countries, which cartel agreements contain provisions for a limitation of production in one's own nation.

To my mind the only type of individual who should have been given any position of authority whatsoever in connection with the machinery of control of the American zone in Germany, are men who have in the past had absolutely no connection whatsoever with any of these cartel agrements and who come from American companies which are absolutely clean from past German affiliations. I have no knowledge of any of the men whose names I will mention personally. I have no doubt that they are men who have simply done their jobs in the past in accordance with their best lights. Nor do I impute unpatriotic motives to any of them, but I do say that in the selection of policy-making personnel for the American Control Commission, men with different backgrounds should certainly have been chosen. For example, we find that the Fuel and Mining Branch of the American Group Control Council for Germany is headed by Mr. Philip Gaethke. Mr. Gaethke was formerly with the Anaconda Copper Co. and the manager for Anaconda of mines in Upper Silesia, Germany, which belonged to that company. Associated with him in the oil section is Mr. Brandon H. Grove, the former head of Socony Vacuum Co. in Rumania. This company's wells in Rumania continued to produce oil for 6 months after this country was at war with Germany. Indeed they continued to produce until after

we declared war on Rumania and certain it is that the oil produced during that 6-month period did not do the United States any good, to put the matter with extreme conservatism.

The deputy chief of the oil section of the fuel and mining branch of the American Group Control Commission for Germany is Mr. Philip Clover, who represented the Socony-Vacuum Co. in Germany between 1935 and 1939.

The chief of the conversion and liquidation branch of the American Group Control Council is Mr. Peter Hoglund, who is presently on leave from the General Motors Corp. and who was head of OPEL, the General Motors branch factory constructed in Germany some years ago and which has constituted one of the largest manufacturing plants in all of Germany, an integral part therefore of the industrial fabric of that enemy nation.

The chief of the light engineering branch of the American Group Control Council is Mr. Edward Zdunek, who was formerly manager for the General Motors Co. at Antwerp, Belgium.

Again Charles H. Powel is chief of the electrical and radio branch of the American Group Control Council. Mr. Powel has been chief of the Westinghouse Electric Co.'s foreign engineering activities, and this company entered into cartel agreements for division of export markets and other purposes with German firms and others in the period before the war.

The point I am making, Mr. Speaker, is that, whereas America is filled with competent businessmen and excellent technicians, in the instances which I have cited, and I am afraid in some other instances too, selection of men for this important job of directing the control of Germany's economic activities has been placed in the hands of men with either present or former associations with American companies which either owned outright factories and plants or mines in Germany or had close affiliations with German firms. In such instances these companies, if not the individuals, have property to protect which the Alien Property Custodian's report has pointed out can only pay dividends if Germany's economy is revived as it was before.

It seems to me that to select men with connections of this sort and to pass over the thousands of other American businessmen whose companies never had any such connections is, to put the matter very mildly indeed, a mistake which may have the most serious consequences for the future peace of the world.

The International Telephone & Telegraph Co. is an American-controlled corporation with very widespread and extensive holdings. It owns the principal telephone systems of Argentina and Spain and of many foreign countries, and the International Standard Electric Corp. has been and is the German subsidiary of International Telephone & Telegraph. On the top board of directors of the International Telephone & Telegraph has sat Lt. Gen. Kurt von Schroeder, an official of the notorious Schroeder Bank, and lieutenant general in Hitler's own SS Corps which was the heart of the Nazi Army. And yet we find that two vice presidents of this company, by name of Kenneth Stockton and Mark Sundstrom, have been made brigadier generals in the United States Army, not to perform military duties, but for the purpose of being advisers in the American Group Control Council for Germany. Mr. Stockton is adviser to the Signal Corps. He was former head of the Paris office of International Telephone & Telegraph and chairman of the European Board of International Telephone & Telegraph, which board consisted of himself, one Hofer of the Swiss company and Westrick, the manager of the German subsidiary of I. T. & T., and the brother of the man by the same name who was deported from the United States shortly before the war for activities on behalf of the German Government.

The State Department itself protested the appointment of Mark Sundstrom in an official manner but so far as I know he is still adviser to the head of the communications division of the American Group Control Council.

And here we have a great international corporation with the most definite kind of property interests in Germany having its own vice presidents in positions of power with regard to deciding what is to be done to prevent the reconstruction of Germany's war-making power. I do not question the motives of any man, Mr. Speaker, and I have used specific names in this speech only because I felt it necessary to make my point clear. But I cannot speak too strongly against a policy which permits appointments of this character. One therefore wonders why they should happen. And may I say in this connection that I have no doubt whatsoever that our Army seeks to do the very best it can with this job. Certainly, no group of Americans have half as much interest as our Army in seeing to it that Germany does not get herself in a position to start another world war. I have no doubt either than the argument has been used that some of these men are intimately acquainted with German conditions and therefore should be used. But I think exactly the opposite argument should have been employed.

One more individual I must mention, Mr. Speaker, because apparently in his position as Deputy Chief of the Economic Division of the American Group Control Council, Civil Affairs Section of the Army, he has considerable to do with the appointments which are being made. Now, Mr. Speaker, the General Aniline & Film Co. was before the war an American subsidiary of I. G. Farben, and in this case the Alien Property Custodian took over the assets of this company at the outbreak of the war on the ground that they were enemy assets. Apparently there was not even any doubt in this particular case as there has been in some others concerning German control and ownership, and yet Mr. R. E. McConnell, who was an official of the General Aniline & Film Co. at the time it was taken over by the Office of Alien Property Custodian, is now the Deputy Chief of the Economic Division of the American Group Control Council which I have just mentioned.

I cannot help asking the question once again, Mr. Speaker. How about all the other thousands of American businessmen and technicians whose companies have never built factories abroad, whose companies have never been involved in antitrust suits, whose officials have resisted all efforts to draw them into cartel affiliations with the Germans. Is there not good reason for recognizing such men now, for recognizing the singleness of their American purposes, for appointing them to these positions instead of giving them to men who, to put the matter with careful conservatism, must at the very least carry a burden of having to overcome a natural vested interest of their companies in a rebuilding of Germany's industrial system along the old lines and thus playing into the hands of the very German industrialists who in the words of the Senate committee report, "remain the principal custodians of Germany's plans for future war."

EXTENSION OF REMARKS

Mr. FALLON asked and was given permission to extend his remarks in the RECORD and include a letter from the secretary of the Federal Council of Churches of Christ in America.

Mr. CHAPMAN asked and was given permission to extend his remarks in the RECORD and include a letter written to Mr. Tom Wallace, editor of the Louisville Times, by J. V. Norman, attorney at law, Louisville, Ky., one of the foremost American authorities on freight rates and counsel for the Southern Governors in their recent successful freight rate litigation. This letter contains favorable comment on a bill recently introduced by the gentleman from North Carolina [Mr. BULWINKLE], relating to the rate question, which bill was drafted by Mr. BULWINKLE, with the assistance of the Legislative Counsel of the House of Representatives.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. LATHAM] is recognized for 5 minutes.

UNLIMITED SHIPMENT OF POINT-FREE FOODSTUFFS TO CIVILIANS IN EUROPE WITH APPROVAL OF OPA

Mr. LATHAM. Mr. Speaker, on June 27, 1945, I brought to the attention of the House the fact that one of the largest department stores in the country, located in New York City, was sending to civilians in Europe, in unlimited and uncontrolled quantities, packages containing butter, sugar, and meat, which the Secretary of Agriculture, in yesterday morning's paper, describes as desperately tight, and that this was being done with the consent of the OPA, in fact with the OPA's assistance in furnishing the necessary points to cover the food.

Since June 27, I have learned that this practice is not confined to one store or one city, but is prevalent in many stores in many cities from coast to coast. The White House, one of San Francisco's largest department stores, offers, in a full-page ad in the San Francisco Examiner on June 25, to send out of the country unlimited quantities of these

high-priority articles without points. As it states in this ad, it is "easy as A B C." Reading from the ad:

This food does not affect rations.

All packages comply completely with regulations.

You need not fill out a declaration form.

Send boxes to one person or to several persons.

Send one or several kinds.

Send a single package, or leave a standing order.

It's easy, just give us the names and addresses and we take care of the rest. Come in or order by mail.

Come in for information, for additional order blanks. We'll be glad to help you. No obligation, of course.

The order blank reads:

Please send _____ of these boxes, at _____ each, postage included, to the address below. _____ one per week, _____ one per month, or _____. State any other preferred interval.

So far, Mr. Speaker, the OPA has done nothing to remedy this disgraceful and unbelievable situation.

I charge, Mr. Speaker, that, of recent months, these shipments abroad have reached enormous proportions.

I charge that the OPA, by failure to eliminate or control these shipments is contributing to the scarcity of these articles, and thereby indirectly helping to support the black market in butter, sugar, and meat. How, Mr. Speaker, can the OPA expect the American people to shun the black market when they, themselves, encourage it by their failure to act in this matter.

I charge, also, that much of this food shipped from civilians here, without limit, to civilians in Europe, with no requirement or check as to the need of the recipients, is bound to find its way into the black market of the European countries.

I charge that this is a fraud on the American people who created the OPA to prevent shortages in this country, not to encourage them.

Mr. Speaker, I reiterate what I said in the House on June 27, that I am perfectly willing to share what we have with our needy European friends, but I cannot condone these uncontrolled, unlimited shipments of butter, sugar, and meat point-free and irrespective of need.

I am hopeful, Mr. Speaker, that our former distinguished colleague, Secretary Anderson, will put an immediate stop to this practice.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. LATHAM. I yield.

Mr. CANFIELD. Are GI mothers and wives able to obtain these packages for home consumption?

Mr. LATHAM. No, they are not. They are not permitted to use them for home consumption.

EXTENSION OF REMARKS

Mr. PRICE of Illinois asked and was given permission to extend his remarks in the RECORD in tribute to Hon. Kent E. Keller, a former Member of the House, who has recently been appointed by the State Department to serve as special adviser to the United States Ambassador at Mexico City.

Mr. LINK asked and was given permission to extend his remarks in the RECORD and include therein an article appearing in the Chicago Sun on July 1.

Mr. O'KONSKI asked and was given permisison to extend his own remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House the gentleman from Washington [Mr. DE LACY] is recognized for 5 minutes.

MILITARY AFFAIRS COMMITTEE INVESTIGATION

Mr. DE LACY. Mr. Speaker, I notice with considerable regret the RECORD of yesterday carrying a series of charges and some substantial Red-baiting, which led to a demand by a Member that the Secretary of War and his two chief assistants, all of whom have been so helpful in the conduct of this war, should resign. I notice the answers by the distinguished gentleman from Illinois [Mr. SABATH], the distinguished gentleman from North Carolina [Mr. FOLGER], and the distinguished gentleman from Texas [Mr. THOMASON].

Mr. Speaker, there are certain facts that should be laid before the House and the country relating to the credibility of the chief investigator of the House Military Affairs Committee. Without questioning his technical competence as an investigator, I believe the House ought to know some of his past connections, because when one man passes judgment upon the political affiliations of another, it is well to know something of the man doing the investigating.

Mr. Burton, chief counsel, has something of a record in this respect. I call the attention of the House to this drawing showing Mr. Burton acting as chief counsel for the man who perhaps was No. 2 Nazi in this country, Kurt George Wilhelm Ludecke, at the time when the distinguished gentleman from Massachusetts [Mr. MCCORMACK], and the distinguished gentleman from New York [Mr. DICKSTEIN], and others had their first investigation of un-American activities. Mr. Burton, as I say, was chief counsel for the man then regarded as a personal representative in this country of Adolf Hitler, whose credentials were signed according to his own admission by Dr. Alfred Rosenberg. Mr. Ludecke's job was to carry on Nazi activities in this country.

In addition to that, Mr. Burton was engaged as a special counsel for a period for the American Coalition of Patriotic Societies, an organization which embraced several respectable bodies but chiefly a whole group of—what shall I—say anti-Semites, professional anti-Communist societies, among them Harry Jung's American Vigilante Intelligence Federation—and I am reading here from Mr. John Carlson's book, Under Cover—Mrs. Morrison's American Women Against Communism, the American Nazi Federation approved by James True; the Christian American Crusade, an anti-Semitic semireligious group in Los Angeles, and among them the Committee for Constitutional Government, in which the chief figure was Dr. Edward Rumely, convicted during the last war as an agent of Imperial Germany.

Mr. Burton became special counsel in the State of Maryland for Father Coughlin's League for Social Justice; and I submit that association with that intolerant, vicious, anti-Semitic, Red-baiting, would-be fuehrer, Father Coughlin, could hardly be a recommendation for anybody as an investigator of the subject matter with which Mr. Burton is now entrusted. Because of this very connection with Father Coughlin's activities, Mr. Burton, I am informed, was rejected for employment with the old Dies committee. These facts and others which I am sending to the House Committee on Military Affairs in a special memorandum or letter for their further information cast doubt upon the wisdom of the inclusion yesterday in the RECORD of a long series of findings impugning the patriotism of certain officers distinguished for their bravery and meritorious service in the American Army. Some of them apparently had fought for democracy and against Mussolini and Hitler in Spain, which, in Mr. Burton's eyes, is apparently evidence of their lack of fitness to serve as officers in our own country's victorious fight against the Fascist Axis. The saving factor in all this is that the subcommittee, under the chairmanship of the distinguished gentleman from Texas [Mr. THOMASON] is treating this whole subject objectively, is proceeding factually.

Its final judgment will not be swayed by any possible bias of its investigators. It will be based on facts as to the patriotism and performance of the officers involved, not on someone's opinion of their past or present political views.

The SPEAKER pro tempore. The time of the gentleman from Washington has expired.

Under the previous order of the House, the gentleman from Illinois [Mr. SABATH] is recognized for 10 minutes.

Mr. SABATH. Mr. Speaker, what I have to say is not only, of course, for the membership present at the moment, but is for the absent Members and principally for the general American public.

Yesterday, the gentleman from Mississippi [Mr. RANKIN], in criticizing and suggesting the resignation of the Secretary of War and his two assistants made his request for their resignations first, because they allegedly sanctioned the commissioning in the Army of men who had communistic leanings, and he stated further, among other things, that committee members have been informed "that these Communists who have been commissioned in the United States Army are using their powers to indoctrinate the men in the armed forces with communistic philosophies."

Further, the gentleman based his advocacy of the resignation of the Secretary of War and his two assistants on what he termed a report of the subcommittee of the Committee on Military Affairs, when, in fact, the subcommittee made no such report, as was stated by the chairman of the subcommittee, the gentleman from Texas [Mr. THOMASON]. That assertion was made merely on a statement by H. Ralph Burton, the counsel for the committee; and even Mr. Burton's unsupported statement does not

justify the gentleman from Mississippi [Mr. RANKIN] in saying what he did.

This is what the subcommittee's hearing shows, in part:

Mr. BURTON. I have found certain persons who hold commissions and also some enlisted personnel in the Army whose backgrounds reflect communism in some form and am prepared to present the facts which have been developed thus far.

Mr. Speaker, Burton did not charge that these officers are Communists. I am pleased that the gentleman from Mississippi [Mr. RANKIN] then inserted in the RECORD a list of the names of these Army officers, a statement of their activities before the war, the great service which they have rendered during the war, and shown that some of them have been officially cited and highly commended.

The list of these men, as inserted by the gentleman from Mississippi, may be found on pages 7817, 7818, and 7819 of the CONGRESSIONAL RECORD of July 19, 1945.

I know that when the American people read the names of these Army officers, what they have accomplished, the valuable services which they have rendered to the country during the war, and the patriotism and the loyalty they have displayed toward our flag, they will resent the insinuations and charges the gentleman from Mississippi has made.

Mr. Speaker, I stated on the floor yesterday that Counsel Burton of the committee was formerly attorney for Father Coughlin, but today the gentleman from Washington [Mr. DE LACY], who preceded me, stated and showed me a reprint of a sketch photograph which shows that the committee counsel, H. Ralph Burton, as early as 1934 or 1935, appeared as an attorney for Kurt George Wilhelm Luedtke, an accredited representative of Hitler, at a hearing of the McCormack Committee to Investigate Un-American and Subversive Activities. Besides that, the gentleman from Washington [Mr. DE LACY] pointed out that Burton has been connected with other Nazi activities. Let us believe that Burton, like these officers, has now seen the light and is working for the best interests of our country. It was the original intent of the House to investigate solely the un-American activities in which the Nazi and Fascist organizations were engaged, not to go witch hunting, not to unfairly smear the innocent simply to acquire big headlines in the public press.

To be exact, the gentleman from Mississippi [Mr. RANKIN] states that "the Subcommittee on Military Affairs has made an investigation and found that many Communists have been commissioned in the United States Army over the protests of Members of Congress if not in flagrant violation of law." The subcommittee has made no such report or finding. He should have accurately stated that he was merely referring to the testimony of Burton, committee counsel, who himself may be a subject of investigation.

I regret exceedingly that the gentleman from Mississippi takes every opportunity that he can in charging communism and some of the statements that he has placed in the record border on Nazi propaganda. He is unwittingly, as I view it, creating the same unfortunate conditions that doomed Germany and other European lands. I feel that he is unknowingly playing into the hands of the new anti-American organization that has been formed by former Senator Reynolds, in which work Reynolds is being assisted by such men as the rabble rousers Gerald K. Smith, Joe McWilliams, and many others of their ilk.

If the gentleman from Mississippi is such a loyal American and has the interests of America at heart—and he is a loyal American, having the welfare of America next to heart—I feel that he should realize and recognize that he is not promoting harmony either here or among those of the other Allied Nations. I have no desire to defend any Communists, because we have the greatest and finest form of government under the sun. Naturally I regret that we may have in this country at this time some people with unwholesome tendencies; but I remember in the past that even Socialists were attacked and maligned because they were allegedly trying to overthrow the Government. I remember Mr. Eugene V. Debs, four times a candidate of the Socialist Party for the Presidency, who, unfortunately, in the hysteria incident to war, was found guilty of seeking to overthrow our form of government, which, however, was not in his mind or heart. During this war the Nazi-Fascist ideologists have sought in every way to charge all progressives, including progressive labor leaders, with having communistic leanings, or even with being Communists, all for the purpose of creating a smokescreen to hide real Nazi and Fascist activities.

Mr. Speaker, the House committee originally created under the chairmanship of the gentleman from Massachusetts [Mr. MCCORMACK] to investigate un-American activities, and later, unfortunately, extended under the leadership of Mr. Dies, was used, wittingly or unwittingly, by our country's enemies, namely, the Nazi representatives who worked under the leadership of such men as Sylvester Viereck and Pelley, and many so-called patriotic organizations, which were, in many instances, actually financed by Nazi agents.

Mr. Speaker, we had before the war and during the European war, and have even today, many of these Nazi and Fascist misled men and women, many of whom have been indicted and are to be tried or have been convicted. Yet they are still permitted to undermine and weaken the position of our Government in its efforts to effect the successful ending of the Asiatic war and in every way possible aim to create disunity among the United Nations.

I will insert now the names of only a small number that come to my mind of these men and women and the names of the organizations with which they are affiliated, many of whom were seditiously and openly active before the war and who now continue their activities and propaganda of un-Americanism and subversion, as follows:

INDIVIDUALS

Freidrich H. Auhagen, L. M. Birkhead, William R. Castle, Patrick Coyne, L. Ingalls, E. A. Rumely, Lawrence Dennis, Heinrich Dieckhoff, Ernest Elmhurst, Fritz Gissibl, William J. Grace, Ignatz T. Griebl, Merwin K. Hart, Joseph Hartery, Conrad Henlein, Joseph P. Kamp, Grace Keefe, James Keeling, John Eoghan Kelly, August Klapprott, Fritz Kuhn, Gerhart Wilhelm Kunze, John J. McNaboe, Joseph Ellsworth McWilliams, Oswald Mosley, Carl H. Mote, Fritz Wiedemann, George E. Deatherage, Elizabeth Dilling, Robert Edward Edmondson, William Griffin, Charles B. Hudson, William Kullgren, William Dudley Pelley, Eugene Nelson Sanctuary, Edward James Smythe, Count Cherep Spiridovich, Ralph Townsend, James True, Gerald B. Winrod.

ORGANIZATIONS

American Guard; American Mothers; American Nationalist Party; American Peace Mobilization; Christian American Crusade; Christian Aryan Syndicate; Christian Front; Christian Front (New England); Citizens Ke p America Out of War Committee; Citizens No Foreign War Coalition; Citizens Protective League; Crusader White Shirts; Crusaders of Americanism, Inc.; Crusaders for Economic Liberty; Friends of New Germany; German American Business League; German-American Folk Union; German-American National Alliance; German National Alliance; German Railways Information Office; Germania Bookstore; National Gentile League; National Keep America Out of War Committee; National Union for Social Justice; No Foreign War Committee; Paul Revere Sentinels; Czarist Russia.

PUBLICATIONS

The American Gentile; American Patriot; Anti-War Crusader; The Blackshirt; Destiny; Deutsche Revolution; Deutscher Weckruf und Beobachter (also known as the Free American); Fichte-Bund, Deutscher; Gentile Front.

Mr. Speaker, this is only a partial list of men, women, and organizations that I hope the Subcommittee of the Committee on Military Affairs and the gentleman from Mississippi [Mr. RANKIN] will begin and continue to investigate instead of the nonexistent communistic activities, as they are of much greater danger to our country than the so-called communistic activities that the gentleman from Mississippi is fearful of.

I do not wish to delay those that are here, but I am not speaking solely to them; as I have said, I am speaking for the RECORD; so I ask unanimous consent to revise and extend my remarks and to include therein the names of some of those who have, and most of whom are still, actively engaged in un-American activities and also the names of some of the societies and organizations to which they belong, and the publications for which they write.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. DE LACY) was given permission to extend his remarks in the RECORD.

Mr. RAMSPECK asked and was given permission to extend his remarks in the RECORD on the subject of freight rates and to include certain excerpts and quotations therein.

ENROLLED BILL SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a bill of the House

of the following title, which was thereupon signed by the Speaker:

H. R. 1308. An act for the relief of Sam Swan and Aily Swan.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased; and

S. 714. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", as amended.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on Thursday, July 19, 1945, present to the President, for his approval a bill of the House of the following title:

H. J. Res. 98. Joint resolution relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 1 minute p. m.) the House adjourned until tomorrow, Saturday, July 21, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

617. A letter from the Clerk of the House of Representatives, transmitting the papers with regard to the election of Hon. GEORGE A. DONDERO, Congressman-elect of the Seventeenth District of Michigan, transmitted to the House by John W. L. Hicks (H. Doc. No. 264); to the Committee on Elections No. 3 and ordered to be printed.

618. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to transfer certain propery from the War Relocation Authority to the Colorado River Indian tribes and the Office of Indian Affairs, and for other purposes; to the Committee on Indian Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOYKIN: Committee on Patents. H. R. 3756. A bill to require the recording of agreements relating to patents; without amendment (Rept. No. 932). Referred to the Committee of the Whole House on the State of the Union

Mr. BOYKIN: Committee on Patents. H. R. 3757. A bill to provide for the public registering of patents available for licensing; without amendment (Rept. No. 933). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on World War Veterans' Legislation. H. R. 3644. A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of toal disability; with amendment (Rept. No. 934). Referred to the Committee of the Whole House on the State of the Union.

Mr. JARMAN: Committee on Printing. House Resolution 330. Resolution authorizing the Special Committee on Postwar Economic Policy and Planning of the House of Representatives to have printed for its use additional copies of part 5 of the hearings held before said special committee during the second session of the Seventy-eighth Congress and the current session, without amendment (Rept. No. 935). Referred to the House Calendar.

Mr. JARMAN: Committee on Printing. House Resolution 322. Resolution authorizing that the Fifth Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund be printed, with an illustration as a House document; without amendment (Rept. No. 936). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RANDOLPH:

H. R. 3860. A bill to promote the progress of science and the useful arts; to secure the national defense; to advance the national health, prosperity, and welfare; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND:

H. R. 3861. A bill to provide special rules for preventing collisions of vessels navigating the Gulf Intracoastal Waterway and certain rivers and inland waters emptying into the Gulf of Mexico, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. COCHRAN:

H. R. 3862. A bill to provide for the establishment in the city of St. Louis, Mo., of a suitable memorial museum to contain material commemorative of World War II; to the Committee on Military Affairs.

By Mr. FALLON:

H. R. 3863. A bill to make imported merchandise subject to the same internal revenue taxes as similar merchandise of domestic origin; to the Committee on Ways and Means.

By Mrs. NORTON:

H. R. 3864. A bill to establish the office of Under Secretary of Labor, and three offices of Assistant Secretary of Labor, and to abolish the existing office of Assistant Secretary of Labor and the existing office of Second Secretary of Labor; to the Committee on Labor.

By Mr. PETERSON of Florida:

H. R. 3865. A bill to provide for the acquisition by exchange of non-Federal property within areas administered by the National Park Service; to the Committee on the Public Lands.

By Mr. JONES:

H. R. 3866 A bill to correct an inequity existing in the case of holders of adjusted-service certificates who did not accept payment in bonds under the Adjusted Compensation Payment Act, 1936; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 3867. A bill to amend the Code of Laws for the District of Columbia with respect to the making and publishing of annual reports by trust companies; to the Committee on the District of Columbia.

H. R. 3868. A bill to provide that veterans may obtain copies of public records in the District of Columbia, without the payment of any fees, for use in presenting claims to the Veterans' Administration; to the Committee on the District of Columbia.

H. R. 3869. A bill to effectuate the intent of the Congress as expressed in section 1, paragraph (k) of Public Law 846, Seventy-seventh Congress, approved December 24, 1942, by adding to the list of institutions named in said paragraph the name of the Carnegie Endowment for International Peace, an institution similar to the institutions so named; to the Committee on the District of Columbia.

By Mr. ENGLE of California:

H. R. 3870. A bill to name the dam at the Upper Narrows site on the Yuba River, in the State of California, the Harry L. Englebright Dam; to the Committee on Rivers and Harbors.

By Mr. WALTER:

H. R. 3871. A bill authorizing the appointment of an additional judge for the district of Kansas; to the Committee on the Judiciary.

By Mr. RANDOLPH:

H. R. 3872. A bill to provide for the taxation of rolling stock of railroad and other companies operated in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H. R. 3873. A bill to provide for the opening of a road within the boundaries of the District of Columbia Training School property in Anne Arundel County, Md.; to the Committee on the District of Columbia.

By Mr. BARTLETT:

H. R. 3874. A bill to authorize an appropriation for the establishment of a geophysical institute at the University of Alaska; to the Committee on the Territories.

H. R. 3875. A bill to provide that judges of the District Court for the Territory of Alaska shall hereafter be appointed to hold their offices during good behavior; to the Committee on the Judiciary.

By Mr. WHITE:

H. R. 3876. A bill relating to the operation, subject to supervision under the Packers and Stockyards Act, of scales used in weighing livestock. In order to simplify the determination of the number, grade, weight, and price of livestock sold the several markets so that the producer can secure direct payment of price subsidy paid by the Federal Government; to the Committee on Coinage, Weights, and Measures.

By Mr. LUDLOW:

H. Res. 331. Resolution urging an immediate international agreement to eliminate compulsory military service from the policies and practices of all nations, and for a referendum on war; to the Committee on Military Affairs.

MEMORIALS

Under clause 3 of rule XXII, a memorial was presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Alabama memorializing the President and the Congress of the United States to dedicate January 30, the birthday of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of Alabama:

H. R. 3877. A bill for the relief of Carey Jones; to the Committee on Claims.

By Mr. BENNETT of Missouri:

H. R. 3878. A bill for the relief of Oscar M. Schilb; to the Committee on Claims.

By Mrs. DOUGLAS of California:

H. R. 3879. A bill for the relief of Gladys McCall and Anna Mae Laws; to the Committee on Claims.

H. R. 3880. A bill for the relief of Nicholas Ray Schlegel; to the Committee on Claims.

H. R. 3881. A bill for the relief of Mayer Goldman; to the Committee on Claims.

By Mr. PATRICK:

H. R. 3882. A bill granting an increase of pension to James L. Huston; to the Committee on Pensions.

By Mr. PFEIFER:

H. R. 3883. A bill for the relief of Antonio Pinna; to the Committee on Immigration and Naturalization.

H. R. 3884. A bill for the relief of Domenico Grillo; to the Committee on Immigration and Naturalization.

By Mr ROGERS of New York:

H. R. 3885. A bill to authorize the cancellation of deportation proceedings in the case of Antonios Apostolis Malles; to the Committee on Immigration and Naturalization.

H. R. 3886. A bill to authorize the cancellation of deportation proceedings in the case of Apostolos Vasili Percas; to the Committee on Immigration and Naturalization.

PETITIONS, ETC.

Under clause 1 of rule XXI, petitions and papers were laid on the Clerk's desk and referred as follows:

1105. By Mr. COCHRAN: Petition of J. A. Paugh and 307 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1106. Also, petition of Charles Ward and 310 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1107. By the SPEAKER: Petition of the city council, city of Portland, Oreg., petitioning consideration of their resolution with reference to enlargement of the veterans' hospital and facilities at Portland, Oreg.; to the Committee on World War Veterans' Legislation.

1108. Also, petition of the board of directors of the Pawhuska Chamber of Commerce, Pawhuska, Okla., petitioning consideration of their resolution with reference to cooperative associations; to the Committee on Ways and Means.

1109. Also, petition of the Kern County Chamber of Commerce, Bakersfield, Calif., petitioning consideration of their resolution with reference to an independent foreign policy, a Kern River Valley Authority, a Kern River University, and Kilowatt College, and the scrapping of the charter; to the Committee on Foreign Affairs.

SENATE

SATURDAY, JULY 21, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Rev. C. E. Hawthorne, D. D., minister, Wallace Memorial United Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, our Heavenly Father, we lift our hearts in praise to Thee. Thou art our God and the God of our Nation. History tells its continuing story of the matchless grace and mercy of God, extended to us from the beginning of our Nation until now. Thou hast guided, kept, and strengthened us. Thou art worthy to be praised, and we render to Thee our hearts' devotion.

On this new day we pray Thy blessing upon the President of the United States. Give him and those that counsel with him wisdom and strength, and may the directing hand of God be felt in every decision that is made. With gratitude to Thee for the success of our arms, we commit the welfare of our forces to Thee this day. Give strength and protection and dea. in mercy, we pray. Guide now this body in all its deliberations. May the wisdom of the Lord be given to each Member. And in all that we do, may Thy name be glorified. We ask this in the name of our Lord Jesus Christ. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, July 20, 1945 was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Morse
Andrews	Hart	Murdock
Austin	Hatch	O'Daniel
Ball	Hawkes	O'Mahoney
Barkley	Hayden	Radcliffe
Bilbo	Hickenlooper	Revercomb
Brewster	Hill	Robertson
Briggs	Hoey	Russell
Brooks	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Taft
Butler	La Follette	Taylor
Capehart	Langer	Thomas, Okla.
Capper	Lucas	Thomas, Utah
Chavez	McCarran	Tunnell
Cordon	McClellan	Vandenberg
Donnell	McFarland	Wagner
Downey	McKellar	Walsh
Eastland	Magnuson	Wheeler
Ellender	Maybank	Wherry
Ferguson	Mead	White
Fulbright	Millikin	Young
George	Mitchell	
Green	Moore	

Mr. HILL. I announce that the senior Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from Florida [Mr. PEPPER] is necessarily absent.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Texas [Mr. CONNALLY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Montana [Mr. MURRAY], the Senator from Louisiana [Mr. OVERTON], and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

The Senator from Tennessee [Mr. STEWART] is absent on important business at the Veterans' Administration.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Massachusetts [Mr. SALTONSTALL] and the Senator from Delaware [Mr. BUCK] are necessarily absent.

The PRESIDENT pro tempore. Seventy Senators have answered to their names. A quorum is present.

DEDUCTION IN COMPUTING TAXES OF EXPENSES OF INTANGIBLE DRILLING AND DEVELOPMENT COSTS

The Senate resumed the consideration of the concurrent resolution (H. Con. Res. 50), which reads as follows:

Resolved, etc., That in the public interest the Congress hereby declares that by the reenactment, in the various revenue acts beginning with the Revenue Act of 1918, of the provisions of section 23 of the Internal Revenue Code and of the corresponding sections of prior revenue acts allowing a deduction for ordinary and necessary business expenses, and by the enactment of the provisions of section 711 (b) (1) of the Internal Revenue Code relating to the deduction for intangible drilling and development costs in the case of oil and gas wells, the Congress has recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111 and the corresponding provisions of prior Treasury regulations granting the option to deduct as expenses such intangible drilling and development costs.

The PRESIDENT pro tempore. The question is on agreeing to House Concurrent Resolution 50, upon which the yeas and nays have been ordered, and upon which, under the agreement of yesterday, no further debate is in order. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BUTLER. I have a pair with the senior Senator from Alabama [Mr. BANKHEAD]. Not knowing how he would vote, I withhold my vote.

Mr. BARKLEY. I announce that the senior Senator from Texas [Mr. CONNALLY] is unavoidably absent. If present, he would vote "yea."

Mr. WAGNER. I have a general pair with the Senator from Kansas [Mr. REED]. Not knowing how he would vote, I transfer that pair to the Senator from Pennsylvania [Mr. GUFFEY], who, if present, would vote "yea." I vote "yea."

Mr. THOMAS of Utah. I have a general pair with the Senator from New Hampshire [Mr. BRIDGES]. Not knowing how he would vote, I transfer that pair to the Senator from Connecticut [Mr. MCMAHON], who, if present, would vote "yea." Being at liberty to vote, I vote "yea."

Mr. BARKLEY. The Senator from Florida [Mr. PEPPER] is unavoidably absent. I am advised that if present and voting, he would vote "yea."

I further announce that the Senator from Virginia [Mr. GLASS] is detained by illness.

The Senator from Alabama [Mr. HILL] and the Senator from Georgia [Mr. RUSSELL] are absent on business in Government departments pertaining to their respective States.

The Senator from Tennessee [Mr. STEWART] is absent on important business at the Veterans' Administration.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Virginia [Mr. BYRD], the Senator from Kentucky [Mr. CHANDLER], the Senator from Rhode Island [Mr. GERRY], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Connecticut [Mr. MCMAHON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Louisiana [Mr.

OVERTON], and the Senator from Maryland [Mr. TYDINGS] are absent on important public business.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness. If present, he would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES] has a general pair with the Senator from Utah [Mr. THOMAS]. The transfer of that pair has been announced heretofore.

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER], the transfer of which has been announced heretofore.

The Senator from Wisconsin [Mr. WILEY] and the Senator from Indiana [Mr. WILLIS] are detained on official business.

The Senator from Delaware [Mr. BUCK], the Senator from California [Mr. JOHNSON], and the Senator from Massachusetts [Mr. SALTONSTALL] are necessarily absent.

The result was announced—yeas 51, nays 16, as follows:

YEAS—51

Andrews	Hawkes	Mitchell
Ball	Hayden	Moore
Barkley	Hickenlooper	O'Daniel
Bilbo	Hoey	O'Mahoney
Briggs	Johnson, Colo.	Radcliffe
Brooks	Johnston, S. C.	Revercomb
Bushfield	Kilgore	Robertson
Capehart	Langer	Shipstead
Capper	Lucas	Taylor
Chavez	McCarran	Thomas, Okla.
Downey	McClellan	Thomas, Utah
Eastland	McFarland	Tunnell
Ellender	McKellar	Wagner
Fulbright	Magnuson	Walsh
George	Maybank	Wheeler
Gurney	Mead	Wherry
Hatch	Millikin	Young

NAYS—16

Aiken	Ferguson	Smith
Austin	Green	Taft
Brewster	Hart	Vandenberg
Burton	La Follette	White
Cordon	Morse	
Donnell	Murdock	

NOT VOTING—28

Bailey	Guffey	Saltonstall
Bankhead	Hill	Stewart
Bridges	Johnson, Calif.	Thomas, Idaho
Buck	McMahon	Tobey
Butler	Murray	Tydings
Byrd	Myers	Wiley
Chandler	Overton	Willis
Connally	Pepper	Wilson
Gerry	Reed	
Glass	Russell	

So the concurrent resolution (H. Con. Res. 50) was agreed to.

Mr. CHANDLER subsequently said: Mr. President, I should like to make a brief statement about the vote taken a short time ago on House Concurrent Resolution No. 50. This morning, during my temporary absence from the Senate, the Senate voted on the resolution, which had been reported to the Senate by the Senator from Georgia [Mr. GEORGE], from the Committee on Finance. I was detained at that time on important public business. If I had been present I would have supported adoption of the concurrent resolution. The independent oil operators were very much interested in it, and I am delighted that the concurrent resolution has been agreed to.

Mr. MOORE subsequently said: Mr. President, on Thursday and Friday of this week we have had considerable discussion of House Concurrent Resolution 50, which was designed to clarify a tax situation existing in the oil-producing industry. Lest it appear to some of the Members of the Senate who are considerably removed geographically from the oil-producing industry that this was a matter which could be delayed without public injury, I ask consent to place in the RECORD a memorandum which I received on June 22 from J. C. Hunter and Russell B. Brown, who are cochairmen of the petroleum committee representing 43 oil and gas associations.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON HOUSE CONCURRENT RESOLUTION 50

We invite your careful consideration and approval of House Concurrent Resolution 50. This resolution was approved by the Ways and Means Committee of the House by unanimous vote and passed the House on the consent calendar. The resolution has been favorably recommended by the Senate Finance Committee and will, no doubt, be before the Senate for early consideration.

The purpose of the resolution is to remove any doubt as to the validity of Treasury regulations giving to the taxpayer the option to either capitalize or charge to expense intangible drilling and development costs in the case of oil and gas wells. These regulations have been in effect for more than 28 years and the Congress has continued in successive revenue acts adopted since that time the basic statutory provisions from which such regulations are derived.

The Congress in passing the Internal Revenue laws provided for such Treasury regulations. The basic statute from which these regulations are derived read as follows: "All ordinary and necessary expenditures paid or incurred in carrying on a trade or business may be deducted from gross income of the year in which such expenditures are incurred." (Sec. 23 (a), Internal Revenue Code.)

The validity of the regulations of the Treasury Department on this subject has been questioned in recent court action and uncertainty occasioned by doubts as to their validity is materially interfering with the exploration for and the production of oil. The Treasury Department and the Bureau of Internal Revenue have announced that they will continue to recognize the regulations under which they now operate unless otherwise directed by Congress.

The Ways and Means Committee in their report on this bill, Report No. 761, stated:

"For these reasons your committee deems it necessary to have Congress reaffirm its position that such regulations are in accordance with and have the full force and effect of law."

Emphasizing the importance of the necessity for emergency consideration, we call attention to a statement by Deputy Petroleum Administrator Ralph K. Davies with regard to petroleum production in his press release dated June 5, 1945, from which we quote the following:

"More than 400,000 barrels of the current daily crude-oil production in the United States come from fields and pools discovered since Pearl Harbor, Deputy Petroleum Administrator Ralph K. Davies said today in emphasizing the necessity of maintaining the exploration program of the industry at the highest possible level in order to meet military and essential civilian requirements. * * *

"Despite the termination of the European war, military and essential civilian requirements for petroleum products will remain at a level that will necessitate operation of the Nation's oilfields at or above their maximum efficient rate of production, the Deputy Administrator said.

"Consequently, the search for new fields and pools must be pressed at the maximum level consistent with available materials and manpower in order to offset the tremendous drain of the Nation's known crude-oil reserves, he explained.

"The drilling program for 1945 calls for completion of 27,000 development and exploration wells. Of this total, PAW has asked for the drilling of 5,000 wildcat wells. Mr. Davies said it would be desirable to increase this program as rapidly as materials and manpower become available."

The point of view of the armed forces with relation to petroleum supplies was stated by Capt. W. G. Greenman, United States Navy, Director of Naval Petroleum Reserves, in his statement to the Special Senate Committee Investigating Petroleum Resources on June 21, 1945, in the following language:

"The armed services are absolutely dependent upon petroleum products for fuel and lubricants to carry out their several missions in defense of the Nation. Substitutes and synthetics are not now sufficiently developed nor are they likely to be produced within a reasonable time in sufficient quantities to permit reliance upon them. Therefore, until a reliable substitute is available, the national security demands an assured reserve supply of petroleum both above and below the ground within the continental limits of the country ample for the needs of the armed services and for the industrial requirements of the Nation in time of war. A commodity so absolutely vital to the very life of the Nation ought not to be entirely dependent upon foreign supply and water-borne transportation."

The War Production Board on June 16, 1945, released for publication a list of 101 items and groups of items that are now or are expected to be in short supply which was submitted to the War Production Board in the first report of the newly appointed Joint Committee for Critical Material and Products. These are the items, the committee reported, that might bottleneck war-supporting programs or civilian programs of high urgency. Among these items is crude oil.

We sincerely hope that this important question may have your favorable consideration.

Mr. MOORE. To bring the situation down to the present, I also ask consent to place in the RECORD the following excerpt from the Oilgram, a representative trade publication, of July 17 date. Among the deterrents to the drilling which is now so greatly needed, according to this statement, is the uncertainty on tax matters arising from the court decision which gave rise to House Concurrent Resolution 50.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

HEAVY CRUDE PRODUCTION INDEFINITELY REQUIRED

WASHINGTON.—Producers heard from PAW today that crude production will have to be maintained indefinitely at a rate some 200,000 barrels daily in excess of maximum efficient capacity to meet refinery runs required for manufacture of the minimum essential quantities of war-supporting products.

The statement, made to the PIWC production committee by PAW Production Director J. R. McWilliams, was predicated on the

assumption of the Japanese war continuing through 1946. Mr. McWilliams added a belief, however, that production at this rate "can be attained without greatly endangering the sustained productive capacity of the Nation's oil fields through the probable remaining period of the war."

At the same time taking note of rumors of a sudden recent decrease in the demand for drilling rigs, he warned that total United States efficient productive capacity can be maintained only if the 27,000 new wells programmed for 1945 and the 30,000 wells which will probably be needed during 1946 are drilled.

"Failure to accomplish any portion of the projected drilling program will result," he said, "in a corresponding reduction in productive capacity. It is urgent, therefore, that every effort be made to attain the well completion rate programmed for this year."

PAW, Mr. McWilliams said, has investigated these rumors of a decrease in demand for rigs and found that the more important indicated reasons for the decrease are (1) increased delivery of new equipment so that a large number of new rigs have been placed in operation; (2) the absence of appropriate incentive because of controlled crude oil prices; (3) uncertainty surrounding the tax problems arising out of the FHE case decision by the Fifth Circuit Court of Appeals, and (4) a substantial decrease in available development well locations under the current well-spacing restrictions.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed without amendment the bill (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 3633) to facilitate reconversion, and for other purposes.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 3314) to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development.

The message also announced that the House had passed the bill (H. R. 3644) to amend the veterans regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability, in which it requested the concurrence of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS

A letter from the Attorney General, transmitting, pursuant to law, a report showing the facts and pertinent provisions of law in the cases of 110 individuals whose deportation has been suspended for more than 6 months by the Attorney General, together with a statement of the reason for such suspension (with accompanying papers); to the Committee on Immigration.

JURISDICTION OVER OFFENSES COMMITTED BY OR AGAINST CERTAIN INDIANS

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation (with accompanying papers); to the Committee on Indian Affairs.

REPORTS OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a confidential report of the Corporation for the month of April 1945 (with an accompanying report); to the Committee on Banking and Currency.

A letter from the Chairman and Secretary of the Reconstruction Finance Corporation, transmitting, pursuant to law, a report covering the operations of the Corporation for the period from its organization on February 2, 1932, to March 31, 1945, inclusive (with an accompanying report); to the Committee on Banking and Currency.

PERSONNEL REQUIREMENTS

A letter from the officer in charge, the American Battle Monuments Commission, transmitting, pursuant to law, an estimate of personnel requirements for that Commission for the quarter ending September 30, 1945; (with an accompanying paper); to the Committee on Civil Service.

SESSION LAWS OF THE TERRITORY OF ALASKA

A letter from the Secretary of Alaska, transmitting pursuant to law, certified copies of the 1945 Session Laws of the Territory of Alaska, including memorials and resolutions (with accompanying papers); to the Committee on Territories and Insular Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Council of the City of Portland, Oreg., favoring an increase in the facilities and staff of the Veterans' Administration at Portland, Oreg.; to the Committee on Finance.

By Mr. HILL:

A joint resolution of the Legislature of State of Alabama; to the Committee on the Judiciary.

"House Joint Resolution 38

"Whereas Franklin Delano Roosevelt served his country with patience, perseverance, fortitude, and courage in time of peace and in time of war; and

"Whereas he successfully guided this country out of the most serious depression which it has ever known; and

"Whereas he furnished this country and its allied nations with superb leadership during the most disastrous strife of the world; and

"Whereas, through his trust in humanity, Franklin Delano Roosevelt inspired others to believe in their fellowmen; and

"Whereas he fought valiantly for his ideals of world peace and security and inspired others to desire a world society built upon the 'four freedoms': Now, therefore, be it

"Resolved by the House of Representatives of the State of Alabama (the senate concurring), That the Congress of the United States is memorialized hereby to dedicate January 30, the birthday of Franklin Delano Roosevelt, as a national holiday, to be so proclaimed each year by the President of the United States, symbolizing the appreciation and respect which the people of this country have for a gallant leader of noble character; be it further

"Resolved, That the clerk of the House of Representatives of the State of Alabama is directed hereby to transmit copies of this resolution to the Speaker of the House of Representatives and the President pro tempore of the Senate of the Congress of the United States and the Members of Congress from the State of Alabama."

REPORT OF COMMITTEE ON AGRICULTURE AND FORESTRY

Mr. LUCAS, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 518) to provide for the issuance of permits for the use of live decoys in the taking of ducks, reported it with an amendment and submitted a report (No. 506) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

S. 1289. A bill to amend section 1 of the Federal Power Act, with respect to the terms of office of members of the Federal Power Commission;

S. 1290 (by request). A bill to amend the Transportation of Explosives Act, as amended; and

S. 1291 (by request). A bill to amend the Interstate Commerce Act, as amended; to the Committee on Interstate Commerce.

By Mr. McCARRAN:

S. 1292. A bill to provide for one national cemetery in every State and Territory and such other national cemeteries in the States, Territories, and possessions as may be needed for the burial of war veterans; to the Committee on Military Affairs.

HOUSE BILL REFERRED

The bill (H. R. 3644) to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability, was read twice by its title and referred to the Committee on Finance.

PROPOSED JOINT COMMITTEE ON FEDERAL-STATE RELATIONS

Mr. WILEY. Mr. President, I ask unanimous consent to submit a concurrent resolution which would create a joint committee on Federal-State relations.

This committee would be charged with the investigation of the present interrelationships between the powers and the activities of Federal, State, and local governments.

It would make recommendations for the restoration and maintenance of the proper distribution of authority and functions among those governments, as provided under the United States Constitution. The joint committee would seek to encourage harmony, efficiency, economy, and cooperation in the interrelated work of Federal, State, and local governments.

I would not submit this concurrent resolution to create still another congressional committee did not the situation urgently demand it.

The battle between the proponents of centralization and the advocates of local self-government will rage fiercely in the coming months and years. The battle between local democracy at the cross roads and Federal bureaucracy in Washington, D. C., will be intense and unremitting. The Federal bureaucrats will not give up their ill-gotten gains of power without a fight. They will not voluntarily surrender the functions which they kidnaped from the States and localities under the cloak of the depression and the war emergencies.

For years we have looked with dismay not only upon the kidnaping of States' rights by the Federal Government, but upon the insidious Federal undermining of the will to local self-rule.

Now we can do something to halt and reverse this process by agreeing to this concurrent resolution.

But there are other compelling reasons for this joint committee.

The most casual observer can detect the scrambled chaotic mess of overlapping and conflicting Federal, State, and local statutes on such a matter as taxes. This committee could help straighten out the tax mess.

The most casual student can see that the Federal and State Governments must get together on such matters as aviation laws. This committee could help insure such cooperation.

Everyone can see that there is a vast twilight area between the powers and the functions of the State and Federal Governments. This committee could help clear up that twilight area.

Right now the joint committee, if it were established, could scrutinize the national airport program. This committee could point out that this program, if enacted, would short-circuit and circumvent State governments to a certain extent.

Right now this joint committee, if established, could be working for the immediate return of State employment services to the States.

If this joint committee were established now, it could be working to restore other powers to our States and localities, for the States and localities can stand on their own feet today and reassume all the powers that were taken from them.

Our States today are in a better financial condition than they have been for perhaps the last 100 years. They are perhaps in a far better condition than any of the other levels of government. Almost all of the States have substantial surpluses largely invested in war bonds. A considerable part of these surpluses are earmarked for postwar public works. The States need a green light to go ahead. The establishment of this joint committee would flash that green light.

It would flash a green light, too, to the localities, to business, and the rest of our population. It would show them that America's march on the road to serfdom has come to a dead stop and is being reversed.

But do not mistake the purpose of this committee as being to force a return to the past. The past is dead. The purpose of this committee would be to review existing legislation on the statute books, to review pending legislation, and to formulate its own plans and legislation whereby the immortal concepts of checks and balances in the American Constitution could be dynamically interpreted and implemented for the needs of today and tomorrow.

Woodrow Wilson once said:

> The question of the relation of the States to the Federal Government is the cardinal question of our constitutional system. It cannot be settled by the opinion of any one generation because it is a question of growth, and every successive stage of our political and economic development gives it a new aspect, makes it a new question.

I ask, then, Is not a joint committee on Federal-State relations, dedicated to so momentous a question, desirable now and in the years to come?

In these last significant days—and how significant they have been—and in what will take place next week—and how significant that will be—America will have cut her moorings from the past, not simply politically but economically, agriculturally, on the sea, and in the air. This National Government of ours, by the acts of this very Congress, has decided, in fact and in deed, to act its part on the world stage. We are now the leading Nation on earth. Whether we like it or not, after we adopt the San Francisco Charter next week, the moorings of the past will have been cut. I say in all sincerity to the Members of the Senate, is not this an added reason why we should reinstate the relationship between the States and the Government contemplated by the founding fathers when they formed the Constitution, getting rid of Government controls over the States—controls which came into existence by virtue of the depression and the war—and demobilizing the army of Government bureaucrats—all America wants that done—which will weaken our internal stability if we do not do so? This is particularly true now that we have embarked on this foreign adventure.

Mr. President, it seems to me that the outstanding reason for the adoption of the resolution which would result in having the joint committee begin to operate is that the Federal Government now is reaching out into the States, as it did in the past, taking away from them functions which under the Constitution belong to the States. By virtue of legislation passed by Congress, the Federal Government is reaching out into the whole world. It has plenty to do in the international picture without taking over the functions which, under the Constitution, belong to local government.

Mr. President, I ask unanimous consent that the concurrent resolution be printed in full in the RECORD following my remarks, and that it be appropriately referred.

There being no objection, the concurrent resolution (S. Con. Res. 24) was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a Joint Committee on Federal-State Relations (hereinafter referred to as the committee) to be composed of 5 Members of the Senate to be appointed by the President of the Senate, and 5 Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the function of the committee, and shall be filled in the same manner as in the case of the original selection. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall make a full and complete study and investigation of the present interrelationships between the powers and work of Federal, State, and local governments, with a view to making recommendations for the restoration and the maintenance of the proper distribution of authority and functions among those governments as provided under the Constitution of the United States, and with a view to making recommendations for the encouragement of harmony, efficiency, economy, and cooperation in the interrelated work of Federal, State, and local governments.

SEC. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

(c) The expenses of the committee, which shall not exceed $10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

(d) The committee shall report to the Senate and the House of Representatives at the earliest practicable date the results of its study, together with such recommendations as it may deem advisable.

THE PRESIDENT'S EXTEMPORANEOUS SPEECH IN BERLIN

Mr. HATCH. Mr. President, a few moments ago I happened to pick up today's issue of the Washington Daily News and read therein an editorial on the subject of President Truman's extemporaneous speech in Berlin. In a moment I shall ask that the editorial be read from the desk.

In particular, I wish to call attention to one thing which the President said in Berlin in his extemporaneous speech. I have been asked about it. Other Senators have been asked about it. Did he mean that we should not have bases in the Pacific? I think the President's language was very clear when he said:

> There is not one piece of territory or one thing of a monetary nature that we want out of this war.

I believe that the President, in using those words, expressed the voice of the American people.

I ask unanimous consent that the editorial be read from the desk.

The PRESIDING OFFICER. Without objection, the editorial will be read.

The legislative clerk read as follows:

AMERICA SPEAKS

President Truman's extemporaneous speech in Berlin was a model. It was equal to the occasion.

This was not just another flag-raising. This was the same precious cloth that flew over the Capitol in Washington the day we went to war. Eisenhower raised it over Algiers when he won the north African campaign. It announced to Rome the liberation of the Holy City. Now it flies over Berlin's ruins, proof that democracy is stronger than aggressors. And this same Old Glory next will wave over a defeated Tokyo.

We commend to politicians the President's literary style. It has the virtues usually

lacking in those who orate. Simplicity, clarity, conviction—and brevity. His whole address took 2 minutes. It had only 219 words, few longer than two syllables.

But those words carried great meaning. They were a proud declaration of American victory, a confident assertion of American strength, and a pledge to use America's superior power for world prosperity and peace:

"We have conclusively proved that a free people can successfully look after the affairs of the world.

"This flag we are raising * * * in the name of the people of the United States who are looking forward to a better world, a world in which all the people will have an opportunity to enjoy the good things in life—and not just a few at the top.

"There is not one piece of territory or one thing of a monetary nature that we want out of this war. We want peace and prosperity for the world as a whole.

"If we can put this tremendous machine of ours, which has made this victory possible, to work for peace we could look forward to the greatest age in the history of mankind. That is what we propose to do."

The President has been called "just an ordinary American." Of course, he is no average man. But what he said yesterday at the flag ceremony in Berlin does express the pride and the will and the hope of plain Americans.

THE PRESIDENT'S ADDRESS ON RAISING AMERICAN FLAG OVER GROUP-CONTROL HEADQUARTERS

Mr. BURTON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, immediately following the remarks of the senior Senator from New Mexico [Mr. HATCH] earlier in the day when he inserted in the RECORD an editorial referring to the address made by President Truman in Berlin on July 20, the address delivered by the President at the time of the raising of the American flag over the group control headquarters.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

General Eisenhower, officers and men, this is a historic occasion. We have conclusively proven that free people can successfully look after the affairs of the world.

We are here today to raise the flag of victory over the capital of our greatest adversary. In doing that we must remember that in raising that flag we are raising it in the name of the people of the United States who are looking forward to a better world, a peaceful world, a world in which all people will have the opportunity to enjoy the good things of life, and not just a few at the top.

Let us not forget that we are fighting for peace and for the welfare of mankind. We are not fighting for conquest. There is not one piece of territory or one thing of a monetary nature that we want out of this war.

We want peace and prosperity for the world as a whole. We want to see the time come when we can do the things in peace that we have been able to do in war.

If we can put this tremendous machine of ours, which has made victory possible, to work for peace, we can look forward to the greatest age in the history of mankind. That is what we propose to do.

TIDEWATER OIL LANDS—LETTERS FROM SECRETARY OF THE INTERIOR

[Mr. HATCH asked and obtained leave to have printed in the RECORD letters dated June 25, 1945, and July 16, 1945, from Hon. Harold L. Ickes, Secretary of the Interior, to Mr. Robert W. Kenney, attorney general of California, on the subject of tidewater oil lands, which appear in the Appendix.]

WARTIME SERVICE AND TREATMENT OF CONSCIENTIOUS OBJECTORS—REPORT OF AMERICAN FRIENDS SERVICE COMMISSION

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a summary of a report entitled "The Experience of the American Friends Service in Civilian Public Service," which appears in the Appendix.]

RESIGNATION OF GENERAL CHENNAULT—EDITORIAL COMMENT

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD several editorials from New Orleans newspapers commenting on the resignation of General Chennault, which appears in the Appendix.]

LOAN TO ELLIOTT ROOSEVELT BY JOHN HARTFORD—EDITORIAL FROM SATURDAY EVENING POST

[Mr. WHERRY (for Mr. CAPEHART) asked and obtained leave to have printed in the RECORD an editorial entitled "Elliott's Loans Belong in New Deal History," published in the Saturday Evening Post of July 21, 1945, which appears in the Appendix.]

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The Senate resumed the consideration of the joint resolution (H. J. Res. 145), providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

The PRESIDENT pro tempore. The joint resolution is before the Senate and open to amendment.

REDEPLOYMENT AND TRANSPORTATION OF SERVICEMEN

Mr. LUCAS. Mr. President, recently there has been considerable controversy over the redeployment of the Army, primarily from the European theater of operations. Some confusing statements have been issued and some misinformation has been disseminated, the result being that members of families of men now in the armed services have written to me numerous letters requesting that I give to them the true and correct information on this problem. In attempting to ascertain the facts, Mr. President, I have turned to Mr. John J. Pelley, president of the Association of American Railroads, a man whom I personally know. I turned to him with the full realization that I would get from him the facts without color or distortion. I also talked with the Under Secretary of War, Mr. Robert P. Patterson about the number of men who are returning from the European and Pacific theaters, and I will have something to say about that in the course of my remarks. I have also talked informally with Col. J. M. Johnson, director of ODT, and have received a copy of a letter which he directed to Fred Vinson, which I shall include in my remarks.

My conversation with Mr. Pelley resulted in a request from me that he give to me in writing the story, as he understands it, insofar as the railroads of America are concerned. I am going to read and interpose some of my own comment upon this letter, Mr. President, because it is an exceedingly interesting letter, and it brings the facts up to date upon a question which is creating some controversy throughout the country. The letter is as follows:

JULY 20, 1945.

The Honorable SCOTT LUCAS,
United States Senate, Washington, D. C.

DEAR SENATOR LUCAS: The facts as to the movement of servicemen by rail, about which you asked me yesterday afternoon, are briefly outlined below:

The outstanding fact is that the redeployment of the Army is being accomplished promptly, and even ahead of schedule. The armed forces are doing a great job in getting the soldiers home from Europe more rapidly than anyone could have hoped for.

Mr. President, I wish to discuss that point. Apparently there has been criticism by some individuals in this country of the fact that the Army has not kept the railroads up to date with respect to the schedule of men returning from overseas. From some quarters there has been apparent criticism of the Army because the Army has been bringing more men from the European theater than the Army originally scheduled.

Mr. President, if I were directing the affairs of the Army in the office of the Secretary of war, there is nothing I would like better than to be found guilty and convicted of bringing back the men from Europe quicker than was originally planned. I can think of no greater compliment to the Army, irrespective of what the Army planned in the past, than getting American soldiers out of Europe as fast as possible. There may be some delay and some confusion in this country as a result of bringing the soldiers home from Europe with more speed than the Army originally planned. I think it goes without saying that a man serving his country would rather spend some extra time in camp in America than spend it in Europe. Members of our armed forces are now being returned at the rate of 4,000 every day, including Sunday, and the War Department advises me that they will soon step up that rate. The Army is now running ahead of schedule in returning the boys to the United States. Since May 12 of this year approximately 300,000 men have been discharged by the Army, and those 300,000 men who have been returned to America are now in civilian clothes, 200,000 of them having been discharged through the point system and 100,000 having been discharged because of age, physical causes, or for some other reason.

Mr. President, I wish to digress a moment at this point to recall a bit of history of the last political campaign. I think every Senator will recall the statement made by Governor Dewey, the 1944 Republican candidate for President, in one of his early speeches, wherein he charged that the Army, the administration especially, were, after the war was over, deliberately going to hold men in Europe in the Army in order to keep them from coming home and going on relief. It was one of the most unusual statements I ever heard made by a candidate running for the highest office within the gift of the people. I never believed that a man running for that office would trade upon the hopes and the yearnings of the American wives and mothers and sweethearts of these

men in order to gain a few votes. But it was done.

I mention it now so that the record may show that it is answered and proved false as demonstrated by what the Army and the administration are now doing in bringing these boys back to America ahead of schedule. Mr. President, I think it is a remarkable tribute to the Army.

The other day I read in the press an article stating that the Mead committee is investigating this situation. I called for a copy of the release that went to the press, and I find this statement issued by the distinguished Senator from New York:

> The committee's investigations to date reveal that there was little long-range planning with respect to redeployment, particularly the redeployment of troops. Government agencies vitally interested in the entire question were generally not consulted and were frequently even in ignorance of some of the plans made by the Army.
>
> Adequate planning and careful coordination by all of the Government agencies involved would have helped to cushion the shock of the job which the railroads must now perform.

Mr. President, I challenge that statement which has been made. Senators will find when they listen to John Pelley's letter that the railroads could not cushion the shock regardless of how much planning was done.

I again compliment the Army for bringing these boys back, regardless of any previous plan or schedule, and returning them to this country as fast as available transportation facilities can transport them.

I wish to make another comment while I am discussing the statement issued by the Mead committee. I do not know what is customary in the Mead committee with respect to issuing statements of this kind in advance of open public hearings. It may be the custom. If I were on the committee I would fight that custom. If executive sessions are to be held, and the press and Senators and other individuals are not allowed to be present and listen, and thereafter public statements are to be issued condemning and criticizing an agency of Government without allowing it an opportunity for a hearing, I submit, with all the sincerity I possess, that such procedure is wrong. This statement went to the country, and the headlines in the newspapers indicate that the Army is getting the blame, and criticism for the confusion, if any, which exists.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. I appreciate very much the very forceful argument being made by the senior Senator from Illinois. I commend him for the statement relative to getting the troops home as fast as possible. All of us want that done.

Mr. President, very seldom do I rise in defense of a candidate. A candidate's record is the candidate's best defense. I think that a past political campaign is water over the dam. However, I suggest to the distinguished Senator, because I know he wants to be fair, that the statement which he attributed to the Republican nominee, Tom Dewey, was a quotation he made from the statement which General Hershey made at that time. General Hershey was a direct representative of the President. I am not in any way criticizing the Senator's statement, but I should like to keep the record straight. If I correctly recall the incident, Tom Dewey was quoting what General Hershey said. If I am correct, I should like the distinguished Senator from Illinois to correct the record. If not, I am glad to be corrected.

Mr. LUCAS. Has the Senator finished?

Mr. WHERRY. Yes.

Mr. LUCAS. The Senator is correct. Tom Dewey was quoting a statement made by General Hershey, the Selective Service Director, who apparently did not know any more about the demobilization program which had been approved by the Congress of the United States than did one of the Senate pages. I do not care to rehash the political campaign of 1944, but if the Senator wishes to go into it, I shall join issue with him. The point I am making is that, instead of Dewey going to General Marshall and others whom he praised in his Chicago speech as doing a superb job, he took his information from a subordinate who knew nothing about the demobilization program.

Mr. WHERRY. Let me suggest to the Senator that General Hershey was the direct representative of the President of the United States. He was the one who made the statement. Whether the statement was correct or incorrect, he was the one who issued it, and he was responsible.

Mr. LUCAS. The Senator can have it that way; and if he wishes to defend Mr. Dewey at this late hour, it is perfectly all right with me. It was one of the things which helped defeat him in the campaign. He appealed to the yearnings and hopes of mothers and wives in order to get a few votes.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BREWSTER. I do not intend to enter into a discussion of the political aspects, but I am concerned about the second phase. I am concerned about the Mead committee. I will not even undertake to defend its chairman or its procedure. However, I wish to express my regret that the Senator has found it necessary to raise this issue today, when several members of the Mead committee, including myself, are giving our best efforts to deferring a contemplated public hearing on this matter on Monday, at the suggestion both of the Army authorities interested and of Colonel Johnson, of the Office of Defense Transportation, in the anticipation that such action would serve the public interest. I can see no other conclusion of the issue which the Senator is now raising than to go forward with the hearing, which I personally very much regret. I say this in justice to General Franklin, of the Army, with whom I have discussed the question, and Colonel Johnson, of the ODT. Whether the Senator was informed of that situation I do not know; but it is certainly most regrettable.

Mr. LUCAS. I regret that the Senator from Maine takes that position. I thought that a Senator had the right to speak upon any subject he might choose to discuss. I cannot keep up with the investigations which the committee is making in every conceivable field, which is perfectly proper under the resolution creating the committee.

I learned for the first time this morning from the attorney, when I asked for a copy of the release, that three executive sessions had been held, and that a public hearing was contemplated on Monday. I did not realize that in making this statement I was trespassing upon the rights of the Mead committee; and I am very sorry that the Senator from Maine thinks it is regrettable for me to discuss here a question which is of such vital interest to the American public. I know that whatever I may say will not deter the famous Mead committee from going ahead and making its investigation. The Mead committee has done a good job and will continue to do a good job. However, I have this letter of explanation from Mr. Pelley and obviously I shall proceed to read it into the RECORD.

Mr. BREWSTER. Mr. President, will the Senator further yield?

The PRESIDING OFFICER (Mr. HOEY in the chair). Does the Senator from Illinois yield to the Senator from Maine?

Mr. LUCAS. I yield.

Mr. BREWSTER. I quite agree with the Senator. I hope that nothing in my remarks indicated any questioning of the complete propriety of the Senator's procedure.

Mr. LUCAS. But the Senator said that it was regrettable that I was making a statement on the floor of the Senate with respect to this situation, in view of the fact that the Mead committee was to handle the subject on Monday in an open hearing.

Mr. BREWSTER. That was not what I said. I said it was regrettable in view of the fact that several members of the Mead committee were moving heaven and earth to try to stop a public hearing on Monday, with the idea that the public interest would be better served. That was what I said. They are doing so at the suggestion both of the Army and the ODT. That is why I regretted that this had happened. I did not in any way question the Senator's motives, or the propriety of his statement.

Mr. LUCAS. In view of that statement, I believe that there should be an open hearing, and that the Army should have an opportunity to make reply, in view of the unfavorable publicity emanating from the Mead committee which has been spread all over the country. Such is certainly not in accordance with the best interests of the Army.

Mr. BREWSTER. I think there is no other course.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from New York.

Mr. MEAD. Personally, I have no objection to the discussion of this matter on the floor of the Senate at this time. However, let me say in behalf of the committee of which I happen to be chair-

man that some weeks ago, realizing that it was our duty under the circumstances to make inquiry into the transportation problem, the committee called the head of the ODT, Colonel Johnson. Among other things, Colonel Johnson told us that unless additional personnel were found for the railroads, it would be most difficult for them to carry out this huge undertaking. He also stated that on one occasion the Army brought into the country 100,000 men more than he had been told to provide for. On another occasion——

Mr. LUCAS. I wish, so far as I am concerned, they could bring in a million more than they prepared for.

Mr. MEAD. That is why we felt that there should be some coordination, because returning the men to this country is one thing, but providing transportation so that they can go home is quite another thing.

Mr. LUCAS. Yes; and we have not the transportation. That is the point I wish to read from Mr. Pelley's letter. I would rather have the million men in camps in this country, regardless of what the previous arrangements were. If I had been serving in the Army in Europe for 2 years, I would want to get back to America, and into a camp in this country.

Mr. MEAD. But we cannot get the men to camps in this country unless railroad service is available at the docks to take them to the camps. Colonel Johnson said he had the right to know about the plans of the Army. The Secretary of the Navy told us that he was not informed about the Army operations, but that he thought it was some of his business.

Mr. LUCAS. I agree that there should be full cooperation, but if I were being returned from Europe after serving in the Army for 2½ years, and landed at New York and was told to go to a camp, I would get there. I would not care whether railroad transportation was available or not. I would get to that camp. And, remember, New York is not the only available port for the deployment of these men.

Mr. MEAD. It would be much better if the Army, the ODT, and the Navy could get together so as to do a more efficient job. That is why we brought this question to the situation it now occupies. It is a matter for hearing before our committee. We hope to aid in bringing the agencies of the Government together so that they will solve the problem in a more effective way.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHEELER. Let me say that I noticed the release from the Mead committee. I thought the Interstate Commerce Committee was the committee which handled transportation matters, but I find that certain of the special committees of the Senate are taking up transportation as well as other matters.

I wish to say that before the Mead committee took it up, it came to my attention. I called Colonel Johnson, of the ODT, and had him at my office. I talked to him about this transportation problem. He told me the trouble was that the transportation which was needed was not available. He said they were doing everything humanly possible, but that the men were being brought from Europe much faster than they could be handled by the transportation facilities out of New York or some of the other ports.

I agree entirely with what the Senator said. After visiting various camps in Europe, I did not find a soldier over there who did not want to get back to the United States as quickly as possible. All of them said, "Get us back to the United States." That was the first thing they said to me.

For instance, we visited a camp where there were 43,000 American troops who had been released from German prisons. They were complaining because they could not get back home. They felt they were the forgotten men. We flew to that camp with General Eisenhower. I wish to compliment him because of the way he handled the situation. He said to them, "I am going to get you back in boats or in airplanes; I am going to get you back just as fast as possible. Even if you have to stand up on the boat, I am going to get you back home." He made a personal inspection, because someone in the United States had written an article saying that the troops were not being properly taken care of and were not getting back as rapidly as possible.

We must look at the matter from the standpoint of the Army. Every soldier over there wants to get home. The Army is being criticized because it is not getting them back home soon enough. That is having a demoralizing effect.

I agree entirely that if I had been in a German prison camp or if I had been in the front lines for 2 years, I would want to get home—to New York or to some other United States port—as quickly as I could, even if I had to stand up in a railroad car after I got here.

Mr. LUCAS. Mr. President, I thank the Senator from Montana for his statement. I think he is correct in what he says.

I, too, have talked informally to Colonel Johnson about this matter. I know the colonel's position. Perhaps there has not been a complete exchange of information among all departments concerned, but it is not of such importance, in my opinion, to be making a national issue out of it. I say that just so long as the Army keeps bringing our troops back from Europe—and there are 2,000,000 of them to be discharged—that is going to be all right with the Senator from Illinois. I know there are some difficulties and some transportation problems, but in a moment I shall read John Pelley's letter which will explain the whole thing.

Mr. KILGORE. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield.

Mr. KILGORE. I wish to say for the information of the Senator from Illinois that I talked to Colonel Johnson a few minutes ago on the very question which is now under discussion. At that time he said that the executive hearings previously held had resulted in his obtaining the information he needed to have in order to make proper plans, and at that time he asked that nothing further be done until he had an opportunity to work out the plans. I think that is what the Senator from Maine [Mr. BREWSTER] was referring to, namely, the request of the ODT regarding this matter.

I also wish to say that while I agree it is best to get the troops back home quickly, at the same time there would be one of the worst complaints in the world if 4,000 men a day were turned loose on the streets of New York, to get home as best they could.

I think this matter must be synchronized. The loophole or the principal difficulty seems to be that the information was not being furnished to the ODT, and thus the transportation plans could not be made.

I think that is what Colonel Johnson wants; I think he has obtained the information now. All he asked this morning was to have a little peace and quiet until he could put the plans into effect. I merely wished to make that statement.

Mr. LUCAS. Mr. President, the trouble is that the Senator from West Virginia [Mr. KILGORE] and the Mead committee have seen fit to give press releases to the country. That is what has caused the disturbance. One certainly can conclude from that release that men should not be brought back more quickly because of some chaos and confusion. Would the Senator rather have the original schedule maintained, and not bring back the men from Europe any more rapidly than they have been brought?

Mr. KILGORE. No; and neither would Colonel Johnson.

Mr. LUCAS. Then what is all the shooting about?

Mr. KILGORE. That is what I should like to know.

Mr. GEORGE. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield.

Mr. GEORGE. I am much interested in this discussion. I am wondering whether I have been doing anything wrong when I have been urging that captured German ships be put to the task of bringing back American troops. I fuliy agree with the Senator from Illinois that there is more than one port of debarkation in the United States; and with ample and increased shipping facilities, it is not necessary to land all the troops at one port, to wit, New York, and to send them all over the country from that one congested area.

There are seven German ships in various ports that are now under the control of the British. Approximately 35,000 men a month could be brought back by them, in addition to the men who can be moved by our own ships. Those captured German ships are seaworthy; I am advised that is true by men with long shipping experience. They can sail out of port under their own steam. They can come into our ports on the east coast, and can be put in first-class condition within from 30 to 90 days. It is true that Great Britain and Russia have an interest in those ships. Their replacement value is estimated to be approximately $75,000,000. We certainly have an equal interest in the ships. Great Britain and Russia owe us money on lend-lease and for various other causes, and there would seem to me to be no reason on earth why

our authorities do not ask for these ships, which cannot presently be used profitably by Great Britain or Russia, and put them into the service of bringing back our men.

I fully agree that it would be better to bring them back to the United States than to leave them in Germany. Think what it means to those men. We had an Army of more than 3,000,000 men in Europe at the end of the war in that theater. We propose to keep only 400,000 of them there for a permanent army of occupation. We are bringing them back at the rate of approximately 4,000 a day at the moment. About 200,000 a month is the estimated capacity, I believe. On that basis many men who fought through the campaigns in Europe will be there for more than a year before they will embark for the shores of America. That ought not to be tolerated if it lies within our power to bring the men back more speedily.

There may be difficulties and delays between the time the men land from sealanes and ships and their transportation to their homes by the railroads and other carriers; but it would be better for the men to get out of Europe, because I can think of nothing which would be more discouraging and destructive of the morale of our men and of their families at home than to know that after the battle in that area had been over for more than a year many of them would have to cool their heels in Europe before they could actually set sail for America.

Mr. LUCAS. Mr. President, I thank my distinguished friend from Georgia, and I agree fully with everything he has said. Every ship we can charter will be none too many.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McKELLAR. I wish to express my full approval of everything which the distinguished Senator from Georgia [Mr. GEORGE] has said concerning the desirability of bringing about a speedy return of our soldiers from Europe.

I invite attention to the fact that France requires that we pay our soldiers in French money. She by law takes our dollar. She claims that under some sort of an agreement, made with somebody over here, somewhere, and that no one seems to know much about it, the monetary exchange is on a basis of 50 French francs to the dollar, but in France itself the rate is much higher, 150 French francs to the dollar, so that our soldiers are deprived of at least two-thirds of their pay. Incidentally, this is gratitude. It is an outrage upon America. America has done a great work for France. She has helped to free her from the control of Germany. It seems to me that we should be able to move our soldiers more rapidly than we have been able to do up to the present time. If it is necessary for the Congress to take action in order that our soldiers may be returned from Europe, where, I repeat, they are being defrauded in the amount of salary they should receive, defrauded under an alleged agreement, then I submit that Congress should take whatever action is necessary in order to correct the situation.

I think the action of the Senator from Illinois [Mr. LUCAS] in bringing this matter before the Senate and the public is very timely. I thank him for doing so.

Mr. LUCAS. I thank my able friend the Senator from Tennessee.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAGNUSON. I was not present during all the remarks of the senior Senator from Illinois on the subjest being discussed, but I entirely agree with what I have heard.

It seems to me that there is another phase of the problem which perhaps the Mead committee should look into. It involves a great volume of shipping. The Army and Navy are still engaged in a war in the Pacific and are deploying many of our ships around to the Pacific theater. That procedure, of course, may result in a shortage of shipping in the Atlantic which otherwise could be used in bringing men from Europe back to the United States. I think it is time that the Army and Navy should correlate their shipping requirements with the War Shipping Administration, and arrange for a certain volume of shipping to be used in bringing our men back from Europe. We have so many ships, and so many men. Provision should be made for bringing the men home within a certain length of time. Many of them, of course, are being sent today to the Pacific area. That means that they have only a one-way passage.

Mr. LUCAS. The men who are being brought back to the United States are being moved faster than was called for by the original schedule. That is why I compliment the War Department rather than criticize it.

Mr. MAGNUSON. That is correct, but many of the ships which are now being used in bringing men back to this country will not be able to keep up the good work. They will be sent around to the Pacific, and there will be a slow-down in about a month because the ships will be used in taking men to the Pacific theater.

Mr. LUCAS. That may be true, but the War Department thinks it may be possible even to increase its present schedule.

Mr. MEAD. Mr. President, I really believe this discussion will be very helpful. I think we are all in agreement that we want the maximum number of men brought home which it is possible to transport. Our committee is attempting to bring together all the agencies of the Government with the idea of coordinating their effort in order to bring about a maximum transportation of the boys from the European theater to America. That matter extends beyond the province of any one committee of the Senate for the reason that coordination of all transportation agencies is an essential factor. It includes aviation, the merchant marine, the railroads, and other forms of transportation.

If we could arrange—and we have discussed this matter at a meeting of the committee—for the Army Transport Service to deliver men at Atlanta, for example, where the facilities for handling them are quite ample, instead of at Miami, it would take a tremendous strain off the railroads and would add to the possibility of bringing about a greater deployment of troops. We are discussing the matter with all agencies of the Government which may be concerned. Only the other day we had a hearing with one of the officers of the War Shipping Administration in connection with one of the matters mentioned by the Senator from Washington [Mr. MAGNUSON].

There is also necessary another coordination, namely, a coordination of the highest possible echelon, a coordination of the United Nations. In one of the harbors of Europe there is located one of the greatest passenger-carrying ships in Europe. It will be necessary to dredge a channel 750 feet long before that ship can reach the sea. In an effort to obtain all the available ships and bring back the maximum number of troops to America, it is necessary to discuss with other agencies of the Government the possibility of placing in service ships which are locked up in some of the harbors of Germany and other countries. We want the maximum number of those ships used in bringing home our troops, and in taking to the Pacific the troops which will have to be transferred to that area.

It is a gigantic task, Mr. President. It will require coordination of all agencies of the Government which may be interested in the matter of transportation. It will require coordination of all the United Nations in order that the maximum number of ships may be put into service.

We are all anxious to bring back our men at the earliest possible time, and I am sure that every effort will be made in coordinating the efforts of the various agencies to the end that our objectives may be achieved.

Mr. LUCAS. That is the point I have been making, and that is exactly what the War Department officials are doing. They are today bringing back more men from Europe than they said they would bring back when the original schedule was established. Yet, the Army has been condemned because it has not taken up with other agencies of the Government, particularly with the Mead committee, every detail of the problems involved. Consequently the Army is on the griddle.

Mr. McKELLAR. I do not wish to be understood as criticizing the Army.

Mr. LUCAS. The Senator did not criticize it. He was complimenting the Army in the statement which he made a moment ago.

Mr. McKELLAR. I do not think the Army should be criticized for what it has done. It has done a magnificent work. I think the Senator from Illinois is to be complimented for bringing the subject to the attention of the public, and of this body.

Mr. LUCAS. I am grateful to the Senator. I take the position that we should be able to bring these 2,000,000 men back to America at least as fast as we sent them there. I am informed that in many cases they were sent there faster than they are being brought back. Certainly, we should be able to bring them home to peace, with the same speed, or even greater, than we sent them across the seas to war.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FERGUSON. I am glad the able Senator from Illinois has brought this matter to the floor of the Senate, because I think it is a question which deserves the attention of the Senate. I know of no one claiming that our men and women are being brought back to this country too fast. Having been over where these soldiers are, I know every one of them wants to get back at the earliest possible date, and it is the duty of the Government to see that they do get back at the earliest possible date.

So far as the Mead committee is concerned, it needs no defense. I think in this particular case it did not go into the other committee's work. It merely went into the coordination of the various agencies in the solving of one of the big American problems; that is, transportation of the soldiers from Europe to this country, and then from the ports to their camps or their homes. This question is very vital to our war effort and it is within the committee's jurisdiction.

In the executive hearings we discovered that there was absolutely no coordination so far as the ODT was concerned. It is said by the able Senator from Illinois, based on the letter he read, that the Army is bringing the men back faster than they anticipated would be done. What I want to know is, why did not the Army anticipate that we could bring them back as fast as we are bringing them back, and then why did they not take it up with the ODT and the ones responsible for their transportation so that the ODT, railroads, and air lines would be able to transport the men?

I for one want them transported at once. But we must realize that we must have civilian production to keep the war in the Pacific going. I should like to see the Army bring some of these men home by way of the St. Lawrence River. Some of the boats could come up the St. Lawrence and the men could be shipped by the railroads from Canadian ports into the United States. I should like to see the Army stop the four-engine planes at Presque Isle, in Maine, and then two-engine planes could fly the men to Detroit, to Chicago, to St. Louis or other cities, where there is plenty of transportation, and the men could be moved. There are many airports where these men could be landed. There are many ship ports where they could be landed. The fact is that the Mead committee is going into the lack of coordination upon the part of the Army, and the other agencies, not that the Army is not doing the job of getting the men back, but there is the other job to do the whole job and that takes coordination and that is what the Mead committee has been going into.

Mr. President, I hope that the coming hearing will be public, and if the testimony before the public is as it is anticipated from what it has been in the private hearing, then the people will learn, not that too many men are coming back, no, we want them back faster than they are coming back, but when we get them to these shores, we want coordination with civilian authorities here, the ODT, the Navy, and all the airplane companies and the railroads so that we can transport the men to their homes. I say that such coordination should even extend to where the men are sent to camps. We find them now going clear to the Pacific coast to their homes, then we find them coming back to the Atlantic coast to camps here, and then we will find them going back again to the Pacific.

Mr. President, we will have to increase transportation on the western roads 25 percent if we are to do the job in the Pacific we have to do. The test will be, can we do it and have the railroads transport other passengers? We will have to give up a great number of freight trains which are going to carry munitions. We need further coordination. We need the doctors brought back. When I was in Germany——

Mr. LUCAS. Mr. President, I do not desire to yield for an hour's speech. I thought I was yielding for a question, more or less.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. LUCAS. I will let the Senator conclude.

Mr. FERGUSON. I wish to say a word about coordination in bringing the doctors home where they are vitally needed. When I was in Germany I saw the coordination of the Army in releasing prisoners, taking them within 5 miles of their homes so that they engage in farming activities. I found they were trying to coordinate so as to get coal miners; they were releasing men from prison camps to enable them to go home and mine coal, and others to work in the transportation field. But we need 25,000 men, we are told, on the railroads in the United States. What has been done to transport from the western front immediately those skilled railroad men who have 85 points or more so that they may go to work on American railroads? What has been done to bring our doctors home, what has been done to bring our coal miners home?

I say that what we need is not only to bring them home but we need coordination among the agencies. The miners could come home, the doctors could come home, and we should get them all home so that they could do the job at home that has to be done. It is not a matter of criticizing the Army for not bringing them back. The criticism is that they are not bringing them back in the correct order, and are not telling the agencies here when they are going to bring them back; there is no coordination.

Mr. MAYBANK. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. MAYBANK. I feel, as does every other Member of this body, that the soldiers cannot be brought home too quickly. But, in justice to the Army, as a member of the Committee on Military Affairs, I wish to say that I went to practically every country in Europe during the recent months, and words could not express my appreciation for what the Army is doing in bringing the men home. It is an almost impossible task, as the distinguished Senator from Illinois has said. It is true they are now bringing the men home faster than they originally expected to. General McNarney, in the Italian theater, will probably have nearly every soldier home from that theater by December, and everything possible is being done. They are coming home faster and more quickly because of the excellent way in which the Army and Navy jointly have handled the problem.

When they started sending the men home, they did not have any docks, they did not have any dock workers who were trained. When we sent the men from New York, we had those facilities. Today prisoners of war and others are assisting in dock labor in order to make possible the loading of the troops.

I merely wish to say, as a member of the committee who happened to see firsthand what was going on, and who had been in Europe in past years and knew about the old docks which used to be there, that the Army and the Navy have done jointly what I would not have believed possible if I had not seen it with my own eyes.

Mr. LUCAS. Mr. President, hindsight is so much better than foresight, and I am sure that if the great coordinator, the distinguished Senator from Michigan, had been running the War Department, he would have seen all these obstacles long, long ago, and had them all worked out, so that everyone would have been advised when our troops were to be returned. It is so easy to tear down a house. There is not a Member of the Senate who could not destroy one, but there are very few of them who are capable of constructing a house.

Criticism! Criticism! Simply because one or two officers have been bypassed on some question involving detail, there is criticism throughout the country of this great Army, which has done the most magnificent job in all the history of the world.

I shall continue to read the letter from a man who knows something about the railroads of this country, a man who probably knows more about railroads than any other man in America—and that includes the Senator from Michigan [Mr. FERGUSON]. This is what the writer says:

> The outstanding fact is that the redeployment of the Army is being accomplished promptly, and even ahead of schedule. The armed forces are doing a great job in getting the soldiers home from Europe more rapidly than anyone could have hope for. The railroads, using all available equipment, are carrying the men from the ports to their homes with no more than occasional delays incident to so huge a mass transportation task.
>
> The movement of servicemen, which represents the heaviest concentrated domestic transportation load of the entire war, is not being accomplished without criticism and complaint. The conditions which lead to these criticisms and complaints are greatly regretted but they were not unforeseen. Responsible officers of the armed forces and of the railroads have realized that no transportation task of this size could be accomplished so rapidly as this one is being done without some difficulties and discomforts, even if all the resources of the railroads could have been devoted to this one task alone.
>
> During the war, responsible officers of the Government decided that the materials which the railroads asked for to use in building additional passenger cars should be devoted to other and more pressing war purposes.

None of us questioned the decision of those who had the over-all responsibility for the best use of all available materials so as to get the war won, and won as quickly as possible. The war was won in Europe, and the soldiers are coming home. It would be fine to have more cars in which to carry them more comfortably, but permission to build the cars could not be obtained during the war, and the movement is to be made with what is at hand. The main thing is to get on with the job and get it done, and that is being accomplished.

The total passenger travel on the railroads this year will probably be close to five times that of prewar years, but it is to be carried in virtually the same number of coaches and sleeping cars which were then available. This year's load will probably be nearly two and one-half times that of the peak year of the First World War, but it is to be carried with approximately 30 percent fewer passenger-carrying cars than were then available.

Just think of that, Mr. President.

This shrinkage in the number of railroad passenger cars between the First World War and the beginning of the second was due to the fact that in that period so large a part of all travel had come to be made by other means of transportation, and especially by private automobile. Consequently, there were fewer railroad passenger cars because there was less need for them.

In the years just preceding this war, however, the railroads bought a considerable number of new cars—more than 1,500 in the 5 years ending with 1941. At the time of Pearl Harbor the railroads had on order approximately 400 more new passenger cars. With the coming of the war, most of these cars were not completed, nor have the railroads been permitted since that time to build any new passenger cars.

This situation was recognized and dealt with by the Special Committee Investigating the National Defense Program, under the chairmanship of Senator Truman, in its Report No. 10, part 13, dated December 15, 1943. Referring to the limitation which had been put upon the construction of passenger cars since January 1942, and the fact that no additional civilian passenger equipment was then scheduled for production, the committee pointed out that "it is not desirable to attempt to build a large number of new passenger cars at this stage of the war," and added that "the public will have to accept the discomforts of rail passenger travel as one of the burdens of the war and should plan to travel as little as possible."

Mr. WHEELER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. WHEELER. I wish to make a comment in connection with what Mr. Pelley has said in his letter concerning the inability of the railroads to obtain new passenger cars. Representatives of the ODT came to the committee of which I am chairman and asked what could be done to help the situation? They inquired if more freight and passenger cars could not be provided for the railroads. As chairman of the committee I went to the War Production Board and tried to obtain more transportation facilities for the railroads because the railroads needed more cars. One reason why the railroads needed more cars was that many of the men who could have been used to repair the cars had been called into the service. Frankly, the railroads have been handicapped, I believe, more than any other industry in the country because they have not been able to obtain priorities through the ODT from the War Production Board to build more passenger and freight cars. The committee has considered the question time and time again. Complaints have come to us from both the ODT and some of the railroads themselves concerning failure to obtain needed equipment.

Mr. LUCAS. Mr. President, I thank the Senator from Montana. I know the distinguished chairman of the Interstate Commerce Committee will agree with me when I say that the railroads have done a highly successful and outstanding job; that their contribution to the war effort has been and will continue to be of the highest patriotic order; that never has there been so much accomplished with the minimum of equipment, manpower and facilities. I think the Senator will agree with that statement.

Mr. WHEELER. Mr. President, I thoroughly agree with what the Senator has just said. Frankly, the railroads have done a most remarkable job, one which the ODT itself as well as the Interstate Commerce Commission doubted they would be able to do when they began it. Sometimes the railroads themselves have wondered how they have been able to do it with a shortage of transportation facilities, of freight cars and engines. During the time the railroads and ODT were asking for priorities in order to provide additional railroad facilities we were building railroad cars, it is true, but they were being shipped to South America, to European countries, and to other countries of the world because it was stated they were needed in various parts of the world to carry on the war. The railroads of the United States have been seriously handicapped by reason of inability to secure cars and other equipment and facilities. The railroads have been particularly handicapped because of the difficulty in obtaining men to repair cars which were in the shops and needed repairs during this period of time.

Mr. LUCAS. I am obligated to the able Senator from Montana for that statement. Mr. President, I wish to pay tribute to railroad management throughout this country, and to the thousands upon thousands of loyal, patriotic workers who labored from morning to night and from night to morning in carrying on, in a most highly efficient and zealous manner, the work so desperately needed to be done in behalf of their country toward a successful prosecution of the war.

Mr. MAYBANK. Mr. President, will the Senator again yield to me?

Mr. LUCAS. I yield.

Mr. MAYBANK. I wish to say, in line with what the Senator from Montana has said, that too much praise cannot be given to the railroads for what they have done at home during the war. It should also be remembered that a great many railroad men, officers, and enlisted men were engaged in the European theaters of the war, as well as in other theaters, in the work which they were most capable of performing. As the Senator from Illinois has said, these men have been engaged in most hazardous work and have done a most outstanding and efficient job.

Mr. President, railroad officials and railroad men have operated the railroads which we have needed for our fighting in Europe, and they have done a most marvelous job on that continent. Were it not for what they have done and are doing, it would be extremely difficult to move the Army and redeploy it in the efficient manner that has been done.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CHANDLER. I should like to ask the Senator from Illinois if he has any information that would indicate how many soldiers or members of the armed forces the railroads will be called upon to move this year during the redeployment period?

Mr. LUCAS. I cannot give the Senator from Kentucky the correct figures. I presume that information as to the number of men who are being redeployed from Europe and coming back to this country and who, after the 30-day furlough, will be transferred to the Pacific, is more or less a military secret. With respect to those who are going to be discharged—and there are approximately 2,000,000 of them—I can say to the Senator that since May 12 some 300,000 of them have been returned to this country and have been discharged under the point system, or as physically unfit or for other reasons.

Mr. CHANDLER. I agree with what the Senator from Illinois has said. I think the railroads have done a magnificent job. During one of the early years of the war I undertook to keep somewhat of a record of what the railroads were doing. They carried 12,000,000 soldiers, sailors, and marines. We did not have that many in service, but one serviceman was perhaps carried several times. They carried 80,000,000 tons of freight a year in that important early period of the war.

I think one of the main troubles is that when someone in the newspapers or on the radio announces that there is going to be a ban on travel, civilians begin to travel in order to beat that ban. If someone would say over the radio that there is plenty of space people would not rush to travel. Conditions of travel would be more normal. When it is said that there is going to be a shortage of this, that, or the other food everyone becomes excited and tries to get a supply and of course there will be a shortage as a result. Sometimes people are told that a certain article will not be produced any more, and that if we do not buy this one there will be no further opportunity to obtain it. When it is said that something is no longer going to be made or sold everyone rushes to buy, and pretty soon the supply is exhausted. I think it would be well if the railroads were let alone. They are carrying all the passengers they can and are doing a magnificent job. Of course, planning can be done with respect to anything, but it is inconceivable that a system which carried 12,000,000 servicemen in 1 year in the early part of the war cannot take care of the travel necessitated by the redeployment of our troops.

Mr. LUCAS. What the Senator said a moment ago recalls to my mind the old lady in my section of the country who never drank coffee; but when coffee rationing was started, she immediately began to store coffee until she had several pounds of it. Then when rationing was

removed, she had the coffee and did not know what to do with it. That is illustrative of one of the points the Senator made.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HATCH. As a former member of the Mead committee, I do not intend to speak in defense of that committee, but I think I should express a hope. Something was said by the Senator from Maine [Mr. BREWSTER] to the effect that the committee might be compelled to change its plans and do something which it otherwise would not have done had it not been for this debate. Knowing that committee, and knowing how anxiously it has worked throughout the years for the national defense, I hope the committee will not be disturbed by the debate, but will carry out its own original program.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Montana.

Mr. WHEELER. In line with what we have been saying about the transportation situation in the United States let me say that because of the shortage of transportation I wrote a letter to the ODT and sent a copy of it to the President of the United States. I had received complaints from various sources when statements were issued to the effect that the Government agencies in Washington ought to curtail the great amount of travel in pullman cars from one end of the country to the other by members of such agencies. I wrote a letter to the ODT, and sent a copy of it to the President of the United States, suggesting that something should be done during this emergency to keep Government agencies from using up the transportation recources of the country by travel from place to place in pullman cars all over the United States. I understand that the ODT has forwarded the letter which I wrote to that agency to the various departments, telling them that they should curtail such travel.

This morning I received a letter from the President of the United States, from Potsdam, saying that he entirely agreed with me in that respect. So I am hopeful that something will be done to curb the various bureaus in their use of travel facilities all over the country when the soldiers are so anxious to get home.

Mr. LUCAS. Mr. President, I agree with the statement of the Senator from Montana. I have no data before me on the question, but certainly if the bureaus are doing any unnecessary traveling, they ought to curtail such travel, just as any other organization or individual should curtail travel so that travel facilities may be used to the greatest advantage for the returning soldier.

I wish to proceed with Mr. Pelley's letter. It is not very long. I desire to conclude the debate.

Mr. Pelley further states:

Elsewhere in its report the committee observed:

"The unprecedented increase in the volume of traffic has approached dangerously near the limit of the capacity of our transport facilities. Replenishment needs of transportation agencies in terms of manpower, materials, and facilities are modest in comparison with total war requirements and entail practically no public financing. Failure to provide for those needs would be to run the risk of break-down. A transportation collapse would be disastrous to the war effort."

On that point the conclusion of the committee was:

"Our wartime experience indicates the importance of maintaining a sound and healthy railroad system as an instrument of national defense. The production of adequate numbers of locomotives, freight cars, rail, and other railroad facilities is, therefore, imperative."

That was in December 1943. The situation then recognized by the committee has continued since that time but the continuing pressure of other war needs was such that the Government authorities did not allocate the necessary material for any additional railroad passenger cars.

Recently, since VE-day, the War Production Board has authorized the construction by the Defense Plant Corporation of 1,200 special troop sleepers, to be leased to and paid for by the railroads on a mileage basis, and to be operated by the Pullman Co. in exclusive military service. The sleepers so authorized, the delivery of which will start in September, it is hoped, are of the same design as the 1,237 troop sleepers built late in 1943 and early in 1944, for the same purpose.

To make more sleeping cars currently available for military use, the Office of Defense Transportation on July 6 issued its order No. 53, requiring the discontinuance of sleeping car service on all runs between cities 450 miles or less apart by the shortest rail line distance. This order added 892 sleeping cars to the number which could be drawn upon for military use.

I wish to commend Col. Monroe Johnson for taking that position with respect to sleeping cars, and making available practically a thousand more sleeping cars to take care of soldiers traveling across the country.

Mr. Pelley further states:

With the withdrawal of these cars, there now are in regular train service 2,544 out of a total of 6,797 Pullman-owned sleeping cars, according to the reports of the Pullman Co. as of July 15, 1945. The remainder of the pullman fleet, 4,253 cars or 62 percent of the total, is available for military service. From the number of cars available, whether for military service or regular trains, there must be deducted those which from time to time have to be taken out of service for repairs.

In addition, there are the 1,237 special troop sleepers referred to above. Including these cars, there are a total of 5,490 sleeping cars available for military service, or 68 percent of all sleeping cars of all types. The percentage of total beds in sleeping cars available for military service is still higher, since many of the cars remaining in regular train service are of types which do not have sleeping accommodations for as many persons as either the standard sleeping cars or the special troop sleepers.

Here is something that is important:

The procedure in handling special troop movements is that the Army or the Navy calls upon the railroads for the necessary trains, specifying sleeping cars or coaches, according to the length of the movement. Sleeping cars are ordered on the basis of three men to a section by the Army and two to a section by the Navy. The latter practice will be made uniform with that of the Army under the provisions of an ODT order issued yesterday.

That means that under that order the Navy will be in the same situation as the Army so far as the number of men sleeping in one section is concerned.

Where coaches are ordered they are on the basis of three men to two double seats, or four single seats. If sleeping cars cannot be furnished promptly for the movements as ordered, trains are made up of coaches, frequently taken out of regular service for the purpose. For example, all eight cars in the widely publicized transcontinental troop train which was reported to have been made up of commuter type coaches, were taken from regularly intercity trains of the New Haven Railroad, including such well-known trains as the Yankee Clipper, the Nathan Hale, and the Bankers Special. Six of these eight cars came back from the Pacific coast in regular service, occupied by regular revenue passengers, without complaint on their part.

In connection with your request for information concerning the movement of German war prisoners: We have not been asked by the Army to furnish, nor have we furnished, sleeping cars for German war prisoners, except in a limited number of cases where Army doctors certified the need for such cars to move prisoners in serious physical condition. The confusion may have arisen from the fact that on straight trains of prisoners, we frequently have one or more sleeping cars for the accommodation of the Army guards, who have to sleep part of the time and work part of the time while in transit.

These regular trains are usually referred to as "civilian" trains. Actually there are no civilian trains on our railroads today. Regular trains are used to a very large extent for military travel, both by men on duty traveling under orders in small parties or as individuals, and by men traveling at their own expense on the special furlough fare of one and a quarter cents per mile offered by the railroads to servicemen.

To sum up, the redeployment of the armed forces presents the most difficult transportation problem of the entire war. It is to be accomplished not just by itself but in connection with the carrying of other military and essential civilian traffic. The forces which we were building up in Europe over a period of almost 4 years are to be redeployed in less than 10 months. In working out the details of this most difficult problem, the railroads have enjoyed the thoroughgoing cooperation both of the armed forces and of the ODT. It was known before the redeployment started that there are not enough sleeping cars in the country to do the job within the time available, but every effort is being made both by the railroads and by the Government agencies concerned to secure the maximum use of equipment in getting the soldiers from the ports to their homes, from their homes to the reassembly centers, and from there to the Pacific ports, above all, promptly and with as much comfort as can be provided with facilities limited by the Government's other needs.

All of us deeply regret that the needs of war convinced those in Government who had final authority to determine the question that it was not desirable to permit the railroads to secure the equipment needed to handle in this emergency the demands of traffic, both civilian and military, according to the normal peacetime standards of the railroads of this country.

Yours very truly,

J. J. PELLEY.

Mr. President, I have a letter from J. Monroe Johnson, of the Office of Defense Transportation, in which he encloses a copy of a letter written on July 18 by Fred M. Vinson, Director of the Office of War Mobilization and Reconversion, to the Secretary of War. I ask

unanimous consent to have the letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF WAR MOBILIZATION AND RECONVERSION,
Washington, D. C., July 18, 1945.

The Honorable SECRETARY OF WAR,
Washington, D. C.

MY DEAR MR. SECRETARY: Colonel Johnson, Director of the Office of Defense Transportation, informs me that it is necessary for him to know not only the over-all number of returning soldiers, etc., under the 10-month redeployment program, but also the expected arrivals well in advance of the current month and the next succeeding month. In addition to that he must be informed beforehand of the extreme fluctuations in the flow of troops to the United States, particularly as to any increase in the monthly expectations, and he should be consulted before any great changes upward or downward are decided upon by the War Department.

Colonel Johnson tells me that, whereas he together with the general public was informed tha about 150,000 troops, other than those by air, were expected to return in June, purely by accident he discovered on the 26th of June that the arrivals for that month would be over 200,000, in addition to those by air. Again quite by chance in conversation over the phone with General Gross, he learned on July 7 that not approximately 250,000 troops would return in July, as he together with the general public had been informed, but instead, 353,000 were to arrive in that month.

In addition to the information stated above, Colonel Johnson must know in advance of any changes so that he may determine whether or not transportation has the capacity to perform the increases proposed and in order that he may make use of any surplus equipment in other badly needed movements when the fluctuation is downward. For instance, quite recently in 3 days about 60,000 servicemen arrived, 35,000 in one of those days. Better control is necessary and essential to secure a more even flow of troops. While fluctuations of this sort might be absorbed in the early stages of redeployment, presently when the railroads are performing at once all of the seven moves per man, any such change will necessarily result in great discomfort to soldiers, even if such transportation can be accomplished at all.

Colonel Johnson further emphatically informs me that he was not consulted as to this 10-month redeployment program. That was decided upon without consultation. He says that, unless the manpower shortage is remedied, and at once, transportation has not the capacity to perform this 10-month redeployment.

Very truly yours,
FRED M. VINSON, *Director.*

Mr. REVERCOMB. Mr. President, I wish to call the attention of Senators to the fact that we shall vote at 2 o'clock on the pending business. I desire to discuss it, and I prefer not to have time taken now for the consideration of other matters.

Mr. WHERRY. Mr. President, will the Senator yield to me for a moment?

Mr. REVERCOMB. I yield to the Senator from Nebraska for 1 minute.

Mr. WHERRY. I request the privilege of asking a question at this time, and I should also like to state for the RECORD that I am very much interested in the subject which has been brought before the Senate by the senior Senator from Illinois. I should like to ask him a question, or I will ask it of any member of the Committee on Military Affairs. Complimenting the Army and the railroads for bringing the boys home is one thing, but I should like to ask how many boys are actually being discharged; what is the reduction in the armed forces? My understanding is we are bringing the boys home, but are sending most of them to the Pacific. I understand that less than 400,000 of them have actually been discharged, and that we are still inducting more than 70,000 men a month, so numerically we are not discharging men from the service, but actually are increasing the number of our military forces.

What is the strength of our Army? Has not the statement of General Hershey come true—the statement quoted by Governor Dewey?

Mr. REVERCOMB. Mr. President, if the Senator's question is going to precipitate a discussion, I must decline to yield further. I said to the Senator from Nebraska that I would yield to him for a minute, and I hope he will conform to that.

Mr. WHERRY. Mr. President, if the minute is up, I shall ask the question on Monday morning, after the Mead committee has made the investigation.

Mr. LUCAS. Mr. President, I am ready to answer the question now.

Mr. WHERRY. Well, Mr. President, we cannot have the benefit of the Senator's reply now since the time the Senator from West Virginia has allowed has expired, I am sorry to say.

AUTHORITY FOR SECRETARY OF AGRICULTURE TO COMPROMISE, ADJUST, OR CANCEL CERTAIN INDEBTEDNESS

Mr. LANGER. Mr. President, will the Senator yield to me?

Mr. REVERCOMB. I yield.

Mr. LANGER. On behalf of the Senator from Oklahoma [Mr. THOMAS], I ask unanimous consent to report from the Committee on Agriculture and Forestry, Senate bill 230, and to submit a report (No. 507) thereon.

The PRESIDING OFFICER. Without objection, the report will be received.

Mr. LANGER. I ask unanimous consent that the bill be read.

The PRESIDING OFFICER. Without objection, the bill will be read by title.

The LEGISLATIVE CLERK. A bill (S. 230) to amend Public Law 518, Seventy-eighth Congress, approved December 20, 1944.

Mr. LANGER. I ask unanimous consent for the present consideration and passage of the bill.

The PRESIDENT pro tempore. Does the Senator from West Virginia yield for that purpose?

Mr. REVERCOMB. Mr. President, I understand that I will lose the floor if I do so. If I can still retain the floor and if the bill can be acted upon promptly, I yield for that purpose.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BURTON. Mr. President, will the Senator from North Dakota explain the bill?

Mr. LANGER. The bill is reported on behalf of the Senator from Oklahoma [Mr. THOMAS] from the Committee on Agriculture and Forestry. It provides for the settlement of drought claims of over $1,000 in the same way that those under $1,000 are settled.

The bill is unanimously reported by the committee, and both sides have agreed. There is no objection by anyone.

Mr. BURTON. Mr. President, I should like to understand a little more about the bill

Mr. REVERCOMB. Mr. President, I have the floor. If consideration of the bill will require discussion, I ask that the discussion be closed now.

The PRESIDING OFFICER. The Senator from West Virginia declines to yield further. The bill will be placed on the calendar.

Subsequently,

Mr. BARKLEY. Mr. President, today the Committee on Agriculture and Forestry reported favorably Senate bill 230, introduced by the Senator from North Dakota [Mr. LANGER], to amend the act of December 20, 1944, which authorized the Secretary of Agriculture to compromise, adjust, or cancel debts of farmers not to exceed a thousand dollars. That is the present law.

The bill was submitted to the Secretary of Agriculture, and he suggested an amendment, which has been incorporated in the report of the committee. So that the effect of the bill now, as reported, is that whereas the law limited the ability of the Secretary of Agriculture to settle these debts up to a thousand dollars, the amended bill authorizes him to settle debts above a thousand dollars where they apply to droughts, rural rehabilitation, and emergency relief loans made prior to June 30, 1940. It is important that the bill pass, and therefore I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. Is there objection?

Mr. WHITE. Mr. President, the bill was called to my attention earlier in the day, and I have made an effort to canvass the minority members of the Committee on Agriculture and Forestry. I have talked with six or eight of them, and I find no opposition among them to the bill.

Mr. BARKLEY. I thank the Senator.

Mr. BURTON. Mr. President, early in the session, when this bill was introduced, I had a brief conference with the Senator from North Dakota with regard to it. Since then I have examined the report fully, and I am well satisfied with its provisions. The removal of the thousand dollar limitation by no means has removed the other conditions which are required for the approval of the settlement of debts, which are very stringent conditions. I think a loan must be more than 5 years old, it must have been ascertained that the loan cannot be paid, and that it was entered into in good faith.

Mr. BARKLEY. I thank the Senator from Ohio. In its present form the bill permits the Secretary of Agriculture to adjust, settle, cancel, or compromise debts above a thousand dollars where they were made on account of drought, rural rehabilitation, or emergency matters, and in that case he can do it only under certain conditions, which are rigid. I hope the Senate will agree to

take the bill up, and that it may be passed, with the amendments.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. CORDON. Mr. President, as a member of the Committee on Agriculture and Forestry, which considered the proposed legislation, I wish to express my entire agreement with the statement made by the distinguished junior Senator from Ohio. The provision of the bill for relief of impecunious debtors is one under which the Government has ample protection, and the conditions for relief are most stringent.

Mr. BARKLEY. I appreciate the Senator's statement. It is a meritorious proposal, and amply protects the Government. I ask that the bill be disposed of.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which has been reported from the Committee on Agriculture and Forestry with amendments. The amendments were, in line 6, after "Seventy-eight", to strike out "Congress" and insert "Congress)"; and in line 7, after the word "by", to strike out "inserting the word 'and' between the semicolon and (3); by changing the semicolon at the end of the third proviso therein to a period; and by striking the proviso numbered (4) therein" and insert "changing the period at the end of the fourth proviso to a comma and adding the following immediately thereafter: 'except that such $1,000 limitation shall not apply to drought, rural rehabilitation, and emergency relief loans made prior to June 30, 1940' ", so as to make the bill read:

Be it enacted, etc., That section 1 of the act approved December 20, 1944, entitled "An act to authorize the Secretary of Agriculture to compromise, adjust, or cancel certain indebtedness, and for other purposes" (Public Law 518, 78th Cong.), is hereby amended by changing the period at the end of the fourth proviso to a comma and adding the following immediately thereafter: "except that such $1,000 limitation shall not apply to drought, rural rehabilitation, and emergency relief loans made prior to June 30, 1940."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MEMBERSHIP OF THE UNITED STATES IN THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

The Senate resumed the consideration of the joint resolution (H. J. Res. 145) providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

Mr. REVERCOMB. Mr. President, at this time I desire to resume the discussion of House Joint Resolution 145, which deals with the membership of this country in the Food and Agriculture Organization of the United Nations.

Yesterday, when the measure was suddenly called up, I opposed the motion for immediate consideration because I thought it was a matter of such transcending importance that the Senate should not proceed to consider it without first having an opportunity to make a careful study of it. After considerable discussion, the motion was agreed to. The majority leader very considerately passed the matter over until today for a final vote, and thus we achieved the purpose of the motion to the extent of gaining a night during which we could consider the proposed measure.

In the debate which took place yesterday the sponsor of the resolution, the senior Senator from Vermont [Mr. AUSTIN] made statements which very clearly set forth his views. I know of no Senator whose statements may be sooner accepted as an interpretation of a measure, or be given more weight, than the statements of the Senator from Vermont when he sponsors legislation upon the floor of the Senate. That is particularly true when there is doubt with reference to its meaning.

I read the following statements which were made by the able Senator from Vermont with respect to the pending legislation:

It does not relate to any reformation of our economic system, any exercise of dictatorial power, any movement of masses of people, any modification of our immigration laws, or any interference with the domestic life of any other country on earth.

Again, the Senator made the following statement during the course of the debate:

I can say to the Senator definitely, "No," there is not one single obligation on the United States created by this joint resolution, excepting the necessary contribution to the Fund. There is no other obligation whatever, and the United States and every other member of this organization will be just as free after it signs and becomes a member as it was before. It will be vastly richer, however.

If the Senate adopts this measure—and it appears from the vote yesterday that it will be adopted—I assume that it will be adopted with the understanding placed upon the law as it was stated by the able Senator from Vermont who sponsors the measure. In other words, the measure will place no obligation upon this country beyond that of providing funds. There is a grave danger of taking from the people of this country their very freedom. The question which arose in my mind, and the consideration which more than anything else caused me to oppose consideration of the measure was the report of the United Nations Conference on Food and Agriculture, for I was convinced that it was to be an important step in furthering the organization.

Mr. AUSTIN. Mr. President, what page of the RECORD was the last statement which the Senator read?

Mr. REVERCOMB. I was reading from near the middle of the first column on page 7857, and from near the end of the last column on the same page, extending over onto the top of the first column on page 7858. I was reading from the remarks of the Senator from Vermont which he made yesterday.

Mr. President, I believe that the Senate should consider with great seriousness the action of the United Nations Conference on Food and Agriculture which was held at Hot Springs, Va., from May 18, 1943, to June 3, 1943. I have before me the final act and section reports of the United Nations Conference on Food and Agriculture.

The constitution to which we are asked to subscribe provides that that international body shall recommend to the nations what they may do with regard to certain subjects. The meeting which was held at Hot Springs, Va., in great secrecy was the initial meeting which was held upon the subject of food and agriculture. Approximately 20 nations were represented at the meeting, including the United States, which was the host of the other nations. Our country initiated the holding of the meeting. From the meeting came what? Recommendations. There came from that Conference the same recommendations which the permanent organization may make and under the same power.

What causes me to be apprehensive, as it has caused others to be apprehensive, is the recommendation contained in the report of the Hot Springs Conference, which antedated the writing of the constitution. It was made prior to the constitution to which it is proposed that we shall subscribe. The Conference made recommendations, just as the constitution provides that the permanent organization shall make recommendations upon the subject of food and agriculture.

I wish to have shown in the RECORD one of the recommendations made by the Conference at Hot Springs. It reads as follows:

Where agricultural settlements are possible appropriate steps should be taken to facilitate the movement of people from overmanned agricultural areas.

In order to help in intranational and international migration, where these are feasible—

(I) Occupational training should be provided;

(II) Labor bureaus should be set up where necessary;

(III) Transportation, communication, housing, sanitation, health, and other public facilities necessary to effective settlement should be provided by the country receiving the migrants;

(IV) Steps should be taken to provide for the economic security of the migrants.

(e) Where emigration is possible an international organization should support arrangements to provide adequate safeguards for the settlers and for the countries concerned and to facilitate the movement through other appropriate means.

Mr. President, there is a recommendation that this world organization on food and agriculture shall have the power to move people not only from one settlement within a country to another place within the same country, but that it shall also have the power, on its order, to move people from one country to another.

I do not believe this country wants to subscribe to that or will subscribe to it, but if that recommendation was made in the first meeting and the first Conference held on this subject, what will happen when recommendations are made under the constitution to which we are asked to subscribe?

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. I regret to interrupt the address of the Senator.

Mr. REVERCOMB.. I am very glad to have the Senator ask a question.

Mr. AUSTIN. I looked up the RECORD to which the Senator referred, as to the statement made by me, and I think that in fairness to him I should call attention to the very language so that if he cares to discuss it he may. If he will yield for that purpose——

Mr. REVERCOMB. I want the language. I thought I read it.

Mr. AUSTIN. I should like to read the reply I made to the interrogatory by the Senator from Kentucky [Mr. CHANDLER]. This was my reply:

I can say to the Senator definitely, "No"; there is not one single obligation on the United States created by this joint resolution, excepting the necessary contribution to the Fund.

I want the Senator to know, so he will not be misled by that statement, that of course I did not undertake to abrogate the constitution which we are accepting. The joint resolution itself provides, in section 5:

In adopting this joint resolution the Congress does so with the understanding that paragraph 2 of article XIII—

Which is the one relating to amendments—

does not authorize the Conference of the Organization to so modify the provisions of its constitution as to involve any new obligation for the United States.

Of course, the Senator has by this time read the constitution, and knows that there are obligations in the constitution, and if the Senator has no objection to my doing so, since it may save time, I should like to have the constitution printed in the RECORD at this point.

Mr. REVERCOMB. I have no objection whatsoever.

Mr. AUSTIN. I ask unanimous consent to have printed what appears in the report under the title "Constitution of the Food and Agricultural Organization of the United Nations," pages 1 to 7 of the report. Page 7 includes annex I, Nations Eligible for Original Membership, and annex 2, Budget for the First Financial Year. I should like to have those annexes in the RECORD in connection with our colloquy.

Mr. REVERCOMB. I have no objection.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

CONSTITUTION OF THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

PREAMBLE

The nations accepting this constitution, being determined to promote the common welfare by furthering separate and collective action on their part for the purposes of raising levels of nutrition and standards of living of the peoples under their respective jurisdictions, securing improvements in the efficiency of the production and distribution of all food and agricultural products, bettering the condition of rural populations, and thus contributing toward an expanding world economy, hereby establish the Food and Agriculture Organization of the United Nations, hereinafter referred to as the "Organization," through which the members will report to one another on the measures taken and the progress achieved in the fields of action set forth above.

ARTICLE I (FUNCTIONS OF THE ORGANIZATION)

1. The Organization shall collect, analyze, interpret, and disseminate information relating to nutrition, food, and agriculture.

2. The Organization shall promote and, where appropriate, shall recommend national and international action with respect to

(a) scientific, technological, social, and economic research relating to nutrition, food, and agriculture;

(b) the improvement of education and admiration relating to nutrition, food, and agriculture, and the spread of public knowledge of nutritional and agricultural science and practice;

(c) the conservation of natural resources and the adoption of improved methods of agricultural production;

(d) the improvement of the processing, marketing, and distribution of food and agricultural products;

(e) the adoption of policies for the provision of adequate agricultural credit, national and international;

(f) the adoption of international policies with respect to agricultural commodity arrangements.

3. It shall also be the function of the Organization

(a) to furnish such technical assistance as governments may request;

(b) to organize, in cooperation with the governments concerned, such missions as may be needed to assist them to fulfill the obligations arising from their acceptance of the recommendations of the United Nations Conference on Food and Agriculture; and

(c) generally to take all necessary and appropriate action to implement the purposes of the Organization as set forth in the preamble.

ARTICLE II (MEMBERSHIP)

1. The original members of the Organization shall be such of the nations specified in annex I as accept this constitution in accordance with the provisions of article XXI.

2. Additional members may be admitted to the Organization by a vote concurred in by a two-thirds majority of all the members of the Conference and upon acceptance of this constitution as in force at the time of admission.

ARTICLE III (THE CONFERENCE)

1. There shall be a Conference of the Organization in which each member nation shall be represented by one member.

2. Each member nation may appoint an alternate, associates, and advisers to its member of the Conference. The Conference may make rules concerning the participation of alternates, associates, and advisers in its proceedings, but any such participation shall be without the right to vote except in the case of an alternate or associate participating in the place of a member.

3. No member of the Conference may represent more than one member nation.

4. Each member nation shall have only one vote.

5. The Conference may invite any public international organization which has responsibilities related to those of the Organization to appoint a representative who shall participate in its meetings on the condition prescribed by the Conference. No such representative shall have the right to vote.

6. The Conference shall meet at least once in every year.

7. The Conference shall elect its own officers, regulate its own procedure, and make rules governing the convocation of sessions and the determination of agenda.

8. Except as otherwise expressly provided in this constitution or by rules made by the Conference, all matters shall be decided by the Conference by a simple majority of the votes cast.

ARTICLE IV (FUNCTIONS OF THE CONFERENCE)

1. The Conference shall determine the policy and approve the budget of the Organization and shall exercise the other powers conferred upon it by the constitution.

2. The Conference may by a two-thirds majority of the votes cast make recommendations concerning questions relating to food and agriculture to be submitted to member nations for consideration with a view to implementation by national action.

3. The Conference may by a two-thirds majority of the votes cast submit conventions concerning questions relating to food and agriculture to member nations for consideration with a view to their acceptance by the appropriate constitutional procedure.

4. The Conference shall make rules laying down the procedure to be followed to secure:

(a) proper consultation with governments and adequate technical preparation prior to consideration by the Conference of proposed recommendations and conventions; and

(b) proper consultation with governments in regard to relations between the Organization and national institutions or private persons.

5. The Conference may make recommendations to any public international organization regarding any matter pertaining to the purpose of the Organization.

6. The Conference may by a two-thirds majority of the votes cast agree to discharge any other functions consistent with the purposes of the Organization which may be assigned to it by governments or provided for by any arrangement between the Organization and any other public international organization.

ARTICLE V (THE EXECUTIVE COMMITTEE)

1. The Conference shall appoint an Executive Committee consisting of not less than 9 or more than 15 members or alternates or associate members of the Conference or their advisers who are qualified by administrative experience or other special qualifications to contribute to the attainment of the purpose of the Organization. There shall be not more than one member from any member nation. The tenure and other conditions of office of the members of the Executive Committee shall be subject to rules to be made by the Conference.

2. Subject to the provisions of paragraph 1 of this article, the Conference shall have regard in appointing the Executive Committee to the desirability that its membership should reflect as varied as possible an experience of different types of economy in relation to food and agriculture.

3. The Conference may delegate to the Executive Committee such powers as it may determine, with the exception of the powers set forth in paragraph 2 of article II, article IV, paragraph 1 of article VII, article XIII, and article XX of this constitution.

4. The members of the Executive Committee shall exercise the powers delegated to them by the Conference on behalf of the whole Conference and not as representatives of their respective governments.

5. The Executive Committee shall appoint its own officers and, subject to any decisions of the Conference, shall regulate its own procedure.

ARTICLE VI (OTHER COMMITTEES AND CONFERENCES)

1. The Conference may establish technical and regional standing committees and may appoint committees to study and report on any matter pertaining to the purpose of the Organization.

2. The Conference may convene general, technical, regional, or other special conferences and may provide for the representation at such conferences, in such manner as it may determine, of national and international bodies concerned with nutrition, food, and agriculture.

ARTICLE VII (THE DIRECTOR GENERAL)

1. There shall be a director general of the Organization, who shall be appointed by the Conference by such procedure and on such terms as it may determine.

2. Subject to the general supervision of the Conference and its Executive Committee, the director general shall have full power and authority to direct the work of the Organization.

3. The director general or a representative designated by him shall participate, without the right to vote, in all meetings of the Conference and of its Executive Committee and shall formulate for consideration by the Conference an dthe Executive Committee proposals for appropriate action in regard to matters coming before them.

ARTICLE VIII (STAFF)

1. The staff of the Organization shall be appointed by the Director General in accordance with such procedure as may be determined by rules made by the Conference.

2. The staff of the Organization shall be responsible to the Director General. Their responsibilities shall be exclusively international in character and they shall not seek or receive instructions in regard to the discharge thereof from any authority external to the Organization. The member nations undertake fully to respect the international character of the responsibilities of the staff and not to seek to influence any of their nationals in the discharge of such responsibilities.

3. In appointing the staff the Director General shall, subject to the paramount importance of securing the highest standards of efficiency and of technical competence, pay due regard to the importance of selecting personnel recruited on as wide a geographical basis as is possible.

4. Each member nation undertakes, insofar as it may be possible under its constitutional procedure, to accord to the Director General and senior staff diplomatic privileges and immunities and to accord to other members of the staff all facilities and immunities accorded to nondiplomatic personnel attached to diplomatic missions, or alternatively to accord to such other members of the staff the immunities and facilities which may hereafter be accorded to equivalent members of the staffs of other public international organizations.

ARTICLE IX (SEAT)

The seat of the Organization shall be determined by the Conference.

ARTICLE X (REGIONAL AND LIAISON OFFICES)

1. There shall be such regional offices as the Director General with the approval of the Conference may decide.

2. The Director General may appoint officials for liaison with particular countries or areas subject to the agreement of the government concerned.

ARTICLE XI (REPORTS BY MEMBERS)

1. Each member nation shall communicate periodically to the Organization reports on the progress made toward achieving the purpose of the Organization set forth in the preamble and on the action taken on the basis of recommendations made and conventions submitted by the Conference.

2. These reports shall be made at such times and in such form and shall contain such particulars as the Conference may request.

3. The Director-General shall submit these reports, together with analyses thereof, to the Conference and shall publish such reports and analyses as may be approved for publication by the Conference together with any reports relating thereto adopted by the Conference.

4. The Director-General may request any Member nation to submit information relating to the purpose of the Organization.

5. Each member nation shall, on request, communicate to the Organization, on publication, all laws and regulations and official reports and statistics concerning nutrition, food, and agriculture.

ARTICLE XII (COOPERATION WITH OTHER ORGANIZATIONS)

1. In order to provide for close cooperation between the Organization and other public international organizations with related responsibilities, the Conference may, subject to the provisions of article XIII, enter into agreements with the competent authorities of such organizations defining the distribution of responsibilities and methods of cooperation.

2. The Director-General may, subject to any decisions of the Conference, enter into agreements with other public international organizations for the maintenance of common services, for common arrangements in regard to recruitment, training, conditions of service, and other related matters, and for interchanges of staff.

ARTICLE XIII (RELATION TO ANY GENERAL WORLD ORGANIZATION)

1. The Organization shall, in accordance, with the procedure provided for in the following paragraph, constitute a part of any general international organization to which may be entrusted the coordination of the activities of international organizations with specialized responsibilities.

2. Arrangements for defining the relations between the Organization and any such general organization shall be subject to the approval of the Conference. Notwithstanding the provisions of article XX, such arrangements may, if approved by the Conference by a two-thirds majority of the votes cast, involve modification of the provisions of this constitution: *Provided*, That no such arrangements shall modify the purposes and limitations of the Organization as set forth in this constitution.

ARTICLE XIV (SUPERVISION OF OTHER ORGANIZATIONS)

The Conference may approve arrangements placing other public international organizations dealing with questions relating to food and agriculture under the general authority of the Organization on such terms as may be agreed with the competent authorities of the organization concerned.

ARTICLE XV (LEGAL STATUS)

1. The Organization shall have the capacity of a legal person to perform any legal act appropriate to its purpose which is not beyond the powers granted to it by this constitution.

2. Each member nation undertakes, insofar as it may be possible under its constitutional procedure, to accord to the Organization all the immunities and facilities which it accords to diplomatic missions, including inviolability of premises and archives, immunity from suit, and exemptions from taxation.

3. The Conference shall make provision for the determination by an administrative tribunal of disputes relating to the conditions and terms of appointment of members of the staff.

ARTICLE XVI (FISH AND FOREST PRODUCTS)

In this constitution the term "agriculture" and its derivatives include fisheries, marine products, forestry, and primary forestry products.

ARTICLE XVII (INTERPRETATION OF CONSTITUTION)

Any question or dispute concerning the interpretation of this constitution or any international convention adopted thereunder shall be referred for determination to an appropriate international court or arbitral tribunal in the manner prescribed by rules to be adopted by the Conference.

ARTICLE XVIII (EXPENSES)

1. Subject to the provisions of article XXV, the Director-General shall submit to the conference an annual budget covering the anticipated expenses of the Organization. Upon approval of a budget the total amount approved shall be allocated among the member nations in proportions determined, from time to time, by the Conference. Each member nation undertakes, subject to the requirements of its constitutional procedure, to contribute to the Organization promptly its share of the expenses so determined.

2. Each member nation shall, upon its acceptance of this constitution, pay as its first contribution its proportion of the annual budget for the current financial year.

3. The financial year of the organization shall be July 1 to June 30 unless the Conference should otherwise determine.

ARTICLE XIX (WITHDRAWAL)

Any member nation may give notice of withdrawal from the Organization at any time after the expiration of 4 years from the date of its acceptance of this constitution. Such notice shall take effect 1 year after the date of its communication to the director general of the Organization subject to the member nation's having at that time paid its annual contribution for each year of its membership, including the financial year following the date of such notice.

ARTICLE XX (AMENDMENT OF CONSTITUTION)

1. Amendments to this constitution involving new obligations for member nations shall require the approval of the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference and shall take effect on acceptance by two-thirds of the member nations for each member nation accepting the amendment and thereafter for each remaining member nation on acceptance by it.

2. Other amendments shall take effect on adoption by the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference.

ARTICLE XXI (ENTRY INTO FORCE OF CONSTITUTION)

1. This constitution shall be open to acceptance by the nations specified in annex I.

2. The instruments of acceptance shall be transmitted by each government to the United Nations Interim Commission on Food and Agriculture, which shall notify their receipt to the governments of the nations specified in annex I. Acceptance may be notified to the Interim Commission through a diplomatic representative, in which case the instrument of acceptance must be transmitted to the Commission as soon as possible thereafter.

3. Upon the receipt by the Interim Commission of 20 notifications of acceptance, the Interim Commission shall arrange for this constitution to be signed in a single copy by the diplomatic representatives, duly authorized thereto, of the nations who shall have notitfied their acceptance, and upon being so signed on behalf of not less than 20 of the nations specified in annex I this constitution shall come into force immediately.

4. Acceptances the notification of which is received after the entry into force of this constitution shall become effective upon receipt by the Interim Commission or the Organization.

ARTICLE XXII (FIRST SESSION OF THE CONFERENCE)

The United Nations Interim Commission on Food and Agriculture shall convene the first session of the Conference to meet at a suitable date after the entry into force of this constitution.

ARTICLE XXIII (LANGUAGES)

Pending the adoption by the Conference of any rules regarding languages, the business of the Conference shall be transacted in English.

ARTICLE XXIV (TEMPORARY SEAT)

The temporary seat of the Organization shall be at Washington unless the Conference should otherwise determine.

ARTICLE XXV (FIRST FINANCIAL YEAR)

The following exceptional arrangements shall apply in respect of the financial year in which this constitution comes into force:

(a) The budget shall be the provisional budget set forth in annex II to this constitution; and

(b) The amounts to be contributed by the member nations shall be in the proportions set forth in annex II to this constitution: *Provided*, That each member nation may deduct therefrom the amount already contributed by it toward the expenses of the Interim Commission.

ARTICLE XXVI (DISSOLUTION OF THE INTERIM COMMISSION)

On the opening of the first session of the Conference, the United Nations Interim Commission on Food and Agriculture shall be deemed to be dissolved and its records and other property shall become the property of the Organization.

ANNEX I. NATIONS ELIGIBLE FOR ORIGINAL MEMBERSHIP

Australia	Iran
Belgium	Iraq
Bolivia	Liberia
Brazil	Luxembourg
Canada	Mexico
Chile	Netherlands
China	New Zealand
Colombia	Nicaragua
Costa Rica	Norway
Cuba	Panama
Czechoslovakia	Paraguay
Denmark	Peru
Dominican Republic	Philippine Commonwealth
Ecuador	Poland
Egypt	Union of South Africa
El Salvador	Union of Soviet Socialist Republics
Ethiopia	United Kingdom
France	United States of America
Greece	Uruguay
Guatemala	Venezuela
Haiti	Yugoslavia
Honduras	
Iceland	
India	

ANNEX II. BUDGET FOR THE FIRST FINANCIAL YEAR

The provisional budget for the first financial year shall be a sum of 2,500,000 United States dollars, the unspent balance of which shall constitute the nucleus of a capital fund.

This sum shall be contributed by the member nations in the following proportions:

	Percent
Australia	3.33
Belgium	1.28
Bolivia	.29
Brazil	3.46
Canada	5.06
Chile	1.15
China	6.50
Colombia	.71
Costa Rica	.05
Cuba	.71
Czechoslovakia	1.40
Denmark	.62
Dominican Republic	.05
Ecuador	.05
Egypt	1.73
El Salvador	.05
Ethiopia	.29
France	5.69
Greece	.38
Guatemala	.05
Haiti	.05
Honduras	.05
Iceland	.05
India	4.25
Iran	.71
Iraq	.44
Liberia	.05
Luxemburg	.05
Mexico	1.87
Netherlands	1.38
New Zealand	1.15
Nicaragua	.05
Norway	.62
Panama	.05
Paraguay	.05
Peru	.71
Philippines	.25
Poland	1.19
Union of South Africa	2.31
Union of Soviet Socialist Republics	8.00
United Kingdom	15.00
United States of America	25.00
Uruguay	.58
Venezuela	.58
Yugoslavia	.71
Provision for new members	2.00
Total	100.00

Mr. AUSTIN. I thank the Senator.

Mr. REVERCOMB. I wish to say to the Senator from Vermont that he did use the language further, as appears on page 7857 of the RECORD, in answer to a question propounded by the Senator from Kentucky—quoting the Senator from Vermont:

> There is no other obligation whatever, and the United States and every other member of this Organization will be just as free after it signs and becomes a member as it was before. It will be vastly richer, however.

In the light of that statement, I hope that when this constitution may be adopted the view expressed here will be the understanding of the Senator from Vermont, that we enter this organization without destroying the freedom of the people of this country in any respect whatsoever, that we have no intention of setting up an international organization which may make recommendations which are destructive in any sense of the right of a man to select the ecommunity in which he may live, and that in no sense do we accede to the recommendations contained in the prior report from Hot Springs, which recommend that people be moved from community to community in our own country, and moved from one country to another. That is the apprehension I have about this whole measure. If the organization is set up and we enter into it with this recommendation, made prior to the constitution itself, by the same representatives who are interested in creating this world organization on agriculture and food, we do so with full notice that the same recommendation can be made again.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. I regret that the Senator from West Virginia keeps talking about that subject.

Mr. REVERCOMB. It is the most important part of it.

Mr. AUSTIN. In my opinion it does not belong here, and would not be here if the Senator did not import it into the debate. I wish to say to the Senator that never until I heard him read here yesterday from that document have I, in all the discussions, lasting more than a year and a half, heard that idea even discussed. In all the work sheets which represented this constitution from time to time that thought never was intruded, and it does not color in the least the product which is before us now, and it should not be considered in connection with this qustion. I fear the Senator is doing his cause harm by emphasizing that point.

Mr. REVERCOMB. Let me say to the Senator from Vermont, I am certain that he does not subscribe to the idea which I have read from the recommendations of the Hot Springs Conference.

Mr. AUSTIN. Of course not.

Mr. REVERCOMB. But at the same time, even though he does not subscribe to it, the representatives of the United States Government at that food conference subscribed to it, and signed that recommendation, and what the Senator from Vermont and I may subscribe to is a very different thing from what has been actually done in the way of a recommendation by representatives of the United States.

I can understand some other country subscribing to the idea and recommending international migration of people, but I cannot for the life of me understand any administration of this country or any representative of the free American Government signing such a recommendation. To say that I have imported this into the argument is not correct. I did not import it very far, because this is the report and the recommendation of the first conference which was held.

Mr. AUSTIN. Mr. President, will the Senator yield for a suggestion at that point?

Mr. REVERCOMB. I yield.

Mr. AUSTIN. That characterization of it might be confused with something else which is referred to in the joint resolution. What is referred to in the joint resolution as the first report is something entirely different from what the Senator is discussing.

Mr. REVERCOMB. Yes; the report referred to in the joint resolution is the report of August 1, 1944.

Mr. AUSTIN. That is correct, and it is entitled "First Report to the Governments of the United Nations by the Interim Commission on Food and Agriculture." I want to make certain that the record is kept straight on what the identification of that is.

Mr. REVERCOMB. I think I have kept it straight. I have certainly tried to do so, because this is a report after the first meeting held by the United Nations at Hot Springs, Va., from May 18 to June 3, 1943.

Mr. VANDENBERG. Mr. President, may I submit a question to the Senator from West Virginia?

Mr. REVERCOMB. I shall be very glad to have the Senator do so.

Mr. VANDENBERG. I call the Senator's attention to the fact that when the original draft of the pending constitution for this international food organization came to the Senate Committee on Foreign Relations, it contained numerous suggestions which were wholly unacceptable and wholly unsatisfactory to the members of the committee. I would say

that in its original form the committee almost unanimously would have thrown it out the window.

As a result of that attitude, the Foreign Relations Committee created a special subcommittee to filter the entire product and create a new one, and it was at that point that the able Senator from Vermont [Mr. AUSTIN] and the able Senator from Utah [Mr. THOMAS] served a very useful function. The net product they brought back to us was shed of all of these things which were so objectionable in the first instance. I recall that the Senator from Vermont did me the courtesy of submitting the original document to me and suggesting that I give him my comment in writing, and I gave him a memorandum complaining just as bitterly about the terms of the subsequent document as the Senator now complains about this ancient document.

Mr. REVERCOMB. I may say to the Senator at this point that the ancient document of which the Senator speaks——

Mr. VANDENBERG. I am trying to discriminate between that and this.

Mr. REVERCOMB. Meaning the Hot Springs document?

Mr. VANDENBERG. Yes.

Mr. REVERCOMB. Was one which was signed by our American representatives, containing recommendations. Are the representatives of our country going to make recommendations under the new constitution?

Mr. VANDENBERG. I shall ask the Senator a question in a moment if he will be patient with me. The Senator's complaint against the original document is no more strenuous, I repeat, than the complaint of the membership of the committee against the document which reached us, upon which the pending joint resolution is based. After it went through the wringer and came back with all these objectionable matters eliminated, would the Senator from West Virginia say that that process leaves us bound in any fashion whatsoever by the objectionable matter which has been eliminated, or would not the Senator say that the very act of elimination has emphasized the fact that we disagree with the things we eliminated? I suggest that to the Senator from West Virginia, because when I vote for the pending joint resolution I shall vote on the theory that the things that have been eliminated have been eliminated for keeps. And certainly the point the able Senator from West Virginia speaks of would have to be eliminated for keeps, so far as I am concerned.

Mr. REVERCOMB. I am quite sure that it would have to be eliminated for keeps so far as the Senator from Michigan is concerned. And I will say that this debate and this discussion have clarified the subject very much. Such statements as have been made by the Senator from Vermont and the Senator from Michigan have revealed to the Senate the important work that was done here. But I go one step further in answer to the Senator's question, and particularly in answer to the second part of it concerning elimination. I am confronted with the fact that representatives of the administration of the United States Government went into conference, just such a one as will be held under this constitution, and came back here with their names signed to a document recommending the migration feature. I cannot understand it. I cannot condemn it too strongly.

Mr. VANDENBERG. The Senator, if he will let me say so, is also confronted with the fact that the thing he condemns was so totally eliminated that it did not even reappear in the draft which we worked upon in the Foreign Relations Committee, and I submit to the Senator that it is even more persuasive to me as to the attitude of Congress toward the question, that it has been thrown out, plowed under, eliminated, totally rejected. I submit to the Senator that that is even more eloquent a factor of safety than if that had not occurred.

Mr. THOMAS of Utah rose.

Mr. REVERCOMB. Mr. President, I shall yield to the Senator from Utah in a moment. Let me make this answer. I wish to say to the Senator that the committee did throw out the recommendation——

Mr. AUSTIN. No, no.

Mr. VANDENBERG. It was out before it reached us.

Mr. AUSTIN. We never had a chance to throw it out. It was not in the document which came to us.

Mr. REVERCOMB. Well, it was certainly in it in the year 1943, when the American representatives signed the document containing that recommendation. The fact that Senators here today do not approve of the migration feature does not mean that whoever we designate to represent this country in the organization will not come forth with a similar recommendation. The constitution is not a group of recommendations. It is a provision for recommendations; such recommendations as were contained in the report.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. BARKLEY. Not only did the conference which wrote the constitution eliminate all the things to which the Senator objects, but under the constitution itself, if the recommendations should be repeated they could not be included unless the Congress of the United States agreed to them.

Mr. REVERCOMB. Let me say, Mr. President, that there is no elimination of that recommendation because the constitution is not a constitution of recommendations. Recommendations are not eliminated. The document from which I have read contains the recommendations that would be had under the constitution if the members saw fit to make them, and the fear which I have, let me say to the Senator——

Mr. BARKLEY. They would not be recommendations unless they were repeated. They may have been recommendations made in 1943. They were not included in the constitution. We are not voting upon the recommendations, and in order for them ever to be voted on they would have to be repeated. We would still have the right to throw them out as they were thrown out by the Organization before the constitution was written.

Mr. REVERCOMB. Of course no recommendation is included in the constitution. It is not set up as a recommendation. It is set up and given the power of recommendation just as was attempted in the first instance. The apprehension I have, Mr. President, I repeat, is: Will the representatives of our Government in the Organization do this again under the constitution? There is every reason to believe, since they did it once, that they will, and come back to us with a recommendation of the kind to which I have referred.

Mr. BARKLEY. The representatives may not even be the same individuals, but even if they should make the recommendations they would have no effect unless Congress should adopt them.

Mr. REVERCOMB. But it is one step toward putting the recommendation into effect, and in view of the history of the setting up of the Food Conference, under which recommendations were made for migration of people from country to country, I think we are put on notice that we may again be presented with a similar recommendation.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. REVERCOMB. I yield.

Mr. THOMAS of Utah. Mr. President, I do not want to get into an argument about the matter which is now before the Senate. I think the argument stage has passed. But I think it is proper to point out that if there is any force in what the Senator from West Virginia is stating it is by way of confirmation of the constitutional theory of the Government of the United States which is, as I understand, that before any international agreement is entered into there shall be the advice and consent of the Senate of the United States to the agreement.

Mr. President, many of us have always felt that advice and consent were two separate propositions, and that probably a little advice before negotiation would often be a good thing in this Government of ours. It has been pointed out that lately our Government has proceeded along that line, and representatives of this body were sent to the International Labor Conference a year ago last May; representatives of this body were sent to Mexico; representatives of this body were sent to San Francisco.

I agree with the arguments the Senator has made to the extent that I will say it was a mistake that representatives of this body were not also sent to the Virginia conference. I wish to make that statement now because if there has ever been a time in the history of the United States when a document which might be called a treaty has been considered, and considered properly, this is the time. That is proved by the appointment of the subcommittee, the way in which the subcommittee worked, the reporting of the subcommittee's deliberations back to the various nations, the acceptance of the subcommittee's suggestions by the other nations, and finally the constitution itself presented here for consideration, on the recommendation of the subcommittee that it be presented,

not as ordinary treaties are presented, but in such a way that both the House of Representatives and the Senate should act upon it.

I point out that all the safeguards that belonged to the people at the time of founding of our Constitution—that liberty should be maintained by a balance of powers and by checks, as well as every other safeguard—have been observed. The Senator from Vermont [Mr. AUSTIN], former Senator Gillette, and I, in offering suggestions about this constitution, and actually wording many of its provisions, were thinking in terms of the way in which the Constitution of the United States was established.

Mr. President, I am sorry that I have missed the debate. In addition to what I have said, let me say further that, while the Senator from West Virginia has questioned certain things, we also questioned every one of them, as he would have us question them. As a subcommittee, we thought we should question them. It was our duty. When the document was finished, we heartily supported it, as it should be supported, as a necessary thing.

I think we ought to be just, as well as correct, in considering what took place back in 1943. Conditions in the world were very different in 1943 than they are today.

Mr. REVERCOMB. Let me interrupt the Senator at this point, if I may. What conditions obtaining in 1943 would justify the United States in subscribing to a plan to place in the hands of a world organization the power to cause people to migrate, and command them to migrate, from one country to another?

Mr. THOMAS of Utah. In 1943 the United States Government was carrying on negotiations with the Mexican Government to bring Mexican laborers into the United States to take care of our crops, and we have Mexican laborers in the United States today. The Senator knows that to be so.

Mr. REVERCOMB. That is a purely temporary thing, and it has been going on for years.

Mr. THOMAS of Utah. It is purely temporary, and it is all done in accordance with the laws of the United States. Nothing will be done under this agreement to interfere with the fundamental laws of the United States or the laws of other countries. But at that very time the people of the world knew that farm laborers and other laborers had been made captive and actually taken from one country to another.

Mr. REVERCOMB. Let me interrupt again. Under no definition could the transitory labor which has been brought in from Mexico and from some of the West Indies islands to take care of crops in season and moved out later be called settlers. Let me read the language in the recommendations signed by our own representatives at that meeting:

> Where emigration is possible, an international organization should support arrangements to provide safeguards for the settlers and for the countries concerned, and to facilitate the movement through other appropriate means.

They were not dealing with the transitory labor from Mexico referred to by the able Senator. They were dealing with settlers, permanent residents.

Mr. THOMAS of Utah. Mr. President, they were dealing with every type of migratory labor known to man. Approximately 40 nations were represented, and each of those nations had a different problem. But never was it suggested, and never could it be suggested, that an international agreement would interfere with the laws of a given nation with regard to migratory labor or settlement. The words which were used——

Mr. REVERCOMB. Mr. President, let me interrupt the Senator.

Mr. THOMAS of Utah. I am not arguing. I am explaining, because this whole thing is past and done. As was pointed out by the Senator from Vermont——

Mr. REVERCOMB. The Senator has stated that the proposed organization would not invade the laws of any country. I take it the Senator has read the final act of the meeting at Hot Springs, Va., in 1943. Upon reading it, does he not find that an international organization is proposed to be set up to deal with migration intranationally, inside the country, and internationally, from one country to another? If the recommendations were carried out, if the international organization would not have authority to deal with the question, then I do not know how authority could be given to any agency to deal with the migration of people.

Mr. President, we have discussed this question at some length. I believe that further argument is unnecessary. In closing, I wish to point out that in considering this joint resolution and acting upon it, we do so with notice served upon us, not that other countries want an international control of migration of people from one country to another, but that our own administration in this Government and its representatives have approved, at a secret meeting, a recommendation which would place in the hands of the International Organization on Food and Agriculture the power to deal with migration from one country to another including our own.

I submit, Mr. President, that with that notice given to us of the danger, and with the right of recommendation existing in the organization to which we are about to subscribe, I have grave doubts of the wisdom of this country subscribing to such an organization under such notice.

Mr. BUSHFIELD. Mr. President, I have listened with very deep interest to the debate which has occurred during the past 2 days upon the so-called food constitution submitted to the Senate for adoption or rejection. I have followed the proposed program from its inception, at the time when the President called the Hot Springs Conference. I think the distinguished Senator from West Virginia has just cause for the apprehension he has expressed about what is behind the proposed constitution. In the constitution itself, so far as its language goes, there is perhaps nothing to be alarmed about; but, Mr. President, from the very beginning there has been a complete pattern of what is behind this movement. I recall very well the circumstances of the Hot Springs Conference. Representatives of 44 nations were brought here during the war and were housed at Hot Springs, Va. Armed soldiers were stationed around the buildings in which the Conference was housed. Representatives of the newspapers were not permitted to go there. Members of Congress were not there. I do not know whether they would have been thrown out if they had attempted to attend, but they were not there and they were not invited. During the agitation which occurred at that time, as I remember so well, some 15 Senators met in this building, as I remember, at the call of the Senator from Texas [Mr. CONNALLY] to discuss the question whether the United States Senate should be represented at the Conference at Hot Springs. A number of representatives of the State Department were present that day. Some very strong expressions of opinion were made by Senators with reference to the fact that the public, the newspapers, and we were apparently being excluded from any participation or listening in at the Conference. I remember very well that a representative of the State Department, a distinguished gentleman, made this observation before us that day: "If I had anything to do about it, you would be there. But the White House does not want you there."

Mr. President, I do not recite that in order to refer to the White House, but simply to indicate the pattern which was drawn for that Conference and the subsequent things which happened. Following the Conference session, for several months there was what was called an interim commission whose task it was to draw up recommendations and plans for handling the food of the world. It worked all summer. I remember that I made a speech in this Chamber in March 1944, after I had discussed the tentative program with many of those who were interested in it and had received information regarding what they were planning to do. At that time I pointed out, in March 1944, the things we could expect from this Food Conference in the way of recommendations, in the way of treaties, and in the way of proposed legislation. No one paid any attention to it at that time, but I stated in substance that legislation was already in preparation to put over these plans and to control the food of the world and the farmers of the United States.

While the Foreign Relations Committee has stated—I have no reason to doubt it—that those suggestions were thrown out the window, I think the distinguished Senator from West Virginia has ample reason for being apprehensive because of the pattern, the thinking, and the belief of those in the administration who are planning and scheming to have this proposal adopted.

I do not know whether, with the subsequent action of the Congress, the Constitution will perhaps permit that being done. But I am sure the Senate will be interested in some of the thinking of certain persons who are employed in various departments in Washington. I am sure the Senate will be interested in what those persons think with reference to this important subject. I wish every

farmer in the United States knew what are some of the plans.

Yesterday it was stated that the farm organizations, or at least some of them, approved this plan. I doubt very much if the officials who made the recommendation ever read the secret recommendations and plans which have been made for this organization.

Mr. President, I invite the attention of the Senate to four or five recommendations in this plan. I quote from a report entitled "What Postwar Policies for Agriculture?" and furnished only upon request by the Department of Agriculture in January 1944. I quote from page 3 of that report:

> But national policy should not undertake to support in agriculture everyone who may choose to live on a farm, without proper consideration for his contribution to the national welfare.

What does that statement mean? It can mean only one thing. Someone or some agency in Washington is planning and hoping to obtain power in order that it may say to the farmers of the United States, "You do not belong in farming, you cannot make a living in farming, so we will transfer you to another industry or to another trade." Somebody, a super father, if you please, Mr. President, is going to plan our lives for us on the farm. Being intensely interested in agriculture, and representing a farming State, I want the people of my State to know what the officers of this Government are thinking of and planning for them.

I invite now attention to another paragraph under the section entitled "Good Land-Tenure Conditions." It reads as follows:

> We believe that private property is a public trust, and that wherever public and private interests in land use conflict the public interest should prevail.

Mr. President, that is an astounding statement. Again some individual, some supergod, if you please, who knows all, thinks all, and does all in Washington, is going to say to the American farmer that the use of his land must be determined by that individual or by that particular public agency, and that in its high opinion it will be important that the use of the land be devoted to purposes which the agency shall select instead of to the purposes which may be selected by the occupant of the land.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. BUSHFIELD. I yield.

Mr. THOMAS of Utah. I wonder if it would not be proper to ask the Senator from South Dakota to suggest just what the American farmer will say in reply to such a demand if it should be made.

Mr. BUSHFIELD. I do not believe I understood the Senator's inquiry.

Mr. THOMAS of Utah. Inasmuch as the Senator is interpreting what the Department of Agriculture intends to do to our farmers, why should he not interpret the minds of the farmers and say what the farmer will reply in case the suggestion is made to him as stated by the Senator from South Dakota.

Mr. BUSHFIELD. I do not know what the department would say, but I know what the average farmer in my State would say.

Mr. THOMAS of Utah. I know what the average farmer in every State would say.

Mr. BUSHFIELD. I am glad to hear the Senator say so.

Mr. THOMAS of Utah. I think, Mr. President, that when it is assumed that some particular official of the Government will say a certain thing to some farmer, it is proper to carry the assumption a little further and state what the farmer will say in reply.

Mr. BUSHFIELD. I am sure that the distinguished Senator from Utah and I both agree on what the American farmer would and should say.

Mr. President, I wish to read further from the report to which I have referred. On page 7 appears the following:

> Experience has demonstrated that for some land private ownership serves no public purpose; these lands should be returned to public ownership.

Mr. President, who is to make that decision? Are we going to give some agency in the Federal Government power completely to disrupt the local taxing and governing units among the farm population of this country? The language which I have read can mean only something of that nature.

Here is another statement which is along the line suggested by my distinguished colleague from West Virginia. From page 8 I read the following:

> We are not advocating a regimented mass movement of people from the submarginal areas to newly developed areas. Much of the movement would and should be by gradual and successive infiltration, because a large part of the available good land consists of small tracts located in established agricultural areas. But making new land available is an essential step in the process of stimulating and accommodating the required shift of farm population from submarginal areas—a step often insufficiently provided for in past programs.

I wish to invite the attention of the Senator from West Virginia to a portion of the program which our representatives are scheming about and thinking about. From page 9 of the report I read the following:

> According to the census, we have about 6,000,000 farms in the United States. At least two and one-half millions of these can pr bably never be made to fit our definition of family farms. Some are part-time farms—their occupants devote only part of their time to farming and receive a substantial share of their income from nonfarm employment. Most of them, however, are occupied by marginal and subsistence farmers and unfortunate people who, as a result of economic pressure or inertia, have to depend for a living almost wholly on the inadequate produce of small or unproductive farms.

Mr. President, I am not quarreling with the opinions or the hopes of the persons who issue this kind of tripe, but I join with the Senator from West Virginia in wondering whether such stuff is going to be handed out under this food constitution to the American people and to the Congress. That is why I am apprehensive I know, after a year and a half of study of some of the officials of our Government, and from contacts with them, that many of them have plans of the kind set forth in the language which I have read.

Mr. BURTON. Mr. President, I wish to ask a question for information. I made a similar request yesterday, but was not fully answered. I direct my question to the senior Senator from Vermont [Mr. AUSTIN].

In article XXI, paragraph 3, of the constitution of the Food and Agriculture Organization of the United Nations reads as follows:

> Upon the receipt by the Interim Commission of 20 notifications of acceptance the Interim Commission shall arrange for this constitution to be signed in a single copy by the diplomatic representatives, duly authorized thereto, of the nations who shall have notified their acceptance, and upon being so signed on behalf of not less than 20 of the nations specified in annex I this constitution shall come into force immediately.

Yesterday I was advised by the majority leader that 23 nations had accepted membership, but I was not advised as to whether the ceremony had been held within the permission of the constitution, and was not advised as to whether it is now in effect. Can the senior Senator from Vermont answer the question?

Mr. AUSTIN. If the Senator from South Dakota will yield, the only answer I can make at this time appears in the report at page 20, in a letter from the Assistant Secretary of State, Dean Acheson, to me, dated March 15, 1945, in which there appears the following:

> As matters now stand, the first report of the governments of the United Nations by the Interim Commission on Food and Agriculture, dated August 1, 1944, recommended a constitution for the proposed organization but the constitution cannot come into force until at least 20 nations have signified acceptance. Up to now 18 countries have accepted.

I cannot say whether since that time countries have accepted. I heard the statement by the distinguished leader of the majority, and if it was meant to be specifically correct about the matter, a sufficient number of countries have accepted to bring the Organization into being, that is, 23; but I know nothing of it of my own knowledge except what appears in the report.

Mr. BURTON. Mr. President, the majority leader did not say that the steps had been taken. He merely said 23 member nations had accepted, and I call the attention of the Senator from Vermont to a statement on page 19 of the report, in which Dean Acheson, Assistant Secretary of State, under date of March 13, commented in this language:

> Inasmuch as 18 countries have already accepted, including the United Kingdom and China, it would appear reasonable to believe that the Organization can and will come into being very quickly after acceptance by the United States.

So I think they contemplated that it would not come into being until after the acceptance by the United States.

Mr. AUSTIN. Yes; possibly.

Mr. BURTON. It would appear, therefore, that if the senior Senator from Kentucky yesterday made a correct statement when he said that 23 had accepted, the constitution is in a position

to be put into effect immediately, if it has not already gone into effect.

Mr. AUSTIN. I think so.

Mr. WILLIS. Mr. President, I should like to direct a question to the senior Senator from Vermont for the purpose of getting some information. On page 5 of the report, in article XVII, we find this language:

> Any question or dispute concerning the interpretation of this constitution or any international convention adopted thereunder shall be referred for determination to an appropriate international court or arbitral tribunal in the manner prescribed by rules to be adopted by the Conference.

What would be an appropriate international court?

Mr. AUSTIN. After the organization of the United Nations, under the charter which we are about to consider next week, the court set up under that document would be the appropriate court.

Mr. WILLIS. This anticipates the completion of action on the charter and its going into effect.

Mr. AUSTIN. Yes. This whole movement is articulated with the effort for a United Nations Organization, and it is one of the organizations referred to in the charter.

Mr. WILLIS. Assuming the United States were involved in a dispute, would it be bound by the interpretation of the International Court?

Mr. AUSTIN. If the United States consented to the jurisdiction of the court it would be.

Mr. WILLIS. We agree in this instrument, do we not, that we will accept such jurisdiction?

Mr. AUSTIN. No. The charter provides only for a judicial tribunal the jurisdiction of which is not compulsory unless the option provided in the charter is exercised.

Mr. WILLIS. The language here is, "Any question of dispute concerning interpretation shall be referred for determination to an appropriate international court."

Mr. AUSTIN. Of course, this is in line with the efforts of all civilized and peace-loving nations to adopt peaceable methods of settlement of controversies among nations, instead of resorting to war.

Mr. WILLIS. Then, under that theory, we would be bound to accept, if we wanted to cooperate with this international program?

Mr. AUSTIN. No; we first would have to be a party to a reference to an appropriate tribunal, and we would be bound if we agreed to be bound by it. There is nothing in this provision which binds the United States in advance to the jurisdiction of any specific tribunal.

Mr. WILLIS. It seems to me the language states clearly that we shall be bound if we subscribe to this agreement.

Mr. AUSTIN. It binds the United States to do just what it says.

Mr. WILLIS. To refer the controversy to the court.

Mr. AUSTIN. Yes; "any question of dispute concerning the interpretation of this constitution or any international convention adopted thereunder."

Mr. WILLIS. If we wanted to continue to cooperate in the organization we probably would have to accept the finding, would we not?

Mr. AUSTIN. There is nothing in the constitution which says so, but the moral responsibility of this country would cause us to be bound. We would never refer questions to an arbitral tribunal and then repudiate the decision, and we are saying to the world by this article XVII that we are not only subscribing to the idea of peaceful settlement of disputes but we are advocating it and we are leading in that direction.

Mr. WILLIS. I agree with that doctrine, but in a dispute which might arise a decision might be rendered by a super court by which we did not wish to abide. How could be honorably withdraw?

Mr. AUSTIN. Will the Senator answer a question by me?

Mr. WILLIS. I shall try to.

Mr. AUSTIN. How would the Senator suggest that this be changed?

Mr. WILLIS. I would suggest that the article be eliminated and the clarification of disputes could be made by amendments as provided elsewhere, which amendments would be subject to the approval of the Congress of the United States.

Mr. AUSTIN. Then, if we had a disagreement with Great Britain respecting interpretation of this constitution, or a treaty made under it, the Senator would want to have both countries go to a determination of that issue by war?

Mr. WILLIS. Oh, no; I do not think that is involved.

Mr. AUSTIN. That is just what it involves. It involves a promise to use other means than war for the interpretation of this constitution and treaties made thereunder. That is what it means.

Mr. WILLIS. I would say to the Senator, then, that if failure to respect the provisions of this article might lead us to war, or cause us to invoke the veto right of the charter, it is of such a serious nature that I certainly think the article should be withdrawn and the United States permitted to decide for itself, on such an occasion, as to whether it wanted to be bound by the interpretation of a court.

Mr. AUSTIN. That is exactly what leads to war, when a country is so nationalistic that it will not agree to submit questions of interpretation as between itself and its vis-à-vis in a contract to a tribunal to pass upon them, that is what leads to war. If each country party to such a controversy insists that it alone shall pass upon its interpretation, we will never arrive at a peaceable settlement of a dispute. Each country simply adheres to its interpretation.

Mr. WILLIS. It seems to me that then we are committing ourselves to a much more serious obligation than has been heretofore represented in connection with this matter.

Mr. AUSTIN. No; there has been no representation excepting the constitution itself with respect to the constitution, and I took great care earlier today to have it printed in the debate, so that such a claim as that made by the Senator from Indiana could not confront me later. It has confronted me now within a few moments, but the RECORD shows that I inserted the text of the constitution in the RECORD, so that the entire statement as found in the constitution would be my representation.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. WILLIS. I yield.

Mr. MILLIKIN. I should like to ask the distinguished Senator from Vermont whether we could be brought into a court of the type he describes without our agreement on the reference?

Mr. AUSTIN. Mr. President, my answer would be "No."

Mr. BURTON. Mr. President, will the Senator from Indiana yield to me so that I may also direct a question to the senior Senator from Vermont?

Mr. WILLIS. I yield.

Mr. BURTON. Bearing on the same question I should like to ask the Senator from Vermont this question: As I understand article XVII, it does not relate to the reference of a dispute in which a judgment is to be rendered for or against the parties to the dispute; it has to do with the reference to a court of a request for an interpretation. This is all it amounts to, that here we have the constitution, and if we wish an interpretation of what it means, we then ask a particular court what it means, and there is where the article stops.

Mr. AUSTIN. That is my understanding.

Mr. WILLIS. But under that interpretation we are binding ourselves to accept some other interpretation that we have not here considered.

Mr. BURTON. As I see it, this, first of all, does not bind the United States to the jurisdiction of any international court for the settlement of a dispute or an adjudication, but it does bind the United States, as I would see it, as a party to this constitution, that if we are in doubt, or somebody else is in doubt as to what it means, we have agreed that the question may be referred to a particular international court for an interpretation, and then, as the senior Senator from Vermont has said, it would rest upon our good faith as to whether or not we would accept the interpretation.

Mr. WILLIS. That decision would come later. It might be an interpretation different from that we now construe.

I should like to ask the Senator from Vermont another question, perhaps a minor one. We find that the amount which the United States is to subscribe to this organization is 25 percent of the total amount, and that has been interpreted to be, I think, about $1,250,000 for a full year. Under what formula was that amount determined? This applies also to other organizations of a similar character. What formulas have been used in determining the amount for which we are committed?

Mr. AUSTIN. I do not know under what formula it was determined. I can only guess that the economic resources of the various members, their population, their interests, and such factors were taken into consideration by the Interim Conference in arriving at the various ratios which appear on page 7 of the report. By contrast, the dis-

tinguished Senator will notice that as against the 25 percent for the United States the United Kingdom has 15 percent, and as against 25 percent for the United States Uruguay has less than 1 percent; that is, fifty-eight one hundredths of a percent. And so it goes. The table before us is not arbitrary and is not binding forever and ever. The provision of the constitution relating to a budget enables the organization to adapt itself to any changing situation.

Mr. WILLIS. I will say to the Senator that I have never been able to find anyone who could explain the formula under which the United States is being asked to pay a much greater sum than other nations in this organization are asked to pay. The United Kingdom would provide 15 percent. The United Kingdom has a much greater area, has a much larger population, and probably has much greater natural resources than the United States.

The Union of Soviet Socialist Republics is set down for 8 percent.

Mr. AUSTIN. Is the Senator addressing those remarks to me? If so I should like to reply that I think he is in error about the United Kingdom with respect to——

Mr. WILLIS. The United Kingdom is set down for 15 percent.

Mr. AUSTIN. No; that is not what I mean. I meant to speak of area. The reference is not to the entire British Commonwealth of Nations.

Mr. WILLIS. Then the sums are probably a fair comparable amount.

Mr. AUSTIN. Yes.

Mr. WILLIS. Russia is to pay 8 percent. Russia has vastly greater agricultural areas than we have, has a vastly greater population, and much greater natural resources. I understand Russia does not have one dollar of national debt, whereas the United States will have a national debt of approximately $300,000,000,000. It seems to me that those who set up these formulae are not properly protecting the future welfare of the United States.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. WILLIS. I yield.

Mr. THOMAS of Utah. I should like to add to the discussion that the technique used and followed here is the same as has been used in apportioning the expenses among the nations of the world since the institution of the International Postal Union. There is no difference between them. If we go through the list we may discover some arbitrary spots here and there. Perhaps some nation is paying a little more than it should pay. But the scheme has worked very well since the establishment of the International Postal Union, and I think it will continue to work. I think we sometimes make comparisons without adding up all the factors involved. Some may assume that we are paying more than our share, but when we consider the matter of agricultural production and other production, as well as what we will gain from cooperation, I believe we will find the apportionment to be fair.

Mr. BUTLER. Mr. President, I should like to ask the Senator from Utah a question. He was answering a question directed to him by the Senator from Indiana and making an explanation of the difference in the percentage of the support which is requested from the United States to the organization under discussion now, and from other nations who are represented. I should like to invite the Senator's attention to the list of nations who belong to UNRRA. During the last few days the Byrd committee has been holding hearings in connection with our contribution to the support of the program conducted under UNRRA. I have compared the nations on the UNRRA list with the nations listed in the bill under consideration. They are exactly the same. There are 44 of them, beginning with Australia and ending with Yugoslavia. The division of the expense in the support of UNRRA is based on some formula. In that case the United States contributes $1,350,000,000, or 72 percent of the total. In the case of the bill under consideration, for some reason the percentage allotted to the United States is 25 percent, if the figures given by the Senator from Indiana are correct.

I should like to know why that difference exists. If the United States is able to support only 25 percent of the program of the bill under consideration, how can the United States expect to support 72 percent of the program for UNRRA, in which exactly the same nations are included?

Mr. THOMAS of Utah. Mr. President, I have no more answer to that question than the Senator from Nebraska has, except to say that the factors are very different, and the facts connected with the two organizations are very different.

The PRESIDING OFFICER. The hour of 2 o'clock has now arrived. Under the unanimous-consent agreement heretofore adopted debate on the joint resolution and all amendments thereto is ended.

The joint resolution is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution (H. J. Res. 145) was ordered to a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 1851. An act for the relief of the widow and three children of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936; and

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1270. An act relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation; and

H. R. 3771. An act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

CONDITIONAL ADJOURNMENT OF THE TWO HOUSES

Mr. BARKLEY. Mr. President, I ask the Chair to lay before the Senate House Concurrent Resolution 68, providing for an adjournment for a certain period of the two Houses of Congress.

The PRESIDING OFFICER. The Chair lays before the Senate House Concurrent Resolution 68, which will be read.

The concurrent resolution was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Saturday, July 21, 1945, it stand adjourned until 12 o'clock meridian on Monday, October 8, 1945, or until 12 o'clock meridian on the third day after Members are notified to reassemble in accordance with section 3 of this concurrent resolution, whichever occurs first.

SEC. 2. That the consent of the House of Representatives is hereby given to an adjournment of the Senate at any time during the month of August or September 1945, until 12 o'clock meridian on Monday, October 8, 1945, or until 12 o'clock meridian on the third day after Members are notified to reassemble in accordance with section 3 of this concurrent resolution, whichever occurs first.

SEC. 3. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and the House, respectively, to reassemble whenever in their opinion legislative expediency shall warrant it or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

Mr. BARKLEY. Mr. President, I wish to make a brief statement.

The House originally contemplated providing for an adjournment of the House, with the consent of the Senate, until the first day of October. In view of the fact that we are to take up the San Francisco Charter on Monday, and in view of the fact that our ability to take a recess will be postponed for some days following the adjournment of the House, the House agreed to provide for the reconvening of the two Houses on the 8th of October instead of the 1st.

The concurrent resolution provides in advance the consent of the House to an adjournment of the Senate at any time during the month of August or the month of September. We may conclude consideration of the charter before the 1st of August. I hope we may; but I do not wish to suggest any amendment to the concurrent resolution. If we conclude consideration of the charte. prior to the 1st of August, a sufficient number of us will be present to have a session on that day so as to comply with the terms of the

concurrent resolution, which provides for an adjournment of the Senate at any time during August or September. If we conclude consideration of the treaty prior to the first day of August, we can have a session on that day and provide then, by suitable motion, for the adjournment of the Senate until the 8th of October, when, under the terms of the concurrent resolution, the two Houses will reconvene.

I ask for a vote on the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 68) was agreed to.

COVERAGE OF CERTAIN DRUGS UNDER THE FEDERAL NARCOTIC LAWS

Mr. GEORGE. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 183, House bill 2348, to provide for the coverage of certain drugs under the Federal narcotic laws.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 2348) to provide for the coverage of certain drugs under the Federal narcotic laws.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. GEORGE. Mr. President, if I may have the attention of the Senate, I can explain the bill in a very few words.

The bill would give to the Secretary of the Treasury the authority to determine whether any synthetic drug possesses the qualities of morphine or cocaine. Heretofore the Congress has dealt with problems of this kind by special legislation, whenever a synthetic drug, habit-forming or habit-sustaining, has appeared. In the Seventy-eighth Congress, under Public Law 414, Congress dealt with a specific derivative of one of the drugs, or a synthetic duplication of a particular drug. This bill proposes a general law, so that the Secretary of the Treasury may, at any time when a synthetic drug which possesses habit-forming or habit-sustaining qualities appears, determine whether or not it shall receive the same treatment as morphine or cocaine, that is, whether or not it shall be brought under the same regulations and control.

The word "opiate" has been selected as a generic term. In the event of any habit-forming drug making its appearance, it will be determined by the Secretary of the Treasury whether the drug possesses the same qualities as either morphine or cocaine. If so, it may be brought under the same regulation as morphine or cocaine.

The bill provides for ample notice and hearing to any party interested in the production or distribution of the drug before any order is entered. The hearing will be public. The parties will have an opportunity to appear and make their case; and thereafter the Department will determine whether the drug is a habit-forming or habit-sustaining drug within the meaning of the act. If the finding is affirmative, then no order can be issued by the Secretary, but the President of the United States to whom the matter is referred, may himself issue the order. It is precisely what has been done in the case of certain synthetic drugs which possess all the qualities and have all the habit-forming or habit-sustaining characteristics of the natural drug itself. This is simply a bill which brings under observation the whole field of synthetic drugs falling in that category.

It is represented to the committee that need for the bill actually exists. Information in the Narcotics Division of the Treasury indicates that the conclusions reached by the Secretary in presenting this bill are very well founded.

It is believed that if the proposed law is made general and applicable to all of the opiates—which, as I have already explained, is a generic term—then before any considerable quantity of any habit-forming drug, synthetic in character, can be placed on the market and go into consumption, proper steps can be taken to regulate and control it. That is the whole purpose of the bill. It is a long bill, but the various sections are intended to apply the generic term "opium" to various sections of our narcotic laws and even to our tariff laws and tax laws.

I am bringing up the bill at this time. It has passed the House of Representatives. The Senator from Wisconsin [Mr. LA FOLLETTE] presented to the Finance Committee a matter in which several of the States of the Union are interested, and a hearing was had by the Senator from Wisconsin. The committee has given to the Senator from Wisconsin the privilege of presenting as a committee amendment an amendment which he desires to offer to the bill. I now yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I offer the amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 5, after line 3, it is proposed to insert the following:

AMENDMENTS RELATING TO MARIHUANA

SEC. 10. (a) Exemption for certain transfers to millers: Section 2591 of the Internal Revenue Code is amended by adding at the end thereof a new subsection (e) to read as follows:

"(e) Exemption for certain transfers to millers: Nothing in this section shall apply to a transfer of the plant Cannabis sativa L. or any parts thereof from any person registered under section 3231 to a person who is also registered under section 3231 as a taxpayer required to pay the tax imposed by section 3230 (a) (6)."

(b) Special tax on millers: Section 3230 of the Internal Revenue Code is hereby amended by adding at the end of subsection (a) a new subdivision (6) to read as follows:

"(6) Millers: Any person who at a mill manufacturers or produces from the plant Cannabis sativa L. any fiber or fiber products, $1 per year or fraction thereof during which he engages in such activities."

(c) Registration of millers: Section 3231 of the Internal Revenue Code is hereby amended by inserting at the beginning thereof, before the word "any" the following: "(a) In general.—"; and by adding at the end of such section a new subsection to read as follows:

"(b) Special requirements for millers: The Secretary shall not permit the registration of any person under this section as a person required to pay the tax imposed by section 3230 (a) (6), unless in the opinion of the Secretary such person (of if a corporation, each officer thereof) is a person of good moral character and unless in the opinion of the Secretary such person is a person of suitable financial standing, intends to engage in good faith in the business of manufacturing or producing fiber or fiber products from the plant Cannabis sativa L. on a commercial basis, and is not seeking registration under this section for the purpose of facilitating the unlawful diversion of marihuana. Any person who is registered under this section and has paid the tax imposed by section 3230 (a) (6) shall afford agents of the Bureau of Narcotics ready access at all times to any part of the premises of the mill or other premises of such person and the right to inspect any and all books, papers, records, or documents connected with the activities of such person in dealing in, manufacturing, and processing Cannabis sativa L. and fiber or fiber products thereof, and the handling of marihuana. The Secretary may cancel or may refuse to renew, after notice and opportunity for hearing, the registration of any such person if he finds that such person has not complied or is not complying with the requirements of this subsection, or if he finds that grounds exist which would justify the refusal to permit the original registration of such person under this section."

Mr. LA FOLLETTE. Mr. President, I desire to make a brief statement for the RECORD in support of this amendment, which was authorized by the Finance Committee to be offered to the bill, as has been stated by the able chairman of the committee.

Mr. President, hemp has been produced in the United States since earliest colonial times. In World War I and again in World War II the expansion of the production of hemp became vitally necessary to the war effort. Between the two wars privately operated commercial scutching mills carried on their activity in peacetime. Then, when our source of supply from the Orient, and especially from the Philippines, was cut off in the World War, it became necessary for the Government to enter upon an extensive program designed to enlarge production. A number of plants were built in several of the States of the Union. Approximately $12,000,000 was invested by the Government in the construction of those scutching mills in order to increase the production of hemp essential to the war effort, and especially in order to provide the necessary rope for the tremendously expanded naval program.

In 1937 the Congress passed the so-called Marihuana Act, giving the Bureau of Narcotics of the Treasury Department and the Treasury Department itself power to control the traffic in marihuana. Representatives of the hemp industry appeared at the time the hearing was held before the Finance Committee, and Mr. Hester, who then was with the Treasury Department as assistant general counsel, was asked by Senator Brown, of Michigan, who then was chairman of the subcommittee considering the legislation, whether enactment of the bill would in anywise interfere with the legitimate commercial production of hemp.

Mr. Hester made this statement:

The production and sale of hemp and its products for industrial purposes will not be adversely affected by this bill—

Referring to the Marihuana Act, then under consideration. He further said:

In general, the term "marihuana" is defined in the bill so as to include only the flowering tops, leaves, and seeds of the hemp plant and to exclude the mature stalk, oil, and meal obtained from the seeds of the plant, and sterilized seed, incapable of germination.

A similar statement was made by Commissioner Anslinger.

However, early in March of this year one of the district supervisors sent out letters to some of the operators of the scutching mills which indicated that the Bureau of Narcotics was about to change its interpretations of the regulations. The result was that the operators of the mills felt that they could not carry on their production, because of the terrific liability for taxes, in many instances running into many million dollars, which they might incur if the letter of the Bureau of Narcotics were carried out to its full extent.

This raised the question whether it was necessary to enact some new legislation which would make it possible for this not large but very essential industry to move forward.

As a result, as has been stated by the Senator from Georgia, we had a hearing before the Finance Committee, at which appeared representatives of the Department of Agriculture, the Commodity Credit Corporation, the producers of hemp, and a representative of the Bureau of Narcotics. It became perfectly clear from that testimony that it would be impossible for the industry to be carried on if the interpretation which had been placed upon the Marihuana Act in March were allowed to stand.

Following the hearing I consulted with several Senators who represent States in which hemp is produced. I also conferred with the operators of private mills, as well as with officials in the Department of Agriculture who are interested indirectly in the industry. As a result, this amendment was worked out. I believe that Senators will observe that it is a very drastic power which we are giving to the Secretary of the Treasury in determining, in his discretion, and in the first instance, whether those who are licensed to operate mills are of good moral character, and whether they have sufficient capital to indicate that they are going into the business in good faith.

I may say that these mills cost the Government an average of about $300,000 each. So obviously, any person engaging in this business has a substantial stake in it. Under the amendment the Secretary of the Treasury is not only given power to pass upon the question of moral character and financial standing of every officer of every company which is to be licensed, but he also has the right to direct that the license be cancelled, or refuse to renew if, after an opportunity has been given for a hearing, he determines that the person is not complying with the requirements of the subsection of the act, or if he finds that sufficient ground exists to justify him in refusing the original registration of a person under the subsection.

So, Mr. President, I think I may say, without any question, that we are giving a power to the Secretary which certainly will prevent the possibility of any hemp which is produced by licensees under this amendment, if it becomes the law, directly or indirectly becoming a contributing factor in the use or traffic of the marihuana drug.

I may also state, Mr. President, that I do not believe there is any evidence of a substantial character that any of the persons who have engaged in this legitimate industry have been the source of illicit traffic in marihuana. As a matter of fact marihuana grows wild in many sections of the country. Any Senator from the Middle West, or any Senator who has lived in the Middle West along the rights-of-way of railroads, and who is able to recognize the plant when he sees it, knows that it grows in profusion as a weed.

I feel that it is important for the country to preserve the hemp industry. I am sure the Finance Committee was impressed with the importance of preserving the industry. I believe we have worked out an amendment which will not in any way weaken the power and control of the Bureau of Narcotics over traffic in marihuana, and at the same time I believe that the amendment, if it becomes law, will enable the legitimate producers of hemp to carry on their activities.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. HICKENLOOPER. As I recall the discussions which were had some time ago with respect to the regulation of the use of marihuana and hemp, there was either a regulation, or one was being proposed at that time, which would prevent the tranportation of the plant unless 90 percent of its leaves had been removed. That would make it prohibitive to transport hemp from where it is grown to the factory. In the opinion of the Senator from Wisconsin, has that situation been adequately provided for in this amendment?

Mr. LA FOLLETTE. I believe that if the amendment becomes law no such regulation could be issued. I may say that a letter which emanated from one of the district supervisors stated that the Department would not permit any foliage to remain on the hemp. When hemp is cut it is permitted to lie in the field until the moisture has produced a sufficient amount of bacteria to eat the binder out of the hemp, and prepare it for the scutching mills where it can be shredded, and the fiber separated from it. In that process many of the leaves fall off. It would not be possible, either under the 90-percent provision or the 100-percent provision, should there be no foliage on the plant when it left the field, for the industry to operate. We have drafted the amendment in such a way that I am certain that situation has been cured.

Mr. HICKENLOOPER. The process could take place in two places. It could take place in the field where the hemp is cut, or the hemp could be transported under certain conditions from the field to the factory where it would be placed in piles or stacks, and permitted to go through a certain phase of the retting process.

In the opinion of the Senator from Wisconsin, would this amendment prevent the issuance of arbitrary regulations which would in effect kill the industry by preventing the transportation of the partly green hemp with the foliage on it from the field where it is grown and cut to, for example, the mill site where it would go through the final retting process? In other words, if such transportation is to be prevented later by regulation, the industry will be killed whether the amendment is agreed to or not.

Mr. LA FOLLETTE. I believe that situation is taken care of by the amendment. As I have stated before, we have given very drastic discretionary power to the Secretary, so far as those who are engaged in the business are concerned, in granting them licenses. I think we have eliminated the danger of any regulation being issued which would interfere with the normal historical commercial production processes so far as hemp is concerned. Yet, by granting power with relation to the issuance of licenses, we have prevented the growing of hemp which is to be used as marihuana.

Mr. HICKENLOOPER. The Senator is correct. The licensing of the miller or the processor, and the broad powers which it is being proposed to give to the Secretary for the purpose of regulating the miller or the processor, are perfectly proper provided the gap between the processor and the producer is not an insurmountable one in its relation to the transportation end of the industry. As I recall, that was the serious situation which arose this spring. The processor was compelled to process, and the farmer was compelled to grow retting hemp on his premises, but the Department said that if 90 percent of the foliage was not off the hemp, it could not be transported from the place where it was grown to the mill. I am only concerned that the Senator has been assured by the Department that its attitude will not result in prohibitive regulations of the kind to which I have referred being adopted. I want to be sure that the amendment is sufficiently protective under the powers to be granted to the Secretary.

Mr. LA FOLLETTE. I can say to the Senator from Iowa that I am satisfied that this amendment takes care of the situation with regard to the transfer of the retting hemp, or the hemp from the field to the mill, and the millers are satisfied that they can operate under this provision if it becomes law.

Mr. HICKENLOOPER. The Senator from Wisconsin has been concerned with this matter for some time, and if he is satisfied with the provisions I am happy to know it, and I am certainly willing to go along, because I shall be satisfied, too.

Mr. LA FOLLETTE. I appreciate the interest which the Senators from Iowa, Illinois, Minnesota, and Kentucky have taken in this matter.

I wish to close with the statement that the Department acquiesces in the enactment of the amendment, and especially

since the Finance Committee has determined that it believes that the industry should be preserved.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. LA FOLLETTE. I yield.

Mr. LANGER. I noticed that in enumerating the States the Senator left out North Dakota. I want the Senator to know that we also have a law in North Dakota prohibiting traffic in marihuana, that it grows wild, as the Senator has said, and that both Senators from North Dakota have been very much interested in the enactment of the proposed legislation.

Mr. LA FOLLETTE. I beg the Senator's pardon for not having included the State of the Senators from North Dakota.

Mr. HICKENLOOPER. Mr. President, will the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield.

Mr. HICKENLOOPER. I should like to ask the Senator about the powers under the act. At the present time there is an extensive hemp processing industry built up largely by Government-subsidized or Government-built plants. Those plants in the main are operated by private corporations, but they are really Government-constructed plants. What effect will the amendment have upon the ability of purely private individuals to build their own plants, install their own machinery, and contract for hemp acreage and processing of hemp?

Mr. LA FOLLETTE. The amendment will have no effect on them if they can get licenses from the Secretary.

Mr. HICKENLOOPER. In other words, they will be in the same category with the operators of the present Government-owned or Government-controlled plants?

Mr. LA FOLLETTE. Any mills which may now be privately owned or operated or publicly owned or operated will all have to get licenses from the Secretary, under the same provisions. So it will have no effect upon the competitive situation.

Mr. President, I ask unanimous consent that I may have inserted as a part of my remarks a memorandum prepared by Mr. Charles Murphy, of the legislative counsel's office, showing changes made in existing law by the proposed amendment now under consideration.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM SHOWING CHANGES MADE IN EXISTING LAW BY PROPOSED AMENDMENTS

(Existing provisions of the Internal Revenue Code relating to marihuana are shown in roman type. The matter proposed to be inserted by the amendments is printed in italic.)

SUBCHAPTER C—MARIHUANA

SEC. 2590. Tax.

(a) Rate: There shall be levied, collected, and paid upon all transfers of marihuana which are required by section 2591 to be carried out in pursuance of written order forms taxes at the following rates:

(1) Transfers to special taxpayers: Upon each transfer to any person who has paid the special tax and registered under sections 3230 and 3231, $1 per ounce of marihuana or fraction thereof.

(2) Transfers to others: Upon each transfer to any person who has not paid the special tax and registered under sections 3230 and 3231, $100 per ounce of marihuana or fraction thereof.

(b) By whom paid: Such tax shall be paid by the transferee at the time of securing each order form and shall be in addition to the price of such form. Such transferee shall be liable for the tax imposed by this section but in the event that the transfer is made in violation of section 2591 without an order form and without payment of the transfer tax imposed by this section, the transferor shall also be liable for such tax.

(c) How paid:

(1) Stamps: Payment of the tax herein provided shall be represented by appropriate stamps to be provided by the Secretary.

(2) Assessment:

For assessment in case of omitted taxes payable by stamp, see section 3311 and section 3640.

(d) Registration and special tax:

For requirements as to registration and special tax, see part VI of subchapter A of chapter 27.

SEC. 2591. Order forms.

(a) General requirement: It shall be unlawful for any person, whether or not required to pay a special tax and register under sections 3230 and 3231, to transfer marihuana, except in pursuance of a written order of the person to whom such marihuana is transferred, on a form to be issued in blank for that purpose by the Secretary.

(b) Exceptions: Subject to such regulations as the Secretary may prescribe, nothing contained in this section shall apply—

(1) Professional practice: To a transfer of marihuana to a patient by a physician, dentist, veterinary surgeon, or other practitioner registered under section 3231, in the course of his professional practice only: *Provided*, That such physician, dentist, veterinary surgeon, or other practitioner shall keep a record of all such marihuana transferred, showing the amount transferred and the name and address of the patient to whom such marihuana is transferred, and such record shall be kept for a period of 2 years from the date of the transfer of such marihuana, and subject to inspection as provided in section 2595.

(2) Prescription: To a transfer of marihuana, made in good faith by a dealer to a consumer under and in pursuance of a written prescription issued by a physician, dentist, veterinary surgeon, or other practitioner registered under section 3231: *Provided*, That such prescription shall be dated as of the date on which signed and shall be signed by the physician, dentist, veterinary surgeon, or other practitioner who issue the same: *Provided further*, That such dealer shall preserve such prescription for a period of 2 years from the date on which such prescription is filled so as to be readily accessible for inspection by the officers, agents, employees, and officials mentioned in section 2595.

(3) Exportation: To the sale, exportation, shipment, or delivery of marihuana by any person within the United States, any Territory, the District of Columbia, or any of the insular possessions of the United States, to any person in any foreign country regulating the entry of marihuana, if such sale, shipment, or delivery of marihuana is made in accordance with such regulations for importation into such foreign country as are prescribed by such foreign country, such regulations to be promulgated from time to time by the Secretary of State of the United States.

(4) Government and State officials; To a transfer of marihuana to any officer or employee of the United States Government or of any State, Territorial, District, county, or municipal or insular government lawfully engaged in making purchases thereof for the various departments of the Army and Navy, the Public Health Service, and for Government, State, Territorial, District, county, or municipal or insular hospitals or prisons.

(5) Certain seeds: To a transfer of any seeds of the plant Cannabis sativa L. to any person registered under section 3231.

(c) Supply: The Secretary shall cause suitable forms to be prepared for the purposes before mentioned and shall cause them to be distributed to collectors for sale. The price at which such forms shall be sold by said collectors shall be fixed by the Secretary, but shall not exceed 2 cents each. Whenever any collector shall sell any of such forms he shall cause the date of sale, the name and address of the proposed vendor, the name and address of the purchaser, and the amount of marihuana ordered to be plainly written or stamped thereon before delivering the same.

(d) Preservation: Each such order form sold by a collector shall be prepared by him and shall include an original and two copies, any one of which shall be admissible in evidence as an original. The original and one copy shall be given by the collector to the purchaser thereof. The original shall in turn be given by the purchaser thereof to any person who shall, in pursuance thereof, transfer marihuana to him and shall be preserved by such person for a period of 2 years so as to be readily accessible for inspection by any officer, agent, or employee mentioned in section 2595. The copy given to the purchaser by the collector shall be retained by the purchaser and preserved for a period of 2 years so as to be readily accessible to inspection by any officer, agent, or employee mentioned in section 2595. The second copy shall be preserved in the records of the collector.

(*e*) Exemption for certain transfers to millers: *Nothing in this section shall apply to a transfer of the plant Cannabis sativa L. or any parts thereof from any person registered under section 3231 to a person who is also registered under section 3231 as a taxpayer required to pay the tax imposed by section 3230 (a) (6).*

SEC. 2592. Stamps.

(a) Affixing: The stamps provided in section 2590 (c) (1) shall be affixed by the collector or his representative to the original order form.

(b) Other laws applicable: All provisions of law relating to the engraving, issuance, sale, accountability, cancellation, and destruction of tax-paid stamps provided for in the internal-revenue laws shall, insofar as applicable and not inconsistent with this subchapter, be extended and made to apply to stamps provided for in section 2590 (c) (1).

(c) Cross reference:

For general provisions relating to stamps, see part I of subchapter A of chapter 28.

SEC. 2593. Unlawful possession.

(a) Persons in general: It shall be unlawful for any person who is a transferee required to pay the transfer tax imposed by section 2590 (a) to require or otherwise obtain any marihuana without having paid such tax; and proof that any person shall have had in his possession any marihuana and shall have failed, after reasonable notice and demand by the collector, to produce the order form required by section 2591 to be retained by him, shall be presumptive evidence of guilt under this section and of liability for the tax imposed by section 2590 (a).

(b) Government and State officials: No liability shall be imposed by virtue of this section upon any duly authorized officer of the Treasury Department engaged in the enforcement of this subchapter and part VI of subchapter A of chapter 27 or upon any duly authorized officer of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States, who shall be engaged in the enforcement of any law or municipal ordinance dealing with the pro-

duction, sale, prescribing, dispensing, dealing in, or distributing of marihuana.

SEC. 2594. Records, statements, and returns.

(a) General requirement: Every person liable to any tax imposed by this subchapter or part VI of subchapter A of chapter 27 shall keep such books and records, render under oath such statements, make such returns, and comply with such rules and regulations as the Secretary may from time to time prescribe.

(b) Return by registrants of marihuana: For returns by registrants of marihuana, see section 3233 (a) of chapter 27.

SEC. 2595. Inspection of returns, order forms, and prescriptions.

The order forms and copies thereof and the prescriptions and records required to be preserved under the provisions of section 2591 and the statements or returns filed in the office of the collector of the district under the provisions of section 3233 shall be open to inspection by officers, agents, and employees of the Treasury Department duly authorized for that purpose, and such officers of any State, or Territory, or of any political subdivision thereof, or the District of Columbia, or of any insular possession of the United States as shall be charged with the enforcement of any law or municipal ordinance regulating the production, sale, prescribing, dispensing, dealing in, or distributing of marihuana. Each collector shall be authorized to furnish, upon written request, copies of any of the said statements or returns filed in his office to any of such officials of any State or Territory, or political subdivision thereof, or the District of Columbia, or any insular possession of the United States as shall be entitled to inspect the said statements or returns filed in the office of the said collector, upon the payment of a fee of $1 for each 100 words or fraction thereof in the copy or copies so requested.

SEC. 2596. Penalties.

Any person who is convicted of a violation of any provision of this subchapter or part VI of subchapter A of chapter 27 shall be fined not more than $2,000 or imprisoned not more than 5 years, or both, in the discretion of the court.

SEC. 2597. Burden of proof.

It shall not be necessary to negative any exemptions set forth in this subchapter or part VI of subchapter A of chapter 27 in any complaint, information, indictment, or other writ or proceeding laid or brought under this subchapter or part VI of subchapter A of chapter 27 and the burden of proof of any such exemption shall be upon the defendant. In the absence of the production of evidence by the defendant that he has complied with the provisions of section 3231 relating to registration or that he has complied with the provisions of section 2591 relating to order forms, he shall be presumed not to have complied with such provisions of such sections, as the case may be.

SEC. 2598. Forfeitures.

(a) Unlawful importation, manufacture, or transfer: Any marihuana which has been imported, manufactured, compounded, transferred, or produced in violation of any of the provisions of this subchapter or part VI of subchapter A of chapter 27 shall be subject to seizure and forfeiture and, except as inconsistent with the provisions of such subchapter and part, all the provisions of internal-revenue laws relating to searches, seizures, and forfeitures are extended to include marihuana.

(b) Ownership by violators: Any marihuana which may be seized by the United States Government from any person or persons charged with any violation of this subchapter or part VI of subchapter A of chapter 27 shall upon conviction of the person or persons from whom seized be confiscated by and forfeited to the United States.

(c) Unknown ownership: Any marihuana seized or coming into the possession of the United States in the enforcement of this subchapter or part VI of subchapter A of chapter 27, the owner or owners of which are unknown, shall be confiscated by and forfeited to the United States.

(d) Disposal: The Secretary is hereby directed to destroy any marihuana confiscated by and forfeited to the United States under this section or to deliver such marihuana to any department, bureau, or other agency of the United States Government, upon proper application therefor under such regulations as may be prescribed by the Secretary.

SEC. 2599. Regulations.

The Secretary is authorized to make, prescribe, and publish all necessary rules and regulations for carrying out the provisions of this subchapter and part VI of subchapter A of chapter 27.

SEC. 2600. Delegation of powers.

The Secretary is authorized to confer or impose any of the rights, privileges, powers, and duties conferred or imposed upon him by this subchapter or part VI of subchapter A of chapter 27 upon such officers or employees of the Treasury Department as he shall designate or appoint.

SEC. 2601. Other laws applicable.

All provisions of law (including penalties) applicable in respect of the taxes imposed by section 2550 of this chapter and section 3220 of chapter 27, shall, insofar as not inconsistent with this subchapter and part VI of subchapter A of chapter 27, be applicable in respect of the taxes imposed by such subchapter and part.

SEC. 2602. Territorial extent of law.

The provisions of this subchapter and part VI of subchapter A of chapter 27 shall apply to the several States, the District of Columbia, the Territory of Alaska, the Territory of Hawaii, and the insular possessions of the United States, except the Philippine Islands.

SEC. 2603. Administration in insular possessions.

(a) Puerto Rico: In Puerto Rico the administration of this subchapter and part VI of subchapter A of chapter 27, the collection of the special taxes and transfer taxes, and the issuance of the order forms provided for in section 2591 shall be performed by the appropriate internal-revenue officers of that government, and all revenues collected under this subchapter and part VI of subchapter A of chapter 27 in Puerto Rico shall accrue intact to the general government thereof.

(b) Virgin Islands: The President shall be authorized and directed to issue such Executive orders as will carry into effect in the Virgin Islands the intent and purposes of this subchapter and part VI of subchapter A of chapter 27 by providing for the registration with appropriate officers and the imposition of the special and transfer taxes upon all persons in the Virgin Islands who import, manufacture, produce, compound, sell, deal in, dispense, prescribe, administer, or give away marihuana.

SEC. 2604. Definitions.

For definitions of the following, see the subsections of section 3238 indicated below:

Person: Subsection (a).
Producer: Subsection (c).
Marihuana: Subsection (b).
Transfer or transferred: Subsection (d).

PART VI—MARIHUANA

SEC. 3230. Tax.

(a) Liability and time for payment of tax: Every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, prescribes, administers, or gives away marihuana shall (1) before engaging in any of the above-mentioned activities, and (2) thereafter, on or before July 1 of each year, pay the following special taxes respectively:

(1) Importers, manufacturers, and compounders: Importers, manufacturers, and compounders of marihuana, $24 per year.

(2) Producers: Producers of marihuana (except those included within subdivision (4) of this subsection), $1 per year, or fraction thereof, during which they engage in such activity.

(3) Physicians, dentists, veterinary surgeons, and other practioners: Physicians, dentists, veterinary surgeons, and other practitioners who distribute, dispense, give away, administer, or prescribe marihuana to patients upon whom they in the course of their professional practice are in attendance, $1 per year or fraction thereof during which they engage in any of such activities.

(4) Persons engaged in research, instruction, or analysis: Any person not registered as an importer, manufacturer, producer, or compounder who obtains and uses marihuana in a laboratory for the purpose of research, instruction, or analysis, or who produces marihuana for any such purpose, $1 per year, or fraction thereof, during which he engages in such activities.

(5) Persons not otherwise taxed.—Any person who is not a physician, dentist, veterinary surgeon, or other practitioner and who deals in, dispenses, or gives away marihuana, $3 per year: *Provided*, That any person who has registered and paid the special tax as an importer, manufacturer, compounder, or producer, as required by subdivisions (1) and (2) of this subsection, may deal in, dispense, or give away marihuana imported, manufactured, compounded, or produced by him without further payment of the tax imposed by this section.

(6) Millers: Any person who at a mill manufactures or produces from the plant Cannabis sativa L. any fiber or fiber products, $1 per year, or fraction thereof during which he engages in such activities.

(b) Computation of tax: Where a tax under subdivision (1) or (5) of subsection (a) is payable on July 1 of any year it shall be computed for 1 year; where any such tax is payable on any other day it shall be computed proportionately from the 1st day of the month in which the liability for the tax accrued to the following July 1.

(c) Liability in case of activities in more than one place: In the event that any person subject to a tax imposed by this section engages in any of the activities enumerated in subsection (a) of this section at more than one place, such person shall pay the tax with respect to each such place.

(d) Liability in case of more than one activity by same person at same time: Except as otherwise provided, whenever more than one of the activities enumerated in subsection (a) of this section is carried on by the same person at the same time, such person shall pay the tax for each such activity, according to the respective rates prescribed.

SEC. 3231. Registration.

(a) In general: Any person subject to the tax imposed by section 3230 shall, upon payment of such tax, register his name or style and his place or places of business with the collector of the district in which such place or places of business are located.

(b) Special requirements for millers: The Secretary shall not permit the registration of any person under this section as a person required to pay the tax imposed by section 3230 (a) (6), unless in the opinion of the Secretary such person (or if a corporation, each officer thereof) is a person of good moral character and unless in the opinion of the Secretary such person is a person of suitable financial standing, intends to engage in good faith in the business of manufacturing or producing fiber or fiber products from the plant Cannabis sativa L. on a commercial basis, and is not seeking registration under this section for the purpose of facilitating the unlawful diversion of marihuana. Any person who is registered under this section and has paid the tax imposed by section 3230 (a) (6) shall afford agents of the Bureau of Narcotics ready access at all times to any part of the premises of the mill or other premises of such person and the right to inspect any and all books, papers, records, or documents connected with the activities of such person in dealing in, manufacturing, and processing Cannabis sativa L. and fiber

or fiber products thereof, and the handling of marihuana. The Secretary may cancel or may refuse to renew, after notice and opportunity for hearing, the registration of any such person if he finds that such person has not complied or is not complying with the requirements of this subsection, or if he finds that grounds exist which would justify the refusal to permit the original registration of such person under this section.

SEC. 3232. Exemption from tax and registration.

(a) Employees: No employee of any person who has paid the special tax and registered, as required by sections 3230 and 3231, acting within the scope of his employment, shall be required to register and pay such special tax.

(b) Government and State officials:

(1) In general: An officer or employee of the United States, any State, Territory, the District of Columbia, or insular possession, or political subdivision, who, in the exercise of his official duties, engages in any of the activities enumerated in section 3230 shall not be required to register or pay the special tax, but his right to this exemption shall be evidenced in such manner as the Secretary may by regulations prescribe.

(2) Cross reference:

For authority of the President to issue Executive orders providing for the registration and the imposition of special taxes upon persons in the Virgin Islands, see section 2603 (b).

SEC. 3233. Returns.

(a) Registrants: Any person who shall be registered under the provisions of section 3231 in any internal-revenue district shall, whenever required so to do by the collector of the district, render to the collector a true and correct statement or return, verified by affidavits, setting forth the quantity of marihuana received or harvested by him during such period immediately preceding the demand of the collector, not exceeding 3 months, as the said collector may fix and determine. If such person is not solely a producer, he shall set forth in such statement or return the names of the persons from whom said marihuana was received, the quantity in each instance received from such persons, and the date when received.

(b) Persons liable for tax.—

For general requirement as to records, statements, and returns in the case of persons liable for tax, see section 2594.

SEC. 3234. Unlawful acts in case of failure to register and pay special tax.

(a) Trafficking:

(1) Liability: It shall be unlawful for any person required to register and pay the special tax under the provisions of sections 3230 and 3231 to import, manufacture, produce, compound, sell, deal in, dispense, distribute, prescribe, administer, or give away marihuana without having so registered and paid such tax.

(2) Enforcement of liability: In any suit or proceeding to enforce the liability imposed by this section or sections 3230 and 3231, if proof is made that marihuana was at any time growing upon land under the control of the defendant, such proof shall be presumptive evidence that at such time the defendant was a producer and liable under this section as well as under sections 3230 and 3231.

(b) Transportation: It shall be unlawful for any person who shall not have paid the special tax and registered, as required by sections 3230 and 3231, to send, ship, carry, transport, or deliver any marihuana within any Territory, the District of Columbia, or any insular possession, or from any State, Territory, the District of Columbia, any insular possession of the United States, or the Canal Zone, into any other State, Territory, the District of Columbia, or insular possession of the United States: *Provided*, That nothing contained in this section shall apply to any common carrier engaged in transporting marihuana; or to any employee of any person who shall have registered and paid the special tax as required by sections 3230 and 3231 while acting within the scope of his employment; or to any person who shall deliver marihuana which has been prescribed or dispensed by a physician, dentist, veterinary surgeon, or other practitioner registered under section 3231, who has been employed to prescribe for the particular patient receiving such marihuana; or to any United States, State, county, municipal, District, Territorial, or insular officer or official acting within the scope of his official duties.

SEC. 3235. Penalties.

For penalties for violating or failing to comply with any of the provisions of this part, see section 2596.

SEC. 3236. List of special taxpayers.

Collectors are authorized to furnish, upon written request, to any person a certified copy of the names of any or all persons who may be listed in their respective collection districts as special taxpayers under section 3230, upon payment of a fee of $1 for each 100 of such names or fraction thereof upon such copy so requested.

SEC. 3237. Other laws applicable.

All provisions of law (including penalties) applicable in respect of the taxes imposed by sections 2550 and 3220 shall, insofar as not inconsistent with this part, be applicable in respect of the taxes imposed by this part.

SEC. 3238. Definitions.

When used in this part and subchapter C of chapter 23.

(a) Person: The term "person" means an individual, a partnership, trust, association, company, or corporation and includes an officer or employee of a trust, association, company, or corporation, or a member or employee of a partnership, who, as such officer, employee, or member, is under a duty to perform any act in respect of which any violation of this part or subchapter C of chapter 23 occurs.

(b) Marihuana: The term "marihuana" means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination.

(c) Producer: The term "producer' means any person who (1) plants, cultivates, or in any way facilitates the natural growth of marihuana; or (2) harvests and transfers or makes use of marihuana.

(d) Transfer or transferred: The term "transfer" or "transferred" means any type of disposition resulting in a change of possession but shall not include a transfer to a common carrier for the purpose of transporting marihuana.

SEC. 3239. Cross reference.

For provisions authorizing seizure and confiscation of marihuana for persons violating this part, see section 2598 of chapter 23.

For provisions giving the Secretary authority to prescribe rules and regulations to enforce this part, see section 2599 of chapter 23.

For authority of the Secretary to delegate the powers conferred on him by this part to officers and employees of the Treasury Department, see section 2600 of chapter 23.

For the territorial extent of this part, see section 2602 of chapter 23.

For administration of the special taxes in Puerto Rico, see section 2603 (a) of chapter 23.

For burden of proof in the case of exemptions in this part, see section 2597 of chapter 23.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 2348) was read the third time and passed.

REPORT ON PROGRAM FOR POSTWAR SCIENTIFIC RESEARCH

Mr. MAGNUSON. Mr. President, on November 17, 1944, the late President Roosevelt asked the Office of Scientific Research and Development to make an investigation of our scientific achievements in this country. He asked several questions on which the office proceeded to conduct investigations and to make recommendations to Congress.

The results of the investigation and the answer to the President's letter have in the last hour been placed on Senators' desks. Last Thursday I introduced a bill to carry out the purposes of these recommendations in the field of scientific research and the development of our scientific personnel, not only for the war effort, but for our postwar welfare and prosperity.

I hope that all Senators will read this document. It is the result of many months of detailed study by the top scientists of the United States, and they make excellent recommendations to the Congress. They cover the field completely. As I have said, I recommend this report as excellent and important week-end reading.

Mr. BURTON. There are some copies of the report on the desks on the other side of the aisle, but not on this side.

Mr. TAFT. I wonder if the Senator thought the Republicans could not be educated. [Laughter.]

Mr. BARKLEY. Not only do we think they could be but we think they ought to be.

Mr. MAGNUSON. Mr. President, I also ask to have printed in the RECORD at this point a radio broadcast by Raymond Swing on Thursday, July 19 last, relating to this subject.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

One of our vanities as a democracy has been the belief that only in the freedom we enjoy can science flourish. The scientist who is not allowed full freedom of thought and self-expression, we have assumed, will not function. That this is a vanity is attested by the fact that we and the British have two official organizations at the moment combing the ruins of Nazi Germany for its scientific secrets. I think it is fair to say we are looting the German minds, for I see no record that we are sharing what we learn with the Russians or that the Russians are sharing anything of the sort with us. Nor am I sure that our finds are being entered on the reparations books. Apparently this is good parlor manners for allies at the end of a war. But that is not the point I want to register. It is that the German scientists under Hitler made valuable discoveries which we now have scientists by the scores scurrying up and down Germany trying to ferret out. According to the Wall Street Journal, there is an organization called CIOS, or Combined Intelligence Objectives Subcommittee, which works

under the Anglo American Chiefs of Staff and is doing a super-hush-hush job in learning about German secrets. A further organization under the Combined Chiefs of Staffs is named TIIC, or the Technical and Industrial Intelligence Committee, which is out to find what working scientists in German industry know that we don't. As fast as we get this information it will be utilized to improve our own war production, and later on our peacetime production.

TIIC has already learned a great deal. It has, the report says, the richest booty in techniques for making liquid fuels, lubricants, aircraft, and synthetic rubber. We are now testing catalyst compositions we hadn't known for producing aviation gasoline. The Germans had eliminated one whole manufacturing step. TIIC has found how the Germans make the best substitute yet devised for butter from coal; also soap and frying fats.

Swarming through the Reich's factories and filing cabinets, says the report, are about 215 of our Nation's most brilliant technologists, from private business, universities, and Government bureaus. Another 110 will be sent to Europe before the end of the year. It has been found that the German scientists were far ahead of production and had discoveries on hand which the Germans had not had time to exploit. All these are now to be available to us and the British. And if this is all true and a democratic use is made of the knowledge gained, we as a people shall benefit from science as developed under the Nazis.

We know the Nazis developed the V bombs and had almost reached the stage of the rocketization of all their artillery. The next V-bomb type was to have had a range of 1,200 to 1,800 miles, and the one after that, already in design, was to have had a range of 3,600 miles. Rocketization of artillery has been less publicized. The Christian Science Monitor publishes correspondence about it from Frankfort, saying that Hitler ordered the whole of German artillery to be rocketicized by the end of 1944, which, fortunately, could not be brought about. A range of several hundred miles already was obtainable by a gun the Germans had actually developed. The gun looked like a pipe line of three to four hundred feet, and was lighter, cheaper, and more mobile than regular heavy cannon. It could be developed to fire 15,000 miles. Introduce and perfect radio controls, and the whole world would be completely unsafe. The war ended before our troops had to meet rocket artillery at its intensest, or before distance had been mastered in fact as it was in theory. But the promises of Hitler about new weapons were all too true.

I have yet to see an authentic appraisal of what the German scientists achieved, or a comparison of it with what scientists achieved in Britain and this country. We know little about our own science. Radar was our special triumph. It won the war of the Atlantic and made it possible to beat the Japanese Navy in the Pacific. The victory in Europe can be said to have been made possible by a single engineering feat—the artificial harbors for the invasion beach of Normandy. That isn't scientific discovery, but it is the product of creative scientific talent. Now we are to have the cream off the scientific milk of Germany, and, I add with all the gravity I can muster, we need it.

For science in this country—no matter what it has achieved—has been doomed to a season of sterility. And one of the most urgent questions before Congress and the people today is how to shorten that season of sterility. We haven't come to the season yet. We are headed for it. It will go down in the books for all time and all posterity that in this war the American democracy shoveled its potential scientists into the armed forces, and thus killed off large numbers of them, and what is to the point today, it failed almost altogether to educate a 6 year supply of scientists. The result is that we shall be short about 150,000 scientific and technical students with bachelor's degrees, and 10 years from now we shall be short 17,000 men capable of doing original scientific work in chemistry, engineering, geology, mathematics, physics and the biological sciences.

These figures I take from the remarkable report to the President made yesterday by Vannevar Bush, Director of the Office of Scientific Research and Development, a report called Science, the Endless Frontier. Dr. Bush remarks: "Neither our allies, nor so far as I know our enemies, have done anything so radical as thus to suspend almost completely their educational activities in scientific pursuits during the war period." One may bitterly survey the consequences of our military policy. But it would be wrong to blame the military. Its business is to win the war, not to save democratic civilization. It is the business of Congress and the administration to save democratic civilization. And the greatest delinquency, probably, in our entire war policy has been our failure to think through the effect of our indiscriminate use of talented men on the future of our society, and not to keep our schools filled with selected women students to replace the men. It isn't only science that has been disregarded. The arts and humanities have suffered equally, and our civilization will suffer when we feel the dearth in leaders of all kinds.

But I misrepresent Dr. Bush's report, if I give the impression that he is wringing his hands. He brings a practical program which can be applied immediately. "The armed services," he writes, "should comb their records for men who, prior to, or during the war, have given evidence of talent for science, and make prompt arrangements consistent with current discharge plans, for ordering those who remain in uniform as soon as militarily possible to duty at institutions here and overseas where they can continue their scientific education." And he proposes the establishment of a Government agency which shall provide 24,000 undergraduate scholarships and 900 graduate fellowships in science. This would cost the Government $30,000,000 when in full operation. "We can no longer count on ravaged Europe as a source of fundamental knowledge," warns Dr. Bush. "A nation which depends upon others for its new basic scientific knowledge will be slow in its industrial progress and weak in its competitive position in world trade, regardless of its mechanical skill."

A strong merit of Dr. Bush's program is its strong democratic basis. In the past, as he points out, higher education has been largely for those who could afford it. If those who could afford it were the only ones with the talent, that would not be a waste of education on those not deserving it, or neglect of talented students who cannot go to college because they are too poor. "There are talented individuals in every segment of society," says Dr. Bush, "but with few exceptions those without the means of buying higher education go without it. Here is a tremendous waste of the greatest resource of a nation—the intelligence of its citizens. If ability, and not the circumstances of family fortune, is made to determine who shall receive higher education in science, then we shall be assured of constantly improving quality at every level of scientific ability."

Dr. Bush feels it necessary to list the benefits of science. For one thing, it is imperative to keep it active for purposes of defense. "New manufacturing industries," he proceeds, "can be started, and many older industries greatly strengthened and expanded if we continue to study nature's laws and apply new knowledge to practical purposes. Great strides have been made in agriculture, such as control over insect enemies, better fertilizers, disease-resisting plants. Advances in science mean more jobs, higher wages, more abundant crops, more leisure for recreation, for study, for learning how to live without deadening drudgery. Advances in science will bring higher standards of living, will lead to the prevention or cure of diseases, will promote conservation of our limited national resources, and will assure means of defense against aggression." It is almost pitiful that Dr. Bush, writing a report to the President of the United States, feels he must thus catalog the services of scence. Once upon a time this country prided itself on being the pioneer in science, the great land of research, the civilization which knew best how to cherish and develop talent. But the report was written to be read by Congress where a bill has to be debated. It has been promptly introduced in the Senate today by Senator MAGNUSON.

It took a Theodore Roosevelt to stir this coountry to the conservation of its limited natural resources, and it needed a long fight for his policy to be adopted. Now Dr. Bush is appealing for the conservation of our limited and most essential human resources. One hopes it will not need as long a fight to have his belated and modest program adopted.

Mr. MAGNUSON. Mr. President, I hope the Senate will give this matter consideration upon its return after the summer recess.

REDEPLOYMENT AND TRANSPORTATION OF SERVICEMEN

Mr. MEAD. Mr. President, earlier today the able senior Senator from Illinois discussed the question of transportation and the position taken by the Senate committe of which I have the honor of being chairman. In connection with that discussion, which I think was very helpful and productive of good, I want to read into the RECORD the press release issued by our committee on the subject of transportation. It is as follows:

The Subcommittee on Transportation, under the chairmanship of Senator FRANK P. BRIGGS (Democrat of Missouri) has concluded a series of executive hearings on the transportation crisis which has arisen as a result of the redeployment of troops to the Pacific war theaters.

The situation is already so acute that the committee has determined to hold open hearings in order that the public may be fully informed of the facts. Present indications are that civilian railroad service, even for essential requirements, will be severely curtailed for many months to come.

The committee's investigations to date reveal that there was little long range planning with respect to redeployment, particularly the redeployment of troops. Government agencies vitally interested in the entire question were generally not consulted and were apparently even in ignorance of some of the plans made by the Army.

Adequate planning and careful coordination by all of the Government agencies involved would have helped to cushion the shock of the job which the railroads must now perform. The task, however, is so tremendous that even at best, severe restrictions on transportation must be expected to continue. There are not enough Pullman cars in the entire country to provide Pullman transportation to every soldier whom the Army will move in the next 6 months. Moreover, there are not even enough of the best type of day coaches to carry out this assignment. However, all soldiers traveling by train for more than 48 hours will get Pullman space.

The committee will inquire into these considerations as well as about measures which may be taken to relieve congestion. An example of such measures would be adopting

cities in Georgia, Alabama, and the vicinity as the western terminus of southern trans-Atlantic air routes in place of Miami, which is now the terminus. This would involve very little additional flying, but would eliminate a long railroad haul through the entire State of Florida. Similarly, soldiers being returned by the northern route, who are bound for western and midwestern destinations, could be taken directly to Chicago from Newfoundland with very little additional air transport, thus eliminating a long haul from the present eastern terminals.

It should be pointed out that in addition to regular trains taken over for the exclusive use of the Army, the armed forces take about 35 percent of the Pullman reservations and actually use about 40 percent of the Pullman space over and above the Pullman cars which are taken for their exclusive use.

Freight shipments to the west coast will have to be increased to the fullest capacity of the lines. The western railroads have already been doing a remarkable job. However, they are handicapped by lack of manpower since about 300,000 experienced railroad men have been drafted, and new recruits are generally without experience. The committee has been advised that the increased ability of the railroads to carry freight to the Pacific coast will be in direct proportion to the number of trained men they can put to work.

Mr. President, our committee took this matter up because of the numerous articles which have appeared in the newspapers in recent weeks telling about our soldiers being transported in day coaches while prisoners of war were riding in the finest Pullmans. There were many other complaints, some of which were brought to the attention of our committee by Members of the Congress. Being a committee created by the Senate to investigate matters of this character, we felt it our duty to go into this subject. Therefore we did go into it.

Mr. President, we are aiming to do a better job through better coordination of the agencies of Government, the systems of transportation and, if necessary, the nations which are members of the United Nations. We admit they are all doing a good job, but a better job can be done with better coordination. The Army is doing a fine job of transportation, but we believe if the Army keeps all the agencies and all the systems of transportation better informed it, too, will be able to do an even better job.

Mr. President, this is a gigantic task. It not only involves bringing home from foreign theaters the men who are going to be demobilized and sent to their homes, but it may mean raising a tremendously large military personnel for active duty in the Pacific theater. It might involve as many as 10,000,000 men, a colossal undertaking which requires the highest type of coordination.

In my judgment, Mr. President, the United Nations should get together and see to it that every available ship, every available vehicle of transportation, is utilized first of all and in the highest priority by troops who are coming home and going to the Pacific, and this all before any work is done that may have any tinge of being postwar in character.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. MEAD. I yield.

Mr. WHERRY. I should like to ask the distinguished chairman of the Mead investigating committee—and the Senator is also a member of the Military Affairs Committee—how many men are actually being discharged from the service? There was considerable discussion earlier today about transportation, about bringing the boys home and discharging them. I am in favor of that. But I find, after making investigation today, from what little information I was able to obtain that actually only about 350,000 men have been discharged, and that during that period we have inducted men into the service at the rate of nearly 90,000 a week. I should like to know what the present size of the Army is. Are not these men simply going through the country from one theater of war to another theater of war? Are we to have the public believe that we are discharging millions of soldiers? Or is it not a fact that we have discharged only about 350,000, and that we will have an Army larger than before?

Mr. MEAD. I should like to be able to answer the question directed to me by my able colleague from Nebraska, but our committee has constantly refrained from going into matters purely military, that may involve questions of strategy. We are concerned now, so far as this investigation is concerned, with the transportation problem.

I want to say as I conclude, Mr. President, that only a few days ago the Director of War Mobilization and Reconversion addressed a letter to the Secretary of War in which he called for that better character of coordination between the agencies of Government which our committee hopes to attain. In the letter addressed to the Secretary of War the Director of War Mobilization and Reconversion points out the necessity for this improved coordination, and he indicates that every agency of Government involved in the question of transportation ought to know what every other agency of Government requires in the matter of transportation.

So, Mr. President, our committee, which has been created by the Senate to go into these over-all matters, problems pertaining to the war, problems which cut across the jurisdiction of a number of committees, problems which cut across the jurisdiction of a number of agencies, will continue our investigation, and on Monday next we will have open hearings, and we will at a later date submit a report to the Senate so the Senate may know the recommendations of the committee.

I conclude by saying that I believe that the discussion in the Senate has been very helpful, and, in my judgment, will prove to be beneficial to the work of our committee and to the work of the several agencies of Government.

QUIETING OF TITLE TO CERTAIN PRIVATE LAND IN LIVINGSTON PARISH, LA.

Mr. ELLENDER. Mr. President, yesterday the Committee on Public Lands and Surveys reported to the Senate a bill which is purely local in character. I refer to Senate bill 504, introduced by me. It is a bill to quiet title and possession with respect to certain unconfirmed lands in my State. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 504) to quiet title and possession with respect to that certain unconfirmed and located private land claim known as claim of Daniel Boardman, C. No. 13, in Cosby and Skipwith's Report of 1820, certificate 749, and being designated as section 44, township 7 south, range 3 east, Greensburg land district, Livingston Parish, La., on the official plat of said township.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. WHITE. Mr. President, I ask the Senator from Louisiana whether the bill is purely local in character?

Mr. ELLENDER. It is purely local in character. It was reported by the Committee on Public Lands and Surveys, and there is a favorable report from the Department of the Interior.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That all the right, title, and interest of the United States in and to that certain tract of land known as that located but unconfirmed private land claim of Daniel Boardman, C. No. 13 in Cosby and Skipwith's Report of 1820, certificate 749 (see: American State Papers, Gales and Seaton edition, vol III, p. 465 and the following) and being the whole of section 44, township 7 south, range 3 east, Greensburg Land District, Livingston Parish, La., as shown on the official plat of said township, approved by R. W. Boyd, surveyor general, Louisiana, July 29, 1852, shall be, and the same is hereby, directed to be granted, released, and relinquished by the United States in fee simple to the owners of the equitable title thereto, and to their heirs and assigns forever, as fully and completely in every respect whatever, as could be done by patent issued therefor according to law.

SEC. 2. Nothing contained in this act shall in any manner abridge, divest, impair, injure, or prejudice any valid right, title, or interest of any person or persons in or to any portion or part of the lands mentioned in said first section, the true intent of this act being to relinquish and abandon, grant, give, and concede any and all right, interest, and estate, in law or equity, which the United States is or is supposed to be entitled to in said lands in favor of all persons, estates, firms, or corporations who would be the true and lawful owners of the same under the laws of Louisiana, including the laws of prescription, in the absence of the said interest and estate of the United States.

SEC. 3. The Department of the Interior shall cause a patent to issue for said land and such patent shall issue in the name of the original claimant, as aforesaid, and when issued, shall be held to be for the use and benefit of the true and lawful owners as provided in sections 1 and 2 of this act.

RELEASE OF MILITARY PERSONNEL TO PROVIDE MANPOWER IN THE BITUMINOUS COAL INDUSTRY

Mr. GURNEY. Mr. President, yesterday we had under consideration Senate Concurrent Resolution 21, Calendar 501,

being an effort to furlough and discharge between 30,000 and 40,000 soldiers to become coal miners. At that time I entered strenuous objection to the purpose of the concurrent resolution. Were the authors of the concurrent resolution present, I think I would make a motion to recommit the concurrent resolution to the Committee on Military Affairs. Because they are absent, I shall not do so.

To substantiate my objection of yesterday, I wish to have placed in the RECORD a letter written by the Acting Secretary of War, Robert Patterson, to the President pro tempore of the Senate, whose permission I have to offer it for the RECORD. A similar letter was sent to the Chairman of the Senate Committee on Military Affairs. I ask unanimous consent to have the letter printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 21, 1945.

HON. ELBERT D. THOMAS,
United States Senate,
Washington, D. C.

DEAR SENATOR THOMAS: It has just come to my attention that Senate Concurrent Resolution 21, relating to the discharge of coal miners from the Army, was brought to the floor of the Senate yesterday, that action thereon was deferred, and that it may be brought up again today. This resolution provides for the immediate discharge of 10,000 experienced coal miners said to be eligible for discharge under the point system and for the furlough of an additional 20,000 such miners. The War Department did not have an opportunity to comment upon this resolution before the committee.

The War Department is opposed to this resolution. Passage of it would do serious damage to the present point or merit system of discharge and would prevent the prompt release of many men who have earned such release by long, arduous, and dangerous service.

The War Department recognizes coal mining as one of the important industries of the country. But the coal industry is not unique. The request for such discharge or furlough is merely one of many similar requests made by various industries. Fifty industrial and professional groups have demanded the release of men from the Army to meet urgent civilian needs. They include loggers, longshoremen, railroad workers, shipyard mechanics, textile workers, hard-rock metal miners, farmers, dairymen, and others. All offer appealing reasons. If we authorized the discharge or furlough of all those for whom requests have been received, we would have to release 1,000,000 men from the Army and would be forced to abandon our present merit discharge system.

The Army has established a discharge system—a merit system—which gives priority to those who have served longest, who have fought hardest, and who have children. It is based on the expressed belief of the enlisted men themselves that this is the fairest method of selection, and current polls show that more than four-fifths of those expressing opinions regard the system as fair and equitable.

In the careful sampling of soldier opinion, enlisted men in all parts of the world expressed strong opposition to selection of men for early release on the basis of civilian occupation.

The number of men we can release is fixed by the requirements of the war against Japan. If there is a reduction in this requirement, the lower troop figure is still a fixed one. It cannot be emphasized too strongly that for every soldier who is released on any occupational ground, some soldier who would otherwise be eligible for release because of long, arduous, and dangerous service must remain in the service. This would mean refusing a discharge to a soldier who has had long and arduous service overseas, much of it in actual contact with the enemy—at Salerno or Anzio or on the Rhine. A release for coal mining of thousands of men who would not otherwise be eligible to leave the Army would in effect deny discharges to a comparable number who had earned them by dangerous duty in the combat zones. It would in many cases mean the earliest discharge for men who had served the shortest time. The last in would be the first out.

For these reasons and in order to give full effect to the merit system of discharge the War Department has consistently refused requests for other furloughs or discharges. The sole exception has been the 30-day furlough of 4,000 soldiers to work on the Nation's railroads and thereby help maintain the flow of traffic which is essential to the redeployment of our armed forces for the war against Japan. This military situation and its temporary remedy is, of course, not comparable to that of coal miners.

Let no one be misled by the plea that only a furlough is asked for as to some of these former coal miners. The representative of the Solid Fuels Administration has definitely stated that furloughed coal miners would not be returned to duty until such time as the Japanese are defeated. In other words, it is a discharge and not a furlough that is sought in the case of coal miners.

The statement in the resolution that the Army in the near past has furloughed coal miners to work in the copper mines is unfounded. Likewise, the statement that 10,000 coal miners serving in the United States are now eligible for discharge, and the statement that there are 20,000 additional coal miners serving within the United States, have no foundation in fact, so far as we know.

The War Department feels that the merit system is a promise to—in effect a contract with—our men who have borne the real hardships and made the real sacrifices of the war. We would break faith with our fighting men if we should defer their return to their homes in order to favor some industrial group.

In justice to the soldiers who have borne the heaviest burdens of this war, we ask that this measure be disapproved.

A similar letter is being sent to Senator MCKELLAR.

Sincerely yours,

ROBERT P. PATTERSON,
Acting Secretary of War.

Mr. GURNEY. Mr. President, I hope no effort will be made to obtain action on the concurrent resolution during the remaining days before the adjournment unless it is recommitted to the Committee on Military Affairs, where full and complete information can be obtained, especially on the point of how discharges for any particular class of workers who may be needed would disrupt the point system of discharge which has been agreed upon, and would seriously disrupt the war effort against Japan.

Mr. KILGORE. Mr. President, I do not want the concurrent resolution recommitted to the Committee on Military Affairs. I have agreed with the chairman of the Committee on Military Affairs that there will be a hearing on Tuesday morning. If at that time the Committee on Military Affairs should withdraw its endorsement of the concurrent resolution, I should be willing to have it recommitted to the committee. Otherwise, I should like to have it remain on the calendar, because at the conclusion of the meeting to which I have referred I should like to have an opportunity to discuss the measure on the floor, if that is agreeable to the Committee on Military Affairs.

Mr. GURNEY. The Senator was absent when I began my remarks. At that time I stated that I would refrain from making a motion to recommit the concurrent resolution.

Mr. KILGORE. I thought the Senator had made such a motion.

Mr. GURNEY. No.

Mr. AIKEN. Mr. President, with regard to the subject under discussion, I have no doubt that the situation with regard to labor in the coal industry is fully as serious as has been represented by the Senator from West Virginia. However, I question somewhat the method proposed to be used in order to get miners discharged for the purpose of working in the coal mines.

Let me say that while the coal situation is undoubtedly desperate, the food situation is equally desperate. In this connection, yesterday I wrote a letter to Secretary Stimson, urging him, so far as possible, to release qualified men who might indicate a willingness to return to food production and the saving of the crops. I ask unanimous consent to have a copy of that letter printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 20, 1945.

HON. HENRY L. STIMSON,
The Secretary of War,
Washington, D. C.

DEAR MR. SECRETARY: I have just returned to Washington from a trip to New England and must say that I am quite depressed over conditions which I found prevailing in the farming areas. I understand that similar conditions exist in virtually all sections of our country. Food supplies are apparently becoming increasingly scarce, weather conditions have been generally bad and the farm labor situation the worst I have ever seen it

As you know, northern New England and New York is an intensive dairy producing area. At present pasturage is good and a record supply of milk is being produced. We are given to understand, however, that grain for dairy feed will be very short this coming winter. I feel that many people have been lulled into a sense of false security by the fact that a record supply of milk is now being made, but, so far as I can see, the prospects for next winter are not good.

One saving factor in the whole situation is an excellent hay crop. If this could be harvested, it would go far toward carrying our farmers safely through next winter, and maintaining a badly needed milk production. However, very little has been harvested to date. Only a few days of good weather have been available and, as I have stated, the farm labor situation is very, very serious. Only a few of the men discharged from the armed services have returned to the farm. Almost none of the men laid off in war plants have returned to farm work. Migratory labor promised by the Government has not materialized. Unless our farmers can harvest their crops, and particularly the hay crop, within the next few weeks, I fear that the shortage of food will become far more acute than anyone now expects. For this reason, I hope that you

will give every consideration to releasing from the Army those men who are qualified for release by the Army formula and who express a willingness to help produce and save the food crop of this country.

The draft has now stripped our farms of all but a negligible number of young men of military age. While I know that many factors must be given consideration in the discharge of men from the armed services, yet I do feel that the seriousness of the situation does necessitate speeding the release of those qualified servicemen who express a desire to help improve the critical food situation which exists not only in the United States, but throughout the world.

Sincerely yours,

GEORGE D. AIKEN.

Mr. AIKEN. I hope that if the Committee on Military Affairs seriously intends to try to instruct the War Department as to the manner in which servicemen should be discharged, it will give full consideration to the needs of the farmers, who have never been so short of help as they are today, and who have not for years faced such unfavorable weather conditions as they now face. We must save the crops if it is at all possible to do so.

PUBLIC SERVICE OF HENRY MORGENTHAU, JR.

Mr. BARKLEY. Mr. President, on Monday at 10:30 in the morning, in the Ways and Means Committee room of the New House Office Building, the new Secretary of the Treasury, Hon. Fred M. Vinson, will take the oath of office and assume his duties as Secretary of the Treasury. That means that today is the last day—certainly the last weekday—on which the retiring Secretary of the Treasury, Hon. Henry Morgenthau, Jr., will serve in that capacity. I am not willing to have the day go by without saying a word by way of tribute to the public service of Henry Morgenthau in the capacity of Secretary of the Treasury.

He came to Washington with the Roosevelt administration. For many years he had been a neighbor in Dutchess County of the late President Roosevelt, and they were long-time personal friends. His distinguished father was an outstanding member of the diplomatic corps under the administration of Woodrow Wilson, and rendered eminent service to this country in a diplomatic capacity during World War I, as well as prior and subsequent thereto.

Henry Morgenthau, Jr., came to Washington as head of the Farm Loan Administration, which is now the Farm Credit Administration. Many persons who did not know that he is a real farmer and has spent most of his adult life in agricultural pursuits, including horticultural and other activities incident to farm life, wondered why the President appointed him head of the Farm Loan Administration.

On the death of Secretary Woodin, the President appointed Henry Morgenthau to be Secretary of the Treasury. With the exception of Albert Gallatin, I think Mr. Morgenthau has served as Secretary of the Treasury longer than any other man in the history of the United States. He has served in that capacity during a very tragic and historic era in the life of our Nation. He has administered that office with singleness of purpose; he has administered it in a manner which I believe will accord to him in the verdict of history the distinguished honor of having administered it during a period when it was most difficult to adminster it. He has done it in a way to meet with the approval of the American people.

In addition to the ordinary duties of the Secretary of the Treasury, he has been in charge of the Treasury during seven war loan campaigns, each of which was oversubscribed. I think the goal of the last war-bond drive was $14,000,000,000. The reports which have come in thus far indicate that the American people have subscribed more than $26,000,000,000 in the purchase of war bonds to support the war effort. That is an outstanding record, and it would be one to the credit of any Secretary of the Treasury of the United States.

No man can doubt or question the sincere patriotism of Henry Morgenthau. No one can question his devotion to and his belief in American institutions. While he is retiring after the next to the longest service in the history of the Treasury, I am sure I express the feelings of all Members of the Senate in wishing for him not only happiness and repose and contentment in his retirement, whatever may be his activities in the future—and he is still a comparatively young man—but that in whatever field his operations may lie in the future, we wish for him success and happiness; and we wish for him the inward consciousness, which I know he will possess, that he has done all that he was required or expected to do in furthering the war effort, in maintaining to the best of his ability the standards of efficiency and soundness in our fiscal policy. He retires from public life with the best wishes and the confidence and affection of all those who have labored with him in this tragic era of our history. I would not want the day to pass without saying at least that much in honor of a great American, a great administrator, and a great patriot.

Mr. WHITE. Mr. President, I would deny all my impulses if I did not express in a brief word my respect and regard for Mr. Morgenthau. The Senator from Kentucky has called attention to the fact that he has served in the great office of Secretary of the Treasury longer than any other Secretary of the Treasury save one. I doubt whether in all our history any other Secretary of the Treasury has had to meet such gigantic, involved, and difficult problems of public financing as has Mr. Morgenthau during the years when he has served in Washington. The only periods in our history which could match in difficulty the late years were those immediately following our Revolutionary War, when the new Constitution was established and the problems of that day were met, and the days of the Civil War, when our whole financial structure was in despair and when every imaginable difficulty confronted those charged with the administration of public finance.

I think Mr. Morgenthau has served with extraordinary zeal, with the greatest fidelity and, I believe, with unusual capacity.

I extend to him, first of all, my great respect and my feeling of warm regard, and I wish for him every pleasure and every comfort which life may hold for him during the years which I hope and believe stretch before him.

Mr. BARKLEY. Mr. President, I am sure the retiring Secretary of the Treasury will appreciate the generous words of the Senator from Maine, as I myself do.

LEGISLATIVE AND EXECUTIVE PROGRAM

Mr. BARKLEY. Mr. President, in a few minutes I shall make a motion that the Senate take a recess until Monday. The motion will be to recess until 12 o'clock on Monday, because we have been rather busy this week, and I imagine Senators have accumulated work in their offices.

Following Monday, and beginning on Tuesday, I hope the Senate will be willing to meet at 11 o'clock a. m. We shall take up at once the Charter which has been brought to us from San Francisco, and which has been recommended, endorsed, and reported by the Committee on Foreign Relations.

So far as I know, we have cleaned up all essential legislation necessary before taking the recess or adjournment provided for in the concurrent resolution sent over by the House of Representatives and today adopted by the Senate. We have done that in order that we might clear the decks for the one remaining duty left to us before we ourselves embark upon what I think is a well-deserved adjournment and vacation. That remaining duty is consideration of and action on the San Francisco Charter.

Until consideration of the Charter has been concluded, I hope no Senator will ask that we deviate from that course for the consideration of legislative matters. It is my hope and purpose that the Senate remain in executive session from day to day until the Charter or treaty has been acted upon by the Senate, and that immediately thereafter the Senate embark upon its adjournment. I ask the cooperation of Senators toward the accomplishment of that purpose.

In view of the magnitude of the legislation which has been enacted by this Congress up to date, and in which the Senate has participated in every possible cooperative way and with a magnanimity which I think should commend itself to the country, when we have discharged that duty we may for a season return to our constituents with the consciousness that we are entitled in a modest way to their confidence and their commendation.

Mr. President, I do not know how many days the consideration of the treaty will require, but I express the hope that we shall be able to dispose of it by the end of the coming week. Whether we are able to accomplish that or not, the consideration of the treaty will not require much longer than a week.

We cannot adjourn under the concurrent resolution until the first day of August. If we dispose of the treaty by the end of the week, or by the first day of August, I, as well as the Senator from Maine, will be here and ready to accom-

plish the purpose of the concurrent resolution by moving an adjournment until the 8th day of October. During the adjournment I am sure that Senators will enjoy a much-deserved rest.

If there is nothing further——

Mr. GURNEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. GURNEY. Within the wide memory of the majority leader, is it possible for him to state how many weeks Congress has been in recess since the present war started?

Mr. BARKLEY. I have not charged my memory with that information. If the Senator has it in his possession I should like to have him put it into the RECORD at this point.

Mr. GURNEY. No; I do not have the information.

Mr. BARKLEY. I may say that by the time we are ready for adjournment I will have the information and will be glad to put it into the RECORD.

Mr. GURNEY. I thank the Senator.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. MCCARRAN in the chair). If there be no reports of committees, the clerk will proceed to state the matters on the calendar.

TREATIES

The legislative clerk proceeded to read Executive D (79th Cong., 1st sess.).

Mr. BARKLEY. Mr. President, under the circumstances the treaties will have to go over.

The PRESIDING OFFICER. Without objection, the treaties will go over.

REGISTER OF LAND OFFICE

The legislative clerk read the nomination of Thomas F. Britt to be register of the land office at Phoenix, Ariz.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the postmaster nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed en bloc.

That completes the calendar.

Mr. BARKLEY. I ask unanimous consent that the President be notified of all nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

AUTHORIZATION TO SIGN BILLS, ETC.

Mr. BARKLEY. As in legislative session, I ask unanimous consent that during the recess of the Senate following today's session, the President pro tempore of the Senate be authorized to sign bills and resolutions ready for his signature, and that the Secretary of the Senate be authorized to received messages from the House of Representatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BARKLEY. Mr. President, as in legislative session, I move that the Senate take a recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 3 o'clock and 12 minutes p. m.) the Senate took a recess until Monday, July 23, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 21 (legislative day of July 9), 1945:

REGISTER OF LAND OFFICE

Thomas F. Britt to be register of the land office at Phoenix, Ariz. Reappointment.

IN THE NAVY

APPOINTMENTS IN THE NAVY

To be assistant civil engineers in the Navy, with the rank of ensign, from the date stated opposite their respective names

Charles J. Merdinger, February 7, 1941.
John E. Smith, Jr., December 19, 1941.
Griswold L. Moeller, December 19, 1941.

POSTMASTERS

TENNESSEE

Hobert H. Warren, Appleton.
Mary B. Rountree, Beech Bluff.
Mary F. Ray, Buchanan.
Aubrey L. Moore, Bumpus Mills.
Thomas N. Ladd, Carters Creek.
Edwin L. Smith, Cumberland Furnace.
Charles M. Storey, Dellrose.
Emma Corbitt, Denver.
Mary Zula Greene, Duff.
Audrey D. Denton, Evensville.
Tella O. Mangrum, Fairview.
Elizabeth Givens, Medon.
Katie M. Steele, Model.
Fred H. Osgatharp, Moss.
Allie E. Fambrough, Neptune.
Marchella F. Rhymer, Newcomb.
Eunice S. York, Nolensville.
J. Green Hawks, Ralstons Station.
George P. Tucker, Sylvia.
Annie M. Edgemon, Ten Mile.
William W. Taylor, Trenton.
Cecilia S. England, Whites Creek.
Byron D. Norfleet, Woodlawn.

HOUSE OF REPRESENTATIVES

SATURDAY, JULY 21, 1945

The House met at 12 o'clock noon.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Infinite and eternal God, through whose mercies we are spared and by whose power we are sustained: On this day of adjournment we would set up our Ebenezer of thankfulness and offer unto Thee our doxology of praise. Hitherto Thou hast blessed us, and we have found Thee faithful unto all Thy promises.

We are beseeching for our President, our Speaker, the Members of the Congress, and all who serve in the affairs of government, in whatever capacity, the benediction of Thy peace and the diadem of Thy praise, "Well done, thou good and faithful servant."

We commend and commit one another to the guiding and providing Spirit of our Heavenly Father, for whom there is no darkness and no distanee, with whom there are no setting suns or ebbing tides, and from whom neither time nor space can ever separate us.

Now may the grace of our Lord Jesus Christ, the love of God, and the fellowship of the Holy Spirit be with us all. May the Lord bless us and keep us; the Lord maketh His face to shine upon us and be gracious unto us; the Lord lift upon us the light of His countenance and give us peace.

Hear us in the name of Him who taught us to pray—

Our Father, who art in heaven, hallowed be Thy name. Thy kingdom come. Thy will be done, on earth as it is in heaven. Give us this day our daily bread. And forgive us our trespasses, as we forgive those who trespass against us. And lead us not into temptation, but deliver us from evil. For Thine is the kingdom, and the power, and the glory, forever and ever.

Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 169. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943;

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 838. An act for the relief of Herman Gelb;

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1486. An act for the relief of Sam D. Moak;

H. R. 1595. An act for the relief of the Borough of Beach Haven, Ocean County, N. J.;

H. R. 1856. An act for the relief of Southwestern Drug Co.;

H. R. 2226. An act for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells;

H. R. 2285. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County,

Pa., for highway purposes and for ornamental-park purposes;

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes;

H. R. 2621. An act for the relief of Haselden & Huggins Co.;

H. R. 2725. Ar act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2763. An act for the relief of Fred Crago;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green;

H. R. 3111. An act to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries";

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood;

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey;

H. R. 3419. An act for the relief of the estate of Mrs. Mary Karalis;

H. R. 3771. An act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 1851. An act for the relief of the widow and three children of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936; and

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 542. An act for the relief of Mrs. Minnie A. Beltz;

S. 788. An act for the relief of the estate of George J. Ross;

S. 940. An act to provide for terms of the District Court of the United States for the District of Nevada;

S. 979. An act for the relief of the estate of Mrs. Lillian Epstein;

S. 1023. An act for the relief of Mr. and Mrs. Ernest L. Barlow;

S. 1027. An act for the relief of Mrs. Hibernia I. Conners;

S. 1183. An act to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army;

S. 1199. An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon any claim arising out of the death of L. W. Freeman;

S. 1204. An act to amend subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food;

S. 1265. An act for the relief of John R. Jennings;

S. J. Res. 49. Joint resolution authorizing the presentation of medals to the next of kin of persons who lose their lives in line of duty in the military or naval service during World War II; and

S. Con. Res. 23. Concurrent resolution relative to the enrollment of H. R. 3771, the Export-Import Bank of Washington.

RECONSTRUCTION OF CEILING AND REDECORATION AND IMPROVEMENT OF THE HOUSE CHAMBER

The SPEAKER. Pursuant to the provisions of Public Law 155, Seventy-ninth Congress, the Chair appoints as members of the Committee on Plans for reconstruction of the ceiling, redecorations, and other improvements to the House Chamber the following Members of the House: Mr. LANHAM, Mr. BLOOM, Mr. BELL, Mr. HOLMES of Massachusetts, and Mr. MCGREGOR.

PERMISSION TO RECESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare a recess subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

MESSAGES FROM THE PRESIDENT AND THE SENATE

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until October 8, 1945, the Clerk of the House be authorized to receive messages from the President and the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

SPEAKER AUTHORIZED TO SIGN ENROLLED BILLS AND RESOLUTIONS DURING RECESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until October 8, 1945, the Speaker be authorized to sign enrolled bills and joint resolutions passed by the two Houses and duly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

SPEAKER AUTHORIZED TO APPOINT COMMISSIONS AND COMMITTEES DURING RECESS

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until October 8, 1945, the Speaker be authorized to appoint commissions and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

EXTENSION OF REMARKS

Mr. SPENCE asked and was given permission to extend his own remarks in the Appendix of the RECORD.

Mr. HOBBS asked and was given permission to extend his remarks in the RECORD in two instances.

THE BRETTON WOODS AGREEMENT

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to address the House for one-half minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, yesterday the House concurred in the Senate amendments to H. R. 3314, which provides for the participation of the United States with the United Nations in the Fund for the Stabilization of Foreign Exchange and the International Bank for Reconstruction and Development. This writes the last legislative chapter in this most important movement, which I hope may assist in the restoration of the devastated countries of Europe and in the reestablishment of their national economies. It may also do much to prevent economic warfare which often produces international ill-will and has been a prolific source of war.

Hon. Henry Morgenthau, Jr., as Secretary of the Treasury, initiated the movement which finally led to the agreement by the United States to the proposals of the Bretton Woods Conference. His long devotion and untiring efforts to the general objectives of these proposals are recognized by all who are familiar with the facts. He called the initial meetings that resulted in the drafting of resolutions which advocated these objectives, and it was largely through his influence and advice that the President invited 43 friendly nations to the Bretton Woods Conference, a Conference which was characterized by earnest cooperative effort and international friendship and good will.

Mr. Morgenthau has been Secretary of the Treasury longer than any man in American history save one, and his patriotic and able service and devotion to the best interests of his Government cannot be questioned. As he leaves office after this long service he should have, and I am sure will have, the profound gratitude of all our citizens; and in his retirement all those who came in contact with him either personally or in an official capacity will wish him the well-earned contentment and happiness which he so richly deserves.

Not only has Secretary Morgenthau been a faithful, honest, and able public servant but his genial and kindly disposition, his uniform fairness and consideration of the rights of others have endeared him to a host of friends.

ALABAMA'S RECORD IN THE WAR BOND DRIVES

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I wish to call the attention of my colleagues to the proud record which Alabama has made; and I hope that every State in the Union may look forward to a similar record.

Alabama has gone over the top in every county on every quota on every war bond drive. I think that is a wonderful record and, as I say, I hope every State may have a similar record; but I am particularly proud at this time as we adjourn to record that fact for the information of the House.

Mr. Speaker, I ask unanimous consent to extend in the Appendix of the RECORD as an extension of my remarks the minority views, and additional minority views relating to Report No. 907, the equal rights amendment, and to include therein also a splendid editorial in the Washington Post of July 19 on illusory women's rights.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SUBVERSIVE ACTIVITIES IN THE ARMY

Mr. THOMASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMASON. Mr. Speaker, I stated on the floor day before yesterday that the subcommittee of the Committee on Military Affairs charged with the duty of investigating any subversive activities in the Army, expected to conduct a full, fair, and impartial inquiry. We will not knowingly or wilfully do injustice to any man or misstate any facts. As evidence of our intention, I desire to read a letter I have just received:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MILITARY AFFAIRS,
Washington, D. C., July 20, 1945.

Hon. R. E. THOMASON,
House of Representatives,
Washington, D. C.

DEAR MR. THOMASON: I stated in my testimony given before your committee July 18 concerning the backgrounds of some Army officers a reference about one by the name of Capt. Henry Clovis Collins as having been associated with an organization reflecting Communist leanings, and I regret to inform you that this has been found to be a case of mistaken identity.

Sincerely yours,

H. RALPH BURTON.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. THOMASON. No; I do not yield.

Let me also repeat that the committee has made no report or recommendations as to individuals or personnel now in the Army. The statement placed in the RECORD by the gentleman from Mississippi [Mr. RANKIN] was the testimony of Mr. H. Ralph Burton, investigator and a witness before the committee. We do expect to make a full and fair investigation and later report our findings and recommendations.

CORRECTION

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXPLANATION OF H. RALPH BURTON, COUNSEL FOR A SUBCOMMITTEE OF THE COMMITTEE ON MILITARY AFFAIRS

Mr. SABATH. Mr. Speaker, I am pleased that the chairman of the subcommittee of the Committee on Military Affairs, the gentleman from Texas [Mr. THOMASON], who just preceded me, has made clear that what the gentleman from Mississippi [Mr. RANKIN] termed was a report of his subcommittee was merely testimony given before the subcommittee by its counsel, H. Ralph Burton. In answering the statement of the gentleman from Mississippi yesterday with respect to his request or suggestion that the Secretary of War and his two assistants tender their resignations if they were found to have approved the commissioning of 16 officers and the enlistment of 3 enlisted men, allegedly charged as Communists. I then pointed out that the counsel of the Military Affairs Subcommittee, on which the so-called report was allegedly based, was a former counsel to Father Coughlin and his publication and had also served as counsel for Kurt George W. Luedtke, an accredited representative of Hitler, and suggested that he himself might be subject to investigation. Yesterday our colleague the gentleman from Washington [Mr. DE LACY] also made remarks relative to his connections.

Late yesterday Burton personally informed me of his association with Kurt George W. Luedtke, and stated that when he learned of the purpose of his activities and how far reaching they were and that they were inimical to the interests of the United States, he withdrew as his counsel. With respect to his connection with Father Coughlin, Burton stated that upon learning of Father Coughlin's activities and cooperation with Nazi leaders, which he felt were against our country's interests, he severed his relationship with Father Coughlin and his activities. This explanation, of course, I was glad to receive as it has been my policy all my life, that, if I could not help a person, I would not hurt him. If Mr. Burton, possessing ability and intelligence, has been led astray or seen the error of his ways and has since that time devoted his activities in the right direction, I surely will not urge his discharge or that he be subjected to an investigation. However, on the other hand, why should these 16 commissioned officers and three enlisted men be subjected to unfair publicity on Burton's statement that their backgrounds reflect communism in some form. The statement does not indicate any conclusive proof that any of them have engaged in communistic activities. I hope that Mr. Burton and the gentleman from Mississippi [Mr. RANKIN] instead of reflecting upon their character and loyalty will follow my example in giving them credit for their patriotic services, which was also extended by the Under Secretary of War. He made it clear and in no uncertain terms asserted that the War Department after a thorough investigation had found nothing against them and that their records and activities since their entry into the service of our country has been exemplary, and that many of them have been officially cited.

INVESTIGATIONS OF BEACHES ALONG THE SHORES OF THE UNITED STATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2032) authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 10, after "lakes", insert "Lake Champlain."

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. MICHENER. Mr. Speaker, reserving the right to object, just what does that mean?

Mr. RANKIN. Mr. Speaker, this is a survey ordered by the Congress through the Committee on Rivers and Harbors, of which I am a member, for an investigation of beach erosion to determine what may be done to check that erosion, which in some places is becoming very serious.

The distinguished gentleman from Texas [Mr. MANSFIELD], chairman of the Committee on Rivers and Harbors, is out of town. I am the ranking member present, and I was asked to take this measure up and request the House to agree to a Senate amendment which includes the shores of Lake Champlain.

Mr. MICHENER. It adds a little territory to be surveyed?

Mr. RANKIN. That is right, and without any additional expense.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that this bill and the amendment be inserted at this point.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The bill and amendment referred to follow:

Be it enacted, etc., That, in addition to participating in cooperative investigations and studies with agencies of the various States as authorized in section 2 of the River and Harbor Act, approved July 1930, it shall be the duty of the Chief of Engineers, through the Beach Erosion Board, to make general investigations with a view to preventing erosion of the shores of the United States by waves and currents and determining the most suitable methods for the protection, restoration, and development of beaches; and to publish from time to time such useful data and information concerning the erosion and protection of beaches and shore lines as the Board may deem to be of value to the people of the United States. The cost of the general investigations herein authorized shall be borne wholly by the United States. As used in this act, the word "shores" includes the shore lines of the Atlantic and Pacific Oceans, the Gulf of Mexico, the Great Lakes, and estuaries and bays directly connected therewith.

SEC. 2. All provisions of existing law relating to examinations and surveys and to works of improvement of rivers and harbors shall apply, insofar as practicable, to examinations and surveys and to works of improvement relating to shore protection; except that all projects having to do with shore protection shall be referred for consideration and recommendation to the Beach Erosion Board instead of to the Board of Engineers for Rivers and Harbors.

SEC. 3. The Beach Erosion Board, in making its report on any cooperative investigation and studies under the provisions of section 2 of the River and Harbor Act, approved July 3, 1930, relating to shore protection work shall, in addition to any other matters upon which it may be required to report, state its opinion as to (a) the advisability of adopting the project; (b) what public interest, if any, is involved in the proposed improvement; and (c) what share of the expense, if any, should be borne by the United States.

SEC. 4. Any expenses incident and necessary in the undertaking of the general investigations authorized herein may be paid from funds hitherto or hereafter appropriated for examinations, surveys, and contingencies for rivers and harbors.

SEC. 5. The act of June 26, 1936 (Public, No. 834, 74th Cong.), is hereby repealed.

IN THE SENATE OF THE UNITED STATES,
July 20 (legislative day, July 9), 1945.

Resolved, That the bill from the House of Representatives (H. R. 2032) entitled "An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936," do pass with the following amendment:

Page 2, line 10, after "Lakes," insert "Lake Champlain."

ESTATE OF GREENFIELD PAYNE

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 1851) for the relief of the widow and three children of Greenfield Payne, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Amend the title so as to read: "An act for the relief of the estate of Greenfield Payne."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

DR. JABEZ FENTON JACKSON

Mr. PITTENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2699) for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson, with a Senate amendment thereto, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, strike out "$525.30" and insert "$50."

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Senate amendment was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. GRANT of Indiana. Mr. Speaker, previously permission was given me to extend my remarks in the RECORD and include an article entitled "Lend-Lease Grab Bag." The Public Printer advises that the cost will be $114.40. Notwithstanding the additional cost, I ask unanimous consent that this article may be printed in the RECORD.

The SPEAKER. Without objection, notwithstanding the cost, the extension will be made.

There was no objection.

Mr. PHILLIPS (at the request of Mr. LAFOLLETTE) was given permission to extend his remarks in the RECORD.

Mr. LAFOLLETTE asked and was given permission to extend his remarks in the RECORD and include an article and a letter.

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD in two instances; in one to include two letters, and in another a lease agreement.

Mr. MCMILLAN of South Carolina asked and was given permission to extend his remarks in the RECORD.

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD in five instances, to include in one the final report of the Montana War Finance Committee and a list of its membership; in one to extend my remarks and insert the speech I will make on the Far East in an August issue of the Appendix of the RECORD; in one to insert another speech I will make on the Far East in the September issue, if any, of the same; in one to extend my remarks in the Appendix of the RECORD to cover Montana's manpower contribution to the armed services.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, I would like to propound a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. When we leave here for the recess, and if the RECORD is published afterward and anything is inserted in that RECORD that is in violation of the rules of the House, I want to know if that RECORD will be made permanent before we return?

The SPEAKER. The Chair would hold otherwise.

Mr. RANKIN. The Chair would hold it would not be made permanent?

The SPEAKER. Under the rules of the House, the Chair would hold it would not be made permanent until Congress reconvenes.

Mr. RANKIN. I know the gentleman from Montana would not do this, but other Members have at times taken advantage of the situation and placed matter in the RECORD they would not dare intimate on the floor of the House.

Mr. MANSFIELD of Montana. I am glad the gentleman made that statement about me.

Mr. RANKIN. I know that the gentleman from Montana would not be guilty of such an act.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 8 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 45 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

GOVERNMENT SPENDING

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[Mr. GROSS addressed the House. His remarks appear in the Appendix.]

HON. FRED M. VINSON TO BE SWORN IN AT THE CAPITOL AS SECRETARY OF THE TREASURY

Mr. COOPER. I would again like to announce to all Members of the House

that our former distinguished colleague and warm friend, Hon. Fred M. Vinson, will be sworn in as Secretary of the Treasury in the Committee on Ways and Means hearing room in the New House Office Building at 10:30 o'clock Monday morning, and all Members of the House are very cordially invited to be present.

EXTENSION OF REMARKS

Mr. ERVIN (at the request of Mr. PICKETT) was given permission to extend his remarks in the RECORD.

Mr. O'NEAL (at the request of Mr. ZIMMERMAN) was given permission to extend his remarks in the RECORD and include a letter from Joseph D. Nunan, Jr., Commissioner of Internal Revenue.

Mr. KEFAUVER (at the request of Mr. EARTHMAN) was given permission to extend his remarks in the RECORD and include a letter.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD in two particulars, and in one to include an editorial and in the other a letter.

Mr. LUTHER A. JOHNSON asked and was given permission to extend his remarks in the RECORD and include an editorial from the New York Times.

Mr. LEA asked and was given permission to extend his remarks in the RECORD.

Mr. PATTERSON (at the request of Mr. RAMSPECK) was given permission to extend his remarks in the RECORD.

STAMPING OUT OF LYNCHING

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, again I wish to call the attention of the House to the remarkable record the good people of America are making in the stamping-out of the crime of lynching. So far this year, according to information given me by President Patterson, of Tuskegee Institute, who keeps the records, there has been no case of lynching in the whole United States. As we go into recess this morning, I wanted the privilege of calling the attention of all the Members of the House to the efficacy of the only means by which lynching can be stamped out; that is, the local sentiment of the good people of America. It is being almost 100 percent effective, and has been thus far in the year 1945.

GEN. GEORGE S. PATTON FOR SECRETARY OF WAR

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it is my hope, since it is understood that Secretary Stimson will resign when President Truman returns, that the President will appoint Gen. George S. Patton as Secretary of War. I believe he is one of the most dynamic men in public life today.

I know of no man better fitted for this all-important position at this time than General Patton.

He is one of the most dynamic individuals in public life today. He is one of the greatest soldiers of our day and generation and one of the greatest leaders of men this war has produced.

He summed up his military career in a short conversation with me in my office a day or two ago when he said he applied the tactics of our great military leaders of the past to mechanized equipment. He is indeed a military genius who looks forward and not backward.

He is not only a great military leader but he is one of the most popular generals with the rank and file of the soldiers under him that this country has ever had. He never sends a man where he is not willing to go himself. That was demonstrated when he plunged into the Sure River amidst snow and ice to lead his valiant troops to victory.

From the highest general on his staff to the lowliest private in the ranks, General Patton is respected, loved, and admired.

As Secretary of War he would clean house in the War Department and put a stop to the commissioning of individuals who are not in sympathy with our form of government, as well as to the dissemination of injurious propaganda.

I hope to have a conference with President Truman when he returns to Washington and to discuss this matter with him.

The SPEAKER. The time of the gentleman from Mississippi has expired.

MEMBERS IN THEIR HOME DISTRICTS

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, with the Congress in recess, it will give the Members an opportunity to visit with the folks back home. We ought to get some of the reactions at the grass roots. I am certain every Member of Congress is aware of the fact that the Government propaganda mills, along with special interests, try to color the thinking of not only Congress but the people at home. We in Washington are much closer to the propaganda and get daily inoculations. The folks at home have sufficient time to think through and see some of the false statements which constantly flood the country. It is difficult here in Washington to properly evaluate the legislation under those circumstances. It seems to me that much of the legislation has been 51 percent good and 49 percent bad. This Congress has considered much legislation which is of doubtful character. It has been put through under the guise of war necessity. I am certain that if the country really understood all of the things that this Congress has considered and done, there would be a tremendous revolt.

It may be rather difficult for some of us to answer to the folks at home but it ought to be done. I doubt if many folks in the country were informed of the testimony of Dean Acheson of the State Department before the Committee on Banking and Currency when he put into the record the fact that there are 48 different agencies spending, lending, and giving away the resources of this country in foreign lands. These agencies employ more than 400,000 people outside of the United States. We have nearly 3,000,000 others on the pay roll in this country. This Congress has entered upon a spending spree. The time has arrived to stop, look, and listen. We should take another look at Lend-Lease, UNRRA, Bretton Woods, and the Export-Import Bank, and many other Government agencies which are now in operation. I think it is well for the Members to get back home and talk to their constituents. It is a time of sober reflection and thinking and getting ready for cut-backs in Government expenditures. The war in Japan may well be over when we return. Just how long does Congress expect to continue the many Government agencies, some of them dissipating with wantom waste the resources of this country?

EXTENSION OF REMARKS

Mr. LEWIS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

BITUMINOUS COAL INDUSTRY

Mr. LEWIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. LEWIS. Mr. Speaker, I rise to address the House today on the subject of the critical situation which exists in the bituminous coal industry in this country due to the shortage of manpower. We are called upon this year to produce 675,000,000 tons of coal. It is estimated we will fall short of that production goal by something in the neighborhood of 25,000,000 tons.

I call upon the War Manpower Commission and the War Department to take what steps are necessary to release from the Army, if need be, men who have been drafted into the Army from the coal-mining business. The men of that industry to the extent of 130,000 to 140,000 are now in the armed forces of the United States. The Government has seen fit to release expert railroad men to operate the transportation system of this country, and I believe that we are up against a similar critical situation which demands similar action with respect to the coal-mining industry. In addition to the domestic requirement of 675,000,000 tons for this year, Mr. Ickes as Solid Fuel Administrator is asking for 6,000,000 tons of coal to prevent the people of Europe from freezing this winter and to prevent,

as he says, a consequent state of anarchy which will imperil the lives of our boys in our occupying forces. Already householders have been told that their consumption of coal next winter must be cut to 80 percent of their consumption last winter.

The prospect is grim. Supplies of coal for our war production must not be curtailed. The lives of thousands of our boys would be jeopardized and perhaps lost if we do not keep an undiminished flow of supplies and ammunition going to them. This must be done at all costs.

But Mr. Speaker, where shall we get the coal miners? Coal mining is a job which requires great skill and it cannot be learned in a day. It is also a highly hazardous occupation and only those who are already skilled in it can meet the present emergency and the only available body of such skilled workers are in the armed forces. That is the reason that Mr. Ickes has called upon War Manpower and the War Department to make 30,000 of these former coal miners available for the mining of coal.

I think Mr. Ickes is right in asking that these men be furloughed from the armed forces to meet the critical needs of the armed forces and the industry that supplies them, as well as our domestic consumers to say nothing of the needs of war-torn Europe.

The responsibility for meeting this crisis rests on the War Department and War Manpower.

The SPEAKER. The time of the gentleman from Ohio has expired.

EXTENSION OF REMARKS

Mr. FORAND. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FORAND. Mr. Speaker, I have introduced in the House today a bill to amend the War Mobilization and Reconversion Act of 1944, to provide for an orderly transition from a war to a peacetime economy through supplementation of unemployment compensation payable under State laws.

This bill is identical to the Kilgore bill introduced in the Senate on July 17. It carries out the recommendations of President Truman, recently made in his message to Congress.

My reason for introducing this bill is that when the Ways and Means Committee takes up the consideration of the bill H. R. 3736, introduced by the gentleman from North Carolina, Chairman DOUGHTON, of our committee, the committee will have before it at the same time my bill which is somewhat broader in scope than the Doughton bill, inasmuch as it first provides increased benefits for returning veterans; second, it starts payments under the act without waiting for mass unemployment to descend upon the Nation; third, it provides coverage for Federal employees and maritime workers under the District of Columbia Unemployment Compensation Act; fourth, it includes processing workers; and, fifth, it provides travel allowance for displaced workers.

The question of employee displacements during the reconversion period is one that cannot be ignored. We must maintain a high national income during the coming years. We have already enacted legislation to assist business and commerce to reconvert to peacetime production in the hope that there may be as little unemployment as possible. Jobs must be provided and the purchasing power maintained. I believe this can be done, and it will be done if management, labor, and Government cooperate during peacetime as they have done during wartime. However, we must make provision to care for the unemployed if management, labor, and Government should fail to prevent unemployment.

EXTENSION OF REMARKS

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HOBBS. Mr. Speaker, with reference to my unanimous-consent request previously granted, I understand there is some doubt as to whether I made it clear that I could insert additional minority views also, as corrected and revised, which is my intention.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. PATMAN asked and was given permission to extend his remarks in the RECORD and include a letter and statement in connection therewith.

Mr. CHURCH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. ROBSION of Kentucky asked and was given permission to extend his remarks in the RECORD on the threat of a great coal shortage.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and insert a letter with respect to labor.

HON. HENRY MORGENTHAU, JR.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, for more than 11½ years the work of the United States Treasury Department has been guided by a man who today is about to leave the people's service and return to the realm of personal affairs. I believe there will go with him from the Treasury the approbation of the American public for a job excellently done.

I have had occasion before to speak on this floor of Secretary Morgenthau, once so recently as last month during our discussion of the Bretton Woods agreements. I believe none will regard it as amiss for me to speak of him again, now that in the march of our democratic process he is surrendering to another distinguished American the responsibilities and the honors and the challenging fields for advancement of the national welfare which every Secretary of the Treasury finds awaiting him.

It cannot be amiss, for the stories of men who have served their fellows as has Secretary Morgenthau need to be told again and again. They are wellsprings of faith in the soundness and the workableness of our democracy; sources of satisfying assurances to Americans in home and shop and field that when "we the people" are faced with seemingly calamitous difficulties, our democracy will produce men and measure adequate to deal with them.

Pioneering on a scale unprecedented in governmental experience fell to Secretary Morgenthau's lot. All Secretaries of the Treasury before him collected far less Federal revenue in the aggregate in 145 years than Secretary Morgenthau was called upon to collect in 11 years; all Secretaries of the Treasury before him were called upon in 145 years to fund deficits which in the aggregate were only a fraction of the deficits Secretary Morgenthau was called upon to fund. We may dismiss these as dull statistics, but Secretary Morgenthau could not dismiss the yawning pitfalls of economic peril which attended fiscal operations of such previously unimagined scope.

The Secretary was one of those Americans who foresaw by years rather than by days the certainty of this Nation's participation in the war. Out of his foresight grew preparations and planning within the Treasury to meet the shock of war's vast demands on the Nation's financial resources long before the demands materialized. That we have seen the financing of the war achieved with a minimum of economic disturbance is testimony to the accuracy of the groundwork which this early Treasury planning laid.

Sums of money almost beyond the average man's comprehension have been borrowed for war purposes. The average rate of interest on these borrowings paid under Secretary Morgenthau is less than half the average rate paid on Government borrowings during World War I.

We have fought a war on the home front against inflation as we have fought a war on the military fronts against aggression and oppression. Every step of the Treasury in its programs of war finance has been taken with a view to best aiding the fight against inflation as well as to raise funds.

Government securities have been sold to 85,000,000 people—small investors in overwhelming proportion—in the last 3 years. The Treasury saw to it that the chief security offered to the small investor was a bond on which he could not lose. It remembered the grim aftermath of World War I when many small investors in that war's bonds lost heavily on types of securities less suited to their needs.

I believe that public confidence in the Treasury's fiscal policies under Secretary Morgenthau has weighed heavily as a factor in the gratifying success of our seven war loans so far.

No stone has been left unturned by the Treasury under Secretary Morgenthau in its consistent, unrelenting efforts to achieve and preserve sound tax policies as a foundation for the war finance edifice. Every problem borne of the war—inflation, national debt, equity in distribution of the war's hardships, and many others—could have been rend-

ered incalculably more severe by less valid vision on the Treasury's part.

There were earlier contribution by Mr. Morgenthau to the country's financial welfare of which much could be said. When he first came to Washington in an official capacity at President Franklin D. Roosevelt's behest, it was to aid in bringing relief to American farmers who were harassed by huge amounts of indebtedness. Financial institutions benefited along with the farmers from the skill with which Mr. Morgenthau's work was performed.

Such is the broad reach of Secretary Morgenthau's horizons that the Bretton Woods proposals, pillars of hope for the sharing by the world of a prosperous peace, came from him in 1943 when he was at his busiest with tasks of war. Years before he had brought about the Tripartite Stabilization Agreement between the United States, Britain, and France, with Holland, Belgium, and Switzerland subscribing to it, only to see this venture in international cooperation frustrated by the emboldened maneuvers of the Axis.

It will be for our children to see whether our hopes for the effectiveness of the Bretton Woods proposals, along with our other strivings toward a fitter world in which to live, are realized in full measure. To whafever extent they are realized, every participating nation will be Secretary Morgenthau's debtor.

In a great complexity of Federal tasks having to do with the war, Secretary Morgenthau shared heavily aside from his fiscal responsibilities. Thus upon the invasion of Norway and Denmark, President Roosevelt assigned to him the effectuation of freezing control of foreign-owned assets in this country. Under his direction, control of assets amounting eventually to eight and a half billion dollars was established by a Treasury agency, the Foreign Funds Control. The freezing control became an instrument of economic warfare of great value to us and our allies.

In one of the war's few humanitarian undertakings, Secretary Morgenthau served as a member of the war refugee board.

Important agencies of law enforcement operate under the supervision of the Secretary of the Treasury. Under Secretary Morgenthau they have operated in peace and in war with an efficiency never before attained. Today, at Secretary Morgenthau's instance, law enforcement as well as administrative machinery of the Treasury is engaged in bringing to book an assortment of faithless people who seized on tax dodging as a means of turning the war to greater personal profit, and in this enterprise I am sure every decent citizen, in or out of uniform, wishes the Treasury well.

The Secretary and Mrs. Morgenthau are the parents of two sons, Henry Morgenthau III and Robert. It is a tribute to the essential democracy of this family that both are in the armed services. Secretary Morgenthau was himself a junior officer of the Navy in World War I.

"The American system of government," said Secretary Morgenthau in a public address a few years ago, "is one which preserves basic human rights for all of us and strives to make available opportunities for a complete life to each of us."

The vigor, the skill, the courage, the vision, the complete integrity of Secretary Morgenthau's long years of public service have contributed greatly to the preservation of that system of government from the perils which menaced it during his tenure, and have strengthened it for whatever trials it may face in years to come.

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 20 minutes.

ADDITIONAL COMPENSATION FOR WOUNDED SERVICEMEN

Mrs. ROGERS of Massachusetts. Mr. Speaker, I spoke some days ago at some length on the fact that Gen. Brehon Somervell had authorized a survey and the creation of a sort of laboratory of research for the perfection of artificial arms and legs.

To date there has not been perfection in the prosthetics that have been given to our men who need artificial arms and legs. I am told by men who wear the artificial legs at Walter Reed Hospital that, for instance, they come into Washington sometimes and those legs are broken and they have fallen. I suppose that is because in an effort to make the limb light so that they will not be so heavy to carry around they have not made them sufficiently strong. They have also felt in many instances that they were not as comfortable as they might be.

Some say the artificial legs they get after they are discharged from the Army are more satisfactory to some than the ones they secure from the Army. Some like the ones they secure from the Veterans' Administration better. After all, it is very much an individual matter.

Because they are not satisfactory is one reason I was extremely glad that on yesterday the distinguished gentleman from Mississippi [Mr. RANKIN], chairman of our World War Veterans' Committee, secured the passage of his bill to give some increased compensation to certain amputees. It was reported out unanimously by our committee. It is the reason I started to make a point of no quorum, as I felt the bill should be passed by our committee and the House before recess. As the gentleman from Mississippi and the gentleman from Iowa, Judge CUNNINGHAM, said yesterday, the committee hopes that the Senate will act, and act promptly, and give higher rates of compensation to the cases that now have a slight increase, and also to take in certain groups. For instance, under the bill passed yesterday, a man who has lost an arm or a leg receives no increase. I am hoping that the Senate will give those veterans an additional $20 a month. It will help quite a little.

Then there is another group that receives no increase. That is, men who have lost both feet or both hands. They will only receive $165 a month, which is the rate they are now receiving. So the bill did nothing for that group yesterday and nothing for the group who have lost an arm or a leg or the men who have certain difficulty with their vision.

Mr. MILLER of Nebraska. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield.

Mr. MILLER of Nebraska. I think the gentlewoman from Massachusetts is speaking on a very vital subject, as it relates to individuals who wear artificial limbs. For two years I have occasionally been going out to the hospitals and talking to the men who have come back who have artificial limbs.

Mrs. ROGERS of Massachusetts. The distinguished Congressman is an able doctor and knows the subject from the professional angle; and the gentleman has given them great pleasure and comfort, I will say to the House. By his fine example he has given great encouragement and has been a constant inspiration.

Mr. MILLER of Nebraska. I may say to the gentlewoman from Massachusetts and to the House that for 11 years now I have had to make friends with two artificial limbs, and I think I know something about some of the difficulties men face when they first lose a limb. They have to adjust themselves, adjust their thinking. Many times they feel that they are whipped and are unable to get along.

The problem at Walter Reed, I find, is that they are not making a limb that is entirely satisfactory to the men. I know I shopped around and got three or four artificial limbs before I finally found the pair I thought was all right. I even went so far as to buy a pair that when I got up in the morning and felt small I put them on because they made me about 3 inches shorter; and another pair that when I got up feeling big I put them on and it made me 3 inches taller. So I had the advantage of adjusting my height to my feelings. I would urge upon the hospital out there to rely more upon the men in the private industry who are today making artificial limbs. They are making some good limbs and some good arms. The hospital has much to learn about making the limbs comfortable. Perhaps they are sacrificing too much of the weight of the limb to make one strong enough to stand the work.

Then another thought I would like to bring out is that the American College of Surgeons has found a method whereby they can hook up some of the tendons, some of the leaders from the tendons, to the fingers which enables them to manipulate the hands. I saw some of that work back as far as 1927 in European clinics, and this country is now developing an arm with tendons attached that can do marvelous things as far as the arm is concerned. In this matter you are touching upon a very important problem, maybe not to a large group of people, but to the man who has lost an arm or a leg it is a very real problem, and I express the hope that the military authorities of the Veterans' Administration will pool their ideas in an effort to produce a limb that will be as comfortable as can be made for the individual who must wear them. They are never comfortable, you have got to make friends with them. That is one of the things one must do.

My contact out at the hospital made me feel that they were cutting too many corners and having individuals perhaps make limbs who were not entirely familiar with some of the finer aspects of limb making.

Mrs. ROGERS of Massachusetts. It is very much of an individual matter just as is the case with shoes.

Mr. MILLER of Nebraska. Exactly.

Mrs. ROGERS of Massachusetts. A pair of shoes that would fit the gentleman would not fit me; and vice versa.

Mr. MILLER of Nebraska. You must individualize your limb. Out there they try to turn them out on a factory mass-production style; but it is a matter that must be adjusted to the individual if the artificial arm or limb is to give its best service.

Mrs. ROGERS of Massachusetts. Then the gentleman will approve very thoroughly of what General Somervell is doing in this research laboratory he is starting in order to perfect the prosthesis of artificial arms and legs.

Mr. MILLER of Nebraska. Yes.

Mrs. ROGERS of Massachusetts. He requires the Surgeon General to report to him every month so he will know what is going on.

There was recently held in Atlantic City a conference on this very subject regarding prosthesis and I got in touch with Colonel Peterson, of the Surgeon General's office who attended that meeting to get a report, if possible, of what transpired at the conference. This committee meets every month and is called the Committee on Prosthetic Devices, Northwestern Technological Institute, Evanston, Ill. The chairman of the committee is Prof. Paul E. Klopsteg.

I assume the gentleman agrees with me that no artificial limb has ever been created that is entirely satisfactory. I understand, however, some very advanced experimentation is being conducted in England, and I trust in this country. Is that correct?

Mr. MILLER of Nebraska. Yes; that is true; they are doing a great deal in that field. But, as I say, the College of Surgeons have been working out some inventions—if the gentlewoman will yield again—for attaching something to the tendons of the arm that can be hooked up to the fingers; and I have seen within the last 3 months some marvelous work done by surgeons in hooking up tendons to the fingers. Much of it is still experimental.

Mrs. ROGERS of Massachusetts. Is that being done in this country to any extent?

Mr. MILLER of Nebraska. Not to a great extent here.

Mrs. ROGERS of Massachusetts. But somewhat if England is making studies in prosthesis I am sure the United States can do as well if not better if it really goes to work on the subject.

Mr. MILLER of Nebraska. More of it should be done. It is a great field that can be developed. I saw it in 1927 when I was attending clinics over in Europe. I marveled then at the work they were able to do. It is like wearing a shoe that does not fit, you are never entirely comfortable, but they had some ingenious device whereby the tendons were set out on the skin and hooked up with some fingers that operated in a marvelous fashion. They are not doing that much in this country and more of it should be developed so that some of these men with artificial hands may have the benefit of the new ideas that have been developed.

Mrs. ROGERS of Massachusetts. It is not a matter of money. The War Department has plenty of money for this clinical work. It is simply a matter of having something developed. It is a matter of getting the most scientific and best minds in the country who will have the patience and skill and who will take the time to get results. I know the Members of the House agree that if we could have accomplished as we have such miracles in surgery and medicine and as we have accomplished in the way of material for war, with which to conduct and to win the war, certainly we could do much toward giving these men who suffered so much for us a better chance for rehabilitation. As we all know some of the men today are wearing hooks for hands. They are very simple of production. It is simply an elastic wound around and on hooks.

Mr. SPRINGER. Mr. Speaker, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the gentleman from Indiana.

Mr. SPRINGER. I am very much interested in what the gentlewoman has been saying with reference to artificial limbs and hands. There came under my observation a matter just recently which I want to mention for the benefit of the gentleman from Nebraska. I noticed a young chap who had an artificial arm and they had been experimenting with him. I do not know what surgeon had worked upon him, but the boy was able by the manipulation of his artificial hand and fingers to operate an automobile. He said it was rather clumsy, that he had not become entirely familiar with its operation, but he was making progress.

In my opinion, surgery will develop in the artificial hands and limbs field some outstanding developments in the near future. I certainly want to compliment the gentlewoman from Massachusetts for the interest she is manifesting in this very important question.

Mrs. ROGERS of Massachusetts. We are all interested in this problem, and I may say to the gentleman, continuing my theme, that there is a World War veteran—a First World War veteran—an old friend named McGonegal, who wears two hooks, and he can do everything, it seems to me, that one with two hands can do. With these hooks he can pull one hair out of the back of his head. If that can be done with hooks, certainly science ought to be able to do it with an artificial hand with artificial fingers. It is astounding that nothing has been done to perfect an artificial hand or that more has not been done about it up to this time. Perhaps it is because the manufacturers have not been interested and have not done anything and the public has not realized that so much should be done. They may have felt it was a very difficult task and have just given up. I am sure General Somervell feels they are just starting to develop proper appliances for these men. I know the House will not begrudge any money if money were needed, but that is not necessary because the War Department has funds for the purpose. It has called in the various research councils all over the country. Since General Somervell started this research laboratory a good many of the research councils all over the country have taken the matter up and are doing individual research work. I would like to say to the Members also that before long I hope there will be certain very prosperous and philanthropic persons in the country who will take up the matter and use their money and influence for part of this very valuable research work.

I hope that in a few months prosthesis for both arms and legs will be developed so the men will know that a vigorous and constant attempt has been made and that complete success will be achieved. I know we wish for every bit of success possible, and I am sure the House will cooperate in every way necessary.

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include an editorial and a newspaper item.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include a brief address delivered by Mr. Emil Schram, president of the New York Stock Exchange.

TOBACCO COMBINATION

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, while I know that the Congress should take a recess—that the Members are entitled to some relief from their arduous tasks here, still I am sorry, for one reason, to have the recess come at this particular time. The large tobacco buyers in this country, headed and dominated by the Imperial Tobacco Co. have entered into a combination to restrict the marketing facilities for the present year's crop, having in mind producing a demoralized state of affairs in order to take from the growers their tobacco at a price less than the real value. I have proof in my files which should be amply sufficient to sustain that charge. Later the Congress may be called upon to order an investigation of the situation. In the meantime, however, it is a matter to which the Department of Justice might well afford to give its attention.

The SPEAKER. Under previous order of the House, the gentleman from Indiana [Mr. SPRINGER] is recognized for 8 minutes.

PAMPERING JAPANESE CAPTIVES

Mr. SPRINGER. Mr. Speaker, when Germany fell it was reported that a large number of high Japanese military, naval, and diplomatic officers of that enemy country were captured and had become our prisoners of war. Later, it was as-

certained that this was true, and that those high Japanese officials were prisoners of war in the custody of our Army in Europe. The people were happy to learn that these high enemy officials had been captured, and that they were in the custody of our great Army. The latest information upon this subject is that those high army, navy and diplomatic officials of Japan have been brought to this country, and that there were 193 in number in this group of Japs. The greatest surprise came when it was learned that these enemy officials, high in army, navy, and diplomatic service of Japan, were taken to a fine and commodious hotel at Bedford Springs, Pa., for detention, which is the rich man's playground in that great State, and there they are now established in those luxurious suites in that superfine hotel, having rich food to eat and every accommodation available to the rich and the exclusive among the people.

Mr. Speaker, it has been ascertained that the good people of Pennsylvania objected to this method of treatment to these prisoners of war. They are our enemies, and we are at war with Japan; these prisoners of war should be accorded the same treatment that is extended to every other Japanese prisoner of war in our custody. The people are wondering what character of treatment Japan is extending to General Wainwright, and our high Army officials, who are prisoners of war in the hands of Japan. They are wondering what kind and character of treatment is extended to all of our boys, some 35,000 of them, who are prisoners of war in the ghostly prison camps of the Japs. But, our Nation has elected to coddle and pamper these high officials of Japan without any justification or excuse.

Mr. Speaker, this treatment is quite a contrast to that extended to our Army officers and our soldiers by Japan. Our boys and our officers are held in unspeakable prison camps in Japan, they are given but little food and they are subjected to cruel and brutal treatment, they are compelled to work for long hours upon the very hardest kind and type of work, and with the point of the bayonet threatening them at every step. That is their treatment as prisoners of war by the Japs. They have no fine and luxurious hotels to house them, and they have no rich or plentiful supply of food to eat. They are not coddled or pampered in any degree by our enemy, the Japs, but they are tortured and beaten as a part of their daily menu. That is the difference in the treatment of prisoners of war. It is my considered judgment, and I am confident the people agree with me, that these high military, naval, and diplomatic officers, who are prisoners of war, in our custody, should be placed in a war prison camp, just the same as all other Japanese prisoners of war, and they should be given the same treatment, and food, as all other Japanese prisoners of war.

Mr. Speaker, with the some 35,000 American boys who are prisoners of war in the hands of the Japs, many of them have suffered death by starvation and cruel and brutal treatment, and the others are living under the most disagreeable and unthinkable circumstances, it is revolting to think of our own people pampering these Japanese prisoners, even of high state and rank, by giving to them the best we have to offer, treating them as guests, and extending fine and luxurious quarters and food for them. The people, when they know of this great and generous hospitality extended to our bitter enemy, will reflect to the Japanese atrocities committed upon our boys and our soldiers, and the cruelties administered to them in their terrible prison camps. I demand, as I know the people demand, that these prisoners of war be extended the same treatment that all other Japs receive, who are prisoners of war—regardless of their rank or station in life.

Mr. Speaker, when Japan seeks to secure the liberation of these high officials from our custody, as prisoners of war, it is my hope that the ratio of the exchange may be fixed so that all of our boys who are now in the hands of Japan as prisoners may be liberated and sent back to our troops or to this country. If a ratio of 10 of our boys for 1 of these Japanese officials should be determined, that would grant releases for those fine American boys who were captured on Wake and Guam islands, and those first captured on Bataan, and I am constrained to state that such a ratio would be greatly disappointing, because a much larger number of our soldiers should be liberated for each one of these high officials than set forth in the above ratio.

However, while these officials of Japan are in our custody, let us treat them as prisoners of war, not as pleasant guests assigned to luxurious hotels, with rich food served to them, but as the leaders of a most vicious enemy who would lead their people against us to kill our people and to destroy our country.

I call upon those having charge of these prisoners of war to do something about this very disgraceful and unthinkable situation, by making these 193 Jap prisoners of war just as the Japs regard that term.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I am glad to yield.

Mrs. ROGERS of Massachusetts. Is it not true today that in many of the hotels Americans cannot get rich and good food? The food is very inadequate in many hotels and restaurants today, as well as in very many homes. I heard only yesterday of a woman who is ill. She was ill because she could not get the meat and other necessary foods with which to sustain her strength.

Mr. SPRINGER. The gentlewoman is entirely correct. I want to thank her for her splendid observation.

While these Japanese prisoners of war are being fed the finest of foods in this fine and luxurious hotel at Bedford Springs, Pa., our boys in the prison camps in Japan are being starved and treated cruelly. They are beaten and are followed by guards with bayonets and forced to do the very hardest kind of work. I think that sort of generous treatment of these Japanese prisoners is an outrage, and that these prisoners, although they may be high naval, army, and diplomatic officials, should receive the same kind and type of treatment as any and every other prisoner of war, and not otherwise.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I gladly yield to my friend, the gentleman from Kentucky.

Mr. ROBSION of Kentucky. All the evidence that we have from the Philippines and elsewhere fully corroborates everything that the gentleman has said about the mistreatment of American soldiers and American citizens by the Japanese.

Mr. SPRINGER. The gentleman is entirely correct. I have talked with some of those who have been prisoners of war, and the treatment that has been accorded to our soldiers in these prisoner-of-war camps has been outrageous.

Mr. GEARHART. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to my friend, the gentleman from California.

Mr. GEARHART. While we are thinking about this strange solicitude our Government has for the comfort of these Japanese prisoners of war, we should not overlook the fact that the policy has been extended and applies also to German prisoners of war. From communications I have received from the West protesting indignantly against it, I have learned that our German prisoners of war are being moved about the country in our most luxurious pullman cars while our own soldiers, many of whom are returning from the battlefields of Europe with decorations for bravery and valor under fire, are being moved across the country in cars of ancient vintage which are so old that they are not fit today for human occupancy. This contrast ought not to exist in a republic.

Mr. SPRINGER. The gentleman is entirely and precisely correct. Just recently there has been much comment about the movement of German prisoners of war in this country with respect to sending them about in fine pullman coaches while our own soldiers, who have served for a long period of time on the battle fronts in Europe, have been forced to go in day coaches, some of them occupying standing room only, under crowded and uncomfortable conditions. Yet to these prisoners of war all of the luxurious opportunities for fine and pleasant travel have been extended. I feel very strongly with respect to these German prisoners of war as I do with respect to the Japanese prisoners of war. Each and every one of these prisoners of war should be treated as prisoners of war and all of them should be treated exactly alike.

Mr. GEARHART. I compliment the gentleman from Indiana for calling this to our attention at this particular time, just as the Congress is about to recess, because the American people ought to know about it.

Mr. SPRINGER. I wish to thank the gentleman for that splendid observation. He has ever been zealous in his efforts in behalf of our soldiers and our veterans.

Mr. ROGERS of Massachusetts. Will the gentleman yield?

Mr. SPRINGER. I yield.

Mrs. ROGERS of Massachusetts. When the war was still in progress in

Europe, I understand that German officers were sent back on what they call plush seats in airplanes, while our officers came back in bucket-seat ships. I came back in one of them myself and I did not find them so uncomfortable as most people, but they certainly are not comfortable on long trips. The same thing was going on then that is going on today.

Mr. SPRINGER. I wish to thank the gentlewoman for that splendid observation.

The SPEAKER. The time of the gentleman from Indiana has expired.

The SPEAKER. Under previous order of the House, the gentleman from Montana [Mr. MANSFIELD] is recognized for 45 minutes.

HORSE MEAT FOR EUROPE

Mr. MANSFIELD of Montana. Mr. Speaker, as this is the day on which the House begins its summer recess, I am taking this opportunity to bring before the membership the results of my activities in re the use of horse meat in certain liberated European countries. As many of you know, this type of meat is highly palatable and has been used for many years in France, Belgium, the Netherlands, and other countries which are desperately in need of such food supplies at the present time.

It has been my thought for some time that our excess horse population could be used to alleviate the food needs of liberated countries and also to replace casualties in the draft-horse field as well, because undoubtedly there is a need for work horses as well. If it could be possible to arrange with an organization like UNRRA to enter into contracts—say, at from 5 to 7 cents a pound—for these horses, the net result would be to rid States like Montana, Wyoming, North Dakota, and other Rocky Mountain and midwest States of excess horses which are eating grass that should be used to graze cattle and sheep. This would increase the amount of feed for our livestock, would make it possible for the European countries mentioned to get a type of food they want and need, and should make possible a greater distribution of beef in the American market for the American public.

While I have not been too successful to date in my efforts, I feel a start has been made and that prospects for a successful horse-meat market—on a temporary basis for export to Europe—are reasonably good. Before the program can become sound, however, it will be necessary to have the cooperation of the proper Government agencies so that materials for canning can be made available; with UNRRA so that it will encourage the program; and with the different European food and economic missions in this country, so that a reasonable price can be obtained to make it worth while for the ranchers to round up and ship the horses.

I am inserting at this point in my remarks copies of correspondence which I have had with interested agencies concerning this very important matter.

The first letters are from M. E. B. Winter, district information executive, Office of Price Administration, Helena, Mont., and enclosed with it is a chemical analysis of a composite horse-meat sample which proves conclusively the worth of this product. Immediately following the analysis is a communication from Mr. James H. Stewart which explains some of the details connected with the horse-meat problem:

OFFICE OF PRICE ADMINISTRATION,
Helena, Mont., May 8, 1945.

Hon. MIKE MANSFIELD,
Congressman from Montana,
Washington, D. C.

DEAR MIKE: Since receiving your letter of April 26, which I appreciate very much, I spent an afternoon with the Montana Horse Products Co., at Butte. I find that they are the pioneers of horse processors in the United States. They are fully and adequately equipped to slaughter and process range and obsolete ranch horses in their entirety. Their plant at the present time is operating on a very curtailed basis, slaughtering horse meat for human food for retail shops in Seattle, Spokane, and Butte. The plant is operating under the Bureau of Animal Industry inspection.

All the horse meat they slaughter for human consumption is processed under the jurisdiction of the Federal Bureau of Animal Industry, and is 100 percent sound, healthful, and wholesome food. As a matter of fact I am told the protein value of horse meat exceeds that of beef.

In the past they have shipped to the Scandinavian countries in large quantities cured horse meat in tierces. At that time there was a large demand for horse meat in Holland, Belgium, and also Germany. The production met with a hearty demand as being the kind of meat the people over there have been accustomed to using. This outlet, of course, has not been available in Europe since the thirties.

However, Mr. Woolfolk, of the Montana Horse Products Co., told me that during the time they shipped to these foreign countries they did not receive one single complaint as to the quality of the meat or the condition in which it arrived at its destination. At the present time they are fully equipped for slaughtering, canning, and curing of horses. The present disadvantages, of course, would be manpower and can containers. Should Lend-Lease or UNRRA decide to purchase canned horse meat their capacity I am told would be from 150,000 to 300,000 pounds of canned horse meat a month. They have good storage space available where they could store upward of 100 cars. Their plant is located on the Great Northern, Northern Pacific, Union Pacific, and Milwaukee railroads.

If a program of this nature was entered into it would give the European people a high protein meat to help alleviate the chaotic conditions that are found on the European Continent today, and at the same time not deprive our own people of sufficient meat. In addition to the above, a mighty big industry would be revived in the State of Montana, thus providing not only an outlet for the range and obsolete ranch horses in Montana but provide an outlet for Butte labor—and things are pretty quiet in Butte right at the present time.

Analysis of composite sample, made in September 1942, is herewith enclosed.

Thanks very much for anything you may be able to do in regard to this. Personally I consider it very important for the reason that the range horses in Prairie, Phillips, Fergus, and Judith Basin Counties have greatly increased during the past few years and are trespassing to a considerable extent on our different grazing districts and should we run into a year of normal rainfall our range cattle and sheep would suffer for lack of food which these horses take.

The other end of the picture is that I am not quite positive horses are available, or how they might be gathered, for my experience has been unless the ranchers themselves do the gathering these roundups can cause untold trouble, but I am working on that and to see if some means cannot be worked out for owner-roundup to be held during June.

Sincerely yours,

L. M. A. WASS,
District Director.
By E. B. WINTER,
District Information Executive.

Chemical analysis of a composite sample from the four cans showed the following:

	Percent
Moisture	68.2
Total solids	31.8
Ash (as received)	2.5
Fat (as received)	2.9
Protein (as received)	20.5
Crude fiber (as received)	.2
Carbohydrates other than fiber (by difference)	5.7
	Calories
Calories (per 100 grams)	130.9
Calories (per pound)	593.8

The product in all cans contained a good odor, color, and flavor, and was believed to be comparable to other meat of this nature which we have seen. Some excess gelatine was noted, however, when the meat was emptied from the can, and this condition more or less detracted from the appearance of the product.

Yours very truly,

R. H. LUECK,
Director of Research.
By L. V. TAYLOR.

UNEMPLOYMENT COMPENSATION
COMMISSION OF MONTANA,
Helena, June 4, 1945.

Hon. MIKE MANSFIELD,
Washington, D. C.

DEAR FRIEND MIKE: You may recall that quite sometime ago the secretary of the Montana Stockgrowers' Association wrote, at my request, a letter to yourself and our other Montana Members of Congress. He also wrote to the National Director of Food Administration, calling attention to the surplus horses in Montana that we believe should be used for food and farm-power purposes in the distressed countries of Europe, that we feel we are under obligations to take care of as much as possible. Nothing, it appears, has been done in the matter.

I am quite sure that you called this to the attention of the agencies authorized and depended on to provide and utilize all obtainable food and other supplies for the war-torn countries.

Some of us are becoming seriously concerned about this matter. We know, of course, that countless thousands of human beings are literally starving in Europe. We are appealed to daily to do whatever is within our power to render assistance, and all of us naturally are glad to do all that is possible.

We have here in this State this substantial amount of meat food especially desired by several European countries and desperately needed by millions to sustain life—if the situation is as critical as has been presented, and we believe that it is—and in addition to the food factor there is also a need of these horses to be placed on the farms over there, it would seem to me, rather than to undertake to furnish machinery for them. These horses are of the same type and even somewhat improved as the class of animals that have largely developed our State up to the advent of the machine.

The assessment rolls of Montana disclosed in 1944 as returned for taxation 85,000 work horses and in addition 102,000 classified as range and unbroken. The latter horses are the ones under consideration and known to

be largely as unneeded horses. Very few owners of these animals really do not know just how many they have. They are of so little value at present. It is safe to say, and this is no reflection on the owners that the actual number would be far in excess of those reported for taxation, and as you are aware there is no way to estimate the total number of unneeded horses in the United States, and particularly in the western area, so-called. These horses are of little worth here and what is more, they consume a great amount of forage needed for other stock. The owners, despite the feed destroyed, will not go to the trouble and expense of gathering them for the ridiculous offer of a cent or so a pound. I think this price situation is directly a result of some of the OPA blunders, as well as the failure on the part of the authorized food administrators, to recognize the importance of this matter, and in addition to the low price there is a strong reluctance to having these horses used only for coyote bait or dog food. The horse is still regarded by many as rather a noble animal and appreciated for his part played in the development of our country and really in the family life, but the evidence is that the horse's usefulness is about ended. The rapid decline in the numbers is conclusive evidence of that, and soon about the only horses the country will have, will be those used for pleasure-riding, racing or show purposes.

Relative to a few reasons advanced by the Food Administrators for failure to make use of this commodity, we note that the contention is that the European people have not been accustomed to horse meat or that they haven't requested it, with the exception of France, Belgium, and perhaps one or two others. Well, perhaps they are right—I cannot imagine the people over there are aware that we have this surplus food product in this country. Horse meat is a palatable, wholesome meat—I know, for I have tried it. It is also stated on authority that more vitamins are to be found in horse meat than in any other meat food. Traditionally, American people are opposed to eating it, most of us would prefer beef or pork, that is true. As it is now, we have neither. It seems silly, in the face of all the facts, that a starving people would refuse to accept a food of this kind especially. Another reason advanced is that we haven't the facilities for preparing this food or shipping it. This is to me a weak argument, if we really wanted to handle the product. There are thousands of small meat packing establishments now idle over the country for lack of meat animals to handle.

Well friend MIKE, I will not bore you longer. I have told you a lot of things you already know, unless it would be that you have no way of measuring the seriousness of a situation like this as it affects some of us, and I am sure you will agree with me that unless we, as American people, are able to meet this situation, we are entitled to the severest condemnation. Naturally, the question arises if this is as we contend it is, why hasn't something been done before about it, that is a perplexing problem. I am writing you particularly friend MIKE, because I appreciate you have the ability and you have the respect of the officials in Washington I am quite sure, sufficient to drive home the need to wake up and give this proper attention at once.

Now is the time, it will be too late in another year or so to save many people that are deserving of everything that can be done for them now.

With best regards and great hope, I am

Yours sincerely,

JIM STEWART.

The following two letters were received from Mr. A. Cairns, Chief, Food Division, UNRRA, and are dated May 15 and May 24, 1945, respectively:

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION,
Washington, D. C., May 15, 1945.

The Honorable MIKE MANSFIELD,
House of Representatives,
Washington, D. C.

DEAR MR. MANSFIELD:

1. This is with reference to your communication of April 28 with regard to the purchase of horse meat.

2. UNRRA has done everything possible to promote the use of horse meat in European countries. Because of the current shortage of all animal proteins we appreciate the value of this product in those countries suffering most from enemy occupation. Thus far, the governments of those countries for which UNRRA has assumed responsibility for the procurement of food have not agreed to accept horse meat.

3. Horse meat represents a common item in the diets of the people of northwestern Europe, particularly of Holland, Belgium, and France. These countries, having available foreign exchange resources, are handling their own relief procurements. UNRRA, however, has been instrumental in putting the Belgian, French, and Netherlands Governments in touch with Canadian authorities for the procurement of supplies of horse meat from that country. UNRRA has also put the Belgium and French Governments in contact with the Quaker Oats Co. in the United States. Belgium is ready to place larger orders of horse meat than the processors in the United States are at present capable of producing. The most important factors responsible for this are:

(a) Canning facilities for handling additional products are not now available;

(b) Very few meat packers are acquainted with the technical requirements for curing horse meat for shipment in barrels or tierces;

(c) There is an extreme shortage of labor required for cutting and boning carcasses;

(d) UNRRA faces the problem that in those countries for whose relief procurement it has the responsibility, no horse meat was consumed prewar.

However, we face the fact that we shall not be able to procure more than a small fraction of our meat requirements in the form of beef, pork, mutton, etc. Consequently, we are doing everything we can to encourage the governments of those countries who depend on us for financial assistance to accept horse meat. Thus far we have had a discouraging response. In the absence of requests from these governments, UNRRA cannot assume the responsibility of placing orders for horse meat.

4. The two leading packers of horse meat in this country are the Quaker Oats Co., of Rockford, Ill., and the Hill Packing Co., Topeka, Kans. Both of these companies have been very generous in providing us with information regarding the handling of horse meat. However, neither of them is of the opinion that any considerable expansion of horse meat production would be possible within the next few months. Might I suggest that you write to Mr. Frank R. Warton, of the Quaker Oats Co., and to Mr. Louis H. Hill, of the Hill Packing Co.?

5. I trust this information will be of some value to you.

Yours sincerely,

A. CAIRNS,
Chief, Food Division.

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION,
Washington, D. C., May 24, 1945.

The Honorable MIKE MANSFIELD,
House of Representatives,
Washington, D. C.

DEAR MR MANSFIELD:

1. This is to acknowledge receipt of your communication of May 12, enclosing a letter from E. B. Winter, Montana, for our attention.

2. We have given full consideration to the use of horse meat in our relief programs but are unable to place orders for this product at present in the absence of requests from those governments receiving UNRRA's financial assistance.

3. As horse meat represents a common item in the diets of the people of northwestern Europe, we have informed the Governments of Belgium, France, and the Netherlands of the operations of the Montana Horse Products Co., at Butte, and their probable capacity for production. If these governments should decide to procure this valuable addition to the short supplies of animal proteins, they will contact the above company directly.

4 I thank you for sending this information to us and can assure you that we are doing everything possible to encourage the use of horse meat in the European relief programs.

5. I am returning the letter sent to you by Mr. Winter together with a copy of this letter.

Yours sincerely,

A. CAIRNS,
Chief of Food Division.

Naturally, I did not contact the horse packing plants in Topeka, Kans., and Rockford, Ill., as we had an up-to-date packing plant in the Montana Horse Products Co., located at Butte, Mont. I did, however, write to the chiefs of the Netherlands, French, and Belgian Food Missions and am inserting here a letter addressed to Mr. Marcel LeClercq, Chief, Food Division, Belgian Economic Mission, 1780 Massachusetts Avenue, Washington, D. C. This same letter was sent to the French and Dutch also:

JULY 9, 1945.

Mr. MARCEL LECLERCQ,
Chief, Food Division,
Belgian Economic Mission,
Washington, D. C.

DEAR MR. LECLERCQ: I am writing to you about the possibility of the Belgian Economic Mission buying horse meat in this country for use in your country during the present period of stringency. As you perhaps know, we have a meat company in my State of Montana, the Montana Meat Co., which processes horse meat, and we have an extremely large surplus population of horses. We would like to dispose of the surplus through the sale of them to European missions so that this high type of meat could be used in countries like yours, where needed and where there is a shortage at the present time.

I would appreciate hearing from you about the possibilities of some sort of an arrangement being made by your mission and the Montana Meat Co.

Must close now, but with best personal wishes, I am

Sincerely.

The following answers were received from the European food missions:

BELGIAN ECONOMIC MISSION.
Washington, D. C., July 12, 1945.

Hon. MIKE MANSIELD,
House of Representatives,
Congress of the United States,
Washington, D. C.

Reference: Montana Meat Co., horse meat, United States.

DEAR MR. MANSFIELD: This is to acknowledge the receipt of your letter of July 9, in which you were good enough to call my attention to the Montana Meat Co., which company processes horsemeat.

We have already made some purchases of horsemeat in the United States and are cabling to Brussels to ask if they require more

than the quantity for which we have already contracted. As soon as we have their answer, you may be sure that I shall immediately get in touch with the Montana Meat Co., in case Belgian requirements of this commodity have not been filled.

Thanking you for the interest you have taken, I am,

Sincerely yours,

MARCEL LECLERCQ,
Chief, Food Division.

BELGIAN ECONOMIC MISSION,
Washington, D. C., July 16, 1945.

Hon. MIKE MANSFIELD,
House of Representatives,
Congress of the United States,
Washington, D. C.

Re Montana Meat Co., horse meat, United States.

DEAR MR. MANSFELD: With further reference to your letter dated July 9 and our answer of July 12, we would like to have some further information.

Would you please let us have the exact address of the Montana Meat Co. and if possible have the representative of the Montana Meat Co. contact us at the earliest possible date.

We would like to have full particulars concerning plant location, pickling and canning capacity of the plant, delivery possibilities as to quantities and dates.

Hoping to hear either from you or from the Montana Meat Co. directly, we remain,

Very truly yours,

A. D. JACXSENS,
Food Division.

FRENCH SUPPLY COUNCIL,
Washington, D. C., July 13, 1945.

Mr. MIKE MANSFIELD,
Congress of the United States,
House of Representatives,
Washington, D. C.

DEAR MR. MANSFIELD: We acknowledge with thanks receipt of your letter dated July 9, 1945.

We have been working for some time on various propositions related with horse meat and we think that the best way for Montana Meat Co. would be to send us a few samples if they have already reached the stage of processing horse meat for human consumption. We feel that the best produce is canned meat or eventually pickled meat. As you know, shipping of fresh frozen meat is very difficult with regard to refrigerated shipping space and storage. However, we would appreciate full information on an eventual offer of fresh frozen horse meat.

If the company has not yet processed horse meat for human consumption, we will probably be in a position in 2 or 3 weeks to provide them with a formula agreed to by the French Government. On the basis of that formula and with all guaranties regarding inspection and sanitary conditions, it could then be considered to pass a contract for the supply of a certain quantity of horse meat products.

Sincerely yours,

J. R. DUPARD,
Chief of the Mission.

C. VAN STOLK,
COMMISSIONER EXTRAORDINARY OF
THE ROYAL NETHERLANDS GOVERNMENT,
New York, N. Y., July 19, 1945.

To the HONORABLE MIKE MANSFIELD,
Representative, First District, Montana,
House of Representatives,
Washington, D. C.

DEAR SIR: In reply to your letter dated July 9 regarding the sale of horse meat from the State of Montana, I herewith beg to inform you that we are in contact with the Montana Meat Co.

We have asked them for specific information regarding their approach to the above subject.

Yours very truly.

C. VAN STOLK.

On July 11 I again wrote a letter to Mr. Cairns of UNRRA, a copy of which I call to your attention, as well as an article appearing in the Washington Daily News of July 4, 1945:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 11, 1945.

Mr. A. CAIRNS,
Chief of Food Division,
United Nations Relief and
Rehabilitation Administration,
Washington, D. C.

DEAR MR. CAIRNS: I am in receipt of a copy of your letter to Senator WHEELER dated June 21, and I read what you had to say with a great deal of interest, but there are still some questions in my mind relative to the possibilities of buying horse meat in this country for the use of nations abroad.

I note by a news dispatch of July 4 that at the present time: "UNRRA is now on the prowl for shark meat in Mexico, pickled fish in Peru, more whale meat from Newfoundland, and is exploring the possibilities of caribou and deer." It would appear to me that on the basis of the availability of horse meat in this country, and with the shortage of beef, pork, and mutton products, some sort of an arrangement could be made whereby UNRRA would be able to step into this higher prolific market and take this meat off our hands, and send it to the European countries which would appreciate it as they have used to a considerable extent horse meat before this. I refer specifically to such countries as France, Belgium, Netherlands, and possibly others.

Would it not be possible to make some sort of an arrangement through UNRRA whereby American concerns could be given some consideration in this respect? I am not thinking so much of the Quaker Oats and others mentioned in a previous letter of yours as I am thinking of companies like the Montana Meat Co. and others in the Rocky Mountain region, where the horse population is greatest, and where a decline in the horse population, which the proposed suggestion would do, would allow a greater amount of grass feed for sheep and cattle, necessary food items in this country at the present time. Would you also tell me just how much mutton, beef, and pork products UNRRA has purchased in this country, and is purchasing at the present time, and contemplates purchasing in the future, for shipments abroad? I would appreciate an answer to this letter at your earliest convenience.

Must close now, but with best personal wishes, I am

Sincerely,

MIKE MANSFIELD.

[From the Washington Daily News of July 4, 1945]

UNRRA GLADLY TAKES WHALE MEAT AND WEEVILY PEAS FOR RELIEF SHIPMENTS

Like a harried housewife "hell-bent" on feeding her family despite shortages of accustomed foods, UNRRA has shopped around and come up with a strange assortment of items, strictly not on the choice list in any man's language, Andrew Cairns, head of food supplies for UNRRA, revealed today.

Whale meat, reconditioned soup, weevily peas, blood sausage made from cows' lips, udders, and lungs, are all on the menu for relief feeding, and UNRRA's glad to get the food even though they're not the kind that will appear on the carte de jour at the Waldorf.

NO CHOICE FOODS

"We certainly aren't trying to get choice steaks and lamb chops," declared Mr. Cairns. "We are deliberately trying to make use of the less desirable foods, in recognition of the fact that you can't ask people to give up too much after they've fought a war for 4 years."

Here's the way UNRRA has worked out some of these gastronomical deals:

Twenty million pounds of peas had been shipped from Mexico to the United States. But they turned out to be full of weevils. UNRRA blew out the weevils and dust and had a sizable quantity of part-protein food.

HERRING FOR POLAND

There was a cache of 20,000 barrels of pickled herring in Newfoundland and no place for storage. By undertaking the job of transferring it to Halifax for storage until shipping space could be had, UNRRA turned up a welcome dish for Poland.

UNRRA has brought the Canadians and the Belgians together in a deal for 10,000 tons of horse meat.

UNRRA bought 7,000,000 pounds of fish oil on the west coast of Canada but found it couldn't be deodorized in liquid form. They shipped it down to this country and had it hardened with the result that fat-hungry countries have a spread for their dry bread.

UNRRA is now on the prowl for shark meat in Mexico, pickled fish in Peru, more whale meat from Newfoundland and is exploring the possibilities of caribou and deer.

On July 11, I also wrote a letter to our former colleague, now Secretary of Agriculture, the Honorable Clinton P. Anderson, in which I set forth the reasons why a horse-meat program should be adopted on the basis heretofore outlined.

The letter is as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 11, 1945.

Hon. CLINTON P. ANDERSON,
Secretary of Agriculture,
Agriculture Department.

DEAR CLINT: I know you are extremely busy at this time in assuming the responsibilities which go with your position, but I feel that the matter which I am about to call to your attention is of such importance that it merits your most earnest and serious consideration. As you know, the meat situation in this country is quite serious, and I know that one of the aims of your administration will be to alleviate this difficulty at the earliest possible moment. Therefore, I am calling to your attention the possibilities of using horse meat overseas in such countries as France, Belgium, Holland, and others, where its use is generally recognized and accepted. In that respect we both know that there is a great deal of excess horse population in the Western States, especially in the Rocky Mountain region, and also know that these hundreds of thousands of range animals are eating grass which should go to feed cattle and sheep. It is my thought, and I am sure you will agree with me in this respect, that if we could develop at the earliest possible opportunity a horse-meat market in Europe that we could get rid of our excess surplus and turn over the range, for its use, to the feeding of cattle and sheep, and that we could also reduce materially, if not completely, our shipments of beef, mutton, and pork to Europe, and make these shipments instead available to the American public.

I have been working on this matter with interested people in Montana as well as with UNRRA, but so far, there seems to be lacking a clear-cut policy as to what can or should be done. I have been informed from Montana that the French Government has wired the Montana Horse Products Co.: "We are prepared to place orders for all the horse

meat produced by federally inspected plants." UNRRA also says there are only four other plants in the United States now in a position to process horse meat for shipment abroad.

Montana has already on its statutes a law legalizing county horse roundups. However, this law is not and cannot be put into operation until a better market is brought about. I believe that in this respect your department can help us a great deal. As you well know, the machine age has greatly reduced the use of horses and this fact has caused ranchers and farmers throughout the west to turn their horses out and to let them run with little or no attention being paid to them. This has resulted in a great increase in the horse population of the range areas, and that increase has today become a serious menace to the welfare of livestock industry of the Western States. If the Government or any other agency will pay enough for horses at a loading point to enable the owners to conduct the necessary roundup and to deliver the horses at a designated point, it certainly will be possible to give the people of those countries that eat horse meat, and are now clamoring for food, a greatly increased helpful ration will be the result and a difficult problem at home partially answered.

I should imagine for a price from 4 to 7 cents per pound a tremendous number of horses can be made available, but at the present price of 1½ to 2 cents per pound f. o. b. transportation, it does not permit the owner to break even on the expenses of delivery. The discontinuance of beef shipments that are now being supplied with American beef and substitute horse meat for such shipments, would greatly increase the supply of beef available to the American public, and it would seem to me it would be satisfactory to all concerned. This program seems to me to be a reasonable one and, in addition to the meat situation, many of these horses in the West could be used to replace war casualties in the farm-livestock population of the war-torn countries.

I have received a great many communications on this matter and I am very hopeful that something can be done along the lines suggested. I am enclosing with this letter an article entitled "Meat for the Starving" by Mr. C. T. Sullivan, of Great Falls, Mont., which I think you might find to be of interest in your consideration of this matter. I would appreciate hearing from you, Clint, at your earliest convenience as to just what can be done and also at the same time, receiving back Mr. Sullivan's remarks.

Must close now, but I do want you to know that you have my best wishes for your continued success as Secretary of Agriculture and to assure you that I will be only too glad to do what I can to assist you in your new position. With best personal wishes, I am

Sincerely,

MIKE MANSFIELD.

I have not received an answer, as yet, from the Secretary of Agriculture but I know that he is giving the matter his most earnest consideration and will let me know what can be done when he has all the facts assembled. I did receive the following reply from Mr. A. Cairns, of UNRRA, on July 16 and, as this is the latest word on this subject I am inserting it at this point in the RECORD:

UNITED NATIONS RELIEF AND REHABILITATION ADMINISTRATION,
Washington, D. C., July 16, 1945.

The Honorable MIKE MANSIELD,
House of Representatives,
Washington, D. C.

DEAR MR. MANSFIELD:

1. I thank you for your letter of July 9 regarding the possibilities of buying horse meat in this country for export to the liberated areas. The copy of the letter addressed to Senator WHEELER of 21st June which you have read, explains how we have worked for several months to promote the use of horse meat. In this connection, I talked on Tuesday with Representative BARRETT, of Wyoming who has shown an interest in this possible source of meat for some time. It was agreed that Representative BARRETT would talk with the Secretary of Agriculture, and ask him to convene a meeting to discuss steps necessary to convert the surplus horses in the United States into horse meat for shipment to liberated areas.

2. I suggest, therefore, that you communicate with Representative BARRETT who will, I am sure, appreciate your cooperation in anything he may do in this regard.

3. With respect to meat products purchased in this country by UNRRA, while allocations of 100,000,000 pounds of canned pork and 100,000,000 pounds of fat cuts of pork were made to liberated areas, we have received actual deliveries of less than 2,000,000 pounds of the former and 12,000,000,000 pounds of the latter. The remainder of the allocations has been canceled and we are now told that we can have no meat of any kind from the United States for the current quarter. You will appreciate, therefore, that we are very anxious to encourage the production of horse meat which is not at present under allocation.

Yours sincerely,

A. CAIRNS,
Chief of Food Division.

Mr. Speaker, what I have said explains quite clearly the present status of the horse-meat situation. I am hopeful that a definite, clear-cut policy will soon be announced so that in the end results will be the authorization of canning facilities to the Montana Horse Products Co.; the setting up of a fair price to the ranchers concerned; the drawing up of the necessary contracts with the European economic missions; the shipments of horse meat to Europe, which it wants and needs, in sizable quantities; the use of the ranges thus freed for the use of our own cattle and sheep; and an alleviation of the American meat situation by supplying to our own people the beef which this horse meat will displace.

One more item of importance is worth stressing and that is the use of some of our work horses for farm power in the liberated countries. This is a highly important factor and would prevent the further shipping of farm machinery which is so necessary for our own farmers.

In conclusion, I want to express my sincere thanks to the following people for the interest they have shown in this problem and their willingness to send me the desired information upon request:

Mr. E. B. Winter, Helena, Mont.; Mr. James H. Stewart, Helena, Mont.; Mr. George Pambrun, Browning, Mont.; Mr. James Rowe, Butte, Mont.; Dr. W. J. Butler, Helena, Mont.; Mr. C. T. Sullivan, Great Falls, Mont.; Mr. Dale Metlen, Armstead, Mont.; Mr. William Studdert, Philipsburg, Mont.; Mr. E. A. Phillips, Helena, Mont.; Mr. Evan W. Hall, Lewistown, Mont.; Mr. John Clane, Townsend, Mont.

In addition to these folks I am, of course, grateful to those whose communcations I have referred to in this talk as I feel they are all genuinely interested in this problem.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MANSFIELD of Montana. I yield.

Mrs. ROGERS of Massachusetts. I am informed that large quantities of horse meat have been shipped into Massachusetts. The gentleman spoke of the fact that in Europe for many years a great many persons have eaten horse meat, and they are used to it and like it.

Mr. MANSFIELD of Montana. That is correct.

Mrs. ROGERS of Massachusetts. Did the gentleman notice in yesterday's News, I think it was, pictures of beautiful pieces of beef, whole steers, whole sides, which were being shipped to Europe?

Mr. MANSFIELD of Montana. No; but there is a letter in my remarks from Mr. Cairns of UNRRA which shows just how much meat is being shipped to Europe, and it also states that no meat will be shipped from the United States through UNRRA this quarter.

But speaking of horse meat, it is very good meat, high in protein content, and is used not only in the countries mentioned but has been used for years in Scandinavian countries as well. At the present time it is being used in Montana and Washington State to a considerable degree. For example, in Butte we have two horse-meat stores. In Seattle and Spokane also the people are buying horse meat and are beginning to like it. It is very good.

Mrs. ROGERS of Massachusetts. But they are not used to it; they would rather have beef.

Mr. MANSFIELD of Montana. We would much rather have beef.

Mrs. ROGERS of Massachusetts. They are used to it in Europe; we are not used to it here. Let us ship horse meat to the people who like it and save the beef for our own people who are used to it. It just does not make sense not to do that. And for the United States not to do so is treating our own people who want beef very badly.

Mr. MANSFIELD of Montana. The gentlewoman from Massachusetts is correct.

OBSERVANCE AND CELEBRATION OF ONE HUNDRED AND FIFTIETH ANNIVERSARY OF GREENE VILLE TREATY WITH THE INDIANS

Mr. COCHRAN. Mr. Speaker, by direction of the Committee on Accounts I submit a privileged resolution and ask for its immediate consideration.

The Clerk read the resolution as follows:

House Resolution 332

To provide expenses for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville

Resolved, That the expenses authorized by House Joint Resolution 195 of the Seventy-ninth Congress, not to exceed $1,000 shall be paid out of the contingent fund of the House of Representatives, on vouchers signed by the Chairman of the Commission and approved by the Committee on Accounts.

The resolution was agreed to.

A motion to reconsider was laid on the table.

ADDITIONAL STENOGRAPHER IN OFFICE OF MAJORITY LEADER

Mr. COCHRAN. Mr. Speaker, I submit a privileged resolution (H. Res. 333) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective August 1, 1945, until otherwise provided by law there shall be paid out of the contingent fund of the House compensation at the rate of $2,000 per annum for the employment of an additional stenographer in the office of the majority leader of the House of Representatives.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SALARY INCREASES FOR CERTAIN EMPLOYEES OF THE HOUSE

Mr. COCHRAN. Mr. Speaker, I submit a further privileged resolution (H. Res. 334) from the Committee on Accounts and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective August 1, 1945, the Clerk of the House be, and he is hereby authorized and directed to pay, out of the contingent fund of the House, until otherwise provided by law, additional compensation per annum, payable monthly, to certain employees of the House as follows:

To the Parliamentarian the sum of $1,000; and $500 so long as the position is held by the present incumbent to be in addition to that now provided by law during the present incumbency;

To the Assistant Parliamentarian the sum of $1,000 and $500 so long as the position is held by the present incumbent to be in addition to that now provided by law during the present incumbency;

To the special assistant to the Sergeant at Arms the sum of $600; and $600 so long as the position is held by the present incumbent.

To the Assistant Cashier in the office of the Sergeant at Arms the sum of $1,000 additional so long as the position is held by the present incumbent;

To the librarian in the office of the Clerk of the House the sum of $600 additional so long as the position is held by the present incumbent;

To the two minority employees whose compensation is now prescribed by law at $3,000 each, the sums of $500 each so long as the positions are held by the present incumbents respectively.

Mr. BLAND. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLAND. Is the resolution subject to amendment?

Mr. COCHRAN. No; the resolution is privileged. I do not have permission of the committee to yield for an amendment.

The SPEAKER. Not unless the gentleman from Missouri yields for that purpose.

Mr. BLAND. Is this the resolution in which an attempt was made to include Mr. Landon Mitchell, Democratic chief page, and Mr. Marion J. Shuffler, a special minority employee?

Mr. COCHRAN. I may say to the gentleman from Virginia that the Committee on Accounts has been besieged with requests for increases in compensation since the passage of the legislative appropriation bill. This resolution is an attempt to correct some injustices, mostly on the floor.

The Committee on Accounts has practically agreed that after the recess it will go into the entire question of the salaries of the personnel of the House of Representatives, including committees, and will hold hearings and give everybody an opportunity to be heard.

Mr. BLAND. Mr. Speaker, will the gentleman yield to include these employees?

Mr. COCHRAN. No; I have no right to yield because the Committee on Accounts has not passed upon the employees the gentleman has in mind.

Mr. WHITE. Mr. Speaker, I am not clear from the reading of the resolution whether the thousand dollars is per month or is a lump-sum bonus. Will the gentleman explain that?

Mr. COCHRAN. Mr. Speaker, the gentleman remembers that at the time of the passage of the legislative appropriation bill there were 14 riders placed on that bill without legislative authority which increased salaries, and in some cases the increases were absolutely ridiculous. Since that time there has been a great deal of discontent among other employees of the House. This resolution takes care of men who have been here a very long time.

Mr. WHITE. It is the rate of pay I am interested in. I want to know how the rate is worked out.

Mr. COCHRAN. It will be paid in monthly installments.

Mr. WHITE. A thousand dollars a month?

Mr. COCHRAN. No; of course not; a thousand dollars for the year, in monthly installments.

The SPEAKER. The question is on the resolution.

The resolution was agreed to, and a motion to reconsider was laid on the table.

RECESS

The SPEAKER. The Chair declares the House in recess until 2 o'clock.

Accordingly (at 1 o'clock and 12 minutes p. m.) the House stood in recess until 2 o'clock p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 21 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution and concurrent resolutions of the House of the following titles:

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations;

H. Con. Res. 50. Concurrent resolution declaring Congress to have recognized and approved the provisions of section 29.23 (m)-16 of Treasury Regulations 111, and for other purposes; and

H. Con. Res. 68. Concurrent resolution providing for a conditional adjournment of the two Houses.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2348. An act to provide for the coverage of certain drugs under the Federal narcotic laws.

EXTENSION OF REMARKS

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD.

Mr. GORDON asked and was given permission to extend his remarks in the RECORD and include an article that appeared in the Chicago Tribune on the problems of Poland.

Mrs. ROGERS of Massachusetts. Mr. Speaker, have the Members been granted a certain number of legislative days after the adjournment in which they may extend their remarks in the RECORD, or must that permission be obtained today?

The SPEAKER. It must be obtained today.

SENATE BILLS AND RESOLUTIONS REFERRED

Bills, a joint resolution, and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 542. An act for the relief of Mrs. Minnie A. Beltz; to the Committee on Claims.

S. 788. An act for the relief of the estate of George J. Ross; to the Committee on Claims.

S. 940. An act to provide for terms of the District Court of the United States for the District of Nevada; to the Committee on the Judiciary.

S. 979. An act for the relief of the estate of Mrs. Lillian Epstein; to the Committee on Claims.

S. 1023. An act for the relief of Mr. and Mrs. Ernest L. Barlow; to the Committee on Claims.

S. 1027. An act for the relief of Mrs. Hibernia I. Conners; to the Committee on Claims.

S. 1183. An act to authorize payment of certain claims for damage to or loss or destruction of property arising from activities of the War Department or of the Army; to the Committee on Claims.

S. 1199. An act conferring jurisdiction upon the United States District Court for the Middle District of North Carolina to hear, determine, and render judgment upon any claim arising out of the death of L. W. Freeman; to the Committee on Claims.

S. 1204. An act to amend subsection (e) of section 3 of the Emergency Price Control Act of 1942, as amended, to require that the approval in writing of the Secretary of Agriculture be obtained before any action is taken under such act with respect to fish or other sea food or with respect to any regulation, order, price schedule, or other requirement applicable to any processor with respect to any food or feed product processed or manufactured in whole or substantial part from fish or other sea food; to the Committee on Banking and Currency.

S. J. Res. 49. Joint resolution authorizing the presentation of medals to the next of kin of persons who lose their lives in line of duty in the military or naval service during World War II; to the Committee on Military Affairs.

S. Con. Res. 23. Concurrent resolution relative to the enrollment of H. R. 3771, the Export-Import Bank of Washington; to the Committee on Banking and Currency.

ENROLLED BILLS SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported

that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 169. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943;

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant., Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 838. An act for the relief of Herman Gelb;

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1486. An act for the relief of Sam D. Moak;

H. R. 1595. An act for the relief of the borough of Beach Haven, Ocean County, N. J.;

H. R. 1856. An act for the relief of Southwestern Drug Co.;

H. R. 2285. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes;

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States;

H. R. 2226. An act for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes;

H. R. 2621. An act for the relief of Haselden & Huggins Co.;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2763. An act for the relief of Fred Crago;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green.

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood;

H. R. 3314. An act to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development;

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey;

H. R. 3419. An act for the relief of Mrs. Mary Karalis;

H. R. 3633. An act to facilitate reconversion, and for other purposes; and

H. R. 3771. An act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1270. An act relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker. I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to House Concurrent Resolution 68, the Chair declares the House adjourned until noon on Monday, October 8, 1945.

Thereupon (at 2 o'clock and 22 minutes p. m.), pursuant to House Concurrent Resolution 68, the House adjourned until Monday, October 8, 1945, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

619. A letter from the Chairman, Reconstruction Finance Corporation, transmitting the report of the Reconstruction Finance Corporation for the month of April 1945; to the Committee on Banking and Currency.

620. A letter from the Chairman, Reconstruction Finance Corporation, transmitting a report covering its operations for the period from the organization of the Corporation on February 2, 1932, to March 31, 1945, inclusive; to the Committee on Banking and Currency.

621. A letter from the officer in charge, the American Battle Monuments Commission, transmitting a copy of the quarterly estimate of personnel requirements for the American Battle Monuments Commission for the quarter ending September 30, 1945; to the Committee on the Civil Service.

622. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation; to the Committee on Indian Affairs.

623. A letter from the Attorney General, transmitting a report reciting the facts and pertinent provisions of law in the cases of 110 individuals whose deportation has been suspended for more than 6 months by his immediate predecessor, Attorney General Biddle, under the authority vested in the Attorney General, together with a statement of his reason for such suspension; to the Committee on Immigration and Naturalization.

624. A letter from the Administrator, Office of Price Administration, transmitting the thirteenth report of the Office of Price Administration, covering the period ended March 31, 1945 (H. Doc. No. 265); to the Committee on Banking and Currency and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. COCHRAN: Committee on Accounts. House Resolution 332. Resolution to provide expenses for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Green Ville; without amendment (Rept. No. 937). Referred to the House Calendar.

Mr. COCHRAN: Committee on Accounts. House Resolution 333. Resolution providing compensation for the employment of an additional stenographer in the office of the majority leader of the House of Representatives; without amendment (Rept. No. 938). Referred to the House Calendar.

Mr. COCHRAN: Committee on Accounts. House Resolution 334. Resolution providing additional compensation to certain employees of the House; without amendment (Rept. No. 939). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COCHRAN:

H. R. 3887. A bill to provide for the disposal of surplus Government property and plants, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. COLMER:

H. R. 3888. A bill authorizing an appropriation for rehabilitating the oyster beds destroyed by the opening of the Bonnet Carre spillway, and for other purposes; to the Committee on Flood Control.

By Mr. ERVIN:

H. R. 3889. A bill to protect the health and efficiency of the President by permitting the performance for him of certain of his duties by other officers of the Government designated by him; to the Committee on the Judiciary.

By Mr. FORAND:

H. R. 3890. A bill to extend to members of the armed forces certain privileges with respect to accumulated leave; to the Committee on Military Affairs.

H. R. 3891. A bill to amend the War Mobilization and Reconversion Act of 1944 to provide for an orderly transition from a war to a peace time economy through supplementation of unemployment compensation payable under State laws, and for other purposes; to the Committee on Ways and Means.

By Mr. GREEN:

H. R. 3892. A bill to make available to discharged members of the armed forces an adequate supply of wearing apparel at fair prices, and for other purposes; to the Committee on Military Affairs.

By Mr. HARTLEY:

H. R. 3893. A bill to authorize payment to enlisted personnel for their unused furlough time; to the Committee on Naval Affairs.

H. R. 3894. A bill to authorize payment to enlisted personnel for their unused furlough time; to the Committee on Military Affairs.

By Mr. LUDLOW:

H. R. 3895. A bill to amend the Criminal Code to punish anyone injuring an officer or employee in the service of the Post Office Department; to the Committee on the Judiciary.

By Mr. SMITH of Virginia:

H. R. 3896. A bill making an appropriation to enable the Commissioners of the District of Columbia to refund certain amounts erroneously deducted from certain employees at the penal institution at Lorton, Va.; to the Committee on Appropriations.

By Mr. BARTLETT:

H. R. 3897. A bill to authorize that permanent officers of the Regular Army who have served as commissioned officers in World Wars I and II retain their commissions; to the Committee on Military Affairs.

H. R. 3898. A bill to provide for the admission of Alaska, the forty-ninth State; to the Committee on the Territories.

By Mr. PATRICK:

H. R. 3899. A bill to facilitate the orderly transition from a war economy to a peacetime economy; to the Committee on Ways and Means.

By Mr. RANDOLPH:

H. R. 3900. A bill to prescribe certain restrictions relating to aliens, in connection with Government contracts; to the Committee on the Judiciary.

H. R. 3901. A bill to confer jurisdiction upon the Court of Claims and the district

courts of the United States of claims for damages resulting from the operation of aircraft by the United States; to the Committee on Claims.

H. R. 3902. A bill authorizing the acquisition for park purposes of certain lands adjacent to Rock Creek Park in the District of Columbia; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIPS:

H. R. 3903. A bill for the relief of Harry E. Lauder; to the Committee on Claims.

By Mr SMITH of Virginia:

H. R. 3904. A bill for the relief of Raymond C. Campbell; to the Committee on Claims.

H. R. 3905. A bill for the relief of John C. Davidson; to the Committee on Claims.

H. R. 3906. A bill for the relief of Marshall M. Shuman; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1110. By Mr. COCHRAN: Petition of Noble White and 310 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1111. Also, petition of James C. Streb and 309 other citizens of Missouri, protesting against the passage of any prohibition legislation by the Congress; to the Committee on the Judiciary.

1112. By Mr. JARMAN: Memorial of the House of Representatives and the Senate of the State of Alabama by House Joint Resolution 38, resolving that the Congress of the United States is hereby memorialized to dedicate January 30, the birthday of Franklin Delano Roosevelt, as a national holiday; to the Committee on the Judiciary.

1113. By Mr. LEWIS: Petition of residents of the communities of Wellsville and East Liverpool, Ohio, urging that fair and just quotas of meat food products be allotted to this area; to the Committee on Banking and Currency.

1114. By Mr. PLUMLEY: Resolution adopted by the Vermont Rural Letter Carriers' Association, opposing the Federal tax on retired carriers' annuities; to the committee on Ways and Means.

1115. Also, resolution adopted by the Vermont Rural Letter Carriers' Association, opposing the Federal tax on retired carriers' annuities; to the Committee on Ways and Means.

SENATE

MONDAY, JULY 23, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

O Thou who hast revealed Thyself as the guiding intelligence, may we realize how sacred and wonderful it is that we are privileged to take counsel with the God of all wisdom. May we hold our own wishes in abeyance until Thou dost declare Thy will.

We pray that our President and all the chosen representatives of our beloved country may be blessed with clear vision and undaunted courage as they share in the high and holy task of organizing the good will of the nations of the earth for a just and lasting peace.

Grant that we may never feel that this ideal of world peace is merely an illusion, and that it lies beyond the sphere of practical realization. God forbid that we should ever be guilty of those doubting and cynical tempers of mind which seek to persuade us that the gospel of the Prince of Peace is too beautiful and good to have been true in the past, and too frail and fanciful to become true in our day, or in the future.

Give us the rapture of the forward look, and the courage to believe that the prospects for its final triumph are as glorious as the promises of God Omnipotent. Lord, we believe; help Thou our unbelief. In Christ's name. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, July 21, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On July 16, 1945:

S. 134. An act for the relief of Ida E. Laurie and Zella Rickard;

S. 233. An act granting the consent of Congress to the State of North Dakota to construct, maintain, and operate a free highway bridge across the Missouri River;

S. 234. An act authorizing the construction of a free highway bridge across the Yellowstone River near Fairview, Mont.;

S. 574. An act to extend the times for commencing and completing the construction of a bridge across the Columbia River in Clatsop County, Oreg.;

S. 672. An act for the relief of the legal guardian of Clifton R. Weir; and

S. 956. An act for the relief of Mr. and Mrs. Stephen E. Sanders.

On July 17, 1945:

S. J. Res. 31. Joint resolution relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 100. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943;

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization an ' Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 838. An act for the relief of Herman Gelb;

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1486. An act for the relief of Sam D. Moak;

H. R. 1595. An act for the relief of the Borough of Beach Haven, Ocean County, N. J.;

H. R. 1856. An act for the relief of Southwestern Drug Co.;

H. R. 2226. An act for the relief of Hugh P. Gunnell and Mrs. Dezaree Gunnells;

H. R. 2235. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes;

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat. 81), and for other purposes;

H. R. 2621. An act for the relief of Haselden & Huggins Co.;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2763. An act for the relief of Fred Crago;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green;

H. R. 3111. An act to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries";

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood;

H. R. 3314. An act to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development;

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey;

H. R. 3419. An act for the relief of Mrs. Mary Karalis; and

H. R. 3633. An act to facilitate reconversion, and for other purposes.

RECONSTRUCTION OF SENATE AND HOUSE ROOFS AND SKYLIGHTS—APPOINTMENT OF SENATE COMMITTEE

The PRESIDENT pro tempore. Under the provisions of Public Law No. 155 (S. J. Res. 31) relating to the appropriation for the roofs and skylights over the Senate and House wings of the Capitol, and for other purposes, approved July 17, 1945, the Chair appoints as the committee for the approval of plans for carrying out the project insofar as it affects the

Senate wing of the Capitol the following Senators, namely, the Senator from Florida [Mr. ANDREWS], the Senator from Virginia [Mr. BYRD], the Senator from Rhode Island [Mr. GREEN], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Ohio [Mr. TAFT].

UNITED NATIONS CHARTER AND BRETTON WOODS AGREEMENTS—LETTER FROM WASHINGTON (D. C.) COUNCIL OF CHURCH WOMEN

Mr. CAPPER. Mr. President, I have received a letter from the Washington Council of Church Women, of Washington, D. C., informing me of the action of their organization which, on July 6, went on record with an endorsement of the United Nations Charter and also the Bretton Woods agreements, as follows:

THE WASHINGTON COUNCIL OF CHURCH WOMEN,
Washington, D. C., July 14, 1945.

Hon. ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR CAPPER: May we call to your attention the following action taken by the executive board of the Washington Council of Church Women at a meeting July 6.

On recommendation of the world relations committee, the executive board of the Washington Council of Church Women endorses the United Nations Charter and urges its adoption by the United States Senate.

The council also urges the endorsement of the Bretton Woods agreement without any crippling amendments.

Very sincerely yours,
ELIZABETH F. KETCHUM,
Mrs. Irving W. Ketchum,
President.
LIDA C. LUECK,
Mrs. Charles G. Lueck,
Corresponding Secretary.
RUTH W. STAPLES,
Mrs. Laurence C. Staples,
Chairman, World Relations Committee.

Mr. President, I ask unanimous consent to present the letter I have just read and that it be appropriately referred.

There being no objection, the letter presented by Mr. CAPPER was received and ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

S. 1064. A bill to authorize the discharge of midshipmen from the United States Naval Academy by the Secretary of the Navy because of unsatisfactory conduct or aptitude; without amendment (Rept. No. 508);

S. 1076. A bill to provide for the reimbursement of certain Navy personnel and former Navy personnel for personal property lost or destroyed as the result of a fire which occurred on the naval station, Tutuila, American Samoa, on October 20, 1943, without amendment (Rept. No. 509);

S. 1102. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the United States naval convalescent hospital, Banning, Calif., on March 5, 1945; without amendment (Rept. No. 510);

S 1103. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in Quonset hut No. 2, Hamoaze House, Plymouth, Devon, England, on December 31, 1944; without amendment (Rept. No. 511);

S. 1118. A bill for the relief of First Lt. Jack Sanders, United States Marine Corps Reserve, for the value of personal property destroyed as the result of an explosion at Camp Lejeune, N. C., on January 22, 1945; without amendment (Rept. No. 512);

S. 1119. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in building No. 146 at the naval operating base, Bermuda, on April 26, 1945; without amendment (Rept. No. 513);

S. 1134. A bill to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or damaged as the result of a fire in buildings 102 and 102–A, in Utulei, Tutuila, American Samoa, on August 17, 1944; without amendment (Rept. No. 514);

S. 1135. A bill to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the naval auxiliary air station, Pungo, Norfolk, Va., on February 13, 1945; without amendment (Rept. No. 515); and

S. 1215. A bill to reimburse certain Marine Corps personnel and former Marine Corps personnel for personal property lost in the disaster to the steamship *Maasdam* on June 26, 1941; without amendment (Rept. No. 516).

By Mr. BYRD, from the Committee on Rules:

S. Con. Res. 17. Concurrent resolution providing for a study by a joint congressional committee of educational facilities, living quarters, and other matters relating to pages employed by the two Houses of Congress; with amendments (Rept. No. 517).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on July 21, 1945, he presented to the President of the United States the following enrolled bills:

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased;

S. 714. An act to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", as amended; and

S. 1270. An act relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BYRD:

S. 1293. A bill to preserve breeding stocks and prevent starvation and disease among waterfowl along their flyways, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. DOWNEY:

S. 1294. A bill for the relief of Mr. and Mrs. Allan F. Walker; to the Committee on Claims.

S. 1295. A bill to incorporate the National Committee for All War Widows, and for other purposes; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 1296. A bill for the relief of John A. Hatcher; to the Committee on Claims.

(Mr. KILGORE (for himself, Mr. JOHNSON of Colorado, and Mr. PEPPER) introduced Senate bill 1297, which was referred to the Committee on Military Affairs, and appears under a separate heading.)

(Mr. MURRAY introduced Senate bill 1298, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. MEAD:

S. 1299. A bill for the relief of Constantin Theophilos, alias Gus Philis; to the Committee on Immigration.

By Mr. McCLELLAN:

S. J. Res. 87. Joint resolution requesting the President to issue a proclamation designating the 31st day of October of each year as National Arthritis Day; to the Committee on the Judiciary.

NATIONAL SCIENCE FOUNDATION

Mr. KILGORE. Mr. President, on behalf of myself, the Senator from Colorado [Mr. JOHNSON], and the Senator from Florida [Mr. PEPPER], I ask unanimous consent to introduce a bill to establish a National Science Foundation, and to make a brief explanatory statement of it.

The PRESIDENT pro tempore. Without objection, the Senator may proceed.

Mr. KILGORE. Mr. President, this bill will enable the United States to become the preeminent scientific Nation of the world, no longer dependent on and subordinated to German scientific leadership, as we were at the outset of the war. It embodies principles which the Subcommittee on War Mobilization of the Senate Military Affairs Committee, on the basis of extensive studies made over the past 2 years, has set up as desirable in any legislation aimed at meeting the postwar scientific needs of the Nation. These principles are analyzed in detail in a summary report by the Subcommittee on the Government's Wartime Research and Development, 1940–44, issued today.

Specifically, the bill seeks to create a central scientific agency of the Federal Government—a National Science Foundation—which will:

First. Provide for an increase above prewar levels in the Government's support of research and development in fields that are predominantly in the public interest, particularly national defense, health and medical science, and the basic sciences.

Second. Provide for an efficient coordination of Government-supported research activities.

By "coordination" there is meant coordination in the dissemination of information between agencies, which has been woefully lacking in the past, one agency working partly on a subject when another agency has really solved the problem and has the information.

Third. Stimulate a general expansion in research by private organizations and institutions.

Fourth. Promote a wider flow of scientific and technical information which may be useful to industry and agriculture and business, particularly small enterprises.

Fifth. Encourage a rapid introduction and full use of scientific discoveries and the most advanced techniques and inventions.

Sixth. Encourage the training of new scientific talent through a system of research fellowships and scholarships.

A central scientific agency with a focus as broad as this is essential, we believe, if the Nation is to solve the problems of reconverting its research resources from war to peace and at the same time make certain that scientific research in the postwar period will be maintained at a sufficiently high level in the interests of national security.

For the information of the Senate, let me say that the records show that direct appropriations for wartime research alone approach $3,000,000,000, which probably is more than was spent by the Nation in its entire previous history, and all occasioned by the fact that heretofore we have not spent sufficient money on research. Just as in the case of a private foundation, the proposed foundation would not perform any research or development itself. Instead, it would make funds for this purpose available to other organizations, public or private, which are already staffed or equipped to do so.

The bill recognizes the special importance of research for national defense and for health and medical science, and special provisions are made for Federal support of scientific activity in these two areas of acknowledged public concern.

I call attention to the many inventions which have been developed as a result of this war, such as penicillin, the use of sulfa drugs, and other things which have been devised to save human life in the war. Why must we wait for a war to get such results? Why not get them in peacetimes, under normal conditions?

In accompanying statements the Senator from Colorado [Mr. JOHNSON] will comment more fully on the significance of national defense research, and the Senator from Florida [Mr. PEPPER] on the importance of medical research.

Much study, Mr. President, has already gone into the drafting of this bill. Back in the closing months of the Seventy-seventh Congress, the Subcommittee on War Mobilization, of which I am the chairman and the Senator from Colorado [Mr. JOHNSON] is an active member, began its investigations of the wartime mobilization of scientific personnel and facilities. In the Seventy-eighth Congress the subcommittee held a comprehensive series of hearings enlarging its scientific and technical investigations. Particular attention was given to S. 702, a bill to establish an Office of Scientific and Technical Mobilization. Many of the objectives of this earlier bill have been achieved by administrative action under the War Powers Act, although no legislation was enacted; but the results of the hearing made themselves felt by Presidential directives.

Last year the subcommittee made a questionnaire survey of the forty-odd Government agencies and bureaus concerned with research and development. Individual reports by each of these agencies appeared in part I of the subcommittee's report on the Government's Wartime Research and Development, 1940–44, issued January 23, 1945.

The bill owes much also to the studies and findings of the Senate Committee on Wartime Health and Education, headed by the distinguished Senator from Florida [Mr. PEPPER], and to the various scientists and research authorities and Government officials who were invited to criticize preliminary drafts. We have also exchanged materials with Dr. Vannevar Bush, of the Office of Scientific Research and Development, whose report to the President, released on Thursday of last week, likewise recommends the creation of a central scientific agency of the Federal Government with funds and authority to support research on a broadly inclusive scale.

Despite all the study which has been given to this bill in its preparation, we believe that further careful consideration of the general problem of postwar research and development is needed. Recently several other bills of a similar nature have come before the Senate. House bill 3440, which passed the House practically without investigation, came to the Senate and has been referred to the Senate Naval Affairs Committee and thence to the Military Affairs Committee, would authorize appropriations for national defense to be made direct to the National Academy of Sciences, operating under a congressional charter since 1863 but not responsible to either the President or the Congress; not a governmental agency, merely the incorporation of an academy by Federal act, but with no responsibility directly to the Government.

S. 825, also pending in the Naval Affairs Committee, would establish instead a research committee for national defense as the responsible operating unit. S. 1285, which has been referred to the Commerce Committee, takes a broader approach, not being restricted to national-defense research alone; it differs in several respects from the bill we are introducing today, notably as to organization of the over-all agency and as to use of research findings.

In requesting that our bill be referred to the Military Affairs Committee, it is our hope that arrangements can be made for joint hearings so that the issues presented by these different bills can be clarified and agreement reached at an early date on the scope of research needed in the interest of national security and also on the details of organization and administration so essential to the success of any national program of scientific research. We are confident that such cooperation and study among interested groups in the Senate will enable us to take the wisest course in the general interest.

For that purpose, Mr. President, we request that the bill be sent first to the Committee on Military Affairs, before which there are already three bills pending along this line.

The PRESIDENT pro tempore. Without objection, the bill will be received and referred to the Committee on Military Affairs, as requested by the Senator from West Virginia.

The bill (S. 1297) to promote the progress of science and the useful arts, to secure the national defense, to advance the national health and welfare, and for other purposes, introduced by Mr. KILGORE (for himself, Mr. JOHNSON of Colorado, and Mr. PEPPER), was read twice by its title and referred to the Committee on Military Affairs.

Mr. KILGORE. I now yield the floor to the Senator from Colorado [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Mr. President, I am glad to join with the Senator from West Virginia [Mr. KILGORE] and the Senator from Florida [Mr. PEPPER] in introducing a bill to establish a national science foundation. This is a matter in which I am tremendously interested and have been for a long time. I cannot overemphasize its importance and especially its importance to national defense.

Mr. President, we have had scientific research for the common defense since this country began as Colonies. Were this not true, there would be no United States of America. The important thing to remember is that the technological advances which brought us military victories were very seldom the result of consciously planned military research. To the contrary, it was an accident dependent entirely upon the circumstance that the American is creative by nature.

Throughout our early history, firearms were used primarily for procuring food. The Revolution was fought with crude muzzle-loading flintlocks which were useful in the hands of our export hunters. The single-shot breech-loading rifles were introduced in the Civil War. The late Indian wars were fought with Winchester repeaters and Colt revolvers, both of which came in after the Civil War.

General Patton said that the most useful weapon we had in Europe in this war was the 2½-ton truck. The truck was our weapon of supply, which enabled us to make great sweeps in a war of movement.

My point is, that we cannot consciously set up something called national-defense research, build a high corral fence around it, and isolate it from other scientific and technical developments. Most of the really important advances in the science of warfare have come from civilians.

The kids who learned to drive in the mountains of West Virginia and Colorado and on the sands of Florida won this battle of supply on the sands of Africa and in the mountains of Italy and France. They were technicians and mechanics before they were drafted. The kids who tinkered with radios are the radio and radar experts of this war. We had developed unconsciously a Nation of mechanics who were ready for a mechanized war.

That is why I think the National Science Foundation bill is better than some of the other bills which attempt to build a fence around research for national defense. If you spread the benefits of research, and have a Nation equipped with all kinds of technical know-how and with plenty of scientific curiosity, it is no trick to take a boy, put him in uniform, and give him a quick veneer of Army or Navy training. When he grows up with gadgets he can apply them to warfare without difficulty or delay.

We cannot afford as a Nation to skimp on our technology, if we remember the lessons of this technological war. The Germans did not skimp on their technology. With a little more time they could have been dropping V-bombs on us here in the Capitol.

We have a lot of new things growing out of this war that we need to use and develop if we are to be prepared for every eventuality.

After the last war we had a lot of daredevil barnstormers traveling over the country, doing stunts and selling

plane rides. They risked their necks, but they taught us a lot about aviation, and they carried flying to every hamlet and cow pasture in the country. After this war we must have thousands of jet-plane fliers and jet-plane researchers endeavoring to grasp this new principle of propulsion in all of its phases and thereby develop it.

I feel, Mr. President, that I can speak with some authority on military aviation development. I introduced a bill in this Chamber as early as January 1937, calling for an annual production of 10,000 planes and the training of 100,000 aviators. The War and Navy Departments would not even consider such a proposition then; they said "it is utterly fantastic." I feel now, in 1945, Mr. President, that I can speak up for the jet-plane barnstormers of the 1950's.

I am looking at this thing, Mr. President, from the standpoint of national defense. We must have more and more technology for national defense—no war has ever been as technological as this one. But I repeat, Mr. President, that most of our significant wartime inventions have come from civilians. We cannot build a fence around national-defense research and isolate it and operate it alone. It can flourish only with a steady infusion of ideas from the outside.

All-out research will prepare us for a prosperous peace, and it will at the same time prepare us for all-out war, which I fervently hope will never come to us again.

That is why, Mr. President, I have thought it wise to join with the Senator from West Virginia [Mr. KILGORE] and the Senator from Florida [Mr. PEPPER] in sponsoring this bill to establish a National Science Foundation.

Mr. PEPPER. Mr. President, I am greatly honored to be associated in the introduction of proposed legislation relative to medical and general scientific research, about which the able Senator from West Virginia [Mr. KILGORE] and the able Senator from Colorado [Mr. JOHNSON] have just spoken.

Mr. President, medical scientists have achieved a spectacular record in this war. I do not need to describe to you the miracles which have been made possible by the development and use of penicillin, the sulfa drugs, new vaccines, blood substitutes, and many other discoveries of the past few years. Many of them were developed during the war when they could have been developed before the war if we had spent the same time and money at that time as Germany did, for example.

In the field of medical research this wartime experience has demonstrated convincingly the value of scientific mobilization and coordinated effort for this country. Never again must we be dependent on the medical research secrets formerly so closely guarded by Germany.

It was one of the deepest wishes of Franklin D. Roosevelt to organize a program for continuing in the future the work which has been done in medicine and related sciences. In his letter of last November to Dr. Vannevar Bush, Director of the Office of Scientific Research and Development, requesting him to make recommendations toward the utilization of the information, techniques, and research experience of that office in the days of peace ahead, and in several conversations with me, President Roosevelt emphatically declared his special concern with continued research in medicine and the related sciences.

Medical research is one of the foundation stones of any program dedicated to national health and to the prevention and cure of disease and disability. It was so considered in a recent report of the Subcommittee on Wartime Health and Education—January 1945—of which I have the honor of being chairman. It was so recognized in a special hearing on medical research held by this same committee in December 1944. Some of the most distinguished and renowned scientists in the medical field testified at that time to the amazing results achieved during the war and to the vital necessity of continuing this work into the peace time years.

The great problems wanting solution in the field of medical research concern diseases which not only are the great killers of our people, but numerically more important, are the great disablers of our people. In large part, these problems will require long-term research. Heart disease, diseases of the blood vessels and kidneys, cancer, tuberculosis, arthritis, mental diease, the common cold, Mr. President—these and many more deserve the fullest mobilization and coordination of our scientific resources to conquer and control.

I might add, Mr. President, what may be called the diseases of old age. Any of us who have seen our loved ones falling into the grave as we stood by powerless to hold them back can appreciate what it would mean to lengthen their rich years by effective research in the field of old age itself.

In a recent article on medical research which was published in the New York Times of April 10, 1945, our committee stated that "the estimated total expenditures for profit-making industrial research by American corporations reached the astronomical figure of $275,000,000 in 1941—over 55 times the amount granted for nonprofit medical research by American foundations the year previous."

Mr. President, during the year 1940 nearly 165,000 people died of cancer in the United States; over 536,000 died of diseases of the heart and arteries, and about 107,000 died of diseases of the kidneys. These three major types of diseases accounted for nearly 57 percent of the deaths in 1940. Yet, the sum of only $493,815—less than 62 cents per death—was granted in 1940 for research into the causes and treatment of these diseases by American philanthropic foundations, the main prewar source of medical research funds.

Money is desperately needed for medical research, Mr. President, but almost more than that, security and long-term incentives and organization are needed for men and women who are working in the field.

Short-term grants for research and bare subsistence salaries or fellowships were the rule in the large proportion of medical research supported by philanthropic foundations. While this is made necessary by their limited funds and facilities, it threatens the whole future of medical research and development. Experience has shown that a very large number of the ablest men leave the field for want of continued employment opportunities after only 3 to 5 years of research.

This Nation, Mr. President, with relatively little expenditure, can mobilize fully for the war against disease. It is a constant, unremitting war. It will not end in unconditional surrender.

The bill which Senators KILGORE, JOHNSON, and I have introduced today provides the method and means for mobilization in respect to scientific research. In the field of medical research a committee of nine outstanding men will have the responsibility for carrying on into the peacetime years the functions and the splendid record of the Committee on Medical Research of the Office of Scientific Research and Development.

They will have at their disposal 20 percent of the funds to be appropriated to the National Science Foundation—funds available for scholarships, fellowships, and contractual research projects. They will not be limited in their assignment of funds by the necessities of war. These funds are intended to encourage the increase of medical knowledge in the pure scientific sense no less than in the purposive and applied fields, to the end that the war against disease, disability, deformity, and death will year by year show gains for health and comfort and security among all the people of this great land.

The association of medical research with other branches of science in the National Science Foundation is a natural and profitable one. In many areas the distinction between medical and other research fields such as chemistry and physics is difficult to draw. Many areas overlap and present particular problems which may require the contributions of several groups entirely outside the field of medical research as we would think of it.

I visualize the medical committee as working very closely with the defense committee, for example, on specialized military problems involving health and medical care, and as working in harmony and mutual benefit with other special committees of distinguished scientists in every field.

Finally I would like to call the Senate's particular attention to title III of this bill, which, to my mind, is as important as the granting of funds. Title III provides for the survey of Federal scientific activity and use and dissemination of research findings. In all the fields involving medicine this title, in my opinion, will work immensely to the advantage of both the research workers and the public, by assuring wide and prompt availability of scientific discoveries and developments in the best interest of the Nation and the advancement of its security, health, and welfare.

Many months of study, consultation, and labor have gone into the drafting of this bill. I commend it to your attention and urge its early enactment.

I should like to say further, Mr. President, that I could not stand as I do in such close proximity to the able Senator from New York [Mr. WAGNER] and the able Senator from Montana [Mr. MURRAY], who have taken such a pioneering part for so long in the field of public health, without acknowledging not only my debt but the debt of the Nation and the Congress to those splendid men for their effort to find some way by which the people of this country can have access to hospitals and to medical and dental care, and by which there may be made available to them the genius of American research in the prevention of premature death and the projection of life into its maximum potentiality and enjoyment.

This bill attacks the problem of research upon three fronts: In the general field of natural science, in the field of national defense, and in the field of medicine, of research to provide medical means by which lives may be enriched, made more happy and prolonged.

Mr. President, I hope the bill may find a responsive reception in the minds and hearts of the Senate, of the House, and of the country.

Mr. THOMAS of Utah. Mr. President, first of all I should like to make a remark in keeping with the remarks which have been made by the Senator from West Virginia [Mr. KILGORE], the Senator from Colorado [Mr. JOHNSON], and the Senator from Florida [Mr. PEPPER] in regard to research. These efforts have now culminated in the recognition by the whole country of the fact that we are backward in certain respects. Every great effort must have a beginning. It is in that spirit that I should like to point out, having sponsored many bills in the past relating to these subjects, that a year ago we enacted a codification of the United States Public Health Service laws, and in that act there was provision for grants-in-aid to the various States, or to institutions, for carrying on medical research. I am sure the Senator from Florida is familiar with the fact that the first grant-in-aid for this purpose was given just lately by the Congress.

ESTABLISHMENT OF OFFICE OF UNDER SECRETARY OF LABOR, ETC.

Mr. MURRAY. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill to establish an office of Under Secretary of Labor, and so forth.

The bill which I am introducing at the request of the Secretary of Labor provides for the establishment in the Department of Labor of an office of Under Secretary of Labor and for the establishment of three offices of Assistant Secretary of Labor. It abolishes the existing offices of Assistant Secretary of Labor and Second Assistant Secretary of Labor.

At the present time the Department of Labor is the only executive department headed by an officer whose title includes the word "secretary" for which the law does not provide an Under Secretary. The Secretary of Labor has advised me that he believes that the Department should be provided with an Under Secretary in order to enable it to perform efficiently its existing functions and any which it may be given. The bill therefore authorizes the appointment of an Under Secretary of Labor and provides that he shall perform such duties as may be prescribed by the Secretary of Labor or required by law. The Under Secretary would be the principal subordinate of the Secretary and, in case of the death, resignation, or removal from office of the Secretary, would perform the duties of the Secretary until a successor should be appointed. In case of the absence or sickness of the Secretary, the Under Secretary would perform the duties of the Secretary until such absence or sickness should terminate.

As indicated above, the bill provides for the establishment of three offices of Assistant Secretary of Labor. Each of the Assistant Secretaries of Labor would be appointed by the President, by and with the advice and consent of the Senate, and would perform such duties as may be prescribed by the Secretary of Labor or required by law. Existing law provides for an Assistant Secretary of Labor and a Second Assistant Secretary of Labor. These officials are appointed by the President but do not require Senate confirmation. The Secretary of Labor has stated in a letter to me that he is of the opinion that departmental officials who exercise major policy-making functions should be appointed only after Senate confirmation. I agree with the view expressed by the Secretary. For that reason, the bill after providing for the three offices of Assistant Secretary of Labor, abolishes the existing offices of Assistant Secretary of Labor and Second Assistant Secretary of Labor, and repeals the laws providing for such offices.

There being no objection, the bill (S. 1298) to establish an office of Under Secretary of Labor, and three offices of Assistant Secretary of Labor, and to abolish the existing office of Assistant Secretary of Labor and the existing office of Second Assistant Secretary of Labor, was received, read twice by its title, and referred to the Committee on Education and Labor.

WATER SUPPLY BELOW BOULDER DAM—SUPPLEMENTAL DATA (PT. 2 OF S. DOC. NO. 39)

Mr. McCARRAN. Mr. President, during the discussion of the treaty relating to the waters of the Colorado River there was printed what is known as Senate Document No. 39. The document related to the waters of the Colorado River below Boulder Dam. We now have a supplement to that instrument, and I ask unanimous consent that it may be printed as a Senate document, as a supplement to Senate Document No. 39.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CHALLENGE OF PEACETIME ABUNDANCE—ARTICLE BY HON. O. MAX GARDNER

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an article entitled "The Challenge of Peacetime Abundance," written by Hon. O. Max Gardner, and published in the Sunday magazine of the New York Times of July 8, 1945, which appears in the Appendix.]

INVESTIGATION OF GERMAN OPTICAL GOODS INDUSTRIES

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a statement by a joint committee of the optical manufacturers of the United Statess and the United Electrical Radio and Machine Workers Union, requesting an investigation of German optical-goods industries, which appears in the Appendix.]

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Commerce.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. MURRAY, from the Committee on Education and Labor:

Dr. Paul H. Nystrom, of New York, to be a member of the Federal Board for Vocational Education for a term expiring July 17, 1948. (Reappointment.)

By Mr. McCARRAN, from the Committee on the Judiciary:

Ray J. O'Brien, of Hawaii, to be United States attorney for the Territory of Hawaii, vice G. Douglas Crozier, resigned.

By Mr. WALSH, from the Committee on Naval Affairs:

Vice Admiral Robert C. Giffen, United States Navy, to be a vice admiral in the Navy, for temporary service, to continue until his detachment from duty as commander, service force, United States Atlantic Fleet, to rank from the 14th day of May 1944;

Vice Admiral Alan G. Kirk, United States Navy, to be a vice admiral in the Navy, for temporary service, to rank from the 10th day of September 1944;

Capt. Oswald S. Colclough, United States Navy, to be a rear admiral in the Navy, for temporary service, to continue while serving as Assistant Judge Advocate General;

Capt. James M. Shoemaker, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commander, naval air bases, Philippines, and until reporting for other permanent duty;

Capt. Ben H. Wyatt, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as an island commander in the Pacific Ocean area, and until reporting for other permanent duty;

Capt. Richard R. McNulty, United States Naval Reserve, to be a commodore in the Naval Reserve, for temporary service, to continue while serving as supervisor, United States Merchant Marine Cadet Corps;

Col. Ford O. Rogers to be a brigadier general in the Marine Corps, for temporary service, from the 25th day of November 1943; and

Col. Byron F. Johnson to be a brigadier general in the Marine Corps, for temporary service, from the 27th day of January 1945.

The PRESIDENT pro tempore. If there be no further reports of committees, the calendar will be in order.

THE CHARTER OF THE UNITED NATIONS

Executive D, Seventy-ninth Congress, first session, was announced as first in order on the Executive Calendar.

Mr. BARKLEY. I ask unanimous consent that Executive D, Seventy-ninth Congress, first session, and Executive E, Seventy-ninth Congress, first session, be temporarily passed over and that the Senate proceed to the consideration of Executive F, Seventy-ninth Congress, first session, that being the United Nations Charter.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider Executive F.

Mr. CONNALLY obtained the floor.

The PRESIDENT pro tempore. Before the Senator from Texas begins his remarks the Chair will state that the next step under the rule in reference to treaties is the second reading, which, if there be no objection, may be by title only, instead of at length. Is there objection to this procedure?

Mr. BARKLEY. That is that the treaty be read by title only?

The PRESIDENT pro tempore. By title only. Is there objection? The Chair hears none, and it is so ordered.

The treaty, Executive F, Seventy-ninth Congress, first session, the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945, was read the second time by its title.

The PRESIDENT pro tempore. The charter is before the Senate as in Committee of the Whole.

Mr. BARKLEY. There is one other technical proceeding that we might dispose of. Under the rules a treaty is supposed to be read article by article. Inasmuch as the Committee on Foreign Relations has proposed no amendment to the charter and inasmuch as any Senator may offer one at any time, regardless of the usual procedure, I ask unanimous consent that the rule be dispensed with requiring that the charter be considered article by article.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

The Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945, is as follows:

CHARTER OF THE UNITED NATIONS

We the peoples of the United Nations, determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind; and

To reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small; and

To establish conditions under which justice and respect for the obligations arising from treaties and other sources of international law can be maintained; and

To promote social progress and better standards of life in larger freedom; and for these ends to practice tolerance and live together in peace with one another as good neighbors; and

To unite our strength to maintain international peace and security; and

To ensure, by the acceptance of principles and the institution of methods, that armed force shall not be used, save in the common interest; and

To employ international machinery for the promotion of the economic and social advancement of all peoples; have resolved to combine our efforts to accomplish these aims.

Accordingly our respective Governments, through representatives assembled in the city of San Francisco, who have exhibited their full powers found to be in good and due form, have agreed to the present charter of the United Nations and do hereby establish an international organization to be known as the United Nations.

CHAPTER I. PURPOSES AND PRINCIPLES

ARTICLE 1

The Purposes of the United Nations are:

1. To maintain international peace and security, and to that end; to take effective collective measures for the prevention and removal of threats to the peace, and for the suppression of acts of aggression or other breaches of the peace, and to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes or situations which might lead to a breach of the peace;

2. To develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, and to take other appropriate measures to strengthen universal peace;

3. To achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character, and in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion; and

4. To be a center for harmonizing the actions of nations in the attainment of these common ends.

ARTICLE 2

The Organization and its Members, in pursuit of the Purposes stated in Article 1, shall act in accordance with the following Principles.

1. The Organization is based on the principle of the sovereign equality of all its Members.

2. All Members, in order to ensure to all of them the rights and benefits resulting from membership, shall fulfill in good faith the obligations assumed by them in accordance with the present Charter.

3. All Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

4. All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the Purposes of the United Nations.

5. All Members shall give the United Nations every assistance in any action it takes in accordance with the present Charter, and shall refrain from giving assistance to any state against which the United Nations is taking preventive or enforcement action.

6. The Organization shall ensure that states which are not Members of the United Nations act in accordance with these Principles so far as may be necessary for the maintenance of international peace and security.

7. Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the Members to submit such matters to settlement under the present Charter; but this principle shall not prejudice the application of enforcement measures under Chapter VII.

CHAPTER II. MEMBERSHIP

ARTICLE 3

The original Members of the United Nations shall be the states which, having participated in the United Nations Conference on International Organization at San Francisco, or having previously signed the Declaration by United Nations of January 1, 1942, sign the present Charter and ratify it in accordance with Article 110.

ARTICLE 4

1. Membership in the United Nations is open to all other peace-loving states which accept th obligations contained in the present Charter and, in the judgment of the Organization, are able and willing to carry out these obligations.

2. The admission of any such state to membership in the United Nations will be effected by a decision of the General Assembly upon the recommendation of the Security Council.

ARTICLE 5

A Member of the United Nations against which preventive or enforcement action has been taken by the Security Council may be suspended from the exercise of the rights and privileges of membership by the General Assembly upon the recommendation of the Security Council. The exercise of these rights and privileges may be restored by the Security Council.

ARTICLE 6

A Member of the United Nations which has persistently violated the Principles contained in the present Charter may be expelled from the Organization by the General Assembly upon the recommendation of the Security Council.

CHAPTER III. ORGANS

ARTICLE 7

1. There are established as the principal organs of the United Nations: a General Assembly, a Security Council, an Economic and Social Council, a Trusteeship Council, an International Court of Justice, and a Secretariat.

2. Such subsidiary organs as may be found necessary may be established in accordance with the present Charter.

ARTICLE 8

The United Nations shall place no restrictions on the eligibility of men and women to participate in any capacity and under conditions of equality in its principal and subsidiary organs.

CHAPTER IV. THE GENERAL ASSEMBLY

Composition

ARTICLE 9

1. The General Assembly shall consist of all the Members of the United Nations.

2. Each Member shall have not more than five representatives in the General Assembly.

Functions and Powers

ARTICLE 10

The General Assembly may discuss any questions or any matters within the scope of the present Charter or relating to the powers and functions of any orders provided for in the present Charter, and, except as provided in Article 12, may make recommendations to the Members of the United Nations or to the Security Council or to both on any such questions or matters.

ARTICLE 11

1. The General Assembly may consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing

disarmament and the regulation of armaments, and may make recommendations with regard to such principles to the Members or to the Security Council or to both.

2. The General Assembly may discuss any questions relating to the maintenance of international peace and security brought before it by any Member of the United Nations, or by the Security Council, or by a state which is not a Member of the United Nations in accordance with Article 35, paragraph 2, and, except as provided in Article 12, may make recommendations with regard to any such questions to the state or states concerned or to the Security Council or to both. Any such question on which action is necessary shall be referred to the Security Council by the General Assembly either before or after discussion.

3. The General Assembly may call the attention of the Security Council to situations which are likely to endanger international peace and security.

4. The powers of the General Assembly set forth in this Article shall not limit the general scope of Article 10.

ARTICLE 12

1. While the Security Council is exercising in respect of any dispute or situation the functions assigned to it in the present Charter, the General Assembly shall not make any recommendation with regard to that dispute or situation unless the Security Council so requests.

2. The Secretary-General, with the consent of the Security Council, shall notify the General Assembly at each session of any matters relative to the maintenance of international peace and security which are being dealt with by the Security Council and shall similarly notify the General Assembly, or the Members of the United Nations if the General Assembly is not in session, immediately the Security Council ceases to deal with such matters.

ARTICLE 13

1. The General Assembly shall initiate studies and make recommendations for the purpose of:

a. promoting international cooperation in the political field and encouraging the progressive development of international law and its codification;

b. promoting international cooperation in the economic, social, cultural, educational, and health fields, and assisting in the realization of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

2. The further responsibilities, functions, and powers of the General Assembly with respect to matters mentioned in paragraph 1 (b) above are set forth in Chapter IX and X.

ARTICLE 14

Subject to the provisions of Article 12, the General Assembly may recommend measures for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the provisions of the present Charter setting forth the Purposes and Principles of the United Nations.

ARTICLE 15

1. The General Assembly shall receive and consider annual and special reports from the Security Council; these reports shall include an account of the measures that the Security Council has decided upon or taken to maintain international peace and security.

2. The General Assembly shall receive and consider reports from the other organs of the United Nations.

ARTICLE 16

The General Assembly shall perform such functions with respect to the international trusteeship system as are assigned to it under Chapters XII and XIII, including the approval of the trusteeship agreements for areas not designated as strategic.

ARTICLE 17

1. The General Assembly shall consider and approve the budget of the Organization.

2. The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly.

3. The General Assembly shall consider and approve any financial and budgetary arrangements with specialized agencies referred to in Article 57 and shall examine the administrative budgets of such specialized agencies with a view to making recommendations to the agencies concerned.

Voting

ARTICLE 18

1. Each member of the General Assembly shall have one vote.

2. Decisions of the General Assembly on important questions shall be made by a two-thirds majority of the members present and voting. These questions shall include: recommendations with respect to the maintenance of international peace and security, the election of the non-permanent members of the Security Council, the election of the members of the Economic and Social Council, the election of members of the Trusteeship Council in accordance with paragraph 1 (c) of Article 86, the admission of new Members to the United Nations, the suspension of the rights and privileges of membership, the expulsion of Members, questions relating to the operation of the trusteeship system, and budgetary questions.

3. Decisions on other questions, including the determination of additional categories of questions to be decided by a two-thirds majority, shall be made by a majority of the members present and voting.

ARTICLE 19

A Member of the United Nations which is in arrears in the payment of its financial contributions to the Organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years. The General Assembly may, nevertheless, permit such a Member to vote if it is satisfied that the failure to pay is due to conditions beyond the control of the Member.

Procedure

ARTICLE 20

The General Assembly shall meet in regular annual sessions and in such special sessions as occasion may require. Special sessions shall be convoked by the Secretary-General at the request of the Security Council or of a majority of the Members of the United Nations.

ARTICLE 21

The General Assembly shall adopt its own rules of procedure. It shall elect its President for each session.

ARTICLE 22

The General Assembly may establish such subsidiary organs as it deems necessary for the performance of its functions.

CHAPTER V. THE SECURITY COUNCIL

Composition

ARTICLE 23

1. The Security Council shall consist of eleven Members of the United Nations. The Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America shall be permanent members of the Security Council. The General Assembly shall elect six other Members of the United Nations to be nonpermanent members of the Security Council, due regard being specially paid, in the first instance to the contribution of Members of the United Nations to the maintenance of international peace and security and to the other purposes of the Organization, and also to equitable geographical distribution.

2. The nonpermanent members of the Security Council shall be elected for a term of two years. In the first election of the nonpermanent members, however, three shall be chosen for a term of one year. A retiring member shall not be eligible for immediate reelection.

3. Each member of the Security Council shall have one representative.

Functions and Powers

ARTICLE 24

1. In order to ensure prompt and effective action by the United Nations, its Members confer on the Security Council primary responsibility for the maintenance of international peace and security, and agree that in carrying out its duties under this responsibility the Security Council acts on their behalf.

2. In discharging these duties the Security Council shall act in accordance with the Purposes and Principles of the United Nations. The specific powers granted to the Security Council for the discharge of these duties are laid down in Chapters VI, VII, VIII, and XII.

3. The Security Council shall submit annual and, when necessary, special reports to the General Assembly for its consideration.

ARTICLE 25

The Members of the United Nations agree to accept and carry out the decisions of the Security Council in accordance with the present Charter.

ARTICLE 26

In order to promote the establishment and maintenance of international peace and security with the least diversion for armaments of the world's human and economic resources, the Security Council shall be responsible for formulating, with the assistance of the Military Staff Committee referred to in Article 47, plans to be submitted to the Members of the United Nations for the establishment of a system for the regulation of armaments.

Voting

ARTICLE 27

1. Each member of the Security Council shall have one vote.

2. Decisions of the Security Council on procedural matters shall be made by an affirmative vote of seven members.

3. Decisions of the Security Council on all other matters shall be made by an affirmative vote of seven members including the concurring votes of the permanent members; provided that, in decisions under Chapter VI, and under paragraph 3 of Article 52, a party to a dispute shall abstain from voting.

Procedure

ARTICLE 28

1. The Security Council shall be so organized as to be able to function continuously. Each member of the Security Council shall for this purpose be represented at all times at the seat of the Organization.

2. The Security Council shall hold periodic meetings at which each of its members may, if it so desires, be represented by a member of the government or by some other specially designated representative.

3. The Security Council may hold meetings at such places other than the seat of the Organization as in its judgment will best facilitate its work.

ARTICLE 29

The Security Council may establish such subsidiary organs as it deems necessary for the performance of its functions.

ARTICLE 30

The Security Council shall adopt its own rules of procedure, including the method of selecting its President.

ARTICLE 31

Any Member of the United Nations which is not a member of the Security Council

may participate, without vote, in the discussion of any question brought before the Security Council whenever the latter considers that the interests of that Member are specially affected.

ARTICLE 32

Any Member of the United Nations which is not a member of the Security Council or any state which is not a Member of the United Nations, if it is a party to a dispute under consideration by the Security Council, shall be invited to participate, without vote, in the discussion relating to the dispute. The Security Council shall lay down such conditions as it deems just for the participation of a state which is not a Member of the United Nations.

CHAPTER VI. PACIFIC SETTLEMENT OF DISPUTES

ARTICLE 33

1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

2. The Security Council shall, when it deems necessary, call upon the parties to settle their dispute by such means.

ARTICLE 34

The Security Council may investigate any dispute, or any situation which might lead to international friction or give rise to a dispute, in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security.

ARTICLE 35

1. Any Member of the United Nations may bring any dispute, or any situation of the nature referred to in Article 34, to the attention of the Security Council or of the General Assembly.

2. A state which is not a Member of the United Nations may bring to the attention of the Security Council or of the General Assembly any dispute to which it is a party if its accepts in advance, for the purposes of the dispute, the obligations of pacific settlement provided in the present Charter.

3. The proceedings of the General Assembly in respect of matters brought to its attention under this Article will be subject to the provisions of Articles 11 and 12.

ARTICLE 36

1. The Security Council may, at any stage of a dispute of the nature referred to in Article 33 or of a situation of like nature, recommend appropriate procedures or methods of adjustment.

2. The Security Council should take into consideration any procedures for the settlement of the dispute which have already been adopted by the parties.

3. In making recommendations under this Article the Security Council should also take into consideration that legal disputes should as a general rule be referred by the parties to the International Court of Justice in accordance with the provisions of the Statute of the Court.

ARTICLE 37

1. Should the parties to a dispute of the nature referred to in Article 33 fail to settle it by the means indicated in that Article, they shall refer it to the Security Council.

2. If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under Article 36 or to recommend such terms of settlement as it may consider appropriate.

ARTICLE 38

Without prejudice to the provisions of Article 33 to 37, the Security Council may, if all the parties to any dispute so request, make recommendations to the parties with a view to a pacific settlement of the dispute.

CHAPTER VII. ACTION WITH RESPECT TO THREATS TO THE PEACE, BREACHES OF THE PEACE, AND ACTS OF AGGRESSION

ARTICLE 39

The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of aggression and shall make recommendations, or decide what measures shall be taken in accordance with Articles 41 and 42, to maintain or restore international peace and security.

ARTICLE 40

In order to prevent an aggravation of the situation, the Security Council may, before making the recommendations or deciding upon the measures provided for in Article 39, call upon the parties concerned to comply with such provisional measures as it deems necessary or desirable. Such provisional measures shall be without prejudice to the rights, claims, or position of the parties concerned. The Security Council shall duly take account of failure to comply with such provisional measures.

ARTICLE 41

The Security Council may decide what measures not involving the use of armed force are to be employed to give effect to its decisions, and it may call upon the Members of the United Nations to apply such measures. These may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations.

ARTICLE 42

Should the Security Council consider that measures provided for in Article 41 would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of Members of the United Nations.

ARTICLE 43

1. All Members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

2. Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided.

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and Members or between the Security Council and groups of Members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

ARTICLE 44

When the Security Council has decided to use force it shall, before calling upon a Member not represented on it to provide armed forces in fulfillment of the obligations assumed under Article 43, invite that Member, if the Member so desires, to participate in the decisions of the Security Council concerning the employment of contingents of that Member's armed forces.

ARTICLE 45

In order to enable the United Nations to take urgent military measures, Members shall hold immediately available national air-force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action shall be determined, within the limits laid down in the special agreement or agreements referred to in Article 43, by the Security Council with the assistance of the Military Staff Committee.

ARTICLE 46

Plans for the application of armed force shall be made by the Security Council with the assistance of the Military Staff Committee.

ARTICLE 47

1. There shall be established a Military Staff Committee to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, the employment and command of forces placed at its disposal, the regulation of armaments, and possible disarmament.

2. The Military Staff Committee shall consist of the Chiefs of Staff of the permanent members of the Security Council or their representatives. Any Member of the United Nations not permanently represented on the Committee shall be invited by the Committee to be associated with it when the efficient discharge of the Committee's responsibilities requires the participation of that Member in its work.

3. The Military Staff Committee shall be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. Questions relating to the command of such forces shall be worked out subsequently.

4. The Military Staff Committee, with the authorization of the Security Council and after consultation with appropriate regional agencies, may establish regional subcommittees.

ARTICLE 48

1. The action required to carry out the decisions of the Security Council for the maintenance of international peace and security shall be taken by all the Members of the United Nations or by some of them, as the Security Council may determine.

2. Such decisions shall be carried out by the Members of the United Nations directly and through their action in the appropriate international agencies of which they are members.

ARTICLE 49

The Members of the United Nations shall join in affording mutual assistance in carrying out the measures decided upon by the Security Council.

ARTICLE 50

If preventive or enforcement measures against any state are taken by the Security Council, any other state, whether a Member of the United Nations or not, which finds itself confronted with special economic problems arising from the carrying out of those measures shall have the right to consult the Security Council with regard to a solution of those problems.

ARTICLE 51

Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations, until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken by Members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present Charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.

CHAPTER VIII. REGIONAL ARRANGEMENTS

ARTICLE 52

1. Nothing in the present Charter precludes the existence of regional arrangements

or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided that such arrangements or agencies and their activities are consistent with the Purposes and Principles of the United Nations.

2. The Members of the United Nations entering into such arrangements or constituting such agencies shall make every effort to achieve pacific settlement of local disputes through such regional arrangements or by such regional agencies before referring them to the Security Council.

3. The Security Council shall encourage the development of pacific settlement of local disputes through such regional arrangements or by such regional agencies either on the initiative of the states concerned or by reference from the Security Council.

4. This Article in no way impairs the application of Articles 34 and 35.

ARTICLE 53

1. The Security Council shall, where appropriate, utilize such regional arrangements or agencies for enforcement action under its authority. But no enforcement action shall be taken under regional arrangements or by regional agencies without the authorization of the Security Council, with the exception of measures against any enemy state, as defined in paragraph 2 of this Article, provided for pursuant to Article 107 or in regional arrangements directed against renewal of aggressive policy on the part of any such state, until such time as the Organization may, on request of the Governments concerned, be charged with the responsibility for preventing further aggression by such a state.

2. The term enemy state as used in paragraph 1 of this Article applies to any state which during the Second World War has been an enemy of any signatory of the present Charter.

ARTICLE 54

The Security Council shall at all times be kept fully informed of activities undertaken or in contemplation under regional arrangements or by regional agencies for the maintenance of international peace and security.

CHAPTER IX. INTERNATIONAL ECONOMIC AND SOCIAL COOPERATION

ARTICLE 55

With a view to the creation of conditions of stability and well-being which are necessary for peaceful and friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples, the United Nations shall promote:

a. higher standards of living, full employment, and conditions of economic and social progress and development;

b. solutions of international economic, social, health, and related problems; and international cultural and educational cooperation; and

c. universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

ARTICLE 56

All Members pledge themselves to take joint and separate action in cooperation with the Organization for the achievement of the purposes set forth in Article 55.

ARTICLE 57

1. The various specialized agencies, established by intergovernmental agreement and having wide international responsibilities, as defined in their basic instruments, in economic, social, cultural, educational, health, and related fields, shall be brought into relationship with the United Nations in accordance with the provisions of Article 63.

2. Such agencies thus brought into relationship with the United Nations are hereinafter referred to as specialized agencies.

ARTICLE 58

The Organization shall make recommendations for the coordination of the policies and activities of the specialized agencies.

ARTICLE 59

The Organization shall, where appropriate, initiate negotiations among the states concerned for the creation of any new specialized agencies required for the accomplishment of the purposes set forth in Article 55.

ARTICLE 60

Responsibility for the discharge of the functions of the Organization set forth in this Chapter shall be vested in the General Assembly and, under the authority of the General Assembly, in the Economic and Social Council, which shall have for this purpose the powers set forth in Chapter X.

CHAPTER X. THE ECONOMIC AND SOCIAL COUNCIL

Composition

ARTICLE 61

1. The Economic and Social Council shall consist of eighteen Members of the United Nations elected by the General Assembly.

2. Subject to the provisions of paragraph 3, six members of the Economic and Social Council shall be elected each year for a term of three years. A retiring member shall be eligible for immediate reelection.

3. At the first election, eighteen members of the Economic and Social Council shall be chosen. The term of office of six members so chosen shall expire at the end of one year, and of six other members at the end of two years, in accordance with arrangements made by the General Assembly.

4. Each member of the Economic and Social Council shall have one representative.

Functions and Powers

ARTICLE 62

1. The Economic and Social Council may make or initiate studies and reports with respect to international economic, social, cultural, educational, health, and related matters and may make recommendations with respect to any such matters to the General Assembly, to the Members of the United Nations, and to the specialized agencies concerned.

2. It may make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all.

3. It may prepare draft conventions for submission to the General Assembly, with respect to matters falling within its competence.

4. It may call, in accordance with the rules prescribed by the United Nations, international conferences on matters falling within its competence.

ARTICLE 63

1. The Economic and Social Council may enter into agreements with any of the agencies referred to in Article 57, defining the terms on which the agency concerned shall be brought into relationship with the United Nations. Such agreements shall be subject to approval by the General Assembly.

2. It may coordinate the activities of the specialized agencies through consultation with and recommendations to such agencies and through recommendations to the General Assembly and to the Members of the United Nations.

ARTICLE 64

1. The Economic and Social Council may take appropriate steps to obtain regular reports from the specialized agencies. It may make arrangements with the Members of the United Nations and with the specialized agencies to obtain reports on the steps taken to give effect to its own recommendations and to recommendations on matters falling within its competence made by the General Assembly.

2. It may communicate its observations on these reports to the General Assembly.

ARTICLE 65

The Economic and Social Council may furnish information to the Security Council and shall assist the Security Council upon its request.

ARTICLE 66

1. The Economic and Social Council shall perform such functions as fall within its competence in connection with the carrying out of the recommendations of the General Assembly.

2. It may, with the approval of the General Assembly, perform services at the request of Members of the United Nations and at the request of specialized agencies.

3. It shall perform such other functions as are specified elsewhere in the present Charter or as may be assigned to it by the General Assembly.

Voting

ARTICLE 67

1. Each member of the Economic and Social Council shall have one vote.

2. Decisions of the Economic and Social Council shall be made by a majority of the members present and voting.

Procedure

ARTICLE 68

The Economic and Social Council shall set up commissions in economic and social fields and for the promotion of human rights, and such other commissions as may be required for the performance of its functions.

ARTICLE 69

The Economic and Social Council shall invite any Member of the United Nations to participate, without vote, in its deliberations on any matter of particular concern to that Member.

ARTICLE 70

The Economic and Social Council may make arrangements for representatives of the specialized agencies to participate, without vote, in its deliberations and in those of the commissions established by it, and for its representatives to participate in the deliberations of the specialized agencies.

ARTICLE 71

The Economic and Social Council may make suitable arrangements for consultation with nongovernmental organizations which are concerned with matters within its competence. Such arrangements may be made with international organizations and, where appropriate, with national organizations after consultation with the Member of the United Nations concerned.

ARTICLE 72

1. The Economic and Social Council shall adopt its own rules of procedure, including the method of selecting its President.

2. The Economic and Social Council shall meet as required in accordance with its rules, which shall include provision for the convening of meetings on the request of a majority of its members.

CHAPTER XI. DECLARATION REGARDING NON-SELF-GOVERNING TERRITORIES

ARTICLE 73

Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount, and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories, and, to this end:

a. to ensure, with due respect for the culture of the peoples concerned, their political, economic, social, and educational advancement, their just treatment, and their protection against abuses;

b. to develop self-government, to take due account of the political aspirations of the peoples, and to assist them in the progressive development of their free political institutions, according to the particular circumstances of each territory and its peoples and their varying stages of advancement;

c. to further international peace and security;

d. to promote constructive measures of development, to encourage research, and to cooperate with one another and, when and where appropriate, with specialized international bodies with a view to the practical achievement of the social, economic, and scientific purposes set forth in this Article; and

e. to transmit regularly to the Secretary-General for information purposes, subject to such limitation as security and constitutional considerations may require, statistical and other information of a technical nature relating to economic, social, and educational conditions in the territories for which they are respectively responsible other than those territories to which Chapters XII and XIII apply.

ARTICLE 74

Members of the United Nations also agree that their policy in respect of the territories to which this Chapter applies, no less than in respect of their metropolitan areas, must be based on the general principle of good-neighborliness, due account being taken of the interests and well-being of the rest of the world, in social, economic, and commercial matters.

CHAPTER XII. INTERNATIONAL TRUSTEESHIP SYSTEM

ARTICLE 75

The United Nations shall establish under its authority an international trusteeship system for the administration and supervision of such territories as may be placed thereunder by subsequent individual agreements. These territories are hereinafter referred to as trust territories.

ARTICLE 76

The basic objectives of the trusteeship system, in accordance with the Purposes of the United Nations laid down in Article 1 of the present Charter, shall be:

a. to further international peace and security;

b. to promote the political, economic, social, and educational advancement of the inhabitants of the trust territories, and their progressive development towards self-government or independence as may be appropriate to the particular circumstances of each territory and its peoples and the freely expressed wishes of the peoples concerned, and as may be provided by the terms of each trusteeship agreement;

c. to encourage respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion, and to encourage recognition of the interdependence of the peoples of the world; and

d. to ensure equal treatment in social, economic, and commercial matters for all Members of the United Nations and their nationals, and also equal treatment for the latter in the administration of justice, without prejudice to the attainment of the foregoing objectives and, subject to the provisions of Article 80.

ARTICLE 77

1. The trusteeship system shall apply to such territories in the following categories as may be placed thereunder by means of trusteeship agreements:

a. territories now held under mandate;

b. territories which may be detached from enemy states as a result of the Second World War; and

c. territories voluntarily placed under the system by states responsible for their administration

2. It will be a matter for subsequent agreement as to which territories in the foregoing categories will be brought under the trusteeship system and upon what terms.

ARTICLE 78

The trusteeship system shall not apply to territories which have become Members of the United Nations, relationship among which shall be based on respect for the principle of sovereign equality.

ARTICLE 79

The terms of trusteeship for each territory to be placed under the trusteeship system, including any alteration or amendment, shall be agreed upon by the states directly concerned, including the mandatory power in the case of territories held under mandate by a Member of the United Nations, and shall be approved as provided for in Articles 83 and 85.

ARTICLE 80

1. Except as may be agreed upon in individual trusteeship agreements, made under Articles 77, 79, and 81, placing each territory under the trusteeship system, and until such agreements have been concluded, nothing in this Chapter shall be construed in or of itself to alter in any manner the rights whatsoever of any states or any peoples or the terms of existing international instruments to which Members of the United Nations may respectively be parties.

2. Paragraph 1 of this Article shall not be interpreted as giving grounds for delay or postponement of the negotiation and conclusion of agreements for placing mandated and other territories under the trusteeship system as provided for in Article 77.

ARTICLE 81

The trusteeship agreement shall in each case include the terms under which the trust territory will be administered and designate the authority which will exercise the administration of the trust territory. Such authority, hereinafter called the administering authority, may be one or more states or the Organization itself.

ARTICLE 82

There may be designated, in any trusteeship agreement, a strategic area or areas which may include part or all of the trust territory to which the agreement applies, without prejudice to any special agreement or agreements made under Article 43.

ARTICLE 83

1. All functions of the United Nations relating to strategic areas, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the Security Council.

2. The basic objectives set forth in Article 76 shall be applicable to the people of each strategic area.

3. The Security Council shall, subject to the provisions of the trusteeship agreements and without prejudice to security considerations, avail itself of the assistance of the Trusteeship Council to perform those functions of the United Nations under the trusteeship system relating to political, economic, social, and educational matters in the strategic areas.

ARTICLE 84

It shall be the duty of the administering authority to ensure that the trust territory shall play its part in the maintenance of international peace and security. To this end, the administering authority may make use of volunteer forces, facilities, and assistance from the trust territory in carrying out the obligations toward the Security Council undertaken in this regard by the administering authority, as well as for local defense and the maintenance of law and order within the trust territory.

ARTICLE 85

1. The functions of the United Nations with regard to trusteeship agreements for all areas not designated as strategic, including the approval of the terms of the trusteeship agreements and of their alteration or amendment, shall be exercised by the General Assembly.

2. The Trusteeship Council, operating under the authority of the General Assembly, shall assist the General Assembly in carrying out these functions.

CHAPTER XIII. THE TRUSTEESHIP COUNCIL

Composition

ARTICLE 86

1. The Trusteeship Council shall consist of the following Members of the United Nations:

a. those Members administering trust territories;

b. such of those Members mentioned by name in Article 23 as are not administering trust territories; and

c. as many other Members elected for three-year terms by the General Assembly as may be necessary to ensure that the total number of members of the Trusteeship Council is equally divided between those Members of the United Nations which administer trust territories and those which do not.

2. Each member of the Trusteeship Council shall designate one specially qualified person to represent it therein.

Functions and Powers

ARTICLE 87

The General Assembly and, under its authority, the Trusteeship Council, in carrying out their functions, may:

a. consider reports submitted by the administering authority;

b. accept petitions and examine them in consultation with the administering authority;

c. provide for periodic visits to the respective trust territories at times agreed upon with the administering authority; and

d. take these and other actions in conformity with the terms of the trusteeship agreements.

ARTICLE 88

The Trusteeship Council shall formulate a questionnaire on the political, economic, social, and educational advancement of the inhabitants of each trust territory, and the administering authority for each trust territory within the competence of the General Assembly shall make an annual report to the General Assembly upon the basis of such questionnaire.

Voting

ARTICLE 89

1. Each member of the Trusteeship Council shall have one vote.

2. Decisions of the Trusteeship Council shall be made by a majority of the members present and voting.

Procedure

ARTICLE 90

1. The Trusteeship Council shall adopt its own rules of procedure, including the method of selecting its President.

2. The Trusteeship Council shall meet as required in accordance with its rules, which shall include provision for the convening of meetings on the request of a majority of its members.

ARTICLE 91

The Trusteeship Council shall, when appropriate, avail itself of the assistance of the Economic and Social Council and of the specialized agencies in regard to matters with which they are respectively concerned.

CHAPTER XIV. THE INTERNATIONAL COURT OF JUSTICE

ARTICLE 92

The International Court of Justice shall be the principal judicial organ of the United Nations. It shall function in accordance with the annexed Statute, which is based upon the Statute of the Permanent Court of International Justice and forms an integral part of the present Charter.

ARTICLE 93

1. All Members of the United Nations are *ipso facto* parties to the Statute of the International Court of Justice.

2. A state which is not a Member of the United Nations may become a party to the Statute of the International Court of Justice on conditions to be determined in each case by the General Assembly upon the recommendation of the Security Council.

ARTICLE 94

1. Each Member of the United Nations undertakes to comply with decision of the International Court of Justice in any case to which it is a party.

2. If any party to a case fails to perform the obligations incumbent upon it under a judgment rendered by the Court, the other party may have recourse to the Security Council, which may, if it deems necessary, make recommendations or decide upon measures to be taken to give effect to the judgment.

ARTICLE 95

Nothing in the present Charter shall prevent Members of the United Nations from entrusting the solution of their differences to other tribunals by virtue of agreements already in existence or which may be concluded in the future.

ARTICLE 96

1. The General Assembly or the Security Council may request the International Court of Justice to give an advisory opinion on any legal question.

2. Other organs of the United Nations and specialized agencies, which may at any time be so authorized by the General Assembly, may also request advisory opinions of the Court on legal questions arising within the scope of their activities.

CHAPTER XV. THE SECRETARIAT

ARTICLE 97

The Secretariat shall comprise a Secretary-General and such staff as the Organization may require. The Secretary-General shall be appointed by the General Assembly upon the recommendation of the Security Council. He shall be the chief administrative officer of the Organization.

ARTICLE 98

The Secretary-General shall act in that capacity in all meetings of the General Assembly, of the Secretary Council, of the Economic and Social Council, and of the Trusteeship Council, and shall perform such other functions as are entrusted to him by these organs. The Secretary-General shall make an annual report to the General Assembly on the work of the Organization.

ARTICLE 99

The Secretary-General may bring to the attention of the Security Council any matter which in his opinion may threaten the maintenance of international peace and security.

ARTICLE 100

1. In the performance of their duties the Secretary-General and the staff shall not seek or receive instructions from any government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.

2. Each Member of the United Nations undertakes to respect the exclusively international character of the responsibilities of the Secretary-General and the staff and not to seek to influence them in the discharge of their responsibilities.

ARTICLE 101

1. The staff shall be appointed by the Secretary-General under regulations established by the General Assembly.

2. Appropriate staffs shall be permanently assigned to the Economic and Social Council, the Trusteeship Council, and, as required, to other organs of the United Nations. These staffs shall form a part of the Secretariat.

3. The paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity. Due regard shall be paid to the importance of recruiting the staff on as wide a geographical basis as possible.

CHAPTER XVI. MISCELLANEOUS PROVISIONS

ARTICLE 102

1. Every treaty and every international agreement entered into by any Member of the United Nations after the present Charter comes into force shall as soon as possible be registered with the Secretariat and published by it.

2. No party to any such treaty or international agreement which has not been registered in accordance with the provisions of paragraph 1 of this Article may invoke that treaty or agreement before any organ of the United Nations.

ARTICLE 103

In the event of a conflict between the obligations of the Members of the United Nations under the present Charter and their obligations under any other international agreement, their obligations under the present Charter shall prevail.

ARTICLE 104

The Organization shall enjoy in the territory of each of its Members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes.

ARTICLE 105

1. The Organization shall enjoy in the territory of each of its Members such privileges and immunities as are necessary for the fulfillment of its purposes.

2. Representatives of the Members of the United Nations and officials of the Organization shall similarly enjoy such privileges and immunities as are necessary for the independent exercise of their functions in connection with the Organization.

3. The General Assembly may make recommendations with a view to determining the details of the application of paragraphs 1 and 2 of this Article or may propose conventions to the Members of the United Nations for this purpose.

CHAPTER XVII. TRANSITIONAL SECURITY ARRANGEMENTS

ARTICLE 106

Pending the coming into force of such special agreements referred to in Article 43 as in the opinion of the Security Council enable it to begin the exercise of its responsibilities under Article 42, the parties to the Four-Nation Declaration, signed at Moscow, October 30, 1943, and France, shall, in accordance with the provisions of paragraph 5 of that Declaration, consult with one another and as occasion requires with other Members of the United Nations with a view to such joint action on behalf of the Organization as may be necessary for the purpose of maintaining international peace and security.

ARTICLE 107

Nothing in the present Charter shall invalidate or preclude action, in relation to any state which during the Second World War has been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the Governments having responsibility for such action.

CHAPTER XVIII. AMENDMENTS

ARTICLE 108

Amendments to the present Charter shall come into force for all Members of the United Nations when they have been adopted by a vote of two-thirds of the members of the General Assembly and ratified in accordance with their respective constitutional processes by two-thirds of the Members of the United Nations, including all the permanent members of the Security Council.

ARTICLE 109

1. A General Conference of the Members of the United Nations for the purpose of reviewing the present Charter may be held at a date and place to be fixed by a two-thirds vote of the members of the General Assembly and by a vote of any seven members of the Security Council. Each Member of the United Nations shall have one vote in the conference.

2. Any alteration of the present Charter recommended by a two-thirds vote of the conference shall take effect when ratified in accordance with their respective constitutional processes by two-thirds of the Members of the United Nations including all the permanent members of the Security Council.

3. If such a conference has not been held before the tenth annual session of the General Assembly following the coming into force of the present Charter, the proposal to call such a conference shall be placed on the agenda of that session of the General Assembly, and the conference shall be held if so decided by a majority vote of the members of the General Assembly and by a vote of any seven members of the Security Council.

CHAPTER XIX. RATIFICATION AND SIGNATURE

ARTICLE 110

1. The present Charter shall be ratified by the signatory states in accordance with their respective constitutional processes.

2. The ratifications shall be deposited with the Government of the United States of America, which shall notify all the signatory states of each deposit as well as the Secretary-General of the Organization when he has been appointed.

3. The present Charter shall come into force upon the deposit of ratifications by the Republic of China, France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, and the United States of America, and by a majority of the other signatory states. A protocol of the ratifications deposited shall thereupon be drawn up by the Government of the United States of America which shall communicate copies thereof to all the signatory states.

4. The states signatory to the present Charter which ratify it after it has come into force will become original Members of the United Nations on the date of the deposit of their respective ratifications.

ARTICLE 111

The present Charter, of which the Chinese, French, Russian, English, and Spanish texts are equally authentic, shall remain deposited in the archives of the Government of the United States of America. Duly certified copies thereof shall be transmitted by that Government to the Governments of the other signatory states.

IN FAITH WHEREOF, the representatives of the Governments of the United Nations have signed the present Charter.

Done at the city of San Francisco the twenty-sixth day of June, one thousand nine hundred and forty-five.

STATUTE OF THE INTERNATIONAL COURT OF JUSTICE

ARTICLE 1

The International Court of Justice established by the Charter of the United Nations

as the principal judicial organ of the United Nations shall be constituted and shall function in accordance with the provisions of the present Statute.

CHAPTER I. ORGANIZATION OF THE COURT

ARTICLE 2

The Court shall be composed of a body of independent judges, elected regardless of their nationality from among persons of high moral character, who possess the qualifications required in their respective countries for appointment to the highest judicial offices, or are jurisconsults of recognized competence in international law.

ARTICLE 3

1. The Court shall consist of fifteen members, no two of whom may be nationals of the same state.

2. A person who for the purposes of membership in the Court could be regarded as a national of more than one state shall be deemed to be a national of the one in which he ordinarily exercises civil and political rights.

ARTICLE 4

1. The members of the Court shall be elected by the General Assembl, and by the Security Council from a list of persons nominated by the national groups in the Permanent Court of Arbitration, in accordance with the following provisions.

2. In the case of Members of the United Nations not represented in the Permanent Court of Arbitration, candidates shall be nominated by national groups appointed for this purpose by their governments under the same conditions as those prescribed for members of the Permanent Court of Arbitration by Article 44 of the Convention of The Hague of 1907 for the pacific settlement of international disputes.

3. The conditions under which a state which is a party to the present Statute but is not a Member of the United Nations may participate in electing the members of the Court shall, in the absence of a special agreement, be laid down by the General Assembly upon recommendation of the Security Council.

ARTICLE 5

1. At least three months before the date of the election, the Secretary-General of the United Nations shall address a written request to the members of the Permanent Court of Arbitration belonging to the states which are parties to the present Statute, and to the members of the national groups appointed under Article 4, paragraph 2, inviting them to undertake, within a given time, by national groups, the nomination of persons in a position to accept the duties of a member of the Court.

2. No group may nominate more than four persons, not more than two of whom shall be of their own nationality. In no case may the number of candidates nominated by a group be more than double the number of seats to be filled.

ARTICLE 6

Before making these nominations, each national group is recommended to consult its highest court of justice, its legal faculties and schools of law, and its national academies and national sections of international academies devoted to the study of law.

ARTICLE 7

1. The Secretary-General shall prepare a list in alphabetical order of all the persons thus nominated. Save as provided in Article 12, paragraph 2, these shall be the only persons eligible.

2. The Secretary-General shall submit this list to the General Assembly and to the Security Council.

ARTICLE 8

The General Assembly and the Security Council shall proceed independently of one another to elect the members of the Court.

ARTICLE 9

At every election, the electors shall bear in mind not only that the persons to be elected should individually possess the qualifications required, but also that in the body as a whole the representation of the main forms of civilization and of the principal legal systems of the world should be assured.

ARTICLE 10

1. Those candidates who obtain an absolute majority of votes in the General Assembly and in the Security Council shall be considered as elected.

2. Any vote of the Security Council, whether for the election of judges or for the appointment of members of the conference envisaged in Article 12, shall be taken without any distinction between permanent and nonpermanent members of the Security Council.

3. In the event of more than one national of the same state obtaining an absolute majority of the votes both of the General Assembly and of the Security Council, the eldest of these only shall be considered as elected.

ARTICLE 11

If, after the first meeting held for the purpose of the election, one or more seats remain to be filled, a second and, if necessary, a third meeting shall take place.

ARTICLE 12

1. If, after the third meeting, one or more seats still remain unfilled, a joint conference consisting of six members, three appointed by the General Assembly and three by the Security Council, may be formed at any time at the request of either the General Assembly or the Security Council, for the purpose of choosing by the vote of an absolute majority one name for each seat still vacant, to submit to the General Assembly and the Security Council for their respective acceptance.

2. If the joint conference is unanimously agreed upon any person who fulfills the required conditions, he may be included in its list, even though he was not included in the list of nominations referred to in Article 7.

3. If the joint conference is satisfied that it will not be successful in procuring an election, those members of the Court who have already been elected shall, within a period to be fixed by the Security Council, proceed to fill the vacant seats by selection from among those candidates who have obtained votes either in the General Assembly or in the Security Council.

4. In the event of an equality of votes among the judges, the eldest judge shall have a casting vote.

ARTICLE 13

1. The members of the Court shall be elected for nine years and may be reelected; provided, however, that of the judges elected at the first election, the terms of five judges shall expire at the end of three years and the terms of five more judges shall expire at the end of six years.

2. The judges whose terms are to expire at the end of the above-mentioned initial periods of three and six years shall be chosen by lot to be drawn by the Secretary-General immediately after the first election has been completed.

3. The members of the Court shall continue to discharge their duties until their places have been filled. Though replaced, they shall finish any cases which they may have begun.

4. In the case of the resignation of a member of the Court, the resignation shall be addressed to the President of the Court for transmission to the Secretary-General. This last notification makes the place vacant.

ARTICLE 14

Vacancies shall be filled by the same method as that laid down for the first election, subject to the following provision: the Secretary-General shall, within one month of the occurrence of the vacancy, proceed to issue the invitations provided for in Article 5, and the date of the election shall be fixed by the Security Council.

ARTICLE 15

A member of the Court elected to replace a member whose term of office has not expired shall hold office for the remainder of his predecessor's term.

ARTICLE 16

1. No member of the Court may exercise any political or administrative function, or engage in any other occupation of a professional nature.

2. Any doubt on this point shall be settled by the decision of the Court.

ARTICLE 17

1. No member of the Court may act as agent, counsel, or advocate in any case.

2. No member may participate in the decision of any case in which he has previously taken part as agent, counsel, or advocate for one of the parties, or as a member of a national or international court, or of a commission of enquiry, or in any other capacity.

3. Any doubt on this point shall be settled by the decision of the Court.

ARTICLE 18

1. No member of the Court can be dismissed unless, in the unanimous opinion of the other members, he has ceased to fulfil the required conditions.

2. Formal notification thereof shall be made to the Secretary-General by the Registrar.

3. This notification makes the place vacant.

ARTICLE 19

The members of the Court, when engaged on the business of the Court, shall enjoy diplomatic privileges and immunities.

ARTICLE 20

Every member of the Court shall, before taking up his duties, make a solemn declaration in open court that he will exercise his powers impartially and conscientiously.

ARTICLE 21

1. The Court shall elect its President and Vice-President for three years; they may be reelected.

2. The Court shall appoint its Registrar and may provide for the appointment of such other officers as may be necessary.

ARTICLE 22

1. The seat of the Court shall be established at The Hague. This, however, shall not prevent the Court from sitting and exercising its functions elsewhere whenever the Court considers it desirable.

2. The President and the Registrar shall reside at the seat of the Court.

ARTICLE 23

1. The Court shall remain permanently in session, except during the judicial vacations, the dates and duration of which shall be fixed by the Court.

2. Members of the Court are entitled to periodic leave, the dates and duration of which shall be fixed by the Court, having in mind the distance between The Hague and the home of each judge.

3. Members of the Court shall be bound, unless they are on leave or prevented from attending by illness or other serious reasons duly explained to the President, to hold themselves permanently at the disposal of the Court.

ARTICLE 24

1. If, for some special reason, a member of the Court considers that he should not take part in the decision of a particular case, he shall so inform the President.

2. If the President considers that for some special reason one of the members of the Court should not sit in a particular case, he shall give him notice accordingly.

3. If in any such case the member of the Court and the President disagree, the matter shall be settled by the decision of the Court.

ARTICLE 25

1. The full Court shall sit except when it is expressly provided otherwise in the present Statute.

2. Subject to the condition that the number of judges available to constitute the Court is not thereby reduced below eleven, the Rules of the Court may provide for allowing one or more judges, according to circumstances and in rotation, to be dispensed from sitting.

3. A quorum of nine judges shall suffice to constitute the Court.

ARTICLE 26

1. The Court may from time to time form one or more chambers, composed of three or more judges as the Court may determine, for dealing with particular categories of cases; for example, labor cases and cases relating to transit and communications.

2. The Court may at any time form a chamber for dealing with a particular case. The number of judges to constitute such a chamber shall be determined by the Court with the approval of the parties.

3. Cases shall be heard and determined by the chambers provided for in this Article if the parties so request.

ARTICLE 27

A judgment given by any of the chambers provided for in Articles 26 and 29 shall be considered as rendered by the Court.

ARTICLE 28

The chambers provided for in Articles 26 and 29 may, with the consent of the parties, sit and exercise their functions elsewhere than at The Hague.

ARTICLE 29

With a view to the speedy despatch of business, the Court shall form annually a chamber composed of five judges which, at the request of the parties, may hear and determine cases by summary procedure. In addition, two judges shall be selected for the purpose of replacing judges who find it impossible to sit.

ARTICLE 30

1. The Court shall frame rules for carrying out its functions. In particular, it shall lay down rules of procedure.

2. The Rules of the Court may provide for assessors to sit with the Court or with any of its chambers, without the right to vote.

ARTICLE 31

1. Judges of the nationality of each of the parties shall retain their right to sit in the case before the Court.

2. If the Court includes upon the Bench a judge of the nationality of one of the parties, any other party may choose a person to sit as judge. Such person shall be chosen preferably from among those persons who have been nominated as candidates as provided in Articles 4 and 5.

3. If the Court includes upon the Bench no judge of the nationality of the parties, each of these parties may proceed to choose a judge as provided in paragraph 2 of this Article.

4. The provisions of this Article shall apply to the case of Articles 26 and 29. In such cases, the President shall request one or, if necessary, two of the members of the Court forming the chamber to give place to the members of the Court of the nationality of the parties concerned, and, failing such, or if they are unable to be present, to the judges specially chosen by the parties.

5. Should there be several parties in the same interest, they shall, for the purpose of the preceding provisions, be reckoned as one party only. Any doubt upon this point shall be settled by the decision of the Court.

6. Judges chosen as laid down in paragraphs 2, 3, and 4 of this Article shall fulfill the conditions required by Articles 2, 17 (paragraph 2), 20, and 24 of the present Statute. They shall take part in the decision on terms of complete equality with their colleagues.

ARTICLE 32

1. Each member of the Court shall receive an annual salary.

2. The President shall receive a special annual allowance.

3. The Vice President shall receive a special allowance for every day on which he acts as President.

4. The judges chosen under Article 31, other than members of the Court, shall receive compensation for each day on which they exercise their functions.

5. These salaries, allowances, and compensation shall be fixed by the General Assembly. They may not be decreased during the term of office.

6. The salary of the Registrar shall be fixed by the General Assembly on the proposal of the Court.

7. Regulations made by the General Assembly shall fix the conditions under which retirement pensions may be given to members of the Court and to the Registrar, and the conditions under which members of the Court and the Registrar shall have their traveling expenses refunded.

8. The above salaries, allowances, and compensation shall be free of all taxation.

ARTICLE 33

The expenses of the Court shall be borne by the United Nations in such a manner as shall be decided by the General Assembly.

CHAPTER II. COMPETENCE OF THE COURT

ARTICLE 34

1. Only states may be parties in cases before the Court.

2. The Court, subject to and in conformity with its Rules, may request of public international organizations information relevant to cases before it, and shall receive such information presented by such organizations on their own initiative.

3. Whenever the construction of the constituent instrument of a public international organization or of an international convention adopted thereunder is in question in a case before the Court, the Registrar shall so notify the public international organization concerned and shall communicate to it copies of all the written proceedings.

ARTICLE 35

1. The Court shall be open to the states parties to the present Statute.

2. The conditions under which the Court shall be open to other states shall, subject to the special provisions contained in treaties in force, be laid down by the Security Council, but in no case shall such conditions place the parties in a position of inequality before the Court.

3. When a state which is not a Member of the United Nations is a party to a case, the Court shall fix the amount which that party is to contribute towards the expenses of the Court. This provision shall not apply if such state is bearing a share of the expenses of the Court.

ARTICLE 36

1. The jurisdiction of the Court comprises all cases which the parties refer to it and all matters specially provided for in the Charter of the United Nations or in treaties and conventions in force.

2. The states parties to the present Statute may at any time declare that they recognize as compulsory *ipso facto* and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the Court in all legal disputes concerning:

a. the interpretation of a treaty;

b. any question of international law;

c. the existence of any fact which, if established, would constitute a breach of an international obligation;

d. the nature or extent of the reparation to be made for the breach of an international obligation.

3. The declarations referred to above may be made unconditionally or on condition of reciprocity on the part of several or certain states, or for a certain time.

4. Such declarations shall be deposited with the Secretary-General of the United Nations, who shall transmit copies thereof to the parties to the Statute and to the Registrar of the Court.

5. Declarations made under Article 36 of the Statute of the Permanent Court of International Justice and which are still in force shall be deemed, as between the parties to the present Statute, to be acceptances of the compulsory jurisdiction of the International Court of Justice for the period which they still have to run and in accordance with their terms.

6. In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.

ARTICLE 37

Whenever a treaty or convention in force provides for reference of a matter to a tribunal to have been instituted by the League of Nations, or to the Permanent Court of International Justice, the matter shall, as between the parties to the present Statute, be referred to the International Court of Justice.

ARTICLE 38

1. The Court, whose function is to decide in accordance with international law such disputes as are submitted to it, shall apply—

a. international conventions, whether general or particular, establishing rules expressly recognized by the contesting states;

b. international custom, as evidence of a general practice accepted as law;

c. the general principles of law recognized by civilized nations;

d Subject to the provisions of Article 59, judicial decisions and the teachings of the most highly qualified publicists of the various nations, as subsidiary means for the determination of rules of law.

2. This provision shall not prejudice the power of the Court to decide a case *ex aequo et bono*, if the parties agree thereto.

CHAPTER III. PROCEDURE

ARTICLE 39

1. The official languages of the Court shall be French and English. If the parties agree that the case shall be conducted in French, the judgment shall be delivered in French. If the parties agree that the case shall be conducted in English, the judgment shall be delivered in English.

2. In the absence of an agreement as to which language shall be employed, each party may, in the pleadings, use the language which it prefers; the decision of the Court shall be given in French and English. In this case the Court shall at the same time determine which of the two texts shall be considered as authoritative.

3. The Court shall, at the request of any party, authorize a language other than French or English to be used by that party.

ARTICLE 40

1. Cases are brought before the Court, as the case may be, either by the notification of the special agreement or by a written application addressed to the Registrar. In either case the subject of the dispute and the parties shall be indicated.

2. The Registrar shall forthwith communicate the application to all concerned.

3. He shall also notify the Members of the United Nations through the Secretary-General, and also any other states entitled to appear before the Court.

ARTICLE 41

1. The Court shall have the power to indicate, if it considers that circumstances so require, any provisional measures which

ought to be taken to preserve the respective rights of either party.

2. Pending the final decision, notice of the measures suggested shall forthwith be given to the parties and to the Security Council.

ARTICLE 42

1. The parties shall be represented by agents.

2. They may have the assistance of counsel or advocates before the Court.

3. The agents, counsel, and advocates of parties before the Court shall enjoy the privileges and immunities necessary to the independent exercise of their duties.

ARTICLE 43

1. The procedure shall consist of two parts: written and oral.

2. The written proceedings shall consist of the communication to the Court and to the parties of memorials, counter-memorials, and, if necessary, replies; also all papers and documents in support.

3. These communications shall be made through the Registrar, in the order and within the time fixed by the Court.

4. A certified copy of every document produced by one party shall be communicated to the other party.

5. The oral proceedings shall consist of the hearing by the Court of witnesses, experts, agents, counsel, and advocates.

ARTICLE 44

1. For the service of all notices upon persons other than the agents, counsel, and advocates, the Court shall apply direct to the government of the state upon whose territory the notice has to be served.

2. The same provision shall apply whenever steps are to be taken to procure evidence on the spot.

ARTICLE 45

The hearing shall be under the control of the President or, if he is unable to preside, of the Vice-President; if neither is able to preside, the senior judge present shall preside.

ARTICLE 46

The hearing in Court shall be public, unless the Court shall decide otherwise, or unless the parties demand that the public be not admitted.

ARTICLE 47

1. Minutes shall be made at each hearing and signed by the Registrar and the President.

2. These minutes alone shall be authentic.

ARTICLE 48

The Court shall make orders for the conduct of the case, shall decide the form and time in which each party must conclude its arguments, and make all arrangements connected with the taking of evidence.

ARTICLE 49

The Court may, even before the hearing begins, call upon the agents to produce any document or to supply any explanations. Formal note shall be taken of any refusal.

ARTICLE 50

The Court may, at any time, entrust any individual, body, bureau, commission, or other organization that it may select, with the task of carrying out an enquiry or giving an expert opinion.

ARTICLE 51

During the hearing any relevant questions are to be put to the witnesses and experts under the conditions laid down by the Court in the rules of procedure referred to in Article 30.

ARTICLE 52

After the Court has received the proofs and evidence within the time specified for the purpose, it may refuse to accept any further oral or written evidence that one party may desire to present unless the other side consents.

ARTICLE 53

1. Whenever one of the parties does not appear before the Court, or fails to defend its case, the other party may call upon the Court to decide in favor of its claim.

2. The Court must, before doing so, satisfy itself, not only that it has jurisdiction in accordance with Articles 36 and 37, but also that the claim is well founded in fact and law.

ARTICLE 54

1. When, subject to the control of the Court, the agents, counsel, and advocates have completed their presentation of the case, the President shall declare the hearing closed.

2. The Court shall withdraw to consider the judgment.

3. The deliberations of the Court shall take place in private and remain secret.

ARTICLE 55

1. All questions shall be decided by a majority of the judges present.

2. In the event of an equality of votes, the President or the judge who acts in his place shall have a casting vote.

ARTICLE 56

1. The judgment shall state the reasons on which it is based.

2. It shall contain the names of the judges who have taken part in the decision.

ARTICLE 57

If the judgment does not represent in whole or in part the unanimous opinion of the judges, any judge shall be entitled to deliver a separate opinion.

ARTICLE 58

The judgment shall be signed by the President and by the Registrar. It shall be read in open court, due notice having been given to the agents.

ARTICLE 59

The decision of the Court has no binding force except between the parties and in respect of that particular case.

ARTICLE 60

The judgment is final and without appeal. In the event of dispute as to the meaning or scope of the judgment, the Court shall construe it upon the request of any party.

ARTICLE 61

1. An application for revision of a judgment may be made only when it is based upon the discovery of some fact of such a nature as to be a decisive factor, which fact was, when the judgment was given, unknown to the Court and also to the party claiming revision, always provided that such ignorance was not due to negligence.

2. The proceedings for revision shall be opened by a judgment of the Court expressly recording the existence of the new fact, recognizing that it has such a character as to lay the case open to revision, and declaring the application admissible on this ground.

3. The Court may require previous compliance with the terms of the judgment before it admits proceedings in revision.

4. The application for revision must be made at latest within six months of the discovery of the new fact.

5. No application for revision may be made after the lapse of ten years from the date of the judgment.

ARTICLE 62

1. Should a state consider that it has an interest of a legal nature which may be affected by the decision in the case, it may submit a request to the Court to be permitted to intervene.

2. It shall be for the Court to decide upon this request.

ARTICLE 63

1. Whenever the construction of a convention to which states other than those concerned in the case are parties is in question, the Registrar shall notify all such states forthwith.

2. Every state so notified has the right to intervene in the proceedings; but if it uses this right, the construction given by the judgment will be equally binding upon it.

ARTICLE 64

Unless otherwise decided by the Court, each party shall bear its own costs.

CHAPTER IV. ADVISORY OPINIONS

ARTICLE 65

1. The Court may give an advisory opinion on any legal question at the request of whatever body may be authorized by or in accordance with the Charter of the United Nations to make such a request.

2. Questions upon which the advisory opinion of the Court is asked shall be laid before the Court by means of a written request containing an exact statement of the question upon which an opinion is required, and accompanied by all documents likely to throw light upon the question.

ARTICLE 66

1. The Registrar shall forthwith give notice of the request for an advisory opinion to all states entitled to appear before the Court.

2. The Registrar shall also, by means of a special and direct communication, notify any state entitled to appear before the Court or international organization considered by the Court, or, should it not be sitting, by the President, as likely to be able to furnish information on the question, that the Court will be prepared to receive, within a time limit to be fixed by the President, written statements, or to hear, at a public sitting to be held for the purpose, oral statements relating to the question.

3. Should any such state entitled to appear before the Court have failed to receive the special communication referred to in paragraph 2 of this Article, such state may express a desire to submit a written statement or to be heard; and the Court will decide.

4. States and organizations having presented written or oral statements or both shall be permitted to comment on the statements made by other states or organizations in the form, to the extent, and within the time limits which the Court, or, should it not be sitting, the President, shall decide in each particular case. Accordingly, the Registrar shall in due time communicate any such written statements to states and organizations having submitted similar statements.

ARTICLE 67

The Court shall deliver its advisory opinions in open court, notice having been given to the Secretary-General and to the representatives of Members of the United Nations, of other states and of international organizations immediately concerned.

ARTICLE 68

In the exercise of its advisory functions the Court shall further be guided by the provisions of the present Statute which apply in contentious cases to the extent to which it recognizes them to be applicable.

CHAPTER V. AMENDMENT

ARTICLE 69

Amendments to the present Statute shall be effected by the same procedure as is provided by the Charter of the United Nations for amendments to that Charter, subject however to any provisions which the General Assembly upon recommendation of the Security Council may adopt concerning the participation of states which are parties to the present Statute but are not Members of the United Nations.

ARTICLE 70

The Court shall have power to propose such amendments to the present Statute

as it may deem necessary, through written communications to the Secretary-General, for consideration in conformity with the provisions of Article 69.

Mr. CONNALLY. Mr. President——

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	O'Daniel
Ball	Hatch	O'Mahoney
Barkley	Hawkes	Pepper
Bilbo	Hayden	Radcliffe
Briggs	Hickenlooper	Revercomb
Brooks	Hill	Robertson
Burton	Hoey	Russell
Bushfield	Johnson, Colo.	Saltonstall
Butler	Johnston, S. C.	Shipstead
Byrd	Kilgore	Smith
Capehart	La Follette	Stewart
Capper	Langer	Taft
Chandler	Lucas	Taylor
Chavez	McCarran	Thomas, Okla.
Connally	McClellan	Thomas, Utah
Cordon	McFarland	Tunnell
Donnell	McKellar	Vandenberg
Downey	McMahon	Wagner
Eastland	Maybank	Walsh
Ellender	Mead	Wheeler
Ferguson	Millikin	Wherry
Fulbright	Mitchell	White
George	Moore	Wiley
Green	Morse	Willis
Guffey	Murdock	Young

Mr. HILL. I announce that the senior Senator from Virginia [Mr. GLASS] is detained from the Senate by illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], the Senator from Pennsylvania [Mr. MYERS] the Senator from Louisiana [Mr. OVERTON], and the Senator from Maryland [Mr. TYDINGS] are detained on public business.

Mr. WHERRY. The Senator from New Hampshire [Mr. BRIDGES], the Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Vermont [Mr. AUSTIN] and the Senator from Delaware [Mr. BUCK] are necessarily absent.

The PRESIDENT pro tempore. Seventy-eight Senators having answered to their names, a quorum is present.

Mr. CONNALLY. Mr. President, the Senate now has before it the question whether or not it will agree to the ratification of the United Nations World Organization set forth in the Charter recently adopted at San Francisco. It is not my purpose today to indulge in a general address on the Charter, its purposes and its provisions, for the reason that shortly after the close of the Conference at San Francisco, as chairman of the Committee on Foreign Relations I addressed the Senate at some length and in some detail respecting the instrument. My colleague, the senior Senator from Michigan [Mr. VANDENBERG] also made an extended address covering all aspects and features of the Charter. So it will not be my purpose to reiterate now the arguments or to point out matters in detail unless as the result of some interrogations or interruptions from other Senators. I wish merely briefly to recall the genesis of the United Nations Organization in behalf of peace which resulted in the construction of the Charter.

It will be recalled by many Senators that as long ago as 3 or more years—I do not recall the exact date, but a considerable time in advance of the resolution which the Senate adopted in November 1943—Secretary Hull, who has been outstanding in his efforts for international cooperation and for the creation of an international organization for peace, in agreement with the Committee on Foreign Relations of the Senate established contacts, and the Committee on Foreign Relations appointed a subcommittee of the committee consisting of eight Senators, four Republicans and four Democrats. We carried on consultations with Secretary Hull, with his staff, and through him, with the White House, over an extended period of time. I wish to say that the State Department in those consultations gave us access to all the documents which were available, and kept us advised as to all the angles and aspects of the foreign situation.

As a result of those conferences with the Secretary of State, the subcommittee referred to drafted a resolution which was presented to the Senate and adopted by this body on November 5, 1943, in which the Senate, by the overwhelming vote of 85 to 5, expressed the view that it approved the project of a world organization for peace and cooperation.

Mr. President, I feel that these preliminary steps gave tremendous impulse to this movement over the country. The public read in the press and heard over the radio of these transactions, and they were preparatory, as it were, for what was to follow.

It will be recalled that later President Roosevelt issued invitations to the Dumbarton Oaks Conferences. In those conferences four nations participated, the Union of Soviet Socialist Republics, the United Kingdom, the United States of America, and China. As a result of the Dumbarton Oaks Conferences there was an agreement upon the outlines, at least, the general principles, of a world organization for peace. A few matters were left undecided, such as the voting in the Security Council, but in the main the public were acquainted with the terms set forth in the Dumbarton Oaks proposals. The widest publicity was given to the sessions. They were held in Washington, and covered a period of several weeks. So that through that medium the public and the Senate were made generally acquainted with the objectives which were in mind.

I want to point out at this time that the Foreign Relations Committee, both in its entirety and in the subcommittee which operated under the direction of the committee, was wholly nonpartisan. I do not recall that there was ever a time when any partisan political considerations were entertained or advanced. We took the position, which we thought was the proper one, and which we think the Senate's position now is, that in foreign relations there was no place for party politics or for the various activities along those lines, but that in our dealings with foreign nations we should present a united front, we should present the national viewpoint and not the viewpoint of any particular party seeking by maneuvering and by manipulation and by devices to gain some party advantage at the expense of our national welfare in our contacts with foreign nations.

Prior to the resolution adopted by the Senate, the Fulbright resolution was submitted in the House and was adopted by the House by an overwhelming vote. That was another indication that the country was coming to the view that it was necessary for the peace of the world that the United States cooperate with other nations in establishing and setting up machinery which would bring about cooperation and the settlement of disputes by peaceful means.

Senators will recall also that the party platforms, both the Republican and the Democratic Party platforms of 1944, contained declarations along these lines. I shall not now take up the time of the Senate by reading those particular platform declarations.

Following the Dumbarton Oaks proposals there was a meeting, as, of course, all Senators know, at Yalta in which the participating governments made agreements among themselves as to the voting formula in the Security Council. Of course, the heads of the governments had no legal or constitutional authority to make agreements that would be binding, but they made them with the idea that they would be submitted to any conference of an international character which might be called to consider the peace organization. These agreements were submitted to the Conference in San Francisco and were substantially agreed to.

Mr. President, I shall not consume the time of the Senate by rehearsing what transpired at San Francisco more than to say that 50 nations were represented there and that the Conference sat for 9 weeks. Many will say, "Why did it take so long?"

Mr. President, when it comes to getting 50 nations into agreement upon a document covering the wide field that this document covers, containing the various provisions that this document contains, it is no easy task. The Conference was split up into four separate commissions, each one having a specific jurisdiction and a field peculiar to itself. Each commission was in turn split up into committees. Commissions 1 and 4 had two committees each. Commissions 2 and 3 had four committees each. The committees dealt with particular branches of the major questions over which the commission had jurisdiction. The result was that there were 12 regular committees in addition to special committees.

A part of the organization of the Conference was the executive committee and the steering committee. The steering committee was composed of representatives of all of the 50 nations. The executive committee was a smaller committee, composed of members of the steering committee. These committees exerted a very great influence on the deliberations of the Conference though they had no independent authority, and their actions had to be approved by the plenary sessions of the Conference.

So the Senate can understand how each of these 12 committees was composed of 50 delegates. Upon each of the 12 committees every government had a representative. When Senators contemplate that we had literally hundreds of amendments offered by various delegates from the countries represented to all parts of the Charter, and when it is remembered that each one entailed debate and fervid oratory, sometimes the beating of breasts and the waving of flags, Senators can understand how so much of the time of the Conference was consumed. But it was not in vain. We have no objection to the full and free discussion of these questions in a conference of this character. We want to know the views of the nations represented. We want them to be able to express them freely and fully, and they were expressed freely and fully at San Francisco.

No one was denied a hearing. Only at the very last was any pressure whatever put upon the Conference as to debate. Secretary Stettinius, who was presiding, toward the end of the Conference did exhort committees to step up their work, but there was no limitation placed upon their debate or their right to free discussion.

Mr. President, as I have already expressed the intention, I am not now going to review the Charter and its framework. Every Senator present who has desired to do so has already become acquainted with the outstanding features of the Charter. But the Senate submitted this treaty to the Foreign Relations Committee, and it became the duty of the Committee on Foreign Relations to hold hearings in order to give the public and organizations and others interested an opportunity to appear before the committee and express their views. The committee undertook that task. I want to say, Mr. President, that no witness who applied for a hearing was denied a hearing before the committee. As I now recall, there were only two individuals who wanted to come who did not appear. The last day of the hearings we received two telegrams from some ladies in Chicago, saying that they were leaving that day on the train and would not be here until the following day, and, of course, the committee did not hear them because the hearings were completed. But every witness who was available, both for the Charter and those who were opposed to the Charter, had an opportunity to appear before the commmittee and express their views. We did in one or two instances have to impose a time limit. One individual telegraphed to me from Kentucky that he would like to appear, but that he could not conclude his testimony under at least 1 day, and preferably 3 days. Of course, we telegraphed back that we could not give him 3 days and he did not appear—not because we did not want to hear him, but we did not want to hear him 3 days. [Laughter.]

Mr. President, I now desire to make brief references to the results of those hearings. By the way, at this point I wish to say that in yesterday's Washington Post appeared a Gallup report. I will read the headline:

Gallup finds 20 to 1 in favor of Senate's ratifying treaty.

I would not place my entire faith in any poll since the Literary Digest passed out of existence following its prognostications respecting an election a few years ago; but still the result of this poll is an indication of the overwhelming sentiment of the American people in favor of the ratification of the treaty.

Mr. GREEN. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. GREEN. It might be worth while to call attention to the fact that the Gallup poll throughout the country corresponded exactly to the vote in the Foreign Relations Committee—20 to 1.

Mr. CONNALLY. I thank the Senator. I had some suspicions that the vote in the Foreign Relations Committee reflected public opinion, and the Senator now confirms it by referring to the expression of sentiment over the country.

Mr. President, I shall not read the entire list of organizations which appeared before the committee, because that would take considerable time. However, I should like unanimous consent to insert in the RECORD the entire list, showing both those for and against. I wish to be fair. I ask unanimous consent to have the entire list printed in the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, the list will be printed in the RECORD as requested.

(See exhibit A.)

Mr. CONNALLY. Mr. President, I shall read only a few of the names on the list, but the list will be available to any Senator who wishes to examine it.

Among the organizations represented were the following:

American Association of University Women, with a membership of 73,300 throughout the country.

American Association for the United Nations, Inc., with 14 regional offices and 65 local committees.

Alpha Kappa Alpha Sorority, a national nonpartisan council on public affairs, with a membership of 6,000 university women.

American Farm Bureau Federation, with a million and a half members in 41 States.

American Federation of Labor, with 6,520,000 members.

The American Legion, through its accredited representatives, approved the ratification of the Charter. The Legion has a membership of 1,000,000 members, and an auxiliary membership of half a million.

Americans United for World Organization, which includes the memberships of six former organizations which merged to form this one.

Association of Childhood Education, with 2,800 members.

Brotherhood of Railroad Trainmen, with a membership of 196,000.

Central Conference of American Rabbis. The representatives of this organization personally appeared before the Foreign Relations Committee. The organization has 530 members, 160 now serving as chaplains in the armed services.

Detroit Annual Conference of the Methodist Church. I understand that it is supposed to represent the eastern half of Michigan.

Educational Policies Commission, with 20 leaders.

Federal Council of Churches of Christ in America, with a membership of 25,000,000. The Federal Council of Churches of Christ in America submitted a statement, and also a telegram. At this point let me say that Mr. John Foster Dulles, who was one of the advisers to the American delegation, was a representative of the Federal Council of Churches of Christ in America, although he did not appear as such. In addition to his presence there, the representatives of the organization laid before the Senate committee the approval of the organization. Mr. Dulles rendered very distinguished and useful service to the American delegation.

General Federation of Women's Clubs, with 2,500,000 members in 16,500 clubs.

Girls Friendly Society of the United States, with 26,000 members.

National Board of Young Women's Christian Association, representing 622,000 members.

National Council of Jewish Women, representing 65,000 members.

National Education Association, with 271,847 active members, claiming to represent a great many other teachers who are not members of the organization.

National Federation of Business and Professonal Women's Clubs, with 75,937 members.

National League of Women Voters, with 60,000 members.

National Women's Trade Union League of America, with 1,000,000 members.

Research Institute of America. I do not know the membership. Its products go to 30 companies and various Government agencies.

United Nations Council of Philadelphia, a local organization with 4,500 members.

United States Associates, International Chamber of Commerce.

Women's Action Committee for Victory and Lasting Peace, representing seven organizations.

National Association for the Advancement of Colored People, with 350,000 members. I hope some of my friends will take note of that. I congratulate that organization. I congratulate the representative of the organization who appeared before us, who was a well-educated colored man who expressed high views about public affairs.

National Woman's Christian Temperance Union, with 500,000 members.

Mr. Norman Thomas, of the Socialist Party, appeared, and, like some Senators, he was able to find a "t" that was not crossed, or a comma which ought to be a period. He found many such things, but he said that the Charter ought to be ratified because it was an advance, an approach to place the United States in

a position to cooperate with other nations. He stated that he hoped that the little details which he pointed out might be rectified in the future. Mr. Thomas is a man of wide culture and information, and great ability.

American Jewish Committee.

American League for Free Palestine.

Americans United for World Organization.

Aviation League of the United States.

Commission on World Peace of the Methodist Church.

We have also, Mr. President, a resolution of the governors who met at Mackinac Island only a short time ago, approving the Charter.

We have also before us a statement from the Congress of Industrial Organizations, with a membership of 5,500,000.

National Council of Farmer Cooperatives, with two and a half million farmer members.

National Council of Women of the United States, representing 20 national organizations.

Furthermore, Mr. President, we had the formal approval of the American Bar Association. The president of the American Bar Association, Hon. D. A. Simmons, of Houston, Tex., was one of the consultants at San Francisco, and I had a number of conferences with him. In addition to his own sponsorship of the Charter and support for its ratification, we had a telegram from the New York headquarters of the American Bar Association approving the charter and urging its ratification. The American Bar Association is supposed to know something about the Constitution. It is supposed to know something about international law. It is supposed to know something of the general politics of nations, and I commend the attitude of the American Bar Association to the Members of the Senate.

The Carnegie Endowment for International Peace.

The Church Peace Union.

The Commission to Study the Organization of Peace.

The Marine Cooks and Stewards Association.

National Council of Jewish Women.

National Maritime Union, with 50,000 members.

Nine State organizations, two hundred local organizations, fifty-six individuals.

There are a great number of others, and I shall attach a list of them as a part of my remarks.

(See exhibit A.)

There are some who are opposed to ratification, and they were given every consideration:

America First Committee, of Los Angeles. We do not know their membership; they did not indicate it.

America First Party. No membership list was given.

American Mothers of Minnesota.

American United, Inc., with 25 members.

American Youths for Christ, St. Louis.

Buffalo Economics Club.

Mr. President, if I do not mention the number of members of the organizations, it is to be understood that they did not list their members, and we do not know how many members there were.

California Pastors Committee.

Catholic Mothers and Daughters of America. One representative appeared and, personally, I do not think she really represents the national organization, but she did appear and said she spoke for them.

Chicago and Cook County Federation of Women's Organizations. No membership was stated; no indication was given as to what it consists of. Certainly it is not the Federation of Women's Clubs, because they overwhelmingly endorse ratification of the Charter.

Christian Action Committee of Baltimore. No membership was given.

Citizens' Forum, Third Congressional District, Chicago, Ill.

Cleveland World Peace Forum.

Committee to Win World Peace Through a People's Parliament.

Defenders of George Washington's Principles. I think there were two ladies who appeared representing the Defenders of George Washington's Principles. They did not indicate how many members they had or anything about their organization.

Fight for Total Peace, Inc.

Friends of the Constitution, from Dayton.

League for Political Education, from the Henry George Women's Club, of Chicago.

Mothers of Sons Forum, Cincinnati.

National Blue Star Mothers of America. This organization is not to be confused, however, with the Blue Star Mothers of America, an organization with a membership of 200,000, who approved the Charter. This Blue Star Mothers representative is a local resident of Washington who frequents most of the committee hearings and always has views to express. But that organization is not the National Blue Star Mothers of America organization, because in a separate communication they advised the committee that they approved the Charter.

National Citizens Committee of Utah.

National Council for Prevention of War.

National Economic Council, Inc.

National Farmers Guild.

Nationalist Veterans of World War II. That is not the regular veterans of the World War organization, because I do not think it has yet been completed. But the person who appeared claimed to represent something of that kind.

People's Church.

People's Mandate Committee for International Peace and Cooperation.

Truth and Liberty Committee, of Indianapolis.

United Mothers of Cleveland.

Women's League for Political Education.

Youth for Christ Committee, Denver.

Then I have here a list of some written statements.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ELLENDER. I presume the Senator attended all the meetings of the committee, and no doubt he heard all the opposition witnesses. I wonder if it would be asking too much of him to request that he summarize at this point the principal reasons advanced by those who opposed the Charter.

Mr. CONNALLY. I shall be very glad to do so, as best I can; but unless the Senator attended the hearings and listened to some of the witnesses——

Mr. ELLENDER. The difficulty is that I was not able to attend all the hearings. I attended all I had time to attend, but the press of other business prevented me from attending all the meetings. I did attend a few of them.

Mr. CONNALLY. I was going to say that nearly every witness had a different approach and a different angle. Some of them said the Charter would bring into being a world state which would destroy the American constitutional concept. Others said it was a dark and bloody conspiracy. One lady insisted that it means Union Now and that the former King of England, the Duke of Windsor, was to be the world king of this new organization; that there would be a king under the Charter.

Others, like Mr. John T. Flynn, appeared before the committee. The chief objection of Mr. Flynn, who is quite an intelligent and a well-informed man, was that he deduced the idea that there were financial commitments, that under the Charter we would be expected to give or loan Russia tremendous sums of money, and that all the other countries of the earth would be pulling at the United States to get money, and so forth and so on. We undertook to point out to him that there were no financial commitments of any character in the charter, that if the United States extended loans or granted money commitments to other nations it would have to do it in a way other than through the medium of the charter.

Those are samples, let me say to the Senator, of the different concepts of the witnesses who appeared. One witness who appeared said he represented—I mention this to show how some of the witnesses approached this matter—the United Nations of Earth. I asked him how many members it had. He said it did not have any members, that he was the only member. [Laughter.] He called it the United Nations of Earth Associates. The Senator from Kentucky [Mr. BARKLEY] very wisely suggested that he knew of no law which prevented a man from associating with himself. [Laughter.] That man was one of those who was afraid that all the concepts of our system would be abolished and wiped out if we entered into this organization.

As I said, Mr. Flynn appeared and made a very interesting and very vigorous and very insistent argument against ratification of the Charter, on the ground that its economic and financial commitments or, rather, things which would come along in its wake would be destructive of our economy. He was pronounced in his views against communism, and the fear that communism would spread because of the influence of Russia was one of the motives which prompted him to take the very vigorous attitude he assumed.

I shall append a list of individuals, as a part of my remarks.

(See exhibit A.)

There were some who appeared who were for ratification of the Charter but wanted reservations or something of that kind. I shall append that list, as a part of my remarks.

(See exhibit A.)

Let me say to the Senator from Louisiana that if he will glance through the report of the committee, I think he will find there some statements regarding the objections which were raised by various witnesses against the Charter. In the report we undertook to give both sides of the discussion.

Mr. President, in conclusion, permit me to say that ever since World War I there has been among the people of the United States and, I think, among the people of the world a feeling, growing over the years, that the statesmen of the world were challenged and that civilization was being challenged by our failure to erect some kind of international machinery for the cooperation of the peoples of the earth who do not want war, to bring about situations which would at least minimize the danger of war and advance the cause of peace.

We all know that the United States did not want to become involved in the First World War or in the present World War. We did not want to send our sons to foreign territory, there to be sacrificed upon the bloody altars of war. We did not want to pour out our treasure in destructive activities. However, we did just that. We were drawn into the First World War. During the Second World War we were ruthlessly and treacheorously attached at Pearl Harbor, and the allies of Japan, namely Hitler, Mussolini, and others, declared war upon the United States before we drew the sword.

So, Mr. President, in this modern time when the tides of war are running high, it is almost impossible for the United States to keep itself out of involvement. We know the price which we are now paying. That price consists of more than a million casualties, some of them bearing on their bodies the marks of their courage all the way to the tomb. We have suffered more than a million casualties of the finest young manhood of this Republic. Billions upon billions of dollars of treasure have been poured out in order to advance the cause of the war. There will be repercussions of a postwar character which will perhaps dislocate our economic life, and disrupt a return to civilian life of the soldiers and sailors who have fought so gallantly. That is a stupendous price to pay for war. We want no more of it. Therefore, the growing sentiment against war has resulted in the United States in the proposal of measures of various kinds. I refer to the resolution of the Foreign Relations Committee, the Fulbright resolution adopted by the House, the Dumbarton Oaks Conference, and recently, the charter which was agreed to at San Francisco, and which is now before the Senate.

Mr. President, I may advise Senators that the Foreign Relations Committee arranged for the printing and publication of the hearings, and undertook each morning to place in the office of each Senator copies of the hearing which were held on the day previous. There is also available to the Senate the very exhaustive report of the former Secretary of State to the President of the United States, consisting of approximately 150 pages. In addition to copies of the extensive hearings, the report of the committee itself is available. The testimony of Mr. Stettinius, which covered the entire charter, is available. I commend to Senators the testimony of Dr. Leo Pasvolsky who followed Mr. Stettinius in testifying at the hearings. Dr. Pasvolsky is a technician of great ability and a man of long experience. He went over the charter at the hearings chapter by chapter, paragraph by paragraph, and answered every question which was propounded to him, and explained every phase and aspect of the Charter.

Mr. President, the longings to which I have referred for an organization for world peace have brought about the Charter which was agreed to at San Francisco. We advance it not as a magical instrument which will guarantee that there shall be no more wars. We realize that any instrumentality will have its imperfections and weaknesses. This charter is not an absolute guaranty that there shall never be another war. However, Mr. President, it is an advance over the ground where we now stand. It is an approach. It brings into contact the nations of the world. It brings them into contact in the General Assembly where they may freely discuss international questions, and do so with no restrictions being placed upon them. More than that, in the Security Council the great nations of the earth are brought into contact with each other, such as nations who today possess military and material resources, armies and navies, and air forces which are capable of making war, and are therefore capable of keeping the peace. The Security Council brings together great nations who, by appending their signatures to the Charter, made solemn pledges with each other to settle their disputes by peaceful means, to support the Charter, and to undertake to bring their influences and resources to the execution of the policies and doctrines of the charter. Mr. President, if the charter does no more than to assemble in solemn conferences the representatives of the 50 nations who will make up the assembly, and the representatives of those same nations in the Security Council, to discuss and express their views respecting international questions which are fraught with the danger of war, it represents a great advance of the forces of peace out yonder into the territory of darkness and danger in which we have groped in the past.

But it does more than that, Mr. President. It establishes agencies for the settlement of disputes. It establishes a World Court to which may be referred justiciable questions. It sets up an assembly where matters may be freely discussed by the humblest, smallest, and weakest nation, as well as by the mightiest nation. It will be one place where the equality of all nations will be recognized.

The Charter also establishes a Security Council. It places upon the Security Council and the great nations which possess powerful military, naval, and material resources, the primary obligation of preserving the peace. It is so written in the bond. It is denominated in the charter that the primary responsibility for preserving the peace of the world rests upon the Security Council. When a dispute is submitted to the Security Council it may be discussed, considered freely, and debated. If the Security Council takes jurisdiction of the matter, there are set forth in the Charter a number of steps which may be taken to bring about a settlement of the dispute. First, in order to preserve peace, and in order to bring about peaceful settlements, the Security Council suggests to the disputants, "Submit your case, Settle it between yourselves if you can do so. If you cannot settle it by diplomatic action, try arbitration or negotiation, and endeavor to adjust your dispute by peaceful means. If you cannot adjust your differences by peaceful means, the Security Council will have to adopt its own program." That program, Mr. President, may be a suggestion to the parties as to how the dispute should bet settled. It would be merely a suggestion, however. There would be no exercise of compulsion. There is no jurisdiction or authority in the Security Council to compel the disputants to accept the formula which may be submitted. If all these measures fail, and as a result thereof violence is threatened, the Security Council may, as a last resort, and as a final effort to preserve peace, employ armed forces to prevent aggression and preserve the peace.

Mr. President, I regard this document as a great instrument in the history of the world, a great instrument in the field of international relations. To my mind it is the greatest document of its kind that has ever been formulated. It is far superior to the League of Nations. The League of Nations did much good. The League of Nations, even through its failures and its weaknesses helped light the way to future international negotiations and to the construction of this Charter itself. The League of Nations carried the matter of agreement further than the pending Charter. Under the League there had to be unanimity of agreement as to every member of the Council, and when they agreed, while the League could persuade and could beg, it had no compulsive powers whatever; it could not enforce a peace; it could not prevent armed aggression; it had no authority and no power in those respects.

So, Mr. President, we do not advance this instrument as embodying perfection. I dare say that ingenious Senators can take any statute that we pass here and find many things in it they do not like and which, if they were writing it, they would change. So I venture to say that if now the rewriting of this entire Charter were committed to individual Senators, when they got through, instead of having 1 charter, we would have 95 charters, and, if there were not a vacancy in the Senate, we would have 96 charters. Somewhere along the line every Senator would deviate from his colleagues, perhaps not on fundamental

principles, but when it came to details there would be disagreement. So we have got to accept this Charter on the over-all picture, on its entirety.

Think about the 50 nations that met at San Francisco, many of which had divergent views. Many of them did not like certain things in the Charter, but they tried to look ahead, they tried to look down the vista of the years, they tried to envision what the future would hold, and finally they came to say, "Regardless of our objections to the voting procedure and to the Security Council, regardless of our views about the Assembly, we think the Charter is the best hope for peace and world security, and we will vote to ratify it."

Mr. President, you would have been stirred, I am sure, had you been on the steering committee representing all 50 of the nations, when the roll was called and every nation responded "yea." It was a historic event, it was a stirring event, when the vote was recorded and it was announced that 50 nations had recorded their views that the Charter ought to be ratified.

Mr. President, do not misunderstand me. Those who expect an automatic piece of machinery which it is necessary only to set up and then they can go ahead about their business and it will preserve the peace and stop war, will not have their expectations met by this Charter. This Charter is going to require the constant support and assistance of those who love peace, the nations who love peace and the peoples who love peace, if it is to be successful and if it is to achieve the high objectives for which it is designed.

Those who want to join a league that is magic, that requires no care, that requires no fuel, that requires no sacrifice on our part, that requires the sending of no troops by us if it comes to that point, are doomed to disappointment. There is no such league; there never has been such a league, and there never will be such a league. There has got to be constant cooperation of the nations of the earth in support of the spirit as well as the letter of the Charter and the high purposes which it envisions.

Mr. President, these are the general principles upon which we base our appeal for the ratification of this charter. Let me say in closing that ratification of the Charter by the Senate may well give a tremendous impulse to its ratification by the other nations of the earth. It will mean that we shall be the first of the great powers to ratify the treaty. Strange as it may seem, in view of the practical unanimity of the people of the United States in support of the Charter, many representatives of foreign nations are still doubtful as to what the vote on the charter will be here in the Senate. They remember 1919. They know how the League of Nations was slaughtered here on the floor. Can you not still see the blood on the floor? Can you not see upon the walls the marks of the conflict that raged here in the Chamber where the League of Nations was done to death? They fear that that same sentiment may keep the United States from ratifying this Charter. Our ratification of it will instill hope into the hearts of the peoples of the earth. We heard it constantly at San Francisco. Not publicly in debate but privately delegates would approach us and inquire what we thought about the prospects of the ratification of the charter. So I trust that the Senate, after such debate as it sees fit to indulge upon the subject, will ratify this Charter by a vote so overwhelming as to carry the conviction over the earth that the United States expects to assume its obligations for the purpose of keeping them, for the purpose of living up to them, for the purpose of supporting a world organization for peace with all our spirit and with all our hearts.

Mr. President, we have not been afraid to go to war. We have had the courage to fight on the battlefields. Shall we lack the courage now to assume the responsibility of this organization? Shall we be afraid that we cannot do our part? Shall we say, "Oh, no; we cannot do that; the United States must not send a soldier, its representative must not vote on any question unless it comes back here to the Senate." Can we not have the same courage and fortitude with which we faced the enemy upon the battlefield in behalf of war, in behalf of destruction, in behalf of the taking of human life? Can we not show some of that same courage in the cause of peace and accept the obligations which we assume, and fulfill them and live up to them and make a contribution to the history of civilization and to the cause of peace that has never been rivaled in all the centuries that have rolled over the head of Mother Earth.

Mr. President, I hope we may ratify this Charter by a vote that will resound round the earth. Yonder at Concord Bridge was fired the shot heard round the world. The verse of Ralph Waldo Emerson in the Concord Hymn comes to mind:

By the rude bridge that arched the flood,
Their flag to April's breeze unfurled,
Here once the embattled farmers stood,
And fired the shot heard round the world.

Mr. President, by this vote let us fire a shot in behalf of peace that will be heard round the world. [Applause.]

EXHIBIT A

Standing of various organizations concerning the United Nations Charter as shown in the Hearings of the Senate Foreign Relations Committee, July 9–15, 1945

ORGANIZATIONS FOR RATIFICATION: ORAL STATEMENTS

Name	Membership (approximate)
Alpha Kappa Alpha Sorority National Nonpartisan Council on Public Affairs.	6,000 university women.
American Association for the United Nations, Inc.	14 regional offices 65 local committees.
American Association of University Women.	73,300 members.
American Farm Bureau Federation.	1,500,000 members in 41 States.
American Federation of Labor.	6,620,580 members.
American Legion	1,000,000 members, auxiliary of one-half million.
Americans United for World Organization.	Includes membership of 6 former organizations which merged to form this one.
Association for Childhood Education.	2,800 members.
Brotherhood of Railroad Trainmen.	196,000 members.

Standing of various organizations concerning the United Nations Charter, etc.—Con.

ORGANIZATIONS FOR RATIFICATION: ORAL STATEMENT—continued

Name	Membership (approximate)
Central Conference of American Rabbis.	530 members—160 now serving as chaplains in armed forces.
Detroit Annual Conference of the Methodist Church.	Represents eastern half of Michigan.
Educational Policies Commission.	20 educational leaders.
Federal Council of the Churches of Christ in America.	25,000,000 members.
General Federation of Women's Clubs.	2,500,000 women in 16,500 clubs.
Girls' Friendly Society of the U. S. A.	26,000 members.
Independent Citizens' Committee of the Arts Sciences and Professions.	
National Board of Young Women' Christian Association.	622,000 members.
National Congress of Parents and Teachers.	3,054,950 members.
National Council of Jewish Women.	65,000 members.
National Education Association.	271,847 active members.
National Federation of Business and Professional Women's Clubs, Inc.	75,937 members.
National League of Women Voters.	60,000 members.
National Service Star Legion	
National Women's Trade Union League of America.	1,000,000 members and 14 organizations.
Research Institute of America.	Program goes to more than 30,000 companies and various government agencies.
United Council of Church Women.	
United Nations Council at Philadelphia.	4,500 members.
United States Associates International Chamber of Commerce.	
United States Federation of Justice.	Officials, workers, and students in law administration.
Women's Action Committee for Victory and Lasting Peace—District of Columbia chapter.	Affiliated with 7 national and 2 local organizations.

ORGANIZATIONS FAVORING RATIFICATION BUT DESIRING MODIFICATIONS: ORAL STATEMENTS

National Association for the Advancement of Colored People.	350,000 members.
National Woman's Christian Temperance Union.	500,000 members.
Postwar World Council	
Socialist Party	

ORGANIZATIONS FOR RATIFICATION: WRITTEN STATEMENTS

American Jewish Committee.	397 members.
American League for a Free Palestine.	
Americans United for World Organization, Inc.	Includes membership of 6 former organizations which merged to form this one.
Aviation League of the United States, Inc.	
Commission on World Peace of the Methodist Church.	
Conference of Governors at Mackinac Island.	
Congress of Industrial Organizations.	5,500,000 members.
Federal Council of the Churches of Christ in America.	25,000,000 members.
General Federation of Women's Clubs.	2,500,000 women in 16,500 clubs.
National Council of Farmer Cooperatives.	2½ million farmers.
National Council of Jewish Women.	65,000 members.
National Council of Women of the United States.	20 national organizations.
National Federation of Business and Professional Women's Clubs, Inc.	75,937 members.
Women's Action Committee for Victory and Lasting Peace.	Affiliated with 7 national and 2 local organizations.
Young Women's Christian Association.	622,000 members.

Standing of various organizations concerning the United Nations Charter, etc.—Con.

ORGANIZATIONS FOR RATIFICATION: TELEGRAMS

Name	Membership (approximate)
American Bar Association	32,000 members.
American Legion	1,000,000 members, auxiliary ½ million.
Carnegie Endowment for International Peace.	
Church Peace Union	
Commission to Study the Organization of Peace.	Over 100 persons, experts in their respective fields.
Hadassah	
Marine Cooks and Stewards Association.	4,000 members.
National Council of Jewish Women.	65,000 members.
National Maritime Union	50,000 members.
National Peace Conference	40 Nation-wide organizations represented.
Women of America	
Woodrow Wilson Foundation.	
World Government Association.	
9 State organizations	
200 local organizations	
56 individuals	

ORGANIZATIONS AGAINST RATIFICATION: ORAL STATEMENTS

America First Committee, Los Angeles.	
America First Party	
American Mothers of Minnesota.	
Americans United, Inc	25 members.
American Youths for Christ, St. Louis.	
Buffalo Economics Club	
California Pastors Committee.	
Catholic Mothers and Daughters of America.	
Chicago and Cook County Federation of Women's Organizations.	
Christian Action Committee of Baltimore.	
Citizens' Forum, Third Congressional District (Chicago, Ill.).	
Cleveland World Peace Forum.	
Committee to Win World Peace Through a Peoples' Parliament.	
Defenders of George Washington's Principles.	
Fight for Total Peace, Inc	
Friends of the Constitution, Dayton.	
League for Political Education from the Henry George Women's Club of Chicago.	
Mothers of Sons Forum, Cincinnati, Ohio.	
National Blue Star Mothers of America (not to be confused with Blue Star Mothers of America, membership of 200,000, who have approved the charter).	
National Blue Star Mothers of Philadelphia.	
National Citizens Committee of Utah, Salt Lake City.	
National Council for Prevention of War.	
National Economic Council, Inc.	
National Farmers Guild	
Nationalist Veterans of World War II.	
People's Church	
Peoples Mandate Committee for Inter-American Peace and Cooperation.	
Truth and Liberty Committee of Minneapolis.	
United Mothers of Cleveland.	
Women's League for Political Education.	
Youth for Christ Committee, Denver.	

Standing of various organizations concerning the United Nations Charter, etc.—Con.

ORGANIZATIONS AGAINST RATIFICATION: WRITTEN STATEMENTS

Name	Membership (approximate)
American Coalition	
American Society for the Preservation of Sacred, Patriotic and Operatic Music.	
Campaign for World Government.	
We the Mothers Mobilize for America, Inc.	
3 local organizations	
8 individuals	

ORGANIZATIONS AGAINST RATIFICATION: TELEGRAMS

National Coalition Committeemen.	
War Resisters League	
5 individuals	

PRIVATE INDIVIDUALS FOR RATIFICATION: ORAL STATEMENTS

Name	Remarks
Adams, Marcia	Washington radio commentator.
Dulles, John Foster	One of the chief official advisers to the United States delegation at San Francisco.
Lilienthal, Alfred M	G. I. consultant to the American delegation at San Francisco.
Owen, Hon. Robert L	Former Senator from Oklahoma.

PRIVATE INDIVIDUALS AGAINST RATIFICATION: ORAL STATEMENTS

Baldwin, Mrs. Catherine P	
Darrin, David	United Nations of Earth Association—one member.
Flynn, John T	Economist and journalist.
Jackson, Arthur Charles	
Jennings, E. P	
Johnston, Mrs. Elise French	
Lohle, Mrs. Marie and daughter Irene.	Daughter purports to represent the younger generation.
Michelet, Paul D	
Reardon, Thomas J	
Somers, Mrs. Helen V	

INDIVIDUALS FAVORING RATIFICATION BUT DESIRING CERTAIN RESERVATIONS: ORAL STATEMENTS

Danielson, John	
Gerken, Hubert J	
Kannee, Henry M	
Stephens, Royal C	
Wattley, David	
White, Hon. Compton I. (Idaho)	

Mr. FULBRIGHT. Mr. President, it is appropriate at this time, I think, to include in the RECORD an account of the work at the San Francisco Conference of the distinguished chairman of the Committee on Foreign Relations, the senior Senator from Texas [Mr. CONNALLY].

I ask unanimous consent to have printed an article with reference thereto by Mr. Gould Lincoln, which appeared in the Washington Star last month.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE POLITICAL MILL

(By Gould Lincoln)

SAN FRANCISCO, June 14.—The toughest job of the United Nations Conference went in the end to Senator "TOM" CONNALLY, chairman of the Senate Foreign Relations Committee—the job of piloting the controversial veto-voting formula safely through Conference Committee 3–1 of Commission 3, to use the technical names by which these agencies of the Conference are called. The big, silvery-haired Texan, who also will have the task of guiding the new world Charter through the Senate with patient but at times with forceful demands for action, finally caught a show-down vote in the committee which upheld the Yalta voting formula.

Senator CONNALLY was not chairman of the committee. He was, however, the principal spokesman not only of the United States delegation but also of the "Big Five" in these discussions. It was he who submitted to the committee the Big Five interpretation of the veto-voting formula and laid it on the line that this was all the critics of the formula were going to get in the way of concession. With grim determination he insisted that the committee meet again and again, and sometimes twice a day in order to bring action. It was not until the opponents of the formula had talked themselves out, however, that he was successful. He had opposed to him two of the strongest and most vocal delegates attending the Conference—Foreign Minister Evatt of Australia and Prime Minister Frazer of New Zealand. Many times these gentlemen assailed the voting formula because it permitted the Big Five individual veto in security council decisions on the use of peaceful measures to settle international disputes. Occasionally he had to call one or the other to order because of the vitriolic language they used in criticizing the Big Five.

Probably Senator CONNALLY'S experience in the dealing with filibusters stood him in good stead in this ordeal, during which the committee remained in session for 3 and 4 hours at a time, more than once until after midnight. The debate appeared interminable, although the participants well understood that the voting formula could not be changed without jeopardizing the Charter itself. His final plea—or ultimatum—to the committee was good, plain talk. He said with emphasis: "You may go home—if you wish—and report that you have defeated the veto. But what will be your answer when you are asked 'Where is the Charter?'"

The chairman of the Foreign Relations Committee has not sought the limelight in these long weeks of conference work. He has been more than pleased to have credit go to his Republican colleague, Senator ARTHUR H. VANDENBERG, of Michigan, and to Republican Commander Harold E. Stassen, former Governor of Minnesota, for admirable work they have done on knotty problems. His has been a long-range view. No one knows better than Mr. CONNALLY that Republican votes will be a sine qua non when it comes to ratification by the Senate of the San Francisco treaty, providing for United States adherence to the new United Nations organization for world peace. The more firmly Republican leaders are committed to this party treaty, the better for the United States and the world.

It was with this idea firmly in mind that Mr. CONNALLY has sought for the last year and more to have the Republican members of the Foreign Relations Committee feel fully aware of the foreign policy of the administration. He insisted that the special subcommittee which kept in constant touch with the State Department, and the White House regarding foreign policy, should be bipartisan, with four Republican and four Democratic Senators as its members. They, the

Republicans, were given the same information as the Democrats. The result has been eminently satisfactory. The United States delegation at the Conference has four congressional Members—two Republicans and two Democrats, two Members from the Senate and two from the House. They have worked in great harmony.

According to the latest reports from Washington, President Truman is hopeful that the Senate will take up the treaty almost immediately after it has been written. This means no let up in Senator CONNALLY'S work. The President will, it is reported, transmit the treaty in the upper House without delay. He wishes the United States to be the first country, or one of the first to ratify.

The Texas Senator will have to begin hearings immediately before the Foreign Relations Committee, if this program is to be carried out. And when the treaty has been reported to the Senate it will be his duty to keep it moving.

Mr. VANDENBERG. Mr. President, like the distinguished Senator from Texas, I have already presented a very complete report to the Senate regarding the San Francisco Charter, in every phase of its detail, and I think it is quite needless that I should repeat any such analysis. Therefore I do not intend to speak other than briefly at the moment because I would not want my temporary silence interpreted as reflecting any sort of default in my continuing deep and abiding conviction that this is man's best hope for a safer and a happier world. I speak chiefly for the purpose, as I proceed, of offering myself to my colleagues for any questions they may desire to submit.

The farther we get away from San Francisco, Mr. President, the clearer becomes our perspective, the better becomes our judgment, and the surer becomes my own profound belief that here, under Providence, is an adventure which can richly serve the hearts and hopes of human kind. I say again, as the distinguished Senator from Texas has said, that I have no illusions of the millennium. I say again of the pending Charter that these are only words. I say again that it remains for the United Nations in general, and the five great powers in particular, and especially for Russia and the United States of America, if we would narrow the equation to its finalities, to embrace and vitalize this Charter in the spirit of its authors. I say again that in the final analysis peace depends upon these relationships. But I also say again that these relationships would be infinitely surer of amicable contacts as a result of the Charter and its mechanisms for constant and friendly consultations regarding any threat to peace and security, or to justice, or to fundamental human rights.

I cannot escape this encouraging conviction, Mr. President, in the light of our own experience at San Francisco, where this Charter finally won the unqualified acclaim of 50 nations, representing the gamut of the whole earth in different races, tongues, traditions, and aspirations. It won this unanimous final devotion despite the fact that in the beginning we confronted a thousand diversified and often highly controversial amendments. It won this unanimous devotion despite repeated crises which frequently persisted to the danger point, and which repeatedly were heralded as beckoning the conference to disaster and to impotence.

I particularly have in mind the impasse at San Francisco over regional arrangements, with our inter-American system especially at stake; the impasse over free speech in the Security Council and in the General Assembly; the impasse over the moot veto power. These were rocks upon which the Conference was supposed to have been hopelessly wrecked. But sooner or later the skies always cleared. Sooner or later we found the way that took us safely past the rocks. At the end, I repeat, 50 United Nations were unanimous.

Mr. President, why and how did this benediction come to pass? The answer is quite simple, and in contemplating the answer, I respectfully submit that we contemplate the basic rule of action upon which peace must depend.

This ultimate unanimity, this ultimate agreement in the face of violent controversy at the outset, this achievement, was the result of what? It was the result of our facing each other, vis-à-vis, morning, noon, and night, until the controversies disappeared. It was the result of the mutual understanding which is inevitable when men sit at a common council table and honestly explore their differences. It was the result of an intimate, first-hand exchange of views between those pledged to to the pursuit of a common purpose. What purpose? The end of agression, the end of needless war. Under the impact of this direct and personal consultation, the San Francisco Conference never failed to agree.

Mr. President, if that could happen at San Francisco, who shall say that it cannot happen again and again and again when the Security Council and the General Assembly of the new United Nations Organization similarly face the frictions of tomorrow? If that could happen in the writing of this Charter, who shall say that it cannot happen in the operation of the Charter? If we could thus liquidate disaster in the beginning, who shall say that we cannot liquidate disaster in the end? In any event, where could there possibly be any remote justification for refusing to try?

I am one of those, Mr. President, who do not believe that the ultimate and final use of force is the genius of this great experiment, although potential force is necessary as a last resort to make it plain that we mean business. But I believe that the genius of this new United Nations Organization lies in its many and detailed mechanisms for preventing the disputes of tomorrow from ever reaching a point where the use of cooperative force needs even to be considered.

My faith is in the Council table. There was no force at San Francisco; yet there was unanimous agreement at the Council table. That is the primary and paramount endowment of this United Nations Organization. In my view, Mr. President, that is the hope of the world.

The San Francisco Charter may not succeed in its God-blessed purposes. Personally, I think it will. World War No. 3 is too horrible to contemplate. It clearly threatens the end of civilization. Here is our chance to try to stop this disaster before it starts; and here is a formula which, in its initial operation at the San Francisco Conference, has proved that it can work in harmonizing controversies among 50 nations of this world.

In the event, Mr. President, of the unexpected failure of this experiment, I should prefer to have been associated with its hopeful trial thar with a refusal to permit it to prove its expected success. For the sake of the mothers of men I think this Charter deserves the overwhelming ratification which seems imminent in the Senate of the United States.

Mr. President, having thus briefly summarized my affirmative approach to this subject, and recalling to the Senate that I have already discussed these mechanisms in great detail upon a previous occasion, it occurs to me that perhaps the chief service I might briefly render today would be frankly to face what seem to be some of the misgivings which still linger in some minds. Therefore, without any thought of complaining against the free expression of anybody's opinion, I want most respectively to turn my attention very briefly to what it seemed to me was a rather complete adverse summary which recently appeared in a two-column editorial in certain important metropolitan newspapers which seemed to symbolize what I believe to be these misconceptions. I use this as my brief text because the editorial in essence seemed to be a personal challenge addressed to me. I quote from the editorial in its final summary:

This United Nations Charter embodies Roosevelt's dream of a postwar superstate. It entails the destruction of parts of the written Constitution, without a by-your-leave to the American people. That apparently is O. K. with VANDENBURG and his cohorts.

Mr. President, I wish to say for the RECORD and with elementary consideration for my own status as, I believe, a loyal American, that this is a totally unjustified, unwarranted, and insupportable indictment of the Charter. The greatest respect for the opinions of those who differ with me, I deny every factual word of it. This would be of no importance except as I am using the editorial to illustrate what I believe to be these remaining misconceptions so far as they still linger in a very small minority of our public opinion.

Mr. President, if the "United Nations Charter embodies Roosevelt's dreams of a postwar superstate", then our late President was guiltless of "dreaming" about any "superstate" at all. There is no "superstate," even remotely or by the widest indirection, in this Charter. If we have taken care of anything in writing this charter we have scrupulously taken care of that. Such a fantastic charge defies support by any rational bill of particulars.

Now, listen. The United States retains every basic attribute of its sovereignty. We cannot be called to participate in any sort of sanctions, military or otherwise, without our own free and untrammeled consent. We cannot be taken into the World Court except at our own free option. The ultimate disposition of enemy territory which we have captured in this war is dependent solely upon our own will so far as this Charter is concerned. Our domestic

questions are eliminated from the new organization's jurisdiction. Our inter-American system and the Monroe Doctrine are unimpaired in their realities. Our right of withdrawal from the new organization is absolute, and is dependent solely upon our own discretion. In a word, Mr. President, the flag stays on the dome of the Capitol.

These things, quoting the editorial, I confess are "O. K. with VANDENBERG and his cohorts." These things we toiled at San Francisco to preserve. We can effectively cooperate for peace without the loss of these things. To cooperate is not to lose our sovereignty. It is to use our sovereignty in quest of the dearest boon which the prayers of humankind pursue. I respectfully suggest that those who voice a superlative attachment to these elements of sovereignty should be the last to invite the wholly unjustified interpretation that we have surrendered the very things we have so scrupulously preserved.

So it is also with the equally irresponsible charge that the Charter "entails the destruction of parts of the written Constitution." What parts, I beg to inquire? Certainly the fact that we propose to cooperate to prevent World War III, if we can, destroys no part of our Constitution. Our Constitution is not allergic to peace. It is not yet treason to abhor the ugly implications of war and to attempt to do something realistic about it.

Where, I ask again, do we invade our "written Constitution"? If it is meant that we "destroy" the exclusive congressional right to declare war I answer that the control of our American voice on the new Security Council is entirely and exclusively within our own congressional jurisdiction when we create this voice. The Charter does not even pretend to invade our own domestic control over this purely domestic matter. If it did it would be promptly and rightly pilloried for any such invasion.

The charter gives us a veto on war and on any steps leading to war. The charter could do no more. It says that our agreement covering the contribution of troops to any joint action must be approved by our own constitutional process. Does that destroy our constitutional process? To ask the question is to answer it. The charter actually confirms our constitutional process. We shall decide for ourselves where we wish to draw the line, if any, between the constitutional authority of the President to use our armed forces in preliminary national defense action and the constitutional authority of Congress to declare war. Both Constitutional rights have existed, Mr. President, and have stood unchallenged for 150 years. We have never thought it necessary or desirable to try to set metes and bounds for each. I doubt if it is necessary or desirable now. We have but to continue the constitutional practice of a century and a half.

In our domestic statute, however, which is none of the Charter's business whatsoever—in our domestic statute creating our American delegateship to the Security Council, we can appropriately require that he shall vote for sanctions only upon instruction from the President, and that the President shall simultaneously notify the Congress. In the presence of this constant information Congress can act in any way it pleases. I repeat that this is our business, and if there be any doubt, Mr. President, that in addition to the exclusive congressional power to declare war, there is this basic constitutional military authority resident in the first instances in the President of the United States, I quote just one authority and pass on. I quote the man who is probably the favorite congressional authority upon subjects of this nature, Professor Borchard, of Yale, discussing the right and the duty of the President to protect American life, American property, and American interests anywhere in the world:

> Inasmuch as the Constitution vests in Congress the authority to declare war and does not empower Congress to direct the President to perform his constitutional duty of protecting American citizens on foreign soil, it is believed that the Executive has unlimited authority to use the armed forces of the United States for protective purposes abroad in any manner and on any occasion he considers expedient.

I believe that when the President concludes to use preliminary force, in cooperation with the Security Council, to stop a dispute before it graduates into war, he is most emphatically protecting American welfare.

So far as the charter is concerned, it does not destroy, it does not threaten, it does not even remotely approach so much as an indirect impingement upon any portion of our written Constitution. That, too, Mr. President, if I may refer again to the personal element in the editorial from which I quote, is "Okay with VANDENBERG and his cohorts."

Mr. President, who are these cohorts? The inference seems to be that they are some isolated, scheming, sinister group which is conspiring against the public welfare. I find ample consolation in rebuttal in numbering among these cohorts the great list of national organizations to which the distinguished Senator from Texas has referred in his speech today, a list which includes practically every national organization of every name and nature, each subscribing to its belief that this great adventure is worth while in the name of the hopes of humankind, and that the Senate of the United States will do its public duty when it proceeds to ratify the Charter as eloquently as it was ratified by the Conference itself at San Francisco. If this great weight of public opinion is in error, it is the most amazing perversity in history. Never before were so many so wrong if the theory of their lack of wisdom is correct. Frankly, I am very proud of my "cohorts."

Mr. President, with that I think I have said all that I care to say today. I am sure that in the course of the debate any questions which may linger in the minds of my colleagues can be answered by the distinguished chairman of the Foreign Relations Committee and myself. We shall be at your service in this respect. I think the truth is clear.

I conclude by saying that I believe this is our last opportunity to make one great and hopeful experiment in behalf of peace. [Applause.]

Mr. CHAVEZ. Mr. President, I am very happy that I was able to listen to the fine speech of the Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations and that of the Senator from Michigan [Mr. VANDENBERG], both of whom have contributed so much in the effort to arrive at something which will assure peace in the future. I am approaching the discussion from possibly a little different viewpoint.

There are two things in the charter which appeal to me, and those two things impel me to make the statement which I shall make today.

First, the Senator from Michigan has referred to the experience of the United States in applying the Monroe Doctrine. Secondly, the Senator from Michigan has stated that under the Charter the flag will still float, and that we can exercise independent action. In briefly discussing the Charter today, the approach which I shall make is based upon our experience as a Government in applying the Monroe Doctrine.

We know, and the world knows, that our President is engaged in the deliberations at Potsdam, which will have such a marked effect on the future of the entire world. It has occurred to me to speak very briefly on the relationship of these deliberations to our Latin-American policy, which is the Monroe Doctrine, to which the Senator from Michigan has referred.

From time to time I have discussed certain aspects of this policy before the Senate, and now I find that my observations are fully justified.

Five years ago, I discussed Pan Americanism and Our National Defense and reviewed our Latin-American policy from the days of the independence of the erstwhile Spanish colonies to the period immediately preceding our entry into this global conflict, which happily is nearing its end. I then undertook to show that we had developed a hemispheric solidarity and an International Security Organization of our own which is now being expanded to world-wide dimensions. In the past decade, during the Presidency of our late great Franklin D. Roosevelt, enormous strides have been made in cementing the ties which have drawn us closer to our sister republics of Latin America. We have, in our treaties and in our negotiations, recognized in principle the equality of all these nations, great or small. This principle has a universal application and is equally cogent with respect to each member of the world community.

This war has seen a tremendous development of Latin-American resources, stimulated by our own war needs and the willingness of the Latin-American republics to furnish supplies. There is, however, an element of danger in the postwar economy of these nations. Inflation has occurred in every Latin-American country. Should the demand for Latin-American products terminate suddenly, a veritable disruption of the entire economic system would result. The transition from the inflated war economy to the more normal adjustment

of supply and demand of peacetime requirements should not be abrupt. Otherwise chaos will ensue.

I am confident that my good friend and former colleague, our recently appointed Secretary of State, Hon. James F. Byrnes, is cognizant of these problems and will bring to their solution the same sagacity and wisdom that have characterized his distinguished public career.

President Truman has frequently indicated his determination to pursue the foreign policy formulated by President Roosevelt; this has been profoundly reassuring to all Latin-American nations which have had occasion, from time to time, to have serious misgivings as to the sincerity of our words and the altruism of our motives. To cite but a few instances calculated to arouse such misgivings, I might mention in passing the Panamanian incident early in this century, followed by certain landings in the Dominican Republic and Haiti, and the supervision exercised over the right of franchise in Nicaragua.

The Lima and Habana Conferences marked the auspicious inauguration of a new era. The Act of Chapultepec, in the formulation of which the chairman of the Foreign Relations Committee of the Senate, who is now handling the pending matter, and the Senator from Vermont [Mr. AUSTIN] took part, promulgated at Mexico City early this year, reaffirmed the basic principles upon which the solidarity and security of the Western Hemisphere are founded. But I emphasize that this is only a beginning, and much will be needed to overcome the distrust and suspicion engendered by a century of equivocal, arbitrary, and at times seemingly capricious recourse to power politics by the United States. Nor is it sufficient for our purposes that we allay the political apprehensions of our neighbors; after all, the great charter of humunity includes freedom from want as well as freedom from fear. To guard against the economic debacle which, without adequate planning, is virtually certain to occur, and to guarantee that freedom from want, I against present the following program, which I originally advocated before this distinguished body on October 25, 1939:

First. Increase our efforts toward cultivating our economic and cultural relations with Latin America.

Second. Arrange for and provide funds for the construction of a Nicaraguan canal and, possibly, the Mexican-Tehuantepec Canal.

Third. Build transcontinental highways to and through Latin America similar to the Pan-American Highway.

Fourth. Advocate and put into effect free and independent competitive airways systems throughout Latin America.

Fifth. Under appropriate guaranties, arrange for long-term investments in improvements of a permanent nature, such as utilities, communications, and power resources.

These considerations, which affect our relations with Latin America, are also applicable to a large degree in the broader field of our world relations. Our negotiations with the other United Nations have at times been difficult; lack of mutual confidence has sometimes permeated the atmosphere. It is my considered view that the future security of the world rests essentially upon the mutual trust and confidence that the members of the world community inspire in each other. We may adopt the Charter idea in this body. The other nations of the world may adopt the charter idea in their respective countries; but unless we have faith and a little confidence, it will not do any good.

To me, some of the most interesting proposals are those which provide for the pacific settlement of international disputes by means of compromise, arbitration and, finally, judicial decision. There are people who are prone to doubt the efficacy of the proposed International Security Organization, having in mind the failure of the League of Nations. There are, however, significant differences not only in the proposed organization but in its contemplated membership. The question whether adherence of the United States to the League Covenant would have altered the course of international relations during the past 25 years lies in the realm of speculation and conjecture. Yet, in light of the ever-diminishing concept of space which accompanies the ever-increasing rapidity of communications and transportation, it does not appear desirable, even if feasible, for the United States to remain aloof from participation in any organization which has as its primary purpose the prevention of catastrophes of the kind we are still enduring. From the point of view of organization, there are substantial differences. While in the League of Nations, the Assembly and the Council had identical functions, the proposed World Organization will have (1) a General Assembly wherein deliberations will be carried on and recommendations made, and (2) a Security Council which will have power to act—and action is what is needed—in maintaining international peace and security whenever action appears necessary. In conducting its deliberations, the General Assembly is entitled to receive and consider reports from other agencies of the International Organization. Recommendations requiring action must, however, be referred to the Security Council; but when the Security Council has a question under consideration, the General Assembly must immediately refrain from making recommendations thereon.

The unity of the great powers as a practical proposition is recognized as the essential element in the maintenance of peace, not merely in its restoration. Of course we can restore peace; but in the future we must have peace; we must maintain it. A unilateral policy of security is deemed thoroughly outmoded. While the responsibility for the maintenance of peace is a duty consequent upon the achievement of great national power, the charter partnership, to be worldwide, must include all of the United Nations, be they large or small, and must be predicated on the principle of equality under the law.

Perhaps the most novel departure from the pattern of present existing international organizations is contained in chapter VII of the charter which provides for an international police force. Should these proposals be adopted, it will be the first time in the history of the United States that we shall have formally assumed an active role in the collective responsibility for the maintenance of world peace. It is the best evidence this country could give that we recognize cooperation with other countries as basic in the preservation of our own as well as world security.

Heretofore, we have considered that the will to peace was an adequate guaranty that it would continue. Twice within the century we have been disillusioned. Millions of our people, many of them under arms, have come to the realization that the unilateral desire for peace leaves us a ready prey for the aggressor. With this realization fully brought home to us, collective action to curb the aggressor seems to be the only answer to this problem. If we must inevitably participate in the armed settlement of international disputes, then we should certainly participate in the cooperative action to prevent them.

This represents a marked change in our classic foreign policy, and a break with our military tradition. However, it circumscribes the exercise of the full and complete sovereignty that has been a characteristic of our national policy. It may prove further reassurance to our good neighbors of Latin America. It will also involve additional expenditures. But these factors must be weighed against the alternative of war. An ounce of prevention is still worth the proverbial pound of cure, and because of the enormous ingenuity of mankind in devising destructive technologies, we are rapidly approaching the point where no amount of cure can restore the patient to a semblance of health. If the past is a criterion—and it demonstrates to us that each of our wars in this century has increased in magnitude and has been more colossal in its impact—and if I dare indulge in prophecy, I may well voice a serious doubt as to the ability of the United States or of any other nation to withstand the effects of a conflict similar to World War II.

After mature deliberation and grave reflection, I have reached the inevitable conclusion that I shall serve the best interests not only of my country but of humanity by casting my vote in favor of the treaty embodying the Charter of the United Nations.

Mr. O'DANIEL. Mr. President, I am very anxious to have the United Nations Charter ratified at the earliest possible moment. I shall not, therefore, consume much time of the Senate in a lengthy discussion. However, for the purpose of keeping the record straight, I should like to read a public statement upon the subject which I made on June 27, 1945. The statement was as follows:

My position on an international organization to preserve world peace has been definitely stated on many occasions. I ardently approved and actively supported President Wilson in his fight for the League of Nations and firmly believe World War II would have been prevented had our Nation joined and actively supported it.

The San Francisco Charter may not be perfect, but I believe it is definitely the best document that could be written under present

conditions by the chosen representatives of 50 nations. I intend to do all I can to hasten its ratification by the United States Senate.

The agony suffered by the dead and wounded heroes of our Nation and our allied nations places upon the shoulders of we who now live the inescapable responsibility of doing everything within our power to prevent future wars.

Mr. KILGORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	O'Daniel
Ball	Hatch	O'Mahoney
Barkley	Hawkes	Pepper
Bilbo	Hayden	Radcliffe
Briggs	Hickenlooper	Revercomb
Brooks	Hill	Robertson
Burton	Hoey	Russell
Bushfield	Johnson, Colo.	Saltonstall
Butler	Johnston, S. C.	Shipstead
Byrd	Kilgore	Smith
Capehart	La Follette	Stewart
Capper	Langer	Taft
Chandler	Lucas	Taylor
Chavez	McCarran	Thomas, Okla.
Connally	McClellan	Thomas, Utah
Cordon	McFarland	Tunnell
Donnell	McKellar	Vandenberg
Downey	McMahon	Wagner
Eastland	Maybank	Walsh
Ellender	Mead	Wheeler
Ferguson	Millikin	Wherry
Fulbright	Mitchell	White
George	Moore	Wiley
Green	Morse	Willis
Guffey	Murdock	Young

The PRESIDING OFFICER. Seventy-eight Senators have answered to their names. A quorum is present.

Mr. CONNALLY. Mr. President, I want to submit to Senators that those who desire to speak for or against the Charter should prepare their speeches, if they are going to prepare them, and that is up to them. They should be ready, I use the word "ready," to speak at the earliest moment because we cannot afford to adjourn at 2 or 3 or 4 o'clock and wait until a Senator prepares a speech. We hope Senators will take time by the forelock and will make such preparation as they desire, and will be ready to speak very promptly.

I have consulted several Senators and said, "Do you want to speak?" "Oh yes; I want to speak." "Well, when?" "Well, tomorrow or Wednesday or some other day."

Mr. President, the Senate cannot afford to wait on Senators to prepare speeches. Most Senators I know are able to make speeches without any preparation. [Laughter.] I mean that seriously. They have been preparing themselves, not last night or yesterday, but for 25 years. They have been storing up their minds with these public questions and they can speak without writing out the speech. A Senator will go to his office and dictate his speech. He could dictate it here on the floor to the Official Reporters as well as he could dictate it to a stenographer, and probably would do a much better job on the floor than he would in his office. Many of them, however, must write out their speeches in their offices so they will be carried to the public and the press. The CONGRESSIONAL RECORD will do all that. So I very respectfully but affectionately, urge Senators to please get their speeches ready and be prepared to make them without delaying the debate.

Mr. GUFFEY. Mr. President, I quite agree with the statement made by the distinguished chairman of the Foreign Relations Committee, that some of us have been preparing ourselves for this day. Twenty-five years ago I favored the League of Nations, and have been working for it ever since, and today I am in favor of ratification of the treaty. I do not propose to take any more time of the Senate to say anything more than I have already said. I hope the Senate will vote for or against the Charter at an early date.

Mr. THOMAS of Utah. Mr. President, by way of an accumulation of efforts, I should like to add my words to those of the Senator from Pennsylvania. Some of us have made world organization a life study and endeavor. Some of us have been ready at all times to defend the principle of collective security, to advance the idea that democracy is possible throughout the whole world, and that governments can act upon the basis of common consent.

As a result of the campaign for the League of Nations years ago, many persons have made studies of the attempts of various nations to form leagues and understandings, and to do away with the element in our world life which is called national strife, the element which in international law is called the last resort of kings. When something could not be decided by logic, reason, or law, resort was had to the sword.

There are a number of extremely interesting factors which I think are worth noting in regard to the way in which the United Nations Charter came into existence. By comparison with the past, we see that probably the world has moved into a position of greater understanding among nations.

It will be easy for us to remember that the League of Nations Covenant was embodied in the Treaty of Versailles. It was made a part of the treaty for good reasons which were explained at that time. I have been told that less than 10 days were required to write the League of Nations Covenant, and that the League of Nations was brought into existence, along with the treaty, in 11 days. That it is a remarkable document is proved by the fact that so many of the elements which were contained in the League Covenant are also contained in the Charter of the United Nations. But its manner of being brought forth and its manner of presentation to the world should at this time be contrasted to the way in which the United Nations Charter was brought into existence.

The United Nations Charter was brought into existence through consultation, open debate, and a meeting of representatives of 50 nations, a gathering of representatives of the peoples of the world, as is stated in the preamble to the Charter itself, a statement which has never been seen in an international treaty until this time, a statement which at one time was deemed to be so entirely out of order that within the past several decades, when an agreement for bringing about a limitation of naval armaments was under consideration, it was felt by the representatives of one great nation that the agreement could not be adopted because it spoke of the peoples of various countries entering into it, and under the constitution of one country the people had no right to do so.

In many ways, Mr. President, the preamble to the Charter of the United Nations reflects the theory, as well as the substance, of the preamble to the Consitution of the United States. It struck me as noteworthy—and I am sure it must seem so to others—that the world was ready to accept, in word at least, if not in endeavor, the theory of popular sovereignty in regard to international relations.

It may be suggested that many persons supporting the United Nations in the war long ago pointed out that this was not only a war against wickedness and a war for righteousness, but a war in which people were interested in the welfare of the other people; and the United Nations Charter starts with that assumption.

My mind goes back—as I know the minds of other Senators must go back—to a letter written by Benjamin Franklin describing the meeting of representatives of the various States in our constitutional convention, wherein he pointed out that there had been in session during the whole of the summer a conference which would be described by a European as a meeting of representatives of nations. The Constitutional Convention was in session all summer. In many ways the United Nations Charter came into existence in keeping with the theories of our Constitutional Convention.

I also point out the fact that the greatest leaders in the Constitutional Convention, under the leadership of Franklin, arrived early. Only 55 men, all told, attended the convention. Many of them did not take their positions seriously. It seems almost sacrilege to say that in this day. They were late, just as many members of the original Senate were late in attending the first session of the Senate.

It is very interesting to note how such documents become great in spite of the indifference of those present during their consideration and those active in initiating them. However, it was a godsend to the American people and to the American Government that the representatives did come late, because it gave such great characters as Benjamin Franklin and George Washington an opportunity to talk together day after day and plan for the forthcoming meeting.

Mr. President, in international affairs we have discovered that our own institutions may serve as a guide for international arrangements.

There is another thing about adoption of the Charter for the United Nations drawn up at San Francisco which pleases me immensely; and, Mr. President, I am sure every other Senator is pleased. That is that it came into existence while we were still actually at war. There was a need for it. It was only 2 or 3 years ago that two of the greatest Allies in the present war made a pronouncement about one of the other allies in regard to extraterritoriality in China, for example. They said they

would not take it up or consider it then because it was a question to be considered when peace came, a question to be considered by negotiation after peace. It was pointed out on the floor of the Senate that any question which involved a difference between allies had better be decided while they were allies and while they were at war, insofar as concerned questions affecting them, not affecting the enemy or anyone else other than them. It was said then that if two allies could not settle a question, how could many nations meet together and try to settle a number of questions.

The war went forward. We renounced our extraterritorial rights in China. Our action in doing so has not made much difference to China physically, but it has made a tremendous difference to China spiritually. When Chiang Kai-shek met with representatives of the other Allied Nations at Cairo, he met on a basis of equality, the type of equality which is represented by the United Nations Charter.

Mr. President, there are other questions between us and our allies which can be solved between friends and should be solved on a day-to-day basis, and not left until some far-off day when all the questions of the world are supposedly to be settled at one time.

I do not believe the Charter of the United Nations has settled all the questions of the world. I am sure the Senator from Texas and his fine colleague from the House of Representatives, Representative BLOOM, who is sitting beside him at this time, and his other fine colleague who has just entered the Chamber [Mr. VANDENBERG] believe that the charter has not settled all the questions of the world. I am sure that not one of the three will say that the charter is the end of all trouble in the world. Mr. President, they have no more faith in the Charter of the United Nations than Benjamin Franklin, George Washington, and the other great fathers of our country had in the Constitution of the United States; but I believe they have just as much faith, and that faith has brought about wonders in the world.

In studying former charters and former leagues and former plans we find that efforts have been made to bring them into being since very early times. I think the first one dates back to approximately 1400 B. C. Even then men deemed that international strife should be done away with, that there was no sense or logic in wars. But what a time we have had in trying to get the world to accept those ideas, which are so apparent to all. No league has ever functioned effectively. No charter has ever proved efficient. Even under our Federal system we have never had a complete understanding or definition of our Government. As late as 1937 the American Federal Government was of necessity described, as a result of decisions of the Supreme Court, as a union of States with a separation of powers and varying jurisdictions—a union, to be sure, where the National Government could speak for most things; but when it came to commerce, for example, the National Government had no concern with manufacturing, no concern with mining, and no concern with agriculture. A year after that we had a different conception of the Constitution, a very different conception, for we read a decision about a janitor in a South Carolina bank who is now deemed to be covered by Federal law and is supposed to be paid in accordance with fair labor standards.

Mr. President, the Charter is not a static instrument. It is merely a hopeful beginning of things which will occur in the world if all of us will put our ambition and our will to the task and if all of us will make up our minds that the will to peace is a source of the possible achievement of peace.

I am thinking of one great league which I have studied. It illustrates exactly what has been the trouble since the beginning of attempts to bring nations together. What took place in the fifth century B. C. will take place again if any nation which is a party to the United Nations Charter agreement uses the same sort of logic, for the result which ensued in the fifth century will result today. The word sovereignty is not old, Mr. President, but the basic idea behind it has always been understood. The phrase "balance of power" is not very old, but the idea behind it has always been understood. The phrase "the big absorb the small" and the phrase "the bulk of the nations will rule because of their bulk" are not old, but the theories or principles underlying them have always been understood and practiced. There was an ancient expression that "the big fish swallows the small fish." That expression is a splendid example of the application of the theory of sovereignty, the absolute opposite of what we have put into the Charter of the United Nations, which provides for protection of the smaller nations on the basis of equality of right in the sisterhood of nations, each sovereign in its own sphere.

Mr. President, there was the old checkerboard system of balance of power. In the fifth or sixth century, B. C., 14 nations formed a league which was about as good as the League of Nations. Thirteen of the nations agreed to adhere to the new scheme for maintaining peace. Peace was to be maintained by negotiations by peaceful agencies and by the use of various other methods. But the leader or the largest of the 14 states was so large that it needed no collective security, no means of collective protection. It had no necessity for collective bargaining, so to speak, because it naturally had sufficient power of its own. I remember that recently the Senator from Michigan explained that the force of the United Nations Charter resting in the Big Five and in the Big Three is simply a translation of what is already a fact. But, Mr. President, if any one of the Big Three assumes that it has no obligation, the United Nations Charter will be wrecked, just as others have been wrecked. What broke up the early union of nations to which I have referred was the statement by the leader of the greatest state that, in substance, "we have done very well on a theory of balance of power; we have done very well on a theory of our own strength and our own ability to maintain ourselves;" or, to put it in other language, he might have said "We have done very well on the basis of our own sovereign right to be independent and in no sense responsible to our sister states, and therefore we will have none of this plan. We have gotten along very well so far, and we will continue to do so."

Mr. President, during the hearings a question was asked with reference to withdrawal. The theory of withdrawal from any group of states, of course, has in view the fact that the ability to do some good depends on certain things. I assume that there are certain obligations from which none of us has any right to withdraw. We fought a civil war in the United States over that question, and settled it. We can still debate the question in an academic way, and prove in an academic way, that those who lost were right. If, for example, any member of the United Nations Charter shall take the attitude of assuming that his nation may withdraw from the standards laid down by the brotherhood or sisterhood of nations, or the community of nations, and not act according to the spirit of the charter, the charter is already dead. About the only good thing which may be said of Japan and Germany is that they withdrew from the League of Nations before they expressed themselves by physical force. They said they would have nothing further to do with the moral restraint which had been imposed upon them by the sisterhood of nations.

Mr. President, if the time has not come when we may recognize the fact that there is a community of nations with power and morality of such a character that it can lay down standards to be observed by all nations, in their behavior toward one another, then we have not made very much progress in bringing about an international organization. We establish standards in our small communities, our cities, our counties, and in the States which make up our Nation. There is a community of interest which establishes certain standards. Those standards should be observed. I assume that the 50 nations which have signed the United Nations Charter have accepted the theory of decent behavior in accordance with the spirit of that charter. I assert that the time has come when no nation is sufficiently strong to withdraw from its obligation of decent behavior. All nations have such an obligation. It may be decided by one or more of them that they will no longer support the United Nations Charter, that their fees or dues shall no longer be paid, and that they will not send representatives to meetings of the United Nations organization, or be represented in any manner; but, Mr. President, the minute one nation says, in effect, "I am not under obligation to live up to the standards of the community of nations," we no longer have a league to enforce the peace, we have no international will expressed, and we have no better method of enforcing peace than the chaotic method now in vogue of disorganized independent sovereign states acting each for itself.

Mr. President, in Grotius' textbook on International Law it is stated that the law of nations applies to peace and to

war. Probably the international law of war is as strong as the international law of peace. It was assumed that with the death of the League of Nations perhaps the international right to deal with questions affecting the peace died also. There was the law of neutrality. When the Pact of Paris was adopted outlawing war it was thought that it would have considerable effect. Subsequently, however, Italy—perhaps legally—broke with the pact and thereby broke a treaty with all the nations which had signed it. If the nations remaining in the pact had had the moral force of a community which could have insisted that the pact not be broken, Mussolini would have been stopped. Everyone knows that to be so.

Mr. President, I believe that through the San Francisco Charter we have taken a great step forward. We have brought a Charter into existence by the will and by the representatives of the peoples of 50 nations.

I happened to be present at the time our adherence to the World Court was discussed by the League of Nations. I was present when reservations were discussed. I was present on the day on which Germany was voted in as a member of the League of Nations. I had the honor to sit right by Mrs. Woodrow Wilson. My mind and my thoughts were reflected in the belief that at last the almost impossible task of achieving peaceful international relations had been accomplished.

When Germany became a member of the League readjustment immediately started. Great offices were taken over. That former enemy—think of it, Mr. President—within 7 years after her defeat was invited into the sisterhood of nations. Perhaps she did not come into the membership with entire honesty. Perhaps even at that time the Dawes plan, the Young plan, and various other plans in relation to reparations were being put into effect. I know that at that time there was willful advertising of sentiment against the Treaty of Versailles, and an attempt was being made to make it appear that the treaty was holding back the German people, and that it was unjust and wrong.

Mr. President, my thoughts today go back to times in the past when we have been disappointed. I think probably it should be mentioned that the debate on this Charter took place in San Francisco and that the discussions which took place between the representatives assembled there of the nations which later signed the Charter brought about the decision to agree to the Charter. Possibly that is why the Senator from Utah was called upon by the chairman of the Foreign Relations Committee to take the floor in debate at a time when there was no other Senator ready to proceed.

Mr. President, I know that it is within the heart of every Senator in this great Chamber, no matter how he may vote on the Charter, to hope that the Charter organization will succeed. There is no one who will oppose it for any other reason than that of protecting American rights; no one will oppose it because that which has been done is wrong. It probably could have been done better, but, Mr. President, could there be anything better than to bring about working machinery in which 50 nations have confidence? With the institution once set up, the rest may take care of itself, providing the will to peace is there, and providing, as I have already said, each nation is willing to give its little in order that all may be advantaged.

I am proud of the fact that the United States has taken the leadership in bringing about the creation of this Charter. I am doubly proud of the fact, because the United States is one nation that is sufficiently powerful to be able to get along without the Charter. Strange to relate, our power seems to be so great that we not only have to sustain other nations in war but also in peace. Should we do it? There must be a moral evaluation before the answer can be made. That we have done it is right, and that we are going to continue to do it is also right.

When I made a contrast with the great league of 14 States in the fifth or sixth century B. C., I mentioned the fact that there was a great nation which declined to participate because it did not need the league. We do not need it physically, we do not need it economically, but we need it morally. The whole world looks to the leadership which is ours and which has come as a result of our experience as a government. If we will only use those methods and those practices which we have worked out under our own constitutional system and will follow what has been our way in the uniting states, we can produce the ideals of peace rather than the ideals of war.

I should like to use an illustration, since I have used American history, to point out a lost chance, a lost opportunity. Probably one of the greatest ideas that came out of the Treaty of Versailles was the mandate system. It was an idea magnificent—the idea of trusteeships. Mr. President, the mandate system has both worker and failed. When the advantage-taker has moved into the field it has not worked, and the reason it has not worked is that it was not a true trustee system at all. Whenever the organization granting the authority is smaller than the trustee himself, the trustee cannot be controlled. So when the League of Nations appointed a mandate commission to supervise mandates and made the greatest nations in the world the mandatory states the mandate commission could point out what had been improperly done, but could not take corrective steps. So our enemy in the Pacific was one of the advantage-takers, and the mandate commission was not sufficiently large or sufficiently strong to correct this enemy. Therefore all the principles of the trusteeship were ignored, and our boys are losing their lives today because those principles were ignored.

Probably we should have objected to the fortification of the mandated islands, and yet we must remember that all the islands of the Pacific which have been fortified by Japan were not mandated islands; only a few of them were mandated, but still Japan did not live up to her obligations under the mandate. Why? Because in every case it was not a true trusteeship. There was no one to correct her, and that can be said for some of our allies, too; and they ignored the mandate commission, and so the mandate system failed. I repeat the trustee notion is one of the greatest ideas advanced in the last two decades. It is around that trustee system that I would build the defense element that will be necessary.

If I have a criticism of the Charter, it is that it assumes that the only terrible wars are world wars. Mr. President, no world war ever started as a world war. It is the small war that should be put down, and then it does not grow into a world war.

Here again United States history gives us the key as to how territory which belongs to no one in particular but is held in trust for all should be administered. How it happened I do not know; it was almost genius or inspiration; but when the Confederation was set up in our Revolutionary War, Maryland refused to join the Confederation until Virginia and Massachusetts gave up their rival claims to the Northwest Territory. This is mere schoolboy stuff, Mr. President, something Senators know, but in it lies the key to a successful movement. There is the origin of the trustee system in actual practice in our own country. Virginia gave up her claim to the Northwest Territory, Massachusetts gave up her claim, and the Northwest Territory was given to the United States to administer, and the United States of America at last had a foot of land which it could call its own. It became a nation by that act. under the Confederation it was not a nation. It could appoint governors; it could send out armies to administer; it had the right to administer territory.

If the United Nations accept the trusteeship, and administer it in the sense that it will have to have an administrator, will have to have a law enforcer, will have to have a nucleus of some armed forces, there will be sufficient power to stop any action on the part of an evil-minded aggressor such as took place in 1937, both in Asia and in Africa. Those are the types of things which can be developed if we understand the technique.

Mr. President, for me to stand here and talk in this way means probably that I am taking myself too seriously, especially when my hand rests on a couple of thousand of pages of hearings, and when I look around and see in the gallery and on the floor men who took part in the proceedings from which came the charter.

I doubt whether there will be the need for the type of great debates we had in 1919. That need has been dispelled, not so much because the people have all changed their minds, as the columnists tell us, but because in the technique of international arrangement, and international timing, and international doing, we have gone forward, and there is simply no comparison between what happened at San Francisco and the Charter which resulted, and what happened at Versailles and the League which resulted. In the one case there was a group of persons who were imposing a peace upon an enemy; in the other there was action in the democratic way by representatives of peoples of the whole earth, who had

leagued themselves in spirit to draw up a charter which would guide their actions, and create the standards for a community of nations.

A community of nations is recognized as a fact. It will have its success or it will have its failure just as the component members of the community decide. A bully in any community can wreck the standards of the community, I care not how large or how small it may be. A bully among the nations can wreck the standards of the nations, unless the power or the force or the mastery of the community is expressed against it. My hope for the Charter is that the power of the community will be so expressed. I believe the world has recognized the existence of a community of nations, and will recognize the standards the community has laid down, and the ideals which the representatives of the various peoples have put into the Charter.

Mr. President, I shall vote for and support the charter.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNELL in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	O'Daniel
Ball	Hatch	O'Mahoney
Barkley	Hawkes	Pepper
Bilbo	Hayden	Radcliffe
Briggs	Hickenlooper	Revercomb
Brooks	Hill	Robertson
Burton	Hoey	Russell
Bushfield	Johnson, Colo.	Saltonstall
Butler	Johnston, S. C.	Shipstead
Byrd	Kilgore	Smith
Capehart	La Follette	Stewart
Capper	Langer	Taft
Chandler	Lucas	Taylor
Chavez	McCarran	Thomas, Okla.
Connally	McClellan	Thomas, Utah
Cordon	McFarland	Tunnell
Donnell	McKellar	Vandenberg
Downey	McMahon	Wagner
Eastland	Maybank	Walsh
Ellender	Mead	Wheeler
Ferguson	Millikin	Wherry
Fulbright	Mitchell	White
George	Moore	Wiley
Green	Morse	Willis
Guffey	Murdock	Young

The PRESIDING OFFICER. Seventy-eight Senators have answered to their names. A quorum is present.

Mr. FULBRIGHT. Mr. President, I rise in support of the Charter. I have no hesitation in saying that I think it is the most important document that has come before this body, or any other body, during the last 25 years.

In fact, I think it ranks in importance alongside the Declaration of Independence, the Constitution of the United States, the Emancipation Proclamation, and the League of Nations, as one of the most important documents in the history of our country.

Before going further I wish to pay tribute to the wisdom and foresight with which the distinguished Senator from Texas [Mr. CONNALLY], so ably assisted by the members of his committee, have laid the background for the adoption of this Charter. Likewise I think all of us should remember that President Roosevelt was the inspiration for much of the good work which has been done during the past several years in the promotion of the conditions which are favorable to the adoption of the Charter. Especially does he deserve credit for having had the good sense to bring into the service of peace the talents of the Members of the Senate. It was the mark of a truly great statesman that he utilized the Members of this body both at Chapultepec and at San Francisco.

The able and distinguished chairman of the Committee on Foreign Relations and the senior Senator from Michigan [Mr. VANDENBERG] have explained the Charter so thoroughly and so persuasively that I hesitate to say anything further by way of persuasion. Sometimes I wish that they had not been quite so persuasive. A little more spirited debate, a little more opposition on the floor might serve to sharpen our understanding and our appreciation of the true significance of this agreement. I find myself somewhat suspicious of the unanimity with which the charter is apparently received by this body. Practically no measure of real importance has been accepted with such docility by the opposition. Only a few days ago the Reciprocal Trade Act and the Bretton Woods proposals were vigorously opposed and yet they are integral parts of the general plan and purpose embodied in this Charter. It is somewhat difficult for me to understand how Senators who opposed those two acts can now accept the San Francisco Charter, unless they misconstrue the significance of the charter.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LUCAS. The Senator might include the Food Conference also.

Mr. FULBRIGHT. Yes, and the Food Conference. When we recall the great tension and excitement which prevailed in this Chamber only a short time ago when we were considering the nomination of a relatively minor official of the Government, it is strange indeed to contemplate the contrast in the interest which is evident upon that sort of thing and the consideration of certainly one of the greatest and most important acts that has ever come before this body.

Can it be that the Senators do not recognize that, if we are accepting this charter in good faith, it means a complete departure from our traditional policy in international relations? Is this docility attributable to the belief that this charter means nothing, that it is an idle gesture? Is it possible that those who steadfastly and sincerely have believed that America can live apart from the world, have changed their minds, or do they think that the present sentiment is only a passing fancy and that as soon as the horrors of war recede into the past we shall return to the exclusiveness of the twenties and thirties? This unanimity disturbs me because I feel that it may not reflect the true convictions of this body.

I have the feeling, Mr. President, that perhaps the Charter has been oversold, both to the public and to the Senate. By this I mean that the obligations and responsibilities we are assuming have been played down and have been presented in a negative manner.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from Arkansas yield to the Senator from New Mexico?

Mr. FULBRIGHT. I yield.

Mr. HATCH. The Senator said he was disturbed over whether the unanimity of opinion in the Senate might not truly reflect the sentiments of Members of this body. What does the Senator think about the sentiments of the people of the country?

Mr. FULBRIGHT. I think the sentiments of the people of the country are, as was reported earlier today, 20 to 1 in favor of the Charter. I have no doubt in my mind that that is, practically speaking, unanimity.

Mr. HATCH. The lack of opposition to the Charter in the Senate then does truly reflect the sentiment of the people of America?

Mr. FULBRIGHT. But I think in 1919 there was likewise quite the same unanimity among the people of the country, but it did not show up in the Senate. I call the Senator's attention to the opposition to the important measures which I have just mentioned, and I think the sentiment of the American people in regard to them is likewise as strongly in favor of them. I am simply questioning the unanimity in the Senate now. I said I was suspicious of it. When I say it is oversold I mean that the obligations and responsibilities we are assuming have been played down and have been presented in a negative manner. Some discussions of the Charter would lead one to believe that it is a thoroughly innocuous organization. Of course, I do not subscribe to that view, but it is of the utmost importance that we have a true understanding of its powers, of the positive things it proposes, as well as of its limitations if we are to avoid disillusionment about the charter in the future.

It must be clearly understood that this Charter does not ipso factor prevent war. This United Nations Organization is only the framework within which nations have an opportunity to solve their problems by mutual agreement rather than by force. It is the machinery by which reason may be applied to the adjustment of conflicting interests among nations, but it does not automatically adjust those conflicts. The making of peace is a process continuing from year to year so long as our civilization shall last. This process cannot be reduced to a simple formula. Peace is not a negative, static concept. It is not a tranquil state of felicity and blessedness. It is a positive method of adjusting the endless conflicts inherent in the nature of restless and energetic men. The institution of law based on justice and adaptable to the ever-changing life of man has been such a method in the history of mankind.

Some machinery is essential for this purpose, but of much greater importance than any particular provision or device in the machinery, is what the governments and the peoples of the powerful nations are likely to do during the years ahead. If the peoples of the Big Five Nations, and more particularly of the Big Three, are determined to exercise their power with wisdom and foresight

in the cause of peace, then this charter is adequate as a vehicle for the transition to a world of law and order. On the other hand, if these peoples refuse to make the transition, the Charter will fail and catastrophe will again overtake us. That will not be because of a defect in the charter itself.

So much has been said, Mr. President, about the virtues of the Charter that it seems to me it would serve no purpose to repeat them now. I am quite confident that I could not improve upon the exposition of the senior Senator from Texas and the senior Senator from Michigan in that respect. Therefore, I should like to offer a criticism, not as a reason to oppose its adoption or to disparage its immediate value, but simply as a suggestion for consideration during the process of making it work in the years ahead.

The first principle of the Organization contained in article 2 states:

> The Organization and its members, in pursuit of the purposes stated in article 1, shall act in accordance with the following principles
>
> 1. The Organization is based on the principle of the sovereign equality of all its members.

I think this is a very unfortunate principle to begin with. It is unfortunate because it is not true in fact, and the organization itself denies it in the allocation of power in the Security Council. It is unfortunate because it reaffirms our allegiance to the concept of national sovereignty under which our civilization has so closely approached self-destruction. It is unfortunate because if the absolute sovereignty of the nation states is rigidly preserved, then it means a denial to begin with of the only evolutionary goal which might eventually give us a rule of law based on justice in place of the capricious and ruthless rule of force. Finally, it is unfortunate because it has caused some of the most ardent supporters of the Charter to assure this Nation and the people that there is absolutely no sacrifice of our sovereignty and none is intended, thereby denying by implication the ultimate objective of the organization itself.

The very word "sovereignty" is uncertain and to me objectionable and much confusion results from its use. To many people it has some mystical connotation in some way associated with Divinity. In days gone by when men were slaves, their masters imposed their will by an appeal to the divine right of kings. "Your sovereign by appointment from the All Highest" was the doctrine. My Funk & Wagnalls dictionary says this about "sovereign":

> Exercising or possessing supreme jurisdiction or powers; royal. One who possesses supreme authority, especially a person or a determinate body of persons in whom the supreme power of the state is vested; a monarch.

Roget's Thesaurus uses these words:

> Ruler, potentate, monarch, suzerain, king.

It seems to me most inappropriate for us at this late date to go back to the middle ages to find a concept for the first principle of this organization. More than three hundred years ago our forefathers started the long hard struggle to destroy the sovereignty of the kings and rulers who enslaved the people and to substitute the rule of law in their place. Sovereignty, according to our demoratic principles, resides in the people or community, not in the governments which they create. Only a totalitarian or Fascist state is sovereign. The people may create laws to preserve peace among them; and in fact peace with freedom has been and can be preserved only by the rule of law. The people may delegate any powers they wish to their representatives, but they do not delegate their sovereignty to their government.

Ever since men have first banded together to form democratic communities they have delegated powers to govern to various institutions—tribal, municipal, and national. Today within these United States the community of citizens has delegated different powers to the townships, the municipalities, the counties, the States, and to the Nation. These delegations do not exhaust the powers of the people, as the Constitution expressly recognizes in the reservation to the people of all powers not specifically granted. Hence, it is clear that the people of this Nation, and of all democratic nations, have not only the power, but also, one may say, the duty to create by additional delegation an institution adequate to preserve their integrity and freedom.

This United Nations Charter is an agreement among governments, not peoples. When it states that the first principle is the sovereign equality of its members it does not state the facts as they exist. Does anyone believe that the states of Nicaragua and Luxemburg, within the Charter or without the Charter, are equal to Russia or the United States? The people of the countries as individuals may be equal before the law, but there is no established international law, and the agreement does not relate to people. Equality alone has no meaning. It has meaning only in the sense of equality under the law or before God. The document itself recognizes the inequality of these so-called sovereignties by the unequal allocation of power and responsibility to the Big Five. I do not complain of this. It is a necessary recognition of the world as it it. I complain only of the deception resulting from the first principle as expressed.

The most serious consequence of the use of this unfortunate word is the probability that it fortifies and revitalizes the extreme nationalism which is quite inconsistent with the establishment of rules of conduct for all nations. I do not expect the nations to disavow their nationalism under the circumstances as they exist in the world today. There is entirely too much suspicion and distrust. It is for that reason that I do not complain of the use of the veto power or the organization of the Security Council at this time. But it does seem to me that the ultimate objective of international cooperation and peace necessarily involves the development of rules of conduct universally accepted and enforceable. Any rules or laws universally accepted and enforceable are inconsistent with the absolute sovereignty of present-day nations.

This malady of mankind is not a recent affliction. More than 350 years ago, in 1693, William Penn, who gave us the great Commonwealth of Pennsylvania was deeply concerned over the problem of war. He recognized at that early date that the sovereignty of independent States was one of the principal obstacles to peace. His answer to the objection that such States would never give up their sovereignty is worth our consideration. He said that a State may remain as sovereign as ever at home, which surely is all the unlimited power any State should want or have, for indeed does not a demand for sovereignty abroad simply mean sovereignty over another State that itself wishes to be sovereign? In the course of his exposition, Penn made a statement which might well be quoted:

> So that the sovereignties are as they were, for none of them have now any sovereignty over one another: And if this be called a lessening of their power, it must be only because the great fish can no longer eat up the little ones, and that each sovereignty is equally defended from injuries, and disabled from committing them.

If this be true—and I think it is—the only rational excuse for insisting upon absolute sovereignty must be that the big fish has designs upon some little fish. If this Nation does not have such designs, it is pure stupidity to encourage the designs of others.

Just 100 years after Penn, Emmanuel Kant, one of the greatest thinkers of all time, had this to say about sovereignty in his Essay on Perpetual Peace:

> There is no intelligible meaning in the idea of the law of nations as giving a right to make war; for that must be a right to decide what is just, not in accordance with universal, external laws limiting the freedom of each individual, but by means of one-sided maxims applied by force. We must then understand by this that men of such ways of thinking are quite justly served, when they destroy one another, and thus find perpetual peace in the wide grave which covers all the abominations of acts of violence as well as the authors of such deeds. For states, in their relation to one another, there can be, according to reason, no other way of advancing from that lawless condition which unceasing war implies, than by giving up their savage lawless freedom, just as individual men have done, and yielding to the coercion of public laws. Thus they can form a state of nations, one, too, which will be ever-increasing and would finally embrace all the peoples of the earth.

In 1795, when Kant wrote, war was incomparably less destructive than it is today, yet he recognized its evil potentialities, and he clearly expressed the only principle by which war may be eliminated. That principle is no less valid today than it was 150 years ago. The necessity for its application, however, has become infinitely more urgent.

I cannot help but think that the principal reason for the unexpected approval in certain quarters of the Charter may have been induced by the assurance which some proponents have made that we sacrifice none of our American sovereignty. This implies that there will be no change in the status quo, that we

shall have peace without paying anything for it.

There is confusion of thought about this sacrifice of sovereignty. In truth, we would not sacrifice anything by delegating authority to an organization even more powerful than the one herein contemplated.

The question is not one of surrendering or sacrificing national sovereignty. It is not a negative action and does not involve giving up something we already have. The objective is positive; it is the creating of something we do not have. It is the acquisition of a power for the lack of which we and the world have narrowly missed domination by the most ruthless forces the world has ever seen.

The people of the United States created their Government under law, for the purpose of promoting tranquillity among themselves and protection against aggressive enemies. They exercised their sovereignty in adopting the Constitution and creating the Federal Government. For more than a century and a quarter this was an effective system. Now within 25 years they have, much against their will and in spite of all they could do, been involved in two wars. The lesson of this war is, I believe, clear, namely, that as a civilized society of free men we cannot survive another world war. The destructive power of science is simply too great. The conclusion is that our Government cannot longer fulfill completely the purpose for which it was created. It can no longer protect our people from the disastrous effects of war, even though victorious in the warfare itself. Therefore, it is entirely appropriate, in fact it is essential, that our people consider the delegation of power to some other and higher organization which is reasonably designed to perform the function which this Government cannot perform. This we shall do by the acceptance of this Charter and in the progressive building of the United Nations Organization into an effective system of law and order. In creating a more effective instrumentality to protect the people from war and destruction, how can it possibly be said to be the surrender of sovereignty or of anything else? It is not a surrender. It is the acquisition of a power previously nonexistent. Just as we have acquired new powers through machines, we must acquire new powers through political organization. In truth, our real purpose is the adjustment of our governmental machinery to the consequences of the machine tool, radio, the airplane, the robomb, and the submarine. Except for these machines there would not be the urgent necessity which now faces us for a United Nations Organization.

The one error, which we must not, above all others, make, is to assume that this organization is the final word. On the contrary, it is certain to be merely the first modest and hesitant step, sufficient to point the direction, but utterly inadequate to achieve the goal of lasting peace. Like the confederation of the Thirteen Colonies, it will serve to point the way, to delineate the problems; but it will not solve them. It will be a fatal error if we do not follow the example of our founding fathers and be prepared and willing to strengthen this organization so that eventually a body of laws may be developed to keep the peace. We are entering a new field. It is a transitional period, and we must be wise and alert to see that the movement toward the goal is sure and certain. The penalty for failure is likely to be the destruction of everything we value as civilized human beings.

Mr. President, I wish to repeat that my objection to the first principle of this Charter does not seriously lessen my satisfaction that the Charter is before this body and will be adopted. My observations pertain more to the development of our policy through the operation of the Charter than to the instrument itself. I do not think we should become slaves to written instruments. We must trust our fortune to the intelligence and wisdom of our people, where in truth the sovereignty of this Nation resides. I have been immensely gratified at the enormous progress the Senate has made during the past 2 years. Under the leadership of the distinguished chairman of the Committee on Foreign Relations this body has traveled a long way in its appreciation of our foreign affairs. It was less than 2 years ago that the Senate adopted the Connally resolution, and now within three short weeks we have adopted with overwhelming, bipartisan support the Bretton Woods proposals, we have extended the Export-Import Bank with enlarged powers, and we have authorized our adherence to the Food and Agriculture Organization. I think it is a remarkable performance, and I am proud to be a Member of such a body. I think the world has good reason to take hope for the future, from the actions of this body within the past 2 weeks.

In conclusion, Mr. President, I recognize that we are striking out into new and unfamiliar territory. We are assuming great responsibilities, and there will be unforeseen difficulties. There can be no guaranty of success. Our hope lies in the good sense and the understanding of our people as to the nature of the process and of the goal to be achieved. We must not be impatient. It took countless centuries for us to develop rules of conduct first for the families, then for the tribes, villages, cities, provinces, principalities, and nation states. The destructiveness of modern science has increased the urgency for speeding up the process of extending rules of law throughout the world, but so has our ability to respond been accelerated.

Within the short space of 5 years this Nation has come to recognize the utter futility and absurdity of passive detachment from the affairs of the world. Regardless of the skeptics, who think people never learn from experience, I believe our people now recognize that neutrality and nonintervention constitute a disastrous foreign policy. In the quest for new principles to guide us, I am confident that eventually we shall see that absolute national sovereignty is an obsolete and dangerous principle, and that a system of law and justice is the only method of maintaining peace. The organization we are now creating is the first step in that direction. The court and the executive have been provided. Surely the senseless and tragic sacrifices of this war are sufficient to induce us to create the rules of law.

With the adoption of this Charter, together with the measures to which I have previously referred, we have fashioned the tools with which our President, with our continuing help, should be able to create a more decent and a happier world for ourselves, our children, and the suffering and bewildered peoples of the world.

Mr. WILEY. Mr. President, with her ratification of the United Nations Charter, America is embarking on a great new adventure. She is cutting her moorings with the past. She is setting forth on the rough and challenging seas of international cooperation, financial, political, and social.

But the American crew—our people—are steadfast in their determination to make this a successful voyage, a voyage to a just and lasting peace, to be enjoyed by all free peoples of the earth.

We are not embarking upon this voyage of international collaboration because we want to meddle in other people's affairs. No. That is not the reason. We have found out in two world wars that this is a pretty small world, and that we were precipitated into those wars because other nations meddled in our affairs. Now we want to see if, by our aid and cooperation, we and all other nations can stop war on this planet.

For the American people it is merely another experiment in a long line of great American experiments.

Here on this continent we have tried:

(a) Government by the common man in town meetings, in colonies, in States, and finally in a united nation.

(b) After the American Revolution we tried the idea of a loose union of States under the Articles of Confederation. That experiment did not work.

(c) Then we tried a system which was unique in government—the American Republic. It was a United States system of checks and balances. It worked, thuogh it had a severe test in a civil war. It worked because people made it work. The foundation stone of the Republic—the Constitution—had no vitality in itself. However, the ideas contained therein, in the Declaration of Independence, and in the Bill of Rights, dwelling in the hearts, minds, and souls of Americans, stabilized our American race, which had stemmed from every racial group in Europe, into a people fit for a people's government. Therefore, the third experiment succeeded.

Mr. President, now that we are about to enter upon this great fourth adventure, we must not doubt our ability as a people to give guidance, direction, and aid to the world in this hour of its crucifixion. With humbleness and a reliance on Him who has called us unto a high purpose we must go forward.

Out of the Book of Books, in Numbers, chapter 13, from verse 17 to the end of the chapter, we find the challenging incident of Moses sending 12 spies into the land of Canaan. Moses knew the importance of magnifying the faith and ability of the participants if the job were

to suceed. Yes, when that group of 12 returned, there were a majority report and a minority report. The majority of 10 reported that they had looked over the promised land, and said that it was impossible to undertake the job. They recommended "nothing doing," and said that the people should return to slavery in Egypt. But there was a minority report. A young man by the name of Caleb made the report, and he said something like this: "We have found this land to be wonderful, and inasmuch as Jehovah has promised it to us we recommend that we go forth and, with the help of Jehovah, conquer the giants."

The majority report, filled with fear and helplessness, carried Fear had done its worst. Failure was the result, and a whole generation passed away. New blood had to take the place of the old before there could be favorable action on the minority report, and the Promised Land became theirs.

Does not this historic incident remind us of how the world failed after the last World War? The nations went right up to the border of the Land of Promise—world peace through world collaboration—and then turned back. The Israelites of the wilderness, who adopted the majority report, failed to find the Land of Promise because of their lack of faith. After the last World War the nations of earth failed because of their lack of faith, and lack of vision. One reason which the Israelites assigned for the failure to take action was, "We were in our own sight as grasshoppers, and so were we to them."

Mr. President, if we in America and the people of the other nations of earth enter into this compact with the idea that it will not work, that it cannot work, then we regard ourselves as "grasshoppers."

But there is another reason why the men of Israel failed, and why the nations of the world have heretofore failed. That reason is that they have not been willing to pay what it takes to possess the Promised Land. Adequacy to meet any problem is available to the peoples of the earth. It has ever been available. But the people will not reach for that adequacy. It has been said that wars are man-made. Peace will also be man-made when man lays aside those things which make for war. We are told, too, that "faith is the substance of things hoped for, the evidence of things not seen."

Now, what are some of the "giants" which appear in the way of our going into the Promised Land, the "giants" of this day and generation? I enumerate some of them:

First. The Balkan situation, with Marshal Tito as the spearhead of the Pan-Slav Movement, with Russia behind the movement.

Second. Russia's demand on Turkey for control of the Dardenelles.

Third. The boundary situation in Europe, with special emphasis in relation to Poland.

Fourth. The Russian-Chinese situation concerning outer Mongolia and Manchuria.

Fifth. The disposition and handling of Germany in the postwar period.

Sixth. Commercial rivalries among the nations.

Seventh. Disposition of Korea and other possessions of Japan.

There are many other "giants" in this picture, but please remember that when the new generation of Israelites had overcome their doubt and their fear, and thus had become filled with a spirit to conquer the "giants," they went in and took the Promised Land. It is with that faith that we and the other nations must proceed if we are to make this charter work.

I am going to do my part to launch us successfully on our great adventure. I shall cast my vote for the ratification of the Charter without reservations. I shall do so wholeheartedly and proudly. I shall feel some concern, to be sure, knowing that this great project will not have an easy and quick success. But I shall have the faith and shall offer my humble prayer that it will eventually and enduringly succeed. And I shall dedicate my every effort and energy to make it succeed.

I shall cast my vote with the fervent hope that my vote, the votes of my colleagues, and the support of the American people at home and abroad will find fruition in a world organization which will realize our dearest desire—justice for all, peace for all.

With the charter we have a definite course to follow which may lead to a just and lasting peace. With the Charter, we have a highway of peace to travel. It is not an easy highway. There will be stumbling blocks and dead-end paths. But the highway to a just and lasting peace does have finer posts or signposts, as outlined in the Charter and in our past experience. So we can take this highway with confidence, with courage and with faith.

But without the United Nations Charter, there is no highway to peace, no road which we can take to end the scourge of war.

That is our choice—the highway of the Charter or no highway of peace.

But this does not mean that the United States is going to rely exclusively on the charter for her protection from war.

It does not mean that America will be putting all her security eggs in the basket of the charter. On the contrary, we ourselves must keep our powder dry. After the war, we must remain strong militarily, strong politically, strong spiritually. Eternal vigilance will still be the price of liberty.

But the Charter will be of help in keeping America out of war by keeping war out of the world. If the Charter is used properly, it will put out the incipient fires of war before they get started.

We must note that big "if"—"if the charter is used properly."

We must remember that the Charter is merely a collection of 10,000 words. They can become empty words. The charter itself can become another scrap of paper, just as the Nine Power Pact was or the League of Nations Covenant was.

Yes; the Charter will not be worth the paper on which it is written unless all the signatory nations have the will, the intent, and the purpose to live up to their obligations as outlined in the charter.

For years I have emphasized this point. The nations must have more than documents of peace. They must have the continuing spirit of peace.

So the United Nations Charter challenges us all to fulfill the spirit of its 10,000 words. It challenges us to realize its great possibilities to make a peaceful world.

This is our hour of decision. This is a time for greatness. We must be as great in carrying out the blueprints of peace as our gallant boys have been in carrying out the blueprints of war.

We must be adequate to the great challenges of peace. If we are adequate, we of this generation will become the saviors of the race. If we are not adequate, then war will come again and again to suffering mankind.

Adequacy will be ours—if we reach for it, if we are inspired by God's direction. We must fulfill the great promise of Isaiah:

> I create new heavens and a new earth.

It can be done if we awaken from the nightmare of the past, if we try to understand other nations' viewpoints, their problems, their fears, and if they try to understand ours.

"We must put ourselves in the other fellows' shoes," as Lincoln said. We must understand their different political, economic, and social concepts, Russia's different concepts, England's different concepts. We must rid ourselves of the "little foxes," the little hates, the little sins which create ill-will among nations.

It can be done. It must be done.

War, I repeat, is man-made. Peace must be man-made, made in action, in living, not merely in promises. We must act to breathe the spirit of life into the San Francisco Charter.

Mr. President, the people of Wisconsin sent me to the Senate of the United States on January 3, 1939. Every day and month and year since have been filled with dynamic changes in the world. In those years the principles which I now enumerate have proved a guide to me:

First. Protect, defend and conserve America—her human and physical resources—first, last, and always.

Second. Live up to our high obligations in this ever contracting world, of every new technological advances.

Third. Abide by the Constitution of the United States.

Fourth. Have faith in America, in her institutions and in the meaning of those institutions to the world.

Fifth. Cultivate the spirit more than the letter of the growing, evolving law of the nations.

Sixth. Feel sympathetically, think realistically, speak frankly, act forthrightly, in our relations with other nations.

Seventh. Build the base for a sound foreign policy upon the foundation of a sound domestic policy.

Eighth. Establish the closest possible foreign policy teamwork between the executive and legislative branches of Government.

Ninth. Find the truth about foreign, as well as domestic, affairs, disseminate the truth, follow the truth.

Tenth. Recognize that world collaboration is the answer to war. How to get the nations to collaborate is the real issue.

Mr. President, a former Vice President, commenting on the failure of the nations—not simply America's failure to join the League—but the failure of the nations to put into operation the machinery to do away with war, said: "The world was not ready for the League." The real question now is, Is the world now ready for the Charter?

President Truman referred to a generation which has "twice failed to keep the peace." This United Nations Charter is the answer to that indictment. But it will be an imperfect answer unless the letter of the Charter is made a living thing by the action of the contracting parties. It is evident that it would be no answer if it failed to have behind it the spirit and the will for peace, to make the charter a living thing throughout the world as the spirit and the will of the American people made the Constitution of the United States a living thing. Without that spirit, without the will, the charter we shall ratify here will be another futile attempt similar to many others the centuries have witnessed.

Fifty countries worked for 9 weeks on this charter, but behind it are centuries of hope, of faith, and of experience. By a standing vote, 50 nations in the final plenary session at San Francisco unanimously accepted the Charter for a new world Organization. But standing behind the representatives of those 50 nations, there were millions of men standing in the mists of immortality, and there were also hundreds of millions of men—decent men—on this globe who will also stand up and be counted to be supporters of this great adventure.

This Charter was nobly conceived; it must be nobly sustained. We know that the five great nations, and particularly the three great nations, on whom will fall the brunt of the responsibility for preserving peace and order and decency in the world—with them particularly there must be unanimity of purpose. The Charter provides a new, up-to-date Organization which is but a variation of a very old theme. It is older than the balances of power established at Westphalia, Utrecht, Vienna, and Versailles. It devolps the unanimity of Yalta and it advances the proposals of Dumbarton Oaks. It is a goodly mixture of idealism and practicality.

Mr. President, in my opening remarks I said America is embarking on a great new adventure. I believe it is absolutely imperative that following the adoption of this Charter we embark on a realistic program designed to maintain our effectiveness as a national instrument for world peace. Such a development was envisioned in the Charter, but it remains for us to make it a reality. America must remain alert and prepared. I speak now in the interest of preserving the United States as a potent force for world peace.

Mr. BARKLEY. Mr. President, the debate on the Charter has proceeded today in good order. Probably I should not say "debate," because it is not really a debate. The addresses which have been delivered upon the Charter have been of a high order, and I am sure that that high order will be maintained during the remainder of the consideration of the charter.

Obviously no other Senator wishes to address the Senate this afternoon, and it is my purpose to move to recess until 11 o'clock a. m. tomorrow. The Senate will recall that last week I suggested that we meet at 12 o'clock today, but that from now on we meet at 11. I hope I may be on my feet in time to receive recognition from the Chair to say what I have to say about the Charter upon the reconvening of the Senate tomorrow.

The PRESIDENT pro tempore. May the Chair make a suggestion to the Senator from Kentucky?

Mr. BARKLEY. I should be happy to have the Chair's suggestion.

The PRESIDENT pro tempore. The Chair will recognize the Senator from Kentucky now, and the Senator from Kentucky will have the floor when the Senate reconvenes tomorrow.

Mr. BARKLEY. I thank the President pro tempore. I accept his suggestion.

RECESS

Mr. BARKLEY. Mr. President, there being nothing further on the Executive Calendar for disposition this afternoon, I now move, as in executive session, that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 4 o'clock and 16 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, July 24, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 23 (legislative day of July 9), 1945:

IN THE COAST GUARD

Rear Adm. Edward H. Smith, United States Coast Guard, to be a rear admiral, for temporary service, in the Coast Guard, to rank from June 30, 1942, while serving as district Coast Guard officer, Third Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Commodore Gordon T. Finlay, United States Coast Guard, to be a rear admiral, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Eighth Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Commodore Earl G. Rose, United States Coast Guard, to be a rear admiral, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as task force commander in the United States Atlantic Fleet, or in any other assignment for which the rank of rear admiral is authorized.

Capt. Milton R. Daniels (E), United States Coast Guard, to be a commodore, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as District Coast Guard officer, Fourth Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. Merlin O'Neill, United States Coast Guard, to be a commodore, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Fifth Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. Frederick A. Zeusler, United States Coast Guard, to be a rear admiral, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Thirteenth Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Capt. Joseph Greenspun, United States Coast Guard, to be a rear admiral, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as chief finance and supply officer, or in any other assignment for which the rank of rear admiral is authorized.

Capt. Eugene A. Coffin, United States Coast Guard, to be a commodore, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Fourteenth Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. James A. Hirshfield, United States Coast Guard, to be a commodore, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Cleveland, Ninth Naval District, or in any other assignment for which the rank of commodore is authorized.

Capt. Norman H. Leslie, United States Coast Guard, to be a commodore, for temporary service, in the Coast Guard, to rank from June 1, 1945, while serving as district Coast Guard officer, Seventeenth Naval District, or in any other assignment for which the rank of commodore is authorized.

SENATE

TUESDAY, JULY 24, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met in executive session at 11 o'clock a. m., on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, we have been privileged to enter upon a new day ladened with innumerable blessings and filled with tasks which challenge the consecration of our noblest manhood.

May we never be recreant to any duty or turn cowardly away from any difficulty. When evening comes, may we receive the benediction which Thou dost bestow upon the faithful.

Grant that, as God-fearing patriots, we may be loyal partners with all who are courageously struggling for the victory of those ideals and principles which Thou hast ordained.

We pray that Thy guiding and sustaining presence may be given unto our President and all who share in the responsibilities of government. May they be the honored servants of the Lord by whom the spirit of good will and peace shall be mediated to the heart of humanity.

In the name of the Christ, we offer our prayers and petitions. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, July 23, 1945, was dispensed with, and the Journal was approved.

CORRECTION

Mr. VANDENBERG. Mr. President, in my discussion yesterday in the Senate I quoted Prof. Edwin Borchard, of Yale, a very great authority, to sustain the constitutionality of Presidential action in using our armed forces, without reference to Congress, to protect American life and property abroad. In reading my remarks in the RECORD this morning, it occurs to me that I may have implied Professor Borchard's direct approval of the constitutional right of the President thus to use the armed forces for collective action through the Security Council of the new International Organization. I do not know his view upon that subject, and I would not for an instant impute any direct opinion to Professor Borchard when he has not spoken himself. I therefore wish to make it plain that I was quoting Professor Borchard only to establish the constitutional fact that the President does have this constitutional right, in certain indicated circumstances, to use the armed forces abroad without reference to Congress. That is the essential, basic fact which I sought to establish. That the eligible circumstances would include action by the Security Council, as I think is clearly the case, is my own argument. I make this statement simply in precaution that the RECORD may reflect the facts.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 1851. An act for the relief of the estate of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson; and

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

ANNOUNCEMENT OF SHOWING OF ATROCITY FILM IN CAUCUS ROOM

Mr. BARKLEY. Mr. President, the Senate knows that for several weeks the Washington Star and the St. Louis Post-Dispatch have been exhibiting certain atrocity moving pictures at the Library of Congress. The Members of Congress were invited to that exhibition. Because of the interest in these pictures they have been shown at various places in Washington, and the Washington Star has authorized me to announce that at 10 o'clock tomorrow morning, in the caucus room of the Senate Office Building, these pictures will be on exhibition, and Senators and their wives and their official staffs are invited to attend and view them from 10 o'clock until 11 o'clock a. m., at which time the Senate will reconvene.

LEGISLATIVE BUSINESS

By unanimous consent, as in legislative session, the following business was transacted.

REFERENCE OF SENATE CONCURRENT RESOLUTION 17

The PRESIDENT pro tempore. On yesterday Senate Concurrent Resolution 17, providing for a study by a joint congressional committee of educational facilities, living quarters, and other matters relating to pages employed by the two Houses of Congress, was reported from the Committee on Rules with amendments and placed upon the calendar.

The concurrent resolution provides for payments from the contingent fund of the Senate and, under the rule, should be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Without objection, as in legislative session, the resolution will be so referred.

PETITION

Mr. TYDINGS presented a petition of sundry citizens of Frostburg and Cumberland, Md., praying for the enactment of legislation to reduce absenteeism, conserve manpower, and speed production of materials necessary for winning the war with Japan, which was referred to the Committee on the Judiciary.

REPORT OF A COMMITTEE

Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments, to which was referred the bill (S. 958) to provide for more effective inspection and supervision by the Congress with respect to the administration of the laws of the United States, reported it with amendments and submitted a report (No. 518) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

S. 1300. A bill to provide for the payment to municipalities of compensation for loss of revenues on tax exempt real property of the United States; to the Committee on Claims.

By Mr. WILEY (by request):

S. 1301. A bill conferring jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of Arthur Dewitt Janes; to the Committee on Claims.

By Mr. McKELLAR:

S. 1302. A bill to require that revenues of the United States be covered into the Treasury, that the expenditures of Government agencies be made only from funds appropriated by the Congress, and for other purposes; to the Committee on Appropriations.

By Mr. TYDINGS:

S. 1303. A bill to provide for equal participation by security holders of the same class in reorganization in bankruptcy proceedings; to the Committee on the Judiciary.

By Mr. BILBO:

S. 1304. A bill to provide for the opening of a road within the boundaries of the District of Columbia Training School property in Anne Arundel County, Md.; to the Committee on the District of Columbia.

By Mr. LANGER:

S. 1305. A bill to confer jurisdiction on the State of North Dakota over offenses committed by or against Indians on the Devils Lake Indian Reservation; to the Committee on Indian Affairs.

By Mr. BUCK:

S. 1306. A bill to authorize the Secretary of War to convey Pea Patch Island to the State of Delaware; to the Committee on Military Affairs.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. BARKLEY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Murdock
Andrews	Guffey	Murray
Austin	Gurney	Myers
Ball	Hart	O'Daniel
Barkley	Hatch	O'Mahoney
Bilbo	Hawkes	Pepper
Brewster	Hayden	Radcliffe
Bridges	Hickenlooper	Revercomb
Briggs	Hill	Robertson
Brooks	Hoey	Russell
Buck	Johnson, Colo.	Saltonstall
Burton	Johnston, S. C.	Shipstead
Bushfield	Kilgore	Smith
Butler	La Follette	Stewart
Byrd	Langer	Taft
Capper	Lucas	Taylor
Chandler	McCarran	Thomas, Okla.
Chavez	McClellan	Thomas, Utah
Connally	McFarland	Tunnell
Cordon	McKellar	Vandenberg
Donnell	McMahon	Wagner
Downey	Magnuson	Walsh
Eastland	Maybank	Wheeler
Ellender	Mead	Wherry
Ferguson	Millikin	White
Fulbright	Mitchell	Wiley
George	Moore	Willis
Gerry	Morse	Young

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY], the Senator from Alabama [Mr. BANKHEAD], and the Senator from Louisiana [Mr. OVERTON] are absent on public business.

Mr. WHERRY. The Senator from Kansas [Mr. REED], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Iowa [Mr. WILSON] are absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from Indiana [Mr. CAPEHART] is necessarily detained.

The PRESIDENT pro tempore. Eighty-four Senators have answered to their names. A quorum is present.

Mr. BARKLEY Mr. President, in order that what I have to say may be more or less consecutive, I hope that I shall be permitted to conclude my remarks, in the main, before I am interrupted.

Mr. President, I recognize the fact that debate or discussion of the proposal so unanimously endorsed by the American people, by the world, and apparently by this body, which will be called upon to pass upon it in the next

few days, may appear to be a futile enterprise. Nevertheless, not only in justification of the action which we shall take here, but in order that we, as a body, may render now, while we may, some account to the verdict of history, it seems to me appropriate to discuss not only the Charter which has been brought to us by one of the most remarkable conventions that ever assembled in human history, but to discuss briefly the background which led up to it, and which makes it so essential to the happiness of the world and so indispensable to the peace of mankind that we confirm it, for ourselves and for our posterity.

When the war that we call World War I had ended, and the peace conference assembled at Versailles, there developed soon thereafter between Woodrow Wilson and Georges Clemenceau a fundamental difference in their approach to the question of world peace and world organization for peace.

Clemenceau believed that human nature was and is the same now as it has been in all ages, and so expessed himself in that cynical fashion with respect to the proposal that out of the negotiations at Versailles there should come a world organization.

Wilson believed that a new era had dawned upon mankind which would impel nations and peoples to seek the higher levels of understanding and cooperation in order that the moral, intellectual, and spiritual advancement of the race of which they were both a part, and a great part, might go forward.

In spite of these original and fundamental differences, they were able ere long in their negotiations and in their contacts and their approaches to agree at Versailles; and the skeptic Clemenceau at length came to be one of the enthusiastic sponsors of what they had come together to do and what they did.

The longing, Mr. President, for peace among the peoples of the earth is not new. It is not a sudden sensation that has taken possession of the hearts of men and women. Over and over again throughout human history it has been aroused not only among the peoples but among their chosen and acknowledged leaders.

Twenty-five centuries before Woodrow Wilson, Prime Minister Hsiang Hsue, of the State of Sung, in China, proposed to the other Chinese states a covenant for eternal peace, and thus expressed the consuming desire of his contemporaries in 545 before Christ that the separated nations that now compose China, of which there were 13, should meet in a great conference, a great convention, to abolish war. These heads of these 13 Chinese separate nations gathered in a great peace conference and they agreed in that conference to abolish war. Hsiang Hsue was honored with the gift of 66 cities in China as a reward for his initiative in attempting to bring about the unification of China for peace and for the abolition of war.

From 545 B. C. to A. D. 1919 the desire for peace among the peoples of the world was never absent.

It manifested itself in every conceivable form and in almost every place where men gathered together.

It transformed the Roman conquests from conquests in the minds of their people to the Pax Romana.

St. Augustine declared that the Roman Empire was founded on God's consent to eliminate war and to unite mankind.

In the Middle Ages the same longing rose in the institution known as the Papal Truce of God, and in the Imperial Day of Indulgence.

After the religious wars it inspired Henry IV of France with his Great Design to transform the Continent of Europe into a peaceful federation of states to be governed by a European senate.

After the Napoleonic wars it dictated the Holy Alliance of Russia, Prussia, and Austria under the sponsorship of Alexander I of Russia who had driven Napoleon back from Moscow, and later on it dictated the Quadruple Alliance which was made up of the same nations—Russia, Prussia, and Austria, with England added.

Then after 100 years more came World War I, and the Treaty of Versailles and the League of Nations.

Then came the Treaty of St. Germain, the Treaty of Locarno, the Washington Conference for the Reduction of Armaments, the Nine-Power Pact, the Pacific Pact, and the Kellogg-Briand Pact or Treaty which undertook to renounce war as an instrument of national policy, and which was signed by 65 nations of the world, including Germany and Japan.

After all these international arrangements, after all these treaties and agreements, and after all the publicity given to them and to the effort which they undertook to symbolize, to abolish war, and bring peace to mankind all over the world, the peoples who bear the burden of all wars thought they saw a new era of peace. They began to stand erect. They began to imagine that they were throwing from their shoulders the burdens of taxation and of armament. They began to turn their faces and their eyes to the hills, whence came their strength, as they imagined.

Then came, Mr. President, disillusionment. Then came war in 1939. Then came the tearing up of treaties as scraps of paper again, as was done in 1914, and as had been done from time to time through all the tragic history of men and women regardless of language, race, color, geography, or environment. Then came the greatest of all wars, now still in progress on the other side of the globe. Then it came to curse mankind again and to interrupt the progress of international moral and spiritual values. We are only half through that struggle as I speak.

It may be futile to discuss the successes or the failures of the League of Nations. I shall not do so. Could it have prevented this war if it had been different, or if it had been administered or operated in a different fashion? Who knows? I do not. Could it have prevented it if the United States had joined it? Who knows the answer to that question. Surely I do not, though I may have an opinion about it.

Mr. President, it serves no useful purpose now to indulge in recriminations over what transpired a quarter of a century ago. It serves no purpose now to disinter the bones of contention which existed then. There were hatreds then which clouded the judgments of men. There was stubborness and unbending inflexibility among the participants in that struggle, but for which accord might have been achieved. It is not my purpose or my province, nor would I think it useful to this discussion, to undertake to assess the blame on either side for the failure of the United States to ratify the Treaty of Versailles and the Covenant of the League of Nations. We can profit by the mistakes of that day only if we seek to avoid them now.

But if by any solution that was different either then or later, if by changing the history of the last quarter of a century by a hair's breadth by veering from this course or that which we followed, this present war could have been avoided or prevented, the human race would have avoided the expenditure of a thousand billion dollars, which in other terms is known as a trillion dollars, which has been poured into the vortex of war all over the world from 1939 until this hour. It would have avoided the loss of between ten million and twenty million lives of those who have been actively engaged in the conflict around the world. It would have avoided all the agony and suffering which it has brought to this hour, and the devastation of homes and institutions all over the world.

How much would we have been able to advance the cause of civilization; how much would we have been able to elevate the standard of life, not only in our own country, but all over the world, if the money which has been poured into the vortex of war during the past 6 years had been spent for education, hospitalization, improvement of our highways, and all the things that make for a higher standard of life and the enjoyment of life, liberty, and the pursuit of happiness? How much would the world have gained, if instead of losing the lives of 10,000,000 to 20,000,000 men in uniform and making wanderers over the face of the earth of 20,000,000 to 30,000,000 who are now walking the highways of Europe seeking a home, shelter, safety, and security, we had changed the course of our history or the history of the world and had avoided the world's greatest war? How much would we have gained if we had not destroyed the ambitions and the hopes of millions of the finest young men in every nation in all the world?

Mr. President, this leads me to inquire, in spite of our failures in the past, in spite of the tragic history of the peoples of the world for 2,500 years in their efforts to set up some sort of machinery or mechanism by which the legitimate hopes of men, women, and children might be fulfilled, is the effort worth trying again? Shall we falter now? Shall we grow timid and hesitant? Shall we consult our fears and our doubts now? Because of past failures shall we allow to slip from our fingers this new opportunity to rise from the ashes of our previous despairs and build a structure like that with which we are now presented, upon the rock of our principles, upon the rock of our sacrifices and our hopes, and upon the rock also of hard, practical common

sense, even though the effort may be tinged here and there with optimism, sentiment, and emotion?

Mr. President, in my judgment, the effort is worth trying again. It is worth our effort to renew it, because, believing as I do now and as I have always believed, I prefer the philosophy of Woodrow Wilson, William Howard Taft, Charles Evans Hughes, Elihu Root, William Jennings Bryan, Nicholas Murray Butler, Franklin D. Roosevelt, and Cordell Hull to that of the congregation of cynics who sit, as they have always sat, in the seats of the scornful and the unbelieving.

More than half a century ago there sat in this body a great Senator from the Middle West, a great scholar, and, by the one poem by which he is known, a great poet. His name was John J. Ingalls, of the State of Kansas. No doubt, he had partaken of the philosophy of Shakespeare, who said:

There is a tide in the affairs of men
Which taken at the flood, leads on to fortune:
Omitted, all the voyage of their life
Is bound in shallows and in miseries.

Adopting that philosophy as his, he wrote this majestic poem on opportunity. I believe it is not inappropriate to read it here. Speaking of opportunity, Ingalls said:

Master of human destinies am I!
Fame, love, and fortune on my footsteps wait.
Cities and fields I walk; I penetrate
Deserts and seas remote, and passing by
Hovel and mart and palace—soon or late
I knock unbidden once at every gate!

If sleeping, wake—if feasting, rise before
I turn away. It is the hour of fate,
And they who follow me reach every state
Mortals desire, and conquer every foe
Save death; but those who doubt or hesitate,
Condemned to failure, penury, and woe,
Seek me in vain and uselessly implore.
I answer not, and I return no more!

Mr. President, neither in the history of man nor in the history of nations do I accept that defeatist doctrine as my own.

Down in the fair city of Memphis, which is the home of our able and distinguished and beloved Presiding Officer, lived a modest man, a lawyer and a judge. I have no doubt he was the friend of our distinguished Presiding Officer. His name was Walter Malone. He read Shakespeare's "There is a tide in the affairs of men." He read the eloquent and majestic poem of John J. Ingalls. One day he sat down and wrote a poem himself, to answer both. I do not know whether he ever scribbled on scratch pad another poem during his entire life, but in my estimation this poem makes him immortal:

They do me wrong who say I come no more
When once I knock and fail to find you in;
For every day I stand outside your door
And bid you wake, and rise to fight and win.

Wail not for precious chances passed away!
Weep not for golden ages on the wane!
Each night I burn the records of the day—
At sunrise every soul is born again!

Dost thou behold thy lost youth all aghast?
Dost reel from righteous Retribution's blow?
Then turn from blotted archives of the past
And find the future's pages white as snow.

Art thou a mourner? Rouse thee from thy spell;
Art thou a sinner? Sins may be forgiven;
Each morning gives thee wings to flee from hell,
Each night a star to guide thy feet to heaven.

Laugh like a boy at splendors that have sped,
To vanished joys be blind and deaf and dumb;
My judgments seal the dead past with its dead,
But never bind a moment yet to come.
Though deep in mire, wring not your hands weep;
I lend my arm to all who say "I can!"
No shamefaced outcast ever sank so deep
But yet might rise and be again a man!

Mr. President, I accept the philosophy of Walter Malone not only in human life, not only in the tragic journey from what we call the cradle to the grave, but I accept it in the life of nations; I accept it in the life of people; I accept it in the life of the world which has for centuries upon centuries sought a remedy for war, sought a surcease from bloodshed, sought to bind the wounds of human misery and disaster, to allow generations yet unborn to look their fellow men in the face and their God in the face, in the hope that they may avoid the catastrophes which have followed the efforts of their ancestors from time immemorial to work out some plan for the advancement and elevation of mankind.

So, Mr. President, in spite of all the failures which have accompanied our efforts heretofore, and without in any way impugning the motives of any man or woman who ever fought for or against those efforts, I am happy to believe that it is in that spirit that the United States now considers the Charter of the United Nations, upon which we are to vote within a few days.

Mr. President, I shall not enter upon a discussion of the Charter. I do not deem it necessary, though I have had one or two Senators complain that it had not yet been described or defined in detail. I think we all understand its purposes, as set out in the preamble. I think we all understand the travail through which mankind has gone in reaching it. I think we understand the outstanding services rendered to our Nation and to the world and to mankind by all those who labored in San Francisco to bring out the document which now lies before us; and I pay tribute Mr. President, to all the representatives of 50 nations who assembled in April in San Francisco. They came there with differing languages. They came with differing and divergent historical backgrounds. Many of them came with a different avenue of approach. They came with their own individual doubts and misgivings. They came, no doubt, with fear that out of that great conference of the world's peace-loving nations there might come something to which they could not subscribe. But in spite of those differences of language and environment and historical roots that are embedded in all the soils of all the continents of the earth, out of the deliberations at San Francisco, out of the give and take that came to all the delegates, out of the knowledge and conviction that they could not adjourn and depart to their respective homes without bringing out something upon which mankind could agree, they brought this charter, which in my judgment will take its place alongside Magna Carta, the Declaration of Independence, the Constitution of the United States, Lincoln's Gettysburg Address and his Second Inaugural Address as one of the great documents of human history.

Mr. President, I pay special tribute to the two distinguished Members of this body who represented the United States in part at San Francisco. It was my pleasure and privilege to sit for nearly a year on a subcommittee of the Senate Committee on Foreign Relations prior to the convention which was held at Dumbarton Oaks, prior to the assembly on our invitation of the nations which tried to work out a program which later came to be known at the Dumbarton Oaks agreements. I sat in the Committee of Foreign Relations when we were considering the subject of the Fulbright and Connally resolutions. We went to the State Department at the invitation of Cordell Hull, and later at the invitation of Edward R. Stettinius, Jr., Secretary of State, in order that there might be agreed upon a form of consultation and advice in as practical a way as possible under our Constitution, it having been earlier discovered that it was impractical for the Senate to advise in advance on all negotiations and treaties which might be entered into by our Nation through the President and the Secretary of State.

Mr. President, I know how inch by inch, foot by foot, we all found our way in the dark, how we crept through the maze of international relationships, diplomacy, prejudice, and animosity, recognizing all the things which enter into international relationships, and the boundaries and conditions of people everywhere. I recall how inch by inch, and foot by foot, we arrived at a point where we could agree.

In those conferences sat the distinguished minority leader the Senator from Maine [Mr. WHITE], the distinguished Senator from Vermont [Mr. AUSTIN], the distinguished and lovable Senator from Wisconsin our colleague here [Mr. LA FOLLETTE], the distinguished senior Senator from Michigan [Mr. VANDENBERG], the distinguished Senator from Texas [Mr. CONNALLY], the able Senator from Georgia [Mr. GEORGE], and the senior Senator from Utah [Mr. THOMAS]. We thought we had worked out a fairly good program for the nations of the world, but how vastly it was improved at San Francisco.

So, Mr. President, I pay tribute not only to our delegates at that Conference, and to all the delegates of all the nations which participated in the Conference, but to that quiet and sequestered work, that intellectual devotion in the quiet hours and in the shadows where the sunlight of publicity never penetrates, and to all those who have made a contribution to the consummation of this ideal which we now have before us, and which soon we are to ratify.

Mr. President, the purposes of the Charter are set out in the preamble, and they are simple. The obligations to

which all nations which signed the Charter and which will ratify have agreed, are also simple and well understood. The Charter creates a General Assembly in which each member may have five representatives but only one vote. The Assembly, as the Senator from Michigan said, is to be a sort of world-wide town meeting in which may be discussed all the problems which beset mankind and are likely to impinge upon the peace and security of the world.

The Charter provides for the creation of a Security Council as a sort of upper body, not entirely unanalogous to the United States Senate in its relations to the Congress. All nations are not represented at the Security Council. Only 11 nations at any one time may be represented. Five of them must be the five nations which are named in the Charter, to wit, China, France, Russia, England, and the United States.

I need not pause here to speak of the propriety of permanent membership on the part of the five nations to whom I have referred. If the peace of the world cannot be preserved by those five nations, it cannot be preserved at all. Those nations have borne the burden of this conflict. They have brought civilization out of the mire and despair of world-wide war and domination onto a firmer foundation of hope and achievement, in the belief that democracy may not only flourish wherever it now is, but that it may extend its boundaries throughout the world. It is appropriate that those five nations have a permanent place on the Security Council, and that the other six places should be rotated among all the nations so that finally every nation may have representation on the Security Council.

The Charter sets up an Economic and Social Council. We know from history that in the years gone by economic conditions have contributed largely to warfare, and to the unhappiness of men, women, and children because of their desire to expand and get out of life something which they could enjoy. We know all that. I need not emphasize the proportion of wars which in the past have been brought about by economic social conditions and the aspirations of men to enjoy the fruits of their labor and the resources with which God Almighty endowed the world.

In order that those questions may be considered and mollified insofar as possible throughout the world, the Charter sets up an Economic and Social Council for the purpose of considering these problems. Moreover, it sets up a Trusteeship Council to take into consideration the condition of other peoples who may be more backward and more helpless than other peoples, and who have not enjoyed and may not now be prepared for what we call self-government in its fullest sense. The Trusteeship Council will function with a view to the ultimate enjoyment by those nations of all the rights of self-government which peoples all over the world cherish and desire under terms much more, admirable, it seems to me, than the old mandate provisions of the League of Nations. The charter sets up this Trusteeship Council for the trusteeship or guardianship of weak and backward peoples.

Mr. President, the Charter also provides for an International Court of Justice. I need not go into that subject. We all understand the jurisdiction of the International Court of Justice. I am glad that it has been made a part of this Charter so that we are not required to debate its virtues and its advantages separately from some other agreement.

Mr. President, I have referred to the instrumentalities or the machinery provided by the Charter for world-wide adjustment. Will it succeed? My answer is, Yes; if the peoples of the world will that it shall succeed. Notwithstanding the leadership of men, notwithstanding the power of potentates, politicians, and statesmen, the destiny of mankind is within the hollow of the hands of the people. If they will that this venture shall succeed, it will succeed. Their will will be manifested by their success in retaining control of the instrumentalities for which the Charter provides.

Mr. President, will it fail? My answer is, Yes; it will fail if the peoples of the world permit it to be used for narrow and selfish purposes. If the peoples of the world permit it to be used to destroy the foundations upon which it has been erected, it will fail. But in the light of a long and tragic and bloody history, in the light of the shriveling souls that war has brought about, the interrupted ambitions, and the crippled lives of men, women, and children, by the hundreds of millions, I cannot believe that mankind will allow this structure to be used for any selfish, narrow purpose of aggrandizement on the part of any nation, whether it is a member or whether it is not.

Mr. President, are there risks in the Charter? Of course, there are risks. There are always risks in everything. Life itself is a risk. Those of us who were reared in the agricultural regions of our country know that when the farmer goes forth in the spring to fallow his soil and plant therein the seed, hoping that under the influence of rain and sunshine it may burgeon forth into fruit and multiply for the sustenance of life and the enjoyment of mankind, none of us can ever guarantee that the storms and the floods and the winds may not destroy that crop before it is secured. The farmer takes that risk when he plants his seed.

We have seen in our lives strong and stalwart young men, and leaning upon their arms, charming and beautiful girls, with the blush of youth on their cheeks, approach the altar to take the vows of matrimony before Almighty God. Is there any guaranty that the venture may not go upon the rocks? And because there is no guaranty that it will not go upon the rocks are we to abolish the institution of matrimony? Shall we abolish agriculture because the storms and the floods and the drought may now and then destroy all crops?

When we build a house for ourselves or for our friends and neighbors, whether it be built on the sands or on the solid rock, is there any guaranty that storm or conflagration may not destroy it? There is no guaranty. There is no certainty. There is always risk in every venture that mankind undertakes either in his individual capacity or as a part of human society.

Mr. President, there were risks taken when our Constitution was adopted in Philadelphia and when it was ratified by the States. Those of us who are familiar with the fears that actuated many of our delegations in Philadelphia—fears which were never justified—those of us who are familiar with the conventions that met in the various States to ratify that immortal document, which was described by that grand old man of England, William E. Gladstone, as "the most wonderful work ever struck off at a given time by the brain and purpose of man." We know with what fear and trepidation some of the States adopted it. Have we not read the debates in the Virginia Convention, where it was adopted and ratified by only 9 majority out of a delegation of 165? Have we not read of the opposition of Patrick Henry, who inspired the Continental Army with his immortal sentence "Give me liberty or give me death?" Have we not read his speeches against the ratification of the Constitution in the Virginia Assembly on the ground that, if adopted and a nation were born under it, it would destroy all the liberties for which the Continental Army under Washington had fought for eight long and tragic years? Yet, Mr. President, it was adopted. We have lived under it for 150 years. We have grown from the weakest nation in all the world to the strongest. We have grown from a nation without influence to become the most influential nation that ever existed in human history. We have grown from a nation of 3,000,000 people fringing the Atlantic seaboard, until we have taken in the body of the midcontinent and stepped out into the ocean and gathered the islands of the sea; and now, under this Constitution of ours, which even so great a patriot as Patrick Henry denounced and said if it were adopted it would destroy the liberties for which our soldiers died in the Revolution, we are the richest, the most powerful and freest nation that not only now exists but that ever existed.

Mr. President, I am for this Charter. I am for this Charter whatever risk may be involved in it. It binds all the nations that go into it to carry out the purposes and the provisions of the Charter. It provides for a military contribution on the part of all nations, for a sort of police force to put down aggression. Those will be separate agreements entered into after the Charter has been ratified and comes into existence. Those agreements, in whatever form they may be worked out, will come back here for confirmation. We have it within our own power to determine the method by which our constitutional processes shall be carried out; and I am not worried about that. I am now not worried about the form in which they come back, because, whatever the form, I do not foreclose myself by voting upon this charter to determine for myself, and the Senate of the United States does not foreclose itself and the Congress of the

United States does not foreclose itself by the terms of this Charter in the exercise of its own right within its own province to determine not only what contribution we shall make but the form of that contribution.

So, Mr. President, I am for the Charter. I accept it without mental reservation or purpose of evasion, if I may quote the oath we take when we enter the portals of this Chamber.

It has been said by some that it is a sentimental and emotional thing, that only sentimentalists and emotionalists look forward with any degree of certainty to an era of peace that may cover the earth as the waters cover the sea. Mr. President, if it is sentimental and emotional to pray for the return of all our armed forces from every field of conflict, as soon as complete victory is won by them, as it has already been won in part; if it is sentimental or emotional to look into the cradles of sleeping children and hope that they will never be faced with the necessity of laying upon the altar of their respective countries and upon the altar of human liberty their ambitions, their health, their lives, all that they have, all that they hope to have, and all that they are, Mr. President; if it is sentimental or emotional to wish for that, then I am proud to proclaim that in my heart there dwells that sentiment and that emotion.

I have no doubt of the result of the vote when it shall be cast. I have no doubt that when it has been cast our people will rejoice. I have no doubt that when it has been cast by all the nations which participated at San Francisco and all those who will participate in the ratification, in its enforcement, in its observation, and in its operation, millions upon millions and hundreds of millions, yea, billions of human beings who are now burdened with the load of war, and anxiety, and taxation, will again rise and look their fellow men in the face, and the Son of God in the face, and God himself in the face, and feel again free to pursue their respective vocations, their enterprises, and their ambitions.

I know of no more fitting quotation I could use in closing my feeble remarks upon this great subject and on this occasion than that to be found in the Bible, "Glory to God in the highest, and on earth peace, good will toward men."

Mr. HILL. Mr. President, the Senate has just been privileged to listen to a great address. The distinguished Senator from Kentucky [Mr. BARKLEY] has spoken for the cause of peace, which is so close to the hearts of the people, with an authority, a power, a logic, and an eloquence, given to few men. He has once again proven worthy of the appreciation in which the Senate holds him.

Mr. President, the San Francisco Charter is a great adventure, a great challenge, a great opportunity to strive to preserve the peace and to promote the advancement of human progress throughout the world.

Seldom in our history has there been an issue on which there has been a greater degree of unanimity of opinion among the people and their elected representatives than on ratification of the Charter written at San Francisco.

I believe there are none here who doubt the outcome of this debate. Yet, it is not sufficient that we here, and those for whom we speak, merely ratify the United Nations Charter. We must understand the responsibility we are assuming; we must understand the opportunity we are creating for this and future generations.

It has been said that the American people do not understand fully the mechanics of the Charter. I do not agree. The reaction I have had from the people of Alabama and from over the Nation has proven to me that they understand fully the objectives of the Charter and the machinery which has been set up to achieve those objectives.

I believe the American people understand the choice they have made because the present support for the Charter has grown directly out of the experience of living for the past decade in a world in which tyranny and aggression swept over one individual nation after another until there was a united and determined effort to put an end to that tyranny and aggression.

Consider for a moment what the reaction of the Nation would be if the Senate should today refuse to ratify this Charter.

The farmer in Alabama would drop his plow lines for an instant and think of his future in a world in which the prospect of security and prosperity had suddenly faded.

The worker walking toward the mill and thinking of the children at home who had said good-by to him would suddenly understand that his hopes for their future were now clouded.

The executive looking over his plans for an expansion of his plant would now be overcome with doubts.

Teachers would search in vain for an explanation that would not crush the ideals and goals of our youth.

And there are those who are today in uniform driving trucks along the winding Ledo Road, at the controls of planes or manning the naval guns heaping destruction on Japanese arsenals, or digging them out of the last caves on Okinawa. Or those who are loading our ships at Antwerp, or training for the final drive against Japan. And those for whom training and fighting are over—those who lie quietly in a thousand hospitals confident their work is done.

What would they think? What could they think? Would they not say to themselves, "To what purpose has been our sacrifice? For what cause? We were promised that it was not just another blood bath, that our sacrifices would not be in vain."

And so it is sufficient to think only for an instant of what the result would be if we failed to accept the challenge and the opportunity of the San Francisco Charter. For this is the one course by which we can strive to preserve the peace and promote the advancement of human progress throughout the world.

Because of a determination and unity on the part of peoples of many nations the evil power of Germany lies shattered and the destruction of the power of Japan is certain.

Either the United States shall go forward in this unity with the other nations, seeking under the San Francisco Charter to build and preserve the peace of the world, or we shall withdraw into isolationism. We cannot withdraw into isolationism because the airplane and the radio, rapid transportation and instantaneous communication have made the world one common neighborhood. Whether we like it or not, we are forced to realize that every word that comes through the air, every ship that sails the sea, every battle that is fought, affects the future of America.

Just as the destruction wrought by World War I seems small and insignificant compared with the destruction of World War II, so the destruction wrought by World War III, if it comes, will make the destruction of past wars seem trivial. The V-bomb, the rocket plane, all the engines of destruction now being developed by science are too deadly to be used in organized warfare if civilization is to survive. Either we shall join with the peace-loving nations in an heroic effort to see that the advances of science are used for the promotion of the welfare, the progress, and the security of the human race, or else these scientific advances will be utilized for the destruction of all that we hold dear. As has well been said, "In an interdependent world men and nations must cooperate or perish. We must learn to live in peace together or we will, win or lose, destroy ourselves in war."

When we ratify the San Francisco Charter and become a member of the international organization, we lose no American rights, we surrender no American sovereignty, we invite no interference or meddling with American domestic affairs, we continue the masters of our own household. And force cannot be used without our consent, since force is used only if we are in agreement with the other four major powers.

When we ratify the Charter we join with the other nations to do for our peace and for the peace of the world the things which we cannot do alone. We seize for ourselves the opportunity to deal with and to strive to remove the fundamental causes of war. We continue under the Charter the unity of the United Nations to wage war against intolerance, repression, exploitation, injustice, and economic want as the common perils of the future just as in that unity the United Nations have waged war against Nazi Germany and imperialist Japan, the common perils of today.

As a member of the international organization under the Charter, we seize the opportunity to deal with disarmament, the lifting of the burdens of armament, the promotion of respect for human rights and fundamental freedoms, the extension of the rule of law in international affairs, the amicable settlement of disputes among nations and the adjustment of situations likely to impair the general welfare or friendly relations among nations.

Differences between nations can be settled in only two ways: Counsel and debate among themselves, or war. Under

the Charter, we join with other nations in providing a framework within which counsel and debate can settle our differences and we establish goals for our common purposes.

We have no differences with other members of the United Nations which can be settled better outside the framework of an international organization than within. It is foolish optimism to think that there will not be differences within the framework of an international organization. The issue is not whether we can do away with disagreements. It is whether we will try to solve our differences within the framework of an organization, or abandon the effort to solve those differences.

Consider the comparison with our own Congress. The members who assemble for each new Congress sharply disagree among themselves on the issues which will be debated. The debate is often intense and bitter. The important thing is that we have the basic framework, the machinery, within which we can arrive at decisions. And so the democratic process operates through the years on a give and take basis. Each individual and each party may lose some decisions, win on others. But always agreeing that win or lose, the democratic process itself is our greatest asset. And so the Charter provides the framework, the machinery for the peaceful settlement of disagreements between the nations all the way from conciliation and arbitration to adjudication by the International Court of Justice.

The Charter's primary reliance is upon pacific methods for the settlement of disputes based upon justice and respect for international law, and respect for the principle of equal rights and self-determination of peoples. Most of all it seeks to embark upon great tasks for human betterment which will preserve the peace by binding the nations together in fellowship and in friendship.

But if peaceful measures fail or if some aggressor flouts the law and threatens the rights and security of its neighbors, the economic and military strength of the great powers exercised through the Security Council is at the service of all the nations to prevent the aggression and to keep the peace. The great powers and all the members of the Organization renounce aggression and pledge themselves to settle disputes by peaceful means and to refrain from the threat or use of force against the territorial integrity or political independence of any state.

The League of Nations failed for several reasons but the League's most fatal defect was the fact that it could adjudicate and render decisions but had no organized force with which to enforce its decrees.

We had a similar experience in our early American history. Under the Articles of Confederation the Continental Congress could make laws but had no power to enforce them. It quickly became evident that a nation thus formed could not endure. It was for this reason that the people, through their representatives, gathered at Philadelphia and gave us the Federal Constitution with power in the Federal Government to enforce its laws. Under the San Francisco Charter, there is power in the Security Council to use force immediately to suppress the aggressor nation.

Under the Charter all nations who are members of the international organization will have a seat and an equal vote in the General Assembly. This body will be the conscience and the forum of the family of nations. Here the representative of every nation will have the right to talk, to speak, to tell his story. Here the voice of little peoples will be heard. Here may be depicted the wrongs and injustices suffered by nations or here proclaimed the hopes and aspirations of peoples. Here on the stage of the world in broad daylight will be considered in free and open debate the affairs that concern the men and women of this earth. Here truth may turn its shining light into the dark places and challenge the hearts and consciences of men.

Under the Charter the center for economic and social progress will be the Economic and Social Council with its staff and its commissions dealing with stability in the field of international trade and finance, and concerned with such problems as monetary exchange, aviation, cartel control, wire and wireless communications, food and agriculture, foreign trade and the removal of trade barriers. Economic injustice, hunger, want, misery, exploitation, the denial of economic opportunity make fertile the soil for the seeds of war. Without compulsion on any nation, here will be the opportunity for all the nations to work together as good neighbors, to elevate the worth and dignity of the individual, to raise standards of living and advance social progress, to help men to obtain the fruits of their toil and to enjoy a better deal, to carry education, enlightenment, and cultural development into all lands and to promote human welfare and human happiness.

To those who fear that by ratifying the Charter we will give our approval or become a party to making permanent conditions and situations affecting nations and peoples that we deplore and that we would change, I would say that if we do not ratify the Charter we shall withdraw to ourselves and wash our hands of them. When we ratify the Charter the door is open to us to take steps, slow though they may be, to improve the conditions, to change the situations.

Under the Charter, for the first time in history, the great colonial powers have subscribed to the proposition that the administration of colonial peoples is a sacred trust to be administered with the view to the ultimate self-government of the peoples and the establishment of their free institutions.

The Charter expressly gives the Assembly the right to look into any situation, regardless of origin, which it deems unjust or likely to impair the friendly relations between nations and to make recommendations as to the rectification of the situation. What better weapon than the white heat of an aroused and enlightened public opinion of the world directed and focused upon a given situation? Surely there can be no choice between such a course and one that would deny the Charter and default such an opportunity. The Charter, with its special commission created for the advancement of human rights and basic freedoms, at least holds hope and gives promise for better things.

When the Constitution of the United States was adopted, Thomas Jefferson said, "We must be contented to travel on toward perfection step by step." The adoption of the Constitution was a new step in the history of mankind. It proved to be a tremendous step laden with all of the possibilities and marvelous achievements that have unfolded themselves through the succeeding years. But it could be only a step, for no such document, however wisely or prophetically drawn, can be self-executing. As John Marshall expressed it, the Constitution was a skeleton that had to be clothed with flesh and blood. It had to be given life and vitality and spirit and purpose, day by day, year after year, by the people of the United States.

And so it is with the Charter of the United Nations Organization. It is a step, a magnificent and hopeful step, for peace can never be achieved if we are afraid even to try. Peace, like everything else in life that is dear, cannot be had by merely wishing for it. Peace can be had only through sacrifice and by laboring and struggling for it. The will for peace must be so strong in the hearts of men that they are willing to pay whatever price may be necessary to obtain it.

Our very membership in the International Organization will daily remind us and give us an awareness of the duties and obligations of the will for peace, and will nourish and strengthen that will.

President Truman gave utterance to a sentence when the juncture of the American and Russian armies was effected that should live with each of us:

> Nations which can plan and fight together shoulder to shoulder in the face of such obstacles of distance and of language and of communications as we have overcome can live together and can work together in the common labor of the organization of the world for peace.

If we do not try, if we do not do our best to build the peace, we shall break faith with our American youth who have died in the hope of a better world. If we do not try, if we do not do our best, we will not be true to our children and to those who are to follow after them.

Abraham Lincoln was speaking even more for our time than for his when he said:

> The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, so we must think and act anew. We must disenthrall ourselves, and then we shall save our country.

In 1776 and 1789 our forefathers blazed an unbroken trail which led to new horizons. Their descendants created a new society, unparalleled in the history of the past. For over a century America has been a symbol of hope in the eyes of the peoples of the world. More than ever before the eyes of these peoples are turned to us today.

For us, this is a time of destiny. We have at this moment our opportunity to strive to lead mankind forward and

upward over a new frontier and into a new era. We failed to grasp such an opportunity at the end of the last World War. Destiny has blessed us by giving us a second chance. It may be the last. We cannot count on a third.

The stage is set for the United States to play her part in the establishment of a peaceful world. We have the power and we have the vision. We have proved it in the past by building a mighty land of freedom and of opportunity, not with any one race, but with peoples gathered from all the races of the earth. If we could build this Nation from all these peoples, surely we can build upon a larger scale, and help to lead the peoples of the world out of anarchy and away from death, into a world where all people may live in peace, under law and justice.

The San Francisco Charter, signed by 50 nations—different in race, language, historic background, and attitude toward life—affirms anew the faith of Woodrow Wilson. As we ratify with overwhelming voice the Charter which is so much the product of the works and leadership of Franklin D. Roosevelt, let us remember and take to our hearts his parting words to us:

> And to you, and to all Americans who dedicate themselves with us to the making of an abiding peace, I say the only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith.

Mr. WHEELER. Mr. President, I have listened to the very beautiful and eloquent speech of my distinguished friend and colleague from Alabama. I only hope and wish that all the things he has predicted may come true; but I am afraid he is not entirely realistic about the situation which confronts the world today.

Sir Edward Grey warned the world just before the First World War broke out, "The lights are going out all over Europe, and we shall not see them relighted again in our time."

Even now, 31 years later, the problems of peace following on the heels of a Second World War loom momentarily against an ever-darkening sky. Of one thing we can be certain, namely, the problems we faced following the last war were child's play compared to the chaos with which we are now confronted. We can be certain that while our statesmen breathe an air of confident expectancy or of casual tolerance toward the future, the terrible truth of the matter is they are whistling in the dark. At this very moment fear grips the hearts and minds of all men who honestly face the magnitude and complexity of the consequences of this war, which already threatens to overwhelm us.

The chaos in Europe is tragic beyond description. The threat of a rampant totalitarian tyranny everywhere raises its ugly head. The resurgence of a brutal and fanatical fascism lurks in every flooded cellar, behind every shattered tree, and beneath every ugly ruin in Europe. An almost inevitable triumph of disease, starvation, and frustration already challenges the sanity of men. Yet in spite of these horrible conditions, tragic as they are, my greatest fear for the future is that the light of reason is being extinguished here at home.

Mr. President, I never believed I should live to see the time when Americans—to say nothing of foreign countries and foreign people—would not be able or willing to sit down and reason together. Yet today any man who dares to speak his deepest convictions, even in what he conceives to be the highest service of his country, not only does not get a hearing, but he is reviled and smeared, his intentions publicly slandered, and his reputation broken on a twisted rack of interventionist lies.

The fact that he is only pleading for a hearing for the priceless lessons of the past, the fact that he is attempting to champion America's traditional principles and the basic liberties and rights and dignity of human character, serves only to intensify the viciousness and the bitterness of his attackers.

Mr. President, in February 1941 I stood on the floor of the Senate and pleaded in vain against the deliberate involvement of America in the ancient feuds and the endless cycle of crises of the Old World, which the passage of the Lend-Lease Act would guarantee. I was only following the dictates of my conscience in a complete consistency of action. It was not politically an expedient thing to do. All the propaganda was in favor of it. I had bitterly opposed every step which this country was compelled to take against its will by the executive branch of this Government down the tortuous trail to war. From the "Quarantine" speech of 1937 on, I warned this country that each one of the administration's manufactured inevitabilities was taking us to war. The repeal of the Neutrality Act, the cash-and-carry provisions, the destroyer-bases deal, the Selective Service Act in peacetime, the convoys-to-Britain slogan, and then lend-lease—each, I charged, mean only one thing, namely, involvement in a catastrophic war, the end of which no man could see.

At that time I warned the American people:

> We stand today at the crossroads. So far as it is given ordinary mortals the power to see, both roads which stretch ahead of us are fraught with danger. There is no sure road to safety. But if we take one road—the road for which this bill before us is a signpost—what lies ahead is clearly obvious. Down that road lies involvement in Europe's wars, eventual commitments to help bring order out of chaos in all the world, the shouldering of a back-breaking debt for all our people, possibly, if not probably, death in some foreign land for the flower of our young men, the end of democracy and civil liberties certainly, not only for the duration but perhaps for generations.

And today, Mr. President, the America in which I live is no longer afraid of totalitarian tyranny. It openly embraces what President Roosevelt declared to be a dictatorship as absolute as any in the world. We gaze fondly upon it and proudly arrogate to ourselves the right to join such select company.

Mr. President, all I have to say to the American people is that if, as our contemporary wolf pack of propagandists is attempting to prove by its yapping, the simple statement of historical facts and American principles and ideals is divisive, destructive, or subversive to American interests, then America as a nation of free peoples is already blindly groping toward her doom.

Mr. Max Jordan, a National Broadcasting Co. correspondent, states what this mass psychosis, which is bent upon the national suicide of America, will do to every hope for peace in the future, when he says in his recent book entitled "Beyond All Fronts":

> These past 30 years do not leave much room for optimism. The record is certainly not one of which to be proud. Looking back we can see how the tragedy of this war could have been averted. For their failure to prevent it, all nations share in the blame, though not all in the same degree, and many by omission rather than by commission.
>
> Too little and too late is the theme which runs through the whole cruelly cacophonous gamut of the two world conflicts. Too little courage, too late applied when the rudder might have been thrown to a course of sanity, into placid waters and away from menacing clouds. Too little the understanding, too late asserted, of the dreadful reserves in the dark arsenals of the human race where the explosives of cold hate and exacerbated prejudice are piled up for our destruction. Too little cooperation of the forces of charity and justice because everybody distrusted everybody else. Too late the realization that only the solidarity of civilized nations maintained by a spirit of give and take can prevent relapses into jungle and caveman eras where everyone looks out only for himself and no one wants to be his brother's keeper.

Mr. President, the inference here is plainly that if the lights of reason are extinguished here in America, if we as a nation are to revert to the pagan faith of tyrants that truth cannot and will not triumph in free conflict, the hope for moral leadership among the nations and the peoples of the earth will perish for long years to come. If, in the future, the individual and all the dignity of the human personality and the creative genius of the human mind and spirit is to be compelled to exist only as a means to an end, namely for the state, the world of the future will degenerate into a vast intellectual, moral, and spiritual concentration camp. With such a trend in international affairs an evergrowing reality, I cannot help but cry out in protest.

Mr. President, in all the 111 articles of the Charter of the United Nations there is not one single clear specific provision for the protection of the individual human personality of which the society of nations is ultimately composed. I make that statement notwithstanding the fact that much has been said about what we are going to do, and about the "four freedoms" which we are going to establish throughout the world. There is no bill of rights, no protection for the individual against tyranny. There is just one reference in all of the 111 articles to the dignity and worth of the human person. It is found in the second article of the preamble.

If it be said, Mr. President, that the matter is taken care of by the statute of the International Court of Justice, I would reply that exactly the opposite is true. In all the 70 articles of the Statute for the World Court there is not one single reference even to the worth and dignity of the human person, much less any

specific provisions for the protection of his inalienable rights.

If reply be made, "But that will be worked out later, in the peace settlements, as the nations learn to work together in the common cause of peace," I would answer that that was Wilson's dream, too.

Mr. President, again I say that in all that has been done for the so-called peace-loving nations of the world, for their alleged protection and security against enemies—nations which either are, or in the immediate future will be helpless even to protect themselves—there is not one single specific provision to protect the human person, the individual, of which the society of nations is composed.

Mr. President, on my recent trip throughout Europe and the Mediterranean I talked with hundreds and hundreds of individuals in England, France, Germany, Italy, Egypt, Palestine, and Greece. Throughout my travels I did not hear the San Francisco Charter mentioned even once. The people with whom I talked, and the others whom I saw on my trip, were concerned with only three things. They wanted food, clothing, and coal with which to cook their food and to light and heat their miserable shelters. They, as individuals, wanted protection against tyranny and starvation. Those were the things they feared. Most of all, they feared tyranny.

During the past many months at home, however, the American people have been treated to a veritable banquet of speeches in support of the San Francisco Charter. If I have heard and read those speeches aright, the Charter's most illustrious supporters have promised their support for the Charter on the basis of what they consider to be the genius of its alleged realism. On June 28 my distinguished colleague, the Senator from Texas [Mr. CONNALLY] stated on the Senate floor:

> The central idea of the Charter is that the comradeship of war must be carried forward in a comradeship of peace.

On June 29, the Senator from Michigan [Mr. VANDENBERG] said:

> I wish we might have a different plan in which there could be more decentralization of enforcement power. But that is simply equivalent to saying that I wish we might have a different kind of world. The truth of the matter is that we confront a condition and not a theory. The San Francisco Charter deals with this condition. If it did not deal with the condition it would not be worth the paper it is written on. The condition is that Britain, Russia, and America control the dominating force factors of the earth and are calculated to thus continue for the foreseeable years ahead.

What does that mean, Mr. President? It simply means that those three great powers are going to dominate the world in the future, just as they have dominated it during the past, especially during the present war.

On July 9 Mr. Stettinius stated before the Foreign Relations Committee:

> The Charter does not confer any power upon the great nations which they do not already possess in fact. Without the charter the power of these nations to make or break the peace would still exist. What the Charter does is to place special and binding obligations upon the great nations to use—in unity together for peace, not separately for war—the power that is already in their hands.

According to those gentlemen, as I understand them, the genius of the new charter for world organization lies in the fact that its provisions merely reflect the present relations of the victor powers which are themselves promised on a principle of power politics at its worst. For, the fact of the matter is that this alleged realism of the Charter simply means that far from having "raised a standard to which the honest and the just can repair," this Charter has translated men's hopes and dreams for peace into a mechanism to legalize and perpetuate the brutal realities which now afflict friend and foe alike.

Mr. President, what are the facts of history which are now being trampled under foot or sentenced to political and intellectual concentration camps. On January 15 last I read into the RECORD the factual account of our alleged wartime unity upon which this Charter now is based. It would be a major catastrophe if the complete record of our so-called unity were not kept straight, including its deeper significance in terms of power politics. It would be a catastrophe not only for the tragic peoples of Europe, not only for America's sons whose heroism and sacrifice brought victory, but a catastrophe for the people of England and for the people of Russia as well.

I want at this time to bring the record of our "wartime unity" up to date. I do this out of my solemn conviction that if, in the face of the assertion of the Senator from Michigan [Mr. VANDENBERG] "there is no precedent for the peace challenge we confront," if, I say—in the face of this unprecedented future we abandon our traditional principles and ideals we are already set adrift on the wildest sea of international anarchy the world has ever known.

Mr. President, there are four ominous historical facts which up to this time have been withheld not only from American public opinion but from the councils of the victorious nations as well. First, there is the tragic and startling parallel between the fate of Wilson's Fourteen Points and the Atlantic Charter.

Do not the following statements of high and noble peace aims sound strangely familiar?

On September 11, 1914, Winston Churchill said:

> Let us whatever we do fight for and work toward great and sound principles for the European system.

What has become of the European system?

On March 23, 1915, Sir Edward Grey said:

> We shall go on fighting until we have attained the prevalence of and the right to free development under equal conditions upon which all states may, in conformity with their nature build themselves up as one family of civilized mankind.

On September 4, 1915, Bonar Law said:

> We are fighting for the moral forces of humanity, we are fighting for the right of public justice, the foundation of civilization. We are fighting for right against might.

On April 2, 1917, Woodrow Wilson said:

> We shall fight for the things which we have always carried nearest to our hearts—for democracy, for the right of those who submit to authority to have a voice in their own government.

Where today in all of eastern Europe, which has come under the absolute domination of tyranny, is there any democracy?

On December 4, 1917, Woodrow Wilson said of the wrongs with which Germany had been accused:

> They cannot be righted and must not be righted by the commission of similar wrongs against Germany and her allies. The world will not permit the commission of similar wrongs as a means of reparation and settlement.

And speaking for the Allies, he went on to say:

> They insist that the war shall not end in vindictive action of any kind; that no nation or people be robbed or punished because the irresponsible rulers of a single country have done deep and abominable wrong.

On September 18, 1917, the French Minister, Painleve, said in the Chamber of Deputies:

> You are fighting so that the nations may at last know peace, justice, respect for right, without being prostrated under iron laws.

On September 27, 1917, Lord Asquith said:

> Still less can you look for a peace that is worthy of the word, in any arrangement imposed by the victor upon the vanquished which ignores the principles of right and sets at defiance the historic traditions, the aspirations, and the liberties of the nations affected. Such so-called treaties contain within themselves their own death warrant and simply provide a fertile breeding ground for future wars.

On January 5, 1918, Lloyd George declared Britain's war aims to be:

> Not revenge, but justice. A peace of revenge would not be justice. We must not have a new Alsace-Lorraine question, for the simple reason, because we would repeat the blunder of Germany.

And he went on to say that Britain sought—

> A territorial settlement * * * based on the right of self-determination or the consent of the governed.

On January 10, 1918, Balfour said:

> We never went to war for selfish objects; we did not stay in the war for selfish objects; and we are not going to fight this war to a finish for selfish objects.

On February 11, 1918, Woodrow Wilson said:

> Peoples may now be dominated and governed only by their own consent. Self-determination is not a mere phrase. It is an imperative principle of action, which statesmen will henceforth ignore at their peril. We cannot have general peace for the asking, nor by the arrangements of a peace conference. It cannot be pieced together out of individual understandings between powerful states. No peace can last, or ought to last, which does not recognize and accept the

principle that governments derive all their just powers from the consent of the governed.

How do these sentiments fit into the picture today of Poland, Latvia, Lithuania, Estonia, Bulgaria, and all the other central and eastern European countries, when on every hand one only hears the preachments of revenge and hatred?

Let me call attention to an article from the Progressive by Kenneth Crawford, one of the most liberal newspapermen in this country, and one who, at times, has disagreed violently with me in reference to my statements prior to the war. He says:

For the Charter and the Organization it creates are only new crepe paper window dressing for a store that sells the same old goods—domination of weak nations by strong nations; rivalry between the big dominant nations; potential world war.

Further on he says:

Indeed a large part of the Anglo-American chore at Potsdam will be to negotiate agreements made at Teheran, Cairo, and Yalta but subsequently defaulted by the Russians. There was to have been joint responsibility between Russia and the western allies in Rumania, Bulgaria, and Hungary, but the Anglo-American missions in these countries have been little more than prisoners of the Russians.

No one in Europe who knows the situation and no one in the United States doubts that statement.

Mr. President, these declarations of high purpose by the Allied leaders of the last war were incorporated in Woodrow Wilson's Fourteen Points on January 8, 1918, and in similar Wilsonian documents of February 11, July 4, and September 27 of the same year.

The startling parallel between the professed aims of the Allied Governments and the formal documents in which those aims were solemnly set forth is found in the following statements which have been selected at random from thousands of similar utterances on the part of the leaders of the victor nations in this war.

On April 25, 1939, Mr. Cordell Hull stated:

We hope devoutly that a negotiated peace before rather than after the senseless arbitrament of war, a peace based on a mutually fair adjustment of outstanding problems will be the happy lot of mankind in the future which lies immediately ahead.

On October 25, 1939, Lord Lothian said:

I am sure there is no desire in my country to impose another dictated peace on a prostrate Germany or to take from her any lawful rights. On the contrary, I think there is a clear conviction that only through a peace negotiated with a government they can trust can Germany and all the other nations also attain that legitimate place in Europe and the world which is the only possible basis for a lasting peace.

In the same month Prime Minister Chamberlain stated:

We seek no material advantage for ourselves; we desire nothing from the Germans which would offend their self-respect. It is no part of our policy to exclude from her rightful place in Europe, a Germany which will live in amity and confidence with other nations.

On August 20, 1940, Churchill declared:

There will always be held up before the eyes of the people of Europe, including, I say it deliberately, the German and Austrian peoples, the certainty that the shattering of the Nazi power will bring them all immediate food, freedom, and peace.

Mr. Churchill described the implications of the Atlantic Charter when on August 24, 1941, he said:

This was a meeting which marks forever in the pages of history the taking up by the English-speaking nations, amid all this peril, tumult, and confusion, of the guidance of the fortunes of the broad toiling masses in all the continents; and our loyal effort, without any clog of selfish interest, to lead them forward out of the miseries into which they have been plunged, back to the broad highroad of freedom and justice. This is the highest honor and the most glorious opportunity which could ever come to any branch of the human race.

On November 6, 1941, Stalin said:

We have not nor can have such war aims as the seizure of foreign territories or the conquest of other peoples, irrespective of whether European peoples and territories or Asiatic peoples and territories, including Iran, are concerned. Our first aim is to liberate our territories and our peoples from the German Nazi yoke.

On March 16, 1942, Litvinov stated:

We are all interested in the speediest possible ending of the war; the speediest possible conclusion of a just peace treaty, enabling each nation to develop in accordance with its own aspirations without interference from outside and in no fear of war again breaking out.

Again, Joseph Stalin, in his order of the day, No. 130, May 1, 1942, declared:

Comrades, we are waging a patriotic war of liberation, a just war. We do not set ourselves the aim of seizing foreign countries, of conquering foreign peoples. Our aim is clear and noble. We want to liberate our Soviet land from the German Fascist scoundrels. We want to liberate our brothers, the Ukrainians, Moldavians, Belorussians, Lithuanians, Letts, Estonians, and Krelians, from the disgrace and humiliation to which they are subjected by the German Fascist scoundrels.

Ask anyone in Poland, in Latvia, in Lithuania, in Estonia, in Bulgaria, in Rumania, what has happened since that promise was made and what is happening to the people in those various countries.

Even as recently as March 21, 1944, the former Secretary of State said:

The pledge of the Atlantic Charter is of a system which will give every nation, large or small, a greater assurance of stable peace, greater opportunities for the realization of its aspirations to freedom and greater facilities for material advancement.

Mr. President, the startling similarity between the profession of principles and purposes of the Allied leaders of both the First and Second World Wars is most graphically revealed in a comparison between Wilson's Fourteen Points and his subsequent documents of January 8, February 11, July 4, September 27, and the Atlantic Charter which I now want to read into the RECORD:

1941	1918
The first principle of the Atlantic Charter reads: "Their countries seek no aggrandizement, territorial or other."	Woodrow Wilson's declaration of February 11, 1918, states: "Every territorial settlement involved in this war must be made in the interest and for the benefit of the populations concerned and not as a part of any mere adjustment or compromise of claims amongst rival states."
The second principle of the Atlantic Charter reads: "They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned."	Woodrow Wilson's July 4, 1918, statement reads: "The settlement of every question, whether of territory, or sovereignty, of economic arrangement, or of political relationship, upon the basis of the free acceptance of that settlement by the people immediately concerned and not upon the basis of the material interest or advantage of any other nation or people which may desire a different settlement for the sake of its own exterior influence or mastery."
The third principle of the Atlantic Charter reads: "They respect the right of all people to choose the form of government under which they will live; and they desire to see sovereign rights and self-government restored to those who have been forcibly deprived of them."	Wilson's Points Six through Thirteen read as follows: "VI. The evacuation of all Russian territory and such a settlement of all questions affecting Russia as will secure the best and freest cooperation of the other nations of the world in obtaining for her an unhampered and unembarrassed opportunity for the independent determination of her own political development and national policy and assure her of a sincere welcome into the society of free nations under institutions of her own choosing * * * and, more than a welcome, assistance also of every kind that she may need and may herself desire. The treatment accorded Russia by her sister nations in the months to come will be the acid test of their goodwill of their comprehension of her needs as distinguished from their own interest, and of their intelligent and unselfish sympathy. "VII. Belgium, the whole world will

1941	1918
	agree, must be evacuated and restored without any attempt to limit the sovereignty which she enjoys with all other free nations. No other single act will serve as this will serve to restore confidence among the nations in the laws which they themselves have set and determined for their relations with one another. * * * "VIII. All French territory should be freed and the invaded portions restored, and the wrong done by France by Prussia in 1871 in the matter of Alsace-Lorraine which has unsettled the peace of the world for nearly 50 years, should be righted, in order that peace may once more be made secure in the interests of all. "IX. The readjustment of the frontiers of Italy should be effected along clearly recognizable lines of nationality. "X. The peoples of Austria-Hungary, whose place among the nations we wish to see safeguarded and assured, should be accorded the freest opportunity of autonomous development. "XI. Rumania, Serbia, and Montenegro should be evacuated; occupied territories restored; Serbia accorded free and secure access to the sea; and the relations of the several Balkan States to one another determined by friendly counsel along historically established lines of allegiance and nationality; and international guaranties of the political and territorial integrity of the several Balkan States should be entered into. "XII. the Turkish portions of the present Ottoman Empire should be assured a secure sovereignty, but the other nationalities which are now under Turkish rule should be assured an undobuted security of life and an absolutely unmolested opportunity of autonomous development, and the Dardanelles should be permanently opened as a free passage to the ships of commerce of all nations under international guaranties. "XIII. An independent Polish State should be erected which should include the territories inhabited by indisputably Polish populations, which should be assured a free and secure access to the sea, and whose political and economic independence and territorial integrity should be guaranteed by international covenant."
The fourth principle of the Atlantic Charter reads: "They will endeavor, with due respect for existing obligations to further the enjoyment by all states, great or small, victor or vanquished, of access, on equal terms, to the trade and to the raw materials of the world which are needed for their economic prosperity." The fifth principle of the Atlantic Charter reads: "They desire to bring about the fullest collaboration between all nations in the economic field with the object of securing, for all, improved labor standards, economic advancement, and social security."	The third of Wilson's Fourteen Points reads: "The removal, so far as possible of all economic barriers and the establishment of an equality of trade conditions among the nations consenting to the peace and associating themselves for its maintenance." The fourth principle of Wilson's five points of September 27, 1918, reads: "There can be no special selfish economic combinations within the League and no employment of any form of economic boycott or exclusion except as the power of economic penalty by exclusion from the markets of the world may be vested in the League of Nations itself as a means of discipline and control." The third principle of Wilson's Four Points of July 4, 1918, reads: "The consent of all nations to be governed in their conduct toward each other by the same principles of honor and respect for the common law of civilized society that govern the individual citizens of all modern states in their relations with one another; to the end that all promises and covenants may be sacredly observed no private plots or conspiracies hatched, no selfish injuries wrought with impunity, and a mutual trust established upon the handsome foundation of a mutual respect for right."
The sixth principle of the Charter reads: "After the destruction of the Nazi tyranny they hope to see established a peace which will afford to all nations the means of dwelling in safety within their own boundaries, and which will afford assurance that all the men in all the lands may live out their lives in freedom from fear and want."	
The seventh Charter principle reads: "Such a peace should enable all men to traverse the high seas and oceans without hindrance." The last principle in the Atlantic Charter reads: "They believe that all of the nations of the world for realistic as well as spiritual reasons must come to the abandonment of the use of force. Since no future peace can be maintained if land, sea, or air armaments continue to be employed by nations which threaten, or may threaten, aggression outside of their frontiers, they believe, pending the establishment of a wider permanent system of general security, that the disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace-loving peoples the crushing burden of armaments."	The second of Wilson's Fourteen Points reads: "Absolute freedom of navigation upon the seas, outside territorial waters, alike in peace and war, except as the seas may be closed in whole or in part by international action for the enforcement of international covenants." The fourth of Wilson's Fourteen Points states: "Adequate guaranties given and taken that national armaments will be reduced to the lowest point consistent with domestic safety."

Mr. President, on October 23, 1918, President Wilson notified the German Government that he had received a memorandum from the Allied Governments from which I quote:

The Allied Governments have given careful consideration to the correspondence which has passed between the President of the United States and the German Government. Subject to the qualifications which follow, they declare their willingness to make peace with the Government of Germany on the terms of peace laid down in the President's address to Congress of January 8, 1918, and the principles of settlement enunciated in his subsequent addresses.

The world now knows that just 8 months later, on May 7, 1919, the Versailles Treaty was imposed by the victors on the vanquished in violation of both the letter and the spirit of almost every one of the promises contained in the note of October 23, 1918, from the Allied Governments. The peace was clearly not a peace of reconciliation or anything like it. It clearly was not designed to give the new-born German democratic state a real fighting chance to survive. Even the reparation provisions produced financial and economic chaos in Germany and had to be revised. Thus there was no winner in the Versailles Treaty. Clemenceau failed to gain security for France. Wilson failed to establish a just and enduring peace. Lloyd George achieved a glittering success by preserv-

ing for a time the precarious balance of power in Europe. But he, too, failed, for while Britain's greatest interest is peace, 20 years after his alleged triumph at Versailles, Britain was at war and close to destruction.

Mr. President, the only difference between the fate of Wilson's declarations and the Atlantic Charter lies in the fact that in the case of the latter its death was more swift and sure. From the many repudiations of the Atlantic Charter by our Allied war leaders I want to enter the following documentation.

On February 22, 1944, Mr. Churchill repudiated the very principle of which he had been coauthor when he said:

I cannot feel that the Russian demand for reassurance about the western frontiers (of Poland) goes beyond the limits of what is reasonable or just. Marshal Stalin and I also spoke and agreed upon the need for Poland to obtain compensation at the expense of Germany in the north and in the west.

Thus having repudiated the Charter, so far as its application to Poland was concerned, he went on to say:

There will be no question of the Atlantic Charter applying to Germany as a matter of right and barring territorial transferences or adjustments in enemy countries. * * * Unconditional surrender means that the victors have a free hand.

This speech drew the following immediate and bitter response from Mr. McGovern, M. P., Glasgow:

If we cast our minds back to 1939 and remember the high sounding and lofty phrases in which were announced in this House, our reasons for going to war, we see they have all been shed today, and that the moral and idealistic aspects have been scrapped. * * * I begin to wonder to whom the Atlantic Charter does apply. It does not apply to the British colonies and it does not apply to enemy states. It is only a grand dramatic trick to cash in on public opinion throughout the world. * * * We went to war ostensibly for the Polish Corridor. * * * Now we see not only the corridor but the drawing room, the dining room, the bedrooms, and the whole of the castle is going, but going from another direction, and we have not got a Prime Minister who * * * can state honestly that his illness at Teheran was not only a physical illness but the political illness of a man who knows that he is being driven remorselessly along a road on which he cannot stop.

Then, Mr. President, in what amounted to an acknowledgment of the above accusation, on March 22, 1944, Mr. Churchill stated in the House of Commons in answer to a demand that he clarify the status of the Atlantic Charter:

It is evident that, as the changing phases of the war succeed from one to another, some further clarification will be required of the position under the document which has become honorably known as the Atlantic Charter, and that this must be the subject of renewed consultation between the principal allies.

Then 2 weeks later, on April 9, Mr. Hull echoed the funeral service which Churchill had delivered over the jettisoned corpse of the Atlantic Charter when he said:

It charts the course upon which we are embarked and shall continue. That course marks the prevention of aggression and the establishment of world security. The Charter does not prevent any steps, including those relating to enemy states, necessary to achieve these objectives.

On May 7, 1944, just 4 weeks later, the Soviet publication, War and the Working Class, asserted that the Atlantic Charter and the Moscow declaration were not sufficiently precise instruments for settling the complicated problems of world war and peace in 1944. Against the criticism of the flagrant violations of the principles of the Atlantic Charter that had come from so many quarters the Soviet magazine retorted:

They strive to bring back problems of history settled long ago, such as the territories of White Russia and the western Ukraine and the fate of the Baltic Soviet Republics. They carefully keep quiet about the fact that the territories that joined the U. S. S. R. did so as a result of a real popular desire of the people in the western Ukraine, White Russia, Latvia, Lithuania, and Estonia.

Does anyone think he can induce any Estonian, Latvian, or Lithuanian to agree with that statement?

Mr. President, what Mr. Churchill meant when he said "unconditional surrender means that the victors have a free hand," seems to be quite clearly indicated in Mr. Stettinius' speech of July 9 in which he said:

The Charter contemplates that the United Nations Organization may in time assume the responsibility for standing guard over the enemy states, but this responsibility is left for the present directly in the hands of the nations which have made victory possible in the present war. They will decide when to transfer this responsibility to the Organization.

And now a gravely disillusioned American public is just beginning to understand the truth of what Demaree Bess wrote in the Saturday Evening Post of March 1945 from which I quote:

If we reread the Atlantic Charter carefully, we can see that when it was published in August 1941, it seemed possible to us then that the war in Europe need not become a continental revolution. Its comparatively mild provisions, drawn up by President Roosevelt and Prime Minister Churchill still pictured the war in limited terms. All during the ensuing year, our discussion about postwar Europe generally foresaw some kind of acceptable place for Germany, with no sweeping territorial changes in Europe once Hitler and his Nazi system were overthrown.

It was not until the Teheran Conference nearly 2½ years later that these soft provisions of the Atlantic Charter were rendered finally inoperable by the unanimous adoption of President Roosevelt's newer policy of unconditional surrender. Those critics who have recently been complaining that Stalin and Churchill killed the Atlantic Charter by their action in Poland and Greece had failed to observe that the Atlantic Charter was killed from the day that the three greatest powers accepted unconditional surrender in its place.

When we realize that this statement means the major victor powers which have been signatories to the principles of the Atlantic Charter, which have been incorporated in a score or more sacred treaties signed by the representatives of the United Nations met in solemn conclave, we can plainly see that the tragic mistakes of Versailles have merely been aggravated and earlier set in motion. Yet there is not a single mention of this tragic fact in all the reams of euphemistic testimony in support of the charter that has been printed by our propagandists.

The second grim historical fact which has been and which even now is being deliberately suppressed is that behind the slogan of unconditional surrender we have been compelled to wage a vicious war of power politics with Russia and Britain, ever since the tide of battle turned.

Mr. Frederick L. Schuman, in his book Night Over Europe, gives the following graphic description of power politics. Says he it is a policy which compels every nation to "regard one's neighbors as one's enemies, to consider one's neighbors' neighbors as potential allies, to recognize that the power of states in relation to other states is local, to know that power is relative and that one state's gain is another's loss, to treat one's enemies as if they might some day be friends, and one's friends as if they might some day be enemies. Success requires that words be not confused with deeds. It requires knowledge of the probable intentions of others and ability to change those intentions to one's advantage by adroit combinations of threats and inducements."

Mr. President, our associate, Russia, has continually denied this charge of power politics. On November 16, 1944, the Information Bulletin of the Soviet Embassy published as the alleged basis of the Soviet Union's policies in this war a statement from which I quote:

1. Peaceful relations with all states irrespective of their political systems.

2. Economic and political cooperation with all states on the basis of sovereign equality and independence of the contracting parties and the coexistence of two systems.

3. Alliances with any state with the purpose of protecting both partners from acts of aggression.

4. Categorical renunciation of imperialistic expansion at the cost of other nations.

5. Nonintervention in the internal affairs of other states.

6. Strengthening of the coalition of freedom-loving nations in the fight against Fascist aggressors.

Indeed the Big Three proclaimed to the world in the Crimea Report that agreement had been reached upon which the independence and integrity of every European nation was to be respected and strengthened. The Crimea Report committed the United States, Great Britain, and Russia to the following pledge:

They jointly declare their mutual agreement to concert, during the temporary period of instability in liberated Europe, the policies of their three Governments in assisting the peoples liberated * * * to solve by democratic means their pressing political and economic problems. The three Governments will jointly assist the people * * * to form interim governmental authorities, broadly representative of all democratic elements in the population and pledged to the earliest possible establishment through free elections of governments responsive to the will of the people.

Yet, as has happened to all the other solemn declarations of this war, events soon tore away the mask of hypocrisy from their pious pretensions. It was only a few days later that Russia set out on a series of unilateral acts in which one

after another the smaller eastern European states fell victim to her power. Even in spite of the most complete censorship ever thrown over the nations of Europe the whole world now knows what happened. On April 30, 1945, the Washington News carried a stinging attack on Russia's apparently complete disregard for her pledged word at Yalta in an editorial from which I quote:

This pledge has not been carried out in Poland, where Moscow's puppet dictatorship is in absolute control, despite protests from Washington and London.

It has not been carried out in Rumania, where Moscow has made and unmade and remade so-called governments, again without allowing the joint action requested by the Big Three.

It has not been carried out in Czechoslovakia, where even British and American diplomats are barred from the country.

It has not been carried out in Yugoslavia, despite an added Yalta pledge that the Tito assembly would be extended to include members of the last Yugoslav Government who have not compromised themselves by collaboration with the enemy.

It has not been carried out in Bulgaria, where Russia rules and her allies are given no voice.

It has not been carried out in Hungary, where another Moscow-made regime rules. And now Russia is failing to honor her pledge in Austria.

The score for the Yalta declaration on liberated Europe after 11 weeks in operation is 0 runs, 0 hits, and 7 errors.

Mr. President, on January 15 I charged on the Senate floor that this alleged wartime unity of the Big Three was "the result of an international shotgun wedding." I went on to say:

How else can we explain a continuation of present policies on the part of our allies which appear to a growing body of international opinion as though they were saying to each other: "Carry on; take whatever territories you like; swap minorities and populations to your heart's content; change frontiers to suit your whims and fancies; interfere in the internal affairs of whatever governments you wish; we will talk about principles after we have carved up the world to suit ourselves."

I can assure my colleagues that it is no joy or satisfaction to me to find that historical events have proven I was correct in my charge. Yet on May 14 Mr. Churchill himself warned the world that this wartime unity, which supposedly had been finally tempered into a strong and enduring relationship at Yalta, had brought the Big Three into agreement on a common undertaking to set Europe free from Hitler, but not from the victor powers. Mr. Churchill said to the House of Parliament:

On the Continent of Europe, we have yet to make sure that the simple and honorable purposes for which we entered the war are not brushed aside or overlooked in the months following our success and that the words "freedom," "democracy," and "liberation" are not distorted from their true meaning as we have understood them. There would be little use in punishing the Hitlerites for their crimes if law and justice did not rule and if totalitarian or police governments were to take the place of the German invaders.

Mr. President, Mr. Churchill's belated admission of the tragic outcome to this war is an admission of a reality which for many long months had been recognized by our most competent interpreters of international affairs. For instance, on February 18, 1944, John Middleton Murray wrote:

When the Moscow agreement was signed, Europe, for the first time in the history of western civilization was excluded from councils regarding her fate. Not a single nation of continental Europe participated. Either a new Germany will be integrated into a new Europe, or a new Germany will eventually be intergrated into the Soviet Union. There is no such thing as a permanent no-man's land of 60,000,000 people. A constructive solution of the European question can bring with it a constructive solution of the German question. It can also usher in an era of world peace. But without an all-European solution the German question is insoluble except by another war to determine into what sphere of influence Germany will eventually go.

So far not a word has been uttered by the leaders of the Anglo-American Powers to indicate the slightest awareness that there is a European problem. When the United States entered the war, millions of Europeans waited for a great constructive word. The word has never come.

A November 1944 issue of Time magazine makes this observation:

Last week there was not a country in Europe or Asia where Russia's influence was not on the march. The influence was not due merely to Russia's military might. The Russian Government, temporarily respectable, was permanently revolutionary. Its appeal, reaching far beyond its war fronts and frontiers, was in theory one of the noblest in the history of human life—nothing less than the freeing of mankind from want, fear, and suffering. But to safeguard its purpose and focus its energies, it had organized one of the most resolute dictatorships the world had ever known, serviced by one of the most complex and efficient systems of secret police

A December 1944 issue of the Stars and Stripes contained this following charge:

British and Russian preoccupation with objectives other than the defeat of Germany was responsible for Allied failure to achieve expectations in the United States that the war in Europe would be over by now. Since D-day in France greater preoccupation has been shown by Russia in her Baltic and Balkan campaigns intended to insure her security, and by Great Britain in Italy, Greece, and Albania to protect her life line through the Mediterranean to India than in achievement of the prime objective of our American Armies—prompt defeat of Germany.

A well-informed Britisher made the following observation on December 22, 1944:

As the power of Germany declines, the struggle for power between the victorious Allies takes its new form. And its new form is that which was inevitable, the Allies being what they are, namely, Britain and Russia—the form is civil war. It is prevented only where one of the two allies is in effective military occupation. One may prophesy that wherever and whenever that military occupation is withdrawn, civil war will ensue. The next chapter of this fearful book of European history will begin.

There is no country in Europe today that does not fear revolution and anarchy the minute the American troops are taken out of that country.

Mr. Demaree Bess said on March 10, 1945:

Lately the roles to be played by our allies have become quite clearly defined, not only in such published treaties as the Anglo-Soviet alliance and the Franco-Soviet alliance but also through unpublished informal understandings. It is evident, for instance, that in countries occupied by the Red army, the Russians are disposed to encourage drastic reforms, such as the breaking up of all large landholdings, the public ownership of much industry and the liquidation of all those elements which have been hostile to the Soviet Union in the past. The reforms already begun by the Russians are far-reaching.

Great Britain, on the contrary, has discouraged violent and sudden reforms in the countries she has liberated. In accordance with her traditional methods, yielding to Russia on one point in order to gain another, British statesmen are working from a permanent set of blueprints, upon principles devised long ago to safeguard the interests of the British Empire.

Here then is a second tragic fact of very recent history which the advocates of intervention have deliberately silenced.

A third historical fact which is just now coming to light behind this slogan of "unconditional surrender" is such a basic and deep-rooted distrust between and among the Big Three that as the war turned in favor of the Allies these same Big Three did not trust each other sufficiently to permit Germany to emerge as an independent state or nation.

Mr. President, on January 15, I charged in a Senate speech that the slogan of "unconditional surrender" was a brutal boast which was prolonging the war unnecessarily and costing thousands of additional American casualties. At that time I quoted in support of my thesis such outstanding personages as the Archbishop of Canterbury, Pope Pius XII, many members of Parliament, Walter Lippmann, Dorothy Thompson, Raymond Moley, Anne O'Hare McCormick, and many others. It has now become perfectly clear that the charge I made is a matter of historical record, a record which I want earnestly to emphasize I am quoting from the prophets' mouths of our ardent interventionists.

Immediately following my speech of January 15, the New York Times of January 17 admitted in its leading editorial:

The criticism (of unconditional surrender) is futile because that formula is the chief point of agreement between the Big Four, the United States, Great Britain, Russia, and China, and must be the starting point for any further agreements among them.

The same editorial goes on to say:

But the real point raised by the critics is whether the formula of unconditional surrender is adequate. And on that point the answer must be an emphatic "No."

On Thursday January 18, Mr. Walter Lippmann again said of unconditional surrender:

The conclusion we are bound to come to is, it seems to me, that the formula of unconditional surrender, admittedly inadequate, cannot be made adequate by a mere declaration of our intentions. But it does not follow that we can do nothing, that it is impossible for us to take measure as a result of which we could in good faith with ourselves begin to exhibit our true intentions, and begin to dissolve the German fear of the unknown and the arbitrary.

Again on February 1, 1945, Mr. Lippmann wrote:

It seems more and more likely that our own formula of unconditional surrender will

have to be applied not to Germany as a whole, not to the German Army as a whole, but to bits and pieces of the German Army, to cities and provinces of Germany. If this happens the chaos and misery of the Germans will be stupendous. It is not in our power to prevent it, though we shall be compelled on grounds of interest and of humanity to alleviate it.

The real significance of this unconditional surrender slogan only slowly dawned on even the keenest students of international affairs. On February 13, Mr. David Lawrence wrote of the Yalta declaration:

It would appear that the same lack of vision whereby the use of psychological warfare has been neglected before is still manifested. There is nothing in the communiqué which holds forth any promise to the German people that their territory will not be dismembered and the resources needed for rehabilitation will not be completely destroyed.

On March 17, 1945, the United States First Army psychological warfare combat team released a statement based on a survey of German prisoners taken between January 10 and February 3 from which I quote:

There can be no doubt that our propaganda has failed to provide the German soldier with a positive reason for surrender. Most of our official statements on the contrary have made him feel that he can gain nothing from a future that brings defeat. * * * Propaganda playing up a hard but bearable existence for Germany, backed up by some kind of official assurances, would give the average German soldier a positive reason to end the fight.

On February 27, Mr. Marquis Childs wrote from occupied Germany:

The question of whether the war has been prolonged by unconditional surrender terms or by proposals to industrialize Germany, is one that holds great interest for our fighting men I have heard a number express deep resentment of the so-called Morgenthau plan for a Carthaginian peace for Germany, in the belief that it gave the Nazis a propaganda weapon with which to whip up the war-weary German people.

On March 13, David Lawrence wrote:

Actually few men in Washington know what's ahead. Again and again the German will to fight has been underestimated by official Washington. The slogan demanding unconditional surrender and the announcement from Yalta which portends economic strangulation for the German people for many years to come are two factors which are constantly ignored here for the simple reason that to give weight to them is to criticize the administration here at home and the Allied spokesmen abroad for a blundering policy that prolongs the war.

On March 14, Anne O'Hare McCormick wrote:

Those who failed to make peace after the last war thought the mistake was not to march to Berlin and show the German people they were beaten. This time there is no Berlin, and the enemy armies meeting in the rubble field that once was the capital should have no difficulty in convincing the population that the Third Reich has suffered the most terrible defeat ever inflicted on a great nation.

The human problem the war will leave behind it has not yet been imagined, much less faced by anybody. There has never been such destruction, such disintegration of the structure of life. What will happen to Germany is only part of a larger question: what will happen to Europe?

On March 31, General Eisenhower himself sent word to his Commander in Chief that:

The further this campaign progresses, the more probable it appears that there will never be a clean-cut military surrender of the forces on the western front.

On April 2, Mr. Marquis Childs wrote:

As our armies converge on Berlin, our policy toward the Reich seemingly is still based on the belief that by a wave of the wand you can do away with seventy or eighty million people.

It was life for Dorothy Thompson to see through the screen of unconditional surrender to the deep-rooted distrust and fear among the Big Three which determined the destruction of the German state because they did not dare to permit it to emerge as an independent and coherent whole. On January 3, she charged:

We have been unable to transform the political coalition into an entity to deal with Germany. * * * The Allied approach to the German question has been to try to find a compromise between opposite interests, instead of creating a new common interest, by creating a new world. We are trying to fit a defeated Germany into a world of conflicting powers. We are unable to draft a program for a defeated Germany, because the accession of any part of Germany to any one of the Allied Powers means an extension of the power of one ally at the cost of each other.

But it was on December 29, 1944, that Miss Thompson clearly stated the tragic decision of the Big Three in their determination to destroy Germany as a nation:

The circumstances of the war make it impossible—exactly impossible to fulfill this demand. Surrender is an act from the enemy toward ourselves. It is not surrender if we beat him flat to the ground army by army and city by city. That is step-by-step conquest, but not surrender. There are preconditions for unconditional surrender. In the German case it involves giving up the nation—not merely the armies—to something. From the side of the United Nations it involves creating something to which the nation as such can surrender. She cannot surrender as a whole to a whole. There is no identity to which Germany as an entity can surrender. She must surrender herself in parts to parts. Surrender therefore involves the denial and destruction of her own existence by herself. Germany's continuation of the war is madness. But madness is preferable to nonexistence.

As a matter of fact, Mr. President, this complete bankruptcy of American policy and this conflict in ideas and purposes among the Big Three have been carried right on into the so-called armistice. On June 9, 1945, Mr. R. H. S. Crossman, after returning from a long stay in Germany, wrote concerning the tragic and intense conflict between the policies of Russia and her western allies in an article entitled "A Voice From Berlin," which appeared in the British publication, the New Statesman and Nation, from which I quote:

The negatives are clear enough. But what positive musts are there? Must he (the administrative officer) prepare the people for their future as part of a separate Rhineland? No answer. In selecting men for key positions, what political groups must he back? No answer. Must he budget for this autumn on the potatoes from east of the Elbe which form the basic diet? No answer. Must he expect and prepare the Germans under his charge for a central German Government or for a period of rule under quadri-partite control? No answer. With the best will in the world no officer can do a good job under such conditions. Anyway there is a saying in the Army which runs: "If you want promotion, do nothing unusual." When this rule is backed up by a completely negative set of directives, the average British or American officer knows what line to take; let things tick over until someone on top can make up his confounded mind.

The result on the Germans is exactly what might have been expected. Gradually it began to dawn on the Germans that this was not the gigantic precise occupation machine which he had expected to follow the Anglo-American armies. He began to suspect that the Anglo-Americans who had won the war by sheer efficiency and organization, had neither organization nor a policy for occupation. They are prepared to do nothing with Germany—neither exploit her, nor liberate her, nor dismember her, nor reeducate her. They just want to be tough. But whatever London and Washington may think, the Russian Manual—if it exists—does not consist of negatives.

But still, Mr. President, the American people have not yet grasped the even more ominous significance of a fourth historical fact which has been completely ignored in the world's discussion of the proposed United Nations Organization Charter. That fourth fact is clearly stated in my speech of January 15, in which I charged:

As matters now stand, the aim—the sole aim—in Europe of the United Nations is to defeat Germany. As a corrollary to that aim, Germany could not be defeated unless she were driven out of the territories occupied. In that sense they had to be liberated—liberated from Germany—but to liberate them for the sake of making them free was with Britain a wholly secondary aim and with Russia, as matters now stand, not an aim at all.

And now, Mr. President, we are confronted with the fulfillment of a grim and prophetic warning uttered not only by myself and countless others since long before this war broke out, but by none other than our former Secretary of State. On April 2, 1941, when Russia and Germany were united in their pilgrimage of pillage, Mr. Hull warned the American people:

Too many people assume that the present struggle is merely an ordinary regional war, and that when it comes to an end the side which is victorious will collect indemnities but otherwise leave the defeated nations more or less as they were before the conflict began. This assumption would prove to be entirely erroneous should the aggressor powers be the winners. As waged by them this is not an ordinary war. It is a war of assault by these would-be conquerors employing every method of barbarism, upon nations which cling to their right to live in freedom and which are resisting in self-defense. The would-be conquerors propose to take unto themselves every part of every conquered nation; the territory, the sovereignty, the possessions of each nation. They propose to make the people of each nation into serfs to extinguish their liberties, their rights, their law, and their religion.

It is quite clear that Mr. Hull spoke better than he knew. Not only did he speak of Germany but he also spoke of Russia when she attacked Poland.

Mr. President, the fact is that Germany has been conquered. The plain status of Germany is that as an independent state she no longer exists. The truth of Mr. Forrest Davis' assertion in his article, What Really Happened at Tehran, of May 13 and 20, 1944, that "the right of conquest was recognized as a valid principle of international law" has become an accomplished fact. The German people are now left entirely without an official German representative or spokesman. They are now being subjected to the actual enslavement involved in the extension of the institution of slave labor. So far as this new Charter is concerned, the enemy states and peoples, the liberated states, and even our allies have been completely removed from the jurisdiction or influence of what my colleague the Senator from Michigan [Mr. VANDENBERG] is pleased to call "the town meeting of the world tomorrow." But, Mr. President, only one of the many problems we confront is the Jewish question both in Germany and throughout Europe. The war would in large measure have been fought in vain and all the "principles," "charters," "declarations," and other pious shibboleths would be mere mouthings of insincerity unless and until the sufferings of the first and most acute victims of Hitlerism be healed and their problems solved by the councils of the world. These victims admittedly are in no position to help themselves or to effectuate a satisfactory solution to their problems.

It has been pointed out by many leading commentators and editors, and more recently by the New York Times, that while Hitler has lost the war, he undoubtedly would have proved victorious in his fight against the Jews, perhaps even to a degree greater than he had planned or even hoped for, if some satisfactory solution of their problems is not found.

By the provisions of this Charter the people of all eastern Europe are denied the principles and the rights embodied in the Atlantic Charter. And as between the victor powers, there is not a single international convention, covenant, or principle in common among them to which the people of eastern or central Europe can appeal, or by which any decision, agreement, or compromise among the Big Three must be bound.

Mr. President, at this point I desire to state again what I said on the Senate floor on February 28, 1941:

> I despise totalitarianism and all that it symbolizes. I hate Hitler and Hitlerism, Mussolini and fascism, Stalin and communism. I abhor intolerance or bigotry whether it be predicated upon color, race, or religion. I oppose and denounce political control by a financial oligarchy whether it be the Thyssens and Krupps in Germany or international bankers in the United States. I believe fervently in civil liberties—and I would do more than render mere lip service for freedom of assemblage, freedom of religious worship, freedom of the press, and all our other precious civil rights. Mr. President, I speak of these things because I love them, because they are America—and because I sincerely believe that we are about to lose them all.

Mr. President, I speak of these things because they are American, and because I sincerely believe that we are about to lose them. I have not changed my mind one iota as so many of my colleagues now seem to have done. I hate totalitarian tyranny, brutal violence, and despotism of every kind, shape, degree, and description. What I have said about Germany is just a simple statement of fact which bodes ill for the future. It may be a kind of poetic justice that Germans should today be sitting in the rubble and ruin of the destructive fury of war. It is poetic justice that they should now fear the imposition of the institution and techniques of slave labor which they helped to extend throughout Europe. But I am not thinking of the effect upon the Germans, but what it will do to put our stamp of approval upon human slavery and savagery in Europe even if it be upon those who themselves have practiced it. Certainly the fact that we ourselves fought a terrible civil war in order to set the colored race free ought to shock us into a realization of the consequences which would follow on our legalizing the reinstitution of slavery over the white race. America can no more stoop to the brutal and savage practices of tyranny and get away with it than Hitler or Tojo or Mussolini. For there is one certain lesson which both history and psychology teach; that the practice of brutality brutalizes.

Mr. President, I want earnestly to emphasize with all the strength at my command that the facts I am discussing and the inevitable consequences of the present trend in power politics which I am predicting are based on concrete historical evidence. The facts which I am pointing out are not the ranting reveries of an obstructionist, an isolationist, or of a perfectionist. These facts form the basic substance of the realism to which the charter's proponents attribtue its genius, if I understand them correctly. Furthermore, what I am about to say concerns facts the recognition of which may mean a matter of life or death for the whole of cultured and christianized humanity.

Mr. President, the outcome of this war has left a gaping vacuum in the heart of Europe. We have won an overwhelming military victory, but it is a victory which has left in its wake the destruction of every political, economic, social, and geographical structure in Europe. Where thirty-odd independent nations once stood, there is not a single stable government left. The realism of this fact to which I am referring is found in the simple observation that of all these social, economic, military, political, and geographical systems, the only stable government left is Russia. It is stable only because of the tremendous military and police power of the state.

Thus, the question at the very outset is how Russia can help but be sucked into this maelstrom of madness when such a terribly complete vacuum keeps tugging at Stalin's shirt sleeves. How can Russia keep from being drawn into the gaping emptiness that yawns like a deep abyss before her every step from the Ukraine to Bordeaux, and from the Scandinavian Peninsula to the Mediterranean?

Mr. President, a year ago last May when I talked with one of the very high ranking officers of this country I asked him, "How are you going to keep Europe from going Communist?" He replied that he did not believe Stalin wanted to take over Europe. I said, "It is not a question of Stalin taking over Europe. It is a question of whether or not Europe will fall into his lap."

Today every student of European history, and every person who has visited Europe believes and feels that that is one of the things which may take place in the near future.

Mr. President, if we are to be honest with ourselves, and with the facts of history, we confront not only this physical circumstance, we also confront the fact of Russia's attack on Finland, her annexation of Latvia, Estonia, and Lithuania, her treacherous attack on Poland, and the long series of unilateral acts from the Baltics to the Balkans, which have followed on the turn of the battle at Stalingrad, which have continued right through all the solemn deliberations of the Dumbarton Oaks Conference, and which now have been carried on right into the social propaganda and diplomatic attacks on Sweden, Turkey, and Switzerland.

It is a matter of record that even while all these solemn deliberations have been going on at San Francisco, Russia has been determined to make political hay while a non-Anglo-American-military-intervention sun was shining.

As my distinguished colleague the Senator from Wisconsin [Mr. LA FOLLETTE] so recently declared:

> It is my earnest conviction that Russia is today making the same mistakes which France made after World War I. For all their lip-service to the principles of genuine international cooperation, the French Governments of the 1920's placed their faith in a network of military alliances, a ring of satellite states, and the Maginot line. In the end she found herself weakened, betrayed, and impotent. The whole artificial structure crashed like a house of cards before the first breath of reality. Russia will never find peace and security through dominating the Balkans, Central Europe, and the eastern Mediterranean. The history of France and of all these unhappy European countries proves that no lasting peace can be secured by imposing domination from the outside and from the top. An enduring peace can be built only by eliminating the deep underlying causes of these ever-recurring European conflicts.

On March 21, Anthony Eden warned Russia that—

> Britain always had opposed domination of Europe by any one power and added: We are determined that Europe shall only be united by the free will of its separate states.

And on July 18, 1945, Sumner Welles admitted that—

> An increasingly large sector of the British press is vigorously opposing any policy toward Germany which would further a political division of Germany or a return to a federation of autonomous states. This is a significant campaign. It gives notice that powerful influences in Britain are working for a return to that traditional and cherished British policy known as the balance of power.

Mr. President, when someone said to me, "Would you go to war with Russia?" I said, "Of course not. I would be opposed to going to war with Russia just as much as I would be opposed to going to war

with any other country. But I certainly would never have the American people put their stamp of approval upon the things which we have pledged the American people we will not do."

I continue to read from the statement of Sumner Welles:

For a century and a half successive British governments have held to the doctrine that after any victory British alliances end. After every major European war, Great Britain has supported the defeated country. In that way a European balance of power could be maintained.

Against these obvious violations of every pledge that Russia has made to the civilized world since she signed the Atlantic Charter on September 21, 1941, we have the record of Britain's intervention in Greece, Italy, Belgium, Syria, and her sudden concession to fascism in Spain.

But in spite of these deliberate acts Britain has been unable to restore the original balance of power which Russia's acts, following in the wake of every military advance on the eastern front, has completely shattered. Here is what the British have to say about the prospects for the future of Europe and England as a result of this failure.

Perhaps the best summary of Britain's fears is found in a statement by Mr. Cyril Hughes who wrote on January 12, 1945, as follows:

In reality this country was defeated the moment it decided to go to war. For by believing that the sorry series of events leading to the situation in Europe of September 1939 could possibly be overcome or undone by war, Britain proved herself incapable and unworthy of victory. If our leaders are sincere we can only deny their understanding of the situation. And if war was the only thing they could understand in 1939, perhaps the type of victory they will ultimately achieve is the only type they can understand too. But by no human standard can it be called victory. The wheel is come full circle. The main danger to the peace of Europe today comes not from Germany, but from the United Nations, especially the Big Three, militarily during the war, economically and politically afterwards. That this fact is denied vigorously by most of the members of the United States is simply the measure of the calamitous nature of our defeat."

Mr. Michael Foot who covered the San Francisco Conference for the London Daily Mail wrote recently:

Power politics is in the saddle and they will ride mankind to its doom if we do not intervene with positive action. A peace of strategic frontiers and spheres of influence is being prepared, a peace from which principle and justice are exiled, a peace in which growing suspicion among the great powers and growing despair among the smaller powers are masked but not concealed by high-sounding phrases of good will and perpetual amity.

Here is what John Masefield, England's poet laureate, has to say about the consequences of this war. He fears that war will become the chief occupation of all young men and the world will become one vast military society.

At the very moment, if you please, when we are discussing the Charter and declaring it to be a great instrument which will save the world and bring about economic and political stability throughout the world, Russia is saying that she wants one of the greatest navies in the world and is prepared to have it, while, on the other hand, in the United States the Army is saying that we must have peacetime conscription in the United States. If this is an instrument to preserve the peace of the world and if it means all that the eloquent pleas about it have claimed why is it insisted that we shall have peacetime military conscription? Why is it that Russia is saying she wants the greatest navy in the world?

So I wanted to review the facts so that the American people will not be disillusioned and misled by the eloquent speeches concerning what the Charter will do.

Mr. President, when I speak of the Charter and some of its deficiencies I want it understood that I am not in the slightest degree criticizing what either my distinguished colleague from Michigan [Mr. VANDENBERG] or my distinguished colleague from Texas [Mr. CONNALLY] did or tried to do. They have said very frankly that this is not the kind of a peace they would like to have written if they had their way, but they were not permitted of course to have their way, and the circumstances were such that the American people and our American representatives could not of course write the kind of a peace treaty we would like to see, one that would bring about justice and peace and decency throughout the world.

On December 19, 1944, the Bishop of Chichester described the situation in Europe and among the Big Three in the following words:

Of all the crises in which we are involved, the spiritual crisis is the gravest. There is a profound sense of frustration and despair; there is not only a material but a moral disintegration. Without a recovery of purpose, without a restoration of hope, the dissolution of European culture is inevitable. The fundamental menace to our civilization is not communism but nihilism—the attitude of destruction and negation which calls evil good and good evil.

No truer words were ever uttered, as must be realized by every one who travels through Europe and sees the moral let down of the men, women, and children there. It is one of the most tragic situations that can be found anywhere.

On January 8, 1945, Lord Cranborne warned the British and Russia:

If after this war, there are set up dictatorships all over Europe whether of the right or of the left, then we may have beaten Hitler, but we shall have lost the war.

On January 25, Lord Templeton described the outcome to this war with great restraint before the House of Lords when he said:

Under our eyes there had been gradually taking shape the new pattern in Europe. It was very different from the pattern * * * contemplated 2 or 3 years ago. It differed in certain material respects from the principles of the Atlantic Charter. Difficulties in Europe were being settled piecemeal.

On March 7, 1945, Sir William Beveridge said:

The agreement now announced from the Crimea makes "sovereign equality" a phrase without sincerity. Not in the making of such phrases lies any hope for the world of escape from the recurrent torment of war.

Dean Inge of St. Paul's Cathedral believes that—

At last the individual is delivered over entirely to the tyranny of the state. So searching a tyranny has never been seen before. Security—the security of barracks—would be too dearly purchased by the loss of every kind of freedom * * * we are on the high road to serfdom and the loss of all that makes our civilization great, of all that to an Englishmen makes life worth living.

One of Britain's outstanding military authorities, Maj. Gen. J. F. C. Fuller, has the following to say about the outcome to this war:

It seems to me that the main social tendencies today are toward compulsion and regimentation, not only for purposes of war but also for purposes of peace; in other words, toward the establishment of the socialized or slave state as predicted by Herbert Spencer over 60 years ago * * * as the old feudalism was established by armored machines; the sole marked difference between the two being, in the case of the one, chivalry abounded, whereas, judging from the present war, in the other it will be unadulterated deviltry.

Here are Churchill's own grim words concerning the future of Europe, words which can have only one possible interpretation:

Another great war, especially an ideological war, fought as it would be not only on frontiers but in the heart of every land with weapons far more destructive than man has yet wielded, will spell doom perhaps for many centuries of such civilization as we have been able to erect since history began to be written.

Mr. President, for many long months the picture of the war as seen on the home front distorted the actual realities all out of perspective to such an extent that many Americans believed, even when the victory in Europe had been won, that America had been saved by the skin of her teeth by Russian reverse lend-lease. The truth of this growing conflict between Russian and British interests while it was slow in breaking through to the public conscience, nevertheless found its way more and more into the minds of many who had actually anticipated a wholly different outcome to this war. As the bitter rivalry between Russia and Britain became more openly intense the reaction among our own people become more and more apprehensive.

On December 28, 1944, the Washington Post declared editorially:

Is there evidence of common standards among the Allies who will own world power after the war is over? Only an ostrich would answer in the affirmative. The plain fact is that among the Allies the greatest divergencies prevail, as, for instance, in the status and function of their governments and in the rights of individuals. Accordingly, they, all of them, ourselves included, feel that their security depends upon the retention of a maximum of power unto themselves.

The retention of maximum power unto themselves! Yet we try to tell the peace-loving people of America that this great charter is going to save the world and

bring about prosperity and the four freedoms—freedom from fear, freedom from want, freedom of the press, and freedom of religion. Go to Europe and see what the conditions are.

William Philip Simms described the situation in Europe in the following way:

All Europe, in fact, seems headed toward becoming one big Spain. Rightists and leftists are at daggers drawn over the larger part of the continent. Civil war is under way or threatened in Greece—

I have just been in Greece, and I want to concur in that statement—

Yugoslavia, Belgium, Italy, Poland, and other countries as, one by one, they are liberated. And in every case, as in Spain, the trouble is fundamentally the same.

Dorothy Thompson recently broadcast from London the tragic admission that England stands as a last bastion of hope amid the death throes of a civilization 2,000 years old.

On March 10 G. A. Borgese, of the University of Chicago faculty, formerly at the University of Milan, wrote in an article titled "Europe Wants Freedom From Shame":

The nations of Europe, each and all, have actually gone through the experience of national servitude. They have not learned it from hearsay and schoolbooks. They loathe its remembrance that in most cases is recent. They dread its return. This is why the nations of Europe have hated the Germans. Whoever, Britain or other, should try to take over the role of the Germans, no matter how much blander his yoke, will be hated. America will have her share of Europe's hatred if she lends a hand to the subjugation of Europe.

I am afraid that is exactly what we are doing, lending our hand to the subjugation of Europe. Certainly we are lending our hand to the subjugation of Latvia, Lithuania, Estonia, Poland, and Bulgaria.

On March 17, 1945, Anne O'Hare McCormick wrote the following:

There will be struggle for Europe—not between Russia and Britain, or democracy and communism, but between the pulling and straining forces within the worn fabric of Europe itself. It will be a struggle in chaos against chaos, and the outcome will hang on the capacity of the three extra European powers, the victors in the military war, to understand what is happening in the moral and political conflict—to understand, above all, that the troublesome nations of the European family, even if they cannot organize or govern themselves, can never be organized or governed from outside.

Because of the very things Anne O'Hare McCormick states, certainly we are going to find nothing but Fascists or one-man governments controlling Europe, either dominated by England on the one hand or Russia on the other, with a continual conflict between those two great powers as to which is going to hold the balance of power.

William Bullitt writes from Rome that a far more diabolic struggle than this present war is already in the offing. Says he:

The Italians no longer have anything to live for, but they still have a faith to die for. The last battle of the spirit will be fought out in Italy.

By January 29, 1945, this rivalry between Britain and Russia had assumed such proportions that the American Government felt compelled to send a note to Mr. Churchill from which I quote:

If the American people once get the idea that this war, which started as a crusade for freedom, ends as just another struggle between rival imperialisms, a wave of disillusionment would sweep the country that would make isolation of the 1920's pale by comparison.

In the same months the Christian Century challenged the whole trend of world affairs:

We repeat: The power of the United States in dealing with our allies is not less than its power in dealing with our common enemies. An administration that wants to use it can use it. It can use it to rescue this war from the debacle of utter and tragic moral collapse. But it must act quickly before the heartbreak of the Nation bursts in fiery wrath upon the heads of the Nation's leaders.

When finally the true picture of what was taking place in Europe came into focus here at home, the American people began to see the makings of a major catastrophe in the European settlement. Between the Russian and British a clearly demarked line began to appear which divided Europe in two spheres. Aside from the fact that such a settlement meant the domination if not the enslavement of the smaller countries caught within these spheres of influence, there emerged an even more ominous possibility that practically half of what was once an integral part of western civilization was being uprooted and bodily transplanted into an Asiatic civilization.

It became only too apparent that, instead of taking to heart the bitter and tragic lessons of our last attempt at international intervention, we were deliberately repeating them, even while we magnified them a thousand times over. It has now become perfectly clear that at Tehran our late President repeated Wilson's tragic blunder at the Paris Peace Conference. The world now knows that the idealist, Wilson, went to Paris imbued with a vision of a world society of nations, in which the causes of war and of economic rivalries which bred conflict among the nations of the earth might be disciplined and ultimately cured of their war-breeding potential around a conference table, rather than at the point of a bayonet. But when Wilson arrived in Paris he found himself closeted with statesmen whose philosophies, interests, and concerns were not his own. As he watched himself being compelled to compromise his own principles for a just and enduring peace, he yielded to pressure in the vain hope that if he could get the representatives of the other victor powers committed to his League of Nations, the injustices which his compromises necessitated might be remedied through the application of the procedures provided in the League Covenant. How tragically mistaken Wilson was, even in spite of our failure to enter the League, is now written in the blood of a million American boys on the pages of history.

Robert Lansing in his book The Peace Negotiations writes concerning the secret conclaves which resulted in the Versailles Treaty:

After the experience of the past 3 months I am convinced that the method of personal interview and private conclaves is a failure.

The result of the present method has been to destroy their faith—the small nations—and arouse their resentments. They look upon the President as in favor of a world ruled by five great powers, an international despotism of the strong in which the little nations are merely rubber stamps.

The President undoubtedly has found himself in a most difficult position. He has put himself on a level of politicians experienced in intrigue, whom he will find a pretty difficult lot. He will sink in the estimation of the delegates who are not of the inner circle, and what will be more disastrous will be the loss of confidence among the peoples of the nations represented here. A grievous blunder has been made.

When the late President Roosevelt journeyed to Tehran he, too, with all his dreams and plans for peace, found himself closeted with international power politicians. Under the irresistible pressure of Mr. Stalin and the obstinacy of Mr. Churchill, for the sake of his dream of the United Nations, Mr. Roosevelt likewise compromised his plans for a just and enduring peace. Mr. Stalin was already in the saddle in eastern Europe, cracking out his own peace terms on the end of his totalitarian whip, and he could not be challenged except by direct Anglo-American military intervention.

The best description of the consequences of Britain's attempt to remedy this tragic settlement of the war I have found is by Mr. John Middleton Murray, who wrote on December 15, 1944:

To devastate Europe for the sake of the British Empire is—in 1944—about as near to insanity as one can get and remain Prime Minister. For the foundations of the British Empire have dissolved away in the process of the war. The British Empire, if it continues to exist at all, will exist by the polite sufferance of greater powers—not by its own strength, or that of the King's navy.

Balance-of-power politics—that is, the policy whereby Britain encouraged disunity in Europe in order to avoid being embarrassed in its empire building was moribund in 1914; in 1944 it is a stinking corpse. The potential anarchy which balance of power contained is become actual; because British policy has carried on by its own inertia instead of being reinvigorated by a dash of imagination and responsibility. British interests have long demanded that we should work for the United States of Europe.

But the pattern of events that was traced over the map of Europe by the rivalry to which I have referred served to awaken us sooner to the staggering realization that in Asia as well as in Europe the war had a political as well as a military stake at issue. Mr. Sumner Welles had been warning us of the dangers inherent in the Pacific war. He had been joined by others such as Pearl Buck and William Phillips. But it was not until Mr. Welles' efforts had fallen on deaf ears for many months that we awoke to the issues involved. On March 28 Mr. Welles summed up his warnings in the following statement:

Immediately after the end of this Second World War a far more powerful surge toward freedom among the peoples of the east will be inevitable. Compared to the forces which

it will unleash, the outbreak of the 1920's will be trivial.

For many long months confused and conflicting propaganda concerning China's role in the war and her internal problems had obscured the basic issues. But suddenly the full import of the stakes involved broke upon a fearful American public opinion. Suppose the same pattern that was laid down in Europe should be repeated in Asia. What would it mean to us at a nation?

In the first place, just as Germany's problems cannot be solved except in relation to Europe, so Japan's problems cannot be solved for the United Nations apart from Asia. If we continue on to the bitter end which our savage slogan unconditional surrender makes inevitable, without attempting to tell the Japanese what is in store for them after they have surrendered, we shall leave another vacuum in Asia and in the act commit one of the major political blunders of all time.

It would mean that while we may have won the war we would lose the peace, for we could never succeed in our present policy of rebuilding China under the present Nationalist Government as a stabilizing force in the Far East if Russia stepped into Japan's shoes. This would only lead to a closed-door policy, not only in Europe but in Asia as well.

Politically it is assured that Japan is going to be as much of a political nonentity as she was in 1856 when Admiral Perry opened Japan to the influx of western civilization. But at the same time with Japan out of the way, and with no other stable power than Russia left to fill the ensuing vacuum, if Russia brings north China, Manchuria, and Korea under her domination and central and south China is left under the present Nationalist Government, civil war will rage for years to come in Asia.

It is perfectly obvious that with the bitter and growing rivalry and conflict in Europe spreading to Sweden, Turkey, and Algiers, the same basic conflict exists between traditional British interests and Russia's designs on the Far East; it is to the Far East that Britain's life-line, now being threatened by Russia in the Balkans and the Near East, ultimately leads.

With such a rivalry breeding in Europe how could the counterconflict of interests on the part of Russia help but spread westward down through central and south China, French Indochina, Thailand, Malaya, and Burma into India, where the Indian Communist Party, which was imprisoned by the British prior to Pearl Harbor, was released when it became the only Indian party to swear allegiance to the British Crown. It seems to me the natural spread of this titanic conflict is written into the basic physics of power politics. And when the 30-years' conflict between totalitarian communism and western democracy is added to this simple physical process of expanding conflict between British and Russian influence the results are obvious.

It ought now to be clear to Americans that the peace about which this charter speaks, and which it is designed to enforce is nothing more than a pious hope built up by propaganda as the real thing. It is a deeply rooted and ever-intensifying and expanding conflict between British and Russian interests. It is a stalemate for the time being in the mad race of power politics. Its true meaning has best been set forth by John Middleton Murray who recently wrote of the relation of this kind of a stalemate called peace to the San Francisco Charter:

> The price of Russia entering a world peace organization is that she should be permitted to deal with Poland precisely as she would have done had no world peace organization existed. In other words, Russia says, "I will join your old world peace organization provided it means nothing at all." That is, indeed, the precise meaning of the veto power on which she has insisted. The net result is that the prewar anarchy is fully restored, only now it is called world security. That is the extraordinary consequence of British that they prompt the question: Has it been a British victory at all, and the answer is victory. So extraordinary are these results "No." It has been a Russian and American victory. The Russian victory is evident in the treatment of Poland, the ally of Britain. The American victory is apparent in the re-christening of world-anarchy by the name of world security. This latter victory, of course, is unreal. It is merely an attempt to bluff the American public into thinking something has been won.

It is this terrifying prospect which so many of our interventionists are now protesting. It has just become apparent that, if we made a mistake in Europe with our policy of unconditional surrender, we are making a tragic mistake in Asia. In the case of Germany, Germany's fascism was a definite retrogression from a position as one of the leading examples of western civilization and culture. In the case of Japan fascism, if we may call it that, is indigenous. Japan has never outgrown her medieval feudalism. What we have in Japan today is all that the Japanese have ever known. What unconditional surrender means to the Japanese, therefore, is the destruction of her social and religious systems.

It is thought by some that this fact is prolonging the war incalculably for, as Raymond Moley warned the American people some weeks ago, "Unconditional surrender is the most deadly insult we could hurl at the Japanese."

The realization that we may be repeating a far worse blunder in the Far East has led to the rising flood of demands for a definition of our terms to the Japanese. Indeed, it was President Truman himself who was among the first to recognize the uneasiness of the American people and the difficulties involved in our failure to state our war and peace aims. On May 8 he said, concerning what unconditional surrender meant:

> It means the end of the war.
>
> It means the termination of the influence of the military leaders who have brought Japan to the present brink of disaster.
>
> It means provision for the return of soldiers and sailors to their families, their farms, their jobs.
>
> It means not prolonging the present agony and suffering of the Japanese in the vain hope of victory.
>
> Unconditional surrender does not mean the extermination or enslavement of the Japanese people.

On May 9 and again on May 19 the Washington Post took up the hint thrown by the President and declared editorially that it was in complete agreement with the President and would even go further by interpreting the President's statement as an abandonment of unconditional surrender in favor of conditional surrender.

Again on May 19 the Washington Post braved the displeasure of our professional hate-mongers by re-emphasizing the need for further clarification of our aims:

> The important thing to remember is that in the Pacific, as indeed was the case in Germany, we are waging war not for its own sake but as the means to an end. The difference between war and diplomacy is merely in the employment of force and terror; or, in the famous dictim of Clausewitz, war is an extension of policy by forcible means. To insist that a war be continued, after its purposes have been realized, is to make an end of the means, to make war for its own sake. This is militarism pure and simple, and it is a dangerous inversion of the racist superstition to suppose that only the Germans and the Japanese are biologically capable of militarism. Let us get ourselves clear on this point; for unless we do we may have won the war against Hitler only to lose it to Hitlerism.

On May 21 Maj. Gen. David P. Barrows, military authority and former president of the University of California called attention to the increasing evidence that the Japanese Government was exploring the possibilities of surrendering on terms that would leave them entirely in possession of their own country and went on to say:

> I don't know why we should want more than this * * * It would avoid enormous expense and loss of life. It would entirely defeat Japanese aggression.

On June 4 the Washington News observed editorially:

> It seems vitally important to tell the Japanese people and specifically and quickly just what unconditional surrender means.

On June 6 the Christian Century protested:

> From many parts of the country comes a rising demand for an explicit statement of our war aims, so that the Japanese people may know exactly what will happen to them if they surrender and thus put an end to this horror of battles to extermination and the mass incineration of civilians in tinder box cities.

Since then the clamor has increased until now the air is full of demands that we find some way to bring this holocaust to an end.

On July 12 Mr. Walter Lippmann warned that in talking of terms to Japan the real question was, Who is to take over where Japan left off? He said:

> The settlement in East Asia, as well as the grand strategy of the final campaigns of the war, require an understanding about what authority will prevail when Japanese authority is overthrown.

On July 13 the Washington Post answered Mr. Grew's denial of a charge that the United States had received definite peace offers from Japan, discounting his refusal to state our terms because they might create a split at home and abroad by saying:

If one does not accept either one of these interpretations of Mr. Grew's statements only one other interpretation it seems to us is possible; namely, that the reason we are so reluctant to tell ourselves and the Japanese about our purposes is because we dare not confess that we do not yet know what they are.

On the same day Mr. Mark Sullivan asserted:

Since our intentions about Japan differ from what "unconditional surrender" historically means, there is no possible harm and there might be great saving of American lives, if we would make perfectly clear to the Japanese people just what we mean, and do not mean, by an unconditional surrender. Official Japanese propaganda, like Goebbels' propaganda, tells the Japanese people that by unconditional surrender we intend the most terrible fate for them as a people and as individuals. Both President Truman and President Roosevelt in a way too diplomatically cautious to be fully successful, have gone some distance in softening the terrifying phrase. President Truman could go further and probably will, thereby reconciling the Japanese people to earlier acceptance of their inevitable defeat.

On the same day Mr. Marquis Childs stated:

We will all benefit from clearing definitions in the vast theater of the Pacific. Too much has been left to chance. The clamor for definition of "unconditional surrender" reflects the uncertainty many people feel over the direction of the war against Japan.

Again on the same day Mr. Ernest Lindley wrote:

The phrase "unconditional surrender" handicapped American propaganda directed at Germany. It is handicapping our propaganda against Japan. The alternative to dropping the phrase "unconditional surrender" is to give it a more concrete meaning—that is, to put less emphasis upon "unconditional" and more on "surrender."

In the July 16 issue of Life magazine there appeared a two-page editorial setting forth the whole sorry predicament into which the events of the Pacific war were sweeping us, in which the editors said:

If we fail to define "unconditional surrender" as precisely as possible before the invasion, we are failing to use that mixture of reason and force known as statesmanship.

On the same day Time magazine carried the following observation in its front news page:

What was needed now, more than anything else, was a clear and positive statement of United States war aims toward Japan, of United States policy after Japan succumbs to inevitable defeat * * *. A statement of aims beyond "kill Japs—unconditional surrender" was awaited by Americans from Berlin to Okinawa.

On July 18 Dorothy Thompson heads her syndicated article with the demand:

There should be immediate peace with Japan.

And on the same day Mr. Hanson Baldwin, military expert and analyst for the New York Times, wrote:

Unconditional surrender is not enough. If the enemies will to fight is to be weakened to the breaking point quickly, the unconditional surrender formula must be accompanied by positive policies.

The whole world is hoping and praying for a speedy end to this most cruel and savage of conflicts ever to afflict mankind; the world wants no more of such a curse and affliction to endure; but the truth is that events have gone too far for any sane man to ignore the fact that whatever peace settlements now are reached, the steadily expanding conflict between the east dominated by Moscow and the west dominated by England and the United States will be uprooted bodily and transplanted into the very heart of this new world organization. The tragic repetition of the events following the last World War has already become a reality.

It was Robert Lansing who wrote in his The Peace Negotiations the following sorry commentary on the settlements of the First World War:

The terms of peace were yesterday delivered to the German plenipotentiaries, and for the first time in these days of feverish rush of preparation there is time to consider the treaty as a complete document.

The impression made by it is one of disappointment, of regret, and of depression. The terms of peace appear immeasurably harsh and humiliating, while many of them seem to me impossible of performance.

The League of Nations created by the treaty is relied upon to preserve the artificial structure which has been erected by compromise of the conflicting interests of the Great Powers and to prevent the germination of the seeds of war which are sown in so many articles and which under normal conditions would soon bear fruit. The League might as well attempt to prevent the growth of plant life in a tropical jungle. Wars will come sooner or later.

It must be admitted in honesty that the League is an instrument of the mighty to check the normal growth of national power and national aspirations among those who have been rendered impotent by defeat. Examine the treaty and you will find peoples delivered against their wills into the hands of those whom they hate, while their economic resources are torn from them and given to others. Resentment and bitterness, if not desperation, are bound to be the consequences of such provisions. It may be years before these oppressed peoples are able to throw off the yoke, but as sure as day follows night the time will come when they will make the effort.

This war was fought by the United States to destroy forever the conditions which produced it. Those conditions have not been destroyed. They have been supplanted by other conditions equally productive of hatred, jealousy,, and suspicion. In place of the Triple Alliance and the Entente has arisen the Quintuple Alliance which is to rule the world. The victors in this war intend to impose their combined will upon the vanquished and to subordinate all interests to their own.

It is true that to please the aroused public opinion of mankind and to respond to the idealism of the moralist they have surrounded the new alliance with a halo and called it the League of Nations, but whatever it may be called or however it may be disguised it is an alliance of the five great military powers.

It is useless to close our eyes to the fact that the power to compel obedience by the exercise of the united strength of "the five" is the fundamental principle of the League. Justice is secondary. Might is primary.

The League as now constituted will be the prey of greed and intrigue; and the law of unaminity in the Council, which may offer a restraint, will be broken or render the organization powerless. It is called upon to stamp as just what is unjust.

We have a treaty of peace, but it will not bring permanent peace because it is founded on the shifting sands of self-interest.

This is David Lloyd George's sorry comment on what followed the signing of the Versailles Treaty and the League of Nations:

Though the peace treaties were signed and a League of Nations set up to keep the peace, some of the nations never abandoned their wartime mentality. The first reaction to any calamity is to create an intense desire to prevent its repetition and to concentrate all thought and energy on that particular kind of disaster to the exclusion of all other possible or probable mishaps. The danger of that state of mind is that it is apt to be neurotic and unbalanced and its energies misdirected.

Churchill himself admitted in his book, Great Contemporaries:

Little was done to redress the grievances of the Treaty of Versailles and Trianon. Hitler in his campaign could point continually to a number of anomalies and racial injustices in the territorial arrangements of Europe which fed the fires on which he lived.

In such a dark and crucial hour of America's destiny it seems to me that those who have persecuted the very name of the late Senator William E. Borah might do well to stop long enough to read again his own charge against the settlements of the last war. On March 3, 1920, Senator Borah charged:

But your treaty does not mean peace—far, very far from it. If we are to judge the future by the past, it means war. Is there any guarantee of peace other than the guarantee which comes of the control of the war-making powers by the people. Yet what great rule of democracy does the treaty leave unassailed? Is it not clear now that what they expect of us is that we shall join the league and thus underwrite not a new Europe, not a "new spirit," not a "new order," but old Europe with her old order, with her old spirit, with every practice, every policy, and every precept observed and maintained.

This picture of the division of Europe and Asia into two distinct spheres which are now brought into a head-on clash of ancient and deadly rivalries is confirmed by none other than Mr. John Foster Dulles who said on March 17, 1945, in speaking of the basic pattern of Dumbarton Oaks that has been incorporated in the new charter:

Why does the League pattern of rigidity reappear? The reason is simple and fundamental. In both cases the peace structure is being framed by the nations who are the principal victors in a great war, who have rearranged the world to suit themselves. Their principal concern is that it should never become disarranged. So they plan a structure of peace which cannot be altered without the consent of each of them. No one of them trusts the others sufficiently to permit of decisions in which it does not concur. They may not feel sure of their own ability to go on deserving top rank in the world. Therefore, they seek artificially to perpetuate that position. They think through such rigidities to find safety. Actually these rigidities imperil the whole structure of peace.

Does anyone suppose for one moment that Russia is going to give up any of the territory she now dominates? Does anyone suppose she is going to give up Estonia, Latvia, and Lithuania? Does anyone suppose she is going to give up her domination of Finland? Until recently Russia's attitude toward Finland has always been that

Finland should not have a strong army. Now she insists upon Finland having a strong army and that she fortify her western border. Mr. President, anyone who cannot see the true picture of what is happening in Europe today would seem to me to be blind and unwilling to see the correct picture. When we persist in not trying to see what is really going on we shall in the end fool no one but ourselves and the American people.

I repeat what Mr. Dulles said:

In both cases the peace structure is being framed by the nations who are the principal victors in a great war, who have rearranged the world to suit themselves. Their principal concern is that it should never become disarranged. So they plan a structure of peace which cannot be altered without the consent of each of them. No one of them trusts the others sufficiently to permit of decisions in which it does not occur. They may not feel sure of their own ability to go on deserving top rank in the world. Therefore, they seek artificially to perpetuate that position.

There are, however, two startling differences between the years 1918 and 1945. In 1918 the problems we confronted were largely confined to Europe and they were settled on the base of an attempt to free the peoples of Europe from the threat and scourge of famine, war, and chaos, by guaranteeing the political and territorial integrity of some twenty-odd seperate states. At least the concept of individuality was preserved even in the artificial and arbitrary division of territory, minorities, and resources of Europe that comprised the Versailles settlements.

But in the year 1945 the problems we confront have not only been magnified a thousand times; they now extend to Africa and Asia. The settlement of these problems is not being left this time, however, to individual states, but to the division of the world into three tremendous spheres, one of which is determined that these problems and the destiny of hundreds of millions of human beings shall be left to the mercy of an ever-expanding collective state and totalitarian political tyranny. Does anyone challenge that statement?

Mr. President, I want at this point earnestly to assert that I am speaking out of my deep concern for the future. The fate of my native land and the principles of democracy, of a constitutional representative republic, and all the glorious traditions and liberties with which this native land of mine has been blessed are all at stake.

I believe in President Truman and have confidence in his determination to steer our ship of state through the stormy seas ahead as best he knows how. What I have to say further is moved only by my concern to strengthen his hand and to shoulder my own responsibility for salvaging America from the tragic consequences of war-provoking policies and commitments and acts which I have wholeheartedly and bitterly opposed. We confront a new responsibility as a Nation. We in America, together with all the other peoples on earth, as distinguished from the rulers of some countries, are determined that so far as lies within our power, war shall not again lay its heavy curse upon us. But, Mr. President, we must deal with the trying problems which now tax the combined resources of the human mind and heart by rising to the challenge of the unprecedented future we confront. If by some great tragedy of misguided fervor we should in our haste perpetuate the very policies and practices which have brought this war upon us, not even the Almighty could save us from ourselves. Ours is the challenge of a broken and despairing humanity to find some heroically intelligent and creative solution to the threat of a third world war which is already rooted and growing in conflict between western civilization and the Communist totalitarian tyranny in the East.

What I am saying is that a failure on our part to meet this challenge will boomerang against everything we still hold sacred. If we are to participate in this proposed new world organization as a convert to power politics, with all its attendant evils of imperialistic expansion and militarism, we shall sign our own death warrant as a Nation when this charter is ratified unless, Mr. President, we go in determined that certain principles shall be enunciated by the five great powers, or the three great powers. I say "the three great powers," because every one recognizes the fact that only three great powers are going to determine what this organization is to do.

I believe with William Henry Chamberlin that:

An independent American policy, conceived in terms of American interest is more imperative than ever, after San Francisco has created such a superficial semblance of unity, which is likely to be destroyed at any moment by some new crisis, some new clash of national interest. The first condition is that we define our aims and obligations clearly and precisely.

For the second time within a generation we have committed the unpardonable blunder of drifting into war without making any serious attempt to see that our associates, whom we supplied so lavishly with manpower, munitions, and supplies, were prepared to honor their professed war aims; they wanted our tanks, not our ideas; our men, not our moral principles.

The trouble with so many idealistic Americans is that they judge all the other countries on the face of the earth by the same high ideals and principles which we have here in the United States. They do not realize that the people of many of the countries in Europe and Asia do not even know what democracy means, because they have never understood it. They have been ruled by an iron nand. Democracy means one thing to a Chinaman or a Russian, and it means quite a different thing to the people of the United States.

What other power on earth is going to sacrifice itself to guarantee the strengthening and perpetuation of our way of life if not America?

Mr. President, what I am saying is simply this: This charter expresses the maximum of agreement possible among the great victor powers in this war. I assume that to be correct. It has been heralded across the world as the great beginning of a new and warless world. It is, we have been told, a seed which must be watered and nourished that a great tree of peace and security may some day shelter the international lions and lambs together beneath its shade.

But, Mr. President, the facts which I have herein documented point to another and wholly different conclusion. If this is the beginning of genuine international cooperation and good faith, it is also the end. Does any sane man in his right mind think that the horror that has been loosed upon a suffering and broken humanity has furthered the possibility of peace and security—or the guarantee of the "four freedoms"? Does anyone imagine that the chaos, famine, disease, immorality, suffering, and the stinking desert of conflict that has been made of Europe and that is fast being spread over the Orient, is fertile ground in which the roots of democracy can flourish? Are the proponents of this Charter attempting to tell the American people that the catastrophic consequences of this most hideous struggle of all time are conducive to the development of stable governments and societies in which the lessons of the past are so integrated into the social, legal, and diplomatic structure of nations that we may look now toward reliance upon a new reign of law and not to a reversion to trust in brute force? Any man who holds out such an ethereal dream as a prospective reality to the American people is simply deluding himself.

Can it be possible that America has not yet learned her lesson? Can it be that this fatuous marriage of idealism with a neo-realism based on pure and unadulterated might and violence which our propaganda peddlers have sold to the American people is not the cause for the present pathological state of mind that holds this country in its grip? Are we such fools that we are pointing to the outcome of this war as a gracious and unprecedented blessing to American hopes and dreams, to American security and to American society in the years ahead?

Mr. President, Miss Dorothy Thompson was one who screamed for our entrance into this war. She shouted that she would gladly give her son for the cause. She was in the vanguard of those who took every occasion to turn the minds of the American people against what I believe to be their own highest interests. Yet on July 19, 1945, Miss Thompson wrote:

We began the war with the Atlantic Charter and will end it with no compass or standards whatever, in a world of chaos. We began it to "end war" and shall finish it with an international armaments race between the victors.

Is there any question about that, with Russia already saying that she wants a big navy, and we pleading for peacetime conscription?

Miss Thompson further said:

We made it in behalf of the "peace-loving" nations and shall finish it with permanent conscription in the United States.

Mr. President, I predict here and now that unless the present trend in international affairs is arrested, unless the resort to the brutal and inhuman practices of power politics is killed at its roots, Dorothy Thompson's warning inevitably will be fulfilled in a third world catastrophe that will befall us whether

we want it or not. I am afraid that American statesmen have learned nothing from history, for, by the provisions of this Charter, we seem to be repeating the tragic blunders of the past. When I was in Europe I talked with some of our leading diplomats. They all said Europe has learned nothing from this war. As a matter of fact, Mr. President, there is today not a country in Europe which, if it had the money, the men, and the machines, would not be at the throat of another.

Elizabeth Latimer wrote of the Holy Alliance in her book, Russia and Turkey:

By the Congress of Vienna in 1815 it was laid down as a law of Europe that there were five great powers, namely, England, France, Russia, Prussia, and Austria. There were seven second-rate powers, namely: Spain, Portugal, Naples, Turkey, Holland, Sweden, and Denmark. Besides these there were third-rate states more or less dependent on the five great powers. It was agreed that no one of the five great powers was to aggrandize itself (except as regarded colonies) without giving the other four a right to take something to their own advantage, that would keep even the balance of power. If any two great powers went to war the other three had liberty to negotiate, or if need were, to intervene by force of arms, provided there was a chance that the balance of power might be disturbed.

But, Mr. President, these are not the only mistakes we are repeating. We are continuing lend-lease into the hands of the bitterest rivals history records. We can expect only one result from such misguided action.

Mr. President, it was on May 22, 1933, that Mr. Norman H. Davis, chairman of the United States delegation at the General Disarmament Conference in Geneva, joined with Britain in setting in motion this bloody war we have just finished. That was the year in which Mr. Molotov said:

The danger of new wars has become particularly imminent.

England had just embarked on a policy which called for the rebuilding of Germany's military strength, overriding France's bitter protest at the Conference. President Roosevelt's representative, Mr. Davis, remarked before the Conference:

It would neither have been just nor wise, nor was it intended that the Central Powers should be subject for all time to a special treatment in armament.

Just prior to May 22, 1944, when this speech was made, Hitler had made a speech in the Reichstag demanding that Germany be restored to an armament parity with the other nations of the world. Mr. Davis said in regard to that speech:

The recent speech by the German Chancelor before the Reichstag clarifying the German attitude and policy with regard to disarmament and endorsing the proposal of President Roosevelt has been most helpful. This, and also the subsequent announcement made here by our colleague, Herr Nadolny, of Germany's acceptance of the British plan as the basis of the future convention, have so altered the situation as to justify us in assuming that we can now resume our consideration of this plan with real hope of agreement.

Can it any longer be said that our failure to enter the League of Nations brought on the World War? There was our own representative at the Conference saying that Germany should be permitted to rearm. There were the British saying, in spite of the French protests, that Germany should be permitted to rearm. So it cannot be said that Members of the Senate, were responsible for what happened, because our own representatives at the Conference put their stamp of approval upon it.

In the same year the American Government not only tolerated the expanding aggression of Japanese war lords, but we actually increased the flow of oil, scrap iron, and other essential war materials to Japan, without which Japan would have been helpless to expand her aggression, without which there could have been no Pearl Harbor. And up until the year 1939 in Europe and 1941 in Asia, by our stupid policies which actually served to build up both Hitler and Tojo, by attempting to prevent the inevitable consequences which followed on these blunders, and by swinging from the extreme of appeasement to that of war, we found ourselves compelled to build up Russia, which only a few months before we had denounced as one of the most tyrannical governments on the face of the earth.

We were told that America in so doing was to serve as the arsenal of democracy. But I submit, Mr. President, that nothing could be further from the truth. The staggering truth about the consequences of our stupidity is that by this war we have caught the peoples of Europe and the peoples of Asia in the mighty jaws of a military machine unprecedented in history, a machine which we helped to strengthen and enlarge until the mind of man cannot even grasp the extent of its destructive fury.

Yet now, Mr. President, again having learned nothing from the past, America is being used to build up a new world struggle between two great imperialistic nations, a struggle for world trade, world markets, world resources, world power, and world domination, in which again we shall be called to pour out what is left of our once vast storehouses of treasure, raw materialists and of blood.

Surely we owe it to our people to tell them the truth about this prospect. For myself, what I am saying has been proven time and again both by the facts of history and also out of the mouths of our most passionate proponents of international supercollaboration. Even Russia's distinguished former foreign commissar, Maxim Litvinov, in 1938 warned the nineteenth assembly of the League of Nations what the continued appeasement of Hitler meant. Little did he realize how what he said would apply to America's relations to Russia today. He said:

There are inside and outside the League two tendencies, two conceptions of how best to preserve peace. There exists an opinion that when some state announces a foreign policy based on aggression, on the violation of other people's frontiers, on the violent annexation of other people's possessions, on the enslavement of other nations, on domination over entire continents, the League of Nations has not only the right but also the duty of declaring loudly and clearly that it has been set up to preserve universal peace; that it will not permit the realization of such a program, and that it will fight that program by every means at its disposal.

There is, however, another conception—that the aggressor be treated with consideration, and his vanity be not wounded. It recommends that conversations and negotiations be carried on with him, that he be assured that no collective action will be undertaken against him, and no groups or blocs formed against him—even though he himself enters into aggressive blocs with other aggressors—that compromise agreements be concluded with him, and breaches of those very agreements be overlooked; that his demands, even the most illegal, be fulfilled; that journeys be undertaken, if necessary, to receive his dictates and ultimatums; that the vital interests of one State or another be sacrificed to him; and that if possible no question of his activity be raised at the League of Nations—because the aggressor does not like that, takes offense, sulks. Unfortunately, this is just the policy that so far has been pursued toward the aggressors; and it has had as its consequence three wars, and threatens to bring down on us a fourth.

Mr. President, the people of the United States and their elected representatives in this Senate body have been maneuvered into a position where they are not going to be able to do anything more than to acquiesce in an ultimatum. They are not going to be given the chance to endorse a nobler instrument of collective action and purpose. They have been told they must accept this instrument or nothing. Those who have been responsible for this situation know perfectly well that the people of the United States are against war now as much as they were before Pearl Harbor. So are the other peoples of the earth against war. Yet today the people of the United States are among the last free people who are able to speak their mind against war through their representatives in government.

I gravely fear that this charter will even take away from the people of America the right to be heard on the crucial issues of war and peace in the future, even though it is claimed by the proponents of this Charter that by some strange miracle it will bring about at least a partial restoration of sanity, decency, and law in international relations. Indeed we have even been told that it is the greatest document ever conceived by the mind of man, that it insures world peace and prosperity, and that as the only hope of the world, we must ratify it or chaos will prevail. I am seriously worried as to whether, after the charter is ratified, the people of the United States will have anything to say about it.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. HATCH. I do not want to interrupt the Senator if he does not desire to be interrupted.

Mr. WHEELER. I am glad to be interrupted.

Mr. HATCH. If any Senator has any objection to the Charter, or any reason why it should not be ratified, and has any reservation which he thinks should be made to the Charter, I should be very happy to have him offer it now. I do not want to have the people of the United States maneuvered into any position. If

any reservation is to be offered I should like to have it offered here and now. I should like to have it done frankly——

Mr. WHEELER. It will be done frankly.

Mr. HATCH. Cleanly and honestly.

Mr. WHEELER. It will be done cleanly and honestly. Mr. President, I invite attention to what has been said by some, and the reasons why I shall vote for the charter. If what Mr. Dulles has said is correct, and if the policies are carried out—and I refer to the policies agreed to by the chairman of the Foreign Relations Committee, and by the Senator from Michigan, both of whom I believed when they made statements with reference to agreements coming back to us—then will be the time to determine what will be the policy of the United States with reference to sending our boys into foreign lands.

Mr. HATCH. When is the time to which the Senator has referred?

Mr. WHEELER. A moment ago I said—I thought I made it plain—that when Mr. Dulles came before the committee, if I read his testimony correctly and I think I did, he said that the agreements would come back to the Congress of the United States, that nothing would be changed, and that any agreement made as to what the status of the President's powers were to be with reference to sending troops to foreign lands would come back to the United States for confirmation.

Mr. HATCH. I do not quite understand the Senator.

Mr. WHEELER. I address the chairman of the Foreign Relations Committee. I am correct, in substance, in what Mr. Dulles said.

Mr. CONNALLY. I should rather the Senator ask me a question if he wishes to do so.

Mr. WHEELER. I do not have Dulles' testimony before me.

Mr. CONNALLY. The Senator has said that the time is not now, but later on. The time to settle the policy is now, because if we are not going to live up to the terms of the Charter after we ratify it, we ought to know it now.

Mr. HATCH. That is right.

Mr. CONNALLY. I know what the Senator has in mind. He has in mind the testimony of Mr. Dulles before the committee with reference to subsequent agreements concerning a quota of troops.

Mr. WHEELER. That is correct.

Mr. CONNALLY. In the Charter we agreed to make these agreements. We are under obligation to make some kind of an agreement with the Security Council. It is assumed that those agreements will be adhered to by us and by the Security Council. Dr. Dulles said that his conception of the language of the Charter was that when those agreements are made they should be ratified by the several countries according to their constitutional processes. My own individual view, which may not control, is that that means they should be ratified by the Senate.

There is another school of thought which may be correct. It takes the position that inasmuch as the agreements relate only to the furnishing of troops, it is not necessarily a matter which requires ratification by the Senate, but could be taken care of by a joint resolution or other legislation of the two Houses of Congress. I believe, on the whole, that whether we assent to an agreement by constitutional processes or not, it is a domestic question which we ourselves must settle, and that we must be satisfied that we are acting through constitutional processes either by a joint resolution of both Houses of Congress, or by ratification of the Senate. My own view is that, under our system of government, the term "constitutional processes" means ratification by the Senate. Does that answer the question?

Mr. WHEELER. Yes.

Mr. HATCH. Mr. President, I wish to make myself clear.

Mr. WHEELER. No, Mr. President, I refuse to yield until I have read Mr. Dulles' statement in reply to the Senator from Colorado [Mr. MILLIKIN] The Senator from Colorado asked this question:

> There is just one other facet of that which I would like to develop. It seems to me that in the phase that you are talking about you have—let us call it a policing problem, and later on you might come to a real war problem, and that draws a logical distinction between where the power might lie in this country to order troops into action as against one or the other of those two contingencies; in other words, it seems to me that possibly we can preserve and effectuate the constitutional power of the Congress and the power of the President depending upon the nature of the problem. The policing powers traditionally exercised by the President might possibly be kept in mind, and the war powers might be kept in Congress, thus preserving in symmetry all of the constitutional powers of the Congress and the President.

Mr. Dulles replied:

> That is precisely what I referred to, Senator, in the first portion of my remarks——

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CONNALLY. In elaborating on what I intended to say to the Senator, my point is that the matter of policy with reference to whether we expect to carry out the obligations imposed upon us by the charter, is one which we must settle now. I know that there is a theory that when we come to make these agreements we can stipulate, for example, that our troops shall not be used anywhere except in the Western Hemisphere. We might have the bare power to do that, but we would be violating the spirit of the Charter in doing so, because the assumption is that we will make agreements to furnish troops in good faith for the use of the Security Council wherever danger may be present, and wherever the threat of war may be present. Of course, we always have the power to violate a treaty if we want to violate it.

Mr. HATCH. Mr. President——

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Montana yield to the Senator from New Mexico?

Mr. WHEELER. I yield.

Mr. HATCH. The only point I made and I am quite sure the Senator from Montana will agree with it—was that we certainly do not want to deceive the other nations of the world as to what we intend and mean by this Charter. We do not want to deceive the other nations, but least of all do we want to deceive ourselves.

Mr. WHEELER. Exactly.

Mr. HATCH. If there is a misunderstanding, if there are different views as to the meaning of the charter—and I am frank to say that I have an altogether different view as to what Mr. Dulles said, and what the Senator from Colorado [Mr. MILLIKIN] said, before the committee—I should be very glad to have them pointed out now, and by our votes tell the American people and the world, what is meant.

Mr. LUCAS. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. LUCAS. I do not care to trespass on the time of the Senator——

Mr. WHEELER. The Senator is not trespassing.

Mr. LUCAS. But this is a very important question in connection with the treaty and the issue involved. When Mr. Dulles testified before the Committee on Foreign Relations, of which I am a member, I was not present but later I read the testimony, and was somewhat disturbed about it and the more I looked into it the more disturbed I became. I wish to say now that tomorrow I shall attempt to take the other position the Senator from Texas has referred to; I shall join issue with Mr. Dulles on that question, and discuss it with some emphasis on the floor of the Senate.

I agree with the Senator from Texas, the Senator from Montana, and the Senator from New Mexico that there should be no deception in this charter, and the American people especially should understand what we are doing with respect to this one great issue, if none other, because this is the meat of the whole treaty, and I would not remain silent and permit the record made before the Committee on Foreign Relations to foreclose me or the Senate in the future. I have not said anything on the subject up to now, but I shall have something to say tomorrow.

Mr. WHEELER. Mr. President, I may say to the Senator from Illinois that, as I said a moment ago, the trouble about the Charter is that what the American people understand the charter to mean, or what some of them understand it to mean, is often quite different from what the Russians understand it to mean, or what the people of some other country understand it to mean. I wish to read what Mr. Dulles said.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WHEELER. I yield for a question.

Mr. HILL. If the Senator will yield to me for a question, the distinguished Senator from Illinois says he is going to discuss this question tomorrow. I therefore do not desire to intrude on the time of the Senator from Montana, but I wish to say that I do not agree with Mr. Dulles' interpretation of this matter. To my mind, the Charter is the master agreement. If we ratify this master agreement, it does not follow that in carrying out some of our obligations under the agreement they must come back for ratification by a two-thirds vote of the Senate, without the House of Representatives having any say.

For instance, in the matter of supplying armed forces to be subject to the use of the Security Council, the matter of how many airplanes or how much of an air force we are going to provide, how many ships of the Navy, how many divisions of our ground forces we are to provide—that is a matter, in my opinion, of the use and disposition of the Army and the Navy, which, under the master agreement, it once having been agreed to, should be decided and disposed of by joint action of the two Houses of Congress. I do not wish to be foreclosed, as one Member of this body, by sitting silent when this question is raised, and not stating that I do not agree with Mr. Dulles' interpretation.

Mr. WHEELER. Let me say, Mr. President, that there are some people who disagree as to the construction to be placed upon our Constitution with reference to the war-making power. I did not intend to go into a discussion of that subject this afternoon, but I should be willing to take up and discuss and debate it with any Senator on the floor.

Mr. BARKLEY. If the Senator means that, I will take him on any day he wants to engage in a discussion of that question.

Mr. WHEELER. I have not the slightest doubt the Senator would be glad to engage in a discussion with me at any time or at any place, and I am not afraid to enter upon a discussion of that subject with him. I am merely saying that what we should do if we are to be fair about it, would be to submit a constitutional amendment to the American people and let them say whether or not they want to turn over to one man, a delegate appointed by the President of the United States to serve on the Security Council, the war-making power. There should be a constitutional amendment indicating whether the American people agree to that provision or not.

Mr. BARKLEY. Will the Senator yield?

Mr. WHEELER. I will yield in a moment. But it is not proposed that we submit a constitutional amendment and let the people pass on it. What the people of this country want before our boys fight all over the world is the right to say something about where they are to fight and where they are to die.

Mr. BARKLEY. Will the Senator yield?

Mr. WHEELER. I now yield.

Mr. BARKLEY. What I had in mind was that during 150 years, although we have had only 12 formal declarations of war in the history of the United States, we have sent the American Navy and the American Army and the American marines 146 times to places in the world to protect American interests, without a declaration of war, and the American people have never yet demanded a constitutional amendment in order that that might be done.

Mr. WHEELER. Oh, well, what the Senator is saying is that we have sent troops so many times in 150 years, or have sent the Navy. That is true, we have sent them. For what? Every President of the United States who ever sent the troops to South America, or to Haiti, or to China, or to any other place, has sent them there for the purpose of protecting American lives or American property.

Mr. BARKLEY. Or to enforce American treaties.

Mr. WHEELER. If it is to be contended that if we enter into this treaty we take the power away from the Congress, and the President can send troops all over the world to fight battles anywhere, if it is to be said that that is to be the policy of this country, I say that the American people will never support any Senator or any Representative who advocates such a policy; and make no mistake about it.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. PEPPER. I understood the able Senator from Montana to say he was going to support the charter, did he not?

Mr. WHEELER. That is correct.

Mr. PEPPER. And he runs for reelection next year in the State of Montana, and he naturally expects that that conduct on his part will meet the approval of the people of his State.

Mr. WHEELER. I do not know whether it will meet their approval, but I am going to do it. I have voted for many things which did not meet their approval. I have never been one of those who followed the temporary whims of the people. I have voted my own convictions, sometimes when it was very unpopular to do so.

Mr. PEPPER. Anyway, the Senator is coming around to support the Charter before the next election in his State.

Mr. WHEELER. I resent that. What the Senator from Florida is sorry about is that I am not going to vote against the charter. That is what he would like to have me do, so that he and the rest of his internationalists could holler from the housetops that I was for war and he was for peace, when he was the one man on the Senate floor who was shouting here and leading the van for the internationalists and interventionists in this war.

Mr. PEPPER. I shudder to think where America would be today if they had followed the Senator's policy.

Mr. WHEELER. Where are they today?

Mr. PEPPER. The enemies who would have destroyed us are crushed.

Mr. WHEELER. Destroyed us—perhaps.

Mr. PEPPER. But I meant to ask a question, not to resort——

Mr. WHEELER. The Senator did not intend to ask a question. What he intended to do was to try to make some inference which he thought would bring discredit upon me. He cannot get away with it.

Mr. PEPPER. No; I meant to ask the able Senator, when he said that the American people evidently wanted to have some kind of a referendum on whether or not——

Mr. WHEELER. I did not say anything about a referendum.

Mr. PEPPER. I understood the Senator to propose a constitutional amendment to be voted upon by the people. Is that correct?

Mr. WHEELER. I want a constitutional amendment to be submitted in accordance with the provisions of the Constitution.

Mr. PEPPER. Before any force in which the United States could participate should be used outside the Western Hemisphere? Is that correct?

Mr. WHEELER. The Senator is wrong again.

Mr. PEPPER. Well, will the Senator help me a little bit to understand what it is he is advocating?

Mr. WHEELER. I will if I can help the Senator. What I say is that while Presidents of the United States have sent armed forces—and I have before me the list of instances in which Presidents have sent armed forces outside the United States—in every case in which they have done so they have said that it was done in defense of American citizens or American property. But I call the Senator's attention to the fact that they have never sent our armed forces into any country, except into some small country which practically could not defend itself. There has been question in the mind of one President at least as to whether he had the right to do that, and there has been some question in the minds of Members of Congress whether we had the right to do it until the Congress of the United States authorized it and gave the President the power to do so.

Mr. PEPPER. Has the able Senator from Montana seen any poll or any determination of American public opinion which has not shown that a vast majority of the American people were in favor not only of there being an international organization, but that such international organization should have teeth in it, which means that it should have force and power which might be employed against an aggressor nation?

Mr. WHEELER. Listen——

Mr. PEPPER. I am asking the Senator a question. Will he be good enough to answer my question?

Mr. WHEELER. First let me say to the Senator that I do not follow the polls which are taken quite so closely as does the Senator from Florida. I am not interested in what the polls show.

Mr. PEPPER. The Senator——

Mr. WHEELER. I have the floor, Mr. President. Let me say to the Senator from Florida that what I am interested in is not shown by polls based upon propaganda which floods the country. What I am interested in is whether or not we shall preserve the provisions of the Constitution of the United States. I have taken my oath in the Senate to uphold the Constitution of the United States, and so long as I am in the Senate I am going to do so to the best of my ability. The Senator from Florida apparently does not care anything about the Constitution. He is more interested in polls and propaganda.

Mr. PEPPER. The able Senator from Montana was extremely sensitive a few moments ago when the Senator from Texas made perhaps a slight disparaging remark; yet, apparently, he is perfectly willing to make similar accusations. The Senator from Florida will be a little less sensitive than was the able

Senator from Montana, and get back to the question.

The Senator from Montana took the position awhile ago that the American people were not in favor of sending American boys to places in the world where they might be employed by this international organization as a police force against an aggressor nation. The Senator having made the statement, I asked him if he knew of a single poll or if he knew of any responsible evidence that the American people were not in favor of this international organization having teeth in it, which means the power to use force, and if the Senator thinks the American people are so silly as not to know that if force is used, we have got to supply a part of it?

Mr. WHEELER. Let me answer the Senator's question. First, as I said to the Senator a moment ago, I am not interested in polls. I think many of the polls which are taken are pure fake polls, and they have been disclosed time and time again to have been fake polls. Secondly, I say that if all the people of the United States of America wanted to violate the Constitution of the United States, I, as a Member of the Senate, having taken an oath to uphold that Constitution, would uphold it. If the public of the United States temporarily became swayed by propaganda to do something that they did not know was in violation of the Constitution, I say that I would vote against such a proposition under those circumstances, and I hope the Senator from Florida would.

Mr. PEPPER. Mr. President, will the Senator again yield?

Mr. WHEELER. Yes.

Mr. PEPPER. The Senator has now changed his mind and is against the charter?

Mr. WHEELER. No; I have not.

Mr. PEPPER. The Senator said that if the American people——

Mr. WHEELER. Let me say to the Senator——

Mr. PEPPER. Will the Senator not yield to me for a question?

Mr. WHEELER. Let me finish. The Senator says I have changed my ground. I have not changed my ground in the slightest degree. I say to the Senator that if the American people understood that their boys were to be sent at the command of any one single person to fight in foreign wars without the question being submitted to the Congress of the United States, if the people understood it thoroughly and it was properly explained to them they would be against it.

Mr. PEPPER. Does the able Senator mean to say, if we ratify this Charter and then if either by ratification of a subsequent agreement by the Senate by two-thirds vote, or by a proper resolution adopted, we assent to such an agreement as is contemplated here, that the constitutional processes of this Government have not been followed, and that the people's Constitution has not been respected?

Mr. WHEELER. It entirely depends upon what construction is placed upon the document.

Mr. PEPPER. Well, either construction; Mr. Dulles' construction or the one that many of the rest of us have, that a resolution is sufficient. Does the Senator mean that either one is unconstitutional?

Mr. WHEELER. I do not know what the Senator's construction is, but if it is what I conceive it to be, which is that we would probably be willing to send American forces, no matter how large, all over Europe to interfere with the political affairs of Europe, then I say definitely that that would be unconstitutional, and the Senator and I, having sworn to uphold the Constitution, would have no right to vote for such action. If I thought that is what it would mean I would vote against the charter. So do not make any mistake about it, regardless of whether I am facing an election or not, because I never needed a political job to make a living and I do not need one now.

Mr. PEPPER. The able Senator, then, is contending that the agreements are unconstitutional? Is that the Senator's position?

Mr. WHEELER. If I have not made my position clear to the Senator now——

Mr. PEPPER. Well, I should like to know.

Mr. WHEELER. If I have not made my position clear, there is no use of my trying to do so in the future.

Mr. PEPPER. I wanted the Senator to answer the question if he would. Do I correctly understand the Senator from Montana to say, if we ratify this Charter and then if we enter into a subsequent agreement to furnish an agreed portion of the armed force necessary to constitute the police force of this organization, and if we ratify that agreement either by two-thirds vote of the Senate or by resolution of both Houses of Congress, that either method or both methods are unconstitutional? Is that the Senator's position?

Mr. WHEELER. No, I have not taken that position.

Mr. PEPPER. Well, that is all that is involved.

Mr. WHEELER. Listen to me. What kind of a construction is going to be placed upon this provision depends entirely, in my judgment, upon whether it be constitutional or not, and what action we should take on an agreement that may come back to us would, in my judgment, depend entirely upon whether or not we had the constitutional right to enter into such an agreement.

Mr. PEPPER. Is the Senator in his individual capacity going to take the position he took at the Democratic National Convention in 1940 and which he later took in the Senate? Is he going to take the position in the future that American forces cannot become a part of a police force that will be available at the call of this international organization to repel aggression? Is the Senator going to take the position that American forces under no circumstances can, even to meet aggression, be sent out of the Western Hemisphere?

Mr. WHEELER. If I took any position at the Democratic Convention in 1940, the convention agreed with me and not with the Senator.

Mr. PEPPER. Well, all we have to do is to read the platform of 1940 and we will see, of course, what happened.

Mr. WHEELER. If we read the platform, and then find what the Senator advocated and what some of the rest of us advocated, and what the Senator from Florida tried to get into the platform and did not get into it, it will be found that the two are quite different.

Mr. PEPPER. The Senator has now made a question of fact. The Senator will recall that in the Democratic platform committee there was a debate, and that the Senator from Montana tried to have placed in the platform a provision, which he later advocated here upon the floor of the Senate, that American forces could not be sent out of the Western Hemisphere, and he knows very well that as the result of that controversy in the platform committee a compromise was worked out, and that there was placed in the original platform resolution the words "except in case of attack."

Mr. WHEELER. Exactly.

Mr. PEPPER. And that that was the resolution which was adopted by the convention.

Mr. WHEELER. Exactly. Of course that can be done if we are attacked. That is what I insisted upon having written in the platform of the convention, and that is what the Senator wanted taken out, but the convention placed it in the platform. If the Senator wants us to go into the secret conference, I can tell much more that took place behind the closed doors. But I insisted that if the provision were put in the platform, it should contain the words "except in case of attack." Those words were placed in the platform. Then when Japan attacked us I was one of the first Members of the Senate who said we should proceed to lick hell out of Japan.

Of course, if we are attacked that is a different thing. It is one thing when we are attacked; it is one thing when American citizens are attacked or American property is being destroyed, and quite another thing when Bulgaria is being attacked, or some Hindu is being attacked, or a person of some other nationality is being attacked. I say that under the Constitution we have a right to protect American property and American interests wherever they may be; but we have no right under the Constitution of the United States, without a vote of the Congress, to send American troops anywhere in the world to protect foreign interests.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. MILLIKIN. I did not intend to enter the debate, but I believe it would be clarifying if the Senator were to read the statement of Mr. Dulles, and that of the chairman of the Foreign Relations Committee, beginning about halfway down on page 469 of part 5 of the hearings, and continuing almost to the bottom of page 470.

Mr. WHEELER. I am glad to do so.

Senator MILLIKIN. Mr. Dulles, there is in the charter a provision whereby the Security Council may present plans for disarmament. Without going into detail on the thing, is it your opinion that the amount and nature of the armaments of the United States will remain, despite the charter, under the complete control of this country?

Mr. DULLES. I have no doubt about that whatsoever, Senator. At the most, all they can do is make a recommendation.

Senator MILLIKIN. Thank you. If I understood you correctly, Mr. Dulles, I thought you said that the Senate will have an opportunity to ratify the special agreement having to do with our contribution of force and material.

Mr. DULLES. Yes, sir.

Senator MILLIKIN. Is that your opinion?

Mr. DULLES. That is not only my opinion but it is expressly stated in the charter that the agreements are subject to ratification by the states in accordance with their constitutional processes.

Senator MILLIKIN. Then it is your opinion that to comply with our constitutional processes, that separate agreement would have to come to the Senate for ratification?

Mr. DULLES. It is, and that was the view of the American delegation. I think there is no doubt whatever about that.

Senator MILLIKIN. Is there any doubt about that, Mr. Dulles?

Mr. DULLES. No.

Senator MILLIKIN. And no disagreement of opinion on that?

Mr. DULLES. No.

Senator MILLIKIN. I take it that by ratification you mean ratification by the method of advising and consenting to a treaty?

Mr. DULLES. That is correct; by a two-thirds vote of the Senate.

Senator MILLIKIN. The reason why I asked the question is that you are, of course, aware of the fact that there is a large dispute as to who is the legitimate field for so-called executory agreements and treaties. You are definitely of the opinion that the special agreement referred to will have to be handled by supplemental treaty rather than by an executory agreement?

Mr. DULLES. I have no doubt whatever about that.

The CHAIRMAN. It was specifically stated in the charter.

Mr. DULLES. It shall be, as I said, in accordance with the——

Senator MILLIKIN. Constitutional processes?

Mr. DULLES. Constitutional processes.

Senator MILLIKIN. But I direct your attention to the fact, if you please, that there is a large field of opinion that this sort of thing can be handled under our constitutional processes by executory agreement as distinguished from treaty, and I was pressing to get an answer from you on that, and I thank you very much for your answer.

Mr. DULLES. It is clearly my view, and it was the view of the entire United States delegation, that the agreement which will provide for the United States military contingent will have to be negotiated and then submitted to the Senate for ratification in the same way as a treaty.

Senator MILLIKIN. I should like to ask if that is the opinion of the chairman of the committee.

The CHAIRMAN. It is most certainly the opinion of the chairman of the committee. I desire to call the Senator's attention to the fact that article 43, section 2, specifically provides as follows:

"Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided."

In other words, we in the agreement stipulate what we will do.

Section 3 is as follows:

"The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and members or between the Security Council and groups of members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes."

Our constitutional process is for us here at home to decide. There is no question in my mind that that means that the agreements must be ratified just like treaties are ratified, because they are with foreign countries. They are vital, they affect our Military Establishment, so they would have to be ratified by the United States Senate.

I thoroughly agree with Mr. Dulles that there was no question ever raised, so far as I know, in the Conference as to that effect.

Senator MILLIKIN. That answers it completely.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. WHEELER. Just a moment.

Everyone knows that, as a matter of fact, the Congress of the United States can enact a law by majority vote to do away with the provisions of the charter at any time it wishes to do so. So if we should enter into this treaty, another Congress could set aside the provisions of the treaty by law. The Supreme Court of the United States has so held on numerous occasions.

I now yield to the Senator from New Mexico.

Mr. HATCH. Mr. President, I rise only to express disagreement with what has been read. Tomorrow I hope to elaborate a little upon it.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. FULBRIGHT. Since this question has been brought up, I should like to say that I do not interpret the words "constitutional processes" to mean that such agreements must be by treaty. I see no particular reason why we must accept the interpretation of Mr. Dulles as to the significance of those two words.

Mr. WHEELER. The statement of Mr. Dulles was made in the presence of the chairman of the committee, and in the presence of the Senator from Michigan [Mr. VANDENBERG]. Both were members of the delegation at San Francisco. The statement was made that the entire delegation agreed upon that interpretation.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. BARKLEY. I do not know that it carries any particular significance, but I happened to be present in the committee at the time this testimony was given. My recollection is that the chairman of the committee stated that the question of the meaning of the words "constitutional processes" was never discussed in the delegation, although in a general way he agreed with Mr. Dulles.

Mr. WHEELER. I have read the testimony. If the Senator from Kentucky wishes to amend the testimony, he can amend it.

Mr. BARKLEY. I am not seeking to amend the testimony, or to amend the interpretation of it.

Mr. WHEELER. I am merely reading what the testimony shows, not what the Senator had in mind.

Mr. BARKLEY. As I stated earlier in the day, Congress can determine for itself what those words mean.

Mr. WHEELER. I entirely agree with the Senator.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CONNALLY. The Senator from Kentucky probably misconstrued what I stated in the committee. I stated that the question as to what constitutional processes meant was a matter for our own decision. I merely expressed my own individual view that they meant ratification, as in the case of a treaty. So when the agreements come back to the Senate or to the Congress, or to the President, we can then decide whether constitutional processes means ratification by the Senate alone, or action by the two Houses by joint resolution. That is what I meant to say. I was not undertaking to foreclose the issue. I merely expressed my own view that it meant ratification.

Mr. WHEELER. I understood the Senator's statement correctly.

Mr. CONNALLY. Let me say one further word, if the Senator will yield.

I do not entertain the fears which have been expressed by some Senators that we must not do it by treaty, but that we must do it by joint resolution. Either method would satisfy me, so long as it was an expression of the views of the Congress and of the people.

I have faith in the Senate. I believe that if we adopt the charter and make a promise to furnish troops according to these agreements, the United States Senate, whether it be Republican or Democratic, will rise to its duty and respond to its obligation, and by a two-thirds majority will keep the faith which we have pledged to the other nations of the world and live up to the obligations which we have assumed. If we do not intend to do that, we had better never ratify this Charter. If we mean to ratify it simply as a matter of form, and then later undertake to sabotage it by seeking excuses for not furnishing troops, or by stipulating that we will furnish them only within certain areas, we shall be violating the very fundamentals of this agreement; we shall break faith with the peoples of the world. I do not believe any self-respecting Senate would ever do that, regardless of which party might be in power at the moment. I am not afraid to trust that to the treaty-making power. If it develops that the Congress wishes to do it by way of joint resolution, I have no serious objections to that course. But I am not afraid that the Senate will not live up to its obligations. In the past we have made treaties. We have respected them. We have almost gone to war in enforcing some treaties. As has been pointed out by the Senator from Kentucky, the President has on about 140 occasions sent the armed forces of this

Republic to distant parts of the earth not alone to protect American lives and American property but in response to treaty obligations. In the case of Santo Domingo and other South American republics, we sent troops without any congressional authorization, because it is the duty of the President of the United States to enforce the laws, and a treaty legally ratified by the Senate is a law of the United States. That has been done repeatedly. That doctrine still lives.

Mr. BARKLEY. Mr. President, will the Senator yield at this point?

Mr. WHEELER. I yield.

Mr. BARKLEY. I wish to say that I agree with the Senator from Texas. The statements I made this morning and those I made in interrupting the Senator from Montana were not made in an effort to foreclose myself, and I hope the Senate will not foreclose itself from determining, when the time comes, the form in which we shall ratify the agreements which are provided for in the treaty. That is a matter which will have to arise later. We cannot determine it now, although I think it wise for us to have foreknowledge of the fact that it would be inconceivable for the Senate of the United States by well-nigh unanimous vote to ratify this charter and then thereafter undertake by any method or by any technical recourse to forms to nullify what it is about to do now by the ratification of the charter.

I myself am not greatly concerned about whether the ratification of the agreements referred to in the Charter shall be by way of treaties, for the consideration of the Senate only, or by way of ratification of a joint resolution by both Houses of Congress, a course which has frequently been pursued. But I am anxious that in ratifying this Charter we do not understand that we can ratify it and then later by some technicality as to form, defeat the substance of the charter by taking a divergent action which would be inconsistent with the charter.

I have not the slightest doubt that the Senate of the United States, which will ratify this charter by a well-nigh unanimous vote, will take upon itself, when the time comes, the responsibility of complying with the obligation we assume here, whether it comes in the form of a treaty for consideration by the Senate alone, or whether it comes before the two Houses of Congress for action by them, a course which frequently has been followed by the two Houses in connection with the ratification of agreements entered into with foreign nations.

Mr. CONNALLY. Mr. President, will the Senator yield to me for a moment?

Mr. WHEELER. I yield.

Mr. CONNALLY. Allow me to say to the Senator from Kentucky that I thank him very much for his agreement with the views I have expressed. One classic example of action by joint resolution was the ending of the war in 1918. We did not ratify the treaty. The war was formally ended and declared ended by the Congress of the United States through the medium of a joint resolution. At that time I was a Member of the House of Representatives, and I participated there in the debate on the matter. A great many others who today are Members of the Senate were then either in the House of Representatives or the Senate, notably the Senator from Maine [Mr. WHITE], as I recall. But those are things which have happened in the constitutional history of the United States.

Mr. WHEELER. Mr. President, let me say that I do not know why there is all this furor about what was in my mind. I know there are some persons who think they know more about what is in my mind than I myself do, and there are many persons who would like to interpret what is in my mind. I have seen some newspaper articles, the writers of which, said what they thought I would say when I returned from Europe or what I would do when I returned from Europe or what I would do about the treaty and what interpretation I would place on it. Now my distinguished colleague from Florida wishes to have it implied that I shall vote for the treaty because I am facing an election. That idea is not original with him, though, I am sure, because I saw that statement in one of the international columns of a Washington newspaper some time ago.

However, Mr. President, let me say that I assume that when we enter into this treaty we shall be doing so in good faith; but I am assuming that we enter into it and when we later have these agreements, we shall not do something which will be contrary to the oath we took when we swore to uphold the Constitution of the United States. I know perfectly well that the Constitution of the United States rests very lightly upon a great many persons, both in and outside Congress. I have been told, "You cannot eat the Constitution." But, Mr. President, let me say that for 150 years we have lived under the Constitution of the United States, and for more than 125 years we did not meddle in European politics and we did not meddle in the business of everyone else. We built up on this continent the greatest country on the face of the globe, where there is greater prosperity, greater freedom, and greater liberty and more real religion than there ever was in any other country in the face of the globe. Yet, because we followed the precepts and preachings of those who founded the Constitution of the United States—George Washington, Thomas Jefferson, and all the other great leaders—now we find springing up in this country many statesmen, many columnists, and many leaders of various groups of all kinds who know a better way and a better form of life than the one we have built up in the United States.

Some people think Russia is a better country than the United States, and that Russia has a better form of government. All I have to say to such people is that they should go to Russia and live there and stay there. Then they would be very glad to leave. They should go now to Bulgaria, to Poland, to Latvia, to Lithuania, and to Rumania, and there see what would happen to them if they dared to criticize in the slightest degree either the government or any of the officials of the government. After such an experience they would be extremely happy to enter New York harbor. Yet, Mr. President, the same persons in the United States who are crying out against everyone who seeks to preserve the Constitution or who wishes to live up to its principles are the ones who want to tear it down. They want to tear down this country. They want it torn down so that they can set up a totalitarian government—a government which Mr. Roosevelt himself said was as tyrannical and despotic as any in the world.

I say to those who would tear down our Constitution, "Tear it down if you want to, override the Constitution if you want to, send your troops anywhere in the world you want to to protect the Chinese or the Hindus or anyone else, whether they molest us or not, but you will never do it with the sanction of my vote. You may think that all the propaganda which is put out for it at the present time has sold the American people a bill of goods. I have seen them sold before, and then I have seen them unsold. You will see them unsold if you go too far."

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. VANDENBERG. So far as my own interpretation is concerned, I think the record should be completed in respect to the constitutional point submitted by the able Senator from Montana regarding the form in which the basic agreement for force, as contemplated by the Charter, shall be handled in the United States in behalf of the United States.

First, I wish to say that it never remotely occurred to me, either at San Francisco or since, that the language used in the Charter at this point did not refer to a treaty to be brought before the Senate of the United States for ratification, precisely as indicated by Mr. Dulles in his testimony, and as supported by the able Senator from Texas in his interpretation.

I can understand how there might be advanced a perfectly legitimate argument as to whether or not constitutional process at that point referred to a joint resolution of Congress or a treaty action by the Senate, although it is the latter which I favor. But I cannot understand how there could ever be any possible defense of the suggestion that this could be done by an executive agreement which denies a partnership authority on the part of the representatives of the American people.

I wish to add, Mr. President, that I do not believe that after the Senate has ratified this Charter in good faith—and I believe it will be ratified in good faith—there will be any insuperable difficulty in arriving at an agreement to implement it in good faith. I decline to indict the motives of the United States Senate by contemplating any other sort of an attitude. There is a wide field of opinion which can legitimately be expressed in regard to this agreement. There is no basic conception as to whether the forces which may be used are to be large or whether they are to be comparatively small. The very size of them, it seems to me, may ultimately answer most of the questions which are in our minds as

to the nature of their ultimate use. For that reason it seems to me that the decision itself might very well await the event.

I want to make it plain, first, that I agree with the Senator from Montana, with the Senator from Texas, and with Mr. Dulles that this basic agreement covering the use of force must be ratified either by the Congress as a whole or by the Senate before it can remotely meet the expectation either of the authors of the San Francisco Charter or the language of it. My own personal view has been that it would have to be accomplished by treaty. Second, I think it is a matter for our domestic decision when the time arrives, and that it is not a part of the act of ratification at the present moment, unless some Senator thinks that the Senate of the United States will ratify the Charter and then decline to ratify any implementation to make it effective. I repeat, Mr. President, that I decline to indict the Senate to that effect.

Then when we finally come to the next and last problem with reference to where the authority shall lie, whether in the President or in the Congress, to agree on our behalf to use armed forces for cooperative international action, I assert again that it is a problem the solution of which properly awaits the ultimate action of the Senate at a later time instead of at the present time in connection with the ratification of the Charter. It seems to me that our problem is simply one of reducing to text the rule of years, which recognizes that there are two separate ways of calling the armed forces into external use; one, by action of the President of the United States, under certain circumstances with reference to Congress; two, by reference to Congress under a contemplated declaration of war.

Again, I think it will be possible for us to find language which will protect the spirit of the Constitution precisely in the way which the Senator from Montana and I, too, want to protect it. We wish to protect it in a fashion which will meet the necessity for the President of the United States, whoever he may be, to make this international force available in a summary, preliminary, policing way, under circumstances which I am perfectly sure we could all agree it should be used. I think those problems are for tomorrow unless we proceed on the premise that the Senate of the United States does not mean in good faith what it says it means when it adopts this charter. I decline to indict the Senate in such a fashion.

Mr. WHEELER. Mr. President, I thank the Senator very much for his statement, and I wish to say to him that what he has stated is exactly the position I have taken.

The President of the United States has sent troops approximately 150 times to foreign territory. I have a list which has been prepared by the State Department, and from it I can state where the troops were sent, at what times, and for what purposes. Our marines were used, as well as some ships. I could cite an instance of a captain who was reprimanded severely because he made certain uses of the armed forces under his command. It seems to me that when we say to the President of the United States in effect, "You may send this army to a certain place," such power, in my judgment, would be clearly a violation of the Constitution of the United States. When we agree to send an armed force for specific purposes, that also, in my judgment, is a violation of the Constitution.

The editor of a great newspaper in the Middle West once said to me, "I understand you are opposed to the Charter because you do not want to give to the President of the United States the power to put this country into war." I said, "That is right. I am opposed to giving any one man the power to put us into war." He said, "Well, you know that any President has the power at the present time to get us into war." I said, "You are correct." Mr. President, the newspaper which that man represented happened to be a supporter of the administration. He said, "Well, you know that Mr. Roosevelt got you into this war." I said, "You are making the statement." He said, "Well, when you know that the President of the United States has the power to get you into war why should you refuse to vote to give him such power?" I said, "It is true that the President of the United States has the power to get us into war, but he has no power or legal right to do so, and so far as I am concerned, I refuse to give any President of the United States the power to do something at this time which he has no legal or moral right to do."

Mr. TUNNELL. Mr. President, will the Senator from Montana yield?

Mr. WHEELER. I yield.

Mr. TUNNELL. I have noticed that the Senator has a couple of times mentioned Estonia, Latvia, and Lithuania.

Mr. WHEELER. Yes.

Mr. TUNNELL. Would the Senator give us his idea as to whether that is an argument for or against the ratification of the Charter? In other words, would we not be in exactly the same position, so far as they are concerned, no matter what was done with the charter?

Mr. WHEELER. I agree that there is nothing we can do about it, either with the charter or without it. But I do not want to see the United States put its stamp of approval upon the taking of Latvia, Lithuania, Poland, Rumania, and Bulgaria, and setting up over them a foreign government, which may say, "You have to set up a totalitarian government." I do not want our country to be a party to that. I deplore what Russia has done in some of those countries. Mr. President, I have said this repeatedly. I said it to the late President of the United States. I was one of the first Members of this body to suggest that we recognize Russia in 1923, if not the first. Because I said that we should recognize Russia, a great many newspapers criticized me, and one even went so far as to say I should be deported because of my statement. I wanted Russia to have whatever form of government the Russians wanted. I did not want to see the United States go to war with Russia, and I do not want to see us go to war with Russia now.

I said to the President of the United States, "Russia has the greatest opportunity in the world to come out of this war with a better feeling throughout the world toward her than she ever has had, but if she insists on doing the identical things Germany did, acting the aggressor, and taking over Lithuania, Latvia, Finland, and Poland, insisting upon a sphere of influence over Norway and Sweden, insisting on the Dardanelles, and taking over the Balkans, public sentiment in this country will change very rapidly." I think that is true, and I say that if Russia persists in this sort of thing, she is going to make a terrible mistake, and if she persists, this Charter will become a worthless piece of paper.

Mr. TUNNELL. Will the Senator yield further?

Mr. WHEELER. I yield.

Mr. TUNNELL. Does the Senator think that if this Charter is ratified by the United States and becomes effective, we thereby ratify or sanction what has previously been done by any member of the Charter Organization?

Mr. WHEELER. I am inclined to think, to be perfectly frank, that when we ratify this Charter we are saying to Russia, "You can do practically anything you want to with those countries over there." That is my interpretation. I may be wrong about it, but that is the interpretation I place upon it. I hope I am wrong.

I am voting for the ratification of the Charter because of the terrible conditions which exist throughout the world today. I am voting for it, because I do not see any other alternative. I am voting for it with the same hope that every other Member of the Senate has; that it will work out and do some good, although I must confess that I am extremely skeptical as to whether it will accomplish the good which so many people think it will accomplish.

The American people were sold with the idea that the Kellogg Pact was going to solve all the problems of the world; that there was going to be no more war. The Senator knows, as I know, that it did not amount to the paper it was written on.

The hopes and the aspirations of the American people are that something can be worked out, and as the Senator from Texas said and as the Senator from Michigan said, this is the best we were able to get. I assume it was not all the Senator from Texas or the Senator from Michigan would have liked to get, or that anyone else in the Senate, I assume, would like to have, but it is the thing which is facing us; it is the only alternative we have, and in the faint hope that it will do some good, I am going to vote for it.

Mr. TUNNELL. If it be true that the ratification of this Charter does give to Russia the sanction of the various powers to do what she pleases, it also gives to all other nations the same power.

Mr. WHEELER. That is correct.

Mr. TUNNELL. I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. MAGNUSON. I did not have the opportunity to hear all the Senator's able

speech, but I wish to say I think he is doing the country a service by calling attention to these matters, so that when we vote on the Charter, the country will know what we voted on.

In one part of his speech I understood the Senator to intimate that possibly there should be some clarification of the terms regarding Japan, and that possibly there should be some new meaning put upon the words "unconditional surrender," insofar as Japan is concerned.

Mr. WHEELER. What I said was that I felt something further should be done if we possibly could do it, that something should be done in addition to stating what unconditional surrender did not mean. In other words, if we could bring about an end of the war against Japan without simply having to annihilate all the people of Japan, all their cities, and bring about a solution of the Japanese problem, I say that most certainly we should do it. I commented upon the fact that President Truman had already said something about that matter, and I am hoping something will be done to bring the war to a speedy end.

Mr. MAGNUSON. I hope the Senator will not pursue the point, because the reverse would be true. Unconditional surrender for Japan would mean just that, and nothing short of it, because the Japanese propaganda, in whipping up the nation for war, was to the effect that our Nation was soft and that we were inferior. Any intimation that we mean anything but unconditional surrender is just what the Japanese want today to whip up their country again and say, "Fight on for a few more months, and maybe we will get even better terms."

I hope neither the Senate nor anyone else will fall for that Japanese psychological trick, because that is the way they think, and the quickest way to end the war with Japan is to say that unconditional surrender means just that, if it means the annihilation of the whole Japanese nation. [Manifestations of applause in the galleries.]

Mr. WHEELER. I know there is much sentiment in this country, and particularly on the west coast, all over the country, as a matter of fact, to that effect. But I am not thinking of what the effect on Japan is going to be, I am thinking of the effect on the people of the United States. I agreed with Woodrow Wilson when he said that we should think not so much of the effect something was going to have on the German people, but what the effect was to be on the people of the United States.

We can go on and defeat Japan. As a matter of fact, the Japanese are whipped today, their cities are burned, and they are licked, and if they had any brains or any sense they would surrender today.

Mr. MAGNUSON. My point is that I think it would prolong the war. My point is that I hope we will say to them what we mean, because certainly they are whipped, and the only reason possible why some of the Japanese leaders are hanging on is that they are hoping we will fall for some peace terms short of unconditional surrender.

Mr. WHERRY. Mr. President, will the Senator from Montana yield in order that I may propound a question to the senior Senator from Washington?

Mr. WHEELER. I yield.

Mr. WHERRY. There was so much confusion I could not hear very well what the Senator from Washington said. Did he say that unconditional surrender meant complete annihilation of the Japanese people?

Mr. MAGNUSON. No; I did not say that.

Mr. WHERRY. What did the Senator say? It sounded very much like that over here.

Mr. MAGNUSON. I said that unconditional surrender should mean unconditional surrender. It is surrender without terms, and if the Japanese will not accept that, or if they continue to fight on and it means the annihilation of the Japanese Empire, it must still be unconditional surrender. I hope we will mean that, and mean it to the very end of the Japanese war.

Mr. WHERRY. It sounded over here as if the Senator said the term "unconditional surrender" meant the total and complete annihilation of the Japanese people.

Mr. MAGNUSON. I am sorry. I did not mean that. I have Webster's definition of it.

Mr. WHERRY. I know the definition of it. I wanted to know how the Senator was using the term and how he defined unconditional surrender.

Mr. MAGNUSON. May I impose on the time of the Senator from Montana to read the definition of "unconditional surrender"?

Mr. WHEELER. "Unconditional surrender" is a slogan, not a policy.

Mr. MAGNUSON. Webster says it is "limited—made without conditions." It is very simple.

Mr. WHEELER. But Senators are condemning what President Truman has already said, because he has tried to do exactly as I have just stated. He said to the Japanese that unconditional surrender did not mean the destruction of their civilization, it did not mean the destruction of their religion, as they were being told by their own people, and as they were whipped up to believe by their own people.

Mr. MAGNUSON. I hope that is true.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. WHITE. I ought to know better than to speak about a subject to which the Senator from Michigan has already addressed himself, for he speaks with an authority and a clarity that are not mine. We have been talking about what this situation means to us severally. I want to put in the RECORD my thought as to what concerns us. We have here this Charter which I take it is to be ratified by a two-thirds vote of the Senate in two parts. The Charter contemplates that there shall be a treaty negotiated with the United States which shall, first, set forth with some detail and definiteness the terms and the conditions and the extent of our contribution to the joint effort to suppress aggression and to preserve the peace.

Mr. BARKLEY. Mr. President, will the Senator yield so I may correct him only to this extent, that the language of the Charter says "agreement?" It does not use the term "treaty."

Mr. WHITE. I speak of it as a treaty or as an agreement. I have understood and still understand that that agreement or treaty, by whatsoever name it may be called, will come to the Senate for the ratification by the Senate, and in it will appear the terms and conditions, the times when, and the amounts of our contributions to the joint military effort in both repression of aggression and the preservation of peace.

Mr. President, that treaty or agreement will not be of itself self-executing. It will call for the appointment of officials; it will call for the expenditure of public funds. Those will be authorized, I take it, by the Congress of the United States acting in its legislative capacity.

So we have three steps in this process, according to my view. The ratification of this Charter, the ratification of the treaty, which I call the master treaty, and ultimately, because that treaty made will not be self-executing, there will have to be action by the Congress of the United States appropriating money to carry on our part of this joint undertaking, and to meet all the terms and conditions of the agreement which shall be entered into. In any event, that is my understanding as to the sequence of events, and the events themselves, which will have to take place.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. WHEELER. I yield.

Mr. CHANDLER. The statement has just been made that Japan is licked. I want to express opposition to that view, and I want to ask the Senator from Montana to remember that when we went to war with Japan the Japanese Government then expressed the view that they were preparing to lose 10,000,000 men in a war with the United States, and then they wanted to know how many we were prepared to lose. They thought that we would grow tired of war against them, and they very quickly moved and took possession of islands, and garrisoned in force other islands which under the mandate system had been awarded to them after the last war under the so-called Smuts system. They started a war of attrition against us, thus taking the lives of American boys and requiring us to take small Pacific islands, bug infested and mosquito infested, by fighting under the most horrible conditions that American boys have ever had to fight.

Mr. WHEELER. Mr. President, I did not yield to the Senator to make a speech. I have only three or four pages more to read and I shall be through.

Mr. CHANDLER. On this point, Mr. President, I will try to be very brief. A question has just been raised, and I shall be very brief in discussing it. If the Senator desires to proceed, however, I will speak later.

Mr. WHEELER. No; the Senator from Kentucky may proceed.

Mr. CHANDLER. If we remember, we will recall that just before the war we believed our own stories. We told ourselves that the Japs were squint-eyed, that their planes were top heavy, that they had no money, that they had no

morale, and that they were not able to make war. A reading of magazines published in September, October, and November of 1941 will reveal statements to the effect that everyone here had his finger on the trigger, and if the Japs made a move we would wipe them out in 2 or 3 weeks or perhaps a month at the outside.

Mr. President, I do not know what the Japs have done, but perhaps they have moved back to Manchuria. I have an idea that thousands of them have. Manchuria is twice as large as Germany. It contains many resources. The Japanese have had Manchuria for 14 years, and if they have been as industrious in building up the defenses of Manchuria and in sending materials there as they were on Tarawa and in the Gilberts and in the Marshalls, on Iwo Jima and on Okinawa—and I assume they have been—then we will be in for a very long and very tough war. If we sell ourselves now with our own propaganda that they are licked I fear that evil days will come upon us.

Mr. President, I want to express myself in opposition to the view that the war with Japan is over. I think we have still got a tough war on our hands. That is the reason I have pleaded for 2 or 3 years for active support from Russia, England, and every other country in the world that we helped when they needed help so badly. As the Senator knows, I repeatedly urged that we have some understanding before the war in Europe was over so we could throw the full might of all our partners with our own against Japan at the earliest possible moment. If Russia comes in and if the other countries come in and if they use the amount of force that we committed ourselves to use in the war against Germany, the war against Japan may very well end much sooner, but if we have to fight this war with American troops, with the American Navy and with our Air Force alone the war may last a very long time.

Mr. WHEELER. Mr. President, I thank the Senator from Kentucky.

Mr. President, if some Members of the Senate have their way I greatly fear that this Charter would take away from America the right to be heard on the crucial issues of war and peace in the future, even though it is claimed by the proponents of this Charter that by some strange miracle it will bring about at least a partial restoration of sanity, decency, and law in international relations. Indeed we have even been told that it is the greatest document ever conceived by the mind of man, that it insures world peace and prosperity, and that as the only hope of the world, we must ratify it or chaos will prevail.

With these statements I do not agree, but I am going to vote for it very reluctantly on the strength of the statements made by Mr. Dulles and concurred in by my able and distinguished colleagues, who helped frame the Charter, that all the questions of the specific duties and powers of our delegate will be spelled out in supplementary agreements and that these agreements will come back to the Senate for ratification.

Let me say that I cannot subscribe to the idea that the President of the United States now has, or ever has had, the right to send American forces anywhere, or for any reason that he desired, without a declaration of war by Congress. An examination of the authorities in this field suffices to show that, whatever the reason lurking in the mind of the President, it has always been claimed by the Chief Executive that every such act was to protect American lives and property, and not the property or lives of some foreign nations or combination of nations.

I stand upon that interpretation of the Chief Executive's power, and shall oppose any other theory or philosophy which tends to undermine in the slightest degree the plain provisions of the Constitution. Personally, I am convinced that the American people are going to want more to say as to when and where their boys are going to fight on foreign soil in the future, rather than less.

Mr. President, if history has any lessons left to teach us, there are three historical tests which this Charter must stand. First, it must implement a just and decent peace. Second, it must inspire and effect a genuine spirit of cooperation and good will among the victor powers. Third, it must provide for the unhampered exercise of genuinely democratic representations in its councils.

Again it seems, Mr. President, we keep coming back to the people—to the individuals who make up the vast family of peoples among the nations of the earth. What of them in this scheme of things? What of the men and women who have already been called to surrender their last full measure of devotion? What of the millions of fathers and mothers, of sweethearts and wives, of children and of generations yet unborn whose very lives are now at stake in this new venture here being undertaken which ignores the lessons of the past? What part are they to be able to play in determining their own destines? What voice are they to have in shaping the affairs of communities, peoples, states, and nations in the future? Are they to be nothing but pawns in a new and far bloodier game of power politics? Are they to be doomed to a future existence as the mere chattels of a vast impersonal collective tyranny over the mind and heart and concience of humanity? This indeed will be the test of the vision of the framers of this document.

At this Charter has been explained it is still nothing but a declaration of pious intentions that such things shall not be. I agree with Robert C. Albright, who wrote in the Washington Post of July 22 that the Charter ratification is only a blind for the real fight ahead. That is true, particularly if some of those who have been advocating certain theories with reference to it have their way. I wish to go on record now as saying that there will indeed be a fight in the future, and a real fight if those views are adopted.

Mr. President, this United Nations Charter, being, as it is, a declaration of pious intentions and designed as it is for purposes not yet known to the American people, I will reluctantly—very reluctantly—vote for it. But let there be no misunderstanding of my action. I have not thereby surrendered, deserted, or betrayed, the principles for which I have fought throughout my life. I have not yet been provided any evidence from the tragic consequences of this war to shake my faith in our traditional American ideals.

What I am doing by supporting this measure is to give the framers of this document an opportunity to prove their good faith and their good intentions. But I want to serve notice, here and now, that when the peace treaties are made, when any question of further appeasement arises, and when any threat to the continued democratic representation of the people of America comes before this body I shall be in the vanguard of citizens and Members of this body who will feel it to be their duty exhaustively to scrutinize, analyze, and prove the wisdom of the creators of this Charter, to the end that the sovereignty of this people's Government and its Constitution may be preserved.

Mr. RADCLIFFE. Mr. President, will the Senator yield to me for a question?

Mr. WHEELER. I yield.

Mr. RADCLIFFE. I thought I understood the Senator from Montana to say that his hope of the good likely to be accomplished by this Charter would be faint. I am not sure that I caught exactly what he said. I wonder whether "faint" was the word he used, and if so whether he would not be willing to use a word stronger than that. I certainly believe that the prospect of success is infinitely better.

Mr. WHEELER. I do not remember that I used the word "faint," but I hope that the Charter will work satisfactorily. If it does not work, of course, we shall be in a state of chaos. One who reads the history of what has taken place in the past cannot be very confident that the Charter will work much better than previous efforts. Every Member of the Senate and the American people are hoping and praying that it will work, but it depends upon whether Russia, England, and the United States can get along together. I think it was Mr. Dulles who said that if they can get along, it will work. If they do not get along, it will not work. It is almost as simple as that.

Mr. RADCLIFFE. Then at least the Senator did not mean to emphasize the word "faint"?

Mr. WHEELER. No.

THE BATTLE OF PICCOLO

Mr. BILBO. Mr. President, the speeches which have been made today have been very interesting, informative, and entertaining; but when the people of the country read the RECORD of today and tomorrow they may find it a little monotonous at times. I should like to inject a few documents into the body of the RECORD at this point, which will break the monotony of the discussion which has lasted so long today.

About 2 weeks ago the Senate had under consideration the appropriation for 16 war agencies to which there was an attempt being made to sandwich in an appropriation for the notorious FEPC.

On that occasion I spent the greater part of 2 days in discussing the demerits of the proposed FEPC. It will be remembered that the FEPC wanted $599,000 but the bill was finally passed with only $250,000, this amount being reached by a compromise—to which I never agreed—to finance the FEPC for the next fiscal year.

While this contest was being carried on great pressure was brought to bear on the Congress, largely by delegations, letters, petitions and newspapers from the State of New York, which had already passed a FEPC State law effective on the 1st of July of this year, and because of the part that I played in that fight I have received literally thousands of letters from all parts of the United States, some congratulating me upon my opposition to the FEPC and others denouncing me, threatening me, and calling me all the ugly names in the category. Many of these letters were very insulting.

I have made it a rule since I have been in the Senate to answer all letters that come to my office, and I answered practically every one of these letters. So many of the letters in opposition were so offensive that in some cases I condescended to answer them in kind. Photostatic copies have been made of several of these letters that I have written in reply to these insulting letters and have been published in Negro newspapers and other communistic sheets catering largely to pressure groups. Prominent among this class of newspapers are the Daily Worker, of New York, the accredited organ of the Communist movement in America, and PM, of the same city, which is a strife-breeding, sensational sheet appealing to the lowest instincts of the radical element in this country.

I am a great believer in the freedom of the press, but I am sorry to say that this freedom is today being abused, especially by the Negro press and the low quisling white newspapers. This segment of the press is engaged in a campaign to array one race against another, one class against another, and is doing a great harm to the unity of the Nation in time of war.

One of the insulting letters which I answered has received undue publicity and notoriety; and in order that the public may know the truth, I ask unanimous consent that the letter which I received, together with my reply, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BROOKLYN, N. Y., *June 28, 1945.*

SIR: I have just read of your action on the FEPC. I find it very hard to believe that you are an American citizen and much, much harder to believe that you are allowed to enter the doors of the United States Senate. Every man and woman who cast a vote for you should hang his head in shame.

As a citizen of our country I urge that you stop your filibustering against the FEPC. The American people will not allow men of your kind to stand in the way of their freedom and happiness. Certainly men who go out to fight, men who go out to earn bread, women who rear children—will not let these things continue too long—there are those who will not let them forget.

I suggest that you read the Declaration of Independence. I suggest that you go out into the streets and learn to see men—and what they want—and most of all what they need.

You will note that I am neither Jew nor Negro, but that does not make you less my enemy.

We want the FEPC and you must help us get it—or you will answer to the millions of Americans who want it.

JOSEPHINE PICCOLO.

JULY 1, 1945.

JOSEPHINE PICCOLO,
Brooklyn, N. Y.

MY DEAR "DAGO": (If I am mistaken in this please correct me.) Your letter of June 28 has been received and I have read it with interest and surprise. What in the h—— are you griping about? You live in New York and today the most vicious FEPC bill ever passed by a lawmaking body goes into effect, so you have the FEPC for the State of New York.

If you like it and want it, then you have my permission to have it and to keep it, but the question of passing a Federal law and imposing this damnable, un-American, unconstitutional communistic legislative monstrosity upon the other 47 States by an act of Congress is an entirely different proposition.

So will you, please, keep your dirty proboscis out of the other 47 States, especially the dear old State of Mississippi? It is to this State that I am directing my efforts and I have no one to account to except the people of Mississippi. And while passing, let me assure you that from 99 to 100 percent of the people of my State are bitterly and uncompromisingly against this fool, communistic concept of government. It would destroy the freedom of the people and it certainly is a violation of the American way of life, for which we are fighting a world war today.

Watch the results of the enforcement of Governor Dewey's FEPC and weep.

Yours truly,

THEODORE G. BILBO,
United States Senator.

Mr. BILBO. Yesterday I received a letter from a Member of the House. I ask unanimous consent to have that letter, together with my reply, printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., July 21, 1945.

Hon. THEODORE G. BILBO,
United States Senator,
Washington, D. C.

MY DEAR SENATOR BILBO: I have before me a letter which you sent to Josephine Piccolo, 93 Garfield Place, Brooklyn, N. Y., addressing her as "My dear Dago."

It may be of interest to you to know that this lady had three brothers in the armed forces of the United States, and that one of them lies buried in Germany.

If you have any shred of decency left in you you would apologize.

Very truly yours,

VITO MARCANTONIO.

JULY 24, 1945.

Congressman VITO MARCANTONIO,
Eighteenth District of New York,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN: I was completely astounded yesterday when I received and read your audacious, arrogant, and presumptuous letter suggesting that if I had any "shred of decency left" that I would apologize to one Josephine Piccolo, of 93 Garfield Place, Brooklyn, N. Y., for addressing her as "My dear Dago," following which salutation I had put in brackets this statement, "If I am mistaken in this, please correct me."

When and by whom were you appointed as the judge and arbiter to pass upon the contents of any letter that I might write to any person and especially to any person in reply to a nasty, insulting letter addressed to me by that person? The fact that Josephine Piccolo had three brothers drafted into the armed forces of the United States and one has made the supreme sacrifice does not give Josephine Piccolo the right or license to insult a United States Senator as she did by her brazen and offensive letter to me. What her brothers did or may do has no bearing in the matter at all. I would be the last person in the world to say or do anything to adversely reflect upon the honor, loyalty and patriotism of the hundreds of thousands of fine and splendid citizens of Italian descent of this republic, but of course there are some exceptions. I, like every good American citizen, am proud to specially honor them because of their loyalty and patriotism to their adopted country in this great world conflict in which their fatherland was waging war on the United States and killing so many of our American boys in the battles of North Africa and of Italy.

I might submit to advice and censure from some of my colleagues in the Congress but with your well-known political record associations, affiliations, views, sentiments, and ideologies, your advice would be the last in the world to which I would give any consideration whatsoever. It is through you and your gang, and I dare say many of them are gangsters, from the sin-soaked, communistic sections of the great metropolis of New York that practically all the rotten, crackpot, communistic legislative schemes are being thrown into the congressional "mill"; and if you and your communistic pressure-groups were permitted to write the laws and shape the policies of the American Congress our great American dual scheme of government, with its freedoms and ways of life that have made this country great, would soon be a thing of the past. But let me say to you now and here, in the words of that venerable old French general, "they shall not pass."

The country should know that you ran for office on the Communist Party ticket and then you lined up with the American Labor Party, and then with the endorsement and support of a few Republicans you gained your entrance into the Congress of a free and democratic country. You are neither "fish nor fowl"—you are neither a Democrat nor Republican—you are a notorious political mongrel and how dare such a creature have the nerve and audacity to pass upon the ethics and judgment of a United States Senator whose every heart-beat synchronizes with the ideals and principles of the founding fathers set out in the Constitution of the United States, which document, with its provisions and prohibitions, seems to mean nothing to you and to yours when your communistic ideologies conflict therewith?

Yes, I addressed Josephine Piccolo as "My dear Dago" but I asked her if I was mistaken to please let me know. This letter was written several weeks ago and to this good day she has not attempted to correct the salutation that I used. She boastingly said in her insulting letter to me that she was neither a Jew nor a Negro.

Yes, I will apologize to Josephine Piccolo if she will withdraw over her signature her nasty, insulting, pusillanimous letter to me and apologize for writing it. Otherwise, my letter stands as written and I will leave it to any fair and impartial tribunal whether or not I was justified in all I said to her and I would have been excusable if I had made

my letter a little stronger. I only answered her in kind.

But let me say to you, Mr. MARCANTONIO, that I do not believe you really know what the word "Dago" means. You do not seem to appreciate its derivation. "Dago" is a perfectly good English word and was originally used to describe or differentiate the Spanish race from other races, and then the Portuguese from other races, and in recent years the Italians from other nationalities. In some sections of the world it is used to more or less express contempt, but it is an old southern custom to use the word in referring to members of the darker-skinned races from southern Europe and it is generally used without any suggestion of contempt. When we call the English private soldiers "Tommies" we mean no insult—when we call the American soldiers "GI's" or "doughboys," no insult is meant—when we call the French "Creoles, "frogs," or "Cajuns," no insult is meant—when we call the citizens of Indiana "Hoosiers," no insult is meant—when we call the citizens of North Carolina "Tar Heels," no insult is meant—when we call the northern people "Yankees," no insult; even if we say "damnyankee," it is not intended as an insult—when we call the Confederates "Johnny Rebs" no insult is meant. I could go on without limit but you would never understand or appreciate, and if you did you would not admit it.

Your main purpose is to arouse enmities and antagonisms, hatreds and animosities—that is the stock and trade of all Communists in America.

Read Josephine Piccolo's letter and if you have the slightest suggestion of a shred of decency you won't be so damn hot.

Yours truly,

THEO. G. BILBO,
United States Senator.

Mr. BILBO. I have also received a letter dated July 15, 1945, from an Italian lady in Brooklyn. I am not publishing her name because I have not had the time to get her consent. I am sure she would not object, but I am not willing to do it without her positive permission. I ask unanimous consent to have the letter printed in the RECORD at this point as part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BROOKLYN, N. Y., *July 15, 1945.*

Senator THEODORE G. BILBO,
United States Senate,
Washington, D. C.

DEAR SENATOR BILBO: As you may know, there is a newspaper strike here in New York. One morning, last Saturday, while on my way to work, after several days of newspaperless days, for want of nothing better to do, I bought a copy of the Daily Worker, upon which I regret soiling my hands. I tried to digest the PM, the only available newspaper at present, a number of times, but each time I couldn't stomach it. It was too disgusting; its muckraking items of pretentious, mawkish, sentimental, hypocritical utopian benevolence toward the so-called minority, to put across their ideas, to use the plight of the Negroes as a cover-up (the things they do, the laws, reforms, etc., they want to have passed are not to help the Negroes, as they say and brag, but really to help themselves), as if the gentile race is the only race on the face of the earth that is immune from sufferings, poverty, injustice, for all the evils that exist, and what not, though in reality that which the Daily Worker and the PM advocate is nothing less than an endless cycle of frustrations and diseased mentality, deranged perhaps from birth, embryonic and abortive to their last bitter gall.

Well, in the Daily Worker was printed the letter you wrote to a Josephine Piccolo, the article captioned that you replied "to women with insults." In fair sportsmanship, the Daily Worker should also have printed her letter, for perhaps she may have merited such a reply and perhaps more.

Unfortunately, human nature being what it is, one can't use gentleness and refinement toward all, for not many would understand it. And in order to make another understand just exactly what you mean, you must say it in no uncertain terms. Though I am an Italian, permit me to say that I had to smile when you called her "my dear Dago." Perhaps, if it was written to me, I would have had a different reaction. But I doubt it. To me the word "Dago" does not convey any impression, possibly because I seldom hear it, and think it to be only slang for Italian. But that is not the point of why I am writing this letter.

I have read that letter and I gather that you gave too much intelligence to one who, perhaps, hasn't any. With those on your level, it is all right to battle with words, but with those below you, simply ignore their letters politely. Like, in this case, what has happened but a newspaper with the worse intentions toward our country and Government, our people and principles, had to distort it. PM would do in like manner for its writers. (As with the D. W.) Its articles are in the most stupid, ill-begotten manner thinkable in the annals of journalism, to say the least. I am crediting you with much more intelligence than you showed in that letter, therefore, why condescend to give such publicity to an ignoramus?

But, I am glad you put her and others like her in her place. You are most correct in what you wrote and I agree with you. I for one hope that you will defeat the passing of the FEPC in your State and I hope other States do likewise. Because a thing is good for one State, it does not follow that the other 47 States must be served the same soup. After all, there is only one New York, and Mississippi, and other States are not New York.

You understand this vicious FEPC bill thoroughly, but, unhappily, not many understand it as well as you. Therefore, stick up for your rights, your ideas, defend it as best you can, do your utmost to defeat this bill, at least for your State.

This FEPC is the most ridiculous bill to have ever been passed; the most stupid and radical, for, think you, that such a bill will change human nature? Should even a clergyman have wanted to enforce the Ten Commandants into a law, he could not have made a greater blunder, for all the laws in the world will not prevent one from disliking, much less, from tolerating his pet peeves, his neighbors, his workers, and so forth. If it were not true, then, we would be one happy family. This bill, to the contrary, will result in greater provocations, unfounded or simply imagined; it will stir up latent, positive dislikes and, like a boiling kettle tightly covered, it will explode most violently and unexpectedly.

All that is part of human nature. And, one simply can't alter human nature. If I don't like you for some reason or other, nothing is going to make me like you. And, if some man-made fantastic law compels me to like you, well, I'd hate you all the more, though outwardly, my conduct toward you shall be, to all appearances, correct and polite. But, the first chance I get to turn the tables over—well, you get my point, Mr. BILBO?

There are certain racial differences and frictions that you simply cannot ease over or subdue with laws, not in today nor ever. Laws would only serve to make it worse in that though the disease is thought to be arrested, it meanwhile gnaws within like the insidious germ of cancer. The rotten fruits of this law passed in New York have yet to reveal themselves. It is only a question of time to prove it. We may not live to see it.

I am from the Middle West and have only lived in New York for a few years. But, during that short time, I have at first been appalled by the almost violent, should I say, violent hatred inherent certain races have toward each other. And I ask you, what law can do away with an inherent, malicious hate, in many cases, cultivated for generation after generation for untold centuries to a subtle, poisonous hatred while giving all the appearance of meekness, servitude, angelic saintliness?

New York City is a city where gold, sunlight, and hypocrisy glares in unison colors. There are a number of good people; some keep in the background and don't say anything and other are, tragic to say, tainted by the racial propaganda, by their experiences when they have found the policy of "goodness" instead of policy of "I could cut my mother's heart and sell it for 2 cents; what wouldn't I do to you?"

The Negro problem may some day find some solution, though what better and logical solution is there in that they educate their more ignorant brothers and sisters in Africa? There they would be in a country they could call their own, that is their own and they would feel more at home, too. As long as diverse elements are together under one roof, there shall always be trouble, riots, etc. There are facts and no amount of theories and ideals can whitewash facts.

Really, do those stupid asses who make such laws for a moment think that people are angles? Why, if you treat people like dogs, won't dogs bite back? As people grow up, in the process of development and maturity, they cannot help but assimilate certain lessons which, try as they want, they cannot wash away. And when they are in business or at the factory, for, work they must if they want to live and eat, when they must daily associate with others, isn't it more fruitful and harmonious that there isn't anything of that particular race to arouse certain memories, certain dislikes? Won't the mere presence of the other fan, wipe up, and stir these feelings?

Why certain people should want to force themselves where they are not wanted, and then to be protected by a crazy law to stay in a place where they are not wanted and to know it, too, is not only abominable but also shows the unmitigated gall, the depravity, the indescribable and unprintable degeneration not only of those for whom this law has been passed but also of those who formed it and those who helped pass it.

It is not only un-American and unconstitutional, for what rights are left for an American employer if he cannot fire or hire as he thinks fit, but it is inhuman, biased. It would seem to be, too, that up to now an American employer did not know how to run his business, no? This FEPC would certainly give that impression. Then what has made America into what it is if not this freedom? What, I ask you? So suddenly American businessmen do not know how to run their business; they do not know how to employ workers. After this law, well, anything can happen here. One cannot predict too much.

And what also can it not lead to but to divisions here as in Europe? For racial problems are not anything to fool ourselves with. They cannot be treated as a plaything or as a political football. Laws can be made, but it is we the people, the working class, who have to put up with one another.

Do all you can to defeat this "communistic legislative monstrosity." I hope the people of Mississippi will be far more intelligent and wide awake than the New Yorkers. If the New Yorkers gave the FEPC as much interest as they give Dick Tracy and Superman, they'd sleep less uneasily.

Things must be faced in their factual reality not by theoretical speculation in any branch of knowledge. Human beings are human beings, not puppets or gods, and we live by bread and butter and friendship, not by

crackpot utopian ideals. Laws must conform to the nature of man, not directed against them. Laws should be made to serve man, not to set them deliberately against one another. Such laws giving the bypass to permit a man to work where he is not wanted is bound to have tragic consequences. Isn't there enough hate and friction as it is? Must more fuel be added to this already heaping fire? If this law is to be adopted by all the States, what is to prevent proclaims to a people hungry for such words, "pure Aryan blood"? What is to prevent the history of Europe from repeating itself in America? What won't this FEPC pave the way for? Give it time to take firm root. Then you'd have the future to answer for it. Its forthcoming chapters would indeed be splattered with blood. And is this what this Second World War has been fought for—to destroy freedom of business employment; to destroy freedom of enterprise itself and put it in the hands of * * *? No. I leave it for you and others to answer that one. The FEPC will not only divide the people as never before but also the States. And after that what have you? All this is simply going to foment more ill feelings. Love in business—what a laugh.

I hope the people of Mississippi are not as gullible as the New Yorkers. Keep up your splendid work. Let opposition serve to strengthen you and to greater convince you of the seriousness of the work you have before you. You who are placed in a position to fight, then fight. Fight against this ugly bill of unspeakable stupidity and fantasy. The FEPC most certainly will not reform human nature or create any love. Whosoever thinks so, is bound for the greatest disappointment of his life.

"I must hire you only because I am forced to do so by the FEPC," an employer would think to himself. "You will not be well liked by the other employees. They had their set ideas long before they came here What then, should I fire them and employ workers congenial to you alone? Friction will result and upon whom will my employees take it out? Upon him? No. Their hands are tied. They grin and bear it as much as myself. Hell, there are other jobs open. Why couldn't he have picked some other firm who sings his tune? His qualifications are not the required ones. But, should I reject his application, he'll misconstrue my intentions, blame it on race or religion and have the FEPC after me. A trouble-maker, no doubt. How shall he conduct himself with the other fellow-workers? How would my employees feel, for I know them? Take it out on their work? Sabotage? What is this where, for the first time, I now have to be in doubt? What am I, a manager or what? What am I to do?"

What monstrous bill is this, anyway? Oh, so much can be said. But, where, what is America heading for? Well, I will close for sure, now, wishing you greater luck and success. You have the spirit, so go to it.

Yours for victory.

Mr. BILBO. Mr. President, during this controversy there appeared in the magazine PM of New York an open letter from Vicksburg, Miss., signed by Rabbi Stanley R. Brav. I have replied to that open letter. I ask unanimous consent to have my reply printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JULY 21, 1945.

Rabbi STANLEY R. BRAV,
Vicksburg, Miss.

DEAR RABBI BRAV: A friend of mine from New York has just sent me a clipping from the New York PM in which I find a letter addressed to the editor in the following words:

"REFUTING BILBO

"DEAR EDITOR: Today you quote BILBO: 'The few in Mississippi are exemplary citizens. They all vote for BILBO.'

"His first statement is correct. As to his second, I knew personally nearly every Jew in the State and have yet to discover a single one who would vote for BILBO.

"Rabbi STANLEY R. BRAV.

"VICKSBURG, MISS."

Your statement that you "knew personally nearly every Jew in the State (of Mississippi) and have yet to discover a single one who would vote for BILBO" notoriously and conspicuously lays you wide open to the charge that you are either one of the biggest, most consummate, and deliberate liars in Mississippi or that you know nothing on earth about the Jews and Jewish race in Mississippi.

It has been my pleasure to enjoy the friendship and support of thousands of good Jews in Mississippi for the last 25 or 30 years. Many of the outstanding Jewish citizens have served in campaign after campaign as my county campaign managers. Many of them have liberally contributed to my campaign funds. I have outstanding Jewish friends in Vicksburg who have always supported me.

Ordinarily, I would not give any publicity to a letter of this type addressed to a prominent ecclesiastic of your sect or denomination but for the fact that your letter to PM contains such a brazen, uncalled-for, and pusillanimous falsehood, and for the further reason that you wrote it to PM, the dirtiest and most unreliable and low-class Negro newspaper in New York, owned and controlled by Marshall Field, of Chicago, for the evident purpose of publicly branding before the world as false a statement made by me in a speech on the floor of the Senate in opposition to the damnable, un-American, and unconstitutional FEPC.

I feel that I am thoroughly justified in giving widest publicity to this letter in order that the good Jews in Mississippi, who are fine citizens, many of whom were born and reared in Mississippi and are in thorough sympathy with the ideals and principles of the South and not Negro lovers, Jews who believe in the white race and white supremacy, Jews who are not Communists as many in New York are, will know what you are, and I express the hope that you will soon make arrangements to move to New York where you can live in an atmosphere better suited to your type.

In my speech against the FEPC I did not and I have never denounced the Jews as a race. They are white folks just like I am, but I have found occasion to denounce a Jew as in your case without any reference to Jews as a nationality, just as I have been forced on occasions to denounce two or three Baptist preachers of my own denomination, but in doing this I was not denouncing all Baptists. In other words, I want you to understand that what I have said in this letter is directly aimed at your letter and your misrepresentation as published in that Negro-baiting newspaper of New York, PM.

Yours truly,

THEO. G. BILBO,
United States Senator.

Mr. BILBO. Mr. President, I received a letter from Dr. Ralph Mark Gilbert, pastor of the First African Baptist Church, of Savannah, Ga. It is a very interesting letter because this same Dr. Gilbert is head of one of the branches of Walter White's NAACP with headquarters in New York City. I ask unanimous consent that that letter, together with my reply thereto, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FIRST AFRICAN BAPTIST CHURCH,
Savannah, Ga., July 13, 1945.

Senator THEODORE G. BILBO,
Senate Office Building,
Washington, D. C.

DEAR SENATOR BILBO: Your letter of the 30th ultimo is before me. I cannot for the life of me see how you can interpret anything that was said in my letter as meaning I regard all white people as enemies of the Negro and that every white man is against us. Rather, I strictly qualified the statement to include white interests who are our avowed enemies. The one heartening thing about life in this country is the fact that we do have friends who are zealously striving to make this a democracy in deed as well as in word, and devoting their energies to the removal of discrimination that you refer to, rather than removing us from the scene of action.

I will admit that we are a minority group in this country; but we are one of the largest minority groups. Why not try out this experiment with some minority group that is smaller in number and see how it would work out. I can see nothing silly or ridiculous in objecting to the fact that you single Negroes out from all other racial minorities that exist in this country. Very frankly, it seems to me and to most of us that the whole idea is simply another slur thrown at our race; the inference being that the 13,000,000 Negroes of this country are the outcasts of this democracy and should be expatriated to a land concerning which they know nothing.

May I point out to you that there is no such thing as a resettlement for the American Negro anywhere in Africa. I noted what you said about Jefferson, Monroe, Madison, Lincoln, Grant, and others of the past. In their day there were perhaps native Africans living in the United States, in more or less large numbers, who had been brought over here and sold into slavery. They could have been resettled since Africa was the land of their birth. Africa would be as strange to us an electric fan to an Eskimo.

I cannot for the life of me see why it is that so often when we attempt a reasonable discussion on simple matters of justice that you constantly shy away from the real issue in this whole FEPC controversy which is to assure minority groups a fair chance to sell their labor and skill on an open market without discrimination, which is the only thing that the democracy can hold forth to them. What all of this has to do with miscegenation, which you constantly inject in your correspondence, I am at a loss to understand. There is a vast difference between wanting justice done toward us as Negroes and in wanting to be swallowed up into the white race or becoming a part of a brown race. I will admit that the NAACP opposes laws against intermarriage, but they do so on the grounds that they are discriminatory laws, and all racial discrimination is a stigma of inferiority, which we resent being aimed at our race. It does not spring, however, from any inordinate desire on the part of Negroes to become themselves, whether or not, parties to intermarriage. In those States where there are no such statutes how much intermarriage have you observed? By and large the private social contacts of Negroes are as much within their own group as you will find existing among any other group of people who have racial or national or cultural interests in common. This maintains regardless of any laws that might be passed for or against it.

When it comes to private social contacts, a man's home is his castle. That is the law of the land and it is the unwritten law of human life. I will admit that I have no right to enter a man's private home if I am not

wanted there. I will further admit that I have no business there if I don't want to be there; but it is a different matter when one asks me to admit that I have no business being anywhere in this world because I feel myself inferior.

Senator BILBO, I am saying all this because it seems to me that there is a basis of understanding that can be worked out. There are Negroes and white people in the South, men of good will, who want to see the principles of Christ applied to our living problems, and who have faith in the fact that Christian brotherhood can be established. There are some of us who believe that the mere matter of color and the accident of geographical location of birth should not so inflame us against each other that we should set about to defeat the coming of the Kingdom of God to the earth over anything so trivial.

Do you agree with me that had the South championed emancipation so that this would have come about without a war, but by her own initiative and in a friendly spirit, that none of the antagonism and antipathy that exists today would have resulted? Today there are white men and Negro men who would like to see that same thing happen to relieve the racial tension that exists at the present time, and to forestall any clash that may come. This clash will not be the result, however, of men who champion the cause of full freedom for all men, which is a Christian and an American principle. The clash, therefore, can only come when men will set themselves to the task of defeating those very principles which our boys in khaki are fighting and dying to establish throughout the earth.

Respectfully yours,

Dr. RALPH MARK GILBERT.

JULY 21, 1945.

Dr. RALPH MARK GILBERT,
Savannah, Ga.

DEAR DR. GILBERT: When I finished reading your letter of July 13, I could not help but exclaim: "This poor, unthinking, ill-informed, misguided Negro, however sincere, deserves more to be pitied than blamed."

Just recently there have been about 200 books written by members of your race or by white quislings. Your Negro newspapers have flooded the country, your speakers have been heard on the hustings and over the radio, and the sum and substance of the story of all of them is that the white man is discriminating against the poor Negro, and it is evident now that it is in the heart of hearts of every Negro to resent it and thereby hate the white race.

You think these Negro newspapers and books and speakers of your race, who are striving as they say to give to this country a democracy in deed as well as in words and devoting their energies to the removal of discriminations, are your friends. My dear Dr. Gilbert, in this you are sorely deceived—they are not your friends, they are your enemies and enemies to your race. They are making fools and suckers out of you in trying to make you chase "the bag of gold at the end of the rainbow"; there is no gold at the end of the rainbow.

Your regrettable and abysmal ignorance is made evident when you express a surprise that the Negroes, out of all other minorities in our American life, are singled out as the one minority that should receive such treatment and be persuaded to be voluntarily resettled in their fatherland, west Africa, and thus bring about a physical separation of the two races that are so divergent—so far separated in traits, spirit, disposition and characteristics from the white race that mixing and interbreeding could not take place without a destruction of both the white and the black races, leaving nothing except a mongrelized brown race, void of all the good qualities of both the black and white races, and possessing all the bad qualities of both.

You again reveal your total lack of understanding or comprehension of the characteristics and differences of the two races when you state that the "mere matter of color and the accident of geographical location of birth is nothing but a mere trivial thing."

In the so-called melting pot of America the white rate of this country can absorb many of the minorities who came from Europe and other parts of the world because they primarily belong to the white race and no specially disastrous results obtain because of the intermingling and intermarriage, but when the white race intermingles and intermarries with either the black or the mongolian races the results are hopelessly disastrous.

You put great emphasis upon the fact that there is no such thing as resettlement for the American Negroes anywhere in Africa—that Jefferson, Monroe, Madison, Lincoln, and Grant were all wrong. It seems that you have made up your mind that you are not even open to conviction on the advisability and the great good to both races to be attained by resettlement of your minority race in your homeland, West Africa.

There is nothing that I can do or suggest that will in anywise compel you to embrace this solution of the pending crisis that confronts the American people if you have decided that you prefer to stay in this country and I assure you you can have your way because under the Constitution of the United States there is no way to force you or any member of your race to be resettled in Africa.

I am only suggesting, urging, and pleading with the Negro race to thus be settled in West Africa because I know that it is best for your race as well as mine—because I know that it will save your race and save my race—because I know that your race has been discriminated against and humiliated for the last 300 years in this country and because I know that you will be humiliated and discriminated against for the next 500 or 1,000 years, or until that day when there shall be a complete mongrelization of the two races and there will be neither Negroes nor whites in this great country of ours. This is the thing that you and your leaders are hoping and praying for—total mongrelization. It seems that yours is the only race on earth that is ashamed of your race, and that is why you resent segregation.

I insist that I am your real friend and a real friend to your race. I hail from a State where half the population are Negroes. I have been their friend and it is my great ambition to continue to be the friend of the Negro race and in suggesting his resettlement in Africa I am extending to you and your race a greater friendship than all these Negro agitators, strife-breeders and white quislings will ever do for you.

The white men and women of this country are not going to admit that your race is an equal race—never, because you are not. With a known record of progress and development and great accomplishments that have been attained over a period of 3,000 years the white race has arrived at its present high standards. The Negro race with 3,000 years behind it in Africa has made no progress at all. Many of them are still cannibalistic in their habits, wild and uncivilized in the hinterlands of darkest Africa, and the only progress that the Negro race has made in this country has been because of its contacts with the white race and the white man's civilization, and I think I am safe in saying that 9 out of 10 of the members of your race that have shown any real progress and abilities are mongrels or half-breeds; so what commendable showing any members of your race have made by being in contact with the highly developed and civilized white race in 9 cases out of 10 is due to the presence of white blood in their veins. But understand that only a very, very small percentage of the mongrels or half-breeds in this country has shown any extraordinary abilities or leadership because the very great percentage of mongrels is a thousand times worse than the pure blooded African who has lived in this country and had contacts with the white race. It is well known today that the most vicious and criminal element of your race and the most dangerous in every way of your race are the half-breeds or mongrels.

Whether you admit it or not you are just like the outstanding leaders of your race in this country—you believe in intermarriage between the whites and the blacks. The more audacious of your leaders insist upon intermarriage with the white races and some have gone so far as to say that it is the only solution to the race friction and race troubles. You are like some of the hypocritical white preachers, especially found in the North—trying to hide behind the church and preach that the "brotherhood of man" entitles you to social equality with the white race. The Bible does not teach any such rot and you know it.

So in conclusion let me say to you in all kindness that because of the actions and preachments of your leaders we are headed for real race troubles and it will be a sad day for both the whites and the blacks when the clash takes place. I prophesy that with the return of these million or more Negro soldiers that have been coddled and misled into believing that as a result of this war they are coming back to America and will be permitted all the social and political rights that are the province of the white man in a white man's country, "hell is going to break loose in Georgia," and from Maine to California, from the Great Lakes to the Gulf.

I have a strong suspicion that when this awful chapter is written you will be able to appreciate my friendship and maybe you will be convinced that a physical separation of the races is the only solution and Africa should be your "home, sweet home."

Yours truly,

THEO. G. BILBO,
United States Senator.

P. S.—No; the race troubles to be cannot be charged to the white race. Your own leaders are determined to force the issue as evidenced by their books, their papers and radio talks, their speechs and their organizations.

T. G. B.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. FERGUSON. Mr. President, there has been raised upon the floor today the question as to the interpretation of the Charter. I think there should be no doubt about its iterpretation by the Senate before the Senate votes upon it; and I am sure there should be no doubt as to its meaning and interpretation among the people of the country before it is ratified by the Senate.

There has been one provision discussed today, and I wish to give my opinion upon that provision. I have the greatest respect for the opinion of the chairman of the Committee on Foreign Relations. His opinion has been quoted here. I have the greatest respect for the opinion of Mr. Dulles, who testified before the

committee, and I have the greatest respect for my eminent and able colleague's opinion upon this question. But I think it is the duty of each Member of the Senate to have his own opinion and express it upon the floor of the Senate at this time for future use, in case it should later be necessary to have an intepretation made of the charter.

This interpretation is as to the meaning of article 43. The point is whether the agreement there mentioned, namely, one to provide arms and armaments, should be returned to the Senate as a treaty, whether it should be returned to the Senate as an executive agreement, or whether it should be returned as an agreement to be ratified by an act of Congress such as a joint resolution.

Mr. President, when we ratify this treaty it will become the supreme law of the land, because the Constitution provides that a treaty ratified and consented to by the Senate shall be the supreme law of the land.

What is provided in article 43? I shall read it and interpret it, as I view its provisions, as I go along:

All Members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake—

I think we should pause a moment at the word "undertake"—

to make available to the Security Council—

There is an obligation by the United States, after the Charter has been ratified as the supreme law of our land, to make troops available—

to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities—

Mr. President, we first agree that we will furnish the troops; second, we say we will furnish them in accordance with an agreement—

armed forces, assistance, and facilities, including rights of passage—

In other words, we would allow such troops to pass through our land, even though they were furnished by someone else.

What will be the purpose?—

including rights of passage, necessary for the purpose of maintaining international peace and security.

Now we come to the second provision of article 43:

2. Such agreement or agreements shall govern the numbers—

Not that we will furnish them; these agreements merely provide for the numbers—

and types of forces, their degree of readiness, and general location—

And so forth. Those are the things the agreement is to provide for and the nature of the facilities and assistance to be provided.

Paragraph 3 is very significant regarding whether the agreement may be consented to by an act of Congress or whether it should be considered as a treaty:

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council.

The next sentence is vital in respect to the interpretation of this instrument. It reads as follows:

They shall be concluded between the Security Council—

Mr. President, the Security Council is to make the agreement with the United States of America—

and members or between the Security Council and groups of members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

Mr. President, the reason why I am compelled to disagree with some of the opinions expressed here today that this must be a treaty is that if we are required—and we are—to make this agreement with the United Nations Security Council, we must realize that it is not a sovereign state, and we will all agree that it is not a superstate. Treaties, as we in law understand them, Mr. President, must be made between sovereign nations. A treaty cannot be such an agreement as is contemplated here with a Security Council.

Mr. President, I think we should interpret this language. We should have clearly in our minds what the meaning is. I agree that the agreement should be returned for ratification by both Houses of the Congress of the United States. I say that because of certain provisions of our Constitution. The Constitution provides that—

The Congress—

Meaning both Houses of Congress—

shall have power:

To raise and support Armies—

This language is significant—

but no appropriation of money to that use shall be for a longer term than 2 years.

Mr. President, that language applies only insofar as the Army is concerned. The Congress also has the right as regards the Navy to appropriate for any length of time. But this provision is one of those which means, I think, that any regulation relative to our armies or use of our armies as contemplated in this agreement shall be under an agreement ratified and agreed to by the Congress of the United States. I refer to the following provision:

The Congress shall have power:

To make rules for the government and regulation of the land and naval forces.

So, Mr. President, as I read this Charter today, it seems to me that if the Senate ratifies it—and I hope the Senate will ratify it—the agreement referred to in the section I have read clearly means that it is one which shall be ratified by the Congress of the United States meaning both Houses of the Congress.

Mr. President, I think the fact that it is to be made with the United Nations Security Council brings me back to the conclusion which I stated before, namely, that it cannot be a treaty. I wish to make that statement as a preface to my remarks, because I think all of us should understand exactly what we are about to vote for, and we should intend to discuss it here without any mental reservations, so that later we shall live up to the law of the land.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. TAFT. It seems to me the argument of the Senator is not sound as to the reason why it must be an agreement ratified by Congress. In the first place, our Constitution recognizes no such agreement. Our Constitution and our courts recognize an executive agreement made by the President, but they do not recognize any agreement made and approved or ratified by the joint action of the two Houses of Congress.

In the second place, it seems to me that the special agreement here under consideration is a purely supplemental agreement to the general treaty. In other words, when it is ratified it will become a part of the United Nations Organization treaty, if you please. It will become a contract between our Nation and the other nations who take part in the treaty.

I do not agree at all that this cannot be a treaty. In fact, it seems to me that the language used distinctly contemplates a treaty, insofar as the United States is concerned, and should require a treaty supplementary to and filling out the treaty upon which we are now passing.

Mr. FERGUSON. Mr. President, let me say in answer to the Senator from Ohio that I take it that the last provision of section 8, of article 1, must be considered, in view of the fact that on many occasions the Congress has ratified agreements. The UNRRA was a sample of the ratification of an agreement.

Mr. TAFT. No, Mr. President; I do not think any agreement was made in that case. We simply authorized the joining of that international organization. We authorized our representatives to sit there and do whatever we might tell them to do. But the ordinary rule regarding executive agreements, so-called, is that the President has the power to make them if they can be made at all. He may want some money. He may have to come to Congress for approval in order to obtain money to carry them out. However, according to all the authorities which I have read, there is no such thing as an international agreement made valid only by the action of the President and the action of the Congress as a whole.

Mr. FERGUSON. In reply to the statement of the Senator from Ohio I will cite a section of the Constitution. If the President has the right to make this agreement, then I believe Congress, under this section, would have the right to approve it, and Congress having approved it, he would be complying with the Constitution. The provision to which I refer reads as follows:

To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

Mr. TAFT. Laws may be passed to carry out the President's executive agreements. There is no question about that. I do not regard the question as being

vitally important, but it seems clear to me that this agreement is one having the same standing as the pending treaty and as supplementary to it, and therefore can be a treaty. It would also be carried out by executive agreement. The President might ask Congress for approval, but I do not think that that would be a desirable method to follow.

Mr. FERGUSON. I am glad to have the opinion of the able Senator from Ohio on this important point.

Mr. WILEY. Mr. President, I desire to invite the attention of the Senate to page 476, part 5, of the hearings. The Senator from Vermont [Mr. AUSTIN] asked a question of Mr. Dulles, as follows:

> I would like to have you to refer to page 198 of the report to the President, article 43.

Then he cited section 1 of article 43, and Mr. Dulles replied. In his reply, which I thought did not perhaps cover the exact point, he made a statement and then I asked him as follows:

> Mr. Dulles, in connection with the questions just raised by Senator AUSTIN, I want to ask you whether you interpret the terms "special agreement or agreements" to be synonymous with the word "treaty" as we understand it?

Mr. Dulles replied, "I do."

In that connection I wish to invite attention to the fact that paragraph 2 goes back, by relationship, to paragraph 1, by using the language "such agreement or agreements." I am sure that paragraph 3 carries out the same intent. So it would seem that Mr. Dulles, and those who had something to do with writing this particular article, had definitely in mind that the language "special agreement or agreements" meant what we mean by the word "treaty."

Mr. FERGUSON. I appreciate the opinion of the able Senator from Wisconsin.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. VANDENBERG. I wish merely to add this observation: It seems to me that it is of no serious moment whether the ultimate choice lies in treaty action or legislative agreement action. In either event the elected representatives of the people, functioning through their appropriate legislative bodies, will have passed upon the issue. It seems to me that the important thing to underscore and to underline is that we all agree that this cannot be done by executive agreement if it eliminates the voice of Congress or the voice of the Senate from the equation.

Mr. FERGUSON. Mr. President, I agree wholeheartedly with my able colleague that what he has stated is the real question. But I think it should be raised here so that no Member of the Senate may later say that he understood that it had been unanimously agreed that this was to be a treaty which had to be returned to the Senate for ratification. That is the reason I am giving my judgment today upon this point.

Mr. O'MAHONEY. Mr. President, I have listened with careful attention to what the junior Senator from Michigan has said. If I understood him correctly, it seems to me that his argument depends upon the conclusion which he has stated; namely, that the United States cannot negotiate a treaty with the Security Council because the Security Council is not a sovereign nation. Am I correct in my understanding of what the Senator stated?

Mr. FERGUSON. That was the statement which I made in the RECORD.

Mr. O'MAHONEY. Does the Senator feel that a treaty can be made only with sovereign nations?

Mr. FERGUSON. That is my understanding.

Mr. O'MAHONEY. It does not depend, does it, upon anything which appears in the Constitution of the United States?

Mr. FERGUSON. It depends on nothing in the Constitution, but on the decisions of the Supreme Court.

Mr. O'MAHONEY. It depends merely on the fact that heretofore treaties have been made only in that manner.

Mr. FERGUSON. That is correct.

Mr. AUSTIN. Mr. President, I invite the attention of Senators to article 104 of chapter XVI of the Charter, which reads as follows:

> The Organization shall enjoy in the territory of each of its members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes.

Mr. FERGUSON. Mr. President, I still do not believe that it is the intention of the Senate to create a superstate or a sovereign authority, notwithstanding the agreement.

Mr. President, from the present temper of public opinion throughout the the country, reflected as we have seen here in the Senate, it is certain that we shall approve the United Nations Charter without extended, controversial debate. Some Senators among our number will register their understanding of what we are undertaking to do. Some may seek to clarify various technical features of the Charter without having any intention to compromise or reject it. Pointing out the realities of world conditions, others will speak in terms of caution as to what the world may or may not expect of the new world organization, and of how significant the commitment of the United States may be.

This almost universal absence of opposition is itself unusual, when it is recalled what took place in this body on a similar issue a quarter of a century ago. Many of the reasons for the changed attitude which now prevails undoubtedly lie in the historical events between the two periods and in the stark tragedy of the war that is not yet concluded. Below these surface explanations I suspect there is also a strong feeling among some of our people that had we taken part in the League of Nations in the interwar years, somehow things might have worked out differently. To me, this public attitude and the corresponding lack of opposition in the Senate bear this interpretation: That having lived through the dire consequences of one course of action, which had rejected participation in international organization, we are determined at least to take part in this second attempt to bring order into the world by new methods. That clearly stamps our action here with the character of an experiment. Before our discussions here are concluded, it will be a fact that our country shall be committed to try this experiment. In other legislation enacted here within the past few weeks, it is clear that we are determined to make this trial without material reservations. This does not mean that we shall not seek in the future amendments to meet the needs of an enlightened world in international affairs.

What is to come of it is something only the future can write upon the fresh pages of history. It is this uncertainty—this speculation about the future—which leads so many of us to look upon the steps we are now taking as an experiment. That we must be willing to try something new is a thought that was expressed over and over again in the discussions on reciprocal trade agreements and on the Monetary Fund and Bank.

It must have been a profound respect for the uncertainties of the future that led my colleague, the distinguished senior Senator from Michigan [Mr. VANDENBERG] to say:

> Within the framework of the Charter, through its refinement in the light of experience, the future can overtake our errors. But there will be no future for it unless we make this start.

Similar expressions in his stirring recommendation of the Charter to the Senate are clear evidence that what we are doing here is not a final consummation of anything; but a beginning, in the faith and hope so characteristic of our people, of a new venture nobly begun.

It is not my intention to speak upon the details of the Charter before us. That has been done, and will be done by others. What I wish to do at the outset is to bring within the range of our thought an idea worthy of greater emphasis than has thus far been given to it. What is the nature of this experiment upon which we are about to embark? Is it only that the United States has determined to take a more active part in the affairs of the world? If it were this alone, Mr. President, our action would have little significance. We have participated in the world's affairs before, and this would merely increase the scale.

I submit that what we propose to do goes far beyond that. I shall try to make this clear by stating in my own words those particular objects of the Charter which seem to me to hold a profound significance for our times. As I see them, six objects of the Charter document the idea I wish to bring out.

First. We seek to bring the relations between nations under a system of law, order and justice as distinguished from national selfishness, international anarchy, and lawless force.

This is the principle to which we have dedicated ourselves in war; and it is the high principle we set forth as our guide in peace.

Second. Two horrible and devastating wars, together with the fear of what a third world war would mean to civiliza-

tion, have given us the determination to outlaw war and aggression, to preserve peace by force if need be; and to do this by the properly organized power of the nations as an international community.

Third. We seek to substitute economic cooperation for economic warfare between nations in the hope of removing some of the basic causes of war; and with the further aim of promoting the welfare of all the peoples of the world.

Fourth. We intend to promote on a scale never before attempted the educational, social, and cultural relations between peoples of the world in the effort to bring about better understanding and genuine good neighborliness among nations.

In other words, we recognize that men do not live by bread alone; and that the causes of war are never wholly economic.

To the economic means of cooperation, therefore, we intend to open up all these broader channels of closer human association and relationship.

Fifth. We seek to establish by an International Court of Justice equal justice under law as an international as well as a national institution.

Sixth. We are determined to join in establishing a framework of international institutions and agencies—political, economic, and social—as instruments necessary for cooperation, peace, and justice between nations.

This, Mr. President, is the machinery indispensable to the realization of the principles to which we are now dedicated. The spirit and will to cooperate are not enough. Prosaic as it is, the machinery must be there also. Without appropriate agencies and machinery, the intention to cooperate is but a pious aspiration and cannot be realized. A council table must be provided.

Mr. President, these are the chief objects of the great experiment in world peace and cooperation on which we are embarked. They are none other than the high and noble ideals which have marked the aspirations of all mankind through the ages. If success crowns our efforts, the fact will emerge that an entirely new era will be introduced in the relations between nations.

What is the real meaning of this experiment? Why does its success mean a new era in the history of the world? The answers to these questions contain the idea toward which I want to direct my thought.

Taken together, the six objectives I have just outlined constitute a daring attempt to lift the level of civilized life from the national to the international plane.

In the long span of history mankind has progressively cut down the area of anarchy in human relations. It has been done by the introduced of law and order into the affairs of men. It has been done by the substitution of principles of right, equality, and justice for the unbridled passions of men. It has been done by providing appropriate agencies and courts as instruments to work for the common good against the schemes and selfishness of those who seize power and exploit their fellowmen. Only by the introduction of law, equity, and order commensurate with the dignity of man can freedom, peace, and justice be attained. Freedom must precede peace, for peace with slavery is not desirable and must never be permitted.

A glance down the long pages of history affirms this great principle. It shows this process of law and order at work throughout the centuries. Out of this process came the organization of the family, the smallest unit to govern individuals for a common purpose. From the same process came the organized tribe. Then the frontiers of anarchy were pushed back farther and the organized local community extended the rule of law and order. In more recent centuries this development was extended yet a step farther in the formation of nations, each one based upon the preservation of peace by the introduction of law and order within its own jurisdiction.

Steadily the frontiers of barbarism and anarchy were pushed back. Each step in this development took a long time as human history goes. Progress was never simple and never direct. Painful difficulties and violent conflicts marked the path upward. Gains were not always maintained and there was much backsliding. But always the line of progress toward law and order was resumed and advanced.

Mr. President, upon the eve of the present century, the domain of law and order had been finally and successfully achieved all along the line from the simple society of one man and one woman—the family—to the greater society embraced within the modern nation.

Yes, there were many instances when justice did not prevail in certain countries. However, at the turn of the century in which we now live, only the international level of relations between men and nations remained in what is rightly called a state of anarchy. Nations still remain a law unto themselves. Power and the brute force of war still determine the relations between them. Two great wars and many local wars in our time bear grim witness to this state of anarchy in international relations.

Mr. President, the world can go on in this senseless movement from catastrophe to catastrophe, each one more horrible and devastating than its predecessor. It can return to precarious balances of power and economic warfare, and in the blow-up a generation hence, I suppose the United States can hold its own. But do we want to drift into that kind of a future, aware as we are now from the lessons since the turn of the century that another catastrophe is the inevitable outcome?

If the world has repeatedly failed in governing itself by one course of action and has repeatedly paid the enormous price for its failures in blood and treasure, are we not bound to try a new path when it is pointed out to us? Experience and reason unite to affirm that it is wise for us to try this new path.

This Charter marks out the new path for us. No other emerges from the lessons of history. No other has been discovered by the ingenuity of man. We must make this experiment or resign ourselves to ever-recurring armed conflict. We must make it or confess that all is lost, because the failure to reduce international anarchy to law and order threatens to destroy the whole structure of law and order which mankind has painfully built up through the centuries.

The grand object of the experiment we are now asked to try is to conquer and wipe out this last stronghold of lawlessness.

It can be done only through a complete organization of the relations between nations and between the people of all nations. It is therefore appropriate that the opening line of this Charter is: "We the people of the United Nations."

By organization I mean the voluntary acceptance of a system of international law and order; the willingness to be guided by principles of right conduct in human association; the establishment of agencies to govern the affairs of men and nations according to these principles; and the determination to use the combined force of the whole community of nations to see that this system prevails against those who would disregard and therefore destroy it.

International organization of this kind was the object which the League of Nations sought and failed to achieve after the First World War. For want of an organized world capable of preserving the peace, the Second World War came upon us like a scourge. It was seen coming by some but no machinery or agency of man existed that could be used to stop it. Fear or apathy or both seemed to hypnotize men and made them impotent to prevent the scourge. There is no one among us who does not know the terrible price the world is paying for the system of international anarchy under which we live.

It is common observation that war brings out the worst in men. But whenever the passions are so violently inflamed, the souls of men are deeply touched also. Out of this strange paradox comes the aims for which men fight.

First and foremost among our war aims today is the determination to prevent future wars—and to do this by the only methods made known to us in history—by the formation of a general international organization to maintain peace and security.

Mr. President, this is the great experiment on which we are determined to embark. Once again it will be said that Uncle Sam has his head in the clouds while the wiser, more realistic nations keep their feet on the ground. Once again it will be said that while America chases the will-o'-wisp of an ideal, other nations will play power politics with people, territories, and selfish interests. On the surface that may well appear to be the case. I am well aware of the struggle for power. I am not blind to the conditions which even now threaten to perpetuate international anarchy. But I do deny that because this game of power politics exists, we must again surrender to it and allow it to bring our world to destruction. I think we can keep our heads in the clouds of idealism and also plant our feet squarely on the ground of realism. As a Nation we are great enough for that.

Mr. President, our own history is a grand testimonial to the power of an

ideal in the practical world. It shows that power politics can be brought within the framework of law, if the peoples and the nations will but do it. It shows that we have done within our own country what we now seek to achieve in the world of nations. We met the challenge of former times with a working combination of the ideal and the real. Why should we surrender without even attempting the broader task that lies before us?

The challenge of our times is to extend the domain of law, equity, and order to the relations between nations. This calls for political innovation of a high order; and we can only do it with God's help and with the active cooperation of other nations. After the last war we drew back from the challenge; now we are taking the lead. This is as it should be for a country like ours. Too many of us ignore the fact that the genius of our people lies in the field of political innovation. It is shortsighted to think that American achievements are found only in the fields of science, technology, and industry. Our people have displayed equal skill in organization and the art of government. We have only to skim over our history to see that this is the fact.

The men of 1789 founded a great democracy in a world of predominant monarchies. What they did then was a great experiment—a leap into the unknown which became of profound significance in the world. Of the Constitution they wrought at Philadelphia, the great Gladstone said:

> The American Constitution is * * * the most wonderful work ever struck off * * * by the brain and purpose of man.

Without material change this Constitution and the first 10 amendments, really part of the original plan, remained our guiding principle and form of government for more than 150 years. Under it our population grew from four to one hundred and thirty-five millions, embracing every race, nationality, and creed in the world. Under it, this country grew from a wilderness to a great agricultural and industrial empire. Under it, our system changed from the simple tools of handicraft to the complex technology of modern science. Under it, we raised the standards of life of our people to the highest level ever attained by man anywhere. This Constitution survived when practically all of the monarchies of its time collapsed. We survived because we built on the firm foundation of "equal justice under law." It survived a cruel civil war fought that "government of the people, by the people, and for the people shall not perish from the earth." It was founded on the inalienable rights of man to enjoy freedom exceeded nowhere in the world.

The Constitution of the United States survived through all these things and through all these years—yet it was an idealistic conception in its time, a political innovation of the first order.

Do Americans have a genius for extending the rule of law and order? Time and again as our people moved westward, they put law and order in the place of hip-gun government and frontier anarchy. Does America have a genius for bringing freedom, order, and justice to other peoples? Ask the Filipinos who could have been enslaved, but instead were guaranteed their own free institutions, justice, education, better standards of living, and advancing welfare. Ask the Cubans, whose island home could easily have been made an American colony, but is nevertheless free and independent today. Ask our Latin-American friends who took us on trial with some misgivings and who find daily that we mean to stand by the policy of the good neighbor, joining in equality with them in the institutions designed to bring peace and security to this hemisphere. Examine the history of the whole world and tell me what other nation emerged victorious from two great wars asking nothing for itself except that which would bring peace, law, and order in the relations between nations.

It is more than chance, Mr. President, that Bretton Woods, Hot Springs, Dumbarton Oaks, and San Francisco are American place names; and that from them come the outlines of a new era in world organization. So I say, without in any way minimizing the great contributions of other nations, that political innovation—the power or organization—is the genius of the American people.

At the start of this war we accepted the challenge of an armed world operating on the principle that might makes right. In a physical sense we became the arsenal of democracy. That challenge has been fully met, and we did not count the cost. One major military victory is won and another, final victory, is impending. One by one our military war aims are being achieved.

But after the last gun is fired and when the whine of the last shell dies away into silence, the larger aim for which we fought will still remain. This aim is the reduction of international anarchy to a regime of law and order—the abolishment of war as the arbiter between nations.

We cannot achieve this aim by force of arms. Were we to conquer the whole world by arms, the spirit of men would still resist us as conquerors. Real peace among men is not made by the force of the conqueror, be it one or a concert of nations. We know, too, that real peace cannot be made by a balance of powers in a world of sovereign nations because the balance inevitably degenerates into a violent test of strength.

Real peace is made only through the force of voluntarily accepted law and order, by good will, by cooperation in all areas of human endeavor. It depends upon the acceptance of principles of right conduct, and by their enforcement through appropriate agencies sponsored by the whole international community of nations.

This is the highest justification we gave when we drafted our men and sent them into battle. This is all we now ask for their sacrifices. To me, the war and our victory have no deeper meaning. If we achieve this aim there is no greater reward. The Charter before us is the cornerstone of the new world of peace and security. Let us set it here and now; and let us get on with the building, for there is much left to do.

Mr. BURTON. Mr. President, may I ask the distinguished majority leader whether he proposes to continue the executive session this evening? I should like to have the floor to proceed with the discussion, but I would much rather have it tomorrow than tonight.

Mr. BARKLEY. Mr. President, the Senator from Colorado [Mr. JOHNSON] wishes a few minutes before we take a recess; and the Senator from Arizona [Mr. MCFARLAND] is thinking about speaking. We might let them proceed, and then the Senator from Ohio could be recognized, so that he could have the floor the first thing tomorrow.

Mr. JOHNSON of Colorado. Mr. President, many Senators, radio commentators, and newspaper editors have suggested that the ratification of the San Francisco Charter represents a new attitude on the part of the United States toward the world. Such statements are simply not historically correct. During all the troubled years of its existence the United States has been the most internationally inclined nation on the face of the earth. Isolationism has been dead in America since the Revolutionary War.

It is true that for the most part we have held aloof from alliances with other powers, and with the exception of a very few instances we have not indulged in a military policy of imperialism. But to say that the United States has ever been an isolationist nation is a travesty upon history.

Twice we rushed to the rescue of Europe when she was facing certain defeat. Fifty years ago we drove out her enemy, rescued our neighbor Cuba from oppression and twice we have freed the Philippines. The Monroe Doctrine, instead of being an isolationist policy as alleged by many observers, was and is internationalism at its best. That is true of the Kellogg pact also. The Dawes plan and the Young plan prove our traditional desire to place the reparations question on a sound financial basis. America led in the promulgation and adoption of the Nine Power Treaty in an honest endeavor to settle the Far East question, and we were the last to abandon its principles when Japan violated it. Our ultimatum to Japan in 1941 was internationalism. Wilson's 14 points and the Atlantic Charter met with instant and universal approval in the United States and our failure to enter the League of Nations was due to petty internal political quarrels rather than a lack of interest in internationalism.

Historians can point out many nations which have been more devoted to imperialism, conquest, alliances, and power politics since 1776 than has the United States; but they cannot name one nation more interested in humanity on an international basis than the United States of America. We have rushed to the relief of the stricken everywhere. The ratification of the San Francisco Charter by the Senate will not signify a change in American policy but will restate once again the traditional policy of America for the last 200 years.

It is said that isolationism has failed. I say it would and should fail but it has

not failed because it has never been tried by us.

America has followed the middle course in the past as between isolationism on the one hand and rabid internationalism on the other. The San Francisco Charter follows that middle course.

A few days ago—on July 14 to be exact—I was interviewed by Randolph P. McDonough, representing the University of Denver, the object being, as I understood, briefly to probe my mind with respect to ratification of the San Francisco Charter. I ask unanimous consent to insert in the RECORD at this point that interview.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

Mr. McDONOUGH. Good evening. The eyes of the world are focused on the city from which we're broadcasting today—the city of Washington, D. C. Two weeks ago here in the Nation's Capitol, President Truman presented to the United States Senate the document known as the United Nations Charter. The world is now waiting to see what our Senate does with that Charter.

Here in the studio as our distinguished guest is the senior Senator from Colorado, the Honorable EDWIN C. JOHNSON.

Senator JOHNSON, you were present when President Truman committed the Charter into the hands of the Senate, were you not? Can you give us your first-hand observations of the mood in which the Senate received the document?

Senator JOHNSON of Colorado. President Truman's "to the point" presentation and the Senate's eager acceptance of the United Nations' Charter is an experience that will linger in my memory. No oratory; no high hat; no appeal to the emotions; no threats; no attempt to super-salesmanship, and no rough stuff clearly demonstrated the President's keen judgment in dealing with his old friends and colleagues in the Senate. The Senate's tremendous response is the proof of the pudding.

Mr. McDONOUGH. Senator JOHNSON, what are your own personal reactions to the United Nations Charter?

Senator JOHNSON of Colorado. Before the San Francisco Conference got under way, I was not hopeful. The resulting Charter is much better than I anticipated in my most optimistic moments; so, of course, I am pleased with it. I stand ready to vote for it without amendment or reservation.

Mr. McDONOUGH. Do you deem it perfect in every respect?

Senator JOHNSON of Colorado. Indeed I do not deem it perfect. But it is the best that 50 large and small nations could agree on. Fifty cooks might be expected to spoil the broth. In this case they cooked up a pretty good dish. Not enough meat in it and perhaps a little too much froth, but as a compromise it is excellent.

Mr. McDONOUGH. What are its principle defects?

Senator JOHNSON of Colorado. In some respects it is a pretty weak reed. It does nothing to stop a war instigated by any one of the big five and please remember only such nations are capable of starting a world war. The veto power reserved by the big five gives each of these large nations complete freedom to make war. Our only hope, therefore, to maintain world peace is that none of the big five nations will choose to make war.

Mr. McDONOUGH. What you are implying, then, Senator JOHNSON, is that no charter that could be devised would be sufficient in itself to insure world peace.

Senator JOHNSON of Colorado. That is correct.

Certainly the Charter is only the opportunity for the nations of the world to attain their goal, and that goal is a peaceful world. The Charter is not the end; it is merely the means to an end. It is the vehicle upon which the peace-loving nations may ride to the picnic ground of world peace.

Mr. McDONOUGH. But, on the other hand, the Charter does have some compensating virtues?

Senator JOHNSON of Colorado. Its greatest and most outstanding compensating virtue is that it continues the life of the United Nations Organization. The organization that did such a magnificent job of winning the world's greatest war. Under this Charter, these successful war-winning nations will try their hand at winning the peace.

Mr. McDONOUGH. I understand, Senator JOHNSON that you are a member of numerous key Senate committees, among them the Finance Committee and the Military Affairs Committee. Can you comment on any interrelations you see between a United Nations organization and our own national financial and military planning?

Senator JOHNSON of Colorado. The Senate Finance Committee deals mostly with revenue legislation, as you know, Mr. McDonough, while the Senate Military Affairs Committee handles the legislation which determines our military strength. A strong America is the most potent influence on this earth for a peaceful world while a weak America is certain to encourage predatory peoples to contemplate war

No nation can be strong militarily unless its economy is sound and flourishing and no economy can withstand destructive revenue policies. Thus, the work of these two committees implement our foreign policy and either promote or hinder world peace. Our own National financial and military status has a direct bearing upon our international relationships. Weakness in America in the postwar world would be a tragedy.

Mr. McDONOUGH. Undoubtedly you have heard expressed, as I have, Senator JOHNSON, the feeling that unless the proposed United Nations organization is practically flawless, it would be wiser for the United States to put her eggs into the basket of Western Hemisphere solidarity. What are your reactions to that viewpoint?

Senator JOHNSON of Colorado. I have given that viewpoint a great deal of study and thought. It bothered me for a long time, but I have concluded that we should play the game both ways. We should put our eggs in both baskets. Western Hemisphere solidarity is all-important and we must continue the good-neighbor policy with zeal and industry. Such a policy will not weaken but will fortify and strengthen our endeavors to make the United Nations organization work. There is no inconsistency in having eggs in both of these baskets. Chapultepec supplements San Francisco. They are not rivals; they have identical objectives. The State of Colorado is not competitive with the United States of America; it is one of its pillars. Thus, Western Hemisphere solidarity is one of the strong pillars of the United Nations.

Mr. McDONOUGH. Do you expect there will be a conflict between the nations because of commitments both to the regional organization and the world organization?

Senator JOHNSON of Colorado. Yes and no. We must accept the realities of the world as we find them, and not as we should like them. The world is not perfect and the Charter cannot cure all of its defects by magic at one full swoop. It is my hope that the so-called spheres of influence will dovetail into the world organization without conflict. Regional commitments must not, of course, conflict with the purposes and the objectives of the world organization. If they do conflict in purposes, objectives, and ideals, I see no hope for a worth-while world organization.

Mr. McDONOUGH. Certainly no one can deny that the United States is emerging from this war in a position of world leadership unequaled in our history. If the Senate fails to ratify the United Nations Charter, Senator JOHNSON, do you feel that we can retain that leadership?

Senator JOHNSON of Colorado. The Senate is not going to fail to ratify the United Nations Charter, but if it should, all hope for a United Nations Organization must dies with that failure. There can be no United Nations Organization without the energetic leadership of the United States. It is our plain duty to assume such leadership with confidence and determination.

Mr. McDONOUGH. Of course, Senator, we're talking about world leadership in the best sense.

Senator JOHNSON of Colorado. Yes; I am talking about a new kind of world leadership. Not the kind that Caesar and Napoleon and Hitler had in mind, but a leadership of give and take—of cooperation and of good neighborliness.

Mr. McDONOUGH. Do you feel that the Big Three solidarity which means so much in the postwar world will be seriously endangered if one of the Big Three fails to ratify the United Nations Charter?

Senator JOHNSON of Colorado. If one of the Big Three should fail to ratify the United Nations Charter, there can be no such organization as the United Nations and, therefore, no solidarity. If the Big Three cannot agree upon the fundamental principles which are laid down in this basic Charter, they cannot agree upon anything worth while.

Mr. McDONOUGH. Membership in the World Organization would help to promote the good will that is necessary, wouldn't it, Senator JOHNSON?

Senator JOHNSON of Colorado. It is certain to do so.

Good will flows from sympathetic understanding and sympathetic understanding flows from close contact and common objectives. The social and economic council provisions of the Charter provide for cooperation in economic, social, and cultural fields. The cooperation among scientists and educators are samples of what I mean by sympathetic understanding. There has been cooperation in the past among certain regions of the world with excellent results and the Charter would advance such experiences to the world level.

Mr. McDONOUGH. In fact, Senator Johnson, you're emphasizing that the world isn't the same as it was 20 years ago and we dare not think in the old terms?

Senator JOHNSON of Colorado. Yes; the scientist has made it a different world. The airplane and the radio have changed this old world of ours. We must adjust ourselves to our new world. The United Nations Charter facilitates that adjustment and encourages it and makes it possible. We make a grievous error if we fail to understand that it is a new world and that the conditions of the past are gone.

Mr. McDONOUGH. Senator Johnson, several weeks ago the Associated Press reported in its poll of Senators that you and some 50 others were ready to vote in favor of United States ratification of the Charter. As a conclusion to this brief interview, may I ask you to summarize both for our listeners in the Rocky Mountain region and for our many subscribers all over the country your reasons for being ready to vote for ratification of the United Nations Charter?

Senator JOHNSON of Colorado. I shall vote for ratification without reservation and without amendment knowing that it is the last great hope for avoiding World War III.

World War II with all of its horror, devastation, and suffering would be a Sunday-school picnic compared to World War III.

In World War I and II, the United States was not devastated. Remembering the technological development of the weapons of war already perfected, only a fool could hope that World War III will not destroy much of

America, even though we win the war. I should rather be burned at the stake than assume any responsibility for not taking every possible precaution against the occurrence of World War III. Now is the time to stop World War III.

Mr McDONOUGH. Thank you very much, Senator EDWIN C. JOHNSON, senior United States Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD a telegram which I received yesterday from Dr. Joseph C. Cleveland, D. D., pastor of the Park Congregational Church of Greeley, Colo. The result of the poll of the members of Dr. Cleveland's church is typical of the attitude of church people throughout Colorado.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

GREELEY, COLO., *July 23, 1945.*

Hon. EDWIN C. JOHNSON,
United States Senate:

Yesterday at our Sunday morning worship service each member or guest was afforded opportunity of favoring or opposing ratification of the United Nations Charter on a card with name and address. Completed cards showed 231 favored the Charter and 1 opposed it. Some did not complete a card. We, the members of Park Congregational Church of Greeley, Colo., urge your support to the Charter without amendment or reservation.

JOSEPH C. CLEVELAND, D. D.,
Pastor.

Mr. McFARLAND. Mr. President, the San Francisco Charter has been discussed in great detail in the newspapers of the country, over the radio, and in the Senate, both at the hearings and on this floor. So, Mr. President, I shall take only a little of the time of the Senate in presenting what I have to say. But this is an historic occasion, and I believe it is my duty as a representative of the State of Arizona to make a brief statement.

I am proud to have the privilege of casting my vote for the Charter, not because I regard it as a perfect document, but because I earnestly believe it is a step in the right direction.

Will the Charter give the United States and the world an enduring peace? Basically, the answer to this question lies in our ability—yes, in the ability of all nations—to remove the causes of war and keep them removed.

I have said this before on the floor of the Senate, and I say it again: If we expect a lasting peace, it must be a just peace. If we expect the Charter to work, we must help see to it that the causes of war are removed. Those of us who recently visited Europe and Africa saw plainly that the whole world is seething with unrest. With one exception—namely German militarism, which we hope has been crushed forever—every cause of war which existed before the present war still exists today. We must not forget that poverty, degradation, and indecent standards of living exist today, that boundary disputes exist today, that rivalries between nations for economic advantage and trade exist today, that even hatreds and fears of one people for another exist today. These situations exist, not in only one country or two or three; they exist in most of the countries of the world.

We must not assume for one instant that the mere adoption of the Charter means peace, or even that world approval of the Charter means peace. The Charter is just what its name implies. It charts a formula for peace, a formula that must be followed carefully and steadfastly by each nation on earth. The Charter is no panacea, no cure-all medicine, no guaranty that once it is adopted we shall have peace everywhere at once. Simply put, the Charter does not change the condition of the world overnight.

But, Mr. President, in the words of President Truman, it is this or nothing. It is certainly a start in the right direction. It affords an opportunity for nations to get together and work out their differences peaceably. It affords a magnificent opportunity for our Nation and for all other nations to settle disputes by means other than bloodshed. Mr. President, the gravest danger we could face would be a belief by the people of the United States that the mere acceptance of the Charter is all we need to do. We and the people of all other nations must continue to work for peace. We must fight for peace as hard as we are fighting this war. We must keep these goals constantly before us.

One more word, Mr. President: We must not, of course, rely wholly upon the Charter. We must accept it in good faith; we must work with it and in accordance with its provisions; but we must continue to maintain here a strong Nation, not alone for our own protection, but for the protection of world peace, until such time as world security and world peace are accomplished facts. The Charter provides the road down which the Nations must travel to achieve that objective, and we—the United States—must and can afford to be in the vanguard of that procession to a newer, better, more peaceful world for all the peoples on earth.

Mr. BURTON. Mr. President—

The PRESIDENT pro tempore. The Senator from Ohio is recognized.

Mr. BURTON. Let me inquire first whether it is desired to have the nominations on the Executive Calendar disposed of at this time: If so, I shall be glad to have that done now; and I should like to make some arrangement, if possible, to have the floor upon the convening of the Senate tomorrow.

The PRESIDENT pro tempore. What is the pleasure of the majority leader? The Senator from Ohio has been recognized.

Mr. BARKLEY. Mr. President, the Chair has asked me a question which gives me a great deal of latitude [laughter] but if the Chair is speaking legislatively——

The PRESIDENT pro tempore. The Chair is speaking legislatively.

Mr. BARKLEY. Then I desire to have the calendar of nominations considered.

The PRESIDENT pro tempore. First, reports of committees will be received.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Sundry officers for appointment, by transfer, or promotion in the Regular Army; and

Sundry officers for appointment in the Selective Service System, under the provisions of law.

By Mr. BILBO, from the Committee on Commerce:

Sundry officers for appointment for temporary service in the United States Coast Guard.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The PRESIDENT pro tempore. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

FEDERAL BOARD FOR VOCATIONAL EDUCATION

The legislative clerk read the nomination of Dr. Paul H. Nvstrom, of New York, to be a member of the Federal Board for Vocational Education.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE JUDICIARY

The legislative clerk read the nomination of Ray J. O'Brien, of Hawaii, to be United States attorney for the Territory of Hawaii.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Navy be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc; and, without objection, the President will be notified forthwith of the confirmations.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask unanimous consent that the nominations in the Marine Corps be confirmed en block, and that the President be notified forthwith of the confirmations.

The PRESIDENT pro tempore. Without objection, the nominations in the Marine Corps are confirmed en bloc; and, without objection, the President will be immediately notified of the confirmations.

If there is no objection, the President will also be notified forthwith of the two nominations first confirmed.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Kentucky yield to me?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. I notice that one of the nominations just confirmed is that of Robert C. Giffen, to be vice admiral in the Navy. I am very happy that it is my great privilege to vote for the confirmation of his nomination. I attended high school with Admiral Giffen, and I remember very well the day when he was appointed to the Naval Academy at Annapolis.

Mr. BARKLEY. I did not know the admiral was that old. [Laughter.]

Mr. JOHNSON of Colorado. The Senator from Colorado is younger than the Senator from Kentucky thinks.

Mr. President, I am glad this opportunity has come to me to vote for confirmation of Admiral Giffen's nomination, because I have a great admiration for him which has lasted all through the years.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I am glad to yield to the Senator from Arkansas.

Mr. FULBRIGHT. Let me say that I notice that the nomination of Admiral Alan G. Kirk to be vice admiral is included in the list of nominations in the Navy. I wish to say a word about him. Admiral Kirk was really in charge of the amphibious operations on the Normandy Beach, and it gives me great pleasure to vote for the confirmation of his nomination. I have known him for some time, and I think he is one of the outstanding leaders who has been developed in this war.

The PRESIDENT pro tempore. Without objection, when the Senate reconvenes tomorrow, the Senator from Ohio [Mr. BURTON] will be regarded as having the floor.

Mr. BARKLEY. Mr. President, I certainly have no objection to that.

Mr. WHERRY. Neither have I.

Mr. FULBRIGHT. I approve of it.

Mr. BARKLEY. I shall be glad to have the Senator from Ohio lead off tomorrow in what I am sure will be an enlightening discussion of the charter.

Mr. BURTON. I thank the Senator from Kentucky. I must say that I do not expect to be able to do as well as he did, but I shall do the best I can.

RECESS

Mr. BARKLEY. Mr. President, I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 20 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Wednesday, July 25, 1945, at 11 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 24 (legislative day of July 9), 1945:

FEDERAL BOARD FOR VOCATIONAL EDUCATION

Paul H. Nystrom to be a member of the Federal Board for Vocational Education for a term expiring July 17, 1948.

THE JUDICIARY

UNITED STATES ATTORNEY

Ray J. O'Brien to be United States attorney for the Territory of Hawaii.

IN THE NAVY

APPOINTMENTS IN THE NAVY FOR TEMPORARY SERVICE

Robert C. Giffen to be vice admiral, to continue until his detachment from duty as commander, service force, United States Atlantic Fleet, to rank from May 14, 1944.

Alan G. Kirk to be vice admiral, to rank from September 10, 1945.

Oswald S. Colclough to be rear admiral, to continue while serving as Assistant Judge Advocate General.

James M. Shoemaker to be commodore, to continue while serving as commander, naval air bases, Philippines, and until reporting for other permanent duty.

Ben H. Wyatt to be commodore, to continue while serving as an island commander in the Pacific Ocean area, and until reporting for other permanent duty.

Richard R. McNulty to be commodore in the Naval Reserve, for temporary service, to continue while serving as supervisor, United States Merchant Marine Cadet Corps.

IN THE MARINE CORPS

APPOINTMENTS IN THE MARINE CORPS FOR TEMPORARY SERVICE

Ford O. Rogers to be a brigadier general from November 25, 1943.

Byron F. Johnson to be a brigadier general from January 27, 1945.

SENATE

WEDNESDAY, JULY 25, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met in executive session at 11 o'clock a. m., on the expiration of the recess.

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, who art the light of all that is true, the strength of all that is good, and the glory of all that is beautiful, Thou knowest what the burden of our prayer is during these days. Inspire us with faith and boldness of adventure as we strive for peace on earth and good will among men.

May we have the courage to believe that all our longings are not mere sentimental emotions but divine inspirations for the God-ordained destiny of humanity. Give us the glad assurance that we are not following a forlorn hope, and that our minds have not been deceived by some elusive phantom and vague impossibility. Help us to feel that we have not been created and predestined for failure but for victory.

We humbly and fervently pray that the wills of men may be transformed and transfigured by Thy divine good will. Emancipate us from fears and suspicions. Temper our minds with those finer virtues of forbearance and forgiveness. Discipline our proud and complacent spirits. Create within us a capacity for friendship, and may we cultivate it. May the day be hastened when men and nations shall be organized into a league of friendly minds and hearts.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, July 24, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 21, 1945, the President had approved and signed the following act (S. 512) for the relief of Mr. and Mrs. Arthur R. Brooks.

LEGISLATIVE BUSINESS

By unanimous consent, as in legislative session, the following business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF THE SECRETARY OF THE TREASURY

A report of the Secretary of the Treasury, transmitted, pursuant to law, for the fiscal year 1945, without the statistical data; to the Committee on Finance.

REPORT ON SPECIAL ASSISTANTS IN DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, a report showing the special assistants employed during the period from January 1 to June 30, 1945, under the appropriation "Compensation of special attorneys, etc., Department of Justice" (with an accompanying report); to the Committee on the Judiciary.

REPORT OF OFFICE OF PRICE ADMINISTRATION

A letter from the Administrator of the Office of Price Administration, transmitting, pursuant to law, the thirteenth report of the Administration for the period ended March 31, 1945 (with an accompanying report); to the Committee on Banking and Currency.

PERSONNEL REQUIREMENTS

Letters from the executive officer of the Office of Defense Transportation and the executive secretary of the Office of Scientific Research and Development transmitting, pursuant to law, personnel requirements for their respective offices for the quarter ending September 30, 1945 (with accompanying papers); to the Committee on Civil Service.

DISPOSITION OF AMERICAN FLAG FLOWN OVER BERLIN

A letter from the Chairman of the Smaller War Plants Corporation, transmitting information and correspondence relative to the disposition of the American flag flown over Berlin which was over the American Capitol when war was declared against Japan, Italy, and Germany (with accompanying papers); to the Committee on the Library.

PETITIONS AND MEMORIALS

The PRESIDENT pro tempore laid before the Senate the following petitions and memorials, which were referred, as indicated:

A letter in the nature of a petition from George Latosian, of San Francisco, Calif., praying for the enactment of House bill 2346, the so-called seaman's bill of rights bill; to the Committee on Commerce.

A resolution adopted by Local 72, United Automobile-Aircraft-Agricultural Implement Workers of America (UAW-CIO), of Kenosha, Wis., favoring an amendment to the Social Security Act so as to provide credits for the period of service of persons in the armed forces; to the Committee on Finance.

A resolution adopted by the executive committee of the State camp of the Patriotic Order of Sons of America, Philadelphia, Pa., favoring the enactment of legislation to improve transportation facilities for servicemen; protesting against Communists serving as officers in the armed forces, and opposing release of war prisoners charged with treason; to the Committee on Military Affairs.

The petition of James M. Bennett, of Philadelphia, Pa., praying for the enactment of legislation to authorize the Federal Loan Agency to set up proper facilities for the

printing and issuing of 10,000,000 shares of a passenger bus transportation company to be known as the GI transportation company; to the Committee on Banking and Currency.

The petition of James M. Bennett, of Philadelphia, Pa., praying for the enactment of legislation to create a three-party political election system with an opportunity for independents to compete for competitive elective office; to the Committee on Privileges and Elections.

A resolution adopted by the congregation of the College Hill Presbyterian Church, of Beaver Falls, Pa., favoring the prompt ratification of the United Nations Charter; order to lie on the table.

RESOLUTIONS FROM NORTH DAKOTA PROTESTING AGAINST ESTABLISHMENT OF MISSOURI VALLEY AUTHORITY

Mr. YOUNG. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD resolutions adopted by the board of directors of the Minot Association of Commerce and the North Dakota Stockmen's Association, both in the State of North Dakota, protesting against the enactment of legislation to establish a Missouri Valley Authority.

There being no objection, the resolutions were received, referred to the Committee on Irrigation and Reclamation, and ordered to be printed in the RECORD, as follows:

To the Honorable Members of the Senate Committee Hearing on S. 555, Known as the Murray Missouri Valley Authority Bill:

GENTLEMEN: The board of directors of the Minot Association of Commerce, Minot, N. Dak., at a regular meeting have reviewed the principles involved in the above-entitled Senate bill.

We wish to register the protest of this organization against the enactment of such a measure for the following reasons:

1. We believe that such a bill if it became a law would be an invasion of States' rights, and that North Dakota has every reason to preserve for itself such authoritative rights as will be helpful in the State's development under State leadership rather than under outside control.

2. The plans of this bill, in our judgment, will eventually make it imperative for the United States Government to go into business in the State of North Dakota and we are opposed to such entry into business by the Federal Government where it can be avoided.

3. We believe that a Government corporation as authorized by said bill with unlimited power and accountable only to the President is unnecessary for the proper development of the Missouri River Basin, and we further believe that the principles set forth in this bill are contrary to our democratic form of government.

4. We are fully aware, as your are, that other Federal agencies of reputable standing and of years of experience have long since been planning for the construction of such projects on the Missouri River as will properly care for flood control and give full protection to reclamation and other interests in the Missouri River Basin. We believe that the said agencies are fully competent under direction from Congress to administer such projects as may require Federal construction without the addition of a new Federal authority.

5. We believe that the plans for the development in the Missouri River Basin should be completed and ready for actual construction as soon as possible because this program, if ready for construction, will solve all postwar employment problems in the basin and at the same time furnish new opportunities for thousands of new farm homes for folks returning from the armed services and that any plan like that suggested under the Missouri Valley Authority bill will delay, hinder, and probably stop for all time the full development of the water resources in the Missouri River Basin as proposed by the Corps of Army Engineers and by the Reclamation Bureau.

We trust these reasons may be helpful in letting you know what our viewpoint is. This resolution, including the above, was duly adopted by the board of directors of the Minot Association of Commerce, this 12th day of July 1945.

MINOT ASSOCIATION OF COMMERCE.
ROBT. BRANDT.

The North Dakota Stockmen's Association assembled at Dickinson, N. Dak., on May 19, 1945, for its annual meeting and representing more than 400 of the leading beef producers of the State of North Dakota hereby adopts the following resolution:

"Whereas the North Dakota Stockmen's Association is opposed to the establishment of a Missouri River Authority and is further opposed to the establishment of any bureau or commission by the Federal Government which has as its purpose the removal of the control of the use of the waters of the Missouri River Basin to an authority or other similiar bureaus or commissions; and

"Whereas the ranchers of North Dakota object to the Murray bill as a whole and particularly that section which provides 'No dam, appurtenant works, etc., may be constructed, operated, or maintained over, across, along, in or into the Missouri River, or any tributary stream of said river or any tributary of such stream, except in accordance with plans for construction, operation, and maintenance approved by corporation.' That under this law they would be unable to dam a creek to form a drinking pond for livestock or to flood hay meadows, nor would they have jurisdiction over any dry run or draw in the basin; and

"Whereas the membership of the North Dakota Stockmen's Association believes that the control and use of the waters of the Missouri River Basin should be under State law and in the hands of the Bureau of Reclamation and the Corps of Army Engineers as set forth in the flood control bill signed by the President on December 22, 1944, and the rivers and harbors bill signed by the President on March 2, 1945: Now, therefore, be it

"*Resolved*, That the North Dakota Stockmen's Association go on record as opposed to the Missouri Valley Authority as represented by the Murray bill and also as opposed to the establishment of any authorities, boards, bureaus, or commissions which will tend to jeopardize the right and power of the people of North Dakota to fully participate in the management and control of its river basin."

REPORT OF A COMMITTEE

Mr. HILL, from the Committee on Expenditures in the Executive Departments, to which was referred the bill (H. R. 2504) to discontinue certain reports now required by law, reported it without amendment and submitted a report (No. 519) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GURNEY:

S. 1307. A bill to confirm the rights of the State of South Dakota in and to certain lands and the minerals therein; to the Committee on Public Lands and Surveys.

By Mr. WALSH:

S. 1308. A bill to amend article 6 of the Articles for the Government of the Navy; to the Committee on Naval Affairs.

By Mr. McCARRAN:

S. 1309. A bill to incorporate the National Real Estate Foundation; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 1310. A bill for the relief of Saunders Wholesale, Inc.; and

S. 1311. A bill for the relief of the estate of Curtis Wilson; to the Committee on Claims.

S. 1312. A bill to correct the military record of Albert T. Lipford; to the Committee on Military Affairs.

(Mr. MORSE (for himself and Mr. CORDON) introduced Senate bill 1313, which was referred to the Committee on Indian Affairs, and appears under a separate heading.)

APPROVAL OF EXPANSION OF AIR-TRANSPORTATION SYSTEM

Mr. MAGNUSON submitted the following concurrent resolution (S. Con. Res. 25), which was referred to the Committee on Interstate Commerce:

Resolved by the Senate (the House of Representatives concurring), That the Congress hereby expresses itself as approving expansion of the air-transportation system in the United States so that it will include not only the larger cities but also, through feeder-line service, the greatest practicable number of smaller cities and towns.

POSTWAR FULL EMPLOYMENT — EDITORIAL FROM BIRMINGHAM (ALA.) NEWS-AGE-HERALD

Mr. MURRAY. Mr. President, the end of the war in Europe, and our recent success in the Pacific, have led to increased discussion at home of the postwar problem of full employment.

There has been brought to my attention an editorial from the News-Age-Herald of Birmingham, Ala., dated July 1, 1945, which concerns itself with this major issue.

The editor asks: "If through action by Government, such national disaster as major depression can be avoided, should there not be such action?"

He then refers to S. 380, introduced by the Senator from Wyoming [Mr. O'MAHONEY], the Senator from New York [Mr. WAGNER], the Senator from Utah [Mr. THOMAS], and myself, pointing out that "The basic idea of the full employment bill now pending in Congress seems to be just that—that it is better to take preventive than remedial action, where it is feasible."

In view of the wide and growing interest in this problem, I ask unanimous consent to insert this editorial in the RECORD at this point, in connection with my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FULL EMPLOYMENT

Is it possible for our American system of private enterprise at times to produce widespread unemployment? We know too well that it is.

If, through action by Government, such national disasters as major depression can be avoided, should there not be such action?

Not many Americans would, in our opinion, say no. In a sense, the question is rather beside the point. For the only uncertainty in any case would have to do with the timing of the Government's action. Do we not all know that a great depression inevitably compels widespread Federal action?

We know what was necessary in the early thirties. So we may be assured there is going to be far-reaching Federal action sooner or

later—either in forestalling depressions or in combating them when they develop.

Would it not be far better for such action to come in time to prevent a disastrous downward turn in economic conditions?

The basic idea of the full-employment bill, now pending in Congress, seems to be just that—that it is better to take preventive than remedial action, where it is feasible.

There has been an enormous amount of misunderstanding and misrepresentation concerning this measure. Some critics, evidently knowing little about it or else deliberately distorting its purposes and methods, have suggested that it contemplates governmental control of all business. That is absurd. The advocates of this legislation are themselves strong champions of our American system of enterprise; what they are interested in doing is strengthening it, not in any way weakening it.

In a recent address outlining the bill, Senator MURRAY, of Montana, one of its four sponsors, made very clear the general conceptions underlying it.

Full employment in America is, the Senator declared, of the most urgent and basic importance not only to this country but to the entire world. By "full employment" is meant the provisions of an opportunity to work for virtually all people seeking jobs—that, in contrast to hopeless unemployment for millions of our people.

Such unemployment, long prevailing, could destroy freedom not only in this country but in other parts of the world. The full-employment bill straightforwardly recognizes Government's responsibility for assisting in the attainment and maintenance of its purpose—jobs for all.

"America cannot tolerate," Senator MURRAY says, "a system which permits millions of citizens to go unemployed while other segments of our population are enjoying a high degree of prosperity. Business therefore has an obligation to follow policies compatible with the building of a full and workable economic system, and is entitled to the cooperation and support of the Government to accomplish this task."

That is the essential conception—that Government shall aid, not dominate, business—that it shall help to keep business going at a level that will afford opportunity for all our people.

We know that conditions can arise under which even the most hard-working and capable persons may be utterly unable to find work. The bill would provide for Federal cooperation in behalf of sustained employment simply by use of the Government's resources in determining economic trends and needs and in maintaining and creating jobs.

Trends can be successfully perceived. A variety of action can be taken to support or check these trends. The wise use of Government resources in providing essential public jobs, at the time they are needed, is a conservative, not a radical, action, dictated by common sense and reasonable foresight.

Hearings soon are to begin on this bill. It is a measure of the highest importance. Clear understanding of its purpose should be the aim of all Americans.

ADJUSTMENT OF LABOR IN RECONVERSION PERIOD—ADDRESS BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a radio address entitled "Adjustment of Labor in the Reconversion Period," delivered by him from Washington, D. C., on July 24, 1945, which appears in the Appendix.]

THE PEACE WE WANT—A CONTINUING PEACE—ARTICLE BY SENATOR FULBRIGHT

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article by Senator FULBRIGHT entitled "The Peace We Want—A Continuing Peace," published in the New York Times Magazine of July 22, 1945, which appears in the Appendix.]

ADDRESS BY SECRETARY OF LABOR SCHWELLENBACH AT SHIP LAUNCHING AT SUPERIOR, WIS.

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an address delivered by Secretary of Labor Lewis B. Schwellenbach at a ship launching at Superior, Wis., on July 21, 1945, which appears in the Appendix.]

FREEDOM OF COMMUNICATIONS—ADDRESS BY JAMES LAWRENCE FLY

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an address entitled "Freedom of Communications," delivered by James Lawrence Fly, former Chairman, Federal Communications Commission, before the twenty-first institute of the Norman Wait Harris Memorial Foundation, Chicago, Ill., July 9–13, 1945, which appears in the Appendix.]

THE NATIONAL LABOR RELATIONS ACT—ARTICLE BY THE REVEREND GEORGE G. HIGGINS

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article entitled "Somebody's Wrong About the Wagner Act," by the Reverend George G. Higgins, of the social action department of the National Catholic Welfare Conference, which appears in the Appendix.]

COMPULSORY PEACETIME MILITARY TRAINING—STATEMENT BY DR. CLINTON N. HOWARD

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement on compulsory peacetime military training, by Dr. Clinton N. Howard, editor of Progress Magazine, before the Special House Committee on Postwar Military Policy, June 13, 1945, which appears in the Appendix.]

RESULT OF GALLUP POLL ON QUESTIONS OF INTEREST TO THE ARMY

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a tabulation described as the result of the Gallup poll on questions of interest to the Army, which appears in the Appendix.]

CHILDREN'S MUSEUM—EDITORIAL FROM THE WASHINGTON POST

[Mr. MAGNUSON asked and obtained leave to have printed in the Appendix of the RECORD an editorial entitled "Children's Museum," published in the Washington (D. C.) Post, of July 17, 1945, which appears in the Appendix.]

OFFICE OF WAR INFORMATION ARTICLE CIRCULATED IN RUSSIA—LETTER FROM GREATER NORTH DAKOTA ASSOCIATION

[Mr. YOUNG asked and obtained leave to have printed in the RECORD a letter from the Greater North Dakota Association with reference to an article circulated by the Office of War Information in Russia, which appears in the Appendix.]

THE NORTHWEST NEEDS A CVA—ARTICLES BY CAREY McWILLIAMS

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a condensation of three articles appearing in the Nation of June 2, 9, and 23, 1945, by Carey McWilliams, entitled "The Northwest Needs a CVA," which appears in the Appendix.]

SALT AND WEEDS AS CATTLE FEEDS

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD an article published in the Lewiston (Idaho) Tribune, entitled "Grangeville Farmer Lures Cattle To Graze on Weeds Which Have Been Lightly Salted To Provide Flavor," which appears in the Appendix.]

SUGGESTED ENTRANCE OF RUSSIA INTO JAPANESE WAR

Mr. WILEY. Mr. President, there has been widespread spineless reluctance to express American opinion that Russia should enter the war against Japan. This reluctance, this hush-hush policy, when it comes to expressing our deepest convictions is ridiculous. I have issued a statement dealing with this subject, which I ask to have printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

There has been widespread spineless reluctance to express American opinion that Russia should enter the war against Japan. This reluctance—this hush-hush policy of relating our deepest convictions is ridiculous.

It does not involve any military secrets to state our intense feelings in this matter. In millions of American homes, mothers, fathers, and sweethearts are awaiting anxiously for news of Russia's intentions. Hundreds of thousands of our brave soldiers, sailors, and marines are poised for the tough and bitter invasion of Japan.

They know and we know that if Russia declared war, if her bombing fleets roared out from Vladivostok over to Japan, these acts might be the final ones to force a quick surrender of the Japs. Thus, countless American lives are at stake in Russia's decision.

Our ground troops, seamen, and airmen have carried the overwhelming load of the bloody Pacific fighting for 3½ years. We have every right to speak bluntly and plainly, the only language the Russians understand anyway.

Why then should we pussyfoot with our Russian ally and not declare only that we want them to make common cause with us in the Pacific?

Why then should we not strengthen President Truman's hand by making known this desire from here at home in no uncertain terms?

Why should we act like helpless "Milktoasts" when we have vast financial and other bargaining power to use as pressure on Russia?

Why should we follow the lead of the "Nice Nellies" of our State Department who have been more concerned with diplomatic niceties than with the preservation of American interests and lives?

Let no one say that we are meddling in Russia's business when we tell them that we want them to carry their load in the Far East. From 1941 to 1943 the controlled Russian press never hesitated to denounce America and Britain for their alleged delay in opening the second front in Europe.

Now the shoe is on the other foot. But we are not denouncing Russia. We know how she has bled in the war with Germany. We know of her valor and her courage. But we know, too, that her security demands that the Japs be licked. We know that whether or not Russia enters the war she will make big postwar demands regarding Asia at the peace table.

Thus America has everything to gain and thousands of her boys' lives to lose unless Russia joins in the Pacific struggle.

It would be our dearest hope that Russia's mere entrance into the war would be sufficient to make the Japs throw in the sponge without a single additional Russian boys' or a single additional American boy's dying.

But we cannot foresee the future. We can, however, say that it is apparently the overwhelming sentiment of our people that we

will not easily forget Russia's contribution in the Far East if she pitches in with us and will not easily forgive her shirking of her responsibility if she remains on the side lines.

I would be remiss in my obligations as a United States Senator if I did not voice, in all humility but with all the force at my command, the feelings of millions of Americans that Russia do her part in the Pacific.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F, Seventy-ninth Congress, first session, the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. BURTON obtained the floor.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	Myers
Andrews	Guffey	O'Daniel
Austin	Gurney	O'Mahoney
Ball	Hart	Overton
Bankhead	Hatch	Pepper
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Revercomb
Brewster	Hickenlooper	Robertson
Bridges	Hill	Russell
Briggs	Hoey	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Burton	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Connally	McMahon	Vandenberg
Cordon	Magnuson	Wagner
Donnell	Maybank	Walsh
Downey	Mead	Wheeler
Eastland	Millikin	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Willis
George	Murdock	Wilson
Gerry	Murray	Young

Mr. HILL. Mr. President, I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY] is necessarily absent.

Mr. WHERRY. The Senator from Kansas [Mr. REED] is absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from California [Mr. JOHNSON] is necessarily absent.

The PRESIDENT pro tempore. Ninety Senators have answered to their names. A quorum is present.

Mr. BURTON. Mr. President, on June 12, while the Charter of the United Nations was under discussion at San Francisco but after it had taken substantially its final form, I made an extended statement to the Senate dealing with the necessity for the charter, the wisdom of the approval of its terms, and the necessity for other action in addition to the approval of the charter in the interest of international and domestic stability. While the form of the charter, as signed on June 26, differs in some details from the provisions published on June 10 and incorporated in the CONGRESSIONAL RECORD with my statement of June 12, the changes do not alter any of the conclusions reached in my previous statement.

Accordingly, I shall confine myself now to the discussion of two high points in connection with the charter. These are: First, the Security Council as an agency for peaceful settlement of international disputes; second, the Security Council as an agency for the enforcement of peace.

Before discussing these points, I wish to express my appreciation of the constructive and statesmanlike service which has been rendered to the United States and to humanity by those who took part in the San Francisco Conference. I express special appreciation of the service of our Secretary of State, Edward R. Stettinius, Jr., and all other members of the United States delegation, their staff and their consultants, and I voice also my great indebtedness to our colleagues, Senators TOM CONNALLY, of Texas, and ARTHUR H. VANDENBERG, of Michigan, who served ably, diligently, and effectively on that delegation. These Senators were able to bring to bear on the San Francisco Conference their understanding of the point of view of the Senate at such a time and in such a manner that such point of view was reflected to a high degree in the terms of the charter then under negotiation.

For example, it is clear that the charter comes well within the requirements of the resolution adopted by the Senate November 5, 1943, by a vote of 85 to 5.

Mr. President, I ask unanimous consent that the resolution be printed in full in the RECORD at this point without reading.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution is as follows:

Resolved, That the war against all our enemies be waged until complete victory is achieved.

That the United States cooperate with its comrades in arms in securing a just and honorable peace.

That the United States, acting through its constitutional processes, join with free and sovereign nations in the establishment and maintenance of international authority with power to prevent aggression and to preserve the peace of the world.

That the Senate recognizes the necessity of there being established at the earliest practicable date a general international organization, based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security.

That, pursuant to the Constitution of the United States, any treaty made to affect the purposes of this resolution, on behalf of the Government of the United States with any other nation or any association of nations, shall be made only by and with the advice and consent of the Senate of the United States, provided two-thirds of the Senators present concur.

Mr. BURTON. Mr. President, to emphasize the conformity of the charter to the resolution, it is necessary only to repeat the following sentence, the substance of which appears both in that resolution and in the Moscow agreement:

The Senate recognizes the necessity of there being established at the earliest practicable date a general international organization, based on the principle of the sovereign equality of all peace-loving states, and open to membership by all such states, large and small, for the maintenance of international peace and security.

While it is true that the Dumbarton Oaks proposals also came within the requirements of the foregoing resolution of the Senate, those proposals were, from the point of view of the United States, vastly improved as a result of the discussions at San Francisco, and reports of the Conference indicate that in many important particulars we are indebted to the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG] for such improvements. The presence of these improvements in the charter are the best evidence of the value of the procedure followed in this instance whereby the Senate was able to make a far more constructive contribution to the charter than otherwise would have been possible.

THE SECURITY COUNCIL AS AN AGENCY FOR PEACEFUL SETTLEMENT OF INTERNATIONAL DISPUTES

On February 5, 1945, the Senator from Michigan [Mr. VANDENBERG], at Detroit, made the following excellent statement of the genius or primary purpose of the Charter. Speaking of the Dumbarton Oaks proposals then before the public, he said:

The genius of Dumbarton Oaks, in correct perspective, is not the use of military force at all. The genius of Dumbarton Oaks is the exact opposite. It is the substitution of justice for force. It is the substitution of international law for piracy. It is the substitution of peace for war. Its genius lies in the organization of these pacific mechanisms which shall stop future frictions short of the necessity for force. Its genius lies in the mobilization of the vigilant moral and spiritual power of enlightened civilization against the dark and evil forces of recurrent savagery. If this power has been dormant and impotent, it is because it has lacked a vigorous world instrument for organized expression. In my deep conviction, Dumbarton Oaks, in proper form, can supply the tremendous instrument.

Among the pacific mechanisms which the charter provides to "stop future frictions short of the necessity for force" are: First, its declaration of purposes; second, its declaration of principles; third, the establishment of the General Assembly; fourth, the prescribed procedure for pacific settlement of disputes; fifth, the Security Council as a pacific mechanism; sixth, the International Court of Justice; seventh the Economic and Social Council; eighth, regional arrangements or agencies; and ninth, the Trusteeship Council.

Each of those provisions makes an important contribution toward the settlement of international disputes by peaceful means. It may be appropriate also to mention in this connection the powers given to the Security Council as an enforcement agency because the presence and availability of armed forces subject to call by the Security Council is in itself an important mechanism for preserving the peace without resort to them.

The only one of the nine pacific mechanisms just named, to which I wish now to direct the special attention of the Senate, is that of the Security Council as an agency of extraordinary international importance in bringing about the adjustment of international disputes by peaceful means. I do this with especial emphasis on the expansion of its jurisdiction given to it at San Francisco beyond the jurisdiction given to it in the Dumbarton Oaks proposals.

This subject is dealt with in chapter VI, entitled "Pacific Settlement of Disputes." The high point in the pacific powers of the Security Council is reached in article 37. Leading up to article 37, article 33 as the first article of chapter VI provides:

1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

2. The Security Council shall, when it deems necessary, call upon the parties to settle their dispute by such means.

Articles 34, 35, and 36 amplify the discussion of the procedure to be followed in the search for peaceful settlement of international disputes. Article 38 provides that "the Security Council may, if all the parties to any dispute so request, make recommendations to the parties with a view to a pacific settlement of the dispute."

It remains, however, for article 37 to define the high point in the procedure to secure a settlement by peaceful means. It is this article which to my mind invests the Security Council with an extraordinary opportunity to contribute to the peace of the world. There are other articles which hold great promise for the protection of the world against war through providing means for eliminating the causes of war and preventing the occurrence of those frictions which might lead to war. It is, however, article 37 which provides the final opportunity for reaching settlements in those cases where friction has occurred and which without this charter might lead directly to war because of lack of any appropriate mechanism for relief of the friction short of war.

Article 37 reads as follows:

1. Should the parties to a dispute of the nature referred to in article 33 fail to settle it by the means indicated by that article, they shall refer it to the Security Council.

2 If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under article 36 or to recommend such terms of settlement as it may consider appropriate.

It thus becomes clear that all members of the United Nations that are parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, are required to refer it to the Security Council when other peaceful means, including a resort to regional agencies or arrangements or other peaceful means of their own choice, have failed to produce a settlement. When such a dispute is referred to the Security Council, its first responsibility for taking jurisdiction is to determine for itself whether it believes that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security.

After it has determined this preliminary jurisdictional fact in the affirmative it shall decide whether or not "to take action under article 36 or to recommend such terms of settlement as it may consider appropriate." It must decide to do one or the other. It has no other option on this point. It is of the utmost importance to note that in its decisions, on the jurisdictional question and also upon the subsequent questions as to whether to take action under article 36 or to recommend terms of settlement, the Security Council acts without the participation in those decisions of the parties to the dispute, even though the parties to the dispute may be either temporary or permanent members of the Council.

This limitation is often overlooked, but it is made clear by the provisions of article 27, which prescribe the voting procedure in the Security Council. That article provides:

1. Each member of the Security Council shall have one vote.

2. Decisions of the Security Council on procedural matters shall be made by an affirmative vote of seven members.

3. Decisions of the Security Council on all other matters shall be made by an affirmative vote of seven members including the concurring votes of the permanent members: *Provided*, That in decisions under chapter VI and under paragraph 3 of article 52, a party to a dispute shall obstain from voting.

Accordingly, in this all-important tribunal of last resort for the settlement of international disputes by peaceful means no member of the Security Council that is a party to the dispute may participate either by way of a vote or a veto. Under the provisions of article 27, such a party shall abstain from voting. This is due to the fact that article 37 is a part of chapter VI expressly referred to in the proviso of article 27.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. CONNALLY. I suggest to the Senator that in that particular case there is no conflict, which some seem to find, with the prior provision that a vote in the Security Council must be by all the permanent members, because that is an exception stated following that rule, and in such case there must still be seven votes. However, the abstention from voting of the member who is a party would simply operate to allow one of the nonpermanent members to be counted in the vote necessary to the required majority who would otherwise not be necessary.

Mr. BURTON. I thank the Senator. That is what I am trying to emphasize. There is an express exception which takes out from the voting group at this most critical point the parties to the dispute, thereby leaving a disinterested tribunal for the decision of this most important question of the recommendation of terms of settlement.

The result is that, while the action of the Security Council will require the concurrence of 7 of its 11 members and shall require the concurring votes of all of the permanent members that are permitted to vote, it will be the action of the most authoritative international body in the world, excluding from that body the parties to the dispute at issue. This abstention from voting by the parties to the dispute, however powerful those parties may be, will add weight to the recommendation of the Security Council and will contribute to the likelihood of its being followed by the parties to the dispute in view of the fact that this recommendation probably will reflect the best available disinterested judgment of the world upon the issue. Furthermore, even if such a recommendation is not followed by the parties to the dispute, the recommendation will be of extraordinary importance in determining the alignment of the world in the event that the dispute remains unsettled and if resort is had to force in connection with it.

For example, if the enforcement measures provided by the charter cannot subsequently be employed because of the veto of their use exercised by a party to the dispute, then the recommendation of terms of settlement previously made by the Security Council, without the participation of parties to the dispute, would have great weight in determining the alinement of the individual nations of the world outside of the provisions of the charter itself.

Mr. BALL. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. BALL. Is it the Senator's interpretation that the Security Council, without a party to a dispute voting, could make a recommendation for a settlement of the dispute except under article 38, when the parties to the dispute themselves request it?

Mr. BURTON. Absolutely. I believe that article 37 is independent of article 38. Article 38 provides an optional plan whereby, if the parties request the Security Council to act, then, of course, it may act. But article 37, coming before article 38, deals with the question separately.

Article 38, to which the Senator referred, expressly states that:

Without prejudice to the provisions of articles 33 to 37, the Security Council may, if all the parties to the dispute so request, make recommendations to the parties with a view to a pacific settlement of the dispute.

Thereby any conflict with article 37 is avoided.

Mr. BALL. Section 2 of article 37 provides as follows:

If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under article 36 or to recommend such terms of settlement as it may consider appropriate.

It does not say it shall recommend. It says that it shall decide whether it shall recommend terms of settlement. As I interpret it, the veto would apply on a recommendation of terms of settlement except under article 38.

Mr. BURTON. No; the veto is excluded from the whole chapter VI.

Mr. BALL. Yes; but I do not believe that section 2 of article 37 provides for the Security Council actually recommending the terms of settlement of a dispute. Rather it provides that it shall decide whether, the parties having failed to settle the dispute by any other means, the Security Council should then go ahead and actually make recommendations.

Mr. BURTON. I understand the point the Senator makes. I do not believe it is a sound interpretation to say that under article 37 the Security Council, with all the background built up to it, would be limited to deciding whether or not to recommend terms of settlement. If the parties fail to make an adjustment by all the other means provided, the Security Council having found that the dispute is likely to endanger the maintenance of international peace and security, it seems to me that the Security Council has the authority and the requirement to decide whether it shall recommend such terms of settlement as it may deem appropriate, in the language of the charter, that certainly means that it has authority to recommend the terms which it decides to recommend.

Mr. BALL. There is no question about the authority to recommend. The question is whether the permanent member who is a party to the dispute shall abstain from voting——

Mr. BURTON. The abstention from voting relates to the entire chapter VI, whether it be article 38, article 37, article 36, article 35 article 34, or article 33.

Mr. BALL. That is correct.

Mr. BURTON. Therefore he votes on all the pacific procedures.

Mr. BALL. I agree with the Senator. As I recall, at San Francisco the Russian delegation for a time argued that the veto extended even to the right of the Security Council to discuss whether it should consider a dispute, or even recommend the procedures under chapter VI. It was my impression that the Russians yielded on the point as to whether the Security Council should discuss the question, but I do not think they yielded on the authority of the Security Council, without all the permanent members, regardless of whether they were involved, having a veto on actually publicly making recommendations for settlement. I think there is a point there. I would appreciate it if the Senator from Texas could clear it up.

Mr. BURTON. Is that the point of view of the Senator from Texas?

Mr. CONNALLY. I am sorry, but I did not hear the earlier question of the Senator from Minnesota.

Mr. BALL. The question was whether section 2 of article 37 would authorize the Council merely to decide whether it should make recommendations for the settlement of a dispute, with the parties to the dispute abstaining from voting, even if they were permanent members, or whether it would authorize them actually to go ahead and make a recommendation for settlement, with the parties to the dispute abstaining from voting.

Mr. CONNALLY. I will say to the Senator that I have not been able to reread it in the few moments I have given to this matter right now, but I agree with the Senator from Ohio that the abstention of a member of the Security Council applies to the whole of chapter VI.

Mr. BALL. Oh, yes; I agree with that.

Mr. CONNALLY. The point we have in connection with the deliberations at San Francisco is that the issue there was that some of the Russians took the position that the veto applied to consideration or discussion from the very beginning.

Mr. BALL. That is right.

Mr. CONNALLY. We took the position that the reception of the complaint and the discussion of it and the filing of briefs by the parties and things of that kind and its consideration should be permitted.

However, we acceded to the position that any positive or aggressive action thereafter, any recommendation, or anything of that kind must be by the five permanent members and the two nonpermanent members.

Mr. BALL. That was my understanding. If I may interrupt, let me say that when it comes to positive action, the veto is to be applied regardless of whether the permanent member is a party to the dispute, so I understand.

Mr. CONNALLY. Not in the case of peaceable settlements.

Mr. BALL. No. But up to article 37 there is no question. All that chapter VI says is that the Security Council may recommend to the parties that they settle it by various other methods.

Mr. CONNALLY. That is correct. But article 37 provides that they may make recommendations to the parties as to how they may settle the dispute. I wish to call the attention of the Senator to the fact that this point was made quite clear in our other deliberations there, namely, that the Security Council has no coercive power to enforce such a recommendation on a party. It is a part of the peaceful settlement.

Mr. BURTON. That is true.

Mr. President, I should like to read into the record at this point the testimony of Dr. Pasvolsky, as appears in the hearings of the committee beginning on page 108. At that time I said:

Senator BURTON. Before leaving these articles, there are a few questions I should like to ask with regard to them.

First, dealing with article 37, it is clear, is it not, that under all of the articles on the pacific settlement of disputes, including article 37, the parties to the dispute may not participate?

Mr. PASVOLSKY. That is correct.

Senator BURTON. Therefore, on the issue of determining whether the continuance of a dispute is likely to endanger peace and security and the issue of recommending terms of settlement, the decision would be made by the Security Council without the participation of parties in interest?

Mr. PASVOLSKY. Yes, sir.

Senator BURTON. Therefore, the veto power is distinctly limited by the fact that it excludes from the veto the parties in interest?

Mr. PASVOLSKY. That is right.

Senator BURTON. Therefore, we do have under article 37 what we otherwise would not have, a disinterested international body of high standing in a position to recommend actual terms of settlement of a matter of great import which actually endangered the maintenance of peace and stability in the world?

Mr. PASVOLSKY. Yes, sir.

Senator BURTON. Under those circumstances, would you explain this result? That would mean that one of the permanent members would not be able to vote on a recommendation of terms of settlement for itself?

Mr. PASVOLSKY. That is right.

Senator BURTON. But on terms of settlement affecting other people, it would be able to vote and to veto?

Mr. PASVOLSKY. Yes, sir.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. TAFT. It does not seem to me that that clause is at all clear. I should like to have the Senator from Michigan state his opinion regarding it, because certainly, after reading article 37 and article 38 together, it seems to me that article 37 may be construed merely as permitting the Security Council to decide whether it will take action under article 36 or whether it will recommend terms of settlement. But it does not say that it may recommend terms of settlement. Apparently the recommendations to be made are under article 39, which is subject to the veto power. I never have been able to understand clearly just how far the Security Council can go under section 2 of article 37. Can it recommend, or does it merely decide that the matter has now become a subject in which it should undertake an investigation and should recommend? I should like to know what is the proper interpretation of article 37, because what is the use of article 38 if under article 37 terms of settlement may be recommended?

Article 38 says:

Without prejudice * * * the Security Council may, if all the parties to any dispute so request, make recommendations.

Mr. BURTON. Mr. President, first responding to the last part of the question, which is separate from the first part which the Senator specifically referred to the Senator from Michigan, I should say that article 38 might even cover cases which were not involving the parties to a dispute likely to endanger the maintenance of international peace and security, because it says:

Without prejudice to the provisions of articles 33 to 37, the Security Council may, if all the parties to any dispute so request, make recommendations to the parties with a view to a pacific settlement of the dispute.

That may relate to any dispute; but whatever it is, it seems to me article 38 is purely one under which there can be voluntary submissions of a matter—something which can always take place—and is expressly separate from article 37, as stated in its preliminary clause.

Mr. TAFT. Mr. President, it seems to me that article 38 refers to disputes likely to endanger the maintenance of international peace and security or leading to international friction, and so forth. I do not see that article 38 is really any broader than article 37 in the scope of its jurisdiction.

Mr. BURTON. I think the history of the matter is that in the preceding drafts

and in the Dumbarton Oaks proposals, article 37, or a provision corresponding to it, related only to a decision by the Security Council to take action under article 36, which deals with the recommendation of appropriate procedures and methods of adjustment. But when article 37 was revised at San Francisco, it reached unequivocally into the field of enabling the Security Council to recommend terms of settlement. It is upon the exercise of this enlarged jurisdiction that I place my emphasis.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. CONNALLY. I wish to suggest that under article 38 there are other parts of the charter which apply, although I cannot refer to them at the moment. It is possible that under article 38 one of the parties might not be a member of the United Nations at all. But if all parties concerned were to make the request, the Security Council itself might make a recommendation.

Mr. BURTON. I thank the Senator.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AUSTIN. I ask the Senator from Ohio if it is his opinion that the most striking difference between the provisions of articles 37 and 38 relates to the initiation of the inquiry? Under article 37 is it not true that the Security Council initiates the inquiry? But under article 38 the parties initiate the inquiry.

Mr. BURTON. I think that is true. Also, however, I wish to call the attention of the Senator from Vermont to the first paragraph of article 37, which indicates that the normal method of reaching the second paragraph is that if and when the parties to a dispue of the nature referred to in article 33 fail to settle it by the several means indicated in that article, they shall refer their dispute to the Security Council. Thus, in the normal procedure, such a dispute will come to the Security Council as to a tribunal of last resort. On the other hand, the procedure under article 38 is normal procedure at any point in the course of any dispute.

Mr. VANDENBERG. Mr. President——

Mr. BURTON. I yield to the Senator from Michigan, if he wishes to make a statement.

Mr. VANDENBERG. Mr. President, the question is a technical one; yet obviously it is of major importance.

First, I wish to comment on the difference between article 38 and article 37. I think the points made by both the Senator from Vermont [Mr. AUSTIN] and the Senator from Ohio [Mr. BURTON] are pertinent. I think article 38 refers to the action of the Security Council at the voluntary request of the parties to a dispute, whereas article 37 refers to the initiation of the intervention by the Security Council itself.

Furthermore, I think the Senator from Ohio [Mr. BURTON] is correct in his position, namely, that article 38 is broader than article 37, in that article 37 applies only to disputes which threaten or endanger the maintenance of international peace and security, whereas article 38 may refer to a dispute of lesser challenge. Therefore, I think there is no inconsistency between the two, but on the contrary, one complements the other.

So far as the veto with respect to recommendation is concerned, I think we are entitled to rely upon the answers made by Dr. Pasvolsky under his cross examination by the Senator from Ohio [Mr. BURTON]. It is my observation, after a very long relationship with Dr. Pasvolsky, that he is pretty generally a completely reliable authority upon the subject of these interpretations. He has lived with this subject for 2 or 3 years, and when he asserts that an interpretation is correct, I think we are entitled to rely upon it.

Furthermore, I invite attention to page 71 of the report of the Secretary of State to the President, in which he is discussing the subject of voting in the Security Council. I invite attention particularly to the following two sentences:

> When the question under consideration is one of procedure, the vote of any seven members, whether permanent or nonpermanent, determines the position of the Security Council. On all other matters, decisions of the Council must be made by an affirmative vote of seven members including those of all of the permanent members, except that in decisions with respect to peaceful settlements of disputes—

Which, in my opinion, would include recommendation.

Then articles 33 to 38 are specifically identified in the report—

> a party or parties to a dispute must abstain from voting.

Mr. BURTON. I thank the Senator from Michigan.

Mr. President, article 37 recognizes the Security Council as an authoritative international body where a party to an international dispute, even though such party be a permanent member of the Security Council, cannot veto or even vote on the decision of the Council upon the dispute to which it is a party. Article 37 provides a disinterested tribunal before which any state, whether or not it be a member of the United Nations, may present on its merits any dispute to which it is a party and which endangers the maintenance of international peace and security. This tribunal may recommend procedures or methods of adjustment, and even more, it may recommend concrete terms of settlement. If the world will fully recognize the necessity for justice, and a government of law among nations as well as among individuals, and if the world has truly outlawed war as an international policy, this tribunal may well become the tribunal of last resort for many disputes endangering the peace of the world. Through this gate the world may find the long-sought road to just and lasting peace among all nations.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. AUSTIN. I wonder if the Senator recognizes that the high objectives of development of self-discipline by nations is directly promoted by these provisions. No matter what the action of the Security Council may be, there is no decree and no obligation affecting the parties to the controversy, except the moral obligation to conform as a matter of self-discipline. Is that not the effect?

Mr. BURTON. I thank the Senator from Vermont. I agree completely that there is no legal obligation to accept the terms of settlement which are recommended by even those with authority to recommend those terms. But my belief is that those recommendations will have tremendous weight, and that the parties involved will stand before the world in the light of them. That situation may well result in the parties agreeing to aline themselves on the side of justice in the controversy.

Mr. VANDENBERG. Mr. President, I should like to make one further observation in line with what the Senator has said.

Much emphasis is being placed critically upon the veto power which is resident in the five permanent members of the Security Council. But, Mr. President, let us place equal emphasis on the fact that there is no veto power resident in any member of the United Nations, and that there is no right to abstain from the obligation resident in any member of the United Nations insofar as the fundamental pledges of this document are concerned. All those pledges to embrace pacific means of settling disputes are fundamental in the charter. All of them are accepted without reservation by every member of the United Nations, and all members of the United Nations are pledged without reservation, without any escape clause or back door through which to escape from the complete and total good faith recognition of this ritual of peaceful settlement.

Mr. BURTON. I thank the Senator for his emphatic statement.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. TAFT. With all due respect, I inquire, What does that amount to? The effect of the agreement is merely to discuss with others whatever dispute may arise. I believe that to be important, but it is not an agreement to submit a dispute to arbitration or judicial settlement unless there is a wish to do so. I am not criticizing it. I merely believe that we overstate the situation when we say there is a fundamental agreement to do something. The only fundamental agreement is that before going to war we will discuss the matter with the opponent nation. Of course, there is nearly always some discussion along that line before war begins. I do not think that fact particularly changes the nature of the agreement.

Mr. VANDENBERG. I completely disagree with the Senator from Ohio [Mr. TAFT] in his easy discharge of the fundamental obligation which a member of the United Nations takes when he enters into this peaceful fraternity. I am not now discussing at all the detail of the mechanism. I am talking about the fundamental pledge which a member of the United Nations takes when it joins the United Nations Organization. I am asserting that there is no escape from that fundamental obligation. I say that there is a fundamental over-all obligation to exhaust all peaceful means of

settling disputes before recourse shall be taken to any other method of settlement. I am not at all undertaking to relate that fundamental pledge to the mechanism. I am going back to the base upon which we have built the entire institution. I am saying that it is an act of utter bad faith, regardless of mechanism, for any member of the United Nations to resort to anything like the use of force before it has exhausted these mechanisms of peace.

So far as compulsion is concerned, the compulsion which may be involved is the compulsion of world opinion. I am one of those optimists who believe that when we mobilize the conscience of this world and make it vocal through the instrumentality of this fundamental document, we have exerted compulsion upon all members of the United Nations to maintain complete fidelity in their basic pledge to exhaust peaceful means before they undertake any other means in the settlement of disputes.

Mr. TAFT. I still maintain that the pledge to exhaust peaceful means before going to war is something that we recognized in the Briand Pact. That particular kind of a pledge is important. I would not wish to detract from the importance of getting all nations to agree to it.

I only say that when it is undertaken with an express stipulation, without breaching good faith at all, if anybody insists upon your submitting this to arbitration or anybody insists upon your not going to war you have a complete and utter right to veto either action and that changes the whole nature of the agreement, and what you have is simply what you had before, an agreement that you will not go to war without discussing the matter first with your opponent. I think that is an important pledge but I think it is a very insignificant thing compared to what the people of this country think that a League of Nations or this Organization is actually going to impose upon us.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. BURTON. I yield to the Senator from Vermont.

Mr. AUSTIN. I call attention to the fact that, in addition to that provision in the purposes and principles, which requires that members settle their international disputes by peaceful means, there is another ethical obligation declared in the following language which is found in article 2, subsection 2:

> 2. All members, in order to insure to all of them the rights and benefits resulting from membership, shall fulfill in good faith the obligations assumed by them in accordance with the present charter.

I regard that as a very broad undertaking, probably one of the broadest of this charter, and whatever might follow either an action initiated by the Security Council itself, or an action sought for by the parties to a dispute, whatever recommendation may be made by the Security Council I conceive takes great ethical force from this subsection 2 of article 2 of the charter.

Mr. BURTON. Mr. President, I thank the Senator from Vermont and I wish to express by appreciation to each of the Senators who have discussed this because I think it is important in determining the perspective in which we should look at this charter. Therefore, I wish at this point to read into the RECORD paragraphs 2 and 3 of article 2 on this subject. Paragraph 2 reads as follows:

> 2. All members, in order to insure to all of them the rights and benefits resulting from membership, shall fulfill in good faith the obligations assumed by them in accordance with the present charter.

Then paragraph 3:

> 3. All members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered.

Then, Mr. President, article 33 converts that general obligation into concrete form by providing in paragraph 1:

> 1. The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

Then, Mr. President, let us follow that in the RECORD with article 37, paragraph 1, which says:

> 1. Should the parties to a dispute of the nature referred to in article 33 fail to settle it by the means indicated in that article, they shall refer it to the Security Council.

And paragraph 2 of article 37:

> 2. If the Security Council deems that the continuance of the disputes is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under article 36 or to recommend such terms of settlement as it may consider appropriate.

I believe, with the Senator from Michigan, that if the parties to the charter are proceeding in accordance with the fundamental point of view expressed in its terms, they will be guided in great measure by the recommendations of the terms of settlement made under article 37 and will not resort to war.

Referring again to the subject matter of the Security Council, in examining this feature further, we find that this exclusion of the parties in interest from such decisions is important not only in determining the terms of settlement to be recommended but also in determining the preliminary question as to whether or not the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security. Under article 37, this preliminary question is to be determined by the Security Council without the participation of the parties in interest.

Mr. FERGUSON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Michigan?

Mr. BURTON. I yield to the junior Senator from Michigan.

Mr. FERGUSON. Going back to the other discussion and to the point the Senator is now discussing, I am a little troubled about article 39 which uses these words and this sentence:

> The Security Council shall determine the existence of any threat to the peace, breach of the peace, or act of agression and shall make recommendations.

Are those recommendations different from the recommendations mentioned in article 36 and article 37? If they are the same recommendations and cover the same subject, it would appear that the right of veto existed, but if they are different recommendations and there is one kind of recommendations in article 39 and another kind of recommendations in article 36 and in article 37, then in one case under articles 36 and 37 no veto exists, in fact no vote exists, and if no vote exists no veto can exist. What does the Senator say as to those words as they are used in article 36 and article 37 and also in article 39?

Mr. BURTON. I think it will be found that article 39, as it was explained during the testimony before the Committee on Foreign Relations and also from its text, is completely separated from article 38. Article 39 is in chapter VII, articles 36, 37, and 38 are in chapter VI. Under article 38 and article 37 to which we have just been referring the vote is without participation of the parties to the pending dispute. Under article 39 it is with the vote of the parties to the dispute. The language also is not the same. The preliminary question in article 39 is not whether it endangers the maintenance of international peace and security. The preliminary question is whether it amounts to a "threat to the peace, breach of the peace, or act of aggression." The members of the Council decide it by vote, as was borne out clearly in the testimony, and the veto power does apply. Then comes the language "shall make recommendations." To my mind that does not amount to the same thing as making recommendations appropriate under article 37. Under article 39 the Council makes recommendations to maintain and restore international peace and security, the intervening clause being "and shall make recommendations, or decide what measures shall be taken in accordance with articles 41 and 42, to maintain or restore international peace and security."

It can make recommendations to maintain and restore international peace and security, but, mind you, it comes under chapter VII dealing with the enforcement provisions and dealing with the vote of all the members, including the parties in interest, and therefore is an enforcement section as distinguished from an adjustment section.

Mr. FERGUSON. Mr. President, in other words, as I take it, the Senator from Ohio [Mr. BURTON] contends that article 39 being under the enforcement section in one of two ways, either by sanctions, as provided in one paragraph, or force, as provided in another paragraph, the word "recommendations" in article 39 is an entirely different thing from the word "rec-

ommendations" in the other two sections.

Mr. BURTON. It applies to a different course of action and contemplates the distinction between enforcement and peaceful adjustment.

Mr. FERGUSON. I thank the Senator for that explanation, because I think it now makes clear, at least in my mind, that the word "recommendations" as used in the various sections refers to entirely different recommendations.

Mr. BURTON. One is a recommendation of such terms of settlement as may be considered appropriate, and the other recommendation is to maintain and restore international peace and security.

Mr. FERGUSON. I think that is clear now.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. CONNALLY. Let me point out that it is not so much the difference in the recommendations as it is in the class of cases which are being dealt with. Under chapter VI we are dealing with peaceful settlements entirely, but when we come to chapter VII, the Security Council then begins to examine whether or not there is a threat to the peace, armed preparation, one nation massing its armies or getting its navies together. That is removed from the category of chapter VI. A threat to the peace is a different kind of dispute from that referred to in chapter VI. Under chapter VII it has gotten beyond chapter VI. It has gotten to the point where there is a threat of war, of violence, a threat to the peace.

Mr. BURTON. I thank the Senator from Texas.

Mr. VANDENBERG. Will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. VANDENBERG. I wish to concur in what the able Senator from Texas [Mr. CONNALLY] has said, and also in the very accurate analysis of the Senator from Ohio [Mr. BURTON]. The moment we leave chapter VI and start into chapter VII we have started down the road to sanctions, and it is a totally different contemplation.

Mr. BURTON. I thank the Senator.

Referring again to the discussion with which I was proceeding as to the effect of article 37 in deciding what constitutes endangering the peace and security of the world, under article 37 this preliminary question is to be determined by the Security Council without the participation of the parties in interest. This is important because a set of circumstances which produces such a declaration by the disinterested members of the Security Council may have a great bearing upon the action of the individual nations in recognizing the danger to themselves involved in the continuance of the dispute. It may even have great weight with the President of the United States in determining whether the situation endangers the peace and safety of the United States to such an extent that he will be willing to use the armed forces of the United States to help preserve the peace and security of the world.

If the Security Council under article 37 shall have determined that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it then has express authority to take either of two important steps. First, it shall decide whether to take action under article 36, or second, to recommend such terms of settlement as it may consider appropriate. Article 36 has reference only to the authority of the Security Council to recommend appropriate procedures or methods of adjustment. This provision was contained in the Dumbarton Oaks proposals, and there was some ground for contending that the phrase "methods of adjustment" might permit recommendation of the terms of settlement. This ambiguity now has been completely removed because the jurisdiction of the Council has been expanded by the San Francisco Charter to include expressly the right to recommend "terms of settlement."

The Security Council, without participation of parties in interest, is thus afforded in all important cases an opportunity to recommend such terms of settlement as it may consider appropriate. This is a new and high point in the mechanisms of adjustment of international disputes by peaceful means. This is of such extraordinary importance to the world that even though the charter were to contain nothing else, this in itself could well justify its acceptance. This means that a mechanism is now available through which the highly responsible and carefuly chosen representatives of 11 members of the United Nations, exclusive of any members which may be parties to the dispute, shall be able to recommend to the parties and to the world the terms of settlement by peaceful means of any dispute which shall be referred to them and which in their opinion is likely to endanger the maintenance of international peace and security.

THE SECURITY COUNCIL AS AN AGENCY FOR THE ENFORCEMENT OF PEACE

One striking difference between the Charter of the United Nations and the Covenant of the League of Nations is that the charter provides a much more effective mechanism for enforcing the decisions of international policy than was provided under the Covenant.

Part of this effectiveness is due to the fact that World War II has been truly a Global War. When the Allies shall have completely won it, there will be no one left on earth in a position successfully to resist enforcement of the decisions of the Allies if the Allies remain as united in peace as they have been in war. The Allies in this war have beaten back the greatest attack upon civilization in the history of mankind. Substantially the entire world has been engaged in this struggle and through it the Allies have won the undisputed championship of the world. The best way to retain this or any other championship is to retain the championship team intact and in condition. Chapter VII of the Charter of the United Nations provides a means for doing this.

Article 41 provides for the enforcement of decisions of the Security Council by the use of economic and other pressures. Article 42 reaches the high point of enforcement in the following language:

> Should the Security Council consider that the measures provided for in article 41 would be inadequate or have proved to be inadequate, it may take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of the members of the United Nations.

This is immediately followed by paragraph 1 of article 43, which provides:

> All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

Mr. LANGER. Mr. President——

The PRESIDING OFFICER (Mr. FULBRIGHT in the chair). Does the Senator from Ohio yield to the Senator from North Dakota?

Mr. BURTON. I yield.

Mr. LANGER. Suppose the 400,000,000 people of India should decide to revolt against England. Is it the Senator's judgment that if the Security Council considered that that was a question which might involve the use of air, sea, or land forces in order to restore international peace and security, under article 42 they could send the armed forces into India?

Mr. BURTON. I think there are two points to be considered. I shall mention them, and then ask the Senator from Texas to make the official answer on the points.

The first point is that the Security Council shall determine the existence of a threat to the peace, breach of the peace, or act of aggression, before it can call for armed forces under article 42. Therefore it must determine that the revolt amounts to a threat to the peace, a breach of the peace, or act of aggression.

Then the question arises as to whether the revolution is an internal matter within a nation, to be determined outside of the Council rather than by the Council. I think there is a special provision which deals with that point. Has the Senator from Texas a reference to the point in the charter where it excludes from the jurisdiction of the charter domestic troubles which may arise within a nation?

Mr. CONNALLY. Mr. President, that appears in paragraph 7 of article 2, which I shall read, if the Senator cares to have it quoted.

Mr. BURTON. I should like to have it quoted.

Mr. CONNALLY. It reads:

> Nothing contained in the present charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state or shall require the members to submit such

matters to settlement under the present charter; but this principle shall not prejudice the application of enforcement measures under chapter VII.

The last phrase means that when a matter is essentially domestic, the Council cannot interfere, yet if it progresses to the point of bringing on a threat of war as between two nations, then the Security Council may take action. But as to the case posed by the Senator from North Dakota, I take it that a revolution in India would not be an international quarrel as between two nations; it would be a domestic matter within the jurisdiction of the British Commonwealth of Nations. I hope the Senator from Ohio agrees with that.

Mr. BURTON. I agree, and I thank the Senator.

Mr. MURDOCK. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. MURDOCK. Let us suppose that the same thing happens in a revolution such as that the Senator from North Dakota has suggested, as happened in our own Revolution, when France sent military help to the Colonies. Does the Senator take the position—and I should like to address this question to the Senator from Texas [Mr. CONNALLY] as well as to the Senator from Ohio [Mr. BURTON], that if a revolution occurs and another nation wants to step in and help the revolutionists, as France helped us in our revolution, that that would place the conflict in the status where the Security Council could then treat it as a war between nations and take action under the section referred to?

Mr. BURTON. I would say that when another nation steps in and fights an entirely independent nation, regardless of what the cause may be, whether it is in sympathy with the revolutionary group or what not, you may very well find yourself getting into what we call here a "threat to the peace" or "breach of the peace," or "an act of aggression," and thereby find the whole thing opened up. You cannot simply use the revolution as an excuse for getting into a war with another nation and not incur the penalties under the charter.

Mr. MURDOCK. Mr. President, will the Senator from Ohio yield again?

Mr. BURTON. I yield to the Senator from Utah.

Mr. MURDOCK. If I correctly understand the Senator, if a revolution is going on, let us say, in India——

Mr. BURTON. In other words, if it ceases to be merely a revolution and becomes a war between nations?

Mr. MURDOCK. Or if the revolution advances to the point where one or more nations are induced to come in and take sides, then it does reach the status where the Security Council could treat it as an activity sufficient to endanger the peace of the world, and step in under the section of the charter refered to.

Mr. BURTON. I think that that would readily lead into a situation where you put the whole machinery into operation of invoking a peaceful settlement before you get into a settlement by force.

I quote in this connection from paragraph 4 of article 2 which says:

All members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state, or in any other manner inconsistent with the purposes of the United Nations.

A nation will come close to getting into an international conflict if it enters upon one side or the other of a revolutionary conflict.

Mr. MURDOCK. May I suggest one other situation on which I should like to have the Senator's comment. Suppose civil war should develop in any member country, and while that civil war is in progress another nation should step in on one side or the other, but the civil war is still limited to the territory of the country in question; would that be a sufficient cause to warrant the Security Council to intervene?

Mr. BURTON. I think again the circumstances will have to decide the issue. If it endangered the maintenance of international peace and security the Security Council certainly could come in, and I should think it would be likely to reach that point as soon as one nation got into another's war, whether or not it was called a civil war or a revolution.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BURTON. I yield to the Senator from Michigan.

Mr. FERGUSON. I should like to ask a question regarding the word "peace" as used in article 39. The able Senator from Texas and the able Senator from Ohio have used the word "international" in connection with the word "peace." Is it because the charter is being made to cover the international situation that we interpret the word "international" in relation to the word "peace"?

Article 39 contains the words "of any threat to the peace." I noticed that the Senator from Ohio used the phrase "if it threatens the international peace." The next part of the sentence in article 39 is "breach of the peace, or act of aggression." Naturally we would say that "act of aggression" means the act of some other nation. But the words "threat to the peace" and "breach of the peace" may refer to an internal situation in a country rather than its international relationship to some other nation or state.

Mr. BURTON. I would interpret it as referring to international peace. For example, when we dealt with it under chapter VI we dealt with the question of the maintenance of international peace and security, and in article 43 of chapter VII where it says "all members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council" troops and so on, I think international peace is what is contemplated.

Mr. CONNALLY. Mr. President, will the Senator from Ohio yield to me?

Mr. BURTON. I yield to the Senator from Texas.

Mr. CONNALLY. Did the Senator from Michigan direct his question also to me?

Mr. FERGUSON. Yes, Mr. President; I did.

Mr. CONNALLY. Let me say to the Senator from Michigan that I concur in the statement of the Senator from Ohio [Mr. BURTON] that the use of the word "peace" in these paragraphs means, of course, international peace. It must always be borne in mind that the whole charter is a contract between nations, between independent peoples. It does not entertain jurisdiction as to individuals. It does not go within a country. The provision was read a while ago to the effect that domestic matters are not within the jurisdiction of the Security Council. So that when we speak of peace it is, of course, international peace as between two or more nations. I think that probably the use of the word "peace" in that place, and "international peace" in another place was merely the result of a lack of conformity in the text; or to make use of the two expressions rather than use the same terms over and over again. I concur thoroughly with what the Senator from Ohio has said.

Mr. BURTON. I thank the Senator from Texas.

Mr. FERGUSON. Mr. President, will the Senator again yield?

Mr. BURTON. I yield further to the Senator from Michigan.

Mr. FERGUSON. I want to say that I concur in the explanation given by the able Senator from Texas and the able Senator from Ohio, but I thought it may be well to clear the matter up now as a further answer to the question asked by the Senator from North Dakota, to make clear that the provision did relate to international peace rather than, for instance, to an internal struggle or internal trouble in a state.

Mr. BURTON. I thank the Senator from Michigan.

Mr. President, having in mind that I have just presented to the Senate the terms of article 42 and article 43 dealing with the making available of armed force, I may say that these sections in effect provide for the use of the allied forces on much the same basis after World War II as they have been applied during World War II. Article 45 makes an added provision to meet urgent military requirements by providing that members of the United Nations shall hold immediately available national air-force contingents for combined international enforcement action. A military staff committee is made responsible for the strategic direction of any armed forces placed at the disposal of the Security Council. Subject to the entry of the United Nations into the special agreements for providing these forces, these provisions of the charter will bring the full military effectiveness of the members of the United Nations to the support of the decisions of the Security Council that such action should be taken.

The practical value of these provisions is that the United Nations, through the Security Council, are for the first time enabled to count upon the cooperation of each other at an early stage of proceedings threatening the peace of the world. Through making such forces of each of the United Nations available upon call of the Security Council, each

of those Nations is enabled to rely upon each of the others. Thus, it becomes possible to bring to bear their combined forces at a time when such action might well preserve the peace of the world and defeat a campaign of aggression at its early stages, or even in fact before it had really started. This not only would be easier than at a later stage of the campaign, but it could be accomplished with a far less expenditure of life and resources than it could later, or perhaps it could be accomplished with no such expenditures at all.

Equally important as the actual effectiveness of this program of military action is the value of having its potentialities immediately available. It is to be hoped that the demonstrated availability of such force ready for use against those who might break the peace or commit an act of aggression will dissuade them from attempting to do so. In private life it is rare that even the most lawless outlaw will commit assault and battery in the immediate presence of a squad of competent policemen.

It is important, however, to appreciate the inherent weakness and as well the inherent strength of the provisions in this Charter for calling armed forces into action. Whatever action is taken by the Security Council to call upon such forces must be subject to the limitations of articles 27 and 39. Article 27 prescribes the voting procedure of the Council. It requires that for a decision on these issues there must be an affirmative vote of seven members of the Council, including the concurring votes of all of the five permanent members. This vote and this full concurrence is required even though the members that are to vote are themselves parties to the dispute. This is the rule of unanimity, or the general right of any one of the five permanent members of the Council to veto action of this kind by the Security Council.

Under article 39, the Security Council first must determine affirmatively the jurisdictional question of the existence of a "threat to the peace, breach of the peace, or act of aggression" before it decides upon the measures to be taken under articles 41 and 42 to maintain or restore international peace and security. The rule of unanimity applies both to the determination of the jurisdictional question and to the decision upon the enforcement measures to be taken after the Council has ascertained the existence of "the threat to the peace, breach of the peace, or act of aggression" justifying the taking of them.

On the negative side, this means that without the concurrence of at least seven members of the Security Council, including that of all of its permanent members, no affirmative action can be taken by the Council either on the jurisdictional issue or on the resort to enforcement measures. This provides for two kinds of veto. First it places a veto power in the hands of any five members of the Security Council, permanent or temporary, because any five can block the other six. This is a veto power available to any five of the small or medium nations on the Council, even against the votes of the Big Five permanent members of the Council.

Likewise, it places a veto power in any one of the Big Five permanent members of the Council, even though that member be a party to the dispute and be involved in making the threat to the peace of the world.

The effect of these limitations is that while this mechanism for the use of economic or military force is an advance beyond any comparable mechanism set up in the League of Nations, it is substantially limited by its own provisions.

On the other hand, this mechanism makes readily available the combined armed forces of the United Nations to enforce the peace, provided that all the five permanent members of the Council, plus two of the others, agree that the occasion amounts to a threat to the peace, breach of the peace, or act of aggression, and to take military measures to stop it. Accordingly, as against nations that are not members of the United Nations and as against any of the 45 United Nations not included in the Big Five, this provides an agency of great significance and value. It is especially important because all the nations which were aggressor nations in World War II are excluded from the Big Five, and for the present are excluded from the United Nations organization. For the present, special provision is made in articles 53 and 107 to meet this emergency, and in the long run this armed agency will be at the least an important peace force ready for use against any aggression for which the aggressor nations may be responsible. This agency thus becomes, within certain limits, a new and effective force for peace as long as the Big Five remain united and as long as none of the Big Five is itself a breaker of the peace.

As viewed by the world in general, this produces an extraordinary agency because for the first time in modern history, by the vote of seven nations, the tremendous mobilized forces and facilities of the 50 United Nations may be called promptly into action to defend the world against a threat to its peace, a breach of its peace, or an act of aggression.

It is provided in article 44 that before the Security Council shall call upon a member of the United Nations, not represented on the Security Council, to provide armed forces in fulfillment of these obligations it shall "invite that member, if the member so desires, to participate in the decisions of the Security Council concerning the employment of contingents of that member's armed forces." This has been the so-called "No taxation without representation" clause. It contemplates, for example, that if Canada is not on the Security Council, and her armed forces are to be used to enforce the Peace, Canada shall be invited to participate in the decisions of the Security Council concerning the employment of Canada's armed forces.

This apparently means that Canada would have full participation, including a vote in the decision of the Council with respect to the use of Canada's armed forces, but she would not vote on the prior decision that armed forces are to be used. She could not by her vote veto the decision to use such forces. The same right is granted to every other member of the organization in the Security Council in the event that its armed forces are to be used. None of these members, however, may participate in any decision of the Security Council except that which concerns the employment of contingents of its own armed forces.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. SALTONSTALL. I should like to ask a question which is perhaps theoretical, but which relates to a point which is not quite clear in my mind. Assume that our member of the Security Council should vote in favor of action by force, and that it was the unanimous vote of the five——

Mr. BURTON. The unanimous vote of the five, plus two others.

Mr. SALTONSTALL. Yes; so that action by force was decided upon. Then assume that the military adviser of our Security Council member does not approve of the means taken to prevent the aggression. In other words, assume that he does not approve of the strategy. Once the vote to go ahead has been decided, and all five members are agreed, can our member then, upon the advice of our military expert, reverse that procedure by use of his veto power; or once having agreed to go ahead, is a majority vote of the Security Council sufficient to work out the strategy involved, or must that also be decided by unanimous vote of the five?

Mr. BURTON. It is my understanding that the Security Council remains in command, in much the same way that the Commander in Chief of the United States forces remains in command; but he is given the assistance of a military staff committee, which is charged especially with strategic questions. But the Security Council is always the top deciding factor in the decisions both as to starting and stopping such action, and I suppose even in conducting the war in its own best judgment, subject to advice from its military committee.

I read from article 47:

ARTICLE 47

1. There shall be established a Military Staff Committee to advise and assist the Security Council on all questions relating to the Security Council's military requirements for the maintenance of international peace and security, the employment and command of forces placed at its disposal, the regulation of armaments, and possible disarmament.

2. The Military Staff Committee shall consist of the Chiefs of Staff of the permanent members of the Security Council or their representatives. Any Member of the United Nations not permanently represented on the Committee shall be invited by the Committee to be associated with it when the efficient discharge of the Committee's responsibilities requires the participation of that Member in its work.

3. The Military Staff Committee shall be responsible under the Security Council for the strategic direction of any armed forces placed at the disposal of the Security Council. Questions relating to the command of such forces shall be worked out subsequently.

4. The Military Staff Committee, with the authorization of the Security Council and after consultation with appropriate regional agencies, may establish regional subcommittees.

It seems to me to contemplate at all times that the Security Council is in command, but has the benefit of a military staff committee.

Mr. SALTONSTALL. Mr. President, will the Senator from Ohio yield further to me?

Mr. BURTON. I yield.

Mr. SALTONSTALL. I do not think I made myself clear, or else the Senator has not answered my question. I am trying to inquire whether our member of the Security Council will have a veto power on the strategy. In other words, can a majority vote, or a vote of seven of the Security Council, send our boys into a conflict if the United States military adviser advises our member of the Security Council that the means taken are insufficient and that there should be larger forces or a different strategy?

Mr. BURTON. There you run into the inherent weakness of a large body, namely, that it can act only by affirmative action, and affirmative action can be taken only by a majority. If one affirmative action is voted, there must be another affirmative action taken on the part of the Security Council, if some other step is to be taken. Any such further action would be subject to a veto. Four of the members of the Big Five could agree to initiate a certain policy, but another one of them could step up and could say, "I veto your policy."

Therefore, the veto would be against a change of policy, but the veto alone could not stop the continuance of policy.

Mr. SALTONSTALL. So there would have to be unanimity of action regarding the strategy or the operations; would there?

Mr. BURTON. There would be unanimity in the beginning. But, as in the case of any other large body, thereafter the action would have to be taken by majority vote. Once a certain course of action were initiated, the Security Council would have to continue along in that way until a majority vote for a different policy was authorized.

Mr. FERGUSON. Mr. President, will the Senator yield to me?

Mr. BURTON. I yield.

Mr. FERGUSON. I think the Senator from Massachusetts has raised an important point, namely, whether the votes in the Security Council on strategy questions are not votes under chapter VII, which gives the so-called Big Five the right to veto, and whether under article 47 the Security Council is not required again to decide a question by vote or whether that is permitted under that section. Certainly if it calls for a vote, it would appear that if it comes under chapter VII, that vote carries the right of veto.

Mr. BURTON. I concur in the views of the Senator from Michigan that whenever the Security Council acts, it has an inherent weakness. First it acts by a special majority of seven, which leaves a veto with five; at any time five objectors can stop it by that means. Within the seven there must also be all of the Big Five powers, and if any one of them objects, no action can be taken. Therefore, there is an important limitation upon the affirmative action of the Security Council.

Mr. FERGUSON. Mr. President, will the Senator further yield?

Mr. BURTON. I yield.

Mr. FERGUSON. If such a vote is taken on any matter covered by chapter VII, then the right of veto exists; does it not?

Mr. BURTON. I think that is made clear by the terms of article 27 defining the voting powers.

Mr. President, referring again to the "no taxation without representation" provision, we find that article 44 calling for participation in the decisions of the Security Council by any member that is to provide armed forces, does not contemplate the participation in those decisions by members merely supplying facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

Mr. MURDOCK. Mr. President, will the Senator yield at this point?

Mr. BURTON. I yield.

Mr. MURDOCK. I am a little puzzled as to that particular section:

All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with the special agreement or agreements, armed forces, assistance, and facilities, including rights of passage.

I am wondering what language in that section, what phrase or what word, grants to the Security Council the right of occupation. Where the language "including rights of passage" is used, can that be construed by any stretch of the imagination to eliminate rights of occupation?

Mr. BURTON. I suppose "rights of passage" would refer to a moving operation, but I think the other language would be sufficient to cover occupation:

Special agreement or agreements, armed forces, assistance—

Which is rather broad—

and facilities—

Which also is rather broad—

including rights of passage.

Therefore, "facilities" must include more than "rights of passage," and must include whatever the word "facilities" may mean, and that includes a great deal.

Mr. MURDOCK. So I understand that the Senator takes the position that the words "assistance and facilities" are sufficiently comprehensive to justify the occupation of any country the occupation of which is necessary in carrying out the strategy of the Security Council.

Mr. BURTON. I do not rely on those particular words; but the entire chapter contemplates the doing of whatever is necessary to be done in order to maintain the peace.

Mr. MURDOCK. So the Senator takes the position, as I understand, notwithstanding the fact that the word "occupation" is not used there, that the language of the Charter is sufficient to warrant the moving of the United Nations or the Security Council into any country the occupation of which is found necessary in order to carry out its purpose.

Mr. BURTON. That is the point: Necessary for the purpose of maintaining international peace and security. You cannot fight just part of a war; you must fight it all the way.

Mr. MURDOCK. I thank the Senator.

Mr. CONNALLY Mr. President, I should like to suggest to the Senator from Utah that the words "including rights of passage" were not in the original Dumbarton Oaks proposals, but were added at the request of a particular power—France, I am sure—on the ground that if the French forces were called on to take action, they might find it much more convenient, if they were going into Germany, to go through Luxemburg. That is what is implied by the words "rights of passage," namely, in order to facilitate military operations.

I do not think they really had in mind any special occupation, any more than would be necessary to get the troops to the correct objective. But of course "facilities" would include airfields and any other military paraphernalia.

Mr. BURTON. Mr. President, I may say that to my mind "facilities" might under some circumstances have a narrow definition; but once the word "facilities" is used in such a way that it includes "rights of passage," you immediately expand the kind of definition you give to "facilities" so that it is broad enough to cover practically any theater of operations.

Mr. MURDOCK. Mr. President, will the Senator further yield?

Mr. BURTON. I yield.

Mr. MURDOCK. We have found rights of occupation definitely useful in assembling troops and in accumulating matériel and all other war equipment; that has been found to be one of the most important factors in a war. I am very happy to have the point of view of the able Senator from Ohio concurred in by the able Senator from Texas, to the effect that there is no question that the Security Council has the right, in order to preserve peace or to enforce the peace, to occupy a country, as well as to pass through it.

Mr. BURTON. I agree. If I were to have any doubt about "facilities," I certainly would be satisfied by "assistance."

Mr. President, assuming, therefore, as a practical example, that the Security Council is not able to secure a settlement of an international dispute through the acceptance, by the parties to the dispute, of the terms recommended by it, but is able to gain the support of the Big Five, plus two other members of the Security Council, to the use of armed forces to preserve the peace, then there will be available such impressive air, sea, and land forces that the mere presence and availability of those forces will be a tremendous factor in maintaining the peace. It is to be hoped the demonstration of the readiness of those forces for united action will be sufficient to nip in the bud what might otherwise become another world war.

This statement of the limitations on the availability of these armed forces

illustrates that in the last analysis the strength of this provision and likewise the strength of this Charter depends upon the continued unity of the Big Five and upon their determination to maintain peace, justice, and security in the world. No one of the Big Five will join in calling out the armed forces of the United Nations against itself. In fact, no one of the Big Five probably would join in finding the necessary jurisdictional fact that any action or proposed action on its part constituted such a "threat to the peace, breach of the peace, or act of aggression" as would justify the Security Council in calling upon the armed forces of the United Nations to resist it.

This result is criticized by some as a weakness, because it makes it impossible for the armed forces of the rest of the United Nations to be used against one of the Big Five. On the other hand, this result is a source of strength for the Charter in that it gives absolute assurance to each of the Big Five that they will not be asked to use their armed forces in some military enterprise in which they do not concur.

For example, the United States cannot be required by the action of any of the other United Nations to use our military forces in any United Nations military campaign which we do not approve.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BURTON. I yield.

Mr. CONNALLY. The Senator from Ohio will no doubt recall that in the debate which took place in this Chamber on the League of Nations, one of the most compelling arguments against the League was, in effect, "If we adopt this Charter it will mean that we will send our troops to distant lands to fight in foreign wars without our consent." As it was so ably pointed out by the Senator from Ohio, under the veto provision we will not have to send our troops. I have had close contact with this question because I happened to be a member of the committee which dealt with the subject of the veto. Many of the smaller countries were bitterly opposed to the veto. I may say, however, that five nations on the Security Council represent 65 percent of the populations of all the United Nations. So it is not true that the big powers are tyrannizing the smaller countries, because the five nations do, in fact, represent the bulk of the peoples of the United Nations.

Allow me to suggest also that the small nations are the ones who will receive the greatest benefit from this Charter. It will be a haven to which they may resort in settling disputes. They could not compete with one of the big powers having great naval and military force. On the other hand, the five great powers do not need the smaller countries to protect them. As a matter of fact, if the five great powers, or only three of them, wish now, without any charter, to form a military and naval alliance for the purpose of controlling the world, they can do so. If there be a recalcitrant member of the Big Five we can deal with him better when he knows that he must sit at the table and discuss the questions involved.

Mr. BURTON. Is it not true that on the Security Council of 11 members, if 5 of the smaller members wish to prevent the rest from getting a majority of 7, they can do so and thereby stop the Big Five?

Mr. CONNALLY. Exactly. The Senator has put his finger on the point. The Big Five cannot do anything without at least 2 votes of the non-permanent members. Whenever those members desire to solidify their votes they can veto any action of the five permanent members of the Security Council. But, as I was suggesting a moment ago, at the present moment the great powers, or any 2 or 3 of them, by a military and naval alliance could control the destinies of the world, even though there were no charter. But we are much better off in having them in the organization so that we can call them in around the board and point out to them that they are threatening the peace of the world. We can bring to bear upon them the concentrated opinion of the world which will in most cases, I believe, deter them in carrying out any plans of aggression.

I thank the Senator from Ohio.

Mr. BURTON. I thank the Senator from Texas.

Mr. SALTONSTALL. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. SALTONSTALL. The distinguished Senator from Texas made the statement that the difference between the Charter and the League of Nations is that under the Charter our men may not be sent anywhere without our consent. I agree to that statement. But what I tried to bring out in my statement to the Senator from Ohio was that once the consent is given, we lose power over the method which we may wish to adopt in carrying out strategy, and that our men may be sent to countries where we will not want them to be sent, or they may be sent to any country in the world. We lose our veto over that situation, do we not?

Mr. CONNALLY. No, because the veto power must have already been exercised or waived. The power of veto cannot extend down through a military campaign. A nation may not veto some part of a campaign when it has been half completed, any more than in the army some of the troops may veto what the generals intend to do.

Mr. BURTON. We are today engaged in a great war. We had the veto power to remain out of the war. But, after we went into it the Joint Chiefs of Staff handled our armed forces from then on, and we had no individual veto power over what took place in the campaign of winning the war.

Mr. SALTONSTALL. That is why I say, under the provisions of this Charter, our men may be sent to some country to which our people at home may not want them to be sent.

Mr. CONNALLY. That would be true with respect to any cooperative effort in which we might indulge. It is true now. We are acting in conjunction with our allies. But, as I understood the original question, the time to exercise our veto is when we decide whether to take action. When we once decide in the affirmative, our veto right is exhausted. If the Security Council wants to reconsider the matter, and by a vote of seven recall the action which has been taken, well and good. But when we voluntarily support the furnishing of troops in order to meet a certain situation, we are then obligated to furnish our quota of troops, and there is no other way in the world in which it could be done. If we had a veto right which would enable us to stop in the middle of a campaign, any other permanent member of the Security Council would have a similar right. It could say, "We have been all right up to now, but we do not believe in going beyond a certain line, or attacking that particular territory, and we will veto it." Such procedure would be wholly impracticable, and would nullify any successful military or naval campaign.

Mr. BURTON. I thank the Senator. If we want allies, we must work together.

Mr. President, I want to point out that the other members of the United Nations cannot, without the approving vote of the United States, order the forces of the United States, or even their own forces, to proceed against the United States through the mechanism of the United Nations.

In other words, the armed forces of the United Nations to some degree correspond to the sheriff in our local governments, and it long ago was discovered that it is not practicable to require the sheriff to arrest himself. Under the laws of Ohio this contingency has been met by authorizing the coroner to arrest the sheriff that becomes necessary. In the international field there is no outside agency ready to be designated by the Charter to meet this contingency. It is hoped that through the pacific mechanisms of the Charter settlements of international disputes shall be reached, as far as possible, by peaceful means. Insofar as the Charter contemplates internation disputes involving any of the Big Five, it relies upon making a settlement of that dispute by peaceful means. Ample provision has been made for the recommendation of terms of settlement of such a dispute through the action of the Security Council under section 37 of the Charter.

This provision shows also that it is essential to the use of the enforcing agencies of the Charter that the Big Five shall remain united if they are to use the economic or military forces of the United Nations under articles 41 and 42.

The Charter, therefore, reaches its limits as an enforcement agency and offers to the world no mechanism to meet the contingency where force shall be necessary in order to prevent one of the Big Five from breaking the peace or from committing an act of aggression. If such a tragic situation impends, it means that the world again faces the danger of war among the world's major nations. If this takes place, it may well lead to the destruction of civilization. It is, therefore, upon the faith of the peoples of the Big Five in the value of peace to themselves and to the world that the machinery of the Charter rests as its basic foundation. It is for this purpose that article 28 requires that the Security Council be so organized as to be able to function

continuously. Each member of the Council shall for this purpose be represented at all times at the seat of the Organization. This should contribute to the effective unity of the United Nations. If that faith dissolves to the point where one or more of the Big Five threaten the peace of the world, then there is nothing in the Charter to forestall by show of force that impending breach of the peace. In that event, the individual nations of the world, be they members of the Big Five or not, will aline themselves, without regard to the Charter, in accordance with their desires and best lights. It is hoped that a sound basis for such an alinement will be clearly indicated by the preliminary steps taken by the United Nations in their effort to obtain a peaceful settlement of the dispute. It is hoped that the ends of justice will have been so clearly demonstrated by the terms of settlement recommended that there will be no need to force parties to reconsider their plans in the light of the military strength of the world.

In that event the nations of the world will be no worse off than without the Charter. In fact, the procedure under the Charter will have afforded to all nations a better opportunity to see the true issues of the then pending dispute than otherwise would have been the case.

It is our hope that such a demonstration of the merits of the case would lead the major strength of the world to aline itself with us, and us with them.

Whether such a realinement will place the major forces of the world with us or against us, there is nothing in the Charter that requires us at any point to yield our fundamental faith in man and in his individual right to be free that is the foundation of our Nation's policy.

CONCLUSION

In conclusion, Mr. President, the Charter, through article 37, provides a new and important means of recommending terms for the peaceful settlement of all disputes that are likely to endanger the maintenance of international peace and security. This is enough to make it welcome.

The Charter, through article 42, provides also a new and important mechanism for the mobilization of the economic and military force of the United Nations to resist any threat to the peace, breach of the peace, or act of aggression which seven members of the Security Council, including the Big Five, shall with the concurrence of the United States recognize and seek to resist. This also is ground for its welcome.

In addition to the great potentialities for peace which its many other features contain, the Charter thus presents these two realistic and vitally practical aids to the maintenance of international peace and security. The Charter at no point sacrifices our faith in the ideals of America. The Charter not only is consistent with the principles of our Declaration of Independence and our Constitutions, it adds to the strength of our position as a nation. It helps to establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity.

The Charter does not approach close to utopia but it takes the road that leads toward rather than away from the practice of the Golden Rule among men and the recognition of the common brotherhood of man under the common fatherhood of God. That, Mr. President, is the road to peace on earth and good will toward men.

Mr. HILL. I suggest the absence of a quorum.

Mr. BUTLER. Mr. President, before the quorum call I should like to ask the Senator from Ohio a question or two, which will take only a moment.

The PRESIDING OFFICER. Does the Senator from Alabama withhold his suggestion of the absence of a quorum?

Mr. HILL. I withhold it.

Mr. BUTLER. First, I wish to say that I have appreciated greatly the opportunity of listening to the very able discussion the Senator from Ohio has made upon the Charter. There is one question that arises in my mind upon which he has not touched and concerning which I should like his opinion at this time. So far as I can see, it is assumed in the Charter as it is presented that everything is as it should be at the time of its acceptance. I should like to have the Senator's opinion upon the possibility of a review of conditions which perhaps have been decided between two nations before any acceptance of the treaty. Does any nation, party to an agreement of that kind, have the right of review under the Charter? In order to be perfectly explicit and plain, I wonder whether England could have under the Charter a review of its trouble with Russia, or Poland might be used as an example. Would the Senator care to express an opinion about that?

Mr. BURTON. I am looking for the reference in the Charter itself that deals with the scope of the question. I think there will be found in article 11 a reference to that type of situation dealing with the General Assembly. In paragraph 2 it says:

2. The General Assembly may discuss—

That is, when it reaches the discussion point—

The General Assembly may discuss any questions relating to the maintenance of international peace and security brought before it by any members of the United Nations, or by the Security Council, or by a state which is not a member of the United Nations in accordance with article 35, paragraph 2, and, except as provided in article 12, may make recommendations with regard to any such questions to the state or states concerned or to the Security Council or to both.

Then in article 14 there is a special reference which I think was put in to cover the existing condition of things and to show that they could be gone into even though doing so involved a review of existing treaties. Article 14 says:

Subject to the provisions of article 12, the General Assembly may re mmend measures for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the provisions of the present charter setting forth the purposes and principles of the United Nations.

I understand that the Senator from Michigan [Mr. VANDENBERG] is the father of the phrase "regardless of origin," and that it was inserted for the purpose of making clear that whatever contributes to the impairment of the general welfare or friendly relations among nations, whether it be an existing treaty or a long-existing condition, it may be brought before the General Assembly.

Mr. BUTLER. Does the article to which the Senator has referred permit anything more than a mere discussion by the General Assembly?

Mr. BURTON. It leads to recommendations to the Security Council, and the Security Council, of course, may take up measures which are brought to it by members, and also nonmembers.

Mr. FERGUSON. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. FERGUSON. I wish to call the attention of the Senator from Ohio to article 107, and ask him if he does not think that would have an effect upon the answer to the question propounded by the Senator from Nebraska.

Mr. BURTON. That relates particularly to those questions arising out of the Second World War. It is under chapter XVII, relating to "transitional security arrangements," therefore having to do with immediate conditions. Article 107 reads as follows:

Nothing in the present Charter shall invalidate or preclude action, in relation to any state which during the Second World War has been an enemy of any signatory to the present Charter, taken or authorized as a result of that war by the governments having responsibility for such action.

Mr. BUTLER. Let me ask, then, whether that precludes Finland, Poland, and a number of the other smaller nations bringing before the Council consideration of their disputes.

Mr. BURTON. I think they could bring their disputes before the General Assembly. Whether that body would take them up I think it would then depend on whether or not their disputes would impair the general welfare or friendly relations among nations. I would think they would have an opportunity, therefore, to get results.

Mr. WHITE. Mr. President, will the Senator from Ohio yield?

Mr. BURTON. I yield.

Mr. WHITE. My recollection is that it was testified before the committee that the General Assembly might ask a review of any matter which had in it a threat to the peace of the world, and that it made no difference whether the situation arose out of an existing treaty or from other circumstances; in any event, whatever the origin or source of the danger, that the General Assembly might recommend to the Security Council a course of action with respect to the matter.

Mr. BURTON. I agree with what the Senator from Maine has stated. And it would relate not only to those questions which might involve a threat to the

peace of the world, but I call attention to the following language of article 14:

> Any situation * * * which it deems likely to impair the general welfare or friendly relations among nations—

Which is even broader.

Mr. SMITH. Mr. President, would the Senator construe article 14 as taking the place of the old article 19 of the League of Nations Covenant, which provided for the revision of treaties which might become burdensome? I have heard criticism to the effect that the present document does not take care of those cases, but I assume from what the Senator has said that article 14 would cover the kind of cases which were supposed to arise under article 19 of the League Covenant.

Mr. BURTON. I am sure the Senator will find it expressly stated in the hearings before the Committee on Foreign Relations the opinion that article 14 would apply to situations arising out of treaties or anything else.

Mr. LUCAS obtained the floor.

Mr. HILL. Will the Senator yield?

Mr. LUCAS. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Daniel
Andrews	Gurney	O'Mahoney
Austin	Hart	Overton
Ball	Hatch	Pepper
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Revercomb
Brewster	Hickenlooper	Robertson
Bridges	Hill	Russell
Briggs	Hoey	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Burton	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Connally	McMahon	Vandenberg
Cordon	Magnuson	Wagner
Donnell	Maybank	Walsh
Downey	Mead	Wheeler
Eastland	Millikin	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Willis
George	Murdock	Wilson
Gerry	Murray	Young
Green	Myers	

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Eighty-nine Senators have answered to their names. A quorum is present.

Mr. LUCAS. Mr. President, the total military casualties in World War I were estimated at 37,000,000 men. The total military casualties in World War II, up to the 1st of May 1945, were estimated at some 14,000,000 dead. 45,000,000 wounded or captured, and that does not include the millions upon millions of civilian dead, maimed, and missing, as a result of the inhuman and bestial attitude of the enemy. In addition to the human casualties, the devastation and destruction of property and natural resources cannot be estimated.

Churches, schools, cities, factories, personal belongings, works of art have been destroyed on a scale that is difficult for man to comprehend. The Nazi slave creed scattered families of conquered nations throughout the length and breadth of Europe. That unfortunate group of people will never recover. Their spirits are broken. Their minds are shattered. Here in our own America, we have casualties of slightly over a million men, including 293,547 dead and missing.

Mr. President, civilization has painted no darker picture throughout the ages. The great question that is now posed before mankind throughout the world is—can we prevent this thing from happening again? Can we stop World War III, which in all probability, will destroy civilization, including the unparalleled progress this country has made during the last 300 years?

Mr. President, we all realize that we are no longer an isolated republic protected by the grim hands of nature. We stand in the valley of the shadow of two wars, our own shores practically untouched, our peaceful way of life totally undisturbed, other than for the sorrows, the heartaches, the yearnings of mothers and fathers, families, and friends of those who are doing battle that America might survive. But if that third war should come, we shall see robot bombs and other weapons capable of reaching every point of the earth. No power in this world can save America from catastrophic ruin and disaster if war comes again.

Mr. President, I am not so naive as to believe that the San Francisco Charter standing alone will prevent aggressors from making war. A world that has experienced war from the stone age will not eradicate it overnight by merely signing a well-considered document designed to keep the peace. Upon the good will, the good faith, and the friendly understanding that these nations exhibit toward one another in their economic, social, and political lives, depends the peace of the world. That the Charter is a noble and far-reaching step in that direction no one can successfully challenge. This is the type of world unity that excites and commands the attention of mankind.

Therefore, Mr. President, I am not disturbed by the unparalleled unity in the Senate upon the charter. In my saddest hour in the United States Senate I saw unparalleled unity as we voted for war against the unspeakable Jap when he treacherously stabbed us at Pearl Harbor. It was during that same week that Germany and Italy declared war upon us. We accepted the challenge with a unanimous vote in the Senate. It was unparalleled unity of the United Nations that brought victory over the so-called unbeatable Nazis. It is such unity that will soon bring a decisive defeat to the cruel Nipponese across the sea. I submit that it will take the same degree of unparalleled unity and sincerity to bring to a tortured world the blessings of an everlasting peace.

Mr. President, the importance of this document cannot be overestimated. I am convinced that this is the beginning of a lasting and durable peace. And if my prophecy proves to be correct, the Charter will rank among the greatest documents of history. Therefore, let no Senator vote for this collective peace measure with complacency and indifference. Let no one vote for it because he believes it politically dangerous to do otherwise. Let no one vote for this world document, with all of its solumn implications toward keeping the peace, with the belief that some day when the implementing statutes and the special agreements come to us for congressional action then will be the hour to draw the military teeth from this new international agreement.

Now is the time to advise the nations signatory to this pact, as well as the people of America, what the Senate of the United States understands this charter to mean. If there are those who have reservations or amendments, now is the time to present them. The people of this country will want to know how every United States Senator interprets the Charter at this moment, and not a year hence when the special agreements come to us for congressional action.

Senators who are truly for this great effort should support it with a crusading spirit, remembering always that this is only the beginning. As I said before, no Charter for peace standing alone can remove the scourge of war. Sovereign nations must have the will to do and the will to dare if the threats to universal peace are to be removed. There must be a deep and abiding conviction among all nations signatory to this treaty that unless permanent peace becomes a reality, civilization is threatened.

Obviously, the leaders of the 50 nations meeting in San Francisco recognized this basic truth. In the midst of war they produced a world Charter for international peace and security, which meets the hopes and aspirations of peace-loving peoples throughout the earth. Whether this Charter will bring universal respect for an observance of human rights, fundamental principles, and fundamental freedoms for all without distinction as to race, sex, language, or religion; whether the overriding purpose of the Charter to maintain international peace and security is achieved; whether the corrective measures for the prevention and removal of threats to peace are accomplished—depend in a great measure upon what we do in the United States Senate, now and in the future.

The world still remembers what the Senate failed to do when the League of Nations was before it for ratification. It still looks upon this legislative body with doubt and skepticism and well it might, in view of what happened 25 years ago. The opportunity is now before this legislative body to correct the mistake that was committed at that time. We can regain for the United States Senate the confidence of the Allied Nations by demonstrating now that we are a group of forward-looking Americans who believe firmly in world cooperation. In so doing, we also justify the faith the American people have in this Charter for world peace. They know, and we know, that only through world cooperation can we save our liberty and freedom, the like of which no other nation on earth enjoys.

Mr. President, what is in this document which made history at San Francisco? What principles and policies are involved that would draw 50 nations together in an agreement of this character?

In briefly discussing the four fundamental instruments contained in the charter, I shall take up the General Assembly first. The General Assembly will be composed of a delegate from each of the 50 nations. The delegates' responsibility will be to discuss, debate, initiate studies, and make recommendations for the purpose of promoting international cooperation, peace, and security. They are permitted under the Charter to bring before the General Assembly any dispute, regardless of its origin, which is likely to impair the general welfare, or which threatens the peace of the world.

I think the best descriptive term applied to this group was given to the Senate by the distinguished senior Senator from Michigan [Mr. VANDENBERG] when he said that the General Assembly as now constituted represents "the town meeting of the world."

I can see in this Assembly some of the world's most learned and distinguished citizens. I can easily visualize how the prestige of its public debates and the power of its recommendations before the world would have a tremendous influence upon the acts of the Security Council. The Assembly, participating in a world forum, would make great strides in the promotion and the encouragement of respect for human rights and fundamental freedoms.

Mr. President, let me discuss briefly the second instrument of the charter, which is the Social and Economic Council. It is significant that members to the charter pledged themselves to take joint and separate action in the promotion of higher standards of living, full employment, and conditions of economic and social progress and development. It is recognized by men of good will throughout the world that we must, in addition to winning the military victory which spells freedom from fear, also win an economic and social victory which spells freedom from want. And so the future development of the economic and social foundations of peace become of the utmost importance. That is one of the main reasons, Mr. President, why I vigorously supported the trade agreements, the Bretton Woods proposal, the Food Conference, and the Export-Import Bank. Certainly these economic measures go hand in glove with the peace charter now pending before the Senate. To my way of thinking, any other position is wholly inconsistent and utterly indefensible.

It must be obvious to all that world economy must be stabilized. It must be expanded. The cutthroat economic warfare of the past must give way to economic cooperation. Nations must strive to cooperate with one another in order to eliminate depressions. One of the best ways to outlaw war is to outlaw depressions. If we are to provide jobs for millions in our armed forces when they return and maintain the standard of prosperity to which American people are accustomed, it is necessary that we aid in restoring the rest of the world to permanent good health.

Mr. President, another one of the fundamental instruments to keep the peace involves the International Court of Justice found in chapter XIV of the Charter. The world understands the leading position of the United States throughout its history in advocating the judicial settlement of international disputes. We have always respected the codes of international law, and even in this war when the Nazis and the Japs violated every principle of international law, we kept the faith. We have done so, not without criticism and complaint, and at times it seemed that such criticism was justifiable. But I am certain that, as the years roll by, the manner in which we respected our obligations under international law will place us high on the roll of honor, dignity, and respect with the nations of the earth.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FULBRIGHT. The Senator from Illinois mentioned international law. Does he really feel that that is the correct way to describe the little customs which some of us are in the habit of observing? I do not believe that there is a real international law, in the sense that we use the term "law" domestically. Does the Senator think there is such a thing?

Mr. LUCAS. I do not quite follow the Senator.

Mr. FULBRIGHT. The Senator mentioned international law.

Mr. LUCAS. We had international law when this war started, and we have observed it. Other nations have not. That is the point I am making.

Mr. FULBRIGHT. Does not the Senator believe that the word "law" implies some compulsion?

Mr. LUCAS. Absolutely.

Mr. FULBRIGHT. Therefore it is a misnomer to refer to customs in the international field as law. As I understand, what we are seeking is the establishment of international law, and this is one of the means to do it. Is not that the Senator's feeling?

Mr. LUCAS. That is correct. We have had international law in the past; but when the test came the enemy paid no attention to international law. We have always observed it. We are now entering into another covenant under which we hope and pray that all nations will observe international law.

Mr. FULBRIGHT. The fact that in this charter such jurisdiction is not compulsory has been urged as one of the reasons why we should accept it. Nevertheless, I feel—and I wonder what the Senator's feeling is—that eventually, looking down the years, we hope to develop it to a point where all nations will accept it, and it will be compulsory. Is that the Senator's feeling?

Mr. LUCAS. The Senator is correct. I share his view.

Mr. President, under this charter, the court is to be composed of 15 judges; yet no 2 of the judges may be nationals of the same state. They shall serve for 9 years at The Hague, the seat of this international court.

It should be remembered that the jurisdiction of the court is only optional and that a state, for example, seeking the interpretation of a treaty, or the arrest of a dispute under international law, may make a declaration to that effect and submit its case to the jurisdiction of the court. The decision of the court is thereafter binding upon the parties thereto.

Mr. HATCH. Mr. President, the Senator does not wish me to do what I am about to do, but he is now starting on a most important discussion. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Illinois yield for that purpose?

Mr. LUCAS. I yield.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Guffey	O'Daniel
Andrews	Gurney	O'Mahoney
Austin	Hart	Overton
Ball	Hatch	Pepper
Barkley	Hawkes	Radcliffe
Bilbo	Hayden	Revercomb
Brewster	Hickenlooper	Robertson
Bridges	Hill	Russell
Briggs	Hoey	Saltonstall
Brooks	Johnson, Colo.	Shipstead
Buck	Johnston, S. C.	Smith
Burton	Kilgore	Stewart
Bushfield	La Follette	Taft
Butler	Langer	Taylor
Byrd	Lucas	Thomas, Okla.
Capehart	McCarran	Thomas, Utah
Capper	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Tydings
Connally	McMahon	Vandenberg
Cordon	Magnuson	Wagner
Donnell	Maybank	Walsh
Downey	Mead	Wheeler
Eastland	Millikin	Wherry
Ellender	Mitchell	White
Ferguson	Moore	Wiley
Fulbright	Morse	Willis
George	Murdock	Wilson
Gerry	Murray	Young
Green	Myers	

The PRESIDING OFFICER. Eighty-nine Senators having answered to their names, a quorum is present.

The Senator from Illinois has the floor.

Mr. LUCAS. Mr. President, now we come to the all-important instrument of the charter—the Security Council—the cornerstone of world security. Obviously every Senator knows that the United States, along with France, Russia, England, and China, have permanent seats on the Council. The world knows that the maintenance of peace under this charter depends primarily upon the unity of these five great powers. The importance of the Security Council can be understood when one realizes that it remains in continuous session. That is as it should be. Under this arrangement, the members will have a day-to-day opportunity to study the pulse of the world and be prepared to take whatever remedial measures are necessary to stop a fight before it starts.

It is fortunate that the Security Council is given such a wide range of power in the settlement of disputes between nations which might lead to international friction. Its responsibility is more or

less twofold. In the first place, nations to this agreement definitely obligate themselves to seek a solution to a dispute between States, first by negotiation; second, by mediation; third, by conciliation; fourth, by arbitration or judicial settlement, or other peaceful means of their own choice. If these measures fail, then the Security Council decides what measure, next to using force, is necessary to obtain a peaceful settlement. This may include partial or complete interruption of economic relations, of rail, sea, air, postal, telegraphic, radio, and other means of communications, and this action may even go so far as to sever diplomatic relations with the nations involved.

If these measures short of force fail, then the Security Council may take such action through its armed forces by air, sea, or land forces, as may be necessary to maintain or restore the national peace and security. Such action may include demonstrations, blockade, and other operations by air, sea, or land forces of the members of the United Nations.

Mr. President, this is all predicated upon the theory that each and every nation will solemnly and seriously comply with article 43 of the Charter, which says—this is the important part:

1. All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council on its call and in accordance with the special agreement or agreements, armed forces, assistance and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

2. Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be approved.

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and members or between the Security Council and groups of members, and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

Mr. President, there has never been in all the history of time an article like this one. This is an innovation in the field of international law. This is a new step in the development of our foreign policy. This makes the Charter more than a debating society as was the League of Nations. Here is something that has teeth to keep the peace of the world.

There can be no misunderstanding upon the part of some of us at least as to what this provision actually means.

Mr. DOWNEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. DOWNEY. I am most happy that the distinguished Senator from Illinois has emphasized this issue, in view of the confusing discussion which took place on the floor of the Senate yesterday afternoon. So far as the Senator has now gone I wish to express my entire agreement with what he has said respecting the supreme importance of this particular obligation which was taken by the nations when they signed the Charter. I am sure that our obligation to equip and maintain military forces for the Security Council may be consummated by a simple majority of both Houses rather than by treaty.

Mr. LUCAS. I am grateful to the Senator for his statement.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TUNNELL. I ask the Senator if, under article 43, of chapter VII, of the Charter, there is not a plain obligation which is taken as a part of this treaty? Leaving out some of the words of description, the language to which I refer reads as follows:

All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, * * * armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

Yesterday there was a great deal of discussion on the subject of whether or not this implementation should be by agreement or by treaty. I wish to ask the Senator this question: Is not what I have read a plain obligation in the treaty itself regarding what is to follow?

Mr. LUCAS. The Senator from Illinois definitely believes so, and he will take up that point in a moment.

Mr. TUNNELL. I thank the Senator.

Mr. LUCAS. Mr. President, I would be derelict in my duty to my country and to mankind if I did not set forth in this debate in clear and unequivocal language my interpretation of the phrase, "in accordance with their respective constitutional processes" in article 43.

I recognize and appreciate the reputation of Mr. John Foster Dulles, of New York City, as an international lawyer. As a patient in the naval hospital, I was unavoidably absent when he testified before the Committee on Foreign Relations. When I read his testimony, I confess I was greatly disturbed and somewhat surprised at his rigid interpretation upon the provision regarding what would be necessary to be done under our constitutional processes by way of ratifying the military agreement between this country and the Security Council.

Here we are today in the midst of the ratification of a treaty according to the constitutional requirement of a two-thirds vote. Certainly no one will disagree that this is a treaty. No one is proceeding upon any other theory. When we adopt this charter with article 43 contained therein, we are imposing upon this Nation a sacred and solemn obligation to make available to the Security Council armed forces, assistance and facilities, to maintain international peace and security. All that will remain to implement this obligation which we assume is the negotiation of a special agreement fixing the exact number and types of the forces and their degree of readiness and general location.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McCLELLAN. In that connection it semes to me that the controversy arises over whether an additional instrument to be negotiated between the Security Council and member nations, must, under our Constitution, be ratified by the Senate as a treaty.

Mr. LUCAS. That is correct.

Mr. McCLELLAN. Or whether we should authorize, with the necessary power, the furnishing of the military forces by simple resolution passed by both Houses.

Mr. LUCAS. Yes.

Mr. McCLELLAN. That is the controversy.

Mr. LUCAS. I agree with the Senator.

Mr. McCLELLAN. What is the Senator's interpretation of that point?

Mr. LUCAS. If the Senator please I shall come to the point in a moment.

Mr. President, the position of Mr. Dulles before our committee is that this special agreement must come back to the United States Senate, not as an agreement, but as a treaty to be debated upon, changed, limited and whittled down if you please, unless two-thirds of the United States Senators can say otherwise. In other words, under the theory of Mr. Dulles, we today are ratifying a treaty out of which would grow another treaty, and perhaps another treaty that would have to be ratified by a two-thirds vote of the Senate.

The point I want to reiterate is that when we pass this charter, we obligate ourselves to the other nations signatory to this pact to supply military forces to engage in international police work in order to avoid war. I submit that the details of this commitment such as the exact amount of the forces to be contributed and the places where they are to be stationed, is not a matter for treaty consideration, but it is a matter solely for legislative sanction by the Congress of the United States. I base my conclusion upon article 1, section 8 of the Constitution of the United States which provides the powers of Congress with respect to the control over our armed forces. Paragraph 12 of this section says that the Congress has the power to raise and support armies, but no appropriation of money for that use shall be for a longer term than 2 years. Paragraph 13 say that the Congress has the power to provide and maintain a navy. Paragraph 14 says that the Congress has the power to make rules for the government and regulation of the land and naval forces.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. McCLELLAN. As I understand, the emphasis in article 43 was placed on what is termed an agreement. It does not have to be a treaty. The language does not refer to a treaty, but to an agreement, and the Congress may agree by legislation as to where our armies and navies shall be sent. A treaty with another country is not required in order that we may determine where and in what strength our armed forces may be sent for any purpose.

Mr. LUCAS. I agree with the Senator. How insensible it would be for us to vote today on a treaty which will require another treaty being made at some time in the future.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. HATCH. I merely want to say that the Senator's statement is so correct that I cannot conceive of any misunderstanding of it whatever. Why should we make a treaty today to make another treaty next week?

Mr. LUCAS. That is the point which I have tried to make.

Mr. HATCH. It is entirely unthinkable.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FULBRIGHT. I agree completely with what my colleague the senior Senator from Arkansas has stated. I should like also to point out that these collateral agreements will be of a changing nature. As the development of armies and naval forces takes place it will call for changes in the agreements. That is a matter which could be handled by Congress. That would fortify the conclusion which I think the Senator has reached.

Mr. LUCAS. The Senator is correct about that. I am referring to the absurdity of having a treaty submitted a week from now and another treaty in another week, depending upon the changes which the Senator has suggested might come about. It seems to me absurd to think that when we enter into a treaty today we will have to enter into another treaty tomorrow, and perhaps another treaty the next day.

Mr. FULBRIGHT. With further reference to Mr. Dulles' statement, I cannot help but believe, although I cannot prove it, that that point had not been carefully considered. He answered it and no one challenged the particular answer, and it passed.

Mr. LUCAS. I cannot say whether the point was carefully considered or not. The only thing I can do is to read the record and consider it, but, according to the testimony of Mr. Dulles before the Committee on Foreign Relations, he said the American delegation had discussed it and had agreed upon it outright at San Francisco.

Mr. MAYBANK AND Mr. OVERTON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield, and, if so, to whom?

Mr. LUCAS. I yield first to the Senator from South Carolina [Mr. MAYBANK].

Mr. MAYBANK. I wish to ask the distinguished Senator from Illinois if he does not believe that the clause of the Constitution which he read concerning the military and naval forces would also apply to technical developments, because today we are faced with the great developments in destructive power through the activities of technicians who are not connected with the Army and Navy in certain countries.

I thoroughly concur in the view that a joint resolution should be sufficient, because, after all, it is the Congress that appropriates the money to make possible the Army and Navy, and it will be the Congress that will appropriate the money to make available these developments, perhaps even outside the Army and the Navy of tomorrow. Furthermore, it is the Congress that has the power to tax under our Constitution to make available the funds to operate the military establishments and to make military agreements possible.

Mr. LUCAS. The Senator is correct, and when he speaks of appropriations I might say there is a section in the charter which provides that each nation shall determine the amount of money necessary to enable the General Assembly and the Security Council to operate. Obviously that must come back to the United State Congress for approval. Certainly no one would want to say that an expenditure needed to carry on the functions of this organization would have to come back here and be passed upon by the Senate as if it were a treaty. Yet it is necessary first to have the money to operate before the military forces come into being.

Mr. OVERTON and Mr. HILL addressed the Chair.

Mr. LUCAS. I yield first to the Senator from Louisiana.

Mr. OVERTON. Is it not true that the Congress of the United States has the constitutional authority without any treaty, without any agreement with any other nation to send its armed forces to any part of the world and have them fight in any part of the world?

Mr. LUCAS. It has been done more than a hundred times.

Mr. OVERTON. It necessarily follows, does it not, from the constitutional power vested in the Congress of the United States, not only to make rules and regulations with respect to the military and naval forces of the United States but to declare war?

Mr. LUCAS. That is correct.

Mr. OVERTON. It requires no treaty whatsoever and no agreement with any nation for the Congress of the United States by resolution to determine that its armed forces shall invade any country in the world.

Mr. LUCAS. That is correct, if the property or life of an American citizen is involved.

Mr. OVERTON. Whether it is involved or not, we have the unquestioned and unlimited authority to send our armed forces anywhere in the world.

Mr. LUCAS. I would not go so far as the Senator from Louisiana goes.

Mr. OVERTON. I am not talking about moral right, but about constitutional right.

Mr. LUCAS. Under the Constitution the President is bound to execute faithfully the laws of the country and to protect the lives and liberty and property of the American people and also to carry out faithfully the execution of treaties. In so doing he, of course, can send the forces of this country anywhere, and it has been done more than a hundred times without any act of Congress. The classic example is the Boxer Rebellion, when President McKinley sent, as I recall, approximately 10,000 troops to China without any sanction by Congress, and lives were lost as a result.

Mr. OVERTON. Mr. President, if the Senator will yield further, I was not addressing myself to the power of the President but to the power of the Congress.

Mr. LUCAS. Congress can do anything it wants. I agree to that; I fear I misunderstood the Senator.

Mr. OVERTON. I understood the point was made that before we could send our armed forces anywhere it would require either a treaty or an agreement. It does not require a treaty or an agreement, but the Congress of the United States can exercise the power itself.

Mr. LUCAS. I misunderstood the Senator. I thought he was talking about the power and authority of the President of the United States as Commander in Chief, under the Constitution.

Mr. OVERTON. I understood from what the able Senator said, that the point was made that it would be necessary to have a treaty or an agreement before we could send our forces anywhere. It is not necessary to have either a treaty or an agreement.

Mr. LUCAS. This is an innovation in our foreign policy, and we are going to validate it by going through with these agreements of course, but, in the main, I agree with what the Senator from Louisiana says.

Mr. HILL. Mr. President——

Mr. LUCAS. I yield to the Senator from Alabama.

Mr. HILL. The Senator from Illinois has stressed the matter of appropriations to carry out our commitments under the Charter. We will have to provide certain funds for the operation of this organization, and of necessity there will have to be a supplemental act after the ratification of this Charter. I do not think the Senator has said that the funds would be provided or could be provided by a treaty and simply by action of the Senate. Surely for an appropriation, there would have to be joint action of the two Houses of Congress. What we are doing when we put troops at the disposal of the Security Council is very much the same as when we place funds at the disposal of the organization. Is not that true?

Mr. LUCAS. I agree with the Senator, and it is just as logical to say that the question of providing funds will have to come before the Senate of the United States and be ratified as a treaty as to say that the employment of troops will have to be submitted in the form of a treaty and ratified as such.

Mr. HILL. If the Senator will yield further, I think an examination of the testimony of Mr. Dulles will disclose that while he felt the action making armed forces subject to the Security Council would have to be taken, or would be taken, by a treaty, yet action by the two Houses was not suggested by him or by anyone else. The distinction that he seemed to make, as I heard his testimony and read it, was as to whether or not the President could do this without any action by Congress, or certainly by the two Houses of Congress.

Mr. LUCAS. Let me say to the able Senator from Alabama that I am not contending that the President of the United

States could do this by executive agreement.

Mr. HILL. I understand that.

Mr. LUCAS. I am contending that it must be done by joint resolution of the two Houses of Congress.

Mr. HILL. I understand that. The point I wanted to make was that an examination of the testimony of Mr. Dulles would lead us to feel that, in his opinion, the issue was an issue as between a treaty on the one hand and an executive agreement on the other without full consideration of the question of action by the two Houses.

In that connection, to substantiate what I have said, as the Senator recalls from reading the testimony of Mr. Dulles, the question was raised through interrogation of Mr. Dulles by the Senator from Colorado [Mr. MILLIKIN]. This is what the Senator from Colorado said to Mr. Dulles:

> You are definitely of the opinion that the special agreement referred to will have to be handled by supplemental treaty rather than by an executive agreement?

Then, the Senator from Colorado after that question and another short question had been answered, said:

> But I direct your attention to the fact, if you please, that there is a large field of opinion that this sort of thing can be handled under our constitutional processes by executive agreement as distinguished from treaty.

So I think the fundamental issue about which Mr. Dulles was talking was whether or not the President would have the power to enter into agreements for making the armed forces subject to the disposal and use of the Security Council, or whether there would have to be some action by the Congress of the United States. It was not a question as to whether it should be by treaty on the one hand or joint action by the two Houses on the other. The fundamental, a question in which of couse everyone has a most important interest, was whether the President could place troops at the disposal of the Council without some action by Congress.

Mr. LUCAS. I partially agree with the able Senator from Alabama that Mr. Dulles had in mind, of course, an executive agreement rather than a joint resotion by Congress. On the other hand, the evidence is clear and convincing that Mr. Dulles definitely told the committee that the military agreement to be entered into under the Charter must come back to the Senate for ratification, which means—and he said so definitely—a two-thirds vote; and that is the important issue.

Mr. HILL. The Senator is absolutely correct, but I wanted to bring out the fact that action by the two Houses really did not enter into the discussion before the committee.

Mr. LUCAS. The Senator, I believe, is correct in that conclusion.

Mr. FULBRIGHT. Will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. FULBRIGHT. I desire to inquire of the Senator whether, when he passes from the question whether the agreement must be carried out by a treaty or a joint resolution, he is going to discuss the power of the President, then, to utilize it.

Mr. LUCAS. Yes, I shall discuss that in the course of the debate.

Mr. FULBRIGHT. Then, I shall wait until the Senator reaches that point.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAYEANK. I thoroughly agree with the Senator from Illinois, not only as a question of appropriating money, as he agreed with me a while ago, that it must be by joint action, but also as to the provision in section 7 of article I of the Constitution for raising whatever revenues might be necessary to continue the appropriations for the armed forces which perhaps might be needed for the action he is discussing.

Mr. LUCAS. No one disputes that that is a congressional function.

Mr. MURDOCK. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. MURDOCK. I do not wish to disturb the trend of the Senator's thought, but I should like to recall the discussion to what I understood Mr. Dulles to say before the committee. As I understood Mr. Dulles, he was discussing as part of the question the powers of Congress in case of a declaration of war as distinguished from the powers of the President as the Commander in Chief. If I understood what Mr. Dulles said, it was that it might be appropriate and helpful for the Congress to determine by legislation and by legislative definition the scope of those two separate powers.

Mr. LUCAS. I shall discuss that after I finish with the particular point I am now discussing. I have that in mind.

Mr. MURDOCK. If I may make one further suggestion, Mr. Dulles referred to the scope of the agreement that is contemplated to be entered into, I care not whether by treaty or by whatever other means would be taken. I hope that in his further remarks the Senator will outline to the Senate what the scope of such an agreement would be, whether it would be absolutely limited to what is set out in the Charter, and if we live up to the Charter, could not go beyond that scope.

Mr. LUCAS. I thank the Senator. I shall develop that as I proceed.

Mr. MILLIKIN. Mr. President, will the Senator be kind enough to yield to me for two observations before he takes his seat?

Mr. LUCAS. I shall be glad to do that.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TUNNELL. I will ask the Senator to stress what is apparently so clearly set out in section 2 of the article he is discussing, which it seems to me shows clearly all that is to be done. It is to be an agreement to furnish "armed forces, assistance, and facilities, including rights of passage," when the Charter is ratified.

Mr. LUCAS. Yes.

Mr. TUNNELL. The number and the kind and the places are to be determined by an agreement, and the agreement is to have at least the suggestion of the Security Council, which is not yet in existence. Consequently there is left the possibility of the Security Council being taken into consideration to determine these little matters and show what they need.

Mr. LUCAS. I concur in the positive observations made by the Senator from Delaware.

Mr. ELLENDER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. ELLENDER. I am somewhat confused. Is is the Senator's view that any action taken by the Senate in the future so as to carry out the purposes of the charter, after we ratify it, that such action is to be considered in the nature of a treaty?

Mr. LUCAS. No; the Senator is wrong.

Mr. ELLENDER. I am glad to have an unequivocal answer from the Senator. It strikes me that Mr. Dulles has abused the use of the word "treaty." By ratifying this Charter, the Senate is putting our Nation on record that we will back our representatives who will serve us in the organization, and if and when agreements are presented to us as provided in article 43, that we will pass upon them by way of a simple act or resolution by the Congress. Such agreements are to be made by and with the consent, help, and approval of our representatives in the organization. In a measure, the Congress will be called upon simply to give legal effect to agreements, of which we are parties by virtue of our membership in the organization. That may be a broad view of the situation. However, since the agreements are to be made by and with the consent of the Council, and since we have veto powers as permanent members of the Council, I entertain the hope that the executive, as well as the legislative, department of our Government will be kept informed respecting any proposed agreements.

Mr. LUCAS. If the Senator will read his testimony—I understand he read a prepared statement before the committee, although I was not present—the Senator will immediately perceive that Mr. Dulles did not make any mistake so far as Mr. Dulles was concerned. In other words, his testimony is definite and positive upon this point, and that is why the Senator from Illinois is speaking today.

Mr. ELLENDER. Be that as it may, Mr. President, I cannot agree with Mr. Dulles that all of these agreements are treaties. That would imply ratification by the Senate by a two-thirds vote.

Mr. LUCAS. I thank the Senator, and I am very happy he agrees with the position I take.

Mr. McCLELLAN. Will the Senator yield further?

Mr. LUCAS. I yield.

Mr. McCLELLAN. Mr. President, if the Senator from Illinois will yield, I merely wish to make the further observation that irrespective of whether the action has to be taken by treaty or joint resolution of the two Houses, after having ratified the Charter we shall have incurred the basic obligation under it to furnish troops.

Mr. LUCAS. Definitely so.

Mr. McCLELLAN. We shall still retain control in the Congress, whether by treaty or by resolution, to determine the number of troops we shall supply.

Mr. LUCAS. The Senator is correct.

Mr. McCLELLAN. We are not surrendering everything.

Mr. LUCAS. The Senator is correct. The only argument I am making at this particular moment is that when the agreement referred to comes before us, it will not come to the Congress as a treaty, it will come to us as an agreement to be ratified by concurrent resolution of the two Houses.

Mr. McCLELLAN. I think the Senator is absolutely correct in that interpretation. I merely wanted to emphasize that in either case the Congress still would have ultimate control.

Mr. LUCAS. That is correct.

Mr. GEORGE. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. GEORGE. I do not wish to divert the Senator from Illinois, and I assume he has not finished his statement on this matter, but I do not think there is any question about Mr. Dulles' statement. Indeed, Mr. Dulles undertook to say that the whole American delegation concurred in his view, and he made it very clear. Nor was he confused in his consideration of executive agreements as against a law or treaty, as is shown by what took place. I propounded a question to Mr. Dulles, after he had been questioned at great length by the very able Senator from Colorado [Mr. MILLIKIN]. I read from page 475 of part 5 of the hearings:

Senator GEORGE. Mr. Dulles, speaking of the agreement or agreements which are to govern the numbers and types of forces and the degree of readiness and general location and the nature of the facilities and assistance to be provided, as set out in article 43, subsection 2, is it your opinion that the United States in making available to the Council military contingents would restrict the place of the use of the forces—aside from the question of whether we could want to?

If I may trespass a little further——

Mr. LUCAS. I am very happy to have the Senator do it.

Mr. GEORGE. I continue to read from the hearings:

Mr. DULLES. There is no doubt in my mind but what we can do that.

Senator GEORGE. Aside from the wisdom of doing it. I quite agree that it would be an unwise thing, from my point of view, but I simply wanted your view on that question.

Mr. DULLES. I have no doubt that it can be done and I have no doubt that in a number of states it will be done.

I propounded this question of Mr. Dulles:

If Congress should subsequently in an implementing statute insert any provisions restricting the use of the military force made available to the Security Council, that would not, in your judgment, bring us into collision with any affirmative grant or any affirmative obligation that we have assumed under this treaty?

It will be noted that I spoke of a statute.

Mr. DULLES. No. You speak of doing it by statute. The procedure will be by treaty—agreements submitted to the Senate for ratification.

Then I propounded the following question:

But it might become necessary for the Congress, or the Congress might deem it advisable to implement by purely domestic law, certain conditions that would apply to the representative of the United States or persons whom the United States should select.

Mr. DULLES. If that were desired, Senator, I would think the wise thing to do would be to make provision for that in your basic military agreement which will come before the Senate for ratification.

In other words, you may assume commitments by that treaty which you could not honorably thereafter alter merely by statute. If you contemplate their alteration subsequently by statute, it would be wise, I think, to make provision to that effect in the basic military agreement.

I have read this, Mr. President, for the purpose of emphasizing the thought that was in my mind when I propounded these questions to Mr. Dulles, and I do not think there is any doubt about his position, nor do I think there is any doubt that he was careful to distinguish between statutory laws, treaties, and executive agreements, because the Senator from Colorado had previously directed Mr. Dulles' attention to Executive orders.

Mr. President, I desire to call attention to something that seems to me to be very significant. When we read article 43 it will be observed that—

All members of the United Nations * * * undertake to make available to the Security Council, on its call—

And so forth—

armed forces.

There is the international obligation. There undoubtedly is an obligation taken upon our part which cannot be whittled away or watered down by any subsequent action of Congress unless we repudiate the treaty.

Then we find in paragraph 2 of article 43:

Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided.

But this is what I wish to call to the especial attention of the Senate:

3. The agreement or agreements—

And they are to determine what military commitments we are to make—

The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between—

Note the language—

between the Security Council and members or between the Security Council and groups of members.

Which is equivalent to saying that they shall be concluded with individual nations or groups of nations, but always by the Security Council—

and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

Mr. President, unless by some refinement of reasoning it can be said that the Security Council is an agent of the several nations we are reduced to the absurdity that the Security Council, which is simply a division of the United Nations Organization, is entering into an agreement which must be treated here as a treaty. There is no opposite party to the treaty, so to speak, unless by some great refinement of reasoning we can say that the Security Council is standing in the shoes of and is representative of other nations. But that is not true at all. The simple agreement is between the Security Council and no other nation, except by implication, save as all the nations are acting to further a common cause—but the agreement itself is with the Security Council and with the individual nation.

I apprehend that the great difficulty arises out of the use of these words "and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes." The constitutional process which may be applicable may be a treaty, may be a simple statutory enactment or resolution, or it might be an executive agreement. Any one of them would fall certainly within the clear definition of "constitutional processes" under our Constitution.

But what I wanted to call attention to particularly was that the agreements in question cannot possibly be rightly considered as treaties, looking to the clear intent, because they are not made with other sovereign nations, but they are made with a division of the organization which we are setting up under this treaty.

Mr. LUCAS. Mr. President, I want to thank the able Senator from Georgia for the position he takes in connection with the interpretation of the Charter. I believe the Senate will agree with me that there are few lawyers in this country better grounded in international and constitutional law than is the distinguished Senator from Georgia. He was a member of the supreme court of his State before he came to the Senate. Time after time we have heard him use his fine talents in making great legal arguments on the floor of the Senate. I am delighted to know that the Senator from Georgia agrees with me upon this great question now in debate.

Mr. TUNNELL. Mr. President, will the Senator indulge me for one more observation?

Mr. LUCAS. Yes.

Mr. TUNNELL. Is it not true that when this treaty is ratified we have an obligation? We have already assumed that obligation. Suppose there never is an agreement of any type, we are still under obligation to furnish the forces provided in this treaty. Is that not true?

Mr. LUCAS. I will say to the Senator from Delaware, that in my opinion, when we ratify this Charter under article 47 we are legally and morally bound to furnish forces of some kind or character to help keep the peace of the world.

Mr. TUNNELL. As the Senator from Georgia says, what follows is simply an agreement as to the number, and where they are to be placed.

Mr. LUCAS. Definitely so. Under the constitutional process, that agreement cannot be anything but a concurrent resolution, to be handled by the Congress. It is asinine and ridiculous to say that we are making a treaty today for the purpose of making another treaty tomorrow. That is the position which Mr. Dulles takes. I agree with the Senator from

Georgia that Mr. Dulles was not confused before the Committee on Foreign Relations.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I did not wish to let the statement go without expressing the opinion that I disagree with that conclusion. It seems to me that the agreements referred to are agreements between all the nations. They are merely supplementary agreements, which I fully agree we are obligated to enter into. I think we must enter into them in good faith after we have ratified this Charter. But when we do enter into such an agreement, it seems to me that it becomes a supplement to the main agreement. It is an agreement then between all the nations, and not merely with the Security Council. We are obligated to the other nations just as much to furnish a particular force covered in a supplementary agreement as we are obligated to conform to other provisions in the general treaty. So while I do not differ entirely with the Senator's conclusion, it seems to me that such an agreement can be a treaty, and I think it was obviously intended to be referred to as a supplemental treaty. Personally I think it should be. It is an essential part of the whole undertaking. If the Senate passes on the first part of it, I do not see why it should not pass on the supplemental part in the same way. I do not feel very strongly on the subject, but I believe that Mr. Dulles' opinion is correct. I merely wish to make that statement for the RECORD.

Mr. LUCAS. Mr. President, I regret that I cannot agree with my distinguished friend from Ohio. I feel very strongly about it, because now is the time for Senators to determine what this Charter means. We should not wait for a year or a year and a half, when conditions will be different. I do not want to see any Senator withhold judgment until a year and half from now, and when one of these agreements comes before us, use the then existing conditions as a basis for defeating in the Senate the purposes of the treaty which we are now considering, by attempting to get a third of the Senate to override an agreement which we are morally bound to make and carry through. That is what I am fighting for today. It is important. It is the real meat of this situation. We should enter into this agreement with no misgivings. We either go in, legally and morally bound to carry out chapter VII, or we should not go into it at all. We ought to know now what we are doing.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Utah.

Mr. THOMAS of Utah. I should like to supplement the statement of the Senator from Illinois by saying that when we enter into this agreement, and when the United Nations Charter becomes a treaty accepted by us, the whole of that treaty becomes a treaty, and not merely a part of it. We agree to every provision in it when we accept it. Therefore, to follow the logic of the Senator from Georgia, the treaty becomes the supreme law of the land.

Mr. President, how do we implement our agreements under treaties when those treaties become the supreme law of the land? We do it by various methods. Every method which is open under the Constitution for the implementation of an agreement is open, of course, for the implementation of this agreement.

As the Senator from Georgia pointed out, it does not make any difference how it is done, so long as it is done in accordance with our constitutional scheme. The acceptance of a treaty does not in any sense set aside the ordinary practices under the Constitution of the United States. It will depend very much upon circumstances. It will depend very much upon the weight of the thing which is to be considered. It will depend very much upon the negotiations antecedent to it, and it will depend very much upon how the proposal is submitted to us by the President of the United States, for whom our representatives are acting.

The point I wish to make is that with the acceptance of this agreement as a treaty, we do not in any sense modify our fundamental constitutional practices, and we can use all of them in exactly the same way we have always used them to implement treaties.

Mr. LUCAS. Mr. President, I am deeply obligated to the Senator from Utah for the contribution which he has made. I should like to add something to what he has said.

Sometimes it seems to me that when we are debating a treaty, we discuss it in perhaps too light a manner. This is not like a routine piece of legislation which comes before the Senate. This is something serious, solemn, and sacred.

Article VI of the Constitution of the United States provides, as follow:

> This Constitution, and the laws of the United States which shall be made in pursuance thereof; and all treaties made, or which shall be made, under the authority of the United States, shall be the supreme law of the land; and the judges in every State shall be bound thereby, anything in the Constitution or laws of any State to the contrary notwithstanding.

Think of it. The treaty becomes the highest law of the land. We should keep this clearly in mind as we discharge the duty of our offices in acting on the proposal before us today. When we enter into this treaty we ought to do so with an understanding of the spirit of the Constitution, which makes treaties the supreme law of the land, as I have just read.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BARKLEY. I wish to express my complete agreement with the position taken by the Senator from Georgia [Mr. GEORGE] a moment ago. Although I was not present at San Francisco, and did not, of course, participate in the discussion which occurred there among the American delegates or the delegates as a whole in regard to the processes by which the nations would finally agree upon their quota of military forces to be made available to the United Nations Organization, it strikes me, on the surface, as being significant that, while the Constitution empowers the President, with the advice and consent of the Senate, to enter into treaties—and it uses the word "treaties"—the treaty which we are now considering provides that agreements to be entered into between the Security Council and the respective nations are to be ratified according to the respeective constitutional processes of each nation. That provision must have contemplated some difference between the technical term "treaty" as used in the Constitution, and the word "agreement" as used in the United Nations Charter.

In that connection, many learned writters take the position that the use of the "device," as they call it, of executive agreements to get around a two-thirds vote in the Senate has been in practice so long that it has almost become confirmed as a part of our constitutional processes. We entered into a treaty with Hawaii before Hawaii was incorporated into the United States. At that time Hawaii was an independent nation. We entered into a treaty of annexation with Hawaii. That treaty failed of ratification in the United States Senate, and then, by joint resolution, Hawaii was annexed to the United States by a majority vote in both the Senate and the House of Representatives.

As the Senator from Texas pointed out yesterday, we did not ratify the Treaty of Versailles. We had gone into that war against Germany by a joint resolution, requiring a majority vote of the two Houses of Congress. We had refused to ratify the Treaty of Versailles. Following that refusal, we declared peace with Germany by a joint resolution requiring only a majority vote of the two Houses of Congress.

All I seek to do and all I wish the Senate and the United States Government to do is to preserve its right, when the time comes for us as a nation to decide upon our method of ratification of the agreement set out in the Charter, so that we shall be free to do it according to our custom and our constitutional processes, and in that process I do not think we are limited to a technical treaty or to an agreement or to an executive agreement or to a joint resolution. We shall determine that when the time comes.

We have three alternatives, if we may use the word "alternatives" in connection with three choices: We may determine to do it by treaty, if the President submits it to us in that form, in which case the Senate alone will act. We may do it by joint resolution, in which case both Houses of Congress will act. If we can go into war by joint resolution we can get out of it by joint resolution—which we have done heretofore.

The only point is that I do not wish to have the Senate of the United States and the Government of the United States foreclosed in advance, no matter what the language in the Charter may be and no matter what anyone's interpretation of it may have been as an individual in his testimony before the Committee on Foreign Relations. I think we are free and will remain free to act upon it in the

light of our own interpretation of constitutional processes. I wish to have us remain free to do that.

While it has no particular reference to the vote that will be taken upon the Charter itself, I think it might as well be stated that if anyone is lying in ambush to nullify or "submarine" this agreement, whether he is going to vote for it or against it now, he might as well have foreknowledge of the fact that we do not now commit ourselves or foreclose ourselves in respect to that proposition when it is submitted to us in the implementation of the treaty which we are now about to confirm by ratification.

Mr. AUSTIN, Mr. VANDENBERG, and Mr. WHEELER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield, and if so, to whom?

Mr. LUCAS. I shall yield in a moment, but first I should like to make a brief reply to what the Senator from Kentucky has said.

I know the Senator from Kentucky is sincere in what he says. Insofar as I am concerned, I wish to make clear today that I do not wish to be foreclosed, when an agreement comes to the Senate later, by anything in the hearings before the Committee on Foreign Relations, insofar as the testimony of Mr. Dulles is concerned. That is why I am now making a record on this question.

I did not want the record made in the hearings on this question to stand without challenge, thereby giving to those who believe Mr. Dulles is right the opportunity to say when the agreement comes before us, "Why didn't you, Senator, at the time the Charter was debated on the floor of the Senate, challenge the position of Mr. Dulles? As a result of your silence, you are bound now; you acquiesced in it."

Mr. President, I am not going to be bound or foreclosed by the record so made.

Mr. BARKLEY. Mr. President, will the Senator further yield to me?

Mr. LUCAS. I yield.

Mr. BARKLEY. What the Senator has just said is precisely the reason why yesterday, when I discussed the treaty, I undertook to say that not only did I not foreclose myself, but I hoped the Senate would not foreclose itself.

I have great respect for Mr. Dulles. He is an able lawyer and a patriotic citizen, and he rendered outstanding and distinguished service as an adviser to our delegation at San Francisco. I am frank to say that I was somewhat surprised at the statement he made in the hearings, namely, that we were limited to a treaty, in the form of a treaty which would require a two-thirds vote. I was surprised at that statement. Then when I heard the chairman of the committee say that the matter was not discussed among the delegation at San Francisco, I felt that Mr. Dulles was expressing his own individual opinion, probably on the spur of the moment in answer to a question; and I did not want that more-or-less ex parte and spontaneous answer to a question to be interpreted as binding me, and I do not think it binds the Senate.

Mr. LUCAS. Mr. President, let me say in reply to the Senator from Kentucky that I have great respect and admiration for Mr. Dulles and I wish to pay tribute to the patriotic service he rendered to the American delegation at the San Francisco Conference. But I have a right to disagree with Mr. Dulles, which I am doing in, I hope, a dignified way, just as I enjoy the right to disagree with the Senator from Kentucky, which I do occasionally, when I think he is wrong.

Mr. BARKLEY. Of course, the Senator not only enjoys that right, but he exercises it. [Laughter.]

Mr. LUCAS. Yes; I do that occasionally.

Mr. BARKLEY. I may have stuck out my neck yesterday in intimating that I did not altogether accept that interpretation.

Mr. LUCAS. If the Senator from Kentucky stuck out his neck yesterday, what does he think I have done today?

Mr. BARKLEY. Well, there is a physical difference between my neck and the Senator's whole body. [Laughter.]

Mr. AUSTIN. Mr. President, will the Senator yield to me?

Mr. LUCAS. I yield to the Senator from Vermont.

Mr. AUSTIN. Mr. President, I do not believe we have to interpret the Constitution in order to find in it the difference between a treaty and an agreement. I have heard Senators say repeatedly that there is nothing in the Constitution about an agreement. All I wish to do is to point out where in the Constitution that our forefathers recognized the difference between a treaty and an agreement. I shall do so in one second.

Article I, section 10, paragraph 1, reads as follows:

> No State shall enter into any treaty—

I omit the rest of it.

Then if we go down in the same section to paragraph 3, we find the following:

> No State shall, without the consent of Congress * * * enter into any agreement or compact * * * with a foreign power.

In other words, the Constitution precisely recognizes the difference.

Mr. LUCAS. Mr. President, I thank the Senator from Vermont for calling my attention to the Constitution in connection with that question.

Mr. WHEELER and Mr. VANDENBERG addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; and if so, to whom?

Mr. LUCAS. I yield first to the Senator from Montana.

Mr. WHEELER. Mr. President, I do not know to whom the remarks of the Senator from Kentucky were directed when he talked about lying in ambush. I simply wish to say that I take it that any Senator has a right to disagree either with Mr. Dulles or with anyone else. After all, neither Mr. Dulles nor the Senator from Illinois nor the Senator from Kentucky can bind Members of the Senate of the United States at any time or under any condition.

But I wish to call attention to the fact that I do not think anyone is lying in ambush. If that statement was aimed at me, I resent it.

Mr. LUCAS. Mr. President, I do not see how the Senator can say that. I need not defend the Senator from Kentucky, who is momentarily absent, but I cannot see how the Senator from Montana can charge that the Senator from Kentucky was laying that remark at his door.

Mr. WHEELER. I understand.

Mr. President, I wish to say that Mr. Dulles, in addition to the statement which has been referred to, also said the following:

> It is clearly my view, and it was the view of the entire United Staets delegation, that the agreement which will provide for the United States military contingent will have to be negotiated and then submitted to the Senate for ratification in the same way as a treaty.

The following then occurred:

> Senator MILLIKIN. I should like to ask if that is the opinion of the chairman of the committee.
>
> The CHAIRMAN. It is most certainly the opinion of the chairman of the committee.

Mr. President, there can be no question about it. Both Mr. Dulles and the chairman of the committee made that statement; and as I understand the statement of the Senator from Michigan [Mr. VANDENBERG], he concurred in that view.

There were the members of the delegation who were at San Francisco and there was Mr. Dulles, who was at San Francisco as an adviser to the American delegation. The chairman pointed out what great service Mr. Dulles had rendered. We all concede that he is a great international lawyer. He has perhaps had more experience as an international lawyer than most Members of the United States Senate have had because the field of international law has been his particular business for a long time.

While we are on the subject, Mr. President, I wish to invite attention to another statement which was made. The Senator from Georgia said:

> Mr. Dulles, speaking of the agreement or agreements which are to govern the numbers and types of forces and the degree of readiness and general location and the nature of the facilities and assistance to be provided, as set out in article 43, subsection 2, is it your opinion that the United States in making available to the Council military contingents would restrict the place of the use of the forces—aside from the question of whether we could want to?
>
> Mr. DULLES. There is no doubt in my mind but what we can do that.
>
> Senator GEORGE. Aside from the wisdom of doing it, I quite agree that it would be an unwise thing, from my point of view, but I simply wanted your view on that question.
>
> Mr. DULLES. I have no doubt that it can be done and I have no doubt that in a number of states it will be done.

When Mr. Dulles was speaking of states he was referring to countries.

I continue reading:

> Senator GEORGE. And that would not bring us—if Congress should subsequently in an implementing statute insert any provisions restricting the use of the military force made available to the Security Council, that would not, in your judgment, bring us into collision

with any affirmative grant or any affirmative obligation that we have assumed under this treaty?

Mr. DULLES. No. You speak of doing it by statute. The procedure will be by treaty—agreements submitted to the Senate for ratification.

Senator GEORGE. That is true with respect to the force, but it might become necessary for the Congress, or the Congress might deem it advisable to implement by purely domestic law, certain conditions that would apply to the representative of the United States or persons whom the United States should select.

Mr. DULLES. If that were desired, Senator, I would think the wise thing to do would be to make provision for that in your basic military agreement which will come before the Senate for ratification.

In other words, you may assume commitments by that treaty which you could not honorably thereafter alter merely by statute. If you contemplate their alteration subsequently by statute, it would be wise, I think, to make provision to that effect in the basic military agreement.

Senator GEORGE. But aside from where it should be made, it is your opinion that a limitation of that kind could be consistently with the obligations assumed under the Charter, inserted?

Mr. DULLES. There is no doubt in my mind whatever as to that. Many of the smaller member states already are clear in their own minds that they will not agree to make contingents available except for use in relatively near areas. Whether or not a great power wants to do that is a question of policy. As to the fact that it may do it, there is no doubt whatever in my mind.

The Senator from Vermont [Mr. AUSTIN] later said:

I would like to have you refer to page 198 of the report to the President, article 43. This provides in section 1:

"All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call; and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security."

Is there anything inconsistent in that provision with the interpretation you have just stated to the effect that an individual nation like the United States might impose a limitation on the area in which its armed forces could be assigned to duty?

Mr. DULLES. No. In my opinion, Senator AUSTIN, the phrase that they are "to be made available in accordance with a special agreement or agreements" enables the states to make any conditions which they want to attach, and I would think it quite probable that even the great powers, while they would probably want to make some forces available for use anywhere, that there would be some understanding whereby they would at least supply the preponderant force in the areas of their proximity.

I know that many of our Latin-American friends expect that we will, for instance, supply the bulk of any military contingent that is to the operate in this hemisphere.

Mr. WHEELER. I continue reading:

Some of them are very much opposed to have the European contingents operate in this hemisphere, and if that view should be carried out, it might very well make provision for the fact that certain powers in Europe would not have contingents available in this hemisphere for use. That is a possibility.

But this whole matter must be explored much more fully than was the case at San Francisco. This has all got to be worked out by military people, and when that treaty comes back here it will impose problems considerably more difficult than those that are imposed by the ratification of this Charter. There are a number of problems still ahead which will raise problems, as I say, more difficult than are raised by the Charter itself.

The question of these military contingents, the possible question of fixing by statute the area within which the President can act without the authority of Congress, or a system perhaps whereby there would be joint action or joint control by the Congress and President; the question of what territories, if any, will be put under the trusteeship system—those are problems that you are going to have to work with in the future, and they will raise difficulties which are greater than any that are raised at the present time.

But the fact that there are difficulties concerned is no reason for not taking the first step. There are always going to be difficulties ahead, and when you solve the first batch, there will be a new crop around the corner.

Senator WILEY. Mr. Dulles, in connection with the questions just raised by Senator AUSTIN, I want to ask you whether you interpret the terms "special agreement or agreements" to be synonymous with the word "treaty" as we understand it?

Mr. DULLES. I do.

Mr. President, when we talk about the position which will be assumed by the United States, we must take into consideration that Mr. Dulles said at San Francisco that many of the states, particularly the South American states, raised the very question which has been raised here. The question was whether or not, under the terms of the treaty, states could be compelled to send forces, subject to the International Organization, to places which the International Organization might direct. Then we would come to the question of Canada and Australia.

Mr. LUCAS. I am not discussing that question at this time. I am discussing only the question of whether the agreement should come back to the Senate for treaty ratification. I believe that the South American countries do not have much interest in that question.

Mr. WHEELER. So far as I am concerned, whether the agreement comes back as a treaty or in some other form, to be passed upon by both Houses of Congress, it is a matter which will be passed upon by the President and the Congress when the agreement comes back.

Mr. LUCAS. That is correct; and I wish to have any future Congress understand what my interpretation is upon this vital point at the hour of consideration of and action upon the treaty.

Mr. WHEELER. I understand the Senator's desire.

Mr. President, I invite attention of the Senate to the fact that at the hearings it was undisputed that the entire American delegation, including Mr. Stettinius and every other representative of the United States who was present at the Conference, felt that the matter should be in the form of a treaty, and the chairman of the committee said that he agreed to such an understanding.

Of course, I appreciate the fact that there are persons who would wish to give the President absolute power to send troops anywhere.

Mr. LUCAS. I do not wish to become involved in that phase of the discussion, because I am not arguing with the Senator from Montana, and I am not taking the position which he has pointed out. I desire to continue my remarks on the particular point which I was discussing, and after that I should like to proceed upon another matter. I do not wish to debate with the Senator the question which he has raised because at the moment it is not an issue.

Mr. WHEELER. The point which the Senator makes is that he does not agree with Mr. Dulles that the agreement must come back in the form of a treaty, but, instead, that it may come back as an agreement to be passed upon by both Houses of Congress.

Mr. LUCAS. That is correct. That is the point I make now. I have another point I shall make a little later, which the Senator may wish to discuss. He discussed it yesterday.

Mr. WHEELER. That is the only difference between the Senator from Illinois and Mr. Dulles, as I understand.

Mr. LUCAS. That is the only difference for the moment.

Mr. WHEELER. At the moment?

Mr. LUCAS. Yes.

Mr. WHEELER. The Senator disagrees not only with Mr. Dulles, but he disagrees with the interpretation of the chairman of the delegation, and he disagrees with the interpretation made by the Senator from Michigan [Mr. VANDENBERG].

Mr. VANDENBERG rose.

Mr. LUCAS. Of course, the Senator from Michigan can speak for himself, and I do not wish to interpret or misinterpret the language he used yesterday in the colloquy with various Senators. He is going to speak for himself in a moment, but I gleaned from what he said yesterday that he believes there are other constitutional processes besides the ratification by treaty.

I now yield to the Senator from Michigan.

Mr. VANDENBERG. Mr. President, inasmuch as this discussion very largely involves the interpretation of the distinguished Mr. Dulles' attitude, it occurred to me that it might be a unique recourse to find out what Mr. Dulles thinks by asking him. He has a habit of speaking very plainly for himself. So I have just talked with him on the telephone. I shall do the best I can to reflect his statement to me.

He called attention to the fact that the sole issue presented to him in the hearings was a choice between a treaty on the one hand and a Presidential Executive order on the other. In other words, it was a choice between Presidential power and congressional power. The questions submitted to him by the Senator from Colorado were constantly questions directed to "executory" agreements. I assume and he assumed that meant executive agreements by the President, without consultation with Congress.

As I understand, it continues to be Mr. Dulles' attitude that the agreements contemplated should be made by treaty, but that he has never passed upon the question of whether there may not legitimately be an alternative choice between a treaty and a joint resolution by Congress; that the only thing upon which he

has been undertaking to speak is the basic question as to whether or not this authority must rest in Congress, either by treaty or by joint resolution, rather than whether it may rest in the exclusive authority of the President of the United States. Mr. Dulles, as I understand him, is asserting the fundamental and controlling doctrine that this agreement between this Government and the Security Council governing the use of force cannot be made by exclusive Presidential authority through an executive agreement. He has not dealt with a choice between the two alternative congressional methods which are available.

The able Senator from Montana [Mr. WHEELER] has referred to my own statement of yesterday, and I think my statement was quite clear. I say now, as I said then, that it never occurred to me in the first instance that the arrangement called for would be made except by treaty. But I can say, as Mr. Dulles says, that in coming to that conclusion I was thinking in the basic terms of whether or not the Congress of the United States should have the last word, in one form or another, in respect to these agreements, or whether Congress should be bypassed by a Presidential order.

My position continues unequivocally to be that the action could not be taken by Presidential executive order, that it must be done by congressional consultation; that my preference continues to be that it should be done by treaty. But I concede a perfectly legitimate choice between the two methods of congressional expression, so long as we retain in Congress, by one of those two methods, the final power of decision.

Mr. LUCAS. Mr. President, I think the Senator from Michigan has rendered a real service in this debate by calling Mr. Dulles and getting his answer to this highly controversial question.

In the hearing, as I recall, the Senator from Colorado discussed an executive agreement, as well as a treaty. Mr. Dulles prefers a treaty, of course, to an executive agreement and so do I. But in view of the fact that Mr. Dulles now states he has not given the question of joint action of Congress careful consideration, and in view of the fact that the Senator from Michigan admits that the constitutional process can be either by treaty or by a joint resolution of the two Houses of Congress, I agree that, insofar as my position is concerned, I have made a tremendous amount of progress. I still hold, and will continue to hold, that it cannot be a treaty under any circumstances, and cannot be by executive agreement, but that any military agreement made under the delegated power in this charter must come back for joint action by the two Houses of Congress.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHITE. I am very glad to have heard the supplemental statement by Mr. Dulles, and the observations of the Senator from Michigan, because in both instances they are getting nearer to my own view about the situation, and there is some comfort for me in that fact.

It has seemed to me that there were three possible courses for consummating the supplemental agreements which are referred to and authorized by the Charter. I am inclined to agree that they could be made good by concurrent action of the two Houses of Congress, but if it were done by resolution of the Congress then I think the language of article 43 is entirely unhappy because I do not consider the passage of a joint resolution by the Congress a ratification according to our constitutional processes. The passage of legislation by the Congress is not, in my belief, a ratification as that term is correctly used in the law and in the Constitution.

On the other hand, going one step further, if these supplemental agreements might be entered into by the President, then clearly there would be no occasion for their ratification by the Congress. If they are to be entered into under the powers of the President, the agreements do not need to come back to Congress for ratification or approval of the Senate. We cannot confer or take from the President powers constitutionally vested in him.

It may be that the charter might have provided for approval by a joint resolution, or it might have recognized the Presidential authority to enter into negotiations and consummate agreements as distinguished from treaties. In the present instance, however, we have the testimony of Mr. Dulles that treaties were contemplated; we have the testimony of the chairman of the Committee on Foreign Relations that treaties were meant. I think this view is strengthened and confirmed and made certain by the very language of article 43 itself, which speaks of ratification by constitutional processes. "Ratification" is a term applied to the approval of a treaty by the Senate of the United States.

It is my judgment, therefore, for whatever it may be worth, that not only does the testimony before the committee bespeak the truth that treaties are to come before us, but that the language of the instrument itself speaks in terms of a treaty, and not of an agreement or a joint resolution.

Mr. TAFT. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. TAFT. Commenting on something the Senator said, I wish to make it clear that, regardless of the method in which the agreements shall be ratified, I fully agree with the Senator that we are in good faith bound to ratify any reasonable agreement relating to the use of military forces when it is submitted. I do not think there is any question about that, no matter what method we choose.

The other comment I wish to make is that Congress cannot make an agreement with another nation. We are not permitted to do that by the Constitution, and there is no method of our making an agreement with another nation. It is suggested that we admitted Texas to the Union and took in Hawaii as a Territory. Those were acts which might be taken, which did not involve agreements with other nations. I say also that the end of the war by joint resolution was bringing an end to a status, but it was not by agreement with another nation. Congress cannot enter into an agreement with another nation. I think we have a choice between an agreement made by the President and a treaty, so far as the Constitution is concerned.

It may be that the President may desire and ask for congressional authority to make an agreement, but I am very much afraid that if he has the authority to make it at all he can make it just as readily without congressional approval as with congressional approval. I do not know of any rule under which the act of the President would not be effective until we ratified it. So, while I do not greatly object to the method of approval by congressional act, I do not think that is the constitutional process, as I understand the Constitution.

Mr. LUCAS. Mr. President, I am glad to agree with the first half of the premise laid down by the Senator from Ohio, because he agrees with me. I respectfully disagree with the latter half, however.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CONNALLY. I do not care to prolong the debate, but I have been quoted several times today. I tried to make my position clear yesterday. Very briefly I wish to say that the language of the San Francisco Charter, in respect to the matter under discussion, is identical with that used in the Dumbarton Oaks agreement. Every Senator had opportunity to read over what was in the Dumbarton Oaks agreement. I do not recall that any Senator entertaining any such views as have been expressed today ever filed any statement with me or called to my attention any disagreement with the language written into the Charter.

Mr. President, I wish to say that the charter is not written for the United States alone. Some Senators seem to get their eyes down close to the document and seem to interpret it as if it were simply for the United States. It is for 50 nations with different systems of ratification. Some can ratify it by executive action, some by ratification of their Senate, some by votes of both their legislative bodies. Therefore, this language was used by the drafters of the document, and we did not change it. We simply carried forward what was in the Dumbarton Oaks agreement. We said "by their constitutional processes." That means that it is up to the United States to determine what its constitutional processes are. If we want to do it by joint resolution I see no serious objection to it, because if both Houses of Congress agree to a course, that ought to answer most anyone's objection. I did express the opinion that, according to my own view, when we ratified by the constitutional processes, it contemplated a treaty.

But the question occurs to me: Why do we want to spend so much time debating this question now, when we will have to decide on it when these agreements are submitted to us, either by the President in the form of an agreement or in the form of a treaty or in such other manner as it may come before us? We

are not going to vote on that now. No one has submitted a reservation expressing disagreement with the language contained in the Charter.

Some Senator suggested that this could not be a treaty because there was no other party to the treaty, that there is no party for us to deal with; that it is simply a unilateral matter. Well, what about the agreement? If we could make an agreement with some parties we could make a treaty with some parties, could we not? I do not see any difference between an agreement and a treaty in that respect. It is necessary to have a party to an agreement just as it is essential to have a party to a treaty.

When we sign the charter and become a member of this organization, whether that is done by joint resolution or whether it is done by the Senate in the form of ratification, I have no doubt we will redeem our plighted faith. If we are not going to do so, the time now is to vote the charter down and not agree to it. Whenever we ratify it, if I should happen to be in the Senate I shall fight as best I know how for our meeting our obligation by the execution of these agreements, and when we execute them I expect that we will abide by them and perform our obligation in respect to them. I believe that will be the view of the Senate and that will be the view of the two Houses of Congress.

Mr. LUCAS. Mr. President, I regret that the Senator from Texas feels that I am trespassing on the time of the Senate and taking too much time.

Mr. CONNALLY. I beg the Senator's pardon. There will be a great deal of debate. There will be a number of speeches and I have no objection to the speeches and the debate.

Mr. LUCAS. I am glad to know the distinguished Senator takes the position he does with respect to continuing the debate. I submit that this is the most important matter the Senator from Illinois and the Senator from Texas have been called upon to consider with since they have been in this legislative chamber.

Mr. CONNALLY. I will say to the Senator from Illinois that I have no disposition to cut off debate.

Mr. LUCAS. The Senator, in making that statement is obviously taking the correct position. There should be no curtailment of debate.

Mr. President, I recall what happened to the League of Nations, and I anticipate the possibility of the same type of tactics being used when one of these agreements comes to the Senate. The only thing I am now trying to do is to place my stamp of approval upon congressional action. I believe that the entire Congress has the authority to act upon the agreements; I do not believe that one-third of the Senate has the power to nullify them. If the latter were the case, history leads me to believe that what we are doing here today is almost futile.

Mr. CONNALLY. I was following the lead of our majority leader who yesterday expressed the view that this was a matter which could not be decided now; that all he wanted was that it should not be foreclosed, and other eminent Senators have expressed the same view. I have no objection to the debate. In fact, I am rather glad to have some debate on the Treaty so the country will not say, "Well, it must not be worth much because everyone is for it." I am glad to have the debate, and I welcome the comment by the Senator from Illinois. I am always glad to hear him. I am entertained by him and instructed.

Mr. LUCAS. Mr. President, I take that as a left-handed compliment, because I know how facetious the Senator from Texas can be.

Mr. CONNALLY. Mr. President, I certainly am unable to fathom the Senator from Illinois. Anything I say which is kind about him he questions, and with respect to other things I say he seems to think I am reflecting on him. I have no such idea.

Mr. LUCAS. The Senator misunderstands me. I am certain that all he says is said in good faith.

Mr. AUSTIN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. AUSTIN. Several times the suggestion has been put into the RECORD that we could not deal with the organization which we are setting up as if it had the power to enter into contracts, compacts, agreements, treaties, and so forth. I think those who drafted this excellent Charter forestalled all that claim because they made such a provision that if 29 nations agree upon this Charter we will have given legal capacity to the organization to make these treaties, to make agreements, and to enter into legal relations with every member.

This organization is not going to operate in a void. It can only operate inside of its several members, and when it so operates it will have been given legal capacity to make all the deeds and all the contracts and all the treaties that are necessary to carry out its purposes. Article 104 provides:

> The Organization shall enjoy in the territory of each of its Members such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes.

That is a vast grant of legal capacity.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CONNALLY. I think it is quite clear that in the various parts of the charter we created an entity.

Mr. AUSTIN. Exactly; a legal entity. If this Charter is accepted by 29 nations, we create a legal organization in the world.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Montana.

Mr. WHEELER. Because of the statement made by the Senator from Michigan [Mr. VANDENBERG] with reference to his conversation with Mr. Dulles, I read from the bottom of page 475 of the hearings:

> Senator GEORGE. And that would not bring us—if Congress should subsequently in an implementing statute insert any provisions restricting the use of the military force made available to the Security Council, that would not, in your judgment, bring us into collision with any affirmative grant or any affirmative obligation that we have assumed under this treaty?
>
> Mr. DULLES. No. You speak of doing it by statute. The procedure will be by treaty—agreements submitted to the Senate for ratification.

I call that to the Senator's attention because of the fact that in his conversation apparently he said that the only thing he had in mind was the difference between an executive agreement by the President, without coming back to Congress, and a treaty. He says that the only thing he had in mind was the difference between an executive agreement by the President, without coming back to Congress, and a treaty. But in the hearing he specifically stated, "You speak of doing it by statute. The procedure will be by treaty—agreements submitted to the Senate for ratification."

I entirely agree with what the Senator from Ohio said with reference to carrying out in good faith the provisions of the treaty. There may or may not be some disagreement in the future as to the size of the forces, or there may be some disagreement on various other questions. Those are questions to be settled by the Congress of the United States when they arise. That is what I stated yesterday.

As Mr. Dulles said, when these questions arise, they will be matters on which there will be discussion. If I should disagree as to the size of the force, or where the force is to be used, I do not wish to be told that I am doing something which is contrary to the treaty which we have entered into.

According to Mr. Dulles, South American countries take the same position. Take Canada, for example, and other countries which have refused to enact conscription laws. There will be a wide divergence of opinion in Canada, Australia, and many other countries with reference to what they should do.

Mr. LUCAS. Mr. President, I should like to proceed. I have been glad to yield generously to my colleagues. I do not wish to prolong unduly the debate.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Connecticut.

Mr. McMAHON. If I correctly understand the position of the Senator from Montana, all he is anxious about is that he have an opportunity to vote on the use of force—how much and where it shall be used; but he is not worried over whether the action be taken by way of ratifying a treaty, or through a joint resolution by both Houses of Congress.

Mr. WHEELER. That is what I mean. Frankly, whether it is done by a treaty to be submitted to the Senate, or whether it is done by joint action of the two Houses of Congress, it seems to me that that is a question which must be thrashed out. I am not willing to stand here today and say dogmatically either that it must be done by treaty or that it must be done by both Houses of Congress. That is something to which I should wish to give far more careful study than I have given up to the present time.

I entirely agree with the Senator from Maine that under the language of the

so-called treaty, and the language of the Dumbarton Oaks proposals, which everyone has had an opportunity to read, when ratification is mentioned, it means ratification by the United States Senate, and not by a joint resolution passed by both Houses of Congress.

Mr. McMAHON. But the Senator has not yet made up his mind on that question, as I understand.

Mr. WHEELER. Very definitely not.

Mr. LUCAS. Mr. President, I have definitely made up my mind on the question. I submit that the Congress is the appropriate body to act on this agreement, and there is no provision in the Constitution which requires any other procedure.

Mr. President, the military agreement under article 43 will deal solely with the numbers and types of forces to be contributed, the degree of readiness with which these forces shall be available and their general location. I submit that these matters are directly related to the powers of Congress quoted above. The Congress is, therefore, the appropriate body to act upon this agreement and there is no provision in the Constitution that requires any other procedure.

To hold that these special military agreements must be ratified by two-thirds vote of the Senate, one must conclude that the plain language of article 43 does not create an obligation to contribute military forces. If this be true, then the military provisions of the Charter mean nothing, and the only obligation imposed in this respect by this treaty is to negotiate another treaty.

I submit that this position is utterly destructive of the entire conception of what transpired at the San Francisco Conference. If all that has come out of this Conference is a treaty to make a treaty to provide for the enforcement of peace, the people of America and other countries may well consider that they have been grossly deceived.

Mr. President, there is another constitutional problem which I should like to touch upon briefly at this point. This concerns the authority of the United States delegate on the Security Council with respect to the employment of the armed forces of the United States, which are to be made available under article 43 and the special agreements which I have been discussing. There has been some discussion of this question on the floor of the Senate, but I have not entered into it to a great extent, because I preferred to discuss it on the basis of the statement which I have prepared.

There has been considerable public discussion with respect to this matter over the period of the last several months, and various legal theories have been advanced upon this point.

Mr. Dulles stated in his testimony that "It may or it may not hereafter become useful to decide by legislation whether or not the use of our military contingents to enforce peace is the equivalent of a declaration of war." That is a most unusual declaration. The distinguished Senator from Montana in his statement yesterday apparently adopted this statement on the part of Mr. Dulles, and also stated that it would be unconstitutional for these forces to be employed except pursuant to a declaration of war by Congress in each case. If I believed that, Mr. President, I could not support this charter, because it would be an empty gesture toward keeping the peace, and nothing else.

Mr. President, I should like to make my position on this matter crystal clear. I have already stated that when the Senate ratifies this charter with article 43 contained in it, the result is to impose upon the United States an obligation to contribute forces necessary to the maintenance of international peace and security. The exact terms of this obligation are to be determined by an agreement to be negotiated later, but nevertheless the basic fundamental obligation to contribute forces is created by this charter. As a member of the Committee on Foreign Relations, I subscribe to the statement contained in its report on the charter to the effect that—

> Any reservation to the Charter, or any subsequent congresisonal limitation designed to provide, for example, that employment of the armed forces of the United States to be made available to the Security Council under special agreements referred to in article 43 could be authorized only after the Congress had passed on each individual case would clearly violate the spirit of one of the most important provisions of the charter.

The basis of the committee's position, as I understand it, is that when the United States delegate, acting under the authority of the President, calls forth the military contingents of the United States under the special agreement for the supply of forces, such action would not constitute an act of war by the United States, but rather participation in international police action in pursuance of a specific treaty obligation. It would, in fact, be an action to prevent war.

The exclusive power of the Congress of the United States to declare war is not affected by this arrangement. Under article 43 of the charter and the military agreements to be negotiated thereunder, our obligation to contribute forces will be clearly defined and delimited in advance. Enforcement action under the charter will involve only the forces pledged under these special agreements, while war, on the other hand, when declared by Congress, would amount to a complete break-down in international relations, and a decision to devote the total resources of the United States to securing the safety of this country.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BREWSTER. If the Senator will pardon me—and what I am about to say is not meant in an invidious sense—let me say that the Senator is stating a great many mouthfuls quite hurriedly and in a very low voice and his remarks are packed with a great deal of meaning. As I understood him a few minutes ago, his position is that he would not support the charter if it were deemed to be as meaningless as some of the constructions placed upon article 43 would seem to indicate.

I wish to make it perfectly clear that it seems to me that whatever may be the interpretation made by the Senator from Illinois, to whose opinion we attach full faith and credit, it does not necessarily represent the opinion of the other 94 Members of this body. I say that in order that it may not be thought that we have sat in silence and, by that silence, consented to the Senator's interpretation. I may say that I am somewhat inclined to accept the rather broad interpretation of the word "ratification" to which the Senator from Illinois subscribes. I find myself possibly in some disagreement with my colleague from Maine in that connection.

Conceiving that this instrument is drawn as a broad instrument and that we cannot limit its interpretations by the language of our own Constitution, and conceiving that this instrument has been drawn as an instrument of broad application, applying to millions and millions of people outside the United States—some of whom use the English language—I turn to the dictionary. In the dictionary I find that the meaning of the word "ratification" is considerably broader than its meaning as used in the Constitution of the United States. In the Constitution it is not used in connection with treaties, but is used in connection with the ratification of an amendment to the Constitution or the Constitution itself.

I say this, not because I am challenging the interpretation of the Senator from Illinois, but because I wish to show that I incline to the suggestion of the senior Senator from Texas that we shall not anticipate this problem, that it will come for decision at some later time, and that we in this body shall be at liberty to consider it rather as an initial problem, instead of being committed either by any discussion here or any premature conclusions which have been reached.

One further comment, Mr. President: I am always regretful when I hear the suggestion that in submitting any sort of measure to the Senate of the United States it is—in the language we have heard so often quoted—"like the bull entering the arena. We know not when it will die, but we know it will die." It seems to me that the very consideration of this Charter is sufficient refutation of that suggestion. I have greatly regretted that so frequently in discussion of this question there has been the statement that the requirement of approval by a two-thirds majority of the Senate will be a death sentence for any charter. I think the apparently overwhelming approval which the Charter is to receive should find a great deal more sympathetic applause from the country and the columnists than has yet been manifested—in view of their earlier chorus of concern. Although the critics, from whom we have heard so much, and the commentators and others have practically intimated that the Senate might well be eliminated as a parliamentary body. We hear nothing on this line from them now when it becomes evident that the Charter will receive overwhelming approval in this body.

So it seems to me it is extremely unfortunate to have Senators or others take the position that the requirement of

ratification by two-thirds of the Senate would present insurmountable difficulties to any understanding, and that under that requirement it would be impossible to achieve any satisfactory result. Res ipsa loquitur.

Mr. LUCAS. Mr. President, I always have difficulty pleasing my friend, the Senator from Maine, in these debates. But I am indeed grateful for the contribution he has made, and I am satisfied that the deeper he goes into this question the more convinced he will become that the situation is as he has said, namely, the word "ratification" as used in the Constitution is not limited solely to the question of a treaty.

Insofar as there may be any intimation that the Senator from Illinois has attempted to influence the other Members of this body, I deny the validity of any such implication. Mr. President, I find it necessary to utilize all my time and energy in the discharge of the duties devolving upon me. I am certain every Member of this body is conscious of, and responsive to, the same demands of responsibility. Consequently, I do not give gratuitous aid and advice. I am simply doing my duty as I see it in bringing to the attention of the Senate what I believe to be the most important issue in the current debate.

Mr. President, since the obligation of the United States to contribute force for police action by the Security Council is brought into being upon the ratification of this Charter, the President of the United States, as the officer of this Government charged with the execution of our treaty obligations, will, as the result of the provisions of article 43 and its later implementation by the special agreements, be vested automatically with the power and obligation to call forth the contingents which we agree to contribute.

I realize that there is a school of thought which holds that the exact definition of the power of the President or his delegate to the Security Council to employ these forces may or should be postponed until the special agreements are negotiated. I hold that the ratification of this Charter with article 43 in it will create and vest in the President the power and obligation to employ such forces as we may later specifically agree to contribute in execution of the obligation we now assume.

I realize that there is another school of thought which holds that the power of the President to employ these forces arises by virtue of his general power and obligation as Commander in Chief of our armed forces to take action in our national defense. In substantiation of this theory there are referred to the many instances in the course of our history upon which the President has sent American forces beyond the limits of our country to protect American interests abroad. While I agree that these examples have some relevance to the problem at hand, it is my view that what we are discussing here is a much broader concept which cannot be limited by reference to specific precedents which have occurred in the past. The truth of the matter is there are no precedents.

When we ratify this Charter, we must realize that we are creating a system of international collective security such as has never before existed in the history of the world, and that in going into such a system we are assuming obligations such as this country has never before assumed. We are doing that now—this week—and not later on.

And finally we must realize that, in order for this great enterprise to function successfully, our delegate to the Security Council must be free at all times to vote in accordance with the purposes and principles which are set forth in the charter and which upon its ratification we assume as sacred treaty obligations.

As the Chicago Sun has pointed out in an able editorial on this subject, on July 23, 1945:

> The greater the assurance of speedy, unfettered Security Council action if required, the less will be the chance that the Council will have to resort to armed action—and the greater will be the prospect that the United Nations can concentrate without interruption on increasing the prosperity, human rights, and freedoms of the world.

Mr. President, I wholeheartedly subscribe to the thought which is so well expressed in that editorial.

Our sovereignty is in no way impaired by these arrangements because the concurring vote of the United States will be required before our forces can be called upon by the Council. The power of the Congress to declare war is not impaired because only through a declaration of war can our total resources be pledged to war.

I do not know whether it may hereafter become necessary for the Congress by statute to restate or to define the power of the President, or of his delegate when acting under his authority, to employ the forces which we agree to contribute. In the interest of clarity, it may be desirable to do that. However, in the light of the views which I have expressed, no statutory enactment will be necessary to create any powers in the President, or his delegate, in regard to the use of force under the Charter, since in my view these powers do not arise through any delegation of power on the part of Congress, but solely by virtue of the ratification of this treaty.

Mr. President, this concludes my discussion of basic features of the United Nations Charter.

In conclusion, I wish to congratulate the senior Senator from Texas [Mr. CONNALLY], the senior Senator from Michigan [Mr. VANDENBERG], and all other members of the American delegation upon the magnificent and remarkable job which they did in representing this country at the San Francisco Conference.

Mr. President, I am grateful and proud to have had the honor to discuss this document which opens the door to a new epoch in the history of an old, old world. It is with reverence and faith that I shall cast my vote on this instrument which will not only influence but I believe save the lives of millions in future generations. I shall do so with confidence in the intrinsic goodness of mankind. I do so with the belief that the basic principles of freedom and justice shall prevail despite all odds. I do so with the devout hope that we are laying the plans for not only a peaceful but a much better world.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. FULBRIGHT. There was one point to which the Senator referred which I am not sure that I thoroughly understood. He spoke with reference to the power of the President. We have passed the point concerning the ratification of the agreement. I now refer to the President's power to supply military force. I did not quite understand the Senator's position which he stated near the end of his remarks. Does he agree that the power of the President to order the use of military force does not arise out of the treaty, but that it arises out of the Constitution of the United States, and that it is the President's duty, whenever necessary, to marshall military force in the defense of the country?

Mr. LUCAS. There is no question about that. But we are giving to the President additional power which he does not now have. In other words, we are creating a military force to be used in policing any situation which may threaten the peace of the world. Under the Constitution of the United States the President has the power to call out the troops for the purpose of faithfully enforcing the laws of the land, including treaties in situations which may involve the property rights, or personal rights, of an American citizen.

Mr. FULBRIGHT. Such as personal rights.

Mr. LUCAS. Such as personal rights.

Take this hypothetical case—suppose the President should call out a contingent to troops for the purpose of quelling a dispute between Bolivia and Paraguay, wherein no rights, personal or otherwise, of an American citizen are involved. In such a situation we certainly would became involved in war. I do not believe the President has such power under the Constitution.

Mr. FULBRIGHT. That is what I was coming to. The Senator would not restrict the President's power to the protection of some tangible form of property.

Mr. LUCAS. Oh, no.

Mr. FULBRIGHT. The Senator's theory is that ultimately our interest will become involved.

Mr. LUCAS. That is why we propose this treaty. We have reached the time when almost any dispute between nations becomes our business. Under the treaty the military force so committed under the military agreement would be subject to immediate call by the delegate on the Security Council, if there were a breach of the peace, or the peace of the world were threatened.

Mr. FULBRIGHT. At this point, if the Senator will further yield to me, I should like to read into the RECORD a statement from Willoughby, and also a statement from Wright. In Willoughby's treatise on the Constitution, in discussing the right of the President to send

troops outside the United States in times of peace, he states:

As to the constitutional power to send United States forces outside of a country in time of peace—

That is prior to the declaration of war—

when this is deemed by him necessary or expedient as a means of preserving or advancing the foreign interests or relations of the United States, there would seem to be equally little doubt, especially since the argument of the Court in *Myers* v. *U. S.* (272 U. S. 52) with reference to the general character of the executive power vested in the President, and, apparently, the authority impliedly vested in him by reason of his obligation to take care that the laws be faithfully executed, it is reasonable to predict that, should the question be presented to him, the Supreme Court will so hold. Of course, if this sending is in pursuance of express provisions of a treaty, or for the execution of treaty provisions, the sending could not reasonably be subject to constitutional objection.

Mr. LUCAS. We all recognize Willoughby's treatise on the Constitution as one of the leading authorities, and I am glad the Senator has used the reference. Let us assume another hypothetical case. We will assume that, in the absence of this treaty, a dispute takes place between Bulgaria and Rumania which threatens the peace of Europe. If there be no American interest involved, either a personal or a property interest, I do not believe that the President would have any authority to send troops for the purpose of quelling such a disturbance taking place between those two nations.

Mr. FULBRIGHT. Will this charter be a recognition that our Nation may become involved in that dispute?

Mr. LUCAS. There can be no question about it. As a result of the scientific development of war implements during the past 10 or 15 years, a dispute taking place along the border of any country in the world which may threaten the peace of the country involved, also threatens the peace of the United States.

Mr. FULBRIGHT. If we continue the defensive attitude that the only way to maintain peace is to wait until aggression takes place, we shall be pursuing an incorrect theory. We know that it is not true. It seems to me that we must evolve machinery which will be effective as a preventive instead of as a cure.

Mr. LUCAS. We have many examples of the President of the United States having used force to carry out the terms of a treaty. He has such power under the Constitution. The Supreme Court has so held. When we enter into this treaty we are morally and legally binding ourselves to make it effective by creating whatever military force shall be necessary in order to do the policing.

Mr. FULBRIGHT. Would not the Senator agree that if the Congress undertook to restrict the President in the exercise of the power which is placed within his discretion for the purpose of enforcing law and protecting our interests, it would be wrong to do so?

Mr. LUCAS. I agree with the Senator.

Mr. FULBRIGHT. There has been some talk to the effect that we could control and say to the President, "No; you cannot use these forces."

Mr. LUCAS. I do not agree with that at all. It is a question for the delegate upon the Security Council to determine, and of course he will be functioning under the direct supervision of the President of the United States, who has appointed him.

Mr. FULBRIGHT. Mr. President, I should read a statement from Mr. Quincy Wright in his book The Control of American Foreign Relations. On page 227 we find this statement:

Treaties of guaranty, or requiring the employment of force in policing or other operations, have usually been carried out by the President. Thus on many occasions the President has dispatched troops to Panama in maintenance of the guaranty in the Colombia treaty of 1846 and Presidents have also dispatched troops to Cuba, Haiti, and China in pursuance of treaties and protocols requiring protection.

Mr. CHANDLER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. CHANDLER. In the last case, so well known to all of us, President Roosevelt, in July 1941, sent American troops to Iceland, and they relieved the British of the necessity of occupying Iceland. He did that under his constitutional authority. It was not questioned. It was definitely in the interest of the protection of American shipping, American commerce, and American interests.

I think it is admitted that the President has always been able to engage in skirmishes, but never in war. Sometimes skirmishes have led to wars. We might compare it to a football game. He could skirmish, but he could not play a real game, but sometimes a skirmish would lead to a game.

I wish to express my appreciation to the Senator from Illinois for raising this question. He has done it admirably, he has done it well. It is very plain that the Senate of the United States is going to ratify this Charter in good faith, and that we are pledging the resources of the people of the United States to maintain peace. If a situation arises, the President, acting on information furnished by our delegate that the sending of troops can avert a war, he will send troops and avert a war in the future.

I am not concerned about occupants of seats in this body in the future not implementing this charter in good faith, based on knowledge of the fact that we enter into this agreement after failing to go into any sort of arrangement at the end of the last war, and we pledge the full faith and credit of the people of the United States to make an active effort to keep peace in the world. That is the reason for this Charter. I again express my appreciation to the Senator from Illinois for his valuable contribution to the debate.

Mr. LUCAS. I thank the Senator from Kentucky for his kind and warm expression.

Mr. MILLIKIN. Mr. President, I should like to make a few suggestions which I hope may help to avoid what may develop into unnecessary and destructive divisions of opinion on the subject of control over our contribution of armed forces to the Organization.

I believe that our problem is greatly simplified, to me most all of the difficulties disappear, by holding fast to several features of the plan, by keeping in mind the scope of the job of the Organization so far as the use of armed force is concerned, and several pertinent features of our Constitution.

First. Our delegate to the Council is not an internationalized person. He is the representative of the United States and, therefore, is subject to our laws and our Constitution. Reflection on this fact makes it clear that by constitutional methods we can control the vote of the delegate on all matters having to do with the application of force and on any other matters to the extent we may feel control is neccessary.

Second. For many years to come the Organization will not have jurisdiction of our defeated enemies. They will be policed and it is to be expected that their war-making abilities will be sterilized by the Allied armies.

Third. The operation of the veto power makes it inconceivable that the Organization would make war on, or even conduct police operations of significant size against, any of the permanent members, their dependencies, or their important satellite nations. If such action were taken it would probably write the epitaph of the Organization, for it would confess the failure of its vital conciliatory functions.

Fourth. When we make the exclusions of nations and of areas resulting from these considerations, we see clearly that the exercise of the Organization's police power will probably require no more than very modest forces, that it will be infrequent, and will be aimed at nations which, because of their international and military unimportance, have not been able to find a powerful patron.

Fifth. Common prudence, however, requires that we keep in mind the day which may come, although it may be distantly removed, when the Organization will take over control of our defeated enemies, and requires that we keep in mind the possibility of police action and of war before and after that contingency.

I am perfectly willing that our delegate on the Council shall vote for or against the use of police force as may be directed by the President of the United States. Assuming that we adopt appropriate domestic mechanics to accomplish this, we shall have protected the President's traditional control over such operations.

Sixth. If the organization should ever be threatened with the necessity for conducting war there will be premonitory rumblings; there can be provision whereby the Congress can be kept fully advised by the President, and there will be ample time for the Congress, acting through the President and through our delegate on the Council, to pass on the question, to give appropriate instructions through our President to our delegate, and to authorize forces additional to those needed for purely policing purposes, if that shall be the judgment of Congress.

Seventh. In discussion of these subjects the question is always raised,

where does the power of the President to conduct policing operations end, and where does the power of Congress to make war and to supply and maintain our military forces begin?

There has been a no-man's land which has never been eliminated by an acceptable definition.

But I wish to emphasize, and this may resolve many of our difficulties, that by the implementing mechanics which we shall adopt, we have the opportunity to establish a practical definition. In other words, the initial quota of forces which we allocate can be considered as the measure of our view of the forces required, at least initially, for policing operations.

No matter what mechanics may be adopted, we can allow some elasticity in this. Experience may show that the original allocation is unnecessarily large or insufficient. There should not be any difficulty in setting up a formula that will give the President, in the exercise of his own judgment, additional leeway for allocation of appropriate additional forces to be used for policing purposes.

Thus, having in this practical way defined the limits on the forces to be used for policing purposes, we automatically establish the line where the constitutional war powers of Congress shall commence.

Such a formula, assuming that it is sought and carried out in good faith, would meet our full obligation to the Organization and at the same time preserve the traditional prerogatives of the President and the constitutional powers of the Congress in the subject matter.

Now as to the mechanics—as to whether we shall do these things by supplemental treaty or by the action of both Houses of Congress:

During the hearings, as a result of questions asked by Senators, including myself, the Charter was officially interpreted by Mr. Dulles and by the chairman of the Committee on Foreign Relations, as requiring that it be done by supplemental treaty.

As I see it, it can be done that way, and it can be done by both Houses of Congress. It is most important, however, that we shall know definitely before action is taken on the Charter which way it is going to be. Also, it should be made most clear that it will be by one or the other of the methods discussed, to wit, by treaty or by action of Congress, and not by executive agreement.

Mr. VANDENBERG. Mr. President, before the Senator from Colorado takes his seat I desire to make one observation. During the hearings before the Foreign Relations Committee he was by far the most persistent and consistent cross-examiner of the witnesses among all Senators, and I simply want to say to him that I think he rendered a very great service by the constant attention he gave to those examinations and the very illuminating information which he produced as the result of his questions. I want to thank him on my own behalf for the service he rendered in that fashion.

Mr. MILLIKIN. I thank the distinguished senior Senator from Michigan.

Mr. SMITH. Mr. President, I have listened with great interest and benefit to 3 days of splendid discussion of the details of the charter and general observations on it. I desire to address myself to some general observations concerning what I see to be the relation of the action we are taking at this epoch-making time to the future of our country and our future foreign policy.

Mr. President, I shall vote for the ratification of the San Francisco Charter with enthusiasm. And I feel justified in this because of the oustanding representation at the San Francisco Conference by our distinguished American delegates: Former Secretary of State Stettinius, our colleagues, the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], the House representatives, Messrs. Bloom and Eaton, and Commander Stassen and Dean Gildersleeve. History will duly record their great achievement.

I now wish to address the Senate and my constituents in New Jersey on what I conceive to be the significance of this epoch-making event.

I voted for the extension of the reciprocal trade treaty program with the enlarged powers for the President; I have voted for the Bretton Woods program dealing with international monetary matters; I voted for the enlargement of the powers of the Export-Import Bank; and for the participation by the United States in the International Food and Agricultural Organization.

A natural and proper question is:

Why have I voted for all these measures, and why am I going to vote for the ratification of the San Francisco Charter, when taken as a whole, these involve our country very deeply in the affairs of the world and involve us in staggering financial commitments?

If I were to sum up my answer to this very relevant question briefly, I would say—and I want to emphasize the statement, if I may—that I am supporting this Charter; I am supporting this new policy in the national affairs, because a despairing, chaotic world is crying for the positive, constructive, dynamic leadership of America. The world needs faith and hope and not fear and despair. Above all, it needs the combined cooperation of all people of good will to bring about new human understandings.

The United States will emerge from this war as not only the strongest nation in the world, but as the one nation whose philosophy of freedom of opportunity has made us the beacon light of hope for the despairing millions of suppressed peoples in all corners of the earth. I should like to emphasize that because our action now is going to mean so much to the world.

I am perfectly aware, Mr. President, that no country, and certainly not our country, would be able or could be expected to solve these great problems single-handed. I am definitely opposed, as I have said many times, to the United States acting in the role of Santa Claus for the rest of the world, and above all, for trying in any way to establish ill-advised WPA's throughout foreign countries. There is a very definite limit to the amount that we can loan or give to other nations for their rehabilitation. But aside from our inability to pay the bills, it is also my considered judgment that the worst thing we could do for the world would be to let the impression get abroad that we are expecting to pay the bills. We cannot help individuals or nations by doing for them what they very definitely must do for themselves.

But we can help individuals and nations to help themselves, and when they are sick and depressed and in despair, the definite indication that we are prepared in a human, interested way to join with them in seeking the solution of these problems will be the difference between faith and hope on the one hand and fear and despair on the other.

Mr. President, the whole world picture requires new thinking, both by us and the other nations of the world. So far as the United States is concerned, this new thinking is certainly going on. We have witnessed an amazing evolution of a national conviction which has slowly grown since the beginning of World War II, and which has expressed itself in a succession of significant events which may well be characterized as milestones on the road to peace. One has only to think of the debates in both the House and Senate leading to the adoption, respectively, of the Fulbright and Connally resolutions, and then measure the distance between those resolutions and the San Francisco Charter. American public opinion has definitely committed itself to the principle of participation by the United States in world cooperation to preserve the future peace.

The Republicans at Mackinac, back in 1943, the national conventions of both parties in 1944, the Moscow Conference between the Big Three nations in 1943, the Dumbarton Oaks discussions in the late summer of 1944, the Yalta and Mexican Conferences in 1945, and now the San Francisco Conference give us a quick, consecutive picture of these important milestones. And let me suggest that if we look upon these events as milestones on the road we are traveling, and realize that none of them is the final destination—I want to emphasize that—we get the right perspective. What we are seeking is not final perfection this early in our gropings for a new world, but we are very definitely seeking progress. So let us rejoice as progress is made. I wish to emphasize that, because it has been stated so many times that the Charter holds out hopes for this, that, and the other thing. To my mind it does not hold out any more hopes than it expresses. In time we shall evolve toward greater progress under it. I am rejoicing in the progress under it. It is another milestone on the road to peace.

In seeking ultimate solutions, it is my conviction, Mr. President, that these steps of progress must include international economic collaboration as well as political collaboration. This apparently is an unwelcome idea to some of us. In the recent masterly debate on the Bretton Woods proposals on the floor of the Senate, the case for the opposition was built on the premise that political and

economic collaboration were not necessarily tied up together. The implication was that one could be a political internationalist and at the same time be an economic isolationist. It is on this point that I take definite issue. I submit that we cannot support that idea.

It is my conviction, Mr. President, that we must not only consider political and economic collaboration together in facing the postwar world, but that we must do everything in our power to substitute constructive international cooperation for the old type of destructive competition that laid the foundation for international misunderstandings and ultimately for wars. What I am trying to say, Mr. President, is that we must look beyond the language of all these documents to the spirit of what we are going to do next.

In using the word "competition," I do not wish to be misunderstood. We all know what legitimate competition is. We all know that legitimate competition under a free enterprise system sharpens the wits, improves methods, and stimulates real progress. We all know that the great United States has been built up by an understanding among the people of our interdependent States of the legitimate place of competition in our industrial system, and the illegitimate place of monopolies and vested interests, which favor the few at the expense of the many.

The kind of competition which I am arguing against is the kind that destroys the opponent because the power of might rather than efficiency and skill is on the side of the victor.

I wish to emphasize a fact that I believe is of first importance in our consideration of our postwar foreign policy. Let me state it in this way:

There are adequate world resources for the legitimate needs of an entire world at peace, but there are not enough world resources, and there never will be enough world resources for a greedy, avaricious world constantly preparing for war. It is competition for strategic raw materials and for trade advantages that muddies the international waters and lays the foundations for the misunderstandings out of which come the conflicts. I submit, Mr. President, that you cannot separate economic issues from political policies.

I making these statements I may be charged with seeking the millennium, but I submit that the progress of the world has always depended upon the vision of those who are willing to "hitch their chariots to stars" and at least see the right objectives. All I am pleading for is that we lay the right foundation for our new world before we try to build the superstructure.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. EASTLAND. As I understand the Senator—and I believe he is exactly right—we must not overlook the economic causes of war. We must build an economic foundation which will make mankind prosperous, and on that foundation must rest the security Charter. Is that correct?

Mr. SMITH. That is correct. I thank the Senator for his interpretation of my point.

Mr. EASTLAND. After the last war we had the League of Nations proposal for permanent peace. The fact was entirely ignored that world trade, world commerce, and world prosperity must be the foundation on which such a league must rest if it is to be successful.

At this time we have enacted the Bretton Woods proposals; we have passed the reciprocal trade treaty program; and we have increased the lending powers of the Export-Import Bank. We have created an economic foundation for this organization. Does not the Senator feel that the present over-all peace plan, of which Bretton Woods is a part, of which the reciprocal trade treaties are a part, and of which this Charter is a part, is far superior to the peace plan which was evolved after the First World War?

Mr. SMITH. I am grateful for the Senator's suggestion; and if he will let me finish my discussion, I will show him that that is exactly the point I am trying to make. They are all related. We are building an over-all structure, and not merely a little piece here and a little piece there.

Mr. EASTLAND. Does not the Senator feel that this is a superior structure when compared to that sought to be erected after the First World War?

Mr. SMITH. I think it is superior, and it gives me courage to hope that it will succeed.

I submit, Mr. President, that the foundation stone for this new world structure is international cooperation and unity. This is the very heart of the San Francisco Charter.

But as soon as we begin to talk about such abstract things as cooperation and unity, and try to put them into concrete form, we are overcome by fear. Time and again in my personal experience, I have been defeated by the negative—defeated by seeing the "don'ts" in a situation calling for united action, rather than the "do's." Time and again when I could have crusaded for the positive I have been deterred by the negative approach and by fear. I want to insist now, because it is such a deep conviction with me, that our approach to all of these milestones on the road to peace must be both positive and constructive. This does not mean that we should not examine the San Francisco Charter, the reciprocal trade agreements, the Bretton Woods proposals, and other matters with the most scrupulous care. That is our responsibility, and I join with every other Member of the Senate in expressing our debt of appreciation and gratitude to our colleagues for placing in the record of this Congress so constructively the dangers inherent in these new experiments in world collaboration. I agree with them that many of the dangers which they pointed out are real dangers. I only disagree with them when they say that political and economic collaboration are not related, and when this leads them to take the position of "don't" when I feel in my heart that we all should be taking the position of "do" in this present crisis.

So, Mr. President, I shall review certain thoughts which have come to me, both with respect to the reciprocal trade treaties and the Bretton Woods agreements in connection with this treaty. In this spirit I shall take up certain aspects of the reciprocal trade program and the Bretton Woods proposals, and show their relation to the San Francisco Charter.

In regard to both the reciprocal trade agreements program and the Bretton Woods proposals, as I stated in my address before the Senate on June 13, it is my conviction that the issue is the relationship of international economic collaboration to international political collaboraton. Because of this conviction, I felt that we must approach the issue presented by the trade agreement program and the Bretton Woods proposals as vital contributions to the spirit of San Francisco. I could not conceive of opposing those measures, even though I recognize the dangers of them, without feeling that I was opposing the spirit of San Francisco.

Being traditionally a protective-tariff Republican—and I wish to emphasize that—it took me some time of study and check-up to convince myself, as I have become convinced, that from the standpoint of our American industries, and our New Jersey industries in particular, the trade-agreement method of establishing our foreign-trade relations is preferable to the old unilateral tariff schedule writing by congressional log-rolling. Furthermore, conference and agreement, cooperation and unity, which are the spirit of the reciprocal-trade agreement program, rather than unilateral action, are the foundation of our new world structure, as I suggested a moment ago.

I welcomed with enthusiasm the proposal made at Dumbarton Oaks that there be set up an Economic and Social Council when this Charter was finally written, and of course I welcome the proposal for such an Economic and Social Council as is embodied in the final draft of the Charter. As I stated in my address on the reciprocal trade agreements, I have felt and still feel that the present machinery for making those agreements is defective and needs overhauling and revision. Now that the International Economic and Social Council is to be set up, it seems to me we are challenged to do the necessary reviewing and overhauling of this procedure, and in doing that, we will have the opportunity to protect the position of American industry. I am not worried about American industry at all under that set-up.

I changed my original position when the proposal to extend the President's power came before us, and I voted to grant the President the additional power. This was because, as I stated in my former address, I wanted to strengthen the President's hand as he approached the three-power conference now being carried on in Potsdam. And, furthermore, I wanted to make it possible for the United States to help solve the serious economic situation in which Great Britain finds itself, and to bring Great Brit-

ain, if possible, within the orbit of those nations which still believe in free private enterprise. As I stated, there is real danger that Great Britain may be forced into the orbit of the collectivist countries which will be carrying on their foreign affairs by government action, rather than by the individual, free-enterprise system of individual action. A great struggle is going on in the world between collective governmental action and individual, private enterprise action, and that struggle is very relevant to the issues in the debates over the reciprocal trade program, the Bretton Woods proposals, and the San Francisco Charter itself. If Britain is pulled into the orbit of the collectivist countries, it will be a distinct threat to everything we have stood for here in America and for many of the things for which the war is being fought.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. AIKEN. I should like to add that as an elected Senator, the Senator from New Jersey in supporting the reciprocal trade agreements was simply carrying out the very definitely announced principle of the Republican Party, as set forth in its platform.

Mr. SMITH. I agree; and I should like to point out that it was also set forth by the Republican Party's last three Presidential candidates, Mr. Landon, Mr. Willkie, and Mr. Dewey.

Mr. AIKEN. That is certainly true.

Mr. SMITH. In considering the Bretton Woods proposals which we adopted last week, I had an even more difficult decision to make from the standpoint of my tradition and background than I had in the case of the reciprocal trade agreements program. While I felt from the beginning that the Bretton Woods agreements were further milestones on the road to peace, and that, therefore, I wanted to support the principles which they represent, I was in serious doubt about the methods which the program proposed. In line, however, with my conviction that we must not leave a stone unturned in moving forward in the direction of international cooperation, I voted for the proposals as amended by the House and the Senate committee, and I voted against the other amendments offered on the floor which I felt might possibly cripple the operation of the Fund.

I was fortified in this action by the large vote in the House and by the highly commendable, cooperative attitude of the spokesmen for the American Bankers Association. This was particularly significant because the Bankers Association had originally opposed the Fund. Apparently the principles underlying both the Bank and the Fund were so universally approved that the chief criticisms were reconciled, and our banking experts generally throughout the country have indicated, I feel, their final endorsement.

I admit that the proposals and especially the Fund appear to be full of serious difficulties. Some of our most distinguished financial experts expressed grave fears as to their soundness and effectiveness. As a layman in finance, I share those fears. I am by nature conservative. I have believed for years in the automatic gold standard for international currency stabilization. I would have much preferred our returning to it. I am opposed to the principle of managed currency; and when I found the Fund a management device, it was hard for me to support it. I realized also that our country is emerging from this war as the most powerful and wealthiest Nation in the world and we are in real danger of being expected to do the impossible. And I see the danger also of our being made the scapegoat among the other nations of the world, as I pointed out on the floor of the Senate if the impossible cannot be attained.

Under such circumstances and with my background, it took a mighty act of faith to move forward into new and untried adventures. But I made the same decision in the case of the Bretton Woods proposals that I made in favor of the reciprocal-trade-agreements program. It seemed to me that if we declined to participate in the Bretton Woods proposals, which were the result of many years of study and the deliberations at Bretton Woods a year ago of the technical advisers of 44 nations, our only reasonable alternative was to take an isolated position, as was proposed on the floor of the Senate. The proposal was that we make individual financial loans to various countries which might need rehabilitation assistance. It seemed to me that would definitely put us in the unfortunate position, which has been pictured for us many times, of being Uncle Santa Claus to whom everybody would run, and ultimately becoming Uncle Shylock, pointed at with scorn by the other nations of the world when we came to the inevitable end of the lending process. Certain of these dangers are inherent, of course, in the Export-Import Bank, but our main object there is not rehabilitation aid, so much as aid to our own exporters.

Bretton Woods seemed to me, with all its difficulties, to offer the prospect of financial collaboration to bring about rehabilitation, by having all nations of the world act together, and by placing responsibility on others as well as ourselves. In saying this I am aware that in the "pool" set up by the Fund the dollar is the outstanding valuable currency and there may be a strong tendency to draw out the dollars, as was pointed out in the Senate debate.

I supported Bretton Woods, therefore, because I felt that it was another sincere effort in the direction of international cooperation. I felt that unless the United States took an aggressive leadership the attempt at currency stabilization throughout the world would fail and we would have the inevitable "running to cover" by the other nations of the world, and the same kind of a setting up of exchange controls, embargoes, tariffs, currency depreciation, blocked currencies, and all the other evils that so beset the world between World Wars I and II.

Will it be expensive? Yes. Our share is $6,000,000,000, and there is a wide difference of opinion among financial experts as to whether the plan will work. It does take an act of faith and hope and it is an enormous responsibility for my colleagues and for me to vote for such a program. But, Mr. President, I have chosen in this instance, as in the case of the reciprocal trade agreements, and as I shall choose when we come to the vote on the San Francisco Charter, to ally myself with those who believe profoundly that the faith and hope of a despairing, chaotic world depend on a positive, constructive, dynamic leadership by the United States. It is my deep conviction that it is right for our country at this time of tragic crises to accept our God-given responsibility and opportunity. So I am compelled to remain positive and to say "Yes," not "No," and to add these programs with all their difficulties and with all their dangers to the other milestones on the road to peace.

There remain some further important considerations which I shall touch upon very briefly.

After the ratification of the San Francisco Charter—what?

We have created machinery by these legislative actions of ours in line with our convictions that this is the time for world cooperation politically and economically.

What kind of a spirit will make this machinery work? There never has been a time in our history when so great a responsibility rested on any one man as is now placed on the shoulders of the President of the United States. He has to make the appointment of those who are to administer the trade-agreements program that affects the industry and the livelihood of our people. He has the responsibility to appoint those who will administer the technically difficult Bretton Woods Bank and Fund. He has the responsibility to see that the United States' appointments to the various organizations set up under the San Francisco Charter are of a kind that will make the Charter possible of success.

We can all applaud the appointment of Mr. Stettinius as the United States delegate on the Security Council. It is a splendid start. But here is a situation, probably beyond all others in our history, where the introduction of anything in the nature of political appointments might well be fatal to the future survival of world civilization. These jobs will call for men and women who not only have ability in their respective fields, but who also have the broad vision of the over-all purpose of the participation of our United States in a world organization, not only to preserve the peace, but to advance the cause of human understanding and brotherhood. If ever we needed men and women of such caliber, it is right now; and those of us who are here in the Senate have the responsibility to give our every assistance to the President in the making of these choices. And I urge that the President, on his part, and his advisers see the vital necessity of eliminating partisan politics, and seek as appointees to these offices only those who, irrespective of party, have the vision of the place of the United States in this vitally important postwar period.

We have another responsibility which is on a par with this responsibility for world collaboration. This other responsibility has to do with the further

evolution in America of the true principles of democracy and self-government. We have been called the land of the free and the home of the brave; and because we have demonstrated that human freedom is the true foundation of human progress, we are now called upon to give the world an example of the constructive possibilities of that concept. We are definitely challenged to demonstrate that in free America there is equality of opportunity for all, without regard to race, creed, or color. The example of the postwar emergence of our great free Nation will be the example which other nations will be impressed by and will wish to follow. I am not afraid of any foreign ideologies taking hold of America as long as America remains true to her own traditions.

I have referred to faith and hope as vital to the future of the world. Let me urge that we, as a great people, demonstrate that faith and hope. Let us have faith in each other; faith in the sincerity of the people of the United Nations who are looking to us for leadership; faith in our institutions—the Constitution of the United States; faith in the God of our fathers who guided our early destiny, and who will continue to guide us and the other nations of the world into the paths of human understanding and peace.

Mr. President, my fears and conservatism have given way to my faith and vision. We are able to pass another milestone and in passing it, we are saying to the other nations of the world:

We all now know that none of us can live alone;

We are all interdependent;

We must all work together both politically and economically;

We will trust you and you must trust us;

We in the United States desire to move forward hereafter, not apart from the world, but as a part of the world;

God grant us the courage and consecration to rise to this opportunity and this responsibility, and may the United States Senate, in ratifying the San Francisco Charter, become in a true sense ambassadors of good will to all peoples of the world.

It is in this spirit, Mr. President, that I shall vote with enthusiasm to ratify the Charter of San Francisco.

Mr. HART. Mr. President, we shall soon ratify the United Nations Charter, and my vote for ratification will be cast without mental reservations. I am not proposing any changes or reservations to the charter, and shall be expressing no thought calling for any specific action now.

The original main motive of the movement for international organization, at Dumbarton Oaks and before it, was the maintenance of peace, the future security of ourselves and the rest of the world against any further damage from the armed forces of aggressive nations.

The Charter which stands as the framework of that difficult project does not present assurance of such security. That essential result remains to be achieved under proper political leadership. It will mean leadership, Mr. President, which is sufficiently unselfish and which, above all, is wise. In the creation and in the operation of the implements which are to develop from the Charter, much remains to be done. It is upon wisdom in those fields that the maintenance of peace in the world will depend. This body, the Senate of the United States, is in a position of leadership, and its members have well demonstrated the intellectual power and the wisdom which the future requires.

The Senate spent many hours last week on legislation to provide some of the implementation which is generally held to be essential to the commitments which we make under the Charter. That legislation last week was mostly about money—our money—to be obtained through rigorous taxation of the people of the United States. Of course, the money which our country will supply in accordance with the Bretton Woods Agreements, and through the Export-Import Bank, is only a medium. That money really means and represents the product of our soil, and of our store of minerals, as converted by the labor of our workmen in the industrial establishments of our country.

The much-respected majority leader, the senior Senator from Kentucky [Mr. BARKLEY], at the end of last week's debates stated that those debates were on a particularly high plane. There seemed to be no doubt in the minds of those who were present of the truth of that statement. The debate over the Bretton Woods Agreements was long, quite complete, and will read very well in the years to come.

At one point it was argued that the United States Government should at once commit itself to the expenditures under discussion because, in the case of Britain, for example, we would then be in a position to call for help in the war which remains to be won. That is an unusual method of bargaining, but bargaining it would be.

Now, Mr. President, we should not need to bargain with Britain along that line, because British leaders have repeatedly promised to participate in the Pacific war to the extent of their power.

On May 19, 1943, Mr. Winston Churchill spoke before the Seventy-eighth Congress meeting in joint session. Many Senators will recall, for it was a momentous occasion, that at one point in Mr. Churchill's splendid address he concluded his Nation's promise to remain with us in the war with the words:

> While there is breath in our bodies and while blood flows in our veins.

It was the only place in his address where the Prime Minister made more than the slightest gesture. It was with an eloquent gesture and with great emphasis that he pronounced the words:

> While there is breath in our bodies and while blood flows in our veins.

It is fair to say that everyone who heard the promise was impressed with the utter sincerity with which the British Prime Minister pronounced those words. We have no adequate ground for thinking that there has been any change in the wish or the desire of Britain to fight by our side until Japan is crushed, as we have helped to crush Germany. That means, Mr. President, that we expect Britain to fight as effectively as her remaining power will permit. As we all know, such power depends considerably upon the spirit of the people and their will to fight. The will and spirit of most of our allies is greatly affected by the exhaustion of nearly 6 years of war. There is a weariness which must be realized and considered in its bearing upon all our own plans. The evidence is clear that such is the situation.

On that point, Mr. President, I may say that the last few months have disclosed portents, as regards the war against Japan, of which we can well take count. It is now known that a detachment of the British Navy is fighting with our forces in the northwest Pacific. Fleet Admiral Nimitz does not need those forces, because by the time they joined him he had already beaten the Japanese Navy at sea and in the air. Our own sea power was already sufficient to do what then remained to be done.

It is known that those British naval forces came from European waters or from the Indian Ocean. The sea routes over which they traveled to join Nimitz are not known, and in any case it is not important. The supply line, the route over which the British naval detachment receives its necessities, is vastly important. We do not know just what that route is, or where lie some of the sources of supply; but we do know that it is not the direct route through the waters of the Netherlands East Indies.

Mr. President, geography has become almost our greatest enemy in the Pacific war because of the logistic problems with which our own forces have contended for some time, and which daily grow more difficult. In point of demands upon shipping, the movement of petroleum products to the forces on the fighting front constitutes the most difficult logistic problem. Several Senators have had a first-hand view of that problem and will appreciate its great magnitude. The enormous amount of fuel used by the ships, by the planes, and by motor transport on land, has been crossing the vast Pacific at its broadest point. The effort consumed in getting that fuel to the point of use is tremendous.

There was a way to reduce that logistic problem, if it could have been followed. By the date of the Normandy invasion, now well over 1 year ago, the Allied naval forces had fairly well won their part of the Atlantic war insofar as combat was concerned. The Germans had been beaten off the sea. Even their submarines were no longer effective, and the German planes had been driven out of the air. If, many months ago, the British Navy had brought amphibious power into action from the Indian Ocean and thus driven into and through the Netherlands East Indies, an extremely effective contribution to the Pacific war would have resulted. In such case, the British forces would have been following their shortest route to the northwest Pacific, which is the vital theater of war, and their own supply line for nearly all purposes would have been direct. The main point of it all would have been the easy availability of the Arabian and Persian oil fields which now contain the

world's greatest known reserve of petroleum. Better still, such a campaign might conceivably have opened the Sumatra oil fields, the best in the Netherlands East Indies. That would have enabled the Dutch to make a really effective contribution to the war; but even without Dutch oil our own forces could have received a part of their fuel over the shorter route to the Arabian fields.

Those statements may be no better than conjecture, but, in the main, their truth can be estimated by anyone who casually studies the maps. It is therefore submitted that the statements at least approach fact, and the question arises: Why was that drive eastward from the Indian Ocean not started some time ago? It is to be sincerely hoped that no criticism is held to be voiced, or even implied, by any man who asks the question. Speaking for myself, I shall certainly be one of the last even to hint criticism of the British Navy. For generations, professionals of all the navies of the world have felt only high admiration and the greatest respect for the British Navy.

To my mind, Mr. President, the reason the British did not drive into the Netherlands East Indies and through the Malay barrier was simply that they felt they could not, despite the weakness of the Japanese forces which would have confronted them. The British were tired from the long years of war and, despite their sincere promises and desires, and those of our other allies as well, we of the United States had best realize that our own forces must continue to bear the main brunt of the war in the Pacific.

But to get back to our subject. After that illustration of conditions which face us, I had brought up the question of bargaining power. The record of the United States Government in the use of bargaining power in its international relations does not constitute history of which we can be altogether proud.

There is now available a considerable mass of reliable history of President Wilson's administration as regards events in the international field.

It shows that if President Wilson, in 1917 and the early months of 1918, had used the bargaining power which lay ready to his hand he could have forced the disclosure of certain secret treaties and agreements which existed between the Allied Powers. It still has not been disclosed whether or not President Wilson had private knowledge of those treaties at any time before he was confronted with them when he arrived at Paris to take his part in the treaty negotiations of late 1918. It is possible that he did know of them, but quite evident that in such case his information had not come in such a way that he could use the knowledge in the interests of the United States, and particularly in furtherance of his own designs for the peace. In consequence, the negotiations in Paris began with the presentation of certain agreements, among our European allies, laid before President Wilson as fait accomplis. Naturally, the President was plagued, and even thwarted, at various points in those negotiations because he had not used his bargaining power at a time when it could have been effective.

Mr. President, there is a certain similarity between the situation during this war and for some time before our own active participation began. It can be said that President Roosevelt did obtain a bargain when we gave the British Navy 50 destroyers before we were in the war. We did obtain leases for bases at certain places on British territory in the western Atlantic. Those leases run for 99 years and, so far as can be seen, upon terms which are adequate insofar as our necessities for military and naval bases during this war are concerned. It is quite definite, however, that they cannot be used for our commercial purposes after the war. The leases, for instance, do not provide that our air commerce can utilize the flying fields which have been built at the expenditure of United States money.

Incidentally, our expenditures on that foreign territory add up to a good deal of money. Anyone who now inspects those bases can see that we did not need go to the lengths to which we did go when we constructed them. But to say that amounts to expressing wisdom some time after the event. Those expenditures probably are defensible in the light of the great uncertainties which existed at the time.

However, Mr. President, some other expenditures were made on this continent, but outside our own territory, which, in my opinion, are scarcely defensible. I refer to the heavy costs in money, materials, and in expenditures of scarce labor which were embarked upon, in 1942, in the Canol project to get petroleum products out of north Canada; also on the Alcan Highway, in the same general locality, to provide road communications between the United States and Alaska; lastly, on the International Highway, which was partly built from our southern border to Panama. Those expenditures turned out to be virtually useless for our part in carrying on the war, and it is submitted that proper wisdom at the time would have shown that they would be utter waste. The decision to embark upon those three projects could have been supported only on the thesis that there was grave danger of loss of our control of the sea even in the waters adjacent to our own coasts. Any arguments to support such a possibility would have been extremely farfetched, and it is difficult to understand how we came to commit ourselves to such wastes of men and materials. Again I have digressed.

Now, Mr. President, in order to support the war across the Pacific, we have also made large expenditures for bases at various points in the Central, Southern, and Western Pacific. Several Senators have seen some of them, have realized the rather brief periods during which they were used, and no doubt wonder why. Again, to be too critical would mean displaying wisdom after the event; but certain of those bases also do seem to have been overbuilt.

Though war is all waste, perhaps there has been far too much of it in many places. The frugality of lend-lease measures, for instance, has been questioned. However that may be, the serious point now is that several of those Pacific bases also are located on foreign soil and, so far as is known, we have wholly failed to obtain agreements under which we can make any postwar use of them whatever. All of those bases on foreign soil lie in the South Pacific. Anyone who recalls the situation and the circumstances of the war as affecting our allies at the time seems justified in assuming that a certain amount of judicious bargaining could have put us in a position to obtain some postwar returns from those heavy expenditures on foreign soil, and without any cost to the Allies concerned.

The summation of the history of our international relations over the last 28 years strongly indicates that the United States Government has not been adept in its use of bargaining power. While possessing relatively heavy power of that sort, we usually have failed to look to our future well-being in any field whatsoever. The question has been asked repeatedly why did we not obtain commitments which were our just due and which could have meant little or no sacrifice on the part of our allies. To that question the answer has been given that it was unfair for a Nation as strong as the United States to take such an advantage over a hard-pressed ally. Some even have said that it would not be proper sportsmanship thus to quibble and drive bargains with any ally in a difficult situation. Perhaps those views are correct and perhaps our future strength, in all fields, will remain such that, for example, we will have no need for any strings whatever on the rather vast installations which we have set up on foreign soil. That can be true, but its truth would seem now to depend altogether upon the good will of other nations. The point of all this illustration is, Mr. President, whether or not we shall in the future have the word "bargain" in our dictionary as we negotiate with other nations from now onward. We still have some bargaining power left and, in my own quite humble opinion, it should be used.

The Senate will soon ratify the United Nations Charter. Within a period of 2 weeks the Senate will have taken that step and Congress will have also passed legislation on measures which are designed to implement the Charter—the Bretton Woods Agreements, the revised Export-Import Bank and membership in the Food and Agriculture Organization. Those actions of Congress are highly popular throughout the country, and public opinion is without doubt strongly arrayed behind all the actions which the Congress has recently taken. In later years we may come to see that the shaping of public opinion in that direction has led to grave error by engendering the belief that not only is the United States the essential cog in the international organization—as it no doubt is—but that our position in the leadership of the future world carries with it the obligation to do too much toward that world's rehabilitation. It seems advisable that now, or at least in the early future, we of the United States back off, take stock of the probable situation as to the war still to come, and reestimate our own international obligations.

Mr. President, the war is over in Europe, insofar as combat is concerned, and the attention of our gallant allies quite naturally is centered on the affairs of Europe. Those affairs lie close at their hands; and much of the best thought in Europe has to be directed toward straightening out most perplexing situations all over that continent. The leaders of Europe also have on their minds the absolute and immediate necessities of their own countries and of their own people, which are natuarlly of first moment to them. We cannot expect that the Japanese war now lies anywhere near as prominently in the minds of our allies as it lies with us.

The United States are carrying on most of the war against the Japanese, and it looks as if we shall continue to do so. We hope for and expect some help in it, but a calm analysis of the conditions and circumstances of today clearly shows that the main burden will rest upon us.

The Japanese will eventually be defeated. We hope that will be soon, but it may take some time, and the political and military leaders of this country are obliged to plan to carry on a costly war for quite a period. The strain upon our armed forces and the war effort within this country bids fair to continue to be very high.

We already stand considerably depleted in our basic national strength and power as compared with what it was, say, 2 years ago. If the Pacific war continues for years, as it may, the end of it will see us most seriously depleted. That possibility must be faced as we decide upon what we can and should do to help the rest of this devastated world. We should look well ahead.

There is abroad in the land too much of a feeling that we are powerful and strong enough to do almost anything for the rest of the world; that America can continue to pour out its strength, that it is our plain duty to do so, and that, in short, no outside burden is too great for us to undertake.

The aggregate of the necessities of the rest of the world are simply enormous—far greater than they have ever been, at least in modern history. When one backs off and estimates that magnitude, at the same time doing one's honest best to estimate our own abilities to improve the lot of other peoples, one can only conclude that our 140,000,000—less than 7 percent of the world's population—cannot do it all, cannot assume all the burdens or even a large part of them.

We will be wiser if we keep a reasonable estimate of our ability to carry burdens more firmly in mind than is indicated by much of what is being said and written these days. Having made such estimates, the best wisdom that we can bring to bear should decide on what loads we should assume; and to what points and in what ways our surplus strength can be applied for the most rapid program in the rehabilitating of the world.

To illustrate my meaning, Mr. President, I mention the project of the Honorable Secretary of the Interior that we ship 6,000,000 tons of coal to Europe at once. That sounds simple; but the doing of it would not be simple. There is also a proposal that 30,000 miners be recalled from the armed services to get the coal out. That was Mr. Ickes' proposal. Perhaps the armed services could spare that equivalent of about two Infantry divisions. Anyhow the proposal is that we limit our consumption very drastically, if need be, in order to make the shipment. Let us assume that we could do it. Six million tons of coal requires some handling. After the coal is out of the ground, it must be sent to seaports over our railroads at a time when rail traffic is more stressed than it has ever been before. Mr. President, 6,000,000 tons of coal may not sound like anything very big, but to get it across the Atlantic will require many hundreds of round trips of our freighters. If we use our best ships, something like 700 of those 7,000-mile voyages would be required. In practice, the number might approximate 1,000 round trips from our seaboard to European ports. Those ships will themselves burn great amounts of fuel in thus carrying coals to Newcastle. We know that harbor capacity on the continent of Europe has been greatly reduced by the war. Cargo handling facilities are sparse, and lifting 6,000,000 tons of coal out of the holds of ships which are not adapted to carrying that commodity is a task in itself. In short, Mr. Ickes' fuel project means a great deal of work for us to do.

Now, Mr. President, there are many coal mines distributed over northwest Europe—in Germany, France, Belgium, and even in Holland. Once coal from them arrives at the surface, its distribution to the points of use is likely to be easier than if the distribution started from war-damaged seaports. I submit that before the Honorable Mr. Ickes' project was so emphatically advanced, it would have been well to have estimated what this effort would cost us as balanced against the effort of getting the coal from the numerous mines of Europe.

Incidentally, I do not mean to be criticizing Mr. Ickes. He is a very hard-worked official, and he seems to have to act as Solid Fuels Administrator in just a few minutes of his spare time. Some subordinates, of course, thought up that 6,000,000-ton project. I do not believe as has been said in certain quarters, that Mr. John L. Lewis really has anything to do with it. Those bright young men in the Department of the Interior probably produced the idea; and it is such errors of judgment as that in our international dealings which I seek to illustrate and to warn against.

Mr. President, we shall ratify the charter and loyally fulfill our commitments thereunder. But above all we must remain a strong America. We must not break the back of America in ill-judged attempts to carry the burdens of all the rest of the world.

Mr. HAWKES. Mr. President, I shall vote for the Charter of the United Nations which, when adopted, will provide an international organization for the purpose of keeping the peace of the world and which will likewise establish an international Court of Justice and a Council to study and improve the social and economic conditions of the people of the world under the plan now familiar to every Member of the United States Senate.

For more than 10 years I have publicly stated that there is no more reason why nations should settle their differences by wholesale murder in the name of war than there is that the people of the United States should settle their differences by imposing the will of the strongest upon those unable to combat their strength. Generally speaking, we in the United States settle all our differences, no matter how great they may be, through the established agencies of law and justice.

Regardless of the fact that the people of the United States generally keep the peace of their own volition, we nevertheless maintain and use a police force as an agency to enforce the law and keep order on occasions when people are disposed to take the law into their own hands.

Before going further in my statement, I wish sincerely to compliment and pay my respects to the American delegation which went to San Francisco in the hope of producing an agreement which would be acceptable to all peace-loving people. I believe that Hon. Edward R. Stettinius, Jr., Secretary of State, the distinguished chairman of the Foreign Relations Committee of the United States Senate [Mr. CONNALLY], the senior Senator from Michigan [Mr. VANDENBERG], Hon. CHARLES A. EATON, a Member of Congress from the State of New Jersey, which I in part represent, and Hon. SOL BLOOM, as well as the other delegates, are entitled to the thanks and gratitude of all the people of this Nation. They have done their duty in bringing to this body an agreement which I can vote to ratify on the ground that I believe it to be the best plan that it is possible to provide and have accepted under the conditions confronting all the nations of the world.

Mr. President, before I came to the United States Senate I knew that human relationship which produces effective cooperation results from a give-and-take attitude. Some call it a compromise of viewpoints, but "compromise" tends to indicate an abandonment of principles, so I prefer to call it an adjustment of viewpoints without the abandonment of principles. It seems to me that is what was accomplished at San Francisco.

No one in his right mind could fail to place the establishment and maintenance of peace on the highest level of human objectives.

The price of peace is the building of character and the maintenance of principle, coupled with the proper interpretation of the spirit expressed in the Golden Rule from the Sermon on the Mount.

I take it that no Senator who votes for the ratification of this Charter believes that the words in the Charter or the paper on which they are written mean more than a guiding post to those who wish peace, founded upon justice and equity in human relationship without unnecessary limitations upon individual initiative and accomplishment.

I do not interpret the Charter to mean that any nation wants the will of other nations imposed upon it in connection with the form of government which its

people should freely choose for themselves.

It seems to me this charter step announces a new era in the history of mankind and new opportunities for nations and their people to develop the best there is in the human being without fear of aggression of the kind that enthrones might and dethrones right.

The world will not be changed in a minute, for just as it takes a lifetime to develop a Christian character or a Godly reverence, so it will take longer than the time of any of our lives to bring this program into complete fruition and accomplish the objectives which instituted its creation.

Mr. President, there are many reasons, doubts, or dissatisfactions that could be expressed by anyone regarding this Charter, but there are also many reasons that can be advanced for accepting it as it is, with the protective provisions that have been incorporated in it.

There is one outstanding reason for its ratification, which so far outweighs any fears and doubts regarding its workability that it leaves no question in my mind as to my duty to vote for its ratification. That one reason is the desire of the human family for peace. This Charter furnishes the way to peace, provided the leaders of the people of the world are sincere and honest in their desire to keep the peace and to help one another see and find a better way to live.

The Charter will be just as good in accomplishing the desired objectives as the people, by their actions, make it. To make it work will require tolerance, patience, understanding, and spiritual guidance. Practicalism must be sufficiently intermingled with idealism to produce a balance that will work in this practical world.

Mr. President, we cannot run the world based alone upon the impulses of the heart; nor can we run it entirely based upon the direction of the mind. The impulses of the heart are often too warm, and the calculations of the mind are often too cold to satisfy the human family. Therefore, these two members of the human body must meet on a common plane and each must serve its purpose.

I shall not attempt to analyze the Charter, because that has been done with clarity and completeness by the distinguished chairman of the Foreign Relations Committee [Mr. CONNALLY], the Senator from Michigan [Mr. VANDENBERG], as well as other Senators who have spoken in this Chamber.

I do, however, wish to point out what I consider to be three important methods to be pursued by those directing the affairs of the international organization, if and when it is approved by a sufficient number of the nations involved.

No. 1. Let there be full and complete publicity regarding the deliberations in and operations of the international organization, as well as the facts regarding the general conditions affecting the welfare of the citizens in each individual nation member.

No. 2. Let us establish proper controls and continue to maintain proper controls over the people of the nations who have broken the peace and caused this horrible war—World War II.

No. 3. Let the international organization appoint a committee of inspection to report to the world every 6 months, or certainly not less than once a year, on war facilities and preparations that may be going on in those countries which have the power to upset the world. Let it never again happen that great nations shall admit they knew that Germany, or any other country, was carrying on great war preparations yet took no action until the explosion of war itself occurred.

Referring to No. 1, an arc light which brings out complete, accurate, and true publicity should be focused on all deliberations and actions of the international organization so that all the people of the world who can read and understand will know what is being done in their interest and in the interest of peace for the world.

Mr. President, let those directing the affairs of the international organization make sure that the spotlight of publicity is thrown squarely upon all of the operations of this great world agency so that none may justly say that they are in the dark, and because of failure to know the facts conjure up all kinds of doubts through which they lose their faith.

I remember when I graduated from law school in Chicago, the chief justice of the Supreme Court of Illinois, in his commencement address, impressed upon the class the importance of having the people know what was being done with their affairs. He illustrated his point by saying that crime is seldom committed in the open in daylight, but usually happens in the dark or behind closed doors or in unseen places. He punctuated it by saying that the arc lights which dispel the darkness upon the streets in the night time do more to keep the peace and prevent crime than is accomplished by the whole police force. I wish those who are going to conduct the affairs of this international organization would appreciate the importance of this statement because, in my opinion, full publicity regarding all of the discussions that affect the welfare and peace of the people is vital if this organization is going to accomplish its purpose.

Mr. President, let there be no behind-the-scenes agreements and alliances between two or more nations, be they weak or powerful, whose purpose is to circumvent or defeat the objectives of the international organization. The way to make a thing work is to try to make it work, and not to try to find a way to defeat it.

Let there be no crimes behind closed doors between the great powers, to defeat the purpose of the charter and impose their will upon the Security Council or the General Assembly, thus destroying the spirit of this infant Magna Carta for world peace, which carries with it the hope and expectation of genuine individual liberty.

Let there be no news black-outs in connection with the operations of the International Organization. Let us make certain that the press, the radio, and other agencies of information to the people are able to know the facts and present the truth promptly to all the people of all countries. Only by such a course can we expect the Charter to live, grow, and strengthen itself, and to work in the accomplishment of its goal.

Let the press, the radio, and the other agencies of information recognize their responsibility, not to tear down, but to build up insofar as lies within their power and, above everything, to give the people the true facts, so they may have accurate information on which to base their own judgments.

Number 2. Let those directing the affairs of the International Organization realize that it is more important to keep the proper controls upon the people of the nations who have broken the peace and caused the horrible war in which we are now engaged, than it is to work vengeance upon the people of those countries, large numbers of whom were not responsible for the acts of their leaders.

Mr. President, so that there may be no misunderstanding as to my feelings with reference to the punishment of those who can be proven guilty of starting this horrible World War II, let me say that I have always held and I still maintain that unless those responsible for starting and making necessary wholesale murder are tried and, if found guilty, convicted and punished, then we should do away with the enforcement of law against criminals throughout the world.

In my opinion no greater crime ever has been or can be committed than the crime that rests upon the shoulders of those who engulfed this world in our present war. We must remember that history, in its finality, writes rather accurately and that we cannot erase the events of the past. Therefore, if we believe in justice we must apply it coolly, calmly, and squarely in keeping with the rules for punishment of criminals; and I, being an American, am in favor of our American form of justice.

It has always been said in this great country of ours that the punishments meted out by the law are not meted in vengeance, but to impose obedience of the law upon the people and to eliminate those who are a menace to society. If that rule is good enough for the United States, it should be good enough for the world.

I emphasize again, Mr. President, that we will do much for the future peace of the world if we determine to keep the proper control of the people of the nations that have caused these wars, and not relax those controls as we did after the last war and as time wears on and we become engrossed in the regular affairs of life. Let us keep these controls for 50 years or longer, if necessary. I say this advisedly. But let us not lose the controls and later wreak vengeance on those who are not responsible.

Nothing is more important than that we should decide upon the right controls and then keep them—controls that do not deprive the people of any country of the opportunity to make a living and to reform as education in right human relationship is unfolded to them.

No. 3. The international organization could well consider the establishment of a rotating committee, composed

of a sufficient number, even though it runs into hundreds, of the most eminent engineers, statesmen, lawyers, and diplomats, for the purpose of inspecting every country in the world which was capable of making war preparations of sufficient magnitude to engulf the world again in war.

This committee of inspection should be appointed by the international organization itself, and should carry as many members as necessary, with at least one member from every nation; but the member from that nation should not be on the committee inspecting the affairs of his own nation.

Mr. President, the reports of this committee should be made directly to the international organization and by it made public to the world at the earliest possible moment, and the time for making the reports should be specifically set forth in the action by the organization creating the committee. There should be no possibility of delay beyond a given point. Each inspection report should be made public, regardless of its implications; and truth, plainly expressed without ambiguity, should be the purpose of the report.

I would have that body divided into groups and assigned to the inspection of the countries of the world, including our own, which possess important war-making power; and as time went on I would add any nation to the list of those to be inspected if the developments in that country justified it.

Mr. AUSTIN. Mr. President, will the Senator permit an inquiry at this point?

Mr. HAWKES. I shall be very glad to do so.

Mr. AUSTIN. There is a certain part of the Charter which we are considering which bears directly, I think, on the subject with which the Senator is so impressively concerned at the present time. I have an idea that the suggestion which the distinguished senior Senator from New Jersey makes would be quite properly taken under consideration by the committee which the Charter envisages to be set up for the purpose of reduction of armaments and adjustment of armaments. The whole matter will have to be considered, and of course there will come a time when production will be tempered or should be tempered to the quantity of armaments necessary to maintain the quota which is assigned to or agreed upon for each country. Does the Senator further develop his point to include such specific action under this Charter?

Mr. HAWKES. I am very glad that the distinguished Senator from Vermont has asked me that question. I realize that we have attempted to do many things in the past. Let us not forget that in the past we have held most important conferences, as a result of which we have junked navies and done many different things. I am asserting that this report should be called for; that it should deal specifically with investigations concerning preparations, as well as the ability to produce war materials and apparatus, and that there should be a specific call for a report over the signatures of distinguished men. I think the Senator will agree that if a group of able men had been required to make a report over their signatures 8 or 10 years ago concerning what they knew about Germany, the peoples of various countries might have moved forward in a way which would have prevented Germany from doing what she did.

Mr. President, I want this matter specifically provided for at the earliest possible moment. I am not attempting to define now when that moment shall be. I have had this thought in mind for a great many years. I have been in England, France, and Germany. Five or six years ago my wife and I had a conversation with one of the ablest men in the military service who had just been all through Germany. His ancestors were Austrians. His father had been a distinguished Austrian cavalry officer. The man to whom I refer told us all about Germany's preparations and what he expected would take place. He came to Washington and told it to some of the officials of our Government. Nevertheless, we went on our way just as we had been going.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. HAWKES. I yield.

Mr. REVERCOMB. I did not intend to interrupt the very interesting statement of the Senator from New Jersey until the query was made by the Senator from Vermont [Mr. AUSTIN] with regard to the limitation of armaments. I trust there is no indication in this proposal of any desire on the part of the Senate of the United States, or of the Government of this country, to reduce or to limit in size the great Navy which has been built up by this country.

The Charter contains a provision that certain suggestions may be made and submitted to the governments involved. I think that provision is a saving force in that the decision will be submitted to the government involved. But I cannot allow the situation to pass without the comment—and I have commented on the matter before in the Senate—that today we have the greatest Navy in the world, and the greatest air fleet. It is my hope that no step shall be taken to reduce the naval strength of this country.

Mr. HAWKES. I am glad the Senator has brought out that point. I know he appreciates the fact that the entire world knows we have the kind of a Navy to which he has referred. What I am talking about are things which the world does not know exist, or if it does know they exist it pays no attention to them.

For a long time I have believed that the United States must be strong enough to protect herself in any emergency. I realize that the people of New York City are, generally speaking, law-abiding people, and it is to be assumed that they wish to obey the law. Nevertheless, that city has found it necessary to maintain a police force of approximately 19,000 members. I believe that we are justified in maintaining our military forces. I think we are reaching a new era in the affairs of men.

Mr. President, it may seem strange for me to be talking in this way because I am a pretty practical individual. But I think that this proposal is one which justifies our unqualified support unless and until we find out—and I pray God that that time will never come—that all the other peoples of the world say that it will not work or are unwilling to cooperate in making it work.

Mr. REVERCOMB. Does the Senator feel that the peace of the world will be largely secured when peace-loving nations who have no reason to be aggressors are strong in their armed might, as I hope this country will continue to be for years to come?

Mr. HAWKES. I would say, yes, when they are strong enough to assure that things happen which they want to happen for peace. For some reason or other, although each of us who drives an automobile, for example, wishes to cooperate in obeying the law when he drives upon the highway because he feels that the laws with respect to traffic should be obeyed in the interest of the personal safety of everyone, nevertheless I venture to say that all of us will admit that the fact that there are enforcement officers of the law along the highway has something to do with our keeping within the speed limits and obeying all traffic laws.

We must keep our nations strong enough to protect ourselves against all eventualities until we learn from experience that the other nations of the world are as deeply interested in abolishing war and maintaining peace as we have expressed ourselves to be. I hope it will be only a few years until we find the world ready to get rid of the expense of making war. The power to suppress evil is a strong force in preventing evil from starting.

Mr. President, it has been said that none of the countries would be willing to have the inspections to which I have referred made by a rotating committee of the international organization. My reply to that is that if our professions and expressed desires for peace are sincere and honest, within a very short time after the formation of this international organization no country could safely refuse to have the conditions regarding its war-making facilities and efforts reported to the world.

Mr. President, I presume here to inject this thought: I believe the people of the world, knowing our record during the past hundred years, if they found we had a great Navy and a great Army, would feel entirely different about it than they would if Germany or Japan had the same kind of an army, or if some other nation had a similar kind of military force which other nations had not learned to trust.

I have discussed this point with many fine Americans throughout the country, and they all feel that it is worthy of consideration of those who are to be charged with making and keeping the peace for humanity throughout the world.

I made this suggestion 4 years ago, to the Sons of the American Revolution of the State of New Jersey, in a speech before their annual meeting, because I considered it was one step which seemed to me imperative if we wished to avoid being engulfed in another world war.

I stated at that time that the first important step was to get an agreement of at least the important powers on some

satisfactory form of international organization with power to establish and apply a code of international law, which the world has sadly needed from time immemorial.

Let me say in connection with the point regarding honest and full publicity on time, coupled with this inspection and report to the people on the state of affairs regarding the production of war materials and the preparation for war, that if it is carried out honestly and intelligently there will be little possibility of false leaders in any nation plunging their country into war, or war conditions, without the people knowing it.

I have more faith in an informed people wanting to keep the peace than I have in the political leaders of the people wishing to keep the peace. It is my prediction that if we can give the people full information as to where their leaders are taking them, we will have done more to avoid future wars than we can by any other method.

It has been stated that God guided well our forefathers in establishing more clearly than ever was established before that man is a free agent and has inalienable rights of which no one should deprive him.

Let us hope that God may look upon this venture, with all of its possibilities for good or ill, and guide us in such a way that some day billions of people may look back upon this turn in the tide of affairs and say that our Charter action, taken here now, started the world to answer the call of Him who said: "Peace on earth, good will toward men."

Mr. President, it gives me deep satisfaction to be a Member of this great deliberative body, sitting here at this critical time in the history of the world so that I may record myself in favor of the ratification of this Charter, and express the hope that God Almighty will be the guiding power in our efforts to build a peaceful world with happiness for all who are willing to accept the responsibilities which are the price of peace and happiness.

Mr. AUSTIN. Mr. President, it is now 5:30 o'clock. I had a tentative arrangement with those in charge of the program to address the Senate today, but I discovered about 1:30 o'clock that the rules of the game had been changed, and I did not know it, that now the names of Senators are being put on a list of some kind. I seek the floor now, Mr. President, but I do not insist on speaking tonight if I can retain the floor and occupy it tomorrow morning.

Mr. BARKLEY. Mr. President, there will be no objection to that. We have done that in the last day or two. We have proceeded in an informal way, so that I am sure there will be no objection to that proceeding.

Mr. MORSE. Mr. President——

The PRESIDENT pro tempore. The Senator from Vermont has the floor. Does the Senator yield?

Mr. AUSTIN. Does the Senator from Oregon wish to ask a question?

Mr. MORSE. I desire to make a comment on the Senator's request to have the floor granted to him with the understanding that he will have it at the beginning of the session tomorrow.

Mr. AUSTIN. Mr. President, I am willing to yield if I can yield without losing the floor.

Mr. MORSE. I have no desire to take the floor until I make my comment, but I think it only fair that I inform the Senate as to what I wish to say.

I will say, Mr. President, that I have a few remarks I desire to make tonight, and if the Senator from Vermont will yield long enough for me to make my remarks I have no objection to the request he has made, but I am going to file an objection, if I have any right to file an objection, to the Senator being given the floor now with the understanding that he may exercise his right tomorrow morning at 11 o'clock when there are some matters which I wish to put into the RECORD this evening.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. PEPPER. I do not know what purpose the able Senator from Vermont has in mind, whether he proposes to address himself to the pending subject or not.

Mr. AUSTIN. Yes, Mr. President; I had expected to do so earlier in the day. I think the Senator from Florida was not present when I stated that I discovered this afternoon about 1:30 o'clock that there was a different rule prevailing than the one I knew about. I have not made any effort to carry out the agreement I had made to speak today. I had not gone to the Presiding Officer and asked to have my name placed on a list of speakers I expected to rise in my place, under the rule and under the announcement which had been made, which I heard, that the first Senator recognized would have the floor. I found myself confused by this discovery, so I have risen now and claimed the floor.

Mr. PEPPER. Mr. President, I am sure the Senator will recall the rule in equity that as between equities which are equal in dignity, the prior equity prevails. Yesterday I made the discovery which the Senator has made today. I also intended to make some remarks upon the pending subject, and came to the floor expecting to seek recognition. I discovered that there was an informal list, which was made up, about the sequence in which Senators might speak, and it seems to be quite generally acquiesced in.

The PRESIDENT pro tempore. Oh, no. All those who have suggested that their names be put on a list were distinctly told that they would have to be seen first by the Chair before being recognized. The Chair announced earlier in the week, at the very beginning of the debate, that he would enforce the rule about recognizing the first Senator on his feet, and the Chair has faithfully tried to do that. The list the Chair has is quite a long one, and it merely indicates to the Chair those who intend to speak. But the Chair is going to adhere to the rule that the first Senator on his feet seeking recognition will be recognized. That is what happened when the Senator from Vermont [Mr. AUSTIN] just a few moments ago addressed the Chair. He was on his feet and asking for recognition, and the Chair recognized him.

Mr. PEPPER. The Chair is undoubtedly quite correct, but I am sure the Chair will also observe what I have observed during the day, the list has been followed except that the Senator from Delaware [Mr. TUNNELL], who was on the list to follow the Senator from Montana [Mr. WHEELER], yielded to the Senator from Illinois [Mr. LUCAS], the Senator from Illinois took his place on the list, and we had more or less assumed we had dropped back into the old formula.

The PRESIDENT pro tempore. The Senator has assumed wrongly.

Mr. PEPPER. I beg the Chair's pardon.

The PRESIDENT pro tempore. The Senator has proceeded on the wrong assumption. The Chair is going to enforce the rule and recognize the first Senator who asks recognition. It is unfortunate if the Senator has asked recognition and not been recognized, but the Senator will be recognized whenever he gets on his feet and asks for recognition and the Chair sees him. There is a list here, but merely of those who have indicated they wanted to make speeches, and the Chair has told each and every Senator that he must rise and address the Chair and be recognized by the Chair in the usual way, in accordance with the rules of the Senate.

Mr. PEPPER. Of course, the Chair has stated the matter, and that is all there is to it. I was not able to finish the statement I wanted to make, namely, that, whether rightly or wrongly, I had, at least personally, generally relied upon the sequence which had been followed during the day, and rose to comment because I happened to be the next one on the list. But I would of course gladly defer, even if I were, to the able Senator from Vermont, and hereafter I shall seek recognition and obtain it, as the Chair says, when the Chair sees me and recognizes me.

The PRESIDENT pro tempore. The Senator will be recognized whenever the Chair sees him rise and address the Chair first. That is the rule of the Senate, and we must obey the rule.

Mr. BARKLEY. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BARKLEY. When the Senate recesses and a Senator has the floor at the time of the recess, and indicates that he has not concluded his remarks, and the Senate meets the following day in recess, coming over from the day before, does the Chair hold that he has any priority as to recognition when the Senate reconvenes after the recess?

The PRESIDENT pro tempore. The Chair follows the Parliamentarian in all such matters, and the Chair has just put the Senator's question to the Parliamentarian. He advises the Chair that it has been a universal rule and practice that where a Senator obtains the floor before the Senate takes a recess, when the Senate reassembles the following day that Senator is recognized.

Mr. BARKLEY. Of course, the reassembling is in the same legislative day.

It is not as if the Senate adjourned and a new legislative day had begun. That courtesy was accorded to me on day before yesterday, and on yesterday it was accorded to the Senator from Ohio [Mr. BURTON]. I think the same courtesy ought to be extended to the Senator from Vermont.

The PRESIDENT pro tempore. On the advice of the Parliamentarian that procedure will be continued.

Mr. MORSE. Mr. President, my parliamentary inquiry is this: Can the Senator from Vermont [Mr. AUSTIN], without losing the floor, extend to me the courtesy of yielding for not more than 5 or 6 minutes while I do two things, namely, introduce a bill out of order, together with supporting telegrams and, second, make a brief report on the Oregon lamb problem? Would the Senator from Vermont lose the floor thereby?

The PRESIDENT pro tempore. The Chair sees no reason why the Senator from Vermont cannot yield for that purpose.

Mr. BARKLEY. No one will invoke the rule, Mr. President.

The PRESIDENT pro tempore. Certainly, if no point of order is raised, the Senator from Vermont would not lose the floor, and that would end it.

Mr. BARKLEY. No one will invoke the rule. But I do not want the Chair to make the ruling that that situation will not take the Senator from Vermont off the floor if someone should make a point of order, because if the point of order were made it would take the Senator from Vermont off the floor.

Mr. AUSTIN. Mr. President, I have a desire to accommodate the distinguished Senator from Oregon, and I would yield for his purposes if I were not to lose the floor. But it must be understood that on this matter of accepting the floor at this juncture I should not want to yield if, thereby, I would lose the floor.

Mr. MORSE. I would not impair the Senator's position with respect to having the floor.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senator from Vermont be permitted to yield to the Senator from Oregon without losing the floor.

The PRESIDENT pro tempore. Is there objection?

Mr. CONNALLY. Mr. President, I reserve the right to object. I wish to say I am very agreeable that the Senator from Vermont permit the Senator from Oregon to make this interruption, but I do not like the attitude taken by the Senator from Oregon when he got up first and stated that unless the Senator would agree to yield to him he would object to the Senator from Vermont having the floor tomorrow. I think that is a threat of coercion which is not——

Mr. MORSE. Mr. President, as I said to the majority leader the other day, I say now to the Senator from Texas, that I never threaten. I have tried to make clear to the Senate, including the Senator from Texas, that I had two matters which I wanted to be given an opportunity to present. One was to introduce a bill and present supporting telegrams in the RECORD, and the other to make a statement regarding Oregon lambs, but I would not ask to do that if I thereby imperiled the right of the Senator from Vermont to the floor.

I want to say to the Senator from Texas, whether he knows it or not, there is a food crisis facing America because of OPA's bungling and it is time for some one to rise on the floor of the Senate and try to do something about it.

Mr. CONNALLY. I know about that. The Senator has told us about it both in the Senate Chamber and out. I am not talking about the food situation. I am talking about what the Senator said when he first rose. He then said he would object to the Senator from Vermont having the floor tomorrow unless——

Mr. MORSE. Mr. President, I think the RECORD will show what took place. Let the transcript of the RECORD speak for itself. I think I made very clear that if I had the right to make objection, I would exercise my right unless I could gain consent to make my remarks tonight.

Mr. CONNALLY. Certainly.

Mr. MORSE. That is, if I had the right I would exercise it.

Mr. CONNALLY. It was a threat made by the Senator.

Mr. MORSE. It was a statement of fact.

Mr. CONNALLY. That unless the Senator were given the opportunity to place something in the RECORD the Senator would make an objection.

Mr. MORSE. If I have the parliamentary right to object, I said I would object. I repeat it.

Mr. CONNALLY. The Senator does not have it.

Mr. MORSE. I made inquiry whether I did have it, and I said if I did have it I would exercise that right.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky that the Senator from Oregon may proceed without the Senator from Vermont losing the floor? The Chair hears none. The Chair recognizes the Senator from Oregon.

REMOVAL OF RESTRICTIONS ON PROPERTY OF KLAMATH INDIANS

Mr. MORSE. Mr. President, I thank the Senator from Vermont.

At this time, out of order, and as in legislative session, I ask unanimous consent to introduce in behalf of the senior Senator from Oregon and myself a bill to remove restrictions on the property and moneys belonging to the individual enrolled members of the Klamath Indian Reservation in Oregon, to provide for liquidation of tribal property and distribution of the proceeds thereof, to confer complete citizenship upon such Indians, and for other purposes.

I may say, Mr. President, that in introducing the bill the Senators from Oregon have done so for the consideration of the Indian Affairs Committee. We are not members of the committee. We are not prepared to pass upon the merits of the bill. But we ask unanimous consent to have the bill printed in the body of the RECORD together with certain telegrams which we have received from Oregon, including telegrams from the Klamath Falls office of the American Legion, from the Rotary Club, from the Lions Club, from the county judge, and other officials and organizations who are interested in the bill. We wish to make it perfectly clear that we are introducing the bill at their request, for the consideration of the Indian Affairs Committee. We think the bill is deserving of very careful consideration by the committee, and we shall be inclined to be guided by its report.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon?

There being no objection, as in legislative session, the bill (S. 1313) to remove restrictions on the property and moneys belonging to the individual enrolled members of the Klamath Indian Reservation in Oregon, to provide for liquidation of tribal property and distribution of the proceeds thereof, to confer complete citizenship upon such Indians, and for other purposes, introduced by Mr. MORSE (for himself and Mr. CORDON), was received, read twice by its title, referred to the Committee on Indian Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That as used in this act, the term "Klamath Tribe" includes the members of the Klamath and Modoc Tribes and the Yahooskin Band of Snakes having rights on the Klamath Indian Reservation in the State of Oregon.

SEC. 2. (a) All restrictions on the alienation and encumbrance of lands, interests in lands, or other property of individual members of the Klamath Tribe are hereby removed, and the Secretary of the Interior is authorized and directed to issue unrestricted patents in fee to the holders of such lands or interests therein.

(b) In any case in which an allottee of lands on the Klamath Indian Reservation has died, or hereafter dies prior to the issuance of a patent in fee as provided in subsection (a), without having made a will disposing of such allotment, and such allotment has not been partitioned, or the proceeds from the sale thereof distributed, among the heirs of such allottee, the Secretary of the Interior, within 1 year after the date of enactment of this act, shall cause such allotment to be partitioned among the heirs, or if such partition is not practicable because of the number of heirs or the nature of the property, shall cause such allotment to be sold and the proceeds distributed among the heirs in accordance with the laws of the State of Oregon. Priority in the purchase of any lands sold under this subsection shall be given first to the heirs of the deceased allottee; second, to other members of the Klamath Tribe; and third, to veterans of World War II and the widows of such veterans.

SEC. 3. (a) There is hereby established an Appraisal Board to be composed of one member appointed by the President, by and with the advice and consent of the Senate, one member appointed by the President from among persons nominated by the Governor of the State of Oregon, and one member elected by the Klamath Tribe. The election of such member shall be by popular vote of the enrolled members of the Klamath Tribe taken by secret ballot. Such election shall be conducted under supervision of the Klamath General Council, and no officer or employee of the Department of the Interior or member of the loan board established under section 3 of the act approved August 28, 1937 (50 Stat. 872), shall attempt directly or indirectly to influence the vote to be cast by any person, or otherwise to interfere with or take any part in such election. Any person violating the provisions of this section shall, upon conviction thereof, be punished by a

fine of $500 and by imprisonment for 1 year.

(b) There is hereby authorized to be appropriated, out of any unobligated Klamath tribal funds, the sum of $25,000, which shall be available for expenditure for compensation of members of the appraisal board at rates not to exceed $5,000 per annum each, and for transportation, subsistence, lodging, clerical assistance, office supplies, and other necessary expenses.

(c) It shall be the duty of the appraisal board to determine the fair market value of all tribal property, including timber and lands, of the Klamath Tribe, and to report to Congress, the Secretary of the Interior, and the Klamath General Council within 1 year after the date of enactment of this act the results of such determination.

(d) In carrying out its functions under this act, the board may utilize the services, information, facilities, and personnel of the General Accounting Office, Department of the Interior, Department of Justice, and other departments and agencies of the Government to the extent that such facilities and assistance are needed and can be made available by such departments and agencies.

SEC. 4. (a) The Secretary of the Interior is authorized and directed, upon receipt of the report of the appraisal board, to purchase from the Klamath Tribe all such tribal property, including timber and lands, at the fair market value thereof as determined by the appraisal board, and thereafter such lands shall be administered as national forest lands.

(b) Within 1 year after the conveyance of such lands to the United States the Secretary of the Interior shall pay to each enrolled member of the Klamath Tribe living on the date of such conveyance his pro rata share of the purchase price of such tribal lands, together with (1) his pro rata share of all funds, including Government bonds, held in the Treasury of the United States to the credit of, or in trust for, the Klamath Tribe, including the capital reserve and reimbursable loan funds established under the act of August 28, 1937 (50 Stat. 872), and any accruals or additions thereto, and (2) any unpaid portion of the sum credited to such member on the books of the Office of Indian Affairs under the act of August 7, 1939 (53 Stat. 1252), or the act of June 1, 1938 (52 Stat. 605). In making the payments provided for in this section the Secretary of the Interior shall withhold from the distributive share of any member an amount equal to any indebtedness of such member to the United States or to the Klamath Tribe. All amounts so withheld on account of indebtedness to the Klamath Tribe shall be distributed among the other members of such tribe.

(c) In case of the death of any member of the Klamath Tribe after the date of conveyance of such tribal lands and prior to payment to such member of his distributive share under this section, the amount which would have been payable to such member shall be distributed as personal property.

(d) In the case of a minor, and in the case of any other person who in the opinion of the appraisal board is not competent to manage his own affairs, payment shall be made to a legal guardian appointed for such purpose.

SEC. 5. Except as provided in section 4 (b), no amounts payable to any member of the Klamath Tribe, under this act and no lands, restrictions on which are removed under this act, shall be liable to the satisfaction of any debt contracted prior to receipt of such payment or removal of such restrictions, as the case may be.

SEC. 6. Upon acceptance by a member of the Klamath Tribe of the amount payable to him under this act, such member shall have all the duties, rights, benefits, and immunities of other citizens of the United States.

SEC. 7. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The telegrams presented by Mr. MORSE are as follows:

KLAMATH FALLS, OREG., *July 14, 1945.*
Senator WAYNE MORSE,
Washington, D. C.:

Will you please introduce a bill to remove restrictions on property and money belonging to the Klamath Indians which is now in trust, a bill that Mrs. Wade Crawford is in Washington urging. I believe in the principle of the bill.

JIM DRISCOLL.

KLAMATH FALLS, OREG., *July 17, 1945.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Will you kindly introduce bill proposed by Mrs. Wade Crawford. Believe the principal involved will benefit Indians as well as Klamath County and State of Oregon.

F. W. EBERLEIN,
President, Rotary Club.

KALAMATH FALLS, OREG., *July 17, 1945.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

We are favorably impressed with bill as presented to you by Mrs. Wade Crawford. Would appreciate your introducing bill.

E. S. ROBINSON,
President, Lions Club, Klamath Falls.

KLAMATH FALLS, OREG., *July 18, 1945.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Will you please introduce bill that Mrs. Wade Crawford is pressing. We believe the principal involved is to the best interest of the Indians and Klamath County and State.

KLAMATH POST, NO. 8, AMERICAN LEGION,
By EARL TEMPLAR, *Adjutant.*

KLAMATH FALLS, OREG., *July 18, 1945.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Will you please introduce bill Mrs. Crawford is pressing. I believe the principle involved is to the best interest of the Indians, Klamath County, and the State.

W. M. POHLL.

KLAMATH FALLS, OREG., *July 14, 1945.*
Hon. WAYNE MORSE,
Washington, D. C.:

Will you please introduce a bill to remove the restrictions on property and money belonging to Klamath Indians which is now in trust. A bill that Mrs. Wade Crawford is in Washington urging. We believe that the principal of the bill constructive.

KLAMATH COUNTY COURT,
U. E. REEDER, *Judge.*

KLAMATH FALLS, OREG., *July 19, 1945.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Give serious consideration and study to legislation on Indian Agency being pressed by Mrs. Wade Crawford. Believe it will benefit both Indians and whites. Will appreciate your introducing the bill.

JOE L. HICKS.

THE OREGON LAMB PROBLEM

Mr. MORSE. Mr. President, I shall not detain the Senate long tonight in my discussion of the Oregon lamb problem. I do want to point out to the Senate that some days ago, approximately 2 weeks ago, I pointed out that the situation was so critical in regard to the marketing of Oregon lambs, because of the resulting food wastage and spoilage that was flowing from OPA's maladministration, that I considered it to be my duty as a Senator from Oregon to address the Senate each day until such time as the Government required OPA to correct this wrong.

Last Friday afternoon in the course of my speech on the Oregon lamb problem I was interrupted by the senior Senator from Oregon who had been called to the telephone by the Secretary of Agriculture. As the RECORD for last Friday will show, the Secretary of Agriculture authorized the senior Senator from Oregon to announce on the floor of the Senate that he had recommended to OPA that ration points be raised on all soft lambs in the State of Oregon. The Secretary of Agriculture made clear to the senior Senator from Oregon [Mr. CORDON], that he made his recommendation on the basis of an independent investigation, which investigation, Mr. President, verified the factual material and evidence which I had inserted in the CONGRESSIONAL RECORD for days preceding as to the seriousness of the situation. It is interesting to note that the Department of Agriculture reached exactly the same conclusion as to the proper remedy which I had reached upon the basis of the facts as I presented them to the Senate.

What did the OPA do about it? They issued an order, a very interesting order, a stupid order, an order which I tell you, Mr. President, and Members of the Senate, could not have been issued if the OPA had been desirous of handling this problem on the basis of the facts and fair dealing. They issued an order last Saturday, Mr. President. I have before me the OPA release in explanation of the order, and I ask unanimous consent to have it inserted in the RECORD at this point as a part of my remarks. It is interesting to note that the OPA release is itself a rebuttal of previous OPA representations on this issue.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

Lamb of commercial, utility, and cull grades will be point-free in western parts of Oregon from July 23 through September 1, 1945, the Office of Price Administration announced today.

This emergency action was taken to prevent the loss of meat which might result if the soft lamb crop in the Willamette Valley of Oregon were not slaughtered and consumed rapidly.

It was agreed upon after joint discussions between the Department of Agriculture and the OPA.

Today's move follows a number of other steps already taken to assure lamb producers in the Willamette Valley area a satisfactory market for their lambs. Substantial quantities of lamb are being bought in the area from federally inspected plants for the military services. The OPA regional administrator has made quota adjustments, under authority granted to him June 27, where quotas were limiting unreasonably the slaughter of lambs.

These steps would ordinarily have been sufficient to handle the situation, OPA said, but this year weather conditions have contributed to the need for an unusually rapid marketing of the lamb crop, and manpower limitations in federally inspected plants have prevented handling of enough of these lambs through these plants to permit Government procurement to take up the entire seasonal increase in marketing.

Since these lambs are fed mostly on moist grass with little dry feed, they tend to be of inferior quality and cannot be shipped any considerable distance alive. If marketing were delayed, the lambs would deteriorate very rapidly. They must be slaughtered while in prime condition and before feed supplies are exhausted.

In order to assure that other areas are not deprived of their share of the national meat supply during this critical period, the Department of Agriculture is prohibiting the shipment of any lambs into this area except to federally inspected slaughterhouses from which the Army can take the bulk of the production.

This situation in the Willamette Valley is unique in several respects. The entire crop of so-called soft lambs of the area is marketed during the space of a few weeks. It is estimated that the crop of soft lambs which will be point free will be over 75,000 lambs this year. It is estimated that the bulk of the lambs will grade commerical and utility, with the balance culls.

The area affected will include the counties of Hood River, Clackamas, Marion, Linn, Lane, Douglas, Jackson, and all counties in Oregon west of those named. This includes only sufficient area to permit the quick consumption of the necessary slaughter of lambs from the Willamette Valley, OPA said.

Mr. MORSE. Mr. President, the OPA order lifts the ration points on commercial and utility lambs. What is the result? The result is that automatically the order lowers the selling price on Choice lambs down to the utility and commercial grades prices. In other words, the farmers of the Willamette Valley who have Choice lambs to sell cannot sell those lambs under this order except at utility prices. Why is that the result?

Mr. HICKENLOOPER. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. HICKENLOOPER. Has the Senator from Oregon discovered what is a utility lamb?

Mr. MORSE. No; OPA has not made that clear to me. Apparently they look upon a utility lamb and cull lamb as lamb below a certain weight and grade. However, the result under the order is that all lamb now being a reduced price irrespective of quality and grade.

Mr. HICKENLOOPER. I have never heard of a utility lamb any more than I have heard of a utility veal, and I am very curious to find out what the definition of a utility lamb is.

Mr. MORSE. I wish the Senator would try his luck with OPA and see if he can get a sensible statement from them. Mr. President, the Senators from Oregon are trying their best to obtain a sensible ruling from OPA. I have waited 3 days for a ruling but I cannot wait any longer without calling the Senate's attention to this last OPA bungling of the Oregon lamb problem. The result of the order has been to reduce the market price of Choice lambs in the Willamette Valley to the farmers. They are fighting mad about it and I do not blame them.

Just think of it, Mr. President. So very serious is it that I do not think the order can be reconciled with good faith on the part of OPA. I not only am desirous of getting results and doing justice to the lamb producers of the State of Oregon but I am desirous of establishing a principle once and for all, the principle that I have argued for with all the power at my command, namely, that any rule or regulation of OPA which results in food wastage or spoilage cannot be justified and therefore must be modified.

No one meets me on that argument. No one denies the soundness of that argument. And yet as a Senate we continue to permit OPA to issue orders and carry out policies which are resulting in food wastage and spoilage in this country. It is nothing short of criminal negligence on the part of the Senate. The senior Senator and the junior Senator from Oregon are hearing from their State these days and we are hearing plenty.

Mr. President, the following telegram is a good example of what our people are saying to us. The telegram comes to me from H. A. Chapman, president of the Eugene Food Merchants Association, and is as follows:

EUGENE, OREG., *July 25, 1945.*

Senator WAYNE L. MORSE,
Washington, D. C.:

Must these good and choice lambs stay on the ranch and lose weight and quality so they will be classed as utility and culls before OPA will let them be sold point free? There has been enough lambs lost on the farms in the State of Oregon in the past 3 years to feed the State for a year. Unless you win the whole fight now the sheep industry will be as dead as the hog industry in your home State.

EUGENE FOOD MERCHANTS ASSOCIATION,
H. A. CHAPMAN, *President.*

The telephone wires are hot between Oregon and the offices of the two Senators from Oregon, because the lamb producers are pointing out that when they take their lambs to market the price is reduced to a lower, so-called utility price. Mr. President, it is not fair or just. It is not reasonable. It is not right; and I for one am going to continue to press for a correction of this maladministration by the OPA, and the correction of the injustice which it is foisting upon the Oregon lamb producers. Its handling of this case is but typical of its wasteful food policies throughout the Nation.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. WHERRY. As I interpret the Senator's remarks, before relief is obtained on points, it is necessary to sell the lamb as utility lamb. Is that correct?

Mr. MORSE. For this reason: The housewife will not give ration points for so-called choice lamb when she can buy utility lamb without points. So the lamb buyers says, to the farmer, "I will give you the utility price." He says that because utility lambs can be bought without ration points.

Mr. WHERRY. And the producers are forced to sell lambs of a higher grade at the utility price, in order to get the relief which the OPA has promised the lamb producers in Oregon.

Mr. MORSE. That is correct.

Mr. President, I should like to read an excerpt from a letter which I received from Mrs. A. McKenzie, in which she says:

I wrote to the Senators last year about our lamb losses and I decided that there was very little that you Senators could do to help us with this lamb problem. The OPA sure makes it h—— for the farmers of Oregon.

Mr. President, I speak with the utmost sincerity. I do not like to see this rising tide of opposition in my State to OPA. I say I do not like to see it because I think the basic principles of the Price Administration Act are sound and needed principles. I think we must maintain price control in this country if we are to preserve economic stabilization; but that is no justification for any Senator to stand by and permit OPA to continue with its abusive policies.

I am not only seeking justice for the lamb producers of Oregon, but I am making a sincere and vigorous effort in the Senate to awaken this body to the necessity of establishing a special committee to maintain an investigation and a constant vigilance over OPA. We owe it to the consumers of America.

I repeat this afternoon what I have said so many times before, that if OPA is allowed to continue with its maladministration, the responsibility should then be placed upon the Congress of the United States for not taking the necessary steps to eradicate OPA abuses.

I again officially ask the chairman of the Committee on Banking and Currency [Mr. WAGNER] to give me a hearing in regard to the resolution which I have introduced, a resolution which has widespread support on the Republican side of the aisle. If Democratic Senators who speak to me about it in the cloak rooms would only support it on the floor of the Senate, it would go through the Senate by a large majority vote.

All that has to be done to correct the Oregon lamb injustice is to carry out the recommendation of the Secretary of Agriculture. He sees the problem. His views on it are absolutely sound. He made a recommendation on the basis of his independent investigation, an investigation which verified my position. From this seat I again call upon OPA to put into operation the only solution which will do justice in the premises, and that is the solution of lifting the ration points on all soft lamb, not merely on so-called commercial and utility grades.

I close by asking unanimous consent to introduce two more items into the RECORD. One is a card which I received from Mrs. Vivian Stratton, of Portland, Oreg., on the Oregon lamb problem, together with my reply thereto.

There being no objection, the card and letter were ordered to be printed in the RECORD, as follows:

PORTLAND, OREG., *July 17, 1945.*

DEAR SENATOR MORSE: Please do your best to get a point holiday on lamb here. Yesterday, on a tour of meat markets, I saw pounds of spoiled lamb. It was dry and

dark-colored or green from taint. It is a disgrace to have meat spoil when we are actually hungry for meat.

Sincerely,

VIVIAN STRATTON.

JULY 24, 1945.

MRS. VIVIAN STRATTON,
Portland, Oreg.

DEAR MRS. STRATTON: Thank you for your postal card. I want you to know that I am continuing my efforts to get a solution on the lamb problem. We made a little progress but not enough.

As you know, I have introduced a resolution calling for investigation of the Office of Price Administration. Unfortunately, the Banking and Currency Committee has as yet taken no action on the resolution and of course will not until the fall. I think it will be necessary for those of us who are interested in an improvement in this organization to keep on fighting toward that end.

With kind regards, I am,

Sincerely yours,

WAYNE MORSE.

Mr. MORSE. Lastly, Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial dealing with another phase of the food problem in the Pacific Northwest. The editorial was published in the Seattle Post-Intelligencer. It deals particularly with the cheese problem. I have already pointed out on the floor of the Senate that much butter has gone rancid and been sold, not for food purposes, but for soap manufacturing purposes. I received word yesterday that a carload of rancid butter was recently purchased by a soap manufacturer in San Francisco. This editorial points out that cheese is backing up in the storage houses of the Pacific Northwest, and that the result will be great wastage and spoilage of food.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Warehouses in Seattle and the length of the Pacific coast literally are bulging with cheese.

News reports tell of millions of cheeses of all types, sizes, and shapes.

Not only that—commercial holders of these huge piles are supplicating the Office of Price Administration to provide a temporary red-point exemption so that this edible and highly nutritious food may be moved into public consumption, lest it spoil.

All this comes as a revelation little short of astounding to a public that had had to sharply trim its food budget and has done so the more willingly because it believed its enforced denial to be a contribution to the success of our arms.

Apparently this is not the case at all.

Apparently these several million pounds of cheese, the closest available substitute for the protetin value in meat, is still another monument—and a smelly one at that—to the ineptitude and the incomparable blundering that has marked our entire wartime food distribution problem.

Consider, for example, the Office of Price Administration reply to the plea that it temporarily waive red-point requirements to permit these tremendous stocks of cheese to move into consumption.

From far-away Washington, D. C., 3,000 miles removed from the immediate local scene of poverty in the midst of plenty, this agency blithely observes:

"Cheese is moving into consumption satisfactorily in most areas with the present point value, with shortages in some areas."

In other words, the Office of Price Administration's answer is "No."

What, then, does it suggest be done with these mountains of cheese which the owners assert will inevitably spoil if not quickly shifted into consumption from their overcrowded warehouses?

Has the Office of Price Administration given any thought to the likelihood that by permitting this surplus of cheese to be eaten by a hungry people, it would relieve the existing pressure on our scant supplies of meat?

The Office of Price Administration owes the public a complete and detailed, as well as a most satisfactory explanation of its refusal.

The only alternative is to take the cheese out of the warehouses and put it on the tables where millions of eager consumers would provide a guaranty against the spoilage that has wasted altogether too much of our food stocks. (Seattle Post-Intelligencer.)

Mr. MORSE. Perhaps there are Senators who can justify to the consumers of America the wastage of food, at the very hour when every effort of this Government should be bent toward preserving food not only for our own people, but for the people of other nations of the world who are going to starve during the coming winter unless this Government takes the necessary steps to bring them substance.

Mr. President, I speak with the full support of the senior Senator from Oregon [Mr. CORDON] on this matter. I hope it will not be necessary for us to continue to press for the correction of this injustice, but I for one would rather face the criticism of my colleagues in the United States Senate, who to this day have not taken the necessary steps to correct the situation, than to go back to the State of Oregon and say to the people of Oregon, "As your representative I failed to do my utmost to correct this injustice."

I shall continue to fight for the lamb producers of the State of Oregon, in the interest of correcting this injustice. I shall continue the fight, if necessary, throughout the debate on the Charter. I do not know what it will profit us to build up a great idealistic organization aimed at bringing justice to the world if as Members of the United States Senate we will not take the necessary steps to handle in a just way a very simple problem, which must be handled if we are to save the people of America from maladministration by OPA of their food supply.

I close with the plea again that the Senate rise to its obligation and duty and by an overwhelming vote pass the resolution which I have submitted, calling for the appointment of a special committee of the Senate to maintain a constant vigilance over OPA until its maladministration of the food supply of America is corrected. The Oregon lamb issue illustrates the clear need for the resolution.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

The PRESIDENT pro tempore. The Chair now has on his desk a list of 17 Senators who desire to speak on the treaty. The Chair wishes to say again that those Senators will have to be on their feet seeking recognition in order to obtain it. The Chair will enforce the rule which requires that procedure.

EXECUTIVE NOMINATIONS

Mr. AUSTIN. Mr. President——

Mr. BARKLEY. Mr. President, will the Senator yield to me for the consideration of the executive nominations on the calendar?

Mr. AUSTIN. I am glad to yield to the Senator from Kentucky, with the understanding that I shall not lose the floor.

Mr. BARKLEY. Of course.

I ask for the present consideration of the nominations on the calendar.

The PRESIDENT pro tempore. The clerk will state the nominations on the Executive Calendar.

SELECTIVE SERVICE SYSTEM

The legislative clerk proceeded to read sundry nominations in the Selective Service System.

Mr. BARKLEY. I ask that the nominations in the Selective Service System be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Selective Service System are confirmed en bloc.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. BARKLEY. I ask that the nominations in the Coast Guard be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Coast Guard are confirmed en bloc.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations of postmasters are confirmed en bloc.

THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

Mr. BARKLEY. I ask that the nominations in the Army be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the nominations in the Army are confirmed en bloc.

Mr. BARKLEY. I ask that the President be immediately notified of all nominations confirmed this day.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

That completes the calendar.

RECESS

Mr. BARKLEY. I move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock p. m.), the Senate took a recess until tomorrow, Thursday, July 26, 1945, at 11 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate July 25 (legislative day of July 9), 1945:

COLLECTOR OF CUSTOMS

James E. Manahan, of St. Albans, Vt., to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt., to fill an existing vacancy.

IN THE NAVY

Vice Admiral David W. Bagley, United States Navy, to be a vice admiral in the Navy, for temporary service, to continue until his detachment from duty as a member of the Joint United States-Mexican Defense Committee, to rank from the 1st day of February 1944.

Capt. Adolf V. S. Pickhardt, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as chief of staff to commander, United States naval forces, northwest African waters, and until reporting for other permanent duty.

Capt. Roger E. Nelson, United States Navy, to be a commodore in the Navy, for temporary service, to continue while serving as commandant, United States naval operating base, Guam, and until reporting for other permanent duty.

Pay Director James W. Boundy to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as a fleet or force supply officer, United States Pacific Fleet, and until reporting for other permanent duty.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 25 (legislative day of July 9), 1945:

SELECTIVE SERVICE SYSTEM

APPOINTMENTS

Paul G. Armstrong to be State director, Illinois, with salary at the rate of $8,225 per annum.

Louis A. Boening to be assistant State director, Illinois, with salary at the rate of $6,230 per annum.

Frank D. Rash to be State director, Kentucky, with salary at the rate of $6,230 per annum.

John Van B. Metts to be State director, North Carolina, with salary at the rate of $7,175 per annum.

Holmes B. Springs to be State director, South Carolina, with salary at the rate of $6,230 per annum.

Carleton C. Pierce to be State director, West Virginia, with salary at the rate of $5,600 per annum.

John L. McCormick to be State director, Alaska, with salary at the rate of $5,180 per annum.

Milton E. Ballangee to be State director, Hawaii, with salary at the rate of $5,915 per annum.

Angus J. Gallagher to be administrative officer, national headquarters, with salary at the rate of $7,175 per annum.

Ronald M. Holmes to be administrative officer, national headquarters, with salary at the rate of $6,230 per annum.

Austin S. Imirie to be administrative officer, national headquarters, with salary at the rate of $7,175 per annum.

Kenneth H. McGill to be Chief, Research and Statistics Division, national headquarters, with salary at the rate of $7,175 per annum.

Blynn T. Shafer to be Assistant Chief, Research and Statistics Division, national headquarters, with salary at the rate of $6,230 per annum.

PROMOTIONS IN THE REGULAR ARMY

To be colonels

INFANTRY

Eugene Manuel Landrum
William Fenton Lee
Frederick William Huntington

CAVALRY

Frank Glenister Ringland
Oliver Irey Holman

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY

TO CORPS OF ENGINEERS

First Lt. Denis Blundell Grace

TO ORDNANCE DEPARTMENT

Capt. Victor Charles Huffsmith, Infantry

TO FIELD ARTILLERY

Capt. William Burns Fraser.
First Lt. Charles Stuart Cumings

TO INFANTRY

First Lt. Bruce Palmer, Jr.

TO AIR CORPS

Second Lt. Clarence Arthur Powers

UNITED STATES COAST GUARD

APPOINTMENTS FOR TEMPORARY SERVICE IN THE COAST GUARD

Edward H. Smith to be a rear admiral, to rank from June 30, 1942, while serving as district Coast Guard officer, Third Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Gordon T. Finlay to be a rear admiral, to rank from June 1, 1945, while serving as district Coast Guard officer, Eighth Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Earl G. Rose to be a rear admiral, to rank from June 1, 1945, while serving as task force commander in the United States Atlantic Fleet, or in any other assignment for which the rank of rear admiral is authorized.

Frederick A. Zeusler to be a rear admiral, to rank from June 1, 1945, while serving as district Coast Guard officer, Thirteenth Naval District, or in any other assignment for which the rank of rear admiral is authorized.

Joseph Greenspun to be a rear admiral, to rank from June 1, 1945, while serving as chief finance and supply officer, or in any other assignment for which the rank of rear admiral is authorized.

Eugene A. Coffin to be a commodore, to rank from June 1, 1945, while serving as district Coast Guard officer, Fourteenth Naval District, or in any other assignment for which the rank of commodore is authorized.

James A. Hirshfield to be a commodore, to rank from June 1, 1945, while serving as district Coast Guard officer, Cleveland, Ninth Naval District, or in any other assignment for which the rank of commodore is authorized.

Norman H. Leslie to be a commodore, to rank from June 1, 1945, while serving as district Coast Guard officer, Seventeenth Naval District, or any other assignment for which the rank of commodore is authorized.

Milton R. Daniels (E) to be a commodore, to rank from June 1, 1945, while serving as district Coast Guard officer, Fourth Naval District, or in any other assignment for which the rank of commodore is authorized.

Merlin O'Neill to be a commodore, to rank from June 1, 1945, while serving as district Coast Guard officer, Fifth Naval District, or in any other assignment for which the rank of commodore is authorized.

POSTMASTERS

ALABAMA

Nola Bull, Bear Creek.
Lucille Garrett, Cloverdale.
Mary A. Hart, Comer.
James F. Hestle, Coy.
Amanda C. Funderburg, Cropwell.
Regina D. Harris, Gantts Quarry.
Demetrius A. Fannin, Garden City.
Nannie P. McCaskill, Garland.
Lucile G. McMillan, Gastonburg.
Hattie R. Walker, Highland Home.
Georgia Miller, Jamestown.
Era M. Culberson, Kellyton.
Artie M. Dorman, Kimberly.
Willodene C. Smith, Lapine.
Julia A. Robbins, Lewisburg.
Ora L. Oates, Lisman.
Mary E. Vinson, Loachapoka.
Josiah F. Irby, Lower Peach Tree.
Troy L. Lyle, Lynn.
James W. Sandlin, Magnolia Springs.
Ulysses L. Hinton, Manchester.
Ollie G. Harris, Morris.
Dessie M. Lovvorn, Newell.
Roy B. Whitaker, Paint Rock.
Willie M. Adams, Pinckard.
Mae B. Gamel, Remlap.
Ethel B. Moore, Riderwood.
John E. Jones, Safford.
Clifton E. DeLoach, Vida.
Janie T. Baxter, Vinegar Bend.

ALASKA

Beatrice Edenso, Craig.
Orrin S. Flemley, McGrath.
Susan English, Seldovia.

ARIZONA

Olive Tompkins, Camp Verde.
Patricia C. Bradley, Cavecreek.
Thorval Newton Clark, Oracle.
Anselm G. Sippel, St. Michaels.
J. Boyce Watkins, Salome.
Milford W. Kempton, Solomonsville.
Andrew L. Alger, Yucca.

ARKANSAS

Marvin Taylor, Strawberry.

CALIFORNIA

Clarence G. Rush, Acton.
Lesbia M. Williamson, Aromas.
Vincent M. Canet, Avila.
Sophia E. Shelley, Big Bear City.
Jeanette L. DeMent, Blue Jay.
Thelma F. O'Brien, Bonita.
Dolores Foubert, Clayton.
Leonard B. McCulley, East Highlands.
Lulu M. Costello, Foresthill.
Mary A. Beat, Glenn.
Florence L. Conant, Graeagle.
Minnie Ferretti, Groveland.
Gertrude Hoberg, Hobergs.
Ramona Sutfin, Jolon.
Gladys C. Dark, Kettleman City.
Mathilde M. Nelson, Lebec.
Kathryn C. Adair, Leevining.
Georgia S. Sage, Nestor.
Edith Lucas, Nipomo.
Iris L. Nelson, Palermo.
William J. Bathurst, Richardson Springs.
William W. Glass, Seven Oaks.
George L. Mays, Shell Beach.
Kyle K. McCleery, Somis.
George M. Robinson, Tecate.
Norman A. Morrison, Thousand Oaks.
Louise Stine, Tupman.
Candina E. Spaletta, Vina.
Bessie M. Tyler, Westend.

GEORGIA

John C. White, Armuchee.
Andrew N. Elliott, Auburn.
James E. Hadden, Avera.
Sallie L. Thrasher, Barwick.
John S. Cleghorn, Berryton.
Marjorie M. Stewart, Buckhead.
Rudolph C. De Loach, Clyo.
Amelia E. Phillips, Crandall.
Missouri Connell, Culverton.

Wilton E. Stonecypher, Estanollee.
Gordon Hall, Hilton.
Harold Williams, Juliette.
Willie L. Mosely, Lizella.
Charity J. Collis, McCaysville.
Clara L. Browning, Midway.
Olan W. Stubbs, Millhaven.
Leona B. Branch, Millwood.
W. Howard Ballew, Mineralbluff.
Edna M. Brannen, Portal.
Bessie Boatwright, Rayle.
Vera M. Roberts, St. George.
Ida Mae Dekle, Sale City.
Raymond S. Townsend, Wildwood.

HAWAII

Martin D. Dreier, Lihue.

INDIANA

Charles E. McClaine, Advance.
Noah E. Flora, Cutler.
Earl Funk, Dayton.
Mae L. Drake, Fairbanks.
Frances A. Galimore, Free om.
Howard G. Carr, Glezen.
Charles Redmon, Hatfield.
Nova Cole, Liberty Center.
Helen L. Hilkert, Lucerne.
Jacob O. Chandler, McCordsville.
Bertha Dorton, Matthews.
Ethel Martin, New Market.
John K. Eggers, Reelsville.
V. Ruth Rinehart, Romney.
Susan M. Boecker, St. John.
John M. Loveless, Somerville.
Lawrence Julian, Spurgeon.
Norman S. Hoskinson, Tennyson.
Margaret E. Lewis, Universal.
Joseph J. Bendit, Wyatt.

MISSISSIPPI

James H. Martin, Kokomo.

MONTANA

Elias O. Sorvick, Antelope.
Leanore K. C. Roderick, Outlook.

NEBRASKA

James Adolf Wensien, Brownville.
Carl C. Waterman, Lebanon.
Charles D. Spangler, Murray.
Edith Belle Sweenie, Nemaha.
Frovin Rasmussen, Rockville.

NEW MEXICO

Annie L. Nicholas, Oil Center.

PUERTO RICO

Emilio Hernandez, Aguada.
Feliciana G. Gonzalez, Aguas Buenas.
Carmen Andreu de Torrens, Dorado.
Pedro Alvarez, Guaynabo.
Esther Lacomba, Hatillo.
Angelina Frias, Las Piedras.
Carlota M. V. de Quinones, Luquillo.
Laura B. Lopez, Maricao.
Antonio B. Rivera, Moca.
Angelita Mendez de Rivera, Rincon.
Georgina S. Herrans, Toa Baja.
Gloria Torano, Trujillo Alto.
Dolores Santiago, Villalba.

TENNESSEE

Maude Pack, Delano.
Gene S. Kemp, Difficult.
Charles C. Brook, Eidson.
Alice E. Davis, Elgin.
Lucille B. Johnson, Hampton.
Roy P. Blevins, Shady Valley.
Walter A. Adkins, Winfield.

UTAH

Ivor Clove, Enterprise.

VIRGINIA

Edith S. Willingham, Andover.
Lewis E. Robinette, Blackwater.
Ray L. Barlow, Buckner.
William H. Covington, Burgess Store.
Garnett N. Edwards, Callands.
Theo. T. Cogbill, Chesterfield.
Beulah G. Nolan, Chula.
Josie R. Williams, Cullen.
Margaret C. Horton, Derby.
Etta Mitchell, Fancy Gap.
Alma R. Ricketts, Flint Hill.
Abram M. Goode, Henry.
Maurice J. Mongle, Holston.
Nora F. Johnson, Hurley.
Henry L. McGlothlin, Jewell Valley.
Bernice Vines, Kents Store.
Edna Y. Smith, McClure.
Marion V. LeMay, Mechanicsville.
John W. Roberts, Meredithville.
R. Clarke Lloyd, Millwood.
Lois N. Blankenship, Moseley.
George Ralph Smith, Penn Laird.
William P. Furniss, Saxis.
Thomas R. Apperson, Selma.
Alice M. Merriman, Spencer.
Agnes P. Gordon, Union Level.
Alva H. Matney, Vansant.
Walter Anglin, Woolwine.

WASHINGTON

Lars Sagen, East Stanwood.

SENATE

THURSDAY, JULY 26, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met in executive session at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all mankind, our Father, amid the bewilderments of these days of confusion and chaos upon the earth so full of lamentation, mourning, and woe, uncertain and troubled about so many things, we must be sure of Thee else we are lost and undone. The circumstances of our times are so appalling and dismaying that the resources of our souls are utterly inadequate unless Thou replenish them, Thou Shepherd of our pilgrim days, in whose peace our restless spirits are quieted and by whose love our discouraged hearts are reassured.

In this creative hour of human destiny, save us from surrendering to cynicism because of human evil and of being made men of little faith by human folly. Even as we peer upward with soiled face, open our eyes to see a glory in our common life, with all its sordid failures, and in the heart of the whole cosmic scheme, to feel the pull of a resistless power that makes for love and righteousness more constant than the stars. In that faith we come with the crystallized hopes of the nations turning in terror from a future without good will, offering our Nation, not as a chalice of privilege and of pride, but as a channel of mercy and help and healing, that all the ends of the earth may be blessed. In the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, July 25, 1945, was dispensed with, and the Journal was approved.

LEGISLATIVE BUSINESS

By unanimous consent, as in legislative session, the following business was transacted:

MISSOURI VALLEY AUTHORITY—CHANGE IN DATE OF HEARINGS

Mr. OVERTON. Mr. President, with respect to the date of September 17, 1945, which has been set for the beginning of hearings before a subcommittee of the Senate Committee on Irrigation and Reclamation on the bill (S. 555) to establish a Missouri Valley Authority to provide for unified water control and resource development on the Missouri River and surrounding region in the interest of the control and prevention of floods, the promotion of navigation and reclamation of the public lands, the promotion of family-type farming, the development of the recreational possibilities and the promotion of the general welfare of the area, the strengthening of the national defense, and for other purposes, I wish to announce that in view of the fact that Congress will not be in session on that date, I have consulted with the author of the bill, the junior Senator from Montana [Mr. MURRAY] and the majority members of the subcommittee. We have agreed that the date for beginning the hearings on the bill be 2 weeks after the date upon which the Senate reconvenes. I ask unanimous consent that the hearings begin on that date.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Louisiana?

The Chair hears none, and it is so ordered.

PERSONNEL REQUIREMENTS

The PRESIDENT pro tempore laid before the Senate letters from the administrative officer of the White House, the Director of the Office of Economic Stabilization, the Secretary of the United States Employees' Compensation Commission, and the Secretary of the Smithsonian Institution, transmitting, pursuant to law, personnel requirements for their respective offices for the quarter ending September 30, 1945, which, with the accompanying papers, were referred to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

The petition of Dr. C. H. R. Hovde, of Van Nuys, Calif., for redress of grievances; to the Committee on the Judiciary.

By Mr. CAPPER:

A petition of sundry citizens of Wichita, Kans., praying for the enactment of legislation to prohibit the advertising of alcoholic beverages in periodicals, newspapers, radio, motion pictures, or any other form of alcoholic-beverage advertising; to the Committee on Interstate Commerce.

EXTRA GAS FOR DISABLED VETERANS—RESOLUTION OF VETERANS OF FOREIGN WARS

Mr. McMAHON. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD a resolution adopted by the Veterans of Foreign Wars of the United States, Department of Connecticut, relating to extra gas for disabled veterans who drive cars to and from work.

There being no objection, the resolution was received, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Whereas under the rules and regulations of the Office of Price Administration no provision is in effect which allows extra gas for disabled veterans who drive cars to and from work, or extra gas to take care of trips made necessary due to their injuries: Therefore be it

Resolved, That we go on record as favoring extra gas allowance be given to disabled veterans when the need is proven; and be it further

Resolved, That a copy of this resolution be sent to Chester Bowles, Office of Price Administration, Washington, D. C., Senators and Congressmen from Connecticut, and the press.

DEPARTMENT OF CONNECTICUT,
VETERANS OF FOREIGN WARS
OF THE UNITED STATES.

Approved by twenty-fifth war service conference, July 1, 1945.

COMPULSORY MILITARY TRAINING

Mr. McMAHON. Mr. President, I also ask unanimous consent to present for appropriate reference and printing in the RECORD a resolution adopted by the Veterans of Foreign Wars of the United States, Department of Connecticut, endorsing legislation providing for compulsory military training for 1 year for men between 18 and 25 years of age.

There being no objection, the resolution was received, referred to the Committee on Military Affairs, and ordered to be printed in the RECORD, as follows:

Resolution 13

Whereas there is now pending in the Congress of the United States, a bill in reference to compulsory military training of 1 year for men between the ages of 18 and 25 years of age: Therefore be it

Resolved, That we go on record as endorsing compulsory military training for 1 year for men between 18 and 25 years of age for the best interests of our country; and be it further

Resolved, That a copy of this resolution be sent to the Senators and Congressmen from Connecticut, and the public press.

DEPARTMENT OF CONNECTICUT,
VETERANS OF FOREIGN WARS
OF THE UNITED STATES.

Approved by twenty-fifth war service conference, July 1, 1945.

UNITED NATIONS CHARTER

Mr. McMAHON. Mr. President, I also ask unanimous consent to present for appropriate reference and to have printed in the RECORD another resolution adopted by the Veterans of Foreign Wars of the United States, Department of Connecticut, favoring prompt ratification of the United Nations Charter.

There being no objection, the resolution was received, ordered to lie on the table, and to be printed in the RECORD, as follows:

Resolution 12

Whereas the Conference at San Francisco, Calif., for World Peace has ended, and a Charter of World Peace has been drawn, and is now pending before the Senate of the United States for ratification under the Constitution: Be it

Resolved, That we go on record as unanimously endorsing the Charter for World Peace, and urging the Senate of the United States to ratify it as soon as possible; be it further

Resolved, That a copy of this resolution be sent to both Senators from Connecticut and the public press.

DEPARTMENT OF CONNECTICUT,
VETERANS OF FOREIGN WARS
OF THE UNITED STATES.

Approved by twenty-fifth war service conference, July 1, 1945.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 122. A bill to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns; without amendment (Rept. No. 520); and

H. R. 3239. A bill to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; without amendment (Rept. No. 521).

By Mr. JOHNSON of Colorado, from the Committee on Finance:

H. R. 3644. A bill to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability; with an amendment (Rept. No. 549).

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

H. R. 699. A bill to amend paragraph 682 of title 16 of the United States Code; without amendment (Rept. No. 522).

By Mr. ELLENDER, from the Committee on Claims:

S. 201. A bill for the relief of the estates of William F. Bacon, Myrtle Jackson, Catherine Smith, and Tibbie Spencer; with amendments (Rept. No. 534);

S. 451. A bill for the relief of Carl Baumann; without amendment (Rept. No. 536);

S. 883. A bill for the relief of Charlie Tyson; with an amendment (Rept. No. 535);

S. 980. A bill for the relief of Mr. and Mrs. Edmond J. St. Amant, Jr.; with an amendment (Rept. No. 544);

H. R. 799. A bill for the relief of the estate of Stanley E. Smallwood; to the legal guardian of Frank Carter, Jr., a minor; to the legal guardian of Donald R. Keithley, a minor; to Keithley Bros. Garage; without amendment (Rept. No. 525);

H. R. 1015. A bill for the relief of G. H. Moore, of Butler, Taylor County, Ga.; with amendments (Rept. No. 523);

H. R. 1085. A bill for the relief of Mrs. Celia Ellen Ashcraft; with amendments (Rept. No. 545);

H. R. 1456. A bill for the relief of George E. Baker; without amendment (Rept. No. 526);

H. R. 2089. A bill for the relief of Edmund F. Danks, as administrator of the estate of Edna S. Danks, deceased; without amendment (Rept. No. 527);

H. R. 2511. A bill for the relief of Patricia M. Kacprzyk and Alex D. Leontire; without amendment (Rept. No. 528);

H. R. 2578. A bill for the relief of Rufus A. Hancock; with an amendment (Rept. No. 524); and

H. R. 2641. A bill for the relief of Frank Glen; without amendment (Rept. No. 529).

By Mr. JOHNSTON of South Carolina, from the Committee on Claims:

S. 562. A bill for the relief of Klau-Van Pietersom-Dunlap Associates, Inc.; without amendment (Rept. No. 530);

S. 857. A bill for the relief of Raymond W. Ford; with amendments (Rept. No. 533);

H. R. 241. A bill for the relief of Mrs. Ruby H. Hunsucker; without amendment (Rept. No. 546);

H. R. 1564. A bill for the relief of William W. Maddox and the legal guardian of Donna Sue Maddox and Gaddie Inez Maddox; without amendment (Rept. No. 531);

H. R. 1713. A bill for the relief of Canal Dredging Co.; without amendment (Rept. No. 547);

H. R. 1882. A bill for the relief of R. L. Whittington, Mrs. R. L. Whittington, and Mrs. J. B. Whittington; without amendment (Rept. No. 548); and

H. R. 2163. A bill for the relief of Teresa Tine; without amendment (Rept. No. 532).

By Mr. EASTLAND, from the Committee on Claims:

H. R. 1975. A bill for the relief of Glassell-Taylor Co., Robinson and Young; without amendment (Rept. No. 537).

By Mr. WILSON, from the Committee on Claims:

H. R. 1634. A bill for the relief of the city of Council Bluffs, Iowa; without amendment (Rept. No. 538).

By Mr. CAPPER, from the Committee on Claims:

H. R. 1913. A bill for the relief of Aloysius G. Miller; without amendment (Rept. No. 539).

By Mr. TAYLOR, from the Committee on Claims:

H. R. 989. A bill for the relief of Lily L. Carren; without amendment (Rept. No. 540);

H. R. 1057. A bill for the relief of the legal guardian of Margaret Hockenberry, a minor; without amendment (Rept. No. 541);

H. R. 1257. A bill for the relief of George C. Tyler and Doris M. Tyler; without amendment (Rept. No. 542); and

H. R. 2028. A bill for the relief of John Visnovec, Rose Visnovec, and Helen Visnovec; without amendment (Rept. No. 543).

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—REPORT ON CIVILIAN EMPLOYMENT IN THE EXECUTIVE BRANCH

Mr. BYRD. Mr. President, at this time I wish to present to this body a report on the increase of civilian employment in the executive branch of the Federal Government for the month of June 1945, showing the increased Federal expenditures reflected by such employment.

This report reveals that by the end of June 1945, the army of civilian employees of the Federal Government had increased by 126,130 here and abroad.

Members of this body realize, as I do, that current expenses for the personnel services, the travel, the communications, the supplies and equipment, and the subsistence and the transportation of Federal personnel, together with the spending, lending activities of such personnel here and in various parts of the world are items of expenditure that are closely related to the rise in the public debt which today has reached $262,000,000,000, the highest level in American financial history. The Treasury Department estimates that by June 30, 1946, the public debt will reach the staggering total of $292,000,000,000, just short of the present debt ceiling of three hundred billion. It is essential that the Congress and the general public immediately look to the source of the thousands of Government

cost items that make up this huge total and promptly bend every effort to roll back reckless expenditures of public funds so that a point of proper balance can be made with the Nation's revenues.

As I stated in my letter of June 27, addressed to President Truman, the Federal pay roll will soon reach the total of $8,000,000,000, more than twice greater than the interest on the public debt of $3,616,686,048 on June 30, 1945. Since making that assertion, facts gathered by the Joint Economy Committee reveal that during the month of June 1945, an additional 16,081 employees have been added to the public pay roll for departments and agencies of government within the continental limits of the United States, and 110,049 extra employees have been hired by the War Department outside of the United States, making a total increase of 126,130 new Federal employees.

Computed at the conservative salary rate of $2,000 per annum for each of these new employees, the Federal Government is saddled with the additional expense of more than $252,000,000 annually for personal services alone. This means, too, that during the month of June 1945, 100 civilian employees were added to the public pay roll every hour of the working day here, and 600 civilian employees were hired every hour for Government duties abroad.

As a member of the Senate Civil Service Committee, I urged that this rapid rate of hiring civilian employees be stopped and that a full manpower inventory be undertaken so that a prompt reduction in the present total of 3,543,326 Federal employees could be brought about. Following this recommendation, the Congress enacted section 607 of Public Law No. 106, Seventy-ninth Congress, effective July 1, 1945, which authorized the Director of the Bureau of the Budget to establish personnel ceilings and submit a quarterly analysis of Federal employment showing the number of civilian employee reductions that have been made.

It is my firm conviction that at least 300,000 Federal employees could be immediately eliminated without interference with the prosecution of the war. At the conclusion of the Japanese war we should return to a total Federal employment of certainly less than a million employees. Even this figure is in excess of the Federal employment of normal times. I realize that this presents a great problem, one which will require courage and an intelligent plan of reduction, so that no essential function of the Government will be crippled. However, since the Bureau of the Budget now has the authority, the committee will expect the Bureau to use the resources of its staff, statistics, and information in applying the plan for reduction in order that it will be carried out effectively and equitably.

Mr. President, I ask unanimous consent that the report may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REDUCTION IN NONESSENTIAL FEDERAL EXPENDITURES

Civilian employment of the executive branch of the Federal Government, by departments and agencies, for the months of May and June 1945, showing the increase and decreases in number of paid employees

Department or agency	May 1945	June 1945	Increase	Decrease
EXECUTIVE OFFICE OF THE PRESIDENT				
Bureau of the Budget	578	578	-------	------
DEPARTMENTS				
Agriculture Department	81,817	84,573	2,756	------
Commerce Department	33,731	35,735	2,004	------
Interior Department	43,401	44,354	953	------
Justice Department	26,643	27,178	535	------
Labor Department	6,612	6,593	-------	19
Navy Department	748,297	752,886	4,589	------
Post Office Department	377,596	378,849	1,253	------
State Department	11,640	10,944	-------	696
Treasury Department	91,211	96,493	5,282	------
War Department [1]	1,150,778	1,147,400	-------	3,378
NATIONAL WAR AGENCIES				
Committee on Fair Employment Practice	136	133	-------	3
Foreign Economic Administration	6,366	6,410	44	------
National War Labor Board	3,795	3,871	76	------
Office of Alien Property Custodian	769	751	-------	18
Office of Censorship	8,320	6,433	-------	1,887
Office of Civilian Defense [2]	77	0	-------	77
Office of Contract Settlement	70	72	2	------
Office of Defense Transportation	3,394	3,351	-------	43
Office of Economic Stabilization	15	19	4	------
Office of Inter-American Affairs	1,213	1,262	49	------
Office of Price Administration	64,056	64,722	666	------
Office of Scientific Research and Development	1,308	1,344	36	------
Office of Strategic Services	2,590	2,536	-------	54
Office of War Information	10,021	9,951	-------	70
Office of War Mobilization and Reconversion	207	255	48	------
Petroleum Administration for War	989	992	3	------
Selective Service System	18,916	18,802	-------	114
Smaller War Plants Corporation	1,857	1,892	35	------
War Manpower Commission	28,709	28,465	-------	244
War Production Board	12,607	12,363	-------	244
War Shipping Administration	5,371	5,403	32	------
INDEPENDENT AGENCIES				
American Battle Monuments Commission	1	1	-------	------
Civil Aeronautics Board	336	344	8	------
Civil Service Commission	7,758	7,411	-------	347
Employees' Compensation Commission	500	502	2	------
Export-Import Bank of Washington	59	60	1	------
Federal Communications Commission	1,531	1,520	-------	11
Federal Deposit Insurance Corporation	1,414	1,378	-------	36
Federal Power Commission	642	636	-------	6
Federal Security Agency	32,322	33,124	802	------
Federal Trade Commission	437	436	-------	1

[1] Does not include 539,222 employees stationed outside the continental United States.
[2] Liquidated as of June 30, 1945.

Civilian employment of the executive branch of the Federal Government, etc.—Con.

Department or agency	May 1945	June 1945	Increase	Decrease
INDEPENDENT AGENCIES—continued				
Federal Works Agency	20,359	20,309	-------	50
General Accounting Office	13,311	13,836	525	------
Government Printing Office	6,918	6,922	4	------
Interstate Commerce Commission	1,997	2,015	18	------
Maritime Commission	11,145	10,770	-------	375
National Advisory Committee for Aeronautics	6,564	6,740	176	------
National Archives	328	337	9	------
National Capital Housing Authority	223	221	-------	2
National Capital Park and Planning Commission	16	16	-------	------
National Gallery of Art	258	264	6	------
National Housing Agency	15,607	15,593	-------	14
National Labor Relations Board	811	843	32	------
National Mediation Board	107	106	-------	1
Panama Canal	30,177	30,595	418	------
Railroad Retirement Board	1,885	1,809	-------	76
Reconstruction Finance Corporation	12,048	12,645	597	------
Securities and Exchange Commission	1,138	1,151	13	------
Smithsonian Institution	412	411	-------	1
Tariff Commission	290	298	8	------
Tax Court of the United States	120	121	1	------
Tennessee Valley Authority	12,780	12,609	-------	171
Veterans' Administration	63,439	66,471	3,032	------
Total [3]	2,988,023	3,004,104	24,019	7,938
Net increase			16,081	
War Department [4]	429,173	539,222	110,049	------
Grand total	3,417,196	3,543,326	-------	------

[3] Includes employees stationed outside the continental United States as reported by various departments and agencies excepting the War Department; totals, May 1945, 121,885; and June 1945, 119,815.
[4] Employees stationed outside continental United States reported quarterly as of Mar. 31, 1945.

NOTE.—Employment figures now reported to the committee include dollar-per-annum and without-compensation employees of the consultant-expert type who are authorized to receive per diem in lieu of subsistence.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL-DEFENSE PROGRAM—CONDITIONS AT CURTISS-WRIGHT CORP. PLANTS, BUFFALO, N. Y. (PT. 3 OF REPT. NO. 110)

Mr. MITCHELL. Mr. President, from the Special Committee to Investigate the National Defense Program, I ask unanimous consent to submit a report with respect to conditions at the Curtiss-Wright Corp. plants at Buffalo, N. Y.

Since its inception this committee has constantly inquired into problems relating to equipment and supplies being furnished to our armed forces. During the past 4½ years the committee has investigated into many phases of our war-production program for the purpose of ascertaining the quantity and quality of material available for the war effort.

The committee has always been cognizant of the fact that the airplane is one of the most important weapons in modern warfare. The tremendous output of our aircraft industry has been one of the production miracles of this war.

American-built planes in the hands of our forces and those of our allies have been one of the greatest single factors in our victories to date. The development and mass production of American aircraft since 1940 has been the subject of intensive study and considerable investigation by the committee. It has been the function of the aviation subcommittee of this committee to consider aircraft and aircraft production in all its phases. At the present time this aviation subcommittee, of which, I have the honor of being chairman, consists of Senator JAMES M. TUNNELL, Democrat, of Delaware, Senator HOMER FERGUSON, Republican, of Michigan, and myself.

On April 18, 1945, Senator WILLIAM LANGER, the senior Senator from North Dakota, speaking on the floor of the Senate, severely criticized the inspection methods in force at the Buffalo, N. Y., plant of the Curtiss-Wright Corp. He requested our committee to make an investigation of conditions at these plants. The committee immediately initiated an inquiry into this matter and committee staff members were sent to Buffalo where they made a preliminary investigation of the company and Army inspection procedures at the Curtiss-Wright plants. Thereafter, on June 20 and 21, 1945, the aviation subcommittee held closed hearings in Washington, D. C., at which time representatives of Army Air Forces and officials of the Curtiss-Wright Corp. were heard. On July 9, 1945, members of the Aviation Subcommittee went to Buffalo to develop further the facts in this case. Senator FERGUSON and I inspected the Curtiss-Wright facilities at Buffalo. We questioned company and AAF employees on the floor of the plant and held further executive sessions at Buffalo. Public announcements were made at Buffalo inviting any persons having information pertinent to this investigation to appear before the subcommittee. On July 10, 11, 12, and 13, open hearings were held in the United States courthouse there. There hearings were conducted from early morning until late at night so that every person, regardless of his working hours had an opportunity to appear and give testimony. In all 1,675 pages of testimony were taken from 71 witnesses.

The Buffalo plants of Curtiss-Wright presently employ approximately 32,000 persons and are engaged in the manufacture of C–46 planes for the Army Air Forces. A total of 2,349 of these cargo planes have been produced at Buffalo since May 1942. From 1935 to November 1944, when production was stopped, these plants also produced 14,907 P–40 type fighter planes. In addition 348 P–47 type fighter planes were manufactured by Curtiss-Wright at Buffalo during 1943 and 1944. The majority of these airplanes were used by the AAF or were made available to our allies under lend-lease.

In view of the serious charges made in this case, most careful consideration was given to all of the available records and testimony developed by the committee so that a thorough and fair evaluation of the inspection systems of the Buffalo plants of Curtiss-Wright could be made. Such an evaluation could not be made by merely interviewing Army and company inspectors, or by merely reviewing the Army and company inspection procedures at the plants. In order to determine the efficacy of Army and company aircraft inspection, it was necessary to determine the over-all quality of the airplanes built and inspected at Buffalo. The committee therefore obtained information from the AAF regarding the operational performance of the P–40 and C–46 and analyzed the available AAF accident records of these and similar types of planes. Only after considering all of this evidence and all of the other factors bearing on the over-all quality of the planes produced did the committee arrive at the conclusions set forth in the report which I have submitted to the Senate.

Our investigation uncovered deficiencies on the part of Curtiss-Wright and the Army Air Forces. It brought forth some facts for which the manufacturer should be complimented. In any event, the facts were reported as found. Regarding the deficiencies which affect the over-all quality and utility of the airplanes being manufactured by Curtiss-Wright, I am happy to state the War Department and the Curtiss-Wright Corp. have promised this committee that prompt and immediate action will be taken to correct these deficiencies.

The following conclusions summarize the findings made as a result of the committee's investigation at Curtiss-Wright:

First. The supervision and administration of the Army Air Forces inspection at Curtiss-Wright is inadequate. As a result, the duties of Army Air Forces inspection personnel are not clearly defined, or executed Existing inspection and engineering deficiencies are being poorly handled. Army Air Forces inspectors who are known to be inefficient are retained in their positions.

Second. During the latter part of 1943 the company, in an effort to meet an accelerated production schedule, allowed certain production and inspection procedures at its Buffalo plants—which produce the C–46 and the P–40—to become badly disorganized. This condition which lasted until the fall of 1944, resulted in a situation whereby production dominated inspection and the quality of airplane inspection was seriously impaired.

Third. Since the fall of 1944, the quality of inspection has shown a marked improvement. The company set up elaborate inspection procedures in an effort to obtain quality in the completed product. However, the actual application of these procedures has not yet been perfected and, in some instances, production still attempts to dominate inspection. The company in some cases has shown a lack of vigor in correcting the unsatisfactory conditions.

Fourth. Various representatives of the Army Air Forces Air Technical Service Command, which made numerous inspections at Curtiss-Wright, have been inept in locating and eliminating existing deficiencies. The Army Air Forces should make a prompt and thorough investigation of company and Army Air Forces inspection organizations for the purpose of correcting the unsatisfactory conditions and ascertaining why the Air Technical Service Command had not previously corrected these conditions.

Fifth. The Army Air Forces has granted an approved quality control rating to the Buffalo plants of Curtiss-Wright, thereby placing its stamp of approval on the company-inspection system. It appears that this rating is based upon an evaluation of the inspection system rather than on the actual quality of inspection being performed under the system. It is recommended that the Army consider revising this method of rating Army Air Forces contractors.

Sixth. Airplane-accident statistics obtained from the War Department include only those accidents which occurred in the continental United States. The committee was amazed that the War Department did not have adequate records on aircraft accidents occurring outside of the country. These statistics which are incomplete and therefore not conclusive proof of quality indicate that the C–46 has a generally worse accident rate than the C–47 and the C–54 which are comparable planes. It should be noted, however, that the C–46 has had considerably less flight experience than the C–47 and the C–54 is being operated by more experienced personnel. At the present time the P–40 has a comparatively low accident rate. The evidence does not establish conclusively whether the planes delivered by the Curtiss-Wright Corp. from its Buffalo plants are dangerous for use, or safe.

Seventh. The C–46 is aerodynamically a good plane and has performed, and should continue to perform, a useful function in the war effort. It was, however, designed with overly complicated hydraulic and fuel systems which have created serious maintenance and operational problems in the field. Considerable engineering changes have corrected many of these problems, but the company has been slow in eliminating the deficiencies, many of which still exist.

Eighth. The P–40 type fighter plane has been produced in great numbers by Curtiss-Wright. At the beginning of the war the manufacturers of later improved types of fighter planes could not furnish the planes necessary to engage the then strong air forces of the enemy, and the P–40, although relatively obsolete, was available and was used effectively by the Americans, British, Russians, and Chinese in various theaters at a time when fighter planes were vitally needed. This plane, however, has been out of production since November 1944.

The PRESIDENT pro tempore. Without objection, the report submitted by the Senator from Washington, will be received and printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SALTONSTALL:

S. 1314. A bill for the relief of Frederic P. L. Mills; to the Committee on Claims.

S. 1315. A bill to authorize the naturalization of Sgt. Valentine Beltchenko; to the Committee on Immigration.

(Mr. THOMAS of Utah introduced Senate bill 1316, which was referred to the Com-

mittee on Education and Labor, and appears under a separate heading.)

By Mr. FERGUSON:

S. 1317. A bill for the relief of the Tivoli Brewing Co.; to the Committee on Claims.

(Mr. PEPPER (for himself, Mr. WALSH, Mr. THOMAS of Utah, Mr. HILL, Mr. CHAVEZ, Mr. TUNNELL, Mr. GUFFEY, Mr. LA FOLLETTE, Mr. AIKEN, and Mr. MORSE) introduced Senate bill 1318, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

ESTABLISHMENT OF RESEARCH AGENCIES

Mr. THOMAS of Utah. Mr. President, several bills have been introduced providing for the establishment of research agencies. I now ask unanimous consent to introduce another bill dealing with that subject and request that it be referred to the Committee on Education and Labor.

It will be noted that this bill deals with research on the lower levels rather than on the highly specialized level. By a wider distribution of funds for research, ultimately more persons will be attracted to the field and more will contribute to the general welfare of this country.

It must also be borne in mind that research carries with it a dual purpose: first, to create the highly trained technical experts, and also, to contribute to the general industrial life of our Nation. To neglect either of these fields will result in a faulty research policy.

It is in the spirit of contributing to the over-all planning that this bill is offered and the request is made that it be considered by those persons who will consider the research problems of the Nation.

I ask that the bill may be printed in full in the RECORD, together with a statement.

The PRESIDENT pro tempore. Without objection, the bill will be received and referred, as requested by the Senator from Utah, and the bill and statement will be printed in the RECORD.

The bill (S. 1316) to further promote the national strength, security, and welfare by assisting the States and Territories in extending and improving courses of instruction in the natural sciences through public secondary schools, was read twice by its title, referred to the Committee on Education and Labor, and ordered to be printed in the RECORD, as follows:

A bill to further promote the national strength, security, and welfare by assisting the States and Territories in extending and improving courses of instruction in the natural sciences through public secondary schools

Whereas the progress of our modern technological civilization in the United States is dependent upon a widespread understanding of the principles and practical applications of the natural sciences; and

Whereas such an understanding of science principles and their practical applications constitute an indispensable element in postwar plans for national security and individual welfare; and

Whereas basic training in the natural sciences is of vital importance in the preparation of youth for many and various occupational fields; and

Whereas the war has disclosed a widespread lack of opportunity for youth enrolled in public secondary schools to receive effective instruction in natural science subjects: Now therefore,

Be it enacted, etc., That this act may be cited as the "High School Science Education Act of 1945."

FINDINGS AND DECLARATION OF POLICY

SEC. 2. (a) It is hereby declared to be the policy of the United States to further promote the national strength, security, and welfare by assisting the States and Territories in extending and improving their courses of instruction in the natural sciences for youth enrolled in public secondary schools.

(b) This act shall be construed as intending to secure to the several States control of the administration of this act within their respective jurisdictions and to preserve State and local initiative in the operation of courses of instruction in the natural science subjects for students enrolled in public secondary schools. No provision of this act shall be construed to delimit a State in its definition of its program of public education or to restrict or define the kind of courses in natural science subjects to be supported by the respective States with funds received under this act; or to grant to any officer of the United States Government, or to any of its agencies, departments, or officers any power or authority to approve or reject the plans for extending and improving courses of instruction in natural science subjects developed by any State; nor to confer upon any officer of the United States Government or of any of its agencies, departments, or officers any power or authority to supervise or in any way exercise management and control of the program of instruction in the natural sciences in any State, it being the purpose of this act to leave all supervision, management, control, and choice of educational means, processes, personnel, and programs to State and local governments.

APPROPRIATIONS AUTHORIZED

SEC. 3. For the purpose of cooperating with the States in paying the costs of the salaries and other necessary expenses of supervisors and teachers of natural science subjects, and the costs of supplies and equipment used in classes of instruction in such subjects in public secondary schools there is hereby authorized to be appropriated for the use of the State subject to the provisions of this act for the fiscal year ending June 30, 1946, the sum of $4,000,000, for the fiscal year ending June 30, 1947, the sum of $8,000,000, for the fiscal year ending June 30, 1948, the sum of $12,000,000, for the fiscal year ending June 30, 1949, the sum of $16,000,000, for the fiscal year ending June 30, 1950, and for each fiscal year thereafter the sum of $20,000,000. The sums made available under this section shall be used for making payments to States which have submitted to the Commissioner of Education of the United States State plans for extending and improving their programs of instruction in the natural sciences for students enrolled in public secondary schools: *Provided*, That the funds paid to a State under this act shall be expended only through public agencies and under public control as determined by the legislatures of the respective States: *Provided further*, That no State shall be entitled to receive the benefits of this act unless the State and/or its local school systems shall have expended for the same purposes during the preceding year an amount equal to the average annual amount of such expenditures within the State in the two fiscal years beginning July 1, 1942, and ending June 30, 1944.

APPORTIONMENT

SEC. 4. The amounts appropriated under the authority of this act less any amount set aside for administrative purposes under section 9 hereof shall be annually apportioned among the respective States by the United States Commissioner of Education (hereinafter referred to as "the Commissioner") in the proportion which the number of their inhabitants aged 15 to 19 years, inclusive, bears to the total number of inhabitants of those ages in all of the States. In the computation of the sums apportioned, the population figures and estimates certified by the United States Bureau of the Census for the last preceding census shall be used.

STATE PLANS

SEC. 5. The manner in which the funds apportioned to each State shall be used for paying the costs of salaries and other necessary expenses of supervisors and teachers of natural science subjects and the costs of supplies and equipment used in classes of instruction in such subjects in public secondary schools shall be determined under policies of the respective State educational agencies. The State treasurer shall be designated and appointed as custodian of all funds received by said States as apportionments under the provisions of this act to receive and provide for the proper custody and disbursement of the same, such disbursement to be made upon requisition of the State educational agency and in accordance with the laws of such State. The State educational agency shall annually prepare and submit to the Commissioner plans showing the manner in which it is proposed to use the funds apportioned to the State. Such plans shall provide in States where separate public schools are maintained for separate races that a just and equitable apportionment, allotment, or distribution be made for the benefit of public secondary schools maintained for minority races, without reduction of the proportion of State and local moneys expended during the previous fiscal year for purposes of science instruction in public secondary schools for minority races.

CERTIFICATION AND PAYMENT

SEC. 6. It shall be the duty of the Commissioner to compute the amount due to each State and to apportion for each ensuing fiscal year such funds as said State may be entitled to receive under the provisions of this act, and to certify such apportionment to the Secretary of the Treasury. The Secretary of the Treasury shall thereupon, through the Division of Disbursement of the Treasury Department and prior to audit of settlement by the General Accounting Office pay to the treasurer of each State the apportionment so certified. The State educational agency of each State shall authorize the payment of the sums of money apportioned to the State in the manner set forth in the State plan. The treasurer of each State shall on the first day of each July report to the Treasurer of the United States through the Commissioner any unused portion of funds allotted to the State and the amount so reported shall be deducted from the next ensuing allotment to that State.

AUDIT

SEC. 7. The Commissioner is authorized to prescribe plans for keeping accounts of the expenditures of such funds as may be apportioned to the States under the provisions of this act. The State educational agency receiving any apportionment made under the provisions of this act shall cause to be made annually within 6 months after the close of the fiscal year in such State an audit of such accounts by a certified public accountant: *Provided*, That no two consecutive annual audits of such accounts shall be made by the same certified public accountant. The State educational agency shall submit to the Commissioner a copy of each annual audit of such accounts within 30 days after the completion of the audit. If the Commissioner shall determine that the apportionment made to a State for any fiscal year has not been expended for the purposes and according to the provisions of this act he shall give notice of this fact to the State educational agency and to the Governor of such State, and after opportunity afforded for hearings, shall cause to be deducted from the next succeeding allotment to such State

an amount equal to the amounts determined to have been improperly expended. If any allotment or portion of any allotment is thus withheld from any State it shall have the right to appeal within 30 days to a United States district court and such court shall have jurisdiction as to both fact and law.

REPORTS

SEC. 8. The State educational agency shall annually submit to the Commissioner on forms provided by him a report showing the manner of distributing within the State the funds apportioned under this act and the extensions and improvements of instruction in natural-science subjects in public secondary schools accomplished thereby. The Commissioner shall prepare an annual report to the Congress on or before December 1 of each year covering the administration of this act and including a summary of State reports received from State educational authorities.

ADMINISTRATION

SEC. 9. In additional to the funds appropriated in section 3 hereof to carry out the provisions of this act an amount not to exceed $200,000 is hereby authorized to be appropriated annually to the United States Office of Education for the administration of this act. The appropriation authorized under this section shall be used for making studies, investigations, and reports with particular reference to their use in aiding the States in the extension and improvement of school courses of instruction in natural-science subjects and for the purpose of paying the salaries of such members of the staff of the United States Office of Education, including field service consultants, and other expenses, including expenses for travel and printing, as are deemed necessary by the Commissioner to the proper administration of this act.

DEFINITIONS

SEC. 10. (a) The term "State" means the several States, the District of Columbia, Alaska, Hawaii, Puerto Rico, American Samoa, the Virgin Islands, and Guam.

(b) The term "State educational agency" means as the State legislature may define (1) the chief State school officer (such as superintendent of public instruction, commissioner of education, or similar officer); (2) a board of education controlling the State department of education, except that in the District of Columbia it shall mean the Board of Education and in American Samoa, the Virgin Islands, and Guam it shall mean the Governor.

(c) The term "secondary school" means as the State legislature may define (1) grades 9 to 12, inclusive; or (2) grades 8 to 11, inclusive; or (3) grades 10 to 14, inclusive.

(d) A just and equitable apportionment allotment, or distribution of funds provided under this act for the benefit of a minority racial group in a State which maintains by law separate educational facilities for such minority racial group means an apportionment, allotment, or distribution that results in the expenditure for the benefit of such minority racial group of a proportion of said funds not less than the proportion that such minority racial group in such State bears to the total population of that State.

(e) The term "natural sciences" refer to the subjects: general science, biology, physics, chemistry, and earth science together with other subjects representing special arrangements of materials related to these fields of study such as aviation, applied science, gardening, floriculture, radio, meteorology, and the like.

The statement presented by Mr. THOMAS of Utah is as follows:

WHY SHOULD INDUSTRY GIVE FINANCIAL SUPPORT TO THE NATIONAL SCIENCE TEACHERS ASSOCIATION?

Alfred P. Sloan, Jr., chairman, board of directors, General Motors Corp., recently announced plans for the construction of a great technical center north of Detroit. The announcement was made at a luncheon at the Waldorf Astoria on July 24, where the theme was More Jobs Through Research. In the process of his remarks, Mr. Sloan said:

"The objective is more and better things at lower prices, thus expanding job opportunities and contributing to an advancing standard of living. Modern science is the real source of economic progress.

"It has brought within the reach of more and more people, more comforts and conveniences, more leisure and more and better job opportunities. There can be no ceiling on opportunity if science continues to move forward.

"It is to accelerate the progress of scientific advancement that the General Motors Technical Center is dedicated."

The men and women to operate this technical center will come to that center with backgrounds insofar as training is concerned. Some of them will be research leaders, some will be college graduates, most of them will have had a secondary school education. All of them should have an appreciation of the importance and genera principles of science.

The chief beneficiary of an adequate program of science education would be the many branches of industry. Science constantly stimulates the development of new products. This means more opportunities for labor jobs in production, in transportation, in salesmanship, and delivery. Successful handling of each step of the program means ultimately more money in the stockholders pocket.

MATERNAL AND CHILD WELFARE ACT OF 1945

Mr. PEPPER. Mr. President, for myself, the Senator from Massachusetts [Mr. WALSH], the Senator from Utah [Mr. THOMAS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Delaware [Mr. TUNNELL], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Wisconsin [Mr. LA FOLLETTE], the Senator from Vermont [Mr. AIKEN], and the Senator from Oregon [Mr. MORSE], I ask unanimous consent to introduce for appropriate reference a bill the title of which is to provide for the general welfare by enabling the several States to make more adequate provision for the health and welfare of mothers and children and for services to crippled children, and for other purposes.

Mr. President, I ask that there may appear in the RECORD immediately after these remarks of introduction a statement by me and a summary of the nature and purposes of the bill.

The PRESIDENT pro tempore. Without objection, the bill will be received and appropriately referred, and the statement will be printed in the RECORD.

The bill (S. 1318) to provide for the general welfare by enabling the several States to make more adequate provision for the health and welfare of mothers and children and for services to crippled children; and for other purposes, introduced by Mr. PEPPER (for himself, Mr. WALSH, Mr. THOMAS of Utah, Mr. HILL, Mr. CHAVEZ, Mr. TUNNELL, Mr. GUFFEY, Mr. LA FOLLETTE, Mr. AIKEN, and Mr. MORSE), was read twice by its title and referred to the Committee on Education and Labor.

The statement and summary presented by Mr. PEPPER are as follows:

The war has given us irrefutable proof that a nation which neglects the health and welfare of its children does so at its own peril. We need only look at the record of 40 percent of the 22,000,000 men of military age found unfit for general military duty and 33 percent of all applicants in a year for enlistment in the Women's Army Corps who were rejected as unfit for general military service to know that indifference to what happens to children sooner or later strikes at the very life of the nation.

Manpower problems of the Army and Navy have been far more serious than they would have been had the Nation's health been better. Vast numbers of men and women would not have been found wanting had their physical defects been corrected or prevented, as so many could have been, in childhood.

It is a mockery for a nation to demand service from citizens to whom as children it denied the opportunity to prepare for such service.

But the Nation's concern for its children is not limited to considerations of national safety. The Nation's greatness in peace is measured by the opportunities open to its citizens for health, personal satisfactions, and the exercise of social responsibility. These opportunities can be assured only if children have their full chance for physical, mental, and emotional growth and well-being.

It has been said that health is purchaseable. But the individual family alone cannot buy health for its children. Community as well as family resources are necessary.

The time has come when our communities, States, and the Federal Government must assume a larger responsibility for the health and well-being of our children—a responsibility which their families, rich or poor, cannot assume alone. A program such as that embodied in the proposed bill would increase, not lessen, the responsibilities of parents to make use of the resources which the community affords.

The bill, which I hope will receive early consideration by the Congress, provides for gradual yet substantial expansion of existing State programs of child health and welfare initiated a decade ago under the Social Security Act. Step by step, over a period of the next 10 years, the bill makes possible the enlargement and strengthening of these public services in accordance with the requirements of each State.

GENERAL PROVISIONS OF THE BILL

This bill makes Federal financial aid and technical assistance available to the States for the purpose of providing medical care and health services for mothers and children and child-welfare services for emotionally sick and insecure children and for children without parental care or supervision.

It stipulates that these services shall be available to all who elect to participate in them, regardless of race, creed, color, place of residence, or national origin.

By July 1, 1955, each State desiring to benefit from the program must have established for all of its political subdivisions services and facilities to meet the maternity-care needs of those mothers who wish to participate in the program and the basic medical-care needs of children. By that date the States benefitting from the act must also have made child-welfare services available to all children for whom these services are needed.

The bill authorizes for the fiscal year 1945–46 an appropriation of $50,000,000 for maternal and child-health programs; $25,000,000 for crippled children's programs; $20,000,000 for child-welfare programs; and $5,000,000 for administration. Amounts for each year thereafter are not fixed, but will depend on how much is required to carry out the purposes of the act and to expand the services year by year until they are everywhere fully available.

This expanded health program for children and mothers will be administered through the State health departments. The money will be used primarily to pay doctors, den-

tists, nurses, and other professional personnel for services and care to mothers and children. It will pay for care in physicians' offices, hospitals, convalescent homes, clinics, or in the home.

For mothers there will be good prenatal care and medical and hospital care at childbirth and in the after-birth period. For children there will be well-baby clinics during preschool years and continued supervision by competent physicians; medical and hospital care when children are sick; school-health services that will include both examination and treatment for children; dental care in preschool years and throughout a child's school life; mental health and child-guidance clinics; and allied services.

Such services and care will be fitted into the total health programs of States and communities. They will be integrated with hospitals and health centers which will be the heart of the program in each State. Existing medical and health centers and hospital and clinic facilities will be used wherever possible, if they meet standards, and every means will be used to provide care of the highest quality possible. Ultimately, a chain will be forged linking the smallest outpost maternity and child-health center in rural areas to the best medical centers in the largest cities.

The bill does not contemplate a construction program, such as is provided for in S. 191 or in similar provisions of other bills. But pending the passage of a broad program for construction of health facilities, State health departments will be able to use some of the funds provided in this bill for necessary remodeling of facilities.

The bill assures to the patient free choice among doctors, hospitals, and clinics that are participating in the program. To the practitioner and hospital it assures free choice to participate or refuse to participate. Parents will decide whether they wish to go to a doctor outside the program and pay for care themselves, or to use the local maternal and child-health services. Physicians, likewise, may participate in the services in several different ways or refuse to have any part in them, if they so prefer. Some may join in the program through their private practice; others may work in clinics or hospitals. Some may want to participate part-time; others full-time. There will be no compulsion on anyone to come in or stay out of the program.

All barriers to good care will eventually be removed by this bill. For doctors it will make accessible all the help they need from laboratories, X-ray service, specialists, and diagnostic clinics so that no stone may be left unturned to find out what is the matter with a sick child or a pregnant woman. The best possible treatment will be assured those who seek care. No limit is placed on doctors or hospitals in providing the care they think is best for their patients. The kind of care made available will be safeguarded as far as possible by standards which each State will set up in its plan for approval by the Children's Bureau.

The bill provides for standards of qualifications for personnel. It assures adequate remuneration of doctors who will be paid for all services they render, whether in office, home, clinic, or hospital. They will not have to give their time without compensation as they have to do so often today. Hospitals and clinics, whether public or voluntary, will be paid on a basis related to cost of care.

Money to purchase medical care will not assure good care to all who may seek it if there are not doctors, dentists, nurses, and other professional workers at hand to supply that care and if they are unable to keep pace with advances in medical knowledge. For that reason, this bill makes provision for the training of personnel and for demonstration projects in the fields of maternal and child health. Even when the armed forces are able to release all their men and women trained in these fields, we will still be woefully undersupplied with trained workers. Adequate medical care and health services cannot possibly reach all mothers and children unless the number of professional workers is greatly increased and graduate training is provided to many present practitioners.

Experience has shown that through research we can actually protect children from serious diseases. Smallpox and diphtheria, for instance, have been practically banished as causes of childhood mortality. No doubt research, adequately financed, can make great headway with other disesases. The gains made in research and in better training will benefit not only these public programs but the private practice of medicine. The bill provides for studies and demonstrations that will substantially advance the knowledge in the fields of maternity and child care.

In the administration of these health programs, the Chief of the Children's Bureau is required to seek the advice of responsible State administrative officials, of advisory committees composed of professional and public members, and of technical committees as necessary. State officials, likewise, are expected to consult with medical, health, nursing, education, and welfare groups, and to appoint State advisory councils made up of representatives of these groups and of the public.

In the child-welfare programs to be developed and administered by State welfare agencies, Federal funds will be used to increase the number of child-welfare workers until within 10 years children in every community will have access to their services. These child-welfare specialists will work with parents, schools, social agencies, police, and courts, to keep children out of trouble and see that they get the care and the protection they require. Federal funds will also be used to provide foster care, primarily in family homes, when it is impossible for a child to remain in his own home, to provide temporary care for those children who must be held in detention pending court hearing, and for those needing shelter or study of their special needs. Children whose mothers are employed may be given care in foster-family homes or day-care centers. Nonresident children will be helped to return to their own communities when desirable.

GRANT-IN-AID PRINCIPLE IS SOUND

This measure is an extension of three existing programs of service to children to which the Congress is already committed but for which only meager financial support has been authorized.

Ten years ago we enacted the Social Security Act, providing Federal aid to State programs for maternal and child health, for crippled children, and for child-welfare services. Under these programs, Federal funds are made available, partly on a matching basis and partly as outright grants, to help States extend and improve their child-health and child-welfare services to mothers and children, especially in rural areas and in areas suffering from severe economic distress.

While we accepted in this act the principle of Federal responsibility for promotion of such services, we set a drastic limit on the Federal funds that can be used by the States to implement them. The maximum that can be appropriated in any one year, even since amendments passed in 1939, stands at only $5,820,000 for maternal and child health, $3,870,000 for crippled children, and $1,510,000 for child welfare.

These small amounts may have been justified during the early development of these programs. They are a reproach to us now. Surely none of us dares to defend $11,200,000 as the rightful share of the Federal Government in the cost of promoting the health and welfare of our 40,000,000 children through services of the kind authorized in title V of the Social Security Act, and no one can deny that we can afford the increases called for in this bill.

Ten years of experience under the Social Security Act has given the Children's Bureau, which is responsible for allotting these grants to State agencies, opportunity to build the foundations of effective teamwork between the Federal Government and the States in behalf of children. Within the limitations of the funds allowed, State agencies and communities working with them have achieved much.

The wartime emergency maternity and infant care program for servicemen's wives and babies has added to the knowledge and skill of these agencies in their operation of publicly financed maternal and child-health programs. In the first 27 months of this program, initiated by the Congress in March 1943, 785,000 mothers had been or were still being given maternity care during pregnancy, at childbirth, and in the postpartum period. Nearly 100,000 sick babies had received or were still receiving medical and hospital care. At present, one out of every six babies born in our country is a beneficiary of this program which was created for the primary purpose of relieving enlisted men of anxiety over the safety of their families and of uncertainty as to how to obtain proper medical and hospital care for their wives and infants during their absence in service. Both for mothers and babies, the care has been provided without cost to the serviceman or his family. For the 12 months that ended on June 30, 1945, the Congress appropriated $45,000,000, and approximately the same has been made available for the current year. This program, however, is a war measure only. Acceptance of new cases will terminate 6 months after the close of war.

There can be no doubt that the principle of Federal-State cooperation as described in title V of the Social Security Act and operating under it is sound. The issue facing us now is how generously and how fast the Federal Government can extend its help to the States until adequate health and child-welfare services are available to all mothers and children.

SUPPORT FOR THIS LEGISLATION IS WIDESPREAD

Both professional and public leaders demand that action be taken to provide adequate care for mothers and children.

The American Academy of Pediatrics at its annual meeting in St. Louis in November 1944, unanimously adopted as its objective for child health in the postwar period the following:

"To make available to all mothers and children in the United States of America all essential preventive, diagnostic, and curative medical services of high quality which, used in cooperation with other services for children, will make this country an ideal place for children to grow into responsible citizens."

In administering the program of services for children under the Social Security Act, the Children's Bureau has sought the advice and counsel of outstanding physicians, social workers, and members of other professions who are authorities in the fields of child health and child welfare, and of citizen groups concerned with the problems of children. For the past year the Bureau's technical and general advisory committees have been reviewing and reappraising the programs in relation to present needs. Their recommendations, in turn, have been studied by the National Commission on Children in Wartime. Members of this commission include the chairmen of the Bureau's advisory committee and representatives of labor, farm, women's, church, and professional groups.

The present bill embodies the essential recommendations of this distinguished group of citizens, which has released a report entitled "Building the Future for Children and Youth." In this report the national commission states:

"The health of children, no less than their education, is a public responsibility. If during the coming decades children are to grow to maturity physically and mentally fit, if they are to be able to take advantage of the educational opportunities offered to them, and if they are to assume their position as responsible members of society when they are mature, they must be assured of healthy bodies and healthy minds when they are young."

In making its proposals, the National Commission points out that "to be most effective the maternal and child health and crippled children's programs must ultimately fit into a total medical-care plan designed to lift the level of health and medical care for all the people." The commission emphasizes, however, that "expansion of the services necessary for mothers and children must not be delayed pending decisions on the total plan." Children do not wait to grow until the Nation decides what kind of a national health program it will have. Furthermore, we can learn much that will be of use to us later in dealing with the larger problem by pushing ahead now with this more limited measure. To the extent that the Federal Government, through taxation, assumes the cost of health and child-welfare services for mothers and children, the cost of the other features of a national health program is reduced.

PRESENT PROVISIONS DISCRIMINATE AGAINST MANY CHILDREN

One basic question should be kept in mind in deciding on the merits of this bill. It is a question which Congress, and only Congress, can decide—"Do we, as a nation, intend to provide good health care for every child, whoever his parents happen to be and wherever he happens to be born, or are we going to be content with the system we have now under which some children get the best care known anywhere in the world while others have to get along with little or no skilled assistance?"

Under present programs, children who happen to live in one place get services which children who live a few miles away are denied because services for them are not provided by the community, the State, or the Federal Government. It is a totally unsound principle of government to use public funds for the benefit of some children and withhold them from others with like needs.

The purpose of this bill is to correct some of the discrimination and inequalities in health care and child-welfare services which, for example, make cities better places than the country for children to be born in, which give the children in one State advantages over those in other States, which favor the children in high-income families as against those in low-income families, which protect the lives of white children better than the lives of Negro children, which provide for some crippled children and leave others totally unprovided for.

Instances of these inequalities in our provision of health and child-welfare services stand out starkly in reports of the Children's Bureau and the National Commission on Children in Wartime.

Rural children have great disadvantages

Infant mortality rates show that today city-born babies are by far the luckiest; that small communities are the least favorable birth places; and that rural areas are only a little better than small communities. The Children's Bureau estimates that if we could reduce infant mortality rates in places of less than 10,000 population to the level of the rates in larger places, we could save the lives of 10,000 babies each year.

No act of incorporation makes a city a safer place for the birth of a child, but the existence of well-functioning public and private health services makes a tremendous difference.

In 1943, only half of the births in rural areas took place in hospitals; in large cities more than 90 percent were in hospitals. Nearly 600,000 rural mothers were delivered in their rural homes, 160,000 of them without a doctor in attendance. Prenatal clinics, conducted by physicians under the supervision of State health agencies, exist in only a quarter of our rural counties. Two out of every three rural counties have no well-baby clinics under such supervision where mothers can regularly bring their babies and smallest children to have their health and development examined by a doctor. Of the small and medium-sized cities, one-fourth have no such clinics. One thousand of our 3,000 counties have no public-health nurse who can help mothers with their problems of infant and child care.

Good health in children and good health services for children go hand in hand. Enactment of this bill will do much to increase the number and quality of health services in rural areas and small towns.

Children in some States are handicapped

Disparities between States are equally startling with respect to maternal and infant death rates. In the country as a whole, 40 out of every 1,000 babies born alive die before their first birthday. In Connecticut, however, infant mortality is down to 30 and in Minnesota to 31 per 1,000 live births. In New Mexico, the rate is over 90. If every State had as fine a record as Connecticut's, we could save 31,000 babies every year. We could save the lives of almost 3,000 mothers, too, if every State had as good a record of maternal mortality as Minnesota has.

Passage of this bill will help greatly to bring States with the poorest child-health records up to the level of better States.

TABLE I.—*Infants that could have been saved in 1943 if all States had had Connecticut's infant mortality rate*

State	Infant death rate [1]	Infants that could have been saved
United States	40.4	31,029
Alabama	44.8	1,166
Arizona	76.7	671
Arkansas	37.4	325
California	34.4	801
Colorado	50.4	502
Connecticut	29.8	0
Delaware	46.7	105
District of Columbia	47.6	286
Florida	46.7	783
Georgia	46.6	1,320
Idaho	32.0	27
Illinois	33.3	543
Indiana	39.6	735
Iowa	34.0	199
Kansas	33.6	139
Kentucky	50.0	1,323
Louisiana	44.7	925
Maine	51.3	407
Maryland	43.0	625
Massachusetts	34.2	379
Michigan	38.3	1,065
Minnesota	30.9	65
Mississippi	46.8	1,017
Missouri	40.3	759
Montana	38.7	102
Nebraska	35.5	143
Nevada	52.2	63
New Hampshire	46.1	152
New Jersey	33.7	321
New Mexico	91.6	941
New York	32.7	717
North Carolina	46.7	1,598
North Dakota	34.9	68
Ohio	39.1	1,346
Oklahoma	42.5	619
Oregon	30.0	5
Pennsylvania	37.9	1,610
Rhode Island	43.5	210
South Carolina	55.1	1,372
South Dakota	35.7	75
Tennessee	44.8	1,051
Texas	51.4	3,552
Utah	31.4	28
Vermont	39.0	67
Virginia	47.1	1,245
Washington	34.8	223
West Virginia	52.1	969
Wisconsin	35.0	336
Wyoming	37.1	43

[1] Rate per 1,000 live births.

TABLE II.—*Mothers that could have been saved in 1943 if all States had had Minnesota's maternal mortality rate*

State	Maternal death rate [1]	Mothers that could have been saved
United States	24.5	2,972
Alabama	33.5	148
Arizona	26.6	17
Arkansas	39.4	107
California	20.5	105
Colorado	25.9	28
Connecticut	16.2	7
Delaware	24.1	6
District of Columbia	21.8	12
Florida	37.0	105
Georgia	39.2	194
Idaho	23.4	11
Illinois	20.5	96
Indiana	20.0	41
Iowa	16.8	11
Kansas	21.4	25
Kentucky	24.9	69
Louisiana	32.1	110
Maine	22.2	15
Maryland	17.9	17
Massachusetts	20.1	49
Michigan	18.0	45
Minnesota	14.4	0
Mississippi	39.4	150
Missouri	25.3	79
Montana	17.5	4
Nebraska	16.8	6
Nevada	19.8	2
New Hampshire	26.7	12
New Jersey	19.4	41
New Mexico	46.7	49
New York	21.0	363
North Carolina	32.4	170
North Dakota	20.1	20
Ohio	22.5	117
Oklahoma	25.1	52
Oregon	14.9	1
Pennsylvania	24.7	206
Rhode Island	22.5	12
South Carolina	44.3	160
South Dakota	15.6	2
Tennessee	29.1	103
Texas	25.5	183
Utah	15.7	2
Vermont	21.9	5
Virginia	29.1	106
Washington	16.2	8
West Virginia	29.1	64
Wisconsin	19.7	34
Wyoming	15.5	1

[1] Rate per 10,000 live births.

Family income limits opportunities for health services for many children

Records of infant and maternal mortality in families of different income levels have long demonstrated the greater safety enjoyed by children of higher income families. No child chooses to be born to a low-income family, but that is where at least half of them arrive. Even in the relatively good year of 1940, about half our children were living in families with incomes of less than $20 a week. Good maternity care cannot be purchased with the leftovers from $20 a week after food, clothing, and shelter for a family are paid for. Such care costs even the Government, under the emergency maternity and infant care program for servicemen's wives and babies, about $90. And this is only the beginning of the good medical care and health supervision which every child should have until he is fully grown.

Over 10 percent of all babies are born to Negro mothers. Maternal mortality is more than two and a half times greater among Negro women than among white women. Infant mortality among Negroes is almost twice as high as among whites. Here is another area where the disparity in provision of health services should be corrected.

Many crippled children go uncared for

Perhaps most appalling of all, there is another group of children who are seriously discriminated against. They are the crippled and otherwise handcapped children who now get no care.

Some 100,000 orthopedically-crippled children are receiving hospital and surgical care through the State agencies to which the Fed-

eral Government now contributes funds. These State agencies reported that at the beginning of 1944, 15,000 children on their lists were awaiting care that could not be given because of lack of funds.

Half a million children under 18 suffer from rheumatic fever but State programs for these children can reach only a few thousand each year in 240 of the 3,000 counties. Rheumatic fever in childhood is the forerunner of heart disease in young adults. It kills more children between the ages of 5 and 15 than any other single disease.

There are 70,000 children under 16 with cerebral palsy who could be educated if skilled care were provided them. These children, often mistakenly called "spastics," suffer from injuries, which usually occur at birth, to certain portions of the brain that govern muscular control. The Children's Bureau receives many pathetic letters from parents seeking care for these children, and the number in recent years has been increasing. I, too, since I became chairman of the Subcommittee on Wartime Health and Education, have received quite a number of such letters. Very few States have been able to attempt for even a few cerebral-palsied children a correlated program of medical and educational services. The supply of professional personnel trained in the special problems of cerebral palsy is woefully inadequate. Part of the reason is that the care of a child with cerebral palsy is very expensive and must be kept up over a long period.

One and a quarter million children are handicapped with asthma; 35,000 with diabetes; 200,000 with epilepsy. These children require prolonged care. With the exception of one State which cares for a few diabetic children, no provision is made for these children in State programs.

Probably one million children have hearing defects, but with the exception of Maryland and Connecticut, State crippled children's programs have not tackled the problem of their care. Hearing aids are costly and they can now be provided to only a small proportion of the children who would benefit from them.

Again, there are not sufficient funds available today to make it possible for State agencies to provide for children with refractive defects in vision, although there are 10,000,000 children with such defects. Only a small number of children who are blind or partially blind are reached, and yet a large proportion of blindness could be prevented if all children received good health and medical care.

How richly rewarding the provision of care to crippled children can be is dramatically shown in an "Educational and Employment Survey" made 2 years ago by the Kansas Crippled Children Commission. A cross section of persons, now 21 years of age and over, who had received treatment through this commission shows that 90 percent of them were in military service, at work, or in school. Twenty percent of the men who had been crippled were in the military services; 58 percent were employed full or part time. Half of the women were also holding full-time or part-time positions.

OTHER HEALTH AND WELFARE NEEDS OF CHILDREN ARE URGENT

The illustrations just given are a few symptoms of the discriminatory policy we have allowed to operate against the well-being and health of many American children. In no sense are they a total measure of our neglect.

The National Commission on Children in Wartime presents in its report, Building the Future for Children and Youth, other evidences of the way we are shortchanging our children. These should give profound pause to us who are responsible for guarding and advancing the general welfare of the Nation:

"Probably not half the children of elementary-school age are receiving medical examinations in any one year. Even fewer high-school students receive such examinations. When examinations are made and defects found, there is seldom any adequate provision for remedial service."

"One out of six small cities has no school-health-nursing services. Half have no school physician.

"At least three-fourths of all school children have dental defects which need care. Provision for corrective dental care of preschool and school children * * * is seriously inadequate in practically all cities, towns, and counties."

"Only the larger cities have child-guidance clinics."

Social services are lacking

Our neglect of children socially ill, emotionally insecure, or without care or supervision of parents is equally shameful.

Children in need of child-welfare services will be found among these groups:

Nearly 4,000,000 children who have lost 1 or both parents; already 21,000 of these are children of men who have died in this war;

Seven hundred thousand children in homes broken by divorce, separation, or desertion;

Eighty-three thousand or more babies each year born out of wedlock, almost half of them to mothers who themselves are children 19 years of age or younger;

Some 4,000,000 children of mothers who work, many thousands of them wives and widows of war and home-front casualties who will have to continue to support their children after war is won;

Mentally retarded and feeble-minded children;

Children with emotional and personality difficulties that lead to acts of juvenile delinquency and land children in courts and in correctional institutions.

Economic factors often figure conspicuously in these problems of the social health of children. Expansion and improvement of social insurance and public-assistance programs are musts in terms of children. But shoring up the economic security of families is far from being the total remedy. No one would give $10 to a child suffering from diabetes and tell him to go find some insulin at the drug store. It is as naive to assume that children socially ill, emotionally insecure, or in homes unable to provide the care children need can be made well or properly safeguarded simply by putting more money in their pockets or in the pockets of their parents. Such children need professionally skilled care just as much as does the child suffering from pneumonia or infantile paralysis. The child-welfare worker is to them what the doctor is to the physically sick child. Like the physically ill and crippled, the socially ill and handicapped child often needs a variety of services which only communities can provide, and all too many communities cannot make such services available without help from State and Federal Governments.

With the limited funds which Congress gives the Children's Bureau each year to assist States in developing child-welfare services—a mere $1,510,000 to cover the country—only 400 counties out of our 3,000 can be served in any one year, and then only partially. This money goes to help States or communities pay salaries and incidental expenses of child-welfare workers. Federal funds are needed but are not now available to pay the cost of foster care for children who cannot be cared for in their own homes, to provide temporary care of children who are now all too often detained in jails, and to finance the return of stranded or runaway children to their home communities. Federal aid in providing daytime care for children of working mothers is also needed and not available except through the wartime Lanham Act. In many places, personnel, facilities, and funds are completely lacking for these purposes; in others, they are grossly inadequate.

Plainly something must be done to stop this unconscionable and costly neglect of the health and well-being of our children.

The prescription offered in the Social Security Act is a good one. Even though it has been applied timidly in the past, it has produced results. Improvement in maternal and child health has taken place in direct proportion to the amount and kind of services and facilities made available. Since the enactment of this law, infant-mortality rates, for example, have been cut one-fourth, maternal mortality one-half. Foundations for an expanded program of child-welfare services have been laid. Applied generously, the social-security method of getting care to children can bring us far along the road to being a Nation worthily serving its children.

STATES DETERMINE PROGRAMS

State departments of health and welfare are the heart and center of the programs proposed by this bill as they are under the Social Security Act. They are the agencies responsible for knowing which children need help and what resources are required to meet their needs.

Each State draws up its own plans for providing maternal and child-health and child-welfare services. Each State works out its own procedures. The role of the Federal Government is one of giving financial and technical aid to the States in their development of sound programs. The authority of the Federal Government is limited to establishing criteria to be used as yardsticks in measuring the effectiveness of State plans and to approving plans that measure up to those criteria.

No one can blueprint at this stage how every dollar, authorized by this bill, will be used to provide each kind of service in each State each year. To attempt to do so would give the lie to the whole theory of this legislation. The States themselves will determine how they want to and can expand their child-health and child-welfare services. The National Commission on Children in Wartime has made some proposals on the allocation of Federal funds. It suggests that the $50,000,000 for maternal and child health might be divided so that $25,000,000 go to maternity care and health services for infants and preschool children, $15,000,000 to school-health services, and $10,000,000 to dental care of school children. The $25,000,000 for crippled children, it recommends, should allow $15,000,000 for the care of the half million children suffering from rheumatic fever and heart disease; $5,000,000 for orthopedically crippled children; $5,000,000 for children suffering from other physically handicapping conditions.

Maybe this is a wise allocation of funds. I do not know. I do know that each State will be free to plan according to its own needs to achieve State-wide coverage within a period of 10 years. For the first year, some States may want to spread a few services throughout their areas; others may prefer to develop a comprehensive program in a few communities. All States will want to make certain that the quality of all care provided is good. And all States will know when this bill is passed, that what they cannot accomplish this year they will have a chance to develop in the coming years.

A fair and equitable distribution of Federal funds to the States is assured in this bill. Each State's share will be determined according to the proportion of all children under 21 in the United States who live in the State, according to the special maternal and child-health and child-welfare problems of the State, and according to the financial need of the State in providing care for its children. States with high proportions of children in relation to the adult population or with low per capita income will obtain, under this bill, a more liberal share of Federal support than States that are economically better situated.

TABLE III.—*Child care responsibilities are heavier in some States than in others (a comparison by States of the number of children in relation to the number of adults of working age)*

State	Number of children under 15 years per 1,000 adults [1]
United States	426
New Mexico	678
South Carolina	672
Mississippi	633
North Carolina	628
Alabama	619
Utah	599
West Virginia	594
Arkansas	585
Kentucky	577
Georgia	570
Arizona	563
North Dakota	551
Louisiana	539
Oklahoma	539
Tennessee	538
Virginia	520
Idaho	516
South Dakota	502
Texas	494
Maine	474
Vermont	464
Wyoming	452
Colorado	445
Nebraska	440
Montana	430
Iowa	429
Wisconsin	428
Florida	424
Kansas	424
Minnesota	422
Michigan	419
Indiana	410
Pennsylvania	409
New Hampshire	404
Maryland	396
Missouri	396
Ohio	379
Delaware	373
Rhode Island	364
Massachusetts	359
Nevada	354
Illinois	345
Oregon	344
Connecticut	341
Washington	340
New Jersey	332
New York	321
California	308
District of Columbia	260

[1] Persons 20 to 64 years of age. Data from 1940 census.

TABLE IV.—*Child-care responsibilities are heaviest in farm areas (a comparison by rural and urban areas of the number of children and infants in relation to the number of adults of working age)*

Type of community	Number of children under 15 years per 1,000 adults [1]	Number of infants under 1 year per 1,000 adults [1]
United States	426	26.1
Urban	340	21.1
Cities of 100,000 or more	311	19.0
Cities of less than 100,000	372	23.2
Rural:		
Nonfarm	495	32.1
Farm	623	36.1

[1] Persons 20 to 64 years of age. Data from 1940 census.

THIS IS A MODEST BEGINNING

Medical care and health supervision of children is costly in dollars. Reliable authorities estimate it comes to somewhere in the range of $25 to $40 a year for each child in the United States. With 40,000,000 children under 18 that represents a total of at least $1,000,000,000 for the country. A Federal appropriation of $75,000,000 for maternal and child health and for crippled children for a year cannot go very far in meeting these all-over health needs of children. Even if it were divided with mathematical precision among all children, it would come to less than $2 a child. Of course, it will not be so divided, but that kind of calculation helps to indicate the modesty of the approach in this bill.

If we were at peace, the sums called for now would appear inadequate in the extreme. But we are still at war. We can only inch ahead at this time. Many doctors, nurses, and other trained personnel who could help us expand our services for children are in the armed forces. When they are released from service, they will help us. New personnel—and we will need a large expansion—cannot be trained overnight. Health and welfare services, if they are any good, are manned by workers with years of specialized training and experience behind them. The greatly expanded demand for health and social service personnel and the greatly enlarged opportunity for the training of such workers, created by this measure, will make a constructive contribution to our national policy of peacetime full employment.

Obviously, a Nation-wide child-health and child-welfare program is not something that can be created in a year. For that we must have time to develop services, train personnel, develop facilities, conduct research and demonstrations, and educate parents in the use of facilities and in the application of expanding scientific knowledge. The authorizations for appropriations that we are suggesting for this year will give us a fair start toward our objective, though it will be only a beginning.

IN CONCLUSION

What this measure will mean to fathers and mothers cannot be overestimated. For many it will bring enormous release of spirit from the terrible frustration of knowing that their children are suffering under physical and social handicaps which they, as parents, cannot cope with alone. All parents want to see their children grow to maturity physically and mentally fit, able to take advantage of educational opportunities, equipped to assume their position as responsible members of society. When this bill becomes law, they will know that the Nation is backing them up in their efforts to provide good care and insure the development of the full capacities of their children. But no person and no government can remove from parents their primary responsibility for seeing that their children reap the full benefit of the health resources which the community, the States, and the Federal Government make available. That task will always remain their own.

It has been a paradox of government, made up as it is primarily of fathers and mothers, that it has in the past placed such a low priority on developing the conditions and services necessary to assure all children their fair chance in life. Here is our opportunity to reverse our past indifference and neglect. As we take this step we will discover that just as parents delight to put the needs of their children first, and ungrudgingly give them first call on family resources, so the Nation can gain immeasurable satisfaction in making way for all children. Putting children first brings its own reward, as much to a nation as to individual parents.

SUMMARY OF THE PROVISIONS OF THE PROPOSED MATERNAL AND CHILD WELFARE ACT OF 1945

The proposed Maternal and Child Welfare Act of 1945 is an independent piece of legislation to enable the States to make more adequate provision for the health and welfare of mothers and children and for services to crippled children. It is based on the principle of Federal grants-in-aid to the States, and places administrative responsibility on State governmental agencies. It is supplementary to the provisions of title V, parts 1, 2, and 3, of the Social Security Act but does not replace or amend that act. Incorporated in the bill are such other administrative practices as have proven successful during the past 10 years of Federal-State financing and operation in these specialized fields of public interest. The services under this proposed act will benefit all mothers and children who may elect to participate. This bill sets forth how the Federal and State agencies will cooperate with medical and other professional groups and provides methods for consultation with public representatives.

Following is a digest of the specific provisions of the Maternal and Child Welfare Act of 1945:

TITLE I. MATERNAL AND CHILD HEALTH SERVICES

Purpose

As outlined in the bill, the purpose of this title is to provide services and facilities for:

1. Maternity care, including medical, nursing, dental, hospital, and related services.
2. Preventive maternal and child health work, including mental health.
3. School health services.
4. Diagnostic services and care of sick children, including medical, nursing, hospital, and related services.
5. Dental care of children.
6. Correction of defects and conditions likely to interfere with normal growth and development and the educational progress of children.
7. Demonstration projects in the field of maternal and child health.
8. Training of professional and technical personnel.

Financing

Fifty million dollars is authorized for the fiscal year ending June 30, 1946, and thereafter such funds as may be necessary to carry out the purposes of this title. Money appropriated is to be allotted to the official State health agencies under plans approved by the Chief of the Children's Bureau. Allotments to States by the Secretary of Labor are determined as follows:

1. Five million dollars to be apportioned on the basis of the number of children under 21 years of age in the State to the total number of children under 21 years of age in the United States. This sum must be matched dollar for dollar by State or State and local public funds.

2. Remaining sums appropriated to be allotted without matching after consideration of such factors as the following:

(a) The number of mothers and children under 21 years of age in the State for whom services and care are to be available and the cost of furnishing such services and care.

(b) Special problems of maternal and child health.

(c) Financial need of the State for assistance in carrying out the State plan.

Approval of State plans

The Chief of the Children's Bureau shall approve any State plan for expenditure of funds appropriated under this title which meets the following conditions:

1. Financial participation by the State.

2. State-wide coverage or extension of the program each year so that a State plan adequate to carry out the purposes of the act will be in effect in all political subdivisions of the State by July 1, 1955.

3. As services and facilities are furnished under the plan they shall be available to all mothers and children in the State or locality who elect to participate in the benefits and there shall be no discrimination because of race, creed, color, or national origin, and no residence requirements.

4. Administration or supervision of the plan by the State health agency must be provided for together with appropriate coordination of the State plan under this title with the agency's general public health and medical care programs. State health agencies may develop agreements or cooperative arrangements with other State or

local public agencies in carrying out the purposes of this act.

5. State plan is made a part of State plan for maternal and child health services under title V, part 1, of the Social Security Act.

6. Such methods of administration as are necessary for the proper and efficient operation of the plan, including:

(a) Maintenance of personnel standards and selection on a merit basis.

(b) Standards for professional personnel rendering services.

(c) Standards for hospital and other similar types of care.

(d) Right of beneficiary to free choice of available physician, hospital, clinic, or health service agency, and the right of physicians, hospitals, or clinics to refuse to accept cases.

(e) Maintenance of high quality of care by providing for—

(1) Adequate remuneration for the persons or institutions providing services or care.

(2) Such use of health centers, hospitals, clinics, and health service agencies, public or voluntary, as will achieve satisfactory distribution and coordination of preventive, diagnostic, consultative, and curative services furnished by general practitioners, specialists, public health personnel, and laboratories.

(3) Postgraduate training of professional and technical personnel.

(f) Payments to physicians on a per capita salary, per case, or per session basis, or in the case of consultations or emergency visits on a fee-for-service basis.

(g) Purchase of care from public or voluntary hospitals and other health service agencies on a basis related to cost of providing such care.

7. Dissemination of information in regard to the program.

8. Provision for necessary reports to the Children's Bureau.

9. Provision for cooperation with medical, health, hospital, nursing, education, and welfare groups and organizations in the State.

10. State general and techincal advisory groups.

11. Opportunity for the beneficiaries, as well as those furnishing services, for a fair hearing before the State health agency on matters affecting their interests.

The Chief of the Children's Bureau shall approve any plan which fulfills the conditions specified above.

Federal advisory committee

The Chief of the Children's Bureau shall formulate general policies for administration of this title after consultation with (1) a conference of State health officials and (2) a general advisory committee composed of professional and public members, and as necessary, technical advisory committees, which he shall appoint.

TITLE II. SERVICES FOR CRIPPLED CHILDREN

Purpose

As stated in the bill, the purpose of this title is to enable States to provide services and facilities for the care and treatment of children who are crippled, otherwise physically handicapped, or suffering from conditions which lead to crippling, including the following:

1. Locating children in need of services and care.

2. Provision of medical, surgical, corrective, and other services and care.

3. Facilities for diagnosis, hospitalization, and aftercare.

4. Demonstration projects.

5. Training of professional and technical personnel.

Financing

Twenty-five million dollars is authorized for the fiscal year ending June 30, 1946, and thereafter such sums as may be necessary to carry out the purposes of this title. Money appropriated is to be allotted to the responsible State agencies under plans approved by the Chief of the Children's Bureau. Allotments to States by the Secretary of Labor are determined as follows:

1. Two million five hundred thousand dollars to be apportioned on the basis of the number of children under 21 years of age in the State to the total number of children under 21 years of age in the United States. This sum must be matched dollar for dollar by State or by State and local public funds.

2. Remaining sums appropriated to be allotted after consideration of such factors as the following:

(a) Number of children under 21 years of age in the State for whom services under this title are to be available.

(b) Special problems of crippled children.

(c) Financial need of the State for assistance in carrying out the State plan.

Approval of State plans

Conditions for approval of State plans for services for crippled children under this title are in general the same as those under title I above except that responsibility for administration is placed in State health agencies, or until July 1, 1951, in whichever State agency is designated by State law to administer a program of such services to crippled children. After July 1, 1951, administration under this title would be in the State health agency in all States.

Provision is made that services provided under this act for crippled and other physically handicapped children shall be coordinated with services for mothers and children under title I above.

Federal advisory committees

Provision is made for Federal advisory committees and conferences of State officials.

TITLE III. CHILD WELFARE SERVICES

Purpose

As set forth in this bill, the purpose of this title is to assist each State public-welfare agency to develop State-wide programs for child-welfare programs and measures including:

1. The extension and strengthening of public child-welfare services.

2. Provision of suitable care and protection for children without parental care and supervision and children who are dependent, neglected, or delinquent, or in danger of becoming neglected or delinquent.

3. Training of personnel.

The term "child-welfare services" is defined to include specifically the following services for children:

(a) Guidance and social service to or in behalf of children who are dependent, neglected, or delinquent, or in danger of becoming neglected or delinquent.

(b) Placement, supervision, and maintenance of children in foster-family homes.

(c) Temporary care of children who are dependent, neglected, or delinquent, or in danger of becoming neglected or delinquent, with special consideration in areas where such children would otherwise be detained in jail or deprived of necessary protection and shelter, or study of their special needs.

(d) Specialized services to strengthen and improve the programs of public institutions caring for children.

(e) Care in foster-family homes or day-care centers of children whose mothers are employed, or whose home conditions require care outside their own homes during any part of the 24-hour day, including auxiliary services necessary to assure proper use of day-care facilities and to safeguard children receiving care.

(f) Payment of the cost of returning nonresident children to their own communities if the cost cannot otherwise be met.

(g) Promoting cooperation with appropriate State and community agencies in improving conditions affecting the welfare of children.

Financing

Twenty million dollars is authorized for the fiscal year ending June 30, 1946, and thereafter such sums as may be necessary to carry out the purposes of this title. Money appropriated is to be allotted to the State public-welfare agencies with plans approved by the Chief of the Children's Bureau. Allotments to States by the Secretary of Labor are determined as follows:

1. Ten million dollars to be apportioned on the basis of the number of children under 21 years of age in the State to the total number of children under 21 years of age in the United States. This sum for 2 years must be matched on a variable grant basis by State or State and local public funds. In the third year and thereafter, three-fourths of the sum appropriated must be matched on a variable grant basis.

2. Remaining sums appropriated to be allotted after consideration of such factors as the following:

(a) Number of children under 21 years of age in the State for whom services and care are to be provided.

(b) Special problems of child welfare.

(c) Financial need of the State for assistance in carrying out the State plan.

Approval of State plans

The Chief of the Children's Bureau shall approve any State plan for expenditure of funds appropriated under this title which meets the following conditions:

1. Financial participation by the State.

2. State-wide coverage or plan for extension of the program each year until its provisions are in effect in all political subdivisions of the State by July 1, 1955.

3. Services furnished by the State shall be available to all children without discrimination because of race, creed, color, or national origin, and without residence requirements.

4. Administration or supervision of the plan by the State public-welfare agency, and appropriate coordination of the plan with the agency's general public-welfare program.

5. State plan is part of State plan for child-welfare services under title V, part 3, of the Social Security Act.

6. Such methods of administration as are necessary for the proper and efficient operation of the plan, including maintenance of personnel standards and selection of personnel on a merit basis.

7. Provision for necessary reports to the Children's Bureau.

8. Provision for cooperation with State and local agencies, public and private, concerned with child health, education, child welfare, and related subjects.

9. Provision for a program of training for personnel rendering child-welfare services.

TITLE IV. ADMINISTRATION

This title defines the responsibility of the Secretary of Labor in the withholding of funds when, after opportunity for hearing, a State agency responsible for administration under title I, II, or III of this act is found to have failed to comply substantially with any provision required by the act to be included in an approved State plan.

The Children's Bureau is authorized under this title to make or aid the financing of such studies, demonstrations, investigations, or research as will promote the efficient administration and operation of this act, including the training of professional and technical personnel, and to assign personnel to State agencies, when requested, for the purpose of assisting States to carry out the purposes set forth in the act.

To carry out these functions and to administer the programs provided for under this act, $5,000,000 is authorized for appropriation to the Children's Bureau.

TITLE V. GENERAL PROVISIONS

The Chief of the Children's Bureau is instructed to make and publish, with the approval of the Secretary of Labor, such rules

and regulations as may be necessary for the efficient administration of this act.

Provision is made for an annual report by the Chief of the Children's Bureau, for appropriate compensation to members of advisory committees, for a definition of the term "State" to include the States, the District of Columbia, and any territories or possessions of the United States, and a separability clause.

CONTRIBUTION OF THE LUMBER INDUSTRY TO THE WAR EFFORT

Mr. MAGNUSON. Mr. President, I have received several letters of late, and yesterday I received another, from people interested in timber in the area from which I come. Typical of the statements made is one in this letter, which I quote:

We were told the other day * * * that there was a feeling among many of our Congressmen and Senators that the lumber industry had not contributed everything it could to the war effort.

I do not know where such statements emanate, because we in Washington feel that the lumber industry has contributed not only a great deal but immeasurably to the war effort.

Mr. President, I ask unanimous consent that the letter may be printed in the RECORD. It shows what the lumber industry in the great Pacific Northwest has done for the war effort.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WEYERHAEUSER TIMBER CO.,
Longview, Wash., July 19, 1945.

Hon. WARREN G. MAGNUSON,
United States Senate,
Washington, D. C.

SENATOR: We were told the other day by a man from Washington that there was a feeling among many of our Congressmen and Senators that the lumber industry had not contributed everything it could to the war effort. This statement seemed to me so unfair that I am impelled, on behalf of the many fine working people who are doing their utmost to bring out logs and manufacture lumber and also on behalf of our company to write you in an effort to acquaint you with certain of the facts and problems of this industry. Naturally I wish to confine myself entirely to the problem of the Longview operation of the Weyerhaeuser Timber Co., for which I am responsible.

You are, I know, familiar with the many complexities of logging and lumber manufacture and are aware that many factors which apply to other manufacturing plants and industries cannot apply to the lumber industry because we are influenced so largely by prevailing weather conditions and the fact that in lumber production men must take the trees which God has grown and produce therefrom material to the best advantage rather than being able to compound alloys and complete assemblies to form a salable product.

At our Longview operation I am positive we have done everything we know how to contribute to the requirements of our Government. We have been honored by the Army and Navy through three E awards for meritorious contributions by our employees and our company. It is true, however, that our production the past 18 months has suffered a decline, of which we are not proud, despite the fact that early in 1942, long before any governmental requirement was demanded of us, we initiated a 48-hour-week schedule, which has been steadily adhered to.

Our production problem and its decline is summed up in the words "lack of manpower." Our normal complement of employees at the Longview operation is 850 to 900 men in the woods and 1,350 to 1,400 people in the mills. Our employment statistics as of yesterday show that in the woods we had 417 men and in our mills we had 1,051 people working of whom 240 were women. I want to emphasize that we were among the first in this area who used women in the industry and we have consistently made every effort to utilize this important source of manpower.

The women's contribution has been splendid and we are proud of them. The men of our organization, most of whom have been with us for many years, have also performed splendidly. It has been the practice for some months for our people, who recognize the situation in which we find ourselves, to work one and one-half shifts or even two shifts in one day. This effort is telling upon them but had it not been for this assistance our production would have been much less than has been the case. In the woods, many of our highly skilled men have put their shoulders to the wheel in any capacity in order to keep things moving. We are highly appreciative of the effort of these people and feel that any statement that full contribution has not been made would be just as much a reflection on them as it would be on the management of our company.

Our honor roll, which stands outside of our plant, carries the names of over 700 of our people who have entered the armed services. The shipyards at Vancouver and Portland and the aluminum plant in our city have had manpower priorities which have taken their share of people from us. Our recruiting efforts made in a number of areas have been very unsuccessful and I feel that our entire problem of low production is solely due to lack of assistance in obtaining properly experienced people as replacements for those who have entered the armed services.

You may be interested to know that of our total employees on June 30 of 1,505, we paid full 1-week vacation checks to 1,295 people who have been with us 1 year or longer which indicates that the turn-over among our semiskilled and highly skilled workers has been slight, indeed. Many of our men have been with us since the inception of this operation in 1929.

Absenteeism has been a factor with which we have had to contend recently and one which is gradually increasing probably because of overwork although there are among our newcomers many people who are not as interested in their jobs as are our long-time employees. We find a heavy percentage of our absenteeism among these newcomers.

If, during your forthcoming visit home, you can find the time, the writer would very much appreciate a visit from you not only that you might see our operation and meet some of the fine people here but so that we might show you in further detail some of the facts which we have tried to bring to your attention above.

Yours very truly,

H. E. MORGAN, *Manager.*

TRANSPORTATION OF GRAIN BY THE RAILROADS

Mr. McMAHON. Mr. President, I ask unanimous consent to insert in the body of the RECORD a release dated Monday, July 9, 1945, from the Office of Defense Transportation. The release points out the accomplishments of the railroads of the United States in cleaning up the grain situation in the Middle West which was the subject of investigation by a subcommittee of the Interstate Commerce Committee. I believe it demonstrates that that situation has been taken care of in fine fashion, and that the American railroads and, above all, the railroad men of this country are entitled to the thanks of the Nation for the great job they have done.

I desire further to commend Col. Monroe Johnson, the Chairman of the Commission and the Director of the ODT, upon his handling of the situation which, to my mind, has been splendid throughout and justifies the colonel's contention that while the hearing and investigation were being held, a fine job was being done and that the investigation not only was unnecessary but superfluous and was not needed to accomplish any end at all.

The PRESIDENT pro tempore. Without objection, the release will be printed in the RECORD.

The release is as follows:

More wheat, grain, and grain products were carried by American railroads during the first half of 1945 than in any like period in the Nation's history, Col. J. Monroe Johnson, ODT Director, announced today.

The total movement for 1945 up to June 30 was 1,243,473 cars, compared with 1,209,403 cars in the first 6 months of 1944, and 1,231,031 in the same period of 1943, the previous high.

"This record is all the more remarkable and is a great tribute to American transportation in view of the acute shortage of boxcars and the dislocation and transportation delays caused by last winter's unprecedented storms," Colonel Johnson said.

The loadings for the entire country for the first half of the year were 34,070 cars more than in the first 6 months of 1944, and 29,906 more in the western districts—including all the railroads in the western grain area—3.7 percent over the 1944 period.

At the same time an easing of the grain-storage situation is indicated, Colonel Johnson said, by a decrease of grain held in storage in elevators from 115,016,000 bushels on June 23, 1944, to 109,287,000 bushels on June 23, 1945, a drop of 5,729,000 bushels. Grain stored at ports decreased in the same period from 26,013,000 bushels to 25,995,000 bushels.

Although there were 211 country elevators closed July 2, 1945, as compared with 207 on July 2, 1944, there was practically no grain on the ground on July 2, 1945—32,500 bushels (11 carloads), as compared with 2,114,000 bushels (1,052 carloads) on July 2, 1944.

At the opening of the harvest season this year there were only 3,000 empty boxcars available for grain movement as compared with 14,000 in 1944, and a normal peacetime supply of 25,000 to 30,000

"This," said Colonel Johnson, "indicates an extremely efficient use of cars, as shown by the greater 1945 loadings. From April 1 to July 2, inclusive, the railroads moved 102,052 empty boxcars from eastern to western railroads—an average of 1,275 cars per day."

Grain moved from the Lake ports the first 5 months of 1945 totaled 44,146 cars as compared with 15,491 in the same period of 1944, an increase of 28,655 cars.

The Nation's railroads carried 6.5 percent more wheat and other grain and grain products in the week ending June 30 than in the corresponding week of 1944, the ODT announced.

The number of carloads of grain shipped in the week ending June 30 was 62,383 as compared with 58,600 for the same week in 1944. This was the fifteenth consecutive week in which 1945 grain loadings were higher than those of 1944. Total grain loadings for the United States for the first 26 weeks of 1945 were 1,243,473 as compared with 1,209,403 for the first 26 weeks of 1944, an increase of 34,070 cars.

In the western districts grain loadings for the week ending June 30 were 45,973 cars, or an increase of 3,539 cars, or 8.3 percent over the corresponding week of 1944. West-

ern district carloadings for the first 26 weeks of 1945—the half year—were 844,356 as compared with 814,450 for the first half of 1944—an increase of 3.7 percent.

FULL EMPLOYMENT AND SOCIAL SECURITY UNDER A FREE ENTERPRISE SYSTEM—ADDRESS BY SENATOR MURRAY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address entitled "Full Employment and Social Security Under a Free Enterprise System," delivered by him before the St. Louis chapter, Missouri Association for Social Welfare, and the St. Louis Chamber of Commerce, on April 20, 1945, which appears in the Appendix.]

MOBILIZATION OF SCIENTIFIC RESOURCES—RADIO ADDRESS BY MARTIN AGRONSKY

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a radio address by Martin Agronsky discussing the mobilization of the country's scientific resources, which appears in the Appendix.]

TRIBUTES TO CLAUDE M. DEAN, CLERK OF THE UNITED STATES CIRCUIT COURT OF APPEALS

[Mr. BYRD asked and obtained leave to have printed in the RECORD the tributes paid to Claude M. Dean, clerk of the United States Circuit Court of Appeals, by Senior Circuit Judge John J. Parker and United States District Judge Harry E. Watkins at Hot Springs, Va., on June 8, 1945, which appear in the Appendix.]

MUTUAL HOUSING—LETTER FROM JOHN CARSON

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a letter on the subject of mutual housing, written to him by John Carson, director of the Washington office of the Cooperative League, which appears in the Appendix.]

THE FLAG OF LIBERATION

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD a statement dealing with the flag of liberation which flew over the Capitol on the day the United States declared war on Japan, together with a number of letters and newspaper comment on the same subject, which appear in the Appendix.]

TRANSOCEAN AIR TRANSPORT—EDITORIAL FROM THE HARTFORD COURANT

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Transocean Air Transport," published in the Hartford Courant of July 14, 1945, which appears in the Appendix.]

CALL OF THE ROLL

Mr. AUSTIN obtained the floor.

Mr. HILL. Mr. President, will the Senator from Vermont yield to me to suggest the absence of a quorum?

Mr. AUSTIN. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bridges	Capehart
Andrews	Briggs	Capper
Austin	Brooks	Chandler
Ball	Buck	Chavez
Bankhead	Burton	Connally
Barkley	Bushfield	Cordon
Bilbo	Butler	Donnell
Brewster	Byrd	Downey
Eastland	McCarran	Russell
Ellender	McClellan	Saltonstall
Ferguson	McFarland	Shipstead
Fulbright	McKellar	Smith
George	McMahon	Stewart
Gerry	Magnuson	Taft
Green	Maybank	Taylor
Guffey	Mead	Thomas, Okla.
Gurney	Millikin	Thomas, Utah
Hart	Mitchell	Tobey
Hatch	Moore	Tunnell
Hawkes	Morse	Vandenberg
Hayden	Murdock	Wagner
Hickenlooper	Murray	Walsh
Hill	Myers	Wheeler
Hoey	O'Daniel	Wherry
Johnson, Colo.	O'Mahoney	White
Johnston, S. C.	Overton	Wiley
Kilgore	Pepper	Willis
La Follette	Radcliffe	Wilson
Langer	Revercomb	Young
Lucas	Robertson	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY] is necessarily absent.

The Senator from Maryland [Mr. TYDINGS] is absent on important public business.

Mr. WHERRY. The Senator from Kansas [Mr. REED] is absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from California [Mr. JOHNSON] is necessarily absent.

The PRESIDENT pro tempore. Eighty-nine Senators having answered to their names, a quorum is present.

SENATOR FROM NEVADA

Mr. McCARRAN presented the credentials of E. P. CARVILLE, of Nevada, designated a Senator from that State for the unexpired term of James G. Scrugham, deceased, which were read, as follows:

STATE OF NEVADA,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, reposing special trust and confidence in the loyalty, integrity, and ability of E. P. CARVILLE, I, Vail Pittman, Lieutenant and Acting Governor of the State of Nevada, by the authority in me vested by the Constitution of the United States and by the constitution and laws of this State, do hereby appoint and commission E. P. CARVILLE as United States Senator from the State of Nevada to represent said State in the Senate of the United States and to fill the vacancy in said office, caused by the death of United States Senator James G. Scrugham, to serve as such Senator until the said vacancy is filled at the next general election, and until his successor shall be elected and qualified, as provided by law.

Witness his excellency, our Lieutenant and Acting Governor Pittman, and our seal hereto affixed at Carson City, State of Nevada, this 24th day of July 1945, in the year of our Lord 1945.

VAIL PITTMAN,
Lieutenant and Acting Governor.

By the Lieutenant and Acting Governor:

[SEAL] MALCOLM MCEACHIN,
Secretary of State.

The PRESIDENT pro tempore. The credentials will be placed on file.

Mr. McCARRAN. Mr. President, the Senator-designate is present and ready to take the oath of office.

The PRESIDENT pro tempore. The Senator-designate will present himself at the desk, and the oath of office will be administered to him.

Mr. CARVILLE, escorted by Mr. McCARRAN, advanced to the desk and the oath prescribed by law was administered to him by the President pro tempore.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. AUSTIN. Mr. President, those who began the study of an American plan for an international organization for security and peace recognized at the outset the truth that a threat to international security and peace occurring anywhere on earth constituted a direct threat to the security and peace of the United States. I speak with knowledge, as an eyewitness, if not a participant in those early negotiations. On May 23, 1942, I began attending meetings in the office of the Secretary of State. These meetings occurred practically every week. It was not until February 21, 1944, that I became a member of the Foreign Relations Committee. Throughout that long period these conferences were held with experts upon nearly every conceivable problem which was expected to confront the United Nations; that is, those countries that would have the responsibility, by virtue of their victory over the enemies, for the establishing of freedom, and security, and peace. We carried on with that idea underlying every plan that was devised. As a product of those weekly meetings, covering a period of approximately 3 years, four different drafts of such American plans were made as a basis for the Dumbarton Oaks proposals. In other words, the oaken beam that supports the superstructure of this building, which will be erected in the ratification of this charter by 29 countries, is the organization of society to suppress such a threat in its inception, and obligate its members to settle their disputes by pacific means. It is to make peace and not to make war.

We interpret everything contained in this charter with reference to the primary objective of security and peace. Of course, the number one necessity is to prevent the determination of international controversies by means of armed force. Therefore we make a solemn and binding obligation here that this country will not resort to armed force in the determination of its controversies with its neighbors in the family of nations. We do that, but so does every other country that becomes a member of the United Nations organization. Therefore no one can say that we have surrendered our sovereignty to somebody. The sovereign equality of nations, both great and small, which was declared in the Moscow declaration as the basis of this general international organization, means equality of independence, and we do not change the relative independence of the United States to all the other members of the United Nations by joining in an agreement by which we promise that

we will not resort to armed force in the determination of our disputes with our neighbors. We do not lose any sovereignty in respect to our neighbors, because each one of our neighbors makes the same surrender—gives up that amount of its independence which is required for the performance of an obligation not to resort to armed force in the settlement of international disputes.

On the constructive side of the matter we have a high and noble objective. We realize that we probably will not reach it on the present level of civilization, but we intend to keep it ever before the people of the earth as an objective that must certainly be reached some time.

That is an entirely new sanction for peace, a sanction other than war, namely, self-discipline of nations. The constructive element that is written into this charter establishes the obligation to use peaceful and pacific methods of determination of controversies, and provides the machinery, ready and adapted to the use of all countries whenever controversies may arise.

In the first place, the General Assembly—which by the San Francisco Conference was developed beyond anything that we originally conceived in setting up that General Assembly—was extended, it seems to me, to the ultimate by giving to that General Assembly jurisdiction over the general welfare of the peoples of the earth. Resort to it can be had by any nation on earth in its controversies; whether they arise over a political matter or an economic matter makes no difference. This great General Assembly based upon the sovereign equality of nations, both great and small, made up of states, not of men, the members of which are always states, and the members of which have an equal vote and an equal independence—this great organization will probably have more moral power than any other organization in the United Nations set-up, notwithstanding the fact that independently of the General Assembly there is a Security Council which has the control of the sword.

In that part of our undertaking—when we make it—which relates to the use of pacific means of settlement of our disputes, we have also the instrument of a court of justice which is a part of this organization—something entirely new in the world. The International Court of Justice, or World Court, as we commonly call it, was never a part of the League of Nations, and never was regarded as being attached to the League of Nations closely enough to make the effort of the members of the League of Nations provide the support and strength which we expect this Court will and should have.

Seventy different times the United States has resorted to arbitration as a means of determining controversies between it and its neighbors in the world. In most cases the decisions, whether for or against the claims of the United States, have been accepted as satisfactory to this country. That type of pacific determination of controversies, therefore, is provided for in this charter as one of the means available to us to work constructively on ways other than war.

Mr. President, I wish to unite a certain declaration made by me in an address at Chicago November 4, 1938, with the interpretation now being made by me of the charter which is before us. Consequently I quote briefly from that address:

> Taking our stand on facts which are beyond controversy and looking ahead, have we not a duty to try to mold opinion in this and kindred governments to develop within themselves a foundation for international faith of a kind that is new in the world?

Omitting the discussion, and coming to the conclusion, I quote further:

> Upon our experience with the common law, which to a marked degree has unified Great Britain, Canada, and the United States culturally, may we not aspire to an entente for peace with all nations. Treaties are not necessary. Treaties are ineffectual as shown by the present condition of the world.
>
> Treaties only witness a true unison. Its substance, if realized, must be sought for in the sentiments and habits of society. May we not hope and strive for national custom and habit of mind and action which impose restraints without which freedom from international interference is impossible and with which spontaneous support for international law and order would react from every stimulus. Thereupon the world could have peace without the sanction of force—peace based upon moral responsibility.

Mr. President, in my opinion the finest and best promise for peace and security in the world is found in those parts of this Charter which bind us to adopt peaceful methods of determining our controversies, and which set up the machines which we can operate to carry out those obligations.

And right here I wish to help, if I can, to keep the record straight on the nonpartisan character of this charter. It happened to be my lot to act in the conference of the advisory council of the Republican Party held at Mackinac Island on September 7, 1943. To identify this constructive part of the United Nations Charter with the policy of the great Republican Party, I record only one paragraph. The whole declaration could well be cited as evidence of the cooperation of the minority party with the majority in this great effort, but the paragraph to which I refer so directly conforms to that part of the Charter with which I think we have the greatest interest and concern that I would like to read into this RECORD:

> In addition to these things, this council advises that peace and security ought to be ultimately established upon other sanctions than force. It recommends that we work toward a policy which will comprehend other means than war for the determination of international controversies; and the attainment of a peace that will prevail by virtue of its inherent reciprocal interests and its spiritual foundation, reached from time to time with the understanding of the peoples of the negotiating nations.

I believe that the tenor of the plank in the Republican platform adopted at Chicago is in full harmony with this constructive part of the charter which is before us.

During the admirable address of the distinguished Senator from Ohio [Mr. BURTON], which emphasized chapter VI, relating to the pacific settlement of disputes, I was prompted to inquire of him if he did not regard the provisions of article 37 as encouraging the development of self-discipline of nations, and he answered that he did. The reason for that is this: The article provides that the Security Council may do something which it was not originally designed to do. In this regard there is an amplification of the original theory of the Security Council. That is represented in clause 2 of article 37:

> 2. If the Security Council deems that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it shall decide whether to take action under article 36 or to recommend such terms of settlement as it may consider appropriate.

Mr. CONNALLY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Does the Senator from Vermont yield to the Senator from Texas?

Mr. AUSTIN. I yield.

Mr. CONNALLY. I apologize to the Senator for not having been here when he began his remarks, but I was engaged in a meeting of the Foreign Relations Committee which was rather urgent.

I heard some of the Senator's remarks awhile ago about the nonpartisan character of our handling of this matter. I wish to say for my own part, as a member of the committee and as an individual, that I greatly appreciate the high motives and the splendid approach which the minority party has shown toward all these negotiations. If the Senator from Vermont did not advert to it, however, I wish to call his attention at this time to the fact that this spirit of nonpartisanship is and has been cordially received by the Foreign Relations Committee for as long as 3 or 4 years ago, and that the committee under my chairmanship appointed a subcommittee to confer with Secretary Hull. That subcommittee was composed of an equal number of members from the minority and the majority and, so far as I now recall, never in the Commitee on Foreign Relations was any partisan or narrow political approach ever, at any time, made to this question by either the majority or the minority. It seems to me that my party, along with the party of the Senator from Vermont, is entitled to that commendation when we consider the matter of approach.

Mr. AUSTIN. Mr. President, I am glad to have that remark come from the chairman of the Committee on Foreign Relations. I had assumed that the record already showed the responsibility of the majority party and its effective performance of that responsibility in connection with the development of the Dumbarton Oaks proposals, which were virtually American proposals, and ultimately the amplification of them into this much more effective Charter of the United Nations.

I wish to say in passing that although I have not long been a member of the Foreign Relations Committee, my experience while serving on it has given me great confidence in its chairman, and I recognize his absolute fairness and nonpartisanship in conducting all the matters relating to this Charter. I did not go on that committee until February 21, 1944, and it was on April 23, 1944, that the distinguished senior Senator from

Texas appointed the special committee of eight to continue with the Secretary of State the conferences which had begun way back in May 1942.

Mr. President, I am not trying to persuade anyone to believe he should vote for ratification of the Charter. I expect that the Charter may be adopted unanimously; I hope it may be so. What I am trying to do is to have the RECORD emphasize certain objectives, so as to give vitality and life to the work of the Charter. I am now undertaking to bring out the point that no change in the character of the Security Council was made, although the function of recommendation was added to its other functions. It still remains nothing but a Security Council. It still cannot act and direct peace forces, either of the military or nonmilitary kind, against a threat to international security and peace until it has found the existence of the preliminary jurisdictional fact, namely, that a threat to international security and peace does exist.

What was done by the Charter and what is accomplished by the Charter in the second paragraph of article 37 is not to give the Security Council the power to decide the issue and make a decree which will be binding—nothing of the kind: the Security Council is enabled only to make a recommendation.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BURTON. Does the Senator have any doubt, however, on the point which was raised incidentally in the discussion yesterday, namely, that if the Security Council does deem that the continuance of the dispute is in fact likely to endanger the maintenance of international peace and security, it may then proceed actually to recommend terms of settlement? Does the Senator doubt that?

Mr. AUSTIN. I do not doubt it. In fact, that is what I think the language clearly shows.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. TAFT. The thing which has confused me about this matter is that it is fairly obovious that the Security Council cannot undertake an investigation over anyone's veto, and it is difficult for me to see how it can recommend particular terms of settlements without having made an investigation. Are there to be, perhaps, terms of settlement, as just suggested, as a compromise or something of that sort, rather than thoroughly thought-out terms, after hearing and investigation?

Mr. AUSTIN. I tried to study out what the different practical results of this language are and to my mind it gets down to this: Assuming that the parties to a dispute of the nature referred to in article 33, namely, one which has a tendency to disturb the peace of the world, fail to settle it by the means indicated by the article itself—in other words, appropriate pacific procedures—and assuming that they have tried to do it, and have been unable to determine their dispute, particularly in the case of a disputed boundary line, the Security Council will make the preliminary finding that that is getting "pretty hot". Let us assume that there has been a mobilization of troops up near the boundary line, and under the circumstances the Security Council feels that it has jurisdiction by virtue of the threat to international security and peace. Mr. President, it shall decide; this is a mandate which must be obeyed in any circumstance. It shall decide whether to take action under article 36—that is, to use peaceful measure of adjustment, appropriate procedures or methods of adjustment—or whether to recommend the terms of settlement itself. All right; let us assume that it decides to pursue the latter course, and that it recommends terms of settlement. But let us also assume that the armies still move on toward the border. Thereupon it becomes the duty of the Security Council to mobilize the effective and ultimate power, namely, armed force—not to make war, but to make peace; to say to those countries, "You cannot use military force for the determination of this boundary line." They will acquiesce because they must. The whole charter is devised on the theory that if armed forces are used at all, they will be superior forces entirely adequate to handle the situation. But there will be left a residue. I see no other way out of it. The practical outcome of the use of this article is that peace will be maintained. War may be prevented as a means of determining a controversy, but we may go on without having the controversy determined. The issue of the boundary line may still be confronting those nations. The remedy for that must come in the future. We cannot expect to have an all too-perfect result.

So, Mr. President, I accept this interference. I call it an interference because the original design of the Security Council was of a perfectly neutral kind. As always in neutrality, it was not ever concerned with the merits of the question. It made no difference to it which side was right or wrong. Its sole objective was to see to it that armed force was not employed, and that war was not started. Of course, this is its ultimate duty because, as I have pointed out, preceding the resort to armed force it had the affirmative constructive purpose of trying peaceful adjustment of the controversy.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BURTON. I should like to emphasize, and have the assurance of the Senator if he agrees with me, that this is of particular importance because here we have an opportunity to deal with the terms of settlement of a controversy or dispute between two of the Big Five, or two of the permanent members of the Security Council. As I understand it, if there be a dispute between two of the Big Five, and it reaches the point where it is not settled under article 33, the disputants shall refer the question to the Security Council under article 37. Then the Security Council, under that article, and without the participation of either of those two parties in the voting, can proceed to recommend terms of settlement between those two major nations.

Mr. AUSTIN. Yes; I think that is perfectly clear. In other words, we do not arrive at frustration merely because the controversy is between two of the permanent members. There is always the possibility of a peaceful settlement. Of course, when it comes to a matter of mobilizing armed forces against one of those major nations constituting the permanent members, we realize that the plan will not work because of the veto.

Mr. BURTON. That is what places so much emphasis on the point which the Senator was making a while ago, namely that the real test of whether the nations involved shall succeed in a great emergency may very well be the test of self-discipline under article 37.

Mr. AUSTIN. Exactly. We have exercised such discipline ourselves on previous occasions. The United States of America has entered upon arbitration, as I have already said, 70 separate times, and in doing so she exercised self-discipline, took her defeat, and submitted to the findings of the arbitral tribunal. It is a matter of the education of nations as much as it has been a matter of the education of individuals, to go down the street and avoid jostling their neighbors. We, as individuals, avoid jostling our neighbors on the street. Why? Is it because the law prohibits jostling? No. With regard to maintaining peace, we avoid disturbing the peace because it has been found that the enjoyment of liberty is preserved by a certain amount of self discipline with respect to freedom of action, and that we must adjust ourselves to the rights of our neighbors.

So it must ultimately be in the family of nations. We must maintain this organization and system of armed force in the present state of civilization, but we ever hold the hope that the time will arrive when we can reduce arms to the minimum, and when the nations of the earth will see to it that they discipline themselves and avoid the causes of war.

Mr. President, I am very well pleased with what was accomplished at Chapultepec. My experience with the Act of Chapultepec was such that I had very definite views and great fears regarding what was going to be the outcome of those early days of the conference in San Francisco.

At Mexico City, on March 7 last, I made a memorandum in a little pocketbook which I carried. That memorandum shows the opinion of the steering committee which studied the Act of Chapultepec with reference to the question: What does the Act of Chapultepec do with respect to the creation of a regional organization? After a pretty thorough debate had taken place in which opposing views had been expressed, I wrote down in pencil a comment, and submitted it to the gentlemen present. These were men who represented the Army, the Navy, the State Department, and forth. Their reply was, "Yes, that is our understanding of the effect of the Act of Chapultepec."

Here is the comment, graphically stated:

Western Hemisphere autonomous until it comes to the use of armed force, but not independent of the world organization. In case of threat to world peace our act is to be delegated by the world Organization.

I was very anxious that the Security Council's jurisdiction over the whole world should not be disturbed by regional organizations here and there, and that it should not be disturbed by the act of Chapultepec and the regional arrangement made for the Western Hemisphere. Yet, I felt that the Act of Chapultepec had set up an organization which should persist even though the United Nations Organization should fail; that it had been set up on such a solid foundation that while the United Nations Organization was in operation and performing its function of preventing war in the determination of controversies among the nations of the Western Hemisphere, it was inactive; the Council of the United Nations was the superior authority but that indefect of action by the World Organization this hemisphere organization had power; in other words, was autonomous, and could use any of the peace forces, whether military or nonmilitary in the absence of action by the Security Council.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield to the Senator from Texas.

Mr. CONNALLY. I have not the text of the Chapultepec Act before me at the moment, but possibly the Senator from Vermont will recall that it was at the suggestion of myself that there was inserted in the act that it should be in conformity with the principles of the World International Organization and should not come in conflict with it, or words to that effect. I do not have the exact language of the Act of Chapultepec as drafted. Has the Senator from Vermont the text?

Mr. AUSTIN. Yes; I have the text. It was in the definition of aggression that the Senator made his suggestion. Here it is—the third paragraph of the declaration—

That every attack of a state against the integrity or the inviolability of territory, or against the sovereignty or political independence of an American state, shall—

Here come the words interposed by the Senator from Texas—

"conformably to part III hereof" be considered as an act of aggression against the other states which sign this act. In any case invasion by armed forces of one state into the territory of another, trespassing boundaries established by treaty and demarcated in accordance therewith shall constitute an act of aggression.

Part III was virtually taken out of the Dumbarton Oaks proposal and adapted to the Western Hemisphere. I will read part III:

The above declaration and recommendation constitute a regional arrangement for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action in this hemisphere. The said arrangement and the pertinent activities and procedures shall be consistent with the purposes and principles of the general international organization, when established.

Mr. CONNALLY. That was the point to which my inquiry was addressed.

Mr. AUSTIN. That was already in the draft of the declaration. What the Senator interposed was the provision "conformably to part III hereof" in the section relating to aggression.

Mr. CONNALLY. That is very true.

May I ask the Senator one other question?

Mr. AUSTIN. Certainly.

Mr. CONNALLY. I am sure the Senator may recall that it was also on my insistence that the clause with regard to territory was confined to cases in which the boundaries had been definitely determined and fixed, rather than that nations of this hemisphere should engage in controversies over nebulous and hazy boundary disputes in Central and South America.

Mr. AUSTIN. Yes, Mr. President.

Mr. CONNALLY. I thank the Senator.

Mr. MILLIKIN. Mr. President, will the Senator from Vermont yield to me?

Mr. AUSTIN. I yield to the Senator from Colorado.

Mr. MILLIKIN. Is there any doubt in the Senator's mind as to our right if other methods fail in preventing the occupancy of any part of the Western Hemisphere by a foreign nation or in preventing the imposition of foreign systems on this hemisphere to fall back upon the Monroe Doctrine as our justification for our own remedial action?

Mr. AUSTIN. My answer is no; there is no doubt; but I should like to make an explanation. I wish to say that I think there has been some confusion about what the Act of Chapultepec did to the Monroe Doctrine, and what therefore this charter will do further to the Monroe Doctrine. I think that this is the place where we should recur to fundamental principles, as we ought frequently to do, in order to keep from violating them and departing from them.

The Monroe Doctrine is a remarkable doctrine and we have not changed it, notwithstanding all that has happened in various wars. There are two kinds of principles involved in the Monroe Doctrine, namely, positive principles, and negative principles. On the positive side we have said that the States of the American continent by the free and independent condition which they have assumed and maintained are henceforth not to be considered as subject to future colonization by any European power. Again, under positive principles, we have said the political system of European powers is essentially different from that of America, and we should consider any attempt on their part to extend their system to any portion of this hemisphere as dangerous to our peace and safety.

On the negative side, which we often forget but which it is important to remember, we find this: "With the existing colonies or dependencies of European powers we have not interfered, and shall not interfere."

Again, in all the wars of European powers in matters relating to themselves we have never taken any part, nor does it comport with our policy so to do. That is the Monroe Doctrine on both sides, and no change has been made in the Monroe Doctrine by the Act of Chapultepec, and none will be made by this charter. In other words, the provisions of the Act of Chapultepec and the provisions of the charter are in perfect respect to the Monroe Doctrine and in regard for it, and it will take something more than the creation of an international organization to change our policy.

Mr. MILLIKIN. Mr. President, will the Senator yield again?

Mr. AUSTIN I yield.

Mr. MILLIKIN. Will the Senator permit me to ask the distinguished chairman of the Committee on Foreign Relations whether he agrees with what the Senator from Vermont has just said? May I ask the Senator from Texas that question?

Mr. CONNALLY. With the consent of the Senator from Vermont——

Mr. AUSTIN. I yield.

Mr. CONNALLY. I do not know that I caught the Senator's question clearly, but, as I understood the question, it was whether the Act of Chapultepec and this Charter in anywise infringe upon our policy known as the Monroe Doctrine.

Mr. MILLIKIN. That is correct.

Mr. CONNALLY. I will say frankly I do not think they do. The primary consideration involved in the Act of Chapultepec was to control international affairs within the Western Hemisphere which do not reach to the larger question which we know as the Monroe Doctrine. I do not think the regional arrangement known as the Act of Chapultepec impairs or infringes the Monroe Doctrine. The Act of Chapultepec in a fashion embraces the Monroe Doctrine for South American countries, many of whom have heretofore been restive and rather resented the Monroe Doctrine. In other words, they are making it applicable insofar as this hemisphere is concerned as between themselves, and so far as European powers are concerned as to establishing their system in this hemisphere, I think that the Monroe Doctrine is still paramount in our national policy, and it is not abrogated, modified, or impinged upon by any provision of the Charter.

Mr. MILLIKIN. I thank the distinguished Senator.

Mr. AUSTIN. Mr. President, recurring to what was accomplished at San Francisco in articulating the charter with the Act of Chapultepec, I say the effect of what was done there in article 51 recognizes the character of the Security Council as the responsible, primary organ of government among nations for the maintenance of security and peace, and in respect to this accomplishment I give my full praise. I had such great fears that I wrote to some of our Representatives from Congress to that meeting at San Francisco upon this subject. I shall not take the time to repeat what I then wrote, but it was early enough to get my views presented before any change was made.

The change made seems to me to harmonize with the original theory which we had of the autonomous character of the regional organization in the Western Hemisphere and of the ability to carry

on and preserve peace in the Western Hemisphere if there were a break-down of the maintenance of security and peace by the United Nations.

Mr. BUSHFIELD. Mr. President——

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from Vermont yield to the Senator from South Dakota?

Mr. AUSTIN. Before yielding, let me finish by getting in at this point precisely what was done.

Article 51 reads:

> Nothing in the present charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a member of the United Nations, until—

I emphasize the word "until"—

> until the Security Council has taken the measures necessary to maintain international peace and security. Measures taken by members in the exercise of this right of self-defense shall be immediately reported to the Security Council and shall not in any way affect the authority and responsibility of the Security Council under the present charter to take at any time such action as it deems necessary in order to maintain or restore international peace and security.

In other words, this leaves the regional arrangements in the Western Hemisphere autonomous, though not independent, even to the point of mobilization of armed forces to prevent war, until the Security Council has acted, and then the hemispheric arrangements are subordinate to and delegated by the Security Council.

Mr. VANDENBERG. If the Senator will permit me, until the Security Council has acted adequately.

Mr. AUSTIN. Yes; I thank the Senator very much for emphasizing "adequately."

Mr. CONNALLY. Mr. President, will the Senator from Vermont yield?

Mr. AUSTIN. I yield.

Mr. CONNALLY. I wish to say to the Senator, at the risk of being considered somewhat boastful, that I take great pride in the fact that in the Conference I suggested the word "until." We were casting about for appropriate language to integrate the matter and there was some confusion, and, as members of the American delegation, the Senator from Michigan [Mr. VANDENBERG] and I advanced the word "until," and it immediately received confirmation and adoption by the Conference.

Mr. AUSTIN. It is a striking coincidence that that was the word I used in those very brief notes made on March 7 describing the effect of the Act of Chapultepec, "Western Hemisphere autonomous until."

I yield to the Senator from South Dakota.

Mr. BUSHFIELD. Mr. President, articles 52, 53, and 54, as the distinguished Senator has said, refer to regional arrangements. I call the Senator's attention to the fact that historically and authoritatively the Monroe Doctrine is not a regional arrangement. It was never so considered, and is not now. It is a unilateral statement of foreign policy by the American Government. Does the Senator consider it in that light?

Mr. AUSTIN. Yes; the Senator is quite right; it is a unilateral declaration by the United States of America, and it is not touched by this. The same principle is involved in the numerous agreements which were made among the Latin-American states beginning with what is called the act of Habana of 1940. The same doctrine of nonintervention was adopted by the South American states, and is repeated in the Act of Chapultepec, but it does not abrogate or cut across the bow of the Monroe Doctrine in any way. That is our special doctrine.

Mr. BUSHFIELD. I thank the Senator.

Mr. CONNALLY. Mr. President, I dislike to interrupt the Senator again——

Mr. AUSTIN. I am very glad to have the Senator do so.

Mr. CONNALLY. The Senator from South Dakota says that the Monroe Doctrine was a unilateral doctrine. It was unilateral, but to my mind it has come to be more than a unilateral doctrine by the acceptance by other nations of the Monroe Doctrine. European nations have come to respect it and to recogonize it, and it was specifically provided in the League of Nations that there was nothing in the League Covenant that would in anywise interfere with the operation of the Monroe Doctrine. That was a recognition by all the signatories to that treaty, at least, that it was an acknowledged doctrine, and recognized by other nations.

Mr. BUSHFIELD and Mr. BURTON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Vermont yield, and if so to whom?

Mr. AUSTIN. I yield first to the Senator from South Dakota to complete his statement on this subject.

Mr. BUSHFIELD. As I understand the Monroe Doctrine, I may say to the Senator from Texas, it originated out of the fact that South American Republics were colonies at that time of Spain and Portugal, and there was a definite feeling in European circles that they should interfere on the South American continent and reinstate the power and control of Spain and Portugal within that area. At that time there was also the fear in this country that Russia was going to move in on our northwestern coast, and President Monroe and his advisers issued the statement as a statement of the foreign policy of this Republic.

Mr. AUSTIN. I thank the Senator for his contribution and thought on this subject. I adopt the language I have before me on this subject, because I think it represents my views better than I could state them. I may say that the author is Mr. Livingston Hartley, and the quotation is from a weekly mimeographed letter written by him and published in the Washington Letter on the United Nations in the issue appearing on March 24. Mr. Hartley's statement is as follows:

> Some confusion has arisen as a result of the Mexico conference over the status of the Monroe Doctrine. Some people have thought after reading press reports of the conference that the Doctrine has now been replaced by the Act of Chapultepec. This is not the case.
>
> Actually, the Monroe Doctrine has not been affected by the actions of the conference in Mexico. It has been complemented by these actions, not replaced. The doctrine was announced in 1823 by the United States. It has not been denounced or modified by the United States. It remains as always a United States policy covering the security of the Americas. Now, however, it may be visualized as a third line of defense, the first consisting of the machinery for international security now being created and the second consisting of the Act of Chapultepec and other inter-American agreements providing for common action against aggression from overseas. The Monroe Doctrine would still remain operative if the first two lines should be breached.

That, rhetorically, pictures the situation just as all visualize it. I am grateful that our representatives at the San Francisco Conference, the distinguished chairman of the Committee on Foreign Relations, the Senator from Texas [Mr. CONNALLY] and the acting leader on the Republican side, the Senator from Michigan [Mr. VANDENBERG] adhere to the principle that the Security Council is the first line of defense, that it is the responsible organization in all the setups, whatever they are, for preventing the use of war as a means of determining disputes. And now I also like this idea that the Act of Chapultepec is the second line of defense so far as the western hemisphere is concerned, and that, in any event, there stands the Monroe Doctrine to be invoked by either.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BURTON. Just as a matter of detail, does not the Senator attach some significance to the fact that in line with what has been said by the Senator from South Dakota [Mr. BUSHFIELD], article 51, which deals particularly with the Monroe Doctrine and the situation raised by the Act of Chapultepec is in chapter VII, whereas chapter VIII, which deals with regional arrangements is an entirely separate chapter; so that this article 51 we have been discussing does not come under chapter VIII entitled, "Regional Arrangement."

Mr. AUSTIN. I do attach significance to it. It shows that it was intended to keep steadfact this primary jurisdiction of the Security Council over the subject of threats to the peace, breaches of the peace, and acts of aggression to which chapter VII is devoted. Yet, notwithstanding that, it does directly answer the question with reference to the autonomous character of these regional organizations.

Mr. President, I want it clear that I do not regard the arrangements made between Britain and Russia, France and Russia, Czechoslovakia and Russia, as regional arrangements within the meaning of this section of the charter which is before us. I regard them as coming under another section of the charter which has to do with the responsibility that falls upon the victorious nations in warfare.

Mr. VANDENBERG. That is correct.

Mr. AUSTIN. I hear from my distinguished colleague from Michigan [Mr. VANDENBERG] that that is his view also.

Does the Senator from Texas agree with that?

Mr. CONNALLY. I am not prepared at the moment, without a little review of what transcribed, quite to agree with that, because, as I recall, it was the view of France and Russia that they did partake of the nature of a regional arrangement rather than to what is provided by the article to which the Senator refers concerning the nations who had the responsibility for winding up the affairs of the World War. Of course, all the United Nations would have that responsibility in the peace treaty.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. VANDENBERG. My comment was based on the fact that the special treaties to which the Senator refers clearly are recognized in article 53 rather than in the chapter on regional arrangements, as I view it.

Mr. AUSTIN. Mr. President, they are also recognized in article 107, providing as follows:

> Nothing in the present charter shall invalidate or preclude action, in relation to any State which during the Second World War has been an enemy of any signatory to the present charter, taken or authorized as a result of that war by the governments having responsibility for such action.

Mr. VANDENBERG. The Senator is correct, and the article he now reads is identified in article 53 to which I referred.

Mr. AUSTIN. Mr. President, I want to conclude by saying I think it is important to recognize that distinction between what constitutes a regional arrangement as meant in this charter and what constitutes a mere extension of the military control over the enemy.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. AUSTIN. I yield.

Mr. BURTON. Before leaving the discussion of article 51, so much has been said and so much is well known as to the origin of that article and its relation to the Monroe Doctrine and the Act of Chapultepec, I just want to ask the Senator: There is nothing in the article, or his interpretation of it, is there, that would limit it solely to the Monroe Doctrine or to the Western Hemisphere when it provides—

> Nothing in the present charter shall impair the inherent right of individual or collective self-defense.

I take it "collective self-defense" may take place in any part of the world and should not be interpreted as being limited to the Western Hemisphere?

Mr. AUSTIN. I think it is wise to bring that out. I do not think it was so considered in the Conference at San Francisco—was it?

Mr. VANDENBERG. No; and the best proof of it is the fact that the reference to "collective self-defense" is not in the regional arrangements chapter.

Mr. AUSTIN. Yes. But does not the Senator recognize that, notwithstanding that it is not in there, it does apply to regional arrangements?

Mr. VANDENBERG. Oh, absolutely.

Mr. AUSTIN. Yes.

Now, Mr. President, there has been some debate, which I regard as premature, but which nevertheless I do not regret, because it is well to have an understanding among ourselves of what our action means and it is well that we do not adopt this charter with our foot in the door, keeping it open for an escape from it by and by. I have confidence that article 104 providing for this organization a legal capacity adequate for the exercise of its functions and the fulfillment of its purposes, created a legal entity, as described by the distinguished Senator from Texas, in the world, which has characteristics of a state.

Other parts, notably article 24 of the charter provides that this organization never acts on behalf of itself, but acts on behalf of all its members, and if a treaty should be necessary to be entered into between the United States and the Security Council for the purpose of determining the number of troops and the description of them, it is my understanding of this charter that the Security Council binds us to all the other members of the United Nations when it enters into an agreement with us. If that is not the interpretation held by our distinguished representatives who are here, I should be glad to have them interrupt and challenge that interpretation. Certainly there was the intent that this organization should be able to function, and function in all respects, as well as in any particular. Where we say that we bind ourselves to enter into an agreement with the Security Council relating to the character of the troops that shall be subject to call by the Security Council, we give the Security Council the legal capacity to make out the paper, of whatever dignity, that is necessary to make that a binding obligation on our part.

Mr. President, I think I ought to put in the RECORD rather than discuss, because I do not want to prolong this discussion unnecessarily, some views regarding the legality, I mean constitutionality of course, of acts of the President of the United States in enforcing the law. There is nothing imposed upon him by the Constitution that is more mandatory than that he shall take care—take care that the laws are faithfully executed.

Mr. CONNALLY. Mr. President, I am sorry to interrupt the Senator, but the Senator has requested that the Senator from Michigan or I interrupt him——

Mr. AUSTIN. Yes.

Mr. CONNALLY. Not for the purpose of taking issue with him, but rather for the purpose of agreeing so that the RECORD may show our attitude.

Article 104, it seems to me, gives legal status to the creation, as it were, of the Security Council into a legal entity, when it says:

> Such legal capacity as may be necessary for the exercise of its functions and the fulfillment of its purposes.

That capacity applies to the Security Council in the performance of any of its duties. As to those duties it has a legal status and is a legal creature. I wish to express that thought because of the Senator's invitation to take issue with him if we disagreed. I do not disagree.

Mr. AUSTIN. I thank the Senator for his statement.

Mr. VANDENBERG. Mr. President, will the Senator yield before he goes to another subject?

Mr. AUSTIN. I yield.

Mr. VANDENBERG. I should like to add one thought to the discussion on the inter-American system. At the San Francisco Conference there were 20 republics, other than our own, from the Americas, whose representatives were standing very vigilant guard over the inter-American system, and over everything that it means to our long-time mutual peace in this western world. They were very critical of what was taking place at many points. The distinguished Ambassador from Bolivia, who sits in the diplomatic gallery at this moment, was at the head of his delegation in San Francisco, and he, with other South American and Central American delegations, would never in this world have allowed their signatures to be put upon this Charter if the essence of the inter-American system had not been totally preserved. So I think the able Senator from Vermont is justified in saying that while we succeeded in totally integrating the inter-American allied system into the parent institution, or what is to be the new world organization, and fully protected the ultimate integrity of the world organization, beyond any shadow of doubt the signatures of our 20 sister republics to this treaty is proof conclusive that we have preserved the inter-American system.

Mr. AUSTIN. Mr. President. I can understand that fully. I know the earnestness and solemnity with which those American republics entered into the Act of Chapultepec, and I am very glad to have this comment from the distinguished Senator from Michigan with respect to their attitude at San Francisco.

However, I feared the possibility of a new type of isolationism, springing out of what seemed to be a controversy there over the relationship between the inter-American regional arrangement and the scope of the authority of the Security Council. I think, however, that the question was handled admirably, and that the outcome is very fine.

Mr. VANDENBERG. If the Senator will further yield, I think his fear of the controversy to which he refers relates, perhaps, to a phase of the matter which did not involve a controversy between these two systems at all. I think that controversy, if it was such, arose simply from a very scrupulous desire to see to it that there should be no gap in the operations of the inter-American system on the one hand and the world security system on the other, and that we should not fall between the two stools.

Mr. AUSTIN. That is correct.

Mr. VANDENBERG. But that they should always protect us.

Mr. AUSTIN. Yes. I believe that the adoption of the word "until" closed the gap.

Mr. VANDENBERG. That is correct.

Mr. AUSTIN. Mr. President, I am one of those lawyers in the United States who believe that the general powers of the President—not merely the war powers of the President but the general authority of the President—are commensurate with

the obligation which is imposed upon him as President, that he take care that the laws are faithfully executed. That means that he shall take all the care that is required to see that the laws are faithfully executed.

Of course, there are other specific references in the Constitution which show that he has authority to employ armed forces when necessary to carry out specific things named in the Constitution; but the great over-all and general authority arises from his obligation that he take care that the laws are faithfully executed. That has been true throughout our history, and the Chief Executive has taken care, and has sent the armed forces of the United States, without any act of Congress preceding their sending, on a great many occasions. I have three different compilations of those occasions. One of them runs as high as 150 times; another of them 72 times, and so forth. It makes a difference whether we consider the maneuvers which were merely shows of force as combined in the exercise of this authority—as I do—or whether we limit the count to those cases in which the armed forces have actually entered upon the territory of a peaceful neighbor. But there is no doubt in my mind of his obligation and authority to employ all the force that is necessary to enforce the laws.

It may be asked, How does a threat to international security and peace violate the laws of the United States? Perhaps, Mr. President, it would not have violated the laws of the United States previous to the obligations set forth in this treaty. Perhaps we have never before recognized as being true the fundamental doctrine with which I opened my remarks. But we are doing so now. We recognize that a breach of the peace anywhere on earth which threatens the security and peace of the world is an attack upon us; and after this treaty is accepted by 29 nations, that will be the express law of the world. It will be the law of nations, because according to its express terms it will bind those who are nonmembers, as well as members, and it will be the law of the United States, because we shall have adopted it in a treaty. Indeed, it will be above the ordinary statutes of the United States, because it will be on a par with the Constitution, which provides that treaties made pursuant thereto shall be the supreme law of the land.

So I have no doubt of the authority of the President in the past, and his authority in the future, to enforce peace. I am bound to say that I feel that the President is the officer under our Constitution in whom there is exclusively vested the responsibility for maintenance of peace. Therefore, I say that when the time comes for us to establish the characteristics of office of our delegate to the Security Council, we shall have to conform to our Constitution with respect to the officer under whom that delegate must act. I have taken care, in all public utterances in which I have referred to this authority, to state the proposition somewhat in this form and substance:

I advocate investing that delegate with authority to mobilize all kinds or any kind of peace forces, either military or nonmilitary, for the purpose of preventing war, subject, however, to customary governmental processes. It is always meant that he be under the President, or under the President and Cabinet, or that his authority be provided for without setting up an unconstitutional office.

Mr. GEORGE. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Vermont yield to the Senator from Georgia?

Mr. AUSTIN. I yield.

Mr. GEORGE. I am sure the Senator from Vermont means to qualify his statement by the statement that the power to declare war nevertheless finally rests in Congress.

Mr. AUSTIN. Oh, yes.

Mr. GEORGE. And that it cannot be exercised by the President.

Mr. AUSTIN. Oh, yes, Mr. President.

Mr. GEORGE. And also, I am sure, when the Senator from Vermont speaks of the duty of the United States faithfully to execute all the laws, including treaties, that are made pursuant to the Constitution, he means that duty devolves upon the President to execute this treaty and to preserve the peace by the means and methods and in the way provided in this treaty. The Senator is not generalizing, I hope, when he says the President is charged with the responsibility of maintaining peace all over the world, regardless of this treaty.

Mr. AUSTIN. No. I expressed some doubt as to whether the President could regard a disturbance of the peace anywhere on earth as an attack upon our own law until we adopt this Charter.

Mr. GEORGE. So, Mr. President, what the Senator from Vermont is saying comes back finally to the thesis that the President will be bound faithfully to execute this charter and to preserve the peace by the methods and in the manner set out in the charter, as provided in the charter; is that correct?

Mr. AUSTIN. Yes. I thank the Senator for calling attention to these points.

Mr. President, it had been my purpose to make perfectly clear that I do not hold for authority to make a declaration of war to be given generally in advance to our delegate to the Security Council. Certainly I have too much respect for the necessity, under our institutions, of having that left up to Congress to permit any such statute as that set up here to have that effect.

The point concerning which I wish to be on record is just that I think we cannot go outside the Constitution and create a statutory office that will vest in the officer who occupies that office these powers which are by the Constitution imposed upon the President of the United States. In other words, I think our enforcement of peace within the four corners of the Charter to which we subscribe devolves upon the President under the Constitution, and that we in creating the new office must create it subordinate to the President and answerable to the President, so that our delegate who attends the continuous sessions for which the charter provides will receive his instructions from the President. Mr. President, we remember that the Charter provides that the Security Council shall be so set up as to be continuous in operation, to be continuously functioning. That is something new, something very important and very useful for the cause of peace. They will be able to see the progress of events which might lead to trouble. They will inform the governmental agencies to which we say they shall immediately report, and the delegate will receive his instructions according to the method which we by statute say must be followed.

But even if we did not set up the method or prescribe the limitations upon his power and make requirements as to how he should use it, I say he could not exercise power except under the supervision of the President of the United States.

Mr. President, many men have stated this publicly and have supported the doctrine by briefs. I have an excellent brief which was prepared by John W. Davis, W. W. Grant, Philip C. Jessup, George Rublee, James T. Shotwell, and Quincy Wright, and was published in the New York Times on November 5, 1944. I should like to have it printed at this point in the RECORD, Mr. President.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

OUR ENFORCEMENT OF PEACE DEVOLVES UPON THE PRESIDENT—CONGRESS MAY AUTHORIZE EXTRATERRITORIAL USE OF FORCE, BUT CONSTITUTION IS HELD TO PLACE RESPONSIBILITY FOR PROMPT ACTION DIRECTLY UPON THE EXECUTIVE

(Those who have collaborated in the following letter are men of broad experience and international reputation. Mr. Davis, among other distinctions, has been Solicitor General of the United States, Ambassador to the Court of St. James's, president of the American Bar Association, and Democratic candidate for President. Mr. Grant is a member of the Council of the National Civil Service Reform League and a former president of the Colorado Bar Association. Dr. Jessup is professor of international law, Columbia University, and a former Assistant Solicitor, Department of State. Mr. Rublee was legal advisor to the American delegation at the London Naval Conference and director of the Inter-Governmental Committee on Political Refugees. Dr. Shotwell is professor emeritus of the history of international relations, Columbia University, and chairman of the Commission to Study the Organization of Peace. Dr. Wright is professor of international law, University of Chicago, and consultant to the Foreign Economic Administration and the Department of State.)

To the EDITOR OF THE NEW YORK TIMES:

Can the President authorize the use of American armed forces to carry out the Dumbarton Oaks proposal?

The Dumbarton Oaks proposal for a general international organization authorizes the Security Council, in which the United States will always be represented, to decide upon the measures to be taken to maintain or restore peace and security. The Council may call upon members to apply diplomatic, economic, and other nonmilitary measures, and, if it does not consider these adequate, to "take such action by air, naval, or land forces as may be necessary," utilizing for this purpose forces made available to it by special agreement of the members and national air fore contingents held immediately available by the members of the organization for combined international enforcement action.

These provisions raise constitutional issues in the United States as to the powers of the President to authorize the use of American

forces when called for by the Security Council.

PROMPT ACTION NEEDED

The Dumbarton Oaks proposal recognizes the need to provide effective sanctions against aggression and the need to assure that such sanctions will operate certainly and rapidly. It has been suggested, however, that congressional control of major uses of national forces should be preserved.

Unless the general international organization create confidence that any aggression will immediately be confronted by force able to frustrate its success, it will lack deterrent effect. A potential aggressor will be likely to assume the risk if he thinks sanctions will be slow and uncertain.

On the other hand, a system under which the forces of the peace-loving states will immediately and certainly confront the aggressor deprives the legislative body of the opportunity to debate and to exercise judgment on the expediency of contributing to the international sanctioning effort. The opportunity of the legislative body to control the national sword and purse has been a major factor in the growth of constitutionalism and democracy and in the prevention of autocracy and tyranny. Democracies will not willingly part with this control.

REAL DILEMMA SEEN

Is it pos ible to preserve for legislative bodies real discretion in controlling national contributions to international action against aggression without destroying the certainty and speed of such action? There is unquestionably a real dilemma. Forcible action does not have the character of a legal sanction unless it operates immediately and certainly upon the occurrence of a crime. While the police and the sheriff may debate upon the method of action to be taken in a particular emergency, if they are free to deliberate upon the expediency of taking action at all, the law will lose its force and the society will tend toward anarchy. It is the lack of sure and certain sanctions against law-breaking that has made international law weak and the community of nations a frequent prey of violence. This lack can in no small measure be attributed to the desire of the democratic and peace-loving states to preserve the sovereign discretion of their legislative bodies to decide upon the use of their forces. The autocratic aggressors are under no such constitutional limitations. Consequently in international affairs the criminals have been armed, ready, and rapid, while the police forces have been scattered, unorganized, and unready.

The Dumbarton Oaks proposal seeks to solve the problem by distinguishing forces immediately available to the international authority as the spearpoint against aggression, from national forces usable only when the national legislative body, which is pledged to contribute to the international action, finds that the situation is so serious that the international forces are inadequate.

This distinction resembles that which exists within the United States between the uniformed police, immediately available to the local authorities to apprehend and suppress crime, and the State militias and National Army, which, while ultimately available to maintain order, can be used only in serious situations and under the direction of State and national authorities.

This distinction is in fact recognized in United States constitutional law in respect to international uses of force. The President as Commander in Chief and head of the executive department of Government has power under the Constitution and standing legislation to employ the armed forces for protection of United States citizens or agencies abroad, for the defense of the territory of the United States, and for the prevention of offenses against the law of nations or violations of treaties. This power of the President has been distinguished from the power of Congress to declare war.

PRESIDENT HAS ACTED

In the constitutional sense, war refers to a situation where the President may use the armed forces to the fullest extent permitted by the international law of war and may exercise extensive war powers affecting individual, personal, and property rights. Furthermore, a state of war permits belligerents to seize and confiscate or condemn types of enemy and neutral property and to terminate or suspend many treaties, contracts, and other legal instruments. The final determination that such a situation exists belongs to Congress. The President has used the forces on a large scale to meet serious external attacks or internal insurrections, and has even recognized states of war thrust upon the United States, before Congress has declared war, but, in such circumstances, he has always laid the situation before Congress for its judgment as soon as possible. (See the *Prize Cases* (2 Black 635).)

This distinction between war in the constitutional sense and lesser uses of force in international relations is not easy to define precisely and has baffled the courts. The hostilities with France in 1798, with Tripoli in 1801, with Algiers in 1815, and on the Mexican border in 1913, have sometimes been called war, and sometimes not. (*Bas* v. *Tingy* (4 Dall, 37, 44); *The Amelia* (1 Cranch 1, 29–30); *Gray, Adm'r* v. *United States* (21 Ct. Cl. 340, 374); *Ex parte Toscano* (208 Fed. 9381); Hyde, International Law (II, 191–193); Wright, Control of American Foreign Relations (pp. 284–310).) The Civil War began through Presidential action calling forth the militia and proclaiming a blockade to suppress insurrection, but it was presently characterized by the Supreme Court as "war" not only in the material but also in the legal sense. (The *Prize Cases*, op. cit.)

Though the distinction between the situations where the President can act alone and where he must get the consent of Congress is difficult to define, upon its recognition and its observance in good faith depends the maintenance in times of crises on the one hand of constitutional government and on the other of international order.

CONSTITUTIONAL LAW INVOLVED

It must be emphasized that this problem is one of American constitutional law. So far as international law is concerned any employment of constitutional "war" powers by the United States, if authorized by the international organization to enforce international obligations, would not be "war." International law distinguishes war in which the parties are regarded as equally entitled to pursue their policies by force from uses of force as a measure of defense or sanction authorized by international law.

The foregoing discussion suggests that a proper system of international organization of security should provide, as does the Dumbarton Oaks proposal, a relatively small force immediately available to the international council for action against aggressors without need of legislative action by the various states.

This force might consist of limited national contingents which the executive may use whenever the international council has found that aggression exists; or the international council itself might organize a volunteer international force, such as an air force, based on certain internationalized islands or other bases. In either case, such forces would be limited in size and their use, while adequate to deal with minor disturbances of international peace, would not create a situation of war in either the constitutional or the international sense. Such forces would, however, create a conviction that law breaking would be immediately followed by coercive action in behalf of the community of states.

If, however, the world is faced by a serious aggression, while these limited forces would be immediately available to the international council, it would be understood that in the United States the President would immediately call upon Congress to examine the situation and to make available further forces or to authorize the full use of war powers, if it were felt that this was required in order to fulfill the obligations of the United States under the international security organization.

It is doubtless true that Congress will feel a certain hesitancy in permitting the President, acting through the Security Council, to engage even a small policing force in international action because it will fear that this might commit the United States to further military action and thus might impair the discretion of Congress in respect to engagement in "war."

POWER TO USE FORCE

It is to be observed, however, that in this respect the participation by the United States in an international security organization would not change the situation from that which has always prevailed. The President has always had the power under the Constitution to use force when he deemed it necessary to protect American citizens abroad, to prevent an invasion of the territory, or to suppress insurrection, and such action has sometimes preceded war.

On numerous occasions, such as the use of force in the Boxer episode of 1900 and interpositions to protect American lives in Mexico, Haiti, Nicaragua, and other places, action was not followed by war. Presidential action, however, preceded congressional action in the Mexican War (1846), the Civil War (1861), the Spanish-American War (1898), and World War I (1917). (Wright, loc. cit.) Congress has always been dependent upon the good faith of the President in calling upon it when the situation was so serious that a large-scale use of force may be necessary.

It would even appear that the prerogatives of Congress would be better protected under an international security system. The publicity which would attend any decision of the Security Council calling for sanctioning action against aggression would create an awareness in Congress of the nature of the situation, an awareness which has sometimes been lacking in the past. Consequently, if extensive use of force should probably be necessary, the President could hardly avoid laying the whole matter before Congress.

Furthermore, an international security system would make it possible to deal with potential or threatened aggressions at an early stage, when the limited forces made available for international enforcement action would be sufficient. The successful functioning of such a system would so reduce the probability of major aggressions that occasions would seldom arise when Congress would be called upon to exercise its extraordinary power in meeting them.

EXECUTIVE MAY MOVE

With these considerations in mind there can be no doubt of the propriety of the President's use of his powers to carry out a commitment for participation in international policing such as that proposed at Dumbarton Oaks. Nor can there be doubt of his constitutional right to utilize contingents of the armed forces for this purpose.

The Supreme Court has explicitly recognized that the President has both the right and duty to utilize his powers as Commander in Chief to see that the laws are faithfully executed (*In re Neagle* (135 U. S. 1, 65); *United States* v. *Curtiss-Wright Corp.* (299 U. S. 304, 318); Constitution art. II, sec. 3) and it has declared that the "laws" include rules of general international law (The Paquete Habana (175 U. S. 677)) and agreements binding the United States (*United*

States v. *Belmont* (301 U. S. 324, 331); *United States* v. *Pink* (315 U. S. 203, 229), as well as the Constitution, treaties, and acts of Congress (Constitution art. VI).)

Congress may provide for the extraterritorial use of force in future contingencies under its powers to punish piracies and offenses against the Law of Nations (*United States* v. *Arjona* (120 U. S. 479, 483)) and to make all laws necessary and proper for executing treaties (*Neeley* v. *Henkel* (180 U. S. 109); *Missouri* v. *Holland* (252 U. S. 416)). But even in the absence of such explicit provision the President is responsible for seeing that the laws are executed.

JOHN W. DAVIS.
W. W. GRANT.
PHILIP C. JESSUP.
GEORGE RUBLEE.
JAMES T. SHOTWELL.
QUINCY WRIGHT.

NEW YORK, *November 1, 1944.*

Mr. AUSTIN. Mr. President, I have so much confidence in the opinion of Mr. William D. Mitchell, a former Attorney General of the United States, that I should like to read into the RECORD his opinion on this subject:

Although the President cannot spend the time in Europe to sit on the Council, he may be given control over our vote. * * *

That act (of Congress prescribing the method of appointment of our representatives, etc.) should also provide that on questions of applying sanctions or using military force, our representative must vote as the President directs.

Mr. President, I think that is sound judgment. I think it is a correct interpretation of the Constitution, and I like to adopt it as my own view of the matter.

Mr. PEPPER obtained the floor.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Florida yield for that purpose?

Mr. PEPPER. I do.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gerry	Murray
Andrews	Green	Myers
Austin	Guffey	O'Daniel
Ball	Gurney	O'Mahoney
Bankhead	Hart	Overton
Barkley	Hatch	Pepper
Bilbo	Hawkes	Radcliffe
Brewster	Hayden	Revercomb
Bridges	Hickenlooper	Robertson
Briggs	Hill	Russell
Brooks	Hoey	Saltonstall
Buck	Johnson, Colo.	Shipstead
Burton	Johnston, S. C.	Smith
Bushfield	Kilgore	Stewart
Butler	La Follette	Taft
Byrd	Langer	Taylor
Capehart	Lucas	Thomas, Okla.
Capper	McCarran	Thomas, Utah
Carville	McClellan	Tobey
Chandler	McFarland	Tunnell
Chavez	McKellar	Vandenberg
Connally	McMahon	Wagner
Cordon	Magnuson	Walsh
Donnell	Maybank	Wheeler
Downey	Mead	Wherry
Eastland	Millikin	White
Ellender	Mitchell	Wiley
Ferguson	Moore	Willis
Fulbright	Morse	Wilson
George	Murdock	Young

The PRESIDENT pro tempore. Ninety Senators have answered to their names. A quorum is present.

RELATIONS WITH RUSSIA

Mr. WILEY. Mr. President, will the Senator from Florida yield to me for a moment?

Mr. PEPPER. I yield.

Mr. WILEY. Mr. President, earlier in the day the Senator from Vermont [Mr. AUSTIN] speaking in relation to the Monroe Doctrine said the charter actually supported it in principle. He called attention to the fact that under the Monroe Doctrine any attempt on the part of foreign nations to extend their system into any portion of this hemisphere would be considered a danger to our peace and safety.

Today the news from Europe indicates that one of the greatest Englishmen of all time has been defeated in a recent election contest. That is Britain's business, Englishmen made the decision; we did not. But Mr. President, Lincoln, on one occasion, said that the danger to America will come from within. I have issued today a release on the subject of Americans being exponents of foreignisms, and I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

SENATOR WILEY SEES PERIL TO UNITED STATES RELATIONS WITH RUSSIA ARISING FROM NEW RED REVOLUTIONARY TACTIC

It is unfortunate but it is true that simultaneous with the Senate's constructive consideration of the United Nations Charter, there is occurring in New York a secret convention which may do much to undo our work here.

This convention is being held by the Communist Political Association. Its purpose is apparently to ratify the new revolutionary line of class warfare approved by the national committee of that association. Then, it is expected that the Communists will reassume their role as an active political party.

It may seem far-fetched that this seemingly purely domestic event will have grave international implications; but that is the case. The new revolutionary tactic will not only affect the position of numerous "fellow traveler" individuals and organizations in domestic political affairs, it will also do damage to our friendly relations with our Russian ally.

How will that be so? This new "party line" is indicative of a world-wide resurgence of revolutionary communism. This means that in every democratic country such as our own, there will be Communist parties which:

1. Have allegiance to Soviet Russia, which are Russia, first, Russia, last, and Russia, always;

2. Which are guided, if not financed, from abroad; and

3. Which are committed to the revolutionary overthrow of our democratic form of government.

In view of these facts, it is probable that millions of Americans, becoming aroused and indignant at this anti-God, antidemocratic movement within our midst, will turn their wrath on Soviet Russia. Ordinarily, these Americans have the greatest admiration for Russia's proven valor, the greatest respect for the Russians' love of their native land, the greatest sympathy with Russia's war suffering.

But unless Russia absolutely repudiates in fact and in word and completely dissociates herself from the revolutionary Communist parties throughout the democratic world she will cause vast friction and ill will with her allies.

Americans will not be silent or inactive against outside meddling and revolutionary agitation in our affairs. We will not be deluded by insincere denials coupled with secret continuation of such outside meddling and agitation.

Mr. President, this is not alarmism, Red baiting, or Russia baiting. Throughout my career I have done my humble best to act and speak realistically and objectively; I have sought to protect the civil liberties of minority groups and have done what I could to understand the Russian point of view and to promote understanding between our two peoples.

This new development impels me to speak frankly and bluntly in the manner above. America will be watching this situation with stern determination to protect our way of life from all internal or external encroachment.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. PEPPER. Mr. President, I am sure that it is a source of exhilaration for all mankind that there is in prospect in the Senate this week adherence to the San Francisco Charter which brings closer to reality for all men the happy time of which Tennyson spoke when he said:

Till the war-drum throbbed no longer, and the battle flags were furled
In the parliament of man, the federation of the world.

In this happy event I am sure each of us out of his own experience draws some peculiar satisfaction. If I may make a personal reference, as I told the able Senator from Massachusetts a few moments ago, the first political speech I ever made was in his great State of Massachusetts in the campaign of 1922 between the Democratic nominee for the United States Senate, Mr. Gaston, and the then incumbent Senator from Massachusetts, Hon. Henry Cabot Lodge. As a student at Harvard Law School I enrolled in the Democratic Speakers Bureau, not that I was so much a Democrat that I was agitated by that campaign, not that I had any personal antipathy against the incumbent, Senator Henry Cabot Lodge, but because with all my heart I believed in the League of Nations and I wanted to offer a testimonial to that cause against all those who opposed it. I never anticipated at that time that it would be my unhappy experience some time in my future life to have to sit in my seat in this great body and cast a vote for the horror of war. But if I had anticipated that unhappy necessity, Mr. President, there is but one thing which could have given me justification for that horrible experience, and that was the prayer that some day I might still, from a seat in the United States Senate, have an opportunity to cast a vote for a permanent peace which would outlaw forever war as a curse to mankind. I am not alone, I know, Mr. President, in those feelings.

It was a sad day in the Senate and in our sister body when it became necessary for us to embark this great Nation upon the tragic experience of war, when we committed ourselves and all that we were and all that we had, to the defeat of the enemy. There are many of us, Mr. President, who were sadder because we felt that the necessity for that vote for war was in a very large measure attributable to the fact that neither other nations of the earth nor ourselves had employed all their efforts and expended their facilities in preventing war and keeping peace.

In the days subsequent to World War I there were many people, Mr. President, who thought, as President Wilson assured the men who gave their lives in that war, that World War I was a war to end wars. And many a man went to his death with those stirring words ringing in his ears and echoing in his heart, thinking that while he gave his own life he might spare the life of a son or his sons' and his daughters' sons who would come after him, it gave him some satisfaction perhaps in the last anguish of mortal life that, like the Master in an earlier day, he had given his life to save us.

We have our individual feelings, Mr. President, as to where the fault may lie, but no good can come from accusation or recrimination. At least, Mr. President, this Nation has resolved that we will not repeat again that act of infidelity to the dead. That is the reason, Mr. President, that sentiment in this Nation is so unified behind this Charter.

Senators may say and newspapers whose record of contribution has not been all that it might have been, may make the charge that the unanimity which exists in this body today, the sentiment of support for this Charter which exists in the country this day is due to propaganda. They may make the very sinister suggestion as to how much it cost to bring about that sentiment, but, Mr. President, it is not propaganda. It is the conscience and the judgment of the people of this Nation which have brought this country to a unanimity never experienced before upon an objective of peace. And that, Mr. President, is the base upon which the solidarity of sentiment in the Senate rests. The people are at last resolved that they will not again permit their loved ones to be butchered upon the cruel altar of war. Call it what you will, Mr. President, a name not so shocking to the conscience or to the senses if you wish, but we know that it is horrible murder and butchery and mayhem. We know, Mr. President, that it means taking the finest flower of our manhood—and in many instances our womanhood—and hurling them into the desecrations of war.

So, Mr. President, it is a grand spectacle which we see. There has just emerged from San Francisco a Charter of which 50 nations of the earth were the architects. The prayers of humanity were centered on that great city of the Golden Gate. While it is called the city of the setting sun, it is the city of the rising sun for the hope of mankind for peace. As so many have said in this body, if we were directly or indirectly to destroy this last good hope of a better world, for time immemorial we would have to answer to the dead who would have to pay the eventual price of our wrong.

Mr. President, it must give all of us deep satisfaction to feel that not only are these galleries occupied by many of our citizens who have come to see the Senate in session as we debate this momentous proposal, but I am sure that there is not one of us who does not have in his heart the feeling that in a gallery beyond this, through a veil which their immortal eyes can always penetrate, there are two other spectators of this scene, no less interested than those who are here, deriving no less satisfaction than any human can experience at the prospect of what the Senate shall at this time do. Senators know who they are. One of them is Woodrow Wilson, and the other is Franklin D. Roosevelt.

On the 9th of April last I had the honor to have addressed to me a letter from President Roosevelt from Warm Springs, Ga. If I may, I should like to read the letter:

DEAR CLAUDE: Yours of April 5 has been sent to me down here where I am getting a 10-day vacation—more for catching up with mail than for rest.

That was April 9, 1945.

I like what you say—

The letter was in response to a letter I had written in which I had spoken of the obligation of the Congress, and particularly of the Senate, to take a coequal part of the responsibility with the Executive in the conduct of our foreign policy.

I like what you say and it is perfectly clear that fundamentally you and I mean exactly the same thing. As a matter of fact, while in questions of foreign policy the President ought to do the spade work of negotiations and the original nominating of certain officers, a long experience leads me to recognize that the Senate ought to be consulted both on the policy and some of the nominations. Both you and I know that as a matter of practice too much consultation would slow up both matters. What is needed is the removal of the political point of view on the part of some Presidents and many Senators. There are altogether too many instances throughout our history—some of them, even recent ones, completely unnecessary. I like to feel that we have really accomplished marvels in the matter of both our domestic and foreign policies in changing the point of view of a lot of people toward more liberal trends, not only here but throughout the world.

On the consummation of a treaty, I hope that the next trend of public opinion will recognize that under our own theory nations are coequal and therefore any treaty must represent compromises. We cannot jump to what we consider perfection if the other fellow does not go the whole way. He might think that his point of view was just as good or better than ours.

I do hope to see you one of these days soon. I will certainly do so as soon as I get back from the opening day of the San Francisco parley.

Always sincerely,

F. D. R.

Mr. President, F. D. R. did not go to San Francisco in person, but he was there. There was not a delegate there who could not feel his presence more dynamically than if he had sat beside him.

I am told that time after time in that great Conference the delegates paused to mention the name of Franklin D. Roosevelt, because they knew that it was he who had primarily been the architect of that Conference, that he would be primarily the father of its great progeny, that it was the realization of his dream, of Woodrow Wilson's dream, and of the dreams of the dead and the dying, that was about to be consummated at San Francisco.

Mr. President, a friend of mine a few days ago told me that some 3 weeks before the 12th of April, the date of the President's demise, he, returning from a hospital and several months of illness was invited by President Roosevelt to a conference in his office. He said the President had no particular business to transact; he merely wanted to talk to an old friend. Calling his visitor's name, he complimented him upon his appearance and his recovery from his recent illness. The visitor said, "Mr. President, how well you look. Really, I think you look better than you have looked since 1937." Then, with a smile on his face and brightness in his eyes, the President said, "Strangely enough, I feel better. I have a great load off my heart. I know now we are going to win the peace."

Mr. President, that was 3 weeks before the 12th of April. He knew what the group at San Francisco was going to do, and he knew what the Senate of the United States was going to do.

So, Mr. President, as simply one Senator, I wish to pay my tribute to those absent participants who know what we are about to do.

I derive a particular satisfaction that the attitude of the Senate has so signally changed, that the attitude of the country has so remarkably been transposed, from what they were even so short a time ago. If I may be permitted a personal reference further, I remember one day standing in the Senate at about the place where I am now. It was on the 21st of May 1940. The news had just been delivered by the radio that the Germans in their march across France had reached Abbeville. They had practically severed France, they were getting ready to encircle the British Army and hurl it to Dunkerque. They were preparing the way for an early French armistice.

On that day, announcing the fact which had just come over the radio, I rose on the floor of the Senate and offered the following joint resolution, No. 259:

Resolved, That the President be authorized to sell and deliver within the United State to the recognized Governments of Great Britain, France, Austria, Czechoslovakia, Poland, Norway, Denmark, Holland, Belgium, and such other countries in Europe as may be subject to unprovoked invasion, upon payment of such purchase price as the President may fix, such aircraft, aircraft parts, or equipment belonging to the United States as in his judgment can be sold and delivered without imperiling our national defense: *Provided*, That the governments to which such aircraft, aircraft parts, or equipment are sold and delivered agree to assign if, as, and to the extent requested by the President, any and all contracts that they may have with manufacturers in the United States for aircraft, aircraft parts, or equipment.

The author of the resolution was subjected to vituperation on the part of some of our citizenry and on the part of

some Members of the Senate as being a warmonger, as being an internationalist, as being an interventionist, as wanting to spill the blood of American boys in remote lands of the earth. In the Committee on Foreign Relations, which, with the exception of one vote, reported out the Charter now before us with such magnificent unanimity, that original joint resolution received one vote—and that was the vote of the author.

I should like to say, for the benefit of the RECORD and of those who might be interested, that that original resolution was drafted by the present Speaker, its author, and by Ben Cohen, whose greatness I am glad to acknowledge.

And for whatever it may be also worth, before that resolution was offered upon the floor of the Senate the author telephoned the White House and talked on the telephone to Miss Marguerite Le Hand, then the personal secretary of the President, and read the resolution, saying that the author would not offer it if the President requested the contrary, but the author was not seeking the request or the support of the President for its presentation. But the Senator felt that the President was entitled to know when a matter of that sort was about to be offered.

That great lady spontaneously, when she had heard that resolution read, said "It would be great if we could get that, wouldn't it?" The understanding was that if she did not call back by noon that that resolution would be offered upon the floor of the Senate. No request came back from the White House that that resolution should not be offered.

On the 24th of May, after consultation with Ben Cohen and Walter Lippmann, the following joint resolution was drafted and offered upon the floor of the Senate. This happened to be Senate Joint Resolution 263:

Joint resolution authorizing limited aid short of war to foreign governments resisting the unprovoked military aggression of Germany

Whereas the German Government in violation of the General Treaty for Renunciation of War concluded at Paris on August 27, 1928, commonly known as the Kellogg Pact or Pact of Paris, to which treaty both the United States and Germany are parties, has deliberately adopted war as an instrument of national policy, and in defiance of all rules of international law has deliberately violated the territories of neutral countries; and

Whereas such unlawful aggressions threaten the peace and security of the United States; and

Whereas by such unlawful aggressions Hitler and Germany have forfeited their right to claim the protection of international law: Therefore be it

Resolved, etc., That the President be authorized to give aid short of war to the recognized Governments of Great Britain, France, Austria, Czechoslovakia, Poland, Norway, Denmark, Holland, and Belgium, and such other countries as may be subject to unprovoked military aggression by Germany in violation of the Kellogg Pact or of the rules of international law, by selling and delivering within the United States to any or all such countries, upon payment of such purchase price as the President may fix, such aircraft, ships, artillery pieces, and other war supplies, materials, and equipment as in his judgment can be spared without imperiling the safety of the United States: *Provided,* That the governments to which such aircraft, ships, artillery pieces, and other war supplies, materials, or equipment are sold and delivered agree to assign if, as and when requested by the President, any and all contracts that they may have with manufacturers in the United States for such aircraft, ships, artillery pieces, and other war supplies, materials, or equipment.

I mention those resolutions, Mr. President, not by way of any encomium upon the author or those identified with the author, but simply to show that those who say that this is an act of intervention; that this is an act of what they call odious internationalism; that this is a meddling in foreign affairs; that this is another scheme to send our sons beyond the seas to participate in somebody else's war or affairs, are just as wrong today as they were with the accusations they made in that day upon those resolutions and all that came after them, Mr. President.

I speak not critically, Mr. President, but approvingly, of how the attitude of the Senate and of the country has changed since those early days. Everyone knows what was said about President Roosevelt's quarantine-the-aggressor speech in Chicago in 1937; that he was a warmonger; that he was an interventionist; that he was doing it for politics, Mr. President. Yet I happen to be one of those who want to bear testimony that before God I believe that Franklin D. Roosevelt saved the United States of America from subjugation, conquest, and slavery as much as George Washington was responsible for our independence by his own intrepid courage and sagacious leadership.

Mr. President, I have before me the message of President Roosevelt to Congress on the 14th of July 1939, when he pleaded with Congress to change the neutrality law. Why? Because he knew that Hitler's dagger was raised to strike the heart of Europe and to make war upon the world, and he knew that if we did not allow equipment and supplies and war materials to be made available to the democracies, that Hitler would crush and destroy those weak governments who had bent their energies upon peace and not war; who had given their people butter and not guns. And he knew that that was the time for America to throw her great moral and material strength on the side of democracy and decency in the world.

But, Mr. President, it will always be an intriguing speculation, in my mind at least, to know what would have happened if we had changed that neutrality law in July of 1939, and let Hitler know, as any future aggressor will know when we adopt this Charter, that if they make war upon mankind they shall have to face the might and the courage and the willingness to sacrifice of the United States of America.

O Mr. President, could we but learn at less cost than bitter experience these great lessons of life.

There were those who said during all these intervening years that we were strong enough to live alone; that we did not need to work with the family of nations; that the great oceans protected us from aggression or assault, ignoring the lessons of history. But the wide oceans were but highways on which the enemy could come to our shores. Senators said, and even members of our War Department and Navy Department intimated, that the enemy could never come close to our shores. Yet, the shores of my own State of Florida were littered with the debris of human and material wreckage from the destruction of German submarines. War did come to America, not only at Pearl Harbor but to continental United States on the west coast and on the east coast.

So we have learned, Mr. President, that America is not great enough, Russia is not great enough, Britain is not great enough, no nation on earth is great enough, to stand securely alone in the world today without seeking the collaboration of the other nations and peoples of the earth.

So what have we done? We have finally reversed our position. We have finally stopped being a laggard or a sluggard. We have stepped to the forefront. We have taken a position of leadership which is where our rightful place is in the family of nations, Mr. President. I say it with no disparagement to the rest of the nations, but it was said of an old Dutchman that wherever he sat was the head of the table. I think I may say as an American with pardonable pride that wherever America sits at a council table is the head of the table, Mr. President, because in all history no nation has ever been blessed with such power as the people of the United States possess today.

I am sure the members of the Foreign Relations Committee would not object to my speaking of an incident which occurred here when our delegation assembled for a luncheon in our Foreign Relations Committee room preparatory to their departure for San Francisco. Our distinguished guests, among others, were Foreign Minister Anthony Eden and Lord Halifax, the British Ambassador. In Mr. Eden's remarks to the committee after the luncheon among other things he said:

This morning, together with Lord Halifax, I spent an hour with General Marshall, your great Chief of Staff.

He said:

General Marshall showed me the maps and the charts upon which the American front is moving forward all around the world.

He said:

I thought I had seen the power and the might of nations in my experience, but until I looked at those charts of General Marshall today and saw the might of the United States of America upon the war fronts of the world I never really appreciated what power meant.

Then as he started to conclude, he said rather humorously to the British Ambassador, "And may I say what I said to you as we left General Marshall's office?" "Of course," the Ambassador indicated assent. Then Mr. Eden said, "What a fine thing it is that General Marshall is such a nice man." There was a great deal in that statement. Such power, such might, such force, and yet General Marshall was "such a nice man."

In no nation on earth, however small, do men, women, or children fear the

might of the United States of America, though Hitler, Mussolini, and Hirohito have stood like pygmies before the manifestation of that power. There has never been anything like the United States in history. The question is, Shall we as a nation prove spiritually worthy of that great power? In the Scriptures we are taught the lesson of stewardship. We read about the man who had certain talents, and his obligation to use those talents.

It seems to me that all time has waited for the United States to come upon the scene with its present power and its present point of view. So, Mr. President, it is a subject of much rejoicing on the part of the citizenry, the soldiery, and the people of the world that we have turned our backs upon isolationism. It is fool's gold. It is folly, and any man in public life who embraces it is doomed to political destruction. You can deceive all the people part of the time, but you cannot deceive all the people all the time. They see through it. They want to know, "Are you for the Charter, or are you against it?" When they ask the question, "Are you for it?" they mean, "Are you for it without mental reservation or future intention to sabotage it if you have the power?"

I know the temptation that some have who are perhaps not dedicated to the support of this Charter as many of us are. They would like to wait until public opinion subsides, until it is divided, not by the propaganda of peace, but perhaps by the propaganda of profit, as public opinion was confused and divided by the propaganda which Andy Mellon and Henry Frick paid for, with which to fight Woodrow Wilson. They would like to wait until public opinion is less solid, until there is more confusion, until public opinion may not be so militant, indignant, or belligerent toward an opponent of world peace, and then come in with a new technique to try to defeat it when we come to implementing it with essential activities and power.

Mr. President, a little while ago I told some gentlemen who I thought deserved it that they were largely responsible for the situation in which we find ourselves today. I should like to pay a word of tribute to one of them by name, and to two organizations. There are many more.

One of them is the Committee to Defend America, which was formed a few years ago, before public opinion had solidified on the subject of America having an affirmative part in world affairs, stopping war at its inception, stifling it where it was spawning, and springing at the wild animal before he could spring at us. It was a great organization. It deserves the thanks of the country, because I believe in my heart that that organization, the Committee to Defend America, and another worthy committee called the Fight for Freedom Committee, and all the fine men and women who identified themselves with those two committees, some with personal effort, some with money, and many with their hopes and prayers, have rendered a great service.

Greatly active in the Committee to Defend America was a man named Clark Eichelberger. He was a soldier in World War I. He was in France in combat. When he got out of that war he dedicated himself to an organization to keep the peace of the world and prevent the recurrence of war. In all those intervening years that man, like many others, adhered to the same objective, to try to implement some kind of an international organization to keep the peace of the world and not permit a repetition of horrible war.

I am pleased also to have Mr. Eichelberger tell me that the organization which has been carried over from the early 1920's, the League of Nations Association, which through all the years has held aloft the dream of Woodrow Wilson and of the people of this Nation that we might set up such an organization as we are now about to consummate, will not let its efforts subside. The name of the organization has already been changed to the American Association for the United Nations, Inc. And after the Senate has ratified the treaty, that organization will publicly declare that it will dedicate itself to educating public opinion to the meaning of the Charter, its obligations for our people, and the opportunity which it offers to preserve peace and promote the welfare of this Nation and the peoples of the world.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MITCHELL in the chair). Does the Senator from Florida yield to the Senator from Arkansas?

Mr. PEPPER. I yield.

Mr. FULBRIGHT. I take this opportunity to endorse what the Senator from Florida has said about Mr. Eichelberger. I have had a good deal to do with him, and I have found what the Senator says to be true. I believe that his brother is one of our leading generals. It is a curious combination. He is one of the outstanding leaders in the field of prevention of war, and his brother is one of the outstanding generals in the prosecution of this war, which is not at all inconsistent.

Mr. PEPPER. I thank the able Senator for calling attention to that fact, and for his added testimony.

Senators may also know that the Commission to Study the Organization of Peace has also been stimulated by essentially the same group, of which Dr. James Shotwell has been such a worthy leader. He was one of the consultants at San Francisco, and was at Versailles in the making of the League of Nations Covenant. He was one of those few, including Dr. Hamilton Holt, president of Rollins College, Jan Smuts, and others, who had the rare privilege of being at Versailles in 1919 and at San Francisco in 1945.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MAGNUSON. The distinguished Senator from Florida took part very unstintingly in the last campaign. I wonder if he agrees with me. In my section of the country the real fundamental issue before the people at that time was the question which the Senator is discussing. I wonder if he agrees that my impression is correct. Last November the American people said to me, to the Senator from Florida, and to one-third of the membership of the Senate, that this time America should not only participate in such an organization, but should go beyond that point and take the leadership in world peace.

Mr. PEPPER. In my opinion the Senator is absolutely correct; and if we do anything less than that, not only shall we be violating our solemn obligation to the American people who elected us, but, in my opinion, at the first opportunity they will call us to account for our delinquency as their representatives.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MURDOCK. I am interested in what the Senator has said, and I should like to make this observation: Not only did one-third of the membership of the Senate hear the voice of the people last year, but it is my opinion that an overwhelming majority of the Senate heard it, and will evidence that fact by their votes when we vote upon the treaty.

Mr. PEPPER. I think the Senator is absolutely correct, and I thank him for his observation.

A little while ago I put together a few references to the effort which has stretched out over the centuries to set up such an organization as we are about to see realized in the world. It is known to many. To a few it may not be known.

In the dim past of western civilization, those great prophets of the Old Testament, Isaiah and Micah, set the goal of a world united in peace, justice, and the fear of God. Ever since, by slow stages, thinkers have been preparing blueprints of a world wholly or in part organized, and governments, from time to time, have been experimenting with certain forms of international organization.

In the world of ancient Greece, from the seventh to the fourth centuries B. C., Amphictyonic leagues and other stable confederations attempted to bring together several sovereign states, organizing them for peaceful cooperation.

Most significant among them were the Achaean League of some 12 city-states, based on perfect equality of the member states without domination of one over the other; and the great Delphic Amphictyony, which, supported by the authority of common worship, brought together almost the entire Greek race.

Even in ancient Italy, before Rome began its ascent toward world empire, there existed, in the seventh to fourth centuries B. C., the Latin League of about 30 city-states, with whom Rome, too, was associated, and which functioned as a true federation.

After centuries of peace imposed by force upon a large part of the western world by the Roman Empire, that power broke asunder, and for a long time people lost touch with one another, restricted within their local units. Gradually, western and central Europe awoke from stupor. Though divided in innumerable units, the people of that part of the world were aware of their spiritual unity symbolized by the Roman Catholic Church, and developed a pull after temporal unity as well. Pope and Emperor—an Emperor usually chosen by vote of princes representing different countries—assured a kind of international organization from the eighth till the fifteenth century.

But this vague organization did not suffice to the best minds of Europe, still nurturing

Isaiah's ancient dream, and we find Pierre Dubois, a French scholar, proposing in 1305 that all Christian powers ally themselves for the maintenance of peace and institute a permanent court of arbitration.

Even more interesting was the plan suggested in 1461 by King Podiebrad of Bohemia, a precursor of the Czechoslovaks (noble ideas of a Masaryk and a Benes) in our days, to organize a Federal union composed of all Christian states, with a permanent council in the city of Basle as the supreme body.

When Reformation disrupted the former unity of the western world, reducing in consequence the part played by Pope and Emperor as centers of a precarious international order, individuals and governments were driven to feel doubly the need for a world union. Individuals, some of them heads of states and responsible statesmen, indulged freely in far-reaching projects of a full-fledged federation of Europe or even of the world.

First in point of time and most amazing in many respects was the plan submitted in 1603 by King Henry IV of France and his minister, Sully, to other governments with a view to establishing a European federation composed of 15 member states of equal strength and equal status, with a general council to administer the federation's affairs.

There followed in 1623 the project of Emeric Crucé, a learned Frenchman, of a world union of states. With a broad-mindedness far in advance of his time, Crucé wanted to include the non-Christian states into the world union on an equal footing with the states professing various Christian creeds, and proposed the city of Venice as seat of the general council of the union.

There followed in quick succession the projects of the German philosopher Leibnitz in 1676; of the Count of Hesse-Rheinfels in 1673; of Charles, Duke of Lorraine, in 1688; of one of America's earliest and greatest statesmen, William Penn, in 1693; of the English Quaker, John Bellers, in 1710; of the French Abbé de St. Pierre in 1712 (with his Abrégé published in 1729); of Cardinal Alberoni in 1735; of the Frenchman D'Argenson in the 1740's; of Jeremy Bentham, of England, in 1789; of the German Schlettwein in 1791; of the philosopher Kant in 1795; and of the Frenchman St. Simon and Thierry, in 1814. This array of names includes only the most outstanding ones belonging to many nations. It indicates that courageous and inquisitive minds could not rest while the world remained an arena of selfish strife. In a way, Kant's contribution will interest us more particularly. This great German, inspired by the French Revolution, was one of the first who insisted that the world union could not be securely built unless it is based on democratic principles, representing a union of peoples rather than a union of rulers.

Mr. President, there is still a great deal to be said for Kant's proposal that the international organization, like our own Federal organization, be based upon the people, rather than upon an association of sovereigns. Of course, I know we have not gotten that far in our world evolution, but we are, I dare say, rapidly proceeding in that direction. Significantly enough, the framers of this charter felt it well to put in the very beginning of the preamble, "We, the people of the world." Although later on they said it was an association of sovereign states equal in their relativity, they wanted to suggest at the very beginning that it was based upon the hearts and hopes and hearthstones of the people of the world.

I read further:

After 1814, the idea of organizing the world made rapid progress. With pride I may point out the leadership of my countrymen in this movement. Peace societies were founded in 1815 in Massachusetts, New York, and Ohio. Similar societies in other States followed, and in 1828 they consolidated in the American Peace Society, led by that apostle of world peace, William Ladd. The Advocate of Peace, the organ of this movement, started appearing in 1834, and still continues its good work.

A similar movement of peace societies developed in England beginning 1816. The English economists, Cobden and Richard, were among its leaders. It spread to other countries, and international peace congresses were held annually between 1848 and 1853. After a brief interval, further international peace congresses were held in Switzerland under the auspices of another international group, the "League de la paix et de la liberté," founded by the Frenchman Charles Lemonnier. This peace movement of the nineteenth century, while mainly pacifist in character, went beyond propaganda for disarmament and arbitration. A volume published in 1840 and edited by William Ladd dealt with the core of the problem—it was a collection of essays on a congress of nations.

Mr. BREWSTER. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. BREWSTER. I did not hear all of the Senator's discussion, but I hope he made it clear that William Ladd was a citizen of the State of Maine.

Mr. PEPPER. Well, Mr. President, each was an honor to the other. I am glad the Senator called my attention to that fact.

Mr. BREWSTER. Some years ago, I had the pleasure of erecting a monument in memory of his great activities as an apostle of peace.

Mr. PEPPER. I am pleased that the Senator has informed his colleagues about that.

Mr. WHITE. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield.

Mr. WHITE. In addition to what my colleague has said, let me add that while Governor of our State he erected a monument to William Ladd. From the little farm where I pass such vacations as are possible, I look across the valley and I see arising from the woods the spire of the church where William Ladd preached, and directly across the road the home where he lived. He was, as the Senator has said, one of the great leaders in the cause for peace. He founded the American Peace Society. The tracts he wrote, published in the 1830's and, I think, the early 1840's, are a text, of all that can be said in behalf of peace efforts.

Mr. PEPPER. Mr. President, I thank the Senators from Maine very much, and I am glad that recognition has been paid to this great apostle of peace.

I continue now:

The "League de la paix et de la liberté" raised prominently the issue of a united states of Europe. Victor Hugo presided over the peace congress of 1849 in Paris; Garibaldi took active part in the peace congress of 1867 in Geneva; and the English-speaking world was stirred in 1842 by Tennyson's inspired vision, in his Locksley Hall—

Everyone knows it, of course, and yet it is marvelous in its prophecy. It is astounding to think that a man, writing in 1842, would have said—

"For I dipt into the future, far as human eye could see,
Saw the vision of the world, and all the wonder that would be;
Saw the heaven fill with commerce, argosies of magic sails,
Pilots of the purple twilight, dropping down with costly bales;
Heard the heavens fill with shouting, and there rain'd a ghastly dew
From the nation's airy navies, grappling in the central blue;
Far along the world-wide whisper of the south wind rushing warm,
With the standards of the peoples plunging thro' the thunderstorm;
'Till the war drum throbb'd no longer, and the battle flags were furl'd
In the Parliament of Man, the Federation of the World.
There the common sense of most shall hold a fretful realm in awe,
And the kindly earth shall slumber, lapt in universal law."

In the meantime, preparatory work was being accomplished in many directions. Pacifists led by Baroness Bertha von Suttner led the struggle for disarmament. Lawyers, combining in the "Institut de droit international" and the "international law association," began laying the foundations of a future universal law. Two of Europe's lawyers, the Scot Lorimer and the Swiss Bluntschli, came out with proposals of an international federation. Members of legislatures from many countries formed the Interparliamentary Union and strongly urged the substitution of arbitration for war.

Our able leader, the Senator from Kentucky [Mr. BARKLEY] has been a great leader in the cause of the Interparliamentary Union, and we hope it will be speedily revived and continued after the war.

I continue reading:

The best and most enlightened elements of the world's public opinion were getting ready, by stages, for the great idea of an international federation. On May 5, 1910, Theodore Roosevelt, former President of the United States, in an address before the Nobel Committee in Christiania, Norway, bluntly declared as goal "the establishment of some sort of international police power, competent and willing to prevent violence as between nations." The United States Congress added its authoritative voice of approval. On April 5, 1910, a resolution was introduced into the House of Representatives of the United States by Representative Bartholdt, of Missouri, "to authorize the appointment of a commission to draft articles of international federation, and for other purposes." The resolution, as modified by a proposal by Representative Bennett, of New York, authorized "a commission of five members * * * to consider the expedience * * * of constituting the combined navies of the world an international force for the preservation of universal peace."

The resolution in this form was adopted—unanimously, mark you—by the House on June 20, 1910, by the Senate on June 24, 1910, and became law the next day as Public Resolution No. 47, Sixty-first Congress. It can be found, a monument to the real sentiments of America, in volume 36 of the United States Statutes at Large, on page 885.

While far-reaching projects were thus being prepared by individuals, groups, and single countries, the governments of the world, too, were driven to recognize the unsatisfactory state of a divided and disorganized world. Clinging jealousy to their cherished independence they were afraid to adopt with determination a world federation scheme and relied for preservation of peace on the inadequate instrument of defensive alliances and the artificial device of balance of power. But

the methods were plainly insufficient, and time after time the great powers of the world—those with most stakes in the affairs of the world—had to invent some machinery for organizing this planet. To do this, they resorted to international congresses and conferences which decided at least the most urgent questions of the time, leaving other questions in abeyance. This conference method had numerous draw-backs; it lacked permanence; it depended on a sufficient number of great powers being willing to resort to it; it required unanimity and therefore could always be broken up by any power sufficiently obstinate; it placed the decisions on the fate of countries and nations in the hands of a group of great powers which were free to invite other, smaller countries to the conference table or not.

In spite of all these draw-backs, it is most significant that the decisive powers of the world, at critical times in history, after wars and at imoprtant points in times of peace, again and again assembled in conference to obviate at least temporarily the deplorable lack of the sorely needed permanent organization of mankind.

To name but the most important ones of these international congresses, we have the Congress of Westphalia in 1648, the Congress of Utrecht in 1713, the Congress of Aix-La-Chapelle in 1748, the Congress of Vienna in 1814, in which was born the semi-permanent organization of the "Concert of Europe"—including England, France, Prussia, Russia, Austria-Hungary, with Italy later added—and the smaller and briefer "Holy Alliance." The next important congresses of the "Concert of Europe" were the Congress of Paris in 1856, and the two congresses of Berlin in 1878 and 1885.

We know of the great efforts of the League to Enforce Peace which pressed for the formulation and passage of the League of Nations in 1918 and 1919. Mr. William Howard Taft, and Mr. Elihu Root, as well as many other great Americans, were leading spirits in that movement. To them also, as worthy pioneers and warriors for peace, I am sure we would like to pay our tribute.

We know about the League of Nations, and of its existence. Many of us would like to pay tribute to its accomplishments not only lament its failures, because we see it as a giant step forward as look back over the span of history and see how the idea of working together in order to keep peace has been growing in strength, character, and effectiveness. It has come a long way from the prayers of Micah and Isaiah, and a long way from the early temporal powers of the Roman church and state, down through the ages to that great edifice on the shores of sparkling Lake Geneva, the League of Nations. Many of us have there seen representatives of more than two score nations sitting upon a single floor, and working toward the accomplishment of the peace of the world. Mr. President, that mighty edifice has grown more complete, has become grander and mightier. Today we see an effective hope for the construction of a permanent organization which will, we hope and pray, actually achieve all that has been fought and prayed for through the long centuries of the past.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WILEY. I wish to compliment the distinguished Senator for his fine historical analysis of humanity's attempt to create a mechanism.

I believe, however, that the Senator left out of his address the important fact that about 2,000 years ago there was One who spoke as never man spoke before or since. He gave us the very essence of peace in His Sermon on the Mount. He said, "Blessed are the peacemakers".

No matter what the mechanism may be, unless the essence of the Sermon on the Mount is in the hearts and minds of the people of the earth, I wonder if the Senator believes that we will have peace.

Mr. PEPPER. The Senator from Wisconsin is absolutely correct in his belief that the only way by which we may hope to have peace is by using this great power to do right.

A few minutes ago when I spoke of the mighty power of the United States of America I intended to say that there are some who dare to suggest that now is the time when America should have her great age of empire, that we do not need to ask other nations to do certain things, but that we have the power to tell them what to do. Those persons assert that today we have the power to enforce our will upon at least a large part of the world if not upon all of it. There are some, Mr. President, who at various times in our history have wanted to use our great physical power and moral prestige for the purpose of advancing the commercial interests of this country, though not always rightly. If the Government of the United States ever yields to the temptation to exploit our power we will not only stand against our own citizenry and against mankind, but against God as well.

I hope, Mr. President, that those who have been solicitous that as a result of this war we retain and preserve certain strategic areas of the world, have not had in the back of their minds the idea that those areas shall be the pillars of American empire over the face of the earth. I realize that it is a ticklish and a delicate subject. I also have felt that our delegation at San Francisco was embarrassed in asserting the moral leadership which they wanted to assert because some were demanding that now was our time to take what we needed. I do not want to give up speedily—I may never wish to give up—those strategic islands in the Pacific which have been won by the blood and treasure of this country.

But, Mr. President, there is a matter of some difficulty in saying that we will hold strategic areas and deny to other sovereign nations the same right or the same claim. There is some embarrassment in America saying, "We will keep our colonial empire but we want to destroy colonialism in the earth." There is some inconsistency, Mr. President, for us to claim the right of suzerainty and sovereignty over so-called inferior peoples and complain about what some other empire does with those over whom they have exercised sway for more than a century, in other cases for decades and scores of years.

I would feel far safer, Mr. President, had America taken the position that before God and man the great natural highways are the highway of the world, and no man has a right to put his obstruction, or what we lawyers call purpresture across their path. We cannot do it in a day; we cannot do it without other nations collaborating, but I wish it might be made known to other nations at the council table that America was always ready to put its gun on the table and, if necessary, to take it off entirely when others were ready to do so.

I hope we will assert our moral leadership, not only to advocate disarmament with other nations, but that we shall also advocate the emancipation of every man who owes sovereignty to us other than as a citizen. I do not claim that we have the right before God and man to keep anybody in subjection and claim freedom for ourselves. And if we do it upon the basis that they are not competent to protect their own security then let them be the wards of an international trustee, the court of mankind and the conscience of the world.

No, Mr. President, let us not be deceived. We cannot have our cake and eat it too. We cannot exercise unlimited power and not expect other nations to make the same assertion.

This great Charter has been brought back from San Francisco, so much to the credit of those who had a part in it. It has pitfalls which could destroy it. Those pitfalls, Mr. President, are obvious if you but scan the power possessed by the people who constitute it. As a matter of fact, we talk about the Trustee Council, yet we have not obligated any nation to give up its colonies. We merely have set up an organization that will administer any colonies which any nation turns over to it. We have not done anything, therefore, except to say that they must make reports of a very mild character to give effective assurance to subject peoples that they, too, have the dignity of man.

So the trustee council will mean what the nations who are members, and principally the Big Three, make it mean. We may make it mean much; we may set the example to other nations and say "See what we have done; go thou and do likewise." We can point with pride to the Philippines and their emancipation. We can show other nations that they will gain instead of lose by giving peoples their freedom, as we gained the unswerving fidelity of the people of the Philippines with the assurance they had that we would give them their freedom when we helped them win it back. I do not want anyone on the Senate floor to become what is called in South America a "jingo," rattling the sword of our power and the shield of our might and the banners of our prestige, and saying, "No; we cannot give up anything, we will not give up anything. Who is this false patriot who says we shall take that honored flag down from any soil?" Oh, they may call upon the names of the boys who died to put it there. They did not die for conquest; they died for peace.

We know also, Mr. President, that the veto power which members of the Security Council have may emasculate this Organization. If Senators are solicitous about what we may do, what about the power that other nations possess, for they

are already saying what we will not do before we get a chance to do anything? What are other nations saying? America! Is America to be the one to suggest doubt? Is America to be the one to accept membership with mental reservations? Is America to be the Nation to say "Yes" with its tongue in its cheek? Is America to say, "Yes, I am a member of the Security Council but you cannot use my airplanes, my ships, my soldiers, my sailors, and my tanks outside the Western Hemisphere"? "Me and my wife, my son John and his wife, us four and no more, are the ones, we are looking out for." What are the rest of them going to say if we start saying that? So, in respect to the Trusteeship Council, and in respect to the veto power, and in respect to amendments, and in respect to all the essential features of this Organization, we have the power to wreck this league as we wrecked the last one, this time by a qualified participation as last time we participated not at all. So, when the Senate today, or next week or tomorrow, ratifies this charter, let us tell the world that it came out of the great heart of this nation, and we pledge our faith to do the maximum in carrying our part of the load that has to be carried.

The critics and cynics are already thinking, "After all the people may be for this thing now, but they are not going to be strong for it later on, and later on if you start talking about committing forces so that the boys may be sent out of this hemisphere, they are not going to like that." It is going to be our job to explain to them why they will have to like it. Instead of being profiting politicians, we ought to tell them it is folly not to do it.

I read in an article in yesterday's press that at the trial of Petain, a former Premier said it was the theory of defense that destroyed France—doing nothing but sitting, a form of military isolation.

Some criticize us if we propose to send a few tanks or a few ships or even men. Well, what are we compelled to send? It is better to send 100,000 for an international police force than 4,000,000 for an expeditionary force. It is better Mr. President, to spend a billion dollars than to spend $300,000,000,000. So. Mr. President, this Charter alone does not solve the question at all. It all depends on the spirit in which we enter it. It is like a partnership. We may make it succeed, or we may make it miserably fail.

As a matter of fact, many of us had hoped for an organization much stronger than this. I am not one of those frightened by what some call a "superstate." There are different degrees of a superstate. I am not so very strong for the right of withdrawal. My grandfathers fought a foolish war about withdrawing from the Federal Union. I am willing we should take our lot as a Nation with the other nations of the world, and I would have been far better satisfied if the right of withdrawal had not been recognized. We should have taken it for better or for worse, and made it better. There is plenty of power in the Charter itself to wreck it. That is why it is so important as to how unqualifiedly we resolve in our hearts, when we ratify the Charter, to support it, to back it up, in the days ahead.

Of course, there are still some who embrace a new doctrine of isolation. It used to be military isolation. I know some who tried to get the Congress and the country to adopt resolutions which would not have permitted even our Navy to leave the waters of the Western Hemisphere to defend America. They would not have permitted us to anticipate a German assault upon Bermuda, so erroneous were they in their conception of where were the real places of military danger to us.

Public opinion has completely embraced the doctrine of collaboration with other nations in political and military matters to keep our peace, but there is a new doctrine against which we are going to have to keep on guard, equally dangerous in its significance, namely, the doctrine of economic isolation. There are still some who do not see any relationship between the San Francisco Charter and Bretton Woods, or any other of these organizations which we set up to collaborate with other nations of the world economically.

Mr. President, it is a simple thing to see that we cannot have political collaboration unless we have a sound economic collaboration as a basic policy for this country. It is just as foolish to come along and say that we will not let another nation have a billion dollars, or two billion dollars, or three or four or five or six billion dollars, to say we cannot afford it, as it was on the part of some, years ago, to say that we could not afford to build a Navy and an Army and an air force adequate to defend this country; just as foolish as it would be to say that we cannot afford the military expense of supporting our part of the forces committed to an international organization to keep peace and stop aggression in the world.

No one would favor our wasting any money, throwing any money away, not making the most accurate and careful estimates respecting its expenditure. The able junior Senator from Virginia [Mr. BYRD] has rendered magnificent service to the country by scrutinizing the expenditure of money. There is no one but applauds that principle. But when an expenditure is worthy, it is sometimes an economy to spend and not to save. If the economy of Europe shall collapse after the war, our economy will probably collapse with it. If Europeans cannot buy from us, if they do not constitute a stable financial economy, they will not constitute a stable political economy.

I shall not refer to that in detail, except to say that many of us in the Senate saw the wreckage of economic chaos in Germany after the last war, which produced Hitler, and there is a danger today in many of the nations of Europe that if we do not support the struggling democracies trying to come into being there, someone may rise as a dictator and establish a totalitarian state upon the wreckage of the economies of those countries.

So, Mr. President, America's leadership must not only include our having a part in political collaboration, but we must also have a great part in economic collaboration with the other nations of the world. It is all a part of the same pattern.

I know the country applauds the accomplishments of this Congress, of which we have the honor to be a part. Just look at what we have done already in this Congress, the economic agreements with other nations we have entered into by large majorities, finally crowned with the climax of this great charter, which, I am sure, within a short time will go forth from the Senate of the United States.

Mr. President, I derive great satisfaction as I look out, not only over the span of past centuries, to see how this germ of international organization has grown from the prayers and prophecies of Isaiah and Micah to the great Charter we have before us today. It seems to me that what I see of the various nations of the world and the various political systems of the world indicates that mankind is coming more and more intimately into the great human family, which offers hope for collaboration among all peoples of the world.

Just gaze upon what has happened in this country, the sparsely settled areas of the Atlantic seaboard just a few hundred years ago, and now this great continent, this great country of 140,000,000 people, with all the power we possess, one language, one law, one culture, one general tradition, one point of view, one flag, one great Nation under God that has been put together from all these little sparsely settled communities which used to make the United States of America.

Look at Russia, with all the various languages, all the various racial groups, all the provinces, all the dialects, all the unities, in that great country six or eight or nine thousand miles long, under one government today, under one flag, in the sense that it constitutes essentially a political entity, fighting mightily together and victoriously together, sitting together at conferences in world collaboration. Just think of it being one country, moving as one unit, all the way from western Russia to the Pacific Ocean, and from the Arctic Circle to the Persian Gulf and the Black Sea. Think of the significance that has to world unity.

Look at what China is going through. It has not yet succeeded. We do not know how long it is going to be before the Chinese achieve the essential unity of which we think in a nation. Yet look at what vast strides they have made. I am told that in China there is not a word for "society." They have not thought in terms of unity, as we do. Yet every one knows that China is a giant that is awakening and coming into vitality, and we are going to help it. It is one of the principal powers signatory to this great charter, with a new dignity, with world power—that ancient, divided, disunited China coming into a new unity.

Someone says, "That is all very obvious, but all those are contiguous land areas. That is simple. It is true that people who live together become a sort of an entity." What about the British commonwealth of nations—England, South Africa, Canada, New Zealand, Australia,

with oceans dividing them geographically, yet who has any doubt of their essential material and spiritual unity? We all know that really those countries did not have to declare war. Canada was a week behind Britain in declaring war. Yet there is something which has pulled them together, something we cannot see with our eyes, but it is real, stronger than hoops of steel. So we have all those organizations.

Look at the great Pan American Union of ours. We come from many lands, we have many languages, we are separated by vast distances, yet what marvelous unanimity we have attained, to which able Senators, some of whom are on the floor of the Senate today, have so much contributed, in the great act of Chapultepec, in drawing which there was harmony and unity among the nations of all the Western Hemisphere, except Canada, and undoubtedly she moves generally in the same orbit.

Mr. President, what does that mean? To me it means that nations represent the growing unity of peoples. Until this Charter was presented, however, all these were separate and distinct entities. There was no law across the border that amounted to anything. Now we have built the superstructure upon the edifice of the great nations and peoples of the earth. This is the arch that binds it and makes it a single entity. So today, as the able Senator from Georgia and the able Senator from Vermont have pointed out, we have a legal entity; this United Nations Organization is a legal entity. It is something new on earth distinct from its constituent parts. It has been created. It is the house of nations, as it were. It is the United Nations of the world.

Mr. President, I did want to make an observation or two on the technical point about our obligation to supply our part of the effective forces to be under the jurisdiction of the United Nations. I certainly read the statement of Mr. Dulles as did the able Senator from Georgia with the thought that this subsequent agreement contemplated in article 43 to provide our part of these forces could not be consummated except by treaty ratified by the Senate of the United States. I am particularly happy that the Senator from Michigan has clarified the opinion of Mr. Dulles and that it now is clear that Mr. Dulles has not opposed the implementation of this charter by a joint resolution of the Senate and the House of Representatives.

In the first place, I should like to speak of why it is important that we clarify these matters, as other Senators have no doubt said. If the two-thirds rule is to apply to all agreements that we are to make under this San Francisco Charter it has the inevitable effect, Mr. President, of making our collaboration more difficult under this Charter. It means that one Senator who does not believe in collaboration has as many votes as two of us who do. It means that the single opponent has the vote of two proponents. That makes it relatively twice as easy to oppose as it does to approve our collaboration under this Charter.

Mr. President, I feel very strongly that if the United States is going to take a leading and active part in world affairs in the years ahead we have got to modernize our peace-making and peace-keeping machinery. There are certain respects in which I want to suggest that we might do that. One is to recognize that the Congress may act in such matters by a joint resolution without two-thirds of the Senate having to act.

In the first place, the Supreme Court of the United States, in the case of *United States* v. *Curtiss-Wright Corporation* (299 U. S. 318), said this:

> It results that the investment of the Federal Government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution. The powers to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have been vested in the Federal Government as necessary concomitants of nationality. Neither the Constitution nor the laws passed in pursuance of it have any force in foreign territory unless in respect of our citizens.

And so on. Skipping a few lines—

> The power to acquire territory by discovery and occupation, the power to expel undesirable aliens, the power to make such international agreements as do not constitute treaties in the constitutional sense none of which is expressly affirmed by the Constitution, nevertheless, exist as inherently inseparable from the conceptions of nationality. This the Court recognized, and in each of the cases cited found a warrant for its conclusions not in the provisions of the Constitution, but in the law of nations.

So in the first place, Mr. President, our power rests upon the fact that we are the Congress of the United States of America, and that the United States of America is a sovereign nation, and that regardless of the Constitution that sovereignty has the power to exercise the functions and the incidents of sovereignty, and we by virtue of our power to legislate for this sovereignty have the power to authorize certain conduct in our foreign relations and certain relationships with other sovereign nations of the world. So that the Congress possesses that inherent power of the Congress of a sovereign nation under the laws of nations. Those are not my words. They are the words of the Supreme Court of the United States from which I have just read, written in 1936. The author of the opinion is Mr. Justice Sutherland speaking for the Court.

In the second place, Mr. President, we have a certain power by virtue of the fact that we are the Congress under the Constitution granting certain powers to Congress.

Mr. CORDON. Mr. President, did the Senator give the citation of the case from which he just read?

Mr. PEPPER. Yes. It is *United States* v. *Curtiss-Wright Corporation* (299 U. S. 318).

Now, then, what are the powers conferred upon the Congress as a Congress regardless of any treaty at all? Suppose there had not been any treaty, what power does the Congress of the United States have, particularly with respect to the provision of armed force for the defense and the security and the immunity from invasion of the several States of the United States? Of course, we know that one of the very first provisions in the preamble as the reason upon which we form this Union is "to provide for the common defense." That was one of the reasons for the Union—to provide for the common defense. I know that is not a grant of power, but that is a declared objective of the Government of the United States of America.

Then we turn to section 8 of article I and we find an enumeration of certain powers of Congress. They have already been pointed out. I should like to read:

> The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States.

I realize that lawyers and judges and courts have differed as to whether that means that Congress has a grant of constitutional power to provide for the common defense, or whether Congress under that provision merely has the power to collect taxes, duties, imposts, and excises for the common defense. Well, either way. If we have the power to levy taxes for the common defense we have the right to spend the money for the common defense and to use the taxes that we levy in furtherance of the common defense, and obviously we must have had a duty to provide for the common defense or we could not have levied taxes to provide for it. Of course, we know then that also the Congress has power to define and punish piracies and felonies committed on the high seas and offenses against the law of nations.

Mr. President, in an opinion which appeared in the New York Times of November 5, 1944, signed by John W. Davis, W. W. Grant, Philip C. Jessup, George Rublee, James T. Shotwell, and Quincy Wright, all of them eminent lawyers, the statement is made:

> Congress may provide for the extraterritorial use of force in future contingencies under its powers to punish piracies and offenses against the law of nations.

Citing *United States* v. *Arizona* (120 U. S. 479, 483).

So in the opinion of those eminent lawyers, under that provision of the Constitution we have the power to send troops outside the United States under the power to define and punish piracies and felonies committed on the high seas, and offenses against the law of nations. It would be a strange thing if Thomas Jefferson, as President, had the power to send troops to stop the piracies upon our commerce by the tyrants of Tripoli, and yet Congress had not the power to authorize him to do so, since Congress has the power and duty to regulate the commerce of the United States, and the power and duty to provide for the common defense.

What about the power to declare war? We have already seen that there is, of course, a distinction between providing a police force subject to the command of the United Nations, a limited force—not the whole force of all our people, which

we have committed to this war in the declaration of war which we passed, but a limited force set aside or dedicated, as the able Senator from Colorado pointed out yesterday, to the use of this international organization to keep peace in the world and to protect us from invasion and war—and on the other hand, the whole force of all our people. Incidentally, while I am speaking on the subject, as every Senator knows, of course the Council delegate would not have the power to declare war. Neither does the President, nor the Secretary of State, who may, and perhaps should, sit on the Council as the representative of the United States. When the limited force which is committed and dedicated to the world organization is not enough, and when the whole force and strength of the United States is required, of course there is only one body which can make that force available through a resolution of war, and that is the Congress of the United States.

Congress also has authority to raise and support armies. The Constitution does not say armies which are stationed on the east coast, the west coast, around the Great Lakes, on the Gulf, or in the interior. It says armies—armies of the United States. We have just as much right to support an army in Europe as in America. Wherever it is defending American interests, it is an American Army. Of course, the Congress has the power to support it.

With regard to the power to provide and maintain a Navy, it is very interesting to me that some persons seem to think that we can send our Navy anywhere, but we cannot send armed soldiers outside the Western Hemisphere. Yet they are all a part of the armed forces of the United States. One would make himself ridiculous if he should contend that we could not send the American Navy outside the 3-mile limit. Who would dare say that we cannot send the American Navy to stop a potential aggressor anywhere in the world? Yet what is the difference between the American Navy and the American Army? We have power to provide and maintain a Navy for use anywhere it may properly be sent to protect American interests.

The Congress also has power to make rules for the government and regulation of the land and naval forces.

In that same section 8 are the words of the coefficient clause. We not only have power to do all those things, expressly delegated to us, but we have power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers."

There is another provision to which I wish to call attention, and which I have not heard mentioned in this debate. I refer to article IV, section 4:

> The United States shall guarantee to every State in this Union a republican form of government—

Listen to these words—

> and shall protect each of them against invasion.

That is a duty which is mandatory upon the Government of the United States. Taking the words which impose that duty upon the Government of the United States and vesting that power in the Government of the United States, let me go back again to the coefficient clause in section 8 of article I of the Constitution. Not only does Congress have the power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers," but "all other powers vested by this Constitution in the Government of the United States or in any department or officer thereof."

In other words, Congress has the power to provide all that may be necessary for the Federal Government to discharge its obligation to guarantee every State against invasion. Mr. President, how could we better aid our Government in protecting our States against invasion than by providing police forces, associated with the forces of other nations, to stop aggression wherever it starts? The Constitution does not say that we must wait until the enemy reaches our coast, or that the Federal Government may not start protecting our States against invasion until the enemy is on our shores. It leaves it up to the Congress and the President to decide where it is necessary to use our forces in order to discharge the obligation to protect every American State against invasion.

All we are doing is putting those forces between the enemy and ourselves, to protect our American States from invasion. That is a power expressly conferred upon the Congress in the Constituition of the United States, without regard to any treaty. Of course, it has already been pointed out that the executive power, which is provided for in article II, section 1, "shall be vested in a President of the United States of America." What does that mean? When we say "executive power" we know that the executive power is the power of the Commander in Chief, whose duty it is to defend the country against its enemies, domestic and foreign.

We also know, Mr. President, as was attested by this able delegation of lawyers whom I mentioned, that even in the absence of such explicit provision, the President is responsible for seeing that the laws are executed. Under the Constitution a treaty is made the supreme law of the land. As Senators have pointed out, the President acts in the execution of a treaty just as he acts in the execution of a law. Therefore, the President himself has the power to use our forces to execute our laws and our treaties. That is the function of a department of government for which we have authority to provide, in the last paragraph of section 8 of article I of the Constitution.

Someone may say, "Well, that might be true theoretically." I should like to cite a very interesting case in which we have exercised that power. I have before me an article entitled "The Membership of the United States in the International Labor Organization," written by Manly O. Hudson, Bemis professor of international law at the Harvard Law School and a member of the International Court. I also have before me the resolution which Congress passed, by which we became a member of the International Labor Organization, for which there was no predicate in any treaty. We took that action as the Congress of the United States. On June 19, 1934, the President approved a joint resolution of Congress which read as follows:

> Joint resolution providing for membership of the United States in the International Labor Organization.

Mind you, the International Labor Organization was a part of the organization of the League of Nations, comparable to the way in which the Security Council is a member of the organization which is now being set up as the United Nations. We were joining the International Labor Organization, a part of the League of Nations, on June 19, 1934, by a joint resolution of Congress. I read the joint resolution:

> Whereas progress toward the solution of the problems of international competition and industry can be made through international action concerning the welfare of wage earners—

And so forth. I shall not read all the "whereas" clauses.

> *Be it resolved, by the Senate and House of Representatives of the United States in Congress assembled*, That the President is hereby authorized to accept membership for the Government of the United States of America in the International Labor Organization, which, through its general conference of representatives of its members and through its international labor office, collects information concerning labor throughout the world and prepares international conventions for the consideration of member governments with a view to improving conditions of labor.
>
> 2. That in accepting such membership the President shall assume, on behalf of the United States, no obligation under the Covenant of the League of Nations.

We limited it only, of course to the International Labor Organization.

That is the resolution. I read now from the American Journal of International Law, volume 28, page 670:

> At the time of the adoption of this resolution, the International Labor Conference was holding its eighteenth session in Geneva, and American delegates were attending the Conference in the role of observers. On June 22, 1934, the American Consul in Geneva communicated the text of the resolution to the Director of the International Labor Office, with a suggestion that it might be made known to the Conference. The Director promptly acted on this suggestion, and the communication was warmly received by the Conference, which on June 22, 1934, unanimously voted to extend an invitation to the United States as follows.

Then the International Labor Organization extended an invitation to the United States to become a member of that Organization.

I continue to read, now on page 671:

> This invitation was communicated to the Government of the United States, and it was accepted on August 20, 1934, by a letter addressed by the consul in Geneva to the Director of the International Labor Office, reading as follows:

This is an interesting informality:

> In your letter to me of June 22, 1934, you advised that the International Labor Conference had unanimously adopted a resolution inviting the Government of the United States of America to accept membership in the International Labor Organization and there was transmitted with your letter a copy of the resolution, which in extending the

invitation states "that such acceptance involves only those rights and obligations provided for in the constitution of the Organization and shall not involve any obligations under the Covenant of the League of Nations."

I am now writing to say that, exercising the authority conferred on him by a joint resolution of the Congress of the United States approved June 19, 1934, the President of the United States accepts the invitation heretofore indicated, such acceptance to be effected on August 20, 1934, and, of course, subject to understandings expressed in the Conference resolution, and has directed me to inform you accordingly.

Mr. President, it is interesting that the way we got into the International Labor Organization was by having Congress pass a resolution authorizing the President to accept membership. That fact was communicated to the International Labor Organization. It drew up a resolution inviting us to join; and then the American consul in Geneva, acting for the President, notified the International Labor Organization that we accepted membership in the Organization. Someone asked, "That did not mean anything, did it?" It is pointed out here—I am now reading from the American Journal of International Law, page 484, volume 29:

It may be observed in passing that under the provisions of the constitution of the International Labor Organization (part XIII of the Treaty of Versailles), by which the United States is now bound as a consequence of the acceptance of membership in the organization, it will be obliged to submit to the compulsory jurisdiction of the Permanent Court of International Justice in certain cases and may be brought before the court at the instance of another member for failure to submit the draft conventions and recommendations of the International Labor Conference to the competent authority or authorities. Furthermore, the United States may be brought before the court on the charge of failure to comply with the terms of any international labor conventions to which it is a party. (See especially articles 415, 417, 418, and 423.) It thus happens that while the Senate refused to give, by a two-thirds vote, its advice and consent to the resolution of adherence to the court protocols which would not have given the court any jurisdiction over the United States without its consent, it voted unanimously to make the United States a member of the International Labor Organization under which it will be subject to the compulsory jurisdiction of the court in certain cases.

Mr. President, I think that is a matter of some weight and of some bearing upon this subject. The Senate of the United States had refused to give its consent to our becoming a member of the Court of International Justice or becoming subject to its jurisdiction. Yet by joint resolution, without any treaty, we did subject ourselves to compulsory process from that Court of International Justice. That, Mr. President, simply shows how great is the power of Congress, without any treaty as a predicate, acting in pursuance of its own authority, to authorize our President to commit us to certain obligations and relationships with other nations of the world.

Mr. MILLIKIN. Mr. President, will the Senator yield to me for a moment, please?

Mr. PEPPER. I gladly yield.

Mr. MILLIKIN. I was diverted at the beginning of the point the Senator is now making. I should like to inquire whether he announced the point.

Mr. PEPPER. The point I am trying to make is that without any treaty or specific constitutional predicate for it, but by virtue of the fact that it is the Congress of the United States which, under the law of nations, is a sovereign power, the Congress has certain powers with respect to authorizing this country to enter into certain obligations and relationships with other countries of the world.

In the second place, under specific grants of power conferred upon the Congress by the Constitution, the Congress has authority to authorize this Nation to incur certain obligations and enter into certain relationships with other nations of the world.

I was trying to give illustrations of the exercise of those powers by the Congress.

Mr. MILLIKIN. I was following with great interest the development of the limit, but I wished to be sure I understood the theme.

Mr. PEPPER. I thank the Senator very much for his interrogation.

Mr. MILLIKIN. Will the Senator further yield? I should like to ask one more question.

Mr. PEPPER. I yield.

Mr. MILLIKIN. The Senator is not contending, is he, that the special agreement or agreements referred to in article 43 could be authorized by any source other than the Congress, or other than by treaty?

Mr. PEPPER. None whatever—that is, does the Senator mean by the Executive alone?

Mr. MILLIKIN. Specifically by the Executive alone, is what I mean. The Senator does not contend that the Executive alone could authorize or execute such agreements, does he?

Mr. PEPPER. Undoubtedly there are instances in which the Executive might, if he willed to do so, use our forces extraterritorially in collaboration with those of other nations, as was done in the Boxer Rebellion, for example. But he could not make a binding commitment of this country to do so, one that would be binding on the full faith and credit of Congress. And, I will say to the able Senator, that so far no one has attempted to suggest that the President, without the concurrence of the Congress, either by treaty or by joint resolution, would enter into commitments, under this charter, for us to furnish certain forces to the International Organization.

Mr. MILLIKIN. The Senator would not interpret article 43 as authorizing the President to do that; would he?

Mr. PEPPER. No. I do not do that.

Mr. MILLIKIN. I thank the Senator very much.

Mr. PEPPER. I thank the Senator for his inquiry.

Mr. President, I should also like to refer to some other instances in which Congress, without any treaty, has also brought this Nation into relationship with other nations in connection with certain obligations, particularly the obligation to discharge a certain international function.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. PEPPER. I yield to the Senator from Utah.

Mr. MURDOCK. In line with the question asked by the Senator from Colorado, the Charter does contemplate, does it not, however, that the negotiations in connection with the special agreements will be carried on by the President of the United States or the State Department, or both, as represent the executive department of the Government?

Mr. PEPPER. As a matter of fact, I would cite as confirmation of what the able junior Senator from Utah has just said the following words of Jefferson:

The transaction of busines with foreign nations is executive altogether.

In fact, Mr. President, the Senators know that foreign nations have no right to take cognizance of what we do by virtue of a resolution here. That has been definitely decided by the courts, as the able Senators know; and the only authority that can represent us in negotiations and in carrying on our relationships with other countries is the President or his duly accredited representative.

Mr. MILLIKIN. Mr. President, will the Senator further yield to me?

Mr. PEPPER. I yield.

Mr. MILLIKIN. I believe the Curtiss-Wright case, to which the Senator has already referred has some very strong statements to the same effect.

Mr. PEPPER. Yes. I thank the Senator for referring to the Curtiss-Wright case.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. WILEY. I want to make sure that I received the correct interpretation of the distinguished Senator from Florida. I assume that he had reference to article 43 of chapter VII of the Charter. The language there provides that—

All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

I understood the Senator to say that the purpose of the words "special agreement or agreements" could be effectuated only by a joint resolution or treaty pursuant to the language to which I have referred. Am I correct?

Mr. PEPPER. The language could become effective only in that way.

Mr. WILEY. In other words, there could not be any such thing as an executive agreement to fulfill our obligations under this language.

Mr. PEPPER. No; I think it is clear in the mind of every Senator that the agreement by which we commit ourselves to hold available certain air forces, and other armed forces, is one which must have the sanction of the Congress of the United States, either through a treaty or a joint resolution. My opinion is, of course, that the joint resolution is not only preferable but far more in ac-

cord with our system. Inasmuch as this obligation requires an action of both Houses of Congress in order to bring about its fulfillment, it is an obligation which should be expressed by both Houses. That being done, we will never be confronted by the embarrassing question which arose even in Washington's administration. I refer to the question of whether the House of Representatives would support a treaty which had been made. As the Senator from Wisconsin knows, there were many cases during the history of this country in which the House was very reluctant to discharge its part of a treaty obligation which had been incurred by this country. The agreement will require the expenditure of money and the commitment of certain armed force. It is certainly more in harmony with the fact that the House is the concurrent body of the Congress, the one closest to the people, that it should be a party to the original commitment to the discharge of those powers to which I have referred.

Mr. WILEY. I thank the Senator. I think he has made the point very plain. I feel that his assurance will add strength to the interpretation which has been given when the matter comes up in subsequent years or months.

Mr. PEPPER. The Senator, of course, now understands that we are talking about the obligation to provide air forces and other armed forces under article 43. We are not talking about the authority of the delegate, our representative on the Security Council, or about how the United States of America should express itself in Council decisions.

Mr. WILEY. My question related definitely to article 43 of chapter VII of the charter.

Mr. PEPPER. That is correct.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MURDOCK. I am very reluctant to ask the Senator the question which I have in mind, because I fear that I may anticipate the statements which the Senator may make.

It seems to me that all the argument which we have heard with reference to how the special agreements will be ratified, that is, whether they will be ratified by joint decision or ratified under the treaty-making powers of the Senate to advise and consent is largely beside the point, for the reason that of necessity the negotiations must be carried on through the executive department. Am I correct in that statement?

Mr. PEPPER. The Senator is correct.

Mr. MURDOCK. Then certainly the President of the United States is in control, is he not, of the method by which the special agreement or agreements will be submitted to the Congress? Does not the President have the election of whether or not the special agreement or agreements will be submitted to the Congress for action by joint resolution or under the treaty making power?

Mr. PEPPER. The President has such a choice. I believe I may say, however, in order to answer the question fully and speak my own mind, that if it were the sentiment of the Senate that an instrument which had been submitted to the Senate as a joint resolution could be only a treaty, then under our oath to support and protect the Constitution it would be our duty to vote against the treaty on procedural grounds, as it were, and not agree to it.

Mr. MURDOCK. I agree thoroughly with the Senator.

Mr. PEPPER. But assuming that we admit here in the Senate that this matter may be handled by either a treaty or a joint resolution, and we let that fact be made clear to everyone, it is up to the Executive, as the able Senator has already anticipated, to negotiate the kind of agreement which he would like to submit, either in the form of a treaty or an agreement which would require only the concurrence of both Houses of the Congress through a joint resolution.

Mr. MURDOCK. Having done that, does not the President have at least the further power of choosing the means by which he asks for ratification? After the President submits the agreement, let us say to the Congress instead of to the Senate as a treaty, and says in effect, "I request approval by joint resolution," then certainly the Senate has the power under the Constitution to say whether or not in its opinion the instrument should be submitted as a treaty, or in a form which must be handled through a joint resolution.

Mr. PEPPER. The Senator is absolutely correct.

Mr. President, I have already given an example of the adherence of the United States to the International Labor Organization as a case in point wherein the Congress had authorized this country to enter that organization and assume its obligations without any treaty as a predicate.

I quote from a statement to the Honorable WARREN R. AUSTIN, the able Senator from Vermont, by Dean Acheson, Assistant Secretary of State, dated March 15, 1945, and placed in the RECORD as a part of the report of the Committee on Foreign Relations in respect to the membership of the United States in the Food and Agriculture Organization of the United Nations. I now read a part of Mr. Acheson's letter, which may be found on page 20 of the report:

> The adoption by the Congress of a joint resolution authorizing the President to accept membership for the United States and authorizing appropriations for this country's share in the Organization's expenses, would be in accordance with long-standing constitutional practice. Actions by the Congress extending over a period of nearly 75 years provide many direct precedents for this course.
>
> The United States joined the Universal Postal Union by virtue of the authority granted by an act of 1872 (17 Stat. 283). An act of Congress in 1890 approved this country's membership in the Pan American Union, then known as the Commerce Bureau of the American Republics (626 Stat. 275); an act of Congress in 1921 approved our membership in the international Hydrographic Bureau (41 Stat. 1215); joint resolutions in 1924 and 1928 approved our membership in the International Statistical Bureau (43 Stat. 112), the Permanent Association of International Road Congresses (44 Stat. 112), and the International Institute for the Protection of Childhood (45 Stat. 487). More recently, in 1934, a joint resolution authorized acceptance of membership in the International Labor Organization (48 Stat. 1182). And last year our participation in the United Nations Relief and Rehabilitation Administration was also authorized by joint resolution (Public Law 267, 78th Cong., 2d sess.).

In addition to that, since the UNRRA agreement, which we entered into by joint resolution, we have entered into the Bretton Woods agreements, and the Food and Agriculture agreement, with many other nations of the world.

It seems, therefore, Mr. President, that there is no doubt whatever about the authority of the Congress to authorize agreements, regardless of a treaty, for the United States to participate in keeping the peace and preserving the security of the United States.

I should like to summarize what I think to be the general law on this subject by referring to an article called The United States and International Agreements, by Prof. Quincy Wright, of the University of Chicago, reprinted from the American Journal of International Law, volume 38, No. 2, July 1944. I think this is a good summary, perhaps, of the law on the subject. I read from page 345:

> It has been contended that the constitutional authority to make international agreements depends on the subject matter of the agreement. Within a certain field, it is said, the President can make treaties alone, on other matters he can make them with consent of Congress, and on still other matters he can make them only with the consent of two-thirds of the Senate.
>
> It has been suggested that the President alone can make agreements within the scope of his administrative powers derived directly from the Constitution or from congressional authority, within the scope of his military powers derived from his position as Commander in Chief, and within the scope of his diplomatic powers derived from his powers of receiving and sending diplomatic officers and of instructing negotiations. Congress, it is suggested, can authorize agreements within the scope of its legislative powers—

I have referred to various legislative powers affecting this subject which the Congress has—

> and the President and Senate can make international agreements on "any matter which is properly the subject of negotiation with a foreign country."
>
> This theory cannot be called erroneous; it accords with the usual method of constitutional construction which insists that constitutional authority be found to justify action by any agency of the Government. It does not, however, clearly define spheres for the operation of these different methods because the powers of the President, the Congress, and the treaty-making authority overlap to a great extent. Matters within the administrative, military, and diplomatic powers of the President overlap with many of the powers of Congress, and the two together would appear to cover everything which "is properly the subject of negotiation with a foreign country," except possibly certain matters within the reserved powers of the States.
>
> The suggestion made from time to time that Executive agreements are obligations of lesser validity, binding only the President but not Congress, has not been accepted by other States. In international law the State is the unit and is bound as a unit. In practice, treaties and executive agreements have been treated as having the same force in both international law and domestic law; both have been held to supersede State laws, and both can be terminated as far as domestic law is concerned by act of Congress.

I call attention additionally to only these figures cited by Mr. Wright:

From 1789 to 1839 this country entered into 50 treaties with other countries, and 27 agreements; that is, agreements which were not agreed to by two-thirds of the Senate.

From 1839 to 1889 we entered into 215 treaties, and 238 agreements that were not ratified by two-thirds of the Senate.

From 1889 to 1939 we entered into 534 treaties, and 917 agreements not ratified by two-thirds of the Senate. Or there was a total of 799 treaties ratified by two-thirds of the Senate, and 1,182 agreements with other countries not ratified by two-thirds of the Senate.

On that same subject, Mr. President, I should like to cite a very interesting article by David M. Levitan, appearing in the Illinois Law Review, volume 35, No. 4, December 1940.

Now I should like to say a word about another subject.

Mr. MILLIKIN. Mr. President, will the Senator yield before he starts on that?

Mr. PEPPER. I yield.

Mr. MILLIKIN. I should like to suggest, most respectfully, that the Senator's case has its greatest strength when he is interpreting article 43, rather than when he pursues the theme that the Congress could do these things independently of a treaty. The latter involves an enormous field of debate, and I do not believe it is necessary to the Senator's case.

Mr. PEPPER. I am coming to that particular point.

Mr. AIKEN. Mr. President——

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Florida yield to the Senator from Vermont?

Mr. PEPPER. I yield.

Mr. AIKEN. I should like to point out what in my opinion is the danger of leaving article 43 as it is, without having a show-down or interpretation of it at this time.

The Senator will recall that in 1909 the United States and Canada entered into a treaty regarding the boundary waters between the two countries. Article 13 of that treaty reads in this way:

> In all cases where special agreements between the high contracting parties hereto are referred to in the foregoing articles, such agreements are understood and intended to include not only direct agreements between the high contracting parties, but also any mutual agreement between the United States and the Dominion of Canada expressed by concurrent or reciprocal legislation on the part of Congress and the Parliament of the Dominion.

The Senator will recall that even in the face of that explicit language, "concurrent or reciprocal legislation on the part of Congress," certain Members of the Senate questioned the right of the two governments to make an agreement regarding the St. Lawrence River; hearings were held on the matter, and because of the questions raised, any consideration of the subject on its own merits was effectively prevented.

Article 43 of the Charter of the United Nations, which I suppose has been read 20 times already, in paragraph 3 provides:

> The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and members or between the Security Council and groups of members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

If a minority of the Senate could prevent an agreement between two nations by questioning the meaning of "concurrent or reciprocal legislation," they could, if they were so minded, certainly hold up any action between two countries in view of the language of article 43, because "respective constitutional processes" might be interpreted in different ways.

It occurs to me that, in order to be on the safe side, an interpretive amendment should be offered to the resolution approving the United Nations Organization Charter and should be acted upon here and now, before the Charter is ratified, so that in the future a small minority may not be able to nullify the participation of the United States in the United Nations organization, because they most certainly would adopt that method of doing it.

I do not expect there will be many or any votes against the United States participating in the United Nations organization. I should be surprised if there were any. But if the Charter is ratified and approved by the Senate with article 43 undefined in any way, we may be sure that a small minority could effectively block the United States in fulfilling its obligations later.

Mr. PEPPER. Mr. President, the able Senator is absolutely correct, in that if we do not have it clearly understood in this debate that either procedure is possible, so that if the Executive does adopt the procedure of the joint resolution, the claim of invalidity is not going to be made seriously upon this floor, then I think in the interests of discharging our obligations under the treaty, it would be highly desirable to have a reservation. But in view of the fact that we are so anxious, all of us, not to have any single change in the Charter from the excellent form in which it comes to us, and in view of the fact that I think since yesterday afternoon it has been so completely admitted upon this floor that while some might prefer the treaty process, none deny the power of the Congress to take the action by joint resolution, I think the record is so clearly made that the President will, without any question, take cognizance of this debate and the absence of any assertion that a joint resolution is not adequate, and we will adopt either the treaty method or the joint resolution process, as he may prefer.

Mr. AIKEN. Mr. President, I do not pretend to know whether the debate as it will appear in the RECORD will be adequate to deal with the situations which will arise later, but it was my idea that if an interpretation clearly defining the meaning of paragraph 3 of article 43 were offered we could quickly find out who is supporting the United Nations Charter in full sincerity and who is supporting it with his fingers crossed with the intention of nullifying its effect later on.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. CONNALLY. Allow me to suggest to the Senator from Vermont and the Senator from Florida that placing a reservation in the Charter could only serve as a reservation with respect to other nations. This is not a foreign matter. This is a domestic question which we have to settle here. So there would be no value in tying on a reservation and telling Uruguay and Paraguay and other countries in South America or Europe or elsewhere just what we intended to do.

Furthermore, let me suggest that any reservation we might now adopt would not be binding. A future Senate or a future House, when the President submits this matter to the Congress, would be the ones who would have to take the responsibility. So it seems to me that regardless of our views as to whether it ought to be done by joint resolution or by treaty—and I think it could be done either way—regardless of our views, it seems to me that it is unnecessary to determine or to undertake to determine that question now. We will have to determine it when it comes back to us, and no matter how many reservations we might attach to the document now, when it comes back we would be free to wipe them all out and act upon the impulses of the moment or the decisions of the moment. I merely wanted to make that suggestion. So I think it would be unfortunate and unwise to adopt a reservation.

Mr. PEPPER. Does not the able Senator from Texas think that the legislative record we are making here confirms the opinion that has just been expressed by the Senator from Texas that it could be done either way?

Mr. CONNALLY. Yes; I think that is true. It leaves the question open for future consideration when we have to act upon it, and I think that is much more desirable than to spend a large amount of our time trying to determine something which may not be presented to us when the matter comes back to us.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MILLIKIN. I should like to say that I am in complete agreement with the statement of the distinguished senior Senator from Texas that this is a domestic question and that it would be inappropriate to tamper with the Charter to clarify it, either by way of reservation or by way of attempting to get an amendment. The thing I am primarily interested in is that it be clearly understood in the debate that it may be one or the other. It may be by a treaty or it may be by action of Congress, but that it shall not be by executive agreement. As long as that remains clear I do not believe that we need any reservations, which would be superfluous anyhow, because they would have international significance, whereas this is a domestic matter. But if that became unclear, then I think we would have to clear it up—not

with a reservation, but with an interpretative resolution, which I hope will be unnecessary.

Mr. PEPPER. I think the matter is very clear now, Mr. President, with that splendid statement made by the Senator from Colorado and the very excellent statement made by the Senator from Texas, together with the debate of yesterday, and the very fine, magnanimous statement made by the Senator from Michigan about his own opinion as well as his conversations with Mr. Dulles. I think now the record is absolutely clear, and it is up to the Executive to choose either method he prefers in sending it to the Congress, but we all equally agree that the President cannot make a valid commitment about this particular subject without reference to the Congress.

I want to add only this further phase. I have been trying to make the argument that even without the predicate of a treaty upon which we base such commitments for supplying forces as this charter contemplates, Congress would have the power to authorize the President to do it, first, because we are the Congress of a sovereign under the law of nations, and, second, because we have certain powers under the Constitution of the United States.

The third and, as the able Senator from Colorado pointed out, the easiest ground is that this Charter is a treaty. We are ratifying this Charter by two-thirds vote, not by joint resolution. It is a treaty, and in this treaty, as every Senator who has spoken on the subject has pointed out, we have committed ourselves to supply these forces that may be agreed upon later, that may be determined in detail later. Now then, with that predicate, with the predicate of a treaty ratified by two-thirds of the Senate, surely no one would say that of necessity the carrying out of the treaty has to be by two-thirds vote and could not be by joint resolution.

Mr. MILLIKIN. Mr. President, will the Senator be good enough to yield once more?

Mr. PEPPER. Yes.

Mr. MILLIKIN. I was trying to suggest that it is best that the supplemental action of one or the other types that we have mentioned should, as the Senator has pointed out, use the treaty as a predicate. When the Senator gets away from that and tries to base it on the alleged inherent right of Congress, of both Houses of Congress, to touch the same subject matter, then I most respectfully suggest to the Senator that he is getting into a highly debatable field.

If I may add a personal note, I have researched the thing myself. I know how debatable it is. I suggest to the Senator that it is not necessary to his case.

Mr. PEPPER. Very well. The Senator is undoubtedly correct, that there surely can be no dispute in the third category. But I believe the authority of Congress in this matter is also clear under the other two categories I have listed. We might disagree about conclusions, but I do feel clearly that there is a field where the authority of the Congress to act by joint resolution in authorizing the Executive to establish certain relationships with other countries and the treaty-making power overlap, and the Executive may resort to either, and he may act when authorized by either power.

Mr. President, as we all know, the case which is the clearest case on this point of Congress having power to implement a treaty which we have just been discussing is Missouri against Holland, decided in October of 1919 by the United States Supreme Court, and in which Mr. Justice Holmes delivered the opinion of the Court. In that opinion he used these words:

> If the treaty is valid there can be no dispute about the validity of the statute under article 1, section 8, as a necessary and proper means to execute the powers of the Government.

As we lawyers all know, there was a case where the predicate of the treaty gave the Congress power to regulate the killing of migratory birds in the several States of the country, which it could not otherwise have effected had the treaty not been in existence as the predicate. In other words, by the existence of a treaty Congress had conferred upon it a power which it did not otherwise possess. So even if we do not have power under the Constitution to supply these forces contemplated by article 43, yet if our Government in the proper way, through the President negotiating it and the Senate ratifying it by two-thirds, by entering into a treaty made a commitment for us to do this thing, we would have the power to do it. So of course there would be no question that we have the power by simple act or resolution to provide for the common defense, to protect the States of the Nation against invasion and, under the coefficient clause of the Constitution, to do all things necessary and proper to carry out our treaty obligations.

Mr. President, I want to add just another point or two. The Senate has been very kind in listening to me. Now that we agree that the United States has stepped into a new role in world affairs, now that we have agreed that the joint resolution may be a method by which we may implement our international obligations, I respectfully wish to lay before the Senate the suggestion that we ought to eliminate this doubt about whether the discharge of our international obligations will have to be by treaty or by joint resolution. Whatever may have been the original situation when the Constitution was adopted, the relative position of the House and of the Senate today, and the necessity of our making instantaneous or prompt decisions about international affairs, needing the concurrence not only of both Houses of Congress but of the country, require that we clarify that question, and in one way or another, under the Constitution, provide that both Houses of Congress, by majority vote, in any case may authorize the President to enter into international commitments for this country.

As the Senate knows, the House of Representatives has already taken the lead on this subject. A little while ago the House passed a joint resolution calling for a constitutional amendment to provide that hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress, provided that a majority of the total membership of both Houses concur. As the joint resolution was reported from the House Committee on the Judiciary—and incidentally it was authored by the able Representative from Texas, Mr. HATTON SUMNERS, chairman of the House Judiciary Committee—it reads:

> Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress.

It was modified in the House in April or early May, and now provides:

> Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress.

And in appropriate words, there is a proviso providing that a majority of the total membership of both Houses shall concur.

I am not optimistic today as to the action the Senate will take on the joint resolution. I suspect—indeed, I fear—that the statements which have emanated from the Senate Committee on the Judiciary and from certain able Senators rather foredoom the joint resolution to defeat in the Senate, very much to my regret. I believe that if we are to step out on the stage of world affairs we must modernize our peace-making and peace-keeping machinery. One way to modernize it is to eliminate the two-thirds rule respecting treaties. It is not right for two Senators to have their votes for the maintenance of world peace negatived by the vote of a single Senator of equal dignity, rank, and status in this honorable body. It is not right for 17 Senators to have the power to defeat the peace of the world. It is not right for a minority of this body not only to defeat the will of the majority of the people of the country, but the will of the majority of the House of Representatives, and the overwhelming will of the majority of the Senate itself. That is not democracy in modern affairs.

Mr. President, we know of a great many instances in which treaties have been defeated because the necessary two-thirds vote in the Senate could not be obtained. Without going into the annals of the past, but thinking only about the future, the agreement contemplated by this Charter is not the only one which we shall be called upon to make. From now on Members of the Senate will be attending international conferences. And let me divert a moment. I cannot praise too highly the procedure carried out by President Roosevelt in sending a bipartisan delegation to San Francisco and to Chapultepec. I think it could not have been better. It is a procedure which I hope every subsequent President will pursue. This is not the country of the Democrats or the Republicans. Neither Democrats nor Republicans exclusively fight a war. This, thank God, is America. It is the country of all of us.

As President Roosevelt pointed out in his letter to me on the 9th of April:

> What is needed is the removal of the political point of view on the part of some

Presidents and many Senators. There are altogether too many instances throughout our history—some of them, even recent ones, completely unnecessary.

That means, of course, that just as these able Senators have done, other Senators and other Members of the House will go to great international conferences, not as Republicans, not as Democrats, but as patriots. I believe that a marvelous thing has been done in the way both parties have assumed the obligations of citizens and Americans in the discharge of their respective duties in international affairs in recent months. As we all know, there are two ways to amend the Federal Constitution and do away with the two-thirds rule relating to treaties. One is by having the Congress, by a two-thirds vote in both Houses, submit to the States for ratification an amendment to the Constitution. The House has already passed such a measure. I am not sanguine enough to hope or believe that the Senate will do likewise.

Does that mean that we must keep the two-thirds rule and that forever one Senator who opposes peace shall have the power of two Senators who favor it? I do not believe so. What is the alternative method? Under article V of the Constitution of the United States, two-thirds of the States have the right to initiate a proposed amendment to the Constitution of the United States by asking the Congress, through legislative resolution, to call a constitutional convention for the purpose of proposing amendments to the Federal Constitution. I hope I will be forgiven for the pride which I have in the fact that the following resolution, passed by the Legislature of Florida, is the first such resolution to be passed by the legislature of any State. It is entitled "Senate Joint Resolution" and reads as follows:

JOINT RESOLUTION OF THE LEGISLATURE OF THE STATE OF FLORIDA IN REGULAR SESSION ASSEMBLED, A. D. 1945, APPLYING TO THE CONGRESS OF THE UNITED STATES TO CALL A CONSTITUTIONAL CONVENTION TO PROPOSE AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES RELATING TO THE MAKING OF TREATIES

Be it resolved by the Legislature of the State of Florida:

SECTION 1. That in accordance with article V of the Constitution of the United States of America the Legislature of the State of Florida does hereby make application to the Congress of the United States to call a Constitutional Convention for proposing an amendment to the Constitution of the United States by adding thereto an article providing substantially as follows:

"ARTICLE —

"Hereafter treaties shall be made by the President by and with the advice and consent of both Houses of the Congress."

SEC. 2. That a duly authenticated copy of this resolution be transmitted by the secretary of state of the State of Florida to the President pro tempore of the United States Senate, and to the Speaker of the House of Representatives of the United States.

I am proud to say that subsequent to the enactment of that resolution the Legislature of the State of Connecticut adopted a similar resolution, as did the Assembly of the Legislature of California. I do not believe the California Senate agreed to it. But at least two States have now addressed such a petition to the Congress, and the assembly of one other State has adopted a similar measure. I neglected to say that I am sure the Congress has been appealed to by the States of New Hampshire and North Carolina—I am not sure as to the other States—however, three or four States have appealed to the Congress to enact the kind of joint resolution which the House has adopted, that is, for the Congress itself to propose an amendment to the several States.

Mr. President, if we as a Senate ever again defeat the will of the people of this country in respect to treaties, they will take away from us the treaty-making power, and they should do so. The people now have their eyes upon the Senate. They do not want us to make the sacrifice of their sons vain. They do not want us to put politics above patriotism. They do not want us to put prejudice above peace. We are their hope.

We must, to modernize our peace-making and peace-keeping machinery not only abolish the two-thirds rule relating to treaties but we must abolish the power of the filibuster respecting treaties or agreements with other nations.

Mr. President, I submit, therefore, for appropriate reference a resolution. In substance it provides for a cloture rule respecting treaties and agreements with other nations, or a motion to take up a treaty or agreement with other nations when 16 Senators file a petition for cloture, and the majority of the Senators agree to the limitation of debate. I wish to make clear that the resolution relates only to treaties or agreements with other nations, or to motions to take up treaties or agreements with other nations.

The PRESIDING OFFICER. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 159) submitted by Mr. PEPPER, was referred to the Committee on Rules, as follows:

Resolved, That rule XXXVII of the standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"4. If at any time a motion, signed by 16 Senators, to bring to a close the debate upon any pending treaty or agreement between the United States and any other nation or nations or upon any motion to take up any such treaty or agreement is presented to the Senate, the Presiding Officer shall at once state the motion to the Senate, and 1 hour after the Senate meets on the following calendar day but one, he shall lay the motion before the Senate and direct that the Secretary call the roll, and, upon the ascertainment that a quorum is present, the Presiding Officer shall, without debate, submit to the Senate by an aye-and-nay vote the question:

"'Is it the sense of the Senate that the debate shall be brought to a close?'

"And if that question shall be decided in the affirmative by a majority vote of those voting, then said treaty or agreement between the United States and any other nation or nations or the motion to take up such a treaty or agreement shall be the unfinished business to the exclusion of all other business until disposed of.

"Thereafter no Senator shall be entitled to speak in all more than 1 hour on the pending treaty or agreement between the United States and any other nation or nations or such motion to take up such treaty or agreement, the amendments thereto, and motions affecting the same, and it shall be the duty of the Presiding Officer to keep the time of each Senator who speaks. Except by unanimous consent, no amendment shall be in order after the vote to bring the debate to a close, unless the same has been presented and read prior to that time. No dilatory motion, or dilatory amendment, or amendment not germane shall be in order. Points of order, including questions of relevancy, and appeals from the decision of the Presiding Officer, shall be decided without debate.

"After the adoption of this paragraph the provisions of rule XXII relative to closing of debate shall not apply in the case of any treaty or agreement between the United States and any other nation or nations."

Mr. PEPPER. Mr. President, it has been stated that it is propaganda which leads to the feeling of the people about this peace. A Washington newspaper stated this morning that it wondered how much such propaganda had cost. No, Mr. President, it was not propaganda which actuated our two fine Senators at San Francisco. It was not propaganda which actuated all our delegation at San Francisco. It is not propaganda which moves the Senate today to its remarkable unanimity. It is not propaganda. It is the prayers of the people of this country.

It is something else, Mr. President. In World War I, within our own lifetimes, and in which many Senators splendidly participated, the Allies suffered 22,094,000 casualties—a number exceeding the combined populations of New York and Pennsylvania. They were killed, injured, or taken prisoner.

The Central Powers had 15,404,477 casualties. The total casualties in World War I were 37,499,386.

In World War II, occurring within the same generation, the total casualties of all belligerents in the European theater only were 60,000,000. Those figures come from authentic sources. The United States has had in this war over a million casualties, Mr. President.

Mr. President, I will tell you what made the sentiment which supports this Charter when I read an article which I have saved for this occasion for some time. It was written by a man who writes for one of the Miami newspapers. His name is Jack Kofoed. He himself had honorable service in the Army. This is what he said upon a subject which the Senate will recognize:

ALL THAT'S LEFT—PICTURE, MEMORIALS, A CROSS—JACK DIED BEFORE HE EVER LIVED

(By Jack Kofoed)

Casualty lists are merely sad, impersonal lists until the name of a loved one appears on them. Then it wraps up in one line of type all the sadness and futility of life, all the beastly terror of war.

Our boy, Corp. Jack Kofoed, of the United States Marines, was killed at Okinawa. Big 6-foot 3-inch Jack, with his blond hair and blue eyes. Not quite 20 years old. A wife with whom he had spent only a few weeks. A baby he had never seen.

Now he's gone. The fate that rules humanity must have a bitterly cynical sense of humor. Our youngest and finest thrown into the grinding hopper to die or be mutilated. Every city in the world crawling with the useless and unfit, profiteers, slimy black-market operators, playboys. It doesn't augur well for the beautiful postwar world everyone talks about, when it will be shaped by many such as they.

I felt sad when Mr. Roosevelt died. That sadness was intensified when Ernie Pyle was killed, for I had known and admired him.

But it's different now. There is a numbness inside, a sort of unbelieving wonder. Roosevelt had risen to one of the great places of history. Pyle had lived life to the full for 40-odd years. But Jack, like John S. Knight's boy—

John S. Knight is owner of the Miami Herald—

and thousands of others like him, had not even begun to live. All the gay and eventful and successful years were ahead. Now he will never know them.

All that is left are a picture on the living-room wall and a cross on a stinking Pacific island.

The kid went out because he was an idealist. He joined the Marines when he was only 17. "From the halls of Montezuma to the shores of Tripoli." The Marines fought everywhere. They were given the toughest assignments. That's what he asked for. They sent him to a V-12 course at Bucknell. It would last a couple of years and he'd get a commission. After a little while he rebelled. I was with the Eighth Air Force in England. Jack wrote me that he had joined the marines to fight, not to go to school. He "wanted out."

There was no argument I could give him. Wars are won by the men who fight. America has lived because of them. But my heart was cold when I told him that. I had seen two wars. I had seen men die. So Jack transferred to the Sixth Marines, and when the invasion of Okinawa started I knew that was it. All parents who have boys at the front of the front know. There may be no mail for weeks on end, but, so long as the telegram does not come, there is hope—painful, worried hope, but hope just the same.

Then, with that single slip of paper, the world crashes about your ears, as it has crashed about the ears of millions during the past sad 5 years. We may win great victories on land and sea, but to parents like us, whose sons have been the price of those victories, flavor has gone out of the news. We are as stanchly Americans as ever; as determined to do all we can to help, but there is something different.

LORD! WHEN YOU LOOK BACK

That sunny September morning in 1939. Remember Chamberlain's sad and tired voice on the radio announcing that England had declared war on Germany over the invasion of Poland. We didn't know it, but to hundreds of thousands of American parents those words were the death sentences of boys still in grammar and high school. And December 7, 1941, with the holocaust of Pearl Harbor.

I don't want to be maudlin. Life, in its entirety, is more sweat and tears than laughter. Things happen, and if you are to retain sanity, and carry on the business of living, you must accept tragedy as you accept joy. If there is a living God, as the ministers and priests tell us, there will be a reward for Jack's honesty and eagerness and courage. He died as a soldier for his country. We must all die sooner or later, and his was brave and gallant, though it came too soon.

But, why should it be? Why should the peoples of the world still live by the law of claw and fang? I think of Jack, because Jack was ours, but it is as true of every other boy who makes up the millions of the dead. They didn't want mud and cold and danger; the heat of the tropics and endless weariness, bombs and shells and bayonets. All they wanted was a chance to live and love and work. That chance was never given them.

I NEVER SAW HIM IN UNIFORM

Our last meeting was quite casual. Jack was joining the Marines and I drove him to Marion's house—she is the girl who became his wife and the mother of his child. We shook hands and said a few words. There was nothing to indicate that would be the last time I would ever see my son. If there had been, well, I don't know. There was still nothing more to say, not a thing in the world.

All we have now are memories—inconsequential, lovely memories. I remember when I saw him first a few hours after he was born, the first day he went to school; how I'd cuddle him on my lap at night and sing him songs of the last war in a gravelly voice, the night he went, in cap and gown, to get his diploma at Edison.

No, I don't want to be maudlin, but those things come back and fill my heart. He did his duty as he saw it, and now there is nothing left but the picture on the wall and the cross on Okinawa.

Mr. President, we now by adopting this Charter and later faithfully and religiously carrying it out, can keep other noble boys from being pictures on the wall and crosses upon some remote island.

Mr. SALTONSTALL. Mr. President, there are just two points that I should like to emphasize in this discussion. Perhaps they are so clear that they need not be mentioned, but even when things are clear we sometimes forget them. We need to remember them or keep them constantly before us if the ratification of this Charter is to mean anything to us. We are ratifying it and taking this first step toward greater cooperation between nations for their common good. In recent years much thought, study, and effort have been given by God-fearing and peace-loving men to the development of some such charter for the settling of world differences, so that the suffering and the sacrifices of World War II will not be so much in vain and so unproductive of human progress as were the heartaches of World War I.

In working for such a Charter we sometimes lose sight of our objective. That objective for us in the United States, as I see it, is to have a lasting peace which will permit the American people to hold jobs that give a sense of security, to own homes in decent communities, and to give their children a little better education and a little greater opportunity than they themselves have had.

We want a government in which all of us have a hand; a government in which we believe and trust; a government that will help us to obtain these objectives in life; a government which will continue to foster the ideals under which this country was founded and built. Above all, we want a government which respects the rights and privileges of the individual and constantly seeks to attain the underlying American principles of freedom and justice.

We are now taking, in concert with other peace-loving nations, the practical steps needed to put the United Nations Charter into operation. This is not an act of sacrifice on our part, nor is it an act of sentimentality. It is our best means of obtaining security in the future, and of attaining our objective of life in the United States. To make certain of our security we also intend to retain a large navy, a sufficient army and air corps; and to maintain the necessary bases for our armed forces in the Pacific and in the Atlantic. We know such measures are needed to help us retain and maintain our own security.

I respectfully disagree with the distinguished Senator from Montana [Mr. WHEELER] who a few days ago stated that the effort to maintain a large army and a large navy showed that we had no confidence in the Charter. As I see it, we have an optimistic hope that this Charter will provide us ultimately with greater security. But until we are certain of that, we want to maintain a large navy and a substantial army. As our confidence in the Charter grows, we hope and pray that the need for armed forces will grow less. While taking these steps to put the United Nations Charter into operation and to retain sufficient armed forces to insure our security, we must expect other peace-loving nations to feel the same way as do we. England, France, Russia, China, and every other nation, large and small, has its own needs, it own desires, and its ultimate objectives. We must thoroughly understand and realize the strength of these feelings. To make the United Nations Charter worth while there must be a spirit of give and take, not only among the leaders of nations, as is taking place today in Potsdam, but also among the millions of citizens in every country. Each of us must have a larger sense of our part in world affairs. It has been a people's war. It must be a people's peace.

As one who comes from a section of our country which was settled early and which still, in its local government and in its customs, retains traditions of those early days, I sense deeply this growth in the feeling of being better neighbors to other and diverse peoples as the world becomes smaller with better means of communication and faster means of transportation. One result of this smaller world is greater centralization of governmental authority. We have progressed from the town meeting to the colony; from the Continental Congress to the National Government; and now to this Charter creating an organization of nations. Here in the United States each step came from a desire to give greater security to each individual citizen, a security that would result in a greater opportunity to accomplish our objectives in life, namely, more freedom, more liberty, and greater chances for the citizen and his family. With the ratification of this Charter we take another step forward, a perfectly logical step on a path still untrod, but with a beckoning horizon toward which it clearly leads.

But our forward progress can be easily stopped unless we exercise the same qualities that have advanced us thus far. I place highest among these: courage, hard work, conscientiousness, sense of duty, patience, eternal optimism, the will to cooperate with one another, and, finally, the sense of individual responsibility in and for our Government.

Courage and the love of freedom brought our fathers across the Atlantic in small sailboats. Courage, the love of justice, and the rights of the individual have brought men to our shores from that date to the present. Hard work, eternal optimism, the determination to overcome disappointments and the spirit of adventure have built this country into the strongest Nation in the world. That it has become so strong is the result of the efforts of the individuals who have

been filled with this yearning for opportunity, this knowledge that the results of their own hard work would benefit them. Behind it all is their understanding of the need to get along with one another for their common advancement.

This Charter represents a practical step toward greater mutual understanding. In the last few years science has created better communications and faster transportation, and the world has become much smaller. As a result, peoples of different countries step on each other's toes more easily, and get in each other's way more often in competing for better opportunities in the world. Thus we have had wars. Now we seek a long peace. But we also realize that this step for greater cooperation can be easily lost if we do not adopt the right attitude toward it.

We in this country cannot expect other nations to have the same reactions as do we, the same concept of government, the same religious emotions, or the same method of fulfilling desires in life. But that does not mean that we cannot work together to accomplish mutually desirable ends. It does mean that we must exercise those qualities of patience, and those broad and sympathetic understandings that have built our country to its present potentiality. It means that we must never have a "holier than thou" attitude toward our neighbors in other countries. If we and the peoples of other nations have this patience and understanding, we can expect gradually to go forward step by step toward our goal of lasting peace. But in going forward we in the United States must keep always uppermost in our minds the conviction that we are not going to liquidate our own country's security, its form of government, or its method of life. We must never lose sight of that fact, nor, likewise, can we expect other peoples to have any other attitude toward us. Such self-interest is human. We understand it when we have dealings with individuals. We must anticipate it in dealings between nations.

In building our own country we faced discouragements with a smile and a determination to keep everlastingly going ahead. Never did we quit. In this war we have worked hard and have shown our ability to fight and to produce the weapons with which to fight. We have shown temperance toward our neighbors in using our great strength. We have not sought further conquest. When peace comes and we embark on this new effort to better world cooperation we must work equally hard to overcome the problems of peace as we have overcome those of war.

Common sense and the need to work together have overcome all differences with our allies at war. Common sense and the continuing need to work together must overcome all differences with other countries at peace.

The privates and generals of the United Nations armies worked side by side with understanding and mutual cooperation to win this war. The average citizens and leaders of the United States and of other countries must likewise work together to make the peace worth while. Neither generals nor civilian leaders can, by themselves, win a war. Likewise they cannot alone make a peace worth while.

Mr. President, it is with this philosophy and in this spirit that I hope the Senate will ratify this Charter and put it into operation. The stake is the future of our children and grandchildren and the children and grandchildren of the peoples of other countries. The road is charted. Let us go forward on that road unfalteringly but with care, courageously but with prudence, mindful of our own country's welfare but with unfailing understanding of the needs of our neighbors in the world.

Mr. McCLELLAN. Mr. President, the United Nations Charter, recently drafted at San Francisco and signed by the delegates and representatives of 50 nations, and which is now before the United States Senate for ratification, is possibly the most momentous document ever produced by man. This conception of it, I believe, has already met with general and common acceptation. So strong, apparently, does informed public opinion approve of its high objectives and purposes, the fundamentals which it embraces, and the mechanics provided for achieving those objectives that there can hardly be real necessity for debate or argument in this Chamber in support of its ratification. That the Senate will ratify the charter is a foregone conclusion. Obviously, there will be relatively few, if any, votes against it.

So, Mr. President, it is not with any thought of influencing any of my colleagues in their decision, or with the hope of making new friends for the Charter, that I take the time to make these remarks and observations about it. But, Mr. President, as we are about to enter upon this great venture, and since, under our Constitution and form of government, it is the United States Senate that has the final responsibility and decision—the power to accept or reject it on behalf of our Government and to assume the responsibilities the Charter imposes—I believe it the duty of every Senator to express his views and make such comments as he deems appropriate. To me, Mr. President, it is a cherished privilege, and I am happy indeed that I am permitted this opportunity of recording my sentiments and to announce to my colleagues and to everyone that I shall vote for its prompt ratification without amendment or reservation.

I doubt that any of us will ever again have the opportunity of casting a vote on any legislation, issue, or treaty that involves so much to so many, not only to our own people but to all mankind, as is involved in this Charter, which is to serve as the basis—the fundamental law of relationship—between nations in the pursuit and hope of establishing, insofar as it is humanly possible, "peace on earth, good will toward men."

Mr. President, it is the ultimate goal, the sincere hope, and the high purpose of the signatory countries and the peoples they represent, to eliminate and forever remove mankind's worst enemy, the scourge of war, from the face of the earth, and thus attain the fulfillment of one of the highest aspirations of all civilized peoples of the world.

We know from history, and from bloody, horrible experiences of the past, that the fighting and winning of a war—even a world war—does not and cannot, within itself, end wars. We indulged in that false hope during and following World War I. The truth is, war begets war. It engenders bitter, burning hatreds that descend on down to succeeding generations. The spirit of hostility and venegance lives on and grows, and this smoldering force creates a constant disturbance to relationships between races, peoples and nations. It constitutes an ever-present and continuing threat to the security and happiness of human beings and to the peace of the world. The result is that these smoldering fires can easily be fanned and inflamed by tyrannical leadership who seek and see the opportunity for military conquest, self-aggrandizement, and world power, and then another war becomes inevitable.

As never before, Mr. President, it is now recognized by all the freedom-loving peoples throughout the world that the military victory that has just been achieved by the United Nations over the Axis Powers, great as it is, and the imminent victory over Japan, great as it will be, are not, within themselves, sufficient to guarantee and insure future and lasting peace. These military victories, of course, are indispensable and a prerequisite to peace, but they must be implemented by a strong instrumentality—an organization participated in and supported by the moral, spiritual, and physical forces of human society, nationalities and governments; an organization established and so vested with the authority and equipped with facilities for settling disputes among nations by peaceful means of collaboration, negotiation, and arbitration, and with the power as a final and last resort to compel the keeping of the peace and to prevent war, if necessary, by the use of armed force.

Mr. President, after we shall have traveled a long distance down the vista of time, experience and developments may reveal that the adoption of this Charter and the establishing of the General Assembly, the Security Council, the International Court of Justice, and the other agencies created by the Charter, in reality constitutes only a small beginning of what we may later discover necessary to bring about the crystallization into reality of the hopes we now entertain, but it can now be said, and will not be refuted then, that the United Nations Charter represents the maximum in sincere and conscientious effort on the part of 50 nations of the world to recognize, agree upon, and establish the fundamental principles and basis for international relationships in a new world order with united action by a great majority of the nations of the world in the cause of permanent peace.

There may be some few skeptics—some who honestly believe that this Charter may some day turn out to be just another scrap of paper, embodying simply the ex-

pressions of false hope and illusions of an ultimate goal impossible of attainment in the field of human endeavors. But, Mr. President, I do not believe that the reward of the prayers, the hopes and the vision of a bleeding and suffering world that is seeking light and trying to do a righteous thing will simply be a mirage of dangerous and compelling forces leading us on to endless despair and destruction. I have greater faith. I believe that our representatives at the San Francisco Conference and all who took part in the development and drafting of this Charter, as well as the great masses of humanity that are represented by the governments involved, have all been motivated by the same spirit that imbued our forefathers in 1776 when they dared to declare their independence from the tyranny of the Old World and set forth on that great experiment, as expressed in the immortal Declaration of Independence, to establish a new world of freemen with all of the changes and attending blessings it gave promise to achieve. Likewise, we now take this step, Mr. Preseident, in the hope that we can break and rip asunder the chains of war that have shackled and enslaved humanity to the sufferings, sorrows, and sacrifices of blood and life through the centuries past.

We need not boast of perfection, Mr. President. We may readily concede that this document is not perfect. That would be too much to claim for it, and more than anyone could rationally expect of it. It has some flaws in it, no doubt. After all, it is the product of finite minds and was penned by human hands. Maybe some day a better charter can be written, but none better has thus far been produced. There is contained in this Charter the collective wisdom, ingenuity, and statesmanship of the best minds and characters of a great majority of the governments of the world, including all of the major powers, save and except those governments who are now and who have been our enemies in the Second World War.

Mr. President, we dare not procrastinate and unduly delay our entering upon this great enterprise—this highest and noblest of experiments upon which governments and human society have ever engaged or undertaken. The dangers in postponing affirmative action and in waiting and hoping for something better while nothing is done are too great for us and the other peace-loving nations to incur the risk and consequences that might be involved. I believe we can, with absolute safety to, and assurance of, our own national interest, ratify the Charter and join with the other governments that are a party thereto in the launching of this great movement—an organization for the prevention of wars and for the security of nations and the promotion and enhancement of human happiness and society.

Mr. President, the issue of war, of superior military power, has been settled between the United Nations and the Axis Powers with the glorious victory recently achieved in Africa and Europe. The issue of war that still remains—the supremacy of military might between our own country and our allies and that of imperialistic Japan—is being speedily resolved with the results no longer in doubt. Again, and soon, I believe, we shall triumph over the forces of another "would-be" world conqueror.

But, Mr. President, the issue of winning the peace still remains. It has not been resolved, it has not been settled; that objective is yet to be gained. The first step in achieving that goal was taken by the recent Conference at San Francisco in the drafting and production of this great Charter now pending before this body. The issue is now squarely before the United States Senate—it is ratification or rejection of the Charter. There is no alternative; there is no middle ground.

Mr. President, the problem and responsibility of the United States Senate is not that of undertaking to amend this Charter in an effort to improve it but rather to ratify or reject the Charter as it is. The United States Senate, and each Member thereof, must accept the tremendous and final responsibility not only for the course our own Nation shall take but, to a great extent, for the course of events and the destiny of the world for centuries to come. We can meet that responsibility, but we cannot evade it. We can discharge our duty, but we cannot escape it. Righteous judgment awaits us. It has been said, and with strong substantiative proof to support the charge, that the United States Senate committed a tragic error in failing to ratify the League of Nations. If that be true, Mr. President, there has now been given to us again by dispensation of providence, as it were, the opportunity to rectify that mistake and to redeem the respect and prestige of this body in the graces of Almighty God and in the esteem of the world. We cannot, we must not, fail again.

To those who make objections to and point out imperfections in the Charter, I would remind them that ample provisions are made for amendments and revisions to it in the course of time, and as trial and experience prove the necessity therefor. Just as our Federal Constitution has been amended many times since its adoption, so can the United Nations Charter be altered so as to meet the exigencies of changing world conditions in the future.

Mr. President, we are a mighty nation—the greatest country in the world. We are endowed and blessed with abundant natural resources. We are the most highly developed of any other country and have tremendously stronger naval, air, and military power than any other country. Thus, we occupy an eminent position of strength, of power, and of opportunity for world leadership. The eyes of the world are now upon the United States and upon the Senate as this body deliberates and acts on the United Nations Charter.

Fortunately, Mr. President, we are given the opportunity to be the first among nations to ratify the Charter. If we reject it, I do not believe there will be an accepted Charter—there will be no world organization. Without the Charter and a world organization along the lines of that created by this document, there will be no hope of preventing future wars. If we ratify it, we shall reaffirm and enhance our position of leadership among the nations of the world. We shall give renewed hope to all freedom-loving peoples everywhere, because ratification of this Charter by the United States Senate, in my judgment, will lend great impetus to and insure the acceptance and ratification of it by the other leading nations of the world and, I believe, by the governments of all the nations that are now a party to it.

Mr. President, during the past several years many, many measures, some of them of great importance, have been presented to and acted on by the Congress. Not infrequently, measures sponsored by the administration in power have been characterized as "must" legislation. Proposed legislation so characterized simply carried with it what may be termed an expressed demand from the President that the measure be enacted, and every Democratic Member of the Congress was expected to enthusiastically support it. In most such instances, Mr. President, I think those measures were good and necessary. In some few cases, however, I could not agree or consent to their enactment and accordingly voted my own convictions on the merits of the proposals. In the course of debate on those measures, it was often charged that the claimed urgency or compelling necessity for the enactment of such laws stemmed entirely from partisan considerations, from political expediency, from a desire to grasp and acquire and vest greater powers in the Chief Executive and in the administrative branch of the Government, or to appease and favor some strong minority group at the expense of the general welfare and the common good. Whether in any instances those charges were justified or sustained, it is not now my purpose to discuss or pass judgment. The issues projected by those measures have already been settled and disposed of, and I have adverted to them only for the purpose of contrast and by way of drawing attention to and emphasizing those stronger factors, those compelling and irresistible forces which are now present and inescapable in our deliberations and final action on ratification of the pending Charter.

The necessity for ratification of this Charter by the United States Senate rises to the highest degree of "must" and compelling urgency. No other legislative proposal or document in the same constitutional category was ever presented to this body in the history of our Government that compared to this Charter in scope of influence, effect, and consequences on the future of our own country, the destiny of human happiness, and the fate of the world.

The urgency which attends our duty to ratify this Charter stems from no partisan considerations. Our delegates to the San Francisco Convention were not there as Democrats or Republicans, but were serving their country in the capacity and in the role of the best in American statesmanship. The urgency of our duty now is not an administrative "must," in the sense in which this term has been frequently employed in connection with legislation to which I have

referred. This document is not a proposal conceived, initiated, and proposed by the Democratic Party or by the Republican Party, as such. It is far more than that. It transcends all political parties and differences to grasp, embrace, and express the noblest sentiments, desires, and purposes reposed in the very heart and soul of the American people; and, great as that is, Mr. President, it does not stop there, but it includes and represents the profound judgment, wisdom, and statesmanship of the peoples and governments of 50 nations, who are resolved and determined to establish through democratic processes a world order and society equipped with an instrumentality in the nature of an organization capable of preventing wars of world magnitude and insuring the peace and security of all nations, races, and peoples. This objective achieved, Mr. President, will mean the consummation and attainment of the highest hopes and aspirations of a struggling, confused, and suffering humanity.

In the present era civilization has been, and is, on trial. It has been, and still is, being put to the crucial and final test of strength for survival. Our military might has proved adequate to defeat the Axis Powers. We are now in the process of administering to imperialistic Japan the most crushing, destructive, and ignominious defeat ever suffered by any major power in the history of nations. True, she can yet fight, and possibly add tremendously to the price we shall have to pay for final victory, but her doom is fixed. The minimum penalty she must accept is unconditional surrender, and I hope her only other alternative to that, if she persists in continuing and prolonging this war, will be complete destruction and extermination.

We heard through the columns of the press yesterday and today, and over the radio, reports to the effect that peace feelers are being put out by those who are now in power in Japan, by the same ones who ordered the sneak attack at Pearl Harbor, by those who brought on this war. I do not know how sincere they are. I do not know whether they are really yet ready for peace or not. I cannot trust them. I do not know who can. The only kind of a snake we can trust is a dead one. So I do not know whether these efforts are sincere, or whether it is simply a case of the war lords of Japan trying to save their faces.

Mr. President, I am not interested in the face saving business in Japan. What I am interested in is getting the necks of some of those who are responsible for this terrible war and for world conditions of today. I think they have forfeited their right to live, and I want to see the same fate come to them that has already come to, and which now awaits, many of the leaders of the Axis Powers.

Mr. President, I would like to see at the close of the Potsdam Conference now in progress an ultimatum issued by the President of the United States, and by such other governments of our allies as will join in it, to Hirohito and the war lords of Japan that they must "unconditionally surrender" within a given time, say within 30 days, with the hope that Japan may survive as a nation, or, on the failure to do so, that we are resolved to carry on this war to their complete destruction and extermination. There are no grounds for compromise. There can be no hope of an enduring peace so long as powerful governments are ruled by war-mongering dictators and would-be world conquerors they must be dethroned.

Mr. President, I express these sentiments regarding the document now pending for ratification, and also these views with respect to our present military operations and the further prosecution of war against Japan to the conclusion that I have stated, not only in the capacity and position of a United States Senator, but I express and record these opinions and sentiments as an American citizen and as the father of a departed soldier in this war, and the father of a 19-year-old son who is now serving on one of our heavy cruisers now engaged in invading and traversing the waters of Japan and bombarding her forts, her shore installations, her cities, and factories within the range of our naval task force.

Like millions of fathers and mothers who have sons in this conflict, and sons who have already made the supreme sacrifice, I experience the same emotions, I am possessed of the same sorrow and anxieties, I pray the same prayers, I entertain the same burning hope and desire that this war shall not have been fought in vain; that there will be victory, such a victory as will uproot and destroy imperialistic militarism—a victory upon which we can and shall build an enduring peace. Our brave sons have done, and are doing, their part. They have ascended to heights of patriotism and heroism on the battlefields of land, sea, and air all over the world, never excelled by any soldiers in any war. They have not only upheld the historic traditions of the land of the free and the home of the brave, but they have given to those traditions a new crown of glory that will shine with resplendent light and brilliance throughout the ages. God forbid that their deeds of valor, their suffering and sacrifices shall have been in vain. It must not be. But a great responsibility for preserving and perpetuating the fruits of victory and the transformation of the military victory into lasting peace rests upon the Senate of the United States. Let there be no cynics among us, no doubting Thomases, none faithless to the trust that has been reposed in us, none failing in his duty to meet the responsibility and opportunity now given to us to plant the feet of civilization on higher ground. It is possible to bring into being, to build on the wreckage and ashes of this catastrophe a finer society, a higher civilization and a better world. We must start now, Mr. President. The ratification of the United Nations Charter is the beginning, and there can never be a just reward of human endeavor or a happy ending to any experiment or enterprise, however worthy and noble of human effort, until and unless there has been a beginning.

Mr. President, this Charter is the right kind of beginning. There are those who think perhaps that this Charter goes a little too far, and I hear expressions from other Senators that seem to imply that they feel we have not gone nearly far enough. Mr. President, I am not ready to put the United States of America into a so-called world superstate; but I am willing for my country, upon its honor and upon the ratification of this document, to join hands with other governments and civilized peoples in the world in an organization to stamp out war. I am also willing that we shall make available to that organization the necessary means or forces, with Congress reserving the right under the Charter to say either by treaty or by resolution how much of that force we shall supply—how many ships, how many men, how many planes, how many tanks. I am willing that we enter into that sort of an organization.

Mr. President, I know that the adoption of this Charter does not guarantee the peace. I know that the securing and keeping of permanent peace is a progressive process. The price of permanent peace is and will continue to be eternal vigilance. But we can see more and we can employ and exercise that vigilance more effectively within an organization than we can isolated and trying to live unto ourselves.

Mr. President, I know, too, that there are now three powers, the three major powers of the world, Russia, Britain, and the United States, that have the power to enforce the peace. The ultimate success of this document, no matter how sincere we are, for the next century at least will depend on the sincerity and the honest effort and the ability of these three countries to agree and to work together in the cause of peace, just as we have fought together to gain the military victory.

Mr. President, I am under no illusions about it, but I say that the civilized nations of the world must try something different from what has been done in the past. Grant that it may fail. Suppose it does. If it does fail we shall not be any worse off for having tried.

Mr. President, I say to you in conclusion that my honest convictions and my prayers at this moment are that the adoption of this Charter will bring to the world an opportunity for peace and fellowship and good neighborliness beyond the hopes and dreams which we have heretofore entertained. I have faith that it can be done. I wish to have our country in good faith try and labor with the other governments to that end.

Mr. EASTLAND. Mr. President, it has been argued that the right of veto by the major powers, the members of the Security Council, destroys the value of the Charter, and that because of it the United Nations Organization is weak and impotent. It is true that the rule of unanimity or right of veto does weaken the effectiveness of this Organization. This, of course, is its principal defect. It is a grave weakness; but whatever its imperfections, the United Nations Charter will promote the peace. It is, in fact, a powerful weapon for peace, and because of it the Senate should ratify the Charter.

In the case of a smaller state not a permanent member of the Security Council, economic sanctions may be imposed to prevent conflict, transportation

and communication facilities may be served, and, as a last resort, force may be exerted. The power to prevent aggression on the part of the smaller states is adequate, but great wars are not waged by small powers. Great wars are waged by the big powers, the powers who are members of the Security Council. They do not stand in the same category as the small states. It is true that they stand on an entirely different footing; it is true that they stand, as has been charged, above the authority of this Organization, because any one of them can veto the use of force to prevent aggression, even when the nation itself is an aggressor. This provision is a serious weakness; but, regardless of it, curbs are placed on a major aggressor power. Should she draw the sword, what would happen? First, she would violate her most solemn pledges in the Covenant, and would stand guilty before the opinion of man. In the Assembly, of which every state both large and small is a member, there is the right of unlimited, free debate. Through the right of free debate by all interested parties, world public opinion will be molded. In addition, the Assembly can make recommendations to the Security Council. The condemnation of mankind would be directed against the aggressor. Public condemnation, Mr. President, is a powerful weapon. In addition to this, the Security Council, itself, could receive and consider disputes, although, of course, it would be without authority to take affirmative action. When public opinion is mobilized, when the conscience of mankind is aroused, a potent weapon for the preservation of peace is forged. Any would-be aggressor knows that public opinion generates action. It is the dynamic force which causes the people of the earth to spring to arms.

It is a lesson of history, Mr. President, that no nation, however great and however powerful, can withstand the armed might of the world. No nation at the present time, however great, can defeat the world. Certainly, there is the right to veto the use of sanctions or force in the Security Council; but if the veto is used through the framework of the Organization to permit aggression, forces which certainly will be set in motion outside the Organization will curb it. The forces which will be set in motion outside the Organization will be assembled and set in motion primarily through the machinery of this Organization, because through it will come the agitation which will mold public sentiment and will generate action throughout the world. With the soul of mankind inflamed and its indignation aroused, there will be collective action, with sanctions and with force, if necessary, outside the framework of the Organization, to curb the aggressor member. Faced with these conditions, a nation would certainly hesitate long before arraying the world against itself. It would hesitate long before spilling oceans of blood and suffering the losses that would surely come if it were to precipitate a great war. There is an additional safeguard by virtue of this Organization and by virtue of the forces which will be committed to enforce world peace through the agreements which will hereafter be negotiated. States all over the world will have committed themselves to restrain aggression by force, and will have committed themselves to making armed forces available to preserve the peace. Any would-be aggressor on the Security Council must certainly know that these forces could easily be used against him. They are available because of the Charter, but they could be used against the aggressor power outside the Charter. Because of the Charter it is much easier to pool forces to prevent aggression by a member of the Security Council who embarks upon a policy of aggression or world domination.

As a whole, restraints are placed against powers who possess the right to veto. In fact, this whole Charter restrains aggression. It minimizes friction, stabilizes friendship, and channels all of us toward peace. Whether it will succeed or not, I do not know. I do know, however, that it is a valuable contribution; it is a powerful weapon in the preservation of peace. In my judgment the world will be better off because of it.

Mr. President, this Charter is but one component part of the over-all plan for world peace. The Congress has recognized that world peace rests upon an economic foundation which will make the world prosperous, happy, and contented. Peace does not dwell where mankind is unemployed. Peace does not dwell in a land of poverty and rags. If there is to be peace there must be world trade. The Congress has recognized these truths, and has attempted to base the United Nations organization upon a world economy which will make mankind prosperous. The reciprocal trade-treaty program, the Bretton Woods agreements, the increase in the lending powers of the Export-Import Bank are all component parts of the over-all plan for world peace. These measures are the foundation of the Charter. Through this broad program we have attempted to create an expanding world economy which will prevent unemployment and bring prosperity. We recognize that all peoples must have equality of trade opportunity, such as equal access to the trade, food, raw materials, and resources of the earth. These are the essentials. These are the measures which form the foundation of the charter.

In adopting this program, Mr. President, we have gone much further than we went after the First World War. Then the League of Nations alone was proposed. The League was not based upon a foundation of economic freedom and equality. The League ignored entirely the necessity of an economic foundation for the structure of world peace. It did not have the foundation to sustain it that this Charter had. Beginning in 1919, the nations, including our own, erected trade barriers and embarked upon narrow, selfish, isolationist policies. The League failed. It was certain to fail. It would have failed no matter whether we had entered it or not. We have recognized this defeat, Mr. President. We have gone much further. The over-all peace plan today is far superior to the League of Nations program which was proposed after the First World War, and while America's efforts alone cannot secure the peace, in my judgment, this entire program is a healthy contribution to the cause of permanent peace.

As a result of this over-all peace program, including other measures yet to be introduced, billions of American dollars and funds from other nations will be advanced and loaned abroad for purposes of relief and to stabilize exchange and restore trade. Much of that money will be advanced as a result of the program of which this Charter is a part.

Frankly, Mr. President, I do not like what is happening to Poland, Rumania, Bulgaria, Jugoslavia, Hungary, and other states of southern and eastern Europe. This war was won by the armed forces of this country, by American labor, by American brains, and by the sacrifices of the American people. It was fought to crush totalitarian tyranny. American lives were sacrificed by the thousands; America's resources were used up and given away, all with the assurance to the American people that we were fighting for the "four freedoms," that we were fighting for democracy and liberty. These were not idle words. This was our cause. I have confidence in the President of the United States. I believe that he will administer the laws to bring these things about. I have gone along with this entire program with that belief in mind.

Let me make crystal clear, Mr. President, that America's resources must not be spent to promote communism in Europe. Our resources made available under the over-all peace program must be used to promote democracy, freedom, and the principles for which we fought. Beginning at the Baltic and reaching down to the Black Sea and over to the Adriatic, there is a group of states which are dominated by communism. Governments have been set up without the consent of, and against the will of, the governed. Tales of totalitarianism, cruelty, and oppression are leaking out of Europe. The very things we fought to exterminate, the very things we abhor, the very things the American people loath, and the very things we were assured would be crushed are in control.

Countries are surrounded by a wall of silence. Communications, both ingress and egress, are shut off. Frontiers are closed to the representatives of the nation which made possible the winning of the war.

Mr. President, I do not say we must not cooperate with Russia. That we must do. I say that the resources of my country must not be used to subsidize those communistic-controlled states. Our resources must not be used to assist them in becoming strongly entrenched. Communism is a contagious evil, and if we permit communism to sweep over Europe we certainly will have lost the war. We will have lost it in spite of the heroic valor of the soldiers of America. The blood, the tears, the sacrifices of the American people will have been all in vain.

Furthermore, Mr. President, the peace of the world will be gravely endangered. These vast areas with their 115,000,000 human beings, are composed of many races, many languages, and many stocks,

with different customs and different religious beliefs. History proves this is the breeding ground for war. The funds which we contribute, all being part and parcel of this peace program just as much as is the charter, must be used for the promotion of freedom, justice, and a society of governments which recognize and promote the liberty of man.

The quest for peace is a continuing undertaking. The League was used by the great powers that controlled it as an instrument to promote their own selfish aims; it was used by the great powers for self-aggrandizement and greed. If we are to have permanent peace, there must be the continuing will for peace; there must be the continuing will for justice on the part of great powers, who, in the last analysis, will control this organization. If the United Nations Organization is used to maintain the status quo, if selfishness and injustice control its policies; if it fails to solve and squarely meet great issues, then it too will surely fail.

In this connection, Mr. President, the conferences now in session at Potsdam will largely determine the future of the world peace. If the agreements negotiated there and if the subsequent peace treaties condone tyranny and oppression, and attempt to maintain them by the armed might of the United Nations Organization, then this organization will die aborning. In the last analysis the will for the peace and the will for justice is the crucial test, and, in addition, eternal vigilance must maintain them.

World peace can exist only in an atmosphere of mutual trust and confidence. In this connection I should be happy to see our President at the Potsdam Conference, or at any future conference, secure the right of admission to representatives of the American press to any country in the world. Freedom of information is vital to an enlightened world opinion, to the success of democratic processes throughout the earth.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. EASTLAND. I yield.

Mr. FERGUSON. Is it not possible, under the Charter, that the freedom of the press, speech, and radio can be attained if the purposes of the Charter are really carried out? I share with the Senator the view that it would be well if such freedom could be brought about at Potsdam, so that the right would be afforded to acquire knowledge of facts around the world, but if that is not accomplished there, if the purposes of the Charter are to be carried out, does not the Senator think we have an instrument which might be able to bring that about?

Mr. EASTLAND. I do not believe this instrument will accomplish freedom of the press and freedom to go into every nation in the world.

Mr. FERGUSON. Is not that one of its purposes, and if that is not attained, how are we to accomplish what we desire to accomplish, that is, to keep the peace of the world?

Mr. EASTLAND. It is a very serious matter, as the Senator points out. I do not know whether the reports which come out of southern and eastern Europe are accurate or not. I know that correspondents and travel in those areas are restricted. I know of horrible tales which have come out of those areas which have very much upset many Members of the Senate, and a large part of the American public. I think the cause of peace has been done great harm by the inability of the press, representatives of the Government, and of the Members of the Congress of the United States, to go into those sections. But I do not believe that under the Charter freedom of the press will be established in those countries, or that through this instrumentality we could establish communication or travel in those areas.

Mr. FERGUSON. It was after VE-day that the Senator was in Europe, was it not?

Mr. EASTLAND. Yes, it was a month after VE-day.

Mr. FERGUSON. Was the Senator able to go into the part of the territory of Germany that was occupied by Russia?

Mr. EASTLAND. We did not try, but our information was that we could not go into those sections, including Czechoslovakia and other areas occupied by the Russian Army.

Mr. FERGUSON. I wish to say to the Senator that I did try, but was unsuccessful in obtaining entrance into those countries, although I did receive word after I landed back in this country that it would then be possible to go into that area.

Mr. EASTLAND. Of course, the Senator heard stories of slavery, of concentration camps, and of horrible conditions in those areas, and does he not think that without our ability to verify the truth or falsity of such stories, they hurt the cause of world peace, and have caused mistrust throughout the world?

Mr. FERGUSON. I agree wholeheartedly with the Senator. I think it is too bad for the cause of peace that such a condition should exist that it is impossible to verify what is actually going on. Unless, as I have said, we receive the right to obtain the facts, the truth, the world around, we cannot expect to have peace, because if slavery does exist, then freedom has disappeared. We cannot have peace with slavery, we cannot have it with concentration camps.

Mr. EASTLAND. The Senator very well knows that governments have been set up in those areas against the will of the governed, that those countries are totalitarian, and that every single principle which the American people loathe is in control there.

Mr. FERGUSON. The difficulty is that we cannot ascertain the truth.

Mr. EASTLAND. That is absolutely so. We cannot prove the stories, but they do have the ring of truth. It not that an accurate statement?

Mr. FERGUSON. I shall have to answer in this way: The fact that we cannot see what is going on there, that we cannot ascertain the facts, is a piece of circumstantial evidence which leads people to the conclusion that something is wrong, or we would be able to go in and see conditions.

Mr. EASTLAND. High officials of the very country which made possible the winning of the war, of the very country which preserved the sovereignty of these small nations, are forbidden to enter the areas which were liberated by American supplies and equipment. I think that is a very deplorable situation.

Mr. President, within our borders we grant full and free access to the foreign correspondents of any nation of the world. We should demand the same privilege for ourselves we grant to others. I hope our President will exert his bargaining power to secure such rights for the American press abroad. Until we and all nations secure such rights everywhere, the power of public opinion cannot be fully mobilized for peace.

Mr. President, this Charter, if used to promote liberty and democracy, will advance the cause of civilization. The future of the world depends upon its success. The issues at stake here are tremendous. There is every urgent and compelling reason for the ratification of the Charter. There is no reason for its rejection. Never in all history has the world bled and suffered as it has in the past 6 years. Uncounted millions of human beings—soldiers, civilians, men, women, innocent little children are dead. Millions are maimed. Millions of homes are destroyed. Nations are wrecked as never before in history. Millions have been uprooted from their homes and families and forced to become slave laborers in foreign lands. suffering and death beyond the scope of human comprehension have stalked across the earth. Because of this catastrophe, starvation, pestilence, and human suffering in fantastic volume are still present throughout the world. Before peace and recovery many thousands more are condemned to die. From beyond the grave, Mr. President, uncounted millions cry that a cure be found for the curse of war. From the dawn of human history men have planned, dreamers have dreamed, and civilization has striven for a solution to this the greatest and most pressing of all the problems that face human kind. It has been the great question of the ages. It is the great question of the present. It will be the great question of the future.

There must be the will for peace. There must be unselfish justice among men. There must be eternal vigilance on the part of civilized men everywhere. These are the essentials. The machinery is here set up. With all its weaknesses, with all its imperfections, the United Nations Charter is a noble beginning. A new course in civilized affairs is charted. All men everywhere pray for the Charter's success. May its imperfections be removed in time. May it grow and become stronger and more powerful throughout the years.

Mr. CAPPER. Mr. President, I desire to state briefly my reasons for voting to ratify the Charter of the United Nations Organization written at San Francisco.

In the first place, I am voting for it because I have high hope that through the world forum of the General Assembly and through the power packed in the Security Council the Charter provides the best machinery yet worked out for preserving peace in the world.

Of course, ratification of the Charter by 50 nations of itself will not insure a

peaceful world. Neither would mere ratification of the Constitution of the United States by the former colonies of England of itself have insured the continued existence of the United States as a nation.

As I see it, the Charter is merely a mechanism by which peoples and nations, through the exercise of forbearance, wisdom, and courage to act collectively when the occasion demands, may substitute other means than war for the settlement of disputes between and among nations.

In the years immediately ahead it will be the task of the United States, Britain, and Russia to cooperate to keep the peace of the world through the mechanism of this Charter. If these three nations can work together, the Charter will succeed. If they cannot, or do not—well, the attempt is worth trying. Not to make the attempt would be criminal.

Mr. President, I was a Member of the Senate in 1919 and 1920 when the League of Nations Covenant failed of ratification, finally by a vote of 49 for to 35 against—the necessary two-thirds majority not being attained. This time it is known in advance that the vote in the Senate will be almost unanimous—far more than the necessary two-thirds.

It has been most interesting to me this time as a member of the Senate Committee on Foreign Relations—I was not on that committee in 1919 and 1920—to compare the differences between the two instruments and the differences in procedure by which they were formulated and brought to the Senate for action.

It is not necessary for me to place in the RECORD the procedure followed in the drafting of the Charter of the United Nations. Unlike the Covenant of the League of Nations—and I say this without any disrespect to the memory of a truly great man—the Charter of the United Nations is the product of many minds and many nations. From the beginning of the discussions and meetings and conferences and conventions which wrought it into being, the Senate, the House of Representatives, the State Department, and the Executive worked together. The Senate has a right to the feeling of joint authorship in the Charter, a feeling that certainly was not present when the League of Nations Covenant was under consideration.

Mr. President, I want at this point to pay a tribute to former Secretary of State Cordell Hull for his insistence that the treaty, which is in effect the Charter, should be negotiated with the advice of the Senate. He kept the Committee on Foreign Relations informed of the situation at all times. The selection of the chairman of our committe, the distintinguished Senator from Texas [Mr. CONNALLY], and of the very able Senator from Michigan [Mr. VANDENBERG], as members of the delegation at San Francisco, was almost a guaranty that the Senate would ratify the Charter.

That difference in procedure between the handling of the League Covenant 26 years ago and the United Nations Charter today might seem to some a small matter; but human nature being what it is, and the Senate being what it is under the Constitution and the American system of government—this difference in procedure of itself might spell the difference between success and failure in getting ratification.

The Senate, and the country, feel that the Senate's advice was asked, and very largely taken, in drafting the Charter.

In passing, I want to make another observation, dealing with the content of the Charter and the League. I might call attention to the fact that I voted for the ratification of the League of Nations Covenant on March 19, 1920, with the reservations. I did so with a clear conscience at the time, and have no apologies to make now.

Without any desire to renew any old controversy, or start any new ones, I desire to make a further comment. The reservations which the Senate made in the resolution of ratification of the League of Nations Covenant in the main were reservations intended to retain freedom of action by the United States, and to maintain the national sovereignty of the United States.

Mr. President, as was so ably stated the other day by the Senator from Michigan [Mr. VANDENBERG], the retention of the national sovereignty of the United States is in the Charter itself this time.

I believe the Senator from Arkansas [Mr. FULBRIGHT] also pointed this out, referring specifically to these paragraphs of article 2 of the Charter, which I also read:

> The Organization and its members, in pursuit of the purposes stated in article 1, shall act in accordance with the following principles:
>
> 1. The Organization is based on the principle of the sovereign equality of all its members.

Therefore, Mr. President, I can wholeheartedly support the Charter and vote for it, not only feeling that today it is the right thing to do, but also feeling that my vote for the Charter in 1945 is entirely consistent with the vote I cast for the League, with reservations, in 1920. I wish especially to compliment those who drafted the Charter on the great care they exercised in protecting the sovereignty of the United States, while creating the machinery for international cooperation.

I am convinced that the United Nations Organization has a far better chance of succeeding through the realization expressed in the Charter itself through the powers and procedures of the Security Council and expressed also by those who have explained the purposes and provisions of the Charter.

I repeat, Mr. President, that there is far greater chance of its successful operation because of the realization of the indubitable fact that unless the Big Five, particularly the Big Three—Russia, Britain, and the United States—work together in the postwar world, the prospects for avoiding a World War III that would wreck our entire civilization will be slender indeed.

The Charter provides the machinery for that cooperation for peace and also for a more prosperous world than we have had in the past. Even with the machinery provided through the United Nations Charter, it will require statesmanship of the highest order on the part of governments, and understanding and patience and a willingness to give as well as take on the part of peoples, to bring about and maintain a peaceful world.

Of course, whether the United Nations Organization will work is a question that only time and experience can answer. I believe that it can work, and I have high hopes that it will.

No one makes the claim that it is a perfect instrument. Nor does anyone believe that a perfect instrument can be devised, making allowances for the vagaries of human nature, and the chances for misunderstanding among nations and peoples with highly different cultures, ideologies, and forms of government.

But I can and do say that the United Nations Organization, as created through the Charter now under consideration, is an honest and sincere attempt to utilize the powers that the big nations have through a military alliance, plus the potential powers that an association of all nations, great and small, may develop through a world-wide consultative association, to create the machinery by which differences and disputes between and among nations may be settled without recourse to that scourge of mankind—all-out war.

On that basis, Mr. President, I am giving the United Nations Charter my unqualified 100-percent support. I shall even resolve certain doubts which still exist in my mind, as to the extent of the power which the United States representative on the Security Council shall have to put the United States into a major war without action by Congress, in favor of ratification of the Charter.

Now that it is settled in the minds of the overwhelming majority of the American people that the United States should become a part of the United Nations Organization to preserve world peace, I say that the only way to go into that organization is to go in completely and wholeheartedly, and let everyone do his level best to make the program work.

Mr. MAYBANK and Mr. MORSE addressed the Chair.

The PRESIDENT pro tempore. The Senator from South Carolina is recognized.

Mr. MAYBANK. Mr. President, in the spring of 1943, I believed it to be my duty, along with others, to join in support of Senate Resolution 114. That resolution, known as the Ball-Burton-Hill-Hatch resolution—B2H2—was thoroughly debated and discussed throughout the United States. It was my distinct pleasure to have the opportunity of making many speeches on that resolution in the New England States along with Robert Hale, the distinguished Representative from Maine.

When we discussed the resolution we also discussed the Fulbright resolution which at that time had passed the House of Representatives. For the record the text of Senate Resolution 114 was as follows:

> *Resolved*, That the Senate advises that the United States take the initiative in calling meetings of representatives of the United Nations for the purpose of forming an organization of the United Nations with specific and limited authority.

1. To assist in coordinating and fully utilizing the military and economic resources of all member nations in the prosecution of the war against the Axis.

2. To establish temporary administrations for Axis-controlled areas of the world as these are occupied by United Nations forces, until such time as permanent governments can be established

3. To administer relief and assistance in economic rehabilitation in territories of member nations needing such aid and in Axis territory occupied by United Nations forces.

4. To establish procedures and machinery for peaceful settlement of disputes and disagreements between nations.

5. To provide for the assembly and maintenance of a United Nations military force and to suppress by immediate use of such force any future attempt at military aggression by any nation.

That the Senate further advises that any establishment of such United Nations organization provide machinery for its modifications, for the delegation of additional specific and limited functions to such organization, and for admission of other nations to membership, and that member nations should commit themselves to seek no territorial aggrandizement.

Mr. President, as a Member of the United States Senate I supported the Connally resolution which was reported from the Foreign Relations Committee and which was adopted by the Senate overwhelmingly on November 5, 1943.

In supporting that resolution I knew that I spoke my convictions and those of the overwhelming majority of the people of my State. It was their hope, as it was mine, that every effort wuold be made to make future wars impossible. It was also the desire of the people of South Carolina to give strength and support to our then great leader and President, Franklin D. Roosevelt, in order that he might take the leading part in the future planning for peace throughout the world.

Mr. President, I shall always remember during the many conferences that were held the sound and practical advice given by our present President, the then distinguished Senator from Missouri, Mr. Truman. So, Mr. President, it is fitting that we carry on by giving him our full support and using our efforts to lessen the possibilities of war.

Mr. President, it appears from history that war has been a major activity of mankind since human beings became sufficiently numerous to separate into tribes, races, and nations, and I cannot believe, though I wish I could, that suddenly we can guarantee that there will be no more wars.

The First World War, in which I and so many of my colleagues took part, was called "a war to end wars." Some have spoken of the present war in somewhat the same terms. But these slogans are prayers, expressions of hope, not declarations of accomplished fact.

No Member of this body is more deeply devoted to the cause of peace than am I; no man here would give his life more freely to gain peace for our country now and forever; but let us not deceive ourselves or our people. This time let us not promise too much and thus run the risk of disillusionment and cynicism such as all of us knew after the results of the other war fell so far short of our hopes, expectations, and promises, and the predictions of some of our leaders. We should be sensibly realistic, not merely emotional, as we consider the United Nations Charter now before us.

I am in favor of that Charter, Mr. President. I shall vote for it and do all I can to make it effective. I think it may, with proper support, make wars less likely. But I would be false to my own convictions and deceitful toward my fellow men if I stood here and asserted that it will make wars impossible. I think we should speak the truth as we see it, and thus deal fairly with those who look to us for leadership, and thus also give strength to this Charter.

A product, an idea, or a plan that is oversold starts under a handicap. Let us recognize perils ahead and do all we we can to avoid them, not blind ourselves to these perils until suddenly we are face to face with them.

Many who support this fine Charter also support compulsory military training for America's young men, the maintenance of our great and huge Navy, and other measures of military might. Superficially this support of the Charter and of military might may seem to be in conflict. But the conflict is not there if we think and speak honestly.

The Charter is a hope. It is a plan, the best plan yet devised to safeguard peace. It is a noble concept. It is a contract for peace. But it is not a guaranty of peace. If it were, we would be ridiculous to support it and also support military preparations for future wars.

I agree with many distinguished Senators who have said they would rather approve this Charter, even though it falls short of our hopes, than to disapprove it without a trial. That is a sensible position. We should try for peace. We must try for peace. The maintenance of our moral integrity requires that we try for peace, and the best way to try is through this Charter. Man is so made that he must forever strive onward and upward, or deteriorate. He must seek goals beyond his immediate reach, or he will reach no advanced goals at all.

To oppose this Charter and to offer nothing better in its place, seems to me a wholly negative, pessimistic position. We know from dreadful experience that military rivalry does not give peace. We know that the balance-of-power system does not result in a peaceful world. We know that associations and leagues without power do not safeguard peace. Mr. President, all the plans and devices and schemes of nations up to the present have failed to maintain peace. Shall we continue along the roads that we know lead toward war, or shall we try a new road that may lead toward peace? That is the issue.

This Charter is not perfect. Its framers admit that. But if we wait for perfection, we shall wait forever. I hope I am a realist, and also sufficiently an optimist to believe that mankind is capable of progress. I know mankind has made progress in the long fight against ignorance, against sickness, and in the understanding of human behavior. Only a few years ago an erring child was treated as a criminal, and often made into a criminal. Only a few years ago government recognized no responsibility save to a most limited degree, for the welfare of the people. Only a few years ago men might starve, and government remained unconcerned. Government always has had the right to make a man fight, but only recently has it recognized the responsibility to give him a fair chance for health and income. Yes; mankind has advanced in these fields and in many others. Why should we conclude that progress in the international field of peace is impossible?

Heretofore nations generally have formed groups, one set against another. This Charter proposes an organization of all peace-loving nations, an organization of so many nations that no rival cluster can develop to challenge its objectives. This is something different. This is something like the dream of the great, tragic Woodrow Wilson for a league so strong that it could, with moral might or with military might, if necessary, strive to prevent wars.

Mr. President, I cannot understand how anyone can believe that a do-nothing policy is wiser than a try-something policy. If George Washington and his associates had been do-nothing pessimists, we would have had no nation. If they had insisted on perfection, if they had backed away from a try-something policy, we would have had no Constitution.

Progress is to some degree a matter of trial and error. But man is so endowed that his successes outweigh his errors, and so he moves upward. The time now has come for man to strive in a world-wide field. He will make errors, of course. There will be disappointments. Often the road will appear too rough, but I believe progress in this world-wide field, progress toward peace, is possible; and I believe this great Charter is a necessary document, a necessary plan for progress in that field. Human behavior cannot be regulated by documents, but documents which express the aspiration of mankind may help guide human behavior, and therefore guide us toward a more peaceful world than we have known.

Mr. President, this is not wholly a matter of morality. It is also a matter of self-interest. "Observe good faith and justice toward all nations," said George Washington. "Cultivate peace and harmony with all. Religion and morality enjoin this conduct; and can it be that a good policy does not equally enjoin it?"

Does any man believe that we can afford another world war? Then what shall we do to make one less likely? Surely, Mr. President, the answer is not to let conditions remain as they were between 1918 and 1939.

ULTIMATUM TO JAPAN BY THE PRESIDENT OF THE UNITED STATES, THE PRIME MINISTER OF GREAT BRITAIN, AND THE PRESIDENT OF THE REPUBLIC OF CHINA

Mr. TUNNELL obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield to me?

Mr. TUNNELL. I yield.

Mr. WHERRY. A short time ago I was handed the proclamation of the President of the United States, the Prime Minister of the United Kingdom, and the

President of the Republic of China relative to peace terms which have been submitted to Japan. I feel that this release is of such importance that it should be printed in the body of the RECORD. Inasmuch as it occupies only a page and a half, I ask unanimous consent that it be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

PROCLAMATION BY HEADS OF GOVERNMENTS, UNITED STATES, UNITED KINGDOM, AND CHINA

1. We, the President of the United States, the President of the National Government of the Republic of China, and the Prime Minister of Great Britain, representing the hundreds of millions of our countrymen, have conferred and agree that Japan shall be given an opportunity to end this war.

2. The prodigious land, sea and air forces of the United States, the British Empire and of China, many times reinforced by their armies and air fleets from the west, are poised to strike the final blows upon Japan. This military power is sustained and inspired by the determination of all the Allied Nations to prosecute the war against Japan until she ceases to resist.

3. The result of the futile and senseless German resistance to the might of the aroused free peoples of the world stands forth in awful clarity as an example to the people of Japan. The might that now converges on Japan is immeasurably greater than that which when applied to the resisting Nazis, necessarily laid waste to the lands, the industry and the method of life of the whole German people. The full application of our military power, backed by our resolve, will mean the inevitable and complete destruction of the Japanese armed forces and just as inevitably the utter devastation of the Japanese homeland.

4. The time has come for Japan to decide whether she will continue to be controlled by those self-willed militaristic advisers whose unintelligent calculations have brought the Empire of Japan to the threshold of annihilation, or whether she will follow the path of reason.

5. Following are our terms. We will not deviate from them. There are no alternatives. We shall brook no delay.

6. There must be eliminated for all time the authority and influence of those who have deceived and misled the people of Japan into embarking on world conquest, for we insist that a new order of peace, security, and justice will be impossible until irresponsible militarism is driven from the world.

7. Until such a new order is established and until there is convincing proof that Japan's war-making power is destroyed, points in Japanese territory to be designated by the Allies shall be occupied to secure the achievement of the basic objectives we are here setting forth.

8. The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine.

9. The Japanese military forces, after being completely disarmed, shall be permitted to return to their homes with the opportunity to lead peaceful and productive lives.

10. We do not intend that the Japanese shall be enslaved as a race or destroyed as a nation, but stern justice shall be meted out to all war criminals, including those who have visited cruelties upon our prisoners. The Japanese Government shall remove all obstacles to the revival and strengthening of democratic tendencies among the Japanese people. Freedom of speech, of religion, and of thought, as well as respect for the fundamental human rights shall be established.

11. Japan shall be permitted to maintain such industries as will sustain her economy and permit the exaction of just reparations in kind, but not those which would enable her to rearm for war. To this end, access to, as distinguished from control of, raw materials shall be permitted. Eventual Japanese participation in world trade relations shall be permitted.

12. The occupying forces of the Allies shall be withdrawn from Japan as soon as these objectives have been accomplished and there has been established in accordance with the freely expressed will of the Japanese people a peacefully inclined and responsible government.

13. We call upon the government of Japan to proclaim now the unconditional surrender of all Japanese armed forces, and to provide proper and adequate assurances of their good faith in such action. The alternative for Japan is prompt and utter destruction.

Mr. WHERRY. Mr. President, I wish to say that I am indeed most grateful to the President of the United States for defining the terms of unconditional surrender. It should be a boon to the passage of this Charter, because we are now practicing what we preach. Our people, I am sure, wish, if possible, to give Japan terms which will be acceptable; but even though these terms are not accepted by the Japanese, I believe they are a step in the right direction, and I feel confident that something will come out of the definition of unconditional surrender which may result in saving the lives of thousands of our American boys.

Mr. CAPEHART. Mr. President, I am glad that the Senator from Nebraska has had printed in the RECORD the ultimatum issued today by the President of the United States, the President of China, and the Prime Minister of the United Kingdom in which they spell out in no uncertain terms what we mean and what we have meant by unconditional surrender. I had previously asked and obtained unanimous consent to have the proclamation printed in the Appendix of the RECORD, but, since the Senator from Nebraska has had it printed in the body of the RECORD, I withdraw that request.

I congratulate the President of the United States, and I am certain that the American people will rejoice that our Government, together with the governments of our allies, have issued an ultimatum to the Japanese people telling them exactly on what basis we will permit them to surrender.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield to me?

Mr. TUNNELL. I yield.

Mr. AIKEN. Am I to understand that the Senator from Delaware will yield to me to permit me to make remarks on the pending question?

Mr. TUNNELL. I have no objection, provided I do not lose the floor.

The PRESIDENT pro tempore. The Senator from Delaware yields to the Senator from Vermont.

Mr. AIKEN. Mr. President, every American can be justly proud of the leadership which the United States is assuming in world cooperation. We have renewed and extended the provisions of the Reciprocal Trade Agreements Act. We have put the stamp of approval on the Bretton Woods Conference agreement. We have voted to become members of the Food and Agriculture Organization of the United Nations. We have approved the Mexican Water Treaty. We will shortly subscribe to membership in the United Nations Organization. At this point I should like to compliment those who have represented the Senate in formulating the new Charter which we are now considering.

Mr. President, we have not failed to cooperate with the other nations of the world or to keep the faith with any of them, save one. That is our nearest and best neighbor, Canada.

In 1928, the United States entered into "a gentlemen's agreement" with the Dominion of Canada for the purpose of developing the Great Lakes-St. Lawrence waterway. This agreement was entered into after an exhaustive study had been made of the entire situation under the then Secretary of Commerce, Herbert Hoover.

It was agreed, according to testimony presented before a House committee in 1941 by Assistant Secretary of State Berle, that whatever amount either country spent in improving this waterway would be matched by the other.

On the strength of this informal agreement, Canada began the reconstruction of the locks of the Welland Canal to accommodate vessels of oceangoing size.

This reconstruction of the locks and the deepening of the canal was completed in 1932 at a cost of about $132,000,000. To this day the United States has not matched this expenditure, having spent in all only a few million dollars as its part in the improvement of this great waterway.

As is well known, the informal agreement of 1928 was later made formal by a treaty negotiated by the two countries.

This treaty was voted upon by the Senate of the United States in 1934. Although a majority voted to approve it, it failed to receive the necessary two-thirds vote for ratification.

On March 19, 1941, when the clouds of war were darkening upon the horizon, and the urgent need of developing the navigation and power resources of the Great Lakes-St. Lawrence Basin was plainly apparent to everyone, the Governments of the United States and Canada signed an agreement providing for the completion of this great development.

In spite of the appeal of President Roosevelt, in spite of the urging of the Secretary of State, of the Secretary of War, of the Secretary of the Navy, of the Secretary of Commerce, of the Secretary of Agriculture, of Chairman Knudsen of OPM, of the Chairman of the Maritime Commission, and virtually every high official of this Government who saw war approaching and a desperate need for more transportation facilities, more inland shipyards, and more electric energy, Congress turned a deaf ear to all

these urgings and neglected to act upon the agreement.

There is no doubt that Canada would do her part. She has already spent more than $132,000,000 on the Welland Canal from which she cannot possibly receive full benefit so long as the United States fails to make the improvements necessary on our side.

We are now paying the penalty for our failure to heed the warning of those who pointed out the need for the St. Lawrence seaway a few years ago.

The transportation systems of the eastern United States have proved to be hopelessly inadequate to the great task which now devolves upon them.

Day after day the folly of our failure to make navigable a few miles of the St. Lawrence River becomes more apparent.

If we had constructed this work, merchant ships and transports now bringing troops and material home from Europe could sail up the St. Lawrence River to Buffalo, to Cleveland, to Detroit, to Chicago, to Milwaukee, or to Duluth. It would not be necessary to unload their cargoes at the eastern seaports to be transported overland by railroad systems which do not have the facilities to meet the demands.

If the St. Lawrence seaway were available for use now, the corn which lies rotting on the ground in the Western States, and the wheat now bulging the grain country elevators could be loaded on shipboard at Duluth or Chicago and delivered to Atlantic coast seaports, or direct to the starving populations of Europe without having to be shipped overland by rail.

I am told that all through the spring and summer ships have waited on the Atlantic seaboard day after day for grain from the Midwest which the railroads were unable to deliver to them, while people of European countries were on the verge of starvation.

It may be said, "What if we did make a mistake in not developing the St. Lawrence seaway before? We won't need it after the war."

That statement is not true. Anyone who has studied the economy of this country knows that after this war we must maintain a national income somewhat nearly approaching that which we have built up during wartime. If we do not do that, we cannot expect American business, American industry, labor, and agriculture to prosper, and we cannot keep our Government finances on a safe basis.

If we maintain the economy necessary to support adequately this Nation and finance it after the war, we must have a great expansion of our prewar peacetime production, and particularly an expansion of our transportation facilities.

We need more airplanes. We need better highways. We will need more rail facilities, and we will need the St. Lawrence seaway. We will need it, not only to furnish an outlet to the sea for the people of the Great Lakes Basin and the great agricultural areas to the west of the Mississippi, but we will desperately need our half of the 13,200,000,000 kilowatt-hours of electric energy which this development will produce.

We are terribly unprepared for the ending of the Japanese war. It is reported that we already have 2,000,000 unemployed in this country, and that the number is steadily mounting. Thinking Americans do not like to contemplate the consequences of large-scale unemployment in America. I do not think we will have it. We will not have it if we plan to meet such an emergency now. The unemployment which we will have for the next few months, and for the months following the end of the war with Japan, will be of a transitory nature, but we must make every possible provision to see that for a few months, or possibly years, unemployment does not get out of hand.

It is claimed by the opponents of the St. Lawrence seaway that it would necessitate the labor of 100,000 men, 80 percent of them skilled or semiskilled, over a period of 4 years, to construct the seaway and improve the harbors of the Great Lakes so that they may carry on commerce with all parts of the world.

I think the opponents have made a fairly accurate estimate of the number of men who would be directly employed in the construction of the St. Lawrence development, but the number who would be indirectly and permanently employed might amount to several times 100,000,000.

The States of New York, Vermont, and New Hampshire alone have 130,000,000 farms and rural homes without electricity today. St. Lawrence power would remedy this situation.

We know that as soon as a source of low cost electric energy is available, hundreds of thousands of home owners and farmers in our Northeast country will purchase electric farm equipment and electric household appliances. It will require the employment of thousands to manufacture, to merchandise, and to transport those items to those who buy them.

It means that merchandise and farm crops can be produced at a lower cost, thus enabling more people to buy more, and furnish work for more persons to produce.

It means that every port on the Great Lakes will become a seaport with its share of foreign commerce, both exports and imports. It means additional employment of men and women to handle this commerce.

In short, it means a great new addition to our national economy. It means a great new expansion to the national economy of the best customer and best neighbor we have, namely, the Dominion of Canada.

Our national integrity demands that we keep faith with Canada. Is not her friendship as sacred to us as the friendship of any other nation?

Why do we delay? Why do we let those self-centered interests who can see only their own small part in this great world, black the expansion of business for all of us, and prevent the carrying out of our agreement with Canada?

I have been asked, Mr. President, why a bill approving the St. Lawrence development has not yet been introduced. Many persons have registered impatience over the delay.

There are several reasons why it has seemed best not to introduce the St. Lawrence bill until after other international agreements and treaties were disposed of. I fully expected these agreements to be acted upon long before this, and had announced that I would join with the senior Senator from New York and others in introducing a St. Lawrence bill before the Senate recessed for the summer months.

I have recently conferred with several of my colleagues who are earnestly supporting the Great Lakes-St. Lawrence development. It is the consensus of opinion that there is nothing to gain, and possibly much to lose through introducing such a bill in the closing hours of the long arduous days before we start the summer vacation.

Therefore, I have deferred to the opinion of those whose legislative experience is greater than my own and will withhold the introduction of a bill until we return in the fall.

In the meantime I will say that although the strength of the proponents of the St. Lawrence seaway seems to be steadily growing both in and out of the Congress, yet we must take nothing for granted.

We face a bitter fight, with powerful opposition. That opposition is even now spreading its poison propaganda all over this country. Its field agents have been working for months; its lobbyists have been swarming Capitol Hill.

Even though the future welfare and safety of our country demands that this work be completed at the earliest possible date, it will take the combined efforts of all of us to win the victory.

We must put aside all partisan politics, all petty jealousies, all desire for personal prestige, and work together for our country.

In closing, I wish to compliment the State Department for the outstanding success it has achieved in formulating a constructive international policy, and securing the approval of the Congress to all the treaties and agreements necessary to make that policy effective.

I sincerely hope that when the Congress reconvenes in October, the administration and the State Department will sponsor the approval of our agreement with Canada as earnestly and as successfully as they have done in connection with the other international treaties and agreements, in order that we may have a clean record and a clear conscience in the field of international cooperation.

Mr. BUTLER. Mr. President, will the Senator from Delaware yield to me for a moment?

Mr. TUNNELL. I yield.

Mr. BUTLER. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point an editorial entitled "Flexible Government," appearing in today's issue of the Wall Street Journal. I make this request because I think the contents of the editorial are

appropriate to the subject under discussion.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FLEXIBLE GOVERNMENT

A United Press correspondent in Germany has interviewed Gerhard Anschuetz, who, while professor at Heidelberg University, wrote the Weimar constitution under which operated the abortive German Republic. The burden of the interview was that Dr. Anschuetz admits he made a very serious error. The error was in making the constitution what our "liberals" would call flexible.

The constitution had a provision which allowed the president of the republic to assume all powers in event of an emergency. President Hindenburg did so and delegated the powers to Adolf Hitler. Results were almost immediate and numerous. Germany was "flexed" into an armed camp, the rest of the world was "flexed" into horrible war and Dr. Anschuetz was "flexed" into a concentration camp where he thought matters over for 10 years and decided that the framers of the American Constitution knew what they were doing with their checks and balances and limits on official powers.

Neither is Dr. Anschuetz the only one who has undergone some reorientation. Recently, some of our British allies have been heard to remark about the fact that so many of these silly looking American governmental devices seem to have at least one great virtue—they work.

But to get back to the German experiment and the unfortunate professor, it proves—if the thing still needs proof—that any governmental power which is granted will sooner or later be used. How it will be used no one can tell. So the only safe procedure is not to grant it; in fact if one wishes to be still safer, he will put down in black and white that it is specifically denied.

If one will go back over a period of as little as 10 years and document all the complaints that the American constitutional system was too rigid, that it was not adapted to modern conditions, that it was an instrument to insure inaction rather than action, one will find that those who made the complaints really wanted to do something that they suspected the people would not let them do after there was sufficient time to consider the matter. If one will further look at the record of a decade, he will find that the bickering and the bitterness arose, not from acts which followed the regular constitutional processes, but from those which were taken under extraordinary grants of powers which allowed the Executive to short circuit those processes.

It is a circumstance both ludicrous and tragic that in a world turned upside down by the ambitions of men given absolute power, we should hear a chorus of advice that the remedy for the ills is absolute power. A few in the chorus know what they are doing and saying. The great majority do not. Perhaps they will have to learn in the hard way, as Dr. Anschuetz did.

Mr. CONNALLY and Mr. MORSE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Delaware yield, and if so to whom?

Mr. TUNNELL. I have no objection to yielding provided I may keep the floor.

Mr. CONNALLY. I assume the Senator from Oregon desires to talk about something other than the Charter. I think I have a suspicion of what he is going to talk about. I hope the Senator from Delaware will not yield to the Senator from Oregon unless it is stipulated that he is to speak only for 5 minutes or so, because we are interested in getting the Charter through the Senate; we have remained here until a late hour, and I do not care to remain and hear the Senator from Oregon expostulate on a couple of lambs out in Oregon. [Laughter.]

Mr. MORSE. May I make a comment regarding the remarks of the senior Senator from Texas?

Mr. CONNALLY. I do not have the floor.

The PRESIDENT pro tempore. The Senator from Delaware has the floor.

Mr. TUNNELL. I have no objection to yielding for 5 minutes, provided I have unanimous consent that I retain the floor.

Mr. MORSE. I wish to say to the Senator from Delaware that my respect for his learning and judgment is so great that I should be delighted to remain here for several hours to hear him discuss the Charter, if he cares to do so, but if it is his desire to have the same permission given to him to take the floor now and retain it during the night's recess as was given last night to the Senator from Vermont, that is perfectly acceptable to me. There is nothing I could do about it, anyway, although I should like to hear the Senator tonight. But I should like to say to the Senator that I desire to take a few minutes; now—I think it is not particularly fair to limit me to 5 minutes on a matter of so great import as that I shall discuss, namely, the food crisis in America. It may take me a few minutes, I do not know how long, I do not think it will be too long, perhaps 10 or 15 minutes, to discuss the latest developments in this food crisis. I should like to ask unanimous consent that I be allowed, under the long-established practice of free speech which has prevailed in the Senate of the United States, to take the time, with the understanding that the Senator from Delaware will not lose the floor thereby, but will have it at the beginning of the session tomorrow.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon?

Mr. CONNALLY. I object to any consent being granted for more than 5 minutes on a subject alien to the discussion of the Charter. I ask the Senator from Delaware to yield to me.

Mr. TUNNELL. I yield.

Mr. CONNALLY. I desire to make a motion that the Senate stand in recess. If the Senator from Oregon wants me to withhold that for 5 minutes, I shall not insist. Otherwise, I shall move a recess.

Mr. MORSE. It is perfectly obvious that if the Senator from Texas takes that position, under the rules, I must acquiesce, but I hope the country will take note of the fact that the Senate of the United States seeks to impose upon me a throttling rule, when I want time to put into the RECORD the latest information which has been made available to me. High officials of the Government this afternoon said they hoped I would put the evidence I have before me and my explanation of it into the RECORD, because it should be of assistance in solving the Oregon lamb problem.

Mr. CONNALLY. The Senator may put a wagonload of material in the RECORD in 5 minutes, but I do not propose to remain here to hear discussion on a matter alien to the pending business.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon?

Mr. CONNALLY. I made a motion to recess.

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Oregon to make a unanimous-consent request that he may have 5 minutes at this time?

Mr. MORSE. Mr. President, I think the Chair should put the motion of the Senator from Texas. I should like to know whether the Senate of the United States wants to deny me the right to put into the RECORD and explain such evidence which I think is of vital concern to every consumer in America in regard to the food crisis. If the Senator from Texas wants to block me on that point, let us have the motion put, and see whether or not the Senators present want to recess under those circumstances.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Texas that the Senate take a recess until 11 o'clock tomorrow morning. [Putting the question.] The Chair is in doubt. Those in favor of the motion will stand and be counted.

Mr. CONNALLY. Anyone who wants to remain and hear the Senator from Oregon is welcome to stay.

The PRESIDENT pro tempore. The motion is rejected.

Mr. CONNALLY. Very well, Mr. President. The Senator from Delaware has the floor.

The PRESIDENT pro tempore. The Senator from Delaware has the floor.

Mr. TUNNELL. Mr. President, I yield to the Senator from Oregon for 5 minutes. That was my understanding at the start, and I do not feel like remaining here 15 minutes.

Mr. MORSE. If the Senator wants to allow me only 5 minutes, I shall accept. I have no other choice.

The PRESIDENT pro tempore. Without objection, the Senator from Oregon will be heard for 5 minutes, on condition that the Senator from Delaware does not lose the floor.

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HICKENLOOPER. This is a rather strange procedure to me. I am somewhat mystified by it. I wonder if the custom of the Senate has been that one Senator may obtain the floor prior to adjournment and hold command of the floor overnight. May I ask, is that a customary procedure in the parliamentary conduct of the Senate?

The PRESIDENT pro tempore. It has been done. The Senator from Oregon has the floor, and is recognized for

5 minutes, under the unanimous-consent agreement.

THE OREGON LAMB PROBLEM

Mr. MORSE. Mr. President, does my time start running now?

The PRESIDENT pro tempore. It does.

Mr. MORSE. Mr. President, because of the limitation of time, I shall ask unanimous consent to have printed in the RECORD a telegram I received today from Mr. E. L. Peterson, Director of the Department of Agriculture of the State of Oregon, bearing on the Oregon lamb problem. He is recognized by the Secretary of Agriculture as an authority on this problem.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SALEM, OREG., *July 26, 1945.*

Hon. GUY CORDON,
Senate Office Building:

Market so far on grades of lamb which are point free is good to strong. Two top grades remaining close to previously established top but still selling below value reflected by dressed carcass ceiling. Retailers report being unable to acquire point free lamb without buying half of each order of two top grades. Two local grocers advised me Monday they were unable to find any outlet for good and choice lambs. Most small growers rely on local market and do not ship to Portland. In addition such shipment somewhat difficult on account transportation; these growers badly handicapped by point values on upper grades. Generally market not what it should be, although point removal on under grades of marked benefit. Am leaving today for Coos and Douglas Counties to check condition in field. Still believe OPA action places premium on under grades and others should be made point free until mid September at least. Will advise fully next Tuesday. Appreciate your good work along with that of Senator MORSE. Regards to you both.

E. L. PETERSON,
Director of Agriculture, OPA.

Mr. MORSE. Mr. President, in essence the telegram points out that the order of OPA lifting the ration points on Utility and Commercial lambs and keeping the ration points on Good and Choice lambs not only is not solving the problem, but is enhancing the seriousness of the lamb-marketing crisis in my State.

Mr. President, second, I ask unanimous consent to have inserted in the RECORD a telegram from Mr. Herb Grey, president of the Jackson County Chamber of Commerce, of Medford, Oreg., pointing out that out of 300 lambs that were dressed in Medford yesterday, only two, Mr. President—only two—met the Utility and Commercial grade. Two hundred and ninety-eight were Choice and Good.

In other words, it illustrates the fact that a large proportion of these soft lambs are Choice and Good, and therefore the remedy offered by OPA is no remedy at all. The result will be further wastage of meat and loss to the farmers of Oregon.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

MEDFORD, OREG., *July 26, 1945.*

Senator MORSE,
Washington, D. C.:

Ruling point-free lambs no relief to sheep growers and disappointing to consumers here. Of 300 lambs just dressed by Medford Meat Co., only 2 graded point free. Unless ruling more liberal, effort to dispose of large surplus soft lambs mere gesture. Southern Oregon sheepmen generally shear lambs before selling. Ceiling prices do not enable slaughterer to come out even on lower grades if market price paid and pelts sold at sheared price. Urge your early review and modification of order to permit marketing of surplus.

HERB GREY,
President, Jackson County Chamber of Commerce.

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the RECORD another telegram, from R. W. Clarke, of Salem, Oreg., pointing out that he attempted yesterday to move 100 lambs and was unable to obtain a market because of OPA bungling in regard to this problem.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SALEM, OREG., *July 26, 1945.*

Senator WAYNE MORSE,
Washington, D. C.:

Attempted to move 100 lambs to market this morning. Slaughtering quotas prevented custom butchering for me of point-free lamb. Same butcher cannot purchase them as he cannot get quota permit. Portland OPA office state I can only have 400-pound quota to dispose of lambs dressed. Have dressed lambs sold but unable to slaughter. Large buyers only buying grades higher than Commercial while public want point-free lamb but unable to get and we farmers are defeated from getting it to them. Recommend lifting all slaughtering quotas for anyone on above lamb. Your fine efforts must not be defeated. Lamb situation due to their technicalities.

Sincerely,

R. W. CLARKE.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD a telegram from Mr. William E. Russell, general chairman Metropolitan Fair Rent Committee of New York. I wish the senior Senator from New York [Mr. WAGNER] were present, because the telegram supports my resolution now bottled up in the Committee on Banking and Currency, of which the senior Senator from New York is chairman. The telegram urges that the resolution be passed. I say it must be passed if the American people are to be protected from OPA's gross maladministration.

There being no objection, the telegram was ordered to be printed in the RECORD as follows:

NEW YORK, N. Y., *July 26, 1945.*

Senator WAYNE MORSE, of Oregon,
Senate Office Building:

Speaking on behalf of the 250,000 residential rental property owners of the New York City defense rental area, we urge the approval of Senate resolution calling for a committee to study OPA activities. We ask for such a committee in appearing before Senate Banking and Currency Committee on March 14 as an effective means of correcting existing abuses and of insuring that OPA's administrative procedure and acts are proper and conform to congressional intent. We would appreciate your presenting this telegram to that committee.

WILLIAM E. RUSSELL,
General Chairman, Metropolitan Fair Rent Committee,
New York, N. Y.

Mr. MORSE. Mr. President, I ask unanimous consent to have inserted in the RECORD an article which appeared in the Oregon Farmer Union. The article is written by Mr. Libby, an officer of the union. Senators will recall that at the time we considered the appropriation bill dealing with OPA, the Farmer Union was one of the organizations that did not want OPA touched, but apparently some of its officers are beginning to learn about OPA's abuses. It is a devastatingly critical article in which this officer of the Farmer Union charges OPA manipulation in the handling of the food supply of this country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIBBY CHARGES OPA "MANIPULATION"; ASSAILS FOOD PROBLEM HANDLING—STATE OFFICER RAPS EFFORT TO EXTEND MONOPOLY CONTROL OVER FOOD PRODUCTS

Charges that federally inspected packing plants in Oregon, largely controlled by big packers, were indulging in "slow-down" tactics, and that the OPA was subject to manipulation by big packer influences were made at a meeting of the Marion County Farmers Union at Salem July 7. These allegations were hurled at the OPA by Harley Libby, State board member, who reported that he had been conferring with OPA officials in Portland in an effort to get their viewpoint on the present alarming meat shortage.

Gus Schlicker, reporting for the marketing committee, asked that a telegram be sent to President James G. Patton of the National Farmers Union asking him to use his influence at Washington to permit the slaughter of fat lambs in order to avoid a repetition of last year's fiasco when Oregon farmers suffered big losses by reason of their inability to market lambs when they were ready.

"There are 7 federally inspected plants in Oregon," he said, "and 300 others. The only thing that will help this lamb situation is the removal of ration points on lamb in this area."

GENTLEMEN'S AGREEMENT IGNORED

Libby, reviewing the whole situation, recalled the gentlemen's agreement made last year with OPA Administrator Chester Bowles that lamb points would be removed this year if that became necessary to move Oregon's "soft" lambs which do not stand shipment and must be consumed locally or in the California market. Efforts to secure removal of lamb points so far have proven unavailing.

"I don't believe that federally inspected plants are doing their full job," said Libby. There is manipulation all along the line. The little businessman and small farmer has consistently taken a cleaning from OPA. It has been said by some that all of those foolish regulations indicate lack of brains in the OPA. But that isn't the trouble. There is too much brains. That confusion doesn't exist among intelligent men without a reason. The big packers have loaned their experts to the OPA at $1 a year and naturally the regulations are written from their standpoint.

SMALL PACKERS MADE MISTAKE

"I think the small packers which have been closing in protest against these latest OPA regulations played right into the hands of the packers. While they remained closed, the packers' salesmen were busy rounding up some new customers.

"I could name one man in the Portland office of the OPA who will not make one move that would be adverse to the interests of the big packers. I believe the country as a whole is better off as a result of the OPA price regulations. But there has been entirely too much manipulation in order to obtain control of essential food products and ex-

tend a monopoly grip on the Nation's breadbasket. They are striving constantly to eliminate the small operator."

John Dasch reported on the case of a Polk County farmer who had 35 lambs ready for market. When he sought permission of the OPA to slaughter them, he was told he could not do so without a quota and he would not be allowed a quota inasmuch as he had not had one a year ago. (He had had no lambs in 1944.)

MESSAGE TO PATTON

It was decided to send a message to President Patton outlining the specific OPA regulations affecting meat, poultry, and dairy products which are the cause of so much of the present confusion. President Wendell Barnett appointed a committee consisting of Messrs. Schlicker, Davis, Libby, and Ahrens to serve on a committee to draft this message.

Mr. MORSE. Mr. President, as I said the other day, if anyone thinks I like to stand up here day after day and continually plead for a protection of the food supply of this country, he is mistaken. Yet I know of no domestic issue more vital to the security of our Nation than the protection of our food supply. It is not being protected by Mr. Chester Bowles. If Mr. Chester Bowles would pay more attention to the problems of OPA and less to his well-known endeavors to become Governor of the State of Connecticut I think we might have a more efficient administration of OPA.

I happen to be one, Mr. President, who is such a firm believer that unanswerable facts will prevail, that I intend to continue to put into the RECORD for use by the officials of Government an accumulation of evidence which unquestionably supports one conclusion, Mr. President, and that is that OPA, by the order it issued last Saturday, is solely responsible for the continued wastage of meat in the State of Oregon. I do not think either OPA or this administration, from the President down, can justify that wastage of meat to any American consumer.

I do not know how long it is going to take me to win this battle or in what form final victory will take. I do know that a very powerful Democrat from the State of Oregon called me today, and he said, "Wayne, if you continue to hammer on the failure of the Democratic Party to solve this problem in Oregon there will be no Democratic Party left in Oregon." He sees the problem and told me I am absolutely right. He said that his party should be fair enough to recognize it. He recognizes that there is no case that can be made out by this administration for the great malfeasance of OPA in regard to the handling of the Oregon lamb problem.

Mr. President, the solution is a very simple one. And it can be solved in 5 minutes by Mr. Chester Bowles. All Mr. Chester Bowles has to do is to amend the order of last Saturday providing that ration points shall be lifted on all soft lambs as recommended by the Secretary of Agriculture last Friday. You recall that the Secretary of Agriculture, in his telephonic communication to my colleague the senior Senator from Oregon [Mr. CORDON], authorized Senator CORDON to announce on the part of the Secretary of Agriculture that he had recommended to OPA the lifting of ration points on all—a-l-l—all soft lambs. The Senators from Oregon took the Secretary of Agriculture at his word. We now expect him to keep that word and demonstrate that he has done all he can to get OPA to carry out his recommendation. That recommendation last Friday did not exempt choice and good lambs. I call upon the Secretary of Agriculture to now back up his recommendation and not back down on it.

Mr. President, my 5 minutes are up. I ask OPA to carry out the recommendation which the Secretary of Agriculture made last Friday.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Edwin F. Stanton, of California, now a foreign-service officer of class 2 and a secretary in the diplomatic service, to be also a consul general; and

George Gregg Fuller, of California, now a foreign-service officer of class 4 and a secretary in the diplomatic service, to be also a consul general.

By Mr. GEORGE, from the Committee on Finance:

Farrell D. Coyle, of Apponaug, R. I., to be collector of internal revenue for the district of Rhode Island, to fill an existing vacancy.

By Mr. McCARRAN, from the Committee on the Judiciary:

Theron Lamar Caudle, of North Carolina, to be an Assistant Attorney General, vice Tom C. Clark, resigned;

Harold William Judson, of California, to be Assistant Solicitor General of the United States, vice Hugh B. Cox, resigned; and

Alphonse Roy, of New Hampshire, to be United States marshal for the district of New Hampshire, vice John M. Guay, term expired.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

RECESS

Mr. CONNALLY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Texas?

Mr. TUNNELL. I yield.

Mr. CONNALLY. With the hope that I will be received more cordially by the Senate than I was a little while ago, Mr. President, I now move that the Senate take a recess until 11 o'clock a. m. tomorrow.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until tomorrow, Friday, July 27, 1945, at 11 o'clock a. m.

SENATE

FRIDAY, JULY 27, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met in executive session at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, our Father, Thy love alone is the flame by which we kindle the altar fires of our conquering hopes. Make us ever mindful that upon the free soil of this continent our fathers with holy toil reared a house of faith hallowed by Thy name. Make us so to believe in America that we shall covet for the whole earth its emancipating truth and light. Launching a great spiritual venture, may our faith master our fears as we join men of good will in creating new instruments of global order. Forbid that we should succeed in putting the foes of our common humanity in chains and yet fail to confess and to curb the besetting sins which lay waste our own lives.

In this solemn hour as the despairing and sorely wounded world waits for the voice of this land of our hope and prayer—

"O God of earth and altar,
Bow down and hear our cry,
Our earthly rulers falter,
Our people drift and die.

"The walls of gold entomb us,
The swords of scorn divide;
Take not Thy thunder from us,
But take away our pride."

In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Thursday, July 26, 1945, was dispensed with, and the Journal was approved.

LEGISLATIVE BUSINESS

By unanimous consent, as in legislative session, the following business was transacted:

UNITED NATIONS CHARTER—PETITION

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD in connection with the proceedings on the adoption of the United Nations Charter, a petition, without the signatures attached, I have received from citizens of Wichita, Kans., appealing to the Senate to approve the Charter.

There being no objection, the petition presented by Mr. CAPPER was received, ordered to lie on the table, and to be printed in the RECORD without the signatures attached, as follows:

FAIRVIEW CHRISTIAN CHURCH,
Wichita, Kans., June 22, 1945.

Senator ARTHUR CAPPER,
Senate Chamber, Washington, D. C.

DEAR SENATOR CAPPER: It is the conviction of the undersigned that the adoption of the Charter of the United Nations by the United States will contribute effectively toward insuring a just and enduring peace among the peoples and nations of the world.

CREATION OF BUREAU IN AGRICULTURE DEPARTMENT FOR WORK IN AGRICULTURAL STATISTICS

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference, and to have printed in the RECORD, a resolution adopted by the North Central Association of State Commissioners, Directors, and Secretaries of Agriculture at Topeka, Kans., on July 23, requesting the Secretary of Agriculture to create a separate bureau for the work in agricultural statistics. I heartily commend the suggestion.

There being no objection, the resolution was received, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTION ADOPTED BY THE NORTH CENTRAL ASSOCIATION OF STATE COMMISSIONERS, DIRECTORS, AND SECRETARIES OF AGRICULTURE, JULY 9–11, 1945

"We deplore the confusion caused producers by conflicting statistical estimates and reports by various governmental agencies. We recommend that all such statistical information be analyzed and disseminated through one official statistical agency, be it resolved that the Honorable Clinton P. Anderson, Secretary of Agriculture, be requested to create a separate bureau for the work in agricultural statistics, within the Department so as to separate this work from planning and program making agencies and to provide for more effective cooperation with the States and a more comprehensive service to agriculture."

The foregoing resolution was unanimously approved by the Kansas State Board of Agriculture at its quarterly meeting at Topeka, Kans., July 23, 1945.

J. C. MOHLER, *Secretary.*

REPORT OF A COMMITTEE

Mr. HILL, from the Committee on Expenditures in the Executive Departments, to which was referred the bill (H. R. 129) to provide for the barring of certain claims by the United States in connection with Government checks and warrants, reported it without amendment and submitted a report (No. 550) thereon.

REPORT OF SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES (PT. 3 OF REPT. NO. 47)

Mr. MURRAY. Mr. President, from the Special Committee to Study and Survey Problems of Small Business Enterprises, I ask unanimous consent to submit, pursuant to Senate Resolution 28, Seventy-ninth Congress, extending Senate Resolution 298, Seventy-sixth Congress, a report entitled "Impact of Reconversion Policies on Small Business."

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the report will be received and printed.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMITH:

S. 1319. A bill for the relief of Mrs. Alice Condon; to the Committee on Claims.

(Mr. MEAD introduced Senate bill 1320, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. WAGNER:

S. 1321. A bill to authorize the cancellation of deportation proceedings in the case of Ancieto Zacevich or Anicento Zacevich or Ernest Zacevich; to the Committee on Immigration.

By Mr. McCARRAN (by request):

S. 1322. A bill to amend the Trading With the Enemy Act, as amended, and for other purposes; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 1323. A bill for the relief of the estate of William Carl Jones; to the Committee on Claims.

By Mr. McFARLAND (for himself and Mr. HAYDEN):

S. 1324. A bill to amend title V of the Servicemen's Readjustment Act of 1944; to the Committee on Finance.

SMALL BUSINESS FINANCE CORPORATION

Mr. MEAD. Mr. President, I ask unanimous consent to introduce for appropriate reference a bill which I believe to be of the utmost importance to small business. As a Member of the House of Representatives, I introduced a bill similar in intent in 1936, and again in 1939 and 1941 as a Member of the Senate.

I shall not take the time now to discuss the bill, but I desire to state that it has the endorsement of members of the Board of Governors of the Federal Reserve, and of experts in the field of finance. I trust that the bill will be favorably reported, and that Congress will enact it in the very near future.

There being no objection, the bill (S. 1320) to provide for the reconversion of small industries to civilian production, to expedite the reentry into business of small businessmen whose businesses have been curtailed or closed because of war emergencies, to aid men and women of our armed forces and others who desire to enter into business on their own after the war, and to encourage the free flow of American capital into small and intermediate-sized enterprises by the establishment of a permanent Small Business Finance Corporation within the Federal Reserve System to assist financing institutions in making short- and long-term credit available to small and intermediate-sized enterprises, introduced by Mr. MEAD, was received, read twice by its title, and referred to the Committee on Banking and Currency.

ULTIMATUM TO JAPAN—EDITORIAL FROM THE WASHINGTON POST

Mr. WHERRY. Mr. President, supplementing the brief remarks I made yesterday, found on page 8089 of the proceedings of the Senate in the CONGRESSIONAL RECORD, which had to do with the ultimatum sent to Japan by the President of the United States, the Prime Minister of Great Britain, and the President of the Republic of China, which, as I said yesterday, defines the term "unconditional surrender," I ask unanimous consent to have printed at this point in my remarks an editorial found in the Washington Post of this morning which corroborates some of the statements I made. I particularly should like to call attention to one paragraph, which is as follows:

The final paragraph of the document—

Referring to the ultimatum—

is the most important of all. Here at last the vexatious formula "unconditional surrender" is defined.

I ask unanimous consent that the entire editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TERMS TO JAPAN

The conditions of peace offered to Japan by President Truman, the Government of Great Britain and Marshal Chiang Kai-shek are, it seems to us, a stroke of high statesmanship. A way now seems open to the Japanese to capitulate on terms that will preserve their national entity and to a certain extent their national dignity. The document in which the conditions are set forth is described, no doubt for propaganda purposes, as an "ultimatum," but what it amounts to is the offer of an armistice on terms which the Japanese must accept or reject in toto.

The final paragraph of the document is the most important of all. Here at last the vexatious formula "unconditional surrender" is defined. It is now plainly shown to mean not the total surrender of the Japanese people, nor even of the Japanese Government, but simply an order from the Japanese Government to the Japanese armed forces to cease hostilities and to lay down their arms. By accepting these terms Japan, it would seem, can save not only her national existence, but to a considerable degree her precious "face." She can accept the status of a defeated but not a broken nation.

The first point, calling for the extirpation of the "authority and influence of those who have deceived and misled the people of Japan," significantly and deliberately omits any mention of the Japanese Emperor. But elsewhere the document speaks of "self-willed militaristic advisers." This point, taken in conjunction with later clauses referring to "freedom of worship" and to a government freely chosen by the Japanese people, would seem to leave a possibility for the preservation of the Emperor, at least in the capacity of a national and religious symbol.

The article providing for the occupation of the Japanese homeland by Allied forces until the other terms of the armistice are fulfilled, was, of course, to have been anticipated, and it was probably anticipated by the Japanese themselves. The next point, reiterating the terms of the Cairo declaration that the Japanese must surrender all territories save the islands of their own archipelago and "such minor islands as we determine," is perhaps the weakest of the lot, since it leaves many questions—for example, the disposition of the Kuriles—in abeyance. It is possible that, as concerns the territorial question in the Far East, the statesmen are still without a clearly defined policy or program, and this is highly unfortunate, since a patchwork settlement would certainly sow the seeds of future troubles.

The assurance that the Japanese soldiers, after putting aside their arms, will be permitted to return home and will not be molested there is wise and magnanimous. It reveals a close understanding of Japanese psychology, for the spiritual attachment of the Japanese to his native place is both profound and intense. The provision for the punishment of war criminals and of Japanese officers or guards who have been guilty of brutalities toward Allied prisoners is not only just in itself, but also necessary to make the terms palatable to Americans whose memory of the Bataan death march and other incidents is still vivid.

The economic provisions are highly important. The promise that Japan shall be permitted to retain such industries "as will sustain her economy and permit the exaction of just reparations in kind," and the guaranty that Japanese industry will be given access to raw materials and ultimately permitted to participate in world trade, hold out the hope of early economic reconstruction. Doubtless these were inserted to strengthen the peace party in Japan, which is said to comprise most of the industrial and business leaders.

The promise that all Allied troops will be evacuated from the Japanese homeland as soon as these conditions have been fulfilled and "a peacefully inclined and responsible government," representing "the freely expressed will of the Japanese people," estab-

lished, may be interpreted as yet another guaranty of Japanese national sovereignty. In sum, it seems to us that this settlement of terms has brought peace in the Far East and peace on earth measurably nearer.

HOUSING FACILITIES AT COLLEGES FOR VETERANS WITH FAMILIES

Mr. MAYBANK. Mr. President, in view of the fact that I have had considerable correspondence in connection with the GI bill of rights educational program, and in view of the fact that many colleges throughout the United States are not equipped, or certainly not fully equipped to permit large numbers of men who are married and who have children to be quartered on the campus, I have taken the matter up with Commissioner Foley, of the Federal Housing Administration, and he has assured me that everything possible would be done by the Federal Housing Administration to provide housing facilities for the returning veterans so they can complete their education. I ask unanimous consent to have a letter which Commissioner Foley wrote me printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL HOUSING ADMINISTRATION,
Washington, D. C., July 26, 1945.

Hon. BURNET R. MAYBANK,
United States Senate, Washington, D. C.

MY DEAR SENATOR MAYBANK: I appreciate very much your calling to my attention the problems involved in furnishing housing for our returning veterans, who will seek to continue their education under the provisions of the so-called GI bill of rights, in connection with housing situations in various colleges and university communities.

Please let me assure you that the Federal Housing Administration will be keenly interested in any opportunity to be of service, and especially in this particularly appealing area of the veterans' problems. I have requested that study be made within the agency to determine as fully as possible in what ways the authorities we have may be made useful. From time to time I will advise you and hope to have the benefit of your counsel in this and other matters.

Sincerely yours,
RAYMOND M. FOLEY,
Commissioner.

STATEMENT BY SENATOR THOMAS OF UTAH ON RAISING THE MINIMUM WAGE

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a statement made by him relating to Senate bill 1282, providing for raising the minimum wage from 40 to 60 cents an hour, which appears in the Appendix.]

TRIAL OF WAR CRIMINALS

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a letter dated May 22, 1945, addressed to Field Marshal Jan Christiaan Smuts, on the subject of the trial of war criminals, which appears in the Appendix.]

THE UNITED NATIONS CHARTER—STATEMENT BY THE CATHOLIC ASSOCIATION FOR INTERNATIONAL PEACE

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a statement concerning the United Nations Charter by the postwar world commitee of the Catholic Association for International Peace, which appears in the Appendix.]

RELATION BETWEEN ECONOMIC CONDITIONS IN UNITED STATES AND INTERNATIONAL ECONOMIC PROBLEMS

[Mr. MURRAY asked and obtained leave to have printed in the RECORD quotations from leading authorities on the relation between economic conditions in the United States and international economic problems, which appear in the Appendix.]

POSTWAR EMPLOYMENT POLICY—ADDRESS BY JOHN H. G. PIERSON

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on the subject of postwar employment policy, delivered by John H. G. Pierson at the University of Michigan Extension Service meeting, Detroit, Mich., on June 22, 1945, which appears in the Appendix.]

FOR ARMY-NAVY MERGER—EDITORIAL FROM ST. LOUIS POST-DISPATCH

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial entitled "For Army-Navy Merger" from the St. Louis Post-Dispatch, of July 22, 1945, which appears in the Appendix.]

THE AMERICAN INDIAN

[Mr. BUSHFIELD asked and obtained leave to have printed in the RECORD an article entitled "Set the American Indians Free," written by O. K. Armstrong and published in the Reader's Digest for August 1945, which appears in the Appendix.]

A BILL OF DUTIES—ARTICLE BY JOHN KIRLAND CLARK

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an article entitled "A Bill of Duties," written by John Kirland Clark, and published in the May 1945 issue of the Bar Bulletin of the New York County Lawyers' Association, which appears in the Appendix.]

THE PRESIDENTIAL SUCCESSION—ARTICLE BY CHARLES WARREN

[Mr. GREEN asked and obtained leave to have printed in the RECORD an article by Charles Warren entitled "The Presidential Succession—Why the Existing Statute of 1886 Was Enacted," which appears in the Appendix.]

MEDICINE AND THE WAR—ARTICLE FROM JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an article entitled "Medicine and the War," published in the Journal of the American Medical Association for July 14, 1945, which appears in the Appendix.]

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. TUNNELL obtained the floor.

Mr. HILL. Mr. President, will the Senator from Delaware yield?

Mr. TUNNELL. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Andrews	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stewart
Burton	Kilgore	Taft
Bushfield	La Follette	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	
Gerry	Myers	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY] is necessarily absent.

Mr. WHERRY. The Senator from Kansas [Mr. REED] is absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from California [Mr. JOHNSON] is necessarily absent.

The PRESIDENT pro tempore. Ninety-one Senators having answered to their names, a quorum is present.

Mr. BARKLEY. Mr. President, will the Senator from Delaware yield to me for a moment?

Mr. TUNNELL. I yield.

Mr. BARKLEY. Many Senators have inquired of me about the prospects for a final vote on the treaty. I think no one will feel that we have tried to rush the debate or hurry it, or shut off any Senator, but I think the general feeling among Senators is that we would like to conclude the debate tomorrow, and in my opinion that is well within the possibilities.

I merely rise at this time to say that I hope Senators will be willing to remain in session until at least 7 o'clock this evening and to meet at 10 o'clock tomorrow, in the hope that we may finish consideration of the treaty. A little later in the day I hope to be able to secure an agreement from the Senators who contemplate speaking that we may vote at, say, not later than 5 o'clock tomorrow; but I shall not make that suggestion now. I hope it will be in the minds of Senators, because without in any way running out on the treaty or the debate or the situation, many Senators would like if possible to leave on their vacations Sunday.

Two or three of us will have to be in session next Wednesday, which will be the 1st of August, in order that we may adopt a motion formally adjourning until the 8th of October, but other Senators who will not be required to be present can be free to leave as soon as we have disposed of the treaty. I hope that during the day it may be possible to secure an agreement for a vote finally tomorrow,

and that we may remain in session today until 7 o'clock, and that it will be agreeable to meet tomorrow at 10 o'clock. So far as I know there will be no committees in session tomorrow, and we can afford to meet at 10.

Mr. WHITE. Mr. President, will the Senator from Delaware yield?

Mr. TUNNELL. I yield.

Mr. WHITE. I share the hopes of the majority leader. The debate on the charter has occupied a week, and there has been a serious discussion of every phase of the problem that is presented to us. It is pretty difficult to conceive that anything new can now be said. I very much hope that the Senate will remain in session until 7 o'clock this evening, that we may meet at 10 o'clock tomorrow morning, and I hope that during tomorrow, or even later today, it may be found possible to reach an agreement as to a time for a final vote on the Charter. I understand the Senator from Kentucky is not undertaking to fix such a time at the moment.

Mr. BARKLEY. No.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield to me?

Mr. TUNNELL. I yield.

Mr. AIKEN. I wish to ask the majority leader if there is any likelihood of calling the calendar again or taking up numerous items of last-minute legislation before the recess is taken. I am not asking that that be done.

Mr. BARKLEY. If possible I should be glad to cooperate to dispose of any essential legislation, but it was pretty well understood that we had cleaned up the calendar before we entered upon the consideration of the treaty, and I myself would hesitate to open up the avenue for a lot of last-minute legislation that can go over until the Senate returns in October.

Mr. AIKEN. I hope the majority leader will stick to that idea.

Mr. BARKLEY. I thank the Senator.

Mr. WHITE. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield to the Senator from Maine.

Mr. WHITE. Again I want to express my concurrence in what has been said. I hope the majority leader will adhere to the position he has just expressed. The difficulty is that when we start opening up the program, when we start reaching back into the calendar, bringing forward measures and asking unanimous consent for consideration of this and of that, all the fences are down, and we cannot logically or justifiably object to the consideration of matters that other Senators may think important. It will be just an endless chain if we once begin doing that. So I hope the Senator from Kentucky will stand firmly against opening up the program, and that he will not ask for a further call of the calendar at this time.

Mr. McCLELLAN. Mr. President, I have been on my feet waiting for an opportunity to ask the Senator from Delaware to yield. I will say that the information which has been afforded is what I wanted to obtain.

Mr. MORSE. Mr. President, will the Senator from Delaware yield to me?

Mr. TUNNELL. I yield to the Senator from Oregon.

Mr. MORSE. I wish to say, Mr. President, that I have cooperated and shall endeavor to cooperate with the majority leader so long as the present debate continues. However, I think it is only fair to say to the majority leader that I shall object to any unanimous-consent request for limitation of debate on the charter, because I think we must guarantee that this forum shall remain an open forum. I had a little experience last night with throttling attempts to close this forum, and I shall endeavor to keep the forum open as long as a unanimous consent is required to limit debate. Therefore, I shall object to unanimous consent for limitation of debate on the Charter.

Mr. BARKLEY. Mr. President, will the Senator from Delaware yield further?

Mr. TUNNELL. I yield.

Mr. BARKLEY. I do not suggest any limitation on debate. We all want the Senate to remain an open forum. It is an open forum. What I suggested was that we remain in session later tonight and meet earlier tomorrow in the hope that we might vote on the treaty tomorrow afternoon. That in no way seeks to limit any Senator in the length of his speech on the treaty, but I think it would be in accordance with the wishes of the vast majority of the Senators if we could conclude action on the treaty tomorrow.

Mr. MORSE. Mr. President, will the Senator again yield?

Mr. TUNNELL. I yield.

Mr. MORSE. I will say to the majority leader that I shall be very glad to stay as long tonight, and to meet as early tomorrow morning as the majority leader wishes. I understood him to say, however, that he wanted the Senate sometime today to enter into a unanimous-consent agreement as to some hour tomorrow when the Senate should vote on the charter, and to such unanimous-consent agreement I will not consent.

Mr. TUNNELL. Mr. President, the minority leader has just said that this has been a serious debate, and perhaps more than any other debate since the debate on the League of Nations it merits being serious.

Those who have been inclined to criticize the Charter of the United Nations have said that the charter is the result of propaganda. Apparently that statement is made with the idea of convincing the world that our representatives at the San Francisco Conference were influenced by propaganda. I look at the matter from a little different point of view than that taken by the critics. I do not believe that 50 or 51 nations have been influenced by propaganda along the same line. I desire to congratulate the members of our delegation from the United States Senate in particular, because we have heard more respecting their activities and their work at San Francisco than that of the others. It seems to me we can determine now that they were not influenced by propaganda, but were influenced by a desire to please the peoples of the world by complying with their demands. Perhaps never in the history of the world has there been such a universal desire for any peace proposal as that which now exists for adoption of this charter. In other words, so many different nations have asked for and have agreed to this charter that one cannot think of any program of propaganda that could have influenced such an enormous body of people or such numerous bodies.

I shall speak for a few minutes on the debate which arose a couple of days ago with reference to article 43. It seems to me that when the charter is approved by the Senate there is a clear agreement or undertaking "to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security." When the charter is approved by the Senate we shall have agreed to that. Just what is meant by an agreement seems to be the issue about which individuals differ. I looked in the dictionary this morning and I saw that a treaty means an agreement between independent states. I do not know whether we can say that the Security Council is an independent state; I do not know whether we can attribute to the Security Council sovereignty such as is required for the making of a treaty.

When our Constitution was adopted the States agreed to relinquish their power to make treaties with other nations. The right to make a treaty is one of the things which the sovereign States of the American Union relinquished, and it is specifically so provided. Are we going to agree voluntarily that the Security Council has greater power, has more authority, and higher sovereignty than a sovereign State of the United States At this time are we going to limit the United States to dealing with the Security Council on the basis of an independent state? It seems to me that those who have injected the idea that such an agreement must necessarily be a treaty are treading on dangerous ground, because in that way we may be placing the Security Council on a higher plane that it was ever intended to be placed by the writers of this treaty. At any rate, if we are going to say that it has the power of dealing as an independent state, as a treaty-making power, we are going to admit that it is a supergovernment; and there are those who have criticized that provision. I do not think it was intended to be a supergovernment.

I believe that the meaning of article 43 is clear. There is a treaty which we are now ratifying, or an agreement which we are ratifying with all the formality of a treaty, in which we agree to furnish armed forces, assistance, and facilities. That agreement is being made by the United States, a sovereign power, with other sovereign powers, and they agree to do certain things, the extent of which is to be determined by an agreement. I see nothing in the language of article 43, or any other language in the Charter, which would indicate that by agreeing to the number of the armed

forces, their general location, the degree of readiness, and the nature of the facilities, we must recognize the Security Council as an independent state. It is provided that this agreement must be negotiated as soon as possible on the initiative of the Security Council; and if a member desires to participate in the decision of the Security Council concerning the employment of the contingent of armed forces——

Mr. BUSHFIELD. Mr. President, will the Senator yield?

Mr. TUNNELL. I yield.

Mr. BUSHFIELD. I should like to inquire of the Senator if it is his understanding of the word "agreements" that the Security Council members are to sign such agreements with the sovereign states?

Mr. TUNNELL. The provision is that the agreements shall be made with the Security Council:

> The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and Members——

Mr. BUSHFIELD. Is it the Senator's understanding, then, that members of the Security Council should sign the agreements?

Mr. TUNNELL. The agreements must be concluded between the Security Council and the members, of which the United States will be one if we ratify the treaty. That is my understanding.

Mr. BUSHFIELD. I thank the Senator.

Mr. TUNNELL. That is a phase of the situation to which I wished to call the attention of the Senate at this time, because it occurs to me that, there being nothing but an agreement as to readiness, general location, and nature of the facilities and assistance to be provided, since we have agreed in a treaty that we will furnish such assistance, the agreement with the Security Council simply determines the amount of the assistance, as I understand; and I do not believe that such an agreement should be given the sanctity of a treaty, because I think there are implications in that position to which we might hesitate to agree.

The Constitution, when it took from the States the right to make treaties, agreements, or contracts with foreign powers, showed that the Federal Government was the only organization in our United States which could make a treaty.

There is a world sentiment around this charter. It is considered to be absolutely essential to the happiness of the world. I believe that that sentiment is one of the things which are referred to as propaganda. I believe that our delegates have recognized such a sentiment in the world. There are those who take the position that the United States cannot do this.

With reference to the Charter, I am receiving a great deal of mail claiming that the public sentiment which exists for the charter is the result of propaganda, and will therefore be very temporary. One is caused to wonder, sometimes, why there should be this propaganda against the Charter. Who pays for the printed material which is sent out? Who pays those who are propagandizing Senators? I can see why a person who is imbued with the idea that the peace of the world depends on the ratification of this Charter might spend some money. I am not in a position to see why a person, a company, or an organization should send out material such as this:

> Any appropriation made by Congress to finance an unconstitutional act (one passed by our representatives in the Senate in violation of their oaths of office) is equally unconstitutional, and it is the privilege of the people to refuse to contribute to the support of such legislation.

In other words, according to this sort of propaganda, each of us is to judge whether this act is constitutional or not; and if we decide that it is not, we can refuse to participate in the taxes by which it is to be supported. This article is clearly treasonable and intended to incite rebellion against the acts of Congress. The fact that some person or organization is willing to spend money for the purpose of inciting treason is worthy of some investigation. I do not see why anyone should spend money for that purpose. I do not see the motive. Certainly we cannot believe that the delegates at San Francisco were not either sufficiently able or conscientious to place in the Charter all the safeguards which they thought necessary. Material is being sent out advising the people of the Nation not to submit. If each person is to determine for himself what acts of Congress are constitutional and what acts are unconstitutional, and each person is to be permitted to ignore the acts of Congress and resist the collection of taxes, then, indeed, we shall have no government.

The propaganda about which these traitors complain began a long time ago. They are complaining about propaganda. Now, in all seriousness, the people of the United States want this Charter. One of the first things which led to their wanting it was the First World War. Advertising by newspapers, the news advices with reference to the League of Nations, caused millions of people to believe in some kind of world organization for peace. It began with the speeches and acts of those Members of the Senate who opposed the League of Nations and prevented the membership of the United States in that league. That caused quite a little sentiment in favor of an international organization. That attitude on the part of the opponents of the League of Nations aroused a great deal of public sentiment for the League at that time. The propaganda about which they now complain was aided by the Selective Service System, when it became necessary to take our boys from their homes, from their farms and workshops, and place them in the armed forces of the United States. From millions of homes the father, the brother, the husband, or some other member of the family has been taken by the armed forces and sent away, and that has caused people all over the portion of the world where any form of selective service is used to study how that could be avoided. It has caused people seriously to consider it. Each one of us has received messages asking that something be done to make this impossible, so that their homes might not again be broken up; so that their homes might not lose some of their members, either temporarily or permanently.

People began to see just what opposition to the League of Nations was meaning to them personally. That made propaganda unnecessary. The destruction of American lives and property at Pearl Harbor helped to remove the necessity for propaganda. Public sentiment very quickly centered around the thought as to why we had not joined the League to try to prevent the death of our boys and the destruction of our property. The casualty lists of more than a million from the beaches and battlefields of France and Okinawa and Iwo Jima have helped to make propaganda unnecessary. The opponents of world cooperation fired their blasts of malice and hatred at an enfeebled old man. They destroyed him, but their shots also struck millions of the flower of the young manhood of the world in World War II. The partisan ambition which entered into the opposition to world cooperation after World War I found a fitting successor in the ambitions of Hirohito, Mussolini, and Adolf Hitler for world domination. The partisans of America fought for party victory; sacrificed the world for partisan victory. The implacable hatred of the enemies of Woodrow Wilson in 1919 had a fighting counterpart in the hatreds of the leaders of totalitarian government as represented by the Axis Powers. Those acts and those sentiments have been the cause of public determination that an effort shall be made to protect the innocent of the world against mass murder; and this time there is no partisanship.

The Charter of the United Nations begins with the following words:

> We the peoples of the United Nations determined to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind.

Mr. President, is this a laudable motive? What does modern warfare mean? There was a time when a David and a Goliath met to represent the strength of contending armies and to fight individual battles. Civilians were not greatly affected by that kind of war. Today, war is waged between whole peoples; this war is a war of the whole world. Every nation has felt the pinch of World War II, regardless of whether it is an active combatant. This is not a war of contending armies. It is a war in which the most powerful chemicals known to man are turned against the civilian populations of the world. This is a war in which contending armies may not see each other. It is a war in which destruction may come from beneath the sea or from the heavens. It is a war in which civilian women and children are in equal or greater danger than are the military forces. It is a war in which more homes have been affected, more sorrow engendered, more blood shed, and a greater number of civilians starved and mistreated than ever before at any other time in the history of the world. The future gives assurance of even greater weapons of destruction, greater losses of

life and property, greater blasting of human ambition, greater destruction of the instruments of civilization, and greater paralysis of human progress.

Early Americans believed that mankind was entitled to life, liberty, and the pursuit of happiness. The writers of the United Nations Charter state that they are determined to "reaffirm faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations, large and small." What fundamental human rights are secure today? Who knows when or how or where his supposed rights are to be violated? What nation, large or small, can withstand the attacks of the remainder of the world? As we go through such cities as Munich or Cologne and look at the deserted streets, the debris in the homes, houses in which civilization once existed, but in which nothing, not even rats, now live, one looks forward with dread to what might in some future day be the fate of our own America. So, Mr. President, it is not strange that there has arisen this wonderful sentiment throughout the world for something to prevent a repetition of what has been suffered in the past.

We are told that one of the purposes of the United Nations Charter is to establish conditions under which justice and respect for the obligations arising from treaties and other source of international law may be maintained. Treaties are no longer guaranties of the security of rights. Treaties have become scraps of paper. Declarations of war are unnecessary. No longer is it considered even desirable for aggressor nations to maintain any decent respect for the opinions of mankind. The founders of our Nation respected the opinions of mankind. The world is subject now to organized power applied by the whims of ruthless dictators. The Charter seeks to reestablish respect not alone for the rights of mankind, and for nations both large and small, but it seeks also to reestablish a decent respect for the opinions of mankind. It seeks to reestablish the power of right over might.

We are told by the Charter that the peoples of the United Nations are determined to unite their strength for the purpose of maintaining international peace and security. Heretofore, each individual nation was compelled to try to maintain its own peace and security. The greatest armies, navies, and air forces of the world have now been voluntarily injected into the fight to establish international peace and security.

The United Nations Charter seeks to maintain international peace and security after it has been established. If this could have been done before, untold millions would have been saved from suffering, and untold millions who are now dead would be enjoying life. Our forces were not united or applied for the purpose of maintaining international peace and security but to establish peace and security after it had been violated by those who ignored the moral and religious principles of the world.

Again we are told by the Charter that the peoples of the United Nations are determined that armed forces shall not be used except in the common interest. That indeed is a departure. The armed forces which have been assembling around the world shall now, under the charter, be used in the common interest. Violations of the peace of nations are based upon the same indifference to the rules of right and wrong as are violations of international rights. The movements are merely on a larger scale. The principles involved are the same. When armed force is used to violate the principles of justice in small segments of the world, or of its populations, whole nations later become involved. Later the world becomes involved. The origin is the same in principle, as that which in the case of a violation of law leads to the arrest of a disturber of the peace anywhere in the world.

The Charter of the United Nations says that we, the peoples of the United Nations, are determined to employ international machinery for the promotion of the economic and social advancement of all people. Mr. President, two-thirds of the entire population of the world live in Asia where the standards of living are low, where starvation is prevalent, where life is short and is not safeguarded by scientific or economic rules. The 400,000,000 inhabitants of India, as well as the 700,000,000 inhabitants of China, are examples of the possibility of the employment of international machinery for the promotion of economic and social advancement.

I remember that a great many years ago a man in my State said that he had decided to build a public road in such a manner as to permit the payment of a reasonable return on the investment. There were those who thought that he was a dreamer. I heard him state at the time that if a similar strip of land had been reserved along Fifth Avenue in New York City it would today pay all the taxes of greater New York. I refer to this as one of the possibilities of social advancement. I believe that it is possible to aid in social advancement in such a way as to pay a reasonable return on the investment.

The United Nations Charter, Mr. President, goes beyond the selfish advancement toward which each nation can and should strive. The charter is for the advancement of the social and economic progress of all peoples.

It is not my purpose to discuss the instrument by which these fundamental rights of humanity shall be recognized. I do not intend to discuss at length the General Assembly, the Security Council, the Economic Social Council, the Trusteeship Council, the International Court of Justice, or the Secretariat. It is sufficient for me to say that each of those organizations have specific purposes for which they are to be used, and that each of them has met the test of serious and successive challenges. They have been discussed ably and at length by Members of this body who were delegates to the San Francisco Conference. They have also been discussed by the representatives of the small nations.

Strange to say, there are in the United States many critics who claim that the charter is not fair to the small nations. I do not know about that, but I believe that unless something is done for them the small nations will take the course which has been taken by Estonia, Latvia, and Lithuania. I think that the small nations see the course of their future unless something is done to aid them. In other words, I believe that the small nations have very sensibly signed this charter, and are ready to become members of the world organization because they realize, just as we realize, that large nations and small nations are all in danger if combinations of nations, such as have been made in the two world wars, are to continue without restraint. It is not a case of wanting to do something; we must do something. It is not a case of something being desirable; it is absolutely necessary.

Mr. President, the various phases of the charter have been discussed ably and at length by the Members of this body who were our United States delegates to the San Francisco Conference. They have told us of their efforts, and the means by which the requirements to which I have referred are to be accomplished.

One hundred and sixty-nine years ago the people of the United States believed that all men are created equal, and that all men are entitled to life, liberty, and the pursuit of happiness.

I shall not at any length discuss the standpoint of those who favor the Charter. They are too numerous, indeed, nobody attempts to deny that they constitute a very large proportion of the American people at this time.

It is not my intention to enter into any minute description of the United Nations Charter itself or accurately to describe its workings. It may be sufficient to say that the Charter is the product of centuries of thought and the result of untold bloodshed and suffering. Its purpose, among others, is to prevent the repetition of wars which have been so devastating to the world and which threatened to destroy civilization.

My purpose at this time is to answer some of the particular objections which have been made to the ratification of the Charter. The Senate Foreign Relations Committee, of which I am a member, devoted several days to hearing witnesses who desired to express themselves either favorably or unfavorably as to the ratification of the Charter.

The first objection made was in the nature of a charge on the part of some of the witnesses appearing before the committee that the treaty was being railroaded through the Foreign Relations Committee. The truth is that this whole matter has been considered by all of the United Nations since the beginning of World War II. The Dumbarton Oaks proposals were submitted to the world on October 9, 1944, and the delegations to the San Francisco Conference spent more than 8 weeks discussing the provisions of the Charter. These discussions were widely publicized by the press and there has been no attempt to keep anything relating to the subject secret from the American people. After the charter was submitted to the Senate, a full week elapsed before a hearing was had by the Foreign Relations Committee. The committee devoted all of a week to

the hearings, and would have devoted twice that amount of time had it been either necessary or desirable to do so. A record has been made of the testimony of all who appeared before the committee. I have received many communications, from people in my home State in particular, expressing a desire to have the charter ratified speedily.

It was feared that any speed over the protest of those desiring to be heard would be considered as unseemingly and would in fact be in the nature of railroading. Nothing of this sort can truthfully be charged. Exactly the opposite course was taken, and the chairman of the Foreign Relations Committee tells me that every person who asked for a hearing and who presented himself or herself for a hearing has been heard.

Again it is contended that the Charter does not provide for easy amendment. The charter provides, by article 108 that "amendments to the present Charter shall come into force for all members when they have been adopted by a vote of two-thirds of the members of the General Assembly and ratified with their constitutional processes by two-thirds of the members of the United Nations, which must include all of the permanent members of the Security Council. Thus, there is provided a clear method of amending the Charter. The provision permits any of the five principal nations to prevent the adoption of any particular amendment. I do not believe that any citizen of the United States should desire to place this country in the position of being compelled to submit to an absolutely objectionable amendment. Certainly there should not be any objection when we have the power to veto any amendment by our own vote. Under the provisions of the charter as they now stand our country would be one of the five nations with the power of veto over such an amendment. This is not the veto power which is sometimes objected to by opponents of the treaty, although it borders closely on it. However, this veto power is reserved to the nation in such manner that our Government is fully protected against objectionable amendments. The opponents would like amendments favored by the United States to be easy of enactment and those to which it objects difficult of enactment.

Another of the objections made to the charter is that once we are in the United Nations we cannot get out. There is no specific provision of the Charter for resignation. However, the very fact that sovereign nations have not surrendered their right of withdrawal is a reservation to them of that right. Any nation, and particularly one of the five great nations desiring to withdraw from the combination of nations would be in a position entirely to prevent any positive action on the part of the other powers. In other words, if there should be such power to prevent the removal of a nation, that nation when in or any nation when still a member—any of the larger nations—could always veto any positive action. The nations constituting the membership under the Charter will not want to retain a dissatisfied member.

However, the opponents say that the confirmation of the United Nations Charter would cancel the Monroe Doctrine. This matter was discussed rather freely in the Foreign Relations Committee, and the belief there seemed to be that it not only does not destroy the Monroe Doctrine but that the Monroe Doctrine would stand out perhaps more clearly than at present, marking the boundaries of the jurisdiction of the United States and other American nations that now recognize the Monroe Doctrine. The United Nations Charter will aid in the enforcement of the Monroe Doctrine. If any difficulty arises which requires the attention of the United Nations we will have the assistance not alone of the nations of the Western Hemisphere but of all members of the United Nations. Therefore the Monroe Doctrine, instead of being in danger, will be fortified in its position.

Our opponents tell us that this is a power combination and that peace can never be guaranteed by a combination of military powers with the right and intention of using that power. The complete answer to this suggestion is that without power to enforce its decrees the new world organization would be absolutely useless. This was one of the objections to the League of Nations. Its opponents said that it was without power to enforce its decrees. Under the charter the new organization can call on all its members for sufficient force to enforce its decrees. Whether this organization accomplishes its purpose or not, there certainly could be no accomplishment of the peace objectives of the world without power to enforce decrees. The world has recognized this, and is trying to save future generations from a repetition of the sacrifices this one has made of its present assets and its future acquisitions. To maintain peace we must be able to protect peace.

However, the opponents of the Charter say that it means a surrender of sovereignty. It is pretty hard to understand what is meant by such a charge. If sovereign states dare not agree among themselves together to accomplish something which otherwise would require the unassisted efforts of each of them, it is high time that some new principle in government be put into operation. The United States is not surrendering any sovereignty. It is entering into a great plan by which it will be obligated to furnish a portion of the peace force of the world.

If we had been united with the other 50 nations, can anybody imagine any breach of the peace, which would have been as costly to this Nation as the present World War has been? Could any person conjecture, think of, or suggest any way by which we could have lost by combining with other nations, in comparison with what it has cost us in money, blood, and suffering to go it alone, or with the other nations with which we are united?

The United States is not surrendering any sovereignty. In such efforts it will have the aid of 50 other nations. This is not a surrender of authority or of sovereignty; it is an acceptance of aid from other nations in the protection, not alone of the remainder of the civilized world, but in the protection of ourselves.

We can no longer have any serious contention that any combination of forces of the world can be ignored by the United States. The consequence is that we shall participate in the suppression of any difficulty which arises threatening the peace of the world. So why not have help in that suppression?

We have the right under the plan of voting in the Security Council through our member to block positive action on the part of the organization without the assistance of any other power. Where is the surrender?

Again, the opponents of the charter object to the United States and each of the other of the five great nations having the right of veto. That objection coming from Americans is the most surprising I have ever heard. In other words, as an abstract proposition, they reason that each of the 51 nations should have the same right as any other nation as to whatever action might be taken. They argue that a nation with a population of less than a million, with no navy, no effective army, no airplanes, and with no real risk to itself, should have the same force and power with reference to the decisions of the organization as should the United States, the United Kingdom, Russia, China, or France. In other words, we should be placing our peace in the hands of any particular government, no matter how small, or how small its risk, if we did not have the veto power. This indeed would be a surrender of sovereignty.

Fortunately, the small nations of the world have not made such silly demands on the great powers, but have recognized the justice of the arrangement made, and have signed the Charter with a full understanding as to the veto power in each of the five great powers.

The opponents of the Charter say that the United States has no constitutional authority to delegate to any representative of the United States the right to take action without congressional authority in each case. President Roosevelt made the suggestion that a provision of this sort would be comparable to a policeman who saw a burglar entering the second-story window having to go back to consult the town council before arresting the intruder. Such a suggestion is simply an attempt to have the United States admit that it has no power to participate in any organization with sufficient mechanism, intelligence, and force to preserve peace.

But the opponents tell us that reservations must be made to the Charter. In other words, the United States should now set the precedent of amending the charter after the delegates from all over the world have returned to their homes. If the United States has the right and considers it wise to attempt amendments after agreeing to the charter as written at San Francisco, then 50 other nations will have the same right and the same opportunities to amend the charter in the various ways which might occur to them as being desirable.

The reservation plan killed the League of Nations by preventing the United States from becoming a member. The

reservation plan, if adopted by the Senate of the United States, would kill the United Nations Charter. This may or may not be the object of the suggestion, it certainly would be the result.

However, the most usual claim is that the charter is, so far as the United States is concerned, unconstitutional. It is astonishing how constitutional lawyers are developed at every crossroads in the United States at any suggestion of a plan which would preserve the peace of the world.

The House of Representatives on September 21, 1943, adopted what was known as the Fulbright resolution, which placed the House of Representatives on record as favoring the creation of appropriate international machinery with power adequate to establish and maintain a just and lasting peace. The United States Senate on November 5, 1943, adopted a resolution placing the Senate on record as desiring that the United States join with free and sovereign nations in the establishment and maintenance of international authority, with power to prevent aggression, and to preserve the peace of the world. Each of these resolutions contained the words "through its constitutional processes." If these constitutional authorities are correct in their statements that it is impossible for the United States to delegate any authority to participate in the enforcement of peace, then both the House of Representatives and the Senate have been guilty of silly and futile resolutions.

The suggestion that the Constitution of the United States must be amended to participate in establishing or maintaining peace is to say that the United States is incapable, under its present Constitution, of participating in any effort of the world to prevent its own suicide. These opponents do not deny that the President can, without a declaration of war by Congress, use our armed forces to suppress insurrection, repel invasions, and protect the lives and property of American citizens anywhere in the world. The President has used our armed forces in foreign countries 76 times without the formality of a declaration of war by Congress. The objectors admit that the President could use the armed forces for this purpose, but say that the Senate cannot ratify a treaty which provides for the use of armed forces in the preservation of peace without a return to Congress.

However, the opponents tell us that even if all other objections are overcome, the World Charter will not prevent war. It is difficult to prove that this agreement will prevent war. The gift of prophecy, or the ability of the seer to look into the future and tell what might happen, would be needed for that purpose. It would seem that the peace of the world would be in better hands, however, if 51 nations provided an armed force to preserve the peace, to maintain the peace, than if the 51 nations and other nations were each to prepare for war on its own and without any agreement among themselves. All must admit that the Charter represents an honest effort toward universal peace, and further that it is an intelligent Charter which can prevent war if intelligently and honestly administered.

Mr. President, it is interesting to listen for some alternative to the United Nations Charter. Many of those who oppose the charter recite all the evils of the world at this time and charge them to the world charter, which is not yet in force. We had an illustration of that on the floor of the Senate. Conquests made by various nations are charged to the world Charter. The overrunning of Latvia, of Estonia, and of Lithuania seem to be charged to this world charter. Whatever Great Britain or Russia might have done by conquest or colonization is charged to the world Charter and used as an argument against its ratification, or I suppose was intended as an argument in opposition to its ratification. I have heard of no real argument in which an alternative is suggested to the Charter. There is no alternative except world pandemonium.

The same sort of argument is used against the charter that was used by the isolationists against preparation for war. In all of the preliminary preparations for war by the United States we were told by the isolation group that war would result. We were never told by them what would result if the defense measures should not be taken. At this time all sorts of dire predictions are being made by those who are really opposed to the ratification of the Charter as to what will happen if the charter is ratified. A couple of days ago the Senator from Montana [Mr. WHEELER] devoted approximately 3½ hours picking out every imaginable calamity which may result to the world after the charter is ratified. He seemed to be setting out the various reasons why no one should vote for its ratification. He devoted 1 minute to telling us why he should ignore his own advice. How many of these calamities are to happen if his advice is followed or if the advice of the isolationists is followed can only be estimated. It would appear that the opponents of the charter are attempting to enumerate the misfortunes of the world in order, after ratification, to make the spurious claim that the charter was the cause of the misfortunes which it preceded. The world can well afford to pay a tremendous price in labor and money to prevent one war. That one war may mean practical extermination of the human race. We have heard the troubles of Poland, of Finland, Estonia, and of Lithuania injected into this discussion. We have never heard how many of the countries mentioned would be benefited by a failure to ratify this treaty. We have never heard how many of the countries mentioned would be benefited in the slightest either in respect to men or money or in respect to elimination of international difficulties. The only argument used is that by failing to ratify the United Nations Charter we might possibly put ourselves in an isolated position so that we would not be under obligation to participate in the struggles of civilization for survival. But we do participate. So why is that a valid argument? I think it is quite generally recognized that no great international catastrophe can happen in which the United States will not be interested directly or indirectly.

Two ghastly failures at keeping out of world wars stand as a reminder that isolation is a failure, and has ceased to be an objective to any large segment of the American people. They recognize its impossibility and impracticability. The question now is what shall a world in turmoil do. We are told the world is in turmoil. We are told that there are evil conditions which should be remedied, but how a policy of isolation or do-nothingism can remedy them has never been suggested on the floor of the Senate or any other place I have been, or in any publication I have read. People everywhere recognize its impossibility and impracticability.

Shall we close our eyes and refuse to see? The opponents of the charter hold before us first Russia and then the United Kingdom, apparently with a view to appealing to the prejudice which fits the particular person addressed. If the person addressed is anti-Russian, the charter is particularly favorable to Russia. If the person addressed is anti-United Kingdom, the Charter is represented as being particularly beneficial to the United Kingdom.

The history of the progress of the war has been one of defense against the opposition of stand-patters, isolationists, and reactionaries. There has been determined objection to every improvement, economic, moral, and religious, in the history of the world. It would not be a particularly satisfying thought if objectors did not rise today to fight in the United Nations Charter. We should think that perhaps it was not of sufficient importance to arouse their ire. Their opposition is a compliment to the probable success of the United Nations Charter.

The record of war, its destruction of mankind, its suffering, its loss to civilization, make it advisable that some effort be made. This is the greatest attempt ever made at preserving peace. Let us not lightly cast it aside or detract from its possibilities. It represents the greatest effort at preserving peace ever agreed upon by mankind. Let civilization, christianity, and patriotism combine to aid this epic-making Charter. Objectors have fought all other improvements, all other defenses of civilization. Why should not they fight the world Charter? By the terrific punishment of world wars by the sacrifices of the lives of millions, by the sacrifice of private savings of millions of people, civilization has been driven to the position where it is determined to override obstructions and obstructionists.

Mr. LANGER. Mr. President, I ask unanimous consent to be excused for 2 hours, as I have a conference with the Assistant Secretary of War on matters involving North Dakota.

The PRESIDENT pro tempore. Without objection, the Senator from North Dakota is excused.

Mr. DONNELL. Mr. President, the Senate of the United States has before it for decision the problem of whether it will advise and consent to the ratification of the Charter of the United Nations with

the Statute of the International Court of Justice thereto annexed. In this connection I am impressed with the soundness of three fundamental propositions.

The first of those propositions is that international peace and security are essential to the welfare of the world. This proposition needs no demonstration other than a bare mention of the frightful carnage of war. Destruction of vast quantities of property, breaking of home ties, absence of loved ones in the conflict, wounds and death to vast numbers of men, women and children indiscriminately, distress, sorrow, devastation, famine and a multitude of other attendant ills are the familiar products of present-day warfare. The gigantic stores of material wealth which are destroyed are appalling. Far more shocking, however, is the thought of the years of useful human lives which could have been devoted to productive enterprise, but which on the contrary have been forced to be employed in destructive effort. Who is there who can estimate what books would have been written, what music would have been composed, what social betterment would have been produced, what architectural achievements would have been attained, or what other products of the mind and ability of the millions of individuals who have suffered untimely death would have been brought forth had not their lives been extinguished by the ravages of war? Who can adequately describe or comprehend the intensity of the apprehension, fear, and even agony through which millions of anxious mothers, fathers, wives and other loved ones have passed in the travail of anxiety for those who have been far away from home, engaged in the mighty struggle of the nations of the world? Who can know the sum total of mind and genius which have been exterminated or dulled in the mud, blood, and butchery of battle? Who can compute the loss which has been occasioned by the tragic disability of mind and nerves which has shattered the lives and mentality of untold numbers of those who have fought in behalf of their respective nations?

With tragedy and losses—material, mental, and spiritual—such as these, who is there to question the proposition that international peace and security are essential to the welfare of the world?

The first of the propositions which I today present requires no further proof.

The second of the propositions which I present to the Senate is that the organization to be known as the United Nations, the International Court, the statute of which is an integral part of the United Nations Charter, and the provisions for the operation of the United Nations and the court constitute a reasonable and practical means to employ in the endeavor to maintain international peace and security.

Surely no one who has considered the proposed plan can fail to have been impressed by the intelligent thought and vast quantity of skillful work which have been utilized in the drafting of the charter. Surely no one can question the logic of the obligations which are assumed in the Charter. Every member of the organization solemnly covenants that it will settle its international disputes by peaceful means in such a manner that international peace, security, and justice are not endangered. Every member binds itself to fulfill in good faith the obligations assumed by it in accordance with the charter.

Unto the General Assembly are given valuable functions of discussion, consideration, and recommendation, and the right to call the attention of the Security Council to situations which are likely to endanger international peace and security. Upon the General Assembly is placed also the duty of initiating studies and making recommendations for the purpose of promotion of international cooperation in political, economic, social, cultural, educational, and health fields, as well as for the further purpose of encouraging the progressive development of international law and its codification and for assisting in the realization of human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion.

Under the Charter it becomes the duty of the parties to any dispute the continuance of which is likely to endanger the maintenance of international peace and security, first of all to seek a solution by negotiation, inquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

To the Security Council is given the power of investigation of any dispute, or any situation which might lead to international friction or give rise to a dispute in order to determine whether the continuance of the dispute or situation is likely to endanger the maintenance of international peace and security. Upon the Security Council rests the duty to determine the existence of any threat to the peace, breach of the peace, or act of aggression, and to make recommendations or decide what measures shall be taken in accordance with certain provisions of the Charter to maintain or restore international peace and security. The Council may call upon the parties concerned to comply with such provisional measures as it deems necessary or desirable. The Council may furthermore decide what measures not involving the use of armed force are to be employed to give effect to its decisions, and may call upon the members of the United Nations to apply such measures. The Council may further take such action by air, sea, or land forces as may be necessary to maintain or restore international peace and security. The members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

Among the exceedingly important agencies provided in the charter is the International Court of Justice by which it is contemplated that justiciable controversies may be heard and determined.

Nothing in the Charter precludes the existence of regional arrangements or agencies for dealing with such matters relating to the maintenance of international peace and security as are appropriate for regional action, provided that such arrangements or agencies and their activities are consistent with the purposes and principles of the United Nations.

The United Nations, with a view to the creation of conditions of stability and well being, agree to promote—

(a) Higher standards of living, full employment, and conditions of economic and social progress and development;

(b) Solutions of international economic, social, health, and related problems; and international cultural and educational cooperation; and

(c) Universal respect for, and observance of, human rights and fundamental freedoms for all, without distinction as to race, sex, language, or religion.

Former President Hoover declared that—

> If we are to have lasting peace we cannot rely wholly upon stopping quarrels. We must set in motion those forces which would build for peace.

The Economic and Social Council constituted by the Charter is an agency designed to set in motion forces which will build for peace. That council may make recommendations for the purpose of promoting respect for, and observance of, human rights and fundamental freedoms for all.

There is created a plan of trusteeship for the administration and supervision of territories now held under mandate, territories which may be detached from enemy states as a result of the Second World War, and territories voluntarily placed under the system by states responsible for their administration.

Surely it cannot be doubted that the authors of the Charter, in adopting plans and methods such as those which have thus been detailed, have selected sensible and practical means for the maintenance of international peace and security.

The Charter does not, however, in my opinion, assure that war will never again occur. No agreement that can be devised by man can conclusively guarantee to effect that result. This proposed organization does, however, constitute such a plan toward the prevention of war as reasonably prudent men will generally agree is sensible, equitable, and practical. Moreover, with the realization, which the present war has brought, of the horrors of modern warfare and the conviction that has come to mankind that united international effort must be made if peace is to be maintained, there is strong reason to believe that mankind will exert itself with sincerity, industry, intelligence, and increased determination to make this plan succeed. Though the plan is not proof against the ambitions of nations or the criminal intent of individuals, it nevertheless reduces in large percentage the probability of future aggression and world war, and to that extent increases the probability of security and peace.

The final proposition to which the attention of the Senate is directed is that even if the Charter could be improved,

it is nevertheless the most complete and effective agreement upon which it was possible to obtain unanimity of opinion by the 50 nations of the world which cooperated in its preparation. It is unnecessary to emphasize, more than has thus far been done, the difficulties attendent upon securing agreement by peoples of diverse interests, traditions, religions, customs, ambitions, and historical background. It is remarkable that the present Charter, even with provisions which may be imperfect, could have been agreed upon by persons representing so great a diversity of viewpoint. In view of the difficulties of preparation of a document upon which 50 diverse nations can agree, the observation of President Truman, "It is between this charter and no charter at all," is sound and convincing.

In light of the facts that—

First. International peace and security are essential to the welfare of the world;

Second. The Organization to be known as the United Nations, its International Court, and the provisions for the operation of the United Nations and the Court constitute a reasonable and practical means to employ in the endeavor to maintain international peace and security; and

Third. Even if the charter could be improved, it is nevertheless the most complete and effective agreement upon which it was possible to obtain unanimity of opinion by the 50 nations of the world which cooperated in its preparation, it is my intention to vote in favor of the Senate's advising and consenting to the ratification of the charter of the United Nations with the Statute of the International Court of Justice thereto annexed.

Mr. FULBRIGHT. Mr. President, having already spoken once during this debate, I hestitate to impose upon the Senate further. However, I should like to add just a few words for the record.

One of the most persuasive arguments so far presented to this body in favor of the adoption of this charter was the address of the distinguished Senator from Montana [Mr. WHEELER]. That exhaustive account of the double-dealing, the hypocrisy, and the aimless futility of the efforts of the world's leaders to secure peace during the past 25 years, demonstrates conclusively that the old pattern of diplomacy and international politics is bankrupt and hopeless. When his excellent history of the efforts for peace is considered together with the results of those efforts, to wit, the present World War, unequalled in all history in its ferocity, cruelty, and senseless destruction, how can anyone fail to agree that something new, some new method of handling our international affairs is imperative. I think the Senator from Montana has rendered a great service to the Nation in demonstrating so thoroughly and so conclusively the utter futility of trying to solve the problems of this world and the world of the future with the tools and methods of the nineteenth century and before.

The lesson to be learned from these experiences of the past is that those old methods lead only to wars progressively more destructive, until now it is certain that another one is likely to destroy what western peoples are pleased to call civilized life. Those of us who saw the pictures and heard the inmate of Buchenwald on Wednesday in the caucus room had a glimpse of what that will mean. If those old methods lead only to war, then it is pertinent to inquire if this charter adds anything new to those old methods. I think it does. That new element is not fully developed but it is accepted in principle and can be expanded as confidence among the nations develops through experience and consultation. This new element, although it is new in international relations, is as old as civilization itself in other fields of human affairs. It is simply that in order to have freedom and peace we must have compulsion. Compulsion in itself does not give peace with freedom. But we do know that there is no freedom and peace for the individual except when the individual is subject to rules of conduct based on justice, commonly called laws. There can be no freedom from the fear of war or war itself until there are rules of conduct created by agreement and backed by compulsion.

It has seemed to me that it has been very difficult to discuss this question, because constantly we refer to international law as if there were in existence a law among nations in the same sense we use law in domestic affairs. It is my view that there is no international law, because there is no compulsion behind any of the rules or customs which have been adopted in conferences or by conventions and no compulsion of any kind is provided.

Mr. President, compulsion is inherent in this charter. As I see it, one of its greatest virtues. It is true that the veto power of the Big Five on the Security Council limits this compulsion. It is also true that the jurisdiction of the Court is optional. But the important thing is that the principle of compulsion is accepted. The limitations are necessary because there is too much suspicion and distrust in the world and we, along with others, are not yet ready to go further. Nevertheless the best minds of 50 nations have agreed that this is the direction toward peace and order in the world. The distinguished senior Senator from Michigan [Mr. VANDENBERG] has emphasized over and over the importance of the consultative process which this charter creates. I agree that it is only through this process that we can hope to develop decent rules of conduct. If we are persistent and wise we will recognize the opportunity for this beginning to grow into a system of law based on justice for all peoples. The alternative to such approach is the perpetuation of the same confusion and futility which were so ably and convincingly presented to us by the Senator from Montana.

Mr. President, the fundamental characteristic of our former approach to the problem of peace was defense. Because of this defensive attitude the democracies were at a fatal disadvantage relative to the Fascists. We advertised our inability to adopt a positive attitude by such shibboleths as neurality and nonintervention, which encouraged our enemies to believe that we would never take preventive measures. It is my own view that had we followed this defensive policy to its logical conclusion we would not today be victorious over the Nazis. If we had not taken preventive measures such as the transfer of destroyers and the adoption of peacetime conscription, at least the struggle would have been more difficult, if not disastrous.

This is a curious and paradoxical policy for us to have developed, because in all other activities in which, as a people, we have been so successful, we have been positive and bold in our approach. Once we were in a war our strategy has been to attack. The dominant characteristic of our great business leaders has been boldness and daring. Conservatism in the sense of timidity and reluctance to try new methods certainly did not accompany the creation of our great industrial system.

In politics the founding fathers of this country were revolutionaries. The American Revolution was the most daring and the most successful the world has ever seen. Washington, Jefferson, Madison, and Hamilton were not conservatives nor were they defensive in their strategy. In 1776 the idea that all men were entitled to an equal opportunity for life, liberty, and the pursuit of happiness was much more radical and unorthodox than anything contained in this charter. Because we have enjoyed those principles so long we have come to accept them with little consideration of their history. We have frogotten that they were revolutionary; that they constituted an aggressive and bold attack upon the status quo of autocratic authority, of privilege by birth, and the system of master and slave which prevailed in so much of the then existing world.

Mr. President, one of the provisions of this charter which encourages me to believe that this organization may develop the means to prevent war rather than to defend against the consequences of an existing war, is article 39. When it says, "The Security Council shall determine the existence of any threat to the peace, and shall decide what measures shall be taken to maintain or restore international peace and security" it gives this Council the authority to take preventive measures which may be, in fact, preventive war. This is a complete reversal of the former approach in which we felt compelled to wait until the war was under way before we took countermeasures. These measures, it is assumed, will be taken only after a thorough investigation, and will be based upon well-established principles of conduct. This, it seems to me, is an important step in the right direction. We all agree, I believe, that in social life preventive measures are more human and more effective. The objective of modern medicine is to prevent diseases and not merely to cure them. The objective of article 39 is to prevent major armed clashes, and not wait until the outbreak of hostilities has become inevitable.

In viewing the history of the years between the two great world wars, particularly the history of the few years immediately preceding the outbreak of

the present war, it has seemed to me that the inability to adopt any preventive measures was one of the greatest obstacles to the preservation of peace. It has always seemed strange and sad to me that the democracies felt compelled to wait until an overt act of aggression had taken place. Subsequently, after the aggression had started, there was no alternative to war.

Mr. President, the very fact that the power to which I have referred exists, will be in itself a deterrent to war. I believe that the steps which would otherwise be taken by prospective, or potential enemies or aggressors can be prevented if this power shall be exercised. If ever the conviction can be created that preponderant power is available and will be used, there, of course, will be no necessity to use that power, except possibly in isolated and minor cases. Under such circumstances there could be no reasonable chance of success by the aggressors. This is the real objection of preventive war.

In conclusion, Mr. President, I believe that by adopting the principle of compulsion, and the principle of the preventive use of that compulsion, this charter is on the right road toward peace. These are new elements. They represent a method of dealing with international conflicts which was not available during that dismal and disastrous period of the world's history when the present world struggle had its genesis.

Mr. BROOKS obtained the floor.

Mr. MOORE. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. BROOKS. I yield to the Senator from Oklahoma.

Mr. MOORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Andrews	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stewart
Burton	Kilgore	Taft
Bushfield	La Follette	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	
Gerry	Myers	

The PRESIDING OFFICER. Ninety-one Senators have answered to their names. A quorum is present.

Mr. BROOKS. Mr. President, I have heard it repeatedly stated throughout the discussion of the United Nations Charter that it is a most important document. It is an important document indeed, for it reverses to a large degree the historic course followed by our American Government in foreign policy.

The Atlantic Charter was a most important document. It was subscribed to by 44 nations in the midst of the world's most destructive war. It, too, stated high hopes, ideals, and lofty ambitions, and yet it has been violated right and left. In fact, there is little evidence anywhere that the world is improved in any respect because of its being. It stands as proof positive that pleasant words and pretty phrases do not create living realities any more than steel, stone, and stained glass of themselves create a sacred sanctuary, a shrine, or a synagogue.

In presenting the United Nations Charter it is urged that the American people must take the leadership in preventing aggression and preserving peace. We took the leadership with the Atlantic Charter, and in fact, we are about the only Nation on earth that has given vitality and life to its words and declarations by subsequent action. We wish a finer fate for the United Nations Charter.

Mr. President, we have led the way to stop aggression, we have sent more millions of men, more billions of money, more tons of material, more thousands of miles from home than any nation on earth. We still pursue that course and we are increasing the tempo of our action as we pour our men, money, and material out across the vast Pacific in steady stream. At the same time, we led the way by resolutions adopted in both Houses of Congress, by platform declarations adopted by both political parties for the foundation of this present Charter. Both of the conferences that brought it into being were held within the confines of our land, first, at Dumbarton Oaks, and second, the San Francisco Conferences. During all the time these various steps were being taken, our soldiers, sailors, ships, and supplies were streaming out of America to the western front in Europe and to the approaches of distant Asia. More than 1,000,000 of our young men and women have laid down their lives, spilled their blood, or are missing in action in our magnificent war effort thus far. Where on earth was there ever a nation that went so far or gave so much to stop aggression and pave the way for peace?

During all these deliberations when the delegates were assembled on our pleasant, peaceful shores, we were speeding millions in men and billions in supplies to feed, sustain, and support the very lands from which these important delegates had come.

Our President played a most dramatic role. He was the principal actor in this world drama. He flew to the stage of the Conference to address its closing session; he carried the signed charter by air back to Washington and personally presented it to the Senate and urged its prompt ratification without change.

During all this time the American people, who are the most peace-loving people of the earth were being literally drenched with propaganda portraying the glories of the future of this Charter. In speeches, verse, and song, in cartoons and pictures, by the press, newsreels, and movies, the steady rain of impressive portrayal fell upon the American people by day and by night. This was in America.

What the head of any other government will say or do about it, what the unfortunate and uninformed people under their domination may think of it or have a chance to do about it is a matter of pure conjecture.

But as for us, wth the fastest striking Army, Navy, and Air Forces in the world, with our vast lend-lease, with the UNRRA, with our Export-Import Bank, the American people have bled and paid and led the way.

Whether or not the cursed course of power politics in Europe can ever be diverted to peaceful paths is still unknown. They have in Europe today more hunger, more hate, than ever before and the destruction in places is truly terrifying.

Surely they must know by now that throughout history each war has increased in its barbaric intensity. Surely they know that the modern blitzkrieg machinery developed by Germany so successfully to destroy cities and overrun most of Europe soon became obsolete and could not withstand the terror of the blitzkrieg machinery which we developed to meet and defeat the German hordes and drive them back across France, Belguim, and finally to totally destroy their factories, to blast and burn their cities, and bring that warring nation completely to its knees. Surely they know that each war starts where the last war left off. Surely they should know that sane people everywhere should try to truly cooperate to make all war to cease.

The American people have been told that the United Nations Charter is the foundation for the action that will bring this ultimate result. I have listened to the fervor with which its proponents have presented it. I wish I might share their enthusiasm. I truly share their hopes.

Mr. President, having met the soldiers of Europe's historic hate in death's grip face to face in the front line in World War I, and having seen the awful consequences of this present war in France, England, Belgium, and in Germany, having visited the battlefields, having ridden through the ruined cities, examined the concentration camps, and visited the prisoner-of-war camps in Germany as well, having visited the hospitals abroad and at home, having talked with GI Joes and generals in all those places, I found three outstanding thoughts, hopes, and desires:

First. They wanted to win this war.

Second. They wanted to come home to their loved ones and their beloved America.

Third. They did not want this ever to happen again.

To these three aspirations I am completely committed.

First. I have and will give unqualified support to all those in the service as they

meet their tragic responsibility in the name of their country, even as I wished to have that same unqualified support when I was serving humbly in the same cause in the front line 27 years ago.

Second. I shall use my full strength and influence wherever it may be extended to bring them home at the earliest possible moment.

Third. I shall use my every effort to preserve America's strength and greatness and help direct its cooperative effort to prevent another world war.

This charter, signed as it was by representatives of various countries, many of whose national existence was being subdued under the sustained attack of neighboring hostile governments, is only the frail framework that some day may house a sturdy structure for enduring peace.

Too many people in America already feel that the mere ratification of this charter will bring about these ultimate results.

Too many sincere American people have fallen victims to the wishful thinking that there will never be another war, merely because they say there must never be another world war.

The first test will not come, Mr. President, with the signing of the charter or its ratification, but with the terms of peace both in Europe and in the Pacific.

Unconditional surrender was a great slogan for war, but peace, based upon justice, is the absolute essential for the future happiness of mankind.

Merely to use the word "justice" in the terms of the written document will not suffice. It is the sense of justice, the will for justice, the desire to do justice, that will form the cornerstone of a future better world. Unless the words are translated into fundamental reality after the shooting stops throughout the world all the conferences, all the oratory, all the propaganda will result in utter disillusionment and complete despair.

We in America know these things and we know more. We know that this is the last time that America can spill its blood, spend its treasure and resources, all over the world in another deadly world war.

When we enter this solemn pact of security we must do so with the full knowledge of its frailties and absolute necessity of our stern, stubborn stand for peace based upon justice for mankind at the conclusion of this war.

I listened with intense interest as I attended the hearings on this charter. There were several features that gave me great concern.

I was much concerned about the ability of this organization to commit us to enforcement action without our consent. I am assured by the report—

> No United States forces can be employed, no enforcement action of any kind against a nation breaking the peace can be taken without the full concurrence of the United States through its delegate on the Security Council.

I was deeply concerned as to how much authority we are to give to the appointed delegate to determine the use of our armed forces and to commit us to our future course. That is left for subsequent congressional determination and I shall insist that the historic constitutional powers of the Congress to declare war be strictly preserved.

I was concerned with how much we were limiting the purposes and objectives of our historic Monroe Doctrine and I am slightly relieved by the printed assurance—

> That it is the policy of this Government to further implement the provisions of this charter by negotiating a treaty with the other republics of the hemisphere not later than autumn of this year which will give a permanent form to the Act of Chapultepec. This act specifically provides that an attack on one American republic is an attack against all and calls for immediate collective measures against the aggressors.

I was concerned about our right to determine for ourselves what we should do in relation to the postwar strength of our Navy, Army, and Air Corps. The charter only provides that—

> the Security Council is to prepare plans for a system for the regulation of disarmament—and every country, including our own, will be free to accept or reject them according to its conception of its national interest.

Mr. President, future generations will carry the burden of our national debt caused by the expenditures made in our day for the creation and development of the finest and fastest striking armed forces in the world. We have today an air power that is greater than all the other combined air powers in the world. We have today a navy larger and more effective than all the other ships on earth combined. We have, although not the largest in numbers, the most mobile and hardest hitting army on the face of the earth. They have all been necessary to stop the aggressors of the world and they should never be disbanded until we have had proof positive by action and not by words alone that the major powers of the earth trust us, want to work with us, and intend truly to help establish and maintain peace based upon justice. The recent reports that Russia is now to develop a new navy is not too reassuring.

I was concerned with the terms of the charter in relation to its trusteeship provisions, but am reassured by the committee's printed statement—

> No island in the Pacific occupied by the United States could be placed under trusteeship without this Government's consent and therefore only on terms agreeable to the United States.

These distant islands now fortified, after being torn inch by inch and foot by foot at such bloody cost from the treacherous, fiendish Japanese, must remain constantly in our complete control under the advice and guidance of our military and naval experts to the extent that they believe they are essential not only for the protection of America, but the peaceful policing of the Pacific.

I was deeply concerned about any provision that might prevent our full determination as to the extent of our participation in the event that in the distant future, for reasons which seemed justified and adequate to the American people, we felt that we should withdraw. The committee assures us—

> that any member has the right to withdraw, no power is vested in the organization to compel a member to continue its participation in the organization or to penalize it for its action.

We would hope, of course, that this organization would be a living organization for peace and peaceful settlement of disputes and no one should enter upon the obligations with a hidden desire to withdraw. I hope, if and when the charter is finally accepted and ratified by the other nations, as well as our own, that there will never be necessity for withdrawal. But I believe it essential that we should have that definite right in the event we thought it to be in the best interest of our country to do so.

The International Court of Justice lacks much power, but it is a step in the right direction, and we can hope and work to have it become truly an International Court of Justice to which the people of the earth may submit their differences for determination. I say again, in changing our traditional course, we can hope fervently and sincerely that the world may be spared the awful destruction and death that would be the inevitable result of the next war, taking up where this one left off.

Now that we are by constitutional process about to change our historic policy whereby we are to become intimately interested in any and every action that may disturb the peace and security of the world, I suggest that we take another historic step and create an extensive school for the education, training, and preparation of a diplomatic service to represent the views and interests of the United States, in the future, throughout the world. We have had great success by training the men of our Navy in the Naval Academy and the leaders of our Army in the Military Academy. Up to now they have adequately led our armed forces when our diplomats had blundered and our statesmen had failed, resulting in war.

Now that we are to try world-wide cooperation to prevent war, we should establish this school, choosing young men of character, intelligence, stamina, and stature, teaching them to know their country and to train them at Government expense to represent our Nation's viewpoints and protect our interests. We have Government schools where men are trained to make it their life duty to defend us on land or sea or in the air. We should have a Government school to train young men to represent us in our quest for peace and prosperity.

Mr. President, I have not in the past and I will not now yield to any man in my love of country, or my genuine hopes for its peaceful existence.

Most authentic veterans that I know are extremely peaceful men.

Four years ago, on the floor of this Senate, when I was trying so desperately to keep our beloved country at peace and out of this present war, I quoted the words of another veteran of the last war.

I quote this again in my fervent hope that we may avoid another one:

Have you seen men come from the line,
Tottering, doddering, as if bad wine
Had drugged their very souls;
Their garments rent with holes and caked with mud
And streaked with blood
Of others, or their own;
Haggard, weary-limbed and chilled to the bone,
Trudging aimless, hopeless, on
With listless eyes and faces drawn
Taut with woe?
Have you seen them aimless go
Bowed down with muddy pack
And muddy rifle slung on back,
And soaking overcoat,
Staring on with eyes that note
Nothing but the mire
Quenched of every fire?
Have you seen men when they come
From shell holes filled with scum
Of mud and blood and flesh,
Where there's nothing fresh
Like grass, or trees, or flowers,
And the numbing year-like hours
Lag on—drag on,
And the hopeless dawn
Brings naught but death, and rain—
The rain a field of pain
That scourges without end,
And Death, a smiling friend?
Have you seen men when they come from hell?
If not—ah, well
Speak not with easy eloquence
That seems like sense
Of "war and its necessity!"
And do not rant, I pray,
On war's "magnificent nobility!"
If you've seen men come from the line,
You'll know it's peace that is divine!
If you've not seen the thing I've sung—
Let silence bind your tongue,
But, make all wars to cease,
And work, and work for everlasting peace!

Mr. President, when my name is called, I shall vote "yea."

Mr. MYERS. Mr. President——

The PRESIDING OFFICER (Mr. MURRAY in the chair). The Senator from Pennsylvania is recognized.

Mr. MYERS. Mr. President, as the Senator from Arkansas [Mr. FULBRIGHT] said on the opening day of this debate, I, too, am sorry that the Senate is so nearly unanimous in favor of ratification of this Charter.

True, I would hate to see a repetition of the disaster of 1919. I want this charter ratified, not because it is perfect but because it is the best one which 50 nations could devise at this time.

But, as we all know, it has faults. It will undoubtedly require future changes and amendments to keep it abreast of world conditions. Whole concepts of it, in my opinion, are in need of drastic alteration when and if the world becomes ready for the changes. Those changes—and I pray they may some day be realized—would remove big power controls and place the issues of war and peace more completely on the basis of right and decency.

In those respects this charter does not go far enough. Yet, I am sure there are some among us who hold an opposite view—that the charter goes too far away from isolationism.

In other words, there is room here for a fight. I share with many other Senators who have already addressed the Senate on this Charter disappointment that opponents of the theory of international joint action for peace are not flying their battle flags now, but are instead apparently waiting for future opportunities to make flank attacks when their purposes will be less obviously—but perhaps more effectively—served.

Last fall I told the people of Pennsylvania that I thought there would be a bitter Senate fight over ratification of any instrument for collective action toward world peace. I told them that was why I wanted to be here in the Senate, to lend my voice to the cause of international cooperation. I think they believed me; and that is perhaps one of the main reasons why I am here. I know I believed it when I said it.

The divisions over such issues as the reciprocal trade agreements bill and Bretton Woods confirmed my fears that the basic cleavages still existed here.

But on this—the key instrument—there is no battle; and it is something of a let-down. More important, however, than the let-down is the disturbing evidence that this near unanimity here does not represent near unanimity of conviction.

For myself, I would be more than willing to forego any floor fight on the charter if I thought that every Member who will vote for ratification will so with the desire for a strong, successful world organization functioning under this Charter.

I know that the overwhelming majority of the people of America do have such a desire. Undoubtedly, however, there are others who advocate ratification not because of conviction but for reasons of expediency. They do not want to see an international organization really function successfully because such an organization would discredit finally and completely the creed of narrow nationalism and of political and economic isolationism.

Half-hearted support for this Charter from sources with unspoken reservations is more a menace to its success than their outright opposition. It fogs the air. At the first sign of disagreement in the Security Council or the Assembly, and there are bound to be such incidents—I look for inevitable reproaches from these sources. They will, I am sure, be careful to cloak themselves in blamelessness. "We advocated this experiment," they will say, "now look at it. It does not work."

But, Mr. President, it will work. All of us here who vote to ratify must at the same time pledge our full efforts to make sure that it works. Otherwise the vote will be a sham. We must stand ready to give it the tools to work with, to fortify it with economic as well as moral, military, and political strength. Therefore I urge any Senator who is not ready to make such a pledge to vote against ratification.

Nearly 4 years ago the Senate voted declarations of war against the Axis aggressors. I know that no Senator had any mental reservations then. Senators were not voting that way only because the rest of the people knew it had to be done. There was in that vote a determination on the part of each Senator—since revealed in other actions—that we must win. Each, in voting for a war forced upon us, was intent to do his own utmost to bring about victory.

The Japanese attack upon Pearl Harbor and the subsequent declarations of war against us by Germany and her satellites were but part of their joint plan for world domination. We were the final objects of their attack. The sting and humiliation of the insult to our national honor inspired white-hot anger at their insolence, their arrogance, their folly. We were united as this country has seldom been united in unswerving determination to meet a fierce challenge.

Can we not have some of that determination, that single-mindedness of purpose, in anything but war? Is it not just as important to prevent the killing of our people as it is to avenge it?

As I view it, Mr. President, the question today is not merely whether we will vote to give this thing called international cooperation a chance, but, rather, will we vote it the tools to do the job and work from here on in—work as we have worked to wage and win wars—work to build a world force, under God, to sustain righteousness and banish the seeds of war?

A vote for the Charter, Mr. President, is not enough. We must be ready to put muscles on the bones, transfuse blood into the veins, give it a heart which feels compassion.

I look in the future for frequent criticism here on the Senate floor of actions and policies of the new United Nations Organization. In fact, I look forward to those criticisms. I believe we cannot have too much criticism—if—if, that is, our criticism stems from the same motives which have characterized criticism here of our war effort—the desire to make it better, to speed the realization of its basic goals.

On the other hand, I think we should put on notice those who would attack this world organization from other motives—from the desire to weaken and destroy its effectiveness, breed suspicions among its members, encourage defiance of its principles, and ultimately bring it down in a morass of discord.

Mr. President, if we here think this Charter is good and should be ratified—and nearly all of us do—then I think we should consider in only one light those who would try to subvert it. We should consider them in an odious light—as a new category of criminals against mankind. Mr. President, I call them peace criminals; and I believe that when their purposes and identities become clearer, they will be even more despised than the war criminals of today.

Mr. President, we should be prepared to prevent as well as to punish crimes against the peace, just as we are preparing now to give the war criminals their just retribution.

The PRESIDING OFFICER (Mr. BANKHEAD in the chair). There are on the

list which has been submitted the names of a number of Senators who, it is understood, desire to speak on the pending question.

Mr. CONNALLY. Mr. President, if no other Senator cares to speak on the pending matter, I am ready for action on the treaty.

Mr. BURTON. Mr. President, I am sure there are several other Senators who wish to speak on this question, and I hope we may hear from them before action is taken on the treaty.

Mr. CONNALLY. I hope the Senator will have those who wish to speak come into the chamber.

Mr. BURTON. I shall be glad to examine the list of those on my side of the aisle who still wish to speak.

The PRESIDING OFFICER. Unless other Senators wish to speak, it will be proper for the Senate to proceed to take action on the treaty.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Andrews	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stewart
Burton	Kilgore	Taft
Bushfield	La Follette	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	
Gerry	Myers	

The PRESIDING OFFICER. Ninety-one Senators answered to their names. A quorum is present.

Mr. McMAHON. Mr. President, the wrack and ruin of much of the earth's civilization; the millions of the dead; the tortures of the maimed; and the starvation of millions of the world's peoples; the ultimate fate of millions of yet unborn, counsels and demands the ratification of this charter. I am confident we will announce by our verdict that we are determined to cooperate with the peoples of the earth to maintain the peace.

When Eve tempted Adam and Adam succumbed, they predestined the peoples of the earth to work out their salvation by the sweat of their brow.

And so, man's pursuit of happiness in times of peace, in what has been called this vale of tears, has through the centuries been difficult and burdensome. But in times of war, the attainment of happiness becomes impossible.

Therefore, the highest objective to be sought by all governments should be the promotion of the peace, the happiness, and contentment of its people. When the representatives of the Governments of the earth convened at San Francisco to write this charter to maintain the peace, they were fulfilling the highest purpose for which governments were created.

I admit that the Nations of the earth have, in great part, been impelled to undertake this expedition by the realization that mankind's destruction is surely guaranteed by man's creation of ever newer and ever more destructive engines of devastation, unless their use is restricted and restrained. But I like to think, Mr. President, that there is over present in the hearts of our people and in the hearts of the peoples of the earth another and higher motivation than simply that of fear. I dare to hope that mankind has come to a keener and brighter realization that man is created in God's image and that to promote and foster war is not only to commit the greatest crime against man, but also to wage war against the Supreme Being Himself.

I realize that this document which we are now considering is not perfect. No creation of man can attain that attribute, but, Mr. President, this is a glorious recognition of the fact that men everywhere are conscious of the absolute necessity for peace.

A nation whose national will and purpose are bent and determined on war is dedicating its destiny to the work of the devil. A nation whose national will and purpose are bent and determined on peace is dedicating its destiny to the service of God. Man was endowed by his Creator with a free will. If the free wills of the peoples of the earth is exercised for the keeping of the peace under this charter, peace will reign.

During the campaign in Connecticut last fall, I happened one night to have an engagement to address a meeting in a small hall in one of our cities. As I arrived to keep the engagement, I was just in time to hear a young soldier introduced. His breast was covered with medals awarded for extraordinary valor. He was home on furlough. He spoke undramatically and haltingly. He was embarrassed. He was not used to public speaking, but he poured out a message from his heart, and this is what he said:

> I have been through Hell. I have had 60 missions over Germany. I have been wounded. The Government is giving us good planes and good guns and good food and clothing. But, men, it just ain't no good. I know why we are fighting this war. We had to fight it and we are going to win it. I have only two hopes: That when I go back, I live to come back, and above all, see to it that my three kids don't have to go through what I have been through.

As I listened to this cry from an anguished heart, I thought that this boy voiced the sentiments of our millions who have gone to battle. And I recalled very vividly what the voice of a prophet—Woodrow Wilson—said shortly before he died in 1924: "And now it will have to all be done over again at 20 times the cost in blood and treasure." Well, that prophecy has come to pass grimly and inexorably. We Senators are given a glorious chance to do our part to see that that prophecy is not twice fulfilled. There are men who stood on this very floor and made fun of Woodrow Wilson's statement that to deny and defeat the League of Nations was "to break the heart of the world." The leader in derision was the then senior Senator from Massachusetts who stated:

> The hearts of the vast majority of mankind would beat on strongly and steadily and without any quickening if the League were to perish altogether.

He further said:

> If it were destroyed the people who would lie awake in sorrow for a single night could easily be gathered in one very large room, but those who would draw a long breath of relief would reach to millions.

Mr. President, no further comment on this statement is needed. This Nation has discovered at a burdensome cost how false the Senator spoke and how clouded was his vision.

It is seldom, Mr. President, that a man is given a second chance in his lifetime to correct a great mistake. It is even more seldom that that chance comes to a nation. We have paid for that opportunity in countless billions in money, and above all, in the lives of hundreds of thousands of the flower of our youth. If I mistake not the sentiment of the Senate, we are not going to miss this chance. It will probably be our last.

A great American said that this was now one world. We are at last recognizing and implementing that concept by our present disposition and course.

I close, Mr. President, by quoting with profound hope two lines of the last public address that Woodrow Wilson made as he took that great swing around the country in 1919, which resulted in his collapse. He said:

> There is one thing the American people always rise to and extend their hand to, and that is the truth of justice and of liberty and of peace. We have accepted that truth and we are going to be led by it and it is going to lead us, and through us the world, out into the pastures of quietness and peace, such as the world never dreamed of before.

Mr. BALL. Mr. President, I am sure it is no surprise to my colleagues that I intend to vote for ratification of the United Nations Charter. In fact, I would be willing to go a great deal further than does the charter in the direction of strong international organization for peace.

On March 16, 1943, the Senator from Ohio [Mr. BURTON], the Senator from New Mexico [Mr. HATCH], the Senator from Alabama [Mr. HILL], and myself introduced a Senate resolution dealing with this subject. Mr. President, I think a rereading of the text of that resolution belongs in the RECORD of this day. It is as follows:

> *Resolved*, That the Senate advises that the United States take the initiative in calling meetings of representatives of the United Nations for the purpose of forming an organization of the United Nations with specific and limited authority:
>
> (1) To assist in coordinating and fully utilizing the military and economic resources of all member nations in the prosecution of the war against the Axis.

(2) To establish temporary administrations for Axis-controlled areas of the world as these are occupied by United Nations forces, until such time as permanent governments can be established.

(3) To administer relief and assistance in economic rehabilitation in territories of member nations needing such aid and in Axis territory occupied by United Nations forces.

(4) To establish procedures and machinery for peaceful settlement of disputes and disagreements between nations.

(5) To provide for the assembly and maintenance of a United Nations military force and to suppress by immediate use of such force any future attempt at military aggression by any nation.

That the Senate further advises that any establishment of such United Nations organization provide machinery for its modification, for the delegation of additional specific and limited functions to such organization, and for admission of other nations to membership, and that member nations should commit themselves to seek no territorial aggrandizement.

Mr. President, I think it is clear that my colleagues and I were prepared at that time, and I think we are still prepared to go considerably further in granting specific authority and power to an international organization than does the charter before us. Furthermore, Mr. President, had a United Nations Council exercised administrative authority over occupied and Axis territories, such as Greece, Italy, Poland, Bulgaria, and Roumania, I believe the doubts and fears which many of us have over what is happening in those areas today would not be quite so great as they are.

And so, Mr. President, I have only one general criticism of the United Nations Charter—it does not go far enough in its grant of authority and power to the international organization.

I have even heard it said that this charter is the League of Nations Covenant with all the Lodge reservations written into it. That is not true, of course, because this Charter envisages a far stronger organization than did the League Covenant. Nevertheless, the comment does underline the many safeguards to national sovereignty imbedded in the Charter, which the Senator from Michigan has pointed out.

But it is true that the Security Council will be relatively impotent until member nations ratify a second agreement establishing the quotas of military force which each will hold available to the council on call. I believe the discussion of this point on the floor yesterday and the day before made it abundantly clear that the President alone cannot make this second agreement effective, that it must come back to Congress for approval, either as a treaty or a joint resolution.

It is my view that even if the Senate ratified this military force agreement as a treaty, it would still require legislation by both Houses before our constitutional processes would be fulfilled. I do not see how either an executive agreement by the President, or the ratification of a treaty by the Senate alone could supersede or repeal clause 14 of section 8 of article I of the Constitution, which vests in Congress—including both Houses and the President—the power to make rules for the Government and regulation of the land and naval forces.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. MILLIKIN. In any event, assuming that it was done by treaty in the first instance, a treaty could not do more than set up a bare formula, which in turn would have to be supplemented.

Mr. BALL. It would have to be supplemented by legislation.

Mr. MILLIKIN. Does the Senator agree to that?

Mr. BALL. I agree absolutely. I do not believe that the Senate and the President alone could take away from the other House its authority under the Constitution to participate in the regulation of our armed forces.

That being the case, it would seem the simpler procedure to approve the military force agreement by joint resolution of both Houses, since that procedure will have to be followed in any event. Furthermore, it is my conviction that under clause 10 of that same section of our Constitution, giving Congress power "to define and punish felonies committed on the high seas, and offenses against the law of nations," the Congress would have power, with or without the United Nations Charter, if it so desired, to authorize the President to use specific components of our armed forces for joint international policing activities against outlaw or aggressor nations.

But the point I wished to make was that the strongest power granted the United Nations in the pending Charter is ineffective until that second agreement is ratified.

It is also true that by ratifying this charter the United States does not accept the jurisdiction of the Court of International Justice, although we become parties to the statute of the court. To accept its jurisdiction will require one or more additional treaties, subject to ratification by the Senate.

I see the Senator from Michigan is on the floor. I discussed privately with him the question as to what ratification of the treaty would mean insofar as acceptance by the United States of the Court's jurisdiction was concerned, and I understand he has taken the matter up with the legal adviser of the State Department, and can say exactly what their interpretation at least is of our relationship to the Court once we have ratified the Charter. I wonder if the Senator from Michigan would like to make a statement on that point.

Mr. VANDENBERG. Mr. President, I am very happy to respond to the Senator's inquiry. In order to avoid any possibility of misunderstanding, I submitted the Senator's request to Mr. Green H. Hackworth, the legal adviser of the Department of State. I felt that he had a right to speak with particular authority on the subject inasmuch as he was also the representative of the American delegation on the committee at San Francisco which dealt with the Court statute.

I shall not take the Senator's time to explore the full response of the State Department, but I think I can exemplify the response by confining my answer to the specific question I asked as to how we would accept the compulsory jurisdiction, which I understand is the Senator's question. The answer is as follows:

If the executive should initiate action to accept compulsory jurisdiction of the Court under the optional clause contained in article 36 of the statute, such procedure as might be authorized by the Congress would be followed and if no specific procedure were prescribed by statute, the proposal would be submitted to the Senate with request for its advice and consent to the filing of the necessary declaration with the Secretary General of the United Nations.

The memorandum which I have discussed in somewhat similar detail various other hypothesis, and I suggest as a complete answer to the able Senator's question that the complete memorandum from the State Department be printed in the RECORD at the conclusion of his remarks. I ask unanimous consent that the memorandum be printed in the RECORD at the conclusion of the Senator's remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit A.)

Mr. MORSE. Mr. President, will the Senator from Minnesota yield?

Mr. BALL. I yield.

Mr. MORSE. I wish to say to the distinguished Senator from Minnesota that I am very happy to hear his remarks about the World Court and its jurisdiction. I am also pleased to hear the remarks of the Senator from Michigan just made with regard to the jurisdiction of the Court.

I wish to say to the Senator from Minnesota that I have been at work for some days on a speech on the charter which will be limited to a discussion of the World Court and the jurisdictional problems inherent in it. At the time I make my remarks tomorrow I intend to offer to the Senate a resolution dealing with the compulsory jurisdiction of the Court insofar as this country is concerned. I hope the resolution will be a matter for business early after the recess, because I think that if we really mean to keep faith with the Charter, if we really mean to carry out what so many have said on the Senate floor during the past few days, we must agree to compulsory jurisdiction of the World Court. The Charter is, after all, only one of the vehicles, one of the first steps, in the development of a great world organization for the preservation of permanent peace. To keep faith with the charter, in my judgment, we will have to subject ourselves at an early date to the compulsory jurisdiction of the Court. I shall discuss that question at some length tomorrow.

Mr. BALL. I thank the Senator from Oregon. I think I agree, in the main, with his position. I hope the United States will accept the jurisdiction of the Court. It would seem to me that the sooner we can develop in the world a body of international law which is accepted by all nations, and particularly all the great powers, and which is enforceable, the sooner the need to worry about military quotas, forces, and stopping aggression, and all the other things about which we have worried, will gradually disappear.

Mr. VANDENBERG. Will the Senator yield further?

Mr. BALL. I yield.

Mr. VANDENBERG. I think the Senator will find, upon inquiry, that a very large number of nations have accepted the compulsory jurisdiction of the existing court. I am trying to think of the number. I think it was somewhere in the neighborhood of 40.

There was a very substantial opinion at San Francisco among all delegations, very generally, favoring compulsory jurisdiction. It was the attitude of the American delegation that inasmuch as each time this question has heretofore been submitted to the United States Senate the question of compulsory jurisdiction has always been a stumbling block, and there has always been a lack of willingness on the part of the Senate to go that far as yet, it would be unfortunate to write the court statute itself on a compulsory basis at the present time, but that rather we should leave its development to evolution, inasmuch as the whole process of world peace itself is finally dependent upon evolution in the spirit and attitude of the peoples of the earth. So we joined at San Francisco in maintaining the optional clause in order to be perfectly sure that at least this one needless hurdle would be removed from Senate consideration of the charter.

Mr. BALL. I thank the Senator from Michigan. As I understand the full text of the memorandum which he has inserted in the RECORD, it holds that in ratifying the charter the United States does not accept jurisdiction in any specific instance, even if our delegate on the Security Council wanted to refer a question to the court which involved the United States and might result in some liability of the United States. Before permitting our delegate to vote for that submission, the President would have to obtain the authorization of the Congress, even in a specific case.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. BALL. I yield.

Mr. BURTON. I should like to ask the Senator from Minnesota a question, or at least to bring his attention to an issue which arose during the hearing before the Senate Committee on Foreign Relations. I share with the Senator his great interest in the gradual development of an international code of law, and on the occasion of the hearing I asked Mr. Hackworth what process should be used that international law might be codified and put into effect in any degree in view of the following provision in the charter:

> The General Assembly shall initiate studies and make recommendations for the purpose of promoting international cooperation in the political field and encouraging the progressive development of international law and its codification.

In response to that Mr. Hackworth, at page 161 of the hearings, referred to the interesting steps that have been taken in the past. He said:

> I suppose that the Assembly might follow the procedure followed by the League of Nations, which in 1927 undertook the codification of three topics of international law, namely, the responsibility of states toward aliens, territorial waters, and nationality.

Then I discussed with him how such an agreement as might be reached might actually be brought into effect, so that it could become the basis of the Court's decisions and of the jurisdiction of the Court. My question was:

> The thing I was essentially interested in is, assuming for the moment that they did get together and make a recommendation on these three or more subjects, how was that made effective and binding on the Court?
>
> Mr. HACKWORTH. Only by the treaty process, which in our case would have to have the approval of the Senate.

I then asked:

> It would have to be done by a multilateral treaty, and it would not be through action of the United Nations?
>
> Mr. HACKWORTH. That is correct.

I believe he has there recognized that there is in the Charter encouragement for the initiation and development of steps leading toward a code of international law. There may be evolved, as a result of that initiation, the possibility of a multilateral treaty for the establishment of a code of international law. I find in the charter, and I trust the Senator from Minnesota does also, a definite encouragement for the gradual development of a code of international law.

Mr. BALL. I thank the Senator from Ohio, and I agree with him that the more steadily we move in the direction of building an acceptable and established body of international law, the better.

Mr. MORSE. Mr. President, will the Senator again yield?

Mr. BALL. I yield.

Mr. MORSE. I do not desire to trespass on the Senator's time, but I think the Senator from Minnesota and the Senator from Michigan are raising one of the most vital points involved in this historic debate. It involves a point to which I think we will have to come back time and time again during the evolutionary period which must follow the ratification of the treaty.

I want to say, so the senior Senator from Michigan will know exactly my position in regard to the matter, that I am in complete agreement with the position the American delegation took in San Francisco as to the jurisdiction of the World Court. I think in regard to the jurisdiction of the World Court issue, so far as the San Francisco Conference is concerned, the position of our delegation was absolutely sound. The jurisdiction issue should not at this time become confused, so far as extending jurisdiction is concerned, with action on the treaty. Yet, I think we need to keep in mind that if we are going to evolve a really workable world organization for the preservation of peace by way of resort to reason rather than military force, then this country, along with other countries, must be willing to subject itself to the compulsory jurisdiction of the Court. It is in regard to that problem that I have prepared the resolution which I shall submit to the Senate tomorrow for debate and action, I hope, following the summer recess.

Mr. BALL. I thank the Senator from Oregon. I think that not only would the acceptance of jurisdiction of the Court require another treaty to be ratified by the Senate, but as, if, and when, under the Charter and the encouragement given in the Charter the nations agree on the codification of various phases of international law, those particular codifications would have to come back to the Senate in the form of a treaty to be ratified.

Mr. President, to resume the thread of my few remarks, I pointed out that the great power of the Security Council will not be truly effective until another agreement is entered into and comes back to the United States Senate and is approved. We do not accept jurisdiction of the Court of International Justice until another agreement, at least one, perhaps many, have been approved.

Mr. President, the trusteeship chapters of the United Nations Charter, although stating better objectives than proposed in the League mandate system, still do not make a single dependent area in the world subject to the fine principles and purposes enunciated. Whether any area of the world is subsequently made subject to those purposes and principles is left entirely to the discretion of the nations which now or subsequently may control such dependent areas, and will again be the subject of later agreements among the nations.

And finally, although I see nothing in the Charter to prevent it, there is no direct provision for the United Nations ever assuming general control of the policing of the defeated Axis nations.

Mr. President, I believe the horrible destructiveness of modern war, the clear evidence that another great war probably would destroy our kind of democratic civilization, would have justified the nations, ourselves included, in going much further than they have gone in pooling their resources, in delegating power to the United Nations in the interest of establishing and maintaining international law, justice, and peace.

By these few remarks, and pointing out some of the respects in which the Charter is not effective until later agreements have been made, I do not mean to criticize the work done at San Francisco. I believe, and I have said so repeatedly, that the delegates at that Conference achieved far more than we had any right to expect, considering that the cement of common danger which helped so mightily to hold the United Nations together was already beginning to crumble when they met, as our inevitable victory over the Axis drew nearer. The overwhelming support of the Charter, both here in the Senate and by the people of America, is the best evidence of what a great service the United States delegation, including our two distinguished colleagues, rendered our country and the world at San Francisco.

Mr. President, I believe these shortcomings I have pointed out, if they can be called shortcomings, which, after all, can be remedied in time, are overshadowed completely by three great virtues which I see in the Charter.

First of these is the power of the Assembly, aptly termed by the Senator from Michigan tomorrow's "town meeting of the world," to debate any and all subjects or situations which in the mind of any member affect the peace or stability of the world, and to make recommendations regarding any of them not being actively considered by the Security Council. The distinguished Senator from Michigan was our representative on the commission which drafted the chapters on the Assembly and was, I believe, largely responsible for broadening its powers beyond the very narrow limits proposed in the Dumbarton Oaks documents. In so doing, I believe he performed one of the most valuable and far-reaching tasks accomplished at San Francisco.

In these days of war, when a handful of individual leaders must meet in secret to make world-shaking decisions, it is easy to underestimate the tremendous influence which world public opinion, mobilized in such a forum as the Assembly will provide, can exert on all nations, great and small, in the interests of justice and peace. In my opinion, it will prove an exceedingly strong deterrent to any temptation which the five great nations may feel to play power politics within the United Nations Organization, and it also offers the greatest hope of speedy rectification of the injustices that are bound to follow in the wake of this greatest and most sanguinary of all wars.

The second great virtue of the United Nations Organization, and the place where it makes the greatest advance over the League Covenant, is in its power to act against future aggressors through the Security Council. Members of the League undertook almost the same solemn obligations as are provided in this charter for military action against aggressors. But the action was left to each individual nation, the action to be an individual affair. Actually each nation would have had to go to war to fulfill its obligation. And in the two cases where article 10 was actually invoked by the League, not a single nation fulfilled that obligation. Partly, I believe, that failure was due to the fact that there was neither assurance of, nor machinery for, simultaneous joint international action against an aggressor. The pending Charter remedies that. Instead of the United States, England, France, Russia, and all the other members having to each individually declare war on an aggressor in Asia, Africa, or Europe, they act collectively through the Security Council, using the previously assigned quotas of national forces.

That concept of the organized world community doing a policing job on international outlaws to maintain the peace is written into international law for the first time in this Charter. True, it is still hedged about and limited by the veto given to each of the five permanent members of the Council. Perhaps that is, for the next decade or two at least, our surest guaranty that the forces we assign to the Council will be used only for policing and not to involve us in war. For the next couple of decades at least, with the Axis disarmed, only a clash among two or more of the five nations having permanent seats on the Council could cause a major war, and with the veto power such a war could not occur through the Security Council. But even with that restriction, I believe that the gradual development and expansion of this principle of joint international action by the organized world community offers our greatest hope of stopping or preventing future wars.

Mr. President, the third great virtue in this Charter is the Economic and Social Council. The mere day-to-day meeting and working together of representatives of many nations, discussing common problems, is bound to improve international understanding. And the constructive accomplishments which may and should flow from the Council's activities, in the form of greater economic stability and improved standards of living throughout the world, should, over the years, bind the nations more tightly and more permanently together than the possible danger of future war can ever bind them.

Perhaps I should add a fourth virtue—the almost unanimous support which this Charter enjoys here in the Senate, in the United States, and throughout the world. The desire and demand of the peoples of the world that this machinery for peace be made to work offers our best hope that it will work.

Both the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG] have emphasized that no one can guarantee the success of the United Nations Organization in preventing future great wars. All it gives us is a chance.

Mr. President, I believe it gives us a good chance. The machinery is strong, the purposes and principles just and democratic. It is true that we cannot guarantee its success. But, Mr. President, the support which the United States through its Congress and executive branch, springing from the people, gives to the purposes, principles, and actions of the United Nations may well determine whether it succeeds or not. We dare not let it fail. Another great war might and probably would destroy our kind of free society. This may be our last chance, as a nation of free people, to meet this great challenge. We must not fail.

EXHIBIT A

DEPARTMENT OF STATE,
Washington, July 23, 1945.

Memorandum for Senator VANDENBERG:

In your letter dated July 19 regarding the interpretation to be placed upon certain phases of our relationship to the Statute of the International Court of Justice prepared at San Francisco you requested answers to the following three questions:

"It is a fact that the Court can take no jurisdiction over the United States or any of its problems without our consent. Who gives the consent and how?

"It is also a fact that the Security Council, in seeking peaceful settlement of disputes, is required by the Charter to consider recourse to the Court. If such a proposal in connection with a dispute to which we might be a party should confront the United States, who would give our consent and how?

"It is also a fact that the Court's statute permits us, at our option, to accept mandatory, general jurisdiction of the Court. Who would make this decision and how?"

1. The establishment of the International Court of Justice does not in anywise change our constitutional situation as regards arbitration or judicial settlement of legal disputes. The Court would merely be substituted in the cases submitted to it for an arbitral tribunal. We would be under no obligation to submit cases to the Court unless we should accept compulsory jurisdiction under the optional clause of article 36 of the statute.

2. In cases of pecuniary claims submitted to arbitration, where there is no general treaty or convention governing the matter, the Executive has taken the position over a long period of years, that if the claim is one against a foreign government and there is no likelihood of a resulting international obligation on the part of the United States, the agreement to arbitrate need not be referred to the Senate. This has been based on the proposition that since the Executive has the authority in the conduct of international relations to settle such claims through the diplomatic channel without reference to the Senate, he can similarly adopt arbitration as the method of settlement. There is a long line of precedents for this method of procedure.

If, on the other hand, the claim is against the United States or the arbitration might result in an international obligation on the part of the United States, the agreement to arbitrate is submitted to the Senate on the theory that the Executive should not, acting independently, incur such an obligation.

3. The three questions raised may best be answered in the inverse order, as follows:

A. As to the third question, if the Executive should initiate action to accept compulsory jurisdiction of the Court under the optional clause contained in article 36 of the statute, such procedure as might be authorized by the Congress would be followed and if no specific procedure were prescribed by statute, the proposal would be submitted to the Senate with request for its advice and consent to the filing of the necessary declaration with the Secretary General of the United Nations.

B. As to the second question, a proposal or recommendation by the Security Council that a case, to which the United States is a party, be submitted to the Court, would require, to be carried out, a voluntary submission by the United States and the manner of making such a submission is discussed in paragraph C, following.

C. As to the first question, if there is a treaty in force between the United States and the other country providing for arbitration, the procedure stated in the treaty would be followed. If there should be no treaty and if the complaint were one by the United States and also if the decision of the Court could result in no international obligation on the part of the United States, the practice (referred to in paragraph 2 above) that has been followed by the Executive over a period of years in numerous cases might be followed with respect to the Court, since the Court would merely be substituted for an arbitral tribunal. The action would be based upon the theory that the matter was one which the Executive would have the authority to adjust through the diplomatic channel, and that the Court would merely implement the diplomatic process. Of course, if the Congress should by statute prescribe a different procedure it would be followed.

If, on the other hand, the complaint were against the United States, or even though the complaint were by the United States and the decision might result in an international obligation on the part of the United States, such procedure as might be authorized by the Congress would be followed and if no

procedure were prescribed by statute, the agreement to submit the case to the Court would be referred to the Senate for its advice and consent.

Mr. GEORGE. Mr. President, I am anxious to see the question before the Senate brought to a final vote. Therefore I shall refrain from any general discussion of the treaty.

I should like to call attention to some particular features of the Charter which have received generally very little notice, and I dare say have been regarded generally as of little consequence. The Security Council as established in this Organization may well fail. Other branches of the international organization provided in the Charter may well fail. Indeed, all of them may well fail to accomplish the purpose which all of us hope may be accomplished. But there are some things in it which ought not to be passed by lightly.

As one who has spent a long time at the bar and in the study and administration of the law, I naturally attach great importance to the court to be established as the chief tribunal of the international organization under this treaty. Men talk about codifying international law, and about establishing and announcing international law. International law will never be codified in the sense that we make a code of our domestic statutes; but it will finally become a great force for world betterment, through the continuous application of the principles of law, through the continuous and consistent interpretation of the law of nations to be found in charters, treaties, and the established laws of nations which have been recognized from time immemorial by the enlightened countries of the globe.

Surely no American should scoff at international law, because time after time our own Supreme Court has recognized the law of nations, and has given effect to the law of nations, which is but another term for international law, and has applied the principles of international law in the adjudications made by our own courts.

But particularly, Mr. President, the provision of the charter which impresses me greatly is the organization of the Assembly, which has been variously described by newspaper writers, commentators, and others as simply a debating society, simply a place where those who have no controlling influence or vote on the important decisions necessarily involved in the preservation of the peace and security of the world may meet and speak. I have been very much impressed by this feature, and I have gone back and read a little English history. Particularly at this time, it is perhaps helpful to know what the Commons has really become in the history of the British people and in the history of the world.

Yesterday the results of the election in Great Britain were announced. But what did that connote? What significance is to be attached to the recent announcement of the results of the election held in England some time ago? The majority of the House of Commons really represents the British Empire, that great empire which Webster long ago declared stretched over the earth, and upon which the sun never sets.

The leader of the majority party in the House of Commons becomes in effect the ruler of the British Empire. Long ago it was declared by a great British historian and jurist that even the King of England would be compelled to sign his own death warrant if the Commons should decree it. A great man has fallen in Britain, a great man who revived and bolstered the moral courage of the British people and of nearly all of the free people of this earth in that dark hour when the Axis Powers stood in battle array across the narrow channel which separates French territory from British territory. He was the head of Commons. Now another has been elected to speak for the British people, to hold in his grasp the vast British Empire, one of the five great powers given permanent seats on the Security Council under this Charter.

So, Mr. President, I should like to read to the Senate a brief statement about the House of Commons. Bear in mind that I am thinking of the Assembly in this world organization. I now read from the History of England by the eminent British historian, G. M. Trevelyan:

In the course of Henry III's reign it became an occasional but not an invariable practice to summon to this great assembly two or more knights elected in each shire court to represent the county. This was not to create a new assembly, or to originate Parliament; it was merely to call up some new people to the plenary session of the old curia regis. Neither was it a party move either of the King or of his opponents; both sides felt that it was best to know what the "bachelors" were thinking. It was a natural evolution, so natural as scarcely to attract notice. For two generations past, knights elected in the shire court had transacted local business with the King's judges and officers. It seemed but a small step to summon them collectively to meet the King among his judges and officers at some central point. Moreover, representatives from individual shires and boroughs had long been in the habit of attending the King's curia to transact the business of their community. To us, with our knowledge of all that was to come, the step of summoning them collectively and officially may seem immense. But in the medieval world the representation of communities was a normal way of getting business done, and its application to the central assembly of the realm was too natural to cause remark. When the wind sows the acorn the forester takes little heed.

Then and for long afterward the summons to Parliament was often regarded as a burden, grudgingly borne for the public good, much as the companion duty of serving on a jury is still regarded today. Communities, particularly boroughs, often neglected to send their representatives; and even the elected knights of the shire sometimes absconded to avoid service. Doubtless it was galling, when you looked round the shire court to congratulate the new member ironically on his expensive and dangerous honor, to find that he had slipped quietly on his horse and ridden for sanctuary, leaving the court to choose you in his stead. "The elective franchise" was not yet a privilege or a "right of man." In Edward III's reign, the borough of distant Torrington in Devon obtained by petition the "franchise" of not being required to send members to Parliament; for the payment of members' expenses then fell on the communities that sent them up.

Nevertheless the presence of the knights of the shire strengthened the authority and aided the counsels of the Parliament of magnates. The government found it convenient and advantageous to enforce the presence of the "communities" or "commons" of the realm through their respresentatives. And so in the year of revolution after Lewes, Simon de Montfort summoned not only the knights of the shire, but for the first time two representatives from each of the chartered boroughs.

That, Mr. President, was in the far year 1265.

He probably knew that the burghers would be of his faction, and he was the first of our rulers to perceive that the general position of a party government could be strengthened by calling representatives of all the communities together and talking to them.

Thus was the assembly made up.

It was a form of "propaganda," over and above any financial or judicial use that was made of the assembly. We learn from the writs that the burghers were summoned, but we do not know how many came, or what, if anything, they did. That particular Parliament was a revolutionary assembly to which only those barons were summoned who were of Simon's party, but it set a precedent for the summoning of burghers which was imitated in the more regular Parliaments of Edward I.

I now invite the attention of the Senate to the concluding and impressive lines written by this historian:

The English Parliament had no one man for its maker, neither Simon nor even Edward. No man made it, for it grew. It was the natural outcome, through long centuries, of the common sense and the good nature of the English people, who have usually preferred committees to dictators, elections to street fighting, and "talking shops" to revolutionary tribunals.

So, Mr. President, that is the historical picture of how the House of Commons commenced in that distant year 1265. The representatives from the counties or parishes were merely brought up to talk. They had no vote. They only counseled. The weight of the counsel depended upon the ability and wisdom of the men who were invited or who were assembled to talk. Yet in the process of evolution the King of England has become but a figurehead. The House of Lords has almost disappeared from any respectable part in the Government of England, save as a court in which law may be interpreted and announced. The House of Commons is the heart and center and substance of the British Empire. The leader of that House is the Prime Minister, next in importance historically to the King, actually of first importance in all the realm where English jurisdiction and English law live.

So I believe that the Assembly created by the charter is the common meeting ground of the nations of the earth which shall support this world organization. There small nations may be powerful. Indeed, those who followed the deliberations of the San Francisco Conference could not have failed to note that, although Australia is but one of the members of the British Commonwealth of Nations, and from the standpoint of its population is a relatively small country, her spokesman at San Francisco exerted not a little influence in shaping and controlling the decisions of the San Francisco Conference.

Here, whatever else may be said, is at least one division of the world organization, created by this charter, in which democracy lives, in which it breathes, in which it moves, and in the course of time it may become the great strength of the organization itself. Indeed, Mr. President, it may become the great center of the strength of this world organization on which so many hopes are now depending.

Mr. President, it may well be that in the course of time the stone which many of the builders of world organizations have rejected is now, in this Assembly, become the head of the corner. Here men can give expression to their views, to their thoughts, to their voices, and to their aspirations.

The Anglo-Saxon race and all other races which have been transplanted to our shores have a distinct and special mission to perform on this earth, namely, that of giving political government to mankind. No reader of history can be indifferent to that fact.

And so, without discussing the charter as a whole, or even attempting to do so, because I believe the hour is fast approaching when we should vote upon it, I wish to express my firm belief that in the establishment of the Court as the high tribunal to which we may ultimately give compulsory jurisdiction as the leader of the peoples, and through whose consistent and continuous application of the law of nations a great code of international law may be built up, and through the Assembly of the United Nations Organization, as set up in the charter, the smaller nations and, indeed, all peoples may one day be able to make themselves felt in the affairs of this earth.

Mr. President, as was said long, long ago of political institutions, they were not made with the mountains, they are not one with the deep; men, not God, designed them; and men, not God, must keep. If this charter lives, and if what we hope comes out of it only in part, it will be worth infinitely more than we can now estimate.

I am aware, Mr. President, that the dream of perpetual peace is an illusive dream. For more than 3,500 years of recorded history mankind has enjoyed not more than 300 years of unbroken peace. And yet the world moves, and, as Emerson long ago said in one of his matchless philosophical discussions, "All history is a decline of war, though a slow decline."

The great English-speaking peoples, and every branch of them, certainly have a great contribution to make in setting up the political machinery, the organization to which the world may confidently look for a better day.

Mr. President, all of us have pledged ourselves to our individual constituents, and to our general constituency. As we have met men and women whose sons, brothers, and husbands have paid the full price of devotion to duty, we have pledged ourselves to the cause to which we stand committed in this war, and have promised to do everything within our power to see to it that the honored dead shall not have died in vain. Almost every man in public life has given expression to that thought, to that hope, to that determination. Can we do less than to accept this step toward the solution of the problems which have resulted in armed conflict, and which have drenched the earth in blood through all the long period of recorded history? The very soil of all Europe is red with blood. The fields in many parts of the earth are white with the bones of men who have died in war.

I have not wanted to examine this Charter for microscopic defects. They exist beyond all doubt. There may be many inconsistencies in it, and much evidence of conflicting philosophies in the obvious effort to reconcile the thought so as to bring forth and preserve this Charter. But I have not examined it for the purpose of criticizing it, nor for the purpose of discovering any of its weaknesses. Experience will demonstrate all its weaknesses. Operation under it will demonstrate all its shortcomings. But if it is, as I believe it to be, a real step toward the solution of the problems of the world which have constantly resulted in war, with all its strains of evil, suffering, and of death, it is worth our while.

I know that every man in this body has not only pledged himself to his own individual constituents but to the larger constituency of the country—indeed, he has made the pledge in the presence of all mankind that he was highly resolved that those who have paid the last full measure of devotion in two great world wars within our lifetime shall not have died in vain.

And they have died, Mr. President. Our best men have died on the earth; the blue waters have swallowed them up; from the flaming skies they have gone down to death—to win this war and to make possible a better world for another generation of Americans.

We promised them something. I am sure that every Member of the Senate means to keep that promise and to go all out in an effort to make that promise good. Many of us are slow to promise. The slowest among us to promise are often the quickest to perform. But when I think of the great host of American youths who have been taken from our midst all over this land I can think only in the terms of those beautiful words:

> They shall not grow old as we that are left grow old.
> Age shall not weary them, nor the years condemn.
> At the going down of the sun and in the morning we will remember them.

America has a great opportunity. The Senate of the United States has one of the greatest opportunities in its long and glorious history to register its wholehearted and unanimous approval of this step toward peace, toward security, toward the better world of which we all dream.

Mr. President, the dream may not come true, but who is there to say that many of the dreams that have inspired the true and genuine lovers of men in every age and in every land may not in our time take form and substance? Who is there to say that in the majestic flow and sweep of the centuries this forward step may not make it possible for young men in our America and in every land where people are peace minded to be spared the suffering and the consequence of wars like unto the one through which we are now passing?

I should like to say that I attach great importance to the Court, and I attach far greater importance to the Assembly of the United Nations set up under this charter. No man living can tell what may come out of it for the good and for the happiness of mankind.

Mr. TOBEY. Mr. President, those of us who were fortunate enough to have been in the Senate Chamber during the last 15 minutes and to have heard the truly wonderful address by the Senator from Georgia have been moved to our very souls. Applause at the end of his speech was manifestly out of order, but there is a way to express our deep feeling to the Senator; and so I ask, Mr. President, as a token of our esteem, our appreciation, our affection, and our sympathy for the great Senator from Georgia, that the Senate rise.

(Thereupon, in conformity with the suggestion of Mr. TOBEY, Senators rose and stood in silence.)

Mr. CHANDLER. Mr. President, along with every Member of the Senate, and with those who occupy seats in the galleries, I have been deeply moved by the speech of the great and good Senator from Georgia.

> God so loved the world that he gave his only begotten Son, that whosoever believeth in Him should not perish, but have everlasting life.

In camps all over the world it has been my privilege and my high honor to visit with American soldiers, sailors, marines, and airmen. I have watched them prepare themselves for the missions of death. I have expressed to them how humble I felt in their presence. I have always felt that, except for fortuitous circumstances and the grace of God, there stood among them Ben Chandler and Dan Chandler, and if my girls had been boys they too would have gone side by side with the sons of WALTER GEORGE, JOHN MCCLELLAN, ALBERT HAWKES, LEVERETT SALTONSTALL, Admiral HART, and others who have offered and paid for the peace and security of their beloved country their last full measure of devotion.

Mr. President, perhaps I should not speak at this hour, because I do not claim to be an authority on the Charter. I have not the honor of being a member of the Committee on Foreign Relations. However, it may be possible that my voice will not again be heard in this forum. I should like just one opportunity to say to you, Mr. President, whose love and affection I possess and cherish, how grateful I am to Almighty God that I have been privileged to serve for a season with you, and what a profound respect and admiration I have for the Senate of the United States. I have only one regret, and that is that I could not have been a better servant of the people of my country. I have no other regrets.

Mr. President, this is a fateful hour in the world's history. I am grateful to Almighty God and to the people of my beloved Commonwealth, that I am permitted as a Member of the Senate of the United States, to take part in these important deliberations. When this debate is concluded, I shall, as a representative of the people of Kentucky, have the honor of casting my vote in support of the mighty efforts that are presently being made to reestablish the peace of the world.

As a citizen of this Republic I am proud of the record made by the American delegation at San Francisco. The delegation was appointed by President Roosevelt, who was familiar with the failings of the Versailles Treaty, perhaps occasioned by the fact that there were no members of the American Congress present to take part in the deliberations on that treaty. Our late President appointed on that delegation two Members of the Senate, the able chairman of the Foreign Relations Committee [Mr. CONNALLY] from this side of the aisle, the Senator from Michigan [Mr. VANDENBERG], a stalwart member of the committee from the Republican side, and Governor Stassen, of Minnesota, a brilliant young naval officer who represented the viewpoint of men who are daily offering their lives in the rough war in the Pacific against Japan. Along with Mr. Stettinius and other members of the delegation, I believe that the Senator from Texas is entitled to the thanks of the American people for bringing this Charter to the floor of the United States Senate.

Perhaps Woodrow Wilson is entitled to the credit for first proposing a world-wide organization to enforce peace, inasmuch as this organization first took form in the so-called Fourteen Points of Woodrow Wilson and the League Covenant. Failure of the United States to become a member of the League of Nations perhaps foredoomed its failure, and certainly placed the United States on the outside of any world-wide organization which sought to keep the peace of the world.

During the course of my remarks on this important subject I shall undertake to compare some of the provisions of the San Francisco Charter with the provisions of the League Covenant. I believe that a comparison will rather definitely show that the charter is greatly superior to the League Covenant which was presented for ratification to the United States Senate following the Peace Conference at Versailles after World War I.

As an American Senator during the past 6 years I have had an opportunity to observe the conduct of the foreign affairs of this country by the late President of the United States. Historically, traditionally, and constitutionally, the power to conduct the foreign policies of the people of this country is vested in the President of the United States. He functions through his Secretary of State, who can be removed by the President at any time. I have supported the foreign policies of President Roosevelt during the past 6 years because I sincerely believed that under all the circumstances the policies which he advocated were best for the American people.

If it can be said that those policies brought on the war or contributed to the war, and that during the war we have suffered more than a million casualties and placed upon the people of our beloved country a debt of more than $300,000,000,000, then it should also be said that in doing this we have successfully stopped the menace of German aggression and we are well on the road to victory against Japan.

Furthermore, Mr. President, no bombs have fallen on the homes of the American people, whereas no other nation on the earth has escaped having its cities and towns virtually destroyed by the wrath of war. This policy has brought the American people through the war without having bombs rained down upon them from the skies. It is my firm conviction that if we had not gone into the war when we did, we most certainly would have been forced into it later and, if later, to our very great disadvantage. We have cooperated with our allies for war, and this cooperation has greatly contributed to the winning of the war. If we are now determined to cooperate for peace and to use the same efforts for peace that we have so successfully used for war, then it may be possible to prevent a recurrence of this frightful menace to humanity.

The most important question confronting mankind is how to make arrangements for the nations of the world to live in peace. Unless such an arrangement is made, civilization as we know it may some day be wholly destroyed.

I am deeply indebted to Mr. Serge Fligers, of the British Reuters News Service, for a point-by-point comparison of the new charter with the old League Covenant. I think it will definitely show that the Charter was drawn up by men who were familiar with the bitter lessons of Versailles and Geneva, and that while the League Covenant had been consummated by a crippled coalition of victorious powers, the present Charter emerges as an instrument independent of a peace treaty and founded upon the absolute defeat of totalitarianism. The United Nations Charter, Mr. President, is a great step forward toward the establishment of permanent peace.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. CONNALLY. I do not wish to interrupt the Senator, but he is referring to the League of Nations Covenant as having been drafted by the powers at Versailles. My information is that the Covenant of the League was drawn up and completed in 11 days. It required 9 weeks for the San Francisco Conference to perform its duties, because of the great care and meticulous attention to all the various features of the instrument.

Mr. CHANDLER. I thank the Senator from Texas. The Senator was temporarily absent from the Chamber when I commended him for the courageous and fine work which he has done on behalf of the Senate and on behalf of the American people, and the care and good judgment which were used in the consideration of the treaty, resulting in the treaty being reported to the Senate in such fine order.

Mr. CONNALLY. I thank the Senator.

Mr. CHANDLER. Mr. President, during the course of my remarks, I shall quote rather freely from Mr. Fliegers and from the Charter.

In the preamble of the charter we read:

> We, the peoples of the United Nations, determined to save succeeding generations from the scourge of war—

This is the first time in the history of international conventions that the ordinary common man rather than the state, is made the subject of a world organization. The preamble to the Covenant was in these words:

> The high contracting parties—

And there is never once the mention of an individual, but instead refers to states, nations, and governments.

The new charter is the first official international declaration of human rights to reaffirm faith in the dignity and value of the human persons, in the equal rights of men and women, to promote social progress and better standards of life in larger freedom, to practice tolerance. No mention of these ideas were made in the League Covenant. The phraseology in the Covenant was legalistic. There was talk of the acceptance of obligations not to resort to war, by the establishment of the understanding of international law as the actual rule of conduct among Governments. This Charter before the Senate is a declaration of human rights. Membership in this organization is open to all peace-loving states. The words "peace loving" did not appear in the League Covenant, neither was it mentioned in any previous international agreement from the Holy Alliance in 1915 to the Hague Conventions of 1899 and 1907.

The General Assembly, under the charter, may recommend new members to the organization, but the Security Council makes the final decision with respect to whether any country really qualifies as a peace-loving country. The membership requirements of the League of Nations was restricted to any fully self-governing state. There is no such provision in the Charter. This would not preclude a country with limited sovereignty to joint the new organization in the future. The organization under the charter, which is set up for the maintenance of peace and security, is composed of an Assembly, a Council, a Secretariat, and an International Court of Justice. There are also councils which have to do with economic and social matters, as well as a Council of Trusteeship.

The Secretariat under the Charter has administrative departments of a government and corresponds in a general way to the Secretariat of the old League of Nations. The employees of the Secretariat shed their individual nationality and assume allegiance only to the international body and not to any particular nation. It is significant that this group

of people are destined to become the first true world citizens. It is possible that this organization may at some time in the future become the nucleus of a world federation of peace-loving people, composed of men and women of all races, creeds, and colors.

During conversations with Mr. Churchill in England in 1943, he suggested to a delegation of American Senators the possibilities of common citizenship between the British and American people. He suggested that an American citizen might be eligible for a seat in the Parliament and that a British citizen might also seek membership in the Congress of the United States. The Senators who were present will recall that he was asked whose seat he wishes to occupy in the Senate of the United States.

The old League of Nations created a Secretariat that merely functioned as mouth pieces for individual governments.

There is in the charter an authorization that the Secretary-General has the right to bring to the attention of the Security Council at any time any threat to the peace of the world. The League Secretary had no such powers.

I want the Senator from Texas to know that I believe this is a comparison which perhaps should be made, and the comparison is definitely in favor of the instrument which he and his colleagues have brought to the Senate.

I repeat, the Secretary General, under the charter before us, has the right to bring to the attention of the Security Council at any time any threat to the peace of the world. The League Secretary had no such powers.

The General Assembly may discuss any and all questions within the scope of the charter and it may make recommendations to members of the United Nations or to the Security Council on such questions. This gives the broadest possible opportunity for the discussion of matters of interest to the representative nations of the world. The Assembly may discuss maintenance of world security, disarmament, regulations of armament, or any other matter which they consider of world importance, but they cannot take any definite action concerning major world problems. They may, however, make recommendations to the Security Council. The Council controls enough military and economic power to make any of its decisions stick. The Council can take action on the recommendations of the Assembly, or it can improve and revise the recommendations of the Assembly. The new Assembly is a democratic organization—even more democratic in its organization than the Congress of the United States, due to the fact that not only can any member of the Assembly or the Security Council bring up matters for discussion in the Assembly, but an outside state—one not a member of the Organization—can also bring up matters for discussion in the Assembly, but an outside state—one not a member of the Organization—can also bring up matters for the consideration of the Assembly. The public sessions of the Assembly will be broadcast to every corner of the civilized world, and the widest latitude is given for full discussion of problems. The Assembly cannot recommend any definite course of action, but it may be a powerful force in focusing public opinion to a point where desirable actions are forthcoming.

In the old League of Nations the Covenant specified: "The Assembly or the Council may deal at its meetings with any matter affecting the peace of the world," but there was an overlapping power between the Assembly and the Council. Frequently these two bodies argued with each other and questioned each other's authority to take ultimate action. In many instances, such as the rape of Ethiopia by the Italians, the action came too late. In the case of the charter, there is no duplication of power. If the Security Council decides that an international dispute necessitates immediate action, it can take such action without engaging in any debate with the Assembly members. One of the most important functions of the Assembly is "that it shall promote international cooperation in economic, social, cultural, educational, and health fields and assist in the realization of human rights and basic freedoms for all without distinction as to race, sex, language, or religion."

Mr. President, certainly the basic freedoms will not have less opportunity under this charter. It is my belief that the prospects for their advancement and development are infinitely better because of what we are undertaking to do here.

The framers of the charter have displayed great wisdom and understanding, and this is shown by this declaration. It is recognized that by promoting the material welfare of the people, the fundamental causes of war may be eliminated. Actions were heretofore taken by the Senate of the United States to eliminate political frictions and replace those frictions by a friendly, economic, and social cooperation of all the people of the world.

With reference to trusteeships, the General Assembly will have the final say over all dependent territories which are considered by the Council not to be of strategic or military value. The Assembly will have general supervision over such nonstrategic dependent areas and will advise them with reference to ultimate self-government.

Each member of the General Assembly in good standing is entitled to one vote. On all important questions a two-thirds majority of those present and voting will make a decision with respect to the case at bar. The so-called important questions are election of Trusteeship Council members, admission of new members to the United Nations Organization, expulsion of members, suspension of rights and privileges of members, and questions relating to trusteeship and budgetary matters. All other questions shall be decided by the Assembly by a simple majority.

Mr. President, I now desire to discuss briefly the Security Council, and then a word or two with respect to trusteeship agreements. The Security Council is to be composed of five permanent members. The permanent members are the United States, the United Kingdom, Soviet Russia, China, and France. Mr. President, it is the first time in the history of the world that five great powers have united in a single international organization, pledged to the prevention of war. The United States never became a member of the League of Nations, and the League of Nations Council became purely an Europeon affair, with a few other nations playing minor roles.

In this charter the United States and Soviet Russia are now firmly bound to the other United Nations; and with these two nations pledged to use their energies to prevent war, we have achieved for practical purposes something not heretofore attained in the history of man. The five permanent members of the Council have the veto power. Article 4 of the League Covenant provided:

> The Council may name additional members of the League whose representatives shall always be members of the Council.

There is no such provision in this Charter; and thus, because of the veto, there is an effective way of preventing the situation in which Germany or Japan might claim at some future date permanent membership in the Security Council. They may obtain it some time, but there is no way, no provision, and no right on their part to claim it.

There are to be elected six nonpermanent members of the Security Council. These members are to be elected by the General Assembly. The permanent members of the Council have no dictatorial authority over the Organization, but they are a group of strong nations and they are entrusted with the responsibility of keeping the peace of the world. They are to act in these matters in accordance with the purposes and principles of the United Nations. The Council is, therefore, the executive organization which is dominated—hear me, Mr. President—which is dominated—it does not dominate, but it is dominated by the spirit of the whole Organization. The Senator from Texas realizes how important that is. It is dominated, Mr. President, by the spirit of the whole organization.

The Council, in my opinion, is strictly bound by the law of the charter and by the preamble and the purposes of the charter. Erroneous impressions have been stimulated throughout the world, seeking to create the feeling that the Big Five, through the veto power given to permanent members of the Council, will control the Organization. A comparison of this question with that provided in the old League of Nations is interesting. Article 5 of the League Covenant says in part "decision at any meeting of the Assembly or of the Council shall require the agreement of all the members of the League represented at the meeting."

In effect, there was established in the League veto power on behalf of each of the 58 nations who were members of the League at the outbreak of the war. The charter reduces that veto power by 10 times in the new Security Organization. Instead of 1 of 58 nations being able to stand up and block the entire world's action with respect to peace, only 1 out of 5 of these strong and powerful nations has the power to veto a decision of

this Organization, and these 5 are committed to fight for the peace of the world.

Mr. President, the Charter provides that nonpermanent members of the Council cannot immediately be reelected after their terms expire. The League of Nations had no such provision, and nonpermanent members of its Council were chosen from a group of eligible nations who were often reelected. When the first election takes places under the charter, nonpermanent members will be elected to seats on the Council for 2 years, and in certain cases for only 1 year.

Mr. President, the world is weary of war. The world cannot stand another war. The peoples of all nations earnestly desire peace, and it has been arranged in this Charter for the Security Council to control the armament policy of all nations. Through its military staff committees, definite plans for international regulation of armaments will be worked out and its orders will be enforced by the Council. The old League of Nations never possessed such strength of action. Article 8 of the League said:

> Members of the League recognize that the maintenance of peace requires the reduction of national armament to the lowest point consistent with national safety.

The Council provided for in this charter has the power and the means to enforce its direction with respect to disarmament. The Security Council provided for in the Charter is to be on the job 24 hours a day, and it is to be in operation continuously. The requirement of the League of Nations was that "the council shall meet from time to time as occasion may require, and at least once a year." Hear me, Mr. President: That provision was "at least once a year." The Security Council provided for in the Charter, I repeat, is to be on the job 24 hours a day, and keeping peace is a full-time job.

Military sanctions as applied by the League Covenant were never able to provide successful and effective military action against aggressors. Article 16 says:

> It shall be the duty of the Council to recommend to the several governments concerned—

Fifty-eight of them—

> what effective military, naval, or air forces the members of the League shall severally contribute to the armed forces to be used to protect the Covenant of the League.

The charter, on the other hand, provides that "the Council may take such action by air, sea, or land as may be necessary to maintain or restore international peace and security." I say to the Senator from Texas that that is a strong provision. It is vastly stronger than the one which was originally contained in the old League of Nations Covenant.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. CONNALLY. Allow me to say, since the Senator has been discussing the Security Council, that I had the honor of being a member of the committee of the San Francisco Conference which dealt with the Security Council. I gave a great deal of attention to trying to preserve the strength, dignity, and influence of the Security Council because I regarded it as being one of the cardinal agencies or influences of the entire organization.

Mr. CHANDLER. The Senator did a grand job when he insisted upon preserving the strength of the Council and the strength of this provision, because if it were weak, no nation could avoid war. There are two ways by which a nation can get into a fight. One is by being so weak that every other nation knows it can be whipped. The other is by being so strong that it goes out and looks for trouble. We were once weak, and because we wished to avoid war we thought we could avoid it by merely wishing. But this Council may take such action, Mr. President, by air, sea, or land, as may be necessary in order to maintain or restore international peace and security.

So the provisions of the Charter clearly establish for the first time in history a world military force, under a joint staff, which can be put into action at a moment's notice in order to extinguish the first fires which might set off another world conflict.

The use of force to prevent war, and the power to use such force, is vested in the Security Council. No nation or group of nations has the right or the authority to use force without the authorization of the Council. This Charter, Mr. President, outlaws war as an instrument of national policy. It gives to the Council supreme authority to provide military action for the enforcement of peace. No nation will hereafter use force in the claim that it is being used for the purpose of keeping the peace of the world. The League of Nations did not outlaw the use of such force. Article 15 of the League reserves "the right to take such action as they shall consider necessary for the maintenance of right and justice if both parties to a dispute do not accept the unanimous decision of the Council."

Mr. President, I do not have the time, and it would not be well to discuss each provision of the Charter during the course of my remarks. Many of the important matters to which reference has been made have heretofore been covered adequately, and are quite clear to all Members of the Senate.

There is, however, one matter which is very close to the hearts of the American people, and which I desire briefly to discuss at this time. I refer to the question of the possession of islands and territories outside the continental limits of the United States of America. Many of those places I have visited personally. Many of those island places were won after a hard fight, and after the lives of gallant boys were lost. Many of them had originally been placed under the so-called mandate system which was fathered by General Smuts of South Africa. After the last war certain areas which were being considered in the negotiations for peace were mandated to the Allies, or to nations then friendly with the Allies. The United States did not accept any territory as a possession or as a mandate. The historic policy of the people of the United States of America has been—and I have referred to it before—"take and abandon." If trouble comes, and it becomes necessary in order to protect the interests of the American people, we move in and take possession of territories which, in the hands of the enemy, would be a danger to the people of the United States. Then, as soon as the trouble has passed, we leave and someone else comes in. When trouble returns we must go back and have our men killed all over again in repossessing the territory. As I have already said, the historic policy of the American people has been "take and abandon." President Truman has declared, just as the American people declared after the First World War, that as a result of our victory we covet no territory or possessions of any other country in the world. So, when we make that kind of a declaration we cannot be quite certain that we will get anything, because every other nation understands what our policy has been.

Some nations, notably the Japanese, took possession of islands which had been mandated under agreements, and fortified them contrary to the agreements. Our representatives were not allowed even to visit those islands. We had no idea of the extent of the work which had been done in fortifying those possessions against the American people until our boys had to go into places like Tarawa, Iwo Jima, Okinawa, Kwajalein, and others. Then we found out. Those islands had all been fortified contrary to the original understanding. The mandate system, as originally established, had meant a protectorate. It did not mean absolute possession and control. However, in 25 years it ripened into possession absolute, and the only way by which it could be challenged was by force of arms. In those areas barriers were set up against our peacetime trade, and a situation developed which was entirely contrary to the policy and purpose of the American people.

Mr. President, in my opinion it would be a serious mistake——

Mr. THOMAS of Utah. Mr. President, will the Senator yield.

Mr. CHANDLER. I yield.

Mr. THOMAS of Utah. I should like to ask the Senator a question. Is it true that all the islands which the Senator named were mandated islands?

Mr. CHANDLER. No.

Mr. THOMAS of Utah. Does the Senator believe that many of the places which were fortified by the Japanese were not mandated islands?

Mr. CHANDLER. I did not undertake to say that they were all mandated islands, and I did not undertake to distinguish between the ones which were mandated and the ones which were not. Some of them were mandated, and we lost many lives in undertaking to repossess them.

Mr. THOMAS of Utah. The breach of trust with reference to the islands which were mandated was quite bad enough without adding to those islands the places which the Japanese rightfully possessed and fortified to which the world did not object. The mandate theory was established with the idea that there should be an idealistic guardian appointed for backward peoples or for backward territories so that their

people could grow up into a condition of self-government. There was also a breach in the League covenant. Japan was one of the original signers of the League, and Germany became a signer later.

Mr. CHANDLER. I understand. The United States did not accept any possessions as mandates. So certainly we did not violate any mandate. Japan did violate a mandate, and the point I want to make plain is that I think it would be a serious mistake in the future if the American people failed to be entirely realistic with respect to the islands we have taken, with great loss of life, whether mandated or not.

The mistake will not be made by Russia. Russia would not permit another power to control an island or a possession which would subject her to the danger, in the hands of an enemy, of bombing raids against her cities and towns and against her people. Russia would certainly move in quickly and control such a situation. So in the case of our country, if an island were in the hands of a weak, friendly nation which was unable to defend it—and we have many weak friends among the nations which could not support their possessions when the showdown came—I believe we should be in a position to control those places so as to obviate the loss of the lives of American boys in retaking them and to prevent an enemy obtaining them as bases from which to bomb the women and children of our country, and destroy our cities and towns.

The American boys who are out in the Pacific, and who have fought for the islands we have taken, want this protection for our defense, because they think they fought for it. I believe it would be very foolish if we failed to enter into a realistic arrangement which absolutely guaranteed that we would be strong enough in any island possession, or in any other possession, sufficiently close to the United States so that in the possession of an enemy there could be bombing raids against the cities and towns of the United States, and we should not fail absolutely to control in force the territory of any weak nation which could not defend it if trouble came.

Mr. President, I hope no mistake will be made as to my view, because I visited these places, I know the terrific cost in the lives of American boys in taking them. Australia could not have been saved except by the forces of the American people. Australia is a country of 7,000,000 people, isolated and wide open to the Japanese. The Australians were magnificent and heroic in their efforts, but they would have been absolutely futile if they had been left solely to their own devices. Should we leave Caledonia, a French possession, and New Zealand, a member of the British Commonwealth of Nations, the Fijis, the Samoas, partly British mandate and partly American? Should we leave any of those places in such a condition that in the future if trouble comes to Australia, for instance, our boys will have to go there and fight again to defend Australia from some enemy? I do not know that that will happen, but it has happened before, and in being realistic we must answer. We had to go thousands of miles to the south and transport munitions and materials because the Japanese figured out that in the Gilbert and Marshalls they could cut off transportation, and if they had moved a little quicker, God knows they might have done it. I hate to think what would have been the fate of Australia and what would have been the cost to us of trying to recover it. We might have done it, but the cost would have been tremendous.

Mr. THOMAS of Utah. Mr. President, will the Senator yield?

Mr. CHANDLER. I yield.

Mr. THOMAS of Utah. The Senator will never be misunderstood about what he has been discussing, but he has made such a splendid argument for the moral aspects of the Charter it seems to me he has given us a chance to point out its moral significance. Ultimately there will be a moral significance, a legal significance, and a new international-law significance, as he pointed out, in regard to war. If, for instance, the right to make war is placed in an international organization, as the Senator has pointed out, new types of morals in regard to the use of force will develop.

Since we are discussing islands, it seems to me it is a good idea to point out that we ourselves have different obligations in regard to the islands we have taken. If we take an island which has been mandated and take it away from a country which has not been true to the mandate, we still have a moral obligation to the mandatory power, as trustees of the conscience of the world. But if we take an island which belonged to another country, then of course there is a difference. I know that the Senator wants to find out the differences, because we do not want to make again the mistakes which have been made in regard to these things.

Mr. CHANDLER. No. Our position has been made clear by the President of the United States because he has said we do not want anything. The other nations understand that. That certainly means that we will not get anything, because other people are not voluntarily giving territories and islands away.

If that holds good—and God knows I hope it will, but it has not held good so far in any other place in the world—I do not want suspicions and doubts created. Any lingering suspicion I have is based on the hope that the American people, men, women, and children, in cities and towns, will not be destroyed by incendiary bombs, as have been other cities and towns that I have personally visited and seen.

Every American Senator wants to prevent such a thing if possible, and we have prevented it. We have suffered more than a million casualties. We have piled up an enormous debt, and made the greatest commitment in men and materials ever made by any country, but our people have not suffered from bombings. That entirely justifies the action we have taken as a government. God knows I do not want any such things.

This covenant speaks of the rights of human beings. The old League Covenant talked about the dignity of nations and self-governing states. We are talking about human beings who wish to be associated with others, the ones with whom they want to be associated, and no nation is more anxious or willing than we to see that that association is the kind they want and is under the proper auspices.

I have the greatest faith that these five strong powers with such additional members as are hereafter permitted to join the Security Council, will use the power and resources they have, which can be applied instantly and without debate, and no Senator and no citizen will object to my being in dead earnest about the ultimate Organization of our nations.

In the international trusteeship agreement under the Charter, members of the United Nations are obliged to recognize the principle that the interests of the inhabitants of the dependent territories are paramount, and the United Nations accept as a sacred trust the obligation to promote to the utmost their well being, their progressive development, and eventually their self-government or independence.

Under the mandate system the League never intended to recommend the establishment of full independence for the countries under their supervision. In article 22 it says:

> The tutelage of such peoples should be entrusted to advanced nations who by reason of their resources, their experience, or their geographical position can best undertake this responsibility.

Thus, it can be readily seen that the charter is much superior to the League in this respect, as it recognized the obligation of strong nations to promote the well-being and the human rights and interests of dependent territories and peoples.

There has been considerable discussion in the Senate with respect to the procedure to be followed in commiting the United States to the use of force, if the use of force becomes necessary under the terms of the Charter. There is nothing in this charter which limits the power of Congress to pass upon the use of force. It is my view that we have committed ourselves by the adoption of this Charter, and we have in good faith pledged our resources to fight for peace and that the Congress, immediately after the ratification of this Charter, should adopt a concurrent resolution, giving the President the power to use our armed forces in order to fulfill any obligation that may arise under this Charter. This delegates the right to use military power until such power is checked by a majority of the Congress, and this check can be invoked at any time prior to the formal declaration of a state of war. It is my opinion that a concurrent resolution should be used and not a joint resolution. If a joint resolution were used it could not be repealed without the consent of the President, because in the event of a Presidential veto two-thirds of both Houses would be required to pass the joint resolution over his veto. By adopting a concurrent resolution, Congress would immediately notify all the peoples of the world and the people of this country that the President can instruct our delegate in the

Security Council to put our forces immediately into action where our interests are affected and where disputes between two powers threaten the peace of the world. This would be a legislative direction which would greatly broaden the power which the President now exercises under the Constitution, and would give notice to everyone that we intend to keep the peace of the world.

The President of the United States, under his constitutional authority, has always had the right to use the troops of the United States where he felt that American interests needed protection. In the latest and most notable case, President Roosevelt ordered the American troops and they did actually occupy the country of Iceland in July 1941. And so, the authority for the President to engage in skirmishes has always been recognized. The authority to declare or recognize the existence of a state of war has always remained in the hands of the Congress of the United States.

No supporter of this document claims perfection for it. It may be amended. It may be altered. It may be changed, but it represents the ideas first expressed to the world by Woodrow Wilson—an association of nations, working together to insure peace.

We have avoided many of the mistakes that were made in our attempts to establish peace in the days of Wilson. Mr. Roosevelt was perfectly familiar with those failures. The naming of United States Senators and Members of the House of Representatives to consult and to help in the preparation of the Charter has given confidence to the Members of the Senate and to the people of the country, with respect to its provisions. We have implemented the Charter by joining in a world bank under the Bretton Woods agreement. We are associating ourselves with food conferences, to undertake to help feed the starving millions of the world. In this the peoples of the world have pinned their faith and hope for a just, for a realistic, and for an enduring peace. Finally, of course, the ultimate security and effectiveness of this Organization must rest on the good will of the five great powers. They have borne the heavy blows of the enemy during the war. They have survived this terrific ordeal of fire. They have been bruised and beaten and their people have bled and suffered. Will the memory of the sufferings of their people inspire in them the determination to keep the peace, now that an opportunity is again offered?

The American people are familiar with the broadcasts from London by Edward R. Murrow, whose familiar salutation was always "This is London." He says:

> The price of victory has been high. We don't yet know just how high—how many twisted minds and bodies, how much loss of faith and hope. The first task is to bury the dead and feed the living. The formal declaration of victory will not return the wandering millions to their homes, or provide food for the hungry, or clothes for the ill-clad. The economy of Europe is in shreds. The political structure is unstable. There is still danger of famine and plague. Unknown millions have lost everything—even their very countries. There is bitterness and suspicion and very little unquestioning hope or belief that wars have ended and that a new, easier, and freer world is certain.

He goes on to say, Mr. President:

> Europe is tired—almost to death. She has escaped destruction by the narrowest margin. The period of convalescence will be long. The old hatreds will emerge. The war was longer and harder than most people thought possible. The same will probably be true of the period of reconstruction.
>
> Victory confronts us with a problem without parallel and with an opportunity purchased at great price. Perhaps we should remember, even tonight—

This was the night of the V-day celebration in England—

> in the midst of the celebration, that the suffering will continue for many years. And that unspeakable crimes are still unpunished, and above all else that power carries with it great responsibility. We have the power. Europe has no doubt that America is mighty in battle, and today our Nation, which was created by men who wanted to leave Europe, is the center of the hopes and some of the fears of millions who are in Europe today.

Mr. President, our people left that continent in search of peace, in search of happiness, in search of freedom, and now from across the ocean millions of people place their hopes in the leadership of the American people. When will peace again come to this earth? Only when Almighty God shall judge among the nations; and in Isaiah 2, chapter 2, verse 4, it is written:

> And He shall judge among the nations, and shall rebuke many people; and they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war any more.

Millions of the people of the world are dead. Other millions are homeless and starving. We have expended more than a million casualties. Many of them the finest and brightest youngsters that have ever been raised by the American people. We have expended billions of dollars of our resources. We have cooperated with our allies for victory. Is it not possible, with these frightful lessons before us, to cooperate just as actively and just as determinedly for peace?

Mr. President, the boys of the wind-swept North, the boys of the sun-kissed South, whose fathers and grandfathers followed Grant and Lee in the battles of the War Between the States, all emerged in this great war as true sons of the flag. All have advanced against a stubborn and brutal enemy, never turning back. This is our finest generation, Mr. President, and this is our finest hour.

"Lord God of hosts, be with us yet, lest we forget."

Mr. SHIPSTEAD. Mr. President, I wish to compliment Members of the Senate who have addressed themselves to the subject before the Senate. They have done so with great ability and with evident earnestness. I wish to compliment the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG] for the energy which they displayed at the San Francisco Conference in helping to write the so-called United Nations Charter, which is now before the Senate for ratification.

It is acknowledged that its purpose is to authorize the United States Government to join at some future date with the representatives of other governments in formulating rules and legislation for the purpose of outlining the duties and responsibilities of the body of international representatives who will operate under the organization created by the Charter. I am referring, of course, to representatives from member nations of the United Nations Organization.

We do not know at what time the results of the labors of the organization to be created in the future will come back to the Senate. The purpose, however, is to form an organization to formulate rules and regulations which will be the basis of a new code of international law by which the various signatory governments agree to abide.

The ostensible purpose of this international organization is to promote peace and, where peace cannot be promoted, to enforce it.

The pages of history are filled with arrangements among the states of the world for the purpose of doing away with war. These arrangements always appear as an afterthought of the victor nations who impose their will on the vanquished, in the hope that peace will then insure the spoils of victory. But history also records that the victor powers, either singly or collectively, are always the architects of the peace-enforcing agency and the peace settlements to be enforced. But the pages of history are barren of peace settlements imposed by the victor on the vanquished which were rooted in the principles of honor, decency, and justice.

This Charter, following on the heels of this historic pattern, is bound to perpetuate the so-called peace arrangements made or to be made by the three big powers for Europe, Africa, and Asia. At present we do not know what they are or will be. I challenge any Senator to deny that these settlements, whatever they may be, will again be imposed upon and affect for ill the vanquished, neutrals, or allies. Then where is the hope of peace, with history again repeating itself?

It is unnecessary to record, one by one, the tragic settlements of history to sustain this charge.

But here, today, we are confronted with something unique in history because we are now asked to produce enforcement machinery for a peace treaty which, so far as we know, has not been written, and we know not when its contents, when written, will be released. The final peace agreements are still in the womb of secret conclaves of power politics of the three great powers. After they are revealed they will not come under the jurisdiction of this world organization.

Can anyone be so simple minded as to believe that this organization, if and when established, can be more effective in righting the provisions of treaties which are conducive to international friction and injustice and ultimately to war than was the League of Nations following the last war? I am not talking about the Charter. I am talking about the organization which is to be formed.

The failure of the League of Nations to maintain peace has been propagandized to be due to the failure of the United States to enter the League of Nations when, as a matter of fact, the failure of the League to make adjustments and settlements of international controversies was forecast by President Wilson's most loyal and close advisers at the time the Versailles Treaty was imposed upon the vanquished powers.

President Wilson, in good faith, based his hope on the League of Nations for revision of treaties, but the League's policy was controlled by the five great victor powers whose power politics would not tolerate readjustment. They were foreseen at the time, not only by the President's close advisers, but by Members of the United States Senate.

These things were all foreseen and predicted by men having knowledge of diplomatic history and power politics and, as I said, the close counsellors and advisers of Mr. Wilson saw them immediately upon the signature of the treaty. I shall quote what they said at the time, as recorded in the archives.

Mr. Robert Lansing was Wilson's Secretary of State. He attended the Paris Peace Conference as a commissioner to negotiate peace. His views concerning the treaty at the time of his conversation with Mr. Bullitt are expressed in his memorandum of May 8, 1919, as follows:

My views concerning the treaty at the time of the conversation with Mr. Bullitt are expressed in a memorandum of May 8, 1919, which is as follows:

"The terms of peace were yesterday delivered to the German plenipotentiaries, and for the first time in these days of feverish rush of preparation there is time to consider the treaty as a complete document.

"The impression made by it is one of disappointment, of regret, and of depression. The terms of peace appear immeasurably harsh and humiliating, while many of them seem to me impossible of performance.

"The League of Nations created by the treaty is relied upon to preserve the artificial structure which has been erected by compromise of the conflicting interests of the Great Powers and to prevent the germinating of the seeds of war which are sown in so many articles and which under normal conditions would soon bear fruit. The League might as well attempt to prevent the growth of plant life in a tropical jungle. Wars will come sooner or later.

"It must be admitted in honesty that the League is an instrument of the mighty to check the normal growth of national power and national aspirations among those who have been rendered impotent by defeat. Examine the treaty and you will find peoples delivered against their wills into the hands of those whom they hate, while their economic resources are torn from them and given to others. Resentment and bitterness, if not desperation, are bound to be the consequences of such provisions. It may be years before these oppressed peoples are able to throw off the yoke, but as sure as day follows night the time will come when they will make the effort.

"This war was fought by the United States to destroy forever the conditions which produced it. Those conditions have not been destroyed. They have been supplanted by other conditions equally productive of hatred, jealousy, and suspicion. In place of the Triple Alliance and the Entente has arisen the Quintuple Alliance which is to rule the world. The victors in this war intend to impose their combined will upon the vanquished and to subordinate all interests to their own.

"It is true that to please the aroused public opinion of mankind and to respond to the idealism of the moralist they have surrounded the new alliance with a halo and called it 'The League of Nations' but whatever it may be called or however it may be disguised it is an alliance of the Five Great Military Powers.

"It is useless to close our eyes to the fact that the power to compel obedience by the exercise of the united strength of 'The Five' is the fundamental principle of the League. Justice is secondary. Might is primary.

"The League as now constituted will be the prey of greed and intrigue; and the law of unanimity in the Council, which may offer a restraint, will be broken or render the organization powerless. It is called upon to stamp as just what is unjust.

"We have a treaty of peace, but it will not bring permanent peace because it is founded on the shifting sands of self-interest."

Mr. President, I continue to quote from Mr. Lansing. I do it for the purpose of recalling the experience of the past, because what he said about that treaty was simply a repetition of history up to that time. He said:

In the views thus expressed I was not alone. A few days after they were written I was in London where I discussed the treaty with several of the leading British statesmen.

Mind you, Mr. President, that followed immediately after the signing of the Treaty of Versailles. I read further:

I noted their opinions thus: "The consensus was that the treaty was unwise and unworkable, that it was conceived in intrigue and fashioned in cupidity, and that it would produce rather than prevent wars." One of these leaders of political thought in Great Britain said that "The only apparent purpose of the League of Nations seems to be to perpetuate the series of unjust provisions which were being imposed."

Mr. President, F. A. Voigt, editor of the English magazine The Nineteenth Century and After, made some very significant statements. He is the editor of a very important, conservative, and well-edited periodical which we find in our library here. It is one of the great, informative journals which is written in the English language, I think. He wrote the following some years after the League was formed:

The League would have been even more dangerous to the world's peace and to every conception of justice, whether human or divine, if the articles of the Covenant had not been qualified so as to enable the signatories to elude the tasks which the underlying principles would else have imposed upon them. Two attempts were made to render the League more perfect, and therefore more dangerous—the Treaty of Mutual Assistance, in 1923, and the Geneva Protocol, in 1924. Under the latter, an "aggressive war" was to be declared "an international crime." But a deed does not become a crime merely by being called so. Nor have any of the attempts to distinguish between aggressive and defensive warfare or "to define the aggressor" been successful. In some wars it is clear who the aggressor is—in 1914 and 1939 it was Germany. But it is not always so clear. There have been in the past, and there will be in the future, wars in which there can be no final answer to the question: Who is the aggressor?

The more zealously men apply themselves to the abolition of all wars, the less successful will they be in averting this or that war, the more will wars be brought on that might otherwise have been averted, the more will men promote the transformation of small wars into bigger, of local wars into general wars, for every attempt to universalise peace can but result in delocalising war.

The victor powers, because of secret diplomacy and private interests, as represented in the League Council, failed to act in the Manchurian crisis against Japan, after being called upon to act by the Government of the United States, through our former Secretary of State, Henry Stimson, because the imperial powers of the League Council did not find it to their interest at that time to act.

Again, when Mussolini invaded Ethiopia, the British Government violated its agreement with the French Government, previously made, giving the "go" sign for Mussolini to take Ethiopia as indemnity for the wrongs he claimed Italy had submitted to at Versailles.

On every major crisis, following the last war, the big powers disagreed.

According to the provisions of this charter, again the Big Five are going to be above the laws which they are going to make and which they are going to enforce.

Then what can we do when the big powers disagree? Mr. President, the holy alliance was an alliance of three great powers. For a certain length of time they agreed, but later they had another war. An interesting feature will appear when the great powers prove unable to agree. At the moment all can be brought into line by the hope of getting their hands on the American Treasury, except possibly Soviet Russia. What will this mean when American money is no longer freely ladled out to a penurious and begging world?

Have we, through our diplomacy and our participation in international politics, become so enmeshed that it is now impossible for us to maintain our political independence on a basis of justice and peace, or are we now at the end of the rope as an independent nation? Are we now to decide we must join a world superstate for our safety and our economic welfare? If that decision is now to be made, let us walk carefully. I do not believe we have come that far.

Where are we going—toward a renewal of our faith in ourselves, or to the novel experiment of subordinating the independence of action of one of the last free peoples on earth to a world superstate?

Mr. President, on July 4, 1776, the Declaration of Independence from European politics was adopted by the Continental Congress at Philadelphia. Because it appears that an increasing number of Americans have forgotten the wellsprings of this inspired document, because so many Americans have never understood the burning hatred of tyranny and oppression that moved our founding fathers to dare an unknown future to quench their thirst for liberty, I wish at this time to recall the central inspiration of this document. They enumerated the wrongs from which they had suffered; and I think it is wise to bear that in mind, because there are hundreds of millions of people in the

world today who are suffering the same wrongs:

When in the course of human events, it becomes necessary for one people to dissolve the political bands which have connected them with another, and to assume among the powers of the earth, the separate and equal station to which the laws of nature and of nature's God entitle them, a decent respect to the opinions of mankind requires that they should declare the causes which impel them to the separation.

We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed.

Mr. President, when we think of Europe, Asia, and Africa, it is well for us to bear in mind our original declaration of political faith, where it originated, and the nature of the doctrine which was stated at the time.

I continue reading:

That whenever any form of government becomes destructive of these ends, it is the right of the people to alter or to abolish it, and to institute new government, laying its foundation on such principles and organizing its powers in such form, as to them shall seem most likely to effect their safety and happiness * * *.

The history of the present King of Great Britain is a history of repeated injuries and usurpations, all having in direct object the establishment of an absolute tyranny over these states. To prove this, let facts be submitted to a candid world. * * *

He has dissolved representative houses repeatedly, for opposing with manly firmness his invasions on the rights of the people.

Mr. President, that has taken place all over the world during recent years, and it is still taking place.

I continue:

He has obstructed the administration of justice, by refusing his assent to laws for establishing judiciary powers.

He has made judges dependent on his will alone, for the tenure of their offices, and the amount and payment of their salaries.

He has erected a multitude of new offices, and sent hither swarms of officers to harass our people, and eat out their substance.

He has kept among us, in times of peace, standing armies, without the consent of our legislature.

He has affected to render the military independent of and superior to the civil power.

He has combined with others to subject us to a jurisdiction foreign to our Constitution, and unacknowledged by our laws; giving his assent to their acts of pretended legislation.

For taking away our charters, abolishing our most valuable laws and altering fundamentally the forms of our governments:

For suspending our own legislatures and declaring themselves invested with power to legislate for us in all cases whatsoever.

He has excited domestic insurrections amongst us. * * *

In every stage of these oppressions we have petitioned for redress in the most humble terms. Our repeated petitions have been answered only by repeated injury. A prince, whose character is thus marked by every act which may define a tyrant, is unfit to be the ruler of a free people.

Mr. President, for a moment, let us look at the world as it is today. The world now lies before our eyes shattered, and bathed in blood. Europe, Africa, and Asia have been turned into a vast chamber of horrors where, over the past decade, men have been engaged in the single pursuit of torturing and annihilating their fellow men. It is obvious to anyone who reads the handwriting on the wall of history that mankind must declare a moratorium on the development of its science of destruction until man's conscience catches up with his murderous skills. But since no society or collective State possesses a corporate conscience, this pressing challenge can only be met by free men living in a society which guarantees their inalienable rights to life, liberty, and the pursuit of happiness. The men and women of America want to join hands with the other peoples of the earth to create the means by which humanity may banish the curse of war forever from the earth. But I submit, Mr. President, that the American people are determined to reserve to themselves the right of intelligent and creative participation in the determination of this venture.

Yet today we in America confront a new phenomenon in America's philosophy of government.

There are in our midst those who openly confess their belief that Bill of Rights democracy has been over-emphasized in this country; that economic democracy is all that matters. And under the guise of such labels we are being lured away from a constitutional representative government into the embrace of an ancient tyranny masquerading in a modern dress. It must be that such economic and political modernists have either forgotten or are contemptuously disregarding the roots from which America has grown. These men can find no facts in a hundred and fifty years of American history to refute my claim that America was born of the determination that, were it humanly possible, a new Nation, under God, should be forever free from entanglements in the ancient tyrannies of the Old World. Our Constitution was set up as a specific safeguard against any remote possibility of returning to tyranny.

Mr. President, I should have no grave misgivings about this Charter were I convinced that it meant the strengthening and the perpetuation of political, economic, and social environments in which the mind and conscience of free peoples remained in control of their destiny. Even this modern phenomenon in America's philosophy of government would not in itself have induced the gravity of my apprehension were it not for the fact that the ambiguity of the provisions of this document admit of such wide, varied, and conflicting interpretations. It was Tennyson who once remarked:

Words, like nature, half reveal and half conceal the thoughts within.

I am frank to confess that this new philosophy of government which, under the guise of modernity, would again lay the hoary hand of tyranny upon us, coupled with the ambiguities of this document, place every member of this august body in the lamentable position of being unable sincerely either to attack or to defend this document. I challenge any Member of the Senate to define to me the unequivocal meaning of its specific intentions and provisions.

We do not know what it means, except that we are told, and we believe, that when ratified it will give authority to the formation of a new international organization which, it is said, will be used for the enforcement of peace.

Without attempting to be facetious, I may say that even the plainest and most definitive provisions of this Charter, which Dr. Felix Morley dubs a "constitutional monstrosity," fades into a vague oblong blur amid the shadows of the restricting qualifications and contradictions of the document as a whole. I had received hundreds of letters supporting this document before it was written. Yet, Mr. President, in all seriousness, what is this Charter which is being offered to the peoples of the world as a guaranty of future peace? Who among us here can honestly say that as a nationalist, an isolationist, an interventionist, an internationalist, or a perfectionist, that he really knows what it means, what it guarantees, against whom its sanctions are directed, or how it will prevent war?

Mr. President, we are told we must be realists to understand this Charter, that since it would be unrealistic to expect the strong to admit any sanctions against the misuse of their strength, the hope of peace rests upon the continuing accord of America, Britain, and Russia. But if this is the case, what is the Charter really for? Specifically against whom is this mighty structure of the United Nations, elaborated at San Francisco, directed? Who among the small and weak nations is so wicked and so blind that a revolutionary technique, which actually revives the oldest of tyrannies, is required in America to curb them? Is it Switzerland, or Sweden, Ireland, or some other little country which just did not understand that one must go to war in order to be admitted into the select company of the peace-loving nations of the earth?

Mr. President, the members of this new organization have sworn never to resort to the use of force against one another. Surely the combined might of the Big Three is not needed to enforce the fulfillment of these sacred oaths. And certainly the word of the small nations should no more be doubted than the word of the Big Three. Can it be that this organization is directed solely against our late and present enemies? Are these measures for mobilizing the armed might of the world absolutely necessary only to grind into finer dust the reeking ruins of prostrate peoples?

Mr. President, is this United Nations Charter basically the projection into the peace of the wartime alliance of the victor powers? I wonder if the American people know how our founding fathers felt about the alliances. I wonder if they know what George Washington meant when he said in his Farewell Address:

Why, by interweaving our destiny with any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice? It is our true policy to steer clear of permanent alliances with any portion of the foreign world.

Mr. President, in the December 1943 issue of the Reader's Digest Mr. William Hard writes in his article on American internationalism that only three times in our history has America joined an alliance. He wrote:

In the course of our history we have given three outstanding permanent commitments to foreign countries. The outcome of all three has been extremely embarrassing and distressing.

A. In 1788 we signed with France a treaty of alliance. It was the only alliance treaty that we ever signed. We promised to guarantee forever against all other powers the French possessions in America. In 1798, by a simple act of Congress, without French consent, we repealed and repudiated it.

B. In 1882 we signed a treaty with Korea whereby we undertook to take diplomatic steps if any third country should deal "oppressively" with Korea. In 1905 Japan dealt with Korea certainly "oppressively" by conquering it; and in 1910 it further dealt with Korea certainly oppressively by annexing it. Did we take any diplomatic steps against Japan? Absolutely none. On the contrary we were the very first government to recognize the Japanese conquest of Korea by withdrawing our diplomatic legation from Korean soil and by thus proclaiming to the world that Korea, our ally, had ceased to exist as an independent country.

C. In 1846 we signed a treaty with Colombia whereby we undertook to guarantee the sovereignty of Colombia over the Isthmus of Panama. This commitment was in full force and vigor in 1903. In that year there was an artificially concocted revolution on the Isthmus. Did we then help Colombia to restore its sovereignty over the Isthmus? We did the reverse. We used our armed forces to prevent Colombia from itself restoring its sovereignty over the Isthmus. For doing so we ultimately paid Colombia an apologetic indemnity of $25,000,000. We acknowledged that in changed circumstances we had violated a commitment given in circumstances long gone by.

But, Mr. President, I cannot honestly say that this charter is just a bare military alliance. On February 14, 1945, I read Mr. Harold Callender's description of the deep misgivings of the French statesmen on this very point when he wrote:

Two peace systems seem to be taking shape. The first is a coalition of great powers to beat, disarm, and watch over Germany, and also to exercise a kind of general, if not generous, tutelage over the smaller liberated nations—this being the interpretation of the Big Three's declaration on liberated Europe. The second and more nebulous system will be the Dumbarton Oaks structure, deprived of any possible menace for any great power, but useful in restraining the small nations and in satisfying the universalism of the Americans, who shy at power politics, and the idealism of the unrealistic Anglo-Saxons generally.

Is this an attempt to fuse the despotism of arbitrary power with the laborious, involved, and yet essentially free and independent processes of democratic procedure in a world organization? I do not know. I honestly admit my mind is even further confused on this subject by all the emphasis that is being placed on the desperate necessity for the United States to remain armed to the teeth.

Why all this force in the world? Why all this unadulterated and unbridled might? Do the American people know what this means? Do they realize that we must provide for three separate military establishments out of our treasure and our blood? Do we not have to provide hundreds of thousands of troops to occupy the enemy countries? Is not that force, separate and distinct from a second military police power which we must provide, equip, and maintain to patrol the world? Surely these forces which are serviced in the interest of this world organization cannot be identified with a third military organization which my colleague, Senator CONNALLY, warned America would not be sufficient for our protection unless we maintained the most powerful navy on the globe. What else did Undersecretary of War Patterson mean when he said this peacetime establishment must rest on universal—

military training, resources capable of swift mobilization, and engineering and scientific developments serving military needs. * * * The peace-loving nations cannot again let their armies become impotent.

What else did Secretary Forrestal mean when he said:

We must maintain and increase the tremendous margin which we now have. * * * In peace, even more than in war, scientists owe to their nation an obligation to contribute to its security by carrying on research in military fields.

What did General H. H. Arnold mean when he warned:

The United States will be the first target of the next world aggressor. We must be prepared to overcome the enemy in the air before he strikes.

Do we or do we not have three mutually contradictory realities which the framers of this document have tried to reconcile within its provisions? Do we not have nationalism, a military alliance based on power politics, and a sop thrown to internationalism—all scrambled up on the pages of this document? In any event, it is interesting to know the background of traditional American policy as described by Cordell Hull on September 15, 1936. He said:

At times there has been criticism because we would not depart from our traditional policy and join with other governments in collective arrangements carrying the obligation of employing force, if necessary, in case disputes between other nations brought them into war. That responsibility, carrying direct participation in the political relations of the whole world outside, we cannot accept, eager as we are to support means for the prevention of war. For current experience indicates how uncertain is the possibility that we, by our action, could vitally influence the policies or activities of other countries from which war might come. It is for the statesmen to continue their effort to effect security by new agreements which will prove more durable than those that have been broken.

Whatever this document is, we are informed it has brought together the basic conflict of ulterior purposes and selfish interest of the nations into one glorious union blessed by the rite of holy matrimony.

Mr. President, is it not true that all the initiatives for the support of this international organization to which we are about to be wedded like those for the companion pieces designed at Bretton Woods were furnished by the Government of the United States? Is it not true that the great bulk of the resources which made victory possible were furnished by the United States? And is it not equally true, Mr. President, that the bulk of the resources required to start and maintain these immense undertakings on their careers must be furnished by the United States?

Mr. President, I wonder if any Member of the Senate body honestly believes that the average American citizen has even the slightest notion of the extent to which we are involved in a financial race with disaster. Mr. President, where the welfare of humankind is at stake there can be found no such creature as a penurious and stingy American. But is it not true that we are committing ourselves to economic and financial undertakings which would bring the whole world crashing down upon our heads? Were a faltering domestic borrow-and-spend philosophy to interrupt for a moment the international pump-priming program to which we are committed by this charter, and its companion pieces, such as Bretton Woods, UNRRA, and so forth, and whatever other organizations the United States taxpayers' Treasury and natural resources must supply, the whole world would plunge into financial chaos. It is perfectly obvious, is it not, that if the United States, as the world's milk cow, should run dry, not only these novel international experiments would die for lack of nourishment, but so would men's hopes that they should see any such thing as the "four freedoms" extended to supply their most desperate necessities?

It is at this point that another very serious question comes to my mind. Much has been said about the right of withdrawal from this organization. Mr. Dulles thinks the right is inherent in the document. Why, then, Mr. President, was it left out of the Charter? Is not its omission a future basis of dispute and controversey? Is it not possible that the withdrawing nation may be denounced as an aggressor? Would this not be especially dangerous for the United States even if we had a veto? Involved as we will be in tremendous financial, economic, military, and political commitments, would not the other nations of the earth be justified in branding us an aggressor for the breaking of these commitments which a withdrawal from this organization would entail? We all know, from our reading of history, what happened to South Carolina when she thought she could secede from the Union.

Mr. President, the position of America today as the richest, the most industrially productive, the most powerful nation on earth has not endeared us to the world. No such nation ever endeared itself to its sister nations by promiscuously squandering its inheritance. Are we not in the same position today that Russia found herself in as the initiator and inaugurator of the Holy Alliance in 1820? On July 5, 1820, our Secretary of State, John Quincy Adams, wrote:

The Emperor Alexander may be considered as the principal patron and founder of the league of peace. His interest is the most unequivocal in support of it. His empire is the only party to the compact free from this internal fermentation which threatens the existence of all the rest. His territories are

the most extensive, his military establishment the most stupendous, naturally the most obnoxious to the jealousy and fears of his associates, and his circumstances point his policy to a faithful adhesion to the general system, with a strong reprobation to those who would resort to special and partial alliances, from which any one member of the league should be excluded.

Furthermore, Mr. President, is it utterly inconceivable that America's entanglement in the economic systems of a rapidly expanding state-controlled monopoly or cartelized trade could not be brought under a controlled plan of world economics? Might not our production have to be planned for world market requirements? Will not standards of every sort be imposed upon us gently but firmly by those among our own people who will always have an interest in "going along"? As long as our tax laws permit corporations, perhaps foreign-owned and certainly foreign-dominated, to flood our press and radio with noisy political propaganda deductible as an advertising expense, the cost of influencing public opinion in this direction would not be an insurmountable obstacle.

Certainly, Mr. President, this trend toward a collective state, which is being openly and insistently agitated in this country, will not be hindered by the continuation of the production of armaments and the incorporation for the first time in our history of peacetime compulsory military training into our economic and social structures respectively. These things are the food on which fascism flourishes. But then again, Mr. President, I am not certain. I do not know what the cost will be. If some one of my distinguished colleagues would be able to tell me exactly where this country stands financially as regards our unheard of war debt, our obligations to our own people, and the simply staggering contracts to which we have been committed financially and economically in the postwar world, I should be better able to make up my own mind as to the cost.

Mr. President, the question of what our participation in this world organization will cost us brings us immediately to a consideration of the nature of the political commitments which this tremendous economic and military and financial outpouring of American treasure and blood is to underwrite. Does any one of my colleagues even pretend to know what the peace treaties are going to be? Are we again, as in the case of the last war, going to be parties to the imposition of a status quo in Europe, Africa, and Asia? Or would somebody have the courage and faith in the Big Three to deny this? It seems to me that a legitimate construction would be placed on this Charter, vague, rambling, and conflicting as its provisions are, to the effect that our one world, like all of Gaul, either has been, is being, or will be divided into three parts.

Certainly it contains the ingredients of a world divided into three spheres of influence. And that possibility is not lessened by the fact that within each sphere there is, as the dominant power, one of the three great powers of the earth.

Mr. President, do I read the charter wrongly when I find that these nations who are to protect the other nations of the world, have with great anguish of spirit divided the nations of the world into three groups? At least they so conceived this necessity. The other members of this organization over which the Big Three are to throw their protecting wings have taken a solemn oath never to resort to force in the settlement of any dispute among themselves, and have sworn to remain within the law as laid down in the charter whatever that law may be.

Of course, we all understand that the law laid down in the charter is something entirely different from the law to which I am referring, which is coming back from the Conference which is to legislate for the International Organization. The third group of nations has been quarantined for an indefinite period in the hands of the victor nations without the slightest recourse to the protection of any law of God or man.

Are we not perhaps by promising to enforce in advance a peace whose terms we do not know, actually preventing a just peace settlement which could endure? For if our allies know in advance that the United States will go to war either to help them to perpetuate injustice and enable them to keep other people in subjection, or to save them from the future consequences of the enmities and hatreds they will arouse or perpetuate, will we not encourage them to ride roughshod over the weak and thus sow the seeds of yet another world conflagration? Mr. President, the tragedy of Versailles, which was brought about by just such practices as I have been questioning, drew the resignation from the Department of State of Mr. William Bullitt. On May 17, 1919, Mr. William C. Bullitt wrote the President as follows:

MY DEAR MR. PRESIDENT: I have submitted today to the Secretary of State my resignation as an assistant in the Department of State, attaché to the American commission to negotiate peace. I was one of the millions who trusted confidently and implicitly in your leadership and believed that you would take nothing less than a permanent peace based upon unselfish and unbiased justice. But our Government has consented now to deliver the suffering peoples of the world to new oppressions, subjections, and dismemberments—a new century of war. And I can convince myself no longer that effective labor for a new world order is possible as a servant of this Government.

Russia, "the acid test of good will," for me as for you, has not even been understood. Unjust decisions of the conference in regard to Shantung, the Tyrol, Thrace, Hungary, East Prussia, Danzig, the Saar Valley, and the abandonment of the principle of the freedom of the seas make new international conflicts certain. It is my conviction that the present League of Nations will be powerless to prevent these wars, and that the United States will be involved in them by the obligations undertaken in the Covenant of the League and in the special understanding with France. Therefore the duty of the Government of the United States to its own people and to mankind is to refuse to sign or ratify this unjust treaty, to refuse to guarantee its settlements by entering the League of Nations, to refuse to entangle the United States further by the understanding with France.

That you personally opposed most of the unjust settlements, and that you accepted them only under great pressure, is well known. Nevertheless, it is my conviction that if you had made your fight in the open, instead of behind closed doors, you would have carried with you the public opinion of the world, which was yours; you would have been able to resist the pressure and might have established the new international order based upon broad and universal principles of right and justice of which you used to speak. I am sorry that you did not fight our fight to the finish and that you had so little faith in the millions of men, like myself, in every nation who had faith in you.

Very sincerely yours,

WILLIAM C. BULLITT.

Mr. President, if this is typical of the revulsion of men who knew the terms they were underwriting, would not the revelation of secret agreements secretly arrived at, which accompanies all personal parleys in power politics, shock the conscience of the world? Would anyone lay a great wager that no secret agreements were reached at Teheran and Yalta? Or that at this very moment secret understandings are not being reached in Potsdam? President Wilson said he did not know of any secret agreements among the Allies until too late—at least this is what he said on his return to Washington from the Paris Conference. Are there to be no secret agreements, or are we underwriting by the provisions of this charter, if carried out by supplementary legislation, peace settlements which our conscience will repudiate when they are bared to the world?

And this brings us to another conundrum. We are committing ourselves to the use of force without being provided a single specific description of situations that are to warrant the use of armed intervention. Is it not significant that this document contains no intimation of a definition of aggression? Mr. President, this is not as though the conferees at San Francisco had no precedents in international law to go by. It is quite possible that such a definition has no place in this charter. It may come from the international body which is to legislate under the authority of this treaty, if and when ratified by the various governments.

What is wrong with the definition of aggression signed on July 3, 1933, in Moscow by Russia, Poland, Estonia, Latvia, Turkey, Persia, and Afghanistan at a convention for the definition of aggression which Russia sponsored and in which is found the clearest and most precise definition of what constitutes aggression that is found in the history of international relations? Article II of this remarkable treaty reads as follows:

In accordance with the above, the aggressor in an international conflict, with due consideration to the agreements existing between the parties involved in the conflict, will be considered the state which will be the first to commit any of the following acts:

1. Declaration of war against another state;

2. Invasion by armed forces, even without a declaration of war, of the territory of another state;

3. An attack by armed land, naval, or air forces, even without a declaration of war, upon the territory, naval vessels, or aircraft of another state;

4. Naval blockade of the coasts or ports of another state;

5. Aid to armed bands formed on the territory of a state and invading the territory of another state, or refusal, despite demands on the part of the state subjected to attack, to take all possible measures on its own territory to deprive the said bands of any aid and protection.

Mr. LANGER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. ELLENDER in the chair). Does the Senator from Minnesota yield to the Senator from North Dakota?

Mr. SHIPSTEAD. I yield.

Mr. LANGER. Will the Senator give the date of the agreement between Russia, Estonia, Latvia, and the other countries?

Mr. SHIPSTEAD. July 3, 1933.

On December 28, 1933, President Roosevelt declared that one of the practical steps the nations of the world might take to eliminate the threat of aggression would be:

A simple declaration that no nation will permit any of its armed forces to cross its own borders into the territory of another nation. Such an act would be regarded by humanity as an act of aggression and as an act, therefore, that would call for condemnation by humanity.

The President went on to say:

If such an agreement were signed by a great majority of the nations on the definite condition that it would go into effect only when signed by all the nations, it would be a comparatively easy matter to determine which nations in this enlightened time are willing to go on record as belonging to the small minority of mankind which still believes in the use of the sword for invasion and of attack upon their neighbors.

As recently as March 8, 1945, the nations of the Western Hemisphere were willing to tackle the problem of defining aggression when, in the act of Chapultepec, they inserted at the very beginning of the document the following definition:

Every attack of a state against the integrity or the inviolability of the territory or against the sovereignty or political independence of an American state shall * * * be considered as an act of aggression against the other states which sign this act.

Would I not be justified in being deeply concerned over the fact that this Charter, so far as I can make out, defines neither the specific conditions for which we would use this force or against which we would use it, when Mr. Stalin has long been on record to the effect that:

Words must have no relation to action—otherwise what kind of diplomacy is it? Words are one thing, actions another. Good words are a mask for concealment of bad deeds. Sincere diplomacy is no more possible than dry water or woolen iron.

Mr. President, is it not entirely possible that without a definition of aggression the veto right of the Big Five will give them the power to freeze indefinitely the status quo power relationship? Since the real intercourse between nations is never static, will not the relative strength of the presently large, medium, and small powers change and outmode arrangements based on the present overwhelming superiority of American and Russian strength? Would it not be a grievous embarrassment for the American people to find themselves in the position of suppressing rebellion against tyranny all over the world? Is not the very effort of five nations to enforce peace, with power to call on the quota of others, only another name for the enforcement of their will? And, is not the fallacy of collective security and of the philosophy of enforcing peace revealed in the fact that with the mightiest military machine of all history Russia knows perfectly well it is no threat to her unless we use it against her? Have the American people yet to learn that in spite of all the pious talk to the contrary, peace cannot be enforced without creating war?

Mr. President, as I understand the provisions of the Charter on this point, in general they mean that the concept of neutrality has been destroyed. The old tradition of international law that has been built up among the nations over the past 400 years has been wiped out. Rather than quarantining the area of conflict through the recognition and the application of neutrality, henceforth there is to be no sanctuary for any individual or nation from the horrors of another titanic conflict.

But some may say this interpretation is open to criticism. I do not know. This much I do know, however: The philosophy now prevalent in our midst that we must be prepared for perpetual intervention in the future presents us with an alternative to war which amounts to the betrayal of the legitimate interests, concerns, and integrity of whatever small nations are caught in the path of the expanding spheres of influence of the Big Three.

If this Organization is to be held together without a world conflict, it must perpetuate the existing relations among the victor powers. This can never be done unless the present organized campaign of hatred toward our enemies is adopted as an instrument of national policy by this Government, while at the same time we whitewash our allies. Was it not George Washington who warned how a resort to such a policy would degrade and foul the honor of this Government? George Washington said:

Excessive partiality for one foreign nation, and excessive dislike of another cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

Mr. President, would not this be the lowest, most despicable form of appeasement known to man? Would it not lead to the sacrificing of the interests, possessions, and the independence of the smaller nations? Would we not be compelled to indulge in the kind of horse trading Mr. Felix Morley described in the March 14 issue of Human Events in which he said:

Agreement among the Big Three has been reached, and so far sustained by the most primitive method of negotiation known to mankind—that of swapping. The underlying principle is emphasized rather than concealed by the fact that the control of nations and peoples, not the possession of marbles and lollipops, is being bartered. The question is whether such primitive procedure holds promise of durability for the time when considerations more ethical than those involved in military victory again claim the attention of mankind. For if one moral stands out above another in the awful doom of Hitler, it is that mere physical power settles nothing.

The debate today, Mr. President, is not one between isolationists and internationalists. For good or ill, that debate was ended in 1941. The United States, by participation in this war and by adherence to the formula of unconditional surrender, has assumed responsibilities in Europe and Asia which she cannot now repudiate. In liberating Europe we have devastated Europe. By annihilating the German state we have created a vacuum in Europe. The peoples of Europe must be helped to recovery, and the vacuum will be filled either by our democratic concepts or by totalitarian ones. Having sacrificed so many lives and poured out so much treasure to win this war, would it not be senseless to disinterest ourselves in the peace settlements and throw away the fruits of victory?

The question at issue is whether this charter is real or "phony"; whether it is in truth an instrument to secure international peace and justice, or a cynical imposture bred by hypocrisy out of power politics.

Nowadays, I know, a new word has been invented to throw at those who insist on examining the various specious remedies recommended for the world's diseases. That word is "perfectionist." A mouse or an elephant is not a woman, and one is not being a perfectionist but a realist in announcing the fact that neither a mouse nor an elephant is a woman.

Curiously enough, it is yesterday's interventionists who now tell us that we should not concern ourselves with the shape of things to come in Europe or Asia so long only as we go along with our great Russian ally. Many of them now seem to have lost their former burning zeal to do away with tyranny, rescue the weak, and curb the strong.

Yet, having fought and won this war, we owe it to those who have died to make sure that they shall not have fought for no purpose. Nor should we either by acclamation or by default allow the peace settlement to be dictated either by vengeance or the greed of the victors, thus once again sowing the seeds of a new world conflagration.

Our difficult task and heavy responsibility is to use our power today to insure a just and lasting peace. We have assumed grave and heavy commitments. For that very reason, we should think seriously before assuming for the future responsibilities and commitments which we shall desire to repudiate when we cease to be blinded by the hatreds and passions spread by war.

We in the New World cannot and will not every 20 years redress the balance of the old by sending our sons to war. Would it not be a contribution to world thinking, as well as to American security, were we to define what we have traditionally meant by "intervention," and, in the light of this, redefine the responsibilities brought upon us?

Perpetual intervention means perpetual war. But perpetual appeasement, either of enemies or of allies, is surely not the only alternative to recurring wars to set the world aright—wars which, as the tragic history of the past 30 years now proves, are wars for democracy which always end by extending the area of tyranny. In 1914 most of the nations of Europe enjoyed representative government and civil liberties. Today practically the only democracies left in Europe are the non-peace-loving neutrals. All peace-loving nations went to war. The non-peace-loving nations are still democracies.

We have got to find a middle way between ever-recurring interventionist wars and allowing, by indifference or appeasement, the strangle hold of tyranny to engulf a greater and greater part of the earth.

I can both understand and support the arguments in favor of the Charter: That the world is now closer knit than ever before, and that now, if ever, is our opportunity to devise measures together with the other nations of the world to insure lasting peace. But I would ask you, Mr. President, whether the end we seek can be accomplished blindfolded or by obscuring the real issues. It would be the height of folly and an enduring shame should we, the Senate of the United States, either inadvertently or through carelessness or through shirking our duty to examine and reflect, give to the American people not the bread of peace they pray for, but a stone; not the substance of international cooperation, but the mirage of an unholy alliance of power and pelf to dominate and enslave the human race.

We have assumed responsibilities for which we are ill prepared and of which the American people are almost unaware. We are caught in a dilemma which requires that we reflect gravely, deeply, and without partisanship or cheap name calling. We cannot win security or peace or liberty for ourselves and others by casting peoples and principles either down the rat hole of appeasement or into the bloody maw of war. A better way must be found, and perhaps the lesson of the past 10 years can show it to us. It has often been argued, and the contention is hard to refute, that both Nazi Germany and Japan could have been stopped without war in the early stages of their aggression. There is similarly little doubt that Russia could be stopped from imposing her dominion over her small neighbors and acquiring the hegemony of Europe, by firmness on our part. If standing for principles means war, we had better face it now while the roused conscience of humanity is still alive and burning with the desire to lift forever the yoke of tyranny imposed on men from above, which even now continues to condemn them to hunger, fear, and the concentration camp.

Mr. President, we are told the American people are almost unanimous in their demand that we support this Charter without altering one iota of its principles, its provisions, or its structure. But, as God is my witness, we would betray them if we did not point out the implications of those provisions which we must implement through additional legislative actions which are now anticipated in the Charter.

If we were to provide that our representative was to sit on the Security Council endowed with all the powers and prerogatives of the representatives of the other powers, who do not represent a representative form of government, we should be compelled to grant him powers which no representative of any United States Government has ever known before.

This is no longer just a matter of technical constitutional hair-splitting. This is a matter in which every patriot and every lover of freedom is honor bound to insure that the full scope of the rights and privileges of a free people under a constitutional representative government is given play. We cannot permit our representative to sit on the Security Council endowed with equal powers with a totalitarian representative.

It would mean, first, that those who advocate granting unlimited power to our representatives are asking that they be empowered to get us deeper and deeper into a completely new American foreign policy, based on an expanding imperialism and its attendant militaristic economy—two ancient masters of misery with new technical, economic, political, and military weapons of destruction in their hands.

Of course, in such a situation as we now confront, this would mean a mad armaments race and a constantly expanding area of conflict among the Big Three. It would set in motion such forces in this country that our whole economy would have to be reorganized in order to back up the decisions and actions of our representative, who, with such power and authority, would be able at any time to plunge us into wars, little ones and big ones alike.

This treaty will undoubtedly be ratified by the Senate. As I understand it, will not the United States then be obligated to furnish troops whenever called upon to enforce the status quo?

In the official hearings of the Senate Foreign Relations Committee it is made plain that it was the opinion of the committee that the question of ratification of the agreements, when finally consummated, must be ratified, in treaty form, by the Senate of the United States. Upon that testimony and that verdict, the treaty was reported to the Senate by the committee.

We now hear strange voices in our legislative halls of a difference of opinion as to whether or not the agreements should be considered in the form of a treaty by the Senate or as a piece of implementing legislation by the Congress. It is also held by some Members of Congress that the United States delegate to the Executive Council, in ordering out troops, will act independently of the Congress and without its authority, but will be solely under the orders of the President. This view is held by some, on the ground that the President is a symbol of sovereignty, and so has the right to call the Army into war in foreign countries without consulting Congress. It is said that this has been done many times in history. If that doctrine is accepted, the President can take us into war at any time, and the declaration of war by Congress will be simply rubber-stamping the act of the President. Such a doctrine would indicate that many people believe that the Constitution can be changed by customary violation of its limitation of executive power. This, if adhered to, is dangerous doctrine.

No President should defy Congress as to appointees of the United States, or as to military forces.

The propaganda is that only a small force would be used, but a small war may easily and often does become a large war. As a matter of fact, every punitive or enforcement action taken by any part of the quota forces supplied to the Security Council will automatically become the start of an undeclared, universal war if these forces are not immediately successful. The control of the war power, as provided in the Constitution, must remain in the Congress if the United States is going to remain a republic.

Mr. President, the American people want to cooperate with other nations in peace to prevent another war. But I am absolutely certain they do not want America to set in motion the very forces that will destroy their freedom and their nation. They do not want America's honor dragged in the blood and filth of a vicious struggle for world power and world domination in which we become accomplices in the destruction of other people's freedoms. They do not want us to hasten the show-down between the West and the East in a war that will mean the end of our civilization. They do not want these things, I say, and they do not expect us to commit them and this Nation to such a suicidal future.

Certainly no one man ought to be burdened with the dreadful responsibilities now placed upon the heads of the states of the five big powers by this document unless they have the complete support of an intelligent and informed public opinion. The only other alternative is that which I have already pointed out, namely, the loss of our representative form of government here at home and the emergence of a collective Fascist state in our midst where the Government has been completely divorced from and rendered unaccountable to the people's sovereignty.

I therefore respectfully suggest for the serious consideration of my colleagues in the Senate and for the serious consideration of the American people that the following specific provisions be incorporated in the forthcoming enabling legislation which is to define the powers and duties of our representatives to this new United Nations Organization.

The public has evidently been uninformed of the fact that the United Nations Charter is not a document which establishes a police force. It only gives authority to the representatives of the signatory powers to form an organization, and write international law for what they call the enforcement of peace.

I suggest that our representative on the Security Council be subject to legislative as well as to Executive control, with the following specific instructions

to be made binding upon him in the exercise of his duties by legislative action:

First. The right of withdrawal is inherent in the very concept of sovereignty.

Second. Our representative shall take no positive action on any matter which violates the Monroe Doctrine.

Third. Every unit of American armed forces furnished the Security Council shall at all times and under all circumstances be completely under the control of the United States Government.

Mr. President, I would conclude with a statement of the specific provisions which I believe ought to be made binding on our delegate to the Security Council. I earnestly believe, and I have never been more serious in my life, that our delegate ought to be subject to legislative as well as Executive control or direction and answerable alike to the Senate as well as to the President. To the attainment of this end I submit three provisions which I believe this Senate ought to confirm in the forthcoming enabling legislation.

First. The delegate ought to be required to make monthly reports to a Senate committee created especially for this purpose.

Second. This committee ought to be composed of an equal number of representatives elected from and by the majority and minority parties, with no prejudice to the representatives of any other parties represented in the Senate.

Third. The delegate be required to have his instructions countersigned by a majority of this special committee, with the President's vote to be the deciding factor in the event of a tie where unanimity is required for any action in the Security Council by the provisions of the Charter.

Mr. President, I make these recommendations because I believe the time has come to clarify the issue before us, namely, whether when these subsequent agreements come before this body we are going to strengthen the hand of tyranny or of freedom here at home.

The recent election in England clearly reveals now where America stands. Having been saved by the United States from Hitler, England is now definitely moving to the left. The whole of Europe is moving even further to the left where Stalin waits with open arms. Unless America, too, moves to the left we shall find ourselves and our way of life alone in the world.

Even so, I cannot believe my senses when I hear Members of this Senate body shouting for the surrender of our war-making power and what will amount to a large part of our treaty-making power to the President and his delegate on the Security Council. Surely, if these men do not want to trade on the credulity, the confusion, and the grief of the American people, to gain this end, they are in honor bound to warn the people that it is the abuse and misuse of this power already by the Chief Executive that has been largely responsible for our entrance into two world wars and their disastrous consequences.

For myself, in spite of the poignant pleas I hear from many of my colleagues that, having ratified this Charter, we do not welsh on the other nations of the world, I shall oppose the surrender of these powers to anyone.

Pray God history will record that in following the dictates of my conscience I have never welshed on the United States of America.

The PRESIDENT pro tempore. The treaty is before the Senate as in Committee of the Whole and open to amendment.

Mr. MORSE obtained the floor.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. MORSE. For what purpose?

Mr. MURRAY. I intend to address the Senate very briefly on the Charter.

Mr. MORSE. I should be very much delighted to accommodate the Senator from Montana and let him speak on the Charter for a few minutes, with the understanding that I do not lose the floor thereby.

The PRESIDENT pro tempore. Is there objection?

Mr. CHANDLER. I object.

The PRESIDENT pro tempore. Objection is made.

Mr. MORSE. I wish to say to my good friend from Montana that I am very sorry I cannot extend to him the courtesy I should like to extend.

Mr. MURRAY. I thank the Senator.

Mr. CHANDLER. Mr. President, a point of order. The Senator wanted to extend the courtesy with the understanding that he would hold the floor.

Mr. MORSE. I do not desire to give up the floor.

Mr. KILGORE. Will the Senator yield to me to make a few remarks on the Charter?

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from West Virginia?

Mr. MORSE. I should be delighted to yield the floor to the Senator on condition that I would not lose my right to the floor, but my good friend the Senator from Kentucky has just raised an objection to a similar request made by the Senator from Montana, and if he is still in the same mood, I, of course, cannot extend the courtesy to the Senator from West Virginia.

Mr. CHANDLER. If the Senator from Oregon yields to the Senator from Montana to make a speech, then the Senator from Oregon automatically loses the floor, and whether he will get it next will depend on recognition from the Chair.

Mr. MORSE. Mr. President, I am greatly indebted to the junior Senator from Kentucky, because he is talking on exactly the point I rose to discuss.

Mr. CHANDLER. I am disappointed; I thought perhaps the Senator was to speak on Oregon lambs.

Mr. MORSE. I shall not disappoint the Senator. Before I conclude I shall discuss Oregon lambs, but having the floor in my own right, I shall proceed to discuss such subjects as I think should be discussed at this time.

Mr. MURRAY. If the Senator will yield, may I inquire how long the Senator will occupy the floor?

Mr. MORSE. I cannot make an estimate; I am sorry. I think it will be for some minutes.

Mr. MURRAY. I understand we are to recess at 7 o'clock.

Mr. MORSE. I shall be through by 7. [Laughter.]

Mr. MURRAY. That means, then, that I shall not be able to address the Senate today.

Mr. MORSE. I hope I may be able to finish in time so that the Senator can do so.

Mr. President, I wish to speak out of deep conviction on a parliamentary matter which I think is of great concern or should be of great concern to every Member of this body. It happens to deal with the point which the junior Senator from Kentucky raised.

I am aware of the fact that for some days past there have been those in the Senate who have not particularly appreciated my taking the time of the Senate to discuss a food crisis in America. Yet I submit that that crisis is so important to the welfare of every American consumer that every Member of the United States Senate could well afford to take time out from the discussion of the Charter to see to it that the necessary steps are taken to solve that food crisis.

There was apparently a desire on the part of some to discipline the freshman Senator from Oregon on the Republican side, so yesterday afternoon that discipline was administered. But time will tell who in fact was disciplined by the action that was taken yesterday afternoon, because I wish to point out to the Senate that a precedent was established yesterday. I think it of utmost importance we wipe from the books that precedent so far as its precedential value is concerned.

Mr. President, I am a freshman in the Senate, but I am not ignorant of parliamentary decencies and procedure, and I say that if the tactics that were adopted on the floor of the Senate yesterday afternoon are permitted to prevail, and if those tactics continue to be practiced on the floor of the Senate, then this tribunal, this forum, will cease to be a great open forum. The majority leader can stand up all he cares to, as he did this morning, and acclaim that this is still an open forum, but the record that was made last night shows that on that occasion the Senate of the United States ceased to be an open forum, and it ceased to be an open forum by parliamentary tactics which I say every member of this body should see are never repeated on the floor of the Senate.

Let me review the situation. I speak out of no personal animus or ill-feeling. I speak, Mr. President, out of the conviction that here is a forum which both the Democratic and Republican Parties must guarantee to the American people will always remain an open forum. If we start adopting parliamentary tactics which prevent any Member of the Senate from coming on to this floor and discussing any issue of concern to the American people, we shall be guilty of tearing down by such action the last great citadel in the world where untrammeled free speech is supposed to prevail. Yet the action taken yesterday afternoon on the floor of the Senate denied free discussion and full debate.

Let us see what happened. The Senator from Delaware [Mr. TUNNELL] took the floor. The discussion shows that apparently he took the floor under a practice which has apparently grown up on the floor of the Senate under which it is possible for a Senator to take the floor, and then an understanding be reached that he will hold the floor over the night recess and have the floor at the beginning of the next day's session.

Mr. President, that is a courtesy practice, it is a practice which rests upon the granting of courtesy by the Members of the Senate, but since it rests on courtesy, then, Mr. President, courtesy should not be denied other Members of this body who want to take the floor and discuss a matter, as I wanted to discuss one yesterday afternoon when I asked the privilege of discussing the Oregon lamb problem for some 10 to 15 minutes.

I was told—the throttle was put on me—that if I would agree to discuss it for not more than 5 minutes, I would be given the floor. Let the majority leader tell me that this is an open forum in view of the procedure which was used against me yesterday afternoon. The Senate allowed them to get by with it.

Mr. President, throughout the day Members of this body on both sides of the aisle have told me that they seriously question the right under the rules of the Senate of the Senator from Delaware to hold the floor under the circumstances of yesterday. I think that matter should have been determined in debate last night, and I think it still should be determined, because I want to know why we were confronted with a strange form of cloture whereby debate can be cut off and time on the floor of the Senate can thus be farmed out.

I have noticed during my short stay in the Senate that this farming-out-of-time practice takes a variety of forms. Some weeks ago, under a limitation of debate rule, it was agreed that certain leaders on the floor of the Senate should be given the right to farm out the time consumed by Republicans and Democrats in debate. I serve notice now that so long as I am in the United States Senate I will never join in unanimous consent to any such arrangement again. I will never give consent to any arrangement whereby the majority leader and the minority leader, or any other leaders on the floor of the Senate, are given the authority by this body to parcel out the time which can be used in debate on the floor of the Senate. The Senate cannot be kept an open forum on the basis of any such procedures for the limitation of debate. Debate on the merits of issues must not be so limited.

In the discussion yesterday afternoon apparently the feelings against my discussing food problems of America were so intense on the part of some that the distinguished and very able senior Senator from Texas, as the RECORD will show, announced that he would move for a recess, but that he would refrain from pressing his motion for 5 minutes if I would limit myself to 5 minutes. That was such a great shock to me, Mr. President, that I could hardly believe my ears that a Member of this body would lay down such an ultimatum and say to another Member on this floor, who has equal rights with the Senator from Texas, that unless he would agree to limit himself to 5 minutes the Senator from Texas would move for a recess. Mr. President, I did only what any honorable man would do under those circumstances. I said in effect to the President of the Senate "Put that motion. I want to see if the Senate of the United States will throttle debate through such a procedure." And I was proud of the action the Senate of the United States took, because the motion of the Senator from Texas was defeated, as it should have been defeated, by men who believe in maintaining this body as an open forum. I hope that history will never record that such a motion as was offered yesterday prevails in the Senate of the United States.

Mr. President, after that motion was defeated, the Senator from Delaware [Mr. TUNNELL] who had the floor apparently under the arrangement that he could keep the floor over night and have it at the beginning of the session the next day——

The PRESIDENT pro tempore. The Senator from Oregon will suspend. The Chair will state to the Senator that his statement about that is entirely incorrect.

Mr. MORSE. I will be happy then to have the Chair's statement.

The PRESIDENT pro tempore. The Chair recognized the Senator from Delaware [Mr. TUNNELL]. He was the first Senator who rose and was first to address the Chair, so far as the Chair knew. There are no arrangements made here.

Mr. MORSE. I will say to the Senate, and I will say to the distinguished President of the Senate, that the Senator from Delaware, as the RECORD will show, apparently addressed the Senate of the United States with the understanding that he was going to keep the floor and have it at the beginning of the session today. And no denial by anyone will change my view on that subject.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. I desire to propound a parliamentary inquiry to the Chair with regard to this matter. I was not present when the discussion took place on the floor but I read the RECORD, and I am surprised that any Senator would contend that he had a right to hold the floor and to farm out the time, and to limit another Senator to whom he yielded 5 minutes.

The question I should like to ask the Chair is this: Can a Senator obtain the floor, yield to another Senator for 5 minutes, and still retain control of the floor?

The PRESIDENT pro tempore. He cannot——

Mr. JOHNSON of Colorado. Without unanimous consent?

The PRESIDENT pro tempore. Without unanimous consent. And there was no objection.

Mr. JOHNSON of Colorado. Well, there was no unanimous consent in the RECORD that I saw.

The PRESIDENT pro tempore. There was no objection either. The Chair is undertaking to enforce the rules, the Chair will state to the Senator from Colorado.

Mr. JOHNSON of Colorado. Yes; I understand that.

The PRESIDENT pro tempore. The Chair has no desire to change the rules or to do anything but to enforce them. However, there has grown up a practice in the Senate, as the Senator knows, under which arrangements are made with the Chair to recognize this Senator or that Senator or the other Senator by a memorandum at the desk. That became intolerable. Senators were calling the Chair over the telephone and undertaking to make an arrangement of that sort. Therefore, the Chair announced that he was going to recognize the first Senator he saw on his feet. That is the rule.

The matters the Senator refers to were indulged in by unanimous consent. The Senator from Texas [Mr. CONNALLY] made the suggestion or asked unanimous consent that the Senator from Oregon be recognized for 5 minutes. The Senator from Delaware did not make that request at all. He did not undertake to farm the time out. The Senator from Delaware was perfectly willing for the Senate to recess until the next morning so he could start his speech. That is frequently done. It is a time-honored custom, after a Senator obtains the floor, to resume the next morning after a recess of the Senate. The Parliamentarian was sitting here and heard the whole discussion. The Parliamentarian advised the Chair as to what the ruling should be, and the Chair followed the Parliamentarian. That is the truth of the situation, and it does not make any difference who says that is not the truth. He will find it so in the RECORD.

Mr. JOHNSON of Colorado. I am glad to hear the statement of the Chair, and I think the Chair is using excellent judgment in not permitting lists to be prepared and speakers to obtain a priority on the time when they are going to be recognized. I think the Chair is very wise in setting aside that practice.

But the point that disturbs me as I read the RECORD is how any Senator could obtain the floor and yield for 5 minutes to another Senator without unanimous consent approval of the floor being awarded to him.

The PRESIDENT pro tempore. It was done precisely the same way that it was sought to be done here some few moments ago when the Senator from Montana [Mr. MURRAY], as the Chair recalls, asked the Senator from Oregon to yield to him, and the Senator from Oregon was willing to yield if he could do so without losing the floor. But when the request was made of the Senate, the Senator from Kentucky [Mr. CHANDLER] objected. The Senator from Virginia [Mr. KILGORE] made a similar request and it was objected to again. Therefore, the Senator from Oregon retains the floor.

Mr. CHANDLER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CHANDLER. It is the repeated practice of the Senate, and has been for a number of years, that a Senator may yield to another Senator, who may make a speech, if there is no objection. That is done all the time.

The PRESIDENT pro tempore. If there is no objection, it is frequently done.

Mr. CHANDLER. The Senator who yielded can still continue to hold the floor. But if the request is made, as it was made a few minutes ago, it is almost invariably objected to, because a Senator cannot yield the floor to another Senator and keep the floor himself. There is no rule which permits a Senator to do that.

The PRESIDENT pro tempore. None whatever. It cannot be done except by unanimous consent.

Mr. CHANDLER. If the Senator who had the floor did not raise the question the chances are the question would not be raised by anyone else. But when a Senator raises it, then it usually results in an objection, because such a thing cannot be done under the rules.

The PRESIDENT pro tempore. Is the situation plain to the Senator from Colorado?

Mr. JOHNSON of Colorado. That satisfies me. I simply could not understand from reading the RECORD what took place yesterday afternoon.

The PRESIDENT pro tempore. The Chair has no desire to take any part between Senators, but will deal exactly and equally between them.

Mr. TUNNELL. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. TUNNELL. I should just like to say that when the Senator has concluded I, as a matter of personal privilege, will make a statement as to what happened. I suppose the Senator from Calorado was not present yesterday afternoon, and I will make an explanation.

Mr. MORSE. Mr. President, the Chair referred to the RECORD, and I think it very important that we go to the RECORD. Therefore I shall proceed to read what happened last night, beginning on page 8091:

Mr. CONNALLY and Mr. MORSE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Delaware yield, and if so to whom?

Mr. TUNNELL. I have no objection to yielding provided I may keep the floor.

Mr. CONNALLY. I assume the Senator from Oregon desires to talk about something other than the Charter. I think I have a suspicion of what he is going to talk about. I hope the Senator from Delaware will not yield to the Senator from Oregon unless it is stipulated that he is to speak only for 5 minutes or so, because we are interested in getting the Charter through the Senate; we have remained here until a late hour, and I do not care to remain and hear the Senator from Oregon expostulate on a couple of lambs out in Oregon. [Laughter.]

Mr. MORSE. May I make a comment regarding the remarks of the senior Senator from Texas?

Mr. CONNALLY. I do not have the floor.

The PRESIDENT pro tempore. The Senator from Delaware has the floor.

Mr. TUNNELL. I have no objection to yielding for 5 minutes, provided I have unanimous consent that I retain the floor.

Mr. MORSE. I wish to say to the Senator from Delaware that my respect for his learning and judgment is so great that I should be delighted to remain here for several hours to hear him discuss the Charter, if he cares to do so, but if it is his desire to have the same permission given to him to take the floor now and retain it during the night's recess as was given last night to the Senator from Vermont, that is perfectly acceptable to me. There is nothing I could do about it, anyway, although I should like to hear the Senator tonight. But I should like to say to the Senator that I desire to take a few minutes; now—I think it is not particularly fair to limit me to 5 minutes on a matter of so great import as that I shall discuss, namely, the food crisis in America. It may take me a few minutes, I do not know how long, I do not think it will be too long, perhaps 10 or 15 minutes, to discuss the latest developments in this food crisis. I should like to ask unanimous consent that I be allowed, under the long-established practice of free speech which has prevailed in the Senate of the United States, to take the time, with the understanding that the Senator from Delaware will not lose the floor thereby, but will have it at the beginning of the session tomorrow.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon?

Mr. CONNALLY. I object to any consent being granted for more than 5 minutes on a subject alien to the discussion of the Charter. I ask the Senator from Delaware to yield to me.

Mr. TUNNELL. I yield.

Mr. CONNALLY. I desire to make a motion that the Senate stand in recess. If the Senator from Oregon wants me to withhold that for 5 minutes, I shall not insist. Otherwise, I shall move a recess.

Mr. MORSE. It is perfectly obvious that if the Senator from Texas takes that position, under the rules, I must acquiesce, but I hope the country will take note of the fact that the Senate of the United States seeks to impose upon me a throttling rule, when I want time to put into the RECORD the latest information which has been made available to me. High officials of the Government this afternoon said they hoped I would put the evidence I have before me and my explanation of it into the RECORD, because it should be of assistance in solving the Oregon lamb problem.

Mr. CONNALLY. The Senator may put a wagonload of material in the RECORD in 5 minutes, but I do not propose to remain here to hear discussion on a matter alien to the pending business.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon?

Mr. CONNALLY. I made a motion to recess.

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Oregon to make a unanimous-consent request that he may have 5 minutes at this time?

Mr. MORSE. Mr. President, I think the Chair should put the motion of the Senator from Texas. I should like to know whether the Senate of the United States wants to deny me the right to put into the RECORD and explain such evidence which I think is of vital concern to every consumer in America in regard to the food crisis. If the Senator from Texas wants to block me on that point, let us have the motion put, and see whether or not the Senators present want to recess under those circumstances.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Texas that the Senate take a recess until 11 o'clock tomorrow morning. [Putting the question.] The Chair is in doubt. Those in favor of the motion will stand and be counted.

Mr. CONNALLY. Anyone who wants to remain and hear the Senator from Oregon is welcome to stay.

The PRESIDENT pro tempore. The motion is rejected.

Mr. CONNALLY. Very well, Mr. President. The Senator from Delaware has the floor.

The PRESIDENT pro tempore. The Senator from Delaware has the floor.

Mr. TUNNELL. Mr. President, I yield to the Senator from Oregon for 5 minutes. That was my understanding at the start, and I do not feel like remaining here 15 minutes.

Mr. MORSE. If the Senator wants to allow me only 5 minutes, I shall accept. I have no other choice.

The PRESIDENT pro tempore. Without objection, the Senator from Oregon will be heard for 5 minutes, on condition that the Senator from Delaware does not lose the floor.

Mr. HICKENLOOPER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HICKENLOOPER. This is a rather strange procedure to me. I am somewhat mystified by it. I wonder if the custom of the Senate has been that one Senator may obtain the floor prior to adjournment and hold command of the floor overnight. May I ask, Is that a customary procedure in the parliamentary conduct of the Senate?

The PRESIDENT pro tempore. It has been done. The Senator from Oregon has the floor, and is recognized for 5 minutes, under the unanimous-consent agreement.

Then, Mr. President, I discussed the subject of the Oregon lamb problem for 5 minutes. I submit that if anyone will read the RECORD he must come to the conclusion that I certainly was objecting to the procedure. If anyone wanted to protect me in my rights, there certainly was ample opportunity to protect me.

The point I wish to stress, Mr. President, is that in my judgment we must not countenance such procedure in the future if we are to maintain this body as a great open forum. We cannot do so if we permit a technique of that type to throttle a Senator and stop him from discussing an issue which he thinks is of vital importance to his country, irrespective of whether 95 other Members of this body think it of any importance.

This is the people's forum. This is the greatest forum in American democracy and in the world. If we injure or restrict the freedom of discussion in this forum, we strike a body blow at true democracy. This open forum is a great check against tyranny. I shall always rise and protest any attempt to throttle debate on the floor of the Senate.

Of course, if the Senate wished to deny me the right to discuss the question last night, a motion for adjournment or recess should have been passed. But upon the failure to get such a motion through, it was not fair, I care not what interpretation of the rules anyone wishes to make, to limit the junior Senator from Oregon to 5 minutes to discuss a matter of great importance to the people of my State, and incidentally of tremendous importance to the people of America.

THE FOOD CRISIS

As I have been discussing the food problem and the maladministration of the OPA in regard to it, I have been putting up a fight for the consumers of America. Whether Members of the Senate know it or not, I have been putting up a fight for 135,000,000 consumers in America. If any Senator will step over to my office and see the letters and telegrams coming in from every section of

the country, he will recognize that in increasing numbers the people of America are insisting that some steps be taken by the Senate to free from the Committee on Banking and Currency my resolution which has been resting there for some time past. They are calling upon the Senate to appoint a special committee to maintain an investigation of the policies, procedures, and regulations of the OPA.

What is wrong with that resolution, Mr. President? Why is it that the junior Senator from Oregon cannot get that resolution out of committee? Is it because the OPA has something to fear from such an investigation? If the OPA has nothing to fear, then, Mr. President, such a committee could be a great strengthening arm to the OPA. I think it is of great importance that the OPA be investigated. I believe that such an investigation might clear the minds of the American people on the question as to whether or not the flood of criticism of OPA which we are receiving have any merit in them.

I, for one, Mr. President, know that a great many of the criticisms of OPA have no foundation in fact.

Mr. President, let me repeat something which I have attempted to make clear so many times in my speeches on this question: I think it would result in an economic catastrophe in America if OPA were put out of business. I think it would be most unfortunate if we weakened on the line of economic stabilization. I happen to be one who believes that the OPA should be strengthened. I happen to be one who believes that price control must be maintained until the time when there is a balance between the purchasing power of Americans and civilian goods available for purchase. If we do not do it, if we do not maintain that control, if we ever let down on our price controls so that there is no check upon prices in this country, then we shall be faced with a runaway inflation and the American dollar will cease to have any real value. I know of nothing which would be more harmful to our people, to our economic system. Yes, Mr. President; I tell you that if it ever comes, if we ever have an inflationary spiral in this country in a runaway form, I know of nothing which will be more harmful to our political system itself, because such a runaway inflation will result in widespread unemployment, in misery, and in hunger, and under such an economic chaos I think we should have to look even to the security of our political structure itself.

So, Mr. President, I say that I, for one, believe that the Senate of the United States should put itself in such a position that it can answer with fact unfounded criticisms of OPA, and it also should put itself in a position, through such a committee as my resolution calls for, to correct the abuses which, in fact, do exist within the OPA. I have attempted to use the Oregon lamb case as a cause célèbre to illustrate the fact that abuses and maladministration and serious mistakes in judgment are made down at OPA. They are made with such frequency that there is a rising tide, of typhoon proportions, of criticism and dissatisfaction with OPA. I wish to do my part to stop those attacks on OPA. Mr. President, we cannot do it unless we, as a Senate, are willing, through a special committee, to get in there and find out the facts and see to it that the necessary steps are taken to eliminate the abuses.

So, Mr. President, I say that the committee I am calling for can be a great strengthening arm to OPA. I am at a loss to understand the opposition I find in the Senate to the creation of such a committee. I think the Administration should welcome it.

Mr. President, let me say—and I hope my Democratic friends will take note of it, because I am one who is always willing to stand on his record—that I think the adoption of my resolution and the creation of the committee it calls for would be a great aid to a great President now in the White House. I offer the resolution as a friend of the President, as one who believes that the resolution itself would be of great assistance to the President. I recognize that men can with reason have differences of opinion about the cause of OPA's difficulties, but I say that the people of America who through experience have been faced with many OPA abuses are entitled to have the Senate of the United States investigate and maintain vigilance over the OPA.

That leads me, Mr. President, and I wish those who are interested in changing procedures of Congress would give some consideration to the suggestion, to reiterate my belief that because of the trends which are taking place in our Government, because of the great increase in the number of our Government agencies and the delegation of more and more administrative power to them, much of which, when exercised, amounts in practical effect, if not in legal fact, to the exercise of legislative power—I say, Mr. President, that because of that trend in administration in our form of government, I think it is the duty of the Congress of the United States to maintain a much closer check upon our executive and administrative agencies.

I say that if we are going to maintain representative government in America, if we are going to make this Government responsive to the will of the people, then the representatives of the people in the Halls of Congress have a duty to maintain a much closer contact with, observation of, and vigilance over the administrative and executive agencies of this Government. If we are going to save representative government in this country, I think we must stop paying attention to these administrative and executive agencies just 1 month out of the year, namely, the month in which they are up on the Hill for new appropriations. I think we are going to have to analyze and study the actions of those administrative agencies 12 months out of the year. I think that is a responsibility of the Congress.

My resolution is just one little step in that direction. It is a resolution which is offered because in my judgment an emergency situation confronts the country. It confronts the country because the OPA, I think, is clearly demonstrating, week by week, more and more abuse, more and more inefficiency, more and more action which is not in the interest of the public.

Therefore, Mr. President, I think we cannot slough it off; we cannot evade this one. I think the people have the right to say to the Members of the Senate of the United States, "It is your responsibility to go into the criticisms and the charges that are leveled against the OPA, sift the truth from the falsehood, and take action on the truth." That is exactly what my resolution proposes to have done. I wonder if there really is anyone in the Senate of the United States who has any question that the very creation of such a committee would have a tremendous effect for good on the administration of the OPA. A few days ago I told Members of the Senate that I think I have at least a slight knowledge of the point of view and state of mind of people in our Government agencies; and I tell the Senate again that there is one language they understand, namely, investigation by senatorial or House committees. They know what that means. They know that the power of such committees to bring to light maladministration in Government is tremendous; and that power itself, like a gun behind the door—ready to be used, if necessary—is something which will guarantee to the American people the elimination of the abusive practices in OPA of which I complain.

So, Mr. President, I sincerely hope that the Members of this body will take me at my word when I say to them that I believe that it is of vital importance, before recessing tomorrow, to act on the resolution which has been resting in the Banking and Currency Committee. I had hoped that the committee would report the resolution to the Senate. Before we recess, Mr. President, I intend to move to discharge the committee, because I think it is perfectly obvious that it has so delayed consideration of my resolution that I am justified in saying that the resolution is being bottled up because the committee apparently does not want it to see the light of the Senate floor and allow a vote upon it to be taken.

What I hope to accomplish above all else is to arrest the attention of the Senate of the United States with reference to the OPA's practices in regard to the marketing of America's food supply, and point out that the communications which I have received today are simply cumulative of communications which have already put into the RECORD. Insofar as the Oregon lamb problem is concerned, I want to say that the action taken by the OPA has been helpful. It has at least made available to Oregon farmers a market at commercial and utility levels. But it has forced a reduction in price of good and choice lambs down to commercial and utility levels. That is not just. Not only that, but in carrying out the order of the OPA, if a butcher wants to buy 10 carcasses of lamb, I am informed that he must agree to buy five which are point free and five which require points. What is the re-

sult? The housewife is not going to come in and give valuable points for choice lamb when she can buy utility lamb without points.

As I said yesterday, Mr. President, the solution is simple. I do not want to believe the charges which are coming to me through my mail each day. I believe that someone is mistaken. I believe that someone is attributing motives to officials of the Government which, in fact, do not exist. But the charge is, nevertheless, that the reason for lifting the points on utility and commercial lamb, while not lifting points on choice and good lamb, is to force the producer of choice and good lamb to sell to the big packers in Portland. Of course, that happens to be the result, because the big packers have the federally inspected plants, and apparently are the only ones who can find a market for the choice and good lambs.

But do you not see, Mr. President, that they are forcing the farmers in the Willamette Valley, as well as in that entire area west of the Cascades, to sell their lambs at such prices as the big packers are willing to pay? That is the result. I for one, do not like to charge anyone with such motives. But I do believe, Mr. President, that when the result of the OPA order is pointed out over and over again, when one looks at the record which I have made in this case, and when one sees the uniformity of opinion which has been clearly expressed by experts in the livestock industry in Oregon, one cannot escape the conclusion that the order of the OPA which was issued last Friday—putting it in the most charitable language—is a stupid order. It should be changed. It would be very simple to change it, because OPA needs only to carry out the recommendation which the Secretary of Agriculture authorized my senior colleague [Mr. CORDON] to announce to this Senate last Friday afternoon.

Let me repeat that, Mr. President, because, as I have said, I think it is the duty of the Secretary of Agriculture to back up that order and not back down on it. I think it is the duty of the Secretary of Agriculture to demonstrate that he is doing all within his power to prevail upon the OPA to put his recommendation totally into effect.

Mr. President, last Friday afternoon the Secretary of Agriculture called the senior Senator from Oregon [Mr. CORDON] off the floor to the telephone. As a result of that conversation the senior Senator from Oregon reported to the Senate that the Secretary of Agriculture had said to him, "I authorize you to announce to the Senate that I have just now, as of 4:30 this afternoon, recommended to OPA that the ration points be lifted on all soft lamb." He did not say "On commercial and utility lamb." He said, "On all."

Mr. President, I think it is fair when I say to the OPA and to the Senate of the United States, "Meet me on the facts. Just meet me on the facts." When a man builds up a case which is unanswerable, when he builds up a case on facts and evidence, and those in authority understand his problem and agree with him, surely, he has not reached a point in this Government where he cannot get action. Do not tell me, Mr. President, that we have reached a point in our Government where we cannot get an injustice corrected when the facts showing that such injustice exists are unanswerable.

Senators, try to go back and justify OPA abuses to your constituents. I shall go back to mine. I will tell them that I not only tried at this time but that after the summer recess I will come back and continue to try to correct injustices of the type about which I have been speaking. It is only an example. There will be and are others. Until the Senate of the United States expresses a willingness to appoint the necessary investigating committees which will protect the interests of the American people against such abuses as I have pointed out in connection with the Oregon lamb problem it will fail in what I consider to be its clear duty.

I have told Senators before that if any Senator believes that I personally relish the performance of doing my duty as I have seen it in connection with the Oregon lamb problem, he is badly mistaken. I know enough about government to be perfectly aware of the cost I may pay within the Senate of the United States because of my defense of the people of my State and the consumers of this country. I am willing to pay the cost. Oh, yes; out in the cloakroom I have been told that I am injuring myself because some of the Members of the Senate do not like the way in which I have spoken up frankly and without mincing any words in regard to what I think and know to be a great abuse, and a great maladministration on the part of a Government agency which is, after all, the child of the Congress of the United States. It is responsible to us, and it is our obligation to see to it that it administers itself in the interest of the country.

Well, I guess freshmen Senators have been disciplined before, and I happen to have a skin so tough that none of the discipline applied by any combination on the floor of the Senate of the United States is going to make a dent so long as I am convinced that I am fighting a cause that is just, and so long as I am convinced that the Senate of the United States is not doing its duty. I will continue to raise my voice in protest as long as I am here, and I expect to be here quite a while. I intend to continue to raise my voice in protest against maladministration in government, be that maladministration committed by Democrats or by Republicans, because on these issues of good government we are dealing with a purely nonpartisan matter. I shall continue to raise my voice in protest against any attempt to throttle full and free debate on the floor of the Senate.

Personally I am very much saddened by the procedure that was followed on the floor yesterday afternoon. I am satisfied that the Senator from Delaware meant no discourtesy to me, and I think he knows it, because he knows of my respect for him. I am satisfied that at the end of a hard day sufficient reflection was not given to the principle that was involved in the action that followed, and I trust that never again by that technique will an attempt be made to limit the right of any Member of the Senate, prior to an actual recess or adjournment, to stand on this floor and plead whatever cause he feels needs to be pleaded in the interest of his country.

Mr. WILEY. Mr. President, on Monday last, at the suggestion of the distinguished Senator from Texas [Senator CONNALLY], I took the floor and briefly spoke a few ideas in relation to the issue before the Senate. I refrained from discussing the provisions of the United Nations Charter. The Charter, in the intervening days, has been fully covered, and yet, for the purpose of the RECORD, I desire to make a few brief comments supplementing my former brief statement.

First. This Charter, when it is approved by the nations, will be the supreme law of the land. It will be an international compact whereby the nations have set up international machinery which they hope will prove adequate to meet the problems and the challenges which will arise in the postwar period between the nations. This machinery consists of:

(a) The General Assembly.

(b) The Security Council.

(c) The Economic and Social Council.

(d) An International Trusteeship Council.

(e) An International Court of Justice.

(f) A Secretariat.

(g) A transitional security arrangement.

The Charter also provides for amendments to the Charter. It sets up fully the purposes and principles of the Organization. It makes provision for membership and the status of regional areas.

Second. When we shall have ratified this Charter, and 25 others of the signatory nations shall have done the same, this country will have pledged its support—with all that that means—to the fulfillment of our obligation under the Charter.

Third. Doing so will not in the slightest jeopardize the validity of the Monroe Doctrine and the Chapultepec compact.

Fourth. It is my understanding, according to the testimony given before the Foreign Relations Committee of the Senate, that the terms "agreement or agreements" as used in article 43 are synonymous with the word "treaty." On the other hand, I recognize that Congress might well interpret them as agreements brought about by the action of the Executive and ratified by a joint resolution of both Houses. These agreements would provide for a police force and the specific responsibility of each nation. But outside of these agreements, there is the power in our Executive to preserve the peace, to see that the "supreme laws" are faithfully executed. When we

become a party to this Charter, and define our responsibilities by the agreement or agreements, there can be no question of the power of the Executive to carry out our commitments in relation to international policing. His constitutional power, however, is in no manner impaired.

Fifth. In no way is the right of the United States in the strategic island bases occupied by us prejudiced by the provision relating to trusteeship.

Sixth. The General Assembly will provide a great international mart and forum for ideas, with the world as audience.

Seventh. The Security Council is the executive of the Charter, each representative thereon being the representative of his nation and each such representative of the Big Five possessing a veto power.

CONCLUSION

First. If the contracting nations prove themselves adequate, the peaceful means provided by the Charter will prove very effective.

Second. If the contracting nations prove themselves adequate, the policing provisions of the Charter will be effective to put out the incipient fires of war, if the peaceful means fail.

Third. The importance of this document can be overemphasized, if in so doing we lose sight of the actors. This earth is the stage, and this great drama will only succeed if the actors—the nations—nobly act their parts. Otherwise tragedy will again befall the race.

The play is begun, the curtain rises. May this generation and the succeeding ones prove adequate.

There recently came to my desk the following lines:

They have called many men isolationists,
Those who would not have war,
They who prior to December 7, 1941,
Sought to keep this country out of war.

There were others who saw the road differently.
They wanted to go in.
Now we are all joined to isolate war.
We have faith that the nations have suffered enough,
Have gone through their Gethsemane
And will work for peace.

There was One 20 centuries ago,
Who spoke as man has never
Spoken before or since.
He too would isolate war.
And He gave a charter to the world.
It has been called The Sermon on the Mount.

If man would know the way,
If nations would know the way,
No mechanism will be adequate
Unless they follow His way.

So today we talk
Of the United Nations Charter.
We make available a police force.
We speak of aid and comfort,
Economic and political.
We sign on the dotted line.
But if we would make the thing work,
We must return to this charter—
The Sermon on the Mount.

Then will the nations go into action,
And beat their weapons of war,
Into peace mechanisms.
Then will their hearts be cleansed,
And their vision will see far off.
And the discoveries of the human mind
Will be utilized for the betterment of the race.

And, as we have hope and faith
And pray unceasingly
There still returns the nightmare of the past,
When men failed because of their evil lusts.
And material gain, power, and dominion over their fellows,
Held sway in the council of the human heart.

We see that this world is made up of many worlds.
Geographically it is one,
But there are many minds.
The peoples of earth
Are on different levels.

And so, my beloved America,
I would assert,
That constantly alert this Nation must be,
Giving leadership of mind and soul
And Samaritan-wise,
Giving aid to lift the levels of other peoples.

Yes, ever alert,
Like the mariner
Who knows that storms will come,
And prepares his ship
For the expected blow.

In all ages past,
The prophets, sages, and seers of the world,
Like the Man of Galilee,
Have taught the way.
But it has become obscured,
By man's lack of vision.

Yet, in every generation
There have been those
Who have dreamed dreams
And seen visions,
And carried the torch of hope and faith
For a better day.

We believe, we, of this generation,
Have been chosen as a people set apart
To light that flame into a blaze
That will consume the opposing forces.
Not alone by the mechanism of the charter,
But by this reborn faith,
This regained power of the spirit,
Leadership has come
For direction and guidance
To this people of the new world.

Ever alert to meet the menace,
Ever on guard to protect the advance step,
Ever willing to aid and succor and comfort,
Ever attuned to the higher purpose of life,
We march on—unafraid,
Pledged to transmit
To the generations to follow,
The greater freedoms of the race.

Mr. TUNNELL. Mr. President, I wish to say just a few words with reference to the situation yesterday, since my name has been brought into the discussion several times.

I can say at the start that I certainly had no feeling of animosity toward the Senator from Oregon, and do not have now. While I was in the Chair yesterday afternoon he came to me and told me that he wanted five or six minutes. Later I obtained the privilege of the floor, and after I got the floor I, of course, could have been forced to proceed and talk, or yield. I was not compelled to yield to the Senator from Oregon, and was not willing to yield if I had to stay and listen to a long speech on another subject. Therefore I refused to yield unless he would limit his time to 5 minutes, and if the Senate had refused to recess and he had refused to take his 5 minutes, I would have been compelled to proceed. I was the one who was on a spot, and could have been compelled to go ahead last night. I did not wish to do so unless I were compelled to. The Senator did not choose to compel me to do so. He accepted the suggestion as to 5 minutes, and I think talked 15, perhaps, certainly more that 10, and by unanimous consent I was permitted to retain the floor after he had ceased to occupy the floor.

Mr. President, that was all there was to the matter so far as I was concerned. I yielded the floor when I did not have to yield the floor, but I would have had to go ahead and speak last night if the Senator had not taken the time which I offered him.

Mr. KILGORE obtained the floor.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. Do I have the right to make a very brief statement to clarify the matter explained by the Senator from Delaware, or will the Senator from West Virginia yield to me while I make a very brief statement?

The PRESIDENT pro tempore. The Senator from West Virginia has the floor. Does he yield?

Mr. KILGORE. I will yield if I can hold the floor.

Mr. MORSE. Mr. President, I assure the Senator from Delaware that his feelings of friendliness toward me are reciprocated. I desire to point out to him, however, that I talked 5 minutes. I was very careful to watch the clerk, and the moment I saw the signal to the Chair, I think the RECORD will show I said, "My 5 minutes are up." If I took more than 5 minutes it was certainly not as much as 10 or 15 minutes. Secondly, I may say that when I talked with the Senator from Delaware previously, I do not recall verbatim what was said, but I do recall that I told him I would not take long; that I could finish in 5 or 6 minutes or so. But the RECORD shows that when I sought the floor I said it would take me from 10 to 15 minutes. It was that time which was refused me.

The PRESIDENT pro tempore. Will the Senator suspend a moment while the Chair makes a statement? When the Senator from Oregon had been yielded to for 5 minutes, the Chair made the statement that he recognized the Senator for 5 minutes, but the Chair gave the Senator at least 8 minutes, so the clerk now informs the Chair. The Chair wanted to be exceedingly fair and just to the Senator from Oregon, and the Chair has received his reward this afternoon in some very violent criticism by the Senator from Oregon which the Chair does not appreciate at all, but takes it in the regular course.

Mr. MORSE. I may say to the President pro tempore that if he will read the RECORD he will feel that no criticism was made of him. The Senator from Oregon had no intention of making any criticism of the Chair. The Senator from Oregon simply set forth the circumstances as they took place. The Senator was watching the President pro tempore, and when the clerk signaled the President pro tempore that his time was up, the Senator from Oregon said, as the RECORD will show, "Mr. President, my 5 minutes are up." I watched the clerk, and if I went beyond the 5 minutes I did not know it.

I want to say that when I asked the Senator from Delaware to yield so that

I might have time on the floor I asked for from 10 to 15 minutes. I know exactly the position the Senator from Delaware was in. I was desirous of helping him, and my remarks in the RECORD show it. But I do think in all fairness that I should not have had imposed upon me a 5-minute restriction, even though the clerk now says that perhaps I took as much as 8 minutes. The fact was that being under the limitation of 5 minutes I was not in the position to make the speech that I wanted to make on the subject, because of the limitation imposed upon me, and I believe the limitation was an exceedingly unfair one.

Mr. BARKLEY. Mr. President, will the Senator from West Virginia yield to me?

Mr. KILGORE. I yield.

Mr. BARKLEY. Under the rule, when the Senate is considering a treaty in executive session the resolution of ratification cannot be offered until the debate has been concluded. It is desirable that the resolution of ratification be offered today so that it will not have to lie over a day from tomorrow, if we should reach a vote tomorrow. Therefore, I ask unanimous consent that the Chairman of the Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY], be permitted to present the resolution of ratification today.

The PRESIDENT pro tempore. Is there objection?

Mr. WHITE. I know of no objection to that, Mr. President.

Mr. BARKLEY. I thank the Senator.

The PRESIDENT pro tempore. The Chair hears none, and it is so ordered.

Mr. CONNALLY. Mr. President, will the Senator from West Virginia yield to me for a moment?

Mr. KILGORE. I yield to the Senator from Texas.

Mr. CONNALLY. Mr. President, I ask that the treaty be reported to the Senate.

The PRESIDENT pro tempore. Is there objection to the treaty being reported to the Senate from the Committee of the Whole?

There being no objection, the treaty was reported to the Senate without amendment.

Mr. CONNALLY. I now submit the resolution of ratification.

The PRESIDENT pro tempore. The resolution of ratification will be read.

The legislative clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F (79th Cong., 1st sess.) the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. KILGORE. Mr. President, it has been said of the Constitution of the United States that "to enable the people to be its guardians, the people must know its history and its purpose." The converse of that statement applies with full force to the San Francisco Charter. To enable the San Francisco Charter to be the guardian of the peace of the world the people of the world must know the nature and the purpose of that Charter.

The first tremendous fact is the fact of the Charter itself—the fact that representatives of 50 sovereign nations sat down at the council table and agreed; the fact that this Charter is the logical sequence of the course of events set in motion by that great statesman and recent Secretary of State of the United States, the Honorable Cordell Hull, of Tennessee, when he began to reduce tariffs in the interest of promoting international commerce on a plane of justice and fair dealing.

Mr. President, it will be helpful to look to the language of the document itself in order to keep clearly before us what we have done and what we have not done:

We the people of the United Nations * * * have agreed to the present Charter of the United Nations and do hereby establish an international organization to be known as the United Nations.

The name, it is well to remember, was chosen for the organization by the late President Roosevelt.

It is noteworthy that this Charter was drafted in 8 weeks, although it was necessary to work in five languages. And one of those languages expresses itself in characters instead of by an alphabet. Although it is the language of the oldest known culture of our day, it was necessary for its delegation to devise 2,000 combinations of characters in order that that language should express precisely the international vocabulary of the agreement. If the Chinese may be so resourceful in producing the mechanics or conveying so great purposes, how can the other 49 signatories confess ineptitude in finding formulas for solving international disputes? Leaving out of view the other 48 nations, shall it be said that American law and history, American traditions and statesmanship stand in the presence of this giants' task impoverished of ideas and of words to express those ideas. We have just agreed to organize an organization and the action of this body will mean, I have no doubt, that we will aid in setting up that organization. The situation that confronts us is not unlike that which confronted the proponents of our Constitution in 1787 and 1788. Shall we take counsel of fear or of courage, of propaganda or of the logistics of history, of the three-fourths of the people of the world who helped write the pending agreement to unite for peace or of the hopeless minority?

In chapter XIX entitled "Ratification and Signature" paragraphs 1, 3, and 4 read as follows:

1. The present Charter shall be ratified by the signatory states in accordance with their respective constitutional processes.

3. The present Charter shall come into force upon the deposit of ratifications by the Republics of China and France, the Union of Soviet Socialist Republics, the United Kingdom of Great Britain and Northern Ireland, the United States of America, and by a majority of the other signatory states. A protocol of the ratifications deposited shall thereupon be drawn up by the Government of the United States of America which shall communicate copies thereof to all the signatory states.

4. The states signatory to the present charter which ratify it after it has come into force will become members of the United Nations on the date of the deposit of their respective ratifications.

With this plain language before us, let us not fall into the error of thinking that the Herculean task will be completed by the action of this body on the pending resolution. That is one more step, and a necessary one, but there are other steps; and each step is as necessary as the one that preceded it. As we take these historic steps may we hear less about compromise and more about the testing of proposals and the accommodation of ideas into an acceptable formula.

There must be 28 ratifications by as many governments, and five of those governments must be the five Great Powers. I am advised by the Department of State that up to this date, two nations, Nicaragua and Salvador have ratified. At that rate at least another year will pass before the United Nations comes into existence. Then come the many things which the interim Commission cannot do.

For 26 years the education of the American people in the need to increase the boundaries of the area of national security has been carried on. America's would-be leaders and teachers here began her education by flouting public opinion and themselves flirting with pacifism and isolationism, the twin daughters of defeatism. But neither pacifism and isolationism could keep the peace, nor will defeatism win peace out of the conflict into which they led America.

Out of this ill-advised flirtation was brought forth the rejection of the League of Nations and the enactment of the Smoot-Hawley Tariff Act, which set the nations of the world to protesting to our Government against the economic warfare which that statute would let loose upon them. Our Government continued on its course. Many nations retaliated. Currencies became worthless. There was no safe foreign investment market, and we turned our domestic financial resources to a gambling spree and wound up in the Wall Street ditch. And then American sat up and began to look about her. Franklin D. Roosevelt was elected President. Cordell Hull took over at the State Department. They saw that America could not carry on a solvent domestic commerce without a solvent international commerce, and that there could be no solvent international commerce with beggar nations.

Meanwhile, demogoguery and bigotry were thriving in Germany, based on the sophistry that an untruth repeated with persistence would in time come to be regarded as truth. Almost before we realized what was about to happen we were attacked and drawn into another World War, the second in our own generation. And when the casualty lists began to lengthen the folks at home realized that domestic policy is foreign policy, and that foreign policy begins at home.

Out of a common danger there was born the Organization known as the United Nations. Out of the United Nations was born the San Francisco agreement and the promise of other and equally great labors in the Organization and

in the administration of United Nations cooperative plans and purposes.

The San Francisco Charter is not a constitution. That thought bears repetition in our minds. It is an agreement to set up a cooperative organization of sovereign nations. Do Senators appreciate that no such agreement has ever before been made between 50 nations, which among themselves, speak five different languages? Fifty nations have set up the sanction of international public opinion as a sanction that will aid in the prevention of war—better than that, an international public opinion that will work aggressively and affirmatively for international peace.

The sanctions of no treaty can rise any higher than the informed public opinion of the country whose treaty-making authority signs the treaty. Informed public opinion is the highest and at the same time the surest sanction for any law. The reason for that is that an informed public opinion has the will to make the law work and that will reduces the percentage of the population that resists the law and requires coercion and increases the percentage of the population that is law-abiding and makes public opinion. The percentage that lives by the law of its own volition and without a policeman at the elbow with mace in hand and a brace of revolvers in his belt has become the guiding power in 50 nations of this one world of ours.

I remind the Senate of the late unpleasant experience known as the prohibition era, through which this country went. That public opinion will have much to do with the future course of world history which will be hereafter a synonym for the history of the United Nations.

Hitler had never been possible, with the chapter of horrors that he has written in pyres and lethal chambers all over central Europe, had there been an agreement among 50 nations to sit down at the council table and hold a clinic on how to prevent the governmental paralysis known as war. Yes; had there been an agreement among 25 or 30 nations, that condition could not have arisen.

The great gains in modern medicine have been gains in preventive medicine—how to prevent illness from laying hold upon people who are in good health, not how to snatch them from the grave after they have become desperatley ill. And modern statesmen must not be more inept with the mechanisms and the ideals of government than the healers have been with the antiseptics and germicides in which they deal.

It is a principle of ancient Hebrew jurisprudence that he who saves a human life shall be honored among men. Will any man in America gainsay that principle today? And how awful the condemnations that civilization must keep upon the memory of men who have destroyed human lives by the thousands and hundreds of thousands for no other purpose than to pander to their own vainglorious strutting across the footlights of current events. And the people of 50 nations ask us to desist from mobilizing science for war and to join them in mobilizing science for peace.

We do, then, but begin the task that the American people have chosen for their destiny. There are many formulas to be written, many accommodations of ideas to be wrought by the processes of discussion, just as there were when we agreed upon our Constitution. There could have been no greater differences of opinion existing in the San Francisco Conference than the differences between, shall we say, the State of Massachusetts and the State of Gerogia when our Constitution was formed.

As carefully and as thoroughly as this body has heretofore discharged the mandate of the American electorate, it will continue in the discharge of the greatest mandate that has been delivered to it since our Constitution, which we have faithfully observed, was adopted.

It is peculiarly fitting that to us should come the opportunity of being the first major Nation to ratify this Charter—fitting because, as we were laggard in joining an organization for world peace after the last war, we should be the first to set up such an organization after this war. Fitting, because by our very refusal to join in such action after the last war we probably made it possible to set the stage for this war. Fitting, finally, because our great industrial and military power makes us the most critical Nation on the face of the earth in creating a peaceful world.

We must not, however—and when I say "we" I refer to Members of this body—vote for this Charter with tongue in cheek and with mental reservations as to carrying it to its fullest fruition as soon as a sufficient number of other nations have ratified it. To do that is not carrying out our destiny, and not fulfilling the promise made to our people when we drafted their sons to fight in this war to end wars. To vote for ratification of the San Francisco Charter without at the same time committing ourselves to the passage of the necessary implementing legislation to make it effective would be deceiving not only the people of the United States who sent us here to represent them, but all the peace-loving nations of the world who would be tempted to join us in ratification by reason of our preeminent leadership in such matters.

Mr. MURRAY. Mr. President, the issues which have grown out of the San Francisco Charter are now clearly drawn, and already the debate has proceeded at such length as to make extended discussion largely a matter of repetition. Nevertheless, the action which we are called upon to take in this body is of such a momentous character that I feel impelled to make clear the position I propose to take. I shall be brief in my remarks.

I join with those Senators in this Chamber who have expressed in positive terms their faith in this Charter.

I am in full accord with the sentiment that not only must the Charter be ratified by a practically unanimous vote of the Senate, but our action must be followed by a clear intention to faithfully carry out its commitments and make it work.

I have confidence that it constitutes the greatest forward step which can be taken by our country in the interest of peaceful cooperation among the nations of the world. If this Charter can have the genuine support of our country, it will constitute the greatest contribution which we can make in the establishment of good will among nations and the abolishment of war as an instrumentality for settling international disputes.

My position here at this time is consistent with the stand I have uniformly taken during my membership in this great body on all questions relating to our foreign policies. I have supported every step which the Senate has taken throughout this war to uphold our Government in its efforts to avoid the war in the first instance and to prosecute it to final victory in Europe and in the Pacific following our involvement.

Our adherence to such an international organization of nations as is here designed is an imperative necessity if we are to undertake to play our full part in the affairs of the world. We have learned a costly lesson as a result of our failure following the last war to join in an effort to provide a means for the settlement of disputes leading to armed conflict. The position of isolationism which we took following the last World War no doubt contributed in a large measure to the commencement of the present war.

When the war clouds were growing in Europe, our policy of isolation constituted a signal to aggressor nations of that continent that we did not intend to take our proper stand with the peaceful law-abiding nations of the world in case of armed aggression. That position of neutrality played into the hands of the dictators who were then planning for war.

We must not fail again. We must act now, we must ratify this Charter by an overwhelming vote, and thus give a guarantee to the world that the United States intends to join wholeheartedly in this last chance to banish wars from the earth. Such a course will serve not only the intelligent self-interest of our country, but will also carry out our moral obligations to the nations of the world who stand in constant fear of aggression.

It is true that in some of its articles the Charter of the United Nations is not perfect. It contains some weaknesses, but so also did our own Constitution when it was originally written. Like all documents which are the result of compromise, it contains some weak provisions. But in the course of study and experience and with a true spirit of cooperation among the nations these will be strengthened. Many amendments had to be written into our Constitution and changes in interpretation had to be made in order to make it carry out the true intentions which underlay its adoption. So, too, in the present instance, while the Charter of the United Nations may today contains some imperfections, if it has the whole-hearted backing and support of the United Nations in the spirit in which it is intended to operate, it will eventually become the greatest blessing ever conferred upon humanity.

I shall support this Charter and every provision it contains. I do not share the

views of some who assert that we should hesitate to make the Charter effective by carrying out the provisions requiring us to furnish armed forces for its enforcement. If we adopt this Charter we must have faith in it. We must not ratify it and then proceed to make it ineffective by failing to live up to the obligations we have assumed. If we adopt the Charter and make promises to furnish troops in case of a breach of the peace, this body must respond to its obligation and must carry out that pledge whenever under the provisions of the Charter it is required to act.

The people of this country have utterly repudiated that doctrine of isolationism. They demand that our country assume its proper obligations in the family of nations. They expect us to ratify this Charter and to follow that ratification with a sincere and honest effort to carry out every one of its provisions in the spirit in which they were written.

We must face here and now the issue whether we will approve this Charter by a huge majority with the mental reservation that we can later on render it ineffective through refusal of a minority to approve the agreements needed to provide the miltiary and other forces by which alone the Security Council can preserve the peace. To make my position clearly a matter of record, I wish to state that it is my opinion that the agreements mentioned in article 43, subsection 3 of the Charter will be valid and binding with respect to the United States if they are negotiated by the President and approved by Congress either by joint resolution or by legislative enactments and appropriations of money.

I have full faith that when the time comes for the Senate of the United States to act in fulfilling its pledges under this Charter, it will not disappoint the other nations of the world with which we are associating in the interest of world peace.

Mr. President, the debate on this Charter has already covered a wide range, and every feature of it has been discussed at considerable length. Therefore, I shall attempt to dwell on only a few of the provisions of the Charter which I feel should be emphasized.

One of the most constructive features of the San Francisco Charter is the provision it makes for the establishment of a Social and Economic Council. This is a plain recognition of the fact that the peace of the world depends on more than bayonets. Unless the peoples of other nations of the world can enjoy the benefits of a prosperous and stable economy, their insecurity and misery will be the seedbed for another war which could not be prevented even by a greater pooling of military strength than the Charter provides for.

The close relationship is obvious between the collapse of the world's economy in 1929, the tremendous unemployment crisis which followed not only in the United States but in all other countries, and the rapid rise of Hitler to power.

Hitler made his first striking gains in the Reichstag elections of September 1930, and he seized power through what almost amounted to a coup d'etat in January 1933. It is true that a Hitler could come to power only in a country where democracy as a form of government was relatively weak and undermined by nefarious army schemes. In writing the peace treaties which put an end to this war, let us do all we can to see to it that the German Junkers and the German General Staff and the big economic cartels do not again have a chance to sabotage democratic government in Germany and all over the world.

This is all very good, but it is not enough to insure peace. What we must realize is that peace in a postwar world will depend upon the continued friendship and cooperation of the Three Great Powers—the United States, the British Commonwealth, and the Union of Soviet Socialist Republics.

The great international organization which emerged at San Francisco and which is now before the Senate for ratification cannot possibly survive very long if misunderstanding, jealousy, and doubt exist among these dominant centers of power in the world.

I do not believe that at present there is the slightest ground for any such suspicion or jealousy. The San Francisco Charter represents something entirely new in the world. The victorious United Nations are not world conquerors in the old sense of the term. They would not impose their will on all the rest of the world. They are not jealous landgrabbers. In this connection I take pleasure in supporting the noble words of President Truman to this effect when he asserted that we do not seek 1 inch of territorial aggrandizement or one dollar of monetary reward for our participation in the rescue of civilization. Of course, I do not construe this as meaning we cannot hold the bases we have won and hold them until such time as our security may be guaranteed by an effective world organization to enforce peace.

I believe that the security of the United States will be far more amply insured by the ratification of this Charter and by its loyal fulfillment and effective implementation than it could possibly be furthered by seizing a few naval bases scattered over the earth as our exclusive possessions for military purposes. Let us, rather, see to it that all such problems of maintaining world peace are solved by the United Nations sitting down together and holding all such strategic possessions as trustees in a common pool for the common defense of the peace of the world.

Making peace is harder than making war. War is the subordination of man's rational and organizing powers in the service of his emotions of fear and hate. Peace is the subordination of man's emotions of courage and loyalty in the service of his rational search for the greatest good of the greatest number. Peace breaks down principally for one of two reasons: Locally, when individual criminals violate the law; and internationally, when criminally inclined heads of governments and gangsters who have risen to power through deception or domestic violence, violate the written and unwritten covenants between nations. What we need is a world-wide and essentially democratic system of international civil and criminal law which can be enforced by sanctions. The Charter furnishes a long step in our progress in this direction.

Criminals can capture the levers of political power because economic and social injustices cause political upsets which in turn produce the gangster-dictator. Therefore, the chief task before us is to do more than make peace or repress war. We must strike at the economic and social roots of war. This is the magnificent concept back of the Economic and Social Council which is included in the San Francisco Charter.

Throughout my career in the Senate, I have, at all times, been the champion of programs which sought the betterment of our economic life, and kept in view the interests of the common man, the small businessman, the laboring man, and the social security of all the people. I am sure that the Economic and Social Council will provide the means for making long-range plans on a world-wide scale to deal with problems of this nature. I think that it is essential and wise that this be done as one of the major functions of the United Nations Organization.

We do not need to debate at this time the exact nature of the Economic and Social Council. We do not need to know which of the nations of the world will be included among the first 18 nations who will have the privilege and the responsibility of designating the original members of this Council. We do not know that the Council will, from its very start, be faced with the weightiest problems involving the future peace and welfare of all of us.

It is quite clear that the Council will not be in any sense a legislative body. That is well, for we have not yet reached the stage which the poet Tennyson foresaw a hundred years ago when he wrote:

> Till the war drum throbbed no longer, and the battle flags were furled,
> In the parliament of man, the federation of the world.

All that will be expected of the Economic and Social Council, as I understand it, is that it is to be a central body for drawing together all of the many threads which compose the complex web of the world's economic and social life.

The Senate has already approved of the Bretton Woods Monetary Agreement and of the Food and Agriculture Organization. Those organizations should work together, each in its own sphere, very harmoniously with the Economic and Social Council of the United Nations. The plain fact which we must recognize at this time is that neither our country nor any other of the United Nations can continue a policy of political isolationism. The two decisions go together. They cannot be divorced, and I believe it is very wise to have faced them at the same time, and to have defeated isolationism both in the economic as well as in the political sphere.

The Economic and Social Council will provide larger opportunity for advancing the welfare and prosperity of the whole world than ever existed in the past. We have had plenty of international planning in the past, but it has been planning

which has hardly been better than the scheming and conniving of conspirators seeking their personal and selfish gain. Let us now put planning on a world basis; let us take it out of the hands of the monopolies and trusts, which have tried to rule the world through their cartels, patent combines, and price-rigging devices. Let us put the economic planning of the welfare of the world in the hands of a public body, the Economic and Social Council of the United Nations, and let us instruct that Council that it must work out the best possible solutions for the many problems which face it, and then refer those solutions promptly to the governments and the legislatures of the nations for action.

I am a firm believer in the power of economic planning. There is not an intelligent person in the world who does not believe in planning. I make no prediction whatever as to the kind of planning which will result from the formation of this Council, but I am certain that it will be good planning, and that it will bring together the best economic thinking and social thinking of the leading men of the great nations of the world. I have no fear whatever of the results of such communion of counsel together. Nothing but good can result from it. In fact, I am sure that without it the world will rapidly head toward disaster. We are right now faced with problems which are almost insoluble if we restrict ourselves to the national point of view in trying to solve them.

During the past century we have frequently witnessed some nations struggling along under the burden of surpluses which threaten to destroy the prices of their staple output while other nations are faced with starvation, and are unable to trade their surpluses in order to keep themselves from hunger. Other nations have struggled to meet terrific deficits in their national economy which were caused by shortage of labor, raw materials, or lack of industrial development, industries destroyed by war, or population weakened by disease and famine. There were other nations which would try to seize from these temporary conditions an unjust advantage and would try to coin money out of the tears of misery. It will be the duty of the Economic and Social Council, as I see it, to take the long view of these problems, to find how the surpluses of one country can make up for the deficits of another, and to plan for the long pull, for the greatest good of the greatest number.

Mr. President, if the United Nations cooperate effectively to these ends they will accomplish much toward the ending of conflicts leading to war. If they fail, the world will be threatened with dangerous economic controversies, and perhaps another world conflict which may be disastrous to civilization.

Mr. President, the last World War was brought to a crushing victory. The Allied Nations stood solidly together throughout the years of that historic struggle. Unfortunately, they failed to follow their victory in war with a victory in peace. America suffered through that failure beyond my power to describe. We must not fail again in this crucial moment of our history to meet the hopes and prayers of our people and of all mankind.

Mr. TAFT obtained the floor.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

CONSIDERATION OF NOMINATIONS ON THE EXECUTIVE CALENDAR

Mr. CONNALLY. I ask unanimous consent that the nominations on the calendar be considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the nominations on the calendar.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. CONNALLY. I ask unanimous consent that the nominations of postmasters under both categories set forth in the calendar be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations are confirmed en bloc.

THE JUDICIARY

The legislative clerk read the nomination of Harold William Judson to be Assistant Solicitor General of the United States.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Theron Lamar Caudle to be an Assistant Attorney General.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Alphonse Roy to be United States marshal for the district of New Hampshire.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FOREIGN SERVICE

The legislative clery read the nomination of George Gregg Fuller to be consul general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Edwin F. Stanton to be consul general.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF INTERNAL REVENUE

The legislative clerk read the nomination of Farrell D. Coyle to be collector of internal revenue for the district of Rhode Island.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

That completes the nominations on the calendar.

Without objection, the President will be immediately notified of all nominations confirmed today.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Vice Admiral David W. Bagley, United States Navy, to be a vice admiral in the Navy, for temporary service, to continue until his detachment from duty as a member of the Joint United States-Mexican Defense Committee, to rank from the 1st day of February 1944;

Capt. Adolf V. S. Pickhardt, United States Navy, to be a commodore in the Navy for temporary service, to continue while serving as chief of staff to commander, United States Naval Forces, Northwest African Waters, and until reporting for other permanent duty;

Capt. Roger E. Nelson, United States Navy, to be a commodore in the Navy for temporary service, to continue while serving as commandant, United States Naval Operating Base, Guam, and until reporting for other permanent duty; and

Pay Director James W. Boundy to be a pay director in the Navy, with the rank of commodore, for temporary service, to continue while serving as a fleet or force supply officer, United States Pacific Fleet, and until reporting for other permanent duty.

By Mr. GEORGE, from the Committee on Finance:

James E. Manahan, of St. Albans, Vt., to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt., to fill an existing vacancy.

By Mr. McCARRAN, from the Committee on the Judiciary:

Enrique Campos del Toro, of Puerto Rico, to be attorney general of Puerto Rico, vice George A. Malcolm.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

THE CHARTER OF THE UNITED NATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. TAFT. Mr. President, it will take me about 35 minutes to conclude my remarks. Does the Senator from Texas want me to proceed now?

Mr. CONNALLY. No; I am about to move a recess, if the Senator will yield.

Mr. MORSE. Mr. President, will the Senator from Ohio yield to me for just a moment?

Mr. TAFT. I yield to the Senator from Oregon.

Mr. MORSE. I merely wish to say, because several Senators from the other side of the aisle have come over and spoken to me, that it is not my intention to block a vote on the Charter tomorrow. I do not know why anyone would even form such an impression from anything I have said in this debate and I do not know who started such a rumor. Whoever did is guilty of doing me an injustice.

What I have made clear today, and wish to emphasize now so that no one can have any question about it, is that I will not join in unanimous consent for any limitation on debate, or unanimous consent to fix an hour to vote, because such an order would in effect amount to a limitation on debate. I am willing that the Senate meet as early tomorrow as anyone desires, and to remain as late tomorrow as anyone wants to stay here, but I think it very important for any

Senator who has anything he wishes to say in this great historic debate to have full opportunity to say it. So far as my own speech on the Charter is concerned, I do not think it will take more than 30 minutes, unless there are many interruptions.

I want my position in this matter definitely understood, because I think anyone who is trying to give the impression that I am seeking to block a vote on the Charter is most unfair in giving that impression.

Let me repeat, I shall object to unanimous consent to limit debate or to fix an hour for a vote. I think if we all come to the Senate and work hard tomorrow, we certainly should be able to get a vote before we adjourn tomorrow night.

Mr. TAFT. I shall ask to be recognized the first thing in the morning to proceed with my remarks.

Mr. BARKLEY. I am sure there will be no trouble about that.

The PRESIDENT pro tempore. Under the practice, the Senator will be recognized in the morning if a recess is taken instead of an adjournment.

Mr. BARKLEY. Mr. President, I thank the Senator from Oregon for his assurance that he will not attempt to prevent a vote tomorrow. I never for a moment had any suspicion about that. I suggested earlier in the day that I hoped we might enter into an agreement to vote at a certain hour tomorrow. When the Senator from Oregon announced he would not agree to that, I did not pursue it. I made no such request, and I have no intention of making it now. I never suggested a limitation of debate.

I do hope, Mr. President, that we may vote tomorrow. I think it is the wellnigh unanimous desire of the Senate that we vote tomorrow. I think the country would approve unanimously our winding up the debate and voting tomorrow, at the end of the week, during which we have pursued this subject on a high plane. The debate has been one worthy of the Senate, and I hope we may vote tomorrow, even if we have to remain into the night. In order to enable us to vote tomorrow before we recess, I hope Senators will come prepared to remain until we have disposed of the treaty.

Mr. CONNALLY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. CONNALLY. Let me supplement what the Senator from Kentucky has said with an admonition that Senators who expect to speak be here tomorrow. We would continue the session today probably for another hour, but Senators who are listed to speak are not here. So that I hope they will be present tomorrow in order that we will not have to have roll calls in order to get quorums.

Mr. BARKLEY. I approve what the Senator has said. I may be responsible for the fact that Senators who intended to speak have gone, because earlier in the day I announced that I would attempt to hold the Senate in session until 7 o'clock. I did not say we would not go beyond that, but I am sure Senators got the impression we would not. I think that explains why Senators who intend to speak have gone to their homes.

I think there is no reason why we cannot, without limiting debate tomorrow, without cramping or crowding any Senator who desires to discuss the pending matter, conclude the debate and vote tomorrow before we recess, and I sincerely hope we may do that.

CURRENCY AND BONDS SIGNED BY SECRETARY MORGENTHAU

Mr. WHERRY. Mr. President, will the Senator from Ohio yield?

Mr. TAFT. I yield.

Mr. WHERRY. Mr. President, entirely aside from the subject matter of the Charter, I should like to read into the RECORD at this point an Associated Press dispatch, as follows:

MORGENTHAU SIGNED MORE THAN TRILLION IN CURRENCY, BONDS

The signature of Henry Morgenthau, Jr., appeared on more than a trillion dollars' worth of paper money and bonds during the 12 years he was Secretary of the Treasury.

Treasury records show the signature has been on about 13,619,000,000 pieces of currency with face value of about $64,986,000,000 and about 1,291,000,000 United States securities with face value of about $1,163,000,000,000.

Total: 14,910,000,000 pieces of paper with face value of about $1,228,000,000,000.

Mr. President, a week ago when we discussed Bretton Woods, the present distinguished occupant of the chair, the President pro tempore of the Senate, gave us the figures of the Budget, and if I recall correctly, they ran to about $68,000,000,000 this year on account of the war and the expenses of Government.

The PRESIDENT pro tempore. $66,000,000,000 plus.

Mr. WHERRY. It appeared to some of us to be a staggering amount, which was very forcefully shown by the distinguished acting chairman of the Committee on Appropriations, and at that time someone mentioned the fact that we had gotten out of the billion class into the trillion class. I could not feel that we had gotten into that bracket, but when I saw this Associated Press article I thought it would be informative and of interest to Members of the Senate, that in the 12 years he was Secretary of the Treasury, Mr. Morgenthau had had his name inscribed on some 14,000,000,000 pieces of money and bonds, and that the total value is $1,228,000,000,000.

RECESS

Mr. BARKLEY. Mr. President, in order that we may gain an additional hour tomorrow, I now move that the Senate take a recess until 10 o'clock a. m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 15 minutes p. m.) the Senate took a recess until tomorrow, July 28, 1945, at 10 o'clock a. m.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 27 (legislative day of July 9), 1945:

FOREIGN SERVICE

TO BE CONSULS GENERAL OF THE UNITED STATES OF AMERICA

George Gregg Fuller
Edwin F. Stanton

THE JUDICIARY

ASSISTANT SOLICITOR GENERAL

Harold William Judson to be Assistant Solicitor General of the United States.

AN ASSISTANT ATTORNEY GENERAL

Theron Lamar Caudle to be an Assistant Attorney General.

UNITED STATES MARSHAL

Alphonse Roy to be United States marshal for the district of New Hampshire.

COLLECTOR OF INTERNAL REVENUE

Farrell D. Coyle to be collector of internal revenue for the district of Rhode Island.

POSTMASTERS

ARKANSAS

Buford B. Hammond, Beech Grove.
Ruth Shock, Enola.
Clara L. Broyles, Farmington.
Lewis L. Walker, Higginson.
Otto Bee Stamps, Kingston.
John A. Harris, Lafe.
Drucellia Garrett, Manning.
Myrtle M. Saylors, Oil Trough.
Sibyl M. Standefer, Pearcy.
Elsie Elisabeth Reynolds, Reyno.
Arthur Wright, Russell.
Lena M. Dancer, Springfield.
James F. Felts, Viola.

GEORGIA

I. V. Baldwin, Naylor.
J. Robert McGarrah, Plains.

ILLINOIS

Joseph C. Mueller, Bartelso.
Ellis Drury, Bone Gap.
Charles A. Rexroad, Bulpitt.
Fred P. Hull, Burnside.
Anna E. Shanholtzer, Coatsburg.
James T. Conour, Creston.
Clara Lawler, Fieldon.
Thelma Hedges, Gladstone.
Alfrieda D. Kingery, Jewett.
Zella E. Davis, Kings.
Blanche M. Bergfield, Longview.
Edith A. Defenbaugh, Magnolia.
Mildred F. Pritchard, Matherville.
Ross H. Keys, Milton.
Clarence A. Croegaert, Mineral.
Van B. Michael, Munice.
Inez V. Dunlap, Plainville.
Nelle S. Junk, Rio.
Roy J. Hofmeister, Rock City.
Frances Anne Prelic, Sawyerville.
Zella V. Blaser, Taylor Ridge.
Barbara D. Stahl, Wadsworth.
Ruble O. Alexander, Wedron.
Mary E. Stewart, Wellington.
Grettle F. Spencer, Whittington.

KANSAS

Carl W. Romer, Admire.
Irene Mills, Alexander.
Glen N. Karstadt, Assaria.
Albert J. Panter, Athol.
Anna M. Schulte, Baileyville.
Howard K. Lundy, Cambridge.
Flossie M. Hickle, Cullison.
Edward R. Markovitz, Franklin.
Aquina Stepanek, Garden Plain.
Ethel H. Swanson, Gueda Springs.
Charles E. Yeakley, Hoyt.
Ethel H. Carpenter, Mapleton.
Emma M. O'Dea, Moscow.
Francis D. Christ, Muscotah.
George D. Brooks, Oil Hill.
Neva S. Applegate, Ramona.
John Oliver Ash, Roxbury.
Blanche D. Warner, Viola.
William Meis, Weskan.
Clarence A. Johnson, West Mineral.
Lawson A. Smith, Wheaton.
Frances S. Smith, Zenith.

KENTUCKY

Roy Hays, Rochester.
Norman V. Dossett, Sacramento.

LOUISIANA

Irene T. Prejean, Belle Alliance.
Louise Boudreaux, Centerville.

Ella V. Delhaye, Charenton.
Harold G. Chauvin, Chauvin.
Edras Nunez, Jr., Creole.
Willie F. Scott, Kilbourne.
Louise G. Andrieu, Lacombe.
Howard T. Massie, Slagle.
Henry F. Winters, Transylvania.

MAINE

Gerald D. Morris, Kingman.

MARYLAND

Henry A. Sonberg, Abingdon.
John C. Harrison, Avalon.
Sterling B. Caple, Cedarhurst.
M. Patricia Efort, Cheltenham.
Ernest F. Colaw, Crellin.
Reta B. Abbott, Deal Island.
Roy W. Swank, Dickerson.
Gorman Robinson, Fishing Creek.
Lina W. Penn, Garrett Park.
M. Elizabeth Gorsuch, Glencoe.
Clarence E. Burton, Jarrettsville.
Wilbur Ross Horine, Jefferson.
Harry C. Betson, Monrovia.
Evelyn R. Wilhide, Myersville.
Mildred R. Bramble, Rhodesdale.
Myrtle L. Williams, St. Leonard.
Isabel Rowlenson, Sherwood.
Cora M. Lohr, Swanton.
Blanche V. Sinclair, Tilghman.

MISSISSIPPI

Maud J. Evans, Bond.
Mary P. Gorman, Bovina.
Cora Lee Lyon, Cedarbluff.
Charlie C. Roberts, Dixon.
Charles E. Feigler, Jr., Dublin.
William H. Swales, Edinburg.
Ione Wilkerson, Gautier.
Lettie E. Bourne, Grace.
Lela R. Bracken, Harrisville.
Mollie L. Phillips, Little Rock.
Louis R. Lott, Lyman.
Benjamin H. Chatham, Montrose.
Mamie McAlister, Paden.
Algie A. Edwards, Polkville.
George W. Miles, Pulaski.
Thomas F. Durrett, Jr., Quincy.
Haden D. Gaunt, Redwood.
Rodney E. Chatham, Rose Hill.
Clifton C. Clark, Ruth.
Ruby Hinton, Sandersville.
Ernest A. Douglas, Sontag.
Lauren N. Tilson, Sylvarena.
Lamar Coker, Toomsuba.
Lester R. Meeks, Tiplersville.
Mary R. Rice, Tougaloo.
Preston B. Robinson, Waterford.

MONTANA

Julia L. Rose, Brady.
Carl Anderson, Fallon.
Edward F. Turck, Moore.

NEW YORK

E. Freeman DeZutter, Alton.
Irving S. Whipple, Basom.
Ethel F. Conte, Bridgewater.
Anna M. Jackson, Burnt Hills.
Anna M. Hackal, Calverton.
George W. Miller, Colden.
Louis C. Heim, Collins Center.
Charles A. Fisher, Davenport.
Ralph M. Fierle, Lake View.
F. Marion Moseley, Manorville.
Daniel J. O'Rourke, Massapequa Park.
Clayburn J. Culver, Panama.
Mary A. Cunningham, Pattersonville.
Margaret N. Lynch, Pomona.
Lester C. Trowbridge, Rhinecliff.
M. Michelina Ostermayr, St. Josephs.
Rosalie E. Molin, Smithtown.
Josephine R. Reilly, South Salem.
Dorothy E. Tash, Stafford.
Freda F. Way, Stormville.
Norbert F. Marzolf, Strykersville.
Ward W. Mount, Three Mile Bay.
William Holdorf, Tribes Hill.
Anna F. Barrett, Victory Mills.
Carl G. Kemp, Wading River.

NORTH CAROLINA

Annie B. Thompson, Alexis.
Stella Emerson, Bear Creek.
Mattie F. Greer, Boomer.
Rena J. Weisiger, Bridgeton.
Cleo V. Hood, Bunnlevel.
Annie M. York, Central Falls.
Maud H. Pittman, Clarendon.
Ralph T. Beck, Germanton.
Annabelle Bailey, Greenmountain.
Doris L. Whitfield, Hurdle Mills.
May E. Franklin, Icard.
Hiram M. Orr, Indian Trail.
William W. Watson, Lake Landing.
Alice B. Price, Lake Lure.
Lillie M. Wilson, Lattimore.
Pauline E. Doss, Lawsonville.
Mattie L. Pulliam, Leasburg.
Ruth B. Hughes, Micaville.
Leamon Carbert Ward, Nakina.
Esther A. Davenport, Pantego.
Madge M. Lutz, Polkville.
Mattie O. Frye, Reynolda.
John A. Dodson, Sandy Ridge.
Caroline E. McAden, Semora.
Vardry B. Mast, Sugar Grove.
Eleanor M. Moretz, Todd.
Willie G. Hollowell, Winfall.

OHIO

Clifford A. Belknap, Sherrodsville.
Forrest Shaffer, Trotwood.

OREGON

Veston H. Casey, Beatty.
Daniel E. O'Connor, Paisley.

PENNSYLVANIA

Georgia T. Jordan, Driftwood.
Nellie E. Breslin, Drifton.
Paul G. Shultz, Dublin.
S. Robert Wilson, Millsboro.
Ernest G. Aucker, Selinsgrove.
James R. Dolan, South Fork.
Frances E. Ainey, South Montrose.
Helen C. Keitzer, Venetia.
Warren H. Jones, Youngsville.

SOUTH CAROLINA

Lillian N. Werts, Chappels.
Irene K. Youngblood, Elko.
Mary K. Utsey, Harleyville.
Lucile C. Claytor, Hopkins.
Eddie R. Bishop, Lodge.
Sarah R. Trotter, Lykesland.
Alexander H. Stevens, Monetta.
Johnnie M. Baker, Oswego.
Ollie B. Nichols, Silverstreet.
Hallie C. Jaudon, Tillman.
Margaret Lyon, Troy.
Rosalie H. Ray, West Union.
Blanche Sloman, Whitehall.

VERMONT

Harold D. Somers, East Ryegate.
Calla F. Mace, Ferrisburg.
Nettie Healey Pike, Irasburg.
Harlan P. Boynton, Jamaica.
Laurence K. Tibbetts, Newfane.
Blanche A. Thompson, North Pownal.
George I. Varney, South Strafford.

VIRGINIA

Aubrey G. Graham, Norfolk.

WASHINGTON

Claude E. Googe, Algona.
Antoinette T. Harris, Clayton.
Erwin O. Knobel, Latah.
Dorothy B. Hreha, Wilkeson.

SENATE

SATURDAY, JULY 28, 1945

(Legislative day of Monday, July 9, 1945)

The Senate met in executive session at 10 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, Father of all mercies, Judge of all men, with a strange sense of awe in our hearts, we bow this day at our altar of prayer with the solemn realization that once to every man and nation comes the moment to decide where shall be thrown the stubborn ounces of our strength in the eternal conflict between wild beasts and angels. O God, before whom the long travail of the changing centuries is wrought, and who hast ushered us into this strange world where no good thing comes save as we fulfill the conditions of its coming, gird us with Thy enabling might that, forgetting the things that are behind and laying aside every weight of doubt and despair, we may give the best that is in us to the high enterprise of laying the foundations of a noble peace and of a more decent world as the dwelling place of all Thy children. Under the old order of strife we have learned how to destroy ourselves. Under a new charter of mutual aid and tolerance of diversity may we learn at last how to save ourselves. Before Thee and for the generations to come, for the widening of every area of good will our influence can reach, we pledge our lives, our fortunes, and our sacred honor as we set our faces toward the golden goal of a peaceful world for which brave men have agonized and died. We can do no other. So help us God. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, July 27, 1945, was dispensed with, and the Journal was approved.

LEGISLATIVE BUSINESS

By unanimous consent, as in legislative session, the following business was transacted:

UNITED NATIONS CHARTER—PROPOSED APPROVAL OF SPECIAL AGREEMENTS WITH SECURITY COUNCIL—STATEMENT BY THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate a letter from the Acting Secretary of State, transmitting a statement by the President of the United States, which, with the accompanying message, was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, July 27, 1945.

The Honorable KENNETH MCKELLAR,
United States Senate.

MY DEAR SENATOR MCKELLAR: I have received through the Secretary of State the attached message to you from the President. In accordance with the President's instructions, I am sending a copy of this message to Senator CONNALLY.

Sincerely yours,

JOSEPH C. GREW,
Acting Secretary.

[Enclosure: Message from the President.]

MESSAGE FROM THE PRESIDENT FROM POTSDAM FOR SENATOR M'KELLAR, JULY 27, 1945

During the debate in the Senate upon the matter of the Senate's giving its advice and consent to the Charter of the United Nations, the question arose as to the method to be followed in obtaining approval of the spe-

cial agreements with the Security Council referred to in article 43 of the charter. It was stated by many Senators that this might be done in the United States either by treaty or by the approval of a majority of both Houses of the Congress. It was also stated that the initiative in this matter rested with the President, and that it was most important to know before action was taken on the charter which course was to be pursued.

When any such agreement or agreements are negotiated, it will be my purpose to ask the Congress by appropriate legislation to approve them.

SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES

The PRESIDENT pro tempore. The Chair appoints the Senator from Idaho [Mr. TAYLOR] as a member of the Special Committee to Study and Survey Problems of Small Business Enterprises, continued by Senate Resolution 28 (79th Cong.), to fill the vacancy caused by the death of Hon. James G. Scrugham, late a Senator from Nevada.

COMMITTEE SERVICE

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senator from Nevada [Mr. CARVILLE] be assigned to the following committees: Banking and Currency, Indian Affairs, Mines and Mining, and Post Offices and Post Roads.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky? The Chair hears none, and it is so ordered.

SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—PERMISSION TO FILE REPORT

Mr. MEAD. Mr. President, I ask unanimous consent that during the adjournment over the week end I may be permitted to file a report from the Special Committee to Investigate the National Defense Program.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

UNITED NATIONS CHARTER

Mr. CAPPER. Mr. President, I ask unanimous consent to present for appropriate reference and to have printed in the RECORD two letters I have received from Kansas that are typical of many others that have come to me in the last few days expressing wholehearted support for the United Nations Charter. These letters are from Rev. Richard S. Klein, pastor of the Southridge Presbyterian Church, of Kansas City, Kans., and Rev. John Thorns, pastor of the Presbyterian Church of Solomon, Kans.

There being no objection, the letters were received, ordered to lie on the table, and to be printed in the RECORD, as follows:

SOUTHRIDGE PRESBYTERIAN CHURCH,
Kansas City, Kans., July 23, 1945.

The Honorable ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

DEAR SENATOR: Let me register my hope that you will vote for ratification of the United Nations Charter. I recognize that it is not perfect, but neither was the United States Constitution when it was first signed. The important thing now is to set up the political framework for the promotion of world interests. Without that framework, the nations will go back to jungle methods of dealing with one another.

I hope that the vote is unanimous in favor of ratification.

Sincerely yours,

RICHARD S. KLEIN.

THE PRESBYTERIAN CHURCH,
Solomon, Kans., July 23, 1945.

The Honorable ARTHUR CAPPER,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR: At our church service yesterday morning, July 22, by motion of the church, we were instructed to write you expressing our hope that you will vote for the ratification of the United Nations Charter as formulated in San Francisco.

We think, however imperfect this Charter may be, it is a definite step toward permanent peace.

We wish you well in all your work for Kansas, the United States, and now the world.

Many happy returns of your recent birthday.

Signed on behalf of our membership.

JOHN THORNS,
Moderator.
W. C. BOCKER,
Clerk.

PROPOSED INVESTIGATION OF HOLIDAY FOR MANUFACTURE OF INTOXICATING LIQUORS

Mr. CAPPER. Mr. President, I also ask unanimous consent to present for appropriate reference and to have printed in the RECORD a letter I have received from Rev. R. L. Cortner, pastor of the First United Bethren Church, of Wichita, Kans., informing me of the action of the members of that church requesting an investigation of the recent intoxicating liquor holiday.

There being no objection, the letter was received, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

FIRST UNITED BRETHREN CHURCH,
Wichita, Kans., July 25, 1945.

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SIR: I would like to inform you of the feeling of our people which was expressed last Sunday morning by vote, there being approximately 350 present, protesting the July holiday which has been granted to distillers for the manufacture of whisky and its related beverages for future consumption, and also the feeling that we should support Congressman CLIFFORD R. HOPE'S resolution, House Resolution 278, for a complete congressional investigation of this liquor-making holiday.

Thanking you for whatever support you may care to give, I remain,

Sincerely yours,

R. L. CORTNER.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD, from the Committee on Naval Affairs:

S. 825. A bill to establish a Research Board for National Security to insure the continued preparedness of the Nation along farsighted technical lines by providing for the application of scientific research to national security; to provide a means of utilizing in times of peace as well as war the services of the outstanding scientists of the Nation in the planning and executing of military research; and for other purposes. To this end full recognition is given that an essential characteristic of progress toward the solution of problems in scientific and industrial fields is the provision of opportunity for parallel attack under independent direction and recognition that this procedure is not costly duplication; with amendments (Rept. No. 551).

By Mr. WHEELER, from the Committee on Interstate Commerce:

H. R. 694. A bill to amend section 321, title III, part II, Transportation Act of 1940, with respect to the movement of Government traffic; with an amendment (Rept. No. 552).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

S. 982. A bill to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes; with amendments (Rept. No. 553).

INVESTIGATION OF MEANS OF INTERSTATE AND FOREIGN COMMERCE—REPORT OF COMMITTEE ON INTERSTATE COMMERCE

Mr. McFARLAND. Mr. President, from the Committee on Interstate Commerce, I ask unanimous consent to report an original resolution, in lieu of the bill (S. 556) to establish a commission to study and report legislative recommendations on a coordinated transportation policy affecting aircraft, railroads, busses, and trucks, including their communications needs, and I submit a report (No. 554) thereon.

The PRESIDENT pro tempore. Without objection, the resolution and report will be received, and, under the rule, the resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 161) was referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Committee on Interstate Commerce, or any duly authorized subcommittee thereof, be, and hereby is, authorized and directed to make a full and complete study and investigation of all means of interstate and foreign transportation including transportation by means of aircraft, railroads, inland waterways, busses and trucks, and pipe lines with a view to determining (1) the interrelation of these agencies of transport; (2) the postwar character and adequacy of the services furnished in interstate and foreign commerce by these agencies of transport; (3) the developments and improvements that may be expected in foreign and interstate commerce; (4) such legislation to be recommended as will result in a consistent public policy fair to all competing agencies of transportation, to the using and investing public, and to labor; and generally to consider and to make recommendations to the Congress to the end that the Nation's commerce will be transported with the greatest possible degree of economy, safety, and dispatch.

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer oaths, to take such testimony, to procure such printing and binding, and to make such expenditures within the limits of Senate Resolution 9, Seventy-ninth Congress, agreed to January 6, 1945, as it deems advisable.

SEC. 3. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Federal Government.

SEC. 4. The committee shall, from time to time, in its discretion, make such report or reports to the Senate as it deems desirable.

DEVELOPMENT OF IRRIGATION AND HYDROELECTRIC POWER PROJECTS—REPORT OF COMMITTEE ON IRRIGATION AND RECLAMATION (REPT. NO. 555)

Mr. McFARLAND. Mr. President, from the Committee on Irrigation and Reclamation, I ask unanimous consent to submit a report relating to Arizona water resources, and request that it be printed in the RECORD as a part of my remarks. The report is pursuant to Senate Resolution 31, Seventy-ninth Congress, extending Senate Resolution 304, Seventy-eighth Congress.

There being no objection, the report was received, ordered to be printed, and to be printed in the RECORD, as follows:

This report is made under the authority and direction of Senate Resolution 304, Seventy-eighth Congress, which provided for "a full and complete study and investigation with respect to (1) the present and future need for development of projects for irrigation and hydroelectric power and the adequacy of the supply of hydroelectric power generated in Government plants; (2) whether such supply is properly allocated and distributed for war purposes and civilian uses; (3) whether the distribution of such supply is made under proper conditions and safeguards; (4) the relation between the generation of hydroelectric power at Government plants and irrigation; and (5) whether plans for future development of Government projects provide for full utilization of such facilities for both development of electric power and providing water for irrigation," and which directed the Senate Committee on Irrigation and Reclamation to report to the Senate "the results of its study and investigation, together with its recommendations, if any, for legislation."

The committee herewith reports as follows:

In June 1944 a subcommittee of the Committee on Irrigation and Reclamation was appointed, consisting of ERNEST W. MCFARLAND (Arizona), chairman; CARL A. HATCH (New Mexico); and CHAN GURNEY (South Dakota). This subcommittee has held extensive hearings bearing on the five major directives of the resolution. Because of the nature and complexity of the subject matters and the wide geographical areas over which the problems of the investigation lie, the subcommittee found it desirable and expedient to pursue its studies along Statewide lines.

Among the first of the studies made was that in Arizona, a State in which reclamation and irrigation is a major problem. In July and August of 1944 hearings were held in the cities of Phoenix, Florence, Safford, Yuma, and Kingman, Ariz., during which 83 persons appeared before the subcommittee and presented testimony relating to irrigation, reclamation, and hydroelectric problems in that State.

Part I of this report deals exclusively with the findings in Arizona and the subcommittee's conclusions and recommendations for that area.

SUMMARY OF EVIDENCE

Months of intensive study, extensive factual information and data obtained by the subcommittee, and 5 days of public hearings, covering some 250 pages of printed testimony, all may be summarized in a single, four-word phrase, "Arizona needs more water." The State requires additional supplies of water for three major purposes:

1. To "firm up" or supplement the present supply for irrigation projects now in operation.

2. To replenish and build up the groundwater table in certain areas in the State.

3. To develop large new areas of fertile lands.

Areas, described by their project names, which require additional water to "firm up" the present supply and to replenish groundwater tables (many of which are being lowered dangerously) are:

1. Salt River Valley Water Users Association: Area comprises 250,000 acres, 242,000 of which are in cultivation and the remainder in town sites; elevation, 1,300 feet; supplemental water required, 250,000 acre-feet.

This project has the best water supply of all projects in the area. Approximately 250,000 acre-feet of additional water can be put to beneficial use. A reduction of nearly 50,000 acre-feet in underground pumping is advisable.

2. Roosevelt water conservation district: Area, 40,000 acres; elevation, 1,300 feet, plus 52-foot district lift; supplemental water required, 75,000 acre-feet.

This district has a gravity water supply from the Salt River, an average of 50,000 acre-feet. From 75,000 to 100,000 acre-feet are pumped from underground. This underground pumping is in excess of the recharge. The district must have supplemental water or reduce the irrigated area. Approximately 25,000 acre-feet of additional water are required, and pumping should be reduced approximately 50,000 acre-feet.

3. Roosevelt irrigation district: Area, 40,000 acres; elevation, 1,015 feet; supplemental water required, 90,000 acre-feet.

This district pumps more than 150,000 acre-feet from underground. Pumping in this area should be reduced at least 70,000 acre-feet. The district can use approximately 20,000 acre-feet of new water.

4. Maricopa County municipal water conservation district: Area, 35,000 acres; elevation, 1,300 feet; supplemental water required, 70,000 acre-feet.

This district obtains water from the Agua Fria River and from underground. Underground pumping should be reduced 15,000 acre-feet. The project is in dire need of 55,000 acre-feet of new water.

5. Buckeye irrigation district: Area, 20,000 acres; elevation, 940 feet; supplemental water required, 30,000 acre-feet.

Buckeye receives return water from the Salt and Gila Rivers and does some pumping from underground. All water used on this project contains too much salt; 30,000 acre-feet of new water should be used to reduce the salt concentration. This would also reduce underground pumping 15,000 acre-feet.

6. Arlington district: Area, 4,800 acres; elevation, 940 feet; supplemental water required, none.

Arlington receives return water from the Salt and Gila Rivers. All water used on this project contains too much salt; 10,000 acre-feet of Colorado River water should be used to replace an equal amount of return flow. The return flow released would continue on down the Gila River and be used on the Gillespie Water Co. lands.

7. Gillespie Water Co.: Area, 14,000 acres irrigated; 20,000 acres have been irrigated; 85,000 acres, project total; elevation, 800 feet; supplemental water required for land that has been under irrigation, 50,000 acre-feet.

Gillespie now irrigates less than 15,000 acres; 6,000 acres formerly irrigated are now not in cultivation due to lack of water. Water is obtained from the Gila River, mostly return flow, and from underground pumping; 35,000 acre-feet of additional water are required on land that has been irrigated. Pumping from underground sources should be reduced 15,000 acre-feet; 65,000 acres of fertile undeveloped lands could be included in Colorado River new lands project.

8. Marinette and Bumstead lands: Area, 20,000 acres; elevation, 1,300 feet; supplemental water required, 40,000 acre-feet.

These lands are irrigated, by pumps, from underground. Pumping should be reduced approximately 20,000 acre-feet; 20,000 acre-feet of additional water can be used.

9. Southwest Cotton Co.: Area, 12,000 acres; elevation, 1,015 feet; supplemental water required, 25,000 acre-feet.

This company should reduce its pumping from underground 10,000 acre-feet and can use 15,000 acre-feet of additional water.

10. Queen Creek district: Area, 15,000 acres; elevation, 1,450 feet; supplemental water required, 30,000 acre-feet.

Lands in this area should reduce their pumping approximately 15,000 acre-feet and can put to beneficial use 15,000 acre-feet of new water.

11. San Carlos irrigation project.—

(a) Indian lands: Area, 50,000 acres; elevation, 1,300 feet; supplemental water required, 75,000 acre-feet.

Gila River Indians can use 75,000 acre-feet more water than they are getting from the Gila River. These lands are half of the San Carlos project.

(b) White lands: Area, 50,000 acres; elevation, 1,560 feet; supplemental water required, 75,000 acre-feet.

This area, near Florence, Coolidge, and Casa Grande, is 75,000 acre-feet per year short of water. All Gila River water available to Gila Indians could be held back for use on higher lands, being replaced by Colorado River water in event it is found not desirable to raise the water to an elevation of 1,560 feet.

12. Upper Gila lands: Area, 50,000 acres; elevation, replacement delivery, 1,300 feet; supplemental water required, 75,000 acre-feet.

These lands can use 75,000 acre-feet of additional water. This water could be held back from the San Carlos project—Gila River Indians—and replaced with Colorado water delivered at elevation 1,300 feet.

13. Electrical district No. 2: Area, 40,000 acres in cultivation; elevation, 1,575 feet; supplemental water required, 80,000 acre-feet.

All of district No. 2 water comes from underground pumping. The area is badly overpumped. Unless new water is brought in, much of this land must go out of cultivation within a few years. Pumping should be reduced at least 40,000 acre-feet, and 40,000 acre-feet additional water can be put to beneficial use.

14. Electrical district No. 4: Area, 40,000 acres; elevation, 1,675 feet; supplemental water required, 80,000 acre-feet.

All of district No. 4 is supplied from underground pumping. The area is badly overpumped. Unless new water is made available, much of the land must go out of cultivation within a few years. Pumping should be reduced at least 40,000 acre-feet, and 40,000 acre-feet of additional water should be used.

15. White electrical district: Area, 35,000 acres; elevation, 1,700 feet; supplemental water required, 50,000 acre-feet.

All water for this area is pumped from underground. The area is badly overpumped. Unless new water is made available, much of the land must go out of cultivation. Pumping should be reduced at least 20,000 acre-feet, and 30,000 acre-feet of additional water can be used.

16. Magma area lands: Area, 7,000 acres; elevation, 1,500 feet; supplemental water required, 15,000 acre-feet.

These lands are irrigated by pumps from underground. Pumping should be reduced approximately 5,000 acre-feet, and 10,000 acre-feet of additional water can be used.

17. Deer Valley lands: Area, 5,000 acres; elevation, 1,300 feet; supplemental water required, 15,000 acre-feet.

These lands are irrigated by pumps from underground. Pumping should be reduced approximately 10,000 acre-feet, and 5,000 acre-feet of additional water can be used.

18. City of Tucson: 20,000 acre-feet additional water for urban and suburban domestic use.

18a. Upper Santa Cruz agricultural area, Rillito-Pantano agricultural area, Flowing Wells agricultural area, Jaynes agricultural area, Cortaro agricultural area, Marana agricultural area, Avra-Brawley Wash agricultural area, Canada Del Oro agricultural area: 50,000 acre-feet additional water for irrigation.

This portion of Pima County, which includes Tucson and eight smaller agricultural pumping projects in that area, appears to be in urgent need of some 70,000 additional acre-feet of water. Present supply comes from pumpage which is presently exhausting the recharge supply. Tucson City officials suggest that both the city and the pumping areas must obtain additional water through a trade of Colorado River water for San Pedro River water with the San Carlos irrigation and drainage district.

19. Water users on the Little Colorado River in Apache County: 50,000 additional acre-feet.

This water would have to be obtained by trading Colorado River water to the Salt River Valley Water Users Association for Black River and White River water and taking the latter water over to the Little Colorado River watershed.

20. Other Arizona cities and towns: Additional water supply is expected to be required by other Arizona cities and towns with expansion of the agricultural industry in the State. Additional subsequent surveys should be made to determine these needs.

In all, some 700,000 acres of land now under cultivation by irrigation farming are in urgent need of additional water. The evidence submitted to the subcommittee showed, in general, that this need is pressing and immediate. Only one area now under cultivation by irrigation farming in Arizona was shown not to require an additional water supply. The additional water supply needed in these developed areas, computed conservatively on the basis of extensive testimony presented to the subcommittee, is 1,245,000 acre-feet. The need for this additional water in these already developed areas is manifested in various ways. In a number of areas, for instance, the evidence showed quite clearly that the existing water supply, while not very deficient as to quantity, has become salty to a point where continued use of such water over an extended period will have an adverse effect on the soil. In other areas, the groundwater table has been so reduced by pumping as to reach the point where irrigation may become uneconomic due to the high cost of pumping water. In certain areas, lands at one time in highly productive cultivation have had to be abandoned, so far as irrigation farming is concerned, by reason of the shortage of water.

Sizable areas, not heretofore cultivated under irrigation in Arizona, must be cultivated if the continued prosperity of the State and its natural growth as one of the great food-producing States of the Nation is to be assured. This can be accomplished by completing investigations, already far advanced, looking to the use for irrigation of water of the Colorado River in Arizona. These investigations were begun several years ago. They are now being prosecuted by the Bureau of Reclamation, an agency of the Department of the Interior, in cooperation with State of Arizona. They should be pushed vigorously and be completed as soon as practicable, and the recommendations and plans resulting therefrom should be made available to the Congress, so that the basic project itself—putting Colorado River water to the highest use in Arizona—can be adopted, approved, and authorized by the Congress for undertaking in the immediate postwar period.

It is essential that basic plans should be completed at once so that actual construction can get under way immediately upon cessation of the present war. The reasons for urgency are obvious and compelling. Succinctly put, they are:

(1) There is a great water shortage in Arizona, and Colorado River water is the only source of additional supply. As was emphasized time and again during the hearings, it is necessary to supplement the present supply at an early date, because already part of the land under cultivation is now idle and some is not fully farmed because of water shortage. A recurrence of the drought of 1940 would spell disaster for the State.

(2) Completion of these projects will mean additional homes for returning veterans. Many have already manifested a desire for farming. Thousands of newly irrigated permanent farm homes will be carved from the desert if the projects which were described by Harry Bashore, Commissioner of Reclamation, are completed.

(3) These projects will furnish employment for an average of more than 12,000 to 20,000 men, depending on the projects constructed over a period of 5 years. This development in Arizona will not only benefit irrigated farms but will stabilize business and mean expansion for Arizona cities and towns. Moreover, their completion will insure prosperity not only for Arizona but also will make a substantial contribution to the development of the West and to a more secure future for the Nation.

NEW LANDS

In addition to the lands already in cultivation, there are approximately 5,000,000 acres of fertile land which could be irrigated if water was available. It is evident that there will not be sufficient water to irrigate all of this additional land. Selection will have to be made of the lands to be irrigated with the Colorado River water belonging to Arizona.

The Reclamation Service has stated that this selection would be made jointly with the State officials. It is the opinion of the committee that this is the proper method to determine this problem. It will be a most difficult one and will require consideration of all engineering data as well as consideration of the quality of the various soils. A great responsibility will rest on the State officials as well as the reclamation officials.

WATER SUPPLY

Arizona's principal water supply comes from three sources:

1. Gila River and its tributaries and small tributaries of the Colorado River.

2. Underground water, which is already overpumped.

3. Colorado River, through a contract with the Federal Government for 2,800,000 acre-feet of water and one-half of the surplus, less one twenty-fifth, for which the State of Nevada has a contract.

POWER DEVELOPMENT

The committee is impressed with the potentialities of hydroelectric power developments resulting from the irrigation projects discussed during the hearings. Irrigation projects and power developments go hand in hand. Thus the construction of irrigation projects not only brings large areas of fertile lands into production and makes more secure the farming of lands already under cultivation but makes available large amounts of cheap power which aid in the industrial economy of the State, and even of adjoining States.

Discussing hydroelectric power development plans in Arizona during the hearings before the subcommittee, Mr. H. F. McPhail, Director of the Branch of Power Utilization of the Bureau of Reclamation, said:

"Prior to placing the Parker Dam power system into operation, the transmission systems in Arizona consisted chiefly of isolated systems covering relatively small areas, with only occasionally interconnections. The systems and interconnections were limited to 69,000 volts and below, and the interconnections were of light construction, limiting the interchange of power. These systems were reasonably adequate for conditions existing before the war, but were approaching the limit of their capacity even at that time. With the construction of the Parker power plant and the present Parker transmission system to Phoenix, Coolidge, Tucson, and Yuma markets, a strong, modern, high-voltage interconnecting system was initiated. This constitutes the beginning of a real backbone or primary grid system, looking forward to a coordinated operation tying the immense power resources of the Colorado River to all of the present and prospective markets of the State. Such a system, conceived on a broad scale and carefully planned, will bring adequate and low-cost electrical energy within the reach of all and will serve as a powerful stimulus to the economic development of the State in all ways. * * *

"The next step proposed is the construction of Davis Dam and power plant. This project was started, but was stopped by the war. This plant will have a capacity of 225,000 kilowatts. It will be immediately linked with Boulder power plant and Parker power plant by 230-kilovolt lines. * * *

"The development of the Colorado River power system after the war will be dependent upon plans involving the various multipurpose projects now being discussed and studied. * * *

"If the diversion plan from Marble Gorge to the Verde River is constructed, the proposed power plants on the Verde River would be connected by transmission lines into the primary system at Phoenix. If one of the other diversion plans is adopted, plants on the Verde River would only be justified on a much smaller scale. * * *

"In view of the fact that possible production of energy will greatly exceed the ultimate estimated load of the State, development of market for electric energy outside of the State, as well as inside, should be encouraged and matured. In this way the best interests of the State will be served without in any way endangering or limiting the value to Arizona of its potential power possibilities."

Arizona is a State rich in potential hydroelectric power development. Consideration was given by the committee to the opportunities for such development in Arizona. Particular attention was given to the possibilities for producing and transmitting energy to the market at a cost which encourages the fullest utilization of electric power and energy and to the scheduling of irrigation developments which, with power, form the multiple-purpose projects considered.

CONCLUSIONS

The plans are not as of this date sufficiently completed to permit any final conclusion by the committee as to the best method for bringing Colorado River water into central Arizona. However, the three plans outlined by the Reclamation Service give ample alternative choices, assuming, of course, that the completed engineering data will substantiate the opinions given. Mr. E. B. Debler, who was at the time of the hearings Director of Project Planning for the Bureau of Reclamation, outlined these plans as follows:

"Diversion plans: Preliminary studies have narrowed the plans to three as follows: (1) Marble Gorge plan, comprising (a) a high dam in Marble Gorge 36½ miles below Lees Ferry; (b) a tunnel 139 miles in length, capacity 3,000 second-feet, from the Marble Gorge Dam to Verde River near Camp Verde; (c) a series of dams along Verde River for stream regulation and power development, down to Granite Reef Dam.

"(2) Bridge Canyon plan, comprising (a) a high dam at Bridge Canyon; (b) a tunnel 72 miles in length, capacity 3,000 second-feet, from Bridge Canyon Dam to Sacramento, Wash.; (c) a canal of 3,000 second-feet capacity, 82 miles long to Cunningham Reservoir; (d) Cunningham Reservoir with

a capacity of 400,000 acre-feet for regulating purposes; (e) a canal of 4,000 second-feet capacity, 180 miles long, from Cunningham Reservoir to Granite Reef Dam.

"(3) Parker pump plan, comprising (a) a pumping plant of 3,000 second-feet capacity, lifting water 1,040 feet out of Lake Havasu; (b) a canal of 3,000 second-feet capacity, 32 miles long, to Cunningham Reservoir; Cunningham Reservoir and the canal to Granite Reef Dam as in the Bridge Canyon plan.

"With each plan distribution systems would be needed to serve the new lands selected for development.

"With the Bridge Canyon and Parker pumping plans, the use of more water above the level of the Granite Reef Dam makes it desirable to exchange Colorado River for Salt and Gila River waters, to reduce avoidable pumping costs. Such an exchange can also be operated to release Gila River waters for increased uses in New Mexico and Arizona above the Coolidge Dam.

"Project costs: Aside from the Colorado River dams that would be built in any event for power production, the additional investment for the various plans would be: Marble Gorge plan, $487,000,000; Bridge Canyon plan, $325,000,000; Parker pumping plan, $134,000,000.

"The indicated sums include Verde River dams and power plants for all plans; and for the Parker pumping plan, the transmission lines from Bridge Canyon to Parker for the operation of the pumps."[1]

Testimony before the subcommittee by Mr. Debler with respect to the over-all construction costs of the three plans indicated that the Parker pumping plan would be the least costly, approximating same $700,000,000, with the Bridge Canyon plan scheduled at $881,000,000 and the Marble Gorge plan at $978,000,000. However, Mr. Debler pointed out that a financial comparison of the plans by over-all construction costs alone would be misleading. The witness called attention to the fact that varying power outputs, varying operation costs, and intricate allocations of costs between interest-bearing and non-interest-bearing costs materially altered the final over-all cost of each of the projects. In a table presented during the hearings,[2] in which construction costs, annual costs, annual returns, and ratio income to cost on a percentage basis were tabulated, it would appear that the Marble Gorge plan may be the cheapest and most desirable plan on a long-time basis.

Of equal importance in making a final decision as to which plan will be finally adopted is the problem of loss of water. Mr. Debler discussed this situation during the hearings and made a comparison of evaporation losses by each of the three plans, identifying the Marble Gorge plan as route A, the Bridge Canyon plan as route B, and the Parker pumping plan as route C. The table of water losses and pertinent comments on this subject presented at the hearings follows:

"Evaporation losses in reservoirs on the river have been taken at 5 feet per year. The same evaporation losses have been taken from the water surface of canals, which is used here as 150 feet wide at water line. All canals have been taken as concrete line, and experiments by the Salt River Valley Water Users' Association show this loss to be 0.035 feet in depth over the wetted area. The wetted area of canals has been taken as 160 feet.

"The results of the comparisons are summarized in the following table:

Route	Colorado River Reservoir evaporation (acre-feet)				Evaporation and transportation loss in open canals (acre-feet)	Total loss (acre-feet)
	Bridge Canyon (12,000 acres)	Lake Meade (147,000 acres)	Davis (28,000 acres)	Lake Havasu (25,000 acres)		
A						
B	16,000				68,000	84,000
C	16,000	196,000	37,000	33,000	72,100	354,000

"Using a value per acre-foot of $3, route B shows a yearly loss of income of $252,000; route C shows a yearly loss of income of $1,062,000.

"The water lost under route C would irrigate about 80,000 acres of land. Using the average crop value of $76 per acre, the loss in crop income per year under route C would be $6,000,000. Also, under route C, tax-levying organizations would lose the tax on 80,000 acres. In route C there will be about 33,000 acre-feet of water in a full canal extending from Cunningham Wash Reservoir to Granite Reef (about 181 miles). On an average, not less than twice a year, summer rains in the Salt River Valley shut off water demand, so an average of 66,000 acre-feet per year might have to be delivered as 'free water' or wasted, with an attendant loss of income (at $3 per acre-foot) of $198,000 annually.

"Therefore, losses at $3 per acre-foot by route C might total $7,392,000, or at $1.50 per acre-foot, $3,696,000 (not including tax losses), as compared with route A.

"It appears that if route A is used, there will be water for an additional 80,000 acres in new projects over route C. Also, route C will thus prove of little or no benefit to increase the surface supply for considerable land lying above the proposed canal and now in cultivation and badly in need of additional water.

"An operational phase to be considered under route C is that at 3 feet per second, it will take about 3½ days for water to travel from Cunningham Wash Reservoir to Granite Reef, with a full canal. If the canal were empty it would probably be nearly a week before first releases from Cunningham Wash Reservoir would reach Granite Reef. This would seem to demand very adequate storage at Granite Reef, and the proposed grade elevations of route C do not reach Granite Reef much above river-bed elevation."[3]

Two facts appear to stand out from this testimony comparing costs and water evaporation between the three plans: (1) The Parker pumping plan will require perpetual pumping and elevation of 1,040 feet; (2) the Parker pumping plan will show the greatest amount of evaporation loss. It appears to the committee, therefore, that the Parker pumping plan should be eliminated entirely from further consideration unless subsequent final engineering data should prove the Marble Gorge or Bridge Canyon plans to be unfeasible.

Taking into consideration that the Marble Gorge route is reasonably free from earthquakes, which modifies the danger of loss of tunnels, its lower annual cost over a period of half a century or more, and relatively lower loss of water, the committee is impressed with the fact that on the basis of factual evidence so far adduced this route appears to offer the greatest permanent advantages to the State. The committee believes, if the final engineering data proves the Marble Gorge route to be feasible, that the most careful investigation and serious consideration should be given to this plan.

Based on the testimony offered to the subcommittee and such data as has been made available, the Bridge Canyon plan appears to the committee as second in desirability and should be given important consideration only if the Marble Gorge route is not found to be feasible and engineering data substantiates the Bridge Canyon plan.

RECOMMENDATIONS

The committee recommends the following actions be taken:

1. That all possible speed be exercised in the completion of engineering data and plans leading to a final decision on the method of bringing Colorado River water into central Arizona, such data and plans taking into consideration such factors as irrigation costs per acre-foot, amounts of new lands which may be irrigated (giving consideration to soil quality and other pertinent factors), long-time costs of plan selected, amount of water loss, and hydroelectric power produced.

2. That surveys be completed as rapidly as possible to determine the feasibility and costs of irrigating and placing into cultivation new lands in Arizona. (The completion of such surveys is essential in order that the State and Federal authorities may have the necessary data to make the proper selection of lands for irrigation with Colorado River water available to Arizona under the contract with the Secretary of the Interior.)

3. That the Federal Government undertake to develop Arizona sources for such additional water as are found feasible; and for the various irrigation projects to contract directly with the Federal Government for such water on an acre-foot basis. (This recommendation is deemed advisable because of the divergent needs and interests.)

4. That the survey be completed as rapidly as possible of all of the remaining smaller Arizona irrigation projects.

5. That the enactment of legislation be secured to provide for preferential rights to veterans of World War II for (a) purchase by means of Federal Government low-cost loans of lands suitable for farming; (b) right of entry to Government lands on the same basis extended to World War I veterans; and (c) Federal Government aid in the development of such lands granted to or purchased by such veterans.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FULBRIGHT (for himself and Mr. THOMAS of Utah):

S. 1325. A bill to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended; to the Committee on Education and Labor.

Mr. STEWART:

S. 1326. A bill to transfer to the Secretary of Agriculture control over and responsibility for price control and rationing for food and feed; to the Committee on Banking and Currency.

By Mr. RADCLIFFE:

S. 1327. A bill for the relief of Petrol Corp.; to the Committee on Claims.

S. 1328. A bill to amend the act of October 14, 1940, as amended, entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes; to the Committee on Education and Labor.

By Mr. WHEELER:

S. 1329. A bill for the relief of the trustees of school district No. 2, Dodson, Mont.; to the Committee on Indian Affairs.

By Mr. WALSH:

S. 1330. A bill to amend section 14 of the Veterans' Preference Act of 1944; to the Committee on Civil Service.

[1] P. 14, hearings, S. Res. 304, Arizona Water Resources.

[2] Ibid., p. 15.

[3] Ibid., pp. 23, 24.

Mr. LANGER. Mr. President, I ask unanimous consent to introduce a bill to provide for approval of the United States-Canadian Agreement dated March 19, 1941, for the improvement of the Great Lakes-St. Lawrence Basin, and ask that it not be referred but that it lie on the table.

Also, a bill to provide maternity leave for Government employees, for reference to the Committee on Civil Service.

Also, a bill to provide for binding of Government officials, to establish a Federal fidelity trust fund, and for other purposes, for reference to the Committee on Education and Labor.

Also, a bill to provide for the establishment of a Bank of the United States, and for other purposes, for reference to the Committee on Banking and Currency.

The PRESIDENT pro tempore. Without objection, the bills introduced by the Senator from North Dakota will be received and referred as requested.

By Mr. LANGER:

S. 1331. A bill to provide for approval of the United States-Canadian Agreement dated March 19, 1941, for the improvement of the Great Lakes-St. Lawrence Basin, and for other purposes; ordered to lie on the table.

S. 1332. A bill to provide maternity leave for Government employees (with accompanying papers); to the Committee on Civil Service.

S. 1333. A bill to provide for binding of Government officials, to establish a Federal fidelity trust fund, and for other purposes; to the Committee on Education and Labor.

S. 1334. A bill to provide for the establishment of a Bank of the United States, and for other purposes; to the Committee on Banking and Currency.

HOUSING FOR VETERANS ATTENDING EDUCATIONAL INSTITUTIONS—AMENDMENTS

Mr. MORSE submitted amendments intended to be proposed by him to the bill (S. 977) to aid in providing housing for veterans attending educational institutions, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

PROPOSED FULL EMPLOYMENT LAW—AMENDMENTS

Mr. MORSE. Mr. President, I wish, in behalf of the Senator from New Hampshire [Mr. TOBEY], the Senator from Vermont [Mr. AIKEN], and myself to read a joint statement in regard to the so-called Murray full-employment bill as a preface to offering certain amendments to the bill.

Several of the Democratic sponsors of the so-called Murray full-employment bill, S. 380, as well as many groups and organizations interested in the principles and objectives of the bill, have urged bipartisan sponsoring and support of the bill. We, as Republican Senators, agree that the problem of unemployment and the objective of full employment truly is a nonpartisan problem. In fact, it is a national problem, which should be approached and solved without reference to partisanship. Hence, we are pleased to join in bipartisan sponsoring of the Murray full-employment bill, subject to the understanding that we think that the bill should be amended in several respects. In making this announcement of our joining in the sponsorship of the bill we also make certain suggestions as to amendments.

One of our criticisms of the bill in its present form is that it is in essence little more than the expressing of a very high and laudable social and economic ideal for America. We are very pleased to join those who seek to accomplish that ideal, and we desire to help them implement it so that it may become a reality. We are in complete sympathy with the stated purpose of the bill, namely, to establish a national policy and program for assuring continuing full employment in a free competitive economy through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government. We feel that in implementing the bill procedural and substantive amendments should be attached to it which will give maximum encouragement to private enterprise operating in a free competitive economy to accomplish all that it is capable of accomplishing toward attaining full employment in the United States.

We agree with the general proposition that if it should come to pass that during the postwar adjustment period private industry is not able to maintain full employment, then the Government must step in and give support to such wealth-creating and job-producing projects as may be necessary to maintain a decent standard of living for employables who are ready and willing to work. In carrying out such an employment program we think that the Murray full-employment bill should be so modified and redrafted in committee as to assure private industry that it will be the policy of the Government to give it such aid as it may need in keeping with a full protection of the public's interests to the end that private enterprise under a free competitive economy will be able to supply the maximum possible number of good-paying jobs.

As we have sought to point out in one of our amendments, we think that it is of great importance that the Federal Government work in close cooperation with industry, agriculture, labor, and State and local governments in any governmentally sponsored full-employment program and that the basic democratic principle of home-rule administration be recognized at all times.

The amendments which we submit at this time are only suggestive, and we do not submit them with the idea that they are necessarily in final form. We think they are worthy of committee consideration subject to such modifications as the committee may wish to make. We are satisfied that there undoubtedly are several other amendments which should be made to the bill, and after the summer recess we shall probably submit additional amendments. At this time we wish to say that we are pleased to join in bipartisan support of the objectives of the Murray full-employment bill, and we shall be glad to work with the sponsors of that bill in an endeavor to perfect it so that its essential objective of full employment will become a reality in the period of postwar adjustment and thereafter.

As I have said, Mr. President, I submit this joint statement in behalf of the Senator from New Hampshire [Mr. TOBEY], the Senator from Vermont [Mr. AIKEN], and myself.

Mr. LANGER. Mr. President, I should like to have the permission of the distinguished Senator to be allowed to join him, the Senator from New Hampshire, and the Senator from Vermont.

Mr. MORSE. I am sure we are more than happy to welcome the Senator from North Dakota as a sponsor of the statement and of the amendments which I now ask unanimous consent to submit and ask to have referred to the appropriate committee.

There being no objection, the amendments submitted by Mr. MORSE (for himself, Mr. TOBEY, Mr. AIKEN, and Mr. LANGER) to the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government, were received, referred to the Committee on Banking and Currency, and ordered to be printed.

THE OREGON LAMB PROBLEM

Mr. MORSE. Mr. President, without comment upon them, I ask consent to have printed in the body of the RECORD certain editorials, telegrams, letters, and newspaper articles dealing with the abuses of OPA, which speak much more eloquently on the subject to which they relate than I could. The material supports my persistent plea for the passage of my resolution calling for a Senate investigation of OPA.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

BAKER, OREG., *July 19, 1945.*

HON. WAYNE MORSE,
Care Senate Office, Washington, D. C.:

Thanks for your telegrams and splendid work on lamb situation by you and CORDON. Have been away hence delay answering.

F. A. PHILLIPS.

WYOMING WOOL GROWERS ASSOCIATION,
McKinley, Wyo., July 23, 1945.

HON. WAYNE MORSE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MORSE: I was delighted to note in the press a day or two ago that you had finally won your point with the OPA and that they were to make lamb ration free in parts of Oregon for a limited time. Of course, this decision should have been made long ago without the necessity of your having to work so hard on it. It does prove, however, that persistence properly used will win, and you are to be congratulated on keeping after this as you did.

I have read with much interest and approval all of the speeches you have made in the Senate on this subject, including the speech you made on July 18.

Again thanking you for your continued efforts in behalf of the wool-growers industry, and I can assure you they are much appreciated, and with all good wishes, I am,

Sincerely yours,

J. B. WILSON.

TELLING THE EDITOR
COMPLAINT ON OPA

To the EDITOR:

KLAMATH FALLS, OREG.—On Monday, June 4, we went to the OPA office to make application for our canning sugar, and after making

out the application to the 20 pounds allotted, to my consternation I discovered that spare stamp No. 13 was missing along with the entire row, and the page of spare stamps was loose.

I took my application back to the desk and stated my difficulty, and presumed I could only make application for No. 10, so would require another form.

The clerk informed me, after asking to see the book, that this would not be necessary, that the book was in a bad condition and suggested I turn it in for replacement, and that the No. 13 sugar stamp would be included. We asked her how long it would require, and if I should call for it. She said the book would be mailed to me within a few days.

We did not receive this book until July 9, and all the valid stamps had been confiscated for the month of June.

After waiting 2 weeks for the return of this book, I called the OPA office, as all our stamps, from my book were used up and then was informed that the book would be held 30 days, and when I asked what we were to do for red points, she giggled and said, "well that's just your hard luck," and added, "You know your ration book is more valuable than your money, yet you wouldn't treat your money as you do your ration book." I sure could see no comparison, and asked her if she realized how many times the bills were replaced, without penalty, in the period we had been carrying and using these flimsy ration books, and also if she had ever read the history of the process the bills were subject to to make them substantial, and suggested it might be interesting knowledge. She again giggled and hung up.

Then I immediately wrote our Congressmen, to which I received immediate replies, and then sent my letters to McDannell Brown at 1108 Bedell Building, Portland.

Senator MORSE states "I read your letter with great indignation that any one of our citizens should be subjected to any such treatment by any of our Government agencies." "Repeatedly I have criticized the OPA's autocratic action, and this letter (of yours) is an example of some of the defects that should be corrected." "If prompt action is not taken to see that your husband is supplied with these ration points, wire me Government collect."

Senator CORDON wrote, "I fully understand how you feel, and share your indignation over many of the unnecessary, irrational, and dictatorial policies and procedures emanating from the OPA." "I am immediately investigating, and shall write you again."

In consequence, I received a letter from McDannell Brown, OPA district director at Portland, in which he stated, "Your lost (I had plainly stated it was not lost, but was turned in with the full month's valid stamps intact) ration book would be replaced without any unduly delaying action."

I am stating these facts for the benefit of all ration book holders, and the warning against the suave suggestion of turning in a mutilated book for replacement, which will be mailed to you within a few days.

Every red point is needed for a minimum of dietary needs and then to be deprived of a full month's supply, that were rightfully ours, is the most inhumane, dastardly, unconstitutional policy that a citizen of democracy can be subjected to. We aren't supposed to be under nazism, communism, yet I wonder how much better off we are than under a dictatorship, when any Government agency can take such powers unto themselves.

MRS. H. L. BROWN.

PORTLAND, OREG., *July 28, 1945.*

Senator WAYNE L. MORSE,
Senate Office Building,
Washington, D. C.:

Appreciate your continuing demand for investigation of OPA. Hope you obtain immediate action. Capable management could improve food and gasoline situation.

ROY A. GAGE.

SPOKANE, WASH., *July 27, 1945.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We who rent houses and apartments have suffered grievously from the maladministration of OPA, and rejoice that you are sponsoring resolution to investigate that agency. Controls are right and proper. Extermination of landlords is of questionable value. We urge the investigation you sponsor.

SPOKANE HOUSING ASSOCIATION,
MARY FLAHAVEN, *President.*

EUGENE, OREG., *July 19, 1945.*

DEAR WAYNE: I'm skipping the proper formalities, etc., just because I want to get to the point of complimenting you on your splendid actions in regards your stand on the OPA—especially on the meat situation. You are really doing great. Stick to it. We are all back of you.

Hope that you are not missing the West as we miss seeing you.

Regards and best wishes.

Sincerely,

HENRY D. FEHLY.

POINT-FREE LAMB

Secretary of Agriculture Anderson has asked OPA to remove points from Oregon "soft" lambs. For this he is to be commended. This action resulted from the consistent and persistent pressure applied by Senators CONDON and MORSE.

The lambs are grown locally and can be consumed locally with a change in point value. Thus a dual service will be performed. There will be an advantage to the farmer. There will be an advantage to the consumer.

Secretary Anderson made this recommendation after ascertaining the facts from the Oregon Senators. For OPA not to follow his recommendation would be unwise, to say the least.

OREGON LAMBS GO POINT-FREE—OPA REMOVES SALES CURBS IN EMERGENCY—LONG BATTLE CLOSES WHEN CONTROL BODY BOWS TO ANDERSON

WASHINGTON, July 21.—The Office of Price Administration announced today that in western Oregon only lamb of commercial, utility, and cull grades will be point-free from July 23 through September 1. The removal of ration point values on these grades of lamb was necessary for the quick slaughter and consumption of the "soft" lamb crop in the Willamette valley in Oregon, OPA said.

The decision lifting the point values was taken after Secretary of Agriculture Clinton P. Anderson asked OPA to look into the matter. Previously, Members of Congress from Oregon repeatedly had protested the retention of high point values which they said would have caused a loss to consumers of the soft lamb crop.

The lamb will be point-free in the counties of Hood River, Multnomah, Clackamas, Marion, Linn, Lane, Douglas, Jackson, and counties west of them.

OPA said the situation in the Willamette Valley has several unique aspects. The agency said the "soft" lambs in that area are fed on moist grass and tend to be of inferior quality. They cannot be shipped any considerable distance alive. They also must be slaughtered quickly or they deteriorate.

OPA said that in fairness to other areas of the country, the Department of Agriculture will forbid the shipment of any outside lambs into the Willamette area except those to federally inspected slaughter houses which will be supplying chiefly army demands.

OBSERVERS SAY ACTION ONLY PARTIAL RELIEF

The national OPA's partial answer to Secretary of Agriculture Anderson's lamb point removal request will be but a partial solution to Oregon's soft lamb problem, according to belief expressed in some quarters Saturday.

State Director of Agriculture Ervin L. Peterson, R. L. Clark, president of BoDine & Clark Commission Co., and Milton H. Wolf, president of the Independent Retail Meat Dealers Association, do not believe the new OPA amendment covers enough territory.

Ben Buisman, Oregon Grange Bulletin editor, remarked that "if this new action along with past changes fails to solve the Oregon lamb problem, it never will be solved."

"The OPA must have restrictions. The point removal is restricted to western Oregon and will only solve the distribution trouble to the extent of lambs that can be consumed in this area. The consuming centers of Washington's Puget Sound area should have been allowed to eat point-free lamb in order to increase needed market movement," Clark said.

Peterson said that restriction of the point removal from commercial, utility, and cull grades "places a premium on lower grades of lamb," explaining this step is "contrary to good marketing practice of stimulating the sales of the best grades."

"The new OPA action won't solve the problem of moving the top grades," Wolf declared. "Present values on the two top grades are too high and removal of points on the lower grades is likely to bring about pile-up of high-quality lamb."

Saturday's ration change came after a long fight by Oregon Senators WAYNE B. MORSE and GUY CORDON to show the OPA that the lamb trouble is a Northwest problem since the valley lambs can't be shipped very far without losing weight and causing a financial loss to producers.

FORMULA FOR RECONVERSION—A COMMUNICATION

By this time you will have received announcements of OPA's first reconversion pricing action. I am writing you in some detail because reconversion is one of the most important problems this country has to face.

The OPA is working on the principle that the best way to put out the fire of inflation is to smother it under an avalanche of goods. Our entire reconversion program is designed to keep up our guard against the inflation of living costs and operating costs and at the same time clear the way for the mass production and mass sale of civilian goods as rapidly as material and manpower can be released.

I am sure you will find our reconversion program very flexible. We have devised practical methods of making necessary adjustments rapidly, without exposing either the public or business to the inflation and crash that followed World War I reconversion.

Our reconversion formula provides for necessary price adjustments, based on legal increases in basic wage rate schedules of factory employees and for legal increases in the prices of materials and parts. This program of adjustment covers 90 percent of industrial costs.

Our program provides for industry-wide adjustment based on cost increase information provided by industry themselves. The program also provides individual firm adjustments for manufacturers who are unable to operate profitably on the basis of industry-wide adjustments.

For firms with less than $200,000 annual volume, we have a short green line adjustment application form, which enables them to calculate their own reconversion ceiling price adjustment. Unless they hear from OPA to the contrary within 15 days after filing this form, they may begin production

at the price derived from their own calculation.

In addition, we are very carefully studying the special problem of small firms. We are prepared to take additional steps to provide them with rapid and simple pricing methods.

You will be interested to know that in developing this program, we have given special consideration to clearing the way for the mass market upon which sustained production and employment depends.

I think that now more than ever before we must realize that price control is also cost control. One man's selling price is another man's cost. For the protection of all, we must prevent that kind of inflation that was so costly during World War I reconversion.

At that time inflation made prices and operating costs soar. The value of financial reserves was seriously cut, and businesses which wished to expand had to take on an excessive debt burden. During the World War I reconversion period businesses also bid against each other for limited supplies of raw materials. Rising prices set loose a wave of speculative buying which forced costs still higher and created artificial scarcity. By mid-1920, prices were so high that neither consumers nor businesses could pay them.

We all remember the results of that inflation. Orders and production stopped and prices crashed. Business inventory losses totalled $11,000,000,000, 106,000 firms went bankrupt, hundreds of thousands of others lost large parts of their investments. Five and one-half million workers lost their jobs and their incomes. Markets dried up.

At this time, inflation pressures are much stronger than they were in 1918. During the next year income is expected to be about $155,000,000,000. In addition, people have about $140,000,000,000 in various types of savings. The demand for both consumer goods and raw materials will be much bigger than supply for many months. This is the stage of the game in which we lost our fight against World War I inflation.

During the critical months ahead, this country will have to take bold steps to lay the foundation for peacetime prosperity. Our reconversion price program must help clear the way for volume production and good profit.

Our program must also provide a sound basis for the advanced planning for production and delivery schedules. Any repetition of an inflation like the one that upset our World War I reconversion period would make costs unpredictable. Unpredictable production costs would seriously delay reconversion.

It is my hope that Americans can understand these facts during the coming months when inflationary pressure will be so strong. We are already making plans to remove price control and get out of the picture as soon as inflationary pressures are over. But at best, the months ahead will bring many difficult problems. If we make the necessary adjustments quickly and wisely we can prevent disaster and clear the way for full production, full employment, and mass markets we have set for our peacetime goal. Then we won't need any OPA.

I hope you will give me your ideas about how our office can finish this last phase of our job quickly and safely.

ROBERT K. THOMPSON,
District Director, OPA.

WASHINGTON, *July 21.*

THE NAVAL ACADEMY CENTENNIAL CELEBRATION

Mr. WALSH. Mr. President, as a result of a joint resolution passed by Congress, plans are now being formulated for the celebration of the hundredth year of the existence of the United States Naval Academy at Annapolis, and I am submitting for the information of the Members of the Congress and the public the data that is now available as to the progress being made by the Naval Academy Centennial Commission.

The Commission, created by special act of Congress, has for its honorary chairman the President of the United States. Ralph A. Bard, former Under Secretary of the Navy, is Chairman of the Commission which includes Senator David I. Walsh, Senator Hiram W. Johnson, Senator Millard E. Tydings, Representative Donald L. O'Toole, Representative Lansdale G. Sasscer, Representative J. Glenn Beall, Gov. Herbert R. O'Conor, of Maryland, Secretary of the Navy James Forrestal, Frank Folsom, Andrew A. Johnson, Paul Patterson, Dr. Robert S. Sproul, and Vice Adm. A. W. Fitch. Admiral Fitch is the prospective Superintendent of the Naval Academy. Commander T. W. Sterling, United States Naval Reserve, has been named secretary of the Commission.

The executive committee named by the Commission includes Senator Walsh, Representative Sasscer, Governor O'Connor, Mr. Bard, Mr. Folsom, Mr. Johnson, and Mr. Patterson.

The Commission is planning to provide complete coverage of the ceremonies through every news medium, including the radio, and realizes the necessity of restricting the number of persons who attend the celebration at the Academy because of present travel limitations. The centennial day is October 10, 1945. It is planned that ceremonies marking the observance will be held during the week from October 7 to October 13. In addition to events to be held at the Academy, the Commission is making plans for simultaneous observances of the centennial by Naval Academy Association branches throughout the Nation.

As details are decided upon, information concerning them will be released by the Commission through the Office of Public Information, Navy Department.

ASSISTANCE AFFORDED BY FARM SECURITY ADMINISTRATION — ARTICLE BY H. E. KLINEFELTER

[Mr. BRIGGS asked and obtained leave to have printed in the RECORD an article entitled "How FSA Has Helped Thousands of Missouri Farmers," written by H. E. Klinefelter and published in the Missouri Farmer of June 1, 1945, which appears in the Appendix.]

RELIEF FOR OUR ALLIES AND NECESSITY FOR WORLD ORGANIZATION—ARTICLES BY EDGAR ANSEL MOWRER

[Mr. BRIGGS asked and obtained leave to have printed in the RECORD two articles, one entitled "Urgency To Relieve Our Allies," and the other "President Truman and the Republic of the World," both written by Edgar Ansel Mowrer and published in the St. Louis Post-Dispatch, which appear in the Appendix.]

WASHINGTON WATER LOBBY—ARTICLES BY PETER EDSON

[Mr. TAYLOR asked and obtained leave to have printed in the RECORD a series of articles on the Washington water lobby, written by Peter Edson and published in the Washington Daily News of July 16 to 21, 1945, which appear in the Appendix.]

COLUMBIA VALLEY AGENCY—LETTERS AND NEWSPAPER COMMENT

[Mr. MITCHELL asked and obtained leave to have printed in the RECORD a number of newspaper articles, editorials, and letters with regard to the Columbia Valley Agency, which appear in the Appendix.]

EXTRACT FROM ADDRESS BY HON. C. A. BERENDSEN, MINISTER OF NEW ZEALAND TO THE UNITED STATES

[Mr. MORSE asked and obtained leave to have printed in the RECORD an extract from an address delivered by Hon. C. A. Berendsen, Minister of New Zealand to the United States, at the annual meeting of the City Club of Portland, June 29, 1945, which appears in the Appendix.]

DEAR SON—EDITORIAL BY GILES L. FRENCH

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial entitled "Dear Son," written by Giles L. French, editor of the Sherman County Journal, Moro, Oreg., and published in the issue of the Journal of July 1, 1945, which appears in the Appendix.]

AN IMPENDING CRISIS AT HOME—LETTER FROM A SOLDIER ON THE RACE PROBLEM

[Mr. BILBO asked and obtained leave to have printed in the RECORD a letter from a Missouri soldier in the Army of Occupation in Europe, dealing with the race problem, which appears in the Appendix.]

THURMAN ARNOLD'S RESIGNATION FROM THE BENCH—EDITORIAL FROM CAPITAL TIMES, MADISON, WIS.

[Mr. LA FOLLETTE asked and obtained leave to have printed in the RECORD an editorial entitled "Thurman Arnold Goes Back to Fighting Front," published in the Madison (Wis.) Capital Times of July 25, 1945, which appears in the Appendix.]

TESTIMONY OF MRS. ELISE FRENCH JOHNSTON ON THE UNITED NATIONS CHARTER

[Mr. LANGER asked and obtained leave to have printed in the RECORD the corrected testimony on the United Nations Charter, given by Mrs. Elise French Johnston, of New York City, before the Foreign Relations Committee, which appears in the Appendix.]

CORRECTED TESTIMONY OF MRS. CATHERINE P. BALDWIN ON THE UNITED NATIONS CHARTER

[Mr. LANGER asked and obtained leave to have printed in the RECORD the corrected testimony relative to the United Nations Charter, given before the Foreign Relations Committee by Mrs. Catherine P. Baldwin, of New York City, which appears in the Appendix.]

TESTIMONY OF JOHN T. FLYNN, CARL H. MOTE, AND MRS. FLORENCE CAFFERATTA ON THE UNITED NATIONS CHARTER

[Mr. LANGER asked and obtained leave to have printed in the RECORD the testimony on the United Nations Charter, given by John T. Flynn, Carl H. Mote, and Mrs. Florence Cafferatta before the Committee on Foreign Relations, which appears in the Appendix.]

POLICIES AND OBJECTIVES OF THE DISABLED AMERICAN VETERANS—STATEMENT BY SENATOR PEPPER.

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an outline prepared by him of the policies and objectives of the Disabled American Veterans, which appears in the Appendix.]

THE PEPPER BILL FOR EQUAL PAY FOR EQUAL WORK FOR WOMEN—ARTICLE BY MRS. ELEANOR ROOSEVELT

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article written by Mrs. Eleanor Roosevelt relating to

Senate bill 1178, published in the Washington Daily News of July 10, 1945, which appears in the Appendix.]

REVIVAL OF SILVER MONEY USE

[Mr. MURDOCK asked and obtained leave to have printed in the RECORD an article entitled "London Sees Revival of Silver Money Use," published in the Salt Lake Tribune, Salt Lake City, Utah, of July 21, 1945, which appears in the Appendix.]

THE CHARTER OF THE UNITED NATIONS

The Senate resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. WAGNER. Mr. President, I favor the ratification of the United Nations Charter and I should like to add a few brief comments to those of the Senators who have spoken so ably in support of this great instrument. Like many other Members of this great body, I have over the years given much thought to the need for the establishment of a world organization to maintain peace and security and to prevent aggression. In December of last year, in an address delivered in New York City, I stated my views on the proposed international organization with particular reference to the question of the power of the American delegate to commit a predetermined contingent of our armed forces for use in restraining aggression. I believe those views bear repetition and what I shall say now is in substance what I said then.

Mr. President, we are asked to embrace an historic opportunity—the opportunity of taking a great step forward toward the establishment of peace and security, law and order among nations.

There is no problem of defining the objectives for which mankind is yearning. Mankind craves peace and tranquillity, the reign of law and justice in international conduct, coupled with freedom from fear of external aggression. This generation has been given the task of realizing this goal. Toward this end, the blood and treasure of all civilized communities have been and are today being poured forth, conscious that if we miss this great chance now, it may never come again.

What are the obstacles to success? It is not the unwillingness of the plain people anywhere. It is not their resistance which might cause us to fail as we failed once before. The obstacles have existed rather in the voluntary subservience of many of our statesmen to the slavery of words. They have been fettered by words like "sovereignty." They have been shackled by phrases like "liberty of action."

They would hesitate to enter the Garden of Eden, until they knew the name of every tree that grew therein. And, as usual, there are those who have uncanny capacity to find in our Constitution the letter that killeth instead of the spirit that giveth light.

I suppose that the quibblers and the doubters have always been with us. Beyond question, among the great throng that stood at the base of Mount Sinai to receive the Ten Commandments, there were some who were ready with amendments and reservations.

But we must always remember that the history of our law and the history of our Nation—in fact, the whole history of Anglo-American institutions—have subordinated logic to experience, and have fashioned new ideas to meet new facts. Consider the genius which, unguided by a written constitution, fashioned a modern democracy out of a once feudal kingdom like England. I have no doubt that, in 1789, there must have been legalists who said that the concept of a sovereign nation composed of many sovereign states was logically impossible. But the great lawyers who sketched the outlines of our Federal Union were not legalists.

It is astounding to contemplate how much progress we have made in our system of common law, in our legislation, and in our practice of national government, while by contrast in international relations we have clung to a horse-and-buggy age. The ethical concepts, the moral concepts, the practical concepts, which have heretofore prevailed in our international thinking are extraordinarily primitive. When we speak of personal honor, we think of obligations and not of rights. But when we have spoken of national honor, we have thought solely of some right that might be affronted. When we speak of a great citizen, we mean one who has labored for the common weal. But when we have spoken of a great power, we have thought only of its strength and armaments. When we think of individual liberty, we realize that it is attainable only under a uniform and democratic system of law. But when it was suggested that a sovereign nation subscribe to similarly established international law, we shied away.

The twentieth century cries out for a newer and richer concept of the place of a nation in the family of nations. We must reach for practical devices that balance obligations with power, that place justice above self-will, and that replace isolationism with responsibility. The people are more than ready for such a concept. And when the Senate votes on the Charter, I believe it will be demonstrated that this body is ready for such a concept and is prepared to adopt the practical machinery for its effective application.

Mr. President, the fact that we are ready for this concept and that we have before us an instrument providing the practical machinery for its effective application is in great measure attributable to the wisdom and the tireless efforts of the distinguished chairman of the Committee on Foreign Relations, the senior Senator from Texas [Mr. CONNALLY], and to the magnificent assistance rendered him by the distinguished senior Senator from Michigan [Mr. VANDENBERG], and other members of the American delegation to the San Francisco Conference. The American people owe them an eternal debt of gratitude for their historic accomplishment.

At this point, I also wish to pay tribute to the group of members of the Foreign Relations Committee headed by the chairman, and including the distinguished majority and minority leaders [Mr. BARKLEY and Mr. WHITE]; the distinguished Senator from Georgia [Mr. GEORGE], our former colleague the distinguished Senator from Iowa, Mr. Gillette, the distinguished Senator from Utah [Mr. THOMAS], the distinguished Senator from Michigan [Mr. VANDENBERG], the distinguished Senator from Vermont [Mr. AUSTIN], and the distinguished Senator from Wisconsin [Mr. LA FOLLETTE], who in a splendid spirit of nonpartisan cooperation labored many long hours in consultation with the executive branch of the Government during the elaboration of the proposals which finally culminated in the Charter of the United Nations.

Nor will we ever forget the inspired leadership and foresight of President Roosevelt, whose unparalleled statesmanship paved the way for our full participation in international cooperation, and the great service rendered by Secretary Hull, under whose wise guidance many pitfalls were safely avoided.

Mr. President, I now wish to comment briefly on the question whether the American representative on the Security Council should have power to commit a predetermined contingent of our armed forces for use in restraining aggression. I believe that it is crucial to the success of the enterprise that he have this power.

It is crucial because of the very fact that the democratic nations are also peace-loving nations. They are not ready to declare war on slight provocation. They move only when it is manifest that there is no course other than war. They act only when the danger is clear, imminent, and overwhelming. But by that time, the little aggression has become a major aggression; the little conflict has become a great war. What might have been prevented by prompt show of force must be undone at the price of wholesale slaughter.

Thus no action was taken when Manchuria was attacked. Thus no effective action was taken when Ethiopia was trampled under foot. Thus we find the world in the midst of its present agony and tragedy.

No one seriously disputes the proposition that the Security Council of the United Nations must, beyond all else, have the military means at its disposal for prompt application. But we are told that this is unattainable because our Constitution vests the war-making power exclusively in Congress. We are told—and how many times have we not been told before—that we cannot attain a supremely important objective because the Constitution forbids it.

Let me not be misunderstood. I am familiar with the long struggle of the people to curb the war-making propensities of their self-appointed kings and rulers, by forbidding them to make war without the consent of the people's representatives. That long struggle is one of the noble chapters in the march of human freedom. I would not underestimate one step of that progress. The authority to declare war and the power to make war must remain in the hands of the Congress. On that issue, our Con-

stitution is eternally right and eternally clear.

But the charter does not propose that the President or the American delegate should possess authority to declar war. It does not propose that any individual shall have power to appropriate funds or mobilize American manpower or resources for war making. It proposes merely that the President and the delegate shall have available the use of a police force—a police force constituted initially, so far as this Nation is concerned, by Congress—and operating ab initio, so far as this Nation is concerned, for purposes defined in general by act of law.

This proposition is not shocking, or even novel. In Tripoli in 1801, in Algiers in 1815, in China in 1900, in Mexico, Nicaragua, and Haiti, Presidents of the United States have used force without congressional declarations of war. They have used only such force as Congress, and only Congress, had made and could make available for the purpose.

The question of whether, in the particular instances I have cited, the decision to use force was wise or unwise is beside the point—for that same question of wisdom in the light of history might be raised with respect to some of the wars which Congress declared. The only significance of the illustrations is that throughout our history the use of a police force to enforce the laws and treaties of the United States has not been regarded as war. This distinction has been recognized and lived by. Its success in practical application is the best evidence that our Chief Executives, as well as our judges, have given that living construction to our Constitution which is the essential spirit of that great Charter of our liberties.

Let us not be disturbed by the difficulties of formulating some petty definition which would distinguish between war making and international policing, in a manner to statisfy the most critical of textbook legalists. Nobody has ever written a final definition of interstate commerce, or of the respective powers of our Nation and our States. Through more than 150 years of our constitutional history, we have been weaving the definition into the pattern of our national existence by deciding cases as they arise. Year by year, necessity has supplied refinements in the definition to meet new cases and new controversies.

It is incomprehensible to me that we, who have accepted this pragmatic philosophy in dealing with the relatively smaller matters of the daily business of our courts and the relationship between the Nation and our States should reject this pragmatic philosophy in dealing with the supreme problems of world peace.

Mr. President, I shall vote for the ratification of the Charter of the United Nations so that America may discharge fully its obligation for the maintenance of an honorable peace throughout this one world in which we live.

Mr. TAFT obtained the floor.

Mr. WHITE. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BRIGGS in the chair). The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Andrews	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stewart
Burton	Kilgore	Taft
Bushfield	La Follette	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	
Gerry	Myers	

Mr. HILL. I announce that the Senator from Virginia [Mr. GLASS] is absent because of illness.

The Senator from North Carolina [Mr. BAILEY] is absent because of illness in his family.

Mr. WHERRY. The Senator from Kansas [Mr. REED] is absent on official business.

The Senator from Idaho [Mr. THOMAS] is absent because of illness.

The Senator from California [Mr. JOHNSON] is necessarily absent.

The PRESIDING OFFICER. Ninety-one Senators having answered to their names, a quorum is present.

SENATOR WILEY'S RECORD ON AMERICAN FOREIGN POLICY

Mr. WILEY. Mr. President, will the Senator from Ohio yield to me for a moment?

Mr. TAFT. I yield.

Mr. WILEY. Mr. President, the ratification of the United Nations Charter marks a great turning point in American history. We are embarking now on a great new adventure of international cooperation.

This is an appropriate time to stop and review the past as well as to think of the future, to contemplate "whence we have come and whither we are tending."

The people of the State of Wisconsin have vested a great trust in me in the turbulent years through which we have just come and in the trying years that are still ahead. I feel, therefore, that I owe it to them to submit my record on American foreign policy during the 6½ years, from January 3, 1939, to July 28, 1945, in which I have been proud to have been a Member of this great body.

I ask unanimous consent that there be inserted in the RECORD at this point in chronological order a series of excerpts from statements and speeches which I have made through these years, together with editorial comment thereon.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

SENATOR WILEY'S RECORD ON AMERICAN FOREIGN POLICY

1939

1. THE FIRST OF ALL FIRST THINGS FOR ALL OF US—AMERICAN PATRIOTISM

From a Lincoln Day address delivered in Fairmont, W. Va., on February 10, 1939, as reprinted in the CONGRESSIONAL RECORD of February 16, 1939, volume 84, part 11, page A553:

"In this last election in my own State I traveled 17,000 miles. I learned to know and love Wisconsin as never before. It would not hurt if we had a 'good shot in the arm' of old-fashioned patriotism—the patriotism that makes a man love his home, city, State, and Nation. Aye, makes him love the soil he stands on, and where lie the mortal remains of his parents, the cultivated broad acres and the pleasant valleys, the wooded hills, the brooks, rivers, and lakes.

"Love of country, love that is deep and abiding, that makes a man want to grow and leave behind his outworn shell of yesterday. Love that follows him through the busy day; that attends him when on bended knee he bows to his Maker and asks for guidance and direction. This love is not narrow and unkind. Do you know, folks, there are many people who have never had the experience of feeling this thing called patriotic love of country? This is due largely to a lot of false education and propaganda, due to a cheapening process of the real values of life. If you want to exalt yourself, then go onto the heights and know and sense your obligation to the present and the Nation. Teach yourself to be self-reliant, self-respecting—a son of God dwelling in America.

" 'America, 'tis of thee I sing
Sweet land, sweet land of liberty.'

"Teach yourself to be self-sustaining—a builder and a sustainer of the State.

"Then truly we shall be a 'Government of the people, by the people, for the people,' and we shall have a Nation 'that shall not perish from this earth.' "

2. SIX MONTHS BEFORE THE EUROPEAN WAR BREAKS OUT, A FIRM PLEDGE TO SUPPORT INTERNATIONAL LAW AND ADEQUATE NATIONAL DEFENSE, THEN A WARNING TO PROFITEERS

From CONGRESSIONAL RECORD of March 1, 1939, volume 84, part 2, page 2078:

"I do not believe in turning the hands of the clock back and sacrificing the international law the centuries have built. I do not believe in resurrecting the buccaneers and pirates, national or individual, of yesterday.

"International law and order and good will and common sense are part of the world's heritage of which we are custodians. Let us not, as did Esau of old, sell our heritage for a mess of pottage. There is no need for us to play the traitor to the future.

* * * * *

"Mr. President, I shall vote for adequate defense.

* * * * *

"Are we, in voting this money, making provisions so that every dollar of it will go into preparedness? There are so many places where money is needed to help and encourage and influence constructively the life of our people that we cannot afford to waste the money which is to be appropriated. We must see that no exorbitant profits or graft are permitted."

3. ONE MONTH LATER, THE PLEDGE TO SUPPORT PREPAREDNESS IS KEPT. A PLEA IS MADE FOR CONTINUED PRODUCTION OF A CRITICAL DEFENSE ITEM—ZINC

From the CONGRESSIONAL RECORD of April 24, 1939, volume 84, part 5, page 4679:

"Today I am presenting a * * * measure to restore the cut in prevailing tariff rates on zinc ores and slab zinc. * * * It is desirable that attention be directed to the prevailing zinc tariff rates because it is more than possible that they constitute a genuine menace to the American zinc industry and its employees. * * * Also * * * this menace, with its resultant shut-downs will seriously curtail production of a product vital to national defense."

(NOTE.—This plea was for a long time disregarded by the Administration. See No. 36 for a newspaper editorial on the failure of the Administration to respond quickly and constructively to the plea. See also No. 6 for the story of the duplication of this Administration failure in the case of another vital item—hemp.)

4. A MESSAGE THAT AMERICA MUST REARM, BUT THAT THERE MUST BE SPIRITUAL REARMAMENT AS WELL AS PHYSICAL REARMAMENT

From the CONGRESSIONAL RECORD of April 24, 1939, volume 84, part 5, page 4679:

"If war should come in Europe at least 95 percent of the people do not want America to get into the war. To keep ourselves out of the melee if it occurs—and, I repeat, in my opinion it is not necessary, for Europe to go into war—the great need here is for moral and spiritual rearmament. In this Congress we have spent billions of dollars to build up physical armament, ships, and equipment of every kind; but now I am talking of the need for mental poise, spiritual balance, moral rearmament, if you please."

5. LET AMERICA REMAIN THE LIGHTHOUSE OF THE WORLD—AN ADDRESS BEFORE EMBARKING FOR EUROPE

From the CONGRESSIONAL RECORD of July 24, 1939, volume 84, part 9, pages 9795 and 9796:

"Mr. President, I expect shortly to leave for Europe, to attend the sessions of the Interparliamentary Union, at Oslo, Norway, which will be held there from the 15th to the 19th of August. I hope to come back with a better grasp upon the European situation and a better understanding of the effect of our American foreign policy.

* * * * *

"I believe America should be the lighthouse keeper. The business of a lighthouse keeper is to keep the light burning. It is not the business of a lighthouse keeper to go out and attend to the wrecks. He must keep the light burning so that when the navigators of ships look for the light, it will be there. If Europe 'goes to pot,' it is not our business to go to pot with her. It is our business to keep the light of democracy burning, so that in the years that are ahead, stricken people everywhere will be able to see the glory and the worthwhileness of democratic principles."

6. HOW THE ADMINISTRATION "MISSED THE BOAT" BY IGNORING A WARNING TO STOCK-PILE ANOTHER CRITICAL ITEM—HEMP

From a letter received on August 17, 1939, from the Assistant Secretary of War, Col. Louis Johnson, in response to Senator WILEY'S previous urgent advice that America should stock-pile hemp:

"In connection with the supply of hemp, jute, sisal, and other similar fibers, in an emergency, it is anticipated that no serious fiber procurement problem will be encountered, as a sufficient domestic supply of substitutes satisfactory for military purposes, is available to meet all essential requirements."

(NOTE.—Three years later after the Japanese took over the Philippines and the Dutch East Indies, America faced a desperate hemp shortage!)

7. A TALK TO EUROPE'S STATESMEN JUST 2 WEEKS BEFORE THE OUTBREAK OF THE EUROPEAN WAR

From an address delivered before the Interparliamentary Union Conference at Oslo, Norway, on August 17, 1939, as reprinted in the Appendix of the CONGRESSIONAL RECORD of October 2, 1939, volume 85, part 2, page 86:

"America owes much to Europe. From every land in Europe America has received its bloodstream. Your great culture has enriched our lives. Your music, your literature, your drama, some of your great ideas in economics, philosophy, and religion we have made our own. But, Mr. President, you have something we do not want. I refer to those barriers analyzed by the psychologists as fear, hatred, and distrust. Yes, we owe you much. We know that the world is small. We are neighbors. We want to help. Your problems are intricate. There are many equations that we do not understand. I say we want to help, but we want to help you to help yourselves to the end that your problems may find solution through you.

* * * * *

"We want to be helpful, but America does not want to meddle in Europe. The role of a meddler I do not crave for my country."

8. ON SEPTEMBER 1, 1939, THE WAR COMES—GALLANT POLAND FALLS—1 MONTH AFTER HER DEFEAT, AN URGENT PLEA FOR FACTORY PRODUCTION THROUGH CASH ORDERS FROM THE ALLIES

From a radio speech of October 17, 1939, as reprinted in the Appendix of the CONGRESSIONAL RECORD of October 18, 1939, volume 85, part 2, page 346:

"Practically everyone in America agrees that certain features are wise, such as—

"The requirement that all goods sold to the belligerents must be sold for cash.

"The War Department has recommended the smallest possible number of planes necessary for our defense. They will be ample only with one provision, and that is that our factories shall be allowed to sell enough planes to foreign countries so that the factories may be placed on a mass-production basis, so that the mistake of 1918 will not be repeated. Obviously we shall need fewer planes actually in the air if we can get more when we need them, and get them in a hurry.

"I submit to you that weakness invites attack and results in war without provocation.

"For example, did Ethiopia bring war on herself by meddling into the affairs of other nations? Certainly not. China's only crime was that she did not have adequate national defense. Poland's only crime was that she and her allies were not prepared to repel the German attack.

"When dictators decide to make war, their decision is based upon only one question, and that is whether or not they are able to destroy the other nation. The arguments which prevailed at Munich were the comparative number of war planes of the contending nations. The only language dictators understand is spoken from the mouths of cannons with tongues of fire. Therefore, I favor enlarging the capacity of our factories and thereby strengthening our guaranty of peace."

1940

9. NINETEEN MONTHS BEFORE PEARL HARBOR, THE SALE OF ARMS AND SCRAP IRON TO JAPAN IS DISCUSSED—A SUGGESTION IS MADE THAT AMERICA CONSERVE NEEDED RAW MATERIALS RATHER THAN SHIP THEM AWAY

From the CONGRESSIONAL RECORD of May 9, 1940, volume 86, part 6, page 6226:

There are rumors in and out of the Capitol relating to the sufficiency and adequacy of America's equipment for self-defense in this great hour. What have we in the way of raw materials? Are we spending our resources? Certainly if we need our raw materials adequately to prepare ourselves, none of them should be shipped to any other nation."

10. THE WAR WIDENS—NORWAY, DENMARK, FRANCE, AND THE LOWLANDS ARE INVADED—A MESSAGE THAT AMERICA AS A NATION MUST, NEVERTHELESS, REMAIN NEUTRAL AND HOLD HERSELF READY TO BIND THE WOUNDS OF THE NATIONS

From an address on May 17, 1940, on the occasion of Norwegian Independence Day at Stoughton, Wis., as reprinted in the CONGRESSIONAL RECORD of May 20, 1940, volume 86, part 15, page 3056:

"While the great heart of America was shocked by what took place in Scandinavia, and is being duplicated elsewhere, and while this same heart bleeds for downtrodden people everywhere, this question arises, What can we, as individuals, and what can we, as a nation, do in this international crisis? What should we do?

* * * * *

"The first reaction when injustice occurs in the family of nations is for every red-blooded individual to want to rise and strike back at the aggressor. The individual can do that now if he desires. He can enlist in foreign armies and sacrifice his life for the cause if he wishes to. A public official, however, who has a part of shaping the direction that his Government shall take, must, if he is going to be a trustee of the people's Government, think the problem through.

* * * * *

"For us to help as a nation * * * we can continue to keep the record straight. We can continue to make a dispassionate appraisal of foreign affairs and then judiciously express the weight of American approval or disapproval in our official utterances.

"What else can we do? As individuals we undoubtedly will be called upon to make contributions during the war to aid our relatives in Norway. My fellow citizens, I see another position where we all will be called upon, in the days that are up ahead, when war-torn Europe is bled white, for America to do what we did once before under Hoover—when he fed the millions at our expense. Then will be given the opportunity for us to demonstrate that the principles of the Christ still live in the hearts of humanity. When that day comes, when the Biblical saying has come true. 'They who take the sword shall perish by the sword', we can demonstrate that they who love their brothers—Germans, Frenchmen, Scandinavians, Poles, Englishmen—will give a rebirth to the Spirit of Him who taught us to love one another.

"Our opportunity will be to bind up the wounds, the broken hearts, to cast out the fears and hates of a lacerated humanity. Perhaps then we will be the great instrument to bring about the fulfillment of the prophecy that nations will 'beat their swords into plowshares and there will be no more war.'"

11. PERFORM AN ACT OF MERCY—USE AMERICA'S SHIPS TO TRANSPORT LITTLE REFUGEE CHILDREN FROM THE WAR ZONE TO THE NEW WORLD

From the CONGRESSIONAL RECORD of June 6, 1940, volume 86, part 7, page 7642:

"There is another subject I should like to call to the attention of the Senate. It is the matter of making a peaceful contribution to the conditions in Europe. We are informed that because of the tremendous number of refugees, England is planning to send her children to Canada.

"Twenty centuries ago the voice of Someone who did not believe in war said:

" 'Inasmuch as ye have done it unto one of the least of these (children), my brethren, ye have done it unto me.'

"In these turbulent times we have a tendency to forget that there are great underlying spiritual laws and principles. The Master expressed one of these in the simple language I have quoted.

"Now, I ask, is there any reason why America should not offer to aid in the transport of these children? We have idle ships. This would be more than a gesture; this would be

a candle lighted in a dark world. We could arrange to carry the children across to Canada. Hitler agreed not to disturb the boats which recently carried American tourists out of Ireland. We could get his promise also to refrain in every way from interfering in the transport of these innocents to the Western Hemisphere—God's country."

12. A WARNING OF AMERICA'S DANGER IN FAILING TO PROVIDE FOR HER SELF-SUFFICIENCY

From the CONGRESSIONAL RECORD of June 11, 1940, volume 86, part 7, pages 7918 and 7919:

"Mr. President, at this time I direct attention to the slowness of the United States in becoming economically self-sufficient. It is now apparent that the development of the Government purchasing program last fall, under the provisions of the Strategic and Critical Materials Act of June 7, 1939, has not been as rapid in some directions as it should have been. It is obvious that the present European conflict has many far-reaching economic implications, and it is increasingly important that all sovereign powers become economically independent."

13. LET AMERICA ADEQUATELY PREPARE, BUT LET HER STAY WITHIN INTERNATIONAL LAW

From the CONGRESSIONAL RECORD of July 10, 1940, volume 86, part 9, pages 9393 and 9394:

"There is no place in a national-preparedness program for ostrich minds. Such folks should be taken from the controls of government. We need men at the controls who can and will build America stronger.

* * * * * *

"Everyone * * * who does not want to get America into war stands for the doctrine that this country as a political entity must not sell munitions or contraband goods to any combatant.

"I said that this country must not sell such goods. That does not prohibit the nationals of this country, corporations, or institutions from selling, but this country must not sell. Why? Because if this country sold them it would not only violate the statute law of this Nation but it would violate international law, and it would be equivalent to intervention. It would mean war.

"According to recent polls * * * all America would send aid 'within the law' to her Allies, but all America would not send her ships or her men, to fight on European soil, in Europe's war, unless such a war should become America's war.

"In this stand all America shows her common sense, her horse sense. In the first place, we are unprepared. We cannot fight battles nowadays with pea shooters because the other fellow will not fight with such weapons.

"America does not want war, but America will prepare herself so that if she is attacked, or her rights and her sphere of action invaded, she will then be able to defend herself. We must be ready then to put into action the saying that the 'best defense is an offense.'"

14. FIFTEEN MONTHS BEFORE PEARL HARBOR—AN URGENT CALL TO AMERICA TO BUILD A FLEET OF MODERN TORPEDO BOATS

From CONGRESSIONAL RECORD of August 23, 1940, volume 86, part 10, page 10798:

"It is conceded that it is imperative to get our national forces built up. That does not mean simply more ships of the same kind. No; it means, if we are to have a preparedness program, that America must use its head. We do not want more ships of the old type. We want our present ships made more immune to attack from torpedoes, submarines, and airplane bombs. It may mean the creating of a new type of ship.

"Recently I took the matter up with the Secretary of the Navy, Colonel Knox, of building on the Great Lakes a great program of shipbuilding—whereby America would create an independent arm of the Navy—a mosquito fleet—if you please. We could build these small torpedo boats—they are only 70 to 100 feet long—we could build a hundred or more of them for the cost of a battleship. In the Battle of Britain, which is to come, we may find new lessons. But when we speak about a two-ocean navy, we talk of prospects 5 and 6 years from now. We could build in 6 months to a year 5,000 of these small torpedo boats by taking over the shipyards on the Great Lakes, and those boats could protect every harbor on the Pacific and Atlantic coasts. Why? Because they are speedy. We could improve the present design. They carry two torpedoes. Some of them go at the rate of 70 to 90 miles an hour. They have anti-aircraft protection. The sinking of one of these small boats would mean the loss simply of a complement of a few men. These boats are built for attack. They could proceed 500 miles out to sea. They could tear out from behind warships. They could supplement our submarines, they could supplement our air force, and they would give us the protection which America wants now.

"For a year and a half now I have pressed this matter upon the Navy Department. I took it up about a year and a half ago with Admiral Land, as I recall, and I persisted in it. I hope to have talks with Mr. Knudsen and others in relation to that subject. We do not always have to look to Germany to have the most advanced step. Germany has the blitzkrieg. We have intuition here. We have invention here. We have brains here. Let America use these qualities. Let America awake and lead the world—not simply be a follower."

(NOTE.—For a long time thereafter, this call for a torpedo-boat fleet continued to fall on the deaf ears of the Administration. The call was heard and accepted years later, but only after German submarines had taken a terrible toll of American ships. See newspaper comment on this matter in No. 36.)

15. AMIDST THE DEBATE ON AMERICA'S FIRST PEACETIME MILITARY CONSCRIPTION LAW, A PERSONAL TELEGRAM IS REPORTED UPON. THIS TELEGRAM POINTS UP THE FUTURE HOPES AND ANXIETIES OF AMERICA AND THE WORLD

From the CONGRESSIONAL RECORD of August 30, 1940, volume 86, part 10, page 11303:

"Mr. President, on arriving in my office yesterday afternoon, after the Senate had adjourned, I found a significant telegram awaiting me. * * * This brief telegram caused me a flood of mixed emotions, and made me think of the past and the present and the future—the past 22 years, just the span of youth.

"Twenty-two years ago, Mr. President, we were at war. Our boys were in the Argonne, in France, in England, and in Russia.

"Twenty-one years ago the war was over, though some of our boys were in Germany, on the Rhine. Versailles was still to be. The voice of democracy, however, was in the ascendancy everywhere. The great experiment of the League of Nations was under way. Peace, glorious peace, seemed to be an accomplished fact.

"Then followed years when nations undertook to repair the damage of the Great War. We had the Washington Treaty limiting armaments. The Kellogg Pact outlawing war followed. Then came the depression years, and now we have the impact upon the world of communism, fascism, and nazism.

"Mr. President, what does the future hold? This telegram caused me to think about that. Twenty-one years hence, what will the picture be? How will the youth of 21 in 1961, looking back upon 1940, interpret this period?

"Will the youth born today have to be a conscript? Will Europe be aflame again with war, or, Mr. President, will we of this generation have found the way out from the curse of war? I hope we will not have to transmit that problem to the generation to come. I hope we will transmit to the generations that follow the liberties of America unmarred and unimpaired.

"Mr. President, the telegram which caused me to philosophize in this manner * * * announced the birth of a boy child in my own city of Chippewa Falls, Wis. In his veins flows the blood of England, Wales, Norway, Germany, New England, and perhaps Scotland. But he is an American, and he owes allegiance, thank God, only to his Maker and to America.

"I congratulate this young soul on coming into the theater of action at this time. I shall expect great things from him. He will be named Alexander, or 'Alec,' after me. He is my first grandson."

16. ANOTHER UNHEEDED WARNING — AMERICA'S BOYS IN UNIFORM DO NOT HAVE MODERN WEAPONS OR TACTICS FOR OFFENSE OR DEFENSE

From the CONGRESSIONAL RECORD of September 14, 1940, volume 86, part 11, page 12169:

"The war in Europe has demonstrated a new technique of land warfare, known as the German blitzkrieg. It is conceded as a conclusive fact that 150,000 Germans, equipped in blitzkrieg methods, not only penetrated, but paralyzed 3,000,000 Frenchmen. What lesson do we draw from that fact? Does that mean now more semi-trained men or better training for the regular Army and National Guard?

* * * * * *

"* * * We have found that the Navy must have a supplemental arm in the air. However, we are inadequately prepared in that respect. Why? * * * We just have not any air fleet to supplement the Navy or to act as an independent arm, for defense or offense. * * * It is expected that under voluntary enlistments shortly we will have 375,000 men in the regular Army. I ask this question: Are they trained in the blitzkrieg technique of offense and of defense? Have they modern equipment, tanks, antiaircraft guns, and so forth? The unanimous answer is "No." Has the Army a supplemental air arm, such as the spearhead Hitler had? It will be remembered that he had 150,000 men equipped with super land dreadnaughts, followed by tanks and mechanized units of men with machine guns, and over and above this land organization he had a synchronized air force of Stukas and bombers. Is our Army prepared in that way? The answer is "No."

1941

17. TEN MONTHS BEFORE PEARL HARBOR — A REQUEST IS MADE TO THE ADMINISTRATION THAT IT INFORM THE SENATE ON THE TRUTH OF THE SITUATION IN THE FAR EAST

From the CONGRESSIONAL RECORD of February 14, 1941, volume 87, part 1, page 999.

"The suggestion I have to make now is that about the middle of next week the Senate go into closed executive session and that we then get from the Secretary of State, having him present with his Under Secretaries, a report on world conditions especially having reference to the situation in the Far East and the Near East.

* * * * * *

"We cannot close our eyes to the realities. We certainly know that there are big stakes in this war game; but if Japan should fall for the seductive influence of Adolf Hitler and commit an overt act along the same line I have suggested, then I tremble for the consequences to Japan and to the world.

"I want to know what our Government knows about the situation. I want to know what kind of a supplemental air arm we have to our fleet in the East."

(NOTE.—This request was one more which was tragically unheeded. See Nos. 27 and 38 for newspaper opinion on the Administration's failure to inform the Senate.)

18. NINE MONTHS BEFORE PEARL HARBOR—STILL ANOTHER WARNING OF AMERICA'S PERIL IN THE PACIFIC

From the CONGRESSIONAL RECORD of March 4, 1941, volume 87, part 2, pages 1714, 1715:

"Mr. President, on the 14th day of February 1941, I introduced a resolution. * * *

"I wanted to find out something about our situation in the world. What did I want to find out?

"A. What are our commitments in the Far East? Putting it bluntly, are we going to step in if Japan continues to rape the east as Adolf Hitler has raped Europe? She has let it be known now that she wants all of Oceania.

"B. What is the condition of our fleet, especially its coordinating air arm? Is it like the Russian Fleet was in the Japanese war? I wanted to know whether or not our fleet had a coordinating air arm, such as the world has recently demonstrated every fleet must have.

"C. What is our military position and our condition in the Philippines? Have we sufficient airplanes there? Are we ready for any eventuality?

* * * * *

"If we put our fleet into the Atlantic breach for Britain, Hitler may goad Japan into attacking us, or Japan, on her own initiative, may seize the opportunity to attack our unguarded flank.

* * * * *

"We have stationed our fleet in the Far East. Japan is creeping toward Singapore and the East Indies. We are shipping more and more airplanes to the Far East for ourselves and for Britain. We are appropriating money to fortify Guam and Samoa."

19. IN THE SAME SPEECH, A CLARIFICATION OF THE TERMS "INTERNATIONALIST" AND "NONINTERVENTIONIST"

From the CONGRESSIONAL RECORD of March 4, 1941, volume 87, part 2, pages 1718–1719:

"We have in this country two types of minds. One type we might characterize as the international mind which constantly looks afield for problems there to solve—the mind that always feels that it has not enough to do in looking after its own business—it must put its fingers, meddler-like, in other people's affairs.

* * * * *

"On the other hand, Mr. President, there is another group. They have been called many names, and in this latter period columnists and superficial thinkers have plastered the name "isolationist" and "noninterventionist" with many connotations which do not belong there. The President of the United States once defined an isolationist as one who does not want to engage in Europe's wars. In that definition he is correct. And if recent polls are correct, over 90 percent of the people of this country will belong to that class.

"Now this group has another viewpoint, another perspective from the internationalist. First, I believe those who belong to it are more realistic. They are not unmindful of the suffering of their European brothers, but they have a deep-rooted sense of trusteeship. They do not want to have repeated on this continent the holocaust of war which every generation has known in Europe. This group, consciously or unconsciously, knows that their forebears came over here to escape not only war such as they knew it in Europe but to escape from the conditions and the environment and the thinking of Europe. They also wanted to escape from the hatreds and the prejudices and the poisoned mental virus which characterizes the physical makeup of Europe. They found here—my parents found here—not only a refuge but a wonderful land where they grew in stature physically, mentally, and spiritually, and they have a conviction that war does not pay.

"This class, nevertheless, hates cruelty, deception, treaty breaking, international brigandage, and slavery.

* * * * *

"I live in a State 30 percent of whose people are probably of German descent. I know that 99 percent of that group are the finest Americans on American soil. Why? Because they and their fathers decided to leave Europe. They became Americans because they decided they wanted to be. They came here and developed great businesses, created magnificent farms, reared fine families, and established peaceful homes; and they educated their children and sent them out to become constructive citizens of a great land.

* * * * *

"I am convinced that 99 percent of the people want to do whatever will insulate America from the horrors and the consequences of war, but all of us recognize that we are living in a world community. We know that every nation is vulnerable to attack from the airways. We read in our newspapers of modern inventions which have contracted the globe; we know there is no such thing as physical or mental isolation."

20. SIX MONTHS BEFORE PEARL HARBOR—A PROPOSAL FOR A NATIONAL DEFENSE RESEARCH LABORATORY

From an address of June 9, 1941, delivered in Milwaukee, Wis., as reprinted in the CONGRESSIONAL RECORD of June 19, 1941, volume 87, part 12, pages A2945 and A2946:

"I believe we need a great defense laboratory, involving the Navy Department, the War Department, and the State Department, and embodying a first-class observation system.

"It isn't enough for this Administration to write our defense plans in the shifting sands of day-to-day expediency."

(NOTE.—Four years later the Administration introduced a national research bill.)

21. FIVE WEEKS BEFORE PEARL HARBOR—ANOTHER APPEAL TO AMERICA TO PREPARE FOR WAR AND TO AVOID INTERVENTION UNTIL SHE IS PREPARED

From the CONGRESSIONAL RECORD of October 30, 1941, volume 87, part 8, pages 8341 and 8342.

"I believe we are still unprepared for war. Consequently, I believe we must do everything we can to postpone any military conflict until we are prepared and then, and only then, if it were necessary—and only if it were necessary—we would at least be ready to participate effectively and on a basis which would be fairer to the American boys, and to the mothers who gave the boys, whose lives would be risked. Until the time when we are prepared, however, our negligence has robbed us of any alternative.

"I want to repeat that statement: 'Our negligence has robbed us of any alternative.' We have no choice. Unless war is thrust upon us by force of circumstance, we cannot court an unprepared involvement which would send our inadequately trained boys to a slaughter of the innocents, into a battle which we could win only at a cost much dearer now than it would have to be if we were prepared.

"Partly because I believe we are unprepared I have opposed each and every measure which appeared to be directed toward an unwarranted involvement, and I shall continue to oppose measures looking toward an unwarranted involvement.

"Along with 85 percent of our people—and I have previously stated this in the Senate—I belong to a group which is fully aware of all the dangers which confront us, but which is also aware of the grave dangers of immediate involvement—dangers rendered graver by our unpreparedness."

22. THE HISTORIC CALAMITY WHICH MIGHT HAVE BEEN AVOIDED OCCURS — THE JAPS ATTACK PEARL HARBOR AND FIND US UNPREPARED—A STATEMENT ONE DAY AFTER THE TREACHEROUS ATTACK

From the CONGRESSIONAL RECORD of December 8, 1941, volume 87, part 9, page 9509:

"America has been attacked in a dastardly manner and war declared on her by Japan. This is undoubtedly pursuant to the tripartite agreement between the Axis Powers, Germany, Japan, and Italy.

"We as a people did not want war; it has been brought to us. Now we will take care of the job. There is no division in our ranks now. The criminal attack on Hawaii and Guam and elsewhere has made America one. We have but one purpose, and that is to win the war and preserve our American way of life.

"Let us now have:

"(a) Less loose talk and more action but no underestimation of Japan's strength.

"(b) More defense production and more for our money.

"(c) Extension of the workday for everyone. This is no time for hysteria or complacency; no time for life as usual.

"(d) No grafters or racketeers should be permitted now in Government or in industry.

"Japan asked for it. We will, with God's help, carry through to victory."

1942

23. A SUMMARY RECORD OF SUPPORT OF ADEQUATE FUNDS FOR PREPAREDNESS

From the CONGRESSIONAL RECORD of February 2, 1942, volume 88, part 8, page A319:

"I supported appropriations for more than $800,000,000 in 1939; more than eight billion in 1940. (That includes every military and naval appropriation presented to the Senate.) And in 1941 I supported defense appropriations of more than thirty-two billion."

24. THE MEANING OF THE LESSON OF PEARL HARBOR

From the CONGRESSIONAL RECORD of February 5, 1942, volume 88, part 1, page 1047:

"Mr. President, ever since December 7 last the expression 'Remember Pearl Harbor,' has been constantly heard over the radio, has appeared in the press, and has been repeated by practically everyone who has spoken on current events. So long as we read history our people will remember the dastardly attack by the Japanese, without a declaration of war, when our two peoples were at peace, when our Secretary of State was negotiating with the Japanese Ambassador, and a special envoy of Japan. But, Mr. President, merely to remember the attack on Pearl Harbor as a historic incident is not enough. Of course, it provided the cement that unified all our people; it also gave impetus to our war program and stimulus toward obtaining ultimate victory; but to me, Mr. President, the international crime which is brought to mind when we say 'Remember Pearl Harbor' has other and more significent connotations. Let America pledge herself now that she will not in the next generation, or in the next 50 generations, close her eyes to earthly realities. I say, in the next 50 generations, because we hope and pray at the end of that period enough of God's wisdom will have infiltrated into the minds of mortals so that incidents such as the one at Pearl Harbor will not be possible.

"This beloved land of ours must never again become lulled to sleep by the siren voices of the impractical idealists, the devilish voices of the international propagandists, and the imbecilic voices of those who as leaders have their noses so close to magnified local problems that they cannot see the international situation. If the blind lead the blind, both will fall into the ditch. In the days that lie ahead may God provide American leadership that will keep her safe."

25. THE SPIRIT OF WISCONSIN'S GREAT SON, BILLY MITCHELL, STILL LIVES—TWO AVIATION BILLS ARE INTRODUCED TO MODERNIZE OUR MILITARY SET-UP

From the CONGRESSIONAL RECORD of April 28, 1942, volume 88, part 3, pages 3745-3747:

"Mr. President, I hold in my hand a statement showing that in the years 1941 and 1942 the total amount appropriated for airplane construction amounted to $22,963,000,000 in round figures.

"I send to the desk two resolutions and ask that they be read. * * *

"Mr. President, it will be noted that one resolution suggests the creation of a separate Cabinet officer known as the Secretary of Aviation. * * * The second resolution would amend the Senate rules and create a Committee on Aviation Affairs.

* * * * *

"Until this war broke out and it was demonstrated that ships of the air are more important than ships of the sea, this Nation had given very little consideration to the importance of an air navy. We had prophets like Billy Mitchell, whose stature has grown with the passage of time, and whose prophetic vision—disregarded at the time—has made him a symbol of America's future domination of the air—domination if we have his vision and do not let lesser minds dominate the picture.

"He along with others fought courageously and unselfishly to prepare America to meet a new kind of warfare, and to make America safe from assault from the air. Billy Mitchell and others fought against bureaucratic and rut-minded military leaders, and sacrificed themselves in that fight. Theirs was a fight to awaken America. They failed. It may be too late if we fail now.

* * * * *

"We now hear much of isolation, and of the attack upon men who did not want to get this country involved in war. If there ever was an isolationist group of men who had their eyes closed to realities, it was those men who would not and could not see the importance of aviation. Blindness is the worst form of isolation.

"We know now, after the fall of France with its Maginot line, the fall of Singapore with its half-billion dollars of defense, the fall of Poland, the occupation of Norway, the subjugation of the Lowlands, the occupation of Crete, that the air arm dominates on land. On sea, the lesson of the occupation of Norway shows that the air arm also dominates the sea.

* * * * *

"Frankly, in my judgment, the ideal method of dealing with our military affairs would be to have one Cabinet officer vested with complete unified military control of the entire conduct of the war. Under him there might be an Under Secretary of Aviation, an Under Secretary of the Army, and an Under Secretary of the Navy. Their efforts would be integrated through the unified command of one Cabinet officer, under the President. That is, however, so momentous a change that its adoption would perhaps be impossible at this time.

"Accordingly, in my proposal suggesting the creation of a department of military aviation, I am merely advancing the necessity for centralizing in one head the authority and control of our vast military aviation program—a head who is air-minded and capable of applying air strategy to world affairs."

26. A BILL IS INTRODUCED TO MAKE THE UNITED STATES SENATE AND THE HOUSE OF REPRESENTATIVES TEAMMATES WITH THE CHIEF EXECUTIVE IN AMERICAN FOREIGN POLICY

From CONGRESSIONAL RECORD of September 17, 1942, volume 88, part 6, pages 7165, 7166.

"It is apparent now that if the present war is not to be lost by a disastrous peace there must be a better working arrangement between the Senate and the Chief Executive.

"This objective * * * could be achieved by a foreign relations advisory council. What do I mean by such a council? I mean, we should have an advisory council on foreign relations which would include the Secretary of State, the Under Secretary of State, and any other technician whom the Secretary might designate, the chairmen and the ranking minority members of the Senate Foreign Relations Committee and of the House Committee on Foreign Affairs.

* * * * *

"This council would, of course, be concerned with the definition and formulation of the foreign policy of the United States and the agreements of the council would have the force of an understanding between the legislative and executive branches, and could well serve as guide posts in the formulation of treaties. Treaties would be negotiated in accordance with definite policies defined by the council, and then submitted to the Senate for ratification.

* * * * *

"All this would mean that there would be less need for defeating or amending treaties on the floor of the Senate, and less possibility of political friction. All the compromises between the Executive and the Senate could be considered long before the treaty itself was presented to the Senate.

* * * * *

"Mr. President, I submit at this time a resolution asking the Executive to join with the Senate in creating a Foreign Relations Advisory Council."

(NOTE.—See Nos. 27, 39, and 40 for the later history of this resolution.)

27. A NOTED NEWSPAPER PRAISES THE PROPOSAL FOR FOREIGN POLICY TEAMWORK

From an article in the Christian Science Monitor of September 24, 1942, as reprinted in the CONGRESSIONAL RECORD of October 6, 1942, volume 88, part 10, pages A3585 and A3586:

"The short speech which Senator ALEXANDER WILEY, Republican of Wisconsin, delivered on the floor of the Senate a few days ago is certain to grow in significance.

"In it Senator WILEY advanced the most important, constructive and forward-looking suggestion in behalf of the future peace which has come from Congress since the United States formally entered the war. He proposed that President Roosevelt be invited to join with the Senate in forming a foreign relations advisory committee.

"The value of the proposal is enhanced by its source. It is an offer of genuine intelligent cooperation from the ranks of the minority party.

"If this be isolationism, then the internationalists would well embrace it. But this is not isolationism, it is the voice of constructive, midwestern leadership which is awake, alert, and concerned that the United States shall neglect no step which will produce a peace-secured world as the only guaranty of a peace-secured America.

"The Constitution provides that the President may negotiate treaties by and with the consent of the Senate. Too often in the past there has been very little call for the Senate's advice and in consequence the Senate has hoarded its consent.

"Now, it is already evident that the administration is not going to embrace Senator WILEY's proposal very eagerly—at least not at first."

1943

28. A STATEMENT OF AMERICA'S HIGH OBLIGATIONS TO HERSELF AND TO THE WORLD

From a speech on June 27, 1943, before the Republican Convention at Appleton, Wis., as reprinted in the CONGRESSIONAL RECORD of June 30, 1943, volume 89, part 11, page A3322:

"The Republican Party proposes that never again shall the United States undertake any international commitment without the necessary Army and Navy and Air Force to make the commitment good.

* * * * *

"The American people have never and do not now love armament for its own sake. But we do love this land of ours. We do love our freedom. We do love our children. That is why we must never again invite such deadly risk as we invited a year ago last December. That is why we must never again send out our sons as gallant 'expendables' to buy time for us on some future Bataan, Corregidor, Wake Island, or Guadalcanal. Yes, eternal vigilance is the price of freedom and the maintenance thereof.

"The Republican Party recognizes that as one of the major nations of the earth, the United States must accept a major share in helping to restore and preserve international law and order in the postwar period. This is the way to world peace.

"The Republican Party proposes that the people of this country stand ready to join all like-minded peoples in seeing to it that never again shall any gang of national savages and international outlaws be permitted to destroy the peace of the world in a lethal challenge to every standard of human decency which the nations of the earth have raised up through 3,000 years of slow and painful and persistent effort.

"The Republican Party proposes that a strong America shall be a strong champion of international justice; that a purposeful America shall help weave the pattern of durable international peace and order; that an America, aware and confident of her own great future, shall help relight the lamps of freedom for all the groping nations of men.

"The Republican Party insists that all this can be done without the sacrifice of any vital American interest or the undue expenditure of any American wealth or the yielding of any sovereign American right."

29. WHAT ONE OF THE WASHINGTON NEWSPAPERS THOUGHT OF THE PRE-PEARL HARBOR SUGGESTION FOR A REPORT BY THE SECRETARY OF STATE ON THE JAPANESE SITUATION

From an editorial of July 1943, in the Washington Post, as reprinted in the CONGRESSIONAL RECORD of August 31, 1944 (vol. 90, pt. 10, p. A3813):

"Ten months before Pearl Harbor, Senator WILEY introduced another resolution asking the Secretary of State to report in executive session to the Senate on the threat of war in the Far East and our preparations to meet it. At that time the State Department knew that war in the Pacific was rapidly approaching. But the resolution was pigeonholed. The Senate did not get the information sought. No adequate preparations to meet an attack were made. The United States was humiliated at Pearl Harbor, and a great sacrifice of human life will be necessary to regain what we have lost in the Far East. No one can say with assurance how the situation would have been changed if the information in the hands of the State Department had been conveyed to key Members of Congress. This much, however, is certain: The withholding of such information makes it impossible for the representatives of the people to act intelligently in the face of a global crisis."

30. HOW WORLD PEACE MAY BE SECURED

A telegram of September 6, 1943, sent to Senator ARTHUR VANDENBERG at the Mackinac Island Conference, as reprinted in the CONGRESSIONAL RECORD of September 14, 1943 (vol. 89, pt. 6, p. 7535):

"United States must cooperative actively with all other like-minded nations in an effort to preserve world peace. World peace can be best assured only when sovereign states, while preserving their own full sovereignty and their own essential interests, find common

ground on which to work together. This common ground can be found only by clearing away existing differences particularly among the major Allied nations, and building on the basis of definite common purposes a new international order. Until such time as international relationships become beyond all question, orderly and secure, the people of this country want us to keep our eyes open. They know that in this matter we are dealing with international poker players who have been playing the game for 1,000 years and they believe the United States should maintain such armaments as will not only enable us to discharge our international obligations but will assure our national security. (The people believe that the United States should secure adequate air and naval bases to assure our national security.)"

31. ALMOST 2 YEARS BEFORE THE BRETTON WOODS FINANCIAL AGREEMENTS WERE RATIFIED BY THE SENATE—A PROPOSAL IS MADE FOR CONGRESSIONAL PREPARATION FOR WORLD MONETARY AGREEMENTS

From CONGRESSIONAL RECORD of September 21, 1943, volume 89, part 6, pages 7693 and 7694:

"I do not want to see any attempts made to bypass Congress when monetary agreements are made. The question of international machinery to effect an exchange stabilization is one which must be considered, but it cannot be considered by the executive branch alone, nor can it be the subject for executive agreement without any congressional participation.

"If any kind of international monetary machinery is ever to be approved Congress must be consulted long before the stage of final agreements is reached.

"It may be argued that Congress cannot be consulted in this matter because it has no machinery, because it has not made any independent investigation, and has no information with which to talk along except such information as may be doled out to it by the Administration back-room financial experts.

"I propose the creation of such machinery, and in the immediate future I propose to introduce a bill which would create a joint congressional international monetary stabilization committee. This committee should include both majority and minority memberships from the Senate Finance Committee, the House Ways and Means Committee, and the Senate Foreign Relations Committee, and the House Foreign Affairs Committee."

(NOTE.—This proposal, too, was turned down by the Administration with the result that in July 1945 when the Bretton Woods agreements were considered there was widespread complaint that the Senate was insufficiently informed on matters of international finance.)

32. ONE AND ONE-HALF YEARS BEFORE THE SAN FRANCISCO CONFERENCE, A REQUEST IS MADE THAT SERVICEMEN BE REPRESENTED AT THE PEACE TABLE

From the CONGRESSIONAL RECORD of October 14, 1943, volume 89, part 6, page 8299:

"I know of no group of men better qualified to have substantial representation at the peace conference than our 10,000,000 men in the armed forces."

* * * * *

"It will be said that there have been representatives of the armed forces at every peace conference. That is true, if by this is meant the technical military and naval staffs who sit in as advisers. But these are not the men I have in mind. I have in mind the civilian who left his job in the factory, the bank, the merchant establishment, and the schools to take up arms in defense of his country. I have in mind the buck private, the corporal, the sergeant, and the officers who do the bleeding, sweating, and dying. Great, public-spirited, understanding men have come from their ranks.

* * * * *

"Some of our greatest industrial, spiritual, and civic leaders came out of the last war and the wars preceding it. A sizable percentage of our Senators, Representatives and governors proudly wear the badge of the American Legion or the Veterans of Foreign Wars. Who, may I ask, are better fitted or more entitled to sit, with equal voice and authority, at the peace table."

(NOTE.—This request for servicemen's representation was partly fulfilled by the attendance of a Navy commander, former Governor Stassen, at the San Francisco Conference. On February 26, 1945, the request was repeated that the millions of GI's in the ranks as well as their officers be represented.)

33. A WHOLEHEARTED ENDORSEMENT OF THE SENATE'S RESOLUTION FOR INTERNATIONAL COOPERATION

From an Armistice Day radio address of November 11, 1943, as reprinted in the CONGRESSIONAL RECORD of November 15, 1943, volume 89, part 12, page A4858:

"On the 5th of November last the Senate of the United States took a significant step toward international accord when it passed Senate Resolution 192. * * *

"The resolution resolved that the war against all our enemies be waged until complete victory is achieved; that the United States cooperate with its comrades in arms in securing a just and an honorable peace; and that the United States, acting through its constitutional processes, join with free and sovereign nations in the establishment and maintenance of international authority with power to prevent aggression, and to preserve the peace of the world.

"This resolution is based on sound thinking. It is a harbinger of better things to come. It manifests that spirit of cooperation which omens well for the future of the world. However, it is not a fulfillment, it is simply a beginning. It is well to remember that the mere adoption of a resolution will not accomplish the objective, the imperative need for working out complete accord between the United Nations for the postwar period. To attain that end this resolution must be implemented by the will to keep and enforce the peace, and that will must exist, not only in America, but in each of the United Nations and in many others. Without this will for peace wars will continue to rise and sweep the world."

1944

34. AN ANSWER TO THE DIFFICULTIES BETWEEN THE LARGE AND SMALL STATES IN THIS CONTRACTED WORLD

From a radio address of January 11, 1944, as reprinted in the Appendix of the CONGRESSIONAL RECORD of January 21, 1944, volume 90, page A330:

"Just as no single state is powerful enough to achieve its own total security, so no single state or group of states can undertake to set up a system of world security without recognizing the reasonable security of the small as well as the great, the weak as well as the strong. Again, this is much more than a matter of mere abstract justice. The smaller states of the world can work harmoniously and confidently with their powerful neighbors or they can sulk in sullen fear. If we are able to convince them that they may all work in harmonious confidence with us, our task will be substantially easier.

* * * * *

"Any durable system of world security can be achieved only if the major powers of the postwar world first of all achieve their own reasonable security. And since reasonable security is by definition a security which is not achieved at the expense of a similar security of others, the postwar world we hope to build will not be a static world.

* * * * *

"Even with the airplane at its present state of development, no spot on earth is more than 60 hours of actual flying time from your nearest airport. Chungking, China, is only 39 hours from Chicago; that's about the time it takes to travel from Chicago to Reno, by train. Brisbane is only 40 hours away, Berlin only 23 hours, London 22 hours, and Moscow only 28 hours."

35. AN EARLY PLEA FOR AMERICA TO RETAIN RIGHTS ON THE HARD-WON ISLANDS OF THE PACIFIC

From a radio address of January 14, 1944, as reprinted in the Appendix of the CONGRESSIONAL RECORD of January 15, 1944, volume 90, pages A195 and A196:

"We are going to strip Japan of all her loot of the past 50 years.

"We should all be frankly concerned about the disposition of those Pacific islands which Japan seized or occupied since 1914.

"The United States not only has a historic interest in these islands, we have a much more direct and immediate interest as a matter of national security.

"I am speaking now in particular about the island groups we know as the Carolines, the Marianas, and the Marshalls.

"These particular islands are mostly mere specks in the ocean, extending some 1,200 miles north of the Equator and dotting the ocean for some 2,500 miles east and west.

"But in this modern aerial age, each of these 623 islands is a potential airfield base, and we have learned to our cost that Japan has made many of them real and deadly airfield bases. We have learned to our bitter cost, indeed, at Tarawa, in the British Gilberts, which Japan seized only after Pearl Harbor, how much blood must be spent to recover even one of the smaller of these islets, once they have fallen into enemy hands. We have learned that each of them may well be worth an entire task force full of airplane carriers.

* * * * *

"These scattered coral islets can in no sense be considered territorial gains or repossessions in the same sense as such densely populated major islands Java or such heavily populated lands as Burma, Malaya, and Indochina.

"But as outer defenses of our own west coast, as stepping stones and lines of communication with the densely populated lands of southwestern Asia and its islands, the three ocean groups are of major importance to this country. * * * They should be incorporated definitely in the American system."

36. A NEWSPAPER EDITORIAL IN PRAISE OF TWO PREVIOUS SUGGESTIONS FOR NATIONAL DEFENSE

From the Kenosha (Wis.) Evening News of February 29, 1944, as reprinted in the Appendix of the CONGRESSIONAL RECORD of August 31, 1944, volume 90, page A3814:

"Long before the Federal Government opened up low-grade zinc mines by paying a differential, Senator WILEY made the suggestion to do so. Over 2 years before the Government began to utilize shipyards on the Lakes, he asked the Navy and the Maritime Commission to do this very thing, suggested the need for the building of corvette-type boats. If his suggestion had been followed earlier it would have saved 700 oil tankers, eased the oil rationing, and put the solution of that problem months ahead."

37. A TRIBUTE TO VALIANT POLAND ON POLISH CONSTITUTION DAY

From the Appendix of the CONGRESSIONAL RECORD of April 28, 1944, volume 90, page A2029:

"May 3 is Poland's national holiday, commemorating the signing of the Polish Constitution on May 3, 1791.

* * * * *

"The Polish Constitution emphatically affirmed the principle that all power in civil society is derived from the will of the people. The power of the executive, in the instance of Poland of 1791, the power of the King, was limited. The Polish Parliament, the Sejm, attained the rightful stature which it deserved; it became the sole lawmaking body of the nation. It is no wonder, in the light of these significant advances, that the constitution of 1791 is for Poland what the Declaration of the Rights of Man was for France and the Declaration of Independence was for America.

* * * * *

"The underlying passion of the Polish people for representative government has not changed in a century and a half of peril and persecution, of ruthless slaughter, of fire and sword. The sacred ideal of Polish liberty stands undimmed today, revered by all who love freedom, its place in history proud and unchallenged.

* * * * *

"In 1791, Poland was in the vanguard of the free and enlightened nations of the world. Today, a century and a half later, Poland occupies the same exalted position in a world that needs Polish courage and Polish independence of thought more than these qualities have ever been needed before in all history."

38. A MICHIGAN NEWSPAPER PRAISES PREVIOUS NATIONAL DEFENSE RECOMMENDATIONS

An editorial from the Tribune and Legal News of Saginaw, Mich., of August 11, 1944, as reprinted in the Appendix of the CONGRESSIONAL RECORD of August 31, 1944, volume 90, page A3814:

"People in Washington can't get over the fact that American Ambassador Grew reported on the dangers of an attack from Japan to the Department of State long before Pearl Harbor.

"And Washington remembers that Senator WILEY, of Wisconsin had an inkling that things were in a bad way in the Pacific, and that he introduced a resolution nearly a year before Pearl Harbor asking the Secretary of State to appear before the Senate in executive session and make a report on the situation in the Pacific. It has been suggested that had this Wiley resolution been adopted that the Japs might not have been able to get away with the attack on Pearl Harbor.

"It also appears that Senator WILEY has been first in looking ahead most of the time during the 6 years in which he has been in the Senate. At least he was the first person to recommend to the Secretary of the Navy and the Maritime Commission that shipyards be constructed in the Great Lakes area and utilized to help produce American ships. Today our Great Lakes area stands out at the peak among the regions where big things are done to win the war."

39. DR. BEARD, THE DEAN OF AMERICA'S HISTORIANS, COMMENTS ON THE PROPOSAL FOR FOREIGN POLICY TEAMWORK

From "American Government and Politics," a book by Charles A. Beard, ninth edition, 1944, pages 217-218, 295:

"Addressing himself to the problem of foreign relations, Senator ALEXANDER WILEY of Wisconsin resubmitted to the Senate on January 7, 1943, a resolution calling for the creation of a joint council on foreign relations to coordinate the operations of the President and Congress in respect of foreign affairs. Mr. WILEY drew attention to the fact that both branches of the Government had constitutional responsibilities in this connection and insisted that machinery should be established to facilitate cooperation between them and avoid conflicts or antagonisms, such as had often marked their transactions in time past.

"Prodded by other Senators, the Senate Committee on Foreign Relations later entered into personal communications with the Secretary of State and arrived at a modus vivendi with him by which he was committed to the closer observance of the rights and duties of Congress in making further agreements with foreign governments."

40. A DESCRIPTION OF HOW THE ADMINISTRATION, IN ADOPTING THE PROPOSAL FOR FOREIGN POLICY TEAMWORK, WEAKENED IT AND MUDDLED IT

From CONGRESSIONAL RECORD of September 5, 1944, volume 90, page 7521:

"On numerous occasions I stated on the floor of the Senate that the suggested Foreign Relations Advisory Council would provide a clearing house for ideas, not merely the ideas of the Secretary of State, but of the best thinkers in America and the rest of the world—ideas relating to the very things which are now upon us.

* * * * *

"The representatives whom the Secretary of State has chosen from the Foreign Relations Committee sit and listen to what he thinks the idea should be. That is not what I had in mind.

* * * * *

"We are facing a thousand problems. Certainly Members of the Senate should not be disregarded. The mere fact they have been called in to have a little tea is not the important thing to consider.

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"The informal gatherings during the past 6 months of the Secretary of State and a few chosen buddies does not come within a thousand miles of the suggestion I had in mind, and now we have Dumbarton Oaks and Europe ready to be thrown in our laps.

"Mr. President, there was a time when people everywhere looked to us as the hope of the world. That was when I submitted my resolution. Then was the hour to start planning. Then was the hour when we could have put America's ideas into the mechanism for peace. Then was the time to have obtained agreements ceding to America the outer ramparts."

41. A SUGGESTION IS MADE FOR FREE ELECTIONS FOR THE BALTIC PEOPLES AND POLAND

From the CONGRESSIONAL RECORD of September 19, 1944, volume 90, page 7894:

"The overwhelming majority of the people of the western democracies are not convinced that the elections held in Poland in the fall of 1939 or the elections held in the Baltic States in the summer of 1940, were free elections. They are not convinced that even granting the elections represented an actual choice by the peoples then involved, the choice would be the same in a reasonably secure postwar Europe. The choice of 1939 and 1940 was quite obviously a narrow one. It was the choice between Soviet occupation and savage Nazi domination.

"There is an obvious solution of the difficulty, a solution which seems to rest entirely with the Soviet Union.

"The solution, of course, would be to offer these peoples full opportunity as soon as this war ends, again to express their choice. Should they vote in such new elections to remain within the Soviet Union, the Soviets would then have not only a sound political right, but a sound moral right to retain them.

* * * * *

"Should the Soviet Union refuse to offer this obvious solution to the Baltic and Polish problem, what then?

"In that event, I can only say that we should continue to make every reasonable effort to work out our pledged system of postwar world security despite all difficulties. We must do so because we cannot afford to accept the dreadful alternative, the prospect of still another world war before we shall have repaired the ravages of this one."

42. A CONSTITUTIONAL INTERPRETATION IS GIVEN OF THE RIGHT OF THE PRESIDENT TO USE OUR ARMED FORCES FOR THE PRESERVATION OF THE PEACE

From an address of October 16, 1944, before the League of Women Voters at Madison, Wis., as reprinted in the Appendix of the CONGRESSIONAL RECORD on December 8 1944, volume 90, page A4675:

"In reference to this matter of utilization of force, we are a constitutional government. Under the Constitution, the power to declare war rests in the Congress of the United States. The President, however, throughout our history has possessed the power to preserve peace in the sense that wherever the peace of this country was at stake, such as where there might have been an insurrection or where the integrity of the Monroe Doctrine in the Western Hemisphere was threatened, the President had the inherent power to preserve the peace.

"Now there is possibly no clear line of demarcation between actual war and the Presidential use of the power to preserve the peace. In my opinion, if the Congress of the United States enters into a general treaty which has in it the joint obligations of the contracting nations to preserve peace, I believe our Supreme Court would hold that such a treaty might validly contain a provision for the utilization of our armed forces to effectuate that purpose, but, of course, such congressional treaty power would not be in derogation of the constitutional power of the Congress to declare war or in derogation of the Presidential power to preserve the peace."

1945

43. A STATEMENT AFTER BEING DESIGNATED NEW MEMBER OF THE SENATE FOREIGN RELATIONS COMMITTEE

From CONGRESSIONAL RECORD of January 10, 1945, volume 91, page 173:

"Last week I was honored by my Republican colleagues by being selected as a member of the Senate Foreign Relations Committee, and that appointment was approved a few moments ago by the Senate. At this time I wish publicly to express my gratitude for this honor. Coming as it does at a time of great international crisis, this assignment presents me with a high challenge and a high opportunity. The challenge is to lend my humble efforts to help guide our ship of state, this beloved America, through the treacherous shoals of disunity with ourselves and with our allies during and after this war. This opportunity is to lend my humble efforts to help bring our Ship of State safely into a harbor of peace and security.

"I enter upon this task with an open mind, not an isolated mind. My vision is not clouded, I have been a student of history, I know something about the human mind, and I am aware of the obstacles; but I have faith that if we make a supreme effort to insure lasting peace we will accomplish it.

"I enter upon this task with no grudge, no hatred, no prejudice. I enter upon it with a calm and rational conviction that in the contracted world of today and tomorrow, America must not fail to find the way to world peace. Since peace is not a unilateral matter but a multilateral undertaking for the Big Five at the beginning and for all nations later on, you and I know, Mr. President, that all nations, especially the Big Five, must play ball together. Every boy knows what that means. The phrase means there must be collaboration in purpose, in mind, in will, in desire, and in the effort to put back of the objective the economic and physical strength necessary to accomplish it. Another Kellogg-Briand pact, or the like, will not do the job. We attempted once to outlaw war. There must be back of the pact, or treaty, or authority, as I have stated, the desire, the

purpose, the will of the nations to live up to their obligations. Are the nations ready for this?

"Mr. President, I enter upon this task with no desire other than to safeguard the interests of my country first, last, and always, and, through so doing to advance the interests of all other like-minded nations."

44. VE-DAY COMES AT LAST—A VICTORY MESSAGE HAILS THE SUCCESSFUL END OF THE WAR IN EUROPE

From the CONGRESSIONAL RECORD of May 7, 1945, volume 91, page 4218:

"Victory has come in Europe. The news sends a thrill to every American heart. It stirs the deepest pride in every American breast. The hour for which we and our allies have longed, for which we have sweated and sacrificed these long years, is now at hand.

"We have completed the long hard road to victory in the Old World. This road was paved on the western and eastern fronts with our blood and treasure and that of our allies. In the west, it began by the American invasion of north Africa. It continued through Sicily, Italy, Normandy, the Siegfried Line, the Rhine, the Ruhr, and now to the last fallen fortress of the foe.

"I congratulate the American people. I salute the citizens of the 48 States, particularly those of our State of Wisconsin, whose contribution to victory I know best. I pay tribute to our fighting Badger sons and daughters. To our farmers for their magnificent food production. To our industrial management and labor for their mountains of weapons, vehicles, and supplies. To the thousands in the trades and professions who carried on in every community. And to our parents, wives, and sweethearts who have so patiently borne the anxiety, the strains of separation from their loved ones in the armed services. I pay this sincere tribute to them all, in this, their hour, our hour, of triumph.

"Yet, now we pause in devoted memory to those of our own who gave their lives, their health, that this day might come to pass. We contemplate with sadness the untold millions of civilians and combatants among the other United Nations who have perished in the European and African struggle. We pray for divine aid that may lessen the sacrifices still to be made in the Pacific. We pray, too, for divine guidance that will assure that all of these sacrifices have not been in vain.

"VE-day has come. Now if we resume our posts and carry on with renewed energy and rededicated purpose, VJ- (victory in Japan) day will not be far distant. And, too, if our hearts are pure, our minds clear, and vision far-seeing, there shall come one day soon VP-day, a day of the victory of peace, a just and enduring peace.

"We have paved a highway to victory across Europe with blood and treasure. We are still paving the highway to victory in the Pacific with blood and treasure. We must, lastly, pave a highway to a righteous and workable peace with faith and realism. We must fulfill the word of old in the Book of Books: 'And a highway shall be there, and a way, and it shall be called the way of holiness.'"

45. RENEWAL OF A SUGGESTION TO CREATE AN AMERICAN DEPARTMENT OF PEACE

(NOTE.—On July 6, 1945, these thoughts were incorporated into a Senate bill to create this Department.)

From the CONGRESSIONAL RECORD of June 27, 1945, volume 91, page 6786:

"Mr. President, on July 7, 1943, I spoke on the floor of the Senate in relation to a Department of Peace. I stated at that time that I craved for my Government the distinction of being the first Government on earth to establish a Secretary of Peace.

"The establishment of such a secretary would be heralded throughout the world, as was Woodrow Wilson's idea for a League of Nations. His great idea brought hope, but we know that the hope died and the Second World War ensued.

"The reason I speak particularly today about this thought is that last evening I happened to note a column in the Washington Star by David Lawrence, that great thinker and American philosopher.

* * * * *

"David Lawrence said:

"'DEPARTMENT OF PEACE DECLARED UNITED STATES NEED

"'Billions are spent for war and war preparations, but virtually nothing is spent to prevent war except when the crisis arises. Thus the State Department is in charge of our relations with foreign governments and has a multitude of business chores to do for American business and individuals with interests abroad, but there is no department of the Government which gives its undivided attention to the subject of peace.

"'SENATOR WILEY'S IDEA

"'Senator WILEY, of Wisconsin, Republican, had a good idea about this and made a speech about it in the Senate a year ago. He suggested that a Department of Peace be established to concentrate and specialize on the maintenance of peace. Nothing came of it because at the time America was engrossed in war. Now the United Nations have set up an organization and the time has come for America to take the lead in establishing a special department of government to carry on the all-important work of our participation in such a league.'"

46. INTRODUCTION OF A RESOLUTION TO ADVANCE WORLD FREEDOM OF THE PRESS

From the CONGRESSIONAL RECORD of July 9, 1945, volume 91, page 7346:

"Mr. President, I am today submitting a concurrent resolution which would express the desire of Congress for the immediate ending of censorship and of other measures now abridging international freedom of the press in many areas abroad.

"This resolution would strive to eliminate immediately the gravest single menace to the peace of the world today, namely, the misinformation and the lack of information between Allied peoples. It is against this menace that I have humbly fought on many previous occasions.

* * * * *

"The world cannot exist half in news darkness, half in news light, any more than it can exist half-slave, half-free. We must end the black-out of information."

47. INTRODUCTION OF A RESOLUTION TO INVITE THE UNITED NATIONS TO ESTABLISH THEIR WORLD HEADQUARTERS IN THE UNITED STATES OF AMERICA

From the CONGRESSIONAL RECORD of July 12, 1945, volume 91, page 7433:

"Mr. President, I ask unanimous consent to submit a concurrent resolution which reads as follows:

"'*Resolved by the Senate (the House of Representatives concurring)*, That the United Nations be and hereby are invited to locate the seat of the United Nations Organization within the United States of America.'

"President Truman, may, as the Executive head of this Nation, in his consultations with Churchill, Stalin, and others, extend such an invitation.

"But, the San Francisco Charter begins with the words: 'We the peoples of the United Nations,' and it is therefore most appropriate that 'we, the people of the United States,' as represented by the Congress, extend this invitation.

"The resolution is self-explanatory. There is overwhelming justification for the location of the permanent headquarters of the new league within America."

48. AMERICA MUST COOPERATE ON A BUSINESS-LIKE BASIS IN THE BRETTON WOODS FINANCIAL PROGRAM AND SHE MUST ALSO CONSERVE HER VITAL RESOURCES

From the CONGRESSIONAL RECORD of July 19, 1945, volume 91, page 7757:

"I believe that when we do business we should do business. When we engage in charity, we should forget business. We should decide now, if we are going into this international game of rejuvenating other lands, whether it be business or charity.

* * * * *

"I expect to vote for the Bretton Woods program.

* * * * *

"Some of us have for years continuously urged that Uncle Sam cease playing the role of a prodigal. Whether we realize it or not, the war has served to impoverish America in many ways. We have lost some of the finest of our blessed young men. We have spent over a quarter of a trillion dollars. We have drained the American earth of its minerals, and we have overworked our soil to yield the greatest possible amount of foods and textiles.

"The so-called inexhaustibility of our wealth is so much hokum. Our so-called ability to feed, clothe, arm, and transport the rest of the world is so much buncombe.

* * * * *

"We must husband our natural resources. We must make unmistakably clear to the United Nations Social and Economic Council that the United States does not intend to continue and cannot continue to lavish its unreplaceable wares upon the peoples of the earth. Let us make clear to the Social and Economic Council that we do not intend to use disproportionate amounts of our own financial resources as well as mineral resources in relation to the financial and other mineral resources expended by the other nations.

* * * * *

"We must not give away mineral resources necessary to American safety—resources bought with the blood and lives of our servicemen. Let our best expert mineralogists investigate the islands we have bought with our blood and see what mineral resources we have there. Also let those who deal for America 'talk turkey' to the Dutch and others of our allies, and let us see what we can obtain in lands that we are reconquering for them to reimburse this Nation for the minerals we have spent in this great war.

"We must be watchful lest free-trade 'nuts' open the floodgates and eliminate production in those industries where we must retain our skills for purposes of national defense.

"We must beware lest, as admonished by and become unworthy, and an infidel to our St. Paul, we fail to look out for our own, own cause."

49. SPEECH IN SUPPORT OF THE RATIFICATION OF THE UNITED NATIONS CHARTER AND ENUMERATING BASIC PRINCIPLES OF FOREIGN POLICY

From the CONGRESSIONAL RECORD of July 23, 1945, volume 91, page 7965:

"I am going to do my part to launch us successfully on our great adventure. I shall cast my vote for the ratification of the charter without reservations. I shall do so wholeheartedly and proudly. I shall feel some concern, to be sure, knowing that this great project will not have an easy and quick success. But I shall have the faith and shall offer my humble prayer that it will eventually and enduringly succeed. And I shall dedicate my every effort and energy to make it succeed.

"I shall cast my vote with the fervent hope that my vote, the votes of my colleagues, and the support of the American people at home and abroad will find fruition in a world organization which will realize our dearest desire—justice for all, peace for all.

"With the Charter we have a definite course to follow which may lead to a just and lasting peace. With the Charter, we have a highway of peace to travel. It is not an easy highway. There will be stumbling blocks and dead-end paths. But the highway to a just and lasting peace does have finger posts or signposts, as outlined in the Charter and in our past experience. So we can take this highway with confidence, with courage and with faith.

"But without the United Nations Charter, there is no highway to peace, no road which we can take to end the scourge of war.

"That is our choice—the highway of the Charter or no highway of peace.

"But this does not mean that the United States is going to rely exclusively on the Charter for her protection from war.

"It does not mean that America will be putting all her security eggs in the basket of the Charter. On the contrary, we ourselves must keep our powder dry. After the war, we must remain strong militarily, strong politically, strong spiritually. Eternal vigilance will still be the price of liberty.

"But the Charter will be of help in keeping America out of war by keeping war out of the world. If the Charter is used properly, it will put out the incipient fires of war before they get started.

"We must note that big 'if'—'if the Charter is used properly.'

"We must remember that the Charter is merely a collection of 10,000 words. They can become empty words. The Charter itself can become another scrap of paper, just as the Nine Power Pact was or the League of Nations Covenant was.

"Yes; the Charter will not be worth the paper on which it is written unless all the signatory nations have the will, the intent, and the purpose to live up to their obligations as outlined in the Charter.

"For years I have emphasized this point. The nations must have more than documents of peace They must have the continuing spirit of peace.

"So the United Nations Charter challenges us all to fulfill the spirit of its 10,000 words. It challenges us to realize its great possibilities to make a peaceful world.

"This is our hour of decision. This is a time for greatness. We must be as great in carrying out the blueprints of peace as our gallant boys have been in carrying out the blueprints of war.

* * * * *

"War is man-made. Peace must be man-made, made in action, in living, not merely in promises. We must act to breathe the spirit of life into the San Francisco Charter.

"Mr. President, the people of Wisconsin sent me to the Senate of the United States on January 3, 1939. Every day and month and year since then have been filled with dynamic changes in the world. In those years the principles which I now enumerate have proven a guide to me:

"First. Protect, defend, and conserve America, her human and physical resources, first, last and always.

"Second. Live up to our high obligations in this ever contracting world, or even new technological advances.

"Third. Abide by the Constitution of the United States.

"Fourth. Have faith in America, in her institutions, and in the meaning of those institutions to the world.

"Fifth. Cultivate the spirit more than the letter of the growing, evolving law of the nations.

"Sixth. Feel sympathetically, think realistically, speak frankly, act forthrightly, in our relations with other nations.

"Seventh. Build the base for a sound foreign policy upon the foundation of a sound domestic policy.

"Eighth. Establish the closest possible foreign policy teamwork between the executive and legislative branches of Government.

"Ninth. Find the truth about foreign as well as domestic affairs, disseminate the truth, follow the truth.

"Tenth. Recognize that world collaboration is the answer to war. How to get the nations to collaborate is the real issue."

50. AN EXPRESSION OF THE FEELINGS OF MILLIONS OF AMERICANS THAT RUSSIA DO HER PART IN THE PACIFIC WAR

From the CONGRESSIONAL RECORD of July 25, 1945, volume 91, page 8007:

"In millions of American homes, mothers, fathers, and sweethearts are awaiting anxiously for news of Russia's intentions. Hundreds of thousands of our brave soldiers, sailors, and marines are poised for the tough and bitter invasion of Japan.

"They know and we know that if Russia declared war, if her bombing fleets roared out from Vladivostok over to Japan, these acts might be the final ones to force a quick surrender of the Japs. Thus, countless American lives are at stake in Russia's decision.

"Our ground troops, seamen, and airmen have carried the overwhelming load of the bloody Pacific fighting for 3½ years. We have every right to speak bluntly and plainly, the only language the Russians understand anyway.

* * * * *

"We know how Russia has bled in the war with Germany. We know of her valor and her courage. But we know, too, that her security demands that the Japs be licked. We know that whether or not Russia enters the war she will make big postwar demands regarding Asia at the peace table.

"Thus America has everything to gain and thousands of her boys' lives to lose unless Russia joins in the Pacific struggle.

"It would be our dearest hope that Russia's mere entrance into the war would be sufficient to make the Japs throw in the sponge without a single additional Russian boy's or a single additional American boy's dying.

"But we cannot foresee the future. We can, however, say that it is apparently the overwhelming sentiment of our people that we will not easily forget Russia's contribution in the Far East if she pitches in with us and we will not easily forgive her shirking of her responsibility if she remains on the side lines.

"I would be remiss in my obligations as a United States Senator if I did not voice, in all humility but with all the force at my command, the feelings of millions of Americans that Russia do her part in the Pacific."

51. THE DAY BEFORE RATIFICATION OF THE UNITED NATIONS CHARTER, A DESCRIPTION OF THAT DOCUMENT AND OF ITS MEANING TO OUR OWN AND THE OTHER NATIONS

From CONGRESSIONAL RECORD of July 27, 1945, volume 91, page 8127:

"First. This Charter, when it is approved by the nations, will be the supreme law of the land. It will be an international compact whereby the nations have set up international machinery which they hope will prove adequate to meet the problems and the challenges which will arise in the postwar period between the nations. This machinery consists of—

"(a) The General Assembly.

"(b) The Security Council.

"(c) The Economic and Social Council.

"(d) An International Trusteeship Council.

"(e) An International Court of Justice.

"(f) A Secretariat.

"(g) A transitional security arrangement.

"The Charter also provides for amendments to the Charter. It sets up fully the purposes and principles of the Organization. It makes provision for membership and the status of regional areas.

"Second. When we shall have ratified this Charter, and 25 others of the signatory nations shall have done the same, this country will have pledged its support—with all that means—to the fulfillment of our obligations under the Charter.

"Third. Doing so will not in the slightest jeopardize the validity of the Monroe Doctrine and the Chapultepec compact.

"Fourth. * * * When we become a party to this Charter and define our responsibilities by the agreement or agreements there can be no question of the power of the Executive to carry out our commitments in relation to international policing. His constitutional power is in no manner impaired.

"Fifth. In no way is the right of the United States in the strategic island bases occupied by us prejudiced by the provision relating to trusteeship.

"Sixth. The General Assembly will provide a great international mart and forum for ideas, with the world as audience.

"Seventh. The Security Council is the executive of the Charter, each representative thereon being the representative of his nation and each such representative of the Big Five possessing a veto power. * * *

"CONCLUSIONS

"First. If the contracting nations prove themselves adequate, the peaceful means provided by the Charter will prove very effective.

"Second. If the contracting nations prove themselves adequate, the policing provisions of the Charter will be effective to put out the incipient fires of war if the peaceful means fail.

"Third. The importance of this document can be overemphasized, if in so doing we lose sight of the actors. This earth is the stage, and this great drama will only succeed if the actors—the nations—nobly act their parts. Otherwise tragedy will again befall the race.

"The play is begun, the curtain rises. May this generation prove adequate."

THE CHARTER OF THE UNITED NATIONS

The Senate resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

I HAVE ALWAYS SUPPORTED INTERNATIONAL ORGANIZATION

Mr. TAFT. Mr. President, I speak in support of the ratification of the Charter of the United Nations. Since there has been some discussion of recent converts, let me say that my father was one of the original supporters of the League to Enforce Peace, and of the League of Nations. While I was not in politics myself, I always strongly supported his position. I have always maintained that an international organization was the best method of reducing the danger of war. After this country rejected the League of Nations, and after it adopted a policy of neutrality I believed we should adhere to that policy, and I was in favor of doing everything possible to keep out

of the present war. In 1940 and 1941 the question was not whether we should join an international organization to prevent a world war, but whether we should join in a world war already existing, which we had done nothing to bring about, and which it was the whole purpose of a League to prevent.

On October 26, 1943, I spoke before the American Bar Association urging the formation of a world-wide organization of sovereign nations. I ask that an extract from my speech on this subject be inserted in the RECORD at this point.

There being no objection, the extract was ordered to be printed in the RECORD as follows:

3. WORLD-WIDE ORGANIZATION OF SOVEREIGN NATIONS

The plan for an enforced peace which accords most closely with the ideals of the American Republic, and of the Atlantic Charter, is that for an association of nations to include the United Nations and the neutrals and, after a period of probation, the Axis nations. It would be supported by covenants between sovereign nations agreeing to determine their disputes by the law of nations and judicial decision, or by arbitration. It would further be supported by covenants to join in the use of force against any nation determined to be an aggressor by the decision of some international tribunal. Frankly this is an obligation which the American people may be loath to undertake, but I believe they will undertake it, because they know that if war is not prevented at the start under modern conditions, it is more than likely to spread throughout the world. Certainly this plan is to be preferred to an international state or a British-American-Russian offensive-defensive alliance.

But there are certain conditions to be insisted on.

First, force should not be called for against any nation because of any internal domestic policy, except rearmament in excess of a quota imposed or agreed to. Interference in domestic policies, even such vital matters as tariffs or the treatment of minorities, would be more likely to make war than prevent it. The test is: Is the subject one on which the people of the United States would be willing to have other nations interfere with our internal action? If not, we should not attempt to impose such interference on others.

Second, the covenant must be preceded by an economic arrangement fair to all nations, and by political arrangements providing for proper self-determination. The covenant, of course, must provide for the revision of boundaries and obligations, but essentially we will be asked to guarantee the status quo. We cannot make that guaranty unless the status quo is fair to all peoples and gives them a chance to live, and therefore affords a reasonable hope that peace can be maintained.

Third, I believe that any obligation to use force in Europe should only be secondary, not to be effective until the peace-loving nations of Europe have exhausted their own resources. This is in accord with Mr. Churchill's suggestion of a council of Europe under the association of nations. We cannot help solve the problems of Europe unless the great majority of the European nations first agree on what that solution should be.

Mr. TAFT. Shortly thereafter, I supported the resolution adopted by the Republican Conference at Mackinac Island favoring, "responsible participation by the United States in a postwar cooperative organization among sovereign nations to prevent military aggression and to attain permanent peace with organized justice in a free world." This was the language of the able senior Senator from Michigan [Mr. VANDENBERG]. It contains the soundest, most concise and most effective statement made, before or since, of the proper basis of international organization. I wish it had been more closely followed.

On November 5, I supported the Connally resolution adopted by the Senate of the United States on that date, and I ask that my statement in support of that resolution be inserted at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

STATEMENT OF SENATOR TAFT IN VOTING FOR THE CONNALLY RESOLUTION

The Connally resolution expresses the opinion of the Senate in favor of international cooperation to assure peace in the future world. While it has no legislative effect, the overwhelming vote by which it has been adopted demonstrates clearly to our allies the desire of all the people of this country to make every effort to develop a practicable plan. The resolution makes clear that any specific plan negotiated by the President must be later approved by a two-thirds vote in the Senate, and the resolution is therefore not a commitment to support any specific plan.

The first three paragraphs comprise the original Connally resolution. The fourth paragraph is identical with paragraph 4 of the Moscow Four-Power Declaration. The fifth paragraph is an amendment offered by Senator WILLIS, of Indiana. I think it was wise to add the Moscow Declaration, so that there might be no question of any conflict between the Senate and the executive representatives of the Four Powers.

As I read the Connally resolution, it expresses the willingness of the Senate to abandon the traditional policy of the United States which usually refused to commit our Government to any action in advance, and left it free to deal with each crisis as it arose. On the other hand, the insistence upon the sovereignty of nations in both paragraphs excludes the idea of any federal union, or international superstate, or predominant international police force strong enough to overcome the national forces of every nation in the world. The language taken from the Moscow Declaration excludes the policy of any exclusive military alliance as advocated by Mr. Lippmann.

My only criticism of the resolution is that it omits any reference to the establishment of a rule of law and order, and to a World Court to interpret that law. This principle is set forth far more effectively in the resolution adopted by the Republican postwar council at Mackinac. However, it may be argued that a rule of law is implicit in the setting up of any general international organization.

The resolution as passed, therefore, is like the Mackinac resolution of the Republican Party, the Hull speech of September 12, and the Moscow Declaration. It looks in the direction of a League of Nations not unlike that established after the World War, but with more definite obligations to use national military forces to suppress aggression in its early stages. This is the policy which I have heretofore favored, and I believe there is now substantial unanimity on the broad outlines of such a policy, between the President and Congress, between the Senate and the House, and between the Republican and Democratic Parties.

Mr. TAFT. I said then:

My only criticism of the resolution is that it omits any reference to the establishment of a rule of law and order, and to a world court to interpret that law.

The present Charter establishes a World Court.

On May 21, 1945, in a speech before the American Polish Associations in the East, I said:

But with all the handicaps arising from unsolved problems in the political field, and the unwillingness of key nations to agree to submit their disputes to lawful decision and abide by the results, I believe that the San Francisco Conference has done a great job and is proposing a plan which should be approved by the people and the Senate of the United States.

THE CHARTER PROVIDES A MEANS TO PREVENT WAR

There can be no difference between Senators on the necessity of avoiding a third world war. The present war is the most destructive to human life and property which the world has ever seen. In the normal developments of science a third war might well bring about the complete destructive of modern civilization. The very money cost of such a war would certainly destroy freedom in the United States as we understand it, as well as our whole business and financial structure. Today perhaps, in spite of much propaganda to the contrary, the oceans are still a great barrier which, with an all-powerful Navy and Air Force, can protect this country from foreign attack. But no one can be certain that 10 years from now the most powerful Nation in the world might not be tremendously damaged and almost destroyed from the air by sudden and skillful attack. No one differs about the need of avoiding war.

The question relates to the means by which that can be effectively done. At the end of every past war treaties have been written, nearly all purporting to assure perpetual peace between the parties. Time after time international arrangements have been made to assure peace and have failed in their purpose. There is and can be no panacea to secure peace. Its continuation must depend principally upon the wisdom of the leaders of the nations of the world. We cannot set up any organization which will protect the next generation from its own faults.

But I believe that an international organization, devoted to the maintenance of peace, to the study of possible threats to peace, and to a constant effort to solve the differences which lead to war, is an essential feature of any peace hope or peace policy. The United Nations' Charter has many faults, some of which I shall discuss, but it provides without question a continuing Council table at which are represented all the nations of the world, meeting constantly to solve those problems which in their opinion may endanger international peace. If the men who participate in this continuing conference are men of ability and good faith, I believe that this organization can go far toward preventing war.

WE MUST SUPPORT THE SPIRIT OF THE CHARTER

The underlying spirit of the Charter, as I read it, is the determination to prevent war. When we ratify this Charter we must have no reservations with regard to our enthusiastic cooperation in that spirit. In particular there are certain policies which I think are required to carry out the spirit of the Charter.

First. We should do our best in good faith to settle every dispute in which we are concerned by peaceful negotiations. We have not always done so in the past.

Second. If we cannot reach an agreement, we should ourselves be willing to accept arbitration or adjudication, even on the most vital issues, provided it can be set up in such a manner that the decision is to be based on justice and not on any principle of expediency. It seems to me impossible to hope for peace in the world unless all the nations ultimately come to be willing to submit all their disputes to arbitration or adjudication by an impartial tribunal. America must set the example. If we take this attitude it will never be necessary for us to use our veto power for the purpose of protecting this Nation against the use of force unless our opponent and the Council are wholly unreasonable in the form of arbitration suggested. I assert again that we cannot hope for peace in this world unless we come to universal arbitration and adjudication, and yet there are many who shout loudly for international peace and armed forces to enforce it, who will not be willing that we arbitrate every matter relating to our international relations. The record of the Senate is none too good in the frequent rejection of treaties of general arbitration.

Third. We should be prepared to implement the use of force without exercising our veto whenever we are satisfied that such use will tend to bring about peace and not cause injustice. With relation to the discussion in the Senate regarding article 43, I myself believe that the supplemental agreement should be considered as a treaty like the Charter of which it becomes a part. However, I am greatly concerned about the matter because I believe that this Senate will ratify any reasonable agreement and authorize armed forces of any size reasonably required for the use to which such forces may be put. I believe we commit ourselves to such a position by ratifying this original treaty.

WE MUST INTRODUCE MORE LAW AND JUSTICE INTO THE ADMINISTRATION OF THE CHARTER

Mr. President, since I intend to support the Charter and its spirit fully, I hesitate to proceed with criticism of a very good job, and I certainly do not do so to express any doubt of the wisdom of ratifying it. I believe, however, that if the faults of the Charter are clearly understood it can lead to its improvement in the future, and can also determine certain policies which our Government should pursue in administering the Charter to make it work and to bring about those improvements. I believe, furthermore, that it is a mistake to claim that the document is so perfect that it will insure absolutely against war. If too much is now claimed for the Charter and then it begins to develop faults or fails in some of its purposes, there may be such a reaction by an oversold populace as to reverse the whole direction of our policy.

My principal concern about the Charter is the fact that it is not based primarily on a system of law and the administration of justice. I believe that in the long run the only way to establish peace is to build up a law which shall govern the relations of nations with each other, and secure the consent of nations that they will abide by law and by decisions made under that law. I criticized the Connally resolution because it omitted any reference to the establishment of a rule of law and order. The original Dumbarton Oaks Proposals omitted all reference to justice.

The Charter, largely through the efficient work of the senior Senator from Michigan [Mr. VANDENBERG] does recognize the importance and desirability of justice and is, therefore, a great improvement over the original proposals. But chapters V, VI, and VII, dealing with the Security Council, which form the heart of the Charter, require the Security Council to make such decisions as will maintain peace and security without any express reference to justice. The two standards may be completely in conflict.

It is true that article 24 contains a general provision that in discharging its duties the Security Council shall act in accordance with the purposes and principles set forth in chapter I; and it is also true that this chapter includes justice as one consideration. But the reference to justice and international law in paragraph 1 of article 1 and the reference to justice in paragraph 3 of article 2 seem to be related only to the settlement of disputes by peaceful means. If the Security Council has to make a definite decision looking to the employment of force, it is done primarily on the basis of maintaining peace and security.

Peace and security are not synonymous with justice. It might well be that the Security Council, acting in full compliance with the Charter, could take property from one nation to which it justly belonged and give it to another because they felt that would promote peace. So Mr. Chamberlain agreed to the transfer of Sudetenland to Germany. By substituting the maintenance of peace and security for law and justice, we authorize the basing of decisions on expediency, and for expediency there are no rules which cannot be changed to fit the facts of the particular case.

However, Mr. President, besides the references to justice to which I have referred, there is also the suggestion in article 36, paragraph 3, that legal disputes as a general rule be referred to the International Court, and there are other references to justice in the Charter. I believe it is proper for our representative on the Council to insist that force not be authorized unless it is in accord with justice as well as with the maintenance of peace and security. If our representative takes that position, the veto power which he has may establish by precedent a course of action which will, in effect, write the requirement of justice into the Charter. I believe that in dealing with the powers and duties of our representative, Congress may well impose such a policy by law. I believe further that the Assembly must undertake the codification of international law, as authorized in article 13, clearly defining the rights and obligations of nations between themselves.

THE VETO POWER KILLS THE IDEA OF ENFORCING PEACE, BUT IT CAN BE OVERCOME BY A WORLD PUBLIC OPINION FOR PEACE

Mr. President, in connection with the failure to base the Charter on law and justice, it should also be pointed out that the veto power given to prevent the Security Council from making recommendations, under article 39, or using sanctions and force, under articles 41 and 42, completely dispels the idea that any system of universal law is being established, for surely nothing can be law if five of the largest nations can automatically exempt themselves from its application. There is only one way that I can see gradually to overcome this objection. We, ourselves, can always voluntarily submit our disputes to adjudication or arbitration. That can be an example to the world. We can further attempt to build up a world public opinion that disputes between nations must be settled, not by war, but according to the principles of law and justice. I do not believe we can hope for peace in the world until all the more powerful nations are willing to take that course. The principal objection to it today comes from Russia. We must admit that Russia has some reason to be suspicious that tribunals made up of foreign nations cannot be impartial as between Russia and its neighbors. We can only hope that the continuous conference provided by the Charter and a good example set by ourselves and others may convince Russia that the people of this world propose to be guided by principles of justice. The veto power becomes of no importance if all the nations come gradually to avail themselves of the methods of peaceful settlement provided in the Charter.

I do not think most people in this country realize how much the veto changes the whole nature of the Organization, as long as it exists. Whatever hopes we may have, the fact is that the veto power reduces the whole United Nations Organization for the present to a consulting body. All the discussion about force is of minor importance because it can never be used to solve any major crisis. It is said that the provisions for pacific settlement of disputes are of tremendous importance because they require all nations to consult with each other before going to war. They are important because they show the way to the final solution. This requirement, however, is easy to comply with, and has not removed many real threats of war in the past. There has usually been consultation before actual war has begun. Mr. Chamberlain conferred with

Mr. Hitler at some length, and thought he had made progress. The Japanese delegates to this country met repeatedly with Secretary Hull, and submitted one proposal after another. The requiring of such consultation is helpful, but it is not materially different from what happens today. The Security Council itself and its constant consultation is the real contribution to peace made by this Charter.

Assume that after the last war the five great powers would have been the United States, England, France, Italy, and Japan. If the Charter had been in effect, Japan would have vetoed any action against itself on the invasion of Manchuria and of China. Italy would have vetoed any action against itself on the invasion of Ethiopia. In some ways the Organization would have been less effective even than the League of Nations. The Charter could not use force if Russia were to invade Poland or seize the Dardanelles from Turkey. It could not use force if France invaded Syria and Lebanon. Even attacks by satellite nations of one of the great powers might be engaged in safely if a great power had agreed in advance to exercise the veto power. I favor the Charter because it does set up a continuous consulting body.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. CONNALLY. I should like to propound a question to the distinguished Senator from Ohio. Assuming that one of the great powers should be obstreperous, does he not believe that we could better exert our influence and have a better opportunity of controlling it if we had it sitting around the Council table with the other four permanent members? Does he not believe that by such a method we might either dissuade the particular nation involved from doing what it was attempting to do, or bring pressure to bear upon it through argument, and so forth, and show it that such a course as it proposed to follow would be opposed by the concentrated opinion of the world?

Mr. TAFT. I fully agree with the Senator from Texas. In what the Senator has stated lies the great value of the Organization, and it cannot be underestimated. My only point is that I believe the people of America should not feel that force is the main feature of the Charter. If they do, they may be badly disillusioned, and they may turn against the Charter, as well as the Organization, because certain things are not being done which they thought would be done. So much emphasis has been placed on force in public discussions that most of our citizens do not realize how impotent this force is in any major crisis. Force has been grossly overplayed.

VETO POWER CAN BE A WEAPON TO PROTECT JUSTICE

So long as action under the Charter is based on expediency and not on justice, I believe that the veto power is necessary. Otherwise it might be possible for the great nations, while fully complying with the definite obligations of the Charter, to act unjustly and contrary to the interest of many smaller nations. Apparently, under paragraph 4 of article 2, boundaries fixed in the treaty of peace are to be frozen in the absence of some voluntary readjustment, for all members pledge themselves to refrain from the threat or use of force against the territorial integrity or political independence of any state. If unjust boundaries are set up in the treaty of peace, any attempt to rectify those boundaries by force would be a violation of the Charter no matter how just that rectification might be. The veto power enables us to judge such a matter and refuse to permit the machinery of the Charter to be used against a nation fighting, in effect, for the freedom of its own people.

I have also been interested in the problem of whether the obligations of the Charter prevent one nation going to the assistance of another which is attacked by one of the powers holding a veto. Thus, conceivably, Russia might attack Turkey, or France might attack Syria. It is at least doubtful to my mind whether Great Britain or ourselves, for instance, could go to the defense of Turkey or Syria, assuming that the veto power were exercised. I suppose the answer to this is that if one of the five great powers violates the Charter and vetoes action against its own violation, the charter is for all practical purposes dissolved in failure. Of course, we look forward with hope for unanimous action by the great powers, and a willingness on their part to submit their disputes to peaceful settlement. On this continent we could clearly go to the defense of any American state under the doctrine of collective self-defense in article 51.

THE POWER OF THE AMERICAN REPRESENTATIVE

In connection with the veto power, I think it is much more important to fix the powers and duties of the American representative on the Security Council under chapter VII. I believe that we should fix these duties at the same time we adopt the treaty, but I do not greatly object to considering the question at a later time. I do wish to emphasize the importance of this representative's powers and duties. There are three cases in which they affect the vital interests of the American people:

First. There are those cases in which action is sought against the United States itself. I have stated that in my opinion we should always be willing to submit any international dispute to arbitration or adjudication, providing that the boards or courts established are bound to decide the question on principles of justice. This, however, involves authority to arbitrate disputes. That has always been a matter determined by Congress. I should be inclined to pass a statute defining the conditions under which the American representative could agree to a proper submission. I should make the authority as wide as possible.

I agree with the Senator from Minnesota that we should adhere to the World Court with regard to matters which are justiciable. I also believe that we should go further and agree to submit other matters, as well, to arbitration, and direct our American representative to do so. Moreover, we should state the conditions upon which he should do so.

Mr. President, if our representative, in some extraordinary circumstances, should find it necessary to refuse to agree to arbitration, I believe he should be instructed to veto any measures thereupon threatened against us under articles 41 and 42.

The second class of cases involves those in which we are called upon to apply sanctions or supply forces against nations which the Security Council considers to be aggressors. There may be a number of different situations. I do not think we would care to approve the use of force in an oppressive way against a nation struggling for its freedom and with whose cause our people sympathize. It is important to determine whether such a case shall be determined by the President or by Congress.

It may be that we will not care to approve the use of force if it involves an obligation which would inevitably lead to a major war. We should determine whether this is to be decided by the President or by Congress.

There may also be cases in which the threat to the peace is so distant from us that other nations should undertake the police function. Probably this situation would be covered by the supplemental treaty under article 43.

There is this consideration, however, in dealing with the power of our representative to authorize sanctions or force. If we assume certain definite obligations, I am prepared to leave to the President the performance of those obligations. But the veto power given under article 27 makes every individual case a question of national policy and not of justice. There is no obligation of any kind on us to vote for sanctions or force if we consider that it is unwise to do so from a question of our own national policy. Ordinarily, national policy in the field of sanctions and war has been decided by Congress. Under the Constitution, only Congress can declare war. It would seem desirable, therefore, that some power be reserved to Congress to direct voting by our representative which may involve a war as distinguished from policing operations or may involve sanctions or vital economic dangers to the United States. I do not intend here to state any final opinion on these questions. I only feel that they are questions which must be decided by Congress when the office of representative is created, and that they are far broader and more important than the problems arising under article 43, which have been debated at some length on the floor of the Senate this week.

THIS TREATY WOULD NOT BE AIDED BY ECONOMIC FOOLISHNESS

I have been somewhat amused by the apparent disappointment of some Senators that there is so little opposition to the entrance of the United States into the international organization. They seem to feel that because some of us opposed the Reciprocal Trade Act and the Bretton Woods Proposals we should also oppose this treaty. I absolutely

deny the argument that the Bretton Woods agreements, or the particular form of tariff reduction sought in the Reciprocal Trade Agreements Act, are in any way necessary to the operation of the United Nations Organization or in any way an integral part of this plan. Certainly it is desirable for purposes of peace that we assist other nations to get their economic machinery in running order and assist in giving them some market for essential exports. But that does not mean that we should pour out $20,000,000,000 in a single year, or establish free trade, or adopt the expensive and peculiarly ineffective measures proposed at Bretton Woods. In fact, if these measures interfere with the prosperity of the United States—as I believe they do—either by destroying industries here or by bringing about a serious inflation with a resulting depression, they will do the world far more harm than good.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. TAFT. I will yield when I finish the paragraph. The foundation of prosperity in the world is likely to be the prosperity within the United States. Nothing in the economic field can be so helpful to peace as the adoption of sound fiscal policies and sound policies for the development of industry and employment in the United States.

I now yield to the Senator from Florida.

Mr. PEPPER. Does the Senator suggest by what he says that the policy of the United States ought to be a policy of isolation and independence in the economic sphere, or does he agree that the only way the United States can achieve the position he looks forward to is to work in collaboration with other nations in the economic sphere as well as in the political sphere?

Mr. TAFT. I fully approve of the Economic and Social Council; I think they can perform a great job if they will try to solve the basic economic questions between nations, but I deny that free trade in the United States is going to accomplish any such purpose, and I deny that the Bretton Woods agreements are suited for the particular purpose for which they are set up. I am in favor of international cooperation, but I am not in favor of international cooperation by a one-way street, in which we contribute everything and nobody else contributes anything, and I say that kind of cooperation will do the world more harm than it will do good.

Mr. PEPPER. Mr. President, will the Senator yield further?

Mr. TAFT. I yield.

Mr. PEPPER. I do not think I can agree that the statement the Senator makes is a desirable statement. The Senator does not mean to infer, does he, that the Reciprocal Trade Agreements Act and the Bretton Woods Act have the effect of committing us to any such foolish policy as he describes?

Mr. TAFT. The Reciprocal Trade Agreements Act authorized a reduction of tariff rates to 25 percent of the statutory rates, which in effect is free trade. If my fears are correct—I do not know whether they are or not—that is going to destroy many industries in the United States and interfere with the prosperity of our people. Lack of prosperity in the United States will be reflected abroad in depression, and their peoples will gain but little from the imports which they send into this country.

Mr. PEPPER. Mr. President, if the Senator will yield further, of course, we do not give anybody free trade unless they give us free trade in return; in other words, there is no one-way street about it.

Mr. TAFT. If the Senator from Florida wants to argue the reciprocal trade agreements, he must remember that when we make an agreement with one nation every other nation gets the same concession that is granted to the nation with which the agreement is made; and gets the concession for nothing.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. There is no difference between us as to the purpose for which Bretton Woods is designed; the only difference is as to whether or not we think it is effective to accomplish that purpose.

Mr. TAFT. That is correct.

My opinion is that so far as economic cooperation is concerned we are better off to confine it to organizations where we can sit down and study the problems and solve them according to the needs of each nation. We ought to be free to do that and not try to commit ourselves in advance.

Take UNRRA. I think we would have been further along in relief work in Europe and would have done much more if we had done it by a consultative organization and attempted to do our job in certain countries and let England do the job in other countries. I believe that if we had an American relief organization, as we had after the last war, instead of an international organization with a dozen masters, we would have been able to furnish relief much more effectively than UNRRA has done the job.

When we come to economic matters, it seems to me that so far as action is concerned it can be more effectively handled by direct national action. So I favored the Export-Import Bank. If we are to lend money abroad, I think that is the way to do it, and not through an international bank or an international fund.

However, I do not wish to go back and reargue the whole Bretton Woods debate. I merely desire to deny the argument that because one is not for Bretton Woods and not for the new Reciprocal Trade Act therefore he cannot in good faith support a political organization to prevent war.

Mr. FULBRIGHT. Mr. President, we are trying to found international organizations based upon the cooperative action of peoples. To do as the Senator from Ohio suggests would be to follow exactly the methods we followed after the last war. Those methods failed. I think we should try a new method. Bretton Woods and the Charter are new methods. I think they have a good chance to work. The Senator from Ohio thinks they will fail. That is the principal difference between us.

The Senator admits that the purpose of Bretton Woods is perfectly consistent with the purpose of the proposal we are considering. I do not see that there is any inconsistency. The apparent inconsistency arises from the fact that the Senator assumes the failure of Bretton Woods. If one admits that it can succeed then it certainly could be said to be an integral part of the system embodied in this Charter. Of course, I deny that it cannot succeed just as strongly as the Senator denies that it can. As to an international organization such as UNRRA, and others, in each of these organizations the getting together of the representatives of the nations is required, and it seems to me there would be as much value in the discussion of some of the economic matters as of matters in the political field.

But the Senator's theory is that we must stand alone and act boldly by ourselves. This is like the old argument, that a dictator is more efficient in the administration of a country domestically, and some of us know he is, but there is great value in the democratic process, in spite of the fact that it may not be as efficient in some activities. We still think there are superior values in the fact that we all participate, and the same can be said of each of the international organizations.

Mr. TAFT. I think I agree with the Senator. I am in favor of international organizations, and will support all of them, to make studies and determine what should be done, and lay down the rules. What I was attempting to answer was what the distinguished Senator from Arkansas said himself a few days ago. This was his language:

> I find myself somewhat suspicious of the unanimity with which the charter is apparently received by this body. Practically no measure of real importance has been accepted with such docility by the opposition. Only a few days ago the Reciprocal Trade Act and the Bretton Woods Proposals were vigorously opposed and yet they are integral parts of the general plan and purpose embodied in this Charter. It is somewhat difficult for me to understand how Senators who opposed those two acts can now accept the San Francisco Charter, unless they misconstrue the significance of the Charter.

I wish to put myself on record as saying I do not regard them as integral parts of the general plan, and that I do not misconstrue the significance of the charter. That is the purpose of my remarks.

Mr. FULBRIGHT. I do not know that I would say that I had the Senator from Ohio specifically in mind. However, he did participate in part of the debate, and I might say that the way in which I thought he might misconstrue the Charter was that he did not feel the Organization has the possibilities or the power I think it does have, or that it is the beginning of the development of a power and international law which I doubt the

Senator would approve of. I do not know about that; it is mere speculation.

Mr. TAFT. What I wish to point out is that the difference between the Senator and myself is not as to the purpose of Bretton Woods, it is as to the machinery of the two organizations, as to whether or not they will carry out the purpose.

As a matter of fact, modern wars have not resulted to any great degree from economic difficulties. China and India have the lowest standard of living in the world, but in modern times they never attacked their neighbors. The Germans never had a legitimate ground for economic complaint and could have created one of the most prosperous nations in the world without a foot of conquest. Undoubtedly, it is wise to help eliminate economic sore spots throughout the world. But they will never be as active a cause of war as will be political sore spots. Yet, the same gentlemen who insist upon giving away our substance to remove foreign economic troubles accept without a whisper political settlements which are a real threat to future peace. War is far more likely to develop from the Polish situation, the Lithuanian situation, the situation in the Balkans than it ever will from our failure to lend money.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. I cannot quite see why the Senator is justified in stating that Bretton Woods is simply a method of giving away money. That certainly is not the theory of it, and that is the point on which we differ. It is not a charitable institution, such as UNRRA, and in setting up UNRRA we frankly said we were giving money away. Does the Senator think it is fair to say those economic organizations are simply methods of giving away money?

Mr. TAFT. Of lending money.

Mr. FULBRIGHT. The Senator said giving it away.

Mr. TAFT. If we lend money to Europe today at the rate of $20,000,000,000 a year, or at the rate even of $12,000,000,000 a year, it is equivalent to giving it away, because it is in such tremendous volume that it can never be repaid. That was our experience after the First World War, and in my opinion, it will be our experience again. If our loans were in reasonable amount, held to a billion or two billion a year for a few years after the war, I think they could be repaid. Then I would take back the suggestion that we would be giving it away.

My argument is only that in my opinion Bretton Woods was not a stabilization fund; it was just a method of lending more money to countries throughout the world. The Senator did not agree with me, and I do not think we should reargue the merits of Bretton Woods.

Mr. FULBRIGHT. But the Senator said we insist upon giving it away. I do not think Bretton Woods should be characterized as a method of giving away $12,000,000,000.

Mr. TAFT. As I said, war is far more likely to develop from the Polish situation, the Lithuanian situation, the situation in the Balkans, than it ever will from our failure to lend money.

In fact, when we have ratified this Charter, we must surely go on to insist upon a reasonable political settlement in Central Europe, for the organization that we have set up will be seriously handicapped if it is based on a series of unjust political settlements. As long as any people desires to be free and agitates for its freedom, it will find friends throughout the world prepared to encourage war. We must surely insist upon a Poland which is controlled by the people of Poland. We must try to see that every problem is worked out in a way which is likely to provide a permanent solution. The chance of success of the new Organization depends far more on the treaty of peace than it does on the form of the Organization to which we are giving so much attention. I think the Organization has a chance of success no matter what the settlements may be, but certainly that chance is tremendously reduced if the disposition of peoples in the peace treaty is unreasonable or unjust.

It is also important that the people of this country realize and accept the fact that we are not entering into a world state or assuming to direct the affairs of the world. The distinguished junior Senator from Arkansas is dissatisfied with the treaty, because it is based on the principle of the sovereign equality of all its members. He says this is a very unfortunate principle to begin with. To my mind it is the very essence of the nature of this Charter. Of course, it does not mean that all nations are equal. It does mean that each one within its own territory enjoys the same kind of complete sovereignty. I have read long philosophical discussions as to the nature of sovereignty, but for the purposes of our present debate it seems to me to mean only one thing, namely, that each people shall have complete power to decide its own affairs within its own territory. Outside of its territory I do not conceive that any nation has ever enjoyed complete sovereignty. It has always been modified by the sovereignty of others. This Charter deals with the rights of nations outside of their own territory in their relations with other nations. To the extent that those rights are sovereign rights, they are substantially modified by this Charter and I see no objection to such modification. The sovereignty of each nation within its territory remains complete and should remain complete except as it may be modified by later agreements to limit armament.

Paragraph 7 of article 2 states distinctly that "nothing in the Charter shall authorize the United Nations to intervene in matters which are essentially wihin the domestic jurisdiction of any state, or shall require the members to submit such matters to settlement under the present Charter.

I think it is important that those who seem actually to favor a world state accept in good faith the principle here laid down. I cannot imagine anything more likely to bring about war than the attempt to intervene in the domestic affairs of other nations. Our people would deeply resent it if there were interference with our immigration policies, our tariff policies, or our agricultural policies. There is some tendency in the present Organization for the great powers to consider themselves as policemen of the world. To my mind it is vitally important that we accept the fact that every nation is sovereign within its own territory, and that we do not propose to interfere with its political or economic policies.

This treaty is not a move toward a world state. It is the exact opposite, a law of nations and not a universal law for individuals. To a world state I would be unalterably opposed, for it means the sacrificing of freedom to peace. Peace, after all, is not the only consideration in the world. If it were, there would be no United States of America, for our ancestors certainly preferred war to continuing subjection by an alien people. A world state is fundamentally different from the present proposal because it would vest ultimate sovereignty over our internal affairs in an organization which we do not control.

Mr. FULBRIGHT. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. TAFT. I yield.

Mr. FULBRIGHT. If I understood the first part of the Senator's remarks correctly, he referred to the establishment of a rule of law, and hoped it would be established, and that we might accept compulsory arbitration thereunder—all of which I approve thoroughly. It seems to me that that is the same expression that I and other Senators have used, which the Senator now interprets to be a world state, which the Senator is against. If the Senator is in favor of the establishment of a rule of law in the sense that we use the word "law," the Senator seems to me to be progressing to that extent toward the establishment, if the Senator wants to call it that, of a world state.

Mr. TAFT. It seems to me the attempt to set up a law which will govern nations between themselves is fundamentally different from a world state.

Mr. FULBRIGHT. In what way?

Mr. TAFT. A world state operates directly on the individuals of the various nations. I am talking about the kind of world state proposed by Mr. Striet, for instance, in Union Now, comparing it to the formation of the United States of America by the Thirteen Colonies. The result of that consolidation has been to make the people of the United States as a whole the sovereign power of this country. There are no real sovereign States any more in this country, and the Government of the United States operates directly on all individuals in the country. It can impose on any State policies it wishes to impose. I say that is a fundamentally different kind of an institution from one which attempts to set up a relationship between independent nations, and which cannot in any way affect the internal operation of those nations or operate directly on its citizens.

Mr. FULBRIGHT. I realize we are getting into a subject that is much too difficult to deal with in a debate of limited time, but I think the Senator placed his finger on a difference in conception here concerning the use of the word "sovereignty," which really makes it very difficult to arrive at any decision, because I have not conceived of the States of this country as being sovereign. It has always seemed to me that the people were sovereign. We do not refer to the Government as being sovereign and telling the people what to do, and so on. That is one difference in the way we approach the problem. The argument of sovereignty, I will admit, is a very difficult one, and I do not want to bring it up now and take up the Senator's time with further discussion. But absolute sovereignty is quite inconsistent with the establishment of law in any real sense.

Mr. TAFT. Mr. President, a world state is fundamentally different from the present proposal because it would vest ultimate sovereignty over our internal affairs in an organization which we do not control.

There is a fundamental difference. You may try to reserve this right or that right, but once you set up a world state with an over-all legislature and an over-all executive and an all-powerful army, then I do not care what protection you have, the sovereignty rests in the people of the world as a whole, and in the end they can impose upon our people anything they wish to impose. So I say the conception of a world state is fundamentally different from this Charter, and this Charter does not in my opinion move in that direction.

What we are trying to do is to establish a law between nations to which all nations shall conform, and under which all nations shall agree to contribute forces against any one who refuses to follow that law.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. FULBRIGHT. I do not follow the idea of establishing a law to which nations voluntarily agree. To me it is utterly inconsistent to say that a law is something to which there is only voluntary agreement. It seems to me that compulsion is inherent in the very idea of law.

Mr. TAFT. I do not think so at all. Go back to English history. Two parties contested before a jury. Suppose a member of family A murdered a member of family B. Family B came before the jury, and the jury said, "Yes; that is a crime." No one did anything about it. The decision of the jury simply justified family B in beating up family A in return, imposing its own punishment. That was the origin, in a way, of the common law. It is perfectly conceivable to think of a law without sanctions, if we wish to have it. Certainly a sanction can rest on the voluntary cooperation of the nations which join in the organization.

Mr. FULBRIGHT. It is true that in primitive times there was no authority of the state; the force of compulsion still rested with the family. But as societies were formed, that authority was transferred to the government, whether it was that of a tribe or a state, and the compulsion was there. In place of the law of the jungle which originally existed among persons, and which exists today among nations, there was gradually substituted the rule of law with sanctions.

I admit that we may be quibbling over words; but it seems to me that the word "law" indicates something which can be enforced, unless, of course, we are referring to the moral law, or to customs or gentlemen's agreements, or something of that sort. In using the word "law" I have always assumed that it was compulsory.

Mr. TAFT. I believe that law can exist without sanctions. The moment sanctions are imposed by an international body——

Mr. FULBRIGHT. This Organization provides for force. It is true it is limited by veto but we are certainly providing for sanctions.

Mr. TAFT. Only if the nations themselves are willing to supply forces. They may agree to furnish the force, or they may refuse to furnish such force. The furnishing of forces rests on the same voluntary consent upon which compliance with the law rests.

Mr. FULBRIGHT. I will admit that this is the first step, and it is not complete. My only point was that it was a step in that direction. The Senator probably heard the statement of the senior Senator from Georgia [Mr. GEORGE] yesterday, in which he drew an analogy between the origin of the British Parliament and the Assembly. What conclusion would the Senator draw from the suggestion of the Senator from Georgia that this Assembly could be regarded as the beginning of a parliament?

Mr. TAFT. I disagree entirely. I do not think it is a step in that direction, and I would not be for it if I thought it were. This Charter is based upon the sovereign equality of individual states, and so long as it is based upon that premise, and that is its basic principle, I believe it is not a step toward a world state. I believe that the failure of the Senator to accept that premise as the basis of the Charter shows that he is not really entering into the spirit of this particular Charter in voting for the Charter.

Mr. FULBRIGHT. I do not believe that it can be said that the senior Senator from Georgia misunderstands these questions. I certainly interpret his remarks exactly as I have indicated. He did say that we were not setting up a superstate. I do not see the inconsistency between having a legislative body, which he compared to the Parliament, and the statement that this is not a world state, in the sense in which the Senator uses that term. I certainly did not say that I expected to establish in the world a state similar to the United States Federal Government. I do not believe that we are compelled to make a choice at this time between one or the other of the two positions. I believe that the world Organization is a step toward the establishment——

Mr. TAFT. It is based on the sovereign equality of independent nations. I say that that is the very basis of the Charter, and what distinguishes it from a world state. So long as that principle remains, we are in no danger of a world state.

Mr. FULBRIGHT. But the word "sovereignty" in the sense in which it has been used is perfect nonsense. We talk about the sovereignty of Belgium, Holland, and all the other countries. What good was it? What good was our sovereignty in the international field when, in spite of all we could do, we could not stay out of two wars? Even though we win the war, our people are still subject to very great difficulties and suffering. There is a lack of power in the people of this country and the Government as it exists to protect themselves. It is not a case of giving up sovereignty or anything else. This is an effort to acquire a power which does not exist today in the Government of the United States.

Mr. TAFT. I fully agree that the Charter does not mean giving up any sovereignty. But the Senator is disappointed with it because it does not. He wants to give up sovereignty.

Mr. FULBRIGHT. No. I want to acquire power to prevent war by the delegation of power. That is what I think would be accomplished by the Charter.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. I do not wish to prolong this discussion; but it is my conception that the Charter and the world organization are similar to the situation which existed in this country between 1776 and 1789. We had a confederation of States, as opposed to a National Government, under which the States delegate certain powers and give up certain sovereignty. Is not that the Senator's conception of this organization?

Mr. TAFT. I believe that the differences are greater than the similarities when compared with the confederation of States. They attempted to set up a kind of legislature. They had no effective executive. Their organization attempted to create a nation in theory, but in practice the means set up were not sufficient for that purpose. Here we do not attempt to create a nation in fact or theory. I do not believe that the parallel between the Thirteen Colonies and the world is a good one. The people of the Thirteen Colonies were substantially the same kind of people. They had substantially the same background, the same standard of living, and the same ideas. They were in effect one people, probably to as great an extent as we are today.

On the other hand, if we try to combine the world, America would be ruled by a majority of people who have no conception whatever of American ideals, American standards of living, or American government. I say that the parallel between the Colonies and the world today is utterly and completely fallacious.

Mr. HATCH. Mr. President, will the Senator yield to me?

Mr. TAFT. I yield.

Mr. HATCH. I certainly do not wish to prolong the debate, but I think the Senator has made a valuable contribution in what he has said. I wonder if I correctly understand him. I believe that what the Senator has said is that as

to internal affairs, there is such a thing as internal sovereignty. Is that correct?

Mr. TAFT. That is what I conceive sovereign equality to mean. It means that we cannot be interfered with in our own country. It means that the Senate and the House of Representatives govern the United States, and not some one over in Europe.

Mr. HATCH. There is nothing in this charter which would delegate one iota of that internal sovereignty.

Mr. TAFT. The Senator is absolutely correct; and that is one reason I am for it.

Mr. HATCH. I should like to go one step further. The Senator also recognizes, does he not, that there is what has been termed by others external sovereignty, relating to our dealings with other nations of the world, and which does not affect our own internal affairs.

Mr. TAFT. The Senator is correct.

Mr. HATCH. The Senator is saying that in that field we must delegate certain powers; and that we have never had, and no other nation has ever had, complete independent sovereignty in external affairs.

Mr. TAFT. We agree voluntarily to modify various rights which have always been considered to be sovereign rights in the international field. However, of course, so long as we remain independent, there is always the possibility that we may not keep our promise. The United States always has kept its promises; but the ability not to do so is perhaps of some advantage. My hope is that we may reach such a point that every nation will keep its promises and the world public opinion will insist upon such performance.

Mr. HATCH. Earlier the Senator said that he was willing to go further than that; that he believed in the rule of law and order and justice in world affairs, and was willing to establish the necessary machinery, even though it might involve a delegation of external sovereignty to accomplish that purpose.

Mr. TAFT. The Senator is correct. The point I am making is that if we set up a world state we shall be subject to control in this country of our internal affairs by the rule of a majority of people who have not the faintest conception of what American principles are.

If the people of the world exercised the same sovereignty over the people of this country which our National Government exercises over our States, we would have no freedom in America.

The majority in the law-making body would be made up of people with different political ideals, different religious ideals, different economic ideals. I cannot conceive of a responsible American statesman willing to subject the great principles we have developed in this country to destruction by an alien majority.

A world state might bring peace, but it would be the peace of dictatorship and it would not last long. A few years would bring a world-wide civil war of ideologies. Any international organization which is worth the paper it is written on must be based on retaining the sovereignty of all States. Peace must be sought, not by destroying and consolidating peoples, but by developing a rule of law in the relations between states.

This charter moves in the right direction. Under it we can work constantly toward the establishment of a rule of law between nations. Under it we can work toward a world opinion so strong that anyone who refuses to abide by that law will be an outcast, who can only look forward to the fate which has been suffered by the aggressors of Germany and Japan. Under the charter, with wise leadership, and with a genuine desire by the leading peoples of the world to be truly tolerant and truly unselfish, we can hope for a future of peace and prosperity.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the ratification of Executive F, the United Nations Charter?

All in favor——

Mr. LANGER. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Green	O'Daniel
Andrews	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stewart
Burton	Kilgore	Taft
Bushfield	La Follette	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	
Gerry	Myers	

The PRESIDENT pro tempore. Ninety-one Senators having answered to their names, a quorum is present.

The question is, Will the Senate advise and consent to the ratification of Executive F, the United Nations Charter?

Mr. BILBO. Mr. President, on the 25th day of April 1945, there assembled in the city of San Francisco men and women representing the best brains and best patriotism of 50 nations of the earth, whose populations represent more than 80 percent of all the inhabitants of the world. Our great Nation was represented by the outstanding statesmen of our time, and this body was represented by two of the most intellectual and keenest brains on the floor of the Senate—CONNALLY, of Texas, and VANDENBERG, of Michigan—one a Democrat, and one a Republican, whose patriotism has never been questioned. After 9 weeks of conference and consultation the representatives of 50 nations of the earth unanimously adopted the world's greatest political document, a Charter proposing perpetual peace in the world for all time to come. I have not been able to give my consent to the offering of an amendment or reservation to this document. It is not perfect because nothing by mortal man is perfect, but it represents the hopes, dreams, prayers, and desires of more than three-quarters of the human beings of the world. I have great faith in the ultimate success of the Charter because I believe that it will receive at the hands of the peoples of these 50 nations of the earth that patriotic, sympathetic, earnest, and honest cooperation which will perfect the document as the years go on, and as its defects are discovered.

The human race has at last realized that with the advancement of science and means of destruction another world war will mean the destruction of all civilization and of all people of the world. I assert that nothing in life will give me more pleasure than to cast my vote for the adoption, on the part of the people of this Nation, answering the prayers and hopes of the fathers and mothers of all this country, of this great document which we believe will usher in the millennial dawn.

Mr. REVERCOMB. Mr. President, throughout this week we have been listening to a discussion of the treaty which has come to be known as the United Nations Charter. It is a treaty which has for its express purpose the maintenance of peace for the future years. The entire country, and I believe all the people of our Nation, have had brought home to them poignantly the goodness of peace. They earnestly desire peace for the future and seek the fulfillment of that desire. That is quite natural, because there is no community or home in this land which has not felt the stroke of sorrow which war always brings. This Congress must listen to the desire of the people. This country and its people feel that there should be some forum in which the nations of the world may discuss and settle the problems and issues which arise between them. I myself long ago expressed the view that such a forum should be established in which, through peaceful means, such issues might be determined. But, when we, as representatives of the people, proceed to enlist this country in such a plan and subscribe to it, doing so with the high hope that it will be workable, and that we will do our full part in the attainment of the purpose for which the instrument is established we owe to our own people of the United States the very high duty of seeing to it that this Nation's independence shall be preserved, and that the sovereignty of the United States of America shall remain in the people.

There were several problems which presented themselves to those interested in the maintenance of an independent America and in our processes of government. I say to you, Mr. President, that the reading of the Charter, and more than that, the hearings which were held by the Committee on Foreign Relations, and the discussions which have taken place upon the floor of the Senate by those who brought forth this Charter as our representatives, give us assurance that the sovereignty of America and the independence of our country are not en-

dangered by the terms of this charter or the adoption of it.

Naturally, we turn to the question of what power will be given to the representatives of the United States in the world organization, and also to what extent the armed forces and the resources of this country may be used by an organization established for the purposes contained in the charter.

Study and the revealing debate which has taken place have brought forth these facts: This Charter is not self-executing. It requires future implementing legislation. It requires future legislation to fix not only the powers and the limitations of the representatives who will take part in administering the new organization. Even legislation will be required fixing the appointment of our representative and the method of his appointment. Likewise, the Congress will act later upon the question of the number of troops and the armaments to be used in effectuating the purposes of the Charter and also the extent to which such troops may be used. Some have maintained that this subject should be taken care of by treaty, and others have maintained that it should be handled by joint action of the two Houses of Congress. For my own part, it makes little difference so long as the agreement with respect to the number and use of troops is the action of the Congress, the representatives of the people of this country.

It is wise that the determination of what powers are to be given a representative, and to what extent we will use armament under the Charter, should be delayed until a later date. We must know what other nations are willing to do. The question of just how far we will go will be determined by us later. The charter itself is nothing but the basis of a world undertaking to bring about, primarily, peaceful settlements of disputes which may arise between nations of the world.

As to the matters with reference to the use of force, I may say that they will be dealt with in good faith to the Charter, and likewise in good faith to the people of America, when the time comes to act upon that subject.

So today, in voting upon the Charter we have here nothing but the adoption, I repeat, of the foundation or framework of a plan that is being submitted to several nations, and first to the Government of this Nation. By the adoption of the Charter, our Government does not undertake to say to what extent its representative in the world organization shall exercise binding power on behalf of this country. We shall later determine that at the proper time.

There is one phase of the Charter to which I now address my remarks. I refer to the so-called veto power. I think it is a wise provision. I have differed with some concerning the provision in the Charter with regard to the veto on the use of force. There have been some who felt that the veto power, so-called, should not exist in the Charter. The veto power simply means that the five permanent members of the Council must unanimously agree before force may be used. In other words, this Government, or the government of any of the five so-called permanent members, may veto the use of force in any case. I think that provision is a sound one. I think it is a very practical one. We know, Mr. President, much as we hope for peace, and much as America will strive for peace, that any strong armed nation which may desire to go to war can precipitate war. Unless the veto power exists in the charter the charter might be the very ground work for the making of war in the future if some strong armed nation of the permanent members moved to make war. Therefore, I am glad that the veto on force has been included in the charter.

In the last analysis, success in the maintenance of peace for us will depend upon the foresight and wisdom of the men who are entrusted to represent this country. While this is a new venture for us in Government it is not new in the history of the world. It is not unlike the alliance which was entered into after the Napoleonic wars when the countries of Europe, tired of war, entered into a treaty to prevent war, and to stand together for the purpose of striking at any nation which might become an aggressor against those who had entered into that treaty. For perhaps the longest period of years in the history of Europe, there was no general war. But, in the end the kings, the rulers, and their ministers, who were members of that alliance, subverted it to the purpose of making safe their own regimes within their established boundaries. Instead of working for the purpose of keeping peace they subverted the organization's work to what is known as power politics, and after a few years war broke forth in all fronts of Europe when the action of the men who had control of the machinery broke down in character and in purpose. So I say to you, Mr. President, that in the end, whether peace shall be kept will depend on the wisdom of those who are entrusted with this work.

Today the United States of America will enter into this venture with the high hope that peace will be maintained. But I assert, Mr. President, that we must not, however high our aspirations and our hopes may be, permit this country to become weakened, or to become undefended in our own might. Today we have the greatest navy that sails upon the waters of the world, the greatest air armada that flies the skies, and the most effective army that ever marched to battle. America must remain strong in her own might and in her own right. While we call upon the world to be at peace, and while we subscribe to peace, yet we must be secure in our own strength lest someone break the bounds and become an aggressor with force and arms endangering our existence.

There comes to me the admonition in the words of Victor Hugo—it is an admonition I give now to my own countrymen:

Be like the bird who, pausing in her flight awhile
On bough too slight,
Feels it gives way beneath her, yet sings,
Knowing she hath wings.

And so, Mr. President, while America subscribes to the purpose of peace, and works to that end, she must remain a strong America. She must retain her sovereignty. Her laws and her destiny must be kept in the hands of her people of today, and in the hands of their children through the years ahead. Mr. President, I shall vote for this Charter with the hope that its declared purpose for peace may be attained, and I shall continue to stand for a strong America secure in her own strength.

Mr. MORSE. Mr. President, in connection with the charter which is before the Senate, I wish to discuss two specific matters, first the question of the future of subjugated and oppressed peoples, and second, the future of the world court. I propose to discuss those two specific subjects because I think there is no hope for permanent peace in the world unless we remove the causes of war, economic, diplomatic, and political, and unless we provide machinery and the jurisdiction for its operation which will permit the application of the rules of reason and judicial processes to the settlement of international disputes.

I think that today we must think of the world of a hundred years from now, certainly of the world of a half century from now. If we are to be realistic about the great task that lies ahead for the human race, it seems to me we must realize that we cannot maintain peace in the world if oppressed peoples are not to be made free.

Mr. President, I believe always in talking in terms of specific instances, therefore, I wish to discuss for a few minutes the problems of Korea. I wish to use the people of Korea as an example of an oppressed people who I think will always be a challenge to the peace of the world unless the world under the San Francisco Charter permits Korea to be free.

There is a country on the other side of the world which I think we ought to take some time out to look at and think about. In American terms it is not a very large country—just a little larger than Utah or Minnesota. Its population numbers about 25,000,000. It does not have any army, now, or navy, either. It cannot do much to help us win the war—not yet, anyway—but it may have a lot to do with how well we shall be able to keep the peace.

The name of that country is Korea. Right now it is under the heel of the Japs, where it has been for a full generation. A lot of Americans have forgotten about it, and a lot more are hearing about Korea these days for the first time. Out in my State of Oregon we are interested in Korea's past and even more interested in its future. For we know that what happens to Korea is going to make much difference in whether we can make a peace settlement in Asia that will stick, and we on the Pacific coast are vitally concerned with peace in the Pacific.

We remember, out in Oregon, that Korea has a history. We pass over its 4,000 years before the United States was ever born. We know that nations rise and fall. Korea had its best days about the time of Queen Elizabeth in England, and then the Japs under their first great militarist, Hideyoshi, set out to conquer

them, and to go from there on to add China, India, and the Philippines to the Empire of the Rising Sun. This happened in 1592, and Hideyoshi thought he would sweep through Korea the first summer and be on his way into China. As a matter of fact, in 7 years of fighting he never got beyond Korea, and never conquered it.

But when we out in Oregon think of Korean history, we do not go back that far. We let the historians salute the Koreans for taking the Pearl Harbor blow of the sixteenth century, and stopping the Jap armies cold. Our knowledge of Korea starts with the nineteenth century, when the United States went into Korea to shake it out of its feudal past and bring it into the orbit of the western nations.

After Perry opened up Japan, American ships sometimes bumped against the coast of Korea, and several of them had trouble. Finally, in 1882, our Commodore R. W. Shufeldt sailed into Chemulpo Bay, right up to the front door of the capital city of Seoul, and arranged a treaty of commerce and mutual aid. Early in the next year the Senate confirmed that treaty. We were thinking mostly of the commerce, and the Koreans were thinking mostly of the mutual aid. We got the commerce, and we let them take the mutual aid on trust.

That is, we did until 1904, when they really needed some help. In that year the Japs pulled their sneak attack on Russia, and sent troops through Korea to attack Vladivostock. Those troops were never withdrawn. When the Treaty of Portsmouth was signed here in this country, with President Theodore Roosevelt's help, Korea was casually handed over to the Japs as a protectorate. Of course, the Koreans protested, but the State Department refused to receive their mission until after the treaty had gone into effect. Five years later, in 1910, Japan incorporated Korea into its Empire, with all pretense of its independence dropped. We were the first country to close our diplomatic offices in Korea, and transfer all relations to our Embassy in Tokyo.

Through all the years since then the Koreans have fought in periodic revolutions for their freedom. In 1919 they formed a provisional republic, and have maintained it ever since. They have fruitlessly asked over and over again for recognition and help from the United States and other major powers. They have warned that Japan was using Korea as a base for an eventual attack on China. They have pointed out that as Hideyoshi's dream of conquest started with Korea 350 years ago, just so does the modern Jap plan outlined in the famous Tanaka Memorial depend upon Korea as the essential bridge between Japan and the continent. They pointed out the network of rail lines and highways the Japs were building in Korea, through country where their only use could be as military supply routes. But their pleas have all been turned aside. Through all the period between 1905 and 1941 we preferred appeasement of Japan to justice for Korea. We thought if we let the Japs alone with the conquests they had, they would be satisfied to stop. Pearl Harbor was the answer to that.

The only point in raking up these dead coals from the past is because they have a definite bearing on the future. I think they have a definite bearing on the San Francisco Charter. Korea will play the same major strategic role in the future of Asia that it has in the past. For the 1,500 years the Japs nursed dreams of military expansion Korea kept them bottled up on their own islands—until Korea was turned over to Jap control. In 1895 China and Japan fought a war for the control of Korea. In 1904 and 1905 Russia and Japan fought for the same reason. Japan won that time, and the invasions of Manchuria in 1931 and China in 1937 were the direct results.

The question now is what the future of Korea is going to be. Will it be a base left in the hands of the Japs for a comeback in another 25 years? The answer to that was given by Roosevelt and Churchill when they promised that all of Japan's conquests were to be taken away. Is Korea to be handed over to China or to Russia, to become in their hands a threat aimed at one or the other of them? The answer to that question, too, ought to be "No," in terms of the Cairo pledge that "Korea shall, in due course, become free and independent." It is only an independent Korea that can serve the needs of stability in Asia and help establish lasting peace. As a free nation, without either the strength or the will to attack its neighbors, Korea will serve again as it has throughout its 4,000 years of history before 1905, as a buffer state. It would be the padding necessary to keep its ambitious neighbors apart.

This is the sort of function for Korea Sumner Welles had in mind when he wrote in his newspapers' column, after leaving the State Department:

> With the restoration of Korean independence, one of the great crimes of the twentieth century will have been rectified, and another stabilizing factor will have been added to the new international system which must be constructed in the Pacific.

It is important, then, that that Cairo pledge of independence to Korea should be kept—important not only to 25,000,000 Koreans, but to us here in the United States, and to all nations that hope to see the peace of the future preserved.

The reason this speech is being made is not to review history. Nor is it to invite us to congratulate ourselves because in freeing Korea we have found a way to help establish a lasting peace. In these busy times I would not be taking up the Senate's attention if everything were going so well for Korea.

The fact of the matter is that there is grave danger we shall miss our cue in this drama that is unfolding in the East. It looks very much as though we are going to resurrect two generals we buried long ago in the European war—Generals Too Little and Too Late. We are paying altogether too little attention to the urgencies of the Korean problem, and when we finally get around to studying it, we are very liable to find we are too late.

Right now Korea is not a nation—so far as we are concerned. It is simply a rebellious province of Japan. No Korean delegates were seated at San Francisco—though the Korean Provisional Republic earnestly requested it be granted that same privilege that was given to Argentina and to Ethiopia and to Turkey and the rest. But Korea could not be there, for Korea has no government that has been recognized by our Department of State. Consequently, Korea has no voice in the settlement of its own future. And it has no effective way of warning the western democracies that they seem to be drifting into the same kind of appeasement policy that was adopted toward Japan in 1905, and that may well have the same eventual results.

Members of the Senate will appreciate that Russia as well as Japan has a strong interest in Korea. Senators have heard the charge of the Korean Provisional Government that a secret agreement was signed at Yalta giving Korea to Russia, and Senators have read Under Secretary Grew's denial of the charge. I shall accept the denial. Senators have also read Prime Minister Churchill's subsequent statement to the House of Commons that while there were no secret agreements of that sort made at Yalta, there were many intimate discussions of a sort that could not be revealed. It is altogether possible that the truth lies between the charge made by the Korean Provisional Government and the candid admission of the former British Prime Minister. From the trend of events we may well assume the likelihood that in the near future a Communist Korean government will be unveiled in Siberia or in Yenan and recognized by the Soviet Union as the true representative of the oppressed masses of Korea. Once that step is taken the result will be very much like the surrender of Korea to Japan in 1905.

We do know for certain that thousands of Korean exiles have been welcomed, educated, and trained for war and government in Siberia. We know that when Japan has been driven from Korea these Siberian exiles will be returning to their homes. We can hope that their effect will be only to create a bond of friendship and trade between Korea and the Soviet Union. As such they could help establish prosperity for a free Korea and make it easier for Russia to secure the ice-free ports it needs in that country, without military, political, or economic domination. This is a positive contribution of real value which the Korean Communist exiles might be able to make.

But they will play such a role only if it is a free and democratic Korea to which they return. Their influence will be beneficial only if Korea has a truly representative government, and is supported in its independence by the friendship of the United States and the other democracies of the west. This is the condition I propose that we ought to bring about.

While the initiative still remains in our hands, I propose that the United States recognize the Korean Provisional Republic as the provisional government of Korea. I think we should at the same

time promise the Korean people that just as soon as conditions permit we shall supervise a free election by which they may choose a government wholly of their own choice. And I believe we should then stand beside and behind that government with a real pledge to support its independence and give it a chance to rebuild the country the Japs have ravaged and exploited for over 35 years.

If we continue simply to drift along waiting for events to take their course, we can be confident of what course they will take. If we abandon Korea, it can scarcely fail to drop like a ripe plum into Russit's lap. If, on the other hand, we speak up boldly now and place the seal of our approval and support on Korea's determination to be free, we shall be taking a positive step that will help Russia along with all the rest of the world. For we shall be helping to assure that the Orient of the postwar years will be stable and will remain at peace.

I think the recognition of the Korean Provincial Government is not something that should be longer delayed, and I speak on it today, Mr. President, because I think Korea offers us a great and specific example of a future problem that is going to confront the United Nations of the world if they truly function in keeping with the spirit and the intent of the San Francisco Charter. If we keep faith with the charter we must see to it that in the decades ahead the world frees its suppressed and oppressed peoples. We cannot have a free world without its being a world of free people. We cannot have lasting peace if some peoples are oppressed and enslaved. Tyranny and exploitation are breeding grounds of war. I recognize that these great world changes to which I allude cannot come overnight, and should not come overnight, because the world will have to grow in the habits of peace. Under the San Francisco Treaty the great powers of the world have the chance to develop the procedures, rules, and policies to make possible the settlement of these great racial problems—for that is what they are in part—these great problems of oppressed peoples, in an international court where judicial processes and rules of reason will prevail.

Mr. President, I think I would be false to realism if I did not, in the midst of this historic debate, point out that all the San Francisco Charter does is to give men an opportunity to become civilized. It gives men an opportunity, in the course of the decades immediately ahead, to recognize that freedom is not an empty phrase, that freedom is a dynamic concept, that freedom does not exist in a world in which any part of the world is inhabited by oppressed and suppressed peoples.

Mr. President, that brings me to the second major part of my speech on the San Francisco Charter. I use Korea as only one example of the problems which lie ahead in connection with making the world truly free. That freedom cannot be accomplished through war. I am one who believes that it can be accomplished only to the extent that we accept and devote ourselves to the objectives of a great international court, a court which I hope by the end of the next half century will be given jurisdiction over many disputes which have heretofore been denied an international court. So, in this second part of my speech I wish to use the World Court as another specific example of the great challenge which this treaty offers the peoples of the world.

Mr. President, the subject on which I now wish to speak lies at the very heart of any approach to organization for peace. I am speaking of the settlement of disputes between states, and address myself particularly to the World Court—the judicial organ of the United Nations. The charter provides in chapter XIV for the establishment of an international court as one of the principal organs of the new organization. The statute of the Court is annexed to the charter and forms an integral part of it, so that ratification will cover both documents.

Whether we look upon the charter as being primarily a method for enforcing the peace, or as a method for furthering and achieving international cooperation, or as a combination of the two, which it probably is, it is impossible to avoid the elementary conclusion that peaceful international relations must have a solid and firm foundation in law. It is an often repeated truism that the achievement of peace means the substitution of the rule of law for that of force in international relations.

The focusing of attention on the problem of international security and the power of the Security Council to repress threats to the peace tend to obscure the fact that the Charter not only attempts to regulate the use of force in the interests of all but also provides for actual decisions by a court of law. The decisions of the International Court of Justice are not likely to prove as sensational as the acts of the Security Council in a crisis, but they will form part of the quiet operation of the organization by which the habit of peaceful international cooperation will be developed. The criticisms which may be leveled at the political organs of the organization cannot be directed against the Court. Here there is no veto by the great powers; here there is no danger of a deal dictated by power politics or the expediencies of the moment. The Court will be composed of truly independent judges, owing their offices to no one state. Its decisions will be rendered in accordance with international law, as recognized by all civilized nations, and its conduct of cases will be regulated by the strict rules laid down in its statute. If states wish to have an impartial settlement of their legal rights, they may go into the Court with absolute assurance that this is exactly what they will get.

In giving our advice and consent that this charter be ratified, we should, I believe, realize that the organs provided for the carrying out of its purposes are as yet rudimentary in form, and that we should regard this step as the first in a series which must be taken if the United Nations Organization is to cope with the complex conditions of present-day international society. This is true of the Court.

It is true that the international judiciary as an institution now has a substantial history behind it. The Charter states in article 92 that the statute of the new court is based on that of the Permanent Court of International Justice, which was organized in 1920 and which functioned with distinction until the outbreak of the present war. The Report of the Committee of the San Francisco Conference which dealt with the judiciary lays stress upon the importance of maintaining the link of continuity with the traditions and jurisprudence of that Court. It is significant that all of the international institutions and experience of the past 25 years, the institution which the nations represented at San Francisco most wanted to preserve was the Permanent Court of International Justice. The report of the President to the Senate states that there was unanimous agreement that it had rendered effective service and had made an excellent record. Fifty-one States had been parties to the Court's Statute, and the exercise of its jurisdiction had produced general satisfaction throughout the world. But 16 of the States parties to the old statute, including enemy States, were not represented at San Francisco, while a number of members of the United Nations who were represented at the Conference were not parties to that statute, for example, the United States and Russia.

So far as enemy States are concerned, no difficulties were anticipated, since changes in the old statute could have been dealt with in the peace treaties, but a different solution would have been called for with respect to the neutral states. It was argued that a statute to which they were parties and the Court operating under it could not be changed and taken over without their consent, and yet it was obviously not feasible to include them in the deliberations of the San Francisco Conference of the United Nations.

Although not a member of the League of Nations, the United States signed the Protocol of Signature of 1920 to which was attached a statute under which the new court functioned, and in 1923 President Harding asked the Senate for its advice and consent to ratification. The Senate in 1926 stated certain reservations and conditions under which the United States might ratify. Over the course of 9 years negotiations were carried on with the states which were parties to the statute of the Court and with the League of Nations. The statute was revised in an attempt to meet the views of the Senate, but in a final Senate vote of January 29, 1935, the necessary two-thirds majority required for approval was not secured. The fact that the United States was not a member of the League of Nations to which the Permanent Court of International Justice was related was no doubt a principal reason for the objections to our participation. It is well to note that a series of distinguished citizens of this country have been closely identified with

it. These include Elihu Root, a member of the advisory committee of jurists which drafted the Court's statute in 1920, and John Bassett Moore, Charles Evans Hughes, Frank B. Kellogg, and Manley O. Hudson who have served as judges of the Court. In fact, at all times in the Court's history it has listed an American citizen among its roster of distinguished judges.

Nevertheless, Mr. President, in spite of the fine record and traditions of the Permanent Court, the Hague Court of Arbitration, and of other distinguished international tribunals, the international judiciary must, I believe, as a judicial system, thus far be regarded as a primitive form of legal institution. I take satisfaction, however, in the belief that in this particular field advances have taken place in world thinking that bring us to the threshhold of perhaps the greatest material achievement yet accomplished in the direction of organizing world peace and security. This opportunity which lies before us, and which I believe the Senate should not overlook, lies in strengthening and broadening the jurisdiction of the Court.

The basic jurisdiction of the Permanent Court of International Justice was over cases voluntarily brought before it by agreement of the parties. This kind of jurisdiction was, of course, nothing new. States had in numerous instances submitted their differences to arbitral tribunals by agreement, and the United States submitted many such cases in the period between the two wars and made many treaties agreeing to do so.

I cite as examples of arbitrations in which the United States participated recently the United States-Mexican Claims Commission, the United States-German Claims Commission, and the United States-Turkish Claims Commission. The claims arbitrated by these commissions ran into the thousands.

The mere fact of instituting a permanent world judiciary did little or nothing to bring to adjudication cases which would not have been submitted in any case. Even in 1920 there was a strong feeling that this was inadequate, and the statute drafted in that year by the Advisory Committee of Jurists which included Mr. Root, contained a provision that the Court should have jurisdiction without special agreement in four defined categories of cases, namely, those concerning: (a) The interpretation of a treaty; (b) any question of international law; (c) the existence of any fact which, if established, would constitute a breach of an international obligation; (d) the nature or extent of the reparation to be made for the breach of an international obligation.

However, this article proved to be unacceptable when submitted to the League organs, despite eloquent appeals by representatives of countries which today are our heroic allies, and which have suffered most grievously in the present war.

As a compromise there was approved as paragraph 2 of article 36 of the statute a provision under which such states as desired to do so might sign declarations accepting the jurisdiction of the Court in advance and without special agreement in cases of the categories mentioned, and as respects other states signing similar declarations. States which have signed declarations under the optional clause, for example, Mr. President, include almost all the countries of the world: Albania, Argentina, Australia, Austria, Belgium, Bolivia—I could go on down the alphabet, and it would be found that the majority of nations have signed such declarations. Such declarations were signed at one time or another by upward of 40 countries, including three of our great allies in this war, China, the United Kingdom, and France. In addition, many treaties contain provisions that questions arising from their application should be referred to the Court. In these ways there was achieved a very wide submisison to the Court's jurisdiction, waiving the necessity of special agreements.

At San Francisco the attempt was renewed to obtain general compulsory jurisdiction and the records of the meetings indicate that the effort was eloquent and determined. The report of the committee which dealt with the judiciary records that a majority of the states actually favored compulsory jurisdiction. However, as some delegates felt that such a provision would jeopardize their countries' or other countries' acceptance of the Charter, the compromise of 1920 was again adopted in substance. The question of jurisdiction was thus in effect passed back to the individual states, and it is one which we cannot, in conscience, avoid. It is, in my judgment, Mr. President, the next great step which I think should be taken in implementing the Charter.

Moreover, in addition to providing for possible acceptances of jurisdiction under paragraph 2 of article 36, the Conference inserted an additional paragraph providing that declarations already in existence as among the parties and applying to the old Court shall continue in existence and shall apply to the new Court. Thus, the new Court will start on its way with a substantial number of its members obligated in advance to submit to its jurisdiction.

Mr. President, a quick check of a standard treatise on the World Court indicates that 19 states will be so bound upon ratifying the treaty. I ask unanimous consent to have printed in the RECORD at this point a list of the states which my study leads me to believe will be automatically bound under the optional clause upon ratifying the Charter. the total number being 19. The number may not be exact, but I think it is relatively so.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

STATES AUTOMATICALLY BOUND UNDER THE OPTIONAL CLAUSE UPON RATIFYING THE CHARTER—TOTAL NUMBER, 19

Australia, Bolivia, Brazil, Canada, Colombia, Denmark, Haiti, India, Iraq, Luxemburg, Netherlands, New Zealand, Nicaragua, Norway, Panama, El Salvador, South Africa, United Kingdom, Uruguay.

Other countries would probably be included, but their declarations expired during the present war, and they were not in a position to renew. France, for instance, was in such a position.

Mr. MORSE. Mr. President, the Conference did one thing more. A resolution recommending that members of the Organization make declarations under the so-called optional clause was approved by a committee of the Fourth Commission, and finally by the plenary conference; and, as the Members of the Senate know, the fourth commission was assigned jurisdiction within the Conference of juridical problems. It was divided into two committees, one on the world court and the other on miscellaneous legal problems. I am pleased to find in studying the record of the conference that the votes, both in the fourth commission and in the plenary conference, were without dissent. That does not mean that the votes were unanimous in the sense that all voted. Some refrained from voting.

Mr. MILLIKIN. Mr. President, will the Senator from Oregon yield to me?

Mr. MORSE. I am glad to yield.

Mr. MILLIKIN. What was the specific question on which the vote was unanimous?

Mr. MORSE. That was in regard to a resolution recommending that members of the organization make declarations under the optional clause. Also it should be noted that prior to the San Francisco Conference a number of important American organizations placed themselves on record as favoring general compulsory jurisdiction. These include the American Bar Association, the Federal Bar Association, the Inter-American Bar Association, and the American Society of International Law. In addition, a number of prominent individuals have endorsed this concept. They include the senior Senator from Vermont [Mr. AUSTIN] and former Associate Justice Roberts of the Supreme Court.

Mr. MILLIKIN. Mr. President, will the Senator further yield to me?

Mr. MORSE. I am glad to yield.

Mr. MILLIKIN. Because the Senator has not mentioned it, I assume that the American delegation did not so put itself on record.

Mr. MORSE. Earlier in my remarks, I explained that the American delegation did not so put itself on record.

Mr. MILLIKIN. I thank the Senator.

Mr. MORSE. And I am sure the very able and distinguished senior Senator from Michigan will be able to explain to the Senator from Colorado, as he explained on the floor of the Senate yesterday, as I understod his remarks, why they felt that the compulsory jurisdiction question should be separated from consideration of the charter itself. As I understand it, they felt that it should not become involved in consideration of the Charter, but that the Charter should be considered independently, and the Senate of the United States should at a later date decide whether it wished to adopt the policy of having this country accept compulsory jurisdiction of the court.

Mr. MILLIKIN. Mr. President, will the Senator further yield to me?

Mr. MORSE. I am glad to yield.

Mr. MILLIKIN. I take it from the remarks just made by the Senator from Oregon that he believes that question is a senatorial question and should be raised by treaty.

Mr. MORSE. Decidedly so; and let me say to the Senator from Colorado that I am sure I shall make that clear before I close my remarks, and I am sure the resolution which I am going to offer at the close of my remarks will leave no room for doubt in regard to it.

Mr. MILLIKIN. I would refresh the Senator's memory on the fact that Mr. Hackworth, speaking for himself and possibly for the State Department, wrote a memorandum to the distinguished senior Senator from Michigan which, to me, is not entirely clear in all its aspects; but certainly it contains a strong intimation, if not a direct statement, that such matters might be handled by the action of the whole Congress or by action on a treaty. The Senator does not understand that senatorial opinion is controlled by an opinion from Mr. Hackworth.

Mr. MORSE. Certainly not the opinion of the junior Senator from Oregon.

Mr. MILLIKIN. In the Senator's opinion, the whole question remains open for future decision by the Senate.

Mr. MORSE. That is why I shall introduce a resolution at the close of my remarks which I hope will bring forth a full debate upon the subject next fall.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. VANDENBERG. The Senator from Colorado referred to Mr. Hackworth's letter. Of course, it was Mr. Hackworth's personal opinion which was expressed in the letter, but I believe that inherent Mr. Hackworth's letter is a clear intimation that the matter is one for Congress to settle, because he indicates textually that precise fact. He indicates his own slant of mind in respect to what the congressional decision should be, but I think he concedes that it is a congressional decision.

Mr. MILLIKIN. Mr. President, will the Senator further yield to me?

Mr. MORSE. I yield.

Mr. MILLIKIN. I, of course, have no objection to any personal opinion which Mr. Hackworth may have. I merely want to make sure that there is no what might be called official opinion by the delegates to the convention, or by the chairman of the Foreign Relations Committee, or by the distinguished senior Senator from Michigan which might give official face to Mr. Hackworth's opinion and make it in any way binding upon the Senate.

Mr. VANDENBERG. Mr. President, I am sure Mr. Hackworth could not bind the Senate. So far as I am concerned, the importance of Mr. Hackworth's observation, at least from my own point of view, lies almost exclusively in the fact that it forecloses the possibility, from Mr. Hackworth's point of view, that adherence to the court could be ordered by a Presidential executive order without consultation with Congress or the Senate.

Mr. MILLIKIN. Mr. Hackworth's memorandum, as I interpret it, refers to one category of cases upon which he bases the belief that the President could submit this country to the Court without reference to Congress. The basis of Mr. Hackworth's conclusion is the traditional handling of claims by means of diplomacy when this Government is not confronted with the possibility of additional responsibility or additional liability being imposed upon it as a result of that kind of a reference. At the moment I am not prepared to dispute the correctness of that opinion. However, if I read his opinion correctly, he establishes an alternative so far as the submissions of other types of jurisdiction to the Court are concerned. He says, on the one hand, that if Congress prescribes the procedure, we shall adhere to it. If Congress does not prescribe the procedure, we shall refer it to the Senate. I do not intend to engage in a debate on the subject, but it is perfectly obvious that so far as the treaty-making power of the Senate is concerned, Congress cannot change it in one way or the other, for that power rests in the Constitution.

All that I am driving at, I may say to the Senator from Michigan, is the end point that nothing contained in Hackworth's memorandum, or nothing that has been said here on the floor of the Senate, forecloses full good-faith discussion with reference to what action in the matter the Senate shall take in the future.

Mr. VANDENBERG. I agree with the Senator from Colorado. Mr. Hackworth's statement, so far as I am concerned, does, however, foreclose the State Department from ever suggesting hereafter that these decisions can be made exclusively by Executive order through the White House.

Mr. MILLIKIN. That is true, excepting in that narrow line of cases to which I have referred.

Mr. VANDENBERG. Yes.

Mr. MILLIKIN. I should like to propound a question to the Senator from Texas. I wonder if the Senator heard this discussion.

Mr. CONNALLY. I ask the Senator to excuse me at this time.

Mr. MORSE. Mr. President, I share the views of the Senator from Colorado and the Senator from Michigan on the point that any future action taken in regard to accepting compulsory jurisdiction of the World Court, so far as this country is concerned, involves a matter which must come to the Senate of the United States in the first instance.

Mr. President, I could cite a long list of experts in the field of international law, and quote from them in support of the view which I hold, namely, that if the World Court is really to become a vital and effective force in the future in maintaining world peace through the exercise of judicial process, its jurisdiction must be enlarged, and countries of the world must be willing to submit themselves to its compulsory jurisdiction.

I shall not take the time of the Senate to quote from a great many experts and authorities on international law, but for the RECORD I should like to read a brief quotation from Professor Lauterpacht, a distinguished British authority on international law, in his book, The Function of Law in the International Community, which says at page 429:

> There is a glaring contradiction in the idea that in a society of states which are ex. hypothesi independent of one another, and in relation of equality to each other, one state may legally claim the right to remain judge in a dispute in which the rights of another state are involved—a contradiction which is not solved but accentuated by the rights of other states to disregard any decision thus reached, and in turn to set themselves up as judges on the disputed right * * * the existing rule, that the jurisdiction of international courts is in principle voluntary, is upon analysis nothing else than the right to exercise jurisdiction over a foreign state, not in minor matters * * * but in international relations proper.

In the report of the meetings of the 1920 Committee of Jurists, which made the original draft of the Court's statute, Mr. Elihu Root's remarks are reported as follows, on page 230:

> The hopes of the world rested upon the realization of the rule of law. The creation of institutions with this object contains the germ of future development. Legal decisions based on previous decisions, of the same kind, it is this way that progress is possible. The world would become accustomed to act according to law. This does not apply to decisions taken by the Council. The Committee therefore should try to induce the nations to agree to a provision by which every question relating to the interpretation of a contract or a principle of law must be settled by judicial means.

Mr. President, the issue as between voluntary and compulsory jurisdiction is the difference between shadow and substance. Nothing whatever is gained by merely stating that law must replace force as the governing factor of international relations. So long as states have the option of withholding their legal disputes from adjudication, this remains an empty phrase, of which we have had too many in the past. In spite of the undeveloped character of its institutions, international law itself is a well-developed body of law, capable of playing a great role if regularly called upon and obeyed by states, and capable of much greater development if we will but make use of it. The mechanism for the selection of judges is such that only those of the highest capacity and integrity have any chance of sitting on its bench.

Mr. President, the materials and procedures are at hand, but they are of little use if we refuse to utilize them in cases of real importance. We need to know in a given case what the applicable rule of law is, and only a court can tell us that.

As a people we have long placed our faith in the law. As a lawyer and legislator I feel that the best hope of a stable world order lies in the development and strengthening of the rule of law. This

means, as a practical matter, the development and strengthening of the jurisdiction of the Court.

The adoption of the present article 36 of the statute, containing the so-called optional clause, leaves the way open for the achievement of general compulsory jurisdiction. If all states sign declarations under the optional clause, the same result will be achieved as if general compulsory jurisdiction had been incorporated in the statute from the outset.

It is very much to be hoped that this will be done. It is very important that the United States do its part to bring this to fulfillment, and in order to facilitate this, Mr. President, and in order to dispel any doubts about the attitude of the Senate, I am filing a resolution to be considered when we reconvene, proposing that the United States accept the compulsory jurisdiction of the World Court.

A substantial number of countries, including some of the great powers, will bind themselves automatically in this way upon ratifying the Charter, by virtue of declarations already in force. Many other countries will soon take the same step, and it is important that the United States take a leading part in this as we did in making the charter in San Francisco. We must show the world our interest and sincerity in developing the new system of international law and order. Other states have reason to wonder how sincere we are in adopting a system which we have always rejected before; and this would reassure them, would doubtless lead to imitation by many other states, and be in perfect accord with our own beliefs and practice. We could hardly do it before our people accepted the international organization; having accepted the Charter it is the logical next step, and will be an inspiration to the world.

Should this be done, Mr. President, we may occasionally have to take an adverse decision that we will not like, but I can see no alternative to war other than a system under which the various countries submit their disputes to the rule of law and, if they prove to have been wrong, in accordance with decisions by impartial judicial minds, the nations should accept the verdict, even if they do not like it.

Mr. President, I have spoken on only one of the great forces of the charter, the World Court. I believe it is such a creative and dynamic power for giving life and strength to a war-sick world that through its jurisdiction and procedures is to be found our best hope for bringing law and order into international relations. In ratifying this charter we are taking an important step along a long and hopeful road with a goal which has yet to be reached by the human race in its struggle to become civilized. Although we flatter ourselves by referring to our society as civilized, objectivity should force us to admit that resort to war is man's self-indictment of his primitive state. Have not the destruction, misery, blood, tears, and death which man has visited upon himself in the present holocaust of war, unequaled in all of history, finally taught the peoples of the world that if they are to reach the goal of the civilized state they must learn to live in peace?

Law and order, based upon rules of reason, are the instruments of peace. The San Francisco Charter, in the form of the treaty which it is our privilege as the representatives of a free people to ratify today, points the way to civilization. Through the processes of its general assembly, Security Council, Economic and Social Council, Trusteeship Council, and World Court, rules of reason and just decisions can be made to prevail over the primitive weapons of economic exploitation, suppression of weaker peoples, military might, and periodic resort to war. The hour is historic, the obligation sacred, the challenge great.

In keeping faith with the hour, the obligation, and the challenge, I offer to the Senate of the United States for early consideration and action following ratification of the treaty now pending before the Senate the following resolution:

Resolved, That the Senate hereby recommends that the President of the United States deposit with the Secretary General of the United Nations, whenever that official shall have been installed in office, a declaration under paragraph 2 of article 36 of the Statute of the International Court of Justice recognizing as compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the International Court of Justice in all legal disputes hereafter arising concerning:

a. The interpretation of a treaty;

b. Any question of international law;

c. The existence of any fact which, if established, would constitute a breach of an international obligation; and

d. The nature or extent of the reparation to be made for the breach of an international obligation.

Provided, That such declaration should be for a period of not to exceed 5 years, and should exclude from its operation:

a. Disputes in regard to which the parties to the dispute have agreed or shall agree to have recourse to some other method of specific settlement; and

b. Disputes with regard to questions which by international law fall exclusively within the jurisdiction of the United States.

Provided further, That the President be and hereby is requested to furnish the Senate for its information a copy of any declaration filed by him pursuant to this resolution.

Mr. President, I ask unanimous consent to submit the resolution and ask that it be referred to the appropriate committee. I do so with the firm conviction that the resolution fixes the great responsibility of the Senate of the United States to keep faith with the spirit and intent of the San Francisco Charter, namely, that we will cooperate with the nations of the world in substituting rules of reason and principles of international law and justice in the settlement of international problems of the decades of the future. Only by keeping that faith can we establish a world of permanent peace.

There being no objection, the resolution (S. Res. 160), submitted by Mr. MORSE, was received and referred to the Committee on Foreign Relations.

Mr. VANDENBERG. Mr. President, before the Senator from Oregon takes his seat, will be yield to me?

Mr. MORSE. I am glad to yield.

Mr. VANDENBERG. I am sorry that I missed the Senator's discussion of the first point he submitted. I was called from the floor by a committee meeting. It was my understanding that he was urging in a general way that this institution must in no sense freeze a static world against an opportunity for peaceful change in behalf of oppressed peoples of the world.

Mr. MORSE. That is my thesis.

Mr. VANDENBERG. May I ask the Senator whether he called attention to article 14 in that connection?

Mr. MORSE. I did not specifically.

Mr. VANDENBERG. If the Senator will permit I would like to say very briefly that article 14 is, in my opinion, the direct and specific answer to the Senator's prayer. Very little attention has been paid to it in this debate. It is very brief, and I want to call attention to its language:

The General Assembly may recommend measures for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, including situations resulting from a violation of the provisions of the present Charter setting forth the purposes and principles of the United Nations.

When we turn to the principles and purposes of the United Nations we find among other things a dedication to the principle of equal rights and self-determination of peoples. Therefore article 14 actually may be read as follows:

The General Assembly may recommend measurers for the peaceful adjustment of any situation, regardless of origin, which it deems likely to impair the general welfare or friendly relations among nations, or which threaten to violate the principle of equal rights and self-determination of peoples.

Mr. President, while article 14 carries with it only the power of discussion and recommendation in the Assembly, I think article 14 is the heart and core of the promise of this great adventure in behalf of the disappointed and distressed peoples of the earth, those particularly who may find themselves in distress and disappointment as the result of the expedient liquidations of this war. I think that this is our guaranty that we are not underwriting a static world, but that we do propose to create an outlet for the peaceful settlement and the peaceful adjustment of disputes of this character, of situations of this character, so that the world may progress in liberty and freedom by the process of peaceful change.

Mr. MORSE. Mr. President, I want to thank the Senator from Michigan for his excellent contribution to the discussion. I am in complete agreement with him. In fact, the article to which he refers I think is one of the great inspirations that is to be found in the San Francisco Charter. Under that article I think the oppressed peoples of the world can take hope, and I am convinced that the implementation of that article is going

to result during the next 50 years in many peoples not now free finding their freedom under the democratic and judicial processes of the Charter.

Mr. VANDENBERG. I should like to add that I place such importance upon article 14 that I say now, as I said at San Francisco, that under no circumstances would I have signed this Charter without article 14 being in it.

Mr. WALSH. Mr. President, the question now before the Senate is whether we shall give our approval to an instrument fashioned through the joint efforts of 50 nations at San Francisco, and which is an expression of the hopes and desires of many peoples for peace and security, or whether we should reject this instrument and in so doing snuff out present hopes and aspirations of the peoples of the world seeking through international cooperation to keep the peace in the future.

It is my judgment that the American people should join with other peace-loving peoples in every effort to prevent future wars, and, accordingly, I am voting for the ratification of the Charter of the United Nations.

In voting for ratification, it is with full realization that it is not an automatic instrument of peace and justice. It is but an initial step that may prove futile. We, however, must do our utmost to make it a success.

The Charter is admittedly imperfect. The organization for international consultation and cooperation in the interest of peaceful settlement of disputes, created by the terms of the Charter, contains in itself no assurance that the world will be spared the holocaust of another war. Time alone will demonstrate the efficacy of the new league as an instrument of peace.

To all who approach the subject with unbiased minds and who are disposed to examine into it without passion or prejudice, it must be apparent that the avoidance of future wars will depend not on the words of the document formulated at San Francisco, not on the present declarations of its advocates and supporters, not on the mechanism of the Security Council and the General Assembly, not on the International Court of Justice which may render judgment when disputes are brought before it. Avoidance of future wars will depend upon the peoples themselves.

Any nation whose leaders really seek, plan, and cherish peace can attain peace if their inalienable rights to be free are not infringed upon through force exercised by other nations. When one nation fails in its dealings with another and violates the fundamental principles of justice and freedom it thereby seeks and flirts with war, and in such cases war is inevitable. We must realize that in the final analysis the avoidance of wars in years to come will depend on the disposition of the leaders and rulers of the great powers.

The charter has no curative powers itself. It is merely a mechanism for consultation, mediation, and adjudication. To achieve the goal of a peaceful world requires a fair, just, but firm attitude on the part of the United States with reference to Russia, Great Britain, France, China, and the other states. It means setting up a high standard of international morality for every state to comply with, the utmost patience in the attempt to reconcile conflicting views, the fostering of mutual confidence in the fairness and good faith of the member states, and, above all, the constant exercise of the virtues of justice and charity.

As we look upon the world today with poverty, misery, destruction, and destitution on every side, we cannot fail to be impressed by the feeling of helplessness that now grips so many peoples; helplessness respecting their chance of freeing themselves from tyranny and oppression. We see the false philosophies of which they are the victims. It is the most disheartening feature of the present situation.

Indeed, a feeling of anxiety, and fear, and uncertainty as to what the future holds in store respecting security, the preservation of freedom, and of democratic institutions and fear and uncertainty as to the avoidance of future wars is manifest here in our own country as we debate and vote for this Charter, extending to the governments of the world an opportunity to establish permanent peace by the application of the principles of justice and freedom. This state of uncertainty and fear for the future is evidenced by the very fact that, while we are praying and hoping for world peace, we are in innumerable ways making plans to defend ourselves against future wars by providing an Army and Navy larger than ever before dreamed of in peacetimes, by planning for the obtaining of military bases in many parts of the world, and by proposing a peacetime draft, which was never before seriously proposed in the history of our country.

In ratifying this charter and committing our country to participate in an international organization designed to promote and, if possible, to achieve security and world peace, we must not for 1 minute suppose that military and naval preparedness has thereby become unnecessary and undesirable. Any such delusion would be the height of folly.

The Secretary of the Navy, James Forrestal, has expressed my thought in a recent speech to the graduates of the Naval Academy, wherein he states, referring to the difficult task of creating the mechanism to reduce the risk of greater wars:

> I resist the temptation here to use such phrases as "guaranteeing future peace" or "insuring against war," because in my view there is no automatic way of insuring against war or of guaranteeing peace and I think it is unwise to encourage the accumulation of such expressions. They tend to diminish the very watchfulness, care, and prudent statesmanship which are the real guarantors of peace.

Again:

> The most dangerous thing for the United States to do, next to a decision to abstain from such a world organization, would be to assume that simply because a document has been written or a plan drawn for international organization the evolution of the plan into a living and viable instrument will be automatic.

Notwithstanding all the confusion and skepticism in the world today, we must not abandon hope. Indeed, this Charter has distinct possibilities, and it presents an opportunity for right-minded, conscientious peace and freedom-loving leaders of the people to work together in the promotion of world peace.

Mr. BRIDGES. Mr. President, each Senator, we may be sure, is equally devoted to the hope of universal and enduring peace. We are all equally sincere in our search for instrumentalities to prevent a recurrence of the catastrophes which have rocked the world twice in our own generation. We echo the passionate hunger for peace that is in the hearts of the American people and the plain people of all the world.

The work done in San Francisco was a great contribution in the right direction, the direction looking to a peaceful world; and I compliment my colleagues who were members of the American delegation for their sincere work.

As never before in the history of human kind, free peoples everywhere stand united for peace. For the first time in the history of our own Nation, there is a completely nonpartisan and unanimous effort to find the way to a lasting peace. What we are doing in this Chamber reflects the prayers of our own people that at last peace on earth shall come to pass. In discussing the United Nations Charter now before us for ratification, we therefore stand arrayed not as antagonists, but as friends in a common task.

The European phase of the war alone has cost mankind about 60,000,000 casualties. Some 14,000,000 of them were deaths. There is no formula to compass the total of suffering and chaos called World War II. The only sinister certainty, as we survey the havoc wrought, is that if there is another war it will be even more terrifying and destructive.

Hundreds of thousands of Americans killed and wounded to achieve victory in Europe, hundreds of thousands more who have sacrificed and will continue to sacrifice their blood for victory in the Pacific, are the witnesses to this momentous debate. In the solemn presence of these beloved witnesses, in our eagerness to head off a repetition of the tragedy, it is only natural that we should reach out eagerly for every straw of hope. In our desperate yearning for peace perhaps it would be natural for us to ignore the defects of the Charter and focus attention on its promises.

Yet, there is no one among us who does not see clearly his duty to so search this Charter that all the people may have the opportunity to know all of its faults as well as its goodness. This is a turning point in the history of our government and our people. We are about to enter upon a program of world cooperation such as we have never before attempted. The deflection from our prior course is so great that we must not make it blindly. The effect of this document can be to chart the course of the world for untold generations to follow us.

The emphasis here has been upon the noble purposes of the Charter. To me

it seems that those who know the document best should have equally emphasized its shortcomings so that the people may know that the road to the achievement of the hopes of the Charter will be a thorny one. Knowing its shortcomings, the American people would be better prepared to make a full and earnest effort toward the accomplishment of the charter purposes.

I feel no restraint in addressing myself to some of the defects of the Charter as well as to its virtues. I could stand here today and speak only of its virtues. That would be the simple, easy thing to do, but that would not be meeting my duty as a Senator as I see it. To remove any doubt concerning my position, let me express the conviction that the document does not go far enough. I need yield to no one in my stand for the acceptance by the United States of its responsibilities in a world shrunken to a community of neighbors by scientific progress. My stand today for peace is as unwavering as has been my stand for the elimination of the German and Japanese hordes who would have ruled us all with an iron hand. I am meeting my duty to put a light upon the defects of the Charter because some of those defects can be so contrary to the principles for which our country has fought and still fights.

I shall skip over the myriad lesser "infirmities," to use the word of the Senator from Michigan [Mr. VANDENBERG], and touch on a few of the major and basic defects.

The only acts of aggression or breaches of peace which the charter is sure to be geared to suppress are those committed by small and weak nations that is to say, by the nations which are least able and least likely to kindle another world conflict.

Even in those cases, Mr. President, investigation and preventive action can be arbitrarily paralyzed by any one of the five big powers which are permanent members of the Security Council. Thus, any small nation which enjoys the patronage, or serves as the tool and puppet of one of the big powers is as immune to interference as the Big Five themselves.

Let us face the fact: In the Charter we have an instrument for arresting acts of war by countries which lack the power for making war. The menace of large-scale conflict does not reside in quarrels of small countries by themselves. Such quarrels can be limited and isolated. The menace lies rather when the small powers act in the interest of a great neighbor and are provoked in their act by that neighbor. But in that case the veto privilege which makes the big power immune to United Nations action can operate to make the small satellite nation immune. The preventive machinery works smoothly until the point of real danger is reached, the point where a nation strong enough to precipitate a world war is involved, and then it can go dead.

We may assume, in fact, that every small country could be under temptation and pressure to seek a big power patron. Only in that way can it obtain an indirect share in the monopoly of control vested in the Big Five. One of the faults in the charter, Mr. President, is that its punitive and coercive leverage could be applied only against a truly independent small nation. At the price of its independence, one of these nations could free itself from the coercive authority of the charter, by the simple expedient of making a deal with a veto nation and placing itself thereby under its umbrella of immunity to United Nations discipline.

Therefore, it seems to me that the inevitable conclusion is that the charter can encourage the enlargement of zones of influence. This could result in a five-nation monopoly under the Charter which could have the right to impose a course of action on all member nations. The 45 beyond the pale of the monopoly could have no power to exact action or good behavior on the part of the Big Five.

Several times in the course of the discussion of the San Francisco Charter, a comparison has been drawn with the adoption of the American Constitution. It has been rightly said that old Ben Franklin voted for the Constitution notwithstanding its defects, and that the Constitution has worked out magnificently.

It seems to me that this comparison ought not to be used, for our American Constitution was sound in its over-all principles. It was democratic. It provided its own machinery for revision to any extent and was soon rounded out with a Bill of Rights that, in practice, has been its crowning feature. Most important of all, Mr. President, the American Constitution went to great lengths to guarantee genuine equality to the States entering into the Union.

We know that neither Ben Franklin nor the other members of the Constitutional Convention would have tolerated a Constitution by which two or three or five of the States were given a veto power over all the rest. There has never been a document, and there is none today, which can even approach, let alone surpass, the Constitution of the United States.

Mr. President, to prevent a repetition of World War II is not the same as preventing a world war III. We cannot go along on the theory that Germany and Japan will be the only sources of aggression in the days ahead of us. The end of the war with Japan should see both Germany and Japan so utterly, so completely defeated that it will be impossible for them to make war for generations to come.

Where, then, does the great danger of a third world war lie? It lies in the tensions and disagreements and conflicts of interest in Europe and the Pacific of the Big Five. These are precisely the privileged nations under the Charter. It is clear that where the interests of the Big Five are concerned, the Charter can take us back to the threat of war. As the Charter is framed, any one of the Big Five can prohibit interference by another.

Within recent months a threat of British force curbed French policy in Syria. A show of Anglo-American force curbed Tito's ambitions, and, presumably, the Russian policy in the Trieste area. Had the charter been in operation, it could have offered no alternative situations unless France and, presumably, Russia had consented to interference.

One of the greatest failings of the charter is that it makes no attempt to write fundamental law. I do not mean to say wholly that the wise procedure would have been to include specific laws, but I do think reference should have been made to the basic moral code that no man should fall upon his neighbor. For example, the high principles expounded in the Atlantic Charter are the type of moral code to which I refer. I, for one, have not forgotten how the Atlantic Charter lifted the hearts and the hopes of all the world.

Statesmanship has been defined as the art of horse trading with other people's horses. The Charter can provide a legal cover for this horse trading. Calling as it does for unanimous agreements among the Big Five, it means that the Charter can cause each of the five to close her eyes and her heart to what the other four may elect to do in the spheres of influence which they may carve out for themselves. The Charter could cause the Big Five to resolve into a continuous game of give and take in which the things given and taken could belong to the smaller nations of the world.

It must be made clear to the American people that the Charter makes no provision for the disarmament of nations. In my opinion, as the charter stands today, it might even encourage the continuation of the present armed might of member nations. Our hope is in the Charter; but until we know for sure that our hopes will not be deceived, we have no choice but to be prepared for any eventuality.

I am very glad that provision for amending the Charter was finally inserted, but I regret that the method will not be more democratic. No such document could be written which would not require change upon reflection or change by future events. The framers of our own Constitution were very mindful of that truth. Their provision for amendment of the Constitution by a democratic process gave us a guaranty that the document itself would never be threatened by extreme difficulty of amendment.

My record testifies to the sincerity of the hope I held that all the lofty principles of the Atlantic Charter would be effectively incorporated into a permanent charter for world peace. We all recognize that some compromise is necessary to find a beginning for a going world organization. Yet there was a time in this war, Mr. President, when the country's leaders could have demanded and received subscription by our allies to the freedoms for which American boys fight. That was a long time before the meeting in San Francisco. That was when our righteous might was turning the tide on every battle front of the world. That is when our allies were dependent upon help from America. To me, the hesitancy of our Government, the hesitancy of our leaders to take the moral leadership of the

world at that time will always be a sad commentary.

Mr. President, I have discussed some of the defects of the Charter. As I see them, they constitute the reasons why we must proceed under it with a thorough understanding of the strength of the charter and of its weaknesses. These defects are the errors and omissions which the future must correct and fill in. I have no illusions about the document, and I consider it vital that the American people shall have no illusions about it.

It is my hope that the Organization to be established under this Charter will make a complete study of the criticisms of the charter made during this Senate debate. The criticisms made here are not to disparage the document, but to enlighten the members of the coming world organization as to what the American people would consider constructive amendments.

Mr. President, it seems to me that no man can refuse to marvel at the sight of representatives of 50 great nations of the world sitting together in discussion of common problems and creating this charter, as they did at San Francisco. To me, one of the finest points of the charter is the fact that men who represent the hopes and the power of all these nations of the world will, in this organization, live in an intimate and continuous relationship. Every world event will be on their agenda. There can be no denying that the peace of the world, when the present fighting is done, will depend upon Great Britain, the United States, and Russia. To me, it is hopefully significant that the representatives of these nations can, through years of conversing together as the leaders of a world organization, help to bring about a meeting of the minds of free people everywhere.

Mr. President, I support and shall vote for the Charter. Frankly, I had hoped for the privilege of voting for a stronger and more democratic document. When the Charter is ratified and the world Organization is created, the hopes of the American people must rest upon the good faith of all the member nations. The success of the Charter must rest upon prayers of all the people that the members of the Organization will continually work for its betterment. Everywhere the people are clinging to the Charter as their hope for lasting peace. They pray that as nations have had the good sense to meet and work together at San Francisco, they will have the good sense to work together without selfishness in the permanent Organization. It seems to me that the nation that breaks faith with the hopes of the people will be condemned by free peoples everywhere.

If the Charter and the world Organization are to rid the universe of war and to bring happiness and peace to the hearts of men, the delegates must labor to bring about a charter which is perfect so that "that which is in part shall be done away."

Mr. TAYLOR. Mr. President, to be perfectly frank, I had not intended to speak. I am confident that nothing I could say would shed further light upon the subject of the United Nations Charter; indeed, in view of the learned speeches which have been delivered by my distinguished and able colleagues, I feel that it would be presumptuous on my part to attempt to do so. However, as the time has passed Senator after Senator has asked me if I intended to speak. I would reply in effect, "No, I do not think I could contribute anything worth while." They would say to me, "Yes, but when the historians read over the debates, what will they think when they find that you did not say a word?"

Mr. President, that is quite an inducement. Perhaps we should talk to the historians so that they will know what we were thinking about when we voted on this great instrument, and yet the suggestion did not entirely convince me. One Senator said, "What will you grandchildren think when they read the RECORD and see that you said nothing at this great time in history?" So I have decided to capitulate. I do not yet know my grandchildren. Perhaps I shall not know them for several years. Nevertheless, I feel impelled to say a few words so that they may at least say, "Granddad had something to say about the Charter."

In view of the fact that I am now talking to my future grandchildren and to the historians of the future, I feel more or less as though I were a voice from the grave.

Mr. President, it has been my custom that if I saw that a fight was won, I would not jump in merely to try to claim a part of the glory. I am frank to say I have uttered several thousand words on the subject of the treaty. I did so before it was written. I made my speeches on the subject of the Charter while I was running for office. I told the people of my State that I would vote for the Charter even before I knew what it might contain. I told them that even though it might not be perfect, certainly it would have to be vicious indeed if it were not better than nothing at all.

Mr. President, at one time we tried nothing at all. We refused to participate in the League of Nations and our refusal brought us only war, despair, and destruction. I cannot see how we have much to lose by adherence to the United Nations Charter, and certainly if it turns out to be a success we will have everything to gain.

As has been repeatedly said on the floor of the Senate, another war would bring an end to civilization. That statement was made before the present war even started. Science is progressing at such an unparalleled rate that I feel that if another war should engulf the world, civilization would actually be wiped out.

Mr. President, I know that the charter has its faults. It is not perfect. It would not be a solid roof over our Nation or other nations of the world. But we do not need a solid roof in order to prevent bombers from taking to the air. All we need to do is to prevent the bomber climbing into the air and being in a position to bomb us. After the bomber once gets into the air, nothing can stop the bombs from falling. That is how I feel about the Charter. It may be full of loopholes; it may not be perfect; but I am hopeful that it will serve as a step in keeping the bombers of the future from going into the skies in the first instance.

It has been said, and I believe well said, that this charter is not, and is not intended to be, a static instrument. It is open to change. It is a growing thing. Even as we debate I believe it is growing. I am certainly convinced that the chances for its successful operation are becoming better. I refer especially to the results of the British elections. I feel that the liberal trend which has been recently manifested in England will make easier the execution of the provisions of the Charter which contemplate that colonies and dependent peoples shall eventually have their freedom. Certainly the recent action of the British people will make easier the eventual realization of such hopes. So, even as we discuss the charter, it is growing. I am sure that the fact that the Labor government has come into power in Great Britain has given new courage to the genuinely democratic forces in Spain. I imagine that Francisco Franco is trembling in his boots. For that, I am not sorry. I imagine that in Greece the democratic elements are encouraged by the new development which has been indicated. I imagine that in India those who have put up a long and courageous struggle for the freedom of India are encouraged at this moment.

True, I do not expect the new British Government to abrogate totally and unconditionally the statement of Winston Churchill when he said, "I have not become the King's first minister to preside over the dissolution of the Empire." I do not expect them to dissolve the Empire, but I foresee that they will give dependent colonies and countries an opportunity to achieve a measure of self-government so they can become self-respecting members of the British Commonwealth of Nations comparable to the position held by Canada, Australia, and New Zealand. So it is very encouraging to me to see that even as we debate, and before we have time to vote, the things for which the Charter stands are coming closer to realization.

Mr. President, the senior Senator from Ohio [Mr. TAFT] said that he felt wars were more apt to be started by political sore spots than by economic sore spots. I think the Senator from Ohio got the cart before the horse. We very seldom have political sore spots if there are not economic sore spots to begin with.

So I see in this peaceful revolution in Great Britain an opportunity for the English people to enjoy a higher standard of living. It seems to me that they have issued an ultimatum that they have had enough of lords and dukes and earls, and I am glad of that, because I have very little sympathy for them. Many of them no doubt are very nice people. I had the pleasure of lunching with Lord and Lady Halifax, and they were certainly lovely people to meet, apparently very democratic in their behavior, but their ideas

the fundamental things for which they stand, that is, perpetuation of a particular class in the country whence they come, those ideals are not democratic.

I have found the same thing to be true in the United States Senate. Frankly, if I had known what a fine group of men were here in the Senate, I might never have come here. It was my worry that they were not as good a group of men as I find them to be that spurred me on to come here and save the country. [Laughter.] I have found that most of them, almost all of them, have the interests of their country at heart. I could not say for certain that any of them do not actually have the interests of their country at heart. I believe a majority of them are completely wrapped up in the welfare of their constituencies and of the Nation. But I find that I am forced heartily to disagree with a great number of them about the things which they feel are for the benefit of our country. So perhaps even though these gentlemen may all be honest in their convictions, it is well that I came here, from my standpoint, to try to see that the liberal ideals in which I believe are victorious, rather than the ideals of those who are more inclined to believe in the status quo.

Mr. President, before the charter was written I told the voters of Idaho that I was for it. I think those who framed it have done a good job. It is not perfect, but it is a good job. I am frank to admit that I have been disappointed that Argentina was admitted to the United Nations Council. I do not believe in appeasement at any time, in any way, shape, or form.

For that reason I also have been somewhat disturbed to read in the newspapers that we are sending sugar to Franco's Spain. I have very great sympathy for the people of Spain, but I do not believe we are going to gain freedom for the democratic people of Spain by sending sugar to Franco with which he can bribe the people.

I have been a little worried over the fact that we have appointed as our representative to the Security Council a man whose background has been associated with United States Steel. We know, of course, that United States Steel has a great interest in armaments, and war naturally means prosperity for a concern of that kind. However, I have seen our new representative on the Security Council in the galleries of the Senate almost daily since we have started the debate on the Charter. That would seem to indicate that he has a genuine and sincere interest in the welfare of this organization.

Mr. CONNALLY rose.

Mr. TAYLOR. Understand, I do not mean to say that I have questioned the motives Mr. Stettinius might have, but there was that worry in my mind.

Mr. CONNALLY. Will the Senator yield?

Mr. TAYLOR. I yield.

Mr. CONNALLY. When Mr. Stettinius became connected with the Government in an official capacity he divested himself of his interest in United States Steel and all corporate connections, and has no official connection with these organizations.

More than that, at San Francisco Mr. Stettinius rendered very distinguished service as the head of the American delegation and as president of the entire Conference. I feel certain that I can assure the Senator that he is wholeheartedly in sympathy with the objectives and purposes of the Charter, and I am sure he will make a very patriotic and diligent and faithful representative of the United States on the Security Council.

Mr. TAYLOR. I am glad to hear the distinguished Senator from Texas say that. It further adds to my confidence that Mr. Stettinius will make an able and worthy representative of this country.

I voiced my fear, not to question Mr. Stettinius, but rather to say to others in our country who might have felt the same doubts I entertained, that he is going to do a good job. As I have said, the very fact that he has been here interested in this discussion, evidently trying to ground himself firmly in the fundamental principles surrounding the charter and the wishes of Senators, and the construction they might place upon the Charter, has given me a great deal of confidence in him, and certainly I shall never question his sincerity of purpose or his fitness to occupy his new position. I have not questioned it now. I have merely voiced a fear which had at one time been with me.

Mr. President, I am sure that whatever I have had to say will not in any way make my name immortal. Try though I might, I could think of no way by which I could firmly tie my fragile bark, newly launched as it is, to the great ship of state which is certainly carrying the names of our distinguished colleagues, the Senator from Michigan [Mr. VANDENBERG] and the Senator from Texas [Mr. CONNALLY], across the seas of time and into the records of immortality.

Mr. CORDON obtained the floor.

Mr. THOMAS of Oklahoma. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oregon yield to the Senator from Oklahoma?

Mr. CORDON. I yield to the Senator from Oklahoma, who has some remarks to make at this time.

Mr. THOMAS of Oklahoma. Mr. President, I rise to express the hope that a vote may be had on the resolution of ratification on this day, and I promise to delay the Senate for but a few moments.

The vote will come, I hope, shortly, on a resolution which reads as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F (79th Cong, 1st sess.) the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. President, when the vote shall be taken and my name is reached I shall vote "yea."

This is not the first time, however, that the United States Senate has been called upon to consider a proposal having for its purpose the prevention of war. In 1919 the Senate considered and voted upon the ratification of the treaty of peace with Germany. After a rather lengthy consideration of that treaty and after 1 reservations had been agreed to by the Senate, and became a part of the resolution of ratification, the vote was had on November 19, 1919. When the vote was cast it was found that 39 Senators had voted "yea" and 55 Senators had voted "nay." Immediately a motion was made to reconsider, and the treaty remained before the Senate until March 19, 1920 when again a resolution of ratification was voted on by the Senate. At that time, March 19, on the amended resolution for ratification, the Senate voted 49 for ratification and 35 against ratification. The Constitution requires that two-thirds of the Senators present must advise and consent to ratification, hence ratification was denied. At the termination of that roll call a motion was made that the treaty be returned to the President, and on that resolution 47 Senators voted "yea" and 39 Senators voted "nay." Upon the adoption of the resolution the treaty, of course, was returned to the President of the United States.

Mr. President, following the rejection of the treaty, we had a bitter political campaign in which, in my section of the country, the League of Nations was the paramount issue. In the two conventions of the major parties platforms were adopted. The Democratic convention was held at San Francisco from June 28 to July 6 of 1920. The Democratic Party, acting through its representatives, adopted a plank relating to the League of Nations which, without reading, I ask permission to have printed at this point in connection with my remarks.

There being no objection, the plank was ordered to be printed in the RECORD, as follows:

LEAGUE OF NATIONS

The Democratic Party favors the League of Nations as the surest, if not the only, practicable means of maintaining the peace of the world, and terminating the insufferable burden of great military and naval establishments. It was for this that America broke away from traditional isolation and spent her blood and treasure to crush a colossal scheme of conquest. It was upon this basis that the President of the United States, in prearrangement with our allies, consented to a suspension of hostilities against the Imperial German Government; the armistice was granted and a treaty of peace negotiated upon the definite assurance to Germany, as well as to the powers pitted against Germany, that "a general association of nations must be formed, under specific covenants for the purpose of affording mutual guarantees of political independence and territorial integrity to great and small states alike."

Hence, we not only congratulate the President on the vision manifested and the vigor exhibited in the prosecution of the war, but we felicitate him and his associates on the exceptional achievement at Paris involved in the adoption of a League and treaty so near akin to previously expressed American ideals and so intimately related to the aspirations of civilized peoples everywhere.

We commend the President for his courage and his high conception of good faith in steadfastly standing for the covenant agreed to by all the associated and allied nations at war with Germany, and we condemn the Republican Senate for its refusal to ratify the treaty merely because it was the product of Democratic statesmanship, thus interposing partisan envy and personal hatred in the way of the peace and renewed prosperity of the world.

By every accepted standard of international morality, the President is justified in asserting that the honor of the country is involved in this business; and we point to the accusing fact that before it was determined to initiate political antagonism to the treaty, the now Republican chairman of the Senate Foreign Relations Committee himself publicly proclaimed that any proposition for a separate peace with Germany, such as he and his party associates thereafter reported to the Senate, would make us "guilty of the blackest crime."

On May 15 last the Knox substitute for the Versailles Treaty was passed by the Republican Senate; and this convention can contrive no more fitting characterization of its obloquy than that made in the Forum magazine of June 1918 by Henry Cabot Lodge, when he said:

"If we send our armies and young men abroad to be killed and wounded in northern France and Flanders with no result but this, our entrance into war with such an intention was a crime which nothing can justify. The intent of Congress and the intent of the President was that there could be no peace until we could create a situation where no such war as this could recur. We cannot make peace except in company with our allies. It would brand us with everlasting dishonor and bring ruin to us also if we undertook to make a separate peace."

Thus to that which Mr. Lodge, in saner moments, considered "the blackest crime," he and his party in madness sought to give the sancity of law; that which 18 months ago was of "everlasting dishonor," the Republican Party and its candidates today accept as the essence of faith.

We endorse the President's view of our international obligations and his firm stand against reservations designed to cut to pieces the vital provisions of the Versailles Treaty, and we commend the Democrats in Congress for voting agaist resolutions for separate peace which would disgrace the Nation. We advocate the immediate ratification of the treaty without reservations which would impair its essential integrity; but do not oppose the acceptance of any reservations making clearer or more specific the obligations of the United States to the League associates. Only by doing this may we retrieve the reputation of this Nation among the powers of the earth and recover the moral leadership which President Wilson won and which Republican politicians at Washington sacrificed. Only by doing this may we hope to aid effectively in the restoration of order throughout the world and to take the place which we should assume in the front rank of spiritual, commercial, and industrial advancement.

We reject as utterly vain, if not vicious, the Republican assumption that ratification of the treaty and membership in the League of Nations would in any wise impair the integrity or independence of our country. The fact that the Covenant has been entered into by 29 nations, all as jealous of their independence as we are of ours, is a sufficient refutation of such charge.

The President repeatedly has declared, and this convention reaffirms, that all our duties and obligations as a member of the League must be fulfilled in strict conformity with the Constitution of the United States, embodied in which is the fundamental requirement of declaratory action by the Congress before this Nation may become a participant in any war.

Mr. THOMAS of Oklahoma. Mr. President, the Republican Party held its convention at Chicago in that year. The convention was held from June 8 to 12, and in that convention a plank relating to the League of Nations was adopted. Without reading the plank I ask permission to have the text printed at this point in connection with my remarks.

There being no objection, the plank was ordered to be printed in the RECORD, as follows:

(c) LEAGUE OF NATIONS

The Republican Party stands for agreement among the nations to preserve the peace of the world. We believe that such an international association must be based upon international justice, and must provide methods which shall maintain the rule of public right by the development of law and the decision of impartial courts, and which shall secure instant and general international conference whenever peace shall be threatened by political action, so that the nations pledged to do and insist upon what is just and fair may exercise their influence and power for the prevention of war.

We believe that all this can be done without the compromise of national independence, without depriving the people of the United States in advance of the right to determine for themselves what is just and fair, when the occasion arises, and without involving them as participants and not as peacemakers in a multitude of quarrels the merits of which they are unable to judge.

The Covenant signed by the President at Paris failed signally to accomplish this great purpose, and contained stipulations not only intolerable for an independent people but certain to produce the injustice, hostility, and controversy among nations which it proposed to prevent.

That Covenant repudiated to a degree wholly unnecessary and unjustifiable the time-honored policies in favor of peace declared by Washington, Jefferson, and Monroe, and pursued by all American administrations for more than a century, and it ignored the universal sentiment of America for generations past in favor of international law and arbitration, and it rested the hope of the future upon mere expediency and negotiation.

The unfortunate insistence of the President upon having his own way without any change and without any regard to the opinions of majority of the Senate which shares with him the treaty-making power, and the President's demand that the treaty should be ratified without any modification, created a situation in which Senators were required to vote upon their conscience and their oaths according to their judgment against the treaty as it was presented or submit to the commands of a dictator in a matter where the authority and the responsibility under the Constitution were theirs and not his.

The Senators performed their duty faithfully. We approve their conduct and honor their courage and fidelity, and we pledge the coming Republican administration to such agreements with the other nations of the world as shall meet the full duty of America to civilization and humanity in accordance with American ideals and without surrendering the right of the American people to exercise its judgment and its power in favor of justice and peace.

Mr. THOMAS of Oklahoma. I should like to state also that in the Democratic convention the nominees were James M. Cox, of Ohio, for President, and Franklin D. Roosevelt, of New York, for Vice President. In the Republican convention, Warren G. Harding, of Ohio, was nominated for President, and Calvin Coolidge, of Massachusetts, was nominated for Vice President.

Mr. President, after the convention had met the Republican nominee, the winner in that compaign, in accepting the nomination at Marion, Ohio, on July 22, 1920, made an interpretation of the League of Nations, because he knew, and the country knew that, although the Senate had defeated the resolution of ratification twice, that such action was not final. So Mr. Harding interpreted the League of Nations in his address. At this point in the RECORD I ask that one paragraph from his speech of acceptance be printed in connection with my remarks.

There being no objection, the paragraph was ordered to be printed in the RECORD, as follows:

If the supreme blunder has left European relationships inextricably interwoven in the League compact, our sympathy for Europe only magnifies our own good fortune in resisting involvement. It is better to be the free and disinterested agent of international justice and advancing civilization, with the covenant of conscience, than be shackled by a written compact which surrenders our freedom of action and gives to a military alliance the right to proclaim America's duty to the world. No surrender of rights to a world council or its military alliance, no assumed mandatory, however appealing, ever shall summon the sons of this Republic to war. Their supreme sacrifice shall only be asked for America and its call of honor. There is a sanctity in that right we will not delegate.

Mr. THOMAS of Oklahoma. Mr. President, I have reasons well to remember that campaign in 1920. In that year I made a campaign for Congress in my congressional district and won the nomination. I was a candidate for Congress, of course, in the November election. The paramount issue was with respect to the League of Nations. In the beginning my State apparently was strongly in favor of the League of Nations. On March 19, the date of the last vote in the Senate both Senators from my State voted in favor of ratification. I am glad to be able to record that the two Senators who were then representing my State of Oklahoma have been here on the Senate floor almost constantly since the present debate started. Those two distinguished former Senators are Thomas P. Gore and Robert L. Owen. I am delighted that they are here with us still.

However, Mr. President, although the two able Senators from my State voted for ratification, in the election held in November of 1920, Oklahoma cast an adverse vote. My State cast its electoral vote for the election of Warren G. Harding by a majority of approximately 30,000. Five of the eight Democratic nominees for Congress from my State were defeated—defeated in districts that ordinarily are Democratic. In that November election the voters of my State stated that they did not want the Senate

further to consider the resolution of ratification of the Treaty of Versailles.

Of course, with that landslide against the Democratic Party I was defeated in the election. I have a source of gratification, however, that in almost 40 years of public service that was the only time that I ever became a political casualty.

Mr. President, the defeat I suffered in 1920 did not in any way serve to dampen my ardor in favor of the development and maintenance of an international tribunal having for its purpose the prevention of war. So, as a Senator, I am glad to be here today when I hope the resolution will come before the Senate for final action.

Mr. President, in spite of the fact that America claims to be a great peace-loving nation, I wish to record that we have been in war about once every 25 years since we aspired to become a nation. The United States came into being through the war beginning shortly after the signing of the Declaration of Independence. We fought that war and won it, and the people of that time, no doubt, thought they were to have permanent peace. Not so, however. In less than 25 years after we had established our new government we found ourselves in another war, the War of 1812. Then about 25 years after that war we found ourselves in still another war, the Mexican War in 1845. Less than 25 years after that we had the War Between the States, from 1861 to 1865. About 25 years after that we found ourselves engaged in the Spanish-American War in 1898. Then less than 25 years later we found ourselves in World War I; and exactly 25 years after that we now find ourselves in the greatest war of all, World War II.

While the United States has a record in war, it likewise has a record for peace. I remember the Bryan so-called peace treaties made in the early days of the Wilson administration. I have briefly referred to the fight for the League of Nations, in which millions of our people joined enthusiastically. Shortly after Mr. Harding became President he proposed a disarmament conference. It was known as the Harding-Hughes Disarmament Conference, and was held in Washington. In that Conference the United States took a prominent part in trying to induce the nations of the world to disarm, to limit the building of battleships, to limit the raising of armies, and to stop the making of equipment for war.

Following the Harding-Hughes Disarmament Conference we had another conference, sponsored by President Coolidge. At that time Mr. Kellogg was Secretary of State, and the treaty which was proposed was known as the Kellogg-Briand Peace Pact. As I remember, in that treaty the nations of the world—and most of them signed the treaty—solemnly agreed to renounce war as an element of national policy.

During the administration since 1933 we have had the Roosevelt good-neighbor policy, especially applied to the Western Hemisphere; and, so far as we could, we tried to have it extended to the entire world.

I shall not undertake to discuss the treaty pending before us. We have had much discussion, and I believe that every phase of that treaty has been well interpreted, and the various vital points have been brought out very clearly.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement by a prominent citizen of this Nation and the world. The statement is entitled "One of Many," and was written by Eleanor Roosevelt.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ONE OF MANY

(After the death of President Roosevelt, these words—deeply moving in their quiet restraint, and eloquent in their message—appeared in Mrs. Roosevelt's syndicated column.)

When you have lived for a long time in close contact with the loss and grief which today pervade the world, any personal sorrow seems to be lost in the general sadness of humanity. For a long time all hearts have been heavy for every serviceman sacrificed in the war. There is only one way in which those of us who live can repay the dead who have given their utmost for the cause of liberty and justice. They died in the hope that, through their sacrifice, an enduring peace would be built and a more just world would emerge for humanity.

While my husband was in Albany and for some years after coming to Washington, his chief interest was in seeing that the average human being was given a fairer chance for "life, liberty, and the pursuit of happiness." That was what made him always interested in the problems of minority groups and of any group which was at a disadvantage.

As the war clouds gathered and the inevitable involvement of this country became more evident, his objective was always to deal with the problems of the war, political and military, so that eventually an organization might be built to prevent future wars.

Any man in public life is bound, in the course of years, to create certain enemies. But when he is gone his main objectives stand out clearly, and one may hope that a spirit of unity may arouse the people and their leaders to a complete understanding of his objectives and a determination to achieve those objectives themselves.

Abraham Lincoln was taken from us before he had achieved unity within the Nation, and his people failed him. This divided us as a nation for many years.

Woodrow Wilson was also stricken and, in that instance, the peoples of the world failed to carry out his vision.

Perhaps, in His wisdom, the Almighty is trying to show us that a leader may chart the way, may point out the road to lasting peace, but that many leaders and many peoples must do the building. It cannot be the work of one man, nor can the responsibility be laid upon his shoulders, and so, when the time comes for peoples to assume the burden more fully, he is given rest.

God grant that we may have the wisdom and courage to build a peaceful world, with justice and opportunity for all peoples the world over.

Mr. THOMAS of Oklahoma. Mr. President, as might be expected, all Senators have received many telegrams and letters from their respective States. I presume I have received my quota. I have gone through the letters and telegrams and selected those which I might describe as typical. I have tried to avoid duplication. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a number of telegrams and letters which I have received on this question. I ask that the dates on the letters and telegrams be omitted, because they have all been received recently. Also, I ask that my name be deleted, in order to save space in the RECORD. I ask that only such parts of the letters as are indicated be printed.

There being no objection, the letters and telegrams were ordered to be printed in the RECORD, as follows:

TULSA, OKLA.

I hope you are going to vote in favor of the San Francisco Charter, which hopes to put a stop to future wars in this world.

Sincerely,

ELLEN L. GOEBEL.

OKLAHOMA CITY.

I hope you will see fit to work for the ratification of the peace Charter, as passed at the San Francisco Conference.

Respectfully,

MRS. ORA WHITE.

OKLAHOMA CITY.

I hope you will ratify the peace pact when it comes to the Senate.

Respectfully,

C. E. SMITH.

I feel the world charter is a decided step in the right direction, and I personally would like to see it ratified.

Mrs. E. K. RAMSEY.

OKLAHOMA CITY.

I'm counting on you to support the United Nations Charter when it comes to the Senate.

Respectfully,

L. M. SMITH.

ENID, OKLA.

Please place yourself on record as favoring ratification of United Nations Charter.

Do it now.

FRED H. RIEGER.

OKLAHOMA CITY, OKLA.

I want to urge you to vote for the United Nations Charter, which is soon to be voted on by the Senate. The people of the country are united behind the charter and are determined to make it succeed.

Sincerely,

MIRIAM MILLER.

GUTHRIE, OKLA.

I urge you to vote for ratification of the San Francisco Charter, and all supporting measures.

Sincerely,

MARY RUTH HYDE.

EDMOND, OKLA.

As a citizen of Oklahoma, I want to urge you to do all possible toward ratification of the world Charter as it is. I'm sure my husband overseas would make the same request.

Sincerely,

(MRS.) MAXINE D. CROUSE.

ENID, OKLA.

May I ask you to use your influence and your vote to see that the Charter soon to come in for your consideration is passed at the earliest possible moment. It seems to me America should take the initiative and set an example to the rest of the world in making this effort toward permanent peace. It prob-

ably is not perfect, but it is a beginning and we can grow from that.

Sincerely yours,

(Mrs.) LILLIAN F. KING.

EVA, OKLA.

We heard by radio this morning that you are opposing the Bretton Woods monetary agreements. So we don't know how you feel about the San Francisco Charter, looking toward world peace. We hope you can conscientiously give it your active support, and I believe most of your Oklahoma fellow citizens would agree with us on that point.

Most respectfully,

CAROLINE A. HENDERSON.
W. E. HENDERSON.

OKLAHOMA CITY, OKLA.

The war dads of Oklahoma are depending on you to make sure that President Truman and Secretary of State Stettinius include the American War Dads in the list of organizations sending observers and advisers to the San Francisco meeting.

L. D. LACEY,
State President, American War Dads.

BOISE CITY, OKLA.

Sixty Methodists attending local church Sunday voted I should wire you urging the ratification of United Nations Charter.

E. B. MCMAHON.

TEXHOMA, OKLA.

We, the Methodist Youth Fellowship of Texhoma, Okla., wish to advise the ratification of the San Francisco world peace Charter.

GINGER PRESTON, *Secretary.*

EDMOND, OKLA.

Dear Senator: Believing that the ratification of the world Charter by the United States Senate at the earliest possible date is of paramount importance that such action will strengthen the influence and prestige of this country as a dominant force for world peace and security; believing that the organized good will of the world is now in the process of turning an important page in the history of human progress in which undertaking America by prompt action is privileged to continue her leadership, we the undersigned urge you to use your influence to the end that the world Charter be speedily ratified by the United States Senate. Your fellow Oklahomans.

Fred McCarrel, Mr. and Mrs. D. L. Meagher, Mrs. R. B. Handley, Nellie C. Broad, Mrs. Starr Otto Doyel, Mrs. H. R. Corey, Emma Plunkett, Emma Estill, Harbour W. A. Henderson, E. C. Hafer, Edna Jones, Margurete McGuire, Vernon Johnson, Dwight M. Davis, F. L. Fordice, Mary Alice Bolt, Marval D. Evans, Cliff R. Otto, Fred H. Ives, Guy C. Chambers, A. G. Hitchcock, L. B. Ray, M. L. Bast, Jessie Dhnewby, Ethel Derrick, L. Jestonn, H. Hampton, E. L. C. Cantrell, Leda B. Brooks, Verona Haill, Mollie Ruth Bottoms, G. C. Watkins, Blanche Sommers.

OKLAHOMA CITY, OKLA.

The Oklahoma Girls State of 1945, sponsored by the American Legion Auxiliary, heartily endorses the Charter written by the Security Conference recently held at San Francisco. We believe the charter provides ways and means for international peace and world security. We, who represent the youth of Oklahoma, desire peace and security. The Oklahoma Girls State earnestly requests your support of the charter. A resolution favoring universal military training was adopted by the house and senate of Girls State.

LOU CAROL DOUDICAN,
Governor of Girls State.
MRS. E. S. DUNAWAY,
Director of Girls State.
MARYLU SWEATT,
Speaker of the House.
MONTA MAE CHAPMAN,
President of the Senate.

THE METHODIST CHURCH,
Lamont, Okla.

It is good to hear that opposition to the San Francisco Charter is almost negligible. More than likely this letter is only one of a number of Oklahoma letters requesting you to do all in your power to see that the Charter is unanimously adopted by the United States Senate.

It was gratifying to hear that many of the amendments upheld by the Federal Council of Churches were adopted by the Conference. I hope it will not be too long before an amendment for international disarmament will be added to the charter. Thus, I wholeheartedly oppose a peacetime conscription bill. This, even though I have applied for the Navy chaplaincy.

Thank you for your letter of January 17. I appreciate your consideration of my convictions.

Sincerely,

IRVING L. SMITH.

AMERICAN WAR MOMS,
DURANT CHAPTER NO. 15.

The Durant chapter of the American War Moms of the armed forces of the United States of America is trusting your judgment in voting on the world Charter. We will be back of you. Our prayers will be with you.

Yours in service,

MRS. L. A. WISE,
President.

ENID, OKLA.

You hold an enviable record as a member of this national body of our Government. Your influence is urged in the following matter:

This is really what appears to be an optimistic hour in international history. The long and well thought out plans by 50 national heads having in mind the averting of further war has culminated in a proposed world Charter. The hope is that the Congress of these United States will carefully and speedily adopt it. This, in my mind, is the most significant move for a peaceable world that has yet been proposed.

* * * * *

May God intervene in this very crucial time in our Nation's history and keep us clear from this manner of turning the minds of our young men into channels that are not in harmony with peaceable home living.

With sincere good wishes for your continued success, I am,

Very truly,

(Rev.) CHAS. E. HEISEL.

BARTLESVILLE LEAGUE OF WOMEN VOTERS,
Bartlesville, Okla.

The Bartlesville League of Women Voters believes that each one of us has a responsibility in building peace. We have studied and familiarized ourselves with the Charter for peace based on justice and security for all nations. We feel confident that it can be made to work if implemented with agreements and action necessary for full participation.

We urge immediate ratification of the Charter and also passage of the Bretton Woods agreements.

Yours truly,

ISABEL HULING,
MRS. RAY E. HULING,
Corresponding Secretary.

BARTLESVILLE, OKLA.

My husband and I strongly desire that the United Nations Charter for peace be ratified immediately; also, that the Senate pass the Bretton Woods agreements.

Most sincerely,

MRS. BERT SUTTON.

BARTLESVILLE, OKLA.

I favor the ratification of the San Francisco Charter without reservation or amendment. This is the most important document ever to come before the Senate, and I do not believe its progress should be retarded in any way. I have reasons to believe that you share my views on this subject.

Yours very truly,

A. O. HARRISON.

WEATHERFORD, OKLA.

We are counting on you to give full support to the San Francisco Charter.

Very truly yours,

MRS. J. L. CERMAK.

WILBURTON, OKLA.

I am glad that Oklahoma is one of the States which desires ratification of the San Francisco peace Charter by the United States. It is the desire of myself and my mother that this charter shall be ratified within a short time. We believe it to be the best solution offered to a troubled world. There are others also who approve of the ratification. We appreciate your effort in this vital matter.

Sincerely yours,

MRS. LOFEETA MITCHELL.

TULSA, OKLA.

As member of Tulsa League of Women Voters, I respectfully solicit your unreserved support of the San Francisco Charter for United Nations, without any further delay which amendments will bring about.

Sincerely yours,

MRS. W. W. STUMPH,
Chairman of Publications, League of Women Voters.

PHILLIPS UNIVERSITY,
Enid, Okla.

I was more than pleased to get your letter in answer to mine registering my sentiment for the United Nations Charter; and against the idea of passing immediately peacetime conscription for our youth. I did not expect a personal letter, for I know how busy you must be these days.

* * * * *

Cordially,

ROBERT G. MARTIN.

TULSA, OKLA.

As one who sincerely believes that the United States must assume a larger role in world affairs, and continue to exert its influence in helping to bring about a better and safer world, I urge your approval of the United Nations Charter, without amendments or reservations.

I have no illusions regarding the perfection of this Charter, but it seems to be the best document that 50 nations can agree on. Certainly it is a step in the right direction.

I feel sure that you will cast your vote for ratification of the Charter without changes.

Sincerely yours,

HAZLE STEADMAN.
MRS. H. V. STEADMAN.

EDMOND, OKLA.

This is just a note to urge you to help affect a quick ratification of the Charter—to delay will mean Russia's not declaring war on Japan.

Sincerely,

LULA NAGEL.

BARTLESVILLE, OKLA.

Will you support the San Francisco Charter? It is our conviction the charter should be ratified and we hope you will favor it.

Sincerely,

Mr. and Mrs. DON E. SMITH.

PHILLIPS UNIVERSITY,
Enid, Okla.

Word has come to me, and it may be entirely wrong, that you who represent us in the Senate may not be in favor of the San Francisco Charter. For some time I have intended writing to you expressing an opinion or two about some of the issues up now for decision. This Charter ratification is one; the other is peacetime conscription.

* * * * *

Cordially,

ROBERT G. MARTIN, Ph. D.,
Professor of Old Testament, Director of Personnel.

BARTLESVILLE, OKLA.

Please vote "yes" on the United Nations Charter.

Sincerely yours,

EBBA H. SMITH.

BARTLESVILLE, OKLA.

Will you vote for the United Nations Organization? We believe in it and want you to support it. We feel it is very important that our Oklahoma Senators support the United Nations Organization.

Mrs. JAMES PORTER.

BARTLESVILLE, OKLA.

I believe that it is imperative for the Senate to ratify the Charter for an international organization. Will you vote to support the charter?

Sincerely,

Mrs. A. K. WILHELM.

FIRST PRESBYTERIAN CHURCH,
Bartlesville, Okla.

In the very near future you will be given the opportunity to work for the future peace and prosperity of America and the world, by voting for the constructive cooperative measures which our representatives have formulated at San Francisco. Your vote is important and is necessary for a two-thirds majority for the organization of a real international organization. This is a real forward step and means that the men who have given their lives in this war have not done so in vain.

Every voter in Oklahoma is counting upon you at this time.

Sincerely,

ROY M. SMITH.

THE PRESBYTERIAN CHURCH IN THE U. S. A., SYNOD OF OKLAHOMA,
Oklahoma City, Okla.

The United Promotion Committee of the Synod of Oklahoma, Presbyterian Church in the U. S. A., met in Oklahoma City a few days ago, and voted unanimously in favor of a postwar organization among nations for enforcement of peace, and to that end urges you to help ratify the Charter recently formulated at San Francisco.

While the committee is not the whole synod, it functions practically as an executive committee, and being composed of some twenty-five members from various parts of the State, is fairly representative of our church which has more than 31,000 communicants in Oklahoma with a considerable constituency additional.

Yours truly,

L. C. WALTER,
Stated Clerk.

BARTLESVILLE, OKLA.

Will you vote for the United Nations Organization? I believe this Charter should be ratified by the Senate immediately.

Mrs. W. E. FEISH.

BARTLESVILLE, OKLA.

Will you vote for the United Nations Charter? The Charter is a wonderful beginning toward a world peace organization.

Very truly yours,

Miss ALICE EAKIN.

YALE AVENUE COMMUNITY PRESBYTERIAN CHURCH,
Tulsa, Okla.

Along with many others I am very much concerned about the new United Nations Charter which has been presented to the Senate by President Truman. Although it is reported that most the Members of the Senate are in favor of the passage of this tremendously important measure, I realize that there are many possible eventualities which could interrupt its passage or destroy its usefulness.

Certainly no one will claim perfection for the Charter, but it is clear to me that it is the product of much serious thought and effort on the part of a group of the outstanding representatives of the nations of the world. Improvements will need to be admitted to it as a result of the international experiences which will be gained by using it. Attempts on the part of the United States Senate to amend the Charter or to attach riders to it may work to defeat its present purpose and to delay the coming of the time when it begins to be effective.

Therefore, I want you to know that I am strongly in favor of the ratification of the United Nations Charter with a minimum of debate.

Sincerely yours,

J. IAN FRASER.

YOUNG WOMEN'S CHRISTIAN ASSOCIATION,
Bartlesville, Okla.

The board of directors of the Bartlesville YWCA in regular session of Monday, July 2, passed unanimously a motion that the board go on record as favoring the United Nations Charter, and instructed me to write to you. We urge that you vote for this Charter and give its passage your fullest support.

Will you write me giving a statement of your action on the United Nations Charter, which can be read to the board of directors.

Very truly yours,

LUCILE BAILEY,
Secretary, Board of Directors.

BARTLESVILLE, OKLA.

I am a school teacher and a voter in the State from which you are elected. It is my sincere hope that you will be in favor of the work of the San Francisco Conference when it comes before the Senate to be ratified.

Sincerely,

VIRGINIA EDWARDS.

WAYNOKA, OKLA.

As citizens of the United States of America and as residents of the sovereign State of Oklahoma, we, the undersigned, herewith respectfully advise you that we wish favorable action taker by yourself when the vote is taken regarding the Nation's attitude toward the San Francisco Charter. Since you are at this time known as a doubtful, we electors of our area are watching you and weighing you in the scales of public judgment. The will of the people in your State is still your obligation in Congress.

Yours very truly,

James P. Lahr, Russell L. Floyd, Mr. and Mrs. J. P. Lahr, W. R. Lahr, Kate Lahr, Mrs. Gala Michael, Mrs. R. H. Wilson, Mrs. J. C. Peter, Mrs. John Terry, Mr. John V. Terry, Mrs. E. W. Bixler, Mrs. J. J. Wagner, Mrs. Chet Bixler, Mrs. Betty Heuen, Mrs. Galen A. Rogers, Miss Glorida A. Rogers, John Paul Weeke, Mrs. John P. Weeke.

UINITA, OKLA.

I am writing to you urging your support of the peace Charter. Please do all you can for its passage.

Very respectfully,

MARY E. BALENTINE.

BARTLESVILLE, OKLA.

Will you vote for the ratification of the United Nations Charter? Any move to establish a stable international governing body is a good thing and worthy of the support of our great Nation.

Sincerely yours,

DOROTHY D. HILLYER.
Mrs. John C. Hillyer.

BARTLESVILLE, OKLA.

I want to urge you to vote for the United Nations Organization Charter as it is presented to the Senate. The eyes of the world are upon us and it should pass 100 percent.

Will you please advise me how you intend to vote?

Sincerely,

Mrs. ELLIS MARTIN.

OKLAHOMA CITY UNIVERSITY,
Oklahoma City, Okla.

FOR WORLD ORGANIZATION

In view of the passion for order that initiated it;

In view of the misery endured through ages to obtain it;

In view of the unanimous approval given by those who framed it;

In view of the practical provisions that characterize it;

In view of the stability and security promised by it;

In view of the vision of peace it presents to millions,

We, the undersigned members of the faculty and staff of Oklahoma City University, by our signatures, indicate that we favor the San Francisco World Organization Charter, and hereby urge each of the United States Senators from the State of Oklahoma to support its adoption by the United States of America.

Clinton M. Allen, Dean, Law, Art, and Sciences College; Blanche Hanna; Edna B. Stevenson, Art Director; Mary A. Silken, Summer Faculty; W. H. Davis, Bursar; Veva Wood, Department of English; James J. Hayes, Head of the English Department; Theron C. McGee, Philosophy and Religion; L. A. Jones, Philosophy and Religious Education; Lloyd B. Drake, Physics and Chemistry; James Neilson, Professor, Public School Music; John F. Hedges, Department of Economics; T. Anne Garst, Secretarial, Liberal Arts.

WEATHERFORD, OKLA.

Please cast your vote in favor of the San Francisco Conference plans.

Sincerely,

Mrs. J. E. FRIESEN.

TULSA, OKLA.

As a member of the executive board of the Tulsa League of Women Voters, I cannot urge you too strongly to vote for the ratification of the United Nations Charter.

Sincerely yours,

JULIE S. HOLLOWAY.
(Mrs. R. Cass)

COMMITTEE ON WORLD PEACE,
SOUTHERN BAPTIST CONVENTION,
Waco, Tex.

This is to inform you that the Southern Baptist Committee on World Peace, on behalf of 5,500,000 members of the faith, is urging immediate adoption of the UNCIO World Charter as voted at San Francisco. We feel profoundly convinced that the United States should continue to lead in the movement to avert another war and seek to induce the world to enter upon an era of international cooperation. We trust you will be among the foremost in expressing what we believe is the firm will of the people in this regard.

Most sincerely,

J. M. DAWSON, *Chairman.*

TULSA, OKLA.

In the newspaper poll of Senators published last Sunday I was pleased to note your name among the Senators who signified that they intended to vote for the United Nations Charter.

I hope that you will lend your active support to the Charter in the Senate debate and work for its speedy ratification, so that the United States may be the first member of the United Nations in time as well as importance.

Thank you for your stand on this greatest of present issues.

Yours truly,

EVELYN P. WHEATONFALL.
(Mrs. Robert C.)

TULSA, OKLA.

The writer has two sons in the Army. That honor qualifies him for active membership in a now Nation-wide organization, the American War Dads.

I am a member of Douglas Workers Chapter, No. 46, here in Tulsa.

This letter is sent with the hope that you will agree that, of all those who will be qualified advisers at the San Francisco Conference, none could possibly be more sincerely desirous to help formulate plans to prevent future wars than the father who would represent all American war dads.

You are requested to contact President Truman and Secretary of State Stettinius immediately and let them know that your war dad constituents—through their chosen representative from the National Association, American War Dads—should be asked to serve at the San Francisco meeting.

The suffering, agony, torture, and wholesale slaughter of our precious sons must never again be repeated.

Respectfully,

WILLIAM K. CARR.

AMERICAN WAR DADS,
PAUL WADDLE CHAPTER, No. 55,
Lawton, Okla.

At a regular business meeting of Paul Waddle Chapter, No. 55, American War Dads of America, on April 20, 1945, it was passed on as follows:

Be it resolved that this chapter go on record instructing the secretary to write our United States Senator and implore him to call on the Secretary of State immediately and request that there be an official adviser from the American War Dads present at the World Conference at San Francisco.

Feeling that the War Dads of America in giving of their sons and daughters to go over there and sacrifice their lives in this great struggle, that they in turn should be given the privilege of representation at this meeting to promote the interest of those same boys' and girls' future.

Respectfully submitted.

JACK TRENARY, *President.*
F. M. BRANDON, *Secretary.*

CHELSEA, OKLA.

am writing you in reference to the San Francisco Conference now in progress. It is my desire that a peace agreement and terms for world cooperation be in accord with the recommendations of the Cleveland Church Conference held early in this year. Not only that, I should like to see the Senate of the United States of America demand that any steps along these lines be in agreement with Christian principles.

Very truly yours,

N. D. NETTLETON,
Pastor, First Presbyterian Church.

CLASSEN HIGH SCHOOL,
Oklahoma City.

By the reports that come to us through the newspapers, we are inclined to believe that a strong feeling is developing throughout the United States, asking for some young man in the armed services to sit at the peace table or take part in the San Francisco Conference.

Of all the young men that I know who are now in the armed services (a sergeant or below) none would fill this position better than John Pratt III, son of Mr. and Mrs. John F. Pratt, Jr., of 3221 North McKinley, Oklahoma City, Okla. I'm rather inclined to believe that Mr. Pratt's legal residence is Pauls Valley.

John is now a private, Company E, One Hundred and Third Infantry, and is with General MacArthur in the Philippines. As a senior in Classen High School he could discuss national events as but few young men I have ever known, and, too, he is well posted on international affairs.

I want to suggest his name for this place, should the President decide to send a soldier to either of these meetings.

Yours very truly,

C. E. GRADY.

SAND SPRINGS, OKLA.

Since the San Francisco Conference is soon to begin and is of such far-reaching importance may I express to you my personal desire and prayer that it will be truly successful from the standpoint of justice and Christian principles of righteousness.

I hope that the nine points of Christian ethics that have been recently recommended to the leaders of the Conference will be embodied into all the proceedings and decisions.

Will you not use your influence to help achieve those lofty and difficult ideals of universal peace and brotherhood. I assure you that many are behind you with prayer and supplication to God.

Yours sincerely,

GEORGE C. DE VORSS,
Youth Director of Church of God in Sand Springs.

Mr. THOMAS of Oklahoma. Mr. President, I am glad to state that up to this time I have not received a single letter or telegram from Oklahoma asking me to vote against ratification. Every letter and every telegram which I have received has been in favor of ratification.

Mr. CORDON. Mr. President, I do not intend to enter into a general discussion of the Charter or of its specific provisions, except as to those provisions which provide for the quantum of concurrence necessary for decision in the two bodies, the Assembly and the Security Council. This particular phase has not been generally discussed on this floor, except with respect to the provision for veto by one of the five permanent members of the Security Council, and yet, in my opinion, there is no provision in the charter calculated to do more to advance the ultimate success of this program than those wise provisions for concurrence of two-thirds of the membership voting in the determination of any important question.

During this debate some of my colleagues have taken occasion to discuss the question as to whether the provisions of article 43 of the treaty, providing for contribution by the member nations of armed forces and facilities, and providing for agreements to effectuate that contribution, shall be deemed by this Nation to require an executive agreement, a joint resolution, or a treaty. I shall not enter into a discussion of that question. I call attention to it only because in the course of the debate on this subject there were those who placed themselves on record as being opposed to the provision of our own Constitution requiring concurrence by two-thirds of the Senators present and voting on the question of ratification of a treaty. I recall that those who criticized that constitutional provision were also most fervent and eloquent in their support of the Charter. It is intriguing to me to find that opposition with reference to a provision in our Constitution having to do with that most important relationship, a treaty between our Nation and another, and to find the individual entertaining that view so wholeheartedly supporting the Charter which contains the same provision as to quantum of concurrence necessary with respect to any decision of consequence to be made. I shall not further discuss the incongruity. I mention it only because to me it is an intriguing situation.

Mr. President, I call attention to the second section of article 18 of the charter:

2. Decisions of the General Assembly on important questions shall be made by a two-thirds majority of the members present and voting.

The section then specifically sets out certain matters which are deemed to be important. Only on unimportant questions, Mr. President, may a majority vote of the General Assembly control the decision.

With reference to the Security Council, which is composed of 11 members, 7 are necessary to a decision; and with reference to the more important questions, those 7 must include the 5 permanent members.

Mr. President, in view of the general provision obtaining in parliamentary law that a majority of votes is sufficient for a decision and in view of the fact that that majority vote is sufficient for a decision in all legislative matters in this country and in most other countries where representative government prevails, it becomes a question of interest as to why the majority-vote principle was not adhered to when this Charter was framed.

I believe I can explain—I know I can do so to my own satisfaction—why the majority-vote principle was not adhered to. I believe it is most important to the success of this Charter that we realize the reasons behind the decision which was made. I believe it will help us in the days and years ahead, those trying times when we must make this program work, when we must vitalize it, when we must go forward as far as may be toward a realization of the ideal which is set out in the statement of its purposes.

Generally speaking, Mr. President, I agree with those who contend that the decision of the majority should be controlling. But when we consider whether that principle should prevail in this Organization, we must not forget that the Organization itself goes into a new field of relationships, that those who are parties to this agreement are peoples with different traditions, different racial histories, different systems of law, and difference interests. As has been said earlier today, Mr. President, the members of the United Nations Conference must yield up some of their international sovereignty if they are to get concert of action. That is something new in this world. It is going to be a thing most difficult to do—most difficult, Mr. President, for us to do. When we consider that in the deliberations which will go forward under the provisions of this Charter there will be upwards of 50 nations, with 50 different viewpoints, 50 different sets of traditions, attempting to reach agreement on matters affecting international relationships, we realize the difficulties which lie ahead. Were the rule that a bare majority would be sufficient for decision in such a body, there would be altogether too much chance for precipitous and ill-considered action. There would be altogether too much chance that a large minority might feel it was being imposed upon by a majority just a little larger than the minority. There would be every reason to expect a dissatisfaction, a disappointment, a disillusionment which might well lead to a rupture of relations under the Charter. In my view it is far better that we have the requirement of a two-thirds concurrence, even though that means that we must go far more slowly in making decisions under the Charter. It is better that the Assembly meet and fail to reach agreement, and meet again and fail again; it is better that they come time after time, discussing, debating, yielding, until finally there is a full two-thirds agreement, before action is taken.

Mr. President, under this Charter, I submit, the rule should be that we make haste slowly. We make progress, certainly, in adopting the Charter. But the adoption of the Charter is not, in the last analysis, even a beginning of the operations under it; it is but the authority to begin. After its adoption, the machinery must be set up, and only then can we start on the long road which we hope leads upward.

When we consider the magnitude of the thing we seek to do, when we remember the long list of failures in like attempts that history records, when we have in mind that the frailties of humanity still exist and that the adoption of this Charter does not mean a change in the hearts of men, then we recognize that the thing we seek to do cannot be accomplished solely by high ideals, by high resolves. If it comes to fruition it will come through practical, consistent, day-after-day, month-after-month, and year-after-year effort of human beings to understand each other, and to reach an accord.

Perhaps, Mr. President, there are those who may say that I am cynical when I view this Charter and the possibilities of its failure. I answer that I must assume that viewpoint when I recall that from time to time I go about this land of ours, as well as this Capital City of ours, and realize that for generations we have talked of equality before the law, and have sought a higher level of social relationships, and see that we still have cupidity, poverty, and discrimination. They represent the frailties of human nature, and those frailties exist all over the world. I look forward with doubt as to whether this Charter will succeed. But, Mr. President, where there is doubt there is uncertainty. Where there is uncertainty there may be, thank God, hope. I dare to hope with all those who will join with us that the senior Senator from Michigan [Mr. VANDENBERG] has been pleased to call this new great adventure, may over the long haul become the habit of peace. But we must go slow. The provisions in the Charter requiring two-thirds concurrence before a decision may be reached, were, in my opinion, most wisely inserted. To me they represent, as nearly as may be, the Charter's greatest guarantee of ultimate success. The same applies with reference to the action by the Security Council. Seven of the total of eleven, or as nearly two-thirds as there may be, must agree before important decisions may be reached.

Mr. President, there is that other and most greatly debated provision in the Charter, namely, that, with regard to amending the Charter with regard to the use of force, and so forth, the vote must not only be 7 out of 11, but there must be unanimity of the vote of the 5 permanent members of the Security Council.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. CORDON. I yield.

Mr. BURTON. I am interested in the Senator's discussion of certain special majorities required under the charter. While he is emphasizing the cases in which such special majorities are required, I wish to invite his comment on a number of cases in which special majorities are not required, thereby indicating that in certain cases a simple majority is deemed sufficient to meet the needs of the case. For example, I refer to action by the Economic and Social Council, action by the International Court of Justice, action by the Trusteeship Council, and action by the General Assembly on matters of minor importance. These constitute a large field in which we can rely on decision by a simple majority vote.

Mr. CORDON. Mr. President, I thank the Senator from Ohio for his contribution. I would have reached some of those points a little later, but I am glad that they have been brought up now, because the inclusion of those cases in which action may be had by a majority vote, emphasizes the wisdom of the provisions for the two-thirds concurrence which is required in the Assembly and in the Council. In the instances called to my attention by my colleague from Ohio, the bodies are selected groups. They will come together and meet over a period of time. They will become acquainted with each other. The subjects to be considered are, to a very great extent, noncontroversial internationally. In that field, wisely again, the Charter permits of a decision by a majority vote. However, in those controversial questions involving international relationships, the two-thirds rule will apply in every instance.

Mr. President, I return to the only remaining aspect of the Charter and the problem which I intended to discuss, namely, that deprecated and criticized provision which gives to the permanent members of the Security Council the power of veto.

I am one of those, Mr. President, who is committed to the view that that provision also is a most sound one. Let us remember that the Charter itself did not create the power of veto. The power of veto exists as a fact, and the provision in the Charter simply officially recognizes that fact. The number of people who are united socially and governmentally in the great nations themselves, constitute the power of veto.

It exists as a fact. It would exist independently of any recognition in the Charter, and those who framed the Charter in my humble opinion never showed greater wisdom, greater understanding of the international problems which are before us, than when they recognized the existence of the power of veto, and provided in the Charter a means within the Charter and as a part of the operation of the Charter for the exercise of that power. As a result of those provisions for veto, and for the exercise of that power, as they appear in the Charter, the veto of the great nations may be exercised legally and the Charter continue to function.

Mr. President, had the minds of those gathered at San Francisco reached agreement on a provision which did not contain the provision for veto, we might well have gone forward in high hopes under the charter and then found, to our sad disillusionment, and the disillusionment of the world, that on some decision made by the Security Council there was such a sharp difference of opinion by a nation having the inherent power to assert its disagreement, and that that nation would refuse to abide by the decision made. In that event, on that day and at that minute, our Charter would be torn into shreds and become a scrap of paper, and a distraught world would again face a tragic failure in its efforts toward world peace; but because that provision is in the Charter, because now a veto may

be registered, and registered in accordance with agreement of all nations, the Charter can continue to exist, and the nations can go on working toward a better world.

Mr. President, it may well be that when the veto power is used in the years ahead there may be bitter disappointment among the member nations of this Organization. It may be that disillusionment will come in the minds of men. It may be that we shall become hopeless as to the future possibilities of success. But at least the fabric of the Organization will still remain, at least we can still continue to strive for the ends we seek. At least, Mr. President, the new Organization can go forward in the knowledge that hot blood will cool, that stiff wills will unbend, that reason will prevail, that time is working with us who seek the objectives of permanent world peace.

We may go forward despite such a veto, however important the problem may be the solution of which was stopped by the veto. We may still go forward under the Charter—and that is the point—still seeking the achievement; still probing for ways and means to reach the end sought.

It is, Mr. President, through the elasticity of this Charter that I envision the hope that it may succeed; but it will succeed only if we and all the peoples of the earth recognize that the thing we seek lies far, far ahead, that we must crawl before we walk, that we must give and take, that we must forever remember that nations, although composed of individuals, have a curious individuality of their own, and that we must recognize the frailties of nationalistic viewpoints, and not be disappointed and not give up. With that realization, and by a steady and consistent action within the rules and the practices set up in the Charter, we may look forward and hope that the day may come when a new world will be born.

Mr. OVERTON. Mr. President, I have from the beginning favored and I do now favor the ratification of the Charter of the United Nations, and I am opposed to any reservations which may be offered thereto. I shall vote accordingly.

Mr. ANDREWS. Mr. President, as Members of the United States Senate we will soon answer the roll call for ratification on the United Nations Charter. Ours will be among the first of 50 civilized nations of the world to pledge the faith of our people to the objective embodied in that greatest human devised document of all times.

OUR CONSTITUTIONAL POWERS

Under article 43 we are pledging this Nation to make available to the Security Council of the United Nations such armed forces, assistance, and facilities as will maintain international peace and security. To implement and enforce this obligation will require other special agreements fixing the number and type of our available forces and their degree of readiness and their general location.

The question discussed more than any other by previous speakers is whether an additional agreement to be negotiated later by us—when the required number of signatory nations have ratified it—must under our Constitution, first, be approved by a two-thirds vote of the Senate as a treaty, or, second, whether our share of the military forces could be authorized by the enactment of a resolution or bill passed by both Houses of Congress; or, third, whether or not sufficient power to meet our obligations in the case of armed aggression against us or other member nations could be authoritatively met by Executive orders of the President of the United States.

Article 45 of the United Nations Charter provides:

In order to enable the United Nations to take urgent military measures, members shall hold immediately available national air force contingents for combined international enforcement action. The strength and degree of readiness of these contingents and plans for their combined action shall be determined, within the limits laid down in the special agreement or agreements referred to in article 43, by the Security Council with the assistance of the Military Staff Committee.

Article 43, referred to in article 45, provides as follows:

1. All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

2. Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided.

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and members or between the Security Council and groups of members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

It has been contended and perhaps will be contended if the Charter is ratified by the Senate that before the United States delegate agrees to any action being considered by the Council he should first secure the approval of the Senate. In theory this argument in favor of such a restrictive arrangement is that an agreement reached by the Council would have the force of a treaty and thus should be subject to Senate ratification by two-thirds vote. If the Council's decision may require actually the use of force by the United Nations it would be tantamount to a declaration of war, which requires the approval of both Houses of Congress. This argument seems to ignore the realities of the Charter as well as our constitutional procedure.

It is plain that under the Charter every one of the five great powers permanently represented on the Council possesses an absolute veto on sanctions be they economic, financial, or military. In other words, the Charter is not designed to be an instrument capable of coercing a major power even one that has plainly taken the path of aggression. Such coercion if deemed necessary could, and no doubt would, be applied outside the Charter. That will mean war, a war requiring the consent of Congress.

The question arises as to whether or not the coercive powers of the Council with respect to disputes among smaller nations should have something to say as to whether American military and air power are to be used against a nation that has violated its pledge under the covenant. We must bear in mind that under the Constitution the President possesses and has repeatedly exercised his authority as Commander in Chief to use forceful means to protect American interests in the far corners of the world, without seeking or getting permission of Congress. The earliest interpretation of the powers of the President on that subject was when the Constitution was new and the executive military powers were mostly in the hands of those officials who made the Constitution as exemplified in the early days with the barbary pirates and scores of instances since then.

The authority of the American delegate on the Security Council to approve action by that body to punish acts of aggression of one nation against another clearly comes within the purview of this police power of the Security Council. The powers of our delegate would be exercised and would be equivalent to the President's constitutional power to use the armed forces in any immediate contingency that threatens peace of the world.

It should be emphasized that in almost every instance of outbreaks of aggression the American Government and the American public including the Congress will have had time to make up their minds as to the attitude the United States should take, and it is very doubtful that the American delegate will vote in favor of the action if the sentiment in this country is opposed to it. Communication between the delegate, wherever the headquarters of the United Nations may be, and the people of the United States would be swift and accurate. It is most certain that the President and Congress will be in daily and perhaps hourly touch with any troubled situation and the Security Council itself through radio, telegraph, and wireless, and could thus form an opinion upon which to base the proper sentiment and necessary action. The only difference in the manner in which those matters would be handled now as compared to the past will be that a dispute being considered by the Security Council will have the right of publicity thrown on it and it will thus be easy and not difficult for the American people to make up their minds regarding the merits of a dispute.

The Charter provides that each member of the Security Council shall have one representative; thus the member is the United States of America and not the individual who represents it. It is the United States that has one vote through its representative on the Council. Furthermore, chapter 28 of the Charter contemplates specifically that the Security Council shall hold periodic meetings at which each of its members may

if it so desires be represented by a member of the Government or by some other specifically designated representative. It is clear that a Dumbarton Oaks and at San Francisco it was always assumed that at important meetings of the Council the representative would be the Minister of Foreign Affairs or one clothed with similar powers and that at the most important meetings that representative would probably be the President himself and other heads of our Government. The misunderstanding, if there be such, is probably due to the fact that chapter 5, article 28 of the Charter says that the Security Council shall be so organized as to be able to function continuously. Each member shall for this purpose be represented at all times at the seat of the Organization. I contend that the whole context of the Charter makes it clear that its permanent official is in effect an ambassador dealing with routine operations and reporting through the State Department to the President, carrying out his instructions but making no independent decisions of his own on matters of policy or declaring a state of war. He is only a representative at the seat of the organization and while he might be designated by the President, on the advice of the Secretary of State, to be the United States representative of the United States at a meeting, the intent seems clear that when anything important is being considered the representative should be the Secretary of State or some other member of the Government or even the President himself. Our representative under the Charter under our Constitution would be a diplomatic agent appointed by the President and confirmed by the Senate, differing in no way from any other diplomatic officer; for to give him an independent power would be to impair the President's authority to conduct the foreign affairs of the United States and his authority as Commander in Chief.

Authority for the steps we are taking is to be found in our fundamental law:

The Constitution of the United States in article II, section 1, provides that the executive power shall be vested in the President of the United States of America. Section 2 provides, among other things, that "the President shall be Commander in Chief of the Army and Navy of the United States, and of the militia of the several States when called into the actual service of the United States." Section 8, of article I, of the Constitution provides that "the Congress shall have the power to provide for organizing an army and disciplining the militia and for governing such part of them as may be employed in the service of the United States." It is thus seen that the Constitution is clear as to the powers of the President to be exercised in all contingencies and operations of military forces that might arise with regard to our duties to the United Nations under its charter.

Even a State of the Union may under our Federal Constitution wage war against a foreign enemy. It is provided in clause 3, section 10, of article I that "no State shall without the consent of Congress engage in war unless actually invaded or in such immediate danger as will admit of no delay." This would be exactly the condition, under which the United Nations would have to operate. It cannot be successfully denied that it has long been our policy under the authority of the Constitution for the President to resort to arms when the rights of citizens of the United States are being infringed or violated or "in such immediate danger as will not admit of delay."

There can be no serious doubt that the Congress can by statute authorize the various steps required to prevent or repel invasion or aggression upon a member nation when there is such immediate danger as will not admit of delay, nor can it be doubted that if the Congress is not in session that the President may act under such conditions in any emergency until the Congress can convene. He would be acting in self defense for the people of the United States in case of aggression upon our territory or to prevent a threatened attack or aggression upon the territory of a neighbor or member nation.

It must be admitted on all sides that a declaration of war must be met by a declaration of war by Congress.

We have learned a useful lesson—that among the democratic peoples of the world there should be a closer bond than the mere possesison of a common enemy for the war's duration. There can be no better way to cement our common interest than to cooperate as closely in peace as when the emergency of war is upor us.

It will be infinitely easier to reach a common agreement on the practical measures required to carry out the essentials of the United Nations Charter while the United Nations are joined together in the common struggle than if the search for that agreement be postponed until after the war is all won and the blessings of peace have returned.

Lord Halifax recently asserted that "mankind will march to little purpose unless we try to achieve a better way of life in the future for all men, irrespective of who they are or where they live."

Very recently Dr. Wei Tao-ming, Chinese Ambassador to the United States, expressed the view that "When victory comes after the present war, we must continue to hold together, steadfast and unwavering, in order to win the peace."

OUR RESPONSIBILITY TO INSURE PEACE

Now that we know it, why can we not tell the American people that a minority of the United States Senate, and not the Versailles Treaty makers, were mainly responsible for the collapse of the League of Nations? History must ultimately record the truth that the American people were not willing to take the trouble and risk, the expense necessary to see that the Versailles Treaty should succeed before the world.

It is infinitely more practicable and economical to assume our share in effectively sponsoring a plan for insuring world peace than to again suffer the horrors of another useless war of blood, sweat, and tears and billions of dollars in tax money charged to loss and waste.

People of all countries know we are not a warlike Nation. We covet not the lands or possessions of any nation on earth; we expect no reparations or territory at the close of this war except bases to maintain peace. We have not only favored international justice; we have shown our faith by working for it in principle.

Through modern methods of communication and transportation, countries are much closer commercially, socially, and economically than were the Thirteen Original States when Washington cautioned us against "foreign entanglements." The world has grown so small that we are our "neighbor's keeper" whether we admit it or not. When our neighbor is in trouble, we are in trouble, for if he is subdued by a ruthless enemy we have to suffer with him.

Perhaps there are some Americans who are isolationists out of prejudice or mere obstinacy; many no doubt take that attitude through indifference as to the true nature of our responsibility. This certainly accounts for the isolationism of most Americans. In peace times the average American—secure in his own freedom—is naturally indifferent as to how other nations or peoples may govern themselves. He wants to be let alone.

Since the birth of our Nation, the American people have acquired political and economic powers faster than they had ever been acquired before by any other peoples. What we either did not know, or chose to ignore, was that vital political power is never acquired without the simultaneous acquirement of a commensurate responsibility.

In our world of the future we must learn that those who have the power to keep the peace have the responsibility to keep the peace, regardless of their personal preference. The power alone imposes the responsibility. Those on whom it is imposed may try to deny it or evade it, but they cannot abolish it. If they do, their own and our punishment is as inevitable as that the night follows the day. If they avoid the responsibility to keep the peace, there will be no peace for our people or the world. If there is no peace, there can be no freedom from fear, freedom from want, freedom of speech, or freedom of religion.

Peace will reign in this world only where and when the preponderance of the free, independent nations of the world are definitely committed to the support of law and order. When this war is over the United States will no doubt possess an unprecedented large share of all the military power remaining in the world. If that power is not committed to the support of interna-

tional law and order, we mak look for another World War within the next generation.

National self-complacency as we have known it in the twenties and thirties must not become dominant in this country again. The old idea that we are so removed from international strife and dictators that nobody will attack us was blown up at Pearl Harbor.

Democracy is not property. It is not a shore line, nor an island possession, nor maritime commerce. It is an ideal founded on centuries of trial and error in attempts at self-government and free and peaceful intercourse among nations. For us it is the basis of our American way of life, and when that is no longer safe, nothing we have is safe.

We have our faults, and they are many, but the obsession that we are a master race is not among them; and once the people of America decide that it is their duty to support and aid in enforcing law and order throughout the world, they will do just that. They are ready to do just that.

We have resolved that the awful sacrifice we are making in this terrible World-wide War shall not be bargained away at the peace table. Let it not be said that we failed to keep the faith with those who fell at Pearl Harbor, north Africa, the western front, Bataan, and Okinawa.

History has already recorded that we failed to keep the faith with our men who died to make the world safe for democracy on the soil of France and Belgium in the last World War.

We are now engaged in the awful task that definitely rests upon us and our gallant allies to make the world a safer place in which to live. That responsibility is both dangerous and expensive. Nevertheless, it is ours. We can try to evade it, but we cannot avoid it. Repudiation will inevitably bring a repetition of the punishment we and our sons are enduring now for having repudiated it 25 years ago.

We are again fighting for peace—a sustaining peace—not alone for our own America, but for peace-loving peoples everywhere. A nobler cause never sprang from human breast, and a Nation dedicated to such a holy cause can never die.

WOODROW WILSON'S PROPHECY AND WARNING

The Presidential train had just pulled into Pueblo, Colo., on the afternoon of September 26, 1919. It was the last public appearance of Woodrow Wilson as President of the United States. As usual, the President was talking extemporaneously in the fluent manner of the orator whose eloquence is wholly in the power of his thought and the smoothness of his diction. He had already on that western trip made 40 speeches in 22 days, across 17 States, and not a speech was written out in advance.

Mr. Wilson had previously expressed misgivings about the fulfillment of the pledges he had given to the American boys who had been led into war by him. Those pledges were deeply imprinted on his conscience. He regarded them as a personal commitment. He had asked the young men of America to give their lives to a cause—a war to end war—and now he of the living was not succeeding in persuading his countrymen to adopt the steps necessary to prevent another war. The warning was pointed, the prophecy all too plain.

He said to his audience:

Stop for a moment to think about the next war, for I can predict with absolute certainty that within another generation there will be another world war if the nations of the world do not concert the method by which to prevent it.

What shall I call it—the final war? It might be the final arrest, though I pray only the temporary arrest, of civilization itself; and America has, if I may take the liberty of saying so, a greater interest in the prevention of that war than any other nation. America is less exhausted by the recent war than the other belligerents. She is not exhausted at all.

America has paid for the war that has gone by less heavily, in proportion to her wealth, than the other nations. America still has free capital enough for its own industries and for the industries of the other countries that have to build their industries anew.

The next war would have to be paid for in American blood and American money. The nation of all nations that is most interested to prevent the recurrence of what has already happened is the nation which would assuredly have to bear the brunt of that great catastrophe. It is not likely that, with the depleted resources of the great fighting nations of Europe, there will be another war soon, but unless we concert measures to prevent it, there will be another and a final war just about the time these children come to maturity; and it is our duty to look in the face of the real circumstances of the world in order that we may not be unfaithful to the great duty which America undertook in the hour and day of her birth.

The next time will come. It will come while this generation is living, and the children will be sacrificed upon the altar of that war. It will be the last war. Humanity will never suffer another, if humanity survives.

I do not hesitate to say that the war we have just been through, though it was shot through with terror of every kind, is not to be compared with the war we would have to face next time. There were destructive gases, there were methods of explosive destruction unheard of even during this war, which were just ready for use when the war ended—great projectiles that guided themselves and shot into the heavens went for a hundred miles and more and then burst tons of explosives upon helpless cities, something to which the guns with which the Germans bombarded Paris from a distance were not comparable. What the Germans used were toys compared with what would be used in the next war. Ask any soldier if he wants to go through a hell like that again. The soldiers know what the next war would be. They know what the inventions were that were just about to be used for the absolute destruction of mankind. I am for any kind of insurance against a barbaric reversal of civilization.

Woodrow Wilson's proposal was to prevent the very calamity which was brought on the world by Hitler, Mussolini, and Hirohito. Woodrow Wilson hoped to do that through the organization and operation of a League of Nations pledged to preserve peace by moral force if possible, but by military means if necessary. He saw in the Covenant of the League a constitution for the peace-loving nations of the world. They would surrender no sovereignty. They would retain freedom to act under their respective constitutional processes, but they would remain pledged to contribute to an international police force as much of their military strength as they could mobilize in order to prevent or stamp out aggression.

America was the most powerful nation of the world at the end of the last war. When she decided to remain aloof from the League, the most powerful physical force in the preservation of peace was subtracted from Europe's aid.

The election came in 1920, and President Harding was inaugurated in 1921. He had a chance then to submit the League covenant with the Lodge reservations. He never submitted it at all. He turned his back on the ablest Republicans of that day—former President Taft, Mr. Root, Mr. Wickersham, and Charles Evans Hughes.

Woodrow Wilson well knew the defects in the Covenant of the League. No contract could be made to work if the parties to it wanted it to fail. No compact was worth while if the parties had not the courage or the will to enforce its provisions. The covenant was a self-correcting device by its specific provisions. It provided for constant check and recheck. But the United States did not join; Europe was abandoned, and so was the peace of the world.

One of the most remarkable events in modern history was the accomplishment of the United Nations Convention at San Francisco, where 50 nations, representing every civilized race and practically every religion and language on earth, met around the conference table and reached an understanding and signed a World Charter with a purpose, hope, and prayer that it would become a basis or ten commandments for a lasting peace among nations and people of the earth.

It required only 62 days. It required 5 months for the thirteen colonies speaking the same language, of practically one race and creed to formulate the Constitution of the United States which was admittedly far from being perfect and satisfactory to all the colonies. At Versailles many days were spent on the formulation of the League of Nations—likewise far from being satisfactory to all nations signing it, but admittedly a long step on the road to international understanding and world peace.

On the eve of Armistice Day, November 10, 1923, Woodrow Wilson was induced to make a speech from his home on S Street in Washington, D. C. It was his farewell; but he spoke clearly, briefly, and with his customary resonance. He said:

The anniversary of Armistice Day should stir us to great exaltation of spirit * * * although the stimulating memories of that happy time of triumph are forever marred and embittered for us by the shameful fact that when the victory was won—won, be it remembered chiefly by the indomitable spirit and ungrudging sacrifices of our own incomparable soldiers—we turned our backs upon our associates and refused to bear any responsible part in the administration of

peace or the firm and permanent establishment of the results of the war—won at so terrible a cost of life and treasure—and withdrew into a sullen and selfish isolation which is deeply ignoble because manifestly cowardly and dishonorable.

This must always be a source of deep mortification to us and we shall inevitably be forced by the moral obligation of freedom and honor to retrieve that fatal error and assume once more the role of courage, self-respect, and helpfulness which every true American must wish to regard as our natural part in the affairs of the world.

That we should have thus done a great wrong to civilization at one of the most critical turning points in the history of the world is the more to be deplored because every anxious year that has followed has made the exceeding need for such services as we might have rendered more and more evident and more and more pressing, as demoralizing circumstances which we might have controlled have gone from bad to worse.

The affairs of the world can be set straight only by the firmest and most determined exhibition of the will to lead and make the right prevail.

And so Woodrow Wilson did not win. Did he lose only temporarily? He always looked ahead for the verdict of history. He once said:

I would rather fail in a cause that some day will triumph than to triumph in a cause that I know some day will fail.

Today all the fortunes of the financially strong, all the prides of the politically ambitious, all the cautions of the nationalistically aloof, and all the material possessions of the Nation itself are forfeit as the lives of America's finest are being offered again on all continents and over the seven seas in a second great crusade to establish once and for all that man is ultimately his brother's keeper and that the future of civilization, indeed the peace of the world, must rest upon the spirit, if not the letter, of Woodrow Wilson's memorable pledges to mankind.

WE SHALL KEEP THE FAITH

A few days ago I stood with bowed head by the crypt in the basement of the Washington Cathedral at St. Albans where the mortal remains of Woodrow Wilson peacefully rest, and I thought of his prophecy that there would be another war within a generation if the League of Nations were not adopted. His efforts in behalf of the League of Nations and the cause of peace and to keep his pledge to the boys who fell in the First World War in that memorable speaking tour of the West overtaxed his frail body, and he died 5 years later at his S Street home in Washington, a martyr to the cause of peace. He was crucified in the cause of peace on a cross of political expediency as truly as was the Nazarene on the hill of Golgotha. The world knows that. We again have a chance to retrieve and establish, not a League of Nations, but the present United Nations Charter, although 80 percent of its provisions are in substance the same as those of the League document of 1919.

It has been truly said that poetry is the very essence of literature and only those poems are immortal which spring from the soul as an expression of the heart. Near the end of the last World War, Col. John B. McCrae received mortal wounds in the battle of Flanders. Before passing on he penned this immortal poem, entitled "In Flanders Fields":

In Flanders fields the poppies blow
Between the crosses, row on row,
That mark our place; and in the sky
The larks, still bravely singing, fly,
Scarce heard amidst the guns below.
We are the dead. Short days ago
We loved, felt dawn, saw sunset glow,
Lived and were loved, and now we lie
In Flanders fields.

Take up our quarrel with the foe.
To you from failing hands we throw
The torch. Be yours to hold it high.
If ye break faith with us who die
We shall not sleep, though poppies grow
In Flanders fields.

In a noble pledge of faith to those who fell in the First World War, C. B. Galbraith penned in poetry our reply:

THE REPLY

In Flanders fields the cannon boom
And fitful flashes light the gloom,
While up above, like eagles fly
The fierce destroyers of the sky.
With stains the earth wherein you lie
Is redder than the poppy bloom
In Flanders fields.

Sleep on, ye brave; the shrieking shell,
The quaking trench, the startled yell,
The fury of the battle hell
Shall wake you not, for all is well.
Sleep peacefully, for all is well.
Your flaming torch we bear;
With burning heart on oath we swear
To keep the faith, to fight it through,
To crush the foe, or sleep with you
In Flanders fields.

All over the world boys of this generation are also sleeping the last sleep.

After the First World War we failed to keep the pledge and the faith. God help us to keep it now.

In a few hours the United States Senate will have its chance to retrieve its error by underwriting a pledge that will be kept, for we have the power to enforce it. We have the duty to enforce it. The radio, telegraph, and cable are waiting to bear to the civilized world the news that America has kept the faith.

Mr. ELLENDER. Mr. President, as this debate comes to a close, our two distinguished representatives from this body, the Senator from Texas [Mr. CONNALLY] and the Senator from Michigan [Mr. VANDENBERG], who so ably represented us at San Francisco, must be very happy over the fact that so few of the provisions of the Charter have evoked contentious debate.

As I recall, the only portion of the Charter that provoked some debate was article 43. I believe that all of us share the view that the agreements referred to in article 43 cannot become effective by mere Executive order, but that Congress must pass upon them to give them force. During the debate I expressed the view that such agreements cannot be given effect except by an act or simple resolution of the Congress. It is my belief that such agreements should not be considered as treaties, thereby requiring a two-thirds vote of the Senate.

By voting for this Charter we are entering new fields of international affairs. If we are to help save civilization, it is our bounden duty to take a leading part, as a member of the World Organization, in an effort to prevent future wars.

The purpose of the Charter of the United Nations is to prevent war. It can be made effective only to the extent that the peoples of the so-called Big Five Nations and their leaders desire peace. The purpose of the Organization may be compared to that of a fire department in one of our large cities. A well-equipped and well-organized fire department can save a city from destruction by fire. A well-organized and properly equipped World Organization can quickly smother a threat to world peace which, if permitted to spread, would again involve the world in a conflagration that would destroy civilization.

That the Charter is not a perfect instrument is admitted, but let us use it as a cornerstone upon which to build. The General Assembly provides the forum before which nations, through their chosen representatives, will be afforded the opportunity to plead their cause openly and publicly. Soon nations will learn more about each other, and in that way suspicion, mistrust, and misapprehension among nations will be dispelled. As they become better acquainted with each other, it is my belief that there will spring up among them more teamwork, to provide better methods of fostering world peace.

The International Court of Justice can become the chief instrument through which and by which disputes will be settled among nations. Under proper guidance, and in time, I can foresee the adoption of a code of rules and regulations founded on law, justice, and equity that will form the basis for deciding international disputes among nations in the same manner that the common law of England is used today in settling disputes among individuals. Such a method is feasible if nations are sincere in their desire to further peace among the peoples of the earth.

Mr. President, in order that this troubled world shall never venture into another global war, so long as I am privileged to remain a Member of this body I shall leave nothing undone to implement the Charter which we are about to ratify. We must not fail this time, lest we do a grave injustice to those who have made the supreme sacrifice.

I may say that so far I have received but one letter from my State expressing opposition to ratification of the Charter.

Mr. President, on May 29 I delivered a short address which was carried over radio station WMCA, New York, and WWDC, Washington, entitled "Where Do We Go From San Francisco." In that speech I expressed further views on this important subject, and I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WHERE DO WE GO FROM SAN FRANCISCO?

Ladies and gentlemen, the United States Senate must, without delay, ratify and approve the Charter of the World Organization that will be agreed upon at the San Francisco Conference. We have delegated some of our best talent to represent us at the Conference and it is up to us to back their decision to the limit.

I make that statement unqualifiedly and without knowing what the Charter will finally contain, but conscious of the fact that unless the United States is willing to participate in and become an active member of the Organization the world will soon again be plunged in a war that will destroy civilization.

I know that the Charter will not be perfect. Many of its provisions will cause much dissatisfaction among some of the nations of the world—even among our own people—but let us hope that in the course of time, and in the light of experience, the Charter will be amended so as to give assurance to the discontented. Let those who object to some of the stipulations in the Charter review the history of our own Federal Constitution. They should be convinced that its success can be duplicated in the World Organization, if participating nations are sincere in their desire for a permanent peace, founded upon law, justice, and devotion to the general welfare.

We should take a leading part in all of the activities and deliberations of the Organization. It should meet often. The General Assembly should be used as an open forum for free discussions among the representatives of the nations who have membership in the Organization. In that way nations can learn more about each other. Suspicion, jealousy, and greed can, to an appreciable extent, be dissipated, and as nations become better acquainted with each other, it is my hope and belief that there will spring among them more teamwork to foster world peace.

We should encourage the use of a World Court to settle international disputes among nations. I realize that it will require much time and effort to create a court that will inspire confidence among the nations of the earth. Under proper guidance, and in time, I can foresee the adoption of a code of rules and regulations founded on law, justice, and equity, that will form the basis for deciding international disputes among nations in the same manner that the common law of England is used today to settle disputes among individuals. Why is that not feasible if nations are sincere in their desire to further peace among the peoples of the earth?

As leading advocates of such a plan we could point with pride to our performance in the two global wars that engulfed the world in the last 25 years. We never have sought more territory for our own aggrandizement. All that we have asked for is to be permitted to maintain our own form of government and in return, accord the same right to other nations. We should be able to give convincing proof of the futility of war and the absolute necessity of settling disputes amicably in the future.

Until the world organization has been firmly established and has proven its ability to maintain peace, we should not agree to disarm. We should maintain a substantial navy, a sizable air force, and a fairly large mechanized army, not so much for our own protection but to assist in maintaining world peace.

We should, by all means, retain in trust such of the conquered islands in the Pacific, or portions thereof, as in the judgment of our Army and Navy advisers are necessary for our own security and to aid us in preserving the peace of the world.

We should assist in carrying out the common program of purposes and principles embodied in the Atlantic Charter, else the world may remain in turmoil and a lasting peace may become but a dim hope. The vexing Polish question should be amicably settled at an early date, and I do believe there is much merit to the proposed settlement tentatively agreed upon at Yalta. Let us not forget that the Curzon Line was set by arbitration, and it was when Russia was weak and unable to resist that the Poles extended their conquest from the Curzon Line to the east. Let it further be known that within this conquered territory only 7 percent of the population were Poles.

All nations should have free access to the seas. The Panama Canal, the Suez Canal, the Dardanelles, and similar channels should be open free from tolls to all nations except for such charges as may be necessary to retire existing obligations which may have been incurred for their construction and to pay the cost of their maintenance and operation.

We should take the lead in the establishment of world trade. No nation can cope with us in industrial production. We have demonstrated our ability in the last 4 years. For our own good it is imperative that we lower our tariff barriers by extending the Reciprocal Trade Agreements Act, as advocated by President Truman.

The Congress should enact without delay the Bretton Woods Proposals. One creating a monetary fund, to stabilize the value of all currencies in terms of each other, and the other establishing an international bank, the functions of which will be to finance the construction of long-range productive projects in war-torn countries. Both proposals involve an investment of about $6,000,000,000 on our part and should go far toward building a durable peace and reestablishing without much delay a stable world trade. We have spent almost $200,000,000,000 to fight the Axis Nations in an effort to preserve our way of life, and why we should quibble over an investment of $6,000,000,000 in an effort to avert future wars, does not make sense to me. Those suggestions are not a cure-all but are essential to our own welfare. Before the world recovers from the shock of war my guess is that we will be compelled to venture still further in world affairs in our efforts to solve the problems of battered nations.

All peoples are looking to us for leadership. We stand in a position to blaze the trail, and we should not hesitate to take advantage of our situation while opportunity knocks.

Mr. JOHNSTON of South Carolina. Mr. President, in the beginning, let me make my position clear. In my opinion, the United Nations Charter is a treaty. This being true, the President of the United States has a legal right to see that this treaty is carried out, and, if necessary, may use reasonable force in seeing that it is properly executed. If any amendments are made in the future to the Charter, they will have to be submitted to the Senate for its approval.

I would not contend that the Senate alone can enact legislation which, under the Constitution, requires a majority vote of both Houses and the signature of the President. After having secured the necessary funds, I have no doubt that the President of the United States could use a reasonable amount of force to assure that the agreements of the United Nations Charter are put into execution.

Even though the President has the legal power to enforce this Charter, I would not hesitate to give to our Representative on the Security Council, through the President, the right to use a reasonable amount of our armed forces to enforce the United Nations Charter, and thereby cooperate with the other nations of the world in preserving world peace.

Mr. President, I have been intensely impressed with the unanimity of expression in support of the United Nations Charter during the past week. I have been pleased with the attitude of those individuals who were termed "isolationists" before our entrance into this global conflict. It is obvious that they recognize their breach of faith with our men who died in World War I. According to the expressions which are substantially unanimous from mothers, fathers, wives, and sweethearts of our men who have died in this war, it would be a breach of faith if this body failed to ratify this instrument which is conceded to be the only feasible means at this time of outlawing future global conflicts such as the one in which we are now engaged. It would be a breach of faith to our allies, whose sons have likewise paid the supreme sacrifice.

The Charter is not perfect by any means. I think most of us concede that fact. But it is a good beginning of a perfect means to be attained at some future date. We know that it is subject to revision. The Congress of the United States is aware of that fact.

At this moment we should pause in tribute to the late lamented President Roosevelt for having conceived and laid the foundation for the San Francisco Conference from which has come to the Senate for ratification this instrument to outlaw wars and invasion by ambitious dictators. He should also be commended in his choice of delegates whom he sent to the Conference to represent our Nation.

President Roosevelt was aware of the mistakes made after World War I. He realized, as, I think, most of us now realize, that if the United States had adopted President Woodrow Wilson's proposals for a League of Nations there would not have been a Second World War.

Japan never would have thrust itself upon China; Mussolini never would have thrust the Italian Army upon Ethiopia and Albania; Germany never would have marched into the Rhineland, Austria, Poland, Czechoslovakia, and other nations. But it is now too late to grieve over the mistakes of our leaders of a quarter of a century ago. They were probably conscientious in their opposition to this country's adoption of the League. But now we have tangible evidence to justify every feasible means of outlawing a repetition of this current catastrophe.

The American people, including the Congress, should constantly be mindful of the fact that this Charter will serve only as a guide to prevent future wars.

The instrument itself cannot prevent war. It is up to each of us to be ever mindful of our duty in supporting the principles of the Charter as outlined by the San Francisco Conference. It will be necessary that the Congress sustain the Charter now, and in the future, and appropriate the necessary funds for our share in its maintenance in an effort to prevent future Mussolinis, Hitlers, and Tojos from thrusting themselves upon the peace-loving nations of the world.

I have received through the mail numerous letters containing expressions in support of the adoption of this Charter. They have come from relatives and friends of soldiers, sailors, marines, and others who have died in this war. They have my assurance that it is my sole purpose to exert every effort possible to bring about the enactment of legislation which will help in any conceivable way to outlaw war.

I think the majority of the American people find comfort in knowing that President Truman, like Presidents Wilson and Roosevelt, is conscious of the necessity for cooperation between all peace-loving nations to effect a feasible program to prevent a recurrence of our present plight.

President Truman, like myself, was a soldier in the last war, and he knows the horrors that can be invoked by war. Nothing is ever accomplished by war but sorrow and suffering.

In listening to some of the opposition to the Charter as a whole, I have observed with intense interest their willingness to vote for its adoption regardless of the fact it contains certain provisions of which they do not approve. They realize the time has arrived when we must relinquish politics for the safety of our country and of future generations. This is no political issue. It is only one of preserving the lives and property of our people and the integrity of the peace-loving nations of the world.

Mr. President, as I speak in support of this Charter, I am not unmindful of some statistics and figures. The War Department has reported that our current casualty list exceeds one million. That is, dead, wounded, and missing, and many of these victims repose in unmarked graves on land, and in the seas.

This casualty list does not include the thousands of men and women who have become mental cases as the result of their experiences in this war. A psychiatrist in my own State of South Carolina informs me that approximately 5,000 men and women have become mental cases as the result of this catastrophe. These figures do not include entirely the home casualties. Many homes have been destroyed. The children of these victims, in many instances, are juvenile delinquents, which will inevitably thrust a crime wave upon our country.

These figures do not include the burdens thrust upon the taxpayers of this Nation. The public debt has enhanced beyond comprehension. Taxes have been increased beyond reason. Necessary foods and clothing have become scarce. Transportation is impossible. Our freedom is curbed.

We do not know whether this Charter will work or not. I think we should give it a trial. If it does not work, we can then try for something better. At least future generations cannot say what this generation is saying about the opposition to the League. I do not believe there is a single man in this Chamber who would want to go into history with the responsibility of opposing what is conceded to be a feasible, cooperative arrangement at this time, as did those individuals who so ably and bitterly opposed President Wilson's League proposals some 26 years ago.

We must realize that this war does not end with the cessation of hostilities on the battlefield. The Congress has made provisions for some degree of support of the victims of this war.

I am heartily in favor of this Government making adequate provisions for all of its men and women whose lives have been handicapped as the result of their services to their country. But we must realize that all this is a tremendous financial responsibility to the Government.

A repetition of this financial responsibility of fighting a war and maintaining its victims after the cessation of hostilities would doubtless destroy our modern way of life if we should have to fight another war. The American people cannot stand a war like this one in the next generation. It is up to us, the representatives of the people, to try some means of preventing its recurrence.

Aside from the financial responsibility of the Government, we must consider the welfare of the American home. The mothers and fathers of this Nation and those of all peace-loving nations are not inclined to have their sons and daughters utilized as cannon fodder in a future war.

It is hard enough for them to realize the necessity of their Government invoking a program of compulsory military training so as to be prepared for defense of their country's integrity in the event of a stab in the back as at Pearl Harbor.

By this body doing its duty in taking the necessary steps to prevent the use of armed aggression, we are keeping the faith with those who have died as the result of the mistakes of our past leaders. And the fathers and mothers of the future cannot say that "If the United States Senate had performed its proper function, my son would not have died."

RESTORATION OF CITIZENSHIP TO THOMAS PAINE

Mr. MEAD. Mr. President, I wish to speak for a moment on a very important event which occurred in the city of New Rochelle, N. Y., just a short time ago. While it is not applicable to the question which is now before the Senate for discussion, it is of historic value, and it relates to one of the great minds which helped to lay the mudsills of the Republic which has become so powerful among the nations of the world.

Mr. President, I should like to call the attention of the Senate to the July 4th act of Mayor Stanley W. Church, of New Rochelle, in reinstating the citizenship of Thomas Paine, great American patriot, who 139 years ago was denied the right to vote in this country on the ground that he was an honorary French citizen, no longer entitled to citizenship in the United States of America.

Mr. President, we are all familiar with the history of Thomas Paine, author of Common Sense, called by many historians the catalyst that drew together the forces of revolution in this country and brought about the immortal Declaration of Independence. He was the first to use the term "United States of America." He was in effect the unpaid public relations man of this country and it is known that although his pamphlet, Common Sense, was read by almost every American, he turned back the proceeds from its sale to the revolutionary cause.

Belatedly, in February 1782, Robert Morris; Robert Livingston, then Secretary of Foreign Affairs; and General Washington voted to give Tom Paine, always a poor man, $800 per annum out of the United States Treasury from the secret service fund. This was really in the nature of a retainer fee and a matter of finance. Due honor to Thomas Paine was never accorded until the recent act to Mayor Church in New Rochelle officially honored him as a great citizen of this country.

Thomas Paine was a maligned man, the target of fifth column Tories. Let me read an editorial in the New York Times of July 6, entitled "Citizen Tom Paine":

> If Thomas Paine were alive today he could vote in his old home town of New Rochelle. This tardy justice has been done him by Mayor Stanley W. Church, 139 years after four election supervisors, perhaps equally scandalized by his reputed atheism and by his fervent belief in pure democracy, had refused to let him cast his ballot. The incident recalls the unhappy latter years of a liberator who outlived his time. Between 1802, when he returned to America from France, and 1809, when he died in poverty in Greenwich Village, poor Paine was grievously persecuted because he was thought to be, as Theodore Roosevelt once called him, "a dirty little atheist." The statement was wrong on three counts. He was a cleanly man until overtaken by age and discouragement; he was rather above the average height; and though he rejected all organized religions, including Christianity, he did, as he said in The Age of Reason, have faith in one God and hopes for happiness beyond this life.

The New York Times editorial continues:

> His adopted countrymen forgot his famous pamphlets, Common Sense, published 6 months before the Declaration of Independence, and The Crisis, written in the field as Washington's ragged Continentals retreated through New Jersey. What the Federalist Papers later did for the Constitution these pamphlets did for American independence. Washington himself paid warm tribute to their author. But where other patriots were rewarded with lifelong esteem,

Paine lost almost everything, including his friendship with his once-revered commander. The fault was partly his. He was an impatient and suspicious man, never taking the trouble to mollify those who sincerely disagreed with him. Now it is possible to forget his small weaknesses and to remember his great virtues and services. New Rochelle has made a happy gesture.

The proclamation issued by the mayor of New Rochelle, which was mentioned in the New York Times editorial, is as follows:

Whereas 139 years ago the fair city of New Rochelle did do a grave injustice to a great American patriot, namely, Thomas Paine, America's godfather, author of Common Sense and The Crisis papers, by denying him the vaunted privilege of citizenship and the right to vote in this city on the ground, that as an honorary citizen of France, he had lost his citizenship in his adopted land; and

Whereas the city of New Rochelle is known for its support of all true American democratic principles and is today proud that Thomas Paine lived among us and would do him honor.

Now, therefore, I, Stanley W. Church, mayor of the city of New Rochelle in the State of New York, United States of America, do reinstate posthumously Thomas Paine, first citizen of America, to full citizenship and the rights thereof in this city from July 4, 1945, onward with the wish that all Americans do honor to his memory and follow his precepts in these times that try men's souls.

Given under my hand and seal on this 4th day of July 1945, at the Thomas Paine Memorial House, New Rochelle, N. Y.

STANLEY W. CHURCH, *Mayor.*

In replying to the proclamation of Mayor Church, Joseph Lewis, secretary of the Thomas Paine Memorial Committee, stated in regard to this noteworthy act:

By restoring citizenship to Thomas Paine, you have not only corrected a cruel mistake, one which cut deeply into the heart of this great and good man, but this proclamation of yours will contribute more than any other single act in securing for Thomas Paine the recognition he so richly deserves.

At long last, the American people are beginning to show their appreciation of the invaluable services that Thomas Paine rendered so unselfishly toward the establishment of the great Republic of ours.

And so I propose, Mr. President, that the Senate of the United States take notice and make part of the record of its proceedings in supporting Mayor Stanley W. Church, of New Rochelle, in his reinstatement posthumously of the citizenship of Thomas Paine, America's Godfather, author of the pamphlets Common Sense and The Crisis, protégé of Presidents Washington and of Thomas Jefferson. May he at long last have the honor due him as honored citizen of the United States as well as of the world, especially of France, which has long claimed him for the great liberal he was.

Mr. President, I have had the Legislative Reference Service look up the matter in the Library of Congress, and I ask that the letter written to me by Ernest S. Griffith, director of the Legislative Reference Service, be printed in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS,
LEGISLATIVE REFERENCE SERVICE,
Washington, July 21, 1945.

Hon. JAMES M. MEAD,
United States Senate,
Washington, D. C.

DEAR SENATOR MEAD: In response to your request relative to the denial of voting rights to Thomas Paine in New Rochelle, N. Y., 1806, we find no record of Federal repercussions in the affair. The supervisor, Elisha Ward, who denied Paine the right to vote, claimed that Paine was not an American. His only justification for this action was the incident when Gouverneur Morris, at the time he was Minister to France in 1793, had refused to secure Paine's release from a French prison on the ground claim that Paine was not an American. Ward conveniently overlooked the fact that Monroe, who succeeded Morris as Minister to France, had officially secured Paine's release.

Paine declared he would bring suit against Elisha Ward and wrote letters to Madison, Vice President Clinton, and others to obtain evidence. Biographers have been unable to locate any trace of the trial in the records of the supreme court at Albany, N. Y. Other research has failed to produce any record of Federal action in the case.

Very truly yours,

ERNEST S. GRIFFITH,
Director, Legislative Reference Service.

THE CHARTER OF THE UNITED NATIONS

The Senate resumed the consideration of the treaty, Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

Mr. MEAD. Mr. President, I am reluctant to take the time of the Senate, but the matter before it today is of so grave importance that I feel I should briefly voice my support of the work which has been accomplished at San Francisco and brought before this legislative body.

This is the most important session of the Congress I have ever attended in the long years of my service in both Houses. The work we do here today will live as long as time. The action we take at the end of this debate will be heralded throughout the world tomorrow.

There is a counterpart, Mr. President, of this history-making session to be found in the early life of our Republic. When the great minds of America gathered around the council table to draft the Charter upon which our Republic was formed they set for us an example which if followed by us will mean the success of the Charter we now attempt to formulate on the floor of the Senate. They gave us the formula, but, in addition to that, they supported it with all the faith and confidence they possessed. They worked for the adoption of that Charter throughout the Colonies which became the States of the Union. They lived and served throughout their lives that that Charter might become successful. If with the same faith and confidence, the same eagerness to make a success of this Charter, we support the work so well accomplished at San Francisco, throughout our service in the Senate and throughout our lives in this Republic, we can expect that it will attain a high measure of success.

Mr. President, the great names that have come down through the history of our country will have another list added to theirs—the names of the men who gathered around the council table at San Francisco. This legislative body can take pride in the fact that two of our well-known statesmen were there and helped to write this Charter.

Mr. President, of course, I shall support the Charter. Of course, I have faith and confidence in its success. I am sure that our great Nation, the most powerful on earth, with the important part it must of necessity play in the reconstruction period following victory in the war of the Pacific, will be the most powerful and most potent body, the one that can assume the greatest measure of responsibility in making this Charter not only a reality but a success. Ours, therefore, is the chief responsibility in order that we may win a permanent peace.

Mr. President, there came to my office a short time ago a letter which contained what was in my estimation an unanswerable argument in support of the Charter. I wish to read a few excerpts from the letter. The writer says that we won World War I and then lost the peace. Then he proceeds to add that the United States was largely to blame.

World War I cost over $186,000,000,000 and over 13,700,000 lives. World War II has already cost a single nation—the United States—much more than the total money cost of World War I. World War II has already cost a single nation—Russia—much more than the total cost in lives of World War I.

Mr. President, based on a careful study by two well-known university professors, we learn that World War II is of greater proportions than the combined total of all known wars of all ages throughout all the world. If we fail to win permanent peace, World War III will be even greater and even more hideous.

A captain in the United States Army, writing from north Africa, had this to say:

There is need, a great, thunderous, blood-stained need, for the people to generate the energy it takes to get things done in a pre-occupied democracy. Only the people can do it—the Congress alone never will. If I were there, knowing even the little I do, I would devote every day to winning the greatest of all victories—the victory of permanent peace.

Mr. President, because of the multitudinous duties of the Senate committee investigating the war program, of which I am the chairman, I must confess that I have not had adequate time and opportunity to prepare the type of speech that should be delivered on this occasion. I may observe, however, that any inadequacy or lack on my part has been well

filled by the masterful addresses of my colleagues who have preceded me. The eloquent appeal for this treaty made by the learned and able Senators who participated in the San Francisco Conference will long be remembered by the Senate, by the people of the United States, and by the leadership of the world.

Mr. President, some time ago in writing a letter to one of the boys who left my office for the war, I was able to vision the potentialities of this Charter in the light of the service he was rendering. I was able to go again in spirit to the battlefields of the world, as I did in the autumn of 1943. Then I went away from my office where I would not be disturbed and tried to answer that boy's question by telling him what this Charter really means. Mr. President, I should like to tell the Senate what I told that boy:

DEAR BILL: You certainly know how to write a forceful letter. Your brief note has asked a tremendously important question.

I'd been dictating replies to other correspondents most of the morning and going like a house afire because I had a committee meeting scheduled before the Senate convenes. Then I picked up your letter from the pile: "What does this United Nations Charter really add up to?" I started right in to tell you, and Miss Keefe's pencil raced back and forth on her pad as I talked.

Then I began to feel uneasy. Were these words that I was speaking a proper answer to this question? I looked at your short letter again. "Strike that out," I said to Miss Keefe. "He has the word 'really' here. He doesn't want to know what the United Nations Charter seems to mean. He's after the under-the-surface, honest-to-goodness real meaning. I am going to tell him just what I really think it means."

I sat staring at your letter. The language of the Charter kept echoing in my ears: "We, the peoples of the United Nations, determined to save succeeding generations from the scourge of war * * * to practice tolerance and live together in peace * * * as good neighbors * * *." That wasn't what I wanted. I didn't want to quote from the Charter, nor to paraphrase it. I wanted to tell you in my own words what the treaty really means. I want to convey to you the faith and confidence I have in this immortal document.

The answer won't be perfect—what answers are?—but it will at least be honest. It will represent the faith I have in the leadership that made it possible and the hope I have in its future.

That's why you put the word "really" in your question, isn't it? Because you don't want to be given a lot of high-sounding double talk which could mean anything—or nothing.

You were growing up in the years of the depression. You remember how some people tried to fool themselves with double talk then. Men—veterans of the First World War—were selling apples on the street, but prosperity, for the wishful thinker, was just around the corner. Well, it wasn't. Around the corner there was another veteran, and he was also selling apples.

You remember that very well. And you remember how, in spite of all our efforts, another world war loomed on the horizon like a hurricane, and steadily came nearer and nearer, and finally caught us up into its path. You know from vivid personal experience how that hurricane of war ripped you from the life you had led and flung you across oceans and continents into an alien world. You know what it is to sleep in a waterlogged fox hole, to advance in a desert storm under enemy fire. You know what it is to be wounded and helpless before charging tanks and strafing planes. You know what it is to see your comrades die.

Yes; you know evil when you see it, and no one can tell you it is good. But you know good too. You have shared in a common enthusiasm for a common purpose. You have gone on many a hazardous mission, playing your appointed part on the team with skill and devotion, knowing that each man was responsible for the lives of his fellows. It was a game of one for all and all for one; and the game was won, again and again, decisively. You know, and you will never forget, that self-sacrifice and heroism are not mere words, but realities, realities which form an essential part of the behavior of the common soldier.

These experiences have immunized you against hypocrisy. You and your comrades look at the home front and the postwar world without illusion. Is it all to be done again in another 20 years? Must we slip back into the twilight of a world between wars in which statesmen say one thing and do another? As we to be condemned to the irony of unemployment while millions are eager to work? Is there to be want in the midst of plenty? Must we fumble indecisively from one gray day to the next while the hurricane of the next war slowly and inexorably approaches?

That, I believe, is what you have in mind when you ask what the United Nations Charter "really" adds up to. It is what other servicemen have bluntly expressed to me on my visits to various theaters of war. It is what my own son, also a GI, has voiced frequently and with emphasis.

Does the United Nations Charter add up to a complete solution of the problem? No; perhaps not. The Charter is not a key to utopia. Words written upon paper have no power in and of themselves to alter the course of events. It is only the spirit of the men and nations behind those words which can do that. The Constitution of the United States would today be only a historical curiosity if the spirit behind it—the determination to establish and maintain a stable Union—had not been strong enough to overcome all obstacles.

Is there such a spirit behind this Charter? Only time, of course, can give the final answer. From my own observation and study, I am convinced that the people of this Nation, together with their elected representatives in the United States Senate, are overwhelmingly in favor of the United Nations Charter. We have learned in the harsh school of experience that no nation can stand aside from the march of world history. The logic of events has taught us two lessons, and we have learned them well: First that we are unavoidably and inextricably dependent one upon another, big nations upon small, small upon big, and each upon all the others; second, that the power of the United States carries with it rights and also responsibilities, both of which must be controlled and directed to the common good of all. On the one hand we are convinced beyond all doubt of the fact of interdependence to such a degree that this Charter can be called, in part, a declaration of interdependence; on the other, we are equally convinced that America has now come of age in the household of nations and that we must attack with courage and fortitude the problems of a great power.

One thing is very clear—we have finished with indecisiveness. No longer shall we sit in nervous apprehension while our domestic economy decays and foreign aggressors openly make ready the weapons with which to enslave us. We intend to take and to hold the initiative, to work energetically both at home and abroad for the triumph of justice and of all the basic human decencies.

There is ample evidence that the peoples of other nations are as anxious as we to make effective international cooperation a living reality. They realize that a healthy economy and a reliable defense against unjust aggression can be assured only by such cooperation.

There has opened up before us, then, a new frontier. Time was, in the days of depression, when some spoke sadly of the old frontier of our Western States; progress, they said, had pushed that frontier steadily westward until at last it had fallen into the Pacific. There was, they complained, no new world left to explore and to develop; the covered wagons that had carried the pioneers to adventure had reached the end of the trail. It is evident now that the new international frontier lies just beyond the Golden Gate. This frontier presents a far greater challenge than the old frontier, for its problems are far more complex; but the rewards of success are also proportionately greater.

We will not fail to meet this challenge. We know, we are convinced, that isolation from the rest of humanity is impossible, that the necessary condition of security and of progress is advance on this frontier. We have made up our minds; we have hit the trail.

How rapidly we shall travel, how much we shall accomplish, will depend upon the amount and the quality of our effort. There can be no question of half-hearted efforts; the building of a united world is not a part-time job. There can be no question either of failing to employ our full resources of knowledge, of faith, of responsibility.

Knowledge, faith, responsibility. Knowledge, you may ask, of what? Faith in what? Responsibility for what?

No; on second thought I don't think you will ask. You realize that the common soldier of today was the common man of yesterday, and that he will be the common man of tomorrow. You know that man. We all know him. He is the man with a gun whose portrait we have seen thousands of times—slogging through mud, charging up a beach scarred with high explosives, standing at attention while a colored ribbon is pinned over his heart—casual, unpretentious, embarrassed by being called a hero. To this common man—and to his brother who has fought hard and well on the home front—the future belongs. He has won it in the greatest conflict of all history from the tyrants who plotted to enslave the world for a thousand years. We must know this man intimately, study his needs and his desires—in our own Nation and in each one of the United Nations. We must have faith in his capacities. We must seek to serve him with a high sense of responsibility.

Our opportunity is as great as it was unforeseen. When the dictators began this war no one could reasonably have predicted such an utter collapse of their evil designs. No one could have foretold that the slate would have been wiped so thoroughly clean. Let us be grateful to the divine providence that has given us this breath-taking opportunity to realize on a world-wide scale the ideals of all men of good will. Let us resolve to prove worthy of the task. To this great work let us give our complete devotion.

If we face the new frontier in this spirit, the United Nations Charter can serve us well—serve us as a chart serves the voyager in unfamiliar seas. It can show us how to reach the goal; it can never take the place of the will to reach that goal.

Mr. President, that is the conclusion of the letter I addressed to that serviceman.

As I started, I wish to conclude: I believe, Mr. President, that if we, the Members of the Senate, as we come now to the close of this debate, can be imbued with the spirit and faith and confidence of the great minds who drafted the Charter upon which this Republic was founded and if we can carry on during our legislative careers and during our lives the service which they performed so well, then by exemplifying their lives and their conduct and their service we, too, will make a success of the Charter of human rights and human liberties which we are giving to the world today.

Mr. WILLIS obtained the floor.

Mr. MILLIKIN. Mr. President, will the Senator from Indiana yield to me, so that I may propound a question to the distinguished senior Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations?

Mr. WILLIS. I yield.

Mr. MILLIKIN. Earlier in the day there was some debate as to who will give the consent, and how, to submit the United States to the jurisdiction of the International Court of Justice. There was reference to an opinion on the subject by Judge Hackworth, which was submitted as a part of the RECORD yesterday. I should like to ask the Senator from Texas whether in the future the Senate will be fully free to reach its own conclusions and take its own actions with reference to those matters, irrespective of the Hackworth opinion.

Mr. CONNALLY. Mr. President, to make a short reply, I should say that the Senate would be entirely at liberty to choose its own course. It would not be affected by what may be done by some other branch of the Government.

Article 36, paragraph 2, of the Statute of the International Court of Justice, which is appendix B to the Charter, provides that—

2. The states parties to the present statute may at any time declare that they recognize as compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the court in all legal disputes concerning—

Then it carries a category of cases.

Of course, the Charter does not undertake to determine how the states will express that adherence. So it is up to the Government of the United States to choose whatever course it may pursue.

The Hackworth opinion merely said that they were drawing on their own experience heretofore with relation to arbitration treaties, and that the custom had been where the United States was simply involved in a question of collecting claims from some foreign nation, the settlement of which involved no possible obligation on the part of the United States, the Executive, through the diplomatic service, would submit that matter to arbitration, but that in all other cases the President would follow whatever course the Congress should point out, either by submitting a treaty or some other proposal.

Let me read one paragraph—section 3, paragraph A—of the Hackworth opinion:

A. As to the third question, if the Executive should initiate action to accept compulsory jurisdiction of the court under the optional clause contained in article 36 of the statute, such procedure as might be authorized by the Congress would be followed and if no specific procedure were prescribed by statute, the proposal would be submitted to the Senate with request for its advice and consent to the filing of the necessary declaration with the Secretary General of the United Nations.

That seems to make it clear that in such event the Executive would submit it as a treaty for the ratification of the Senate.

Mr. MILLIKIN. I did not rise to argue the Hackworth opinion. I simply wished to make sure that it could not possibly be construed in connection with anything which has happened in the Senate as an expression of senatorial opinion, and thus in any way binding on us in the future.

Mr. CONNALLY. I will say to the Senator it is not in any way binding. It is a matter which is left open to the Executive and to the Senate.

Mr. MILLIKIN. I thank the Senator.

Mr. WILLIS. Mr. President, in one of Carl Sandburg's stories for children, the principal characters are three boys—Eeta Peeca Pie, who was filled with wishes; Meeny Miney, who had suspicions working inside him; and Miney Mo, who was different. Miney Mo was all mixed up with wishes and suspicions.

In all seriousness, on this most serious day, it is possible from this literary work of art by Carl Sandburg to draw a parallel of the people of our great country. There are some Americans, like Eeta Peeca Pie, who are filled with wishes, and wishes guide them in their political thinking day in and day out. Unconcerned with the facts, disdainful of reality, these Americans go gaily along, agitating always for this or that reform, whether or not it can be operated within the framework of our Constitution, and whether or not it will work at all. There are other Americans, like Meeny Miney, who are filled only with suspicions. No matter what we in this body may do, there are some Americans who will question our motives, or will predict disaster ahead.

HAVE WE SOLD OUT?

We have, they say, either deserted America, deserted reason, or deserted our integrity. We vote, they say, for this or that legislation, not because we are trying sincerely to build a better America and a better world, but because of political ambition, or because we have sold out to the vested interests, or because we have been influenced by this or that untoward influence.

But, Mr. President, the vast majority of Americans are more like Miney Mo. They are filled both with wishes and suspicions. Possessing hope for the future, but cognizant of reality and having some regard for the lessons of recorded history, the plain Americans with whom I am acquainted are all mixed up inside, particularly in their thinking in regard to international matters. And most particularly is this true in relation to current efforts to build the processes through which just and lasting peace may be sought. It was true in the years preceding our entry into this war.

Let us recall a bit of recent history as an example of this anomalous thinking and to refresh our memory about the people, to whom we all pay homage and for whom we, in the final analysis, work here day by day.

THE PEOPLE OPPOSE WARS

Back in 1940 and 1941 the American people revealed in every poll that they did not want to enter this present war. When they were asked the direct question: "Do you want the United States to become involved in World War II?" the people replied in the negative in overwhelming proportion. Yet, in polls made by the same organizations that would report the almost unanimous verdict to be against American participation in war, it would be shown that more Americans wanted us to repeal the Neutrality Act than not—a step toward war. Likewise, polls showed that originally more Americans wanted lend-lease passed than not, although the count was very close, and in my State, I am sure, more people opposed lend-lease originally than supported it. Americans, it became apparent, were wholeheartedly behind aid to Britain and aid to Russia, while at the same time registering violent opposition to American participation in the war.

We were, like Miney Mo, filled with wishes to keep out of the war, but we also had the suspicion that it would not be possible. So, not because we wanted war but because we wanted peace, and because we wanted to see one side win, and dared not let the other side win, we were edged into World War II long before the dastardly Jap attack at Pearl Harbor.

Now that the European phase of the war is over, it would seem that the American people would know exactly what they want, and would pursue that course logically, straight-forwardly, and without detours. But such is not the case. Current surveys of public opinion prove conclusively that the American people, even in their thoughts concerning our efforts on this Charter, on Bretton Woods, and on many other moves to make a permanent peace, are filled with wishes and suspicions.

Between 80 and 90 percent of the American people, apparently, want us to vote for the San Francisco Charter. Yet, a recent Gallup poll showed that, when questioned about the efficacy of this Charter, only approximately 30 percent of the people thought it would prevent war. Many of the people, the survey showed, are in favor of the Charter, but do not have the slightest confidence that it—or any other agreement made among nations—will last any longer than has any other treaty of recent decades.

Mr. President, I am endeavoring to analyze the mind of the common people of America and gather out of their

confusion and here state their fundamental desires. After all, it is the common people of America who have made this country great. Out of their ranks have come the captains of industry, the statesmen, the generals, and especially the common soldiers who have brought us victory in this war. They will have to pay the bill. The common people of this country, Mr. President, want peace, as you, I, and every last one of us wants peace. They hate war as they hated war before we entered into this one, as most of them hate it as it goes on, and as they will hate it when it is over. Yet they have their suspicions, not only toward fellow Americans but toward other nations. We have been, luckily, a wary people in some respects, yet in others we have not been sufficiently cautious.

AMERICA DIDN'T CAUSE WAR

Few Americans can be persuaded to believe that anything we did, or did not, in the fateful years following World War I, had, or would have had, much effect on the ambitions and schemes of the warmad rulers of Japan, Italy, and Germany who brought this plague upon us. The common man still wants us to be kept out of the wars which have consumed Europe for centuries.

What he faces, however, is the ugly fact that twice in this generation we have become involved in wars in Europe, and he is ready to join in an extreme effort, if need be, to prevent another such catastrophe.

In my humble judgment, Mr. President, the average man in my home State—the average man everywhere in America—wants us to adopt and support this charter, implementing it in every reasonable way, but at the same time safeguarding the interests of our own Nation.

WE SAFEGUARD OUR INTERESTS

I have given countless hours to the study of this problem. I am convinced that in accepting this Charter we have safeguarded those things which the common man wants to have made certain:

First. We have protected the sovereignty of the United States of America. This Charter does not merge our interests as a Nation in a common body with the other nations of the world. It does not set up a superstate. The sovereign right of the United States of America is protected. We have not merged our ideals with the baser ideals of the world. We have, for the purpose of cooperation, selected only those on which we can agree. The dignity and courage of America are magnified.

Second. The power to determine to what extent the American soldiers may be used in other parts of the world is retained in the Congress of the United States. And if, in the judgment of the Congress of the United States, the acts of the Security Council are not in accord with the high purposes of the preamble of this Charter, the right of the United States representative to veto the use of force is reserved. Whatever may be the thoughts of the legalistic minds, that is the thought of the common people of America.

Third. The so-called common man, filled with wishes, hopes that while we protect the United States we can help build a new spirit of cooperation, and usher in a long and prosperous peace in the world.

LINDBERGH STILL RIGHT

The average American, Mr. President, is a peace-loving, kind, and charitable person. I believe that Charles Lindbergh in a recent interview expressed the average man's thoughts when he said:

> I have always believed that America's destiny should be kept independent of the endless wars between European nations. But to make ourselves independent of Europe's welfare is impossible. The civilization which is falling to pieces in Europe is our civilization. We are bound to our civilization as a man is bound to his own family. Whether or not he takes part in the quarrels of his parents, no man worthy of the name turns back on them in trouble.
>
> Besides, as far as the present situation is concerned—

He continued—

> the question of retirement is past. We have taken a leading part in this war and we are responsible for its outcome. We cannot retire now and leave Europe to the destructive forces which it has let loose. Honor, self-respect, and our own national interests prevent doing that.

The common man, Mr. President, realizes that in the end we took on a great portion of the job of reducing Germany to a shambles. The common man believes that it is our humane duty to help bind up the wounds caused by that destruction in the lands over-run by this war. In that belief, I supported the Bretton Woods legislation for economic rehabilitation of these lands.

Yes, the common man today, more than ever, believes in safe-guarding the interests of America. It is a virtue, not a crime in his eyes, to think of America first before we attempt to carry the burden of the whole world. For the weak cannot support the weak, nor the blind lead the blind.

A NEW ISOLATIONISM

Mr. President, America today is drifting into a new isolationism, not by any means a matter of our choice, nor is it the first time we have found ourselves unique among the nations of the world. Back when great statesmen wrote the Declaration of Independence and the Constitution, the United States was the only representative republic on the face of the planet. Europe was ruled by kings, while Asia was ruled by despots, but our struggling little Government, through the will and loyalty of its people, emerged unscathed from that dark and stormy period. Today America has become the last great nation of the world which puts her complete faith in the philosophy of freedom, a philosophy which recognizes inherent rights in every citizen—freedom of speech, freedom of press, freedom of religion, freedom of enterprise. It was that philosophy that in a century and a half made this country the greatest nation on the face of the earth. It was that philosophy that made America strong enough to win this war.

No matter to what extent she may be restricted in this new isolationism, the common man will fight to the end for the preservation of the ideals of America. Therefore, we must keep our country strong militarily, economically, morally, and spiritually.

By keeping our country strong militarily, I mean that we should be sure that our Army and Navy—maintained as separate services—shall be abreast or ahead of all the other nations in scientific research and developments, and that our Nation shall be fully garrisoned and ready for action in all our newly won outlying stations in the far Pacific and those leased in the Atlantic which are necessary for fulfillment of our future responsibilities.

By keeping strong economically, I mean that the administration should take steps to cut the amazing and outlandish Federal expenditures, many of which are wasted on foolish projects even down to this late date.

If we believe in this American system, how can we continue to preserve it if our manufactured products, our machinery, our raw materials, our foodstuffs, plus billions of dollars—all needed here at home—are used to make the communistic and socialistic systems of Europe seem successful while we break the capitalistic system at home?

If we are to be strong economically, we cannot long continue to be an insolvent America. Prolonged deficit financing will do more to open the way for social revolution than any other single factor that could be named on the home front. We profess intentions of economy in government, but the fact is that Uncle Sam now employs more than three and one-half million persons, the greatest number of Federal pay-rollers in our Nation's history.

By keeping strong morally, I mean that we must work always for social justice in our own land—for the alleviation of the problems between labor and business, between races, and between people of different religious creeds. We must continually press toward the goal where our sense of justice applies alike to the humble and the great, to the poor and to the rich, to the weak and the strong.

By keeping America strong spiritually, I mean that we should ever be jealous of the great ideals which actuated the founding fathers in giving our Nation a distinctive place in the world. We must always be aware that freedom urges the minds and the souls of men to the attainment of their highest aspirations. Nor should we ever forget that faith in God and the practice of Christian ethics are inseparably linked to a free society. Freedom is the precious pearl which men appraise too lightly until it is lost; then they are willing to lay down their lives to recover it.

The safety of America lies in our reliance on our own security and reliance on our own strength and virtue, rather than in charters and compacts and treaties. The best political systems, leagues, or

conferences would not be enough unless based on a dynamic strength of character and the power of Christian ethics.

Mr. President, this Charter will be supported, perhaps, without a single negative vote among those of us who strove with all our might to keep this country out of war. Many of us opposed entry into the former League of Nations. President Franklin D. Roosevelt, himself, was the last most vigorous spokesman against the entry of the United States into the League of Nations. We believed that proposal would have involved us forever in the quarrels in Europe, because it would have placed on us responsibility to maintain the territorial integrity of the countries of Europe. Americans repudiated that as our national obligation, Americans will never subscribe to that obligation unless in the far distant future the cause of justice and right and freedom point to that course.

Mr. President, when I consider this Charter through the mind of the average American, I am filled with wishes and doubts, considering the condition of the world. No statement could be more illogical on its face than the sentence attributed to Gen. Dwight D. Eisenhower—"We are going to have peace even if we have to fight for it." But that sentence expresses the hope and determination of most Americans. We do crave peace for ourselves, for our children and our children's children, above the most precious possessions to which man can aspire.

LET'S WORK—AND PRAY!

We in our day owe it to our civilization to make at least our effort to set up some institution through which nations can resolve their differences rather than by resort to the cruel arbitraments of war. In spite of our fears and suspicions, we are going to make a start to extend the area of agreement among nations in the hope that it may spread throughout the world.

Mr. President, on the day when we opened the seventh war loan drive there was gathered in front of our Nation's Capitol a great body of people, who came there to honor the marines who raised the flag on Mount Suribachi on Iwo Jima. Three of the marines who made that desperate and heroic effort were present and reenacted there the raising of the same flag. Standing in the great crowd were two men, sun-tanned, battle-scarred, war weary. They, too, had been in that engagement. One of them turned and said to a lady of my household, as marines raised the flag, "Woman, do you realize it took a hell of a lot of dying to put that flag there?"

Mr. President, in the thought and in the memory of those who have given their lives to raise the American flag of freedom throughout the world, out of our duty to the more than 100,000 brave American boys who have died only that somehow we might have a better world in which to live; that we might forever protect the children of our land; that we may make America more secure in a troubled world, I shall vote for the charter.

If we shall have postponed World War III for only a few brief years, our efforts will have been well worth while.

Mr. GURNEY. Mr. President, I shall vote for the Charter without fear or misgiving. It is constitutional, for its very purpose is to strengthen us and give to the world that opportunity for liberty and security provided for us by the very documents which created our Nation.

I shall vote for it with the hope that, by our first endorsement, other nations will be led quickly to act likewise, thereby putting into being the Charter organization, which is now the only hope for a continuing peace in this troubled world.

Mr. President, let me caution that after our almost unanimous vote for the Charter today we cannot merely sit back and feel and say, "Everything is fixed now, everyone is safe." No; our people are entitled by their sacrifices in this war and others to more than that. We and all other nations must give the Charter organization the all-out support of all our people—sincere, honest support, continuing for years to come—in order that this world organization may be a growing, living instrumentality, capable of handling world problems in a fair and effective way.

So, Mr. President, with my vote in favor of the proposed plan goes not only my hope, but also my belief, that the Charter organization will actually work.

Mr. DONNELL. Mr. President, there was today received and laid upon the desk of the clerk of the Senate an important message from the President of the United States. This message has been properly referred, but I understand has not yet been read to the Senate. I wish to read the message, which is brief. It is a message from the President, from Potsdam, to the senior Senator from Tennessee [Mr. McKELLAR], dated July 27, 1945, and reads:

During the debate in the Senate upon the matter of the Senate's giving its advice and consent to the Charter of the United Nations, the question arose as to the method to be followed in obtaining approval of the special agreements with the Security Council referred to in article 43 of the charter. It was stated by many Senators that this might be done in the United States either by treaty or by the approval of a majority of both Houses of the Congress. It was also stated that the initiative in this matter rested with the President and that it was most important to know before action was taken on the Charter which course was to be pursued.

When any such agreement or agreements are negotiated it will be my purpose to ask the Congress for appropriate legislation to approve them.

This completes the message. I call to the attention of the Senate the appropriate language in article 43 which is involved in the message from the President. Article 43 recites:

1. All members of the United Nations, in order to contribute to the maintenance of international peace and security, undertake to make available to the Security Council, on its call and in accordance with a special agreement or agreements, armed forces, assistance, and facilities, including rights of passage, necessary for the purpose of maintaining international peace and security.

2. Such agreement or agreements shall govern the numbers and types of forces, their degree of readiness and general location, and the nature of the facilities and assistance to be provided.

3. The agreement or agreements shall be negotiated as soon as possible on the initiative of the Security Council. They shall be concluded between the Security Council and members or between the Security Council and groups of members and shall be subject to ratification by the signatory states in accordance with their respective constitutional processes.

Mr. President, as I read the message of the President of the United States communicated a moment ago to the Senate, it appears to me that it is subject to one of three possible constructions. One of those constructions is that the President will request some type of congressional action in the making of these agreements to which article 43 refers, and under that construction, that whether action by the Senate in advising and consenting to a treaty shall be required, or whether action shall be required by both Houses of Congress, is not intended by the President to be, at this time, decided. That is one interpretation, as I read it, which can be placed upon the message of the President of the United States. In other words, that he will request some type of congressional action, but does not at this time undertake to say whether it will be action by the Senate on the theory that a treaty is necessary, or whether it will be joint action by both Houses of Congress.

The second of the possible constructions of the President's message, as I see it, is that the President will request of either one House, that is to say the Senate, or of both Houses, at his own option, the legislative action which he mentioned in his message.

And a third possible construction is that the President means to say that he will request action by both Houses of Congress.

I recall the concluding sentence of his message again because to my mind it is highly important:

When any such agreement or agreements are negotiated it will be my purpose to ask—

What? The Senate? No—

it will be my purpose to ask the Congress—

And I interpolate the fact that the Congress consists not alone of the Senate but of the two Houses.

it will be my purpose—

What?—

to ask the Congress for appropriate—

What? Ratification? Advice or consent? No—

for appropriate legislation to approve them.

So, Mr. President, I present the view that the message of the President of the United States today is subject, as I have indicated, to any one of these three constructions, all of which contemplate that he will come to one branch or perhaps both branches of Congress for approval of what he terms legislation, but does not indicate to you or to me whether or not

the theory of the President is that a treaty is required or that a treaty is not required.

This sentence of his message is subject to future interpretation, and perhaps the interpretation of one man is as good as the interpretation of the other.

I do not mean to imply, Mr. President, in the slightest that there has been any attempt on the part of the President of the United States to mislead the Senate in the slightest. You and I realize that today the chief magistrate of our great Nation is thousands of miles away engaged in important conferences, without the benefit of being here present. He has upon his shoulders manifold burdens. I undertake to say that he has given to us a statement here which, however clear in his own mind, is nevertheless susceptible of these various constructions.

Mr. President, the reason I rise at this time in connection with this message is that I do not think that the Senate of the United States should be morally or in any other sense bound by this message from the President when we vote upon the Charter. I shall vote as I indicated yesterday, in favor of advising and consenting to the ratification of the Charter with the Statute of the International Court of Justice thereto annexed. I undertake to say that by my vote I do not want it understood that I have consented to some interpretations susceptible of three meanings, as I see it—perhaps susceptible to more or less. I do not want my vote to be interpreted as precluding me, as one of the Senators of the United States, when this question shall arise before our body as to whether or not a treaty is required to put into effect these agreements under article 43—I say I do not want my vote, with the President's message before me, to be understood as an acquiescence on my part to the construction that he has put or to some one else's interpretation of that construction which may be made later.

Mr. President, in order, therefore, that there may be no such silence as on my part might inferentially constitute a species of moral estoppel hereafter, I rise to express this point of view that by our vote this afternoon we are not consenting to or acquiescing in the expression of the opinion contained in this message.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. DONNELL. I do, yes.

Mr. BARKLEY. Without commenting upon the necessity for the letter or statement made by the President, and without in any way intimating whether I disagree or agree with the Senator from Missouri as to his alternative interpretaitons, does not the Senator from Missouri agree that in view of the President's letter, whatever may be his interpretation on other forms of ratification, it certainly indicates that he will not attempt to by-pass Congress by putting it on the ground of an executive agreement?

Mr. DONNELL. I agree with the Senator in that construction of the message.

Mr. BARKLEY. I feel that that was the purpose of the letter. There was some fear that the President might undertake to by-pass Congress altogether by an executive agreement, and I think the object of this letter is simply to disabuse anyone's mind of any fear or suspicion that he would pursue that course.

Mr. DONNELL. I think the Senator may well be correct in his construction. Nevertheless, I believe that the proposition which I enunciate is still sound; for 3 months from now, when the question shall arise before the Senate as to whether these agreements must be concluded by treaty, or may be concluded by joint legislative action of the two Houses, regardless of our innermost thoughts as to the purpose of the President, the words of this instrument, the words upon this sheet of paper, are the words which will control. Any Senator is entitled to his construction. It may well be that at that time some eloquent Senator, sincerely and honestly, will rise and read this sentence:

> When any such agreement or agreements are negotiated it will be my purpose to ask the Congress—
>
> Which consists of two Houses—
>
> for appropriate legislation—
>
> Not ratification, or advice and consent—
>
> to approve them.

It may well be that the distinguished Senator who will then rise will believe that the President's meaning was that joint action of the two Houses of Congress is necessary.

It is not my purpose this afternoon to undertake to argue whether such an agreement as is mentioned in article 43 of the charter must be made by treaty or not. As I see it, that question is not before us this afternoon. Any Senator who desires may, of course, bear that question in mind; but as I see it, it is not necessary to decide that question here today.

In my opinion there is very much to be said in favor of the view that the agreement or agreements mentioned in article 43 must be made, and can only be made, a treaty receiving the ratification—or perhaps more teachnically correct, the advice and consent—of the Senate. The very fact that the word "ratification" is used in article 43 is to my mind very signficant. It is true that the Constitution of the United States does not use the word "ratification" in connection with treaties. It is true that the words "advise and consent" are used in the Constitution. Nevertheless, is there a Member of this body who has not himself at times referred to the process by which treaty is acted upon by the Senate as being the ratification of the treaty? I take it that a word is customarily interpreted by the courts according to its ordinary acceptation; and when the word "ratification" or the expression "ratification by constitutional processes" comes before the Senate, to my mind there is strong argument—perhaps not conclusive—in favor of the proposition that action by the Senate, which we refer to as ratifying a treaty, was intended by those who drafted the instrument.

Mr. President, the conclusion at which I arrive as to the possible—and perhaps probable—meaning of the word "ratification" or the expression "ratification by constitutional processes" as applied to the United States is very strongly corroborated by the testimony which was given by a distinguished witness before the Senate committee. I shall not take long to read this testimony, but I think it is of such vital importance that it should be again read. This testimony was given by Mr. Dulles. I am not unmindful of the fact that the distinguished Senator from Michigan [Mr. VANDENBERG], who served with such great honor to himself and credit to our body at San Francisco, telephoned to Mr. Dulles the other day to secure from him his then interpretation. Nevertheless, I read to the Senate from page 469, and following, of the testimony on the Charter.

> Senator MILLIKIN. Thank you. If I understood you correctly, Mr. Dulles, I thought you said that the Senate will have an opportunity to ratify the special agreement having to do with our contribution of force and material.
>
> Mr. DULLES. Yes, sir.
>
> Senator MILLIKIN. Is that your opinion?
>
> Mr. DULLES. That is not only my opinion, but it is expressly stated in the Charter that the agreements are subject to ratification by the states in accordance with their constitutional processes.
>
> Senator MILLIKIN. Then it is your opinion that to comply with our constitutional processes, that separate agreement would have to come to the Senate for ratification?
>
> Mr. DULLES. It is, and that was the view of the American delegation. I think there is no doubt whatever about that.
>
> Senator MILLIKIN. Is there any doubt about that, Mr. Dulles?
>
> Mr. DULLES. No.
>
> Senator MILLIKIN. And no disagreement of opinion on that?
>
> Mr. DULLES. No.
>
> Senator MILLIKIN. I take it that by ratification you mean ratification by the method of advising and consenting to a treaty?
>
> Mr. DULLES. That is correct; by a two-thirds vote of the Senate.
>
> Senator MILLIKIN. The reason why I asked the question is that yo are, of course, aware of the fact that there is a large dispute as to who is the legitimate field for so-called executory agreements and treaties. You are definitely of the opinion that the special agreement referred to will have to be handled by supplemental treaty rather than by an executory agreement?
>
> Mr. DULLES. I have no doubt whatever about that.

It is possible that upon reflection Mr. Dulles may have concluded that in his own mind there was predominant merely the contrast between congressional action on the one hand and Executive action on the other; but certainly that was never even intimated or suggested by him in his testimony.

Mr. President, I see rising at this moment on the floor of the Senate the distinguished chairman of the Foreign Relations Committee. I desire to read from page 470 of the testimony before the committee:

Mr. DULLES. It is clearly my view, and it was the view of the entire United States delegation, that the agreement which will provide for the United States military contingent will have to be negotiated and then submitted to the Senate for ratification in the same way as a treaty.

Senator MILLIKIN. I should like to ask if that is the opinion of the chairman of the committee.

The CHAIRMAN. It is most certainly the opinion of the chairman of the committee.

* * * * *

Our constitutional process is for us here at home to decide. There is no question in my mind that that means that the agreements must be ratified just like treaties are ratified, because they are with foreign countries. They are vital, they affect our Military Establishment, so they would have to be ratified by the United States Senate.

I thoroughly agree with Mr. Dulles that there was no question ever raised, so far as I know, in the Conference as to that effect.

Finally, with respect to the Conference, I call attention to the language of the distinguished Senator from Michigan at page 7991 of the CONGRESSIONAL RECORD for July 24. At that time he stated as follows:

Mr. VANDENBERG. So far as my own interpretation is concerned, I think the record should be completed in respect to the constitutional point submitted by the able Senator from Montana regarding the form in which the basic agreement for force, as contemplated by the charter, shall be handled in the United States in behalf of the United States.

First, I wish to say that it never remotely occurred to me, either at San Francisco or since, that the language used in the charter at this point did not refer to a treaty to be brought before the Senate of the United States for ratification, precisely as indicated by Mr. Dulles in his testimony, and as supported by the able Senator from Texas in his interpretation.

So, Mr. President, I emphasize the point that there is strong reason for the view that the agreements under article 43 of the Charter do come under the category of treaties and must be ratified in that manner, and by the Senate.

However, as I have stated, it is not my purpose this afternoon to undertake to argue conclusively that proposition. My point is simply that I desire it clearly understood that in voting for the Charter, which I shall do, after receipt of the President's message I shall not be precluded, when agreements under article 43 come up for action, from using my then best judgment in determining whether those agreements are matters necessitating a treaty.

Mr. DOWNEY. Mr. President, I wish only to express my profound and unqualified commitment to the pending Charter and to its noble ideals and objectives and my fervent hope that the Senate of the United States will soon express its approval of the Charter, and thereafter at an appropriate date adequately implements its powers.

Mr. President, I should like to ask unanimous consent to have printed in the RECORD as a part of my remarks, without reading, a column from one of our great California newspapers, the San Francisco Chronicle, the column being written by one of our noted political writers, Earl C. Behrens.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON, July 23.—The San Francisco Charter of the United Nations will be ratified overwhelmingly by the United States Senate.

It should be.

The instrument forged by the hands of men and women of 50 United Nations at San Francisco opens the way for a better world for your sons and mine.

The Charter may not be perfect but neither was the Constitution when it was written in 1787.

It may be improved as the years show its imperfections.

The new World Security Organization presents to peace-loving nations the opportunity for new form of cooperative effort to better the conditions of all peoples, to work for peace on earth and good will toward one's neighbors.

The charter can succeed if men of good will have the courage to make it work.

The 20 to 1 vote whereby the Senate Foreign Relations Committee adopted its report favoring Charter ratification represents about the ratio of sentiment throughout the Nation for American participation in the new International Organization with the fervent hope it will be the beginning of the end of wars.

In marked contrast to consideration of the League of Nations Covenant by the Senate 26 years ago is the present debate over the San Francisco Charter.

The charter was framed in the full spotlight of world publicity. Representatives of the press of the 50 nations at the San Francisco Conference kept the people informed of every phase of the Charter making.

The Senate was kept daily advised of the progress of the delegates at San Francisco.

Two Members of the Senate, TOM CONNALLY, Texas, Democrat, and ARTHUR H. VANDENBERG, Michigan, Republican, were members of the United States delegation.

The League of Nations Covenant was the work of a few men. The charter was the creation of 50 nations working in harmony to reach an accord.

Hearings on the charter by the Foreign Relations Committee gave every person who asked to be heard, either for or against ratification, an opportunity to present his or her arguments. Senator CONNALLY did an admirable job in handling the week-long hearings.

The committee hearings, the wide publicity attendant upon the Conference deliberations, the complete reports given the Senate by CONNALLY and VANDENBERG upon their return from San Francisco laid the ground work for an intelligent, searching, and speedy action upon the charter.

Each important instrumentality under the charter—the General Assembly, the "town meeting of the world"; the Security Council, the agency which will have at its disposal forces to keep the peace; the Economic and Social Council, designed to improve the life standards of men and women; the trusteeship system for presently dependent areas; and finally the World Court—will have its part in making the world a better place in which to live.

That details for working out American participation to the fullest in every function of the new organization will be the subjects of future Senate debates is certain. That, too, is a good thing.

Ultimately, the United Nations Organization will become a smooth operating mechanism. It will take time.

Ratification of the charter by the Senate making the United States the first of the major powers to place its final stamp of approval on the charter will give a "lift" to a war-weary world.

Americans will be proud of the Senate when the history books record the accomplishments of the Seventy-ninth Congress.

Mr. O'MAHONEY. Mr. President, on the 5th of July I was privileged to make a radio broadcast on the United Nations Charter over Station WOL, at Washington, and it was also carried over certain other stations in the West. I ask unanimous consent that the broadcast may be printed in the body of the RECORD as a part of the debate upon the Charter.

There being no objection, the broadcast was ordered to be printed in the RECORD, as follows:

AMERICA SHALL SHOW THE WAY

Twenty-six years ago, on July 10, 1919, I stood on the floor of the United States Senate and listened to the address of President Wilson when he laid before the Senate the Treaty of Versailles with the Covenant of the League of Nations. I shall never forget the profound impression he made upon his auditors, nor the prolonged applause which greeted him. True, there were frigid faces in the Chamber and some senatorial hands firmly held in repose, but the great audience which thronged the Chamber was stirred to its depths.

The President stood there on the rostrum urging with matchless eloquence that "The united power of free nations must put a stop to aggression, and the world must be given peace." As he spoke, it seemed almost as though there emanated from him the light in which he beheld the vision of a world from which war had been forever banished.

On Monday, as I listened to the message of President Truman, laying before the Senate another charter of world peace, I thought of that message so many years ago and of the sufferings and the sacrifices which have been endured by all peoples of the world because the words of Wilson fell upon deaf ears. I thought of the boys whose lives were sacrificed on the fields of France in that conflict of more than a quarter of a century ago. I thought of the boys, the American boys, whose lives have been offered in this war upon every continent and every ocean—and then I thought of the boys not yet born upon whom will fall the sacrifices of the inevitable wars that will follow a repetition of the failure of 1919.

I have never forgotten the address of President Wilson on that July day of 1919. I felt then, as I feel now, that the nations of the world must unite to prevent war or be prepared for succeeding conflicts, growing in horror, and terminating finally in the destruction of civilization.

At the conclusion of President Truman's appeal for the ratification of the United Nations Charter, I turned back in the CONGRESSIONAL RECORD to read again the address of President Wilson. I want now to read his concluding paragraph, for it is as true today as it was when he uttered it. These were the words with which he laid the Covenant of the League of Nations before the Senate:

"The stage is set; the destiny disclosed. It has come about by no plan of our conceiving but by the hand of God who led us into this way. We cannot turn back. We can only go forward with lifted eyes and freshened spirit to follow the vision. It was of this that we dreamed at our birth. America shall in truth show the way. The light streams upon the path ahead, and nowhere else."

The message of Wilson did not die. His vision did not perish. And in the course of time America gave another great President

to the world who labored to make it effective. Now a third great American President, standing in the very spot where Wilson stood at the end of the First World War, has called upon America to realize its destiny—to approve the Charter of the United Nations—and thus to point out the path of peace for all the rest of mankind.

No one, it has seemed to me, who has ever taken pride in the fact that here in the United States we have built a people's government can fail to rejoice at the opportunity now given to us to build a world organization for all the peoples of the world. It is not without meaning that President Truman called to the attention of the Senate that the new Charter "has been written in the name of 'We the peoples of the United Nations.'" The Constitution of the United States began with the phrase "We, the people of the United States." Now we have a document for all the inhabitants of the earth written upon the same sound foundation of popular sovereignty.

There are many things that can be said about this Charter, about the powers it creates, and the functions which it calls into being. Each of them will be painstakingly scrutinized and all of them will, in due course, be expounded to the Senate and to the people of the country. For the purposes of this talk, however, I want to call attention to the essential human character of the document. It is a charter for the people. It is designed to conserve human liberty. It is designed to safeguard human rights. Its purpose is to create a world from which war will be banished and in which all mankind shall be able to live without distinction of race, sex, language, or religion.

Thus, the principles which we have proven in the United States to be productive of good for all men are the principles upon which this new structure of the United Nations is to be erected.

In the preamble, the Charter asserts faith in the "equal rights and self-determination of peoples." It proclaims the goal of international cooperation for the promotion of human rights and fundamental freedoms.

The Charter, in article 2, pledges the Organization and all its members to the purposes set forth in the preamble, and all members are enjoined to "fulfill in good faith the obligations assumed by them" under the Charter.

Popular rights constitute the heart and soul of this document and as one reads its various articles over and over again, one hears the theme of humanity and freedom reasserted.

Not only are the members of the United Nations placed under a solemn obligation to seek the pacific settlement of all disputes; not only are the means provided for the avoidance of war through negotiation, mediation, and conciliation, and through the operation of an International Court of Justice; not only is provision made for action to avoid breaches of the peace and to suppress acts of aggression, but the pact provides the means for bringing about international economic and social cooperation for the express purpose of promoting the welfare of people as individuals.

We are not dealing here with states alone. We are not dealing with power alone. We are dealing with people—with their rights, their standards of living, their economic and social development. In chapter IX on "International economic and social cooperation" as in chapter I, the United Nations Charter enjoins "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion."

Again the spirit of the Charter, which is the same spirit that brought forth the free political institutions of self-governing America, is reannounced in the declaration regarding those territories of the earth which have not yet achieved self-government. This is chapter XI, and by its terms (art. 73), "Members of the United Nations which have or assume responsibilities for the administration of territories whose peoples have not yet attained a full measure of self-government recognize the principle that the interests of the inhabitants of these territories are paramount and accept as a sacred trust the obligation to promote to the utmost, within the system of international peace and security established by the present Charter, the well-being of the inhabitants of these territories."

Here is a pledge to develop self-government among all peoples. Here is the establishment of an international system of trusteeship which sets a new goal of liberty and progress for all the backward peoples of the world.

The golden thread of liberty and humanity which runs through this charter leads directly to the General Assembly which Senator VANDENBERG, in his report to the Senate, called the town meeting of the world. The General Assembly is not only an open forum for all the peoples of the world, but all the provisions of the Charter for the Economic and Social Council and the Trusteeship Council, and the other organs which are designed to protect and advance human rights, are drawn together in the General Assembly. It is the world parliament in which free speech shall reign and in which there may be discussed any question that threatens the peace and security of the world. Here the representatives of the nations may gather to promote the general welfare of all mankind.

In simple words, it is set down (article 10) that "the General Assembly may discuss any questions or any matters within the scope of the present Charter." It may discuss any questions or matters "relating to the powers and functions of any organs provided for in the present Charter." It may "consider the general principles of cooperation in the maintenance of international peace and security, including the principles governing disarmament and the regulation of armaments." It may discuss "any questions relating to the maintenance of international peace and security brought before it by any member of the United Nations, or by the Security Council, or by a state which is not a member." And finally it may "call the attention of the Security Council to situations which are likely to endanger international peace and security."

It seems inevitable that a world organization so dedicated to the preservation of human freedom; an organization framed to foster economic and social improvement among men; to raise the standards of colonial peoples; and to promote self-government, as well as to banish war, will rise superior to any restrictions or impediments that may be deemed to be contained in the provision that the vital decisions of the Security Council shall be made by an affirmative vote of 7 of the 11 members, including the 5 permanent members. When a free assembly is created in which men may speak their minds, an instrument of public opinion is formed. There is no force that can permanently withstand public opinion. The Charter of the United Nations in the General Assembly has forged the instrument of world public opinion from which there can be no appeal.

All the sacrifices that the people of America have endured in two World Wars within the span of a single generation will have been in vain unless this Organization is given to the world. We can justify the miseries, deprivations, casualties, and deaths which have been endured only by a firm determination that the world shall have this agency for peace and progress.

"It was of this," as Wilson said, "that we dreamed" when our Nation was born. "America shall in truth show the way. The light streams upon the path ahead and nowhere else."

Mr. LUCAS. Mr. President, without taking the time of the Senate to indulge in further remarks, I ask unanimous consent that there may be printed at this point in the RECORD a statement which I issued to the press this afternoon, dealing with the subject that has just been discussed by the Senator from Missouri [Mr. DONNELL].

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, the President, with forthright candor and in advance, has sent to the Senate a message in which he advises that supplemental military agreements to the charter will be sent to the Congress for appropriate legislative action.

His message is timely and constructive.

First. It definitely eliminates any possibility that these military agreements for troop contingents to be used in the future will be implemented by executive agreement.

Second. It advises the Senate that the agreements will be sent to the Congress for joint action.

Third. It adds tremendous strength to the position that so many Senators have taken, namely, that these supplemental agreements are not treaties.

Fourth. That frank and open declaration of the President will help remove fear and doubt among the United Nations with respect to what is the proper constitutional process.

Fifth. The declaration, along with treaty ratification, will materially strengthen the President's hand in the remaining days of the Potsdam Conference.

Sixth. It assures to the American people that the President believes the San Francisco Charter is one of substance and strength and not one of form and futility.

The PRESIDENT pro tempore. The question is, will the Senate advise and consent to the ratification of Executive F, the United Nations Charter?

Mr. LANGER. Mr. President, during my service in the Senate in behalf of the common people, I have never sold the truth to serve the hour. I have no quarrel with the vote of any honest Senator upon this floor. Each one took the same oath that I took, namely, to defend and uphold the Constitution of the United States of America.

Practically all Members of this body have indicated that they will vote for the charter. Under my oath, Mr. President, and under my conscience, I cannot so vote. If I did I would feel that I was betraying the hundreds of thousands who have died in this war for the United States, and the hundreds of thousands who have sacrificed their loved ones and their treasure. I would be willing to vote for the appropriation of the last dollar in the United States Treasury, and the last dollar that we could borrow if, by spending that money, we could eliminate war, which we all abhor and hate. I would unhesitatingly vote for the Charter if I felt that it offered even the tiniest hope of a per-

manent peace. But, in spite of that, Mr. President, I feel from the bottom of my heart that the adoption of the Charter—and, make sure, we are going to implement it—will mean perpetuating war. I feel that it will mean the enslavement of millions of people from Poland to India, from Korea to Java, as well as people in many other places on this earth.

Mr. President, I feel that the adoption of the Charter will be one step more toward compulsory and military conscription, and all that which goes with war.

In my opinion, the charter is not at all similar to the Constitution of the United States which was adopted by the Original Colonies. I may say at this point that I agree with what the distinguished Senator from New Hampshire [Mr. BRIDGES] said earlier in the day, when he stated:

> Most important of all, the American Constitution went to great length to guarantee genuine equality to States entering into the Union. Neither Ben Franklin nor the other members of the Constitutional Convention would have tolerated a constitution by which two or three or five of the States were given a veto power over all of the rest.

Mr. President, I say to you and to the other Members of the Senate that, in my judgment, if the Charter had been in effect when the American Revolution took place, France and all other countries who came to help us would not have been able to come, and today we would still be a colony under the rule of England.

Mr. President, in my campaign for the senatorship 5 years ago I pledged to the fathers and mothers of North Dakota that I would never vote to send our boys away to be slaughtered upon the battlefields of Europe. I kept that pledge on this floor. I promised in that campaign to vote in the Senate to expend the last dollar, if necessary, in order to defend the Western Hemisphere. Again I say, Mr. President, that I kept that pledge to the people of North Dakota.

Having so pledged myself, and having been elected to my senatorship upon such pledge, and not having been elected to create an organization to which we would give a promise, either express or implied, that it would have authority to send our boys all over the earth, I cannot support the Charter. I believe it is fraught with danger to the American people, and to American institutions. I further believe that when a candidate for office pledges himself by specific promises, those promises should be honored, regardless of the political consequences which may follow to the candidate who made them.

Furthermore, Mr. President, I reiterate that we ought not to vote on this Charter in the absence of our 11,000,000 fighting men and women. They are now away, and we do not know what their attitude will be upon their return, after having been to the four corners of the earth and after having fought upon the seven seas. We sit here, Mr. President, in our fine offices and upon this senatorial floor, blissfully ignorant of what those 11,000,000 veterans may be thinking. After all, they constitute the backbone of the common people of America. Certainly there is no reason for such a hurry to pass this Charter that some steps could not have been taken to have referred the matter to the people of the country, including the men and women in the armed forces, before the final vote was taken upon it. As their representative here in the Senate, I cannot, I will not, God helping me, vote for a measure which I believe to be unlawful under our Constitution, a measure which, in my opinion, betrays the very people who sent us to the Senate as their representatives.

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll and the following Senators answered to their names:

Aiken	Green	O'Daniel
Andrews	Guffey	O'Mahoney
Austin	Gurney	Overton
Ball	Hart	Pepper
Bankhead	Hatch	Radcliffe
Barkley	Hawkes	Revercomb
Bilbo	Hayden	Robertson
Brewster	Hickenlooper	Russell
Bridges	Hill	Saltonstall
Briggs	Hoey	Shipstead
Brooks	Johnson, Colo.	Smith
Buck	Johnston, S. C.	Stewart
Burton	Kilgore	Taft
Bushfield	La Follette	Taylor
Butler	Langer	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	
Gerry	Myers	

The PRESIDENT pro tempore. Ninety-one Senators have answered to their names. A quorum is present.

Mr. MORSE. Mr. President, I do not rise to make a speech. I do wish, however, to have printed in the RECORD a resolution of October 4, 1943, which was submitted by the senior Senator from Iowa [Mr. WILSON]. I do not believe that the debate on this historic Charter should close without some mention being made in the RECORD that on October 4, 1943, the Senator from Iowa [Mr. WILSON] submitted a resolution requesting the President to invite friendly nations to enter upon consultations with delegates of the United States with the view to promotion of permanent international peace. I think due credit should be given to the senior Senator from Iowa for being one of the first Members of the Senate during this war to seek the convening of a world conference of friendly nations to charter a course of permanent peace.

I look upon his resolution of October 4, 1943, as really one of the forerunners of the great San Francisco Conference which brought forth the historic document now about to be voted upon. I ask unanimous consent to have the resolution printed in the body of the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD as follows:

> Joint resolution requesting the President to invite friendly nations to enter upon consultations with delegates of the United States with a view of the promotion of permanent international peace
>
> *Resolved, etc.*, That the Congress requests the President of the United States to call upon the nations not engaged in warfare against the United States to enter immediately into deliberations looking toward the promotion of permanent international peace.
>
> There is hereby created to participate in such discussion a committee of six delegates from the United States, two to be appointed by the President, two to be elected by the Senate, and two to be elected by the House of Representatives, which delegates shall take oath as prescribed for public officers.
>
> Upon receipt by the President of notification of the willingness of other nations to enter into such discussions, the committee shall begin consultations with the representatives of such other nations, and shall continue until the delegates are recalled by resolution.
>
> The committee may, or shall, upon written request from the President or from the Congress, or from either branch thereof, report and make recommendations jointly to the President and the Congress.
>
> The President of the United States is requested to do all things necessary to carry into effect the provisions of this resolution.

The PRESIDENT pro tempore. The question is on agreeing to the resolution of ratification.

Mr. BARKLEY. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. YOUNG. Mr. President, I dislike very much to find that there is a division in the thinking of the delegation in the Senate from North Dakota. However, I should like to make this statement: Surely the more than 30,000,000 dead and wounded of this war, the suffering, the heartaches, and the sacrifices of millions more, the loss of probably more than a trillion dollars in property, should be an incentive to us to find better means of solving world problems than what we have had in the past.

I not only shall vote for the Charter, but I hope that no vote I cast at any time during the period I am privileged to be a Member of the Senate will in any way hinder our progress under the Charter for peace by negotiation.

The PRESIDENT pro tempore. The resolution of ratification will be read.

The resolution was read, as follows:

> *Resolved (two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the ratification of Executive F (79th Cong., 1st sess.), the Charter of the United Nations, with the Statute of the International Court of Justice annexed thereto, formulated at the United Nations Conference on International Organization and signed at San Francisco on June 26, 1945.

The PRESIDENT pro tempore. The question is on agreeing to the resolution of ratification. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOEY (when Mr. BAILEY's name was called). My colleague the senior Senator from North Carolina [Mr. BAILEY] is detained at home because of illness in his family. If he were present he would vote for the ratification of the Charter. If his vote had been essential to ratification he would have been here regardless of the illness in his family.

Mr. CONNALLY (when Mr. GLASS' name was called). The Senator from Virginia [Mr. GLASS] is absent because of personal illness. He has requested that I announce that fact to the Senate, together with the statement that if he were able to be present he would vote for the ratification of the Charter.

Mr. WHERRY (when the name of Mr. JOHNSON of California was called). I announce that the Senator from California [Mr. JOHNSON] is paired on this question with the Senator from Kansas [Mr. REED] and the Senator from Idaho [Mr. THOMAS]. If present, the Senator from California would vote "nay." If the Senator from Kansas [Mr. REED] and the Senator from Idaho [Mr. THOMAS] were present they would vote "yea."

I also announce that the Senator from California [Mr. JOHNSON] is necessarily absent, the Senator from Idaho [Mr. THOMAS] is absent because of illness, and the Senator from Kansas [Mr. REED] is absent on official business.

The roll call was concluded.

The result was—yeas 89, nays 2, as follows:

YEAS—89

Aiken	Gerry	Myers
Andrews	Green	O'Daniel
Austin	Guffey	O'Mahoney
Ball	Gurney	Overton
Bankhead	Hart	Pepper
Barkley	Hatch	Radcliffe
Bilbo	Hawkes	Revercomb
Brewster	Hayden	Robertson
Bridges	Hickenlooper	Russell
Briggs	Hill	Saltonstall
Brooks	Hoey	Smith
Buck	Johnson, Colo.	Stewart
Burton	Johnston, S. C.	Taft
Bushfield	Kilgore	Taylor
Butler	La Follette	Thomas, Okla.
Byrd	Lucas	Thomas, Utah
Capehart	McCarran	Tobey
Capper	McClellan	Tunnell
Carville	McFarland	Tydings
Chandler	McKellar	Vandenberg
Chavez	McMahon	Wagner
Connally	Magnuson	Walsh
Cordon	Maybank	Wheeler
Donnell	Mead	Wherry
Downey	Millikin	White
Eastland	Mitchell	Wiley
Ellender	Moore	Willis
Ferguson	Morse	Wilson
Fulbright	Murdock	Young
George	Murray	

NAYS—2

Langer Shipstead

NOT VOTING—5

Bailey	Johnson, Calif.	Thomas, Idaho
Glass	Reed	

The PRESIDENT pro tempore. On this vote the yeas are 89, the nays are 2. Two-thirds of the Senators present concurring therein, the resolution of ratification is agreed to, and the treaty is ratified.

Mr. BARKLEY. Mr. President, I ask that the President be immediately notified of the action of the Senate in advising and consenting to the ratification of the treaty.

The PRESIDENT pro tempore. Without objection, the President will be so notified.

EIGHTH ANNIVERSARY OF SERVICE OF SENATOR BARKLEY AS MAJORITY LEADER

Mr. GEORGE. Mr. President, I ask unanimous consent that there be entered in the body of the RECORD, in regular type, a letter from the President of the United States, dated July 27, 1945, congratulating and commending the majority leader of the Senate on the eighth anniversary of his service as majority leader.

Mr. President, this letter, I think, should go into the RECORD because it is expressive not only of the commendation and the honor which the President of the United States pays the majority leader of this body, but the Honorable ALBEN W. BARKLEY, senior Senator from Kentucky, has served in the capacity of majority leader for a longer period of time than anyone else in the history of the Senate, so far as I am advised.

Mr. President, I wish to say that the distinguished majority leader has at all times maintained the dignity of his political party in this body, but he likewise has approached the discharge of all his duties, as the President of the United States says, without "semblance of partisanship or desire for party advantage whenever the welfare of our Nation required it."

The distinguished senior Senator from Kentucky has served well not only his party, but he has served well the interest of this Republic through the long period, through the convulsive years that he has been privileged to serve this body. Times have been trying. Problems have been most important. No similar period in the whole history of the country can duplicate the problems and the difficulties and great issues and events which we have been called upon to consider here in the last 8 years.

Mr. President, I know that I speak not only for all the members of the majority party, but I feel certain that I voice the sentiments of the minority party in wishing for the Senator from Kentucky long years of further service in this important post which he has filled with such distinguished ability and credit and profit to the country.

The PRESIDING OFFICER (Mr. LUCAS in the chair). Without objection, the letter will be placed in the RECORD, as requested by the Senator from Georgia.

The letter is as follows:

THE WHITE HOUSE,
Washington, July 27, 1945.

DEAR ALBEN: Today marks the eighth anniversary of your service as majority leader of the Senate. I understand that this is twice as long as any of your predecessors have served. These years have been eventful ones. They have been years of great moment to the United States and to the world.

In all of the recent events which have meant so much in shaping the future of our civilization you have played an important and effective role. Not only have you helped to fulfill the ideals and principles of our party, but you have been willing and anxious to lay aside all semblance of patisanship or desire for party advantage whenever the welfare of our Nation required it.

I congratulate you on your past service as majority leader, and, also, on your 33 years of service in the Congress. The Nation is grateful to you for your patriotic share in the accomplishments of these years, and I know that the years to come will be equally fruitful.

With all best wishes for your continued health and success from your old friend,

Very sincerely yours,

HARRY TRUMAN.

Hon. ALBEN W. BARKLEY,
The United States Senate,
Washington, D. C.

Mr. WHITE. Mr. President, the Senator from Georgia has correctly expressed the sentiments of all those on this side toward the majority leader. I have served in the Congress with the Senator from Kentucky for more than 28 years. I have known of his work through all that span of time. But in late years, since I have been sitting in this seat across the aisle from his, I have come to know him better than ever before. And as I have known him my respect for him has increased and my admiration and affection for him have grown. I have wondered many times how it was possible for him to master the intricacies of the many legislative subjects which come before the Senate; how he could discuss them with such force and such clarity as he has done often and again.

Mr. President, beyond all that he has been kindly and courteous at all times. Persuasive and powerful though he has been in debate, he nevertheless has been considerate of those who may have held divergent views from his.

I especially want to express my deep appreciation and consideration for the kindness he has at all times shown me. He has made me deeply grateful to him.

I rejoice in this service which has been his. It has redounded to his personal credit. It has brought honor to his State. He has been a distinction in the Senate of the United States.

Mr. McKELLAR. Mr. President, I endorse all that the distinguished Senator from Georgia [Mr. GEORGE] and the distinguished Senator from Maine [Mr. WHITE] have said about our colleague the senior Senator from Kentucky. He has been a great leader, and we are all proud of him. Let me make it short by saying, May he live long and prosper. That is my earnest wish, and I believe it is the earnest wish of every other Member of this body.

Mr. BARKLEY. Mr. President, at this time I wish to express my very profound appreciation and gratitude, first for the letter of the President, with whom I served in this body, as most of us have, for 10 years. The letter was written upon the occasion of the eighth anniversary of my selection to the post which I hold at this desk.

I wish also especially to thank the Senator from Georgia [Mr. GEORGE], with whom I have served here during all the years in which I have been a Member of the Senate; the Senator from Maine [Mr. WHITE]; and the Senator from Tennessee [Mr. MCKELLAR], my neighbor and colleague.

I do not know how the President happened to remember that on yesterday I had served 8 years as majority leader of the Senate. It is only evidence of the fact that he does not lose sight of any details with regard to his friends.

Eight years is a long time in the history of any man. These have been eventful years. They have been tragic years. I am not entitled to any special credit for having been majority leader for 8 years, which, as the records indicate, is twice as long as any other man ever held that position. That was not because there were not many greater majority leaders; but by reason of the change of party, the retirement of the Senator, his death, or for some other reason, it so happens that no one has heretofore served longer than 4 years in that position.

If there has been any measure of success which has accompanied my efforts here, it has been due to the cooperation and work of the Senate itself, and to individual Members of the Senate. During these years in the controversies which have arisen out of our domestic as well as our foreign affairs, there was always bound to be disagreement here and there. That is what makes this, in my judgment, the greatest deliberative body in the world. It is the one forum left among men in which men may express their views without limitation.

During all the differences which have existed over domestic and foreign matters, I think we can say that we have maintained our respect for one another, and our respect for the institution of the United States Senate. I never had greater respect for it than I have at this hour. I feel a sort of exhilaration. I feel that we have justified the processes of democracy, and that we may within our hearts experience a sort of inward invincibility in this body, as a symbol of democracy throughout the world.

I want every Senator present to know how deeply I have appreciated and now appreciate all the courtesies and all the forbearance and patience which Senators have exhibited toward me during these difficult 8 years. There is not a Member of this body, and there has not been a Member of it, for whom I do not entertain the deepest affection and profoundest respect. I now thank all of you for the efforts you have put forth which have made it possible for us, during these 8 years, to record what I believe is an unsurpassed record of legislation on surpassingly important problems in the history of the United States.

Especially do I wish to thank my good friend across the aisle, the Senator from Maine [Mr. WHITE], with whom I served in the House, whom I helped to elect on one occasion by speaking in his district against him [laughter], and who has cooperated with me in the same spirit in which his predecessor, Senator McNary, of Oregon, cooperated during the days in which he occupied the same position.

We are about to go for a season of rest. We cannot do so until next Wednesday, under the terms of the concurrent resolution which we have already agreed to; but I presume that before next Wednesday many Senators will have taken their leave. I wish for all of you rest and happiness and repose. I wish for each of you that inner feeling and inner consciousness of work well done which will enable you to enjoy this vacation which I am happy to have helped to bring about.

Mr. WHITE. I am not willing that there should be an adjournment or recess tonight without saying a very brief word of appreciation of the labors of the Senator from Texas [Mr. CONNALLY] and my colleague from Michigan [Mr. VANDENBERG]. During all the preliminary stages which led up to the Dumbarton Oaks Conference and the Dumbarton Oaks proposal and the labors at San Francisco and the work which has been done here since their return, and which has its consummation today, both of them brought to their tasks rare abilities, high purpose, and a consecration to the highest of mankind's hopes and causes. I think we always wish to bear in mind that peace is one of the fundamental concepts of every religion, it is the professed desire of every statesman in the world, and I think it is the yearning of every human heart. The Senator from Texas and the Senator from Michigan, by their efforts, more than anyone else, have taken us with giant strides along the road to peace. I think they have pointed out the star of hope to all of us. I wish to express to both of them my respect, my affection, and my admiration for their service.

Mr. BARKLEY. Mr. President, of course I join in what the Senator from Maine has said. I tried feebly to express it on Tuesday when I discussed the treaty itself. I feel that it cannot be too often reiterated. I not only appreciate the intelligence with which the Senator from Texas and the Senator from Michigan have approached this subject, but I appreciate the skill with which, not only at San Francisco, but here, they have piloted this great consummation to a successful conclusion in this body. I feel that we all may say, in the words of the Methodist hymn:

> This is the hour we long have sought,
> And mo'rned because we found it not.

Mr. CONNALLY. Mr. President, I find no adequate words with which to express to the distinguished senior Senator from Maine and the distinguished senior Senator from Kentucky my appreciation for the kind things they have said. I simply desire to express my gratitude for their generosity.

EXECUTIVE REPORTS OF A COMMITTEE

Mr. MCKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

NOMINATION OF NATHAN ROSS MARGOLD TO BE ASSOCIATE JUSTICE OF DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—MOTION TO DISCHARGE JUDICIARY COMMITTEE

Mr. CHANDLER submitted the following resolution, which was ordered to lie on the table:

Resolved, That the Committee on the Judiciary be, and it is hereby, discharged from the further consideration of the nomination of Hon. Nathan Ross Margold, of the District of Columbia, to be associate justice of the District Court of the United States for the District of Columbia, vice Hon. Bolitha J. Laws.

CONSIDERATION OF NOMINATIONS ON THE EXECUTIVE CALENDAR

Mr. BARKLEY. Mr. President, I ask unanimous consent that the nominations on the calendar be now considered.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the clerk will state the nominations on the calendar.

THE JUDICIARY

The legislative clerk read the nomination of Enrique Campos del Toro, of Puerto Rico, to be attorney general of Puerto Rico.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The legislative clerk read the nomination of James E. Manahan, of St. Albans, Vt., to be collector of customs for customs collection district No. 2.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters be confirmed en bloc.

The PRESIDENT pro tempore. Without objection, the postmaster nominations on the calendar and those which have been reported today are confirmed en bloc.

THE NAVY

The legislative clerk proceeded to read sundry nominations in the Navy.

The PRESIDENT pro tempore. Without objection, the nominations in the Navy are confirmed en bloc; and, without objection, the President will be notified of all nominations confirmed today.

That completes the calendar.

LEGISLATIVE SESSION

Mr. BARKLEY. Mr. President, I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate proceeded to the consideration of legislative business.

THE FARM MACHINERY SHORTAGE

Mr. LANGER. Upon various occasions I have spoken about the terrible situation in the Northwest because of the lack of farm machinery and farm machinery repair parts. I ask unanimous consent to have printed in the

RECORD a letter received by me from Mr. R. J. Eggert, of Davenport, N. Dak. In his letter he says it is impossible for him to harvest his crop unless he obtains some machinery.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DAVENPORT, N. DAK., *July 23, 1945.*

DEAR SENATOR LANGER: I thought that after we went through last year with no repairs and all the loss of time in manhours and all the loss of grain that the people that look after the repairs would see to it, as the Government said they would, that this would not happen again. Well, here we are getting ready to harvest and I got two combines, two tractors, a truck, and a power binder waiting for parts. Oh yes, we got the parts coming on a red order, but when in hell they will get here is more than we know. This is just getting ready to harvest. When we break down in the field we will still have to put it on a red order and keep paying our help $10 a day to wait with us. That gets to be hell and we're all getting fed up on working and spending our money and then getting nothing to harvest with. This policy of too little and too late has got to be stopped if we want to save our country from destruction. I know, Mr. LANGER, that your heart is with us, and please see what you can do to get the repairs coming to save this crop.

Best regards,

R. J. EGGERT.

Mr. LANGER. Mr. President, I may say that the letter to which I have just referred is only one of several hundred letters which I shall be glad to show to any Senator who wishes to see them. They are all in my office. I do not wish to encumber the RECORD by having them printed at this time.

Mr. President, in this connection I wish to say that at this very time, when thousands of our farmers cannot get farm machinery, it is being exported from the United States. On the second of July, through the little town of Portal, N. Dak., there went to Canada eight McCormick-Deering self-propelled combines, on rubber. I ask unanimous consent to have printed in the RECORD the postal card I have received relative to that matter.

There being no objection, the postal card was ordered to be printed in the RECORD, as follows:

PORTAL, N. DAK., *July 2, 1945.*

DEAR SENATOR: I have been out of town for over a week. The girl here did not count the machinery that was exported, but she says there were many carloads.

Tonight there were eight McCormick-Deering self-propelled combines exported on rubber.

NORMAN G. JENSEN.

Mr. LANGER. Mr. President, on the 3d of July, through Portal, N. Dak., there were exported on flat cars 18 Allis-Chalmers combines on rubber, and 2 self-propelled McCormick-Deering combines on rubber. I ask unanimous consent to have the communication I have received in that connection printed at this point in the RECORD.

There being no objection, the postal card was ordered to be printed in the RECORD, as follows:

PORTAL, N. DAK., *July 4, 1945.*

DEAR SENATOR: There were exported on flat cars here July 3, 18 Allis-Chalmers combines on rubber, 2 self-propelled McCormick-Deering combines on rubber.

Rumor was that there were two carloads in boxcars. I can't see that.

NORMAN G. JENSEN.

Mr. LANGER. Mr. President, on July 7, at the very time when our farmers were despairing of ever getting the farm machinery they needed and were not able to buy it at any place in North Dakota, through the same town of Portal, N. Dak.—and I may add that similar shipments were made through numerous other towns lying near or on the border between North Dakota and Canada—there were exported on flatcars 6 Allis-Chalmers combines on rubber, 4 McCormick-Deering self-propelled combines on rubber, and 6 McCormick-Deering tractors on rubber; and on July 8, 1945, 6 Allis-Chalmers combines on rubber were exported to Canada through the same town.

The gentleman who sent me that information also writes, as follows:

I missed sending you a card for July 4. There were 18 Allis-Chalmers combines on rubber, 2 McCormick-Deering self-propelled combines on rubber, and 1 used caterpillar tractor.

Mr. President, I ask unanimous consent to have that communication printed at this point in the RECORD.

There being no objection, the postal card was ordered to be printed in the RECORD, as follows:

PORTAL, N. DAK., *July 9, 1945.*

DEAR SENATOR: There were exported at Portal, on flat cars, July 7, 1945, six Allis-Chalmers combines on rubber, four McCormick-Deering self-propelled combines on rubber, six McCormick-Deering tractors on rubber.

July 8, 1945, six Allis-Chalmers combines on rubber.

I missed sending you a card for July 4. There were 18 Allis-Chalmers combines on rubber, two McCormick-Deering self-propelled combines on rubber, one used caterpillar tractor.

NORMAN G. JENSEN.

Mr. LANGER. Mr. President, I have also received a postal card dated the 16th of July, and in it the writer states that through the town of Portal, N. Dak., the following McCormick-Deering combines were exported:

On July 9, two combines; on July 10, eight combines; on July 11, six combines; on July 12, four combines; on July 13, 14, and 15, none; and on July 16, six combines. The writer states that all the combines were on rubber.

I ask unanimous consent to have that communication printed at this point in the RECORD.

There being no objection, the postal card was ordered to be printed in the RECORD, as follows:

PORTAL, N. DAK., *July 16, 1945.*

DEAR SENATOR: I have been out of town a week, but here's the count.

Only McCormick-Deering combines were exported as follows:

July 9, two combines; July 10, eight combines; July 11, six combines; July 12, four combines; July 13, 14, and 15, none; July 16, six combines; all on rubber.

NORMAN G. JENSEN.

Mr. LANGER. Mr. President, I have also received the following communication, dated at Portal, N. Dak., July 21, 1945:

PORTAL, N. DAK., *July 21, 1945.*

DEAR SENATOR: I was out of town on July 18 and 19. On July 20 there were six McCormick-Deering self-propelled combines, on rubber, exported at Portal. These were on flatcars—I can't see what is in the boxcars.

NORMAN G. JENSEN.

Mr. LANGER. Mr. President, I received a similar communication dated July 24, just a few days ago, at the very time when our farmers out there were writing to me that they could not harvest their crops because they do not have the machinery they need. I may say that the same situation exists in Montana and South Dakota. The postal card which I hold in my hand states that through the same little town, Portal, N. Dak., there were exported 2 McCormick-Deering self-propelled combines, 4 Oliver combines, and 7 John Deere tractors, all on rubber.

I ask unanimous consent to have the communication printed at this point in the RECORD.

There being no objection, the postal-card was ordered to be printed in the RECORD, as follows:

PORTAL, N. DAK., *July 24, 1945.*

DEAR SENATOR: Yesterday evening there were exported on flat cars 2 McCormick-Deering self-propelled combines, 4 Oliver combines, 7 John Deere tractors, all on rubber.

There was another train during the night, but I missed that. There were some on it, but no count was taken.

NORMAN G. JENSEN.

MEAD COMMITTEE INVESTIGATION OF CURTISS-WRIGHT PLANT

Mr. LANGER. Mr. President, in connection with the investigation of the Curtiss-Wright plant which took place at Buffalo, N. Y.—a subject which I have discussed in the Senate at various times—it appears that I was unfair or unjust to a gentleman holding office in Washington. His name is T. P. Wright. He formerly was vice president of the Curtiss-Wright Co. I have no desire to be unfair to anyone. I, myself, know what it means to be treated unfairly. Therefore, I ask unanimous consent to have printed in the RECORD a letter Mr. Wright wrote me on July 12, in which he states he thinks he was unfairly dealt with in my speeches; and I also ask unanimous consent to have printed in the RECORD a certified copy of a resignation which Mr. Wright had filed with the Curtiss-Wright Co., and also various other documents which I have in connection with this matter.

There being no objection, the letter, resignation, and accompanying documents were ordered to be printed in the RECORD, as follows:

CIVIL AERONAUTICS ADMINISTRATION,
Washington, July 12, 1945.

[Registered]

The Honorable WILLIAM LANGER,
United States Senate,
Washington, D. C.

DEAR SENATOR LANGER: The January 11 CONGRESSIONAL RECORD reported a speech which you had made before the Senate, in

which you stated that during the time I was engaged in the war effort on aircraft production matters as a public servant, I was also vice president of the Curtiss-Wright Corp. Implications of a similar nature in connection with my present post as Administrator of Civil Aeronautics were also made. I decided to ignore that unjustified attack at that time, based as it was on misinformation.

Subsequently you have made other attacks on my character, culminating in one on July 3 (copy attached), which contains statements so grossly at variance with the facts as to lead me to believe that it is appropriate to advise you that you have been misinformed, and that with correct information at hand, you would welcome an opportunity of putting the RECORD straight.

I am therefore forwarding herewith a copy of my resignation from the Curtiss-Wright Corp., dated January 20, 1941, together with a copy of that portion of the minutes of the meeting of the board of directors of Curtiss-Wright, held January 24, 1941, in which my resignation was accepted.

I am sure you will now want to rectify the grave injustice occasioned by your previous speeches by renouncing on the floor of the Senate all of your past untrue statements concerning me, together with all implications that you drew from them. As I do not want the RECORD to stand uncorrected any longer, I shall greatly appreciate your courtesy in making an appropriate statement before the Senate this month.

Kindly be advised that I have not as yet taken any action on this matter other than this letter. I am, however, sending copies to those Government officials who are most vitally concerned with knowing that my position as a public servant in the posts I have held and now hold is unimpeachable from the standpoint of any outside company connections.

Sincerely yours,

T. P. WRIGHT,
Administrator of Civil Aeronautics.

[Enclosures.]

Copies (with copy enclosures) to President Truman, Secretary Wallace, Assistant Secretary Burden, Senator J. W. Bailey, Senator P. McCarran.

[Excerpt from speech of Senator LANGER, CONGRESSIONAL RECORD, p. 7171, July 3, 1945]

Mr. LANGER. Mr. President, at the time when Mr. Truman, as a Senator, was criticizing Curtiss-Wright, Theodore P. Wright was vice president of the Curtiss-Wright Corp. He was one of the men in charge. When Government contracts were being let, Theodore P. Wright took over the job of directing the Aircraft Resources Control Office of the War Department.

Mr. President, the vice president of Curtiss-Wright was appointed by President Roosevelt to take over the job of directing the Aircraft Resources Control Office of the War Department. The vice president of Curtiss-Wright also headed the Aircraft Production Board. This meant that Mr. Wright was the dictator of aircraft output in the United States. In this job he had complete control of all raw materials and priorities for the production of aircraft. The Truman committee in its report on July 10, 1943, said that the Curtiss-Wright people obtained more war contracts in the United States than any other corporation with the single exception of General Motors.

Now that the letting of war contracts has reached its peak, this same Mr. Wright—where do Senators suppose he is now? Did Mr. Truman fire him? Well, the President has been so busy cleaning up that one cannot expect him to clean up everything in a few weeks, but the fact of the matter is that Mr. Wright is today the Administrator of the Civil Aeronautics Administration. If the distinguished senior Senator from Connecticut [Mr. MCMAHON] has any friend who knows something about aeronautics, I suggest that he go to see President Truman and recommend that his friend take the place of this man, Theodore P. Wright, and I am sure the distinguished senior Senator from Connecticut would make no mistake in recommending such a change.

Mr. President, does it take a Sherlock Holmes to find out why Theodore P. Wright was put in that job? Certainly not. The persons responsible for giving Theodore P. Wright that powerful position as Administrator of the Civil Aeronautics Administration undoubtedly hope to control the postwar aircraft industry, including air transportation, and through the power of a subservient CAA—if they are subservient, which I do not know and do not allege—they may be able to do so. Theodore P. Wright is the man I want to see fired from the Government service, because the CAA will control the postwar aircraft field, and no man who has been vice president of an individual aircraft corporation such as Curtiss-Wright should wield such great power over the industry.

JANUARY 20, 1941.

Mr. G. W. VAUGHAN,
President, Curtiss-Wright Corp.,
New York City, N. Y.

DEAR MR. VAUGHAN: This letter is to tender my resignation as vice president of Curtiss-Wright Corp., effective as of the close of business on January 31, 1941.

I have been asked to serve as Associate Director of Aircraft Production in the aircraft group under the Office of Production Management, and after very careful consideration have come to the conclusion that it is my duty to assist in this undertaking in Washington.

It is, of course, with the greatest regret that I sever the almost 20 years of association which I have had with Curtiss-Wright Corp. and its predecessor companies.

Sincerely yours,

T. P. WRIGHT.

I, J. M. Scanlan, assistant secretary of Curtiss-Wright Corp., hereby certify that the following is a true copy of an extract from the minutes of a meeting of the executive committee of Curtiss-Wright Corp., duly called and held on January 24, 1941, a quorum being present:

"RESIGNATION OF MR. T. P. WRIGHT AS VICE PRESIDENT

"The president presented to the meeting a letter from Mr. William S. Knudsen stating that the services of Mr. T. P. Wright, a vice president of the corporation, were vitally needed in the Aircraft Section of the Office of Production Management, and that because of his unusual background and experience in the aviation industry the services of Mr. Wright in the Office of Production Management were practically indispensable to the national defense program.

"The president then presented to the meeting the resignation of Mr. Wright as a vice president of the corporation.

"After discussion, and upon motion duly made, seconded, and unanimously carried, it was—

"*Resolved*, That the resignation of Mr. T. P. Wright as a vice president of the corporation be accepted with regret, such resignation to become effective on January 31, 1941."

In witness whereof, I have hereunto subscribed my signature to this certificate and affixed the seal of this company, this 27th day of January 1941.

J. M. SCANLAN.

HISTORY OF AIRCRAFT PRODUCTION

In May 1940 the Secretary of the Treasury called to Washington seven men to discuss the aircraft situation particularly as to the possibility of producing the British Merlin aircraft engines.

The seven men were: Dr. George Jackson Mead, vice president of Pratt-Whitney; Paul Johnston, of National Advisory Committee on Aeronautics; Dr. Jerome Hunsaker, Massachusetts Institute of Technology; Dr. Clark B. Milliken, California Technology; Dr. A. E. Lombard, Jr., California Technology; Edward S. Taylor, Massachusetts Institute of Technology; Dr. Theodore Vaughn Karman, California Technology.

When this committee came to no agreement and produced nothing worth while, the Secretary of the Treasury telephoned Eugene Wilson, president of Pratt & Whitney to come to Washington. This was a few days before Dunkerque (May 1940).

President Wilson of Pratt & Whitney asked Secretary Morgenthau if he could bring along Guy Vaughan, president of Curtiss-Wright. Morgenthau said that he would be pleased to have Vaughan in on the conference saying: "Guy and I are great friends."

Both of these men realized that the invitation to come to Washington related to President Roosevelt's startling message to Congress in which he asked for 50,000 planes.

Vaughan, president of Curtiss-Wright, lost no time in helping the Government start mass production of warplanes. According to the Truman committee report of July 11, 1943—Curtiss-Wright received more war contracts than any other manufacturer in the United States with the single exception of General Motors.

During May 1940 President Roosevelt appointed a National Defense Advisory Commission of the following: Knudsen, General Motors; Mead, vice president, Pratt-Whitney; Johnston, National Advisory Committee on Aeronautics; Taylor, Massachusetts Institute of Technology.

In June 1940 the Air Section of the National Defense Advisory Commission was formed as follows: T. P. Wright, Curtiss-Wright; Mead, vice president, Pratt-Whitney; Sam Heron, Ethel Gas Corp.; Robert E. Lees, Maritime Commission; Myron Tracy, Lees' assistant.

In July–August 1940, this Air Section of the National Advisory Commission adopted aircraft production program for the years 1941–42. This Commission was assisted by Admiral Towers, Chief of the Bureau of Aeronautics, Navy; and General Arnold, Chief, Air Forces, War Department.

September 1940: In addition to the National Defense Advisory Commission, a new committee was set up called the Army and Navy and British Purchasing Commission Joint Committee. This was later renamed as Joint Aircraft Committee.

November 1940: Merile Meigs, publisher, Chicago Herald-American replaced Dr. Mead, of Pratt & Whitney, as director of the National Defense Advisory Committee.

January 1941: the Office of Production Management was formed. Meigs then became head of the Aircraft Section of OPM.

January 1942: OPM was renamed War Production Board.

December 1942: The Aircraft Production Board was set up. Members: Charles Wilson, vice chairman, WPB; T. P. Wright, Curtiss-Wright; General Echols, War Department; Admiral Davison, Bureau of Aeronautics, Navy; General Knudsen, General Motors.

March 1943: Aircraft Resources Control Board was formed. T. P. Wright became head of this Board where he remained until he went to the Civil Aeronautics Commission.

In other words, from June 1940 to September 1944, he was actively engaged in Government aircraft production matters.

Information supplied by Lieutenant Nye, War Department, Extension 2154.

DEAR MR. WRIGHT: I acknowledge receipt of your letter of July 12, 1945, dealing with your activities in the war effort and the aircraft production matters.

You will note that in the CONGRESSIONAL RECORD of May 17, 1945, page 4695, I corrected what I said previously on the Senate floor, and stated that the present vice president of Curtiss-Wright Corp. was Burdette S. Wright and not yourself. This is what I said:

"Before proceeding further I wish to correct a mistake which I made in one of my former talks in connection with the Curtiss-Wright Corp. In speaking at that time I made a mistake in identifying the Mr. Wright to whom I referred. I stated on the floor at that time, and afterward stated to the Buffalo Evening News correspondent, that I was referring to Burdette S. Wright. The man to whom I intended to refer to was Theodore P. Wright, formerly vice president of the Curtiss-Wright Corp. I do not wish to do any injustice to Mr. Burdette S. Wright, who is now vice president of the Curtiss-Wright Corp. The man to whom I intended to refer to was Theodore P. Wright, formerly vice president, and a man who, until a few days ago, was still in the employ of the United States Government."

Naturally I am most appreciative to obtain a certified copy of your resignation from the Curtiss-Wright Corp. dated June 24, 1941. However, you must agree that you became an important member of the Air Section of the National Defense Advisory Commission in June 1940, approximately 6 months prior to your resignation from the Curtiss-Wright Corp. Furthermore, you must agree that it was this very Committee of which you were a consultant while still vice president of Curtiss-Wright that planned, decided, and adopted the aircraft production program for the United States Government for the years 1941–42, etc.

You will also note that in concluding my reference to you appearing in the CONGRESSIONAL RECORD of July 3, 1945, page 7171, I specifically said, "No man who has been vice president of an individual aircraft corporation such as Curtiss-Wright should wield such great power over the industry."

This certainly should be clear enough that I did not imply that you were presently a vice president of Curtiss-Wright. You undoubtedly will recall the scandal that emerged from the Black committee investigation which ended in the adoption of a Federal law aimed to separate aircraft manufacturers from the commercial part of the industry. Although I did not mean any personal offense I stoutly contend that this separation must be maintained for the good and future of the aircraft industry.

You must bear in mind that it was the Truman committee and not I who said that the Curtiss-Wright Corp received more war contracts than any other manufacturer with the single exception of General Motors. Also the Truman committee implied that the letting of contracts on such a large scale to a single corporation was a grave error. In connecting your name with these contracts I merely desired to show that you were formerly a vice president of the Curtiss-Wright Corp. and that as Director of the Aircraft Resources Control Office of the War Department you played the deciding role indirectly, if not directly, in granting these contracts. If this statement is not correct then I wish that you will so notify me.

In conclusion I desire to call your attention to the Mead committee report, dated July 26, 1945, relative to conditions at the Curtiss-Wright plant at Buffalo, N. Y., which speaks for itself.

I have always tried to be fair in my dealings with everyone I have ever come in contact with or discussed on the Senate floor, and if I have made a mistake I have never hesitated to correct it immediately. If I have not clarified my position to your satisfaction or if I appear in your eyes to have been misinformed please do not hesitate to correct me, and I will be pleased to give your viewpoints every consideration possible.

With many kind thanks, I remain,

WILLIAM LANGER.

STOCK HOLDINGS OF THEODORE P. WRIGHT

JULY 19, 1945.

Set forth below are the stock holdings of Theodore P. Wright in the Curtiss-Wright Corp. The corporation representatives at New York advise that it would be a difficult task to trace Wright's stock holdings and the following information was volunteered by Wright himself.

He was vice president of Curtiss-Wright from 1932 until January 31, 1941, at which time he resigned to take a position with the War Production Board in Washington, D. C. In the latter part of June 1944 he was appointed to the Civil Aeronautics Administration.

His only stock holdings in Curtiss-Wright Corp. after he became vice president, are as follows:

One hundred shares Curtis-Wright. A stock purchased June 2, 1936, sold April 2, 1940, to a New York stockbroker.

One hundred shares Curtiss-Wright common stock purchased September 30, 1937, sold April 2, 1940, to a New York stockbroker.

Ten shares Curtiss-Wright common stock purchased June 21, 1936, sold June 22, 1944, through a Washington, D. C. stockbroker.

Prior to the time Wright became vice president to Curtiss-Wright in 1932, he had some very small holdings in the company which he subsequently disposed of before he became vice president.

Note that T. P. Wright resigned from Curtiss-Wright on January 31, 1941.

But that he was a member of the Air Section of the National Defense Advisory Commission ever since June 1940.

This Board conceived, planned, and adopted the United States Government aircraft production schedule during this period

In other words, T. P. Wright was advising the Government on aircraft production while still a vice president of Curtiss-Wright Corp.

It is of interest also to note that T. P. Wright claims that he sold his last 10 shares of Curtiss-Wright stock on June 22, 1944, which he held while he was still Chairman of the National Defense Advisory Commission.

On October 3, 1942 (New York Times) eight major aircraft companies announced the formation of a nonprofit corporation designed to speed up and increase production of American aircraft by pooling of manufacturing resources and coordinate efforts. This group was called: Aircraft War Production Council, Inc. After a meeting in the Waldorf-Astoria Hotel in New York City, G. W. Vaughn, president of Curtiss-Wright emerged as president of this organization. And of all things J. M. Scanlan, assistant secretary of Curtiss-Wright, became secretary and treasurer of the council.

In this connection attention is called to the scandal that was brought to light when the House Committee on Patents held extensive hearings in 1937–38 and showed how Curtiss-Wright had taken advantage of other companies in the pooling of patents.

RÉSUMÉ OF APPROPRIATIONS, RECEIPTS, EXPENDITURES, ETC., 1939–45

Mr. McKELLAR. Mr. President, before this session ends I desire to place some facts in the RECORD.

First, I wish to place in the RECORD a résumé of our appropriations for each year from 1939 to 1945, inclusive. I think it would be wise to have these figures published for the information of the country. It will be noted that the sum of these appropriations is colossal. No other war ever waged in the world cost so much money.

I also wish to place in the RECORD a statement of the amount of revenue which we have received in taxes from 1940 to 1945, inclusive, aggregating $138,680,000,000.

I also wish to have placed in the RECORD a statement of our outstanding bonded indebtedness by years from 1940 to 1945, inclusive, showing the increase by years.

I also desire to insert in the RECORD a statement showing our war activities program, and the cost. I think it will be exceedingly interesting and valuable to have these records, and that every Senator may desire to use them.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 76th Cong., 1st sess., Jan. 3 to Aug. 5, 1939, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law, 1939–40		No. of House bill	No. of public act
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS												
Agricultural Department and Farm Credit Administration	1939 Mar. 23	$1,085,633,558.00	1939 Mar. 28	$835,118,613.00	1939 May 5	$1,216,528,572.00	1939 May 12	$1,218,666,572.00	1939 June 30	$1,194,498,633.00	5269	159
District of Columbia	Apr. 6	46,902,707.00	Apr. 6	46,915,207.00	June 3	49,172,985.00	June 5	49,524,985.00	July 15	48,002,347.00	5610	176
Independent offices	Feb. 6	1,668,290,340.00	Feb. 8	1,651,087,340.00	Feb. 17	1,668,218,340.00	Feb. 22	1,668,218,340.00	Mar. 16	1,668,218,340.00	3743	8
Interior Department	Mar. 8	160,578,905.23	Mar. 20	159,538,815.23	Apr. 15	173,505,288.23	Apr. 17	174,975,288.23	May 10	172,679,765.23	4852	68
Labor Department	Mar. 29	30,552,470.00	Mar. 29	30,535,770.00	May 19	30,747,780.00	May 22	30,747,780.00	June 29	30,536,170.00	5427	157
Legislative establishment	Feb. 16	21,631,398.00	Feb. 17	21,636,278.00	Mar. 10	21,984,599.00	Mar 13	21,985,779.00	June 16	21,851,779.00	4218	130
Navy Department	May 4	770,473,241.00	May 8	773,420,241.00	May 17	773,049,151.00	May 18	773,049,151.00	May 25	773,049,151.00	6149	90
State, Justice, and Commerce	May 18	121,399,120.00	May 19	121,399,120.00	June 7	122,624,410.00	June 12	122,624,410.00	June 29	122,177,220.00	6392	156
State	do	18,225,200.00	do	18,225,200.00	do	18,821,890.00	do	18,821,890.00	do	18,518,700.00	------	------
Justice	do	50,745,320.00	do	50,745,320.00	do	51,010,520.00	do	51,010,520.00	do	50,907,520.00	------	------
Commerce	do	52,428,600.00	do	52,428,600.00	do	52,792,000.00	do	52,792,000.00	do	52,751,000.00	------	------

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 76th Cong., 1st sess., Jan. 3 to Aug. 5, 1939, both dates inclusive—Continued

State	Reported to House		Passed House		Reported to Senate		Passed Senate		Law, 1939–40		No. of House bill	No. of public law
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS—continued												
	1939		*1939*		*1939*		*1939*		*1939*			
Treasury and Post Office	Feb. 24	1,700,471,354.00	Feb. 28	1,700,591,354.00	Mar. 10	1,698,929,114.00	Mar. 14	1,701,189,114.00	May 6	1,700,615,054.00	4492	65
Treasury	...do	909,626,670.00	...do	909,731,670.00	...do	907,731,610.00	...do	909,991,610.00	...do	909,627,810.00		
Post Office	...do	790,844,684.00	...do	790,859,684.00	...do	791,197,504.00	...do	791,197,504.00	...do	790,987,244.00		
War Department:												
Military	Mar. 1	499,857,936.00	Mar. 3	499,857,936.00	Mar. 24	513,188,882.00	Mar. 27	513,188,882.00	Apr. 26	508,789,824.00	4630	44
Civil functions	May 10	255,188,514.00	May 15	305,188,514.00	May 26	255,192,984.00	June 1	305,267,984.00	June 28	305,188,514.00	6260	154
Total, regular annual acts		6,360,979,543.23		6,145,289,188.23		6,523,142,105.23		6,579,438,285.23		6,545,606,797.23		
DEFICIENCY AND SUPPLEMENTAL ACTS												
First Deficiency, 1939	Jan. 19	9,979,000.00	Jan. 23	9,979,000.00	Feb. 3	22,682,041.89	Feb. 6	22,682,041.89	Mar. 15	23,765,041.89	2868	7
Second Deficiency, 1939	Mar. 22	138,871,028.23	Mar. 22	139,871,028.23	Apr. 7	148,570,364.89	Apr. 17	165,662,864.89	May 2	[1] 157,621,031.34	5219	61
Third Deficiency, 1939	Aug. 2	53,190,056.28	Aug. 2	54,252,056.28	Aug. 4	189,450,566.38	Aug. 4	191,025,566.38	Aug. 9	[2] 185,168,172.75	7462	361
Urgent Deficiency and Supplemental, 1939 and 1940	June 23	2,669,377.00	June 23	2,649,377.00	June 28	3,189,377.00	June 29	3,224,377.00	June 30	3,099,377.00	6790	160
Supplemental Military, 1940	June 12	222,198,047.00	June 22	222,198,047.00	...do	223,398,047.00	...do	223,398,047.00	July 1	223,398,047.00	6791	164
Emergency relief of 1939 (fiscal year 1940)	June 14	$1,716,600,000.00	June 17	$1,735,600,000.00	June 27	$1,735,600,000.00	June 28	$1,808,900,000.00	June 30	$1,755,600,000.00	H. J. Res. 326	Pub. Res. 24
Emergency relief deficiency, 1949	Jan. 12	725,000,000.00	Jan. 13	725,000,000.00	Jan. 21	725,000,000.00	Jan. 28	725,000,000.00	Feb. 4	725,000,000.00	H. J. Res. 83	Pub. Res. 1
Do	Mar. 29	100,000,000.00	Mar. 31	100,000,000.00	Apr. 6	100,000,000.00	Apr. 11	100,000,000.00	Apr. 13	100,000,000.00	H. J. Res. 246	Pub. Res. 10
Total, deficiency and supplemental acts		2,968,507,508.51		2,989,549,508.51		3,147,860,397.16		3,239,892,897.16		3,173,651,669.98		
Grand total		9,329,487,051.74		9,134,838,696.74		9,671,032,502.39		9,819,331,182.39		9,719,258,467.21		

[1] Includes $1,971.45 interest on District of Columbia judgments.
[2] Includes $106.37 interest on District of Columbia judgments.

Sept. 15, 1939.

Chronological history of regular annual, supplemental, and deficiency appropriations bills, 76th Cong., 3d sess., Jan. 3, 1940, to closing of compilation, Nov. 15, 1940, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law 1940–41		No. of House bill	No. of public act
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS												
	1940		*1940*		*1940*		*1940*		*1940*			
Agricultural Department	Jan. 30	$626,369,256.00	Feb. 2	$713,896,084.00	Mar. 9	$922,864,668.00	Mar. 22	$922,911,213.00	June 25	$918,603,918.00	8202	658
District of Columbia	Mar. 27	48,291,717.00	Mar. 29	48,291,717.00	...do	49,697,340.00	May 15	49,697,890.00	June 12	48,765,080.00	9109	602
Independent Offices	Jan. 16	1,100,212,307.00	Jan. 18	1,100,187,267.00	Jan. 31	1,138,693,528.00	Feb. 8	1,139,783,528.00	Apr. 18	1,120,243,528.00	7922	459
Interior Department	Mar. 4	119,071,187.05	Mar. 7	118,578,187.05	May 1	133,814,834.05	May 2	137,256,834.05	June 18	135,383,330.05	8745	640
Labor-Federal Security	Mar. 21	954,048,700.00	Mar. 28	1,021,639,700.00	Apr. 24	998,054,670.00	Apr. 26	1,025,054,670.00	June 26	1,023,282,690.00	9007	665
Labor		31,980,400.00		31,980,400.00		33,132,370.00		33,132,370.00		32,714,390.00		
Federal Security Agency		788,759,400.00		856,209,400.00		831,244,400.00		858,244,400.00		857,143,400.00		
Related independent agencies		133,308,900.00		133,449,900.00		133,677,900.00		133,677,900.00		133,424,900.00		
Legislative establishment	Mar. 13	23,907,744.00	Mar. 13	23,907,744.00	Apr. 2	23,705,720.00	Apr. 8	23,707,720.00	June 18	23,671,220.00	8913	641
Navy Department	Feb. 13	966,772,878.00	Feb. 16	965,779,438.00	(Apr. 12) (May 22)	(963,797,478.00) 1,302,014,038.00	(Apr. 18) May 23	(963,797,478.00) 1,302,014,038.00	June 11	1,308,171,138.00	8438	588
State, Justice, and Commerce	Feb. 6	107,379,000.00	Feb. 8	107,225,660.00	Feb. 24	107,241,000.00	Feb. 26	107,079,000.00	May 14	107,149,000.00	8319	508
State		20,162,000.00		20,170,500.00		20,140,500.00		20,140,500.00		20,125,500.00		
Commerce		34,080,500.00		33,918,500.00		34,060,500.00		33,898,500.00		33,908,500.00		
Justice		42,391,000.00		42,391,000.00		41,243,000.00		41,243,000.00		41,323,000.00		
Judiciary		10,745,500.00		10,745,660.00		11,797,000.00		11,797,000.00		11,792,000.00		
Treasury and Post Office	Jan. 23	1,032,154,612.00	Jan. 25	1,032,154,612.00	Feb. 14	1,032,784,115.00	Feb. 15	1,032,784,115.00	Mar. 25	1,032,801,095.00	8068	442
Treasury		218,691,530.00		218,691,530.00		218,652,033.00		218,652,033.00		218,752,033.00		
Post Office		813,463,082.00		813,463,082.00		814,132,082.00		814,132,082.00		814,049,062.00		
War Department:												
Military	Apr. 3	785,999,094.00	Apr. 4	784,990,094.00	May 20	1,497,711,368.00	May 22	1,500,324,988.00	June 13	1,499,323,322.00	9209	611
Civil functions	Feb. 27	203,472,567.00	Feb. 29	203,472,567.00	Apr. 9	223,362,517.00	Apr. 17	223,636,517.00	June 24	222,718,717.00	8668	653
Total, regular annual acts		5,967,679,062.05		6,120,132,070.05		7,429,943,798.05		7,464,250,513.05		7,440,113,038.05		
DEFICIENCY AND SUPPLEMENTAL ACTS												
Emergency supplemental, 1940	Jan. 10	$267,197,908.00	Jan. 12	$264,611,252.00	Jan. 23	$251,822,588.00	Jan. 25	$251,822,588.00	Feb. 12	$252,340,776.00	7805	415
Urgent deficiency, 1940	Jan. 23	58,502,600.00	Jan. 25	58,502,600.00	Jan. 29	57,541,300.00	Feb. 1	57,541,300.00	...do	57,541,300.00	8067	415
First deficiency, 1940	Feb. 26	90,069,139.11	Feb. 26	90,069,139.11	Mar. 8	92,769,021.52	Mar. 12	92,777,021.52	Apr. 6	92,035,408.52	8641	447

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 76th Cong., 3d sess., Jan. 3, 1940, to closing of compilation, Nov. 15, 1940, both dates inclusive—Continued

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law 1940–41		No. of House bill	No. of public act
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS—continued												
Emergency relief, 1941	1940 May 15	1,111,754,916.00	1940 May 23	1,111,754,916.10	1940 June 5	1,073,584,916.00	1940 June 15	1,224,791,357.00	1940 June 26	1,157,711,357.00	H.J. Res. 544.	Pub. Res. 88
First supplemental national defense, 1941	June 11	1,381,917,147.00	June 12	1,381,917,147.00	June 19	1,488,353,027.00	June 20	1,488,353,027.00	...do	1,479,777,147.00	10055	667
Second deficiency, 1940	June 18	57,917,100.39	June 18	57,909,600.39	June 21	95,146,163.23	June 22	95,176,257.23	June 27	85,891,777.23	10104	668
Second supplemental national defense, 1941	July 31	2,234,191,957.00	July 31	2,234,191,957.00	Aug. 19	2,268,699,277.00	Aug. 29	2,374,158,277.00	Sept. 9	2,497,016,392.00	10203	781
First supplemental civil functions, 1941	Sept. 23	207,475,727.02	Sept. 23	207,475,727.02	Oct. 2	189,162,298.85	Oct. 3	189,178,663.35	Oct. 9	228,132,013.35	10539	812
Third supplemental national defense, 1941	Sept. 26	1,311,493,636.00	Sept. 26	1,311,493,636.00	...do	1,324,193,636.00	...do	1,324,193,636.00	Oct. 8	1,324,193,636.00	10572	800
Total, deficiency and supplemental acts		6,720,520,130.52		6,717,925,974.52		6,841,270,227.40		7,097,992,127.10		7,174,639,807.10		
Grand total		12,688,199,192.57		12,838,058,044.57		14,271,216,025.65		14,562,242,640.15		14,614,752,845.15		

NOTE.—The dates and figures shown in parentheses ( ) for the naval appropriation bill, indicate the first dates and amounts of the bill on report to and passage by the Senate The bill was subsequently returned to the Senate by the House of Representatives on May 20, 1940, pursuant to S. Con. Res. 47, recommitted to the Senate Committee on Appropriations, rereported to the Senate and passed. The amounts for the bill, not included in parentheses ( ), are the figures included in the totals of this tabulation.
Nov. 5, 1940.

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 77th Cong., 1st sess., Jan. 3, 1941, to Jan. 3, 1942, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law, 1941–42		No. of House bill	No. of public law
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS												
Agricultural Department	1941 Mar. 3	$890,824,037.00	1941 Mar. 6	$890,824,037.00	1941 Mar. 28	$1,340,610,744.00	1941 Apr. 3	$1,340,622,744.00	1941 July 1	$1,060,800,062.00	3735	144
District of Columbia	June 13	52,547,081.00	June 16	52,547,081.00	June 26	54,783,086.00	June 27	54,785,686.00	...do	54,183,106.00	5049	148
Independent Offices	Jan. 29	1,404,576,838.00	Jan. 31	1,404,576,838.00	Feb. 25	1,415,991,838.00	Mar. 10	1,415,991,838.00	Apr. 5	1,414,626,838.00	2788	28
Interior Department	Apr. 30	177,019,078.00	May 14	177,027,078.00	June 2	185,119,813.00	June 3	185,119,813.00	June 28	188,325,523.00	4560	136
Labor Department and Federal Security	June 2	1,191,776,000.00	June 5	1,191,776,000.00	June 16	1,189,298,500.00	June 19	1,200,511,100.00	July 1	1,195,861,940.00	4926	146
Labor	...do	24,200,200.00	...do	24,200,200.00	...do	24,777,520.00	...do	24,877,520.00	...do	24,234,700.00	4962	146
Federal Security Agency	...do	1,014,749,200.00	...do	1,014,749,200.00	...do	1,011,815,200.00	...do	1,022,799,200.00	...do	1,018,799,200.00	4926	146
Related independent agencies	...do	152,826,600.00	...do	152,826,600.00	...do	152,705,780.00	...do	152,834,380.00	...do	152,828,040.00	4926	146
Legislative Establishment	May 15	24,846,047.00	May 15	24,846,047.00	June 11	25,087,486.00	June 12	25,087,486.00	July 1	25,002,256.00	4756	145
Navy Department	Mar. 13	3,415,457,250.00	Mar. 14	3,415,457,250.00	Mar. 19	3,415,521,750.00	Mar. 20	3,415,521,750.00	May 6	3,415,521,750.00	3961	48
State, Commerce, Justice, and the Judiciary	Apr. 2	212,087,200.00	Apr. 3	212,087,200.00	May 16	278,652,587.00	May 19	279,416,547.00	June 28	279,142,477.00	4276	135
State	...do	21,287,300.00	...do	21,287,300.00	...do	21,587,640.00	...do	21,587,640.00	...do	21,499,240.00	4276	135
Commerce	...do	112,228,000.00	...do	112,228,000.00	...do	179,168,586.00	...do	179,182,546.00	...do	179,009,100.00	4276	135
Justice	...do	66,257,500.00	...do	66,257,500.00	...do	65,563,300.00	...do	66,313,300.00	...do	66,307,500.00	4276	135
The Judiciary	...do	12,314,400.00	...do	12,314,400.00	...do	12,333,061.00	...do	12,333,061.00	...do	12,326,637.00	4276	135
Treasury and Post Office	Feb. 10	1,146,394,496.00	Feb. 13	1,146,394,496.00	Mar. 26	1,152,372,632.00	May 7	1,151,156,632.00	May 31	1,147,624,384.00	3265	88
Treasury	...do	304,330,185.00	...do	304,330,185.00	...do	307,330,185.00	...do	307,330,185.00	...do	304,330,185.00	3265	88
Post Office	...do	842,064,311.00	...do	842,064,311.00	...do	845,042,447.00	...do	843,826,447.00	...do	843,294,199.00	3265	88
War Department:												
Military	June 5	9,826,509,492.00	June 9	9,826,509,492.00	June 23	10,384,821,624.00	June 27	10,384,821,624.00	June 20	10,384,821,624.00	4965	139
Civil functions	Mar. 26	221,272,228.00	Mar. 27	221,272,228.00	Apr. 25	228,251,828.00	Apr. 29	234,805,863.00	May 23	228,601,828.00	4183	71
Total, regular annual acts		18,563,309,747.00		18,563,317,747.00		19,670,511,888.00		19,687,841,083.00		19,394,212,189.00		
DEFICIENCY AND SUPPLEMENTAL ACTS												
Urgent deficiency, 1941	Feb. 10	$388,140,000.00	Feb. 12	$388,140,000.00	Feb. 19	$395,357,775.00	Feb. 20	$395,357,775.00	Mar. 1	$393,687,775.00	3204	9
Fourth supplemental national defense, 1941	Feb. 26	1,376,337,202.00	Feb. 27	1,376,277,202.00	Mar. 6	1,376,464,602.00	Mar. 10	1,376,464,602.00	Mar. 17	1,376,464,602.00	3617	13
First deficiency, 1941	Mar. 6	188,863,693.68	Mar. 7	188,863,693.68	Mar. 19	191,753,544.88	Mar. 20	191,803,544.88	Apr. 1	191,478,544.88	3836	25
Defense aid supplemental, 1941	Mar. 18	7,000,000,000.00	Mar. 19	7,000,000,000.00	Mar. 22	7,000,000,000.00	Mar. 24	7,000,000,000.00	Mar. 27	7,000,000,000.00	4050	23
Fifth supplemental national defense, 1941	Mar. 21	1,980,356,820.00	Mar. 21	1,980,356,820.00	Mar. 28	2,295,830,920.00	Apr. 1	2,295,967,920.00	Apr. 5	2,299,767,920.00	4124	29
Additional urgent deficiency, 1941	May 7	173,749,630.00	May 7	173,749,630.00	May 16	174,409,630.00	May 19	174,409,630.00	May 24	174,409,630.00	4669	73
Emergency relief, 1942	June 9	885,905,000.00	June 13	885,905,000.00	June 18	935,905,000.00	June 20	936,395,000.00	July 1	910,905,000.00	H.J. Res. 193.	143
Second Deficiency, 1941	June 25	882,183,825.29	June 25	879,321,270.80	June 28	1,042,239,652.75	June 30	1,042,565,565.03	July 3	1,041,444,529.75	5166	150
First Supplemental National Defense, 1942	July 24	7,063,238,478.00	July 28	7,063,238,478.00	Aug. 12	5,828,326,948.00	Aug. 14	5,838,436,948.00	Aug. 25	6,586,896,948.00	5412	247
Second Supplemental National Defense, 1942	Oct. 8	6,159,416,229.39	Oct. 10	6,159,552,799.39	Oct. 21	6,161,605,969.39	Oct. 23	6,161,615,969.39	Oct. 28	6,161,467,229.39	5788	282
Third Supplemental National Defense, 1942	Dec. 3	7,649,799,031.00	Dec. 5	7,650,001,531.00	Dec. 11	9,017,810,705.00	Dec. 12	9,478,310,750.00	Dec. 17	9,283,037,005.00	6159	353
Additional Appropriations, National Defense, 1942	Dec. 19	512,000,000.00	Dec. 19	512,000,000.00	Dec. 19	512,000,000.00	Dec. 19	512,000,000.00	Dec. 23	512,000,000.00	H.J. Res. 258.	371
Total deficiency and supplemental acts		34,259,289,909.36		34,257,406,424.87		34,931,704,747.02		35,403,327,659.30		35,031,559,184.02		
Grand total		52,823,299,656.36		52,820,724,171.87		54,602,216,635.02		55,091,168,742.30		55,025,771,373.02		

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 77th Cong., 2d sess., Jan. 5 to Oct. 31, 1942, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law—1942-43		No. of House bill or joint resolution	Public Law No.
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS	*1942*		*1942*		*1942*		*1942*		*1942*			
Agriculture	Mar. 2	$676,681,239.00	Mar. 13	$648,170,517.00	May 13	$680,383,695.00	May 20	$680,395,695.00	July 22	$665,742,646.00	6709	674
District of Columbia	May 5	56,118,311.00	May 5	56,129,351.00	June 5	56,314,461.00	June 8	56,329,161.00	June 27	56,306,031.00	7041	632
Independent offices	Jan. 22	2,096,138,875.00	Jan. 22	2,096,048,875.00	Apr. 23	2,125,985,890.66	May 6	2,126,042,890.66	...do	2,090,885,128.66	6430	630
Interior Department	Mar. 24	162,634,845.00	Mar. 27	162,177,965.00	May 25	185,752,998.00	May 28	186,924,998.00	July 2	178,099,712.00	6845	645
Labor Department and Federal Security Agency	June 3	1,058,451,660.00	June 5	1,058,951,660.00	June 24	1,073,572,626.00	June 26	1,157,598,426.00	...do	1,071,574,318.00	7181	647
Labor	...do	23,715,930.00	...do	23,715,930.00	...do	24,107,830.00	...do	24,107,830.00	...do	23,935,080.00		
Federal Security Agency	...do	803,298,140.00	...do	803,798,140.00	...do	817,966,206.00	...do	901,992,006.00	...do	816,194,148.00		
Related independent agencies	...do	231,437,590.00	...do	231,437,590.00	...do	231,498,590.00	...do	231,498,590.00	...do	231,445,090.00		
Legislative branch	Mar. 17	27,581,866.00	Mar. 18	27,463,866.00	(Apr. 2) Apr. 30	[1] (27,696,048.00) 27,547,628.00	May 11	27,884,588.00	June 8	27,570,708.00	6802	600
Military	June 23	42,820,003,067.00	June 23	42,820,003,067.00	June 27	42,820,003,067.00	June 30	42,820,003,067.00	July 2	42,820,003,067.00	7280	649
Navy Department	Jan. 26	17,722,565,474.00	Jan. 27	17,722,565,474.00	Jan. 31	23,738,865,474.00	Feb. 2	23,738,865,474.00	Feb. 7	23,738,865,474.00	6460	441
State, Justice, Commerce, and Judiciary	Feb. 16	221,068,700.00	Feb. 18	221,078,100.00	May 18	425,703,235.00	May 21	425,703,235.00	July 2	426,281,885.00	6599	644
State	...do	26,993,400.00	...do	26,993,400.00	...do	26,995,140.00	...do	26,995,140.00	...do	27,056,700.00		
Justice	...do	84,338,600.00	...do	84,338,600.00	...do	84,111,600.00	...do	84,111,600.00	...do	84,255,100.00		
Commerce	...do	97,307,000.00	...do	97,307,000.00	...do	302,152,845.00	...do	302,152,845.00	...do	302,526,435.00		
The Judiciary	...do	12,429,700.00	...do	12,439,100.00	...do	12,443,650.00	...do	12,443,650.00	...do	12,443,650.00		
Treasury and Post Office	Feb. 2	1,112,926,899.00	Feb. 3	1,112,926,899.00	Mar. 4	1,113,321,439.00	Mar. 5	1,113,321,439.00	Mar. 10	1,113,321,439.00	6511	495
Treasury	...do	209,956,976.00	...do	209,956,976.00	...do	210,351,516.00	...do	210,351,516.00	...do	210,351,516.00		
Post Office	...do	902,969,923.00	...do	902,969,923.00	...do	902,969,923.00	...do	902,969,923.00	...do	902,969,923.00		
War Department civil functions	Mar. 6	350,650,826.00	Mar. 11	333,950,826.00	Mar. 24	367,039,826.00	Mar. 25	367,039,826.00	Apr. 28	343,938,826.00	6736	527
Total, regular annual acts		66,304,821,762.00		66,259,446,600.00		72,614,490,339.66		72,700,108,799.66		72,532,589,234.66		
DEFICIENCY AND SUPPLEMENTAL ACTS												
Fourth Supplemental National Defense, 1942	Jan. 23	12,555,872,474.00	Jan. 23	12,556,672,474.00	Jan. 27	12,556,672,474.00	Jan. 28	12,556,672,474.00	Jan. 30	12,556,672,474.00	6448	422
First Deficiency, 1942	Feb. 6	160,590,611.43	Feb. 9	160,412,611.43	Feb. 13	163,794,819.77	Feb. 17	163,806,854.77	Feb. 21	163,780,819.77	6548	463
Fifth Supplemental National Defense, 1942	Feb. 17	29,720,901,900.00	Feb. 17	29,720,901,900.00	Feb. 23	30,412,737,900.00	Mar. 2	30,412,737,900.00	Mar. 5	30,412,737,900.00	6611	474
Sixth Supplemental National Defense, 1942	Mar. 27	18,156,947,148.00	Mar. 28	18,156,961,345.00	Apr. 4	19,062,373,260.18	Apr. 7	19,062,373,260.18	Apr. 28	19,001,197,010.18	6868	528
Seventh Supplemental National Defense, 1942	June 3	654,999,740.00	June 3	654,999,740.00	June 8	654,999,740.00	June 11	655,074,740.00	June 23	655,074,740.00	7182	625
Emergency Relief, 1943	June 9	282,584,000.00	June 11	282,584,000.00	June 23	282,584,000.00	June 25	282,584,000.00	July 2	282,584,000.00	H. J. Res. 324	651
Second Deficiency, 1942	June 16	53,513,099.84	June 16	53,513,099.84	...do	53,715,999.74	...do	53,721,999.74	...do	53,721,999.74	7232	648
First Supplemental National Defense, 1943	June 29	1,810,487,615.47	June 30	1,808,669,615.47	July 10	1,856,801,710.90	July 16	1,863,961,710.90	July 25	1,858,939,210.90	7319	678
Second Supplemental National Defense, 1943	Oct. 8	6,236,956,621.00	Oct. 8	6,236,956,621.00	Oct. 14	6,341,196,887.66	Oct. 20	6,352,234,137.66	Oct. 26	6,351,184,137.66	7672	763
Total, deficiency, and supplemental acts		69,632,853,209.74		69,631,671,406.74		71,384,876,792.25		71,403,167,077.25		71,335,892,292.25		
Grand total		135,937,674,971.74		135,891,118,006.74		143,999,367,132.21		144,103,275,876.91		143,868,481,526.91		

[1] Recommitted to the Senate Committee on Appropriations on Apr. 13, 1942.

Chronological history of regular, annual, supplemental, and deficiency appropriation bills, 78th Cong., 1st sess., Jan. 6 to Dec. 21, 1943, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law, 1943–44		Number of House bill	Public Law No.
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS												
	1943		*1943*		*1943*		*1943*		*1943*			
Agriculture	Apr. 13	$707,040,844.00	Apr. 20	$715,099,662.00	June 5	$820,680,709.00	June 11	$875,680,709.00	July 12	$848,295,883.00	2481	129
District of Columbia	Apr. 16	54,789,434.00	do	54,789,434.00	June 22	55,493,210.00	June 22	55,568,210.00	July 1	55,466,565.00	2513	107
Independent Offices	Feb. 9	2,621,104,379.00	Feb. 17	2,620,824,379.00	May 19	2,621,539,379.00	May 27	2,621,539,379.00	June 26	2,621,366,879.00	1762	90
Interior Department	May 17	72,861,316.00	May 20	72,861,316.00	June 17	127,889,141.00	June 18	127,989,991.00	July 12	104,608,921.00	2719	133
Labor Department and Federal Security Agency	June 14	1,086,562,499.00	June 16	1,086,059,499.00	June 24	1,139,022,810.00	June 29	1,186,367,512.00	do	1,137,167,010.00	2935	135
Labor	do	27,325,050.00	do	27,325,050.00	do	28,906,050.00	do	28,940,050.00	do	27,794,050.00		
Federal Security Agency	do	672,842,380.00	do	672,839,380.00	do	718,423,960.00	do	721,752,462.00	do	719,749,460.00		
Related independent agencies	do	386,395,069.00	do	385,895,069.00	do	391,692,800.00	do	435,675,000.00	do	389,623,500.00		
Legislative and judiciary	Apr. 6	40,659,273.00	Apr. 8	40,659,273.00	May 12	40,943,778.00	May 17	40,943,778.00	June 28	40,894,478.00	2409	96
Legislative	do	28,257,863.00	do	28,257,863.00	do	28,363,988.00	do	28,363,988.00	do	28,363,988.00		
Judiciary	do	12,401,410.00	do	12,401,410.00	do	12,579,790.00	do	12,579,790.00	do	12,530,490.00		
Military	June 18	59,037,599,673.00	June 21	59,034,839,673.00	June 25	59,034,839,673.00	June 29	59,034,839,673.00	July 1	59,034,839,673.00	2996	108
Navy Department	May 14	27,463,687,198.00	May 20	27,463,687,198.00	June 5	24,850,427,198.00	June 7	24,850,427,198.00	June 26	27,637,226,198.00	2713	92
State, Justice, and Commerce	Apr. 5	189,729,400.00	Apr. 7	189,629,400.00	June 14	226,105,758.00	June 15	226,105,758.00	July 1	221,405,400.00	2397	105
State	do	33,358,100.00	do	33,358,100.00	do	33,528,100.00	do	33,528,100.00	do	33,523,100.00		
Justice	do	102,657,300.00	do	102,657,300.00	do	102,657,300.00	do	102,657,300.00	do	102,657,300.00		
Commerce	do	53,714,000.00	do	53,614,000.00	do	89,920,358.00	do	89,920,358.00	do	85,225,000.00		
Treasury and Post Office	Feb. 2	1,102,007,320.00	Feb. 9	1,098,840,960.00	Mar. 19	1,102,381,425.00	Mar. 25	1,102,381,425.00	June 30	1,100,691,275.00	1648	102
Treasury	do	202,724,465.00	do	199,724,465.00	do	202,628,340.00	do	202,628,340.00	do	201,222,740.00		
Post Office	do	899,282,855.00	do	899,116,495.00	do	899,753,085.00	do	899,753,085.00	do	899,468,535.00		
War Department civil functions	Mar. 31	63,032,683.00	Apr. 1	63,032,683.00	May 5	63,657,098.00	May 6	63,657,098.00	June 2	63,657,098.00	2346	64
Total, regular annual acts		92,439,074,019.00		92,440,323,477.00		90,082,980,179.00		90,185,500,731.00		92,865,610,380.00		
DEFICIENCY AND SUPPLEMENTAL ACTS												
Urgent Deficiency, 1943 (H. J. Res. 82)	Feb. 18	22,410,000.00	Feb. 18	22,410,000.00	Feb. 22	22,410,000.00	Feb. 25	22,410,676.17	Mar. 2	22,410,676.17	H. J. Res. 82	3
First Deficiency, 1943	Feb. 24	4,102,810,890.87	Feb. 26	4,102,569,890.87	Mar. 9	4,107,286,166.01	Mar. 12	4,108,485,949.96	Mar. 18	4,106,261,194.96	1975	11
Naval Supplemental, 1943	Mar. 3	3,816,206,583.00	Mar. 5	3,816,206,583.00	Mar. 16	3,851,176,119.00	Mar. 17	3,851,176,119.00	Mar. 31	3,836,176,119.00	2068	20
Farm Labor Supply, 1943–44	Mar. 12	26,100,000.00	Mar. 17	26,100,000.00	Apr. 6	40,000,000.00	Apr. 8	40,000,000.00	Apr. 29	26,100,000.00	H. J. Res. 96	45
Urgent Deficiency, 1943 (H. J. Res. 115)	Apr. 13	2,911,700.00	Apr. 14	2,911,700.00	Apr. 22	3,746,700.00	Apr. 26	7,246,700.00	May 7	7,246,700.00	H. J. Res. 115	50
Urgent Deficiency, 1943 (H. R. 2714)	May 14	134,141,279.86	May 18	134,096,279.86	May 26	143,630,591.56	May 28	143,630,591.56	July 12	143,430,591.56	2714	132
Defense Aid Supplemental, 1943–44	May 21	6,273,629,000.00	May 21	6,273,629,000.00	do	6,273,629,000.00	June 3	6,273,629,000.00	June 14	6,273,629,000.00	2753	70
National War Agencies, 1944	June 16	2,921,441,504.00	June 18	2,880,941,504.00	June 30	2,936,215,033.00	June 30	2,931,215,033.00	July 12	2,911,697,224.00	2968	139
Second Deficiency, 1943	June 23	36,245,360.60	June 24	36,158,760.60	July 3	343,660,359.72	July 5	363,059,927.72	do	253,256,179.72	3030	140
First Supplemental National Defense, 1944	Nov. 4	167,268,444.32	Nov. 5	166,754,124.32	Dec. 4	307,995,019.23	Dec. 8	308,340,019.23	Dec. 23	188,833,720.23	3598	216
Farm Labor Supply, 1944–45	Dec. 17	27,000,000.00	Dec. 17	27,000,000.00		(1)		(1)		(1)	H. J. Res. 208	
Total, deficiency and supplemental acts		17,530,164,762.65		17,488,777,842.65		18,029,748,988.52		18,049,194,016.64		17,769,041,405.64		
Grand total		109,969,238,781.65		109,929,101,319.65		108,112,729,167.52		108,234,694,747.64		110,634,660,785.64		

[1] Consideration not completed during first session. Carries over to the second session.

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 78th Cong., 2d sess., Jan. 10 to Nov. 13, 1944, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law, 1944–45		No. of House bill	Public Law No.
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS												
	1944		1944		1944		1944		1944			
Agriculture	Mar. 21	$535,244,192.00	Mar. 24	$535,244,192.00	May 16	$524,781,718.00	May 17	$524,806,718.00	June 28	$562,145,918.00	4443	367
District of Columbia	May 23	68,585,607.00	May 24	68,585,607.00	June 19	69,149,048.00	June 21	69,159,948.00	...do	69,111,569.00	4861	371
Independent Offices	Jan. 26	8,500,590,352.00	Jan. 31	8,500,590,352.00	Mar. 9	8,557,993,978.00	Mar. 24	8,561,391,764.00	June 27	8,485,099,785.00	4070	358
Interior Department	Apr. 26	87,672,580.00	Apr. 27	87,652,580.00	May 20	123,629,345.36	May 23	123,629,345.36	June 28	103,239,796.36	4679	369
Labor Department and Federal Security Agency	May 27	1,104,972,514.00	June 1	1,104,972,514.00	June 13	1,106,405,609.00	June 15	1,114,920,609.00	...do	1,112,644,464.00	4899	373
Labor	...do	67,950,350.00	...do	67,950,350.00	...do	68,239,383.00	...do	68,239,383.00	...do	68,119,050.00	4899	373
Federal Security Agency	...do	629,223,885.00	...do	629,223,885.00	...do	629,927,697.00	...do	635,977,697.00	...do	633,843,885.00	4899	373
Related independent agencies	...do	407,798,279.00	...do	407,798,279.00	...do	408,238,529.00	...do	410,703,529.00	...do	410,681,529.00	4899	373
Legislative and judiciary	Mar. 15	59,606,975.00	Mar. 16	59,606,975.00	May 17	60,232,283.66	May 19	60,232,283.66	June 26	59,701,018.66	4414	354
Legislative	...do	46,176,321.00	...do	46,176,321.00	...do	46,245,994.66	...do	46,245,994.66	...do	46,245,994.66	4414	354
Judiciary	...do	13,430,654.00	...do	13,430,654.00	...do	13,986,289.00	...do	13,986,289.00	...do	13,455,024.00	4414	354
Military	June 7	15,436,031,795.00	June 15	15,436,031,795.00	June 19	15,434,814,795.00	June 21	15,434,814,795.00	June 28	15,434,814,795.00	4967	347
Navy Department	Apr. 12	27,572,202,936.00	Apr. 14	27,572,202,936.00	Apr. 21	27,569,798,301.00	Apr. 25	27,569,798,301.00	June 22	27,569,798,301.00	4559	347
State, Justice, and Commerce	Feb. 16	231,304,700.00	Feb. 18	231,304,700.00	May 16	242,716,700.00	May 17	242,766,700.00	June 28	241,937,700.00	4204	365
State	...do	44,234,500.00	...do	44,234,500.00	...do	47,088,500.00	...do	47,138,500.00	...do	47,138,500.00	4204	365
Justice	...do	116,477,200.00	...do	116,477,200.00	...do	116,477,200.00	...do	116,477,200.00	...do	116,477,200.00	4204	365
Commerce	...do	70,593,000.00	...do	70,593,000.00	...do	79,151,000.00	...do	79,151,000.00	...do	78,322,000.00	4204	365
Treasury and Post Office	Feb. 4	1,318,594,672.00	Feb. 10	1,318,321,980.00	Mar. 8	1,332,376,669.00	Mar. 9	1,332,376,669.00	Apr. 22	1,330,846,169.00	4133	293
Treasury	...do	212,897,089.00	...do	212,624,397.00	...do	222,149,397.00	...do	222,149,397.00	...do	220,636,897.00	4133	293
Post Office	...do	1,105,697,583.00	...do	1,105,697,583.00	...do	1,110,227,272.00	...do	1,110,227,272.00	...do	1,110,209,272.00	4133	293
War Department civil functions	Feb. 15	86,911,440.00	Feb. 16	86,911,440.00	...do	95,190,680.00	...do	95,190,680.00	June 26	92,455,440.00	4183	352
Total, regular annual acts		55,001,717,763.00		55,001,425,071.00		55,117,089,127.02		55,129,087,813.02		55,061,794,956.02		
DEFICIENCY AND SUPPLEMENTAL ACTS												
Farm Labor Supply, 1944		(1)		(1)	Jan. 26	36,359,200.00	Jan. 28	36,359,200.00	Feb. 14	31,359,200.00	H. J. Res. 208	229
First Deficiency, 1944	Mar. 7	500,103,748.38	Mar. 10	500,103,748.38	Mar. 27	530,773,754.97	Mar. 28	530,773,754.97	Apr. 1	489,762,870.04	4346	279
National War Agencies, 1945	May 25	1,030,858,367.00	May 26	1,030,858,367.00	June 12	1,027,618,667.00	June 20	1,031,100,367.00	June 28	1,030,937,242.00	4879	372
Defense Aid and UNRRA	June 2	3,920,070,000.00	June 3	3,920,070,000.00	June 12	3,920,570,000.00	June 13	3,920,570,000.00	June 30	3,920,320,000.00	4937	382
Second Deficiency, 1944	June 16	232,385,058.92	June 17	232,385,058.92	June 21	245,630,992.58	June 22	245,630,992.58	June 28	241,270,992.58	5040	375
Total, deficiency and supplemental acts		5,683,417,174.30		5,683,417,174.30		5,760,952,614.55		5,764,434,314.55		5,713,650,304.62		
Grand total		60,685,134,937.30		60,684,842,245.30		60,878,041,741.57		60,893,522,127.57		60,775,445,260.64		

[1] Reported to and passed the House at the first session of the Seventy-eighth Congress.

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 79th Cong., 1st sess., Jan. 3, 1945, to July 27, 1945, both dates inclusive

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law 1945–46		Number of House bill	Number of public act
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS												
	1945		1945		1945		1945		1945			
Agriculture	Mar. 20	$576,432,700.00	Mar. 24	$576,432,700.00	Apr. 18	$594,724,527.00	Apr. 19	$594,724,527.00	May 5	$589,931,520.00	2689	52
District of Columbia	May 25	64,988,080.00	May 29	64,988,080.00	June 11	65,703,280.00	June 12	65,703,280.00	June 30	65,635,660.00	3306	103
Independent offices	Feb. 5	3,218,808,497.00	Feb. 8	3,218,876,477.00	Mar. 10	3,145,137,842.00	Mar. 15	3,145,658,626.00	May 3	3,121,900,230.00	1984	49
Interior	Apr. 24	102,602,628.00	Apr. 27	101,242,628.00	May 29	140,248,932.00	June 6	140,392,432.00	July 3	111,690,258.00	3024	123
Labor Department and Federal Security Agency	May 14	1,086,210,337.00	May 17	1,086,210,337.00	June 23	1,123,749,241.00	June 26	1,132,093,241.00	July 3	1,115,617,256.00	3199	124
Labor		68,391,085.00		68,391,085.00		69,899,220.00		69,899,220.00		69,128,884.00		
Federal Security Agency		640,085,922.00		640,085,922.00		656,825,691.00		662,369,691.00		661,885,179.00		
Related independent agencies		377,733,330.00		377,733,330.00		397,024,330.00		399,824,330.00		384,603,193.00		
Legislative branch	May 3	50,722,147.66	May 10	50,742,447.66	May 22	51,345,627.66	May 27	50,994,481.66	June 13	50,994,481.66	3109	85
Military	June 22	21,376,524,965.00	June 26	21,376,283,400.00	June 27	21,496,902,030.00	June 28	21,496,902,030.00	July 3	21,496,902,030.00	3550	126
Navy Department	Apr. 17	23,400,502,133.00	Apr. 19	23,400,502,133.00	May 14	23,603,775,868.00	May 15	23,603,775,868.00	May 29	23,601,136,064.00	2907	62
State, Justice, Commerce, and the Judiciary, and Federal Loan Agency	Mar. 13	259,109,700.00	Mar. 19	255,853,700.00	Apr. 17	268,780,838.00	Apr. 25	270,180,838.00	May 21	265,521,700.00	2603	61
State		71,878,400.00		70,412,400.00		75,056,400.00		75,056,400.00		73,754,400.00		
Justice		93,468,900.00		93,078,900.00		94,368,900.00		94,368,900.00		93,768,900.00		
Commerce		79,372,000.00		79,372,000.00		86,365,138.00		86,365,138.00		83,608,000.00		
The Judiciary		14,390,400.00		12,990,400.00		12,990,400.00		14,390,400.00		14,390,400.00		
Federal Loan Agency		(33,000,000.00)		(33,000,000.00)		(33,000,000.00)		(33,000,000.00)		(33,000,000.00)		

Chronological history of regular annual, supplemental, and deficiency appropriation bills, 79th Cong., 1st sess., Jan. 3, 1945, to July 27, 1945, both dates inclusive—Continued

Title	Reported to House		Passed House		Reported to Senate		Passed Senate		Law 1945-46		Number of House bill	Number of public act
	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount		
REGULAR ANNUAL ACTS—continued												
Treasury and Post Office	1945 Feb. 19	1,342,813,090.00	1945 Feb. 21	1,342,813,090.00	1945 Mar. 29	1,343,094,670.00	1945 Mar. 30	1,343,094,670.00	1945 Apr. 24	1,342,958,105.00	2252	38
Treasury		285,763,800.00		285,763,800.00		285,775,800.00		285,775,800.00		285,771,300.00		
Post Office		1,057,049,290.00		1,057,049,290.00		1,057,318,870.00		1,057,318,870.00		1,057,186,805.00		
War Department civil functions	Feb. 12	99,165,940.00	Feb. 13	99,165,940.00	Mar. 10	112,450,940.00	Mar. 11	112,450,940.00	Mar. 31	112,450,940.00	2126	24
Total, regular annual acts		51,577,880,217.66		51,573,110,932.66		51,945,913,795.66		51,955,970,933.66		51,874,738,244.66		
DEFICIENCY, SUPPLEMENTAL, AND MISCELLANEOUS ACTS												
First deficiency, 1945	Feb. 27	2,338,877,125.62	Mar. 2	2,338,877,125.62	Mar. 24	2,612,715,078.31	Mar. 26	2,375,332,528.31	Apr. 25	2,373,837,128.31	2374	40
National war agencies, 1946	June 1	769,764,850.00	June 8	752,764,850.00	June 20	771,538,765.00	June 30	774,005,765.00	July 17	769,364,850.00	3368	156
Second supplemental, 1945	May 8	18,433,000.00									3146	
Second deficiency, 1945	June 25	3,134,031,456.78	June 28	3,634,044,236.78	June 30	3,675,508,776.79	June 30	3,675,508,776.79	July 5	3,636,203,476.79	3579	132
National war agencies, 1946 [1]	July 3	752,544,850.00	July 5	134,280,400.00							3679	
Miscellaneous resolutions		267,278,530.00		267,278,530.00		267,278,530.00		267,278,530.00		267,278,530.00		
Total, deficiency, supplemental, and miscellaneous acts		7,280,929,812.40		7,127,245,142.40		7,327,041,150.10		7,092,125,600.10		7,046,683,985.10		
Grand total		58,858,810,030.06		58,700,356,075.06		59,272,954,945.76		59,048,096,533.76		58,921,422,229.76		

[1] Reported and passed House in lieu of H. R. 3368, which was the original national war agencies appropriation bill for 1946, and which was finally enacted into law.

Total receipts, excluding net receipts appropriated to Federal Old-Age and Survivors Insurance Trust Fund:

Fiscal year:	
1940	$5,387,124,670
1941	7,607,211,852
1942	12,799,061,621
1943	22,281,642,709
1944	44,148,926,968
1945	46,456,554,580
Total	138,680,522,400

Public debt

June 30:	Outstanding public debt	Guaranteed obligations [1]
1940	$42,967,531,038	$5,528,815,655
1941	48,961,443,536	6,370,252,580
1942	72,422,445,116	4,568,250,630
1943	136,696,090,330	4,099,943,046
1944	201,003,387,221	1,623,069,301
1945	258,682,187,410	433,158,392

[1] Not owned by the Treasury.

War activities program

1. APPROPRIATIONS, CONTRACT AUTHORIZATIONS, AND EXPENDITURES, JULY 1, 1940, THROUGH JUNE 30, 1945 [1]

	Total appropriations and contract authorizations (approved and pending)	Appropriations [2]					Contract authorizations (net) [3]	
		Total	Fiscal year 1946	Fiscal year 1945	Fiscal year 1944	Fiscal years 1941-43	Total	Fiscal year 1946
War Department	$228,267,466,712.10	$206,770,260,432.05	$1,886,540	$15,323,160,352.14	$58,825,663,391.72	$132,619,550,148.19		
Navy Department	139,968,295,180.91	131,467,766,126.25	[6] 23,421,136,064	[7] 29,401,119,732.33	29,305,438,163.42	49,340,072,166.50	[8] $7,659,803,907	$1,399,008,413
Agriculture Department	8,045,520,453.00	8,047,520,453.00	14,986,472	1,483,197,665.82	2,164,547,577.44	4,384,788,737.74		
Federal Security Agency:								
Office of Education	504,115,537.17	508,730,637.17		15,541,737.17	130,724,900.00	362,464,000.00		
Other	254,397,135.69	176,573,135.69		76,837,071.01	66,726,354.00	33,009,710.68		
Federal Works Agency:								
Public Roads Administration	367,500,000.00	345,100,000.00	48,000,000	77,000,000.00	88,000,000.00	132,100,000.00	22,400,000	
Public works (community facilities)	534,500,000.00	514,500,000.00		32,000,000.00	165,000,000.00	317,500,000.00		
Other	34,679,604.92	41,079,604.92		[10] 914,547.29	[10] 2,731,756.85	44,725,909.06		
National Housing Agency	1,834,717,404.51	1,834,717,404.51		158,771,944.72	157,452,123.79	1,518,493,336.00		
Selective Service (administrative expenses)	302,995,747.36	250,995,611.12		62,501,308.35	70,494,104.77	118,000,108.00		
Treasury Department	6,183,219,978.59	6,183,219,978.59		1,231,003,540.25	889,908,533.76	4,062,307,904.58		
U. S. Maritime Commission	13,430,776,962.33	13,387,608,388.33		[12] 3,657,000,000.00	1,288,093,187.00	8,442,515,201.33	43,168,574	
War Shipping Administration	8,342,971,229.09	7,905,638,902.23		1,445,913,147.72	3,362,335,920.85	3,097,389,833.66		
Aid to China	500,000,000.00	500,000,000.00				500,000,000.00		
United Nations Relief and Rehabilitation Administration	[13] 450,000,000.00	450,000,000.00		450,000,000.00				
Other:								
Commerce Department	605,200,525.38	605,200,525.38	75,000	1,455,946.93	32,432,056.73	571,237,521.72		
Executive Office:								
Office for Emergency Management	2,591,914,516.32	1,748,410,768.82		417,851,010.39	482,864,985.24	847,694,773.19	616,500,000	
Other	3,858,955,005.72	[16] 1,192,643,790.72	445,300	[17] 215,041,942.25	[17] 4,362,206,543.42	5,769,446,976.39		
Justice Department	173,142,515.54	179,627,515.54	28,219,000	42,384,006.90	46,320,194.67	62,704,313.97		
Office of War Mobilization and Reconversion	45,218,474.18	1,263,074.18		1,263,074.18				
Panama Canal	107,569,400.00	107,569,400.00	810,600			106,758,800.00		
Smaller War Plants Corporation—capital stock	200,000,000.00	200,000,000.00		50,000,000.00		150,000,000.00		

Footnotes at end of table.

War activities program—Continued

	Total appropriations and contract authorizations (approved and pending)	Appropriations [2]				Contract authorizations (net) [3]	
		Total	Fiscal year 1946	Fiscal year 1945	Fiscal year 1944	Fiscal years 1941–43	Total	Fiscal year 1946
Other—Continued.								
Other	519,348,320.13	442,222,029.13	15,148,500	140,738,247.90	110,140,829.53	176,194,451.70		
Total, war activities program, including appropriations for liquidation of 1940 and prior contract authorizations	417,122,504,702.94	382,860,647,777.63	23,530,707,476	53,851,782,386.27	92,821,204,022.65	212,656,953,892.71	8,341,872,481	1,399,008,413
Liquidation of 1940 and prior contract authorizations	−467,872,846.00	−467,872,846.00				−467,872,846.00		
Total, war activities program, exclusive of Reconstruction Finance Corporation and its affiliates	416,654,631,856.94	382,392,774,931.63	23,530,707,476	53,851,782,386.27	92,821,204,022.65	[26] 212,189,081,046.71	8,341,872,481	1,399,008,413

	Contract authorizations (net) [3]		In pending appropriations [4]		Expenditures			
	Fiscal year 1945	Fiscal years 1942–44	Appropriations	Liquidations	Total	Fiscal year 1945	Fiscal year 1944	Fiscal years 1941–43
War Department			$21,497,206,280.05		[5] $159,591,836,310.96	$50,336,795,083.28	$49,242,377,389.76	$60,012,663,837.92
Navy Department	$3,540,000,000	$2,720,795,494	840,725,147.66		88,365,781,969.86	30,047,152,135.15	26,537,633,877.26	31,780,995,957.45
Agriculture Department			−2,000,000.00		6,051,385,715.47	1,198,129,249.57	2,143,403,788.69	2,709,852,677.21
Federal Security Agency:								
Office of Education			−4,615,100.00		427,625,368.76	45,847,277.72	74,672,068.74	307,106,022.30
Other			77,824,000.00		153,275,639.58	76,488,870.32	58,105,155.41	18,681,613.85
Unclassified expenditures					[6] 142.53	[6] 124.68	[6] 20,359.87	20,342.02
Federal Works Agency:								
Public Roads Administration		22,400,000			267,591,102.25	53,657,859.62	102,158,113.64	111,775,128.99
Public works (community facilities)			20,000,000.00		405,061,881.26	123,226,849.19	133,356,739.61	148,478,292.46
Other			−6,400,000.00		16,989,448.30	8,328,589.71	[7] 7,802,356.01	[11] 16,463,214.60
Unclassified expenditures					[6] 44,342.12	[6] 43,959.40	18,792.13	[6] 19,174.85
National Housing Agency					1,558,613,640.52	69,873,179.11	538,768,704.05	949,971,757.36
Selective Service (administrative expenses)			52,000,136.24		224,936,392.60	62,613,382.02	59,430,168.62	102,892,841.96
Treasury Department					4,638,328,890.83	1,462,335,266.63	1,432,044,410.45	1,743,949,213.75
U. S. Maritime Commission	[12] 43,168,574				10,794,700,599.97	3,226,539,725.48	3,811,704,050.35	3,756,456,824.14
War Shipping Administration			437,332,326.86		5,201,188,166.50	2,041,899,324.96	1,922,137,130.98	1,237,151,710.56
Aid to China					380,406,156.61	140,355,437.46		240,050,719.15
United Nations Relief and Rehabilitation Administration					113,638,156.12	113,638,156.12		
Other:								
Commerce Department					509,162,149.52	86,881,831.63	132,791,192.87	289,489,125.02
Executive Office:								
Office for Emergency Management	2,500,000	[14] 614,000,000	230,848,460.50	−$3,844,713	1,327,973,071.32	336,657,984.84	420,830,035.54	[15] 570,485,050.94
Other			[13] 2,666,311,215.00		651,383,636.12	251,585,055.23	243,120,018.35	[16] 156,678,562.54
Justice Department			−6,485,000.00		136,600,099.02	36,080,272.21	42,698,791.15	57,821,035.66
Office War Mobilization and Reconversion			43,955,400.00		474,482.90	474,482.90		
Panama Canal					75,262,652.46	2,577,486.08	6,425,829.40	66,259,336.98
Smaller War Plants Corporation—capital stock					190,672,469.59	120,078,551.47	57,382,091.11	13,211,827.01
Other			77,126,291.00		407,934,445.94	187,136,715.06	82,430,813.23	138,366,917.65
Unclassified expenditures					[6] 1,990,051.75	836,831.16	5,005,492.40	[6] 7,832,375.31
Total, war activities program, including appropriations for liquidation of 1940 and prior contract authorizations	3,585,668,574	3,357,195,494	25,923,829,157.31	−3,844,713	281,488,787,910.06	90,029,145,512.84	87,038,671,937.86	104,420,970,459.36
Total, war activities program, exclusive of Reconstruction Finance Corporation and its affiliates	3,585,668,574	3,357,195,494	25,923,829,157.31	−3,844,713	281,488,787,910.06	90,029,145,512.84	87,038,671,937.86	[21] 104,420,970,459.36

NOTE.—This statement includes appropriations and net contract authorizations provided for in the 76th Cong. (3d sess.), 77th, 78th, and 79th Congs.

[1] Exclusive of Reconstruction Finance Corporation and its affiliates shown in Statement II.

[2] In many instances, funds appropriated during any fiscal year are also available for the succeeding fiscal year. Immediately available funds are shown in the fiscal year for which the appropriation was made. This statement excludes unexpended balances of appropriations on June 30, 1940 (except immediately available funds in fiscal year 1941 appropriations), which were available for expenditure in the fiscal year 1941. Allocations from appropriations made to the President (lend-lease and emergency funds for the President) are shown under the departments or agencies to which allocated.

[3] Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose.

[4] Pending appropriations, as used herein, represent appropriation bills reported from the Committee on Appropriations to the House or in subsequent stages of Congressional action before Presidential approval. Credit figures represent existing appropriations to be repealed in pending bills.

[5] Excludes expenditures for Selective Service (administrative expenses) reflected separately below.

[6] Revised to adjust classification

[7] Reduced by $7,500,000 representing amounts repealed by Congress on June 22, 1944 (Public Law No. 347).

[8] Includes $340,795,494 for tonnage provided in Public Law No. 204, approved Dec. 17, 1943; and $1,825,000,000 for tonnage provided in Public Law No. 375, approved June 28, 1944.

[9] Excess of credit, deduct.

[10] Deduct. Reflects reductions during the fiscal years 1944 and 1945 of allocations made in previous years.

[11] Includes expenditures for Public Roads Administration and public works (community facilities) from allocations of the President's emergency funds.

[12] Reduced by $3,100,000,000 in appropriations and $4,265,000,000 in contract authorizations representing amounts repealed by Congress on May 29, 1945 (Public Law No. 68).

[13] Allotments have been made to the following agencies: Agriculture Department, $123,000,000; Federal Security Agency, $648,689; Foreign Economic Administration, $55,565,000; Treasury Department, $226,000,000; and War Shipping Administration, $20,500,000.

[14] Includes $600,000,000 representing the net amount of contractual authority that the President may authorize in accordance with Public Law No. 282, approved Oct. 28, 1941.

[15] Expenditures relating to "Emergency funds for the President" and "Lend-lease funds" for the fiscal years 1941 and 1942 are reflected under "Other: Executive Office: Other."

[16] Includes unallocated balances of the President's emergency funds amounting to $63,941,052.94 and lend-lease balances amounting to $320,687,856.42.

[17] Deduct. Reflects allocations to various agencies in the fiscal years 1944 and 1945 of amounts appropriated in previous years.

[18] Includes $2,475,000,000 for lend-lease.

[19] Includes expenditures of the Office for Emergency Management from "Emergency funds for the President" and "Lend-lease funds."

[20] For details by fiscal years, see the daily Treasury statement of Feb. 15, 1945, p. 19.

[21] For details by fiscal years, see the daily Treasury statement of Jan. 15, 1944, p. 15.

War activities program—Continued

II. RECONSTRUCTION FINANCE CORPORATION (DIRECT AND THROUGH ITS AFFILIATES), JULY 1, 1940, THROUGH JUNE 30, 1945

[Compiled from latest reports received by the Treasury]

	Commitments	Cancellations	Charges	Credits [1] (repayments, sales, rentals, etc.)
Defense Plant Corporation	$11,570,278,607.40	$2,256,694,477.32	$8,015,301,848.47	$2,901,350,410.55
Defense Supplies Corporation	11,319,320,872.45	921,103,995.70	6,955,350,361.91	5,230,932,810.98
Metals Reserve Company	5,647,768,609.96	2,341,499,849.13	2,359,225,141.11	1,632,171,557.64
Rubber Development Corporation	557,269,937.00	40,687,251.99	269,321,519.67	202,284,114.69
Rubber Reserve Company	3,257,774,929.83	686,303,290.73	2,243,050,975.41	1,334,648,077.10
U. S. Commercial Company	2,834,756,833.84	162,450,460.61	1,252,128,227.58	768,689,344.45
The RFC Mortgage Company	144,775,122.19	22,343,123.75	112,757,358.05	78,602,826.54
RFC direct:				
Loan to Great Britain and Northern Ireland	425,000,000.00		390,000,000.00	118,112,529.84
Loan—Defense Homes Corporation	65,750,000.00		65,392,000.00	8,458,301.26
Loan—Petroleum Reserves Corporation	31,000,000.00	30,900,000.00	100,000.00	
Stock—War Damage Corporation	100,000,000.00		1,000,000.00	
Automobile financing loans	132,143,106.38	132,143,106.38		
All other loans	1,986,615,765.49	737,750,384.43	946,963,666.62	638,233,175.65
	38,072,453,784.54	7,331,875,940.04	22,610,591,098.82	12,913,483,148.70
Less intercompany eliminations	3,411,992,378.85	441,033,190.67	1,873,670,978.95	1,104,885,029.30
Total	34,660,461,405.69	6,890,842,749.37	20,736,920,119.87	11,808,598,119.40

[1] Includes total sales proceeds.

III. APPROPRIATIONS AND NET CONTRACT AUTHORIZATIONS THROUGH JUNE 30, 1945 [1]

Date approved	Public Law No.	Title of act	Appropriations	Net contract authorizations [2]
		77TH CONG., 1ST SESS.		
Feb. 6, 1941	5	Joint Resolution (emergency ship construction)	$313,500,000.00	
Feb. 13, 1941	6	Joint Resolution (clothing and equipage—War Department)	175,000,000.00	
Mar. 1, 1941	9	Urgent Deficiency Appropriation Act, 1941	6,047,775.00	
Mar. 17, 1941	13	Fourth Supplemental National Defense Appropriation Act, 1941	1,376,464,602.00	
Mar. 27, 1941	23	Defense Aid Supplemental Appropriation Act, 1941	7,000,000,000.00	
Apr. 1, 1941	25	First Deficiency Appropriation Act, 1941	114,458,468.00	
Apr. 5, 1941	28	Independent Offices Appropriation Act, 1942	399,360,000.00	
Do	29	Fifth Supplemental National Defense Appropriation Act, 1941	2,293,227,920.00	
May 6, 1941	48	Navy Department Appropriation Act, 1942	3,415,521,750.00	
May 23, 1941	71	War Department Civil Appropriation Act, 1942	37,920,370.00	
May 24, 1941	73	Additional Urgent Deficiency Appropriation Act, 1941	168,556,000.00	
May 31, 1941	88	Treasury Department Appropriation Act, 1942	62,193,150.00	
June 28, 1941	135	Justice, State, and Commerce Departments Appropriation Act, 1942	129,227,750.00	
Do	136	Interior Department Appropriation Act, 1942	2,035,000.00	
June 30, 1941	139	Military Appropriation Act, 1942	10,384,821,624.00	
July 1, 1941	146	Labor-Federal Security Appropriation Act, 1942	173,168,500.00	
July 3, 1941	150	Second Deficiency Appropriation Act, 1941	998,894,561.00	
Aug. 25, 1941	247	First Supplemental National Defense Appropriation Act, 1942	6,580,012,448.00	
Oct. 28, 1941	282	Second Supplemental National Defense Appropriation Act, 1942:		
		(Title I)	5,985,000,000.00	[3] $600,000,000.00
		(Title II)	159,005,585.00	
Nov. 19, 1941	295	Defense Highway Act of 1941		12,000,000.00
Dec. 17, 1941	353	Third Supplemental National Defense Appropriation Act, 1942	9,112,021,947.00	50,000,000.00
Dec. 23, 1941	371	Joint Resolution (War, Philippine relief, and defense housing)	510,000,000.00	
		Total, 77th Cong., 1st sess	49,396,437,450.00	662,000,000.00
		77TH CONG., 2D SESS.		
Jan. 30, 1942	422	Fourth Supplemental National Defense Appropriation Act, 1942	12,525,872,474.00	
Feb. 7, 1942	441	Naval Appropriation Act, 1943	[4] 23,738,865,474.00	[5] 2,171,000,000.00
Feb. 12, 1942	452	Joint Resolution (financial aid to China)	500,000,000.00	
Feb. 21, 1942	463	First Deficiency Appropriation Act, 1942	135,203,320.69	
Mar. 5, 1942	474	Fifth Supplemental National Defense Appropriation Act, 1942	30,412,737,900.00	
Apr. 28, 1942	527	War Department Civil Appropriation Act, 1943	57,886,985.00	
Do	528	Sixth Supplemental National Defense Appropriation Act, 1942	18,932,124,093.00	
June 5, 1942	572	Joint Resolution (War Risk Insurance Fund)	210,000,000.00	
June 19, 1942	616	Joint Resolution (education and training)	9,500,000.00	
June 23, 1942	626	Seventh Supplemental National Defense Appropriation Act, 1942	[4] 655,074,740.00	150,000,000.00
June 27, 1942	630	Independent Offices Appropriation Act, 1943	1,052,812,003.66	
July 2, 1942	644	Justice, State, and Commerce Departments Appropriation Act, 1943	261,908,180.00	
Do	645	Interior Department Appropriation Act, 1943	8,977,370.00	
Do	647	Labor—Federal Security Appropriation Act, 1943	227,726,864.00	
Do	648	Second Deficiency Appropriation Act, 1942	10,415,077.72	
Do	649	Military Appropriation Act, 1943	42,820,003,067.00	
Do	650	War Housing and Public Works Appropriation Act, 1942	32,500,000.00	
July 25, 1942	678	First Supplemental National Defense Appropriation Act, 1943	1,845,234,990.47	
Oct. 26, 1942	763	Second Supplemental National Defense Appropriation Act, 1943	[4] 6,299,361,448.40	
		Total, 77th Cong., 2d sess	139,736,203,987.94	2,321,000,000.00
		78TH CONG., 1ST SESS.		
Mar. 2, 1943	3	Joint Resolution (Selective Service System)	21,160,000.00	
Mar. 18, 1943	11	First Deficiency Appropriation Act, 1943	4,063,948,984.28	
Mar. 31, 1943	20	Supplemental Naval Appropriation Act, 1943	3,836,176,119.00	
Apr. 29, 1943	45	Joint Resolution (farm labor program)	26,100,000.00	
May 7, 1943	50	Joint Resolution (Commerce Department—war training program)	3,500,000.00	
June 2, 1943	64	War Department Civil Appropriation Act, 1944	1,457,898.00	
June 14, 1943	70	Defense Aid Supplemental Appropriation Act, 1943	6,273,629,000.00	
June 26, 1943	90	Independent Offices Appropriation Act, 1944	1,395,013,569.00	
Do	92	Naval Appropriation Act, 1944	[4] 27,637,226,198.00	9,000,000.00
July 1, 1943	105	Departments of State, Justice, and Commerce Appropriation Act, 1944	67,635,000.00	
Do	108	Military Appropriation Act, 1944	59,034,839,673.00	
July 12, 1943	129	Department of Agriculture Appropriation Act, 1944	38,048,000.00	
Do	132	Urgent Deficiency Appropriation Act, 1943	31,979,600.00	
Do	133	Interior Department Appropriation Act, 1944	14,884,000.00	
Do	135	Labor-Federal Security Appropriation Act, 1944	307,953,500.00	

Footnotes at end of table.

War activities program—Continued

Date approved	Public Law No.	Title of act	Appropriations	Net contract authorizations
		78TH CONG. 1ST SESS.—continued		
July 12, 1943	139	National War Agencies Appropriation Act, 1944	$2,911,697,224.00	$14,000,000.00
Do	140	Second Deficiency Appropriation Act, 1943	151,340,087.67	
Oct. 1, 1943	156	Joint Resolution (Labor Department)	18,620,000.00	
Dec. 17, 1943	204	Public Law (naval expansion program)		[2] 340,795,494.00
Dec. 23, 1943	216	First Supplemental National Defense Appropriation Act, 1944	81,283,467.87	
		Total, 78th Cong., 1st sess	105,916,492,320.82	363,795,494.00
		78TH CONG., 2D SESS.		
Feb. 14, 1944	229	Joint Resolution (farm labor and migration of workers)	31,359,200.00	
Apr. 1, 1944	279	First Deficiency Appropriation Act, 1944	170,221,080.07	
Apr. 4, 1944	288	Public Law (Federal Works Agency—public roads)		10,400,000.00
May 12, 1944	303	Joint Resolution (Labor Department—maternity and infant care)	6,700,000.00	
June 22, 1944	347	Naval Appropriation Act, 1945	[4] [5] 27,562,298,301.00	1,600,000,000.00
June 26, 1944	352	War Department Civil Appropriation Act, 1945	1,451,840.00	
June 27, 1944	358	Independent Offices Appropriation Act, 1945	6,836,008,943.00	43,168,574.00
une 28, 1944	365	Departments of State, Justice, and Commerce Appropriation Act, 1945	47,585,000.00	
June 28, 1944	367	Department of Agriculture Appropriation Act, 1945	30,700,000.00	
Do	369	Interior Department Appropriation Act, 1945	18,114,200.00	
Do	372	National War Agency Appropriation Act, 1945	1,030,937,242.00	2,500,000.00
Do	373	Labor—Federal Security Appropriation Act, 1945	218,611,829.00	
Do	374	Military Appropriation Act, 1945	15,434,814,795.00	
Do	375	Second Deficiency Appropriation Act, 1944	[4] 186,266,524.40	[5] 1,880,000,000.00
Do	382	Defense Aid Appropriation Act, 1945	3,450,570,000.00	
Do	382	United Nations Relief and Rehabilitation Administration Participation Appropriation Act, 1945	450,000,000.00	
Do	382	Foreign Economic Administration Appropriation Act, 1945	19,750,000.00	
Dec. 22, 1944	529	First Supplemental Appropriation Act, 1945	[4] 410,291,029.06	[5] 60,000,000.00
		Total, 78th Cong., 2d sess	[6] 55,905,679,983.53	3,596,068,574.00
		79TH CONG., 1ST SESS.		
Mar. 31, 1945	24	War Department Civil Appropriation Act, 1946	2,697,140.00	
Apr. 30, 1945	40	First Deficiency Appropriation Act, 1945	[4] 2,015,384,142.91	
May 3, 1945	49	Independent Offices Appropriation Act, 1946	57,288,300.00	
May 5, 1945	52	Department of Agriculture Appropriation Act, 1946	14,986,472.00	
May 26, 1945	61	Departments of State, Justice and Commerce Appropriation Act, 1946	34,599,500.00	
May 29, 1945	62	Naval Appropriation Act, 1946	[7] 23,601,136,064.00	1,399,008,413.00
Do	68	Joint resolution (U. S. Maritime Commission)	[8] −3,100,000,000.00	([8])
June 12, 1945	83	Joint resolution (Labor Department—maternity and infant care)	2,200,000.00	
		Total, 79th Cong., 1st sess	22,628,291,618.91	1,399,008,413.00
		IN PENDING APPROPRIATIONS [9]		
		Interior Department appropriation bill, 1946	10,625,000.00	
		Joint resolution (reducing certain appropriations)	−82,054,000.00	
		Labor-Federal Security appropriation bill, 1946	197,011,554.00	
		Military appropriation bill, 1946	21,496,902,030.00	
		National war agencies appropriation bill, 1946	774,008,765.00	−3,844,713.00
		Second deficiency appropriation bill, 1945	[10] 3,527,335,808.31	
		Total pending	25,923,829,157.31	−3,844,713.00
		SUMMARY		
		Total, 76th Cong., 3d sess. [11]	8,994,015,828.00	
		Total, 77th Cong., 1st sess	49,396,437,450.00	662,000,000.00
		Total, 77th Cong., 2d sess	139,736,203,987.24	2,321,000,000.00
		Total, 78th Cong., 1st sess	105,916,492,320.82	363,795,494.00
		Total, 78th Cong., 2d sess	55,905,679,983.53	3,596,068,574.00
		Total, 79th Cong., 1st sess	22,628,291,618.91	1,399,008,413.00
		Permanent appropriations and net transfers from other than war activities appropriations [12]	283,526,588.43	
		Total approved	382,860,647,777.63	8,341,872,481.00
		Total pending, 79th Cong., 1st sess	25,923,829,157.31	−3,844,713.00
		Liquidations of 1940 and prior contract authorizations	−467,872,846.00	
		Total approved and pending appropriations and net contract authorizations, exclusive of Reconstruction Finance Corporation	408,316,604,088.94	8,338,027,768.00

[1] Consists of appropriations and net contract authorizations available on and after July 1, 1940. Excludes: (1) authorizations of the Reconstruction Finance Corporation and its affiliates for war purposes, and (2) unexpended balances of appropriations on June 30, 1940 (except immediately available funds from fiscal year 1941 appropriations), available for expenditure in the fiscal year 1941.

[2] Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose.

[3] Represents the net amount of contractual authority that the President may authorize in accordance with provisions of this act.

[4] Includes appropriations made available for prior years. For amounts, see appropriate footnotes in Treasury daily statement dated June 15, 1945, p. 16.

[5] Unappropriated contract authorizations for the naval expansion program are as follows:

Public Law No. 441	$2,171,000,000
Public Law No. 204 (estimated by Navy Department)	340,795,494
Public Law No. 375	55,000,000
Public Law No. 375 (estimated by Navy Department)	1,825,000,000
Public Law No. 529	60,000,000

[6] Revised. Public Law No. 347 has been reduced by $7,500,000, representing the amount repealed by Congress and carried to the surplus fund in accordance with provisions of this act.

[7] Includes $180,000,000 for the fiscal year 1945.

[8] Represents amount of prior appropriations repealed by Congress. The repeal of contractual authority has been applied to prior acts.

[9] Pending appropriations, as used herein, represent appropriation bills reported from the Committee on Appropriations to the House, or in subsequent stages of Congressional action before Presidential approval.

[10] Includes $2,742,548,420 for the fiscal year 1946, of which $2,475,000,000 represents lend-lease.

[11] For details of appropriations made by 76th Cong., 3d sess., see daily Treasury statement for Feb. 15, 1945, p. 20.

[12] Includes actual transfer of balances of the Bureau of Marine Inspection and Navigation from the Department of Commerce to Coast Guard, Navy, in the amount of $1,153,802 in accordance with Executive Order 9083, dated Feb. 28, 1942. Also includes $6,017,975.32 received as war contributions under authority of the Second War Powers Act and deposits of advance payments made by foreign governments to the Defense Aid Special Fund for the procurement of defense articles amounting to $102,813,053.77.

COOPERATION BETWEEN THE ARMY AND NAVY IN THE PURCHASE OF TEXTILES AND CLOTHING

Mr. GURNEY. Mr. President, I had hoped that I might have time during the day without disturbing the debate on the United Nations Charter to make a short brief statement in the nature of a pat on the back for the Navy and the Army because of their cooperative program which is of much benefit, not only to the military but also to the civilian population, the people at home. It has to do with purchases by the Army and Navy of textiles and clothing. It has to do with the record they have made in cooperative buying, so that the shirts, tenting, clothing materials, and similar materials manufactured by the textile mills can be more efficiently purchased for the military, thereby leaving more of the facilities of the mills available for the production of goods for the civilian population. I understand that the program has been instituted by Under Secretary of War Robert P. Patterson and Secretary of the Navy James Forrestal.

Rather than burden the Senate with an 8-minute or 10-minute talk on the subject at this time, in the course of which I would mention some examples of what they actually have done, I ask unanimous consent that the statement I have prepared be printed at this point in the RECORD, for the information of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, a source of annoyance to the Members of Congress is the oft repeated complaint that two or more Government bureaus or departments cannot seem to get together and work in unison toward a common goal. Consequently, when I have a concrete example showing that is is not only practical but possible, it is a personal pleasure as well as a duty to bring it to the attention of the Members of this body. And when the two agencies furnishing the exemple are the two largest wartime operators, the example is all the more striking.

I refer to the Army and Navy. As you know, each is a large buyer of textiles and clothing, each using the same goods to a large extent, and each making its procurements through its own long-established channels. Now, when private industry is straining its capacity to the utmost to produce wartime needs for a global war, it is of paramount importance that procurements should be coordinated and made, in the manner most compatible with necessity and ever mindful of hewing to the line of speed and economy.

It seems that this was also in the minds of the War and the Navy Departments, for they have been particularly active along these lines. Last year, the Under Secretary of War Robert P. Patterson and the Secretary of the Navy James V. Forrestal, then Under Secretary, got together on this matter and directed that a study be made in regard to the procurement of standard stock items, particularly in the field of clothing and textiles, with a view to coordinating purchases.

A sweeping survey was conducted by their staffs looking to the practicability of establishing purchasing offices for common items used jointly by Army and Navy procurement officers in strategic areas for the purpose of standardizing and coordinating procedures and purchase plans for the respective services.

As a result, in April of this year such a purchasing office for textile and clothing items was established in New York City. More than three months have passed since this action was taken, not long enough perhaps to gain a comprehensive view but certainly long enough to determine the feasibility of the operation. I have requested from the War and Navy Departments a preliminary report and I find that the move has been working out even better than anticipated for such a short time. I shall outline a few specific examples of how such coordination is working to eliminate red tape, paper work, and most important of all, the elimination of delay in acquiring items in which one service may be short at the time and the other is long.

First of all, most of us recognize the importance of paper work, a necessary evil and nonetheless vital, although it can be carried to excess, especially when different agencies are making use of different forms to accomplish the same result. The Army-Navy Purchasing Office quickly put into effect a common cost and price analysis form and now is drafting a common purchase order instrument form. Within the past two or three weeks when it was necessary to use the Office of Price Administration escalator clause, the Army and Navy got together and worked out a way by which industry receives but one type of form from both services.

As a more concrete example, recently the Army was in critical need of additional production in chambray shirts and the outlook was poor since the manufacturers had tendered to the Navy bids on more than 5,000,000 of this item. The Navy, however, was then in the process of making large reductions in its current monthly requirements and through coordination of effort, by each knowing what the other was doing, the Army was able to go to certain of these manufacturers and say, in effect: "The Navy doesn't need all of your production at the present time and we can take over 1,500,000 units of your output."

Blankets have been an important, and sometimes critical, item with all services. Recently the Army's current requirements were more than could be provided by the factories; however, the Navy was in the process of replacing a half million o. d. blankets with white shipboard blankets. The items being replaced were turned over to the Army, helping it out of a tight situation.

As a final example of how this is working out, I want to cite the following instance. Navy manufacturers recently were unable to meet that service's current requirements in the matter of sheets, while the Army was in good position and getting ready to place orders for its third quarter requirements; in view of Navy's immediate need for this item, the Army is making available a portion of its future requirements to the extent of nearly 1,000,000 sheets which had been offered but for which orders had not been placed. The Navy will reciprocate at the proper time.

Information has been placed in my hands showing how the same procedure of coordinating requirements and procurements is being effected in such items as twills, duck, wool, webbing, socks, shoes, and other standard items, together with specific instances. But the foregoing examples will suffice to illustrate what is being done.

I feel that it is only just that public attention should be directed to this fine example of cooperation on the part of these two great military services. Secretary Forrestal and Undersecretary Patterson are indeed to be complimented on the speed and efficiency with which they have effected this program. It is a tribute, too, to their ability and foresight that they have under them an able staff, ready and willing to carry out their directions.

LEGISLATIVE PROGRAM

Mr. BARKLEY. Mr. President, several days ago I indicated—I believe with general approval—that there would be no general program of legislation taken up following the vote on the Charter. Were it not for the terms of the resolution adopted by the House of Representatives and concurred in by the Senate, namely, that the Senate take a recess during August or September, I would be prompted to move tonight that we adjourn until the 8th of October. But we cannot do that until next Wednesday, which is the 1st of August.

It is my purpose, when we conclude the business of today, to move that the Senate adjourn until next Wednesday, because I know of no reason why the Senate should be in session Monday or Tuesday. There may be one or two little matters which should be disposed of on Wednesday, and regarding which there is no controversy. If there is any controversy regarding any of them, I shall not ask that they be taken up. One of them is a bill reported from the Finance Committee, providing that veterans of World War II who have lost limbs or their eyesight or have otherwise been injured be placed on the same basis as injured veterans of World War I. The measure is a House bill. While the Senate committee has proposed an amendment to it in one particular, and that amendment cannot be acted upon by the House of Representatives until the 8th of October, it was made clear to the committee that if the Senate passes the bill, so that these veterans will know now that they will have that legislation when Congress returns in October, it will be a great stimulus to their morale. I do not think anyone will object to the bill, and it may be possible for us to take it up on Wednesday.

Mr. LA FOLLETTE. Mr. President, in connection with the important piece of legislation which the Senator from Kentucky mentioned, namely, a bill providing for increases in the rates of compensation paid to veterans in amputation and other types of cases, I should like to call the attention of the Senator from Kentucky to a bill of much lesser importance, but one which has passed the House of Representatives, has come out of the Senate Finance Committee with a unanimous report, is not opposed by the Treasury, or the Joint Committee staff, and which, if passed on Monday or Wednesday, could go to the President for his signature, since no amendment has been proposed by the Senate committee. The measure to which I refer is House bill 3239, Calendar No. 518. If the Senator from Kentucky finds it possible to have the bill considered on Wednesday, I hope he will have it brought up.

Mr. BARKLEY. Mr. President, I appreciate the Senator's bringing the bill to my attention. I anticipate that there will be no difficulty in doing what he has suggested.

Mr. LA FOLLETTE. Mr. President, there is another simple bill, Calendar No. 519, House bill 122, which is in the same position. I think the Senator from Georgia will agree that those two bills might well be passed, because no amendments have been proposed to them by the committee. They are House bills, and they have the unanimous report of the Finance Committee.

Mr. GEORGE. Mr. President, the Senator is correct, and I hope the majority leader will bring them up.

ADJOURNMENT TO WEDNESDAY

Mr. BARKLEY. Mr. President, if there is nothing further which any Senator wishes to bring before the Senate, I move that the Senate adjourn until next Wednesday at 12 o'clock noon.

The motion was agreed to; and at 5 o'clock and 41 minutes p. m.) the Senate adjourned until Wednesday, August 1, 1945, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 28 (legislative day of July 9), 1945:

THE JUDICIARY

ATTORNEY GENERAL OF PUERTO RICO

Enrique Campos del Toro to be attorney general of Puerto Rico.

COLLECTOR OF CUSTOMS

James E. Manahan to be collector of customs for customs collection district No. 2, with headquarters at St. Albans, Vt.

IN THE NAVY

APPOINTMENTS IN THE NAVY FOR TEMPORARY SERVICE

David W. Bagley to be a vice admiral, to continue until his detachment from duty as a member of the Joint United States-Mexican Defense Committee, to rank from February 1, 1944.

Adolf V. S. Pickhardt to be a commodore, to continue while serving as chief of staff to commander, United States Naval Forces, northwest African waters, and until reporting for other permanent duty.

Roger E. Nelson to be a commodore, to continue while serving as commandant, United States naval operating base, Guam, and until reporting for other permanent duty.

James W. Boundy to be a pay director with the rank of commodore, to continue while serving as a fleet or force supply officer, United States Pacific Fleet, and until reporting for other permanent duty.

POSTMASTERS

ALABAMA

William O. Smith, Glen Allen.

CALIFORNIA

Irene Beckley, Grimes.
Otto J. Hanzlik, Nuevo.
George Christian, South Dos Palos.

COLORADO

Henry Joseph Kick, East Portal.
Rose E. Stocks, Evans.
Charles W. Knoll, Gardner.
Hazel H. Brown, Green Mountain Falls.
Esther Anna Holtz, Laporte.
Evelyn Myers, Palmer Lake.

CONNECTICUT

Carl J. Lauretti, Farmington.
Albert T. Babcock, Oakdale.
Kenneth R. Williams, Old Mystic.
George G. Emerson, South Lyme.
Benjamin Phelps, Staffordville.
Bertha M. Place, Tolland.
P. Stanley Barber, West Mystic.

DELAWARE

Mary A. Butler, Christiana.

FLORIDA

Ruth Akins, Bell.
Herman B. Wiggins, Hampton.
W. Wallace Waters, McIntosh.
James G. Pulliam, Minneola.
Joseph Frank Potts, Uleta.

IDAHO

Lillian H. Gibson, Arimo.
Seralda E. Hudson, Castleford.
Ethel W. Hatcher, Clark Fork.
Edward E. Schau, Gibbs.
Linus E. Small, Notus.
Nettie T. McClain, Pinehurst.
Alec L. Bull, Princeton.
John H. Clay, Riggins.

IOWA

Bert E. Fry, Adel.
William F. Dunn, Bernard.
Lee W. Lugar, Derby.
Anna E. St. Clair, Floris.
Nettie Evelyn Mack, Hardy.
Carmelita B. Collins, Imogene.
James Burnham Silsby, Lamoni.
Cora G. Bigelow, Lester.
Edith O. Jacobson, Ottosen.
Olive S. Squires, Palo.
Celestine M. Mischo, Panama.
Ervey Engelhardt, St. Olaf.
Emmett E. Butler, Treynor.
Lillie Grace Snakenberg, Webster.
Vera L. Coleman, Westgate.
Rubye E. Stegemann, Williamson.
Letha Doughten, Woolstock.

KENTUCKY

James S. Trosper, Allais.
Herman M. Hall, Allock.
Thomas C. Morton, Bandana.
Tina Mae Kirtley, Browder.
Lear Bates, Bypro.
Mary G. McGuire, Clay City.
Maxie Lee Wright, Cromona.
James B. Rone, Crummies.
Russell Harman, David.
Mack T. Tarry, Dexter.
Less Sarver, Falls of Rough.
Mollie Baker, Flat Lick.
Nancy Clark, Flatwoods.
Hugh P. Stanford, Glomawr.
Lela M. Wilson, Gracey.
May Z. Todd, Hillsboro.
Ora Potter, Jackhorn.
Norman Combs, Jeff.
Fannie M. Knifley, Knifley.
Albert L. Canter, Lynnville.
Golda P. Griffith, McVeigh.
Minnie E. Webb, Mayking.
Wilfred B. Haigis, Melbourne.
Lula P. Holbrook, Millstone.
Sallie B. Gilbert, Oneida.
Nelle A. Miller, Olmstead.
Edgar C. Harper, Quality.
Walter G. Revlett, Rumsey.
Mabel M. Day, Soldier.
Blanche Sanders, South Portsmouth.
Haleen Brooks Nunn, Sullivan.
Alexander White, Trappist.
Norma R. Huey, Union.
Rosy Mae McCloud, West Van Lear.
Jessie H. Blue, Wooton.
Lizzie Mary Oney, Worthington.

MICHIGAN

Cynthia K. Nelsey, Davisburg.
Blanche C. Papineau, Ensign.
Eldon S. G. Huber, Montrose.
Virginia Novacek, Union Pier.

MISSOURI

Albert P. Carr, California.
Charles A. Boyd, Camden Point.
Laura L. Procter, Centertown.
Vern Rozell, Chadwick.
Earle F. Stewart, Coffey.
Carlisle M. Randall, Craig.
Lawrence Ruckman, Denver.
Napoleon A. King, Des Arc.
William L. Shelton, Edgar Springs.
Lila B. Coull, Greenwood.
Edith B. Sympson, Guilford.
Ross N. Glasscock, Hartsburg.
William V. Mullies, Hume.
John E. White, Hunnewell.
Ethel M. Vaughan, Lanagan.
Roxie M. Shook, Larussell.
Prudy T. Keith, Leonard.
Marie E. Triplett, Long Lane.
Mora Tracy, Mayview.
Ruby M. Laurie, Osage Beach.
J. Ralph Brown, Patton.
Ethel McCurry, Pleasant Hope.
Virgil Reinhard, Pollock.
Mildred E. Vassar, Rothville.
Glen H. Rozell, Sparta.
Albert George Layton, Vanduser.

MASSACHUSETTS

Alice A. Hammond, Westport.

MINNESOTA

Clarence E. Scheibe, Cloquet.
Louis B. Matsch, Hastings.
Gerald B. Davis, Magnolia.
Everett H. Albers, Ottertail.
Datus M. Arnold, Redby.
Robert E. Lee, Redlake.
Walter B. Nelson, Wrenshall.

NEW HAMPSHIRE

Alvan E. Kallman, Dixville Notch.
Harold W. Henderson, East Barrington.
Carroll F. Clark, Francestown.
Charles M. Belyea, Glencliff.
Rolland L. Alexander, Harrisville.
Theodore W. Drew, Intervale.
Ida K. Samson, Jefferson.
Vernon H. Hall, Pittsburg.
Hazel D. Brown, Salem.
Clifford W. Tuttle, Spofford.
John E. Guard, Westville.
James F. Magee, Wolfeboro Falls.

NEW JERSEY

Laurance G. Wygant, Creamridge.
William Schmidt, Cologne.
Clara R. Andersen, Dorothy.
Lillian E. Nelson, Gillette.
Mary E. Vanderhoef, Lake Como.
Edeva M. Crater, Lake Hopatcong.
Elmer T. Smith, Middlebush.
Herbert W. Polhemus, Mantoloking.
Dorothy De Marino, Port Morris.
Virgil B. Zellars, Port Murray.
Linda H. Huntley, Port Republic.
Matthew Travalgio, Richland.
Jules S. Thebaud, Surf City.
Edward W. Johnson, West Creek.

NEW YORK

Howard Vadney, Feura Bush.

NORTH DAKOTA

Bridget E. Knudson, Amidon.
Charles E. Fleck, Arnegard.
Leo Rolle, Brinsmade.
Clara J. Graff, Erie.
Sara Gillies, Hensel.
Edwin H. Naumann, Kramer.
Lena R. Storvestre, Landa.
William J. Hanson, Luverne.
Benno G. J. Schimansky, Solen.
Hattie D. Heffernan, Ypsilanti.

OHIO

Charles W. Blake, Arcadia.
John Beymer, Belle Valley.
Lee A. Andrews, Birmingham.
Logan W. Watts, Briggsdale.
Lucille E. Gregg, Cable.
Oscar B. Morris, Cairo.
Ethel Van Derveer, Carlisle.
Nannie M. Radcliffe, Carpenter.
Angela McGaharan, Cecil.
Ruth Benton, East Orwell.
Vinnie Zaugg, East Rochester.
Frank I. Kepner, Everett.
Edith I. Retterer, Harpster.
Mabel Hobaugh, Harrisville.
Faye E. Kelley, Harveysburg.
Emma Grace Miller, New Burlington.
Don V. S. Biddinger, Nova.
Gertrude Ray, Ray.
Rhodabelle Campbell, Springboro.
Homer I. Crandall, Thompson.
Andrew F. Sautter, Tontogany.
Ray H. Davis, Unionport.
Fla Victoria Dipert, Vanlue.
Mary L. Bluhm, Vickery.
Russel D. Stewart, Wren.

OKLAHOMA

Norma Mitchell, Arkoma.
Grady B. Watson, Bessie.
Newport W. Sanford, Bethany.
Bently A. Cox, Bowlegs.
Hugh H. Swadley, Council Hill.
Mattie Graham, Eagletown.
Chester C. Cunningham, Fox.
Rose Reeder, Hardesty.
Arthur Duck, Keystone.
Claire S. Elliott, Lenapah.
Tommie L. Payne, Lone Grove.
Viola E. Mitchell, Longdale.
Harry B. Becker, Meno.
James M. Hardesty, Strang.
Leonard H. Roberts, Sweetwater.
Montye K. Richardson, Union.

OREGON

Anna May Conklin, Metzger.

PENNSYLVANIA

Wade S. Hoke, Acme.
Chester O. Weaver, Amity.
Henry O. Heisey, Avon.
Dyson F. Kennedy, Bendersville,
Essie B. Spangler, Blanchard.
Henry R. Shaddinger, Blooming Glen.
Celeste Ganassi Uram, Blythedale.

James R. Kern, Bowmansville.
Florence Ferrere, Boyers.
Catherine Radanovich, Bressler.
Agatha Mullany, Brockport.
Martin L. Serfass, Brodheadsville.
Ida P Sandine, Buena Vista.
Katharine H. Vail, Chester Springs.
Le Roy K. Lennon, Churchville.
Harry W. McArthur, Conneaut Lake Park.
Jason W. Shaffer, Creekside.
Jennie Eagono, Dresher.
Mary Jane Fay, East Smethport.
George E. Straub, Espy.
Anna M. Young, Fairview Village.
Bessie M. Durland, Falls.
Irene J. Brahosky, Forbes Road.
Jacob E. Haidle, Greenock.
Delilah Tormey, Harrison Valley.
Benjamin E. Hummel, Hummels Wharf.
J. Clifford Hillman, Lemont.
Paul T. Kline, Limerick.
Tennie S. Walter, Loyalhanna.
William E. Shelley, Mammoth.
Edward R. Eisenhauer, Mifflinville.
John K. Zullinger, Orrstown.
Henry G. Stauffer, Palm.
Archie F. Stewart, Penn Run.
William Paxson Bishop, Plumsteadville.
Palmer C. Bierly, Rebersburg.
Kathryn B. Borges, Royalton.
Mary. K. Minich, Salunga.
Earle F. Hausmann, Sanatoga.
Minnie M. Ritter, Shamokin Dam.
Agnes Marie Songer, Sigel.
Herman Gertslauer, Silverdale.
J. Harold Stoneback, Springtown.
Thomas R. McGuire, Swiftwater.
William E. Kresge, Tannersville.
Hazel C. Haylett, Utica.
Chester Erwin Mayer, Warrington.
Don F. Reed, West Leisenring.
J. Franklin Beach, Woodbury.

RHODE ISLAND

Laura Pellett, Alton.
Phebe P. Bentley, Coventry.

SOUTH DAKOTA

Gwyneath Field, Alexandria.
Catherine Kazmerzak, Erwin.
Theresia M. Benson, Hartford.
Martha L. Williams, Oelrichs.
Dagmer Eastman, Trent.
Percy G. Houghton, Willow Lake.
Edd A. Sinkler, Wood.
John W. Woods, Worthing.

TEXAS

Elma Martin, Apple Springs.
Ruth Hale Clary, Atascosa.
Mary F. Bluhm, Austwell.
Mary B. Bloodworth, Axtell.
Lucy F. Cowart, Banquete.
Claude O. Williams, Barry.
Mima Fessler, Bigwells.
Jennie H. Whittney, Brookston.
Leona D. Allen, Campbellton.
Lizzie Potts, Choice.
Anna M. Dunn, Clute.
Thomas O. Walton, College Station.
Rufus H. Chapman, Crowley.
Sidney L. Hooper, Donna.
Mary L. Spaw, Dripping Springs.
Ethel Barker, Duncanville.
Ella L. Martin, Eola.
Dena Butts, Farmers Branch.
Jessie M. Sims, Fluvanna.
Elvira E. Bush, Fort Hancock.
Ivah Smith, Glenflora.
Lora H. Hudgins, Hungerford.
Thomas C. Stell, Irene.
Douglas A. Bigony, Klondike.
Jessie Robinson, London.
Mary B. Rowley, Loving.
Caroline B. Fisher, Markham.
Arthur I. Tolleson, McLeod.
LaVerne G. Files, Monroe City.
Edith S. Cocek, Penelope.
Lora Mae Brashear, Petersburg.
Arthur E. Robison, Prosper.
Lela R. Maxwell, Quail.
Ina C. McClellan, Riovista.
John L. Guinn, Sagerton.
A. Delta Sanders, Scurry.
Ethel Miller, Stowell.
Joseph W. Caldwell, Sumner.
Plevna C. Garren, Turnersville.
Ella Hutchinson, View.
Helen I. Burks, Webster.
Lula G. Thornton, Westpoint.
Rena Dobie, Wimberley.
Andrew B. Cody, Winfield.
John F. Leigh, Yantis.

UTAH

Ephia E. Foster, Columbia.

WASHINGTON

Mabel M. Gavin, Malott.
Elsie J. Trana, Maple Valley.

WEST VIRGINIA

Aaron E. Altizer, Accoville.
Ezra R. Patterson, Besoco.
Dorothy M. Ferguson, Braeholm.
Mearl C. Freeland, Burton.
Thomas W. Alkire, Carolina.
Ina Knapp, Cedar Grove.
Claudia F. Halstead, Colcord.
Strauss B. Herold, Craigsville.
Ruth Corns, Davin.
Maude Price, Dott.
Fannie C. Fleener, Eunice.
A. Wirt Berry, Flat Woods.
Lula Griffin, Friendly.
Harry Lowe, Gallagher.
John Sevcik, Jr., Galloway.
Flossie M. Powell, Glen Morgan.
Albert H. Taylor, Hugheston.
Harriet W. Stephenson, Jolo.
Lula Tharpe, La Frank.
William W. McFann, Lesage.
J. Finley Cottrell, Mahan.
Lorena D. Lewis, Malden.
Ruth B. Daugherty, Mineralwells.
Claud M. Mick, Orlando.
Forest N. Walkup, Pax.
Noretta M. Lucado, Pemberton.
Mabel Galeota, Pursglove.
Kenna J. Parsons, Putney.
Holly R. Young, Quincy.
Pearl B. Savage, Rosemont.
Alice Nemith, Short Creek.
Mary Thelma Garrett, Simpson.
George Lee, Slagle.
George E. Harvey, Sprague.
Catherine Hill Glass, Talcott.
Ansel C. Lambert, Volga.
Hazen S. De Vaughn, Walker.
Ruby M. Lehew, Waverly.
Harry M. Wright, Wiley Ford.
Jean Dalton, Worth.

WISCONSIN

Sam Johnson, Chaseburg.
Dorothy B. Mills, Jim Falls.
Robert G. Winkler, Rochester.
Emil R. Kolash, Yuba.

SENATE

WEDNESDAY, AUGUST 1, 1945

Rev. Bernard Braskamp, D. D., pastor of the Gunton Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty God, we thank Thee that daily Thou art authenticating our faith with new assurances of Thy loving kindness and gracious purpose for all mankind.

We pray that we may never yield to that paralyzing type of fatalism which blatantly declares that our faith is vain and that all our efforts to build a social order upon justice and good will are futile.

We rejoice that Thy servants have responded with faith and courage to their high calling of statesmanship by ratifying a charter which we confidently believe will release the hidden splendor of humanity and open the way to the more abundant life.

Grant that men and nations everywhere may now earnestly strive to implement its principles and purposes with a will to have peace, a will to live together happily, and a will to seek one another's welfare.

May the Lord bless us and keep us; the Lord make His face to shine upon us and be gracious unto us; the Lord lift upon us the light of His countenance and give us peace.

In the name of the Christ our Saviour. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Saturday, July 28, 1945, was dispensed with, and the Journal was approved.

THE UNITED NATIONS CHARTER—STATEMENT BY SENATOR WHEELER

Mr. WHEELER. Mr. President, a few days ago, in the course of the debate on the United Nations Charter, a question arose with reference to a statement which appeared in the Democratic platform, and I insisted on having the words "in case of attack" included in the platform.

What I insisted on having in the Democratic platform was a statement that American troops should not be sent out of the Western Hemisphere. I inadvertently made a misstatement during the debate the other day when I said that I insisted upon the insertion of the words "in case of an attack." I assumed, and I assume today, that at any time any nation is attacked it has a right to send its troops anywhere it wishes, because that is part of the sovereign power of the Government itself.

As I recall, what actually took place was that Secretary Byrnes, then Senator Byrnes, came to me and stated that there were some who wanted to have in the platform a modification of the suggested plank containing the words "in case of attack." I agreed with that, because, as I stated at that time, I assumed that any sovereign power which was attacked, of course, had the right to send its troops any place it desired.

I merely wished to make this statement in order to clarify the record.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that on July 28, 1945, the President had approved and signed the following acts:

S. 592. An act for the relief of the estate of James Arthur Wilson, deceased; and

S. 714. An act to amend the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," as amended.

TREATY OF GREENE VILLE CELEBRATION

The PRESIDENT pro tempore. The Chair announces that in accordance with the provisions of section 1, Public Law 159 (H. J. Res. 195), approved July 21, 1945, the Chair appoints the Senator

from Kentucky [Mr. BARKLEY] and the Senator from Ohio [Mr. BURTON] as members on the part of the Senate to the Treaty of Greene Ville Celebration.

Mr. BARKLEY. Mr. President, I appreciate the Chair having appointed me on this Commission. The Senator from Ohio [Mr. TAFT] is the author, I believe, of the resolution which was adopted.

Mr. TAFT. No; it is a House joint resolution.

Mr. BARKLEY. That is correct, but the Senator from Ohio was much interested in the Ohio celebration at Greenville, and the suggestion was made that I be appointed a member of the Commission. I doubted whether I could attend this celebration, which is to take place Friday of this week. It is now certain that I cannot attend; and, if there is any other Senator who can serve, I should like to have his name substituted for mine. I would enjoy going to this celebration if it were possible, but it is simply impossible for me to attend it, and if there is any other Senator who can do so, I shall be glad to have him substitute for me.

The PRESIDENT pro tempore. Under the resolution there must be one Republican and one Democrat.

Mr. TAFT. Mr. President, I feel that the men who are in charge of this anniversary celebration would like to have the name of the Senator from Kentucky on the Commission even though he is unable to attend. I know they would like to have him present, of course, but I also know they would like to have his name in connection with the Northwest Territory in which as a Kentuckian he is so interested.

Mr. BARKLEY. I appreciate the Senator's expression. I have had a number of letters this week and telephone calls urging me to attend the celebration, but the situation is such that I cannot do so, much as I should like to. If, however, the Senator wants me to be on the Commission, I shall be glad to serve and under the circumstances do what I can.

Mr. TAFT. Mr. President, I may announce that the President has appointed as the three members authorized to be appointed by him Hon. Byron B. Harlan, of Dayton, Ohio; Hon. Harry Jeffrey, of Dayton, Ohio, both former Representatives in Congress; and Mr. Ralph Peters, of Defiance, Ohio. I may also say that the Speaker of the House of Representatives has appointed Hon. ROBERT CROSSER, a Representative in Congress from the Cleveland district, and Hon. ROBERT S. JONES, a Representative in Congress from the Fourth Ohio District. I make this statement so that it may be of record.

Mr. BURTON. Mr. President, in the matter of the Greenville celebration I wish to thank the President pro tempore for my appointment on the Commission, and I wish to say to the Senator from Kentucky that we will greatly miss his presence if he is unable to be there on August 3. If he will give me a message to convey to the meeting at that time I shall be happy to convey it because in the old days the soldiers of Kentucky and Ohio fought the campaign together in that area that led to the Treaty of Greene Ville that brought peace to the Northwest. We certainly would like to be able to convey a direct message from Kentucky. I hope the Senator will send such a message, for the Kentucky troops cooperated greatly with those of my State.

Mr. BARKLEY. Of course, if it had not been for those soldiers Ohio in all likelihood would still be a part of the British Empire as well as the rest of that territory.

Mr. BURTON. We think we have perhaps justified the effort made in our behalf.

Mr. BARKLEY. We are proud we made the effort and are glad not only to welcome that magnificent territory as a part of this great Nation, but I myself as a Kentuckian have always been proud of the State of Ohio.

Mr. BURTON. I may say that the territory to which we refer includes not only Ohio but Indiana, Illinois, Michigan, Wisconsin, and a part of Minnesota, and we feel an indebtedness to the soldiers of Kentucky and Virginia who took part in this contest, under the leadership of that great citizen of Pennsylvania, Maj. Gen. Anthony Wayne.

Mr. BARKLEY. There is no doubt that they did a big job.

Mr. BURTON. Yes; and then the negotiation of the treaty was quite as important as the battle.

Mr. BARKLEY. I appreciate that.

CONGRATULATIONS OF COLOMBIA SENATE ON ANNIVERSARY OF BIRTH OF THE AMERICAN REPUBLIC

The PRESIDENT pro tempore laid before the Senate a telegram from the President of the Senate of Colombia, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

[Translation]

BOGOTA, COLOMBIA.

His Excellency PRESIDENT OF THE SENATE,
Washington, D. C.:

I have the honor of transmitting to you the following motion approved by the Senate of the Republic. The Senate of Colombia presents hearty greeting to the Senate of the United States of America and through it to that great sister Nation on the anniversary of their independence and prays for the glorious triumph of its arms in the heroic war which it is carrying on against the enemies of democracy.

Yours sincerely,

ADAM URIBE RESTRE,
President of the Senate of Colombia.

REPORT OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM (PT. 4 OF REPT. NO. 110)

Under authority of the order of the Senate of July 28, 1945,

Mr. MEAD, from the Special Committee to Investigate the National Defense Program, submitted, pursuant to Senate Resolution 71, Seventy-seventh Congress, extended by Senate Resolution 55, Seventy-ninth Congress, on July 30, 1945, an additional report, which was ordered to be printed.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF WAR CONTRACT TERMINATIONS AND SETTLEMENTS

A letter from the Director of the Office of Contract Settlement, transmitting, pursuant to law, the fourth quarterly progress report of that office entitled "War Contract Terminations and Settlements" (with an accompanying report); to the Committee on Military Affairs.

REPORT ON INDUSTRIAL ELECTRIC POWER IN THE UNITED STATES, 1939–45

A letter from the Chairman of the Federal Power Commission, transmitting, for the information of the Senate, a copy of the Commission's newly issued report entitled "Industrial Electric Power in the United States, 1939–45" (with an accompanying report); to the Committee on Commerce.

PERSONNEL REQUIREMENTS

Letters from the Chairman of the President's Committee on Fair Employment Practice, the associate director of the National Park Service, the Chairman of the National Mediation Board, and the Chairman of the Selective Service System, transmitting, pursuant to law, personnel requirements for their respective offices for the quarter ending September 30, 1945 (with accompanying papers); to the Committee on Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A letter in the nature of a petition from Catherine B. Coward and Katherine V. Hanna, employees of the Bureau of Aeronautics, Navy Department, Washington, D. C., expressing appreciation on the enactment of the bill (S. 807) to improve salary and wage administration in the Federal service; to provide pay for overtime and for night and holiday work; to amend the Classification Act of 1923, as amended; to bring about a reduction in Federal personnel and to establish personnel ceilings for Federal departments and agencies; to require a quarterly analysis of Federal employment; and for other purposes; to the Committee on Civil Service.

The petition of Thomas J. Reardon, of Hartford, Conn., praying that the Senate rescind its action in ratifying the United Nations Charter; to the Committee on Foreign Relations.

A resolution adopted by the Chicago (Ill.) Chapter of the Military Order of the World Wars, favoring ratification of the United Nations Charter; ordered to lie on the table.

A radiogram from B. D. Crandon, of Honolulu, T. H., commending the Senate on ratification of the United Nations Charter; ordered to lie on the table.

By Mr. TYDINGS:

A resolution adopted by the League of Maryland Sportsmen, Inc., Middle River, Md., favoring the enactment of the bill (H. R. 519) to prevent pollution of the waters of the United States and to correct existing water pollution as a vital necessity to public health, economic welfare, healthful recreation, navigation, the support of invaluable aquatic life, and as a logical and desirable postwar public-works program; to the Committee on Commerce.

A resolution adopted by the American Disabled Veterans, Department of Maryland, Baltimore, Md., favoring enactment of legislation to extend the authority and jurisdiction of the United States over submarginal lands not less than 150 miles from the shore line of the several States and possessions of the United States; to the Committee on the Judiciary.

UNITED NATIONS CHARTER

Mr. MCMAHON. Mr. President, I present for appropriate reference a resolution unanimously adopted at an honor-roll meeting of 1,000 citizens in the northwest district of Hartford, Conn., July 24, 1945, relating to the United

Nations Charter, and request that it be printed in the RECORD.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

Resolution adopted unanimously July 24, 1945, at honor-roll meeting of 1,000 citizens in Hartford's northwest district

Residents of Hartford's northwest district want their country to lead in the attempt to assure lasting peace in the world. Honor rolls in this section record the great contribution of the homes to the defense of democracy. On the home front, they have met loyally every demand for service, contribution, and sacrifice.

In return, they ask their representatives to record the State of Connecticut against a third world war. They ask Connecticut Senators to vote for ratification of the United Nations Charter without amendment and they ask the Representatives of this State to work and vote for all policies and measures that will help to assure an effective organization of the nations of the world for peace.

COMPULSORY PEACETIME MILITARY TRAINING

Mr. TAFT. Mr. President, I present for appropriate reference a letter from a corporal in the Army, signed by a number of corporals, in opposition to compulsory peacetime military training. I think the letter sets forth the argument very well from the point of view of the present serviceman. I may say that the letter was not addressed to a Senator, but was sent to me by the mother of one of the boys. I ask unanimous consent that the letter may be printed in the RECORD.

There being no objection, the letter was referred to the Committee on Military Affairs and ordered to be printed in the RECORD, as follows:

GERMANY, *June 11, 1945.*

DEAR SIRS: This a letter of appeal from a few of us who were, upon reading the results of a poll by Fortune magazine, disturbed to learn that the majority of Americans favor compulsory peacetime military training.

We have always had our views on the subject, but heretofore we have maintained the attitude that those at home were capable of making the wisest decisions concerning such matters. That, however, was before we had fought and won the war in Europe. Now that we have more time to study public opinion on this vitally important topic, we ask ourselves if, during those months of cold, fear, and sorrow, we accomplished the things we were supposed to be fighting for. Yes; we were disturbed because the impression here had been that our efforts would result in a free way of life for not only ourselves, but also for our sons and all other American boys.

We ask very little for what we have done. The only thanks we ask is in the form of some action, by those of influence, toward an international agreement that would eliminate this breach of democracy.

Those in favor of compulsory peacetime military training insist that a year in the Army is of much benefit to an 18-year-old boy. If this is true, training procedure and general conditions have been greatly revised since we received our initial training 2 years ago. The type of training received by a boy will be outmoded or forgotten a short time after he leaves the service. The Army doesn't make a man out of a boy. It does, however, interrupt him at an important phase of his life and is a definte strain on his moral standards. What percentage of those who advocate this program have undergone a year of this training?

We could name some friends who are no longer with us, who shared our views. They gave their lives for certain ideals. Are the people at home going to betray their sacrifices?

Sincerely yours,

Cpl. RICHARD D. REEDER,
Battery B, Two Hundred and Eightieth Field Artillery Battalion, APO 339, care of Postmaster, New York, N. Y.

Signed: Cpl. Marlin Preble, Pfc Robert Larsen, Pfc Mathew R. Mendoza, Pfc John R. Watson, Cpl. Mort Morris, FA, Cpl. Dee Vo Fondy, Jr., Cpl. William William F. Hantke, Cpl. Eugene A. Singer, Cpl. Floyd D. Roberts.

DESIGNATION OF BIRTHDAY OF THE LATE PRESIDENT FRANKLIN D. ROOSEVELT AS A NATIONAL HOLIDAY

Mr. WAGNER. Mr. President, I present for appropriate reference a resolution adopted by Buffalo (N. Y.) Aerie, No. 46, Fraternal Order of Eagles, memorializing the Congress to designate the birthday of the late President Franklin Delano Roosevelt as a national holiday, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Resolution memorializing Congress to designate the birthday of the late President Franklin Delano Roosevelt as a national holiday

Whereas Franklin Delano Roosevelt served as President of the United States from March 4, 1932, until his untimely death on April 12, 1945, having been elected to four successive terms and having become the first American President honored by his fellow citizens with more than the traditional two terms; and

Whereas President Roosevelt assumed office during the depression, one of the great domestic crises in the Nation's history, and by wise, courageous, and humanitarian leadership restored confidence and faith in America;

Whereas President Roosevelt championed the cause of the workingmen of America and ushered in a new era of consideration for the rights of labor and the common man;

Whereas President Roosevelt espoused and signed the National Society Security Act generally recognized as the greatest social measure in American history, climaxing a 14-year educational campaign by the Fraternal Order of Eagles in behalf of State and Federal old-age security legislation;

Whereas President Roosevelt awakened our Nation to the menace of fascism to our free institutions and our very existence as a free people, and led America and its allies, the United Nations, in the mightiest world struggle for human freedom, culminating in the unconditional surrender of Germany and in decisive victories over Japan;

Whereas President Roosevelt charted a course for preventing future wars, by means of a permanent world peace organization, economic cooperation, and international good will, thereby embodying during the most critical period in modern history the hopes, the aspirations, and the ideals of his fellow countrymen, and the oppressed peoples of the entire world;

Whereas Franklin Delano Roosevelt is assured an immortal place in world history, and will earn the gratitude of American generations yet to come, and the esteem and affection of free peoples in all lands: Now, therefore, be it

Resolved, That Buffalo Aerie, Fraternal Order of Eagles, hereby respectfully petition the Congress of the United States to designate January 31, the birth date of Franklin Delano Roosevelt, as a national holiday; and be it further

Resolved, That copies of this resolution be sent to the United States Senators from this State and the Congressman of this district.

INCREASE IN SALARIES OF FEDERAL JUDGES

Mr. WAGNER. Mr. President, I also present for appropriate reference a resolution adopted on April 6, 1945, by the board of trustees of the Los Angeles Bar Association, favoring increase in the salaries of Federal judges in the amounts provided for in H. R. 2181, which is identical with the companion bill S. 920, introduced by me on April 16, 1945 and now pending before the Judiciary Committee of the Senate. I ask unanimous consent that the resolution may be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

Whereas it has come to the attention of the board of trustees of the Los Angeles Bar Association that a measure has been introduced in Congress, H. R. 2181, which is designed to increase the salaries of all Federal judges by $5,000 a year; and

Whereas there has been no increase in the salaries of the Federal judiciary since 1926; and

Whereas the Supreme Court of the United States in 1939 upheld a statute enacted by Congress in 1932 imposing income taxes on the salaries of all judges appointed after the enactment of such statute; and

Whereas recently in the Public Salary Tax Act of 1939 Congress has provided that the salaries of judges who took office before the passage of the Revenue Act of 1932 should be included in gross income for Federal income tax purposes; and

Whereas the cost of living has risen very substantially in the last 20 years; and

Whereas the increase in the salaries of all Federal judges by $5,000 a year will only have the effect of approximately restoring to the Federal judges' income the amount taken therefrom by income taxes and the increased cost of living: Now, therefore, be it

Resolved, That this association favors the increase in the salaries of the Federal judges in the amounts provided for in said measure H. R. 2181, and recommends that said increase be put into effect immediately; and be it further

Resolved, That a copy of this resolution be sent to the Senators from the State of California and to each Congressman from districts within Los Angeles County.

DISTRIBUTION AND QUALITY OF FOOD FOR DEFENSE WORKERS—PETITION

Mr. CAPPER. Mr. President, I present for appropriate reference a petition I have received from members of the American Federation of Labor at Pittsburg, Kans., asking that our own people be given an opportunity to obtain the food commodities essential to maintain their working strength before the peoples of other countries are supplied, and ask unanimous consent that it may be printed in the RECORD.

There being no objection, the petition was referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: Whereas the members of all AFL labor organizations, desire to be patriotic in every sense of the word, as they have proved by their production record during the war, and as a reward for that record, they feel that they should be given the chance to obtain the food commodities essential to maintain their working strength, before the peoples of other countries are supplied: Therefore be it

Resolved, That as our war is now with Japan, and having furnished material and food for all concerned on the European fronts, during the war with Germany and Italy, we now desire that after our armed forces are fully supplied with food, that we, the workers on the home front, be given a better distribution, and greater quantity of food, before the needs of foreign countries are taken care of.

This resolution endorsed by the following AFL organizations:

F. J. Schneider, President, Carpenters' Local Union No. 561, Pittsburg, Kans.; O. R. Green, President, Local Union No. 931, Pittsburg, Kans.; Lon. Richards, President, Local Union No. 154, Pittsburg, Kans.; Warren J. Heaton, President, Local Union No. 664, Pittsburg, Kans.; Wm. Happman, President, Local Unions Nos. 303 and 322, Pittsburg, Kans.; Alex Horvat, President, Local Union No. 312, Pittsburg, Kans.; B. W. Kasmett, Vice President, Local Union No. 326, Pittsburg, Kans.; Walter E. Tanner, President, Local Union No. 167, Pittsburg, Kans.; A. C. Oahme, President, Local Union No. 4, Pittsburg, Kans.; L. C. Baker, President, Electricians' Local Union No. B-95, Pittsburg, Kans.; Lon. Richards, President, Council United Trades and Labor Council, Pittsburg, Kans.; L. L. Hall, President Council of Building Trades, Pittsburg, Kans.

SUGGESTED APPOINTMENT OF ORIE L. PHILLIPS AS ASSOCIATE JUSTICE, SUPREME COURT OF THE UNITED STATES

Mr. CAPPER. Mr. President, I present resolutions adopted by the Wichita (Kans.) Bar Association, urging the appointment of Circuit Judge Orie L. Phillips to be an Associate Justice of the Supreme Court of the United States.

Judge Phillips, who is a member of the Circuit Court of Appeals which has jurisdiction over Kansas cases, is one of the ablest and best fitted jurists in the West. He is a Republican, and I certainly feel, and feel strongly, that with only one Republican now on the Supreme Bench, the existing vacancy should be filled by the appointment of a Republican. There are many reasons why our section of the country should be represented on the highest court in the land.

I ask unanimous consent that the resolutions may be printed in the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

At a special meeting of the Wichita Bar Association, held at Wichita, Kan., on the 27th day of July 1935, the following resolution was unanimously passed:

"Judge Orie L. Phillips has a Nation-wide acquaintance not confined to lawyers, and a public spirit not confined to courts.

"His liberal mind combines the elasticity of youth with the maturity of great experience on the district and appellate benches.

"He is deeply sensible of the needs of the returning veteran and of the problems presented by the transition from war to peace in this World War II, as in the first.

"He has consistently and actively advocated a postwar organization of the nations for peace and law, and he has addressed many bar associations on the subject, including the American Bar Association.

"To the revision and simplification of the rules of civil and criminal procedure and in other aspects of the statesmanship of justice, he has contributed the benefit of his learning and experience in the midst of a busy and useful life.

"He comes from a great section of this country which has not been represented on the Supreme Court of the United States for more than a generation and whose contribution of natural and human resources to our great country is justly entitled to the recognition now sought: Now, therefore, be it

"*Resolved,* That the Wichita Bar Association in special meeting assembled, hereby endorses Orie L. Phillips for appointment to fill the vacancy on the Supreme Court of the United States; be it further

"*Resolved,* That a copy of this resolution be transmitted to President Harry S. Truman, United States Attorney General Thomas C. Clark, Senator Arthur Capper, and Senator Clyde M. Reed."

Dated at Wichita, Kans., this 27th day of July 1945.

A. V. ROBERTS,
President of the Wichita Bar Association.
Attested:
J. RODERICK, MAYAN,
Secretary.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the month of July 1945, from the chairman of certain committees, in response to Senate Resolution 319 (78th Cong.), relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the able and to be printed in the RECORD, as follows:

SENATE COMMITTEE ON APPROPRIATIONS

AUGUST 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
John F. Feeney	1425 Rhode Island Ave. NW.	General Accounting Office, Washington, D. C.	$7,070
Harold E. Merrick	906 Aspen St. NW.	do	5,600
Thomas J. Scott	1210 34th St. SE.	Federal Bureau of Investigation, Washington, D. C.	5,390
Mrs. Mamie L. Mizen	1434 Saratoga Ave.	District of Columbia government	3,970

KENNETH MCKELLAR, *Acting Chairman.*

SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION

AUGUST 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of July, in compliance with the terms of Senate Resolution No. 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lauretta April	2714 Quarry Rd. NW., Washington, D. C.	War Production Board, 3d and Independence Ave. SW.	$4,300
Groff Conklin	514 2d St. NW., Washington, D. C.	do	6,230
Philip C. Curtis	4303 Russell Ave., Mount Rainier, Md.	Navy Department, 18th and Constitution Ave. NW.	5,180
Richard P. Daniels	1743 Columbia Rd. NW., Washington, D. C.	Federal Public Housing Authority, 1201 Connecticut Ave. NW.	1,704
Marion Dillon	3659 Minnesota Ave. SE., Washington, D. C.	Navy Department, 18th and Constitution Ave. NW.	3,200
Rose Gerber	2513 14th St. NE., Washington, D. C.	do	2,000
Joseph McMurray	120 C St. NE., Washington, D. C.	Department of Labor, 14th and Constitution Ave. NW.	5,180
Carl Malmberg	1813 F St. NW., Washington, D. C.	Federal Security Agency, 1825 H St. NW.	7,175
Love Morgan	1607 18th St. SE., Washington, D. C.	Veterans' Administration, Vermont Ave. and I St. NW.	2,320
Ruth Morgenstein, M. C., AUS.	3022 Rodman St. NW., Washington D. C.	do	2,980
Lt. Leslie Falk, M. C., USNR.	2804 Terrace Rd. SE., Washington, D. C.	U. S. Army, Pentagon Bldg.	2,000
Lt. Comdr. John B. Truslow.	2007 Peabody St., West Hyattsville, Md.	U. S. Navy, 18th and Constitution Ave. NW.	3,000

CLAUDE PEPPER, *Chairman.*

COMMITTEE ON PUBLIC LANDS AND SURVEYS

JULY 30, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of July, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944. (See attached memorandum.)

CARL A. HATCH,
Chairman.
W. H. MCMAINS,
Clerk.

JULY 30, 1945.

To: Senator CARL A. HATCH, chairman, Senate Committee on Public Lands and Surveys.

From: Senator PAT MCCARRAN, chairman, Subcommittee Investigating the Administration and Use of Public Lands.

The following persons are detailed from the Department of Agriculture to assist with the work of the above subcommittee:

E. S. Haskell, senior administrative officer, Forest Service, CAF-12; basic salary $5,000 per year.

Elizabeth Heckman, clerk, CAF-5; basic salary, $2,000 per year.

SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM—AUTHORITY TO FILE REPORTS

Mr. MEAD. Mr. President, I ask unanimous consent that the Senate committee investigating the war effort may be given permission to file the following reports during the coming recess:

Carbon black and rubber;
Investigations in the Caribbean area;
Lumber;
Housing;
Transportation;
Critical materials;
Coal; and
Manpower.

These reports are practically ready; they will be submitted very shortly.

The PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CONNALLY:

S. 1335. A bill to aid in stabilizing and supporting the prices of livestock during the period of 2 years following the cessation of hostilities in the present war; to the Committee on Agriculture and Forestry.

By Mr. WHITE (for Mr. YOUNG):

S. 1336. A bill to transfer certain real and personal property in Ward County, N. Dak., to the State of North Dakota acting by and through the Industrial Commission of North Dakota; to the Committee on Public Lands and Surveys.

Mr. STEWART. Mr. President, I introduce for appropriate reference a bill to make the Smaller War Plants Corporation a peacetime agency of the Government with power to make loans to small business concerns and to insure loans made to small business concerns by banks throughout the country. I shall have something to say about the bill later.

The PRESIDENT pro tempore. The bill introduced by the Senator from Tennessee will be appropriately referred.

By Mr. STEWART:

S. 1337. A bill to make the Smaller War Plants Corporation a peacetime agency of the Government with power to make loans to small business concerns and to insure loans made to such concerns by banks; to the Committee on Banking and Currency.

By Mr. TUNNELL:

S. 1338. A bill for the relief of Wayne Edward Wilson, a minor; to the Committee on Claims.

By Mr. DOWNEY:

S. 1339. A bill to provide for a review of decisions of the Civil Service Commission with respect to character and loyalty of Government employees, and applicants for Government employment, and for other purposes; to the Committee on the Civil Service.

By Mr. KILGORE (by request):

S. 1340. A bill to amend section 33 of the Longshoremen's and Harbor Workers' Compensation Act; to the Committee on the Judiciary.

By Mr. CORDON:

S. 1341. A bill for the relief of T. H. Allen, et al.; to the Committee on Claims.

By Mr. WAGNER (for himself and Mr. ELLENDER):

S. 1342. A bill to establish a national housing policy and provide for its execution; to the Committee on Banking and Currency.

By Mr. MCCARRAN:

S. 1343. A bill to provide for the Presidential succession in case of removal, death, resignation, or inability both of the President and Vice President of the United States; to the Committee on the Judiciary.

By Mr. WHEELER:

S. 1344. A bill to amend section 25 (b) of the Interstate Commerce Act so as to authorize the Interstate Commerce Commission to require the adequate lighting of cabooses; to the Committee on Interstate Commerce.

By Mr. THOMAS of Utah:

S. 1345. A bill relating to the election of a President and a Vice President; to the Committee on Privileges and Elections.

By Mr. PEPPER:

S. 1346. A bill for the relief of Willie H. Johnson; and

S. 1347. A bill for the relief of Bernard C. Hodapp; to the Committee on Claims.

By Mr. PEPPER (for himself and Mr. MORSE):

S. 1348. A bill to amend certain provisions of the Social Security Act and the Internal Revenue Code in order to bring within the scope thereof industrial operations performed on agricultural commodities and to confine exemptions to farming and related activities; to the Committee on Finance.

By Mr. PEPPER (for himself, Mr. MEAD, Mr. KILGORE, Mr. MYERS, Mr. WAGNER, Mr. CHAVEZ, Mr. MAGNUSON, Mr. GUFFEY Mr. MURRAY, and Mr. THOMAS of Utah):

S. 1349. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Education and Labor.

(Mr. O'DANIEL introduced Senate bill 1350, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

By Mr. DOWNEY:

S. J. Res. 88. Joint resolution to encourage foreign travel by war veterans and others; to the Committee on Banking and Currency.

(Mr. PEPPER (for himself, Mr. WAGNER, Mr. MURRAY, Mr. CAPPER, Mr. BALL, and Mr. SMITH) introduced Senate Joint Resolution 89, which was referred to the Committee on Education and Labor, and appears under a separate heading.)

(Mr. JOHNSON of Colorado introduced Senate Joint Resolution 90, which was referred to the Committee on Finance, and appears under a separate heading.)

FORMATION OF AN INTERNATIONAL HEALTH ORGANIZATION

Mr. PEPPER. Mr. President, on behalf of myself, the Senator from New York [Mr. WAGNER] the Senator from Montana [Mr. MURRAY], the Senator from Kansas [Mr. CAPPER], the Senator from Minnesota [Mr. BALL], and the Senator from New Jersey [Mr. SMITH] I introduce for appropriate reference a joint resolution authorizing the President to provide for the speedy convening of an international conference to establish a permanent international health organization.

The joint resolution (S. J. Res. 89) relative to the formation of an international health organization, introduced by Mr. PEPPER (for himself, Mr. WAGNER, Mr. MURRAY, Mr. CAPPER, Mr. BALL, and Mr. SMITH), was read twice by its title and referred to the Committee on Education and Labor.

Mr. PEPPER. Mr. President, I ask unanimous consent that there may appear immediately following my remarks at this point in the RECORD a statement by me supporting the joint resolution I have just introduced.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF INTERNATIONAL HEALTH ORGANIZATION

Mr. President, I rise to urge the speediest possible formation of an International Health Organization. Such an organization is one of the essentials for permanent peace.

Disease and ill health have been among the great scourges of mankind in all recorded history. Epidemics and pestilences have leveled populations, set civilizations back sometimes for centuries, and contributed to tremendous upheavals in the economic and social order. During this war, epidemics, malnutrition, and disease have also swept over the world. Bubonic plague, diphtheria, typhoid fever, dysentery, venereal and other diseases, have accompanied the war that Hitler, Mussolini, and Hirohito forced upon the peoples of the earth.

In the winter of 1943–44 typhus fever broke out in Naples, and was stopped only by the magnificent work of the United States Typhus Commission working with the United States Army and other groups. Typhus is of epidemic proportions in the Balkans and in Germany, especially in the pest holes where prisoners of war and foreign slave labor were kept. Bubonic plague broke out in the Suez Canal zone in 1943 and 1944. Diphtheria cases were three times higher in 1943 than the prewar level in the 12 European countries for which figures are available. The general picture is substantially as serious for most of the common infectious diseases such as cerebrospinal meningitis, typhoid fever, dysentery, and infantile paralysis, according to the Chief of the Epidemiological Information Service of UNRRA. In Holland there were 14 times as many cases of dysentery in 1943 as there were before the war. Venereal disease has spread even in the Scandinavian countries, which before the war led the world in the control of these diseases. Infectious jaundice has swept North Africa and Europe and has been a major cause of disability during World War II. Malaria is reported to have assumed epidemic proportions in Greece. Tuberculosis, following social distress as it always does like a vulture, has increased in France, the Netherlands, and elsewhere. At this very moment, cholera is rampant in China.

FUTURE THREAT

Up to this time, we have not experienced any sweeping world-wide epidemic like the terrible influenza pandemic in 1919, which in 6 months took 20,000,000 lives. But we must remember that the influenza epidemic did not come until 1919, after the armistice had been signed, and after the fighting had ceased. It was also after the armistice that the great typhus and other pestilences swept across eastern Europe, taking the lives of millions of victims. At that time there was no international health organization with power and technical means effective enough to stop these epidemics.

According to outstanding authorities in this field, I am told, the world faces much of the same danger at the present time. Conditions are ripe for epidemics. Some of these conditions are the great forced or voluntary population movements, the continued low food supplies, the bombed-out living and sanitary facilities in the big cities, and the

lowered physical and mental status of the people.

UNRRA

It may be asked, "Isn't UNRRA, the United Nations Relief and Rehabilitation Administration, the international health organization to handle these problems?" The answer is "No. UNRRA is not a permanent health organization. It is first and foremost a relief organization, intended only to do an emergency job for a limited period of years. It comes in after the military to take care of emergency needs, such as to relieve shortages of food, medicine, and other supplies, as well as furnishing specialized personnel. Certain countries are not eligible for UNRRA's help, and others may not wish to take advantage of its help. So, although it does an indispensable job, it is not, nor is it intended to be, the permanent international health organization."

WAR AGAINST DISEASE

To begin now the formation of the International Health Organization is thus a prime necessity. I think the time is ripe for the United Nations to undertake a great international crusade against disease. If we all put only a fraction of the effort expended on the war into wiping off the face of the earth malaria, hookworm, tuberculosis, venereal disease, cholera, smallpox, bubonic plague, and a host of other diseases, I think we could do it in an amazingly short time. It is not the knowledge which is lacking, but the will to use it, and the positive action and means to enforce such will.

NUTRITION

The maintenance of good health is not just a matter of quarantine and vaccinations. Good nutrition is a basic essential of good health, and it is quite obvious that the new International Health Organization must deal with the health aspects of nutrition. This means that it will have to work very closely with the Food and Agriculture Organization, which was created in Hot Springs, Va., 2 years ago. United States membership in the FAO was approved by this body only last week.

HEALTH SECURITY

Further, the social and economic status of the people, their working conditions, housing, and education exert a great influence on their health. There is a growing demand in all nations for health security which is an integral part of social security. All such matters must necessarily be considered by the proposed international health body, in conjunction with the Economic and Social Council of the United Nations Organization and other related bodies.

WE HAVE MUCH TO LEARN

The United States has a great deal to learn, as well as a great deal to give. Many smaller nations have made, and will continue to make great contributions to health work, and we have learned and will continue to learn from them with benefit. The rural health-center network developed in Jugoslavia, the medical and hospital care developed in countries like Norway, Chile, and New Zealand, and the public health advances made in Czechoslovakia are but a few examples. In the organization and distribution of public health and medical services no country has a monopoly of the best. One question which we all have to solve is how to offer complete, high quality medical care to each and every citizen of our Nation, regardless of his wealth, rank, race, or creed. It is a question we, in this country, certainly cannot claim to have answered successfully. Until the time when every person can have the best health care and advice from the moment he is born until the moment he dies, we cannot remain satisfied.

NATURE OF INTERNATIONAL HEALTH ORGANIZATION

What should be the nature of the international health organization? That is not an easily answered question, but I can indicate certain principles.

1. It should draw on the resources of all the United Nations, particularly those which are leaders in the health field.

2. It should draw on all the best experience of pioneering organizations in this field, such as the Industrial Health Service of the International Labor Office, the International Public Health Office in Paris, the Pan-American Sanitary Bureau, and above all, the health section of the League of Nations.

3. It must have suitable regional arrangements.

4. It must provide those services the constituent nations want and need.

5. It must call on leading health authorities and other far-sighted men and women in various consultative and advisory capacities, in addition to the heads of national health services and other official government agencies.

6. It must have adequate financial support.

7. It should develop and maintain outstanding medical research laboratories, schools of public health, information activities, exchange facilities, and other such services.

8. It should assist nations to obtain the personnel, medicines and other supplies, and information required for adequate health programs.

The United Nations Conference in San Francisco, I understand, adopted a recommendation that a conference be convened to draw up the statutes of a United Nations health organization in the near future. It is my understanding that France has graciously assented to be the host to this planning conference, and that our country is already displaying considerable interest and leadership in the arrangements for it. Our contribution will undoubtedly be significant under the capable direction of such internationally recognized health authorities as Dr. Thomas Parran, Surgeon General of the United States Public Health Service, and other eminent authorities.

The people of our country are convinced that their health and the health of our nations can be improved greatly through international health cooperation. An international health organization will have their full backing. It is up to governments and to the experts to move ahead and fulfill the people's desires within the framework of the United Nations structure.

ESTABLISHMENT OF NATIONAL NEUROPSYCHIATRIC INSTITUTE—CHANGE OF REFERENCE

Mr. PEPPER. Mr. President, recently the Chair, with perfect propriety, referred to the Senate Committee on Commerce the bill (S. 1160) to provide for, foster, and aid in coordinating research relating to neuropsychiatric disorders; to provide for more effective methods of prevention, diagnosis, and treatment of such disorders; to establish the National Neuropsychiatric Institute, and for other purposes, introduced by the junior Senator from Florida and other Senators. Since that reference by the Chair I have been in consultation with the chairman of the Senate Commerce Committee, the able senior Senator from North Carolina [Mr. BAILEY], and I hold in my hand a letter which I previously exhibited to the Chair, and which states the opinion of the chairman of the Commerce Committee that with due propriety that bill may be referred to the Committee on Education and Labor.

Mr. President, I therefore ask permission that the letter may appear in the RECORD following my remarks, and that upon the agreement and statement of the chairman of the Commerce Committee, the Committee on Commerce be discharged from further consideration of the bill, and that the bill may be referred to the Committee on Education and Labor.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Florida? The Chair hears none, and the Committee on Commerce will be discharged from the further consideration of the bill, and it will be referred to the Committee on Education and Labor, and the letter will be printed in the RECORD.

The letter presented by Mr. PEPPER is as follows:

UNITED STATES SENATE,
COMMITTEE ON COMMERCE,
June 22, 1945.

Hon. CLAUDE PEPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR PEPPER: This will confirm our conversation on yesterday in which I suggested that motion be made to discharge the Committee on Commerce from consideration of S. 1160 with the view to having the bill referred to the Committee on Education and Labor. I further suggested that so far as I could speak as chairman I was willing that where social and educational features of medical and hospital legislation were concerned I could not see wherein such legislation was related to the Committee on Commerce any more than to others.

I do believe that wherever commerce is directly affected as in food and drug legislation, bills should be referred to the Committee on Commerce, but bills of a social or educational character I think may more properly be referred to the Committee on Education and Labor.

I intend, when the matter comes up in the Senate, to make a statement to the above effect, but if I should be absent this letter may be read as a statement of my views.

I am very much concerned that the Commerce Committee shall render a worthy service and that it shall be in connection with commerce—that is, shipping, aviation, river and harbor improvements, flood control and power. If the Committee on Commerce will attend to legislation affecting these subjects and to some other miscellaneous matters which come to us in due course, it will do well enough.

So I will be wishing the Committee on Education and Labor well in the consideration of S. 1160 and shall be agreeable to the reference of that and similar proposed legislation to the Committee on Education and Labor.

With best wishes,

Yours very truly,

JOSIAH W. BAILEY,
Chairman, Committee on Commerce.

FULL EMPLOYMENT BILL—ADDITIONAL SPONSORS

Mr. THOMAS of Utah. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY] I ask unanimous consent that the names of the Senator from Oregon [Mr. MORSE], the Senator from New Hampshire [Mr. TOBEY], the Senator from Vermont [Mr. AIKEN], and the Senator from North Dakota [Mr. LANGER], be added as cosponsors of the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free and competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government, now pending before the Committee on Banking and Currency.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PROPOSED DESIGNATION OF CHICAGO, ILL., AS PERMANENT HEADQUARTERS FOR UNITED NATIONS ORGANIZATION

Mr. LUCAS. Mr. President, I think no one will disagree with me when I state that Chicago is one of the greatest metropolitan centers of the world. It has been so recognized time without number by every influential organization in this country, including leaders of the Democratic and the Republican Parties, who have held their party conventions there time without number, as well as many other organizations throughout the country who have held conventions there by reasons of the many fine hotel facilities and the unfailing courtesy that exists in that great city.

I submit a concurrent resolution, declaring that it be the sense of Congress that the city of Chicago be designated as the permanent headquarters of the United Nations Organization, and request that the resolution be referred to the Committee on Foreign Relations for proper action.

The concurrent resolution (S. Con. Res. 26), submitted by Mr. LUCAS, was referred to the Committee on Foreign Relations, as follows:

Senate Concurrent Resolution 26

Whereas it will be necessary in the near future to select a permanent headquarters for the United Nations Organization; and

Whereas Chicago is not only today the greatest rail and highway transportation center in the Western Hemisphere but is destined after the war to become the world's greatest air transportation center; and

Whereas Chicago is the most conveniently located metropolis on the globe to Europe, Asia, and South America; and

Whereas a headquarters in Chicago would be located in one of the great cultural centers of our civilization where it could draw upon the facilities of Chicago's great universities, technical institutions, libraries, museums, research laboratories, and other institutions of learning; and

Whereas a headquarters in Chicago would have available a huge pool of technically skilled personnel from which to recruit technicians and experts in the fields of public administration, international law, economics, the social sciences, the biological sciences, the physical sciences, and the other specialized fields of learning necessary to carry out its extensive operations; and

Whereas selection of Chicago as a site for the United Nations headquarters would symbolize the essential unity of peoples of all nations, religious faiths, and ethnic groups, by reason of the fact that Chicago, more than any other city in the world today, is a human melting pot; here for more than a century the peoples of every section of the globe have gathered, to lay aside their primitive and long-standing old-world hatreds and prejudices and build together a great city where peace and prosperity abide; and in Chicago the representatives of the United Nations would find the children and the children's children of their own nationals, proving by their living example that peace and understanding can replace war and hate; and

Whereas Chicago is one of the comparatively few cities which are centrally located on the great international air routes of tomorrow, with adequate facilities to serve as host to the thousands of men and women who would be attached to the United Nations staffs; and

Whereas historically and by tradition Chicago is the logical site for the United Nations headquarters; its rapid rise from trading post to the third most populous city within a hundred years is an exciting example of the operation of the democratic process, which the United Nations is banded to foster; Chicago has been the scene of inspiring and history-making events in the evolution of democracy; and

Whereas it would be particularly fitting that in Chicago, where our departed Commander in Chief sounded his first warning against aggression, the United Nations of a peace-seeking world establish their headquarters as a memorial: Therefore be it

Resolved by the Senate of the United States (the House concurring), That it is the sense of the Congress that the city of Chicago, Ill., be designated as the permanent headquarters of the United Nations Organization; and be it further

Resolved, That a copy of this concurrent resolution be sent to the appropriate authorities of the United Nations for their consideration.

PRINTING OF ADDITIONAL COPIES OF PART 4 OF REPORT NO. 110 OF SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. MEAD, from the Special Committee to Investigate the National Defense Program, reported a resolution (S. Res. 162) which was referred to the Committee on Printing, as follows:

Resolved, That there be printed 7,000 additional copies of the report (Rept. No. 110, pt. 4, current session) of the select committee of the Senate authorized and directed to make a complete study and investigation of the operation of the war program, of which 5,000 copies shall be for the use of the select committee, 1,000 for the use of the Senate document room, and 1,000 for the use of the House document room.

PRINTING OF CERTAIN HEARINGS BEFORE SPECIAL COMMITTEE TO INVESTIGATE THE NATIONAL DEFENSE PROGRAM

Mr. MEAD, from the Special Committee to Investigate the National Defense Program, reported a resolution (S. Res. 163) which was referred to the Committee on Printing, as follows:

Resolved, That 1,000 additional copies of part 27 and each subsequent part of the hearings held before the special committee of the Senate authorized and directed to make a study and investigation of the operation of the national defense program be printed for the use of said committee.

EUGENE DILL

Mr. MEAD. Mr. President, I submit for reference to the Committee to Audit and Control the Contingent Expenses of the Senate a resolution, and ask that it have consideration of the distinguished senior Senator from Illinois [Mr. LUCAS], because it relates to a deceased employee of the Senate. I should like to have the resolution read.

The resolution (S. Res. 164) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Eugene Dill, widower of Katherine E. Dill, late an employee of the Senate, a sum equal to 1 year's compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Subsequently,

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, without amendment, Senate Resolution 164, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the resolution?

Mr. WHITE. Mr. President, does this employee fall within the class of employees for whom we have been accustomed to pass resolutions of this character?

Mr. LUCAS. The Senator is correct. This employee has been laboring in the Senate, in one way or another, for the past 28 years. She falls within the precedent laid down in cases of this character.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

SPECIAL COMMITTEE ON PROMOTION OF AMERICAN ACTIVITIES

Mr. WILEY. Mr. President, I submit a resolution to create a committee to promote American activities.

This new committee would be the Senate counterpart of the House Committee on Un-American Activities. It would, however, devote its principal attention, as the name implies, to advancing constructively, on a nonpartisan basis, the patriotic pro-American, pro-Constitution activities of our Government and citizenry.

It would serve to strengthen our American constitutional form of Government, American ideals, and American institutions against the encroachment of subversive and un-American propaganda.

The committee would concentrate on advancing straight-thinking Americanism as opposed to crooked and synthetic thinking foreign "isms." It would specialize in preserving our American Government of checks and balances as opposed to foreign type dictator governments. It would dynamically focus on patriotic activities in our schools, our homes, our forums.

This new committee would, of course, cooperate with the House committee for the purpose of ferreting out the un-American moles who have been boring from within the structure of American life. The Senate committee would consider the legislation recommended by its permanent House counterpart. It would do its part in alerting our citizens for the guardianship of our great values.

There would be no more duplication between these two committees than there need be between the Senate and the House Military Affairs Committees. Is not the cause of the Republic worthy of one Americanism Committee apiece in each of our two great legislative Chambers?

The reasons for the creation of this new committee are all too apparent. The reasons are obviously to protect America from what Lincoln spoke of as

the "menace from within," to preserve our way of life for the millions of our fighting men who are giving their all for that way of life and to preserve that way for the generations still to come.

Obviously, there are grave menaces today to our American way, and these menaces, unlike Congress, will not recess for the summer. These menaces must be counteracted and this committee would be one instrumentality for doing so.

Now, specifically, what are the menaces?

First. For 12 years, we have been impacted with imported, totalitarian doctrines, preached from the rooftop of almost every Government building in Washington, D. C.

Second. The Communists, long in an unholy alliance with the Democratic Party and with scattered third parties, have now resumed their activities in their own independent political party.

That party has rededicated itself to class warfare and the revolutionary overthrow of the American form of Government. In a release of July 26, I have already pointed out how this development threatens our friendly relations with Russia.

The turn-about in Communist policy resulted from an article written by a French Communist, Jacques Duclos, who had previously conferred with Premier Stalin. The article denounced the collaborationist policies which Earl Browder, general secretary of the party, has fostered between the reds and the pinks. As a result, a convention, just completed in New York behind closed doors, has given the boot to Browder. He has been replaced by a long-time open exponent of revolution, William Z. Foster.

I need hardly call the attention of the Senate to the fact that the official program of the Communist Party has read:

> Communism repudiates parliamentarianism as the form of the future; its aim is to destroy parliamentarianism; therefore the deep hatred against all parliaments in the revolutionary proletariat is perfectly justified.
>
> The Communist Party enters such institutions not for the purpose of organization work, but in order to blow up the whole bourgeois machinery and the parliament itself from within.

Former Attorney General Francis Biddle, certainly no Red-baiter, declared that organized communism is:

> An organization that believes in, advises, advocates, and teaches the overthrow by force and violence of the Government of the United States.

This, then, is what is behind the Communists' resumption of their revolutionary tactics. As I had pointed out in my previous speech, this is but a part of the world-wide resurgence of revolutionary communism.

Third. The House Committee on Un-American Activities long ago documented the insidious interlocking directorates and memberships between individuals prominent in:

(a) Communist front and transmission belt organizations; and

(b) The CIO and its Political Action Committee.

This is no mere conjecture. This is hard fact that the Communists are pulling strings in innumerable CIO unions and PAC chapters.

The PAC which proved so powerful in many localities in the last campaign is already in action to capture the next Congress. If that should happen, what would be the result? Would this remain a Government of, by, and for the people?

Fourth. Let us remember that we are heading into a reconversion period of vast difficulties, of great adjustments between management and labor.

Obviously, there will be many opportunities for agitators and trouble makers to foment strife, discord, religious hate, economic warfare, mental unbalance.

This may do incalculable harm to our war effort against Japan. Moreover, in the period up ahead, it may cause industrial chaos.

R. J. Thomas, president of the CIO United Automobile Workers, speaking in Minneapolis on July 13, said that as soon as VJ-day comes:

> There will be a lot of strikes. We will authorize strikes in every plant where a present grievance continues to exist.

What will this mean? It will mean that unless we meet this menace head-on, unless we checkmate the Communist attempt "to blow up the whole bourgeois machinery and the parliament from within," unless we counteract the PAC's activities and the premeditated wave of strikes, there will be in the near future—

(a) Unemployment of former war workers and returning veterans.

(b) Falling off of private investment.

(c) Inability to meet the postwar demand for materials.

(d) Inability to pay interest on our vast Federal indebtedness, inability to pay off the principal on the Federal debt, inability to pay taxes.

As a result, the Government deficit will grow, the Government bureaucracy will remain, and the private enterprise system, as we have known it for generations, will be dealt still more blows.

These are the compelling reasons, therefore, for the creation of this new committee. We have been told that for lack of vision the people perish. Obviously what we need is the kind of vision which would be promoted by this committee.

Let no one falsely cry "witch hunting" or "Red baiting" over this proposal. This committee would be dedicated to the preservation of our civil liberties from the very forces which would destroy them. It will be one agency to provide the antidote to foreign isms.

The constitutional rights of our citizens to advance ideas will remain unimpaired. But the revolutionary minorities which seek to destroy civil liberties for all will be fearlessly exposed. Their revolutionary disciples within the Government service will be expelled.

Too long have we legislated in a "segmentist" fashion. It is time that the rights of the public become our chief concern.

During this war we reached out and took millions of youths, placed them in the armed forces, and told them to do battle for something. That something we have characterized as a free America. But can America remain free if we permit groups willfully to disorganize our economy?

And so this committee will have many functions: To build up our American system, to weed out the forces which would destroy that system, and to recommend legislation to those ends.

This committee would be one of the two congressional arms which would fight for the very existence and integrity of the Congress itself.

It is evident to wide-awake thinkers that for a number of years now the Communist doctrine of getting rid of parliament—and that is the Congress of the United States—has been preached from the housetops of America. Congress has deliberately been belittled and besmirched. That is part of the technique. Of late the American people have awakened from some of this mesmeric dope. But the indoctrination against the Constitution will start again soon, and it is well for us to know the sources whence it comes.

We know that through writers, many of whom have been paid by Government, the Communist doctrine has infiltrated into our institutions and our homes. When Congress is sabotaged you can generally trace it to someone who believes in the Communist doctrine—to do away with parliaments. Just ask yourself what would be the result if this should happen, and the answer must be—a repetition of what took place in Europe.

The pattern that made America great must not be discarded.

But the establishment of this committee would not take away the obligations of each citizen to look after the American way in his own humble manner. On the contrary, this committee would encourage the citizen to translate those obligations into action. Eternal vigilance is still the price of liberty. The citizen may prove his vigilance by:

First. Remaining ever alert to disruptive forces within his own community, recognizing Communist and Fascist methods and leadership and recognizing what those methods and leadership brought about in Europe.

Second. Participating in constructive action on behalf of our form of government by seeing to it that the servants of the public stand for those measures which will maintain America, by making his—the citizens'—vote count on this issue, by getting rid of the officials who fail to regard public office as a public trust, who throw away the people's values instead of guarding them and husbanding them, who create conditions which give rise to scandal and malfeasance in office, and thus give the Communist case material with which to poison the thinking of others against our way of life.

Mr. President, I ask that the resolution for the creation of a committee to promote American activities be referred to the Judiciary Committee.

There being no objection, the resolution (S. Res. 165) was referred to the Committee on the Judiciary, as follows:

> *Resolved*, That there is hereby created a Special Committee on the Promotion of American Activities to be composed of nine members appointed by the President of the

Senate. It shall be the duty of the committee to make studies and investigations with a view to recommending legislation to strengthen the American constitutional form of government, American ideals, and American institutions against the encroachment of subversive and un-American propaganda.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth Congress, to employ such experts and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

ESTABLISHMENT OF ADDITIONAL MILITARY AND NAVAL ACADEMIES OTHER THAN ON ATLANTIC SEABOARD

Mr. DOWNEY submitted the following resolution (S. Res. 166), which was referred to the Committee on Military Affairs:

Resolved, That a special committee to be composed of four members of the Committee on Military Affairs and four members of the Committee on Naval Affairs, to be appointed by the President of the Senate, is authorized and directed to conduct a full and complete study and investigation of the need for additional facilities for the instruction and training of persons to be commissioned officers in the Army and Navy, with a view to ascertaining the desirability of establishing an additional United States Military Academy and an additional United States Naval Academy, to be located elsewhere than on the Atlantic seaboard.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth Congress, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

INVESTIGATION OF DEPLETION OF DOMESTIC SUPPLIES OF RAW MATERIALS

Mr. STEWART submitted the following resolution (S. Res. 167), which was referred to the Committee on Military Affairs:

Resolved, That a special committee to be composed of five members appointed by the President of the Senate is authorized and directed to make a full and complete study and investigation with respect to the depletion of domestic supplies of raw materials during the war period, for the purpose of ascertaining the extent of such depletion and the effects thereof upon postwar production, and to report to the Senate at the earliest practicable date the results of its study and investigation together with its recommendations concerning the development of new sources of supply, conservation of existing sources, and such other measures as may be necessary to counteract the effects of wartime demands upon the Nation's resources.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth Congress, to employ such experts and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

GRAPHIC GUIDE TO DECENTRALIZATION

Mr. McCARRAN. Mr. President, on October 7, 1944, the special committee to investigate industrial centralization published its report entitled "Some Simple Facts on Reconversion and a Graphic Guide to Decentralization." It was originally printed as a committee document. About 5,000 copies of that report have been sold. I now ask that it may be reprinted as a Senate document, with illustrations.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

REFERENCE MANUAL OF GOVERNMENT CORPORATIONS

Mr. BARKLEY. Mr. President, the General Accounting Office has prepared a reference manual of Government corporations, which contains a vast amount of valuable information in regard to all the Government corporations which are in existence. It is quite a bulky document, as Senators can see, and it is inconvenient to handle in the form in which it appears, and it is not available to all Members of the Senate. I think it would be desirable to have it printed as a Senate document so that all Senators might have it as a manual in regard to any information pertaining to the Government corporations which have been created and are now in existence. Therefore, I ask unanimous consent that it be printed as a Senate document.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

SUMMARY OF FOURTH QUARTERLY REPORT OF OFFICE OF CONTRACT SETTLEMENT

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from Robert H. Hinckley, Director of Contract Settlement, containing a summary of the fourth quarterly report of the Office of Contract Settlement.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF CONTRACT SETTLEMENT,
Washington, D. C., July 31, 1945.

The Honorable PRESIDENT OF THE SENATE
The Honorable SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIRS: The fourth quarterly report of the Office of Contract Settlement is herewith submitted.

Policies, procedures, and organizations designed to accomplish the objectives of the Contract Settlement Act have been developed. To date, they have met the test of operations. Confidence in their ability to meet the task ahead has been established among both contracting agencies and contractors.

Almost $16,000,000,000 in canceled commitments were settled during the year ending June 30. The settlement rate has been increased from $1,000,000,000 in canceled commitments per month in the third quarter of last year to $1,500,000,000 during the second quarter of this year. It must be kept in mind that the amount claimed by contractors as well as the amount paid by the Government is only a small fraction of the amount of commitments canceled. Settlement of almost $12,000,000,000 of fixed-price commitments canceled during the year required payments of only $560,000,000, or less than 5 percent of the canceled commitments settled.

Speedy settlement has in large measure been attained. On June 30, fewer than 1,300 of almost 15,000 terminated fixed-price contracts pending settlement had been pending over 6 months. Steps to reduce marked differences in speed between agencies are being taken.

Adequate interim financing is available to war contractors.

Surveys indicate fair compensation is being provided war contractors for termination of their war contracts.

Settlement procedures have been extended to include company-wide and direct settlement.

Appeal procedures have been established for adjudicating disputes between contractors and contracting agencies, and, with the consent of the parties, between prime and subcontractors. Few appeals have been taken from actions of contracting agencies.

Plants are, for the most part, being cleared promptly. Requests for clearance are being acted upon within 60 days, with few exceptions. Measures are being taken to clear plants within even shorter periods. As war production declines, the problems will undoubtedly increase.

Procedures for handling claims under defective, informal, and quasi contracts have been established.

Substantial uniformity of administration among contracting agencies has been achieved.

A summary of actions taken by this Office appears in Appendix C.

Accomplishments to date would not have been possible without the Contract Settlement Act and without the extensive work done prior to its passage. This included the Baruch-Hancock Report, the work of the contracting agencies, the Joint Contract Termination Board, and contractors, and the careful consideration of the problem by Congress itself. Similarly, accomplishments to date would not have been possible without the splendid cooperation this Office has received since its inception from the contracting agencies, from individual war contractors, large and small, and from business, trade, and professional groups.

The task ahead is to expand the rate of settlement. This is an operating problem.

To meet the VE-day load, the rate of settling canceled commitments will have to be increased from $1,500,000,000 in the second

quarter to between $2,000,000,000 and $2,500,000,000 per month.

An even higher rate of settlement will be required to meet the VJ-day load. The amount of increase necessary will depend upon when VJ-day occurs.

The maximum increase would be needed if victory over Japan is achieved within the next few months. In this even, new terminations of roughly $30,000,000,000 would be added to a backlog of perhaps as much as $14,000,000,000. A settlement rate of $4,000,000,000 per month would then be necessary.

Should VJ-day not come for a year, it seems likely that a settlement rate of $3,000,000,000 per month would be required. Roughly, only $20,000,000,000 in new terminations would be added to a backlog which might be as low as $8,000,000,000.

Rapid expansion of the settlement rate is clearly indicated. This goal can and must be achieved.

Respectfully submitted.

ROBERT H. HINCKLEY,
Director of Contract Settlement.

EDUCATIONAL AND CULTURAL ORGANIZATION OF THE UNITED NATIONS

Mr. THOMAS of Utah. Mr. President, on May 24 the Senate passed unanimously a resolution reported by the Senate Education and Labor Committee urging the participation of the "United States Government in the organization by the nations of the world in an International Office of Education" for the purpose of considering and promoting international and cultural relations throughout the world. The House of Representatives on May 22 passed a similar resolution.

Yesterday the Conference of Allied Ministers of Education in London released the draft proposals for Educational and Cultural Organization of the United Nations. In view of the importance of this document I ask unanimous consent that it be printed in the RECORD at this point in connection with my remarks.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

The high contracting parties determined that all possible steps shall be taken to further the attainment of international security and peace and to advance the welfare of the peoples of the world;

Recognizing that cooperation in education and the furtherance of cultural interchange in the arts, the humanities and the sciences will promote the freedom, the dignity, and the well-being of all and therefore assist in the attainment of understanding, confidence, security, and peace among the peoples of the world;

Dedicated to the proposition that the free and unrestricted education of the peoples of the world, and the free and unrestricted exchange among them of ideas and knowledge are essential to the advancement of human welfare and to the preservation of security and peace;

Hereby establish the Educational and Cultural Organization of the United Nations and agree to support its broad purposes and functions as expressed in this constitution through their participation in the activities of this international agency and through their respective national educational and cultural programs.

ARTICLE I. PURPOSES

The purposes of the Educational and Cultural Organization of the United Nations shall be:

1. To develop and maintain mutual understanding and appreciation of the life and culture, the arts, the humanities and the sciences of the peoples of the world, as a basis for effective international organization and world peace.

2. To cooperate in extending and in making available to all peoples for the service of common human needs the world's full body of knowledge and culture, and in assuring its contribution to the economic stability, political security, and general well-being of the peoples of the world.

ARTICLE II. PRINCIPAL FUNCTIONS

To achieve these purposes the organization shall:

1. Facilitate consultation among leaders in the educational and cultural life of all peace-loving countries.

2. Assist the free flow of ideas and information among the peoples of the world through schools, universities, and other educational and research institutions, libraries, publications, and the press, the radio and the motion picture, international conferences and the exchange of students, teachers, and all other representatives of educational and cultural life, with special attention to the exchange of information on major educational and cultural developments, including advances in scientific knowledge.

3. Foster the growth, within each country and in its relations with other countries, of educational and cultural programs which give support to international peace and security.

4. Develop and make available educational and cultural plans and materials for such consideration and use as each country may deem appropriate.

5. Conduct and encourage research and studies on educational and cultural problems related to the maintenance of peace and the advancement of human welfare.

6. Assist countries that need and request help in developing their educational and cultural activities.

ARTICLE III. MEMBERSHIP

1. Members of the United Nations shall automatically be granted the right of membership. Other nations may be admitted by the conference, acting by a two-thirds vote, upon recommendation of the executive board.

2. Any member may withdraw from the organization after 2 years' notice of intention to do so, provided that its financial obligations shall have been fulfilled at the time of withdrawal.

3. Each member undertakes, subject to the requirements of its constitutional procedure, to contribute to the organization promptly its share of the expenses. The right of a member to vote in the conference and the eligibility of its nationals to be elected to the executive board shall be automatically suspended for any member that fails for two successive years to meet its financial obligations to this organization, with the proviso that the conference may in exceptional circumstances waive such suspension.

4. Members of the organization which are suspended from the exercise of the rights and privileges of membership in the United Nations shall automatically be suspended from the rights and privileges of the organization.

ARTICLE IV. ORGANS

1. The organization shall include a conference, an executive board and a secretariat.

ARTICLE V. THE CONFERENCE

A. Composition

Alternative A

The conference shall consist of the representatives of the members of the organization. The Government of each member state shall oppoint not more than five representatives, who shall be selected in agreement with the national cooperating body or bodies (or national commission).

Alternative B

The conference shall consist of the representatives of the members of the organization. The government of each member State shall designate not more than five delegates. Three out of a five-member delegation shall be selected in agreement with the national cooperating body or bodies (or national commission). When a State does not appoint the full delegation of five, one delegate only shall be appointed independently by the Government, except that, when there is only one delegate that delegate shall be selected in agreement with the national cooperating body or bodies (or national commission).

Alternative C

The conference shall consist of the representatives of the members of the organization. The government of each member State shall appoint not more than five delegates who shall be selected after consultation with the national cooperating body or bodies (or national commission).

Alternative D

The conference shall consist of the representatives of the members of the organization. The government of each member State shall appoint not more than five delegates who shall be selected after consultation with educational and cultural bodies.

Alternative E

The conference consists of the representatives of the members of the organization. The government of each member State shall appoint not more than five delegates, who will be selected, if convenient to the government concerned, after consultation with educational and cultural bodies.[1]

B. Functions and powers

1. The conference shall determine the general policies and the program of the organization.

2. The conference is empowered to make recommendations to the members. The conference may by a two-thirds majority adopt for submission to the members with a view to their acceptance by the appropriate constitutional procedure, agreements on educational and cultural programs, designed to accomplish the purpose of the organization.

3. The conference shall advise the United Nations on the educational and cultural aspects of matters of concern to the latter in accordance with terms and procedure agreed upon between the appropriate authorities of the two organizations.

4. The conference shall receive and consider reports submitted periodically by the members on educational and cultural developments within their respective territories and on the effect given to the recommendations of the organization.

5. The conference shall elect the members of the executive board. It shall admit new members to the organization and elect the director-general on the recommendation of the executive board.

6. The conference shall approve the budget of the organization and the allocation of financial responsibility to the members.

7. Gifts and bequests may be accepted by the conference and utilized under its direction provided the conditions of the gift or bequest are consistent with the purposes and policies of that organization.

C. Voting

Each member state shall have one vote in the conference. Decisions shall be made by a simple majority of those present and voting, except where otherwise specified in this instrument.

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[1] The adoption of this alternative would involve the modification of article VIII in the sense of making this article entirely optional.

D. Procedure

1. The conference shall meet annually in regular session; it may meet in extraordinary session on the call of the executive board. The sessions shall be held from time to time within the territories of different members.

2. The conference shall set up such committees and other subordinate bodies as may be necessary for the performance of its functions.

3. The conference shall elect its own officers and adopt its own rules of procedure.

ARTICLE VI. THE EXECUTIVE BOARD

A. Composition

The executive board shall consist of 15 persons selected by the conference from among the delegates. In electing the members of the executive board, the conference shall have regard to the desirability of including persons with varied experience in education, in the arts, the humanities, and the sciences, bearing in mind geographical distribution. Not more than one delegate from any member state shall serve on the board at any one time. The members of the board shall serve for a term of 3 years and shall not be immediately eligible for reelection. At the first election, five persons shall be elected for a 3-year term, five for 2 years, and five for 1 year. Thereafter, five persons shall be elected each year. Members elected to the executive board for a partial term shall be eligible for reelection.

B. Functions and powers

1. The executive board shall be responsible within the competence of the organization for giving effect to the program for the organization adopted by the conference.

2. The executive board shall supervise the administration of the organization and prepare the agenda for the meetings of the conference.

3. The executive board shall recommend to the conference the admission of new members to the organization.

4. It shall be empowered to make appointments to fill vacancies in its membership, which appointments shall terminate at the next meeting of the conference, when an election shall be held for the unexpired term.

5. The members of the executive board shall exercise the powers delegated to them by the conference on behalf of the whole conference and not as representatives of their respective governments.

C. Procedure

The executive board shall elect its own officers annd subject to any decisions of the conference, determine its own rules of procedure.

ARTICLE VII. THE SECRETARIAT

The Secretariat shall consist of a director-general and such staff as may be required.

2. The director general shall be nominated by the executive board and elected by the Conference under such conditions of tenure and compensation as the conference may approve. He shall be the chief administrative officer of the organization, immediately responsible to the executive board, and the staff shall be responsible to him. He or a deputy designated by him shall participate, without the right to vote, in all meetings of the conference, the board, and all committees of the organization. He shall formulate proposals for appropriate action by the conference and the board.

3. The director general shall appoint the staff of the secretariat under regulations adopted by the executive board which shall provide for the approval by the board of appointments in the higher administrative grades. Subject to the requirements of efficiency and technical competence, the staff shall be recruited on as wide a geographical basis as possible.

4. In the performance of their duties, the director general and the staff shall be responsible only to the organization. Their responsibilities shall be exclusively international in character, and they shall not seek or receive instructions in regard to the discharge thereof from any authority external to the organization. The members undertake to respect fully the international character of the responsibilities of the secretariat and not to seek to influence any of their nationals in the discharge of such responsibilities.

5. The conference shall make provision for the determination by an administrative tribunal of disputes relating to the conditions and terms of appointment of members of the staff.

ARTICLE VIII. ALTERNATIVE TITLES

(1) National commissions.
(2) National cooperating bodies.

A. Composition

Alternative A

Each member of the organization shall establish a national commission on educational and cultural cooperation, broadly representative of the government and the principal groups devoted to and interested in educational and cultural matters. Delegates to the conference shall, during their period of service, be included in the national commission. Each member state shall be free to adapt the size and scope of the national commission to its own special conditions.

Alternative B

Within each member state the government shall appoint or recognize a national cooperating body or bodies, representatives of its principal educational and cultural groups, to be associated with the government in the activities of the organization.

Alternative C

Each member state shall make such arrangements as suit its particular conditions, either by the formation of a national commission or otherwise, for the purpose of associating bodies of educational and cultural opinion with the work of the organization.

B. Functions and powers

1. National cooperative bodies (or national commissions) shall act in an advisory capacity to the national delegation to the conference and to the government in matters relating to the organization.

Alternative A

2. The national delegation to the conference shall be appointed by the government in agreement with the national cooperating body or bodies (or national commission).

Alternative B

Certain members of the national delegation to the conference shall be appointed by the government in agreement with the national cooperating body or bodies (or national commission).

Alternative C

The national delegation to the conference shall be appointed by the government after consultation with the national cooperating body or bodies (or national commission).

Alternative D

The national delegation to the conference shall be appointed after consultation with bodies of educational and cultural opinion.

3. The national cooperating bodies (or national commissions) shall consider recommendations and reports made by the educational and cultural organization of the United Nations and take such steps as are suitable and desirable to further the general objectives of the organization.

ARTICLE IX. REPORTS BY MEMBERS

1. Each member shall report periodically to the organization, in a manner to be determined by the conference, on activities and developments related to the functions of the organization and on the action taken on the recommendations by the conference.

2. Each member shall upon publication communicate to the organization laws, regulations, official reports, and statistics concerning its educational and cultural institutions and organizations.

ARTICLE X. JURIDICAL STATUS OF THE ORGANIZATION AND ITS PERSONNEL

1. The organization shall possess international personality and legal capacity. The members of the organization shall accord to the organization the privileges, immunities, exemptions, and facilities which they accord to each other including in particular (a) immunity from every form of legal process; (b) exemption from taxation and customs duties; and (c) inviolability of premises occupied by, and of the archives and communications of the organization.

2. The members of the organization shall accord diplomatic privileges and immunities to persons appointed by other members as their representatives in or to the organization, and to the higher officials of the organization not being their own nationals. They shall accord to all officials and employees of the organization (a) immunity from suit and legal process relating to acts performed by them in their official capacity; (b) exemption from taxation of their official salaries and emolument; and, in general (c) such privileges, exemptions, and facilities as they accord under similar circumstances to officials and employees of foreign governments.

ARTICLE XI. AMENDMENTS

1. Proposals for amendments to this instrument shall require the approval of the Conference by a two-thirds majority, and amendments shall take effect on ratification by two-thirds of the member states. The draft texts of proposed amendments shall be communicated by the Director General to the members at least 6 months in advance of their consideration by the Conference.

2. The Conference shall have power to adopt, by a two-thirds majority, rules prescribing the times within which proposed amendments must be accepted in order to become effective and other rules of procedure to carry out the provisions of this article.

ARTICLE XII. INTERPRETATION

1. The English and French texts of the constitution shall be regarded as authoritative.

2. Any question or dispute concerning the interpretation of this instrument shall be referred for determination to the International Court of Justice or to an arbitral tribunal as the Conference may determine.

ARTICLE XIII. RELATIONS WITH THE UNITED NATIONS

1. The Organization shall be brought in relationship with the United Nations, this relationship to be defined by an agreement approved by the appropriate organs of both bodies.

2. Notwithstanding the provisions of article XI, such agreement may, if approved by the Conference by a two-thirds majority, involve modification of the provisions of this constitution, provided that no such agreement shall modify the purposes and limitations of the Organization.

ARTICLE XIV. RELATIONS WITH OTHER SPECIALIZED INTERNATIONAL ORGANIZATIONS

1. The Organization may cooperate with other specialized international organizations, both public and private, whose interests and activities are related to and in harmony with its purposes.

2. The executive board, with the approval of the Conference, may enter into agreements with the competent authorities of such organizations defining the distribution of responsibilities and methods of cooperating and maintain such joint committees with them as may be necessary to assure effective cooperation.

3. Whenever the Conference of this Organization and the competent authorities of any

other organization whose purposes are similar deem it desirable to effect transfer of the resources and functions of the latter to this Organization, the executive board, subject to the approval of the Conference, may enter into mutually acceptable arrangements for this purpose.

ARTICLE XV. ESTABLISHMENT OF THE ORGANIZATION

This instrument shall come into force when 20 of the governments of the United Nations shall have filed with the Interim Educational and Cultural Commission of the United Nations (to be set up in accordance with the transitory provisions) official notice of their acceptance of it and adherence to the Organization. Thereupon the Chairman of the Interim Commission shall cause to be convened the first meeting of the Conference of the Organization, which shall proceed with the election of the executive board and the Director General and shall make whatever other arrangements which may be necessary to put the Organization into operation.

Transitory provisions

1. Pending the approval of the constitution by 20 nations and the calling of the first meeting of the Conference, the persons designated in annex 1 of this constitution shall serve as members of the interim educational and cultural commission of the United Nations. This commission shall call the first meeting of the Conference and prepare the agenda and preliminary analyses required for effective action by the Conference.

This interim commission shall be assisted by an international secretariat and financed by the participating government in a manner to be determined at the constituent conference.

2. The following exceptional arrangements shall apply in respect of the financial year in which this constitution comes into force; the budget shall be the provisional budget set forth in annex 2 of this constitution, and the amount to be contributed by member states shall be in the proportion set forth in annex 3 of this constitution.

NOTE.—Annexes 1, 2, and 3 will be drawn up at the constituent conference.

NEED FOR EMERGENCY UNEMPLOYMENT COMPENSATION AND FULL EMPLOYMENT

Mr. KILGORE. Mr. President, I ask unanimous consent to have printed in the final RECORD a statement on the need for emergency unemployment compensation and full employment.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

REVIEW OF THE 1946 BUDGET

Mr. WAGNER. Mr. President, I am informed that tomorrow morning the Director of the Budget will release a review of the 1946 Budget in which the economic impact of the 1946 Budget will be appraised and a comparison made between the Government's Budget and the Nation's Budget.

The Senate will be particularly interested in this Budget review, especially because it uses the idea of a National Budget, as proposed in the full-employment bill, S. 30, now pending before the Banking and Currency Committee.

Mr. President, I ask unanimous consent for permission to have this Budget review inserted in the RECORD after it is released tomorrow.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

REVIEW OF THE 1946 BUDGET

SUMMARY

The Budget for the current fiscal year—the year that ends June 30, 1946—was transmitted to the Congress in January 1945—at a time when the Allies were still fighting furiously in Europe. That Budget presented only tentative summary estimates of expenditures and appropriations for most of the war program, whereas full details were included for other Government activities. During the subsequent months the President has transmitted to the Congress recommendations for war appropriations in detail.

Especially with respect to the war program, there are considerable differences between the estimate of expenditures and the recommendations for appropriations for any one period of time. The estimate of cash expenditures is used largely for fiscal planning. Appropriations by the Congress authorize the agencies to place contracts and to incur obligations—some of which apply beyond the fiscal year.

At the time the January Budget was prepared it was hoped that victory in Europe was near. In the January estimate of war expenditures in the fiscal year 1946 the President assumed neither a very sudden cut in military requirements nor prolonged hostilities in the European theater of war; that estimate was substantially in accord with the assumption of a one-front war during the fiscal year 1946. War expenditures were estimated at $70,000,000,000—a total which still stands today—$20,500,000,000, or 23 percent, below the record level of war expenditures in the fiscal year 1945. This decline reflects the transition from a global to a one-front war.

When the Budget was submitted in January 1945, war procurement plans, and therefore the estimated need for appropriations, had to embrace all possible contingencies, including prolonged hostilities in the European theater of war. Those detailed recommendations for war appropriations that were transmitted to the Congress after victory in Europe were formulated in the light of the job remaining to be done. In January 1945 it was estimated that $73,000,000,000 of authorizations for war would be needed for the fiscal year 1946. This total was reduced to $66,000,000,000 in subsequent months.

Changes in estimated expenditures and in enacted appropriations and authorizations for all purposes other than war resulted mainly from legislation adopted during the last 6 months, particularly for programs of international finance. Expenditures for all purposes other than war were estimated in January at $13,100,000,000, and are now estimated at $14,900,000,000. The Congress enacted appropriations and authorizations totaling $18,000,000,000 for all purposes other than war. Excluding major permanent appropriations and the amounts provided for international finance, this is $94,000,000 less than was recommended by the President in the January Budget.

Total war and other expenditures of the Federal Government, including net outlays of Government corporations, were a record $100,000,000,000 in the fiscal year that ended June 30, 1945. It is estimated that they will amount to $85,000,000,000 in the current fiscal year 1946.

The war sections of the 1946 Budget, as enacted by the Congress, reflect Government requirements for the vigorous conduct of the Pacific war, including the redeployment of our forces, plus requirements for occupation and relief in Europe. The Budget as a whole reflects this country's determination not only to bring the war to an early and victorious end but also to facilitate the use of resources released from war requirements to meet the most urgent civilian needs and to prepare for successful transition from a war to a peace economy. The fiscal year 1946 is a year of partial reconversion and partial demobilization.

Receipts also reached a record high of $46,500,000,000 in the fiscal year 1945. They are estimated at $39,000,000,000 for the fiscal year 1946. This is $2,200,000,000 below the January estimate, due largely to recent changes in tax legislation. It is expected that receipts will decline less than expenditures during the current and subsequent years, so that the annual deficit will decrease. The excess of expenditures over receipts is expected to decline from $53,600,000,000 in the last fiscal year to $45,900,000,000 in the fiscal year 1946.

Assuming that the cash balance of the Treasury will be reduced by $10,000,000,000, the Federal debt is expected to increase by $36,500,000,000 during the current fiscal year. The Federal debt will exceed $295,000,000,000 by June 1946 if the Pacific war continues throughout the fiscal year. (See résumé table 1.)

The fact that the annual deficit is decreasing should not suggest, however, that we need to be less concerned about economic stabilization. Government expenditures and borrowing which are still very high now coincide with an increasing demand on the economy by business for reconversion purposes, and meanwhile civilian supplies of scarce items are expected to increase only gradually. This situation creates problems with which reconversion and stabilization policies must deal.

I. THE WAR PROGRAM

The year that ended last June 30 was a year of action on battle fronts all over the globe—mostly of successful advances, but also of costly reverses, as in the Ardennes last winter. Our victories have not come cheaply. Our armed forces suffered 780,000 combat casualties in the last year. It was and is our aim to save lives of our soldiers by giving them an overwhelming superiority in weapons and fire power. Enormous war production is the not-so-secret American weapon.

Expenditures for the war program

War expenditures have been running at an annual rate of about $90,000,000,000 for 2 years.

War expenditures in fiscal years 1941–46 including net outlays of Government corporations

[In billions]

Fiscal year	Total	Munitions and war construction	Nonmunitions [1]
1941	$6.7	$4.5	$2.2
1942	28.3	20.3	8.0
1943	75.1	55.0	20.1
1944	89.7	60.2	29.5
1945	90.5	58.5	32.0
1946 (estimate)	70.0	38.5	31.5

[1] Includes pay, subsistence, transportation of armed forces, agricultural lend-lease, and other civilian war activities.

Expenditures for war purposes in the fiscal year 1946 are estimated at $70,000,000,000—unchanged from the tentative total in the January Budget. This estimate is based on the assumption that the Pacific war will continue throughout the fiscal year 1946 or longer. We are now simultaneously redeploying our forces for a major one-front war and meeting the problems of partial demobilization. The initial VE cut-backs and cancellations of war contracts have been processed; further cuts are anticipated. War production is declining to a one-front level.

At the time of victory in Europe we were arming, clothing, and feeding 12,400,000 men and women in the Army, Navy, Coast Guard, Marine Corps, and merchant marine. During the fiscal year 1946, the armed forces will discharge about 2,500,000 men and women, and induct somewhat more than 1,000,000, according to present plans. Taking attrition into account, the net reduction in strength by the end of the year will be about 1,300,000. But outlays for pay and subsistence will not decline proportionately. The cost per man will rise because of mustering-out pay, combat pay, and upgrading.

Expenditures for munitions and war construction are expected to be reduced by

$20,000,000,000 in the current fiscal year. Much of the cut-back in production schedules will not be effected until the latter half of the year. By June 1946 the rate of aircraft production will be two-thirds of the rate in March 1945. Merchant shipping tonnage coming off the ways during the fiscal year 1946 will be only 37 percent of the tonnage produced in the preceding fiscal year. Yet it still will be 5 times the tonnage turned out in the year before Pearl Harbor. New naval ship construction programs will also decline by about one-half from the fiscal year 1945 output. The reduction in new ship construction will be partly offset by an increase of over 30 percent in ship repairs and maintenance for our naval and merchant fleets over the level of the fiscal year 1945. Our Navy is reaching its peak strength, and its operation and maintenance will require large expenditures as long as the Pacific war continues.

The programs under lend-lease and other aids to foreign countries are also being fully adjusted to the new war situation. Lend-lease transfers of munitions are expected to drop off sharply, but essential aid will continue during the current fiscal year.

Distribution of the $70,000,000,000 estimate of war expenditures by agencies is shown in table 2. The revised estimate for the fiscal year 1946 indicates that outlays of Government corporations for war purposes will be balanced by receipts.

Authorizations for the war program

Victory in Europe has made possible a reduction of $7,200,000,000 in the recommended war authorizations (appropriations, reappropriations, and contract authorizations) for the fiscal year 1946 from the tentative estimate of $73,200,000,000 in the January Budget. Authorizations enacted by the Congress were $529,000,000 below the President's recommendations. The enacted authorizations of $65,400,000,000 comprised $45,900,000,000 of new appropriations and contract authorizations and $19,500,000,000 of reappropriations.

Reductions were effected in the authorizations for each of the major agencies for the fiscal year 1946, as compared with the fiscal year 1945. The War Department received authorizations of $38,600,000,000, or well over half of the total war authorizations. The Navy Department's share is $20,700,000,000, and the remaining $6,100,000,000 are for lend-lease and other war activities.

As the following table shows, the new authorizations for war for the current fiscal year are only half of those for the fiscal year 1944 and slightly less than those for the fiscal year 1945:

Authorizations, obligations, and expenditures for the war program fiscal years 1941–46, excluding Government corporations

[In billions]

	New authorizations [1]	Obligations incurred	Expenditures	Unliquidated obligations at end of period
Fiscal year—				
1941	$35	$28	$6	$22
1942	116	75	26	71
1943	82	105	72	104
1944	93	68	87	85
1945	49	71	90	66
1946 [2]	46	60	70	56
Total, 1941–46 [2]	421	407	351	56
Deduct: Repeals of appropriations and contract authorizations	4			
Net total, 1941–46 [2]	417	407	351	56

[1] Comprises new appropriations, less appropriations to liquidate contract authorizations, plus new contract authorizations.

[2] Estimated except for new authorizations which are actual.

By far the largest amount of new authorizations was enacted during the fiscal year 1942, the year during which the United States entered the war. The largest amount of obligations incurred was in the fiscal year 1943, when the procurement agencies translated appropriations into a flood of contracts with industry. These contracts induced industry to expand facilities and to boost production schedules. Deliveries and expenditures reached maximum levels in the fiscal years 1944 and 1945.

As in preceding years, the unobligated balances as of June 30, 1945, have been reappropriated and are available for obligation in the fiscal year 1946. These reappropriations include not only unobligated balances of prior-year authorizations, but also appropriations which have been obligated but will be de-obligated on account of cut-backs and contract cancellations. It is estimated that by June 1946 unobligated balances will be lower than at any time in the last 4 years.

On that date, there still will be a substantial amount of obligations which have not yet been liquidated by actual payments, but this amount also will be the lowest since the fiscal year 1942. In other words, with the decline of the war program it becomes possible to bring cumulative authorizations, obligations, and expenditures closer together.

The preceding table covers only the war program in the general and special accounts; it excludes activities of Government corporations for war purposes. Including net commitments and net outlays of Government corporations, total authorizations for war from July 1, 1940, will amount to $430,000,000,000, total obligations to $420,000,000,000, and total expenditures to $360,000,000,000 by the end of the fiscal year 1946. At that time there still will be unobligated authorizations of $10,000,000,000. In addition, there will be unliquidated obligations of about $60,000,000,000. The bulk of these authorizations will be needed for procurement beyond the fiscal year 1946 if the war against Japan continues. Even in the event of victory, some of these authorizations will be needed for meeting expenses incident to the liquidation of the war effort. Not only war, but also demobilization of the war machine is costly.

In accordance with the law, unnecessary balances will be promptly reported to the Congress for repeal. On the recommendation of the President, the Congress has already canceled uncommitted contract authorizations of $4,265,000 for the Maritime Commission and appropriations of $82,000,000 for a score of other war agencies. With favorable progress of the war against Japan, further cancellations may be expected. We are determined to make prompt adjustment of military requirements and related budgetary allowances to the strategic situation.

II. OTHER GOVERNMENT ACTIVITIES

Expenditures for activities other than war (in general and special accounts) are now estimated at $15,288,000,000, or about $2,158,000,000 more than originally estimated. Appropriations and other authorizations for these purposes enacted by the Congress (including reappropriations and permanent appropriations) total $18,000,000,000. Most of the difference between authorizations and estimated expenditures is explained by advance authorizations for international finance.

Activities of Government corporations for other than war purposes will result in net receipts estimated at $400,000,000.

Aftermath-of-war expenditures

Two-thirds of these expenditures for purposes other than war belong to what has been called the aftermath-of-war category, namely, payments to veterans, interest on the debt, and tax refunds. (Other expenditures resulting from the war, such as contract-termination payments and mustering-out pay, are included under war activities.)

Veterans' pensions and benefits are estimated at $2,900,000,000 for the fiscal year 1946. This assumes a considerable supplemental appropriation for national service life insurance. In the demobilization and immediate postwar period, the various veterans' programs, particularly the educational and readjustment allowances, are expected to raise expenditures for veterans to about $4,000,000,000 annually. Payments to veterans under present law will decline subsequently and may average between $2,500,000,000 and $3,000,000,000 a year for a 10-year period after the war.

Interest on the public debt for the fiscal year 1946 will total $4,600,000,000. By June 1946, however, with an assumed national debt of $295,000,000,000, interest payments will be running at an annual rate of over $5,000,000,000. These estimates include interest payments on bonds held by Government trust accounts and also include accruals on savings bonds held by the public.

Tax refunds were estimated at $2,700,000,000 in the January budget; the present revised estimate is $2,100,000,000. The original estimate would have been a little high even under previous legislation; it has been substantially lowered in the light of the Tax Adjustment Act of 1945. Tax refunds will remain high until about a year after the end of the Pacific war and will decline drastically thereafter.

New legislation for international finance

Membership of the United States in the International Monetary Fund will require subscription and payment of $2,750,000,000. Congress has approved the use of $1,800,000,000 from the exchange stabilization fund established by the Gold Reserve Act of 1934 to provide most of these funds.

The Congress has also authorized the subscription by the United States for capital stock of the International Bank for Reconstruction and Development to a total of $3,175,000,000. This amount is included in the total of appropriations for the fiscal year 1946. Of this total, only $63,500,000 must be paid immediately. A further $571,500,000 will be called by the bank when needed for the purpose of making direct loans. The remaining $2,540,000,000 can be called only when needed to meet losses suffered by the bank in the course of its operations. The estimate of expenditures assumes that a maximum of $317,500,000 will be paid to the bank during the fiscal year 1946.

Similarly, new legislation provides for an increase in the existing capital stock of the Export-Import Bank to bring the total up to $1,000,000,000. The additional stock investment, and expansion in the borrowing authority to $2,500,000,000, will increase the Bank's potential resources to $3,500,000,000 and will enable it to finance American exports badly needed by our allies for rebuilding their productive capacity.

The Congress has authorized the Treasury to provide the new funds for the International Monetary Fund, the International Bank, and the Export-Import Bank by the issuance of Government securities. These authorizations are included in actual appropriations and authorizations, and the expected outlays in estimated expenditures for the fiscal year 1946.

All other activities

Expenditures in general and special accounts in the fiscal year 1946 were estimated in the January Budget at $3,293,000,000 for purposes other than war, veterans, interest, tax refunds, and international finance. The present revised estimate is $3,395,000,000.

The Congress, in a few cases, enacted appropriations in addition to those included in the January Budget, as for instance, for conservation and use of agricultural land resources in the Department of Agriculture appropriation, and for flood control in the civil appropriations of the War Department. These additions were counterbalanced by the Congress in cutting many appropriations be-

low the recommendations by the President. Furthermore, the President recommended and the Congress enacted new pay legislation to replace the overtime pay provisions expiring in June 1945. The increase in expenditures resulting from this action will be somewhat larger than was anticipated in the January Budget.

The estimate of expenditures for the current fiscal year includes moderate allowances for advance Federal planning of public works and for loans and grants to State and local governments for the same purpose. In the fiscal year 1945 various agencies obligated about $28,000,000, particularly for planning postwar highways. For the fiscal year 1946 it is estimated that $20,600,000 will be used for planning of Federal public works, $17,000,000 for advances to States and municipalities for general public works planning, and grants of $5,000,000 for State highway planning.

The following table shows the present status of the planning of public works to be financed by the Federal Government:

Authorized volume of Federal public works

[In millions]

Status of plans	Total	Direct Federal public works	Federal loans and grants
Detailed plans as of June 30, 1945	$1,906	$1,255	$651
Additional detailed plans to June 30, 1946	2,222	1,057	1,165
Unplanned, June 30, 1946	5,142	3,257	1,885
Total authorized as of June 30, 1945	9,270	5,569	3,701

In addition, there is a group of proposed but unauthorized projects which, of course, are not yet planned in detail. They are estimated at an aggregate of about $15,000,000,000.

The volume of authorized public works to be planned in detail by June 30, 1946, is $4,100,000,000. The execution of many of these projects, however, will be spread over a 2- to 5-year period.

Other activities of Government corporations

Legislation increasing the borrowing authority of the Commodity Credit Corporation and the capital stock of the Export-Import Bank will permit increased activities by these institutions. Nevertheless, receipts of Government corporations for other than war purposes will exceed expenditures—excluding debt retirement—by an estimated $400,000,000. This reflects the substantial receipts anticipated by the Reconstruction Finance Corporation and the Home Owners' Loan Corporation and large further receipts from transfers of funds necessary to retire outstanding obligations of the Federal land banks. Most of the estimated expenditures of the Export-Import Bank for the fiscal year 1946, financed by additional capital stock subscriptions, are shown in expenditures of general and special accounts.

III. RECEIPTS, BORROWING, AND THE FEDERAL DEBT

Estimated receipts for the fiscal year 1946

In the fiscal year 1945, net receipts reached an all-time peak of $46,500,000,000. They are expected to fall to $39,000,000,000 in the fiscal year 1946. This is $7,500,000,000 less than in the fiscal year 1945 and $2,200,000,000 lower than the 1946 estimate made in January. Half of the decrease from the January estimate results from the tax adjustments recently enacted. Of the remaining revision, a large part is accounted for by reduced estimates of miscellaneous receipts—principally receipts from sales of surplus property.

Excise taxes, employment taxes, and customs are estimated to increase over the fiscal year 1945. The excise tax receipts are expected to rise slightly because of continuing expansion of civilian production. Under present law, the Federal social security tax rate will advance from 1 percent to 2½ percent on both employers and employees after January 1, 1946. If present employment tax rates are continued, receipts would be expected to fall by about $400,000,000 below the present estimate. Since any changes in revenue from this source are fully reflected in the net appropriation to the old-age and survivors insurance trust fund, the amounts available for other purposes are not affected.

Of the two major categories of receipts, direct taxes on corporations are expected to fall by $3,100,000,000 and direct taxes on individuals by $3,200,000,000 from the 1945 level.

Receipts from direct taxes on corporations appear to have reached a peak in the calendar year 1944. Since then, renegotiation of war contracts and cost developments have cut profit margins slightly. Furthermore, the Tax Adjustment Act of 1945 will cut receipts from this source by $1,100,000,000, principally by allowing the refundable part of the excess-profits tax to be taken as a current credit. This was, in effect, a non-interest-bearing loan, elimination of which will involve, of course, no net loss to the Government except for a small amount representing interest costs on Government borrowing.

The decline in direct tax receipts from individuals will be due partly to the fact that the 1945 receipts included an estimated nonrecurrent item of $310,000,000 of the unforgiven liability for the year 1942, and partly to the fact that the cut in war production will reduce the income-tax base.

Miscellaneous receipts are estimated at $2,300,000,000, which is $1,200,000,000 less than in the fiscal year 1945. This decline is mainly due to lower recoveries of excessive profits through contract renegotiation. Receipts from the sale of surplus property are expected to increase from $110,000,000 in the fiscal year 1945 to $500,000,000.

Borrowing and the Federal debt

Borrowing requirements in the fiscal year 1946 will decline sharply from the record levels of 1944 and 1945. This reduction reflects both the smaller estimated annual deficit and the anticipated decline of $10,000,000,000 in the Treasury cash balance from the unprecedented figure of $24,700,000,000 on June 30, 1945. The net result is an increase of $36,500,000,000 in the Federal debt.

By June 30, 1946, the public debt will reach an estimated $295,200,000,000, or $2,900,000,000 more than estimated in January. This increase above the January estimate arises largely from participation in the International Monetary Fund and the International Bank, as well as the expansion authorized in the capital stock and borrowing authority of the Export-Import Bank. Under the Articles of Agreement, the bulk of the funds supplied to the two international institutions may be borrowed back on a non-interest-bearing basis.

IV. ECONOMIC IMPACT OF THE 1946 BUDGET

The fiscal year 1945 was a year of full employment—indeed, of more than full employment. The following table shows the Government's Budget and the Nation's Budget following the method of presentation in the Budget message of January 1945.

The Government's Budget and the Nation's Budget for the fiscal year 1945

[In billions]

Economic group	Receipts	Expenditures	Excess of receipts (+) expenditures (−)
CONSUMERS			
Income after taxes	$136.4		
Expenditures		$100.2	
Savings (+)			+$36.2
BUSINESS			
Undistributed profits and reserves	$11.8		
Gross capital formation		$3.4	
Excess of receipts (+)			+$8.4
STATE AND LOCAL GOVERNMENT			
Receipts from the public, other than borrowing	10.4		
Payments to the public		8.4	
Excess of receipts (+)			+2.0
FEDERAL GOVERNMENT [1]			
Receipts from the public, other than borrowing	50.2		
Payments to the public		96.8	
Excess of payments (−)			−46.6
Adjustments [2]	−5.8	−5.8	
TOTAL: GROSS NATIONAL PRODUCT			
Receipts	203.0		
Expenditures		203.0	
Balance			0

[1] Transactions of general and special accounts, trust accounts, and accounts of Government corporations, excluding transactions between accounts of the Federal Government.

[2] Mainly receipts and expenditures for other than goods and services (e. g., old-age assistance payments and veterans' payments).

NOTE.—For explanation of computation see the Budget for the Fiscal Year 1946, appendix 10, pp. 830-831.

The total value of goods and services produced by the American economy in the fiscal year 1945 exceeded $200,000,000,000. Of this total, governments—Federal, State, and local—purchased about one-half. Consumers' expenditures were higher than ever before in American history. These high consumer expenditures partly reflect price increases during the war and partly improvement in the general standard of living of most American families. Except for a few commodities, such as automobiles, refrigerators, and other consumers' durable goods, "shortages" have not in general meant shortages in relation to prewar standards, but merely that people have desired to buy more goods than were available.

It has been possible to produce for war and high-level consumption only by cutting other types of expenditures to a bedrock minimum. Business expenditures for peacetime capital equipment have sunk to very low levels, and there has been continued reduction of business inventories. Likewise, Federal expenditures not related to war, and the expenditures of State and local governments as a group have been reduced below peacetime levels.

The $200,000,000,000 of production for military and civilian use have, of course, meant equivalent gross receipts in the hands of individuals, business, and Government. Thus, there were $200,000,000,000 gross receipts but only slightly more than $100,000,000,000 goods and services for civilian use by consumers and business. The inflationary pressures inherent in this situation have be largely neutralized by heavy wartime taxes and a high wartime willingness to save. This willingness was partly induced by the fact that many desired goods were not available; it was further stimulated by the War Savings bond campaigns. In addition, a determined hold-the-line policy of direct controls has been necessary to achieve, without substantial price rise, the precarious balance between the combined savings of business,

individuals, and State and local governments, and the tremendous Federal deficit.

What, then, will be the economic impact of the $20,000,000,000 reduction in war expenditures which is expected in the current fiscal year? This reduction in munitions production will be reflected in lower incomes of war workers and reduced business profits. It is not expected, however, that consumers' expenditures will fall correspondingly. Consumers' demand will be heavy for goods which begin to reappear on the market. Individuals with reduced money incomes will probably use some of their wartime savings to support their standard of living. In addition, manpower and raw materials released from war production will enable business to begin to make long-delayed repairs and additions to plant and equipment; State and local governments, too, have repair and maintenance work that they are eager to undertake as soon as possible.

On balance, total receipts of the Nation will probably decline somewhat in the fiscal year 1946. This will occur even after allowance is made for possible increases in basic wage rates consistent with stable prices. The reduction in total receipts will tend to reduce inflationary pressures in certain areas; it may even lead to declining expenditures for some types of goods. In most areas, however, inflationary pressures will remain acute. New problems of price and wage policy will rise. Food, textiles, building materials, and some other items will remain scarce for some time. We are far from a general buyers' market. In many respects this mixed situation of a one-front war and partial reconversion will require more discriminating controls and more skillful administration than was necessary to combat the general threat of inflation in the all-out war economy.

Cut-backs in war production will mean that many people will lose their wartime jobs. Twenty-one million men and women serve in the armed forces or in direct war production at the present time. This number may be reduced to 16,000,000 by June 1946. But potential demand in the fiscal year 1946 will be adequate to provide ample job opportunities in production and services if industry can devise methods whereby peacetime production can be resumed despite remaining wartime shortages in certain materials. Ample job opportunities, in turn, would result in full employment if everyone were in the right place and the right occupation. In the present situation, therefore, full employment depends largely on the skillful handling of war controls, on business ingenuity, and on the effectiveness with which job seeker and job opportunities are brought together.

It must not be forgotten that the 1946 Budget and the foregoing appraisal of its economic impact have been based on the assumption that the war will continue throughout the fiscal year. If the war should end earlier the outlook would be drastically altered. We would then be faced with the problem of rapid demobilization. This would inevitably mean more unemployment. Its extent would depend on the degree to which our reconversion machinery is geared to take its full load at an early date.

Under the assumptions of this Budget, the main lines of fiscal policy stated in the President's Budget message for the fiscal year 1946 are as valid today as they were last January. As long as we are engaged in a major war, reductions in wartime tax rates are not justified. Government expenditures for purposes other than war should be limited to essentials. While forward planning of public works should be encouraged, actual construction should be deferred until such work can be integrated properly with war needs and orderly reconversion. In the meantime, it is of utmost importance that all agencies prepare their plans not only for continuing war but also for early peace and demobilization. These Federal policies, especially if they are reinforced by similar action of State and local governments, will contribute substantially both to wartime stabilization and to the speed and effectiveness of reconversion.

TABLE 1.—*Budget résumé for the fiscal years 1946 and 1945*

[In billions]

Description	1946		Actual, 1945
	Revised estimates, July 1945	Budget estimates, January 1945	
RECEIPTS AND EXPENDITURES			
(Excluding trust and debt transactions)			
Receipts: General and special accounts (net)	$39.0	$41.2	$46.4
Expenditures:			
War activities:			
General and special accounts	70.0	69.4	90.0
Government corporations (net)		.6	.5
Total	70.0	70.0	90.5
Interest on the public debt	4.6	4.5	3.6
Refunds	2.1	2.7	1.7
Veterans' pensions and benefits	2.9	2.7	2.0
International finance	2.3		
Other expenditures:			
General and special accounts	3.4	3.2	3.0
Government corporations and credit agencies (net)	−.4		−.8
Total expenditures	84.9	83.1	100.0
TRUST RECEIPTS AND EXPENDITURES			
Receipts	6.8	6.7	7.1
Expenditures:			
Investments in United States securities	5.2	5.1	5.2
Benefits, annuities, and other expenditures	1.6	1.6	−.1
Total trust expenditures	6.8	6.7	5.1
THE PUBLIC DEBT			
Public debt at beginning of year	258.7	251.8	201.0
Increase in public debt during year:			
Excess of expenditures over receipts	45.9	41.9	53.6
Change in cash balance	−10.0	−2.0	4.5
Other borrowing requirements	.6	.6	−.4
Increase in public debt during year	36.5	40.5	57.7
Public debt at end of year	295.2	292.3	258.7
APPROPRIATIONS AND OTHER AUTHORIZATIONS			
(General and special accounts)			
Appropriations (excluding appropriations to liquidate contract authorizations)	*Enacted* 57.3	*Recommended* 57.8	50.6
Reappropriations	19.7	19.7	50.9
Contract authorizations	1.4	1.5	9.5
Authorizations treated as public debt transactions	5.1	5.1	
Total appropriations and other authorizations	83.5	84.1	111.0
Repeal of appropriations and contract authorizations			−4.4
Total made available for obligation	83.5	84.1	106.6

TABLE 2.—*Comparative statement of receipts and expenditures for the fiscal years 1946, 1945, and 1944*

[In millions]

Classification	1946		Actual, 1945	Actual, 1944
	Revised estimates, July 1945	Budget estimates, January 1945		
GENERAL AND SPECIAL ACCOUNTS				
Receipts				
Direct taxes on individuals	$16,557	$15,632	$19,789	$20,290
Direct taxes on corporations [1]	13,271	16,263	16,399	15,256
Excise taxes	6,042	5,647	5,935	4,400
Employment taxes	2,004	2,067	1,793	1,751
Customs	392	326	355	431
Miscellaneous receipts	2,287	2,920	3,469	3,280
Total receipts [1]	40,553	42,855	47,740	45,408
Deduct net appropriations for Federal old-age and survivors' insurance trust fund	1,546	1,600	1,283	1,259
Net receipts, general and special accounts [1]	39,007	41,255	46,457	44,149
Expenditures				
War activities: [2]				
War Department	39,000	39,000	50,339	49,249
Navy Department	23,700	23,275	30,047	26,538
U. S. Maritime Commission	1,600	1,700	3,226	3,812
War Shipping Administration	2,000	2,000	2,042	1,922
Other	3,700	3,425	4,375	5,518
Total war activities	70,000	69,400	90,029	87,039
Interest on the public debt	4,600	4,500	3,617	2,609
Refunds	[3] 2,075	[3] 2,725	[3] 1,715	[4] 267
Veterans' pensions and benefits	2,952	2,691	2,044	725
International finance:				
Payments to International Monetary Fund	[4] 950			
Payments for capital stock of International Bank for Reconstruction and Development	317			
Payments for capital stock of Export-Import Bank	[5] 999			
Aids to agriculture	508	443	602	765
Social security, relief, and retirement:				
Social security program	521	498	476	511
Work relief	15	13	2	23
Retirement funds	539	488	506	440
General government:				
Legislative branch	31	30	29	29
The Judiciary	15	15	13	13
Executive Office of the President	3	3	2	2
Civil departments and agencies [6]	1,757	1,718	1,363	1,336
Post Office Department (general fund)			1	[7] −22
District of Columbia (Federal contribution)	6	6	6	6
Total expenditures, general and special accounts	85,288	82,530	100,405	93,743
Excess of expenditures, general and special accounts	46,281	41,275	53,948	49,594

[1] Includes the following estimated amounts for refundable excess-profits taxes: 1946 revised estimate, none; 1946 Budget estimate, $784,000,000; 1945, $761,000,000; 1944, $566,000,000.

[2] Expenditures from lend-lease (defense aid) appropriations are included under the various agencies.

[3] Includes transfers to public debt accounts for excess-profits tax refund bonds issued.

[4] Excludes $1,800,000,000 to be paid from exchange stabilization fund.

[5] Excludes $1,000,000 of common stock heretofore issued by the bank and purchased by the United States.

[6] Includes general public works program.

[7] A minus item due to return of $29,000,000 of excess advances in prior years.

TABLE 2.—*Comparative statement of receipts and expenditures for the fiscal years 1946, 1945, and 1944*—Continued

[In millions]

Classification	1946		Actual, 1945	Actual, 1944
	Revised estimates, July 1945	Budget estimates, January 1945		
CHECKING ACCOUNTS OF GOVERNMENT CORPORATIONS AND CREDIT AGENCIES WITH THE TREASURER OF THE UNITED STATES				
Net expenditures from checking accounts				
War activities	-------	$600	$472	$2,682
Redemption of obligations in the market	$660	657	1,553	2,873
Other activities	[1] $400	[1] $27	[1] $846	[1] $1,152
Net expenditures, checking accounts of Government corporations and credit agencies	260	1,230	1,179	4,403
TRUST ACCOUNTS				
Receipts				
Transfers from general and special accounts	1,855	1,504	1,046	556
Net appropriations from general account receipts	1,546	1,600	1,283	1,260
Other receipts	3,392	3,567	4,130	3,237
Tota receipts	6,793	6,671	7,059	5,053
Expenditures				
Investments in United States securities	5,154	5,081	5,200	4,129
Benefits, annuities, and other expenditures	1,634	1,585	[1] 118	572
Total expenditures	6,788	6,666	5,082	4,701
Excess of receipts over expenditures	5	5	1,977	352
EFFECT OF OPERATIONS ON THE PUBLIC DEBT				
Public debt at beginning of year	258,682	251,800	201,003	136,696
Increase in public debt during year:				
General and special accounts, excess of expenditures over receipts	46,281	41,275	53,948	49,594
Checking accounts of Government corporations and credit agencies with the Treasurer of the United States (net)	260	1,230	1,179	4,403
Trust accounts, excess of receipts over expenditures	−5	−5	−1,977	−352
Adjustment for change in Treasury cash balance	−10,000	−2,000	4,529	10,662
Increase in public debt during year	36,536	40,500	57,679	64,307
Public debt at end of year	295,218	292,300	258,682	201,003

[1] Excess of credits, deduct.

TABLE 3.—*Comparative statement of appropriations, reappropriations, and authorizations for the fiscal years 1946, 1945, and 1944*

[In millions]

Classification	1946		Enacted, 1945	Enacted, 1944
	Enacted	Recommended [1]		
GENERAL AND SPECIAL ACCOUNTS				
Appropriations [2]				
War activities:				
War Department	$21,499	$21,965	$15,438	$59,038
Navy Department	23,478	23,776	29,514	28,608
U. S. Maritime Commission	-------	-------	6,766	1,290
War Shipping Administration	437	486	530	2,272
Lend-lease	2,475	1,975	3,572	32
Other	859	951	1,779	1,625
Total war activities	48,748	49,153	57,599	92,865
Interest on the public debt	4,600	4,600	3,617	2,610
Refunds	2,075	2,075	1,715	304
Veterans' pensions and benefits	2,522	2,623	1,499	900
Aids to agriculture	542	377	792	819
Social security, relief, and retirement:				
Social security program	509	509	488	494
Work relief	-------	-------	-------	7
Retirement funds	539	539	506	440
General Government:				
Legislative branch	51	51	49	48
The Judiciary	15	15	14	13
Executive Office of the President	3	3	3	3
Civil departments and agencies [3]	1,370	1,496	1,333	1,290
District of Columbia (Federal contribution)	6	6	6	6
Statutory public debt retirement	593	593	593	592
Total appropriations [2]	61,573	62,040	68,214	100,391
Reappropriations				
War activities:				
War Department [4]	17,124	17,124	46,416	30,071
Navy Department	-------	-------	5	721
Lend-lease	2,400	2,400	4,224	9,950
Other	14	14	200	275
Total war activities	19,538	19,538	50,845	41,017
Other than war activities	129	129	64	143
Total reappropriations	19,667	19,667	50,909	41,160
Contract authorizations and appropriations to liquidate contract authorizations				
New contract authorizations:				
War activities:				
Navy Department	1,399	1,533	3,249	11,586
U. S. Maritime Commission	-------	-------	5,700	-------
Other	-------	-------	3	48
Total war activities	1,399	1,533	8,952	11,634
Other than war activities	1	-------	506	-------
Total new contract authorizations	1,400	1,533	9,458	11,634

[1] Includes recommendations in the January budget and subsequent recommendations.

[2] Includes appropriations to liquidate contract authorizations as shown below.

[3] Includes general public works program.

[4] Includes estimated recoveries due to adjustment in obligations of prior years.

TABLE 3.—*Comparative statement of appropriations, reappropriations, and authorizations for the fiscal years 1946, 1945, and 1944*—Continued

[In millions]

Classification	1946		Enacted, 1945	Enacted, 1944
	Enacted	Recommended		
GENERAL AND SPECIAL ACCOUNTS—continued				
Appropriations to liquidate contract authorizations:				
War activities:				
Navy Department	$4,199	$4,199	$10,746	$10,234
U. S. Maritime Commission	-------	-------	6,738	1,107
Other	42	52	81	88
Total war activities	4,241	4,251	17,565	11,429
Other than war activities	35	40	43	206
Tota appropriations to liquidate contract authorizations	4,276	4,291	17,608	11,635
Authorizations treated as public-debt transactions				
Subscriptions to International Monetary Fund	[1] $950	[1] $950	-------	-------
Subscriptions to International Bank for Reconstruction and Development	3,175	3,175	-------	-------
Subscriptions to Export-Import Bank	1,000	1,000	-------	-------
Total authorizations	5,125	5,125	-------	-------
Repeals of appropriations and contract authorizations				
Appropriations:				
War activities:				
Navy Department	-------	-------	-------	7
U. S. Maritime Commission	-------	-------	3,100	-------
Other	-------	-------	82	30
Total war activities	-------	-------	3,182	37
Other than war activities	-------	-------	10	5
Total repeals of appropriations	-------	-------	3,192	42
Appropriations to liquidate contract authorizations:				
War activities: U. S. Maritime Commission	-------	-------	3,100	-------
Total repeals of appriations available for obligation	-------	-------	92	42
Contract authorizations:				
War activities: U. S. Maritime Commission	-------	-------	4,265	-------
POSTAL ACCOUNTS				
Appropriations:				
Post Office Department, Washington	6	6	7	6
Postal service, field operations	1,051	1,060	1,166	1,083
Total postal accounts	1,057	1,066	1,173	1,089

[1] Excludes $1,800,000,000 to be paid from the exchange stabilization fund.

TABLE 3.—*Comparative statement of appropriations, reappropriations, and authorizations for the fiscal years 1946, 1945, and 1944*—Continued

[In millions]

Classification	1946		Enacted, 1945	Enacted, 1944
	Enacted	Recommended		
ACCOUNTS OF GOVERNMENT CORPORATIONS AND CREDIT AGENCIES				
Limitations on certain loans and expenses:				
Executive Office of the President	$15	$16	$19	$19
Independent offices	3	3	4	4
National Housing Agency	23	23	29	31
Department of Agriculture	331	499	123	111
Federal Loan Agency	33	36	12	11
Total limitations on certain loans and expenses	405	577	187	176
TRUST ACCOUNTS				
Appropriations:				
Unemployment trust fund	1,290	1,290	1,508	1,567
Federal old-age and survivors' insurance trust fund	1,697	1,697	1,407	1,363
Veterans' life insurance funds	2,263	2,263	2,225	1,005
Federal employees' retirement funds	623	623	557	503
Railroad retirement account	312	312	324	273
Other trust accounts	611	611	1,038	404
Total appropriations	6,796	6,796	7,059	5,115

WHAT'S THE MATTER WITH THE HATCH-BURTON-BALL BILL?

Mr. WAGNER. Mr. President, recently there appeared in the Washington Daily News two articles on the Hatch-Burton-Ball labor relations bill, S. 1171, written by Dr. William M. Leiserson, director of a labor organization study in the Johns Hopkins University. Dr. Leiserson, recently Chairman of the National Mediation Board and before that a member of the National Labor Relations Board, is recognized as an eminent authority on labor relations and labor legislation. I ask unanimous consent to have his articles entitled "What's the Matter With the Hatch-Burton-Ball Bill?" printed in the RECORD, and I commend them to the attention of all Senators.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

WHAT'S THE MATTER WITH THE HATCH-BURTON-BALL BILL?

(By William M. Leiserson)

No one will be enlightened by wholesale approval or wholesale condemnation of the Hatch-Burton-Ball labor relations bill. What is needed is clear understanding of the specific provisions of the bill, and whether these may reasonably be expected to accomplish the high purposes claimed for them. Some of its provisions are good, but others are quite bad and likely to increase industrial strife rather than promote peaceful labor relations. A thorough study of the bill has convinced me that the bad in the bill outweighs the good.

A good feature of the bill is its classification of different types of labor disputes, with appropriate methods and procedures for handling each type. This follows the Railway Labor Act. But in dealing with fact-finding boards it introduces compulsory arbitration which is foreign to the whole spirit and method of the Railway Labor Act. Judging by experience, this compulsory feature is more likely to stimulate than to prevent industrial strife. And it will make ineffective the provisions for settlement of disputes by mutual agreement and the mediation process.

The completely voluntary mediation, arbitration and fact finding of the Railway Act were able to prevent practically all rail and air-line strikes during the war period, until Government authorities tried to impose compulsory methods on procedures of the act. On the other hand, despite the compulsory decisions of the War Labor Board, backed by the President's war powers and the Smith-Connally Act, we had in 1944 the greatest number of strikes on record, with 1945 promising to be worse still. In the light of this record, and similar experience in other countries, it is hard to understand the predilection of the bill's authors for compulsory arbitration. The authors were apparently unaware of the concrete results of compulsory arbitration.

Except for ignoring the Department of Labor, no one can justifiably quarrel with the bill insofar as it proposes to reorganize and centralize mediation, arbitration, and other labor-adjustment agencies of the Government. But the bill also rewrites the National Labor Relations Act. In doing this it puts monkey wrenches into its own proposed machinery for peaceful adjustment of labor disputes. The Wagner Act is not merely amended to fix some features that the authors think have not worked well in practice; it is rewritten with entirely new words.

This means that the whole legal relationship between employers and employees is changed, redefined. The change itself, and the many years of litigation that will be required for courts to decide what the new definitions mean, will inject new uncertainties, new causes of unrest and industrial strife in an already tense labor situation.

But this is not all. The new concepts of legal relationships are interwoven with those sections of the bill which provide for settlement of controversies by voluntary methods. Unwittingly, perhaps, the announced purpose of the sponsoring Senators, "complete separation of the Government's mediation function from its quasi-judicial function," is thus defeated. The National Labor Relations Board is to be replaced by a Federal Labor Relations Board. But the NLRB is a quasi-judicial body, while the proposed Federal Labor Relations Board purports to be a mediation board. Nevertheless, all the judicial functions connected with determining bargaining units are made duties of the FLRB. Not only that, but the FLRB is authorized to suspend prosecution of violation of the law against unfair labor practices, while it tries to settle the cases by mediation or arbitration.

Still more serious are the confused concepts written into the bill of what is meant by an appropriate bargaining unit. On the one hand the FLRB, to avoid multiple representation, is given authority to decide that a single unit with one representative for all employees having a common interest is appropriate; on the other, the language is such as to authorize any group of employees to designate an exclusive representative. Further, any group or individual employee may settle with the employer disputes growing out of collective contracts without consulting the certified representative that made the contract. Incidentally, this reverses an important Supreme Court decision.

The NLRB has had plenty of trouble determining bargaining units with the simple language of the Wagner Act. Now it is proposed to throw overboard the hundreds of decisions by which the NLRB has gradually hammered out policies with respect to bargaining units. In place of this judicial process, a mediation board (FLRB) is authorized to start all over again, and make final and binding decisions on this inflammatory issue. Similarly, the whole question of what constitutes interstate commerce is to be reopened by a new definition, and court decisions are to be reversed which have settled issues about labor in the processing of agricultural and dairy products.

Section 12 of the bill authorizes the mediation board to refuse to recognize or to certify any representative either of employers or of unions who do not perform certain duties in connection with mediation or arbitration. With whom then will the Government mediators deal and arrange for settlement of labor controversies? A dispute at Montgomery Ward's can hardly be settled without recognizing Sewell Avery, nor a musicians' dispute without Joseph Petrillo. And how are coal mining disputes to be mediated by refusing to recognize the operators' association or the miners' union?

This is an example of the bizarre results that come from mixing a voluntary system of adjusting labor disputes with compulsory judicial or law enforcement powers lodged in the mediation agency. Naive faith in the effectiveness of compulsion in human relations also leads the drafters of the bill to provide for civil actions in the courts, both by the mediation board and by individuals, against any party to a labor dispute who fails to perform duties in connection with mediation. Nothing could more effectively stop efforts to settle disputes by mutual agreement than the mere threat of such lawsuits.

The Wagner Act defines in clear terms five unfair practices of employers that interfere with legal rights of employees. These are discarded in the bill, and in their place 11 unfair practices are substituted which are unrealistically assumed to be applicable to employers and workers alike. Many are in vague language and not limited to interference with legal rights. Some are purely economic practices which all elements of our population are free to engage in.

Thus the wording is such as to prohibit employees, like employers, from inducing other employees to join or not to join a labor organization. Union members, apparently, may not discriminate against nonmembers to encourage membership in a union; they may not favor their fellow members. Unions and workers may not enforce or assist in collecting dues or other financial obligations to their organizations. A union bank could not make loans to employers to help meet pay rolls and to keep union members employed. And presumably workers could not postpone taking their pay for any period in order to aid a distressed employer.

There is vague language also making it an unfair practice "to hamper or embarrass an employer, his representatives, or supervisory employees in exercising their normal and reasonable authority of management." This sort of thing can only add more confusion to an already chaotic labor situation. And just why are supervisory employees not entitled to equal treatment with employers and workers? Why should they have no rights and be pushed around?

Great as is my admiration of the ability and public services of Senators HATCH, BURTON, and BALL, I think they are mistaken if they believe this bill can be the basis of a fair and sound labor policy to promote industrial peace. The fantastic results of the Smith-Connally Act should be a warning. The authors obviously did not have enough factual information on which to base legislation that would approximate really equal treatment of employers and all classes of employees. Section 32 provides for "an

investigation as to whether legislation is necessary or desirable for assuring democratic control of labor organizations and employers' organizations."

Before attempting to draft legislation, the authors would have been better advised if they had also provided for an investigation to find out whether it is really necessary and desirable to tear the Wagner Act to bits, to change the Norris-LaGuardia anti-injunction law, to multiply lawsuits as a means of adjusting labor relations, to destroy foremen's unions, and to restrict wage earners in their union activities because their elected officers, like public officers, sometimes abuse their powers.

ADDRESS BY SENATOR WILLIS AT DEDICATION OF RICHMOND (IND.) AIRPORT

[Mr. WILLIS asked and obtained leave to have printed in the RECORD the address delivered by him at the dedication of the Richmond (Ind.) Airport, July 24, 1945, which appears in the Appendix.]

INDIANAPOLIS ON WORLD AIR MAP—EDITORIAL FROM THE INDIANAPOLIS STAR

[Mr. WILLIS asked and obtained leave to have printed in the RECORD an editorial entitled "Indianapolis on World Air Map," published in the Indianapolis (Ind.) Star of recent date, which appears in the Appendix.]

MESSAGES TO THE PEOPLE OF JAPAN BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD messages composed by him for broadcasting to the people of Japan, which appear in the Appendix.]

THE IMPACT OF RECONVERSION ON SMALL BUSINESS—ADDRESS BY SENATOR MURRAY

[Mr. PEPPER asked and obtained leave to have printed in the RECORD a radio address on the subject The Impact of Reconversion on Small Business, delivered by Senator MURRAY on July 30, which appears in the Appendix.]

PREJUDICE—ROADBLOCK TO PROGRESS

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article from Army Talk on the subject Prejudice—Roadblock to Progress, which appears in the Appendix.]

CHILD HEALTH—EDITORIAL FROM THE WASHINGTON POST

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Child Health," published in the Washington Post of August 1, 1945, which appears in the Appendix.]

LETTER FROM SENATOR BILBO TO WALTER WINCHELL

[Mr. BILBO asked and obtained leave to have printed in the RECORD a letter addressed by him to Walter Winchell, dated July 29, 1945, dealing with a broadcast by Mr. Winchell, which appears in the Appendix.]

PRICE-CONTROL POLICIES — STATEMENT BY CHESTER BOWLES

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a statement by Mr. Chester Bowles regarding policies of the Office of Price Administration, which appears in the RECORD.]

UNITED NATIONS CHARTER

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD several editorials relating to the United Nations Charter, two from the New York Times, one from the Philadelphia Record, one from the Philadelphia Inquirer, and one from the New York Herald Tribune, which appear in the Appendix.]

SAFETY IN TRAVEL—REPORT BY INTERNATIONAL ASSOCIATION OF CHIEFS OF POLICE

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a report regarding safety in travel by the International Association of Chiefs of Police, which appears in the Appendix.]

UNCONDITIONAL SURRENDER BY JAPAN—LETTER FROM AN ARMY LIEUTENANT

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a letter addressed to him by an Army lieutenant under date of July 25, 1945, advocating unconditional surrender terms for Japan, which appears in the Appendix.]

THE PRESERVATION OF OUR FORM OF GOVERNMENT—ARTICLE BY JIM H. BRADY

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD an article entitled "Inside Washington," by Jim H. Brady, dealing with the preservation of the American form of government, which appears in the Appendix.]

OVERSEAS CHRISTMAS MAILING—ADDRESS BY MAJ. GEN. E. F. WITSELL

[Mr. CONNALLY asked and obtained leave to have printed in the RECORD an address on Overseas Christmas Mailing, by Maj. Gen. E. F. Witsell, Adjutant General of the Army, which appears in the Appendix.]

THE SAN FRANCISCO CHARTER—STATEMENT BY MOST REVEREND SAMUEL A. STRITCH

[Mr. LUCAS asked and obtained leave to have printed in the RECORD a statement regarding the San Francisco Charter by the Most Reverend Samuel A. Stritch, Archbishop Chicago, which appears in the Appendix.]

THE CONSTITUTION AND THE CHARTER—ADDRESS BY PROF. EDWARD S. CORWIN

[Mr. SMITH asked and obtained leave to have printed in the RECORD an address on the subject The Constitution and the Charter, by Prof. Edward S. Corwin, which appears in the Appendix.]

SCIENTIFIC PREPAREDNESS FOR WAR

[Mr. SMITH asked and obtained leave to have printed in the RECORD an editorial entitled "Scientific Preparedness" and a memorandum written by Thomas A. Edison, which appear in the Appendix.]

REVOLUTION DOWN SOUTH—STATEMENT BY GOVERNOR ELLIS ARNALL

[Mr. CAPPER asked and obtained leave to have printed in the RECORD a statement entitled "Revolution Down South," by Gov. Ellis Arnall of Georgia, printed in Collier's, which appears in the Appendix.]

AIR TRANSPORT BATTLE LOOMING—EDITORIAL FROM THE WICHITA BEACON

[Mr. CAPPER asked and obtained leave to have printed in the RECORD an editorial entitled "Air Transport Battle Looming," from the Wichita (Kans.) Beacon, which appears in the Appendix.]

ENGLAND WILL AID SMALL BUSINESS—ARTICLE FROM NEW YORK TIMES

[Mr. STEWART asked and obtain leave to have printed in the RECORD an article entitled "England Will Aid Small Business," published in the New York Times of July 24, 1945, which appears in the Appendix.]

CONTRIBUTION OF THEATERS IN THE WAR EFFORT

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a plan and statement regarding the part played by theaters in the war effort, which appear in the Appendix.]

ATLANTIC AIR ROUTES—EDITORIAL FROM THE NEW YORK TIMES

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial entitled "Atlantic Air Routes," from the New York Times of July 7, 1945, which appears in the Appendix.]

GOLD STAR MOTHER

[Mr. MEAD asked and obtained leave to have printed in the RECORD a poem entitled "Gold Star Mother," written by Mrs. Lizette Marie Graeber, and a letter from her, which appear in the Appendix.]

VALUE OF ARKANSAS RAW MATERIALS

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD tables showing the value of Arkansas raw materials and Arkansas minerals, which appear in the Appendix.]

WOMEN'S RIGHTS—ARTICLE BY ANNA KELTON WILEY

[Mr. RADCLIFFE asked and obtained leave to have printed in the RECORD an article entitled "Women's Rights," written by Anna Kelton Wiley, editor, Equal Rights Magazine, and published in the Washington Post of July 24, 1945, which appears in the Appendix.]

PRESIDENT TRUMAN—ARTICLE BY JIM H. BRADY

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an article entitled "Know Your President," by Jim H. Brady, published in his column Inside Washington, which appears in the Appendix.]

POSTWAR INTERNATIONAL AVIATION—EDITORIAL FROM NEW HAVEN JOURNAL-COURIER

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Postwar International Aviation," published in the New Haven (Conn.) Journal-Courier of July 12, 1945, which appears in the Appendix.]

THE OREGON LAMB PROBLEM

Mr. CORDON. Mr. President, my distinguished colleague the junior Senator from Oregon [Mr. MORSE], who will not be present today, furnished me with a memorandum discussing, among other things, Senate Resolution 156, and certain aspects of the Oregon soft-lamb situation.

The PRESIDENT pro tempore. If it is a message to be placed in the RECORD, it is out of order at this time. The morning business has not been concluded.

Mr. CORDON. I am asking for the insertion of certain documents in the RECORD. Do I understand this is not the appropriate time to insert these matters in the RECORD?

The PRESIDENT pro tempore. Does the Senator want to insert them in the RECORD?

Mr. CORDON. Yes.

The PRESIDENT pro tempore. They will be received and placed in the RECORD.

Mr. CORDON. I should like to identify them, Mr. President, if I may.

The PRESIDENT pro tempore. The Senator may.

Mr. CORDON. I ask unanimous consent to insert in the RECORD a memorandum from my distinguished colleague addressed to me; a guest editorial appearing in the Portland (Oreg.) Daily

Journal, written by Lew Wallace, a well-known and outstanding member of the Democratic Party of the State of Oregon; a telegram addressed to Mr. Wallace, signed by my colleague, discussing the editorial; an editorial appearing in the July 21, 1945, issue of the Bend Bulletin, of Bend, Oreg., entitled "Soft Lambs"; an editorial appearing in the issue of July 21, 1945, of the Oregon City Enterprise, entitled "Senator MORSE Drives Hard on OPA"; an editorial from the Salem Statesman entitled "Point Free Lamb"; an editorial appearing in the July 21, 1945 issue of the Albany Democrat-Herald entitled "How to Sell Lamb"; an item from the Astorian Budget of July 21, 1945; a telegram to my colleague from the Council of Texas Retailers Associations favorably commenting on the Senator's resolution; a telegram from Newton J. Hale, Hale Bros. Stores, Inc., of San Francisco, Calif., on the same subject; a telegram from Louis J. Klein, executive vice president, Roos Bros., Inc., of San Francisco, Calif., on the same subject; a telegram from Thearle Music Co., of San Diego, Calif., also commenting favorably upon Senate Resolution 156; a telegram from H. H. Harrill, president, Oklahoma Apartment Owners' Association, of Oklahoma City, Okla., on the same subject; a letter from the Secretary-manager of the Willamette Valley Lumbermen's Association of Eugene, Oreg., addressed to my colleague and discussing the OPA situation, together with an extract from the Register-Guard, published in Eugene, Oreg., under date of July 17, 1945; a letter from Fred Hartung, of Portland, Oreg., under date of July 25, 1945, addressed to my colleague, and discussing the subject of OPA maladministration in connection with the lamb situation; a letter from Robert W. Sawyer, the editor of the Bend Bulletin, published in Bend, Oreg., addressed to one Zenas L. Potter, and having to do with the handling of the butter situation by OPA, together with copies of broadcasts heard over Mutual Broadcasting System, and an extract from one of the local newspapers attached thereto in connection with the closing of restaurants due to inability to secure the necessary food to keep in operation; a letter addressed to my colleague from Hampton Furniture Co., of The Dalles, Oreg.; a letter addressed to my colleague from James A. Rodman of Eugene, Oreg., and a like letter addressed to my colleague from C. W. Huntington, executive secretary of the Portland Home Builders Association, Inc.

Mr. President, I ask that these letters and other matters be printed in the RECORD.

The PRESIDENT pro tempore. Before the Chair enters an order concerning the request, the Chair would like to ask a nonparliamentary question of the Senator from Oregon.

Mr. CORDON. If it be nonparliamentary the Senator from Oregon may be able to answer it.

The PRESIDENT pro tempore. The Chair, in his capacity as a Senator, wants to know if there is any other statement made about lambs that the Senator from Oregon may have overlooked?

Mr. CORDON. Mr. President, the Senator from Oregon has been diligent, but at times he has overlooked some comments, and regrets that the intervening adjournment may prevent the Senator from Oregon completing his chore in that field. However, I want to assure the President of the Senate that the Senator will endeavor to make up for that when the Congress reconvenes after the recess.

The PRESIDENT pro tempore. Without objection, the material presented will be placed in the RECORD.

The letters and other matters are as follows:

UNITED STATES SENATE,
July 31, 1945.

Memorandum for Senator GUY CORDON.

DEAR GUY: I shall appreciate it very much if, in the session of the Senate on Wednesday, August 1, you will ask in my behalf for unanimous consent to have printed in the CONGRESSIONAL RECORD the attached editorials, telegrams, letters, and newspaper articles dealing with the Oregon lamb problem and OPA abuses generally. I would like to have the material printed in the body of the RECORD. You will note that much of it is in support of my resolution, Senate Resolution 156, which calls for the appointment of a special investigating committee of the Senate charged with the responsibility of investigating the rules, regulations, procedures, practices, and policies of the OPA to the end of bringing about necessary correction of OPA's well-recognized inefficiency and maladministration.

I particularly wish to call your attention to the editorial published in the July 25 issue of the great Democratic daily in Portland, the Portland Journal. This editorial, you will note, on the subject Censure for OPA, was written by Hon. Lew Wallace, National Democratic Committeeman for Oregon, now Democratic State senator in the Oregon State Legislature. I desire to have the Senate know that Mr. Wallace is a very prominent Democratic leader in Oregon, having been the Democratic candidate for Governor and for other high offices and also Democratic State chairman.

Mr. Wallace's editorial is a stinging criticism of OPA abuses and, in my judgment, it is indicative of the attitude of an increasing number of prominent Democrats throughout the country toward the abuses of OPA. You will note that I sent a wire to Mr. Wallace, under date of July 30, setting forth my approval of his editorial and suggesting that he and the Democratic delegation of Oregon should make known their disapproval of OPA's maladministration to the Democratic administration in Washington, D. C.

One of the most interesting paragraphs in Mr. Wallace's editorial is the one which reads as follows: "A little over a year ago we were having trouble with lamb points in Oregon, and it was a very serious matter. Chester Bowles, who was in San Francisco, refused to stop over in Portland on his way to Seattle, until we put tremendous pressure on him to do so. His stop did remedy the situation to some extent, but relief should have been granted upon a simple request." This paragraph sheds some interesting light on the so-called Portland Airport conference with Mr. Bowles on August 28, 1944, as many of the persons there formed the impression that Mr. Bowles not only would see to it that OPA's mistakes in handling the Oregon lamb problem in 1944 would be remedied, but that they would not be repeated another year. However, they have been repeated and, in my judgment, similar mistakes will continue to be repeated by OPA until the Senate of the United States sees to it that there is a thorough housecleaning in the administrative policy-forming offices of OPA starting with Mr. Bowles' office.

I shall appreciate it very much if you will include this memorandum to you for printing in the CONGRESSIONAL RECORD, along with the other material attached. I probably will not see you before I catch the train this afternoon, but I shall look forward to seeing you in Oregon as soon as you get there.

With warm personal regards,

Cordially,

WAYNE MORSE.

[From the Portland (Oreg.) Daily Journal of July 25, 1945]

CENSURE FOR OPA

(By Lew Wallace, Oregon State senator)

I am writing as a businessman whose sole interest is the welfare of his community, State, and country. My suggestions will likely prove sound for the very reason that they will be branded as faulty by local OPA officials.

I am of the firm opinion that the judgment of Congress was sound in enactment of the law creating the OPA, but its administration—National, State, and local—has been pitiful—certainly not improving with age.

I wish to point out a few instances to show that there is more fault and collusion on the part of the administrating officials than upon the part of the people and it would seem that the officials would rather make trouble and cause exasperation on the part of the people than to correct abuses. I cite the following instances:

1. A little over a year ago we were having trouble with lamb points in Oregon, and it was a very serious matter. Chester Bowles, who was in San Francisco, refused to stop over in Portland on his way to Seattle until we put tremendous pressure on him to do so. His stop did remedy the situation to some extent, but relief should have been granted upon a simple request.

2. At the close of last year we had a 2-day holiday. There was a lack of clarity regarding a point ruling by the OPA. Violations were charged, and commissioners from San Francisco tried groups of the alleged Portland violators. One group was suspended; another was not. I asked Mr. Brown, in the interest of fair dealing, to drop the charges. He refused. Upon appeal to Washington the suspension order was reversed. Much bad feeling and misunderstanding would have been avoided if the prosecutions had not been undertaken.

3. Some months ago, when it was announced there would be a new ration book, I wrote Chester Bowles saying that the citizens of Oregon were tired of standing in lines and waiting for their books. I asked that these books be mailed to applicants. A long letter was received explaining why this could not be done; the principal reason given was that it would clutter up the mails. Postmaster Hedlund informed me that that was ridiculous, but Mr. Bowles stood by his guns and created more ill feeling.

4. The manner in which rents are being handled in Portland by the OPA is disgraceful and, in many cases, downright unjust. The freezing of rents actually went into effect on March 1, 1942, by act of Congress, so the law cannot be changed, but the attempt to apply its schedules to property which was later placed on the rental list is wrong. It is an assumption of authority by OPA administratfon which makes the Gestapo or OGPU look like a Sunday-school gathering.

5. According to Government reports, there are more beef cattle in America today than ever before. There are plenty of sheep and hogs, but because of the maladministration of the OPA we find our people going meatless and our sheepmen compelled to lose money on their lambs and see a black market thriving. No one can object to ceiling prices, but it is undemocratic to have a group of people with little or no experience all but ruining one of our greatest industries.

Oregon OPA officials are apparently determined on such a course, but the people will not countenance such treatment. During prohibition this country was thrown into a mess because a group of misguided individuals tried to run the show. If there is not a radical change in OPA administration and some ordinary horse sense used, this country will go into a worse moral tailspin than ever.

JULY 30, 1945.

Hon. LEW WALLACE,
Democratic National Committeeman,
Portland, Oreg.:

Have just read your excellent editorial on OPA abuses published in Portland Journal July 25. Inasmuch as I believe correcting OPA abuses should be a purely nonpartisan matter I am pleased to assure you that I shall do everything I can to get the Truman administration to see the soundness of the points which you presented in your editorial. May I respectfully suggest that the time has come for the entire Democratic organization in Oregon to point out to the administration and particularly to Mr. Hannegan that OPA maladministration has become a great political liability. I feel that both great political parties should join for the good of the country in support of my resolution now pending before the Committee on Banking and Currency for a Senate investigation of OPA. As I said in my Senate speech last Friday I believe such a committee would prove to be a great strengthening arm to both OPA and the President, and its creation is essential in the public interest. I hope that you and other Democrats in Oregon will give me the support I need through the administration to get my resolution reported out of committee at the convening of Congress following the summer recess.

I have tried in vain to get the Democrats on the Banking and Currency Committee to permit my resolution to reach the Senate floor before the summer recess but they have bottled it up and refuse to permit it to reach the Senate floor. I think they have made a serious mistake in judgment and I sincerely hope that Democrats throughout the country will make clear to the administration by October when Congress reconvenes that they want my resolution reported favorably. Kindest regards.

WAYNE MORSE,
United States Senator.

[From the Bend (Oreg.) Bulletin of July 21, 1945]

SOFT LAMBS

Taking his cue from the Roman, Cato, who made it a point to get into every one of his speeches the assertion that Carthage must be destroyed, Senator MORSE has undertaken to have something to say on the subject of OPA each day the Senate meets. He does not go so far, however, as to insist on the destruction of the OPA. What he seeks is the appointment of a continuing committee that will be constantly checking on OPA activities just as the Mead—formerly the Truman—committee checks on the national defense program. In urging the need for such a committee the Oregon Senator has discussed the OPA management of the country's butter supply and, more recently, he has called attention to the soft lamb situation in the northwest.

Now we make no claim to any special knowledge on the subject of soft lambs. We do remember, however, that the same claims were being made last year that are being made now to the effect that soft lambs require special treatment if producers are to receive the best possible financial return. They must be marketed when at the peak of condition and if shipped any great distance they suffer loss of weight. We remember, too, that for a long time OPA Administrator Bowles, in Washington, was adamant in his refusal to lighten the restrictions that hindered the marketing of these lambs, not even heeding the recommendations of his own representative out here in the Northwest. We remember that in the end Bowles did yield in some degree.

This year the performance has been repeated with slight difference. OPA has authorized increased lamb slaughtering quotas, but Senator MORSE demands a reduction in point values while the claim is made that increased slaughter gives no relief, if as is obviously the case, the point cost is such as to slow down the movement of the lamb from the butcher's show case to the housewife's oven.

We hope that Senator MORSE gets his special committee.

Since the foregoing was put in type the news has been received that Secretary Anderson has joined Senators MORSE and CORDON in asking Bowles to remove points from soft lambs. That puts the lambs definitely in the lap of Bowles and the OPA.

[From the Oregon City Enterprise of July 21, 1945]

SENATOR MORSE DRIVES HARD ON OPA

"As a Member of the Senate I intend to focus the attention of the Senate and of the country, to the extent that I can do so from this desk, upon the gross incompetency which characterizes OPA at its national level. I shall continue to call attention to its bungling policies until OPA provides the Nation with the necessary changes in its policy."

It was Senator WAYNE MORSE, of Oregon, speaking to the Senate as reported in the July 9 issue of the CONGRESSIONAL RECORD and for nearly two pages the junior Oregon Senator lays it on the line with his criticism of the lamb, the butter, the beef, and other food problem policies.

Senator MORSE charges Chester Bowles, OPA Administrator with bungling the Nation's meat supply marketing; with "maladministration continuing in an even greater degree;" with proposals emanating from OPA, "not made in my judgment, even in good faith," and with an effort on the part of OPA politicians to embarrass the junior and senior Senators from Oregon.

Senator MORSE served notice that each Thursday he is going to "call attention to the incompetency of OPA in the handling of the food problem unless and until some definite steps are taken bf OPA to correct the injustices of which I complain."

There is no straddling in Senator MORSE's charges. They are harsh, blunt, direct, and documented. He asks Congress to exercise its power to go into the situation thoroughly. He puts the new Secretary of Agriculture on the spot to "do something" and he gives notice that he will not allow, if he can prevent it "OPA to get by with its maladministration of the Oregon lamb problem."

In a rather spirited conclusion to his remarks Senator MORSE warned the Senate public opinion would put the responsibility upon the shoulders of Congress "where it belongs" if it does not see to it that the situation of which he complains is corrected.

[From the Salem (Oreg.) Statesman of July 22, 1945]

POINT-FREE LAMB

By the doubtful method of making a nuisance of the subject through talking on it every day Senator MORSE has broken down OPA resistance and obtained a relaxation of ration requirements so that Oregon lambs may be sold without ration points for commercial, utility, and cull grades. The order applies to western Oregon counties and Hood River County and continues through September 1.

Finally, after 3 years of effort recognition is given to a local situation. While it may mean more meat for local consumption than elsewhere in the Nation it will assure a ready market for fresh lamb and will encourage sheep growers of this section to stay in business—which is important for future meat production.

[From the Albany (Oreg.) Democrat-Herald of July 21, 1945]

HOW TO SELL LAMB

Senator WAYNE MORSE has been doing yeoman's service in his battle against certain OPA inconsistencies.

We can understand the OPA theory that its regulations must be devised for the Nation as a whole rather than for localities and that they must be based upon consideration for needs of United States military forces, but it is undeniable that there are instances in which those regulations must be bent a little to fit local circumstances.

Here in the Pacific Northwest large numbers of sheep are produced. From sheep are derived two major commodities, wool and meat. In order to balance production sheep growers must from time to time cull or reduce flocks. The result of this necessary periodical killing is meat.

In contrast with beef, veal, and pork; mutton and lamb are not adaptable to processing or to shipment for great distances.

Consequently the chief market for slaughter sheep is confined to a relatively small area.

This means that a large part of the sheep killed in the Pacific Northwest must be consumed in this area. Otherwise the meat will go to waste.

At best, mutton moves slowly because of consumer apathy. Lamb is more readily salable but is equally perishable, and cannot be distributed over wide areas. Surpluses are the consequence.

The OPA has recognized the predicament of mutton and has lifted point requirements on this meat entirely. This has not overcome consumer resistance entirely but has channeled no little consumer demand into the mutton markets. Many people, butchers and customers alike are finding as they learn to handle and prepare mutton properly it is really a delectable dish. Good mutton, in fact, can hardly be distinguished from lamb, and many people who had thought they could not eat mutton have become converted.

Nevertheless lamb is preferred by the public as a whole and would move readily if the people were able to buy it.

The only limitation facing consumers, aside from price, is red points. Therein lies the crux of the lamb-market problem.

Lower or remove the point values on lamb and no lamb will go to waste. Many purchasers of beef would turn to lamb and release that much more beef for export, for shipment to other domestic markets and for processing, giving the armed forces and meat-starved areas of this country more instead of less meat.

Thus the entire meat situation would be improved by an improvement in the lamb situation and the interests which the OPA was delegated to guard will be served.

In conformity with his request through the Albany Chamber of Commerce, Senator MORSE has been apprised of these facts by Albany's meat packers. The solution of the lamb problem is simple if the Washington bureaucrats can only be made to discern it.

[From the Astorian-Budget of July 21, 1945]

It begins to look like Oregon's Senators MORSE and CORDON have won their fight against the OPA for recognition of the perennial problem of marketing Oregon lambs under restrictions imposed. The new Secretary of Agriculture, Clinton P. Anderson, has requested removal of all points from what are known as soft lambs which are grass-fed lambs and which will not stand shipment to distant markets. With the points removed,

we may expect the slaughter of 150,000 Oregon lambs during the next few months, saving the sheepmen from substantial losses and providing more fine meat for our tables. The OPA has been unyielding and it remains to be seen whether the Secretary of Agriculture can drive it to remedial action.

DALLAS, TEX., *July 31, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

In behalf of many thousands of retail merchants in Texas who are members of 11 Statewide associations affiliated with this organization. We have telegraphed Senators CONNALLY and O'DANIEL asking they contact you in support of Senate Resolution 156 to provide for interim committee to consider activities of Price Administration. We have communicated to Chester Bowles also our Texas congressional delegations numerous instances where Price Administrator has adopted whimsical viewpoints which have no relation whatever to the control of prices charged consumers. Trust the resolution is receiving your individual support.

COUNCIL OF TEXAS RETAILERS ASSOCIATIONS.

SAN FRANCISCO, CALIF., *July 30, 1945.*
Senator WAYNE MORSE,
Washington, D. C.:

We understand Senate Resolution 156 is up for consideration and we urge your active support, as we believe the proposed seven member committee for continued study of OPA is very constructive.

NEWTON J. HALE,
HALE BROS. STORES, INC.

SAN FRANCISCO, CALIF., *July 30, 1945.*
Senator WAYNE MORSE,
United States Senate,
Washington, D. C.:

Our organization is very much interested in Senate Resolution 156. We consider it most vital to the retail industry and would appreciate your cooperation in supporting this measure and in speeding up its final approval. Thank you.

LOUIS J. KLEIN,
Executive Vice President,
ROOS BROS., INC.

SAN DIEGO, CALIF., *July 30, 1945.*
Senator WAYNE MORSE,
United States Senate,
Washington, D. C.:

May we compliment you upon your Senate Resolution 156 and may we urge you to proceed with all effort toward bringing about the OPA investigating committee.

THEARLE MUSIC CO.,
H. E. CALLAWAY,
Vice President.

OKLAHOMA CITY, OKLA., *July 30, 1945.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

We strongly urge the adoption of Senate Resolution 156, providing for continuous investigation of the activities of OPA experience here in the rental field indicates a necessity and the desirability of this procedure. Regardless of surveys, data, petitions, and innumerable conferences the operations of OPA rent department here are grossly inequitable and highly unsatisfactory.

Respectively yours,
OKLAHOMA APARTMENT OWNERS' ASSOCIATION,
H. H. HARRILL, *President.*

WILLAMETTE VALLEY
LUMBERMEN'S ASSOCIATION,
Eugene, Oreg., July 21, 1945.
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: I see by the papers that your daily speeches on the Senate floor, together with your personal needling of the OPA, has resulted in a definite recommendation from Secretary Anderson, of the Department of Agriculture, that Chester Bowles, OPA Chief, had better do something about the lamb situation without delay.

Loggers must have meat, and this will probably solve the problem out here in Oregon. The logger and millman is not fussy. He will eat mutton or goat meat so long as it is fresh meat.

I am sending you the original file covering telegraph correspondence with Senator CORDON concerning the shutting down of small community restaurants due to the lack of sufficient ration points, and upon whom many of our operator employees are dependent for their meals.

I am also enclosing an Associated Press release which appeared in all of the western papers on July 17, quoting a statement by one of the OPA's many smart-alec officials (a one Douglas Boyle), in which he gave a public spasm to the effect that loggers already get four times the standard number of food ration points, and that any complaints should be given company hash-house supervisors. If this bird Boyle were to undertake a day's work in a logging camp, he would realize that he could not subsist on peanut butter or cream puffs. In the first place, he probably has never done a day's work of any kind, and undoubtedly lacks both the knowledge and physical stamina to do at least 1 day's work in a logging camp. Further, logging and sawmill companies do not operate hash houses, and it is not hard to imagine a logger's reaction to a daily diet of spaghetti, when birds of Boyle's ilk are responsible for the shipment of meat, butter, and other delicacies to conquered and liberated countries, and even in spite of all this, this is still the United States of America in which there is an abundancy of everything to eat.

Some months ago, the lumber industry was told by some female dietitian that instead of meat, loggers should eat peanut-butter, as the latter carries a comparable food value. Paul Bunyan would turn over in his grave; and can you imagine a west coast logger not only subsisting but adjusting himself to peanut butter sandwiches?

I had better quit; the more I talk, the madder I get. You should not stop with your daily talks on the lamb situation; you should give the Senate a daily exposé on OPA incompetency and bungling.

The sooner you drive the OPA and other crackpots and palace guards out of the National Capital, the sooner our country will return to a government of the people, by the people, for the people.

Sincerely,

H. J. COX,
Secretary-Manager.

OPA OFFICIAL TELLS LOGGERS TO GRIPE TO HASH HOUSE FOR MEAT

Oregon loggers had the answer today to a question about how long they are expected to go without meat, yet stay on the job in the big woods, according to Associated Press.

Douglas Boyle, national OPA official, told loggers in Portland they already get four times the standard number of food ration points and any complaints could be given company hash-house supervisors.

Boyle had no answer to how restaurants could keep employees if they were open only 4 days a week. Boyle earlier had urged cafes to stay open and feed the working public "even though it is spaghetti."

PORTLAND, OREG., *July 25, 1945.*
United States Senator WAYNE MORSE,
Washington, D. C.

DEAR MR. MORSE: We have received our killing quota on lambs from the local OPA office permitting us to kill lambs at the Kurth and Carlson plant at Vancouver, Wash. Both Mr. Robbins and I appreciate your prompt handling of this matter.

There have been a number of articles in the local papers pro and con on the recent action of the OPA in removing points on the lower grades of lamb in western Oregon counties. The concensus of opinion seems to be that the job is only half done. It is making it very difficult to sell good and choice lambs in these counties as points are scarce and the housewife would prefer to buy her lamb without points. Likewise the demand in the neighboring counties has been strong for point-free lamb. I noticed this particularly in Vancouver. Mutton is in very good demand there but lambs are very slow.

The marketing of lambs since this order went into effect has slackened off as it usually does when any change is made in points or when the change might help the demand for this type of lamb and result in a higher price level for live lambs. The local market has been cleaning up in good shape but most of the interested parties are predicting a large increase in lamb marketings in the near future.

Up until 2 weeks ago lambs were selling very well in Vancouver and the demand was far in excess of the supply because other kinds of meat were very scarce. Last week and this the OPA declared Vancouver to be a critical area and increased quotas to a number of local slaughterers allowing them to put a considerable larger amount of meat in this section and as a result meat counters are well supplied for the present. The factor now affecting the movement of meat is the scarcity of red points.

We are now working on the local United States Meat Inspection Division to secure temporary Federal inspection permitting us to sell any surplus to the armed forces or to ship interstate into the city of Portland as soon as the Patman bill becomes operative.

With kindest regards,

FRED HARTUNG.

JULY 24, 1945.
ZENAS L. POTTER,
Special Assistant to Administrator
Office of Price Administration,
Washington, D. C.

DEAR MR. POTTER: Referring to the subject of the inquiry that you addressed to me on July 18 regarding butter used in soap manufacture, I send you herewith copy of publicity material recently put out by the Mutual Broadcasting System. I wonder if these have been otherwise called to your attention.

Sincerely yours,

ROBERT W. SAWYER.

Copy: Senator WAYNE L. MORSE, Washington, D. C.

ALEXANDER GRIFFIN CRUSADE FOR MORE BUTTER IS WINNING

Associated Press reports, May 26: "Alexander Griffin declared last night there is no butter shortage * * * that there is not likely to be one, due to large number of points necessary. He said that dairies countrywide are so overstocked that they are peddling to soap factories in lieu of any other market."

Alexander Griffin broadcast, May 28: "I can exclusively reveal today that a California dairy offered two tons of sweet butter to a Los Angeles soap factory * * * the offer being turned down, not because of OPA restrictions, but that the soap factory had just bought up 15 tons."

On June 7: Complying with request of Clinton P. Anderson, then Representative from New Mexico, and chairman of House Food Shortage Investigating Committee (since appointed Secretary of Agriculture) Alexander Griffin furnished to the committee specific data including names and places.

Mr. Anderson said June 11: "This data is among the most valuable received by the House committee."

RESTAURANTS IN BEND CLOSED; OPA BLAMED—RAILROADS MAY BRING IN DINING CAR FOR MEN; TO CONFER ON SITUATION HERE

Closing of two restaurants here and operation curtailment of others may force installation of special meal service by the Oregon Trunk Railway for railroaders, R. L. Huff, local agent, intimated today. More than 100 railroad employees are dependent on local eating houses for their meals. The situation has become particularly difficult at night, it is reported. A car can be brought in equipped for serving meals, and it is possible, says Huff, that this may be found necessary. Shortage of meat ration points is responsible for restaurant closing, local operators say.

In an effort to reach a solution of the local problem, a meeting of local OPA members, restaurant owners, railroad officials, and members of the Bend Chamber of Commerce has been called for tonight, when the railroads and restaurants will present their cases and attempt to work out a solution.

According to Huff, the only alternative to bringing in the dining car appears to be making application to the War Department for extra ration points to be distributed among local restaurants, a process which would require more time than could be taken, as an immediate solution is necessary.

Railroad men have been forced to go out of town for meals, as local eating places have closed their doors. Preliminary conferences with local OPA officials and restaurant owners failed to produce a solution to the problem. Local restaurant owners and the ration board expressed willingness to cooperate, but were unable to receive the proper authority to handle the situation without outside assistance.

DENVER, July 24.—Denver restaurant patrons faced the possibility of a week-long famine today when operators of the city's major eating places revealed that a protest move against recent OPA red point allotment reductions was being considered.

A meeting of the Colorado Restaurant Association, representing about 100 of Denver's largest restaurants, will be held Thursday, when members will vote on a proposal to shut down their cafes for a week or more.

THE DALLES, OREG., *July 23, 1945.*

Mr. WAYNE B. MORSE.

DEAR SENATOR: On behalf of the owners of the Imperial Stock Ranch, namely, James Hinton, George Ward, and myself, I wish to praise you for your recent action in the Senate on the lifting of the ration points on the soft lambs.

I have heard many compliments very favorable to your handling this in the face of apathy so generally encountered in a situation of this kind in a public body.

I am glad they yelled "lambs" at you when you stood for what you did. You made lots of friends out here and may be you don't hear it as often as you would be entitled, too, but I am taking time out to give a view of some of your constituents anyhow.

With best personal regards,

C. S. HAMPTON,
HAMPTON FARM CO.

EUGENE, OREG., *July 24, 1945.*

Hon. WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR WAYNE: Just a note to say that your effort in the matter of lamb is pretty well appreciated in the territory.

Of course everyone doesn't feel it, but there has been a lot of favorable comment on it, and I personally appreciate your activity in getting the thing done.

Sincerely yours,

JAMES A. RODMAN.

PORTLAND HOME BUILDERS' ASSOCIATION, INC.,
Portland, Oreg., July 25, 1945.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: Our members and their employees wish to express their heartfelt appreciation of your efforts to secure point-free Oregon lamb. One of our members, R. A. Chambers, just came in the office and stated that one of his carpenters was extremely grateful to you for the fact that last evening, for the first time in a long while, his family was able to have meat for the evening meal.

Lettuce, peanut-butter, and liverwurst sandwiches are not a workingman's diet by choice and do not enhance his efficiency, hence the results that you have obtained will result in more efficiency, more contentment, and a greater well-being for our good Oregonians.

Please keep up the good work. Again thanks.

Sincerely yours,

C. W. HUNTINGTON,
Executive Secretary.

ARTICLE BY SENATOR WILEY ON COLLECTIVISM IN WASHINGTON AND EDITORIAL COMMENT ON VARIOUS PROPOSALS MADE BY HIM

Mr. WILEY. Mr. President, I ask unanimous consent that there be printed in the body of the CONGRESSIONAL RECORD various newspaper editorials and columns relating to proposals and bills which I have submitted, together with an article by me in a current magazine.

It is my humble feeling that the people of my own State, just as the people of the other States, are entitled to know what their chosen representatives are doing.

The items to which I refer are as follows:

First. An editorial column of July 27, 1945, appearing in the Parkersburg (W. Va.) News, relating to my bill for the creation of a joint committee on Federal State relations. This column is written under the general title "This Day," by Mr. Herman Everett Gieske, the editor of that paper.

Second. An editorial column of July 28, 1945, appearing in the same paper, by the same author, relating to my recommendation that the administration bluntly inform Russia that we desire that our ally do her part in Pacific operations.

Third. An editorial of July 28, 1945, entitled "Our Shrinking Minerals," which appeared in the New York Sunday News and the Washington Times-Herald. This editorial draws reference to my remarks on the floor of the Senate on July 19, 1945, in which I called for the husbanding of American resources.

Fourth. A brief excerpt from the Washington Merry-Go-Round column of August 1, 1945, by Mr. Drew Pearson, relating to my proposal of 4 years back for the creation of a national defense research laboratory and

Fifth. An article by me entitled "Collectivism in Washington," which appears in the August issue of the magazine the Washington News Digest, which is edited by the former Representative from New York, the Honorable John J. O'Connor.

There being no objection the matters were ordered to be printed in the RECORD, as follows:

[From the Parkersburg News of July 27, 1945]

THIS DAY—RIGHTS OF THE STATES—FEDERAL BUREAUCRACY AND TYRANNY LIKE A PLAGUE OF LOCUSTS—AN ALEXANDER ARISES—SENATOR WILEY ACTS

(By Herman Everett Gieske)

This Nation long has witnessed the odious spectacle of the Governors of the various States of the Union going hat in hand to Washington for the Federal hand-outs of money; it has seen swarms of Federal bureaucrats descending upon the States like a plague of locusts, eating out the people's substance in taxes, and lording it over them in petty tyrannies, and in some instances actually outnumbering State officials, and thus undermining the very bedrock of traditional Americanism—home rule.

So menaceful has become this situation, with the United States Government threatening to step in and run our public schools, and additionally subject our local doctors and hospitals to long-distance management from Washington that this newspaper some time ago placed at its masthead the escutcheon of the State of West Virginia as a token of its intent to resist this invidious trend; and failing to overcome what amounts to a veritable tidal wave of bureaucracy rampant, that this emblem of formerly free men would remain there at least as a memorial which would symbolize our former self-reliance and individual liberty. Once the people of West Virginia proudly proclaimed that "mountaineers are always free," but nowadays as the populace groans under the weight of a mammoth bureaucracy, it seems only a mockery, for our State administration appears hand-in-glove with the new class of political "elite" raised up in Washington and responds with alacrity when they crack the whip.

And the result is the people are hungry for meat; they find their beloved and gallant soldier boys can't even get home on leave for lack of manpower adequately to man the railways; they find themselves needlessly on short rations for the simplest necessities of life and the result can only be expected to rebound hurtfully on our final efforts in the war. Such was the wisdom of our forefathers that they had provided against just such a concentration of centralized power; but alas, their vision has proved to be a mirage, such are the machinations of the power-hungry, Government-subsidized bureaucrats who insist they can manage our affairs for us better than we can ourselves.

There has been much talk about the disappearance of States' rights, explicitly reserved in the Constitution, but very little, if anything has been done about it. It remained for United States Senator ALEXANDER WILEY, of Wisconsin, to take the first practical step to attempt to gain relief.

It will, indeed, require an Alexander, or someone of dauntless courage, remorseless persistency, and ceaseless energy, if we are to escape this pernicious thralldom. It is all but too late, unless the people are stirred to action. Senator WILEY proposes an investigation to determine just how far this trend of encroachment and obliteration of the States has proceeded. It would make recommendations, he proposes, for the restoration and maintenance of the proper distribution of authority and functions among the National, State, and local governments, as provided under the United States Constitution. Mr. WILEY says the situation urgently demands such an inquiry, and we say that he is exactly right.

"The battle," he predicts, "between the proponents of centralization and the advocates of local self-government will rage fiercely in the coming months and years.

The battle between local democracy at the crossroads and Federal bureaucracy in Washington, D. C., will be intense and unremitting. The Federal bureaucrats will not give up their ill-gotten gains of power without a fight. They will not voluntarily surrender the functions which they kidnaped from the States and localities under the cloak of the depression and the war emergencies.

"For years we have looked with dismay not only upon the kidnaping of States' rights by the Federal Government, but upon the insidious Federal undermining of the will to local self-rule.

"Now we can do something to halt and reverse this process by agreeing to this concurrent resolution.

"But there are other compelling reasons for this joint committee.

"The most casual observer can detect the scrambled chaotic mess of overlapping and conflicting Federal, State, and local statutes on such a matter as taxes. This committee could help straighten out the tax mess.

"The most casual student can see that the Federal and State Governments must get together on such matters as aviation laws. This committee could help insure such cooperation.

"Everyone can see that there is a vast twilight area between the powers and the functions of the State and Federal Governments. This committee could help clear up that twilight area.

"Right now the joint committee, if it were established, could scrutinize the national airport program. This committee could point out that this program, if enacted, would short-circuit and circumvent State governments to a certain extent.

"Right now this joint committee, if established, could be working for the immediate return of State employment services to the States.

"If this joint committee were established now, it could be working to restore other powers to our States and localities, for the States and localities can stand on their own feet today and reassume all the powers that were taken from them.

"Our States today are in a better financial condition than they have been for perhaps the last 100 years. They are perhaps in a far better condition than any of the other levels of government. Almost all of the States have substantial surpluses largely invested in war bonds. A considerable part of these surpluses are earmarked for postwar public works. The States need a green light to go ahead. The establishment of this joint committee would flash that green light.

"It would flash a green light, too, to the localities, to business, and the rest of our population. It would show them that America's march on the road to serfdom has come to a dead stop and is being reversed."

We hope that something comes of Senator WILEY's far-seeing and courageous resolution, but it is only a hope. The continuous shower of Federal printing-press money from the bureaucrats is all too alluring, too comfortable, and too well-designed to keep the bureaucrats in office to expect that it will cease abruptly. It will only cease when the people demand that their Government be restored to them and that the prodigal waste of the people's money be brought to a halt. But we all know that many a nation has followed this glamorous, rose-petaled path, with showers of Government checks falling about them like a gentle rain, to their own destruction.

[From Parkersburg News of July 28, 1945]

THIS DAY—SENATOR WILEY'S BLAST AT "NICE NELLIES"—WILL "BIG JOE" RESPOND?—BALFOUR'S CONFESSION—MR. KILGORE'S UTOPIA—BUREAUCRATIC SCIENCE

(By Herman Everett Gieske)

United States Senator ALEXANDER WILEY, of Wisconsin, has blown the roof off the so-called "hush-hush" policy of the American State Department with regard to Soviet Russia. We have never understood why we cannot be as frank with the Russians as they are with us. Why should we have to pussyfoot and pretend to a false smugness with regard to Russia's potential entry into the war against Japan?

Nearly all Americans greatly admire and ungrudgingly concede the valor and heroic qualities of the Russian soldier, even though they may have qualms over Russia's system of communism. Is it because, when we were pouring out billions of aid in the form of supplies to aid Russia in driving out the invading Germans, that our supposedly superstatesmen neglected the little matter of frankly putting it up to Mr. Stalin, with the inquiry, "Joe, when we've helped you whip the Germans are you going to come in and help us whip the Japanese?" We can't imagine astute Mr. Stalin saying "No" to that question. It is, indeed, a reflection on Mr. Stalin's demonstrated sagacity to imagine that when the proper time comes, Russia will not take up arms against the Japanese. But just such a mistake was made, as Lord Balfour revealed in his memoirs, when we entered the war on the side of Britain against Germany in 1917. Mr. Balfour confessed himself astonished when Woodrow Wilson made no inquiry as to what commitments Britain had made in the war, and made no demands for the aftermath. Mr. Balfour at that time had in his briefcase the secret agreements so recently signed that the ink was hardly dry on some of them, and which later proved a stumbling block to Mr. Wilson's program for settlement in 1919, and, according to some actually sowed the dragon seeds for World War II.

We believe Senator WILEY is exactly right when he says that this is too vital a matter for hypocrisy and the "Nice Nellie," diplomatic tactics which fear to lay our cards on the table at a time when American lives are at stake, which might be saved by the mere announcement that Soviet Russia intends to supply the crusher to Japan at an early moment. This appears all the more reasonable in the light of Japan's treachery toward Russia in 1904, when Port Arthur was attacked without warning as was Pearl Harbor, and the then unprepared Russians were crushed and humiliated, losing the only warm-water port the empire had in the Pacific, and suffering from that day to this. We have all along said that Russia's own vital interests will impel her to get into the war against Japan. She once had railway rights in Manchuria. So why all the mystery as though the American people were children unable to think for themselves? The sooner some of the panty-waists and cookie-pushers are tossed out of the Department of State the better it will be for American diplomacy, which even Admiral Hart, now a Senator, criticizes on the floor of the Senate as inept with regard to the air bases which we might have had from Britain had we been a little more practical. The American people are practically a unit in the hope that the redoubtable "big Joe," of Russia will help us give it to the Japs and we wouldn't be surprised, any day, to have the aforesaid "big Joe" say so in tones that will reverberate around the world and cause Hirohito's palace to sway as if it had been hit by a tornado.

[From the New York Sunday News of July 29, 1945]

OUR SHRINKING MINERALS

As the Senate debate on the Bretton Woods world finance agreements puffed and blew down the homestretch recently, Senator ALEXANDER WILEY (Republican, Wisconsin), obliged the Senate with some figures which we imagine sent shivers crawling up and down several of the assembled senatorial backs. The WILEY figures had that effect on us when we read WILEY's speech a few days later in the CONGRESSIONAL RECORD.

It is mainly our great mineral resources, said WILEY, which have enabled us to develop our present immense industrial and military power. Without those mineral resources "the United States would be reduced to an agricultural type economy, capable of supporting far less than the 133,000,000 people now living within our borders at a standard which is the envy of the world."

Then WILEY touched off this salvo of statistics:

"But it is a fact that as of 1944 we had already exhausted the following percentages of our commercial reserves of these minerals: Over 95 percent of our mercury, over 80 percent of our lead, over 70 percent of our chromium, 70 percent of our tungsten, 70 percent of our zinc, 60 percent of our copper, almost 60 percent of our petroleum, over 30 percent of our iron ore.

"At the annual rate of use of 1935–39, our tungsten will be exhausted in 4 years; vanadium in 7 years; our lead in 12 years; petroleum, 18 years; zinc, 19 years; copper, 34 years."

Of course, it is always possible that big, new deposits of any or all of these minerals will be found in the United States. WILEY's figure on petroleum—only an 18-year supply left in sight—seems far too pessimistic. It doesn't do any good to accept such figures as absolute indexes of where we stand mineralwise. But these figures do spotlight the fact that we were using up our visible minerals at a fast rate before the war, and have been using them up at a far faster clip since Pearl Harbor.

War uses for the minerals above listed are numerous. Chromium, tungsten, and vanadium enter into various steel alloys having qualities superior to those of straight steel. Fulminate of mercury is an old and highly effective explosive. Mercury has many a medicinal use. The war uses of lead, zinc, copper, and iron are too well known to call for listing here. As for petroleum and its product, gasoline, this war is lubricated and powered by them.

Is there any chance for us to get back some of the mineral wealth we have spent so prodigally in this war?

We have carried some 95 percent of the load of the Pacific war since it started. Our British allies have only in the last month or so moved really important naval and air units into action against Japan alongside our forces. The indomitable Dutch have had to leave it to MacArthur, Nimitz, Halsey, etc., to slash the waterlines of the Japanese Empire so that the Dutch could hope to move back into the Dutch East Indies. Same as to the French and French Indochina.

Well, among the world's principal sources of tungsten are Australia, Burma, and China; of vanadium, Southeast Africa and Northern Rhodesia; of chromium, India; of lead, Tunisia, Algeria, Australia, India, and old England itself. Tin, another valuable mineral of which we produce next to none, is an important Dutch East Indies product. So, of course, is petroleum—and so, for that matter, is natural rubber. The Dutch East Indies as of 1941 had big deposits of high-grade iron ore which had not been tapped.

In this war we have been spending more than our fair proportion of mineral wealth for our allies and ourselves.

Some British copper is coming to us under reverse lend-lease, from Northern Rhodesia. The Dutch Government is reverse lend-leasing us a little oil from Tarakan, recently recaptured island off Borneo, and talks of reverse lend-leasing us some rubber when the Dutch get some rubber areas back.

How about building vigorously on this idea? How about, in the next few years, a lot of minerals of the kinds we most need from our allies, as token payments on the forty billions we have already put out in lend-lease goods of all descriptions? We could stock pile the

stuff against the next war; perhaps use some of it in industry.

Now would be the time to make the arrangements, while the war is still on and our allies still have a lively expectation of lend-lease favors yet to come? But will we do it now?

[From the Washington Post of August 1, 1945]

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

CAPITAL CHAFF

A lot of Senators are now talking over the importance of scientific research for war preparedness, but it took Wisconsin's far-sighted Senator ALEXANDER WILEY to emphasize this back even before Pearl Harbor. Speaking in Milwaukee on June 9, 1941, WILEY said: "We need a great defense laboratory involving the Navy, the War Department, and the State Department. It isn't enough for this administration to write our defense plans in the shifting sands of day-to-day expediency."

COLLECTIVISM IN WASHINGTON

(By Hon. ALEXANDER WILEY, United States Senator from Wisconsin)

Are we going to keep America American? Or will we allow it to go European? Specifically, what are we going to do about collectivists and collectivism in the Government of the United States?

These questions are crucial. Straight-shooting answers to them are imperative. It is high time that we gave such answers—in vigorous deeds, not alone in words. Such deeds are necessary if we are to banish the fears, the anxieties, the worries of our people which they feel for the future of our way of life.

Our constitutional republic of checks and balances is in danger on the home front. It has been in danger for more than a decade. This warning is not an irrational, unfounded scare. It is proven in fact. To verify this, you need only look at how closely America has paralleled Europe's tragic road to serfdom. All of Europe's danger signs are here: The mania for deficit spending, the increasing centralization of power, the multiplying bureaus, the ever-tighter strait-jacket of regimentation and so on.

In order to preserve our way of life from foreign enemies, we have already suffered over a million war casualties in the cream of our youth. Shall we then abjectly surrender that blessed way to collectivists who are boring from within our own land?

Well, just who are these collectivists? They are a motley collection of misguided or ill-intentioned individuals and groups. They are the foreign-minded worshipers of totalitarian nations. To call a spade a spade, they are principally the Communists who are Russia-first, Russia-last, Russia-always in their thinking and their devotion. They are the power-hungry bureaucrats who are obsessed with a master complex and delusions of their own grandeur. They are the liberals who are liberal only with other peoples' money. They are the abstract professors who concoct plans and theories on how to run a country with a ouija board or a slide rule. They are the malcontents who envy the success of their more industrious fellows in private business. They are the do-gooders who fall all over themselves and all over everybody else in order to play Santa Claus (rather than a wise Good Samaritan, helping others, where necessary, to help themselves). They are the antichrists who would rob men of their souls and make them materialistic robots. And they are many other unfortunate types.

Let no one be deceived because these collectivists now and then pay lip-service to Americanism. The psychology they foster is collectivist. So is their economics. So is their politics.

Their psychology is fear psychology, hate psychology, lean psychology: Fear for future depressions which are supposed to be "certain," hate business, lean on government. Their economics is statist economics: The state must shackle production, distribution, consumption. Their politics is bureaucratic politics: Build up a political army of Federal job holders who will vote the "gravy ticket" and maintain that army so that it will crack down on political dissenters.

How cunningly they have plied their trade. For years the latter-day disciples of Karl Marx and other ersatz European thinkers have infiltrated into high Government positions. Their first "field day" for crackpot experimentation was provided by the depression emergency. Next, the war emergency afforded them still vaster public finances and legal powers. Always, they capitalized on their opportunities to further their own ends, to expand their own powers.

You have seen their shocking handiwork—the mountains of needless Government forms and questionnaires, the spider's web of confusing orders, amendments, instructions, interpretations from Washington. You have seen the results of collectivism in the harassed faces of American citizens—those of the shopkeeper, the small manufacturer, for example. They are fearful of the Gestapo-like bullying of their own Government, a government which should be their servant and not the master. The small businessmen are real forgotten men, but they are not forgotten when the collectivists seek guinea pigs for experimentation.

Our people are eager to make every sacrifice to back our boys on the fighting fronts. But they are unwilling to tolerate the bungling of Government misfits—of "square pegs in round holes." Our people are unwilling to be the victims of the scheming and the dreaming of the collectivists and their underlings. We want competent, economical administrators of realistic Americanism.

We have only received a foretaste of what is intended for us by the collectivists. They plot perpetual emergency, perpetual regimentation—on a stricter and more total scale.

Well, how far have the collectivists gone already in Europeanizing America? The answer to that question must be established factually. I have suggested on the floor of the Senate that we proceed to get the necessary facts. I have recommended vigorous congressional investigations along certain lines. Already, Congress is investigating along some of these lines. But our Congressmen are not fitting the jigsaw evidences of collectivism into a total picture. And they are not presenting that picture vividly to the American people. Nowhere do we see the master plan of United States collectivism; we see only the isolated fragments of that master plan.

I am confident that once our Congress and our people see the whole alarming picture of United States collectivism, they will act to stamp out this insidious growth. They will uproot the collectivists from Government positions and they will make certain that no more of their ilk enter onto the public pay roll. America wants faithful public employees such as she now has fortunately in many instances who strive to preserve our peoples' cherished values.

Here are some of the broad questions which congressional investigations should answer: They should find out:

1. How much of government is in business? How far has govenment gone in invading the sphere of private enterprise? How much is government engaged in wholesaling, retailing, banking, lending, providing electric power, distilling, insuring, mining, transporting, constructing, and the like, which are normally the functions of the people? How far have Government corporations gone in the manner of financial giants in stifling the independence of American enterprise?

I think that the answers to these questions will prove that it is 11:59 on the clock of the life of private enterprise as our people knew it for generations. And I think that when America sees these answers, she will demand that government immediately get out of business and that there be a thorough house cleaning of the bureaus and bureaucrats who have outlived their usefulness.

2. How much has the Federal Government invaded the sphere of State and local governments? How far has the bureaucracy of Washington, D. C., gone to centralize the powers which under the United States Constitution and our system of checks and balances, should actually be in the hands of State and local authorities? I think that when these questions are answered and the American people see those answers, they will demand that the Federal Government quit poaching in the domain of the States and localities.

3. How much have business principles pervaded government? Have our Federal agencies made any effective attempt to husband the money appropriated to them? How much have the American people lost through the inefficiency, extravagance, duplication, poor staffing, overstaffing, of the Federal Government? The Bureau of the Budget is supposed to provide for efficiency in the executive branch of the Government. How good a job has it done?

I think that when we get the answers to those questions, we will find that business principles of conservation and economy have made little, if any headway, in our governmental life. I think that those answers will show that the financial resources of our people have been heedlessly thrown away in the most debonair collectivist manner. And I think that our people will demand that government get some business sense into its system.

I think that our people will demand that a Government-owned enterprise such as the TVA, which was created by funds from the Federal Treasury (that of the 48 States), that this enterprise give some financial return to the Federal Government rather than merely providing benefits through uneconomically low rates to the people of the Tennessee Valley.

Uncle Sam is going to need every cent of income in order to take care of the interest charge on his $300,000,000,000 of indebtedness and to take care of his postwar overhead.

4. How much has the executive branch taken over the job of the legislative branch? How many Congressional powers have been redelegated to the bureaucracy of the executive branch independently taken over by that bureaucracy? In the case of those powers still exercised by Congress, how well are the bureaucrats following the congressional will and intent in their administration. I think that when they see these answers, our citizenry will demand that the bureaucrats quit legislating, that they hew to the line established by Congress and that all legislative powers be returned to Capitol Hill.

The challenge to our beloved institutions is clear. We must act now in their defense. We must learn from our mistakes and those of other peoples in the past. We must even hereafter be on our guard. Eternal vigilance is still the price of liberty. We must keep America American.

STUDY OF EDUCATIONAL FACILITIES, LIVING QUARTERS, ETC., FOR CONGRESSIONAL PAGES

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, with additional amendments, Senate Concurrent Resolution 17, and ask unanimous consent for its immediate consideration. I do not believe there will be any controversy about it.

The PRESIDENT pro tempore. The concurrent resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 17) providing for a study by a joint congressional committee of educational facilities, living quarters, and other matters relating to pages employed by the two Houses of Congress.

The PRESIDENT pro tempore. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution, which had been previously reported from the Committee on Rules with amendments, and subsequently reported from the Committee to Audit and Control the Contingent Expenses of the Senate with additional amendments.

The first amendment of the Committee on Rules was in section 1, on page 2, line 1, after the word "appointment" to insert "The committee shall not continue beyond the close of the Seventy-ninth Congress", so as to make the section read:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be composed of two Members of the Senate to be appointed by the President of the Senate and two Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment. The committee shall not continue beyond the close of the Seventy-ninth Congress.

The amendment was agreed to.

The next amendment of the Committee on Rules was, in section 2, on page 2, line 18, after the word "date", to insert "not later than the close of the Seventy-ninth Congress"; and in line 20, after the word "advisable", to insert "and shall cease to exist upon the submission of its report", so as to make the section read:

SEC. 2. The joint committee shall make a full and complete study with respect to (1) ways and means for providing adequate educational facilities, proper care and supervision, and suitable living quarters for the pages employed by the Senate and the House of Representatives, (2) improving the methods of selecting such pages, and (3) such other matters relating to such pages and their employment by the two Houses as the joint committee may deem appropriate. The joint committee shall consider the extent to which any educational facilities, living quarters, or other facilities or services made available to such pages should also be made available to other persons of less than adult age who are employed by the United States at the seat of government. The joint committee shall report to the Senate and House of Representatives, at the earliest practicable date, not later than the close of the Seventy-ninth Congress, the results of its study, together with such recommendations as it deems advisable, and shall cease to exist upon the submission of its report.

The amendment was agreed to.

The first amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, in section 3, on page 3, at the beginning of line 10, to strike out "one-half"; and in the same line, after the word "Senate", to strike out "and one-half from the contingent fund of the House of Representatives."

The amendment was agreed to.

The next amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, in section 3, on page 3, at the beginning of line 12, to strike out "upon" and insert "on", so as to make the section read:

SEC. 3. For the purposes of this resolution the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings; to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the joint committee.

The amendment was agreed to.

The concurrent resolution (S. Con. Res. 17), as amended, was agreed to as follows:

Resolved, etc., That there is hereby created a joint congressional committee to be composed of two Members of the Senate to be appointed by the President of the Senate and two Members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment. The committee shall not continue beyond the close of the Seventy-ninth Congress.

SEC. 2. The joint committee shall make a full and complete study with respect to (1) ways and means for providing adequate educational facilities, proper care and supervision, and suitable living quarters for the pages employed by the Senate and the House of Representatives, (2) improving the methods of selecting such pages, and (3) such other matters relating to such pages and their employment by the two Houses as the joint committee may deem appropriate. The joint committee shall consider the extent to which any educational facilities, living quarters, or other facilities or services made available to such pages should also be made available to other persons of less than adult age who are employed by the United States at the seat of government. The joint committee shall report to the Senate and House of Representatives, at the earliest practicable date, not later than the close of the Seventy-ninth Congress, the results of its study, together with such recommendations as it deems advisable, and shall cease to exist upon the submission of its report.

SEC. 3. For the purposes of this resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed $5,000, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the joint committee.

ACCOMPLISHMENTS OF THE CONGRESS AND PROBLEMS AWAITING ATTENTION

Mr. BARKLEY obtained the floor.

Mr. CHAVEZ. Mr. President——

Mr. BARKLEY. Mr. President, I wish to address the Senate briefly.

Mr. CHAVEZ. I wonder if the Senator will yield to me for a minute or two to bring up a certain measure? It will have to be done by unanimous consent.

Mr. BARKLEY. If it is a bill, let me say to the Senator that the Senate will probably be in session for several hours. There are two or three other bills in the same category, and the Senator will have an opportunity to seek consideration for his bill.

Mr. President, I wish to thank the Senator from New York [Mr. WAGNER] for permitting me to seek recognition at this time in order that I may make some comments on some of the things which we have done in this Congress, and more particularly, the unfinished work which lies ahead when we return in October.

Of course, we all recognize that our first task is to defeat our remaining undefeated enemy, Japan. We are making rapid progress toward the accomplishment of that end, but I would not be so bold as to predict the day or month on which it will be accomplished. Until it is accomplished in a manner that will satisfy the demands of the United States and our allies, and will satisfy the expectations of the democratic world, we must not swerve from the path that will lead to the earliest and most complete victory. Complete victory is essential, in my judgment, to the future peace of mankind, so that we may assess this task as of the first order.

We have accomplished an almost incredible amount of work during the present session of Congress in dealing with our international relationships, both political and economic. We have extended the law permitting mutual trade agreements to facilitate trade among the nations of the world.

We have increased the lending power of the Export-Import Bank in order to facilitate the exportation of the products of American industry and labor.

We have adhered to the Bretton Woods agreement, by which we hope not only to stabilize the monetary systems with which we must deal in our international trade and in which we set up an international bank to help finance trade among the nations of the world and the reconstruction of devastated and undeveloped regions which must, directly or indirectly, raise the standards of life in America and throughout the world.

We have overwhelmingly ratified the United Nations Charter, not only holding out to the harassed peoples of the world the hope for future peace but also hold-

ing out to them hope for economic rehabilitation and development so as to eliminate poverty and want and incredibly low standards of life and to eliminate this element of distress as a possible cause for war in the future.

We have set up the United Nations Relief and Rehabilitation Administration for the purpose of bringing relief in the postwar period to nations which cannot relieve themselves in the wake of marching armies.

We have joined the International Food and Agriculture Conference for the study and development of agriculture and food problems that confront the world.

We have passed all the appropriations for the support of the Army and Navy in the conduct of the war and in the conduct of the normal activities of those two departments, as well as in the conduct of the normal activities of the Federal Government in all its branches.

We have done many other things also to make easier the cooperation of the peace-loving nations of the world in building a solid foundation for future peace and prosperity.

There will be other tasks in this field of international relationships, but they will be dealt with as they arise.

At the moment I am interested in some of the problems that face us as a nation within the United States, and I am sure that I merely echo the feelings of this body and of the Congress and of the American people when I say that some of these problems are immediate and urgent, and their solution cannot be long delayed.

Some of them are problems which we have dealt with in a fashion, but they are so interwoven with others with which we have not adequately dealt that it is impossible to think of one of them without thinking of them all. Some of these problems have to do with the organization and efficient administration of our Government. I am sure that we will not dismiss that subject as a trivial matter, in view of the discussions which have gone on in the Congress and throughout the country for many years in regard to the organization and efficient operation of the Government of the United States. Some of these problems have to do with agriculture and the future of the farmer in the United States. Some of them have to do with unemployment or, to express it another way, full employment of our people, following the termination of hostilities and during and after the interim period which we call the period of reconversion.

Other problems have to do with rehabilitation and reintegration of our armed forces into the civilian life of our Nation, when they shall have returned from the conflict.

On May 24, President Truman sent to Congress a message recommending the enactment of permanent legislation authorizing the Chief Executive to recognize all agencies and departments of the executive branch of the Government in the interest of an orderly transition from war to peace and also in order that continuing adjustments might be accomplished.

A bill carrying out this recommendation was introduced on June 7, was referred to the Senate Committee on the Judiciary, and by it was referred to a subcommittee. It is my earnest hope that as soon as possible, following the reconvening of Congress, this legislation may be enacted. It certainly is essential in order that the greatest possible coordination and cooperation may be brought about among the straggled departments of the Federal Government and all their agencies, which are too numerous to mention in the brief space during which I shall speak at this time.

On May 28, President Truman sent to Congress a message recommending the widening of the coverage of unemployment compensation and the increase in the amount and duration of benefits during the emergency period of reconversion, and to provide through supplementary Federal emergency benefit payments, minimum standards for the weekly rate and duration of employment benefits. He recommended 26 weeks of benefits for every worker, with maximum payments of $25 a week for unemployed workers with dependents. The message also suggested that Congress would wish to reexamine the readjustment allowance provisions of the GI bill of rights for those returned from the armed services. I recall, Mr. President, that more than a year ago, when we were in a hurry to pass reconversion legislation, we announced that if the war should end at any date within a reasonable period from the time when we were agitating that subject, we would be unprepared for reconversion; and when the bill was introduced, coming from the George Committee on Postwar Problems, there was some complaint that while it provided for the physical reconversion and readjustment of plants which had been taken over or converted to the production of war materials, the bill did not deal with the human element involved in the problem of reconversion. I recall that at that time we pledged ourselves as soon as possible to deal with the human element involved in reconversion, unemployment, and unemployment compensation, temporary allowances, and temporary benefits, not only for our returning service men and women, but for all those who have been moved here and there in the war period and who have had or will have to be brought back or given temporary assistance while readjusting themselves or reintegrating themselves into the civilian life of the Nation.

We began hearings on that problem before the committee; and then it was that the States came before the committee and represented that they had large surpluses in their treasuries and that they were amply able to take care of the problem when it arose in the various States, and they objected to any further participation on the part of the Federal Government in this postwar problem which affects the human element in reconversion. I appreciate the willingness of the States to assume the burden of unemployment compensation to the extent of their abilities. I appreciate the fact that during the war period when they could not expend money for ordinary purpose of development and reconstruction and expansion of their State institutions, large surpluses have been accumulated. But, Mr. President, if there should be, unfortunately, widespread unemployment, if there should be long-continued unemployment, as a result of the war and its sudden termination, I have some doubt whether the accumulated funds in State treasuries would hold out long enough or in sufficient volume to enable the States—or many of them, at least—under their laws and constitutional limitations to deal adequately with the subject. Therefore, we undertook to provide in a very modest and timid way in such legislation as we have enacted that there might be a supplementing of State allowances so as to form a sort of over-all average. It is that phase of the subject, that phase of the necessity or the possible necessity, that President Truman had in mind when he recommended to Congress in his message 26 weeks of benefits, with a maximum of $25 a week to unemployed persons with dependents. I am sure, Mr. President, that when Congress returns it will not only desire, but it will be our obligation, to reexamine this subject and to reexamine it with a view to regarding it and solving it as a Nation-wide problem, rather than according to the possibilities or the abilities or obligations of any local community, because the men and women who are returning from our war plants with their families and are moving back into their original neighborhoods, who have practically the same requirements and the same obligations, ought not to be required to depend upon the whim of any local community in order to determine whether they should receive adequate unemployment compensation during the period of reconversion and adjustment.

On July 17 a bill was introduced attempting to carry out the President's recommendations. The bill was referred to the Committee on Finance. A similar bill in the House was referred to the Committee on Ways and Means. Neither House, thus far, has taken any action on this recommendation of the President. I am sure I do not use terms too strong when I say that it will be inexcusable if Congress does not deal with this problem immediately upon its return in October, and I have no doubt that Congress wishes to deal with it and will deal with it adequately and sufficiently.

On July 3, President Truman sent to Congress a message recommending that legislation be enacted providing housing for distressed families of servicemen and for veterans affected by eviction, of unusual hardship, by making immediately available for that purpose the sum of $18,375,000.

This recommendation was considered by the Senate Appropriations Committee in connection with the Second Deficiency Appropriation Act of 1945, but no action was taken and the item was not included in the appropriation.

Surely Congress cannot indefinitely ignore the demand for this modest provision for housing facilities for returning veterans and their families, but we all recognize that this is only a part of the great housing problem that faces the Nation, and will face it as soon as

materials are made available for the construction of homes. Other Senators, I am sure, before we adjourn will discuss more minutely the housing problem; but we know that it is a pressing problem, because we have built no homes for the American people for a period of years. Our population has increased and the demand for homes will make it necessary that Congress enact comprehensive legislation dealing with the whole housing problem in order that those who need and want homes may be encouraged and assisted in their construction and occupation. I may say, Mr. President, that there is no activity or enterprise in which the Congress, the Government of the United States, or the American people could find greater justification for indulging than that of encouraging the building of homes throughout the United States. We all know that the ownership of homes adds stability to our population. We know that a man who has his feet in the soil, who sits under his own vine and fig tree, and who may delineate a small portion of the earth's surface and call it his own, has a stake in the American life and in the prosperity, happiness, and permanency of the American people.

Therefore, Mr. President, I am sure that during the remainder of this present session of Congress, following the summer adjournment, we must give adequate attention to the problem of housing. I shall not go into any further detail in that regard.

On the 17th of July, President Truman sent to Congress a message recommending the enactment of legislation creating a single surplus property administrator in place of the board of three which was provided in the Surplus Property Act enacted last year. This recommendation, Mr. President, came too late to enable Congress to deal with it prior to the adjournment, but I am sure that we all agree that the recommendation is entitled to prompt consideration. I personally express the hope that such legislation will be enacted. We created the Surplus Property Board, and enacted the surplus-property law more than a year ago. However, due to conditions which I need not here discuss, confusion still reigns in the surplus-property field, and we do not yet know what the final policy is to be, and which must be adopted in order to determine the manner in which this vast storehouse of property, said to be worth a hundred billion dollars, shall be disposed of. This property represents the money of the American taxpayer. I do not know whether the property is worth a hundred billion dollars, and I do not know whether it will bring in American dollars a hundred billion, but I do know that it represents a vast investment of the American taxpayer in property which has been used for war, much of it remaining in scattered places all over the world. There is also a large accumulation of surplus property in the United States.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. STEWART. I do not wish to interrupt the Senator in the delivery of his speech. But I should like to say that recently I introduced proposed legislation which was referred to as having been introduced for the purpose of streamlining of Surplus Property Board. The purpose was to require a centralized inventory of all the surplus property that exists—placing control of its disposition in one board.

As announced at the time, the Surplus Property Board was said to be only a policy-making board. All it does is to issue regulations or directives to owning agencies or disposal agencies. The Board apparently has assumed the authority of selecting various agencies to dispose of surplus property.

For example, when the Board was first organized, consumer goods, as we refer to them, might have been surplus property and been disposed of by the Treasury Procurement Division. It was transferred, as I understand, by the Surplus Property Board to the Department of Commerce. I have been advised that the Board had the authority to do that. Now, the Department of Commerce is assuming to dispose of—if the estimate given to me is correct—$7,000,000,000 worth of consumer goods.

The Army has been allowed to dispose of much of the property in its possession. Likewise, the Navy, the Maritime Commission, and the RFC have been allowed to do the same. They are disposing of machine tools on the theory of their right to do so because of having loaned the money in most instances to agencies which needed machine tools in order to manufacture war material. It is necessary for the RFC to set up a large personnel group and employ many persons to dispose of machine tools.

It is necessary for the Army, Navy, and other disposal agencies to do likewise. We have, therefore, a state of pathetic confusion. I was told only yesterday by a representative of the Smaller War Plants Corporation that it had received 800 requests for machine tools. I believe that only 16 or 18 machine tools were located. Yet we know that there is in the possession of loaning agencies, all of which the RFC knows everything about, several hundred million dollars' worth of machine tools. As I have said, the Smaller War Plants Corporation, the agency which would be the one to aid small businessmen, located only 16 or 18 machine tools out of a total number of approximately 800 for which requests had been made.

Mr. President, I wished merely to make such statement at this point. The Senator from Kentucky stated a moment ago that it had been reported that we have a hundred billion dollars' worth of surplus property. That includes, I suppose, everything which was used for war purposes. I do not know how much of it will be for sale, but certainly there should be a centralized control of surplus property disposal, and there should be a central inventory made.

I shall make a short speech on the subject if I may be allowed to have the floor later on. I shall then state, as I have already said, that if something is not done to correct this chaotic situation it will prove to be one of the most embarrassing which the present administration has ever confronted. If the value of the machine tools is equal to $100,000,000, the situation will surpass in importance that of the Teapot Dome a generation or so ago.

Mr. BARKLEY. Mr. President, what the Senator from Tennessee has said emphasizes what I have already stated, namely, that Congress should reexamine the entire surplus property law. With all due respect, I do not think the law was very skillfully drawn at the beginning, and that fact has contributed to the confusion which now exists. Certainly Congress cannot much longer afford to ignore the subject.

Mr. STEWART. I hope the Senator will give some thought to the amendment which I submitted, which had for its purpose the reorganization of the entire Surplus Property Board.

Mr. McKELLAR and Mr. TAFT addressed the Chair.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Kentucky yield, and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Tennessee.

Mr. McKELLAR. I should like to interrupt the Senator from Kentucky for a moment and speak briefly upon the subject.

As I understood, President Truman, before he left for his trip abroad, indicated that he believed there should be a reorganization of the Surplus Property Board. He was inclined, as I am very greatly inclined, to favor the appointment of an individual at the head of the Board.

Mr. BARKLEY. He recommended it outright.

Mr. McKELLAR. He recommended it outright. As I recall, the present organization is a policy-making organization only. There should be put at the head of it someone who would be responsible for the entire functioning of the organization, and have supervision, management, and control of it. That should be done by all means.

I am delighted to hear the Senator say what he has just said about reorganizing the Board when the Congress meets again in October. I assure him that so far as I am concerned I shall go along with the idea 100 percent, or even 1,000 percent if necessary. The Senator no doubt recalls that after the First World War many scandals concerning surplus property arose, and we did not have anywhere near the quantity of surplus property which we have at the present time. We want to be very careful in order to avoid a recurrence of scandals.

Mr. BARKLEY. We had only $7,000,000,000 worth of surplus property after the last war, and the amount of surplus property now is estimated variously at around $100,000,000,000. As I stated a while ago, I do not know what it is worth, but it is worth enough money to occupy the undivided attention of someone with authority, not simply to make policies, but to do the things which are required to be done in the disposition of the property.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. The Senator from Kentucky has just stated that he did not think the surplus property bill, drawn by Congress and finally enacted by Congress, was very skillfully drawn. I should like to remind the Senator that the bill that was finally enacted was a compromise between two far-separated viewpoints.

Mr. BARKLEY. That is true. I did not mean by what I said to be considered as criticizing either the committee as such or the Congress. We were more or less groping in the dark, and there are two more or less widely separated theories about the matter, and in order to have any legislation at all, there had to be a compromise. But we have had the law for a year, and I think the experience of this year has demonstrated that it needs to be reexamined with a view to correcting some of the oversights, or mistakes, or even some of the compromises necessary at that time in order to get legislation at all.

Mr. JOHNSON of Colorado. I agree with the Senator, and, as has been pointed out just now by the Senator from Tennessee [Mr. STEWART], a tremendous responsibility rests upon the administration for carrying out the whole program on some sort of a satisfactory basis. Therefore, while I have always been opposed to a single administrator, if that is what the administration wants, I think Congress should very seriously consider the recommendation of the President in that respect.

Mr. BARKLEY. I thank the Senator from Colorado.

Mr. STEWART. Mr. President, before the Senator from Kentucky proceeds with his address, let me ask whether he thinks that the mere appointment of a single administrator would be the solution of the whole problem.

Mr. BARKLEY. No; not entirely. I think that is only one of the prongs of the dilemma.

Mr. STEWART. We named the Board in the law "the Surplus Property Board," and the general public looks upon it as a board having full control of surplus property. But when they begin to inspect it or look into it, they find they have not any control. They cannot sell a shoestring. They could not do it to save their immortal souls.

Mr. President, I am going to inquire into the matter also, if I get an opportunity, whether the present three-man board has now delegated all the authority it has to one Administrator. They cannot even sign a letter, under the authority they have given to an administrator to do it for them. If they are nothing but a policy-making board, and that is all they ever expect to be, we might as well abolish the whole thing.

One man can issue directives just as well as 150 or 200 men can do it. I want this Board to have some authority and power, and I want it to have a centralized inventory or get out of the picture. I think it is a waste of Government money the way it is set up. In fact I know it is.

Mr. DOWNEY. Mr. President, will the Senator from Kentucky yield?

Mr. BARKLEY. I yield.

Mr. DOWNEY. I do not wish to enter into a discussion of the merits or demerits of the surplus property law or the Surplus Property Board, but from very considerable study I am of the opinion that a further investigation will convince the Senators who hear the testimony that the present Surplus Property Board is doing a highly efficient job. They are not at all responsible for the fact that there is not available an accurate inventory of tens of thousands of machines, which, of course, is unfortunate, but that is not the fault of the Surplus Property Board. I think that until a full investigation, Senators should delay a final judgment on the work of the Surplus Property Board.

Mr. BARKLEY. If I may add to what I am saying, I am not recommending or suggesting that Senators arrive at a final judgment about the matter. I am suggesting that that is one of the things to which we must give our immediate attention once we return in October. I have no desire to go into all the details of what has happened under the present board, but it is a subject we cannot ignore, and it is one with which we must deal.

Mr. STEWART. Mr. President, I do not wish to prolong the discussion now, but will the Senator from Kentucky permit me to ask the Senator from California a question in his time?

Mr. BARKLEY. I yield.

Mr. STEWART. The Senator from California says the Surplus Property Board are doing a good job. No doubt they are. I do not say they are not, within the confines of what they are doing, but if they have ever done anything but issue regulations, I should like to know what it is. That is all they have the authority to do.

Mr. BARKLEY. I think all that will come out and will be examined when the Committee on Military Affairs goes into the problem in the consideration of the President's message, and even going beyond that. I would not care to attempt here on the floor of the Senate to go into all the things the Board has or has not don, because it would take more time than I wish to consume.

Mr. STEWART. That is true, and I am not blaming the Board. They are handicapped by the law we passed, and by the orders that were issued by the then Director of War Mobilization, who, as I understand, confined their activities strictly to policy making. If they have done anything except operate or function as a policy-making board, I do not know what it is. They have not done anything else.

With respect to the statement of the Senator from California about an inventory, I think they have it within their power as the law stands now to force every one of these agencies to have a centralized inventory. It is not possible to find anything down there. It is not possible to find a steamship. From the inventories one cannot tell the difference between a yacht and a warship. That is so. It is not possible to tell the difference between a shoestring and a rope. It is the most absurd and ridiculous situation I ever saw, and it is going to smell to high heaven before it is over.

Mr. BARKLEY. I do not wish to go into all that, and I hope I may be permitted to proceed.

Mr. DOWNEY. Mr. President, if the Senator from Kentucky will permit just one further interruption, I think within the last 3 or 4 months the Surplus Property Board has been doing all that is humanly possible to work out a rational, intelligent inventory. Whenever Senators listen to it they will see there are tremendous difficulties involved, and I think that subject has been receiving their vigilant attention.

Mr. BARKLEY. It is obvious to everyone, I suppose, after this discussion, that the subject needs attention.

As I was saying, the surplus property I have been discussing is the property of the people of the United States. It represents property of the American taxpayer, and the American taxpayer is entitled to recover all that may be reasonably expected from the sale of the property so as to reduce his future taxes and help liquidate our enormous indebtedness. At the same time it must be disposed of in a manner that will not encroach too much on current prosperity of businesses and industries which may be engaged in the manufacture and sale of similar or identical products. I am sure that as soon as Congress returns, the Committee on Military Affairs will give prompt consideration to this wise recommendation of the President. It may be necessary to modify the law itself because I think it is generally admitted that the law contains confusing provisions which have contributed somewhat to the delay in the formulation of a settled policy.

In his annual message on the state of the Union, delivered by the late President Roosevelt at the beginning of this session of Congress, a number of recommendations were made which have not yet found fruition in legislative enactments.

One of these recommendations of the first importance pertains to what we have come to call full employment.

We have had widespread discussion during the last year or more concerning full employment following the war and for as long as we can foresee in the future. Those who have studied this subject and discussed it have centered their minds upon the employment of 60,000,000 people in jobs at reasonable wages and under fair working conditions.

I do not know whether the proper number is 60,000,000 or some other figure. It has been generally accepted as a fact that the peak of employment during the war period has been about 54,000,000 people. But, of course, we all know that whether the figure is 54,000,000 or 60,000,000, the number will increase as our population increases, and if the number of employables in the United States is not now 60,000,000 it will be within a few years.

Whatever the number may be, it is essential that they be employed at remunerative wages and salaries, not only to enable them to live at decent standards of life themselves but in order that they may provide markets for the sale of products which they themselves will produce and which are essential to continued prosperity in this country.

Our present national income is estimated at approximately $150,000,000,000 per annum. Some estimates are under this figure, while some are above it, but for the purposes of present calculations I think $150,000,000,000 is a fair estimate of the present annual income of all our people.

The activities of war have undoubtedly contributed to this large annual income, and we are not wise if we do not calculate that when the war shall end there may be, for a while, a decline in this annual income. It may be inevitable, especially during the interim period when we are reconverting our national economy from war to peace. There must be some lapse, there must be some let-up. There must be a period during which factories transform from a war to a peace economy and program, just as they transformed from peace to war when we became involved in the war. There must be a time when millions of our people will retread the paths they have already traveled to get to war plants, and during that period there will undoubtedly be a lull in activity. We may expect some decline for a temporary period. I hope it may be only temporary.

But, if 54,000,000 or 60,000,000 people are to find employment in the years to come in the United States, we cannot permit our annual income permanently to fall much below its present peak; and, in my judgment, if our people and their Government are wise and farsighted, they will make it possible in the years to come to increase this annual income above any figure yet known in our history, even in the peak of employment and incomes during the war.

In this effort both Government and private enterprise must do their share. I have never been among those who become frightened because the Government must now and then attempt to guide the collective thought and activities of the American people. As life has become more complex and involved, and as our people have become more interdependent throughout the Nation, without regard to geography or character of business, we have found it necessary for the Government to take on obligations and activities that in the early history of this Nation were not foreseen or possibly dreamed of, because of the simple economy and the simple life which they led 150 years ago.

But, Mr. President, Government, like every other human institution, must grow. It cannot become static; it cannot be hitched to a post so that it cannot be moved whenever it is necessary and imperative that it move in the solution of the problems of the people. It must be flexible enough to meet the changing requirements of each era and it must be the servant of the people in every era.

In the field of employment I realize that the Government of the United States cannot provide all the jobs necessary to give work to the people. It will not be necessary for it to do so. Employment will come largely from the profitable investment of capital for the production of things the human family needs and wants, and will be able to buy. This means, in my judgment, the primary obligation of capital and industry to lose no time in returning to peacetime production and peacetime objectives, but I realize also that business and industry and capital are not eleemosynary institutions in the field of trade and commerce, and there is no power within a democracy such as ours to compel men to invest their money in private enterprise against their will, and they will not be induced to do it without some hope of a fair return upon their investment.

This means that Government must assist not only in the creation of the conditions which may clear the track for competitive business under proper regulation, but it means also that Government must, during the reconversion period, provide financial assistance which frequently cannot be provided by private lending agencies and private capital. It means that Government must do what it can to clear the highway of unnecessary obstructions to the development of private enterprise under a system that guarantees to business, large and small, equal protection of the law and equal opportunity to succeed, taking account of the human frailties that enter into the conduct of every unit of private business throughout the Nation.

This means that taxes must be reduced as soon as it is possible and practicable to do so.

During the past fiscal year the Treasury of the United States collected more than $43,000,000,000 in income taxes on individuals and corporations. We have just enacted legislation designed to benefit corporations by advancing the date on which the credits allowed them can be applied to the payment of taxes, but this act did not deal with rates of taxation for either corporations or individuals.

It is generally estimated that the Treasury of the United States for a considerable period following the war will need from twenty to twenty-two billion dollars, and some estimates put it as high as $25,000,000,000 per annum, to carry on the operations of the Government and discharge the obligations which the war has made necessary.

While I would be the last person to advocate any crippling of the credit of our Government, or the slightest failure to discharge its obligations to those who have invested in its securities by suggesting that too hasty and too deep a cut in taxes be undertaken, it will not be necessary to continue to raise $43,000,000,000 in income taxes following the defeat of Japan, and I believe it will be possible and of great advantage to our people as soon as possible to bring about the reduction in corporate and individual income taxes to the extent of relieving a portion of the burden which we all recognize must be borne for an indefinite period.

Therefore, Government and private enterprise must cooperate. They must work in harmony in order that work may be provided for those able and willing to work, and in order to provide against the recurrence of widespread unemployment or another debacle in our economic and social life such as that which we witnessed but a few years ago.

In his annual message last year, President Roosevelt recommended that medical care be placed upon a broader basis, and that the social-security law should be broadened, and that rasonable farm income should be safeguarded by the enactment of additional legislation in regard to the protection of the farmer following the war and during the period of reconversion and readjustment. There is much, Mr. President, that I could say on that subject if time permitted, but I do not wish to go into details. I am merely calling attention to some of the things which are unfinished upon the dockets of the Congress of the United States.

President Roosevelt also recommended the removal of monopolies and cartels, and certainly we cannot postpone serious consideration of this subject much longer.

In his message in January he recommended financial aid by the Federal Government to new small business and for general business extension through agencies set up or already existing for that purpose.

He recommended the development of our water power. Legislation is pending dealing with this subject in the St. Lawrence, Missouri, and Columbia Valleys, and he envisioned a Nation and a people by and by who can utilize the forces which Nature has placed at our feet for the enjoyment and happiness and prosperity of a growing and developing Nation.

He recommended highway improvement and construction. We have made a modest beginning in this field, but it is not enough.

He recommended legislation providing for urban and rural housing improvement and reconstruction, and I have no doubt that this field will be amply covered within the coming months.

In a previous message to Congress, delivered in January 1944, President Roosevelt recommended what has become to be known as the economic bill of rights, which included, among other things, the right to a useful and remunerative job; the right to earn enough money to provide food, clothing, and recreation; the right of every farmer to raise and sell his produce at a return which will give him and his family a decent living; the right of every businessman, large and small, to trade in an atmosphere of freedom from unfair competition and control by monopolies at home and abroad; the right of every family to a decent home; the right to adequate medical care and the opportunity to achieve and enjoy good health; the right to adequate protection from economic fears of old age, sickness, accident, and unemployment; the right to a good education.

To quote the late President in his message:

> All these rights spell security. And after this war is won we must be prepared to move forward in the implementation of these rights to new goals in happiness and well-being.
>
> America's own rightful place in the world depends upon how fully these and similar rights have been carried into practice for our citizens. For unless there is security here at home there cannot be lasting peace in the world.

Mr. President, I have called the attention of the Senate—and I hope of the Congress and the country—to some of the more pressing problems that await our attention.

We cannot long delay their solution or attempt at their solution, and I hope that when we return to our duties here after a brief vacation we shall come with our minds set upon their solution and our hearts emboldened by our contacts with the people, and that our hands will be strengthened when they are put to the handles of the plow to furrow the field which lies ahead of us.

In the meantime, the executive branch of the Government cannot be idle in this field. We are told that the transportation system of our country needs thousands of men in the deployment of our armed forces and in the transportation of materials. I am happy to know that, according to its announcement yesterday, the War Department will facilitate the release of men as soon as possible who have had experience in transportation and are otherwise qualified for discharge.

We are told, and we know, that during the coming winter there may be a serious shortage of coal in the United States and abroad. We know that in the devastated and distressed regions which have suffered from war, warm hearts cannot dwell in shivering bodies; and I sincerely trust that consistent with justice to all our people and to all of those in the armed forces, consideration may be given to the release of a sufficient number of men who have had experience in mining to provide against the calamity that might befall the world from human and industrial standpoint if sufficient fuel were not available.

I have not offered these suggestions as we are about to depart as a full and complete program, but as a background for our future thought and action while we are away and immediately upon our return.

I have every faith to believe that the Congress and the people of this great Nation will not flinch from the performance of their duty when they know what that duty is.

Mr. WAGNER obtained the floor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. TAFT. I merely wish to say that I should like to comment on the speech of the Senator from Kentucky, which was an extremely interesting presentation of the tasks which lie before the Congress. I hope to do so after the Senator from New York has completed his statement.

THE HOUSING PROBLEM

Mr. WAGNER. Mr. President, today, with the distinguished junior Senator from Louisiana [Mr. ELLENDER], I introduced a bill to establish a national housing policy and provide for its execution. I ask that this comprehensive postwar housing bill be printed in the RECORD at the end of my remarks.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New York? The Chair hears none, and the bill will be printed in full in the RECORD as requested.

(The bill appears at the conclusion of Mr. WAGNER's remarks.)

Mr. WAGNER. I understand that the Senator from Louisiana will make a statement today outlining the bill in detail, and I shall confine myself now to discussing the economic and social purposes of the measure, and its vital immediate importance.

This bill proposes the complete postwar housing program for which people throughout the country, countless in number, have waited long and longingly, as has just been stated by the distinguished majority leader [Mr. BARKLEY]. They have waited anxiously for this measure, because they agree, with remarkable unanimity, that housing is the main highway to postwar full employment. They have waited sympathetically, because they know that this Nation must quickly undertake a large housing program to meet the needs of our returning servicemen. They have waited eagerly, because they know what England and other nations are now doing to assure decent housing for all their people, and their thinking does not countenance that America be outdistanced.

It must be a great inspiration to the American people that this subject, which touches so closely upon the family and the home, can be approached in a spirit of nonpartisanship.

Therefore, I hail and welcome the arduous labors of the distinguished senior Senator from Ohio [Mr. TAFT], under whose guidance the Senate Subcommittee on Housing and Urban Redevelopment has prepared and is issuing a monumental housing report. There are a few differences between this report and the bill now being introduced, but these differences do not represent disagreements. This is evidenced by the fact that both the cosponsor of this bill, the able Senator from Louisiana [Mr. ELLENDER] and I have signed this report. The only differences are that the report makes a few relatively minor recommendations which have not yet been incorporated in the bill; and the bill contains a few provisions, with respect to improving farm housing, which are not covered in the report.

But with respect to all those housing matters which have been regarded as most complex and most controversial, namely, public housing and the new subject of urban redevlopment with Federal and local aid, the report and the bill are entirely and completely in accord.

This nonpartisan accord may be sad news to the small minority which for so long has stood in the way of slum clearance and decent housing for the average American family. But this nonpartisan accord on housing will bring new hope and new faith to millions of families throughout the land.

I am looking forward confidently to additional sponsorship of this bill, as rapidly as additional Senators will have more opportunity to study its details over the recess than they have had in the past few extremely busy weeks. I am particularly pleased with the prospect that the able and tireless Senator from Ohio [Mr. TAFT] is a member of the Banking and Currency Committee, which will consider this bill. It is my personal expectation that he, as well as other Senators of his party, will be among its sponsors before it is reported. I have not a shadow of doubt about favorable action on this bill when the Congress returns.

There is a very specific reason, Mr. President, why this bill is being introduced on the last day before the recess, rather than awaiting our return in the fall. We sometimes forget, but we should always remember, that the people as well as the Congress have a stake in legislation. They actually share in its enactment. The Congress quite properly is responsive to the people's views, on proposals which have been introduced and made subject to popular discussion. The interval of the recess will give the people the opportunity to study the bill; and it will make the Congress better equipped to perfect it more quickly when we return here. It will also bring into clear view the unmitigated do-nothings and obstructors of decent homes for all.

In fact, when we Members of Congress are here in Washington, we cannot know conditions throughout the country as well as we learn them when we return to our localities. When the Members of Congress return home, when they see the desperate housing shortages throughout the country, when they come face to face with the sad plight of returning veterans and families of servicemen seeking somewhere to live, when they grasp fully the terribly keen concern that the people on Main Street have about postwar full employment, to which housing so closely relates, then the Members of Congress will approve of the provisions of this bill even more fully than they do today.

Mr. President, there is no escaping the fact that we in America are not prepared adequately for the immediate postwar years. On Monday, I attended the first hearing on the full-employment bill, of which I am one of the sponsors. The distinguished senior Senator from Wyoming [Mr. O'MAHONEY] presented and discussed brilliantly a series of charts dealing with Nation-wide economic conditions. These charts dealt with the past, the present, and, insofar as we can foresee it, the future. I wish that these charts and the story behind them could penetrate to the hearts and minds of every thinking person in America, for they portray a desperate warning of what will happen if we do not guard, as never before, against the evil of postwar mass unemployment. They portray also the limitless prosperity and better living conditions for all which will follow from full postwar employment, by utilizing the undreamed-of productive capacity which this war has revealed to us.

I am not a visionary, but since I entered the Senate 18 years ago I have rejected the defeatist doctrine that intelligent men and women could not look into the future at all. Only the ostrich, with its head buried in the sands, does not look ahead. I have fought continually for the proposition that we know and can find out enough about our economy, its strong points and its weak points, to prepare and

plan for an economic future of stability and prosperity, instead of suffering and chaos.

In this future of stability and prosperity, housing by agreement must play a central role. In 1925 we built more than 900,000 houses in this country. In 1933 we built less than 100,000. In 1928, I commenced to urge, day by day, that unemployment in the building trades was sounding the ominous warning of a great depression. Today distinguished economists like Beardsley Ruml insist that the stabilization of construction at high levels is the foundation of general postwar prosperity. According to the estimates of the National Housing Agency, confirmed by many independent sources, we shall need to build from 1,250,000 to 1,500,000 houses, on an average, in each of the 10 postwar years, to produce housing's share of full employment.

This bill is designed to provide the basic tools to do this job, to do it democratically, to do it with equitable regard for the interests of all the people, to do it in a way that places maximum reliance upon private enterprise, and to do it without shirking the bedrock responsibility of government to do for the people what remains to be done and cannot otherwise be done.

The most important feature of this bill is not to be found in its details, but rather in its general approach. This general approach strikes the keynote for the spirit and method with which we must approach all of our postwar economic problems. During the decade before the war, as we wrestled with mass unemployment, we devised a number of specific remedies. Most of them were good and necessary measures, but in retrospect, we see that they did not fit together into a completely logical and orderly plan for doing the whole job. They were not entirely consistent, one with the other. Therefore, we failed to do the whole job, and we never reduced mass unemployment much below 7,000,000. In preparing for the postwar period, we must marshal our resources, our brains, our system of private enterprise, and our governmental machinery into a cooperative and thorough effort to do the whole job. The full-employment bill, by setting a goal of full employment and then providing for the taking of action in terms of this goal, approaches our whole economy in this way.

This housing bill also profits by past experience. Before the war we enacted a number of emergency housing measures of various sorts. Most of them were good; but they did not all fit together, and consequently they did not do the whole job. We never succeeded in restoring home building even to the 1925 level, despite the fact that we had a much larger population. We cleared some slums, but we made no great inroads upon the deplorable conditions under which one-third of the people of the Nation still live. This bill, unlike previous measures, presents the machinery for a well-rounded program to do the whole housing job, although of course it does not quantitatively undertake to do the whole job.

The bill recognizes that there are different income groups in this country, with different housing problems. It contemplates that unaided private enterprise will serve as many of these people as it can with decent housing within their means. It recognizes that the Government has already been successful, through various financial plans, in helping private enterprise to serve even more people with better housing at lower costs. Building upon this experience, the bill provides a new type of insurance to help private enterprise still further. The bill also provides a method for clearing slums and preparing urban land for redevelopment. It extends and greatly improves the low-rent public-housing program, both in the city and on the farm. It devotes special emphasis to the problems of veterans and their families, especially in connection with the disposition of permanent war housing. And it sets up a single National Housing Agency, to give unity and uniformity to whatever the Government may do in the housing field. As all experience has shown, without such a unified agency it would be ten times as hard to do one-tenth as good a job.

Through this bill, we can commence and then perfect a Nation-wide housing program which will be comprehensive and complete, and this will be mutually beneficial to the builder, the financial institution, the real-estate dealer and, most important of all, the American family.

This brings me to a most important feature of the bill. A complete and consistent housing policy and program for the whole Nation requires that housing be fitted into the national economy as a whole. In order to know how much employment and investment there should be in housing, we must see the total employment and investment picture. We can have full employment only if we relate housing enterprise to other forms of enterprise, so that the total may add up to the right amount. Toward this end, the bill charges the National Housing Administrator, each year, with the responsibility to make a report to the Congress. This portion of the bill is so important, because of its objective, and also because it locates ultimate policy responsibility in the Congress where it belongs, that I want to read it in detail. Section 804 of the bill reads:

> The Administrator shall present to the Congress, not less than once a year, a comprehensive report including but not limited to—
>
> (a) the rates of investment and employment in housing, related to general investment and employment levels, and compared with the rates required for house production's share in the objective of full employment;
>
> (b) progress in enlisting private enterprise and local initiative toward meeting housing needs;
>
> (c) recommendations as to any additional action required to carry out the national housing policy set forth in section 2 of this act toward achievement of the objectives set forth in section 1 of this act.

In brief, what I have just read compresses into a few paragraphs the whole philosophy and method of this housing bill. It means teamwork. It means bold determination to do a big job in the American way. It means reliance upon private enterprise. It means humane and sensitive government—the American kind of government.

When Congress returns, I expect that the Banking and Currency Committee will consider this bill. I shall ask that the Committee on Education and Labor, and the postwar committee—both of which have a direct and immediate concern in postwar housing legislation—appoint representatives to meet and act with us. This illustrates that the Congress can efficiently and harmoniously organize itself for its huge postwar tasks. By doing this, and by benefitting from the reactions and suggestions gathered during the recess from all parts of the country, we ought to be able to report this bill and pass it in the Senate very soon after we come back. Since the Postwar Committee of the House has recently issued a report, closely in accord with the Senate report and with this bill on the subject of housing, I hope and believe this bill will become law before the end of the year.

There is no single action that will do more than the passage of this bill to prepare us for the problems and fruits of victory, to prepare us for a free and prosperous postwar America, based upon the ever-increasing welfare and happiness of all the people.

On request of Mr. WAGNER and by unanimous consent the bill (S. 1342) to establish a national housing policy and provide for its execution, was ordered to be printed in the RECORD, as follows:

A bill to establish a national housing policy and provide for its execution

Be it enacted, etc.,

TITLE I—GENERAL POLICY

AMERICAN HOUSING OBJECTIVES

SECTION 1. Production of a large and continuous volume of housing during the postwar period is necessary for—

(a) Investment and employment in housing enterprise, in the amount required for the highest attainable level of investment and employment in private enterprise generally and for house production's share in full employment;

(b) Increase in the total housing supply required to eliminate current housing deficits and for national growth, with special emphasis upon the needs of returning veterans and their families;

(c) Encouragement of home ownership, immediately where feasible and as a long-range objective, along with rental housing for those who by reason of income, mobility, and custom in their locality find it most suited to their needs;

(d) Replacement of slums and other substandard housing, in urban and rural areas, at the rate required for orderly progress toward a decent and healthful standard of housing for the whole American people;

(e) Systematic improvement of residential neighborhoods as the core of better city planning and redevelopment of American communities, with consequent opportunities for investment, employment, and better financial conditions in the States and localities;

(f) Conservation of the existing housing supply, with rehabilitation where consistent with long-term economy and with progress toward better housing and better communities.

NATIONAL HOUSING POLICY

SEC. 2. To facilitate attainment of these objectives, the Congress hereby declares this national housing policy—

(a) Private enterprise shall be encouraged to serve as large a part of the total housing

need as it can without governmental assistance;

(b) Governmental assistance to enable private enterprise to serve more of the total need, by serving larger and lower segments of the market for housing, shall be utilized where feasible;

(c) Where other forms of governmental aid are provided (in accord with applicable law) to clear slums and provide adequate housing for groups with incomes so low that they cannot otherwise be served, such aid shall be extended to those localities which assume community responsibility and initiative in estimating their own needs and demonstrating that these needs cannot fully be met through reliance solely upon private enterprise and without such aid.

METHODS FOR EFFECTUATING POLICY

SEC. 3. (a) To carry out the national housing policy the Government shall—

(1) Encourage the building of better houses at lower cost through technical and economic research, and encourage local analysis of housing needs, in order that the Government's participation may be correspondingly reduced and that private enterprise and localities may meet housing needs insofar as feasible through their own efforts, as provided in title II;

(2) Encourage private housing enterprise through the various aids extended under the Federal Home Loan Bank Act, the Home Owners' Loan Act, and the National Housing Act;

(3) Develop additional methods of encouraging private enterprise to participate more extensively in the redevelopment of slums and deteriorated areas, as provided in title III;

(4) Develop additional methods of encouraging private enterprise to serve larger and lower segments of the rental housing market, as provided in title IV;

(5) Aid localities in the clearance of slums and the provision of low-rent housing under the United States Housing Act of 1937, where the request for aid is founded upon the local action required by section 2 (c) of this act, as provided in title V;

(6) Move toward improving housing conditions in rural areas, as provided in title VI;

(7) Dispose of permanent war housing consistently with postwar housing needs, with preference to the families of servicemen and veterans, as provided in title VII.

(b) To achieve unified and coordinated activity in carrying out the national housing policy, and to promote efficiency and economy, the main functions of the Government relating to housing shall continue to be consolidated, as provided in title VIII.

TITLE II—RESEARCH AND LOCAL MARKET ANALYSIS

SEC. 201. In accord with section 3 (a) (1) of this act, to encourage the building of better housing at lower cost, and to encourage local housing market analysis, so that private enterprise and localities may meet an ever-increasing portion of the housing need through their own efforts, the National Housing Administrator is authorized to perform the functions set forth in this title.

SEC. 202. The Administrator shall undertake and disseminate the results of technical research relating to methods of house production, design, and materials use, and conduct test studies for this purpose, toward the end of reducing housing costs consistent with and stressing the maintenance and improvement of standards of livability and consumer protection. Such research shall where feasible draw upon or be undertaken cooperatively with other departments of the Government. To reduce the Government's participation in such research the Administrator shall stimulate such research by private enterprise, educational institutions, research foundations, and State and local governments or other public bodies.

SEC. 203. The Administrator shall undertake and disseminate the results of economic studies relating to stabilization of employment and improvement of investment opportunities in house building, better methods of home financing, and Nation-wide trends in population and other Nation-wide trends affecting housing, all toward the end that this information will better equip private enterprise and localities for greater accomplishments in the housing field.

SEC. 204. The Administrator shall develop and make available standards and services designed to equip localities better to appraise their own housing needs, as a first step toward meeting these needs insofar as feasible by their own efforts. Where requested and needed by the localities, the Administrator shall recommend and demonstrate methods and procedures for such local housing market studies. These local housing market studies shall be aimed progressively toward relieving the Federal Government of responsibility in connection with estimating housing needs and toward increasing self-sufficiency within the localities both in estimating these needs and in meeting them.

TITLE III—PARTICIPATION BY PRIVATE ENTERPRISE IN REDEVELOPMENT OF SLUMS AND BLIGHTED AREAS

GENERAL PURPOSE

SEC. 301. In accord with section 3 (a) (3) of this act, to encourage private enterprise to participate more extensively in the redevelopment of slums and deteriorated areas, aid shall be extended to localities for the acquisition and preparation of land for redevelopment in part by private enterprise on terms comparable to aid extended for the acquisition and preparation of land preparatory to development with public low-rent housing under the United States Housing Act of 1937, as amended.

DEFINITIONS

SEC. 302. When used in this title—

(a) The term "project" may include (1) acquisition (i) of a slum area, or (ii) of a deteriorated or deteriorating area which is to be redeveloped for predominantly residential uses; (2) demolition and removal of buildings and improvements in the project area; (3) installation, construction, or reconstruction of streets, utilities, and site improvements essential to the preparation of sites for uses in accordance with a redevelopment plan; and (4) making the land available for redevelopment by private enterprise or public agencies (including sale, initial leasing, or retention by the local public agency itself) at its fair value for uses in accordance with the redevelopment plan. A project shall not include the construction of any of the buildings contemplated by the redevelopment plan.

(b) The term "cost of a project" means the amounts required to be expended by the local public agency with respect to any and all of the undertakings necessary to carry out the project (including the payment of carrying charges up to the point where the project is completed).

(c) The term "redevelopment plan" means a plan, as it exists from time to time, for the redevelopment of an area (herein called a "redevelopment area") consisting of a project area and such other contiguous land, if any, of such extent and location that the total area is an appropriate unit for redevelopment. Such plan shall be sufficiently complete (i) to indicate its relationship to definite local objectives as to appropriate land uses and improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements, and (ii) to indicate proposed land uses and building requirements in the redevelopment area.

(d) The term "going Federal rate" means the annual rate of interest (or if there shall be two or more such rates of interest, the lowest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 20 years or more, determined in the case of loans or annual contributions, respectively, at the date the contract for such loans or contributions is made. Any contract hereafter made for annual contributions, loans, or both may be revised or superseded by a later contract, so that the going Federal rate, on the basis of which such annual contributions or interest rate on the loans or both, respectively, are fixed, shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.

(e) The terms "local public agency" means any State, county, municipality, or other governmental entity or public body which is authorized to undertake the project for which assistance is sought.

(f) The term "capital proceeds" shall comprise (i) the actual total sales prices of all land sold, (ii) the actual total capital values used as the basis for determining rentals of all land leased, (iii) the capital values used as the basis for determining the amounts to be transferred to the project from other funds of the local public agency to compensate for any land retained by it for use in accordance with the redevelopment plan, and (iv) any cash donations (other than annual contributions from the Administrator) received by the local public agency in connection with the project to enable the land to be made available at its fair value for the uses specified in the redevelopment plan.

(g) The term "Administrator" means the National Housing Administrator.

LOCAL DETERMINATION OF NEED; MAXIMUM RELIANCE UPON PRIVATE ENTERPRISE

SEC. 303. In order that aid to projects shall be based upon local determination of need, contracts for financial aid under this title shall be made only with the duly authorized public agency of the locality and shall require that the redevelopment plan applicable to the project area be approved by the governing body of the municipality in which the project area is situated (or by the planning commission or other public agency or board designated by such governing body or by State law). Such approval shall be required to include findings that—

(1) The redevelopment area would not by private enterprise alone and without the aid sought be cleared and made available for redevelopment;

(2) The proposed land uses and building requirements in redevelopment areas in the locality will afford maximum opportunity to privately financed redevelopment consistent with the sound redevelopment and housing needs of the locality as a whole; and

(3) The redevelopment plan is based upon a local survey of the redevelopment needs of the locality as a whole.

CONFORMITY TO LOCAL PLANNING

SEC. 304. In order that redevelopment shall conform to the locally approved redevelopment plan and be consistent with the interests of the locality as a whole, contracts for financial aid under this title shall require—

(1) That the local public agency agree that when land that has been acquired by it in connection with a project is sold or leased, the terms of such sales or leases shall obligate the purchasers or lessees (i) to devote the land to the use specified in the redevelopment plan for said land; (ii) to begin the building of their improvements within a reasonable period of time; and (iii) to comply with such other conditions as are necessary to carry out the purpose of this title;

(2) That there be a feasible method for the temporary relocation of persons living in the redevelopment area; and also that decent, safe, and sanitary dwellings, substantially equal in number to the number of substandard dwellings to be removed in the redevelopment area, are available, or will be provided,

in the locality at rents or prices within the financial reach of the income groups displaced.

LOANS

SEC. 305. (a) The Administrator may make loans to local public agencies with respect to projects under this title to provide such agencies with funds for the undertaking of such projects prior to definite financing thereof, which loans shall not exceed the cost of the project. Upon definitive financing, such loans may be made to finance only that portion of the cost of any such project which the Administrator finds cannot be financed at sufficiently low interest rates for the purposes of this title through loans from sources other than the Federal Government. Loans by the Administrator shall bear interest at such rate not less than the applicable going Federal rate, shall be secured in such manner, and shall be repayable within such period not exceeding 20 years from the date of the bonds (evidencing the definitive loan made by the Administrator), as may be deemed advisable by the Administrator.

(b) To obtain funds for the loan purposes of this title, the Administrator may issue and have outstanding at any one time obligations in an amount not to exceed $50,000,000 on and after the date of enactment of this title, which limit shall be increased by further amounts of $50,000,000 at the beginning of each of the second, third, fourth, and fifth years, respectively, from such date.

CONTRIBUTIONS WHERE NECESSARY

SEC. 306. (a) Where the Administrator finds that assistance in the form of annual contributions is necessary to carry out the purposes hereof, he may enter into contracts to make annual contributions to local public agencies to enable them to make the land in projects available for redevelopment at its fair value for the uses specified in accordance with the redevelopment plans.

(b) Federal annual contributions shall be strictly limited to the amounts and periods necessary to carry out the purposes of this title. In no case shall any contract for annual contributions be made for a period exceeding 45 years from the date the first annual contribution is paid. Contributions payable annually under any contract shall, in no case, exceed an amount equal to the annual yield, at the applicable going Federal rate, plus 1 percent, upon the amount representing the difference between the cost of the project involved and the capital proceeds therefrom. All payments of annual contributions pursuant to this title shall be made out of any funds available under this title to the Administrator when such payments are due, except that funds obtained through the issuance of obligations pursuant to section 305 (b) (including repayments or other realizations of the principal of loans made out of such funds) shall not be available for payment of such annual contributions. The faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this title, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments. Payments under annual contributions contracts shall be pledged as security for any loans obtained by a local public agency to assist the project to which the annual contributions relate.

(c) Whenever in any year the receipts of a local public agency in connection with a project exceed its expenditures (including debt service, administration, establishment of reserves, and other costs), such excess shall be used to reduce the amount of contributions subsequently paid with respect to such project, or for other purposes which will cause a reduction in the amount of such subsequent annual contributions. If, before the expiration of the contract, the need for annual contributions has ceased, any such excess shall be applied to repay annual contributions therefore made with respect to the project.

(d) With respect to projects to be assisted pursuant to this title, the Administrator is authorized, on and after the date of the enactment of this title, to enter into contracts which provide for annual conributions aggregating not more than $4,000,000 per annum, which limit shall be increased by further amounts of $4,000,000 at the beginning of each of the second, third, fourth, and fifth years, respectively, after such date: *Provided*, That any parts of the authorization contained in this section and of the borrowing authorization contained in section 305 (b) may be made available at earlier dates than are provided in said sections upon a determination by the President (which shall be transmitted in a message to the Congress) that such acceleration is necessary to make land available to meet acute shortages of adequate housing, including housing for the families of servicemen and veterans who are in need of such housing, or to stimulate employment and business activity.

(e) Every contract for Federal annual contributions under this title shall provide that at any time after 10 years following the issuance of definitive bonds to finance the project, the Administrator shall have the right to pay to the local public agency a lump sum (in the event that legislation is hereafter enacted making funds available therefor) computed at the capitalized value of the annual contributions otherwise remaining to be paid under the contract in lieu of continuing further payments of annual contributions: *Provided*, That such lump-sum payment shall not be less than an amount sufficient to redeem the outstanding bonds to which such annual contributions have been pledged.

EQUAL AID FOR PRIVATE ENTERPRISE DEVELOPMENTS

SEC. 307. In order that aid under this title to make land available for redevelopment in part by private enterprise shall be comparable to aid made available under the United States Housing Act of 1937 for land acquisition in connection with low-rent public housing—

(1) All the provisions relating to obligations issued under the authorization contained in section 20 of the United States Housing Act of 1937, as amended, shall also apply to the obligations authorized under this title:

(2) The provisions of paragraphs (a) and (b) of the new section 22 of the United States Housing Act of 1937, enacted by section 504 of this act and designed to facilitate the local enlistment of private capital, shall apply also in the case of projects under this title: *Provided*, That the term "Authority" in such provisions shall mean the National Housing Administrator for the purposes of this title;

(3) Obligations, including interest thereon, issued by local public agencies for the purposes of this title shall be free from taxation by the United States to the same extent as obligations issued by local public agencies for low-rent housing;

(4) When the land for a low-rent housing project assisted under the United States Housing Act of 1937 is made available from a project assisted under this title, payments shall be made therefor by the local public agency undertaking the housing project and the capital value of such land shall be included as part of the development cost of the low-rent housing project.

REQUIREMENTS FOR LOCAL PARTICIPATION

SEC. 308. In order to encourage local participation in projects—

(a) No contract for loans or annual contributions shall be entered into with a local public agency under this title unless the capital proceeds from the project involved (as then estimated by the local public agency and approved by the Administrator) together with the most recent estimates of the capital proceeds from all other projects of the local public agency on which such contracts have theretofore been made hereunder, will be at least equal to one-half of the aggregate of the most recent estimates of the cost of all such projects of the local public agency involved (excluding the cost of the old buildings destroyed and the demolition and clearance thereof);

(b) With respect to all the projects of a local public agency on which contracts have been made under this title, the aggregate annual contribution bases (such aggregate annual contribution bases, as used herein, being the difference between the aggregate cost of all such projects and the aggregate capital proceeds therefrom, to the extent that such differences are used as the basis on which annual contributions are computed for such projects) shall not exceed two-thirds of the aggregate cost of such projects (including the cost of the buildings destroyed and the demolition and clearance thereof).

(c) Every contract for Federal annual contributions under this title shall require local participation by the municipality or other public bodies in connection with the project involved which, together with the value of the local participation to be provided in connection with all other projects of the local public agency on which such contracts have theretofore been made, will be at least equal to one-half of the aggregate annual contribution bases of all such projects of the local public agency involved. Such local participation may be furnished through (1) installing, constructing, or reconstructing streets, utilities, site improvements, parks, and playgrounds which are of direct benefit to the project area, and (to the extent that costs incurred therefor in the area would not otherwise have been incurred to serve the area) public buildings or facilities in the redevelopment area which are necessitated by the project or are of benefit primarily to the residents thereof; (2) acquiring, clearing, and making land in the redevelopment area available for use in accordance with the redevelopment plan; (3) providing the local public agency with cash, land, labor, or materials for use in connection with the project or waiving delinquent taxes on land in the project area; (4) assistance in any other form which will reduce the cost of the project to the local public agency; or (5) any periodic assistance which will increase the capital proceeds or net revenues which will be derived by the local public agency from the project, including any tax abatement (through freezing of assessments or otherwise) granted by or pursuant to State law as an incentive to redevelopment, computed at the capitalized value thereof: *Provided*, That the development cost, or any part thereof, of any low-rent housing project undertaken by any public agency shall be excluded in computing the local participation hereunder.

PROTECTION OF LABOR STANDARDS

SEC. 309. In order to protect labor standards—

(1) Any contract for loans or annual contributions pursuant to this title shall contain a provision requiring that the wages or fees prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary of Labor, shall be paid to all those employed in the development of the project involved; and the Administrator may require certification as to compliance with the provisions of this paragraph prior to making any payment under such contract.

(2) The provisions of sections 1 and 2 of the act of June 13, 1934 (U. S. C. 1934 ed.,

title 40, secs. 276B and 276C), shall apply to any project financed in whole or in part with funds made available pursuant to this title.

(3) Any contractor engaged on any project financed in whole or in part with funds made available pursuant to this title shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner (within 5 days after the close of each calendar month) on forms to be furnished by the United States Department of Labor as to the number of persons on their respective pay rolls on the particular project, the aggregate amount of such pay rolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

GENERAL POWERS

SEC. 310. (a) In the performance of the functions, duties, and powers vested in him by this title, the Administrator may—

(1) Sue and be sued;

(2) Notwithstanding the provisions of any other law, foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any project in connection with which he has made a loan or annual contribution pursuant to this title. In the event of such acquisition of any such project, the Administrator may complete, administer, dispose of, and otherwise deal with, such project or part thereof: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil jurisdiction in and over such property or impair the civil rights under the State or local law of the inhabitants on such property;

(3) Enter into agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof with respect to any real property as acquired and owned;

(4) Notwithstanding the provisions of any other law, sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) Obtain insurance against loss in connection with property and other assets held;

(6) Subject to specific limitations in any of the titles of this act, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of annual contribution, or any other term, of any contract or agreement to which he is a party or which has been transferred to him pursuant to this title.

(b) Section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this section if the amount of such contract does not exceed $1,000.

(c) Such financial transactions of the Administrator as the making of loans and annual contributions, and the acquisition, sale, exchange, lease, or other disposition of real and personal property, and vouchers approved by the Administrator in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such financial transactions of the Authority shall be audited by the General Accounting Office at such times and in such manner as the Comptroller General of the United States may by regulation prescribe.

(d) The Administrator may include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions as he may deem necessary to assure that the purposes of this title will be achieved. No provision of this act shall be construed or administered to permit speculation in land holding.

TITLE IV—ENLARGEMENT OF MARKET FOR RENTAL HOUSING PRODUCED BY PRIVATE ENTERPRISE

SEC. 401. In accord with section 3 (a) (4) of this act, to encourage private enterprise to serve larger and lower segments of the rental housing market, the National Housing Act, as amended, is hereby amended by adding the following new title:

"TITLE VII—INSURANCE FOR INVESTMENTS IN RENTAL HOUSING FOR FAMILIES OF MODERATE INCOME

"AUTHORITY TO INSURE

"SEC. 701. The Administrator is authorized, upon application by the investor, to insure as hereinafter provided, and, prior to the execution of insurance contracts and upon such terms as the Administrator shall prescribe, to make commitments to insure, the minimum annual amortization charge and an annual return on the outstanding investment of such investor in any project which is eligible for insurance as hereinafter provided in an amount (herein called the 'insured annual return') equal to such rate of return, not exceeding 2¾ percent per annum, on such outstanding investment as shall be fixed in the insurance contract or in the commitment to insure: *Provided*, That any insurance contract made pursuant to this title shall expire as of the first day of the operating year for which the outstanding investment amounts to not more than 15 percent of the established investment: *And provided further*, That the aggregate amount of contingent liabilities outstanding at any one time under insurance contracts and commitments to insure made pursuant to this title shall not exceed $1,000,000,000.

"ELIGIBILITY

"SEC. 702. (a) To be eligible for insurance under this title, a project shall meet the following conditions:

"(1) The Administrator shall be satisfied that there is, in the locality or metropolitan area of such project, a need for new dwellings for families of moderate income, at rents comparable to the rents proposed to be charged for the dwellings in such project, which is not adequately met by privately financed new dwellings currently produced, without insurance under this title, in such locality or metropolitan area;

"(2) Such project shall be economically sound, and shall be acceptable to the Administrator from the standpoint of affording reasonable assurance of stability, and of economy in construction, operation, and maintenance consistent with the long-term investment therein;

"(3) The dwellings in such project shall be acceptable to the Administrator as to quality, design, size, and type, and shall be available for families of moderate income at rents within their capacity to pay.

"(b) Any insurance contract executed by the Administrator under this title shall be conclusive evidence of the eligibility of the project and the investor for such insurance, and the validity of any insurance contract so executed shall be incontestable in the hands of an investor from the date of the execution of such contract, except for fraud or misrepresentation on the part of such investor.

"PREMIUMS AND FEES

"SEC. 703. (a) For insurance granted pursuant to this title the Administrator shall fix and collect a premium charge in an amount not exceeding one-half of 1 percent of the outstanding investment for the operating year for which such premium charge is payable without taking into account the excess earnings, if any, applied, in addition to the minimum annual amortization charge, to amortization of the outstanding investment. Such premium charge shall be payable annually in advance by the investor, either in cash or in debentures issued by the Administrator under this title at par plus accrued interest.

"(b) With respect to any project offered for insurance under this title, the Administrator is authorized to charge and collect reasonable fees for examination, and for inspection during the construction of the project: *Provided*, That such fees shall not aggregate more than one-half of 1 percent of the estimated investment.

"RENTS

"SEC. 704. The Administrator shall require that the rents for the dwellings in any project insured under this title shall be established and maintained in accordance with a rent schedule approved by the Administrator, and that the investor shall not charge or collect rents for any dwellings in the project in excess of the appropriate rents therefor as shown in the latest rent schedule approved pursuant to this section. Prior to approving any rent schedule pursuant to this section, the Administrator shall find that such schedule affords reasonable assurance that the rents to be established thereunder are (1) not lower than necessary, together with all other income to be derived from the project, to produce reasonably stable revenues sufficient to provide for the payment of the operating expenses, the minimum annual amortization charge, and the minimum annual return; and (2) not higher than necessary to meet the relative need for new dwellings for families of moderate income proposed to be served at the time the application for insurance under this title was approved.

"EXCESS EARNINGS

"SEC. 705. For all of the purposes of any insurance contract made pursuant to this title, 50 percent of the excess earnings, if any, for any operating year shall be applied, in addition to the minimum annual return, to return on the outstanding investment but only to the extent that such application thereof does not result in an annual return of more than 3⅝ percent of the outstanding investment for such operating year, and the balance of any such excess earnings shall be applied, in addition to the minimum annual amortization charge, to amortization of the outstanding investment: *Provided*, That, if any deficits in operating expenses have been incurred during any preceding operating years, such excess earnings may be applied first, to the extent necessary in whole or in part, to the reimbursement of such deficits.

"FINANCIAL STATEMENTS

"SEC. 706. With respect to each project insured under this title, the Administrator shall provide that, after the close of each operating year, the investor shall submit to him for approval a financial and operating statement covering such operating year. If any such financial and operating statement shall not have been submitted or, for proper cause, shall not have been approved by the Administrator, payment of any claim submitted by the investor may, at the option of the Administrator, be withheld, in whole or in part, until such statement shall have been submitted and approved.

"PAYMENT OF CLAIMS

"SEC. 707. If in any operating year the net income of a project insured under this title is less than the aggregate of the minimum annual amortization charge and the insured annual return, the Administrator, upon submission by the investor of a claim for the payment of the amount of the difference between such net income and the aggregate of the minimum annual amortization charge and the insured annual return and after proof of the validity of such claim, shall pay to the investor, in cash, the amount of such difference, as determined by him, but not exceeding, in any event, an amount equal to the aggregate of the minimum annual amortization charge and the insured annual return.

"DEBENTURES

"SEC. 708. (a) If the aggregate of the amounts paid to the investor pursuant to section 707 hereof with respect to a project insured under this title shall at any time equal or exceed 15 percent of the established investment, the Administrator thereafter shall have the right, for the protection of the Housing Investment Insurance Fund, to acquire, as of the 1st day of any operating year, such project in consideration of the issuance and delivery to the investor of debentures having a total face value equal to the amount of the outstanding investment for such operating year less 10 percent of the established investment: *Provided*, That any difference, not exceeding $50, between said amount and the total face value of the debentures to be so issued and delivered shall be adjusted by the payment of cash by the Administrator to the investor from the Housing Investment Insurance Fund: *And provided further*, That, upon the acquisition of a project pursuant to this section, the insurance contract shall terminate.

"(b) Debentures issued under this title to any investor shall be executed in the name of the Housing Investment Insurance Fund as obligor, shall be signed by the Administrator, by either his written or engraved signature, and shall be negotiable. Such debentures shall be dated as of the first day of the operating year in which the project for which such debentures were issued was acquired by the Administrator, shall bear interest at a rate to be determined by the Administrator, with the approval of the Secretary of the Treasury, at the time the insurance contract was executed, but not to exceed 2¾ percent per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature on the 1st day of July in such calendar year, not later than the fortieth following the date of the issuance thereof, as shall be determined by the Administrator and stated on the face of such debentures.

"(c) Such debentures shall be in such form and in such denominations in multiples of $50, shall be subject to such terms and conditions, and may include such provisions for redemption as shall be prescribed by the Administrator, with the approval of the Secretary of the Treasury, and may be issued in either coupon or registered form.

"(d) Such debentures shall be payable out of the Housing Investment Insurance Fund, which shall be primarily liable therefor, and shall be fully and unconditionally guaranteed, as to both the principal thereof and the interest thereon, by the United States, and such guaranty shall be expressed on the face thereof. In the event that the Housing Investment Insurance Fund fails to pay upon demand, when due, the principal of or the interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof, which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid, the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

"(e) Notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real and other property by the United States, the Administrator shall also have power, for the protection of the Housing Investment Insurance Fund, to pay out of said Housing Investment Insurance Fund all expenses or charges in connection with, and to deal with, complete, reconstruct, rent, renovate, modernize, insure, make contracts for the management of, or establish suitable agencies for the management of, or sell for cash or credit or lease in his discretion, in whole or in part, any project acquired pursuant to this title; and, notwithstanding any other provision of law, the Administrator shall also have power to pursue to final collection by way of compromise or otherwise all claims assigned and transferred to him in connection with the acquisition of any project pursuant to this title: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any contract for hazard insurance, or to any purchase or contract for services or supplies on account of any project acquired pursuant to this title if the amount of such purchase or contract does not exceed $1,000.

"TERMINATION

"SEC. 709. The Administrator shall prescribe the events and conditions under which he shall have the right to terminate, at his option, any insurance contract made pursuant to this title, and the events and conditions under which he may reinstate, at his option, any insurance contract terminated by him pursuant to this section. If any insurance contract is terminated by the Administrator pursuant to this section, the Administrator may require the investor to pay an adjusted premium charge in such amount as the Administrator determines to be equitable, but not in excess of the aggregate amount of the premium charges which such investor otherwise would have been required to pay if such insurance contract had not been so terminated.

"INSURANCE FUND

"SEC. 710. There is hereby created a Housing Investment Insurance Fund which shall be used by the Administrator as a revolving fund for carrying out the provisions of this title and for administrative expenses in connection therewith, and there shall be allocated immediately to such Fund the sum of $10,000,000 out of the funds made available to the Administrator for the purposes of carrying out the provisions of this title. Premium charges, adjusted premium charges, inspection and other fees, service charges, and any other income received by the Administrator under this title, together with all earnings on the assets of such Housing Investment Insurance Fund shall be credited to said Fund. All payments made pursuant to claims of investors with respect to projects insured under this title, cash adjustments, the principal of and interest on debentures issued under this title, expenses incurred in the acquisition, handling, management, renovation, and disposal of projects acquired under this title, and all administrative expenses in connection with this title, shall be paid from said Fund. The faith of the United States is solemnly pledged to the payments of all approved claims of investors with respect to projects insured under this title, and, in the event said Fund fails to make any such payment when due, the Secretary of the Treasury shall pay to the investor the amount thereof, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated. Moneys in the Housing Investment Insurance Fund not needed for current operations under this title shall be deposited with the Treasurer of the United States to the credit of said Fund or invested in bonds or other obligations of, or in bonds or other obligations guaranteed by, the United States. The Administrator may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under this title. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"TAXATION PROVISIONS

"SEC. 711. Nothing in this title shall be construed to exempt any real property acquired and held by the Administrator under this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

"RULES AND REGULATIONS

"SEC. 712. The Administrator may make such rules and regulations as may be necessary or desirable to carry out the purposes and provisions of this title, including, without limiting the foregoing, rules and regulations relating to the maintenance by the investor of books, records, and accounts with respect to the project and the examination of such books, records, and accounts by representatives of the Administrator; the submission of financial and operating statements and the approval thereof; the submission of claims for payments under insurance contracts, the proof of the validity of such claims, and the payment or disallowance thereof; the increase of the established investment if the investor shall make capital improvements or additions to the project; the decrease of the established investment if the investor shall sell part of the project; and the reduction of the outstanding investment for the appropriate operating year or operating years pending the restoration of dwelling or nondwelling facilities damaged by fire or other casualty.

"DEFINITIONS

"SEC. 713. Unless the context clearly indicates otherwise, the following terms shall have the meanings, respectively, ascribed to them below, and shall include the plural as well as the singular number:

"(a) 'Investor' shall mean (1) any natural person; (2) any group of not more than 10 natural persons; (3) any corporation, company, association, trust, or other legal entity; or (4) any combination of two or more corporations, companies, associations, trusts, or other legal entities, having all the powers necessary to comply with the requirements of this title, which the Administrator (i) shall find to be qualified by business experience and facilities, to afford assurance of the necessary continuity of long-term investment, and to have available the necessary capital required for long-term investment in the project, and (ii) shall approve as eligible for insurance under this title.

"(b) 'Project' shall mean a project (including all property, real and personal, contracts, rights, and choses in action acquired, owned, or held by the investor in connection therewith) of an investor designed and used primarily for the purpose of providing dwellings, the occupancy of which is permitted by the investor in consideration of agreed charges: *Provided*, That nothing in this title shall be construed as prohibiting the inclusion in a project of such stores, offices, or other commercial facilities, recreational or community facilities, or other nondwelling facilities as the Administrator shall determine to be necessary or desirable appurtenances to such project.

"(c) 'Estimated investment' shall mean the estimated cost of the development of the project, as stated in the application submitted to the Administrator for insurance under this title.

"(d) 'Established investment' shall mean (1) the amount of the reasonable and proper costs, as approved by the Administrator, incurred by the investor in, and necessary for, carrying out all works and undertakings for the development of a project and shall include the cost, as so approved, of all necessary surveys, plans and specifications, architectural, engineering, or other special services, land acquisition (which, for the purposes of this definition, may include the capitalized value, as approved by the Administrator, of any lease under which the real property comprising the site of the project is held by the investor), site preparation, construction, and equipment; a reasonable return on the funds of the investor paid out in course of the development of the project, up to and including the initial occupancy date; necessary expenses in connection with the initial occupancy of the project; and the cost, as

so approved, of such other items as the Administrator shall determine to be necessary for the development of the project, less (2) the amount by which the rents and revenues derived from the project up to and including the initial occupancy date exceeded the reasonable and proper expenses, as approved by the Administrator, incurred by the investor in, and necessary for, operating and maintaining said project up to and including the initial occupancy date, or plus the amount by which such expenses exceeded such rents and revenues, as the case may be.

"(e) 'Physical completion date' shall mean the last day of the calendar month in which the Administrator determines that the construction of the project is substantially completed and the dwellings therein are available for occupancy.

"(f) 'Initial occupancy date' shall mean the last day of the calendar month in which 90 percent in number of the dwellings in the project on the physical completion date shall have been occupied, but shall in no event be later than the last day of the sixth calendar month next following the physical completion date.

"(g) 'Operating year' shall mean the period of twelve consecutive calendar months next following the initial occupancy date and each succeeding period of twelve consecutive calendar months, and the period of the first twelve consecutive calendar months next following the initial occupancy date shall be the first operating year.

"(h) 'Gross operating income' for any operating year shall mean the total rents and revenues and other income derived from the project during such operating year.

"(i) 'Operating expenses' for any operating year shall mean the amounts, as approved by the Administrator, necessary to meet the reasonable and proper costs of, and to provide for, operating and maintaining the project, and to establish and maintain reasonable and proper reserves for repairs, maintenance, and replacements and other necessary reserves during such operating year, and shall include necessary expenses for real-estate taxes, special assessments, premium charges, adjusted premium charges, and any service charges made pursuant to this title, administrative expenses, and hazard and public-liability insurance, together with such other expenses as the Administrator shall determine to be necessary for the proper operation and maintenance of the project, but shall not include income taxes.

"(j) 'Net income' for any operating year shall mean gross operating income remaining after the payment of the operating expenses.

"(k) 'Minimum annual amortization charge' shall mean an amount equal to 2 percent of the established investment.

"(l) 'Annual return' for any operating year shall mean the net income remaining after the payment of the minimum annual amortization charge.

"(m) 'Insured annual return' shall have the meaning ascribed to it in section 701 hereof.

"(n) 'Minimum annual return' for any operating year shall mean an amount equal to 3¼ percent of the outstanding investment for such operating year.

"(o) 'Excess earnings' for any operating year shall mean the net income derived from a project in excess of the minimum annual amortization charge and the minimum annual return.

"(p) 'Outstanding investment' for any operating year shall mean the established investment, less an amount equal to (1) the aggregate of the minimum annual amortization charge for each preceding operating year, plus (2) the aggregate of the excess earnings, if any, during each preceding operating year applied, in addition to the minimum annual amortization charge, to amortization in accordance with the provisions of section 705 hereof."

SEC. 402. Section 4 of the National Housing Act, as amended, is hereby amended by striking out "titles II and III," and inserting in lieu thereof "titles II, III, and VII,".

TITLE V—AID TO LOCALITIES FOR LOW-RENT HOUSING

LOCAL DETERMINATION OF NEED; TENANCY ONLY BY LOW-INCOME FAMILIES

SEC. 501. In accord with section 3 (a) (5) of this act, aid shall be extended for low-rent housing to those localities which assume community responsibility and initiative in estimating their own needs and demonstrating that their needs cannot fully be met through reliance solely upon private enterprise and without such aid (as provided in section 2 (c) of this act). Toward this end, the United States Housing Act of 1937, as amended, is hereby amended by adding the following additional subsections to section 15 thereof:

"(6) In recognition that there should be local determination of the need for public low-rent housing, the Authority shall not make any contract for financial assistance pursuant to this title with respect to any urban low-rent housing hereafter initiated unless the local public agency has submitted an analysis of the local housing market demonstrating—

"(i) that there is a need for such low-rent housing which cannot be met by private enterprise; and

"(ii) that a gap of at least 20 percent has been left between the upper rental limits for admission to the proposed low-rent housing and the lowest rents at which private enterprise can reasonably be expected to provide an adequate supply of decent, safe, and sanitary housing;

and unless the governing body of the locality involved has approved the provision of such low-rent housing.

"(7) Every contract made pursuant to this title for annual contributions for urban low-rent housing projects hereafter initiated shall provide that a duly authorized official of the local public agency involved shall make periodic written statements to the Authority that an investigation has been made of each family admitted to the low-rent housing project involved during the period covered thereby, and that, on the basis of the report of said investigation, he has found that each such family at the time of its admission (a) lived in an unsafe, insanitary, or overcrowded dwelling or was displaced by a slum-clearance project or by off-site elimination in compliance with the equivalent elimination requirement hereof, and (b) had a net family income not exceeding the income limits theretofore fixed by the local public agency (and approved by the Authority) for admission of families of low income to such housing: *Provided*, That the requirement in (a) shall not be applicable in the case of the family of any serviceman or the family of any veteran who died in or who has been discharged (other than dishonorably) from the armed forces of the United States within 4 years prior to the date of application for admission to such housing and when the net family income is too low to enable such family to secure a decent, safe, and sanitary dwelling provided by private enterprise.

"(8) Every contract made pursuant to this title for annual contributions for urban low-rent housing projects hereafter initiated shall require that the local public agency make periodic reexaminations of the net incomes of families living in the low-rent housing project involved; and if it is found, upon such reexamination, that the net incomes of any families have increased to a point where they can afford to rent or purchase decent, safe, and sanitary dwellings provided by private enterprise, such families shall be required to move from the project if there are such dwellings available to them within their means and appropriate to their use."

VETERANS' PREFERENCE

SEC. 502. (a) The United States Housing Act of 1937, as amended, is hereby amended by adding the following new subsection to section 10:

"(g) Every contract made pursuant to this act for annual contributions for low-rent housing projects hereafter initiated shall require that the local public agency in selecting tenants shall give preference, as between applicants equally in need and eligible for occupancy of the dwelling and at the rent involved, to families of servicemen and of veterans who died in or who have been discharged (other than dishonorably) from the armed forces of the United States within 4 years prior to the date of application for admission to such housing."

(b) Said act, as amended, is hereby amended by adding the following new subsection to section 2:

"(14) The term 'servicemen' shall mean persons serving, and the term 'veterans' shall mean persons who have served, in the military or naval forces of the United States during the present war."

(c) Subsection (2) of section 2 of said act is hereby amended by inserting, after the words "means families", the words "or persons."

COST LIMITS

SEC. 503. The first sentence of subsection (5) of section 15 of the United States Housing Act of 1937, as amended, is hereby amended to read as follows: "No contract for any loan, annual contribution, or capital grant made pursuant to this title shall be entered into by the Authority with respect to any low-rent housing project hereafter initiated costing more than $1,000 per room (excluding land, demolition, and nondwelling facilities); except that in any city or metropolitan district, as defined by the Bureau of the Census, the population of which exceeds 500,000, and in Alaska, any such contract may be entered into with respect to a project hereafter initiated costing not to exceed $1,250 per room, and, in the case of Alaska, $1,750 per room (excluding land, demolition, and nondwelling facilities), if in the opinion of the Authority such higher cost per room (the term 'room' to be defined by the Administrator) is justified by reason of higher costs of labor and materials and other construction costs."

LOCAL ENLISTMENT OF PRIVATE CAPITAL

SEC. 604. In order to stimulate increasing local financing of low-rent housing and slum-clearance projects, the United States Housing Act of 1937, as amended, is hereby amended as follows:

(1) The last proviso of subsection (b) and the proviso and the last sentence of subsection (f) of section 10 of said act are repealed, and the following is added after section 21 of said act:

"LOCAL ENLISTMENT OF PRIVATE CAPITAL

"SEC. 22. To facilitate the enlistment of private capital through the sale by local public agencies of their bonds and notes to others than the Authority, in financing low-rent housing and slum-clearance projects under this title and title II, and to maintain the low-rent character of housing projects—

"(a) Every contract for annual contributions (including contracts which amend or supersede contracts previously made) may provide that—

"(1) Upon the occurrence of a substantial default in respect of the covenants or conditions to which the local public agency is subject (as such substantial default shall be defined in such contract), the local public agency shall be obligated to convey to the Authority the project, as then constituted, to which such contract relates;

"(2) The Authority shall agree to reconvey the project, as constituted at the time of reconveyance, to the local public agency by which it shall have been so conveyed or

its successor (if such local public agency or a successor exists) upon such terms as shall be prescribed in such contract as soon as practicable: (i) after the Authority shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purpose of this act, thereafter be operated in accordance with the terms of such contract; or (ii) after the termination of the obligation to make annual contributions available unless there are any obligations or covenants of the local public agency to the Authority which are then in default. Any prior conveyances and reconveyances shall not exhaust the right to require a conveyance of the project to the Authority, pursuant to subparagraph (1), upon the subsequent occurrence of a substantial default.

"(b) Whenever such contract for annual contributions shall include provisions which the Authority, in said contract, determines are in accordance with subsection (a) hereof, and the annual contributions, pursuant to such contract, have been pledged by the local public agency as security for the payment of the principal and interest of any of its bonds, the Authority (notwithstanding any other provisions of the United States Housing Act of 1937, as amended), shall continue to make annual contributions available for the project and may covenant in such contract that in any event such annual contributions shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding 12 months, of principal and interest on the bonds for which the annual contributions provided for in the contract shall have been pledged as security: *Provided*, That such annual contributions shall not be in excess of the maximum sum determined pursuant to the section under which such project is assisted; and in no case shall such annual contributions be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.";

(2) Section 2 (10) of said act is hereby amended to read as follows:

"(10) The term 'going Federal rate' means the annual rate of interest (or, if there shall be two or more such rates of interest, the lowest thereof) specified in the most recently issued bonds of the Federal Government having a maturity of 20 years or more, determined, in the case of loans or annual contributions, respectively, at the date the contract for such loans or contributions is made.";

(3) Section 9 of said act is hereby amended by inserting the following at the end of said section, after the word "Authority": *Provided*, That in the case of projects receiving annual contributions pursuant to the additional authorization provided for in section 10 (e), loans shall not be made for a period exceeding 45 years from the date of the bonds evidencing the loan: *And provided further*, That in the case of projects assisted by loans for a period not exceeding 45 years from the date of the bonds evidencing the loan and by annual contributions for a period not exceeding 45 years from the date the first annual contribution for the project is paid, such loans shall bear interest at a rate not less than the applicable going Federal rate.";

(4) The first sentence of subsection (c) of section 10 of said act is hereby amended to read as follows: "Every contract for annual contributions shall provide that whenever in any year the receipts of a local public agency in connection with a low-rent housing project exceed its expenditures (including debt service, administration, establishment of reserves, and other costs), such excess shall be used to reduce the amount of contributions subsequently paid with respect to such project, or for other purposes which will cause a reduction in the amount of such subsequent annual contributions.";

(5) Said act is hereby amended by inserting the following after the first sentence of section 14: "When the Authority finds that it would promote economy and be in the financial interest of the Federal Government, any contract heretofore or hereafter made for annual contributions, loans, or both, may, with Presidential approval, be revised or superseded by a contract of the Authority so that the going Federal rate on the basis of which such annual contributions or interest rate on the loans, or both, respectively, are fixed shall mean the going Federal rate, as herein defined, on the date that such contract is revised or superseded by such later contract.";

(6) The second sentence of subsection (a) of section 20 of said act is hereby amended by inserting, after the word "issue," the words "and have outstanding at any one time" and by deleting, at the end of that sentence, the words ", exclusive of any obligations which may be issued for refunding purposes."

REHABILITATION

SEC. 505. In order to conserve the existing housing supply (in accord with the objective set forth in section 1 (f) of this act), the United States Housing Act of 1937, as amended, is hereby amended by adding the following after the new section 22:

"REHABILITATION OF EXISTING BUILDINGS

"SEC. 23. (a) To assist in the use of existing buildings for low-rent housing when this is feasible in lieu of new construction, the Authority may make loans and annual contributions to local public agencies for projects which involve mainly the remodeling, repair, or reconstruction of existing buildings located in neighborhoods where the spread of blight can be prevented or arrested. All provisions of this act relating to other low-rent projects which may be assisted under this title shall be applicable to such projects: *Provided*, That no contract for annual contributions with respect to a project assisted under this section shall be made for a period exceeding 30 years from the date the first contribution is paid, but that the fixed annual contribution rate under such a contract may exceed the rate with respect to other urban low-rent projects by 1 percent of the development cost of the project: *And provided further*, That any loan with respect to a project assisted under this section (which may be in an amount equal to the cost of the project) shall not be for a period exceeding 30 years from the date of the bonds evidencing the loan.

"(b) As an alternative to such assistance in the purchase and rehabilitation of existing buildings, assistance may be extended under this section for the leasing and rehabilitation of such buildings by local public agencies when the Authority finds that the annual cost to the Authority would be no greater if the buildings were leased than if they were purchased by the local public agency. In such cases, the provisions of section 15 relating to the acquisition of title by a third party shall not be applicable to the retention of title by the owners of the buildings leased to the local public agency.

"(c) In administering this section, the Authority shall be guided by the following standards:

"(i) That the buildings to be acquired or leased shall be in such condition that it is economically feasible to remodel, repair, or reconstruct them, and that the buildings, when rehabilitated, would provide decent, safe, and sanitary housing for at least the period of assistance undertaken;

"(ii) That the rehabilitation of the buildings comprising the project will prevent or arrest the spread of blight so as to protect the neighborhood in which the buildings are located;

"(iii) That the rehabilitated buildings will provide low-rent housing and will otherwise accomplish the purposes of this act."

ANNUAL CONTRIBUTIONS AUTHORIZATION FOR ADDITIONAL PROGRAM

SEC. 506. (a) Subsection 10 (e) of the United States Housing Act of 1937, as amended, is hereby amended by inserting the following after the first sentence thereof: "With respect to projects to be assisted pursuant to this title, the Authority is authorized, in addition to the amount heretofore authorized, to enter into contracts, on and after the date this additional authorization is made, which provide for annual contributions aggregating not more than $22,000,000 per annum, which limit shall be increased by further amounts of $22,000,000 at the beginning of each of the second, third, and fourth years, respectively, from such date: *Provided*, That any parts of this additional authorization may be made available at earlier dates than are provided above upon a determination by the President (which shall be transmitted in a message to the Congress) that such acceleration is necessary to meet acute shortages of adequate housing for families of low income, including families of servicemen and veterans eligible for such housing under this act, or to stimulate employment and business activity."

(b) Subsection 10 (c) of said act is hereby amended by adding the following at the end of the last sentence thereof: "*Provided*, That contracts for annual contributions made pursuant to the additional authorization provided for in section 10 (e) shall not be made for a period exceeding 45 years from the date the first annual contribution is paid."

TECHNICAL AMENDMENTS

SEC. 507. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(1) By changing section 2 (11) to read as follows:

"(11) The term 'local public agency' means any State, county, municipality, or other governmental entity or public body (excluding the Authority), which is authorized to undertake the project for which assistance is sought.";

(2) By changing the term "public housing agency," wherever it appears in said act and in title II of Public Law 671, Seventy-sixth Congress (54 Stat. 681), to "local public agency";

(3) By amending section 6 by adding the following new subsection:

"(e) All necessary expenses of providing representatives of the Authority at the sites of non-Federal projects during their development which are paid from fees collected for such services from the local public agencies receiving financial aid from the Authority under this act shall be considered nonadministrative expenses."

(4) By renumbering sections 22 to 30, inclusive, so that they become sections 24 to 32, inclusive.

TITLE VI—IMPROVEMENT OF HOUSING ON THE FARM AND IN RURAL AREAS

SEC. 601. In accord with section 3 (a) (6) of this act, to improve housing conditions in rural areas, the Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to make loans to the owners of farms in the United States and in the Territories of Alaska and Hawaii and in Puerto Rico to provide decent, safe, and sanitary farm dwellings for such owners, their tenants, sharecroppers, or laborers, through construction, alteration, repair, or replacement. Such loans shall be made only to owners of farms who cannot elsewhere receive the necessary credit on terms suitable to the purpose, and shall not be in excess of the owner's equity in the farm. The instruments under which the loan is made and the security given therefor shall—

(a) Provide for the repayment of the loan within an agreed period of not more than 40 years from the making of the loan;

(b) Provide for the payment of interest on the unpaid balance of the loan at the rate of 3 percent per annum;

(c) Provide for the repayment of the unpaid balance of the loan, together with interest thereon, in installments in accordance with amortization schedules prescribed by the Secretary;

(d) Be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the unpaid balance of the loan, together with interest thereon, to protect the security and to assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented;

(e) Provide, in the discretion of the Secretary, for the payment of any obligation or indebtedness under a system of variable payments under which a surplus above the required payment will be collected in periods of above normal production and prices and employed to reduce the payments below the required payments in periods of subnormal production of prices.

SEC. 602. The Secretary is authorized to make loans to farm owners, or groups of farm owners, to provide adequate housing for seasonal agricultural workers, not in excess of the amount which can be repaid within the useful life of the housing. The terms and conditions of such loans shall otherwise be the same as those provided in section 701, and in addition the Secretary may require as a condition of the loan that the borrowers pay seasonal agricultural workers adequate wages as determined by the Secretary to permit such workers to pay rent for such housing sufficient to provide for the debt retirement and operation and maintenance of the property.

SEC. 603. To enable the Secretary to make loans under sections 601 and 602, the Secretary is authorized to borrow from the Reconstruction Finance Corporation at an interest rate not to exceed 3 percent per annum such sums as may be annually provided in the appropriation for that purpose, and the Reconstruction Finance Corporation is hereby authorized and directed to lend such sums to the Secretary upon the security of any obligations of borrowers from the Secretary under the provisions of this title. The Secretary may utilize the proceeds from the payment of principal and interest on any loans made by him under this title to repay the Reconstruction Finance Corporation the amount borrowed therefrom under the authority of this section, and the amount of notes, bonds, debentures, and other obligations which the Reconstruction Finance Corporation is authorized and empowered to issue and to have outstanding at any one time is increased by an amount sufficient to carry out the provisions of this section. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

TECHNICAL SERVICES AND RESEARCH

SEC. 604. To facilitate the provision of farm dwellings, the Secretary is hereby authorized to furnish without charge technical services such as building plans, specifications, construction supervision and inspection, and other advice and information regarding rural housing. To the largest practical extent, the Secretary shall utilize the National Housing Agency in the development of such plans, specifications, and housing information, and may reimburse or make advances to such Agency for salaries and other expenses so incurred. The National Housing Agency is authorized to include rural housing in its research and technical studies in the housing field.

SEC. 605. In carrying out his functions under this title, the Secretary shall have power to—

(a) Determine what constitutes decent, safe, and sanitary dwellings in any locality or for any farm by taking into consideration the needs of the family for which such housing is to be used and the housing standards prevailing in the county or community in which such housing is to be constructed;

(b) Compromise claims and obligations arising out of this title; adjust and modify the terms of contracts and agreements entered into pursuant to this title as circumstances may require; collect claims and obligations, and where he deems it necessary and advisable pursue such claims and obligations to final collection;

(c) Bid for at purchase or foreclosure sale or any other sale, or otherwise acquire, property pledged or mortgaged to secure a loan or other indebtedness; accept title to any property so purchased or acquired; operate or lease such property for such period as may be necessary or advisable to protect the interest of the United States therein; sell or otherwise dispose of such property on such terms as he shall determine to be reasonable; and make loans to provide adequate housing for the purchasers of such property;

(d) Make contracts for services and supplies without regard to the provisions of section 3709 of the Revised Statutes when the aggregate amount involved is less than $300.

APPLICATION OF UNITED STATES HOUSING ACT IN RURAL AREAS

SEC. 606. In order to provide adequate housing for families of farm owners, tenants, sharecroppers, laborers, agricultural workers, and others on farms or in rural areas who due to low income or other conditions cannot obtain such housing within their means through financial assistance from the Department of Agriculture as provided in the foregoing sections of this title, and in order that such families may be extended assistance comparable to that furnished to families in urban areas under the United States Housing Act of 1937, such act, as amended, is hereby amended by adding "Title I" after the enacting clause and by adding the following new title II:

"TITLE II—RURAL HOUSING

"SEC. 201. The Authority is hereby authorized and directed, in cooperation with the Department of Agriculture or with the Department of the Interior, as the case may be, to develop and undertake a program to assist local public agencies in providing housing in rural areas for families of low income who cannot otherwise obtain decent, safe, and sanitary housing, with preference as provided in section 10 (g) for families of servicemen and veterans. Such assistance in the case of farm housing for families of low income shall be subject to the following conditions:

"(1) Before housing is constructed on a farm, the Department of Agriculture, or the Department of the Interior in the case of farms included in reclamation projects of that Department (through such representatives as it may designate), shall certify—

"(a) That the net annual income of those to be housed is less than the amount necessary to enable them otherwise to obtain and maintain decent, safe, and sanitary housing. The Department of Agriculture or the Department of the Interior, as the case may be, shall also certify the normal earning capacity of the farm, so that a determination can be made by the local public agency that the farm owner can meet at least the minimum payents required of him, as hereinafter provided;

"(b) That the construction of a suitable type house on the farm is consistent with the respective programs of the Department involved;

"(2) In developing standards as to what constitutes decent, safe, and sanitary dwellings, the Authority shall take into consideration the needs of the family for which such housing is to be used, and the housing standards prevailing in the county or community in which such housing is to be constructed as determined by the local public agency concerned;

"(3) Such housing shall, so far as practicable, be restricted to the provision of individual houses located upon or adjacent to the farm owned or operated by the occupant of the house;

"(4) Such housing shall be made available to the family of low income operating or working upon a farm through a lease (with option to purchase) to the farm owner;

"(5) With respect to houses on farms, there shall, so far as practicable, be a system of variable payments so that in any year when there is below normal production and prices there may be an appropriate decrease that year in payment below the minimum otherwise required, but only to the extent that credits have been established (as defined by the annual contributions contract) through previous payments by the farm owner in excess of the minimum required payments.

"SEC. 202. The Secretary of Agriculture and the Secretary of the Interior are authorized to utilize such employees and facilities of their respective Departments as are necessary to assist in the development of the program under this title. The Authority may reimburse or make advances to either Department for salaries and other expenses incurred or to be incurred by such Department in carrying out its functions under this title.

"OPTION TO PURCHASE

"SEC. 203. Contracts for assistance under this title shall provide that any lessee of a farmhouse shall be given an option to purchase the house at any time he can afford to do so; and may provide, when appropriate, that similar options be given to lessees of nonfarmhouses in rural areas. When any such option is exercised, the purchaser shall be given credit for payments made by him which were applied toward amortizing the cost of the house; in the case of houses where the lease (with option to purchase) is assignable, said credit shall include such payments made by previous lesses. After the purchaser secures title to such house, the local public agency shall not extend to such purchaser any benefits of further annual contributions.

"SEC. 204. Assistance under this title for the provision of nonfarm housing for families of low income shall be subject to the condition that the Authority shall first determine that such housing will be so located that sources of employment will be available to such families.

"LOANS

"SEC. 205. (a) The Authority may make loans to local public agencies under this title to finance the development of housing in rural areas for families of low income. Such loans shall not exceed the development cost, shall bear interest at such rate not less than the applicable going Federal rate, shall be secured in such manner, and shall be repaid within such period not exceeding 45 years from the date of the bonds evidencing the loan, as may be deemed advisable by the Authority.

"(b) Funds obtained through the issuance of obligations pursuant to title I shall be available for the loan purposes of this title.

"ANNUAL CONTRIBUTIONS

"SEC. 206. (a) The Authority may make annual contributions to local public agencies to assist them in making housing available at low rents within the means of families of low income in rural areas. The Authority shall embody the provisions for such annual contributions in a contract guaranteeing their payment over a fixed period of years. In no case shall any contract be made for a period exceeding 45 years from the date the first annual contribution is paid. No part of such annual contributions shall be made available unless the State, city, county, or

other political subdivisions having the power to levy ad valorem taxes make a local contribution toward achieving the purpose of this title by not taxing the local public agency's interest in the houses which are situated therein.

"(b) Annual contributions shall be strictly limited to the amounts and periods necessary in the determination of the Authority to assure that the purposes of this title will be achieved: *Provided,* That the maximum contribution payable annually under any contract (which shall be specified in such contract) shall in no case exceed an amount which shall be the difference between (i) the estimated annual costs of the local public agency for debt service, maintenance, administration, and other costs (including the establishment of reserves) with respect to the housing covered by such contract, and (ii) the estimated annual receipts from the minimum payments required to be charged the lessees of the housing, which minimum payments shall be at least equal to the average of the annual principal payments on the development loans obtained by the local public agency with respect to said housing. The amounts of such estimated annual costs and estimated annual receipts shall be the amounts certified by the local public agency and approved by the Authority at the time the contract is made.

"(c) Each contract for annual contributions shall contain provisions to assure that—

"(1) Such annual contributions will be reduced or terminated to the extent that they are no longer needed;

"(2) Appropriate increases shall be made in the annual payment required of the lessee of the house based on increases in the income of the farm or of the family occupying a house in a rural area; and when such income increases sufficiently to enable the payment of the full economic costs (including interest and costs of maintenance and administration, and other costs) applicable to the house involved, the annual payments required of the lessee will be increased to cover such full economic costs;

"(3) Whenever in any year the receipts of a local public agency in connection with a project assisted under this title exceed its expenditures (including debt service, administration, establishment of reserves, and other costs), such excess shall be used to reduce the amount of contributions subsequently paid with respect to such project, or for other purposes which will cause a reduction in the amount of such subsequent annual contributions;

"(4) The Authority shall have the right to terminate the contributions applicable to any houses in rural areas (in the manner and to the extent specified in such contract) in the event there are admitted to occupancy in such houses families which are not families of low income. As used in this title, the term 'families of low income' in rural areas shall mean families whose net annual income is less than the amount necessary to enable them to obtain and maintain decent, safe, and sanitary housing.

"(d) For the purposes of this title, the Authority is authorized, on and after the date of the enactment of this title, to enter into contracts which provide for annual contributions aggregating not more than $5,000,000 per annum, which limit shall be increased by further amounts of $5,000,000 at the beginning of each of the second, third, fourth, and fifth years, respectively, after such date: *Provided,* That any part of this authorization may be made available at earlier dates than are provided above upon a determination by the President (which shall be transmitted in a message to the Congress) that such acceleration is necessary to meet acute shortages of decent, safe, and sanitary housing for families of low income in rural areas, including families of servicemen and veterans eligible for such housing under this title, or to stimlate employment and business activity.

"SEC. 207. (a) Every contract for annual contributions shall provide that the local public agency shall endeavor, so far as practicable, to secure the effective closing or other termination of the housing use of unsafe or insanitary rural dwellings in the locality or area in a number substantially equal to the number of newly constructed dwellings involved in such contract.

"(b) The Authority may include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions as it may deem necessary to assure that the purpose of this title will be achieved.

"APPLICABILITY OF TITLE

"SEC. 208. The provisions of this title shall apply to housing assisted under this title for families of low income in rural areas, which shall mean areas other than those designated as urban areas by the Bureau of the Census in its latest publication at the time of the annual contributions contract with respect to the project involved: *Provided,* That assistance may be extended under this title with respect to projects in other areas where such projects are undertaken by regional, county, or other local public agencies as part of a comprehensive rural housing program and where the Authority finds that the purposes of this act will best be accomplished thereby.

"SEC. 209. Except as otherwise specifically provided, the provisions of title I of this act shall apply to this title II except that the provisions of sections 9, 10 (a), (b), (c), 11, 12, 15, and 23 shall not so apply."

TECHNICAL AMENDMENTS

SEC. 607. The United States Housing Act of 1937, as amended, is hereby amended as follows:

(1) By deleting the words "this act" where they appear in sections 11 (a), 15 (4), 15 (5), and 31 (previously numbered section 28) and substituting the words "this title";

(2) By deleting the words "this section" where they appear in section 10 (d) and (e), by deleting the words "section 20" in section 10 (d), and substituting in all three instances the words: "title I and title II of this act";

(3) By changing the words "low-rent housing," appearing in the second sentence of subsection 2 (1), to read "urban low-rent housing" (urban housing being that located in areas designated as urban by the Bureau of the Census in its latest publication at the time of the annual contributions contract with respect to the project involved);

(4) By inserting the word "urban" before the words "low-rent housing" in subsection 13 (e);

(5) By amending the second sentence of subsection 13 (a) to read as follows: "The Authority may bid for and purchase at any foreclosure by any party or at any other sale, or acquire (pursuant to sec. 22 or otherwise) any project which it previously owned or in connection with which it has made a loan, annual contribution or capital grant; and in such event the Authority may complete, administer, dispose of, and otherwise deal with, such projects or parts thereof, but low-rent housing projects assisted under title I shall be subject to the limitations elsewhere in this act governing their administration and disposition."

TITLE VII—DISPOSITION OF PERMANENT WAR HOUSING WITH PREFERENCE TO SERVICEMEN AND VETERANS

SEC. 701. In accord with section 3 (a) (7) of this act, permanent war housing shall be disposed of consistently with the postwar housing need and with preference to the families of servicemen and veterans.

SEC. 702. (a) When the President determines that any permanent war housing, constructed or acquired with appropriated funds, is no longer needed for purposes of war and that disposition hereunder is consistent with orderly demobilization, and when the governing body of the locality involved finds that it would be in the best interests of the community and of the families of servicemen and veterans therein to make such housing available as low-rent housing for such families, the National Housing Administrator may sell any such project to any local public agency empowered to own and operate the project for such purposes.

(b) In any such sale, the National Housing Administrator shall require such contracts or other effective commitments as will make certain that the local public agency will extend preference in the use of such housing to families of servicemen and veterans, or to single veterans, who have been discharged other than dishonorably from the armed forces within 4 years prior to the date of application for admission to such housing, and who, due to low income or other circumstances cannot otherwise obtain decent, safe, and sanitary housing at costs within their means. Any such sale shall also require a finding by the local governing body that the needs of such families would not otherwise be served.

(c) To obtain the maximum return consistent with making such housing available preferentially for the period indicated to families of servicemen and veterans and single veterans (and to the extent that these groups do not provide full occupancy to others of correspondingly low income) the Administrator may, in lieu of any other method prescribed by law for the sale of Federal projects, sell any such project to a local public agency for a consideration which consists of payment to the Administrator during the useful life of the project of all the net income from the project.

(d) Nothing in this title shall be construed to prevent the sale of such permanent war housing at its fair value on a home-ownership basis, where the planning and construction of such housing makes it feasible so to dispose of it.

TITLE VIII—NATIONAL HOUSING AGENCY

SEC. 801. (a) In accord with section 3 (b) of this act, to achieve unity in executing the national housing policy and to promote economy and efficiency, the consolidation into the National Housing Agency of agencies, functions, duties, and powers, under Executive Order 9070, February 24, 1942, and any transfers under such order and pursuant to such consolidation, are hereby made permanent.

(b) The National Housing Agency created by such consolidation, including its property, records, and personnel, shall be continued as a permanent agency and instrumentality of the United States, headed by an Administrator appointed by the President by and with the advice and consent of the Senate. The Administrator shall receive a salary of $12,000 a year, and shall not engage in any other business, vocation, or employment.

(c) The Administrator is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such employees as may be necessary, may accept and utilize such voluntary and uncompensated services, and with the consent of the agency concerned may utilize such officers, employees, equipment, and information of Federal, State, or local governments as he finds helpful in the performance of his duties.

(d) The Administrator may make such expenditures, subject to audit under the general law, for the acquisition and maintenance of adequate administrative agencies, offices, vehicles, furnishings, equipment, supplies, books, periodicals, printing and binding, for attendance at meetings, for necessary traveling expenses within the United States, its Territories, dependencies or possessions, and for such other expenses as may from time to time be found necessary.

CONSTITUENT UNITS

SEC. 802. (a) The Administrator shall be responsible for the execution of the policies and functions provided for in this act (except those conferred upon the Secretary of Agriculture in title VI), and shall exercise direction and supervision over the three main constituent units placed within the National Housing Agency by Executive Order 9070: the Federal Home Loan Bank Administration, the Federal Housing Administration, and the Federal Public Housing Authority.

(b) Subject to such direction and supervision, such constituent units shall retain their present functions and identity, their administration shall be by the heads thereof who shall continue to bear the title of "Commissioner" as provided in Executive Order 9070, and such Commissioners may appoint and fix the compensation of necessary employees, subject to the same laws as governed appointments made by them under Executive Order 9070.

(c) The Administrator may delegate to such constituent units or to any employees of the National Housing Agency any of the functions, duties, and powers conferred upon him by any of the titles of this act, and the Commissioners of such constituent units may likewise delegate to the employees thereof any of their functions, duties, and powers.

SEC. 803. The Administrator may make such rules and regulations as are necessary in the performance of his duties, may publish and disseminate information pertinent to the various aspects of housing, and shall make an annual report to the Congress regarding all activities of the National Housing Agency and under his general direction and supervision.

ANNUAL RECOMMENDATIONS TO THE CONGRESS

SEC. 804. The Administrator shall present to the Congress, not less than once a year, a comprehensive report including but not limited to—

(a) the rates of investment and employment in housing, related to general investment and employment levels, and compared with the rates required for house production's share in the objective of full employment;

(b) progress in enlisting private enterprise and local initiative toward meeting housing needs;

(c) recommendations as to any additional action required to carry out the national housing policy set forth in section 2 of this act toward achievement of the objectives set forth in section 1 of this act.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 805. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to supplement funds otherwise available for administrative expenses to carry out the purpose of any of the titles of this act or acts amended thereby.

SHORT TITLE

SEC. 806. This act may be cited as the "General Housing Act of 1945."

Mr. ELLENDER. Mr. President, the postwar housing bill, this day introduced by the distinguished senior Senator from New York [Mr. WAGNER] and myself, is based upon housing principles that I have been advocating for many years.

Within the last 18 months I have spoken on many occasions on the subject, and anyone who reads my recorded speeches will find them closely in line with the provisions contained in the present bill.

Now, what are these housing principles, and how does the bill conform to them?

First of all, the bill is a true congressional bill. It represents the results of long and impartial congressional investigations of the whole subject of housing. The Subcommittee on Housing and Urban Redevelopment, of which I am privileged to be a member, and which is under the Special Committee on Postwar Economic Policy and Planning, has during the past year conducted the most thorough housing investigation ever undertaken. I believe fair examination of the record will prove it to be one of the most searching investigations ever made by the Congress on any subject. Most of this bill, as I shall show, is precisely in accord with the recommendations of this Senate group. No part of the bill is in discord with these recommendations, although on rural housing it goes beyond them. That is why I say it is a true congressional bill. That is how I believe legislation should be prepared.

The Postwar Committee of the House of Representatives has also issued a report recently, which deals in part with the subject of postwar housing. Everything in that report reinforces this bill.

Honest criticism of this bill as it is introduced today will be a part of our democratic process. But those few who may hurry to misrepresent the bill for selfish purposes, would do well first to read the two reports to which I have referred. They will find that they are differing with a considerable number of elected representatives of the people who have given much study to the housing problem, and who have been designated by the whole Congress to examine its postwar aspects.

Now, for the second principle embodied in this bill. This bill is founded upon the proposition that postwar America will be able and strong enough gradually to provide a decent standard of housing for all the people. It rejects any one method or panacea that would serve only one special group. It does not favor the city over the farm, or the farm over the city. It does not favor low-income groups over middle-income groups, or middle-income groups over high-income groups. It sets forth a consistent and well-rounded program to move toward decent housing for all groups in America—everywhere in America.

Principle No. 3, which I have long advocated, is also written into the bill at many points. It is the very spirit which the bill breathes. This principle is that our way of living is founded upon private enterprise and individual initiative. This means that private enterprise shall be encouraged and stimulated to do the housing job in every possible case where it can do so. This means also that private enterprise shall be encouraged and stimulated by Government, where necessary, to do a bigger housing job, for more people, than it ever did before.

Principle No. 4 is that the housing needs of the local communities of America shall be determined by agreement, harmony, and work at the local level. This bill takes a number of important steps to foster and encourage this local determination of housing need.

Principle No. 5 is that any legislation introduced at this time should pay special attention to the particular housing needs of the returning veterans and their families. This is not a matter of favoritism; it is a matter of justice. These men have been dislocated from their jobs and from their places of residence. Other things being equal, they will, therefore, find it harder to obtain satisfactory housing in sufficient amount. The various provisions of this bill, whether they deal with privately-financed housing, whether they deal with publicly aided housing in the city and on the farm for families of very low income, or whether they deal with the disposition of permanent war housing owned by the Government, all provide for a reasonable preference for the families of servicemen and veterans, provided that they meet the other tests of eligibility for the housing in question. Of course, no veteran's family would be admitted to low-rent public housing unless it met the income test so as not to compete with private enterprise.

And last but not least, this bill recognizes that decent housing is an American right. It is an indispensable requirement for good citizenship. The bill therefore contemplates, after other methods have been utilized to the limit, that Government-assisted local low-rent public housing shall be provided for those in the lowest income groups who cannot be served in any other way. This is not done to help these groups alone, although they are certainly deserving of help. It is done also to help the whole community, and the whole Nation, because slums and slum living are not consistent with a healthy and self-respecting Nation.

These are the main housing principles for which I have fought for many years. They are the very ones which the important Postwar Committees of the Senate and the House have recently endorsed without equivocation. These are the principles written into this bill. I suggest that all of you read the first title of the bill, which sets forth these principles, and I ask, Mr. President, that there be inserted in the RECORD at the end of my remarks, the first title of the bill.

Now, specifically, how does this bill propose to carry out this policy and these principles?

As I have said, and I repeat, the bill concentrates upon encouraging private enterprise to do as much of the total housing job as possible. Toward this end, it takes the three following steps, in titles 2, 3, and 4.

First. Under title 2, the bill sets up a program of technical research relating to producing better housing at lower costs. It also sets up a program of stimulating private enterprise and local communities to make better analyses of local housing needs. It also provides for the dissemination of Nation-wide information relating to housing. These researches and facts, by reducing the cost of housing and increasing the knowledge about housing, will enable private enterprise to do a bigger and better job, and serve more of the total housing need. The same devices

will also enable local communities to do a better job with their own resources.

Second. Title 3 of the bill contains another form of aid to private enterprise. It brings private enterprise for the first time into a position where it will be able to redevelop slum areas—redevelop them with housing for middle and upper income groups, and with commercial facilities. It accomplishes this by making financial aid available for land acquisition, slum clearance, and the preparation of the land for redevelopment. This serves to write down excessive land costs, on an impartial basis, whether the land is to be re-used for private redevelopment or for public improvements. However, the bill specifically provides that private redevelopment shall be given the first opportunity, provided that it is consistent with the interests of the locality as a whole.

The financial aid under this plan is simple. Local agencies will do all the work of acquiring land, clearing it, and preparing it for redevelopment. To cover the difference between the cost of doing this and the new use value at which private enterprise can afford to participate in the redevelopment of the land, along with public improvements, the Federal Government will make contracts for Federal annual contributions for not more than 45 years. The bill provides that contracts for these annual contributions may be made to the extent of $4,000,000 in the first year, and an increase of $4,000,000 for each of the four succeeding years, coming to a total contribution rate of not more than $20,000,000 a year at the end of the 5-year program set forth in the bill. Since these annual contributions will serve as security for local borrowing, as well as to write down the land cost, at least $500,000,000 in local loans for acquiring and preparing the land for redevelopment will supplement the $250,000,000 in Federal loans made available at the rate of $50,000,000 a year for the 5-year period. These loans will be repayable with interest of about 2½ percent. This is not a large program for our whole country, but it is a good beginning. It will at least offer a way to learn by doing. It will give us experience in this new but vitally important task of bringing private enterprise into the redevelopment of slums and blighted areas. The bill enables the President to accelerate this program if employment conditions require.

The bill contains a limitation, which will prevent the writing down that is to be covered through the Federal annual contributions from being more than two-thirds of the cost of all of the land acquisition, slum clearance, and preparation for redevelopment. If the land is very expensive and has to be written down still more, the locality will have to furnish the balance. Moreover, the bill requires that there be a local contribution to the redevlopment project equal at least to 50 percent of the Federal contributions. The requirements for these local contributions are stated in a way which will make it possible for the localities to meet them.

This plan contemplates the minimum of Federal interference with local redevelopment. Redevelopment projects must be drawn up locally, and approved by the local government, before they can be submitted for Federal aid. The only Federal requirements will be that the financial terms be met, that the local Government has approved the plan as being consistent with the locality's total needs, and that decent housing will be provided for displaced families.

The relatively small amount of Federal annual contributions, required to generate this relatively huge amount of local redevelopment, mainly by private enterprise, makes this plan urgently desirable. Furthermore, the figures which I have cited above do not include the value of the houses, offices, stores, and so forth, that will be built upon the prepared land and to which this plan extends no aid in loans or contributions. These buildings will provide avenues of profitable investment, and will allow good tax revenues both to the Nation and to the localities.

Since this plan for enabling private enterprise to share in the redevelopment of blighted areas is new, I want to emphasize that it is exactly in accord with the specific recommendations of the Subcommittee on Housing and Urban Redevelopment, headed by the distinguished senior Senator from Ohio [Mr. TAFT]. This is the group which has studied this subject for so long, with participation of members of the Banking and Currency Committee, the Education and Labor Committee, and the Senate Postwar Committee—these being the three Senate committees concerned with postwar housing.

Third. Title 4 of the bill takes still another step toward enabling private enterprise to serve larger and lower segments of the housing market in this instance with rental housing. There are billions of dollars of funds, in insurance companies and other large institutions, which would be glad to invest in housing, at very low interest rates and for very long periods of repayment, provided that they could have the security of investment which the low return and the nonliquidity justify. The so-called yield insurance plan in this title of the bill contemplates that an insurance fund be set up, under the FHA, to guarantee an annual return after depreciation and operating expenses of 2¾ percent, but only to those investors who put their own money into large-scale rental projects on a 50-year-investment basis, and at a return upon investment of not more than 3¼ percent. This "yield insurance" plan will provide rental housing at costs 25 to 40 percent below the prevailing levels; it will not compete with other forms of housing investment because it will be strictly limited to projects serving income groups below the levels otherwise served; it will bring billions of dollars of private capital into housing which would otherwise go into Government bonds; and it will not cost the Government anything because the insurance system will have a premium charge on an actuarially sound basis. In fact, I confidently predict that this type of investment in middle-market housing, because of the size and flexibility of the market, will be the safest investment yet devised.

Through these three methods that I have just enumerated, the bill is aimed toward achieving maximum house production through private enterprise. But all experience has shown that public low-rent housing is necessary for our lowest-income groups.

Title 5 of the bill improves and provides funds for the low-rent public-housing program under the United States Housing Act. It improves this program by tightening up the requirement that the housing be strictly noncompetitive with private enterprise. It accomplishes this by requiring that there be at least a 20-percent margin in rent and income between those served by public housing in any locality and those served by unaided private enterprise. It also requires that the local government approve any project for public housing before it can be submitted to the Federal Government for aid.

Subject to these improvements, the bill authorizes contracts for annual Federal contributions, to help achieve low rents, in an additional amount of $22,000,000 for the first year, and $22,000,000 for each of the 3 succeeding years, resulting in a total of Federal annual contributions of $88,000,000 in the annual rate of contributions at the end of the 4-year building program. The bill also reduces the maximum period over which these annual contributions may be paid under the law from 60 years to 45 years, and this will represent a saving to the Government. This 4-year building program will provide 500,000 or more additional units of low-rent housing. The President is authorized to accelerate this program where housing shortages or employment conditions so require.

This extension of the low-rent housing program is accompanied by marked improvements in its financing methods. For example, the bill provides no additional Federal loans whatsoever for low-rent public housing, because an amendment to the bill will enable all the borrowing for the building of the projects to be obtained from local sources.

Another important improvement in this low-rent public-housing program is that the bill, without providing additional funds for the purpose, encourages the use of funds made available for rehabilitation of existing structures as well as for new construction. Through this conservation policy, I believe that whole neighborhoods can be saved, before they get so bad that they need to be torn down.

As I have said, the new authorizations under this low-rent program contain a provision that preference be given to the families of veterans and servicemen of low income.

In view of the controversy, which I believe unjustified, on the subject of public low-rent housing for those who clearly need it, I want to state that the provisions of this bill dealing with this urban public housing are precisely and exactly in accord with the recommendations of the Subcommittee on Housing and Urban Redevelopment, under the chairmanship of the distinguished senior Senator from

Ohio [Mr. TAFT]. The membership of this subcommittee, in addition to the senior Senator from Ohio, has been composed of the distinguished senior Senator from New York [Mr. WAGNER], the distinguished senior Senator from Wisconsin [Mr. LA FOLLETTE], the distinguished junior Senator from Maryland [Mr. RADCLIFFE], the distinguished junior Senator from New Mexico [Mr. CHAVEZ], the distinguished junior Senator from Delaware [Mr. BUCK], and myself. I do not think anyone will believe that this group of Senators would endorse and propose to extend the public low-rent housing program, if that program were not free from the charges which its misinformed enemies have so unconscionably hurled against it. I recommend the reading and re-reading of the report of the subcommittee headed by the distinguished Senator from Ohio [Mr. TAFT], to all those who may be concerned with this phase of the bill.

Title 6 of the bill deals with improving housing conditions on the farm. It presents two plans. First a plan of low-interest loans, through the Secretary of Agriculture, for farm families of modest income who could not otherwise be housed decently but who do not require subsidy. And, secondly, a plan of loans and annual contributions for families of very low income on the farm and in rural areas. This aid is comparable to that extended to similar families in urban areas under the low-rent housing program in the past. A distinctive feature of the farm program, however, is that even in this type of case there is provision of eventual home ownership if the family's economic condition will permit it. For this second type of housing aid on farms and in rural areas, no Federal loans will be required. The authorizations to contract for Federal annual contributions to reduce the rents are in the amount of $5,000,000 for the first year and $5,000,000 additional for each of the four succeeding years, coming to Federal annual contributions of $25,000,000 a year at the end of the 5-year building program.

This farm-housing program also provides that, in case of equal need, preference shall be extended to families of servicemen and veterans, and permits the President to accelerate the program if economic conditions of employment or housing shortages so require.

Title 7 of the bill deals with the disposition of permanent war housing built by the Government. It provides that, strictly based upon local determination of need, such projects may be sold to local agencies for use as low-rent housing, with preference extended to the families of servicemen and veterans whose low incomes qualify them for noncompetitive low-rent housing. These projects would be sold by the Government to local agencies at the highest cost consistent with their reuse for such purposes. I cannot emphasize too strongly how much this portion of the bill will help thousands of returning veterans, families of veterans overseas, veterans studying in institutions of learning under the G. I. law, as well as the families of hospitalized veterans, all of whom are now and promise to be literally and painfully without any means of satisfying their basic housing needs if they are of very low income. I know of no finer manner in which the Government could dispose of projects it has built during the war, than to make them available to those who have fought in the war, to the extent that these persons cannot otherwise be served.

Title 8 of the bill, which is the final title, is in some ways the most important of all. For many years before the war, and for too many months at the start of the war, the housing activities of the Government were scattered hither and yon among a number of competing agencies. Whatever the Government's housing policy was at any particular time, it was impossible to execute that policy efficiently or soundly under such circumstances. Moreover, it was impossible to have a policy, or to have Congress know what the policy ought to be, under such circumstances. This bill provides that the splendid results attained by the consolidation of all these scattered housing agencies into one national housing agency during the war shall be made permanent. The merit of keeping the housing agencies of the Government under one roof instead of many is so obvious that it needs no discussion. The argument for tearing apart that which has been put together is purely the plea of special groups that each should have its own private domain in the Federal Government.

The Committee on Banking and Currency has been handling all housing legislation affecting private interests since the beginning of such legislation. The Education and Labor Committee has been handling public housing. The postwar committee concerns itself with general problems of postwar policy. When a Senate subcommittee, drawn from these three committees, recommends that we should continue to have one National Housing Agency, as the subcommittee headed by the distinguished Senator from Ohio [Mr. TAFT] has just recommended, I think the Congress, the President, and the country should give great weight to that recommendation. This bill embodies that recommendation.

I believe the amounts to be provided by the Government are most modest when we consider the need. So far as Govern nent expenditures are concerned, these amounts may be tabulated as follows:

First. A $22,000,000-a-year increase in authorizations for annual contributions contracts for low-rent public housing, as part of a 4-year building program coming to $88,000,000 a year in the rate of additional annual contributions at the end of 4 years.

Second. A $4,000,000-a-year authorization for annual contributions contracts for land assembly, slum clearance, and preparation for redevelopment, increasing in like amounts over a 5-year period, and coming to a maximum of $20,000,000 a year in the rate of annual contributions.

Third. A $5,000,000-a-year annual contributions contract authorization for rural housing, increasing in like amount for 5 years, and coming to an aggregate annual amount of $25,000,000 a year in the rate of contributions at the end of that time.

Thus when the whole program under this bill has been completed at the end of about 5 or 6 years the contributions by the Government will be at most $133,000,000 a year. This will be far less than 1 percent of our postwar annual Federal Budget, even under the most favorable circumstances. I am prepared to debate with anyone who states that our Government can or should do less toward the goal of decent housing for the American people.

These moderate Federal expenditures will be accompanied by many other features of the bill, which I have outlined, and which will bring many billions of dollars of private capital into the housing field, at no cost whatsoever to the Government—in fact at a profit.

Through initiation of this 5-year housing program we can make America a living example to the world that democracy works—that it affords the most desirable method of life and of earning a livelihood—and that under democracy, the richest and most powerful Nation on earth will move forward to the decent housing which will provide the best conditions for desirable family life for all our people.

A bill to establish a national housing policy and provide for its execution

Be it enacted, etc.,

TITLE I—GENERAL POLICY

AMERICAN HOUSING OBJECTIVES

SECTION 1. Production of a large and continuous volume of housing during the postwar period is necessary for—

(a) Investment and employment in housing enterprise, in the amount required for the highest attainable level of investment and employment in private enterprise generally and for house production's share in full employment;

(b) Increase in the total housing supply required to eliminate current housing deficts and for national growth, with special emphasis upon the needs of returning veterans and their families;

(c) Encouragement of home ownership, immediately where feasible and as a long-range objective, along with rental housing for those who by reason of income, mobility, and custom in their locality find it most suited to their needs;

(d) Replacement of slums and other substandard housing, in urban and rural areas, at the rate required for orderly progress toward a decent and healthful standard of housing for the whole American people;

(e) Systematic improvement of residential neighborhoods as the core of better city planning and redevelopment of American communities, with consequent opportunities for investment, employment, and better financial conditions in the States and localities;

(f) Conservation of the existing housing supply, with rehabilitation where consistent with long-term economy and with progress toward better housing and better communities.

NATIONAL HOUSING POLICY

SEC. 2. To facilitate attainment of these objectives, the Congress hereby declares this national housing policy—

(a) Private enterprise shall be encouraged to serve as large a part of the total housing need as it can without governmental assistance;

(b) Governmental assistance to enable private enterprise to serve more of the total need, by serving larger and lower segments

of the market for housing, shall be utilized where feasible;

(c) Where other forms of governmental aid are provided (in accord with applicable law) to clear slums and provide adequate housing for groups with incomes so low that they cannot otherwise be served, such aid shall be extended to those localities which assume community responsibility and initiative in estimating their own needs and demonstrating that these needs cannot fully be met through reliance solely upon private enterprise and without such aid.

METHODS FOR EFFECTUATING POLICY

SEC. 3. (a) To carry out the national housing policy the Government shall—

(1) Encourage the building of better houses at lower cost through technical and economic research, and encourage local analysis of housing needs, in order that the Government's participation may be correspondingly reduced and that private enterprise and localities may meet housing needs insofar as feasible through their own efforts, as provided in title II;

(2) Encourage private housing enterprise through the various aids extended under the Federal Home Loan Bank Act, the Home Owners' Loan Act, and the National Housing Act;

(3) Develop additional methods of encouraging private enterprise to participate more extensively in the redevelopment of slums and deteriorated areas, as provided in title III;

(4) Develop additional methods of encouraging private enterprise to serve larger and lower segments of the rental housing market, as provided in title IV;

(5) Aid localities in the clearance of slums and the provision of low-rent housing under the United States Housing Act of 1937, where the request for aid is founded upon the local action required by section 2 (c) of this Act, as provided in title V;

(6) Move toward improving housing conditions in rural areas, as provided in title VI;

(7) Dispose of permanent war housing consistently with postwar housing needs, with preference to the families of servicemen and veterans, as provided in title VII.

(b) To achieve unified and coordinated activity in carrying out the national housing policy, and to promote efficiency and economy, the main functions of the Government relating to housing shall continue to be consolidated, as provided in title VIII.

Mr. TAFT. The Subcommittee on Housing and Urban Redevolpment of the Senate Special Committee on Postwar Economic Policy and Planning has today filed its report with the Senator from Georgia [Mr. GEORGE], the chairman of the Special Committee on Postwar Economic Policy and Planning. With the consent of the chairman, this report is being made public before it has been acted on by the special committee. That committee reserves the right to approve and disapprove the report or any of its provisions.

Shortly after the organization of the Special Committee on Postwar Economic Policy and Planning, the chairman of that committee appointed me chairman of a Subcommittee on Housing and Urban Redevolpment. In lieu of appointing other members from the special committee, the Senator from Georgia authorized me to invite the chairman of the Banking and Currency Committee and the chairman of the Education and Labor Committee each to appoint three members to the subcommittee so that there might be a closer liaison with the standing committees which would have to consider housing legislation. Such legislation has, in the Senate, been divided in the past between these two standing committees, and it was hoped that this procedure might result in a unification of ideas on general housing policies.

The chairman of the Banking and Currency Committee appointed the Senator from Maryland [Mr. RADCLIFFE], the Senator from Minnesota [Mr. BALL], and himself. When the Senator from Minnesota retired from the Banking and Currency Committee on January 3, 1945, he was succeeded by the Senator from Delaware [Mr. BUCK]. The Chairman of the Education and Labor Committee appointed the Senator from New Mexico [Mr. CHAVEZ], the Senator from Louisiana [Mr. ELLENDER], and the Senator from Wisconsin [Mr. LA FOLLETTE].

Hearings were held by the subcommittee from June 1, 1944, to February 7, 1945, at which appeared the officials of the Government having to do with housing, and representatives of responsible national organizations interested in the problems of housing.

The purpose of the subcommittee's survey is to recommend the wisest governmental policy with regard to housing from the most comprehensive standpoint, and the form of government organization which should hereafter execute the policy.

THE LEGISLATIVE BACKGROUND OF HOUSING POLICY

From time to time the Government has established a number of agencies to deal with different phases of the problem. Legislative studies and investigations have been made, but they have usually been made from the standpoint of a particular problem, often calling for an emergency solution.

Thus, in order to make private home-mortgage institutions a more efficient weapon for the construction of homes, the Home Loan Bank System was established. In the face of a general collapse of mortgage credit, the Home Owners' Loan Corporation was established. In order to extend the field of mortgage credit and try out a new system of mortgage insurance, advocates of private housing secured the adoption of the National Housing Act, establishing the Federal Housing Administration. In order to provide activity in the construction industry, the Public Works Administration, after experimentation with loans to private limited dividend companies, undertook the construction of public housing. Advocates of public housing secured the passage of the law setting up the United States Housing Administration. In each case, the need of the particular step was clearly shown, but relation of each step to the entire picture was not always developed.

Finally, under the war powers, the President consolidated the major Government housing activities under the National Housing Agency with three almost autonomous administrative divisions—the Home Loan Bank Administration, the Federal Housing Administration, and the Federal Public Housing Authority. This consolidation, however, lapses within 6 months after the end of the war; and, in the absence of legislation, the various housing activities will again revert to their former status, with the likelihood of considerable confusion in unscrambling the consolidation.

LEGISLATIVE ACTION IS NECESSARY

The subcommittee feels that the importance of a well-conceived, comprehensive housing policy cannot be exaggerated. There is no problem before the American people with more varied aspects than that of housing, each of them important to the future welfare of the country.

From the social aspect, a supply of good housing, sufficient to meet the needs of all families, is essential to a sound and stable democracy. Every family ought to have a decent home in which to live. The character of that home determines more than anything else the character of family life, the conditions in which children grow up, and the attitude of the people toward the community and the Government.

Housing is long-lived, and the improvement of housing conditions requires foresight and many years of planning and work. Housing is substantial and visible to all and determines a large part of the aspect of our cities and our countryside. Slums are not only a deterrent to the development of a sound citizenry, but they lower the people's desire for attractive surroundings and the hope of improving their conditions.

From the point of view of industry and employment, residential construction may be expected to make a major contribution to our postwar economy. The building of a million and a quarter homes a year would stimulate an expenditure upward of five to six billion dollars annually, and, directly and indirectly, provide for three to four million jobs.

The subcommittee has held comprehensive hearings, and I intend here only to summarize the principal recommendations of the committee without giving the reasons therefor.

We recommend that all activities of the Government relating to housing be consolidated in a permanent National Housing Administration under a single Director, but leaving a large amount of autonomy to the existing agencies.

We have approved the goal of 1,250,000 residential units a year for the next 10 years, and we believe that number of new homes is needed. It will not be possible to reach this goal during the first few years, but we believe that it will be a possible goal thereafter, and will not result in overbuilding. The principal stumbling block will be in the difficulty of selling that number of homes, because of the fact that the cost is still disproportionate to family incomes and to the cost of other durable goods. We also believe that Federal aid should be given to the rehabilitation of houses now out of repair or obsolete.

We also believe that the great bulk of these homes must be built or rebuilt by private enterprise, and we recommend the strengthening of the Home Loan Bank System and the Federal Housing Administration through which the Gov-

ernment has vastly improved home mortgage financing for private builders and owners. Among other proposals we recommend that Federal savings and loan associations be authorized to make home-repair loans under title I of the National Housing Act without security, and home loans under the GI bill of rights; that home loan banks be permitted to accept as collateral mortgages in excess of 20 years maturity when insured by the Federal Housing Administration; and that under certain conditions Federal savings and loan associations be permitted to make mortgages up to 90 percent of the value of the property in cases where such mortgages might be insured to that limit.

Among other proposals we recommend that the Federal Housing Administration be authorized to accept builders as mortgagors on housing valued at not less than $6,000 per unit, and continue to insure 90 percent direct mortgages on houses in that price class.

We further recommend the working out of a plan by which insurance companies with a 100-percent equity investment in housing projects may be guaranteed a very low return on their money if they agree to a proper limitation of rents and earnings.

In the field of public housing we recommend that Congress approve a total program of building 500,000 more units during the next 4 years, financed in the same manner as housing has been financed under the United States Housing Act. We believe, however, that there should be a definite requirement that public housing projects originate in the locality, that they come with the endorsement of the municipal council or other governing body, that only families be admitted whose income does not exceed a definite limit and only families who have heretofore lived in substandard housing. We propose that the cost limitation be changed to a per-room basis and that limitations of $1,000 to $1,250 per room be imposed.

The subcommittee also recommends a limited form of urban redevelopment to assist cities to buy up the land in any given area where it is now used or intended to be used for housing, and to redevelop it for commercial purposes, private-housing purposes, public works, or public housing. The plan proposed is experimental and can only be used by cities prepared to put up one-third of the net loss involved.

We recommend that a research program, directed particularly to the reduction of building cost, be undertaken and promoted by the Government.

We recommend that permanent federally owned war housing be permitted to be sold to public-housing agencies with the approval of the local municipal authorities.

Mr. President, we feel that this program, if carried out by appropriate legislation, will go a long way toward solving the housing problem and will establish an industry essential to postwar employment and prosperity.

Mr. President, the senior Senator from New York and the junior Senator from Louisiana have introduced a bill to establish a national housing policy and provide for its execution, to be known as the General Housing Act of 1945. I did not see the bill until approximately a week ago. I have not felt that I could join with the Senators in introducing the bill, because while it contains a number of provisions in full accord with the subcommittee's report, the committee itself has not considered detailed legislation. Some features of the committee report are not covered, and in other respects the approach is somewhat different.

I have suggested that the subcommittee sit down with the Senator from New York during the recess or immediately thereafter and work out a number of changes, including the addition of titles relating to the Federal Home Loan Bank System and the Federal Housing Administration which I should like to suggest. If those amendments and additions can be satisfactorily agreed upon—and I have no doubt they can be—I shall be very glad to join the Senator from New York and the Senator from Louisiana later in the sponsorship of the bill.

THE LABOR SITUATION

Mr. O'DANIEL. Mr. President, Congress is about to recess for 2 months. We are recessing at a time when the threatening clouds of serious labor troubles are becoming darker and darker, and the storm may break in all its fury before we again convene, or soon thereafter. Ever since I became a Member of the Senate I have advocated legislation that would be fair to laboring people, employers, and the public, but no constructive action has been taken during this entire time. Instead of enacting fair and constructive legislation, the Congress and the executive branch have pursued a course of coddling the labor-leader racketeers and selling the honest, hard-working laboring people of this Nation down the river in order to gain or to hold the political support of the labor-leader racketeers.

It is my opinion that when the unbiased pens of historians write the true history of the New Deal administration as it pertains to the coddling and fondling of the big labor-leader racketeers of this Nation during this war, it will be the most disgraceful indictment ever written of any government in the history of the world.

The people of this Nation have tolerated this skullduggery on the part of their elected public officials only because we have been engaged in a terrible world war and the lives of their dear ones were at stake. We are now drawing close to the end of this war, and soon there must be an accounting.

I have never seen labor relations generally over the Nation in worse shape than they are in today, and the tragedy of it all is that there no longer seems to be any fear on the part of the organized gangster leaders of labor of the power of the Federal Government itself. They seem to feel that they are now more powerful than the Government itself, and therefore are proceeding along the most radical lines.

We are virtually sitting on a keg of powder in this Nation, and I am not overstating the case when I say that unless Congress takes a firm stand and reverses its policy of the past 12 years and does it promptly, I would not be surprised to see something almost approaching civil war in this country when the war with Japan is ended.

Down in my State of Texas we have already had cases where honorably discharged veterans of this war have gone to work, only to be discharged from their jobs because they did not meet the requirements laid down by the Communistic labor-leader racketeers. This is a disgraceful situation, to say the least. When millions of these honorably discharged veterans of this war get back home and are told by these Communistic labor leaders that they must join a union and pay for their right to work, or not have jobs, I think we shall witness some very serious trouble in this Nation.

I believe that the brave men who went to the four corners of the earth to fight for our liberty and freedom have a different conception of what liberty and freedom means than have those who stayed at home and enacted the laws and issued the edicts that gave to these Communistic labor leaders the legal right to place a tax tag on the right of American citizens to work.

The bills I introduced and other bills intended to deprive the communistic labor-leader racketeers of their stranglehold on the laboring people of this Nation still lie peacefully in the committee mausoleums of this Capitol Building. True, some legislation has been enacted. For instance, when the public indignation against strikes during wartime reached white heat, and mail flowed in to the Members of Congress by the basketful demanding action by Congress to curb strikes, the so-called Smith-Connally antistrike bill was trotted out and passed with much glamour and ado, but that served only to deceive or appease the public, because it was plain that it would not prevent strikes, and the record shows that it has not prevented strikes.

But, Mr. President, the bill which has caused most of our labor troubles in this country is a bill passed about 10 or 11 years ago and generally referred to as the National Labor Relations Act, or the Wagner bill.

I have no criticism to make of the motives of those who sponsored or voted for this legislation or any other legislation that has been enacted, but experience in the actual working of the National Labor Relations Act has certainly proved that it is filled with glaring defects. This law has placed in the hands of organized labor of this country vast power; but, unfortunately, it has not placed upon labor organizations any restraint on the use of this power. Under the provisions of this law the authority of management actually to manage its business affairs has been undermined and seriously impaired.

The law has been administered by a very partisan board, and from its very inception has been used to force employees into labor unions and to force employers to sign labor contracts whether they wanted to or not. Experience has proved that instead of this law's serving to protect the rights of employees, it has

simply been utilized to further the purpose of those who profit most by forcing employees into labor organizations.

What this National Labor Relations Board has done is not a secret. It is an open book to all who have read the report of the investigation made by the Smith committee.

This Board, acting under the alleged authority granted by law, has issued orders which forced employers to accept as representatives of their employees men who had already been convicted in the courts as criminals. This Board has issued orders and continues to issue them which forbids the employer even to express his opinion on the vital matters of relationship between employer and employee. This Board has raised the power and the influence of labor racketeers to such a point that they now feel free to defy the power of the Government itself. This law has been administered and is being administered as a purely partisan measure under which no rights of the employer or of the general public are respected.

During a previous session of the Congress there was passed in the House and sent to the Senate House bill 653. This bill had only one objective, and that was to provide that when robbery is committed, that is, when the property of a person is taken away from him without his consent, the guilty person or agency shall be subject to prosecution under the law of the land, whether it be an individual, a labor union, or some other organization. But as yet the Senate of the United States has not deemed it wise to pass this legislation.

I introduced in the United States Senate on the 15th day of February 1943, three bills which sought to amend the National Labor Relations Act so as to remove some of its most glaring defects. One of these bills, Senate bill 364, sought to restore to the employer the right of free and open discussion with his employees on matters pertaining to labor relations so long as the employer did not seek to use coercion.

Another bill, Senate bill 365, which I introduced at that time, was to provide that the National Labor Relations Board should have no authority to order the reinstatement of employees, or to order that back wages be paid to employees who had willfully engaged in violence and unlawful destruction and seizure of property.

My third bill, Senate bill 366, sought to amend the law so as to provide that it would not only be unlawful for an employer to seek to coerce employees into joining or not joining a labor union, but to provide that the application of force, violence, or coercion on the part of any person or labor organization, should likewise be unlawful.

I also introduced a constitutional amendment, Senate Joint Resolution 106, on September 25, 1941, intended to restore to the laboring men and women of this Nation their God-given "freedom of work." I also introduced on August 4, 1941, Senate bill No. 1811 which simply provided for practicing what we preach by outlawing force and violence in our own Nation, the same as we are fighting this world war to outlaw force and violence in other nations. These bills have both been re-introduced in this session of Congress. But thus far they still slumber peacefully in committee rooms.

Mr. President, this is the background of the history of what has been done in the field of labor relations in this country for the past 11 years. Is it any wonder that we find in this country today thousands upon thousands of our citizens who believe that the power of organized labor has been built up to the point where it is greater than the power of the Government itself?

I believe that the thinking citizens of this country generally have reached the conclusion that if, in the postwar period, business is to meet its responsibilities in the matter of providing jobs for returning soldiers, and of producing and distributing the commodities which our people need, the unbridled power which the National Labor Relations Act has placed in the hands of labor leader racketeers must be restricted. We must either remove the power which we have by law placed in the hands of labor leader racketeers, or we must make organized labor responsible under the law for the use of this power.

A short time ago three of my colleagues in the United States Senate, the Senator from New Mexico [Mr. HATCH], the Senator from Ohio [Mr. BURTON], and the Senator from Minnesota [Mr. BALL] introduced Senate bill 1171, which seeks to chart a road to correct some of the glaring abuses of the present National Labor Relations Act. I have read this bill very carefully, and it commends itself to me for the reason that it seems to have been drafted with only one thought in mind, namely, fairness and equality for both the employer and the employee.

There is grave doubt in my mind as to the wisdom of going as far as this bill goes in setting up and enforcing compulsory arbitration. Somehow I am inclined to think that there is a better way by which to correct the intolerable situation which the enactment of the National Labor Relations Act and its administration has inflicted on the country. That better way would be to repeal the law. But I do want to say this: If I ever get the opportunity to vote for Senate bill 1171, I shall most certainly do so, unless prior to that time I have an opportunity to vote for some other bill which I believe will more adequately accomplish the purpose.

I would not wish at this time to make any statement which would discourage my good friends who introduced this bill, but I shall be tremendously surprised if the bill ever emerges from committee, especially in its original form. I think this bill represents a constructive effort to improve labor relations in this country, but somehow I cannot become enthusiastic about ever getting an opportunity to vote on it, because I have noticed in the press than this bill has the very violent opposition of William Green, Phillip Murray, and John L. Lewis.

Now, the situation is so bad with the National Labor Relations Act, as the law of the land in the matter of labor relations, that I am inclined to follow any leadership which offers hope of getting the situation improved. I was, therefore, very much impressed a few days ago when I had the opportunity to read a publication sent out by the United States Chamber of Commerce which quoted "A new charter for labor and management," proposed by William Green, of the A. F. of L.; Eric Johnston, of the United States Chamber of Commerce, and Phillip Murray, of the CIO.

I shall not attempt to quote this entire document, but I do want to quote the fourth article in this charter, which reads as follows:

> The fundamental rights of labor to organize and to engage in collective bargaining with management shall be recognized and preserved free from legislative enactments which would interfere with or discourage these objectives.

Mr. President, it seems to me that this statement of agreement of these three persons on this fundamental principle offers some hope. Certainly after making this statement it could not by any stretch of the imagination be assumed that these three men would want to continue the National Labor Relations Act in its present form, because everyone knows that in its present form it has conferred upon labor leader racketeers in this country power without limit, but nowhere has this power been restricted and nowhere have labor organizations been made responsible for the exercise of the power.

Those who are proposing this new charter for labor recommend that collective bargaining be preserved free from legislative enactment which would interfere with or discourage these objectives. I agree with this principle. I am 100 percent in favor of collective bargaining. I am in agreement with the principle that we would have a far better situation in this country today if management and labor were allowed free collective bargaining, and if the Government would keep its hand off. I do not agree with the violent criticism which Green, Murray, and Lewis have made of the bill introduced by my colleagues in the Senate, which seeks to maintain Government control and supervision over collective bargaining in this country, because if I interpret the bill introduced by my colleagues correctly, what they are doing is in no sense seeking to restrict the guaranteed rights of labor to collective bargaining, the right to strike, and the right to use their economic power. The only thing they are seeking to do in the bill which they have introduced is to say that where the Government confers power then it becomes the responsibility of the Government to see that those upon whom the power has been conferred and those whom they represent are made responsible for the use of this power.

But I am perfectly willing to go along with the philosophy enunciated in the proposed charter for labor and management, to which I have already referred, and leave the settlement of labor problems in this country to be determined by collective bargaining without legislative interference and in order that this plan may have an opportunity to succeed, I am introducing today a bill which consists of only one section and that section reads as follows:

> The National Labor Relations Act and all amendments thereto are hereby repealed.

Mr. President, I send the bill to the desk and ask that it be appropriately referred.

The bill (S. 1350) to repeal the National Labor Relations Act, introduced by Mr. O'DANIEL, was read twice by its title, and referred to the Committee on Education and Labor.

Mr. O'DANIEL. Mr. President, I am not introducing this bill for the purpose of urging it to the exclusion of other worth-while legislation. The thing I am interested in is sound legislation. I believe it will simply be impossible for a sound system of labor relations to ever be built in this country under the provisions of the existing National Labor Relations Act. I am willing to follow my colleagues, Senators HATCH, BURTON, and BALL, and try to improve the situation by making the responsibility of labor organization coordinate with the power and authority which is granted, or I am willing to vote for a bill to simply repeal the National Labor Relations Act and leave the matter of labor relations to be worked out strictly on a basis of collective bargaining between employer and employee.

But I should like to warn my colleagues in the Senate that the time is here now when we, as representatives of the people of this Nation, must take some constructive action to deal with the impending general labor situation in the United States. The issue is clear: The Government must either withdraw the authority of law which has created a labor dictatorship in America, it must repeal the National Labor Relations Act and leave the settlement of labor difficulties in the future to free collective bargaining between employer and employee, or it must follow the course which has been charted by my colleagues in S. 1171 and establish in the law of the land the rights of labor, the rights of the employer, and set up machinery to make both employer and employee responsible under Government authority for the exercise of the power granted.

So far as I am concerned, I am willing to proceed along either course, but I am firmly convinced that unless we face our responsibility to the Nation at this time and pass some constructive legislation, we will face a chaotic condition in the postwar period where industry cannot operate, where jobs cannot be provided, and where chaos will reign supreme. We have fought and won one World War in the interest of sound democratic government; we are engaged in a second World War and will win it. It is to be hoped that the Congress of the United States will have enough foresight to act now to prevent a situation which is going to amount to practically a civil war on the domestic front, if something is not done to make those upon whom the Government has conferred vast power, responsible for the use of that power.

Some days ago I read in the April issue of American Affairs an article prepared by Mr. Donald R. Richberg. I am sure you know, Mr. President, that Mr. Richberg was counsel for the Railway Unions in the Government injunction suit in 1922. He was the coauthor of the Railway Labor Act in 1926. He is recognized as one of the leading champions of liberal labor legislation in the United States. This article written by Mr. Richberg, I think, is worthy of the thoughtful consideration of the American people. I understand that Mr. Richberg rendered constructive service in aiding in the drafting of the bill introduced in the Senate a few days ago by my colleagues, Senators HATCH, BURTON and BALL. I submit a copy of this article and ask unanimous consent that it be published in the RECORD following my remarks, and that there likewise be published the four bills and one constitutional amendment proposals which I have introduced in the past.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

(See exhibits A, B, C, D, E, and F.)

Mr. O'DANIEL. Mr. President, I believe that the war with Japan will be over very soon, at least, by the time our coming recess ends, or soon thereafter. When that war ends, there will follow in its wake, here in America, riots and revolution in the field of labor, such as this Nation has never before witnessed, unless Congress completely reverses its labor policy of the last 10 or 11 years.

The masses of people who labor and earn their bread by the sweat of their brow are rapidly finding out that under the guise of paternalistic friendship their Government has traded off their God-given freedom to work to a group of labor-leader racketeers for political support. This fickle Government policy has divided laboring people into two classes. One class consists of those who stayed at home and produced weapons of war and were led to believe that seniority of service in this necessary work would guarantee them preference on existing postwar jobs. The other class consists of those who went forth on field of battle, at the risk of losing their lives, and were led to believe that for such patriotism they would be guaranteed preference on existing postwar jobs. Unless Congress takes strong, definite and prompt action to settle this explosive labor question of seniority against service, it will explode in our faces with dangerous results.

Explosive fuel being added to this feud, is that returning veterans are learning about the millions of dollars of borrowed money our Government has paid out in subsidies to help pay the grocery and fuel bills of those who stayed at home and drew wages many times greater than military wages, and that they and their children will be heavily taxed for many years to help pay this enormous debt. On top of this, many of these returning veterans are galled under the collar, because their Government permitted disgraceful strikes in this Nation, which stopped production of war materials to such an extent that ammunition had to be rationed to them on the fields of battle, while the enemy was at their throats. On top of this, they are finding out that while their Government was telling them there would be no war millionaires made out of this war, they are now reading the records of fabulous war earnings of many people who stayed at home and especially those close to the New Deal dynasty or related to the higher-ups.

They are learning the truth about the Government canceling $6,500,000,000 in taxes on war profits due the Government. They are finding out that while they were gone, their parents were put out of business by OPA bungling and inner-circle manipulations. They find their relatives emaciated, sick, and hungry, because their bureaucratic Government planned and created food shortages by restricting production and preventing the harvesting and processing of matured crops. They find a spendthrift Congress has continued to keep many unnecessary bureaus running at full tilt, trying to re-vamp our social life and turn faction against faction and friends against friends, thus building up future trouble and piling up our public debt ever higher and higher. And, on top of all this, they find the majority of our public officials by their actions indicating that they are interested more in the welfare of foreigners than they are in our own American citizens and are rapidly shoveling out our borrowed billions into foreign entanglements.

Now, Mr. President, I want again to make it perfectly plain that I am not questioning the motives or criticizing the votes or actions of any Member of the Senate or of the Congress. It has been said "by their fruits ye shall know them." I am speaking only of the net results of the labors or the fruits of Congress and the executive and judicial branches of this Government during the past 12 years. The motives and intentions may have been of the highest character—but the fruits certainly are bitter, according to my State.

I fully believe that the taste of this fruit is also becoming somewhat bitter to many other American citizens and will become increasingly bitter as time goes on and the bright sunlight of truth penetrates through the heavy clouds of Government propaganda.

I would not be surprised to see a political uprising in this country some of these days that will outrival the recent public election demonstration we have heard about in England. The laboring people of this Nation who have been used as pawns, the business people who have been subjugated, the farmers who have been hoodwinked, and the returning veterans who have been deluded, may soon rise up as they did in England and throw off the yoke of autocratic oppression by an aristocracy of would-be statesmen in control, who have, by their self-recognized genius come to the conclusion that they can fool the people of this great Nation into believing that prosperity is only a matter of passing laws—peace is but a piece of paper, and all intelligence originates in and flows from Government bureaus to the people, instead of vice versa.

Instead of the great masses of our American citizens crying out for a super-duper international government, headquartered on Mars—or Shangri La, or some other far-away place—they want to move most of their Government, what little is needed, back home to the county courthouses of America, where they can watch it a little closer. With sincere friendship for the peoples of all nations

and malice toward none, they want governmental dictation and bureaucracy abolished in America, and freedom of individual action restored. Yes, Mr. President, if a powerful world-wide tide of communism is running wild in this world, as some folks claim it is, true American citizens will, with the courage of their brave forefathers, buck that tide, turn that tide around, force that tide in the opposite direction, and make America again the land of the free and the home of the brave.

EXHIBIT A

S. 371

A bill making unlawful the use of force or violence, or threats thereof, to prevent or attempt to prevent any person from engaging in any lawful vocation

Be it enacted etc., That it shall be unlawful for any person by the use of force or violence, or threat of the use of force of violence, to prevent or attempt to prevent any person from engaging in any lawful vocation.

SEC. 2. It shall be unlawful for any person acting in concert with one or more other persons to assemble at or near any place where a labor dispute exists and by the use of force or violence, or threat of the use of force or violence, prevent or attempt to prevent any person from engaging in any lawful vocation, or for any person to promote, encourage, or aid any such assemblage at which such force or violence, or threat thereof, is so used. As used in this section, the term "labor dispute" shall have the meaning assigned to it in section 2 (9) of the National Labor Relations Act.

SEC. 3. Any person who violates any provision of this act shall, upon conviction thereof, be imprisoned for not less than 1 year nor more than 2 years.

SEC. 4. If any provision of this act or the application of such provision to any person or circumstance shall be held invalid, the validity of the remainder of the act and the applicability of such provision to other persons or circumstances shall not be affected thereby.

EXHIBIT B

S. 364

A bill to amend the National Labor Relations Act

Be it enacted, etc., That section 8 of the National Labor Relations Act is amended by adding at the end of such section a new paragraph to read as follows:

"(6) Nothing in this act shall be construed as preventing the employer from expressing his opinion concerning any matter affecting the relationship between employer and employee. The employer shall be free to state to his employees his opinion and preferences concerning any labor organization, or organizations, seeking to secure the right to represent his employees and such right shall include the right of the employer to free and open discussion of all the issues involved: *Provided*, That the employer in such discussion shall not threaten to deprive his employees of any rights which they have under the law."

EXHIBIT C

S. 365

A bill to amend the National Labor Relations Act

Be it enacted, etc., That paragraph (3) of section 2 of the National Labor Relations Act is amended by striking out the period at the end of such paragraph and inserting in lieu thereof a colon and the following: *"Provided, however*, That the Board shall have no power to order the reinstatement of an employee or order payment of back wages to an employee where the employee has willfully engaged in violence or unlawful destruction or seizure of property in connection with any labor dispute or in connection with any effort to organize the employees of said employer; nor shall any employer be required to accept as a collective bargaining agency to represent his employees any person or organization that has willfully engaged in violence or unlawful destruction or seizure of property in connection with any labor dispute or in connection with any effort to organize the employees of said employer."

EXHIBIT D

S. 366

A bill to amend the National Labor Relations Act

Be it enacted, etc., That so much of the first sentence of section 8 of the National Labor Relations Act as precedes paragraph (1) of such section is amended to read as follows:

"SEC. 8. It shall be an unfair labor practice for an employer, a labor organization, or an officer, member, or employee of a labor organization, or any other persons or persons—."

EXHIBIT E

Senate Joint Resolution 20

Joint resolution proposing an amendment to the Constitution of the United States, relative to freedom to work

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures in three-fourths of the several States:

"ARTICLE —

"FREEDOM TO WORK

"SECTION 1. No person shall be denied employment because of membership in or affiliation with or resignation from a labor union, or because of refusal to join or affiliate with a labor union; nor shall any corporation or individual or association of any kind enter into any contract, written or oral, to exclude from employment members of a labor union or persons who refuse to join a labor union, or because of resignation from a labor union; nor shall any person against his will be compelled to pay dues to any labor organization as a prerequisite to or condition of employment.

"SEC. 2. The Congress shall have power and exercise it to enforce this article by appropriate legislation."

EXHIBIT F

DEMOCRACY'S TERRIBLE BLUNDER—CULT OF THE SUPERIOR RIGHTS OF INFERIORS

(By Donald R. Richberg)

In the midst of world-wide struggle for human freedom we learn the ancient truth that liberty is gained and held only by restraints upon liberty. As a free people, we voluntarily give our lives and fortunes and we draft men and money for war. But military service and discipline and heavy taxes must be enforced against individual men. They cannot be left free to measure their own sacrifice.

Why do we not conscript the service of all workers in this time of war? The soundest reason is that this would require Government management of practically all business because free men and women cannot be made into enslaved workers for private masters. Of course, we might be compelled to regiment ourselves completely, and to stop free enterprise for the duration, in order to save our liberties from destruction by foreign foes. But, as a free people, we will avoid this dangerous program as long as possible.

It is disheartening, however, to see that, even during a desperate struggle for national existence, we continue to waste precious time and energy in a self-serving struggle between management and labor. Only the tremendous effort of high-minded leaders in Government, and among employers and employees, has prevented this evil struggle from degenerating into widespread civil warfare behind the battle front. A multitude of short-sighted people on both sides have no real understanding of the fact that individual freedom and free enterprise can only be preserved by those who are ready and willing to maintain order and discipline so that they can work effectively together. These quarreling people commonly expect to receive the services of others as a right, while repudiating any corresponding duty to serve others.

We hear labor voices demanding assurances of employment and a high standard of living, and claiming at the same time an unlimited right to stop or disorganize business and to enforce regulations that reduce production and actual earnings.

We hear management voices demanding a one-sided freedom to plan and control manpower as well as money power, without accepting their obligation to gain the support of Government and labor, whose voluntary cooperation is indispensable.

The compulsions of wartime have only suppressed this rancorous dispute. They have not provided for its solution or even for a substantial moderation. There is a clear prospect that the home-front armies will mobilize and march against each other as soon as the war of liberation is won.

At the moment, I would suggest that we try to look behind the worried faces of managers and workers, behind the disagreements, the hatreds, the schemes and ambitions of individuals, and try to see what there is in common thinking, in popular ideas, that is driving these men apart. There are times when a common emotion, a clear recognition of common interest, brings men together in a wonderful harmony of thought and action. There are times when all emotions and self-interest seem to drive men apart. What is the bad idea that has taken control of our labor relations?

Now that we have the economic ability to end so much suffering and sorrow that for centuries have seemed inevitable, now that such a great advance in health and happiness could be achieved by so many people, why do we keep turning away from working together and spend more and more time fighting one another?

There may be many answers to this question. But I would ask you now to consider one which is neither common nor popular, but which is worth your attention.

A few streams of unsound thinking have risen and flowed together in recent years to make a great, swollen river of bad ideas that threatens to flood and devastate this land of ours. Out of the original concepts of freedom, equality, and justice have developed demands for—

1. Freedom without responsibility;
2. Equality regardless of fact; and
3. Justice as absolution for sin.

These demands coalesce in a cult which has many devotees and which can be fairly described as the cult of those claiming superior rights for inferiors.

This statement may arouse antagonism—by its apparent assumption that some persons are superior to others, and that apparently the speaker regards himself as a superior person. This sounds like Nazi philosophy. The fact is that the Nazi or Fascist claims of superiority and the rights of a master race have produced a strong reactionary swing to an equally insane line of thinking. According to this new doctrine, since all persons must be regarded as equal, those who are in obviously inferior positions must be given superior rights so that they can maintain their claimed equality with their actual superiors.

EQUALITY

1. Let us have a few moments of sane discussion of "equality."

If this is to be "the century of the common man," let us understand whether we intend to glorify the common man by enlarging his opportunity to advance himself, or by preventing any uncommon man from achieving more than mediocrity.

No one has even been fool enough to claim that all persons are equal in mental or physical power. Every shade of brain power from imbecile to scientific genius, every variety of muscular skill from clumsy plodder to deft mechanic or agile athlete, provides proof positive of inequalities in capacity. But there is a democratic principle of equality of opportunity which is sane and logical. The whole virtue of this principle is: Let inequality be demonstrated and determined as a fact. Do not impose an artificial inequality by law, either as a birthright or a special privilege. The purpose of "equality before the law" is not to create or maintain a fictitious equality, but to establish social and economic inequalities on the basis of genuine differences.

How absurd to compete for prizes and then take them away and deny credit to the winners so as to maintain the silly pretense that all contestants were equally good.

The claim of a "master race" or a "superior people" is fraudulent. Biological and anthropological science, and historical knowledge, prove the claim a fraud. But some individuals are superior; and it is entirely reasonable to claim that some communities or nations are, as a whole, superior to others, as a whole. Of course the claim may be disputed. But faith in oneself and one's companions is essential to progress. We must believe that in some ways our course and our results are better. Otherwise thinking and planning become sterile.

Then there are inequalities of position which give at times superior rights to persons who may be inferior to their subordinates in a hundred ways, but whose temporary superiority of position must be recognized. The traffic policeman has a superior right to tell you where and when to move. The salesman, behind his counter, has a superior right over the customer. He is in control of the goods and the cash register. The works manager or the foreman has a superior right over the wage earner to direct what work shall be done and how and when.

None of these superior rights makes the other party inferior except to the extent that he is actually in an inferior position. The automobile driver is only subject to the policeman's orders when he comes within the sphere of his authority. The customer is only inferior to the salesman on one side of the counter. The worker may have equal or superior rights in bargaining, in fixing the terms of his employment. But the management must have, and be free to exercise a superiority in bossing the job. To give the inferior position a superior right of control is worse than wrong. It is ridiculous.

FREEDOM

2. Now consider "freedom." Real freedom isn't an absolute right. It is the product of self-control. The "freedom" of an irresponsible person is like the liberty of a child. It can be only a strictly limited freedom, regulated by a superior who accepts responsibility for the child's conduct and welfare. When a people seek liberty without self-discipline, only a paternalistic, tryannical government can take care of them.

JUSTICE

3. Justice for all people does not include forgiveness of wrongdoing. If no one, paid a penalty for wrong, there would be anarchy and increasing rewards of evil. If only some are forgiven, that means injustice to those who are punished. There must be rules of penalty and compensation for wrong which are enforced universally. A modern tendency to find social responsibility for all bad conduct is a denial of justice to the law-abiding. This does infinite harm to weak, antisocial persons. They are encouraged in wrong—just as doles encourage idleness.

(1) We have gone too far in seeking unearned "freedom", because of the persistence of tryanny.

(2) We have gone too far in seeking unearned "equality", because of persistence of oppression and inherited handicaps.

(3) We have gone too far in seeking unearned 'justice", because of the persistence of so much avoidable injustice.

But, now we are facing the great evils of an attempt to establish an all-responsible government for an irresponsible people. It simply cannot be done. A perfect example of this vain effort is provided by the present confused relations of government, management, and labor.

For many years, labor leaders sought to restrain the autocratic powers of management by creating a counteracting or balancing power in labor unions. The main effort was to build up the economic strength of organized men to equal the economic strength of organized money. In this struggle, government for a long time gave potent aid to management, because of the public duty to preserve law and order and to protect property rights.

Then organized labor began to mobilize its political power—the voting strength of the masses. Government became the ally of the workers and an active force to restrict and weaken the economic power of management. Right here began a major blunder in public policy. The creation or the grant of power without corresponding responsibility is an economic or political sin. Any sound plan for economic or political progress must avoid this evil.

A glaring weakness in our capitalist economy had been the irresponsible power of organized money. As the minor power of a millionaire had grown into the major power of a billion-dollar corporation, there had been no corresponding increase of social obligations. Yet self-preservation did impose upon this money power a strong interest in order and discipline and a moderate, even though a secondary, interest in the general welfare.

But when government lent its great aid to increasing the economic strength of the workers, it tolerated and actually encouraged a private interest in disorder and disregard for the general welfare. It created and sustained a legalized right in the workers to disorganize production and distribution as the way to self-advancement. Management was not merely forbidden to interfere with labor organization, but was made legally helpless to boss the job and to insure the fulfillment of the public duties of private enterprise.

As a result, in order to meet its own obligations to the general welfare, government was forced constantly to intervene as a peacemaker between the fighting forces of labor and management. Finally, in a time of war, government had to beseech the workers and to order the managers to work together in order to furnish essential supplies to the defenders of the Nation, fighting against foreign enemies.

The present weaknesses in our political economy flow largely from this major blunder in public policy; our failure, as a Government, to require that a legal obligation to serve the general welfare shall always rise to the level of any legalized power to affect the general welfare. This blunder has been partly canceled in time of war by a temporary assertion of the supreme authority of military command. But, when military authority ends and only civil authority remains, we shall face the urgent choice between an impotent government bewailing the civil warfare which has been encouraged by the great bunder, or a strong government which, regardless of Sewell Averys and John Lewises, will assert the supremacy of law and the public interest over the self-serving aggression of any government-defying private interest. (The motives of an Avery or a Lewis, however lofty, do not alter the fact that defiance and obstruction of constituted authority is a revolutionary act.)

Of course any government will be denounced as Fascist or Communist or reactionary or radical, which demands that the law and the general welfare shall be upheld regardless of selfish demands for anarchistic freedom, fictitious equality, and sentimental justice.

The cult of "Superior Rights for Inferiors" has many followers. Time-worn ideas of self-reliance, self-support and self-discipline do not appeal to a multitude of shirkers and leaners and borrowers and illiterates who cast their ballots in favor of the seductive program: "Let somebody take care of me today and let somebody else worry about tomorrow."

Demagogues may lead astray a host of weak-minded persons with the claim that democracy should bring to the masses an irresponsible freedom, an artificial superiority and a preferential justice. But I am confident that this idiot's dream will never become a dominating illusion in America. I believe that the majority of the American people are still faithful to the ideals of freedom under law, equality of opportunity, and justice without fear or favor. In that faith, the home-front battle after the war should be won by those same idealists upon whom the whole world must rely for any lasting victory in the world-wide war of liberation.

HARRY BRIDGES OF SAN FRANCISCO

Mr. DOWNEY. Mr. President, on April 26, 1945, the distinguished senior Senator from Indiana [Mr. WILLIS], in an address to the Senate, charged that Harry Bridges of San Francisco is a Communist and that because of his communistic belief he had encouraged a slow-up campaign in the stevedoring work of the west-coast ports; that as a result, the production of such stevedore workers was substantially below that of other ports in the Nation.

I have been personally acquainted with Mr. Bridges for several years past and have always found him not only of high intelligence and energy but scrupulously honest in his conduct and accurate in his statements. While he has been most loyal to the working group which he has ably and aggressively represented for many years and always determined to preserve their interests and advance their rights, I have never personally seen any indication that he is attached to the communistic cause.

However, since the Senator from Indiana presented his statement to this body, the Supreme Court of the United States has adjudged that upon the writ of habeas corpus filed on behalf of Mr. Bridges he was not proven to be a Communist and was not subject to deportation. The Supreme Court having spoken, I shall not discuss this phase of the charge on Mr. Bridges' alleged communistic activities, but I do wish emphatically to assert that the records clearly indicate that the Senator's statement concerning slow-up activity in the stevedoring industry on the Pacific coast is wholly without foundation. Let me now quote from the statement made by the Senator from Indiana on the Senate

floor on April 26 which will be found on page 3831 of the CONGRESSIONAL RECORD:

Mr. President, the facts indicate that the famous Harry Bridges' slow-up campaign, begun long ago to spread the work and to increase the number of union men under him, is being continued right down until today, and has continued all during the time we were supposed to have been suffering a terrible manpower shortage.

Let me read to the Senate the following schedule of weight tonnage of cargo lifted per gang in the various ports in the period between July and December 1944 as shown by official War Department reports:

	Tons
Los Angeles, Calif.	12.2
San Francisco, Calif.	12.3
Seattle, Wash.	14.1
New York, N. Y.	16.6
Boston, Mass.	15.0
Charleston, S. C.	15.7
New Orleans, La.	20.5

As is readily apparent to anyone studying these figures of tonnage lifted per gang, the Harry Bridges slow-up stands out like a sore thumb at Los Angeles and San Francisco ports. These figures indicate approximately one-third less cargo moved per gang by west-coast longshoremen under Harry Bridges than in the other large ports, which are unionized, but are not under Harry Bridges.

While I do not challenge the good faith of the Senator from Indiana in utilizing the figures he presented, a most superficial investigation should have convinced him that such figures, as they were presented, were grossly unfair, and certainly distorted the facts against the efficiency of the west-coast ports.

Why is this true? Simply because such figures showed the weight tonnage handled in the different ports per gang-hour but no allowance was made for the admitted fact that the number of workers in a gang is less in the west coast ports than in any of the other large ports in the United States.

When the figures of stevedoring production are properly converted into a computation of the amount of tonnage handled per individual worker, the results clearly indicate that the efficiency of west-coast stevedore workers is equal to if not better than in any other port in the United States. The Senator from Indiana relied for his figures upon reports of the War Department, and I have therefore secured a letter from the War Department written by Robert P. Patterson, Under Secretary of War, corroborating what I have just said. That letter is as follows:

JUNE 9, 1945.

Hon. SHERIDAN DOWNEY,
United States Senate.

DEAR MR. DOWNEY: This letter is in reply to yours of June 6, 1945, regarding the record of production of west-coast longshoremen.

The War Department, as you know, keeps careful records of comparative efficiencies of its contractors in the several ports. These records indicate differences in gang-hour efficiencies on the Atlantic coast, Pacific coast, and Gulf coast. Such differences, however, cannot be attributed to any single factor, but rather are due to such elements as differences in weather at the various ports, diverse types of pier facilities, varying methods of operation which are based upon local established practices, the availability or unavailability of experienced labor, different types and stowage factors of cargo, and so forth. It is therefore extremely difficult to arrive at an exact comparison of the causes of the differences in gang-hour efficiency.

The longshore industry, as other industries, has experienced labor difficulties, but it would be improper to assume that any particular labor group in the longshore industry engaged in a concerted slow-down.

It should be pointed out that although the apparent efficiency of the west-coast ports is less than the east coast or the Gulf coast (east coast 16.9 tons per gang per hour; Gulf coast 21.8 tons per gang per hour; Pacific coast 12.9 tons per gang per hour), the number of men used per gang (east coast 15.8; Gulf coast 15; and Pacific coast 12) for an "end-of-ship's tackle" operation is less than the number of men used for a similar operation on the East or Gulf coast. It may be of interest to you that the west coast ports can be ranked in the following order, based on their efficiencies (per gang per hour):

	Weight tons	Measurement tons
Los Angeles	12.3	28.3
San Francisco	13.0	24.6
Portland	13.2	20.2
Seattle	13.6	32.2

I trust this adequately answers the questions raised in your letter.

Sincerely yours,

ROBERT P. PATTERSON,
Under Secretary of War.

Let me say that I speak with some degree of confidence on this particular issue because in 1943 I was chairman of a subcommittee of the Senate Military Affairs Committee, and as such carried on an extensive investigation in the city of San Franciso into the methods and production of stevedore workers of the Pacific coast and the activities of Mr. Bridges therein. That subcommittee, under a special Senate resolution had the advantage of the advice and counsel of representatives of the Army, the Navy, and the civilian agencies of the Government. Extensive hearings were held, the subject was exhaustively discussed, and no reasonable mind could reach any other conclusion than that Mr. Bridges' organization, the International Longshoremen's & Warehousemen's Union, was doing a most extraordinarily good job in handling cargoes out of the port of San Francisco.

While the stevedoring per capita record was approximately the same in San Francisco as in the port of New York and elsewhere on the Atlantic seaboard, the workers in San Francisco were handicapped in several respects. More night loading was done by the workers and this tended to keep down production. The port of San Francisco was not as efficiently mechanized as the port of New York and elsewhere, and the types of cargoes being handled were generally more difficult to load than on the Atlantic seaboard.

The subcommittee of the Senate Committee on Military Affairs to which I have referred filed a partial report setting forth the findings of the subcommittee as a result of the investigation of the stevedoring conditions on the Pacific coast. All these findings were acquiesced in by every member of the Army, Navy, and other agencies of the Government participating in the investigation. Mr. President, I ask unanimous consent to have the subcommittee report printed in the RECORD at this point as a part of my remarks without reading it at length.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SAN FRANCISCO, CALIF., *August 19, 1943.*

Senator DOWNEY. The committee will please come to order. The chairman desires first to announce that the members of the committee in executive session have agreed upon certain findings in a statement of the results of certain phases of its investigation on manpower conditions and machinery in the stevedoring industry.

The statement is now being prepared in writing, with copies for the press, and we hope to have that in a few minutes, and the findings will be read when they have been typewritten.

(A recess was taken until 11:30.)

Senator DOWNEY. The chairman wishes to read a statement that will not take over 5 minutes and make a few oral comments.

"While the committee has not yet finished its investigation of manpower methods and machinery in the Stevedoring industry of the Pacific coast, it has decided to conclude its public hearings, at least for the present.

"The committee finds there is no basis for comparison in certain figures—recently given wide publicity—which purport to compare Pacific coast longshore efficiency unfavorably with that on the Atlantic coast.

"The committee finds that neither these figures nor any other evidence before it support such a statement; on the contrary, the committee finds that longshoremen on the west coast have done and are doing a very creditable job and that, in spite of many war conditions which have materially decreased longshore efficiency elsewhere and would normally have done so here, the efforts of the individuals, unions, employers, and Government agencies involved have succeeded in maintaining and even somewhat increasing the efficiency of longshore operations on the Pacific coast.

"The committee finds that these efforts must be continued and increased, and that additional gear and equipment must be provided in order to handle the greater tonnage which must inevitably flow through west-coast ports as the emphasis on the war in the Pacific increases. The committee will make appropriate recommendations on this subject.

"With respect to assuring an adequate future labor supply for all Pacific coast ports, the committee believes an immediate survey should be made in which all appropriate Federal agencies, the armed services, and the labor unions should participate.

"The committee likewise believes it important that fullest consideration be given to clarifying the status and jurisdiction of the Pacific Coast Maritime Industry Board. We believe it should be determined whether the board (1) shall be a strictly labor relations board, or (2 be charged with responsibility over all phases of port operations, or (3) whether some other Federal agency should be set up for the purpose of handling over-all planning and problems relating to operations. Whatever the decision may be, we believe it important that the Army and Navy and other appropriate Government agencies be adequately represented in the planning of such operations.

"The committee exhorts all concerned with longshore activities on the Pacific coast to work harmoniously together to the end that the splendid record so far made be even further improved and that the Pacific coast meet its heavy responsibility in this vital part of the struggle for victory."

Now, that report was the unanimous report of all the members of this committee who have participated in this hearing on stevedoring conditions on the Pacific coast.

The chairman desires to add merely a very few comments of his own, which are merely the personal comments of the chairman and not chargeable to anybody else.

The chairman has been able himself to make some rather casual inspection of actual loading operations and working conditions here in the San Francisco port. However,

while those have been very limited, the chairman did designate an impartial investigator who has made a much wider investigation and observation of conditions here on the Pacific coast.

In view of the criticism that has been directed against some of the stevedore workers here, and the union labor leaders, the chairman is glad to be able to say personally, and his statement is verified by an engineer expert observer, that the workers are not engaging in slow-down practices and are almost universally working to their capacity.

I would like to have those who criticize the longshore workers talk to some of these men personally and watch them. Most of them now are elderly men; most of them are not in first class physical condition. Yet in spite of that fact, in order to get in their 10 hours of what looks to me like pretty heavy work, they have to get up at 5 or 6 o'clock in the morning, many of them have to travel an hour going to and from work, and on the basis of a 10-hour day, with lunch, few of them are home before 6 or 7 o'clock in the evening. Few of them have more than 1 or 2 days a month of recreation or absence from their duties.

It is the belief of the chairman that there was confronting the longshore industry and the workers on the Pacific coast almost a most difficult problem presented to any industry for providing labor. The labor groups themselves voluntarily sent out of their ranks many of their most expert and strong members to aid the armed forces and aid other industries, and continued to do a work of increasing efficiency by very devoted and loyal methods.

Personally, the chairman is of the opinion that it is most unfortunate that the morale of the workers in California and their patriotism and contentment is ever injured or destroyed by unjust criticism. That last remark has no application, of course, to any just criticism.

The chairman is deeply appreciative for the very expert guidance and suggestion of the members of the armed forces, the officers of the Army and Navy who participated in this, as well as other representatives of the civilian industry.

With that statment we conclude our investigation of the stevedoring industry here in San Francisco for the present time.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. MAGNUSON. I wish to say to the Senator from California that I entirely agree with what he has said regarding the loading on the Pacific coast, and the important part played by the organization of which Mr. Bridges is one of the officers. In 1943 I talked with many of the transportation officers of the Army and Navy; and every single one was full of praise for the efficient way in which this group organized the working crews for getting war supplies to the Pacific. The transportation officers stated that this organization had made a great contribution to the efficiency of transportation, and that ever since that time it had continued to make such a contribution.

Mr. DOWNEY. I thank the Senator for his remarks further corroborating what I have said. So far as I know, every leader of every kind of agency or activity connected with any investigation of this subject reached the conclusion that at Seattle, Portland, San Francisco, and Los Angeles an extraordinarily efficient condition has developed. As a matter of fact, most of the young men had left the stevedoring unions in those localities. This organization helped to implement the stevedoring activities of the Government.

I myself spent many days on the docks. I watched men there who were not too good physical specimens, men weighing from 125 to 150 pounds, and who were 50, 60, or 70 years of age, struggling through the long hours with that cargo.

The figures which the Senator from Indiana honestly introduced into the RECORD had been given some publicity in that area. Communication was had with the Army, the Navy, the Maritime Commission, and other interested agencies, and it developed that the figures were wholly erroneous, because they were based upon the production per gang-hour, and the average gang on the Atlantic seacoast is one-third larger than the average gang on the Pacific coast. So I say it is most unfortunate that figures such as that, indicting a labor union, should be placed in the RECORD.

Mr. STEWART. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. STEWART. Is it the purpose of the Senator's discourse to commend the longshoremen on the west coast, or Harry Bridges?

Mr. DOWNEY. Mr. President, I think my remarks are self-explanatory. If the Senator has listened to them——

Mr. STEWART. I was construing them to mean that the Senator was commending both the longshoremen and Harry Bridges.

Mr. DOWNEY. The Senator is certainly correct.

Mr. STEWART. I agree with the Senator as to the achievements of the longshoremen, but I believe they could have done a better job without Harry Bridges.

Mr. DOWNEY. Mr. President, it so happens that I reside in the State of California. I know from personal observation and discussion with persons who know the whole situation intimately, that during this period Mr. Bridges worked 10 or 15 hours a day. Even his bitterest enemies admit that he is a man of very great ability, persistency, and courage.

Mr. President, I wish to go further than I have gone. In the investigation to which I have referred, we investigated many industrial activities and many war activities. So far as I am concerned—and the members of my committee agree with me—I believe that the greatest effort which was made anywhere to bring about good results with poor material was made in this union, the stevedores' union, which was under the leadership of Harry Bridges.

Mr. STEWART. Does the Senator mean to say that such results would not have been accomplished if Harry Bridges had not been the leader of the union?

Mr. DOWNEY. Without Mr. Bridges' energy and very high ability and knowledge of the stevedoring business, I doubt whether such results would have been accomplished.

Let me say to the distinguished Senator from Tennessee, since he has precipitated this argument, that even the bitterest enemies of Harry Bridges recognize his very high efficiency in stevedoring operations. He is an Australian, and his early youth was spent in the stevedoring business.

Mr. STEWART. We have been trying for 10 years to deport him from this country. I think it is an indictment of shame on the processes of the American Government that we cannot get rid of him.

Mr. DOWNEY. Mr. President, I know whereof I speak. When Harry Bridges entered the picture on the Pacific coast the condition in the stevedoring industry in California and elsewhere was shameful. It was long, hard, back-breaking, man-killing work, under dangerous conditions and with low pay. Harry Bridges and his colleagues took up the fight to secure fair working conditions, fair hours, and fair pay. He was brought into conflict with the greatest interests on the Pacific coast, and he and his union finally emerged victorious in securing decent working conditions, fair hours, and fair pay.

Mr. President, I believe that almost everyone in San Francisco with whom I am acquainted who knows the condition personally would agree with what I have said today concerning Harry Bridges. His honesty has never been impugned, his loyalty to his workers has never been doubted, and his energy in their behalf has never flagged.

Mr. STEWART. But his loyalty to this Government has.

Mr. DOWNEY. Mr. President, the distinguished Senator from Tennessee may know something more than I do. Evidently he does.

Mr. STEWART. I have read the record about him. I will tell the Senator what it shows, if the Senator will let me state from memory what I recall about it.

I believe that the achievement of the longshoremen on the west coast has been wonderful. I believe that with few exceptions that contribution of labor in general in this war effort has been fine. Labor has done great work. But why should Harry Bridges, an undesirable citizen, be pointed out in America as being the one perfect example of what labor can do? I cannot understand it, when so many other millions of American laboring men have done as well or far better than he has done.

The record which was made in the deportation proceedings, which because of our flimsy methods and laws, and handling of those proceedings, failed, showed that this man was a member of the Communist Party. He admitted that he had been a member of the Communist Party in the days when that party advocated the overthrow of this Government by force. As I understand, that was admitted by the Supreme Court the other day in the opinion which it rendered against his deportation. If that is correct, there is no defense. The Senator cannot defend a man in my presence by saying that he is honest, that he pays his debts, that he does this, that, and the other, when he advocates the overthrow of this Government by force. I believe that he ought to be deported from this country. I think it is a shame that he is allowed to stay here.

Mr. DOWNEY. Has the Senator read the opinion of the Supreme Court handed down about 2 months ago?

Mr. STEWART. Unfortunately I have.

Mr. DOWNEY. Then the Senator should know that the Supreme Court of the United States——

Mr. STEWART. In a divided opinion.

Mr. DOWNEY. The Supreme Court of the United States, in its majority opinion, held that the evidence adduced upon the writ of habeas corpus sued out by Mr. Bridges was totally insufficient to prove that he was communistic. I have no desire to enter into an argument at this time which may extend over several hours, as to the scurrilous, unfair, and dishonest evidence which had been introduced against Mr. Bridges. From my knowledge of the record made in the vicinity, I was strongly of the opinion that there was certainly not sufficient evidence that Mr. Bridges ever had been a Communist. As I say, I have no intention of pursuing that particular issue further, because the Supreme Court of the United States has decided the question. If we have reached a point in the United States Senate where the solemn adjudications of our courts are not highly regarded in the Senate, then indeed we are in an unfortunate condition.

Mr. President, there never was an admitted declaration by Harry Bridges that he was a Communist. There was some very dubious testimony from a man who later became his enemy that at one time, in some meeting, he had admitted that he had communistic affiliations or was communistic.

Before I leave the subject, let me say that I am opposed in every way to what I consider the most tragic and unhappy philosophy which now apparently is pervading the Communist Party, and which has actuated it for the past few years. I refer to the express belief that we can find salvation in this country only under the Marxian theory of a proletarian bloody revolution, with a proletarian dictatorship, and thereafter a socialist democracy. I am just as much opposed to that as is the individualistic Senator from Tennessee, but I cannot assent to having labor leaders or chambers of commerce or representatives of bankers indicted upon distorted and discredited information. We have here a very beautiful example of the kind of thing which I think was done to Harry Bridges in the case which was finally heard in the Supreme Court of the United States. Here were figures solemnly presented to the Senate which, as we read them, seem wholly conclusive and persuasive. They were given out in banner headlines all over the United States. What was the deception, Mr. President? The statistics were given out, not by individual workers, but by gang workers, and the average gang in the port of San Francisco is six workers, whereas in New York it is eight workers, or one-third more. Yet those figures have been relied upon all over the United States to try to indict Harry Bridges for a communistic slogan, when as a matter of fact it is the general belief on the Pacific coast that not only has there been no slow-down of his unions, but a highly efficient and meritorious job has been performed.

Mr. President, later in the afternoon I should be glad to continue this colloquy with the Senator, but I know there are other Senators waiting to be heard at this time.

Mr. STEWART. So am I. I have a speech of some appreciable length to deliver, and I did not make an effort to obtain the floor before this, except at one time when a list was made up in the absence of our colleague who does not permit the making up of lists. At that time he was at lunch. I happen to be No. 7 on the list, and I am biding my time. But, Mr. President, I will say to the Senator from California, without any purpose of continuing the colloquy, that I do not wish him to understand for a moment that I have any question about his very deep feelings on the subject of communism. I do not wish the Senator from California or anyone else to understand that I am making an indictment against the labor unions of San Francisco or California or anywhere else in the country. But I am saying that I think the presence of Harry Bridges in the country is a shame and a disgrace. He was ordered deported. The Supreme Court ruled that he should not be deported. The Supreme Court is entitled to its opinion; but I think I am just as much entitled to my opinion as is the majority of the Supreme Court. I am happy that there was a minority opinion in that case.

Mr. DOWNEY. Mr. President, before I leave this subject, I wish to make it plain that I am not extolling or lauding Harry Bridges, in deprecation of any other labor leaders in the United States. In my opinion, so far as I know, 90 percent of them are able, honest men properly protecting the interests of their unions. I greatly deplore that there are certain racketeering labor leaders who tend to bring reproach down upon all labor groups. I have no desire to defend them, but I wish to make it plain that I am not by any comparison attempting to exalt Harry Bridges above the other labor-union leaders in the United States.

Mr. President, I wish to conclude this portion of my remarks—I have two or three other subjects to discuss briefly—by placing in the RECORD at this point a letter which was handed to me by Harry Bridges, addressed to the Senator from Indiana [Mr. WILLIS], the original of which Mr. Bridges told me was mailed to the Senator from Indiana on June 27, 1945. I should like to have it printed in the RECORD as a part of my remarks, without reading it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JUNE 27, 1945.

Senator RAYMOND E. WILLIS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILLIS: Some time ago you made certain remarks upon the floor of the United States Senate that received wide publicity. Your remarks had reference to alleged inefficiency in ship loadings in west coast ports. You quoted at that time certain statistics covering tons per gage-hour handled by longshore workers in western and eastern seaports.

More recently you asked to have inserted into the CONGRESSIONAL RECORD an anonymous letter, allegedly from a longshoreman giving his address as Long Beach, Calif.

At this time, Senator, we did not know whether you were honestly mistaken or misled with regard to the statements you made, or the figures you quoted, or the alleged longshoreman's letter which you introduced. I am taking this opportunity of bringing certain facts to your attention, hoping that in all honesty you might correct your former statements now that you have been put in the possession of the full and true facts regarding the subject that you raised on the Senate floor.

Your remarks took unfair advantage of our union, and placed it in a bad light before the people of the armed forces of the Nation. We were unable to answer back at the time inasmuch as we did not wish to violate any trust that had been put in us not to reveal confidential information given by the military to another government agency. We had the facts at that time. We could have corrected them publicly and in other ways, but we had first in mind not doing anything as a labor organization that might deter or impair in the slightest the security of our fighting forces.

I am enclosing for your benefit ar official reprint of the recommendation by a panel of the National War Labor Board. The chairman of the panel, Mr. Arthur S. Meyer, of New York, especially refers to the issue of east coast versus west coast longshore efficiency, and you will note he emphasizes the point because of the unfair light your statements and subsequent wide publication of incorrect figures placed our union in.

The majority report of the panel on this matter is self-explanatory, and the special remarks of the chairman of the panel on the particular issue of longshore production illuminating.

As to the so-called letter from a person claiming to be a longshoreman in Long Beach, Calif., we wish to voice our objection at a Member of the United States Senate giving any heed to such a document, and I wish to make the following comments on the letter.

1. From my longshore experience in the labor field, it is obvious that the letter was written by a labor spy. That is the real reason he did not wish to sign his name.

2. The language in the letter, particularly such technical terms as were used, indicates that the writer is not a longshoreman and never has been.

3. We have no rules under our union agreements as stated in the letter relating to load weights, limiting them to 2,100 pounds. And, all such rules as we do have regarding the amount of weight to be hoisted in a sling load, and there are some, were worked out in mutual agreement with the employers, party to our agreement and voted on by the members in secret referendum—and were not imposed by Bridges.

4. We have no slow-down practices. It is noticed that the alleged writer makes a general statement and does not attempt to elaborate.

5. The statement in the letter that "we could only lift 2,100 pounds but soldier gangs working the same equipment could lift 4,500 pounds," is a lie, as you or anyone else that wishes to visit the water front could see for yourselves.

We have offered our employers many suggestions in the way of increasing production, which they rejected. They have been solely concerned with removing the whole question of production from being a joint matter of collective bargaining under our agreement.

The rest of the lies and distortions are just that—and not worthy of an answer beyond the following comment—they are obviously made to order by a labor spy for the

benefit of private employers, or to fool some people, maybe even Members of the United States Senate.

I hope that you will see fit, now that you possess the true facts, to make your colleagues in the United States Senate aware of such facts and thus correct a mistaken idea that any of them may have regarding the contribution our union is making to the war effort.

Very truly yours,

HARRY BRIDGES,
President, International Longshoremen's and Warehousemen's Union.

PROCEDURES IN PASSING ON CHARACTER, LOYALTY, ETC., OF GOVERNMENT EMPLOYEES

Mr. DOWNEY. Mr. President, this morning I introduced a bill which authorizes and directs the Civil Service Commission to follow certain specific procedures in passing upon the character, suitability, loyalty, and political activities of Government employees and applicants for Government positions, and which likewise provides for a court review of determinations which may be made by the Civil Service Commission on such matters. I have issued a press release on the subject. I now hold it in my hands. It is explanatory of the bill, and I ask unanimous consent that it may be printed at this point in the RECORD as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

Senator SHERIDAN DOWNEY, Democrat, of California, announced his intention to introduce today in the Senate a bill which authorizes and directs the Civil Service Commission to follow certain specific procedures in passing upon the character, suitability, loyalty, and political activities of Government employees and applicants for Government employment, and which likewise provides for a court review of determinations which may be made by the Civil Service Commission on these matters.

Senator DOWNEY said in connection with the introduction of the bill, "I want it understood that the measure does not constitute in any way a reflection on the work of the Civil Service Commission in this particular area. The Commission, considering the fact that it has never been authorized by the Congress to issue subpenas in proceedings of this kind, has gone a long distance in an effort to protect the individuals whose cases have come before it. As chairman of the Senate Civil Service Committee, I have always found the Commission willing to reopen cases in this field and to consider any information which anyone might have bearing on such cases.

"I do believe, however, that the Civil Service Commission will never be able to operate effectively in this particular area until the Congress of the United States recognizes the problems which exist in this field, and until the Congress specifically authorizes and directs the Commission to follow procedures which down through the years have been regarded as essential to the adequate protection of the rights and liberties of individuals. I am also convinced that individuals should have the right of an appeal to the courts from the determination of the Civil Service Commission in matters of this kind.

"In view of the fact that the Civil Service Commission has not had the power of subpena, it has, in making investigations bearing on character, suitability and loyalty, been compelled to take testimony from witnesses with the understanding that the identity of witnesses will not be divulged. I regard this as fundamentally unsound procedure. The Commission cannot correct this procedure without receiving from the Congress the power of subpena. The bill which I have introduced gives the Commission such power.

"In addition, the proposed law would authorize and direct the Civil Service Commission, upon request, to hold a hearing in connection with any derogatory information which may have been developed by an investigation bearing upon the character, suitability, loyalty, and political activities of Government employees. At such a hearing the parties of interest would have the opportunity of cross-examining persons who had given derogatory information.

"The bill also provides that following a determination by the Civil Service Commission the person affected by such a determination would have the right of appeal to the United States courts in accordance with established procedures.

"If the Congress passes this bill, it will mean that Federal employees against whom charges are made bearing on their character, suitability or loyalty will be entitled to the same procedural safeguards that State employees charged with violations of the Hatch Act now have. If such safeguards are necessary in making a determination as to whether a person has engaged in political activity, and I believe they are, certainly such safeguards are even more important when it comes to determinations bearing upon an individual's character, general suitability or loyalty to the Government of the United States."

HARRY BRIDGES

Mr. WILLIS. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. WILLIS. Has the Senator concluded the portion of his remarks relative to Harry Bridges?

Mr. DOWNEY. I have, unless I am prompted by further colloquy to say something more.

Mr. WILLIS. I should like to say that the letter which the Senator had inserted in the RECORD and has described as having been written by Mr. Bridges to me was received by me about 3 weeks ago while I was in Indiana. I replied to that letter that I had no desire to place Mr. Bridges in an unfair light before the country, and as soon as an opportunity offered I would review the figures which he furnished. I did not return to Washington until 2 weeks ago. All Members of the Senate know of the importance of the legislation which has been pending since that time, and I have not had opportunity to complete the studies of this material.

I do say, however, that nothing which I have found out in my investigation would prompt me to reverse the statements I made in my former presentation. I believe, regardless of the findings of the Supreme Court, that the vast majority of the people of this country retain their own estimation of Mr. Harry Bridges, that he is an undesirable alien. Bridges is not a citizen of the United States. He is a proven Communist. He was ordered deported. He is president of a labor organization on the west coast through which, it has been charged, he has time and time again interfered with the efficiency of the work done on the Pacific coast. My statement was prompted by the fact that many of our people realized that their sons were going to be sent to the west coast and, later, into the Pacific areas at a time when the utmost efficiency in the ports on the Pacific coast was needed in order to get our supplies to our forces in the Pacific. Therefore, I thought it my duty to bring this matter to the attention of the Senate.

I may say further that the evidence furnished by Mr. Bridges and that furnished by the distinguished Senator from California, for whose motives I have the highest regard, are very confusing. They are such as warrant an investigation of this whole matter by the Military Affairs Committee or the Naval Affairs Committee in the interest of efficiency and I would urge that such an investigation be made.

I should like to have printed at this point in the RECORD a statement published in the Pacific Rural Press of July 7, 1945. I desire to read a part of the statement at this time:

In a recent release, Frank P. Foisie, head of the Waterfront Employers, quotes Army and War Shipping Administration records with the pointed comment:

"All of these figures confirm that Pacific coast longshoremen handle much less cargo per gang-hour than the Atlantic, to say nothing of the Gulf. The reason for this poor production, as every waterfront employer knows only too well, is that the longshoremen have a union-organized slowdown."

The article continues: Here are the figures for the first 3 months of 1945, as reported by the United States Army: Average tons handled per gang-hour for all Atlantic ports, 16.9 tons; for the Gulf ports, 21.8 tons; for the Pacific coast, only 12.9 tons.

Thus you observe Atlantic longshoremen are 31 percent speedier than Bridges' men, while Gulf longshoremen are 69 percent faster.

This lesser work is less efficient according to War Shipping Administration figures for the last half of this year. The figures show percent of lost space in stowing tonnage was 15.1 percent for Atlantic ports; 12 percent for Gulf ports; 16.5 for Pacific ports.

Harry Bridges' men indulge in practices which would mean a firing squad on the battle front, but on the vital Pacific war-loading front, it has resulted principally in a lot of false propaganda of what a fine job they are doing.

Resisting demands of Bridges' longshoremen for more money and more loafing time, Mr. Foisie says bluntly, "It is neither in the interest of the public nor the war effort to give more money and benefits to men who wilfully do less and less work."

These are not rumors. They are official facts and official charges.

Mr. President, I should like to have the entire article printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE WAR LOADING RECORD OF BRIDGES

The Harry Bridges' decision by the United States Supreme Court seems to be a good example of how our jurisprudence wanders in the woods of technicalities and does not see the forest for the trees.

This decision does not answer the practical question of whether Harry Bridges is a useful and desirable resident of this country.

On that question the Waterfront Employers Association of the Pacific coast has compiled much testimony and officially filed it in the "woods" of Washington.

They charge that the longshoremen of the Pacific coast, who are under Bridges' leadership, are less efficient than before Pearl Harbor; that they are vastly less effective than the Atlantic coast and Gulf coast longshoremen; that they are paid more money for less

work; that they maintain their slow-down and obstructive tactics; and that on the vital loading front of the Pacific war they are a bottleneck.

Charley Wheeler of the McCormick Steamship Lines, and the president of International Rotary, once allowed himself to be quoted that about one-third of the longshoremen could do the job and not get tired.

In a recent release, Frank P. Foisie, head of the Waterfront Employers, quotes Army and War Shipping Administration records with the pointed comment.

"All of these figures confirm that Pacific coast longshoremen handle much less cargo per gang-hour than the Atlantic, to say nothing of the Gulf. The reason for this poor production, as every waterfront employer knows only too well, is that the longshoremen have a union-organized slowdown."

Here are figures for the first 3 months of 1945, as reported by the United States Army; Average tons handled per gang-hour for all Atlantic ports, 16.9 tons; for the Gulf ports, 21.8 tons; for the Pacific coast, only 12.9 tons.

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Harry Bridges' men indulge in practices which would mean a firing squad on the battle front, but on the vital Pacific war-loading front, it has resulted principally in a lot of false propaganda of what a fine job they are doing.

Resisting demands of Bridge's longshoremen for more money and more loafing time, Mr. Foisie says bluntly, "it is neither in the interest of the public nor the war effort to give more money and benefits to men who wilfully do less and less work."

These are not rumors. They are official facts and official charges.

Mr. MAGNUSON. Mr. President, will the Senator from California yield to me?

Mr. DOWNEY. I yield.

Mr. MAGNUSON. I should like to inquire whether all the figures the Senator from Indiana used in his speech the other day came from Mr. Foisie's statement?

Mr. WILLIS. No; they did not.

Mr. MAGNUSON. Has the Senator any information from the Maritime Commission, the War Shipping Administration, the Navy Department, the War Department, or any other agency of Government that there was any such slow-up at the Pacific ports?

Mr. WILLIS. The figures I quoted were supplied to me through the services of the American Legion, in whose integrity I have confidence. They originated in the War Department. I have later tried to check the reports with the War Department, but I have not been able to get all the information I wanted. Therefore, I say that the whole matter should be reviewed by some committee of the United States Senate.

Mr. MAGNUSON. Mr. President, I do not know where the American Legion got its figures, but I may say to the Senator from Indiana that I hope that he will not accept the figures given by Mr. Foisie in this case. I presume the figures are correct for gang-hours. Mr. Foisie and Mr. Bridges have long been at each other's throats regarding this matter. Mr. Foisie represents all the enemies of the longshoremen along the Pacific coast.

Mr. WILLIS. The article came to me only this morning, and I have no knowledge of Mr. Foisie. The paper publishing his statement is reliable.

Mr. MAGNUSON. I am sure the Senator from Indiana will find upon investigation that as to the longshoremen on the Pacific coast, under the leadership of the union of which Mr. Bridges happens to be an officer—I do not know what office he holds in the union—the War Department, unless it has changed its mind since a time 6 or 7 months ago, was high in its praise of the efficient job which had been done up and down the west coast by the members of the longshoremen's union.

Mr. WILLIS. The War Department, or rather some of its subordinate officers, were reluctant to issue all of the figures, claiming that they were military secrets. Therefore, I say it is advisable to have a thorough investigation made by a proper committee of the Senate.

Mr. MAGNUSON. If such an investigation is to be made, I hope that the committee will investigate the working conditions of the longshoremen, and not make its work a witch hunt against Mr. Bridges.

Mr. DOWNEY. Mr. President, the figures which were referred to by the Senator from Indiana [Mr. WILLIS] were given out more than 2 years ago, and were widely publicized in the United States. As a result, I may say that an investigation was held by a subcommittee of the Military Affairs Committee. The testimony which was taken before the committee covers four volumes. It is true that at the hearings held by the subcommittee I had no other Senator with me, but under a special resolution of the Senate there were present representatives of the Army, the Navy, and some civilian agencies of the Government who had been assigned to me. The particular report which I have included in this record was written by military members of our committee, such as two captains of the Navy and a distinguished colonel of the Army. The Army, the Navy, and the Maritime Commission all joined, as the record will show, in stating that the stevedores on the Pacific coast were doing an outstanding job.

Now, the distinguished Senator from Indiana has read an editorial purporting to corroborate what has been stated, but that editorial again is based on production per gang-hour. Every Senator knows that the editorial is an unfair distortion of the facts because the average gang on the Atlantic coast is one-third greater in size than the average gang on the Pacific coast.

THE SERVICEMEN'S TOURIST ACT OF 1945

Mr. President, this morning I introduced a rather complicated measure which I have entitled "The Servicemen's Tourist Act of 1945."

It has been drawn with a number of important purposes in mind. Those purposes are set forth in an explanatory statement which I have in my hand. I regret intruding upon the time of the Senate by reading it. It is merely an explanation of the measure which I have introduced. As I have one other matter which I wish to put into the RECORD I ask unanimous consent that the statement to which I referred be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE SERVICEMEN'S TOURIST ACT OF 1945

The bill has been drawn with a number of important purposes in mind, but first and foremost it has been designed to give our servicemen and their families some small reward for the tremendous sacrifice they have made. It is a simple bill without red tape or complications. By its terms the cost of travel abroad will be greatly lowered for veterans and the members of their families.

The bill provides free transportation to a foreign country for every man and woman who has served honorably in the United States armed forces whether in this or in previous wars. Briefly, the United States Government will pay the serviceman's fare on any ship or air line which gives a 25-percent reduction in rates for this purpose. In the case of family members accompanying him, the United States will pay 50 percent of the cost of transportation, the other 50 percent being paid by the travelers themselves. The Government will offer the same privilege to members of the families of deceased veterans.

I emphasize that this transportation may be provided only by American shipping and air-transport companies which make a 25-percent reduction in costs and only if they meet standards of service approved by the Bureau of Tourists established in the bill.

When a serviceman travels abroad with his family, his own travel cost will be borne entirely by the Government. If he travels with his family, they will pay only sightly more than one-third of the normal cost of transportation. Since the shipping or airline company makes a 25-percent reduction to begin with, the total transportation cost will be only 75 percent of the usual price. The serviceman's family must pay one-half of this 75 percent. This means that they will pay only 37½ percent of the normal cost of transportation by air or ship to a foreign country.

But transportation costs are only a part of the expense of traveling abroad. In addition there are outlays for food, lodging, travel within the foreign country, the purchase of local products, etc. All these have to be paid for in the currency of the country visited. The Senate bill provides that arrangements will be made so that the serviceman can secure the currency needed—the pounds, the francs, pesos, etc.—for one-half their usual cost in American dollars.

The Secretary of Commerce, in consultation with the Secretary of the Treasury, will arrange with foreign countries to make their currency available against a 50-percent payment in cash plus a 50-percent credit established on the books of the Surplus Property Board. The serviceman and members of his family will be permitted to acquire such currency by making the 50 percent cash payment. The credit established on the books of the Surplus Property Board will be used by the foreign government for the purchase of special types of surplus goods.

I shall discuss this surplus-property provision later, but first I want to draw attention to another feature of the Senate bill. The privilege of acquiring foreign currency at 50 percent of its par value is not confined to servicemen and their families. It is extended also to certain other groups specified in the bill—teachers, students, and clergymen.

In all, this bill will apply to some 15,000,000 or more men and women who have served in the armed forces, to the forty or fifty million persons in the immediate families of veterans or in the families of those soldiers who have died, and, finally, to the students, teachers, and clergymen who would be enabled

to acquire foreign currency more cheaply. It may reasonably be expected that as many as 15,000,000 people would, as a result of the servicemen's bill, go abroad for what will very often be the first time in their lives.

There are economic advantages in such travel which will help us and other nations to meet our postwar problems. I have kept those advantages in mind in drafting the bill, and I shall come back to them in a few moments. For my part, I am more inclined to lay stress upon the increase in understanding and good will which would certainly follow such a peaceful expedition of Americans abroad. People fear the unfamiliar. Much of the distrust and suspicion which has complicated the job of dealing with other nations on a friendly basis has been caused by fear of the unknown and of the stranger. We must not allow misunderstandings to harm our relations in the future.

The countries of the world, with great difficulty, have now started on the road toward effective international cooperation on political and economic matters. The overwhelming support given by the United States to the Charter and to the Bretton Woods monetary institutions has been a magnificent example.

But forms and organizations are not enough. The people of the United States must understand the problems of the other nations, must come to know them, to visit with them, to see them in their homes—not under the terrible conditions of destruction and devastation which they have seen for the last 4 years but in peace and in friendship. They must see other ways of doing things and other patterns of living. It is for these reasons that I would extend these benefits to teachers, students, and clergymen.

I am convinced that all who travel will come home with better understanding and a greater appreciation of the American democratic tradition under which we live and also with a more sympathetic approach to the problems and peculiarities of other nations. We will also be giving other countries an opportunity to become more familiar with the American way of life. Such increased understanding must help to lay the foundation for more harmonious international relations.

I have already said that the servicemen's travel bill will have very important economic advantages for this country and for other nations. Let me explain.

We all know that American industry and agriculture are relying on foreign markets to absorb a good portion of their expanded production. We also know that almost every country is anxiously awaiting the time when it will be able to obtain raw materials, heavy equipment and consumers' goods. These countries will buy in the American market if they have the dollars with which to pay.

The servicemen's travel bill will enable foreign countries to obtain part of the dollars they need by selling services to American tourists. They can use the products of their fields and the labor and servics of thier nationals. They won't need to seek foreign markets, nor will they have to compete with the products of other countries. They won't have to worry about tariffs or quotas. And we, on the other hand, can sell abroad the products of our wartime expanded factories without lending or taking in payment products which might compete with American goods. We shall be paid in things which Americans want and can use.

With these objectives in mind, it is important to realize how large a volume of dollars the servicemen's travel bill will make available to foreign countries for the purchase of American supplies. To make a conservative estimate, let us suppose that each tourist's living costs while abroad amount to $200. This alone would mean $3,000,000,000 accruing to foreign governments. In magnitude this sum compares very favorably with the assets of the newly enlarged Export-Import Bank. Furthermore, in order to stimulate expenditures and in order to enable tourists to obtain the full value of their excursion, the bill would allow them to bring into the United States, free of duty, $200 worth of articles acquired abroad in addition to the usual $100 exemption. These duty-free commodities may, of course, be brought into the country only for personal or household use or as souvenirs and curios, and they will not be available for resale.

This provision will undoubtedly encourage further expenditures of considerable magnitude. In the first place, the tourist will be able to bring such goods in duty free. In the second place, he will be able to buy such goods in foreign countries at a low price by virtue of the special exchange arrangements. The result will be that most tourists will spend at least $200 abroad for gifts, souvenirs, hand-made goods, and so forth.

It want to emphasize that all payments made by the United States Government under the terms of this bill will be made to United States citizens and companies. The appropriation authorized in the bill will be used only to pay for transportation costs and will afford needed assistance to United States shipping and air lines.

I need not remind you that one of the most serious problems in the postwar period will be the utilization of the American merchant marine. It is estimated that by the end of 1945 the United States will have 5,500 ocean-going ships as compared with 1,400 in 1938. The percentage of the world's fleet which we will control, measured in gross tons, will have risen from 16 percent in 1938 to 62 percent by the end of the war. This fleet will be further increased by new, fast passenger vessels. We can hope for the maximum utilization of these ships only if there is a very substantial expansion in world trade and in tourist travel by United States citizens.

The surplus property provisions of the bill are of great importance. As I explained earlier, foreign governments will make their currencies available against a 50-percent payment in cash plus a 50-percent book credit established by the Surplus Property Board. This credit may be used for the purchase of specified types of surplus property.

The United States will be left with many billions of surplus property. A good part of it will be readily usable and will be sold in this country and abroad under favorable terms. We must be prepared to realize, however, that a substantial portion of the equipment and material required for the war will not be easily adaptable to peacetime needs. Some of it will not be worth the cost of shipment back to the United States, or if brought back or released without restriction, might create difficulties within the United States. Disposal of such materials through the usual channels will certainly be unprofitable and we cannot expect a return of much more than a few cents on the dollar.

The bill would, therefore, take this part of the surplus property, and make it available to foreign governments for purchase under the credit arrangements. Notice that the bill does not cover all surplus property but only such property as may be especially designated for this purpose. Since such materials will, by definition, be less useful to the postwar economy, we may reasonably suppose that foreign countries would purchase them with considerable reluctance. The credit arrangement established under this bill should therefore perform a useful function in increasing the market for surplus property.

I would like to take a few moments now to discuss some of the details of the legislation.

Section 2 calls for the appointment of a Commissioner of Tourists in the Department of Commerce. It belongs, it seems to me, in the Department of Commerce because it is a matter of commercial travel and not one solely either of veterans administration or foreign policy.

Section 3 (c) would make the provisions of this bill available for a 5-year period beginning 1 year after the end of the war with Japan. That would be long enough to cover the difficult period of postwar adjustments in international balances of payments, and long enough to permit most of the servicemen and their families to take advantage of the provisions. The President is given power to postpone the beginning of the period because it is entirely possible that during the first year after the cessation of hostilities the shipping situation will be so tight and facilities for tourists in foreign countries will be so poor, that it might well require a year's delay.

To consider section 4 for a moment. The large amount of business done under this act would justify the granting of special rates by transportation companies. It is assumed that the reduction of 25 percent is reasonable. Section 4 (ii) makes it possible for the Government to set up certain reasonable standards of service to people availing themselves of the privileges under this act. This is necessary to avoid the chiseling which might otherwise take place on food and other services en route.

The end results of the adoption of this bill would be, in my judgment, to help maintain our merchant marine and our air transport industry to facilitate the disposition of surplus war properties, and to afford to other countries an opportunity to earn the foreign exchange they need to buy the products of American agriculture and industry. And, finally, our chances for world peace and world prosperity would be considerably enhanced by an improvement in economic conditions and a growth of international understanding and friendship.

ESTABLISHMENT OF ARMY AND NAVY SCHOOLS IN THE WEST

Mr. DOWNEY. Mr. President, earlier in the day I submitted a resolution calling for the appointment of a special committee to investigate the desirability of establishing a naval training school, and an Army training school in the United States at places other than on the Atlantic seaboard. For many years the people on the West coast have been hopeful that a military academy would some day be located there by the Federal Government. We have never been able to make very much progress in that direction. But recently there came to our assistance the very strong support of the Washington Post which, in the past week, has carried editorials and special articles under the byline of Mary Spargo, setting forth the arguments in favor of a naval academy on the west coast. I ask unanimous consent that these editorials and articles be printed in the RECORD at this point as a part of my remarks, and I wish to associate myself with the statements which the editorials and articles have made.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

ST. JOHN'S SITE OPPOSED—NAVAL ACADEMY ON WEST COAST DRAWS SUPPORT OF 2 SENATORS

(By Mary Spargo)

Although not from the west coast themselves, Senators ALBERT B. CHANDLER (Democrat, Kentucky), and HOMER FERGUSON (Republican, Michigan), yesterday strongly endorsed proposals to locate a second United States Naval Academy on the Pacific coast.

CHANDLER, a member of the Senate Military Affairs Committee, said he has been

urging such a move for a long time as a matter of extreme importance to the national defense.

"I think it is not only desirable but necessary to have such an institution located on the west coast," CHANDLER declared, "because the Pacific front is going to remain extremely vital."

The Washington Post yesterday strongly endorsed suggestions that a second Naval Academy be located on the west coast because of the great importance of the Pacific in the national defense.

FERGUSON, a member of the Senate War Investigating Committee, also asserted that training on the Pacific is imperative for the national defense.

"As we go into this world organization," FERGUSON declared, "the ocean, the sea and the Navy are going to be even more important. I am including the Navy's air arm as well.

"The whole program of expanding the training of men for the Army and the Navy should be carefully worked out after we have settled our postwar military policy.

"Involved in that is the question of unification of the military services and of compulsory military training, and other matters."

FERGUSON said he believed it would be a great mistake at this time for the Navy to go ahead and spend an estimated $70,000,000 to expand the United States Naval Academy at Annapolis by taking over St. Johns College there without first deciding major policy.

"I am not impressed with too large schools," the Michigan Senator said. "When the enrollment gets too high, the close contact between teacher and student is lost. There is a positive reason against letting Annapolis become too big."

He disclosed that he had suggested that Ford's Willow Run plant might be turned into an Air Academy where the sciences and art, as well as the realities of flying can be taught.

NO RUSH SEEN

FERGUSON declared that in his opinion the question of urgent military necessity does not enter into the picture.

"This is not a matter which can possibly contribute to our war effort now," FERGUSON said, "I think the Navy can afford to delay until an over-all policy has been decided. I do not see why there is any rush to settle this question."

Senator CLAUDE PEPPER (Democrat, Florida) said that it was his hope that the naval air training station at Pensacola, Fla., now called the Annapolis of the air could be turned into a permanent United States Naval Academy of the Air. He said he was in favor of as much diversification of training as practical and realized the importance of the west coast, but added that the naval authorities were the ones to determine the practicability of training suggestions.

The situation as regards the Navy's taking over historic St. John's College at Annapolis, the third oldest college in the United States, to expand the present Naval Academy is such that a long delay in that project is likely.

In accordance with a law passed in April 1944 to carry out an already existing policy of the Navy Department, the Naval Affairs Committee of Congress must give permission before the Navy can proceed to acquire any land.

NAVY AGREES TO PLAN

This permission has now been given, but Chairman DAVID I. WALSH (Democrat, Massachusetts) of the Senate Naval Affairs Committee has said that the permission is only to negotiate with St. John's, and that before any legal steps to condemn the land can be taken the Navy Department has agreed to return to the committee for further authority.

If authority is given to seek legal condemnation, theoretically the Navy Department could proceed in either of two ways, either through the ordinary condemnation suit in the courts or through a "declaration of taking," which is peremptory seizure with only the price left at issue.

The whole matter would be handled through the Lands Division of the Department of Justice. Authorities consider it unlikely that the Navy would attempt a "declaration of taking," in view of the present circumstances. The regular condemnation proceedings take longer, and far more discretion is vested in the courts. Many times the Government itself has withdrawn from a condemnation suit if it becomes apparent that the value of the property will be too high or if the department seeking the land changes its decision.

A NAVAL ACADEMY FOR THE PACIFIC COAST

Do the American people think that the Pacific Ocean is going to be important to the future of the United States?

They certainly do.

The Navy thought so when it tried and failed to get the Congress to fortify Guam.

The Navy now wants to hold naval and air bases in the Pacific necessary to protect our security. The Post agrees with the Navy and enthusiastically supports a policy for maintenance of peace in the Pacific by strong naval and air forces at strategic points.

The Navy plans a postwar expansion in personnel and facilities at Annapolis.

The Post feels strongly that such a major expansion of educational facilities should be on the shores of the Pacific Ocean.

The great port of San Francisco is the natural gateway to and from the Pacific. It is the great railroad terminal of the Pacific coast. It has a vast harbor and every kind of shipping facility. The Army is using it for its principal shipment of men and supplies at this very moment.

Washington has always underrated the importance of the Pacific coast. The Navy has sometimes shown a lack of imagination.

Too slowly did it become air-minded, as this paper had occasion to point out more than 2 years ago. Let it not delay in becoming Pacific minded. Let it have a naval academy on San Francisco Bay.

Let half of our Navy boys get their training on the Pacific coast. Perhaps better, let our Navy boys get half of their training on the Atlantic coast and half of it on the Pacific coast.

EUGENE MEYER,
Editor and Publisher.

ACADEMIES FOR DEFENSE

An editorial suggestion in the Post that the Navy Department consider establishment of a second naval academy on the Pacific coast has received warm endorsement from Mr. Roger D. Lapham, mayor of San Francisco. "I can assure you," Mr. Lapham declared in a telegram to this newspaper, "that we would welcome a second naval academy on the Pacific coast and particularly in the San Francisco Bay area which, after all, is the central point of Navy operations on the Pacific coast."

Without pressing the claim of San Francisco against rival welcomes which may come from points all the way from San Diego to Seattle, we commend this invitation to the Navy's attention as an alternative to expansion of the Naval Academy at Annapolis. It is an alternative which is more honorable than the proposed employment of the Navy's great power of eminent domain to seize the historic campus of St. John's College. And it is also an alternative which has the support of many practical considerations.

Before entering into plans for expansion or duplication of its facilities for training officers, however, the Navy would do well to give some thought to the nature and direction of the training they are to receive. Thus far, apparently, the hierarchs have merely reasoned that what was good enough for them will be good enough for their children. And among the legacies they seem determined to pass on is the tradition that only men schooled in the hallowed halls of the Academy at Annapolis can be considered fit to command our future fleets.

We wonder whether this is really so. A good many Army officers held the same view respecting the United States Military Academy at West Point. Yet it was a piece of great good fortune for the country to have as Chief of Staff during the war years a graduate of Virginia Military Institute. Perhaps competing academies in both services would prove stimulating.

A more basic consideration is that the services ought not to be in competition with one another. General Eisenhower has already spoken eloquently for establishment of a single department of national defense. But if so sound a consolidation is to be realized, the whole concept of specialized undergraduate training must be revised. No doubt there will be need for advanced schooling in specialized techniques once men are assigned to one or another of the service branches. Prior to that, however, the need will be for a broad and sound general education which will give embryo officers an understanding of their country's place in world affairs and an understanding of the values they are being prepared to defend. We shall need for this purpose more academies. But they do not necessarily have to be located at Annapolis or at West Point, nor even patterned upon either.

It may be that in the peacetime future we shall select our officers as we learned to select them during this war, on the democratic basis of officer candidate schools made up of men raised from the ranks. The system has many advantages over a professional officers' corps trained in exclusive schools and refreshed only by the sons of professional officers. If we turn to such a course, we shall have more need than ever for institutions such as St. John's College which have higher academic standards than the service schools have ever attained. This is an apt time for planning the defense system of the future. Planning should take precedence over any hasty, unconsidered expansion of the system we have accepted in the past.

SECOND ACADEMY GAINS FAVOR—SENATE GROUP AUTHORIZES NAVY TO ACQUIRE ST. JOHN'S COLLEGE

(By Mary Spargo)

The Navy Department was authorized yesterday by the Senate Naval Affairs Committee to proceed with negotiations to acquire the property of historic St. John's College at Annapolis, Md., to expand the facilities of the United States Naval Academy there, Chairman DAVID I. WALSH (Democrat, of Massachusetts) disclosed last night.

Similar permission was given by the House Naval Affairs Committee. Before the Navy Department starts legal condemnation proceedings, however, it has promised to return to Congress and consult the Naval Affairs groups again, WALSH said.

Meanwhile a rising tide of protest against the Navy Department's plan to expand at Annapolis, rather than establish a second academy on the west coast, welled up from west coast Senators.

Senator WARREN R. MAGNUSON (Democrat, of Washington), a member of the committee, said he objected to the committee consent because he thought a great many Navy policies in regard to training should be settled before a final decision is made to expand Annapolis.

WALSH said he felt that the new Navy plan to train future naval officers for the first

2 years in regular universities with naval ROTC, and cut Annapolis training to 3 years was entirely practical.

MAGNUSON, who served during this war as a naval officer, declared that the bulk of the Navy will hereafter be kept in the Pacific, and said it "just didn't make sense" to have naval aviation training centered at Annapolis with its comparatively limited facilities.

He approved part of the Navy's plan for ROTC training, but said such training should be confined to two or three large, well-established universities.

Annapolis, MAGNUSON asserted, should be kept solely for post-graduate training on the highly technical level.

UNIFIED COMMAND INVOLVED

MAGNUSON declared that the whole issue of whether there should be a unified command of the Army and Navy is involved in the Navy's present training plans. They should not be completed until that policy is settled, he said.

Senator WAYNE L. MORSE (Republican, Oregon) told the Washington Post:

"I am very much for the idea that a second naval academy should be located on the west coast. I think it's important for the Navy to diversify its activities so that various sections of the country that have naval interests such as the west coast can cooperate with the Navy in solving the future problems which are confronting it.

"The west coast is very Navy-minded and it could provide excellent facilities for training and I feel that the Navy should support the establishment of a naval academy there."

Answering Navy Department objections that there might be a difference in the training given if two separate academies were in operation, Morse declared:

SAME TRAINING IN BOTH

"The same training program could certainly be established in both Navy schools. That's a question which the Department could determine administratively.

"There's no difference in whether it's done in two buildings side by each or one on the west coast and one on the east.

"That's obviously a fallacious argument, but to the extent that it is advanced I would suggest that a little more flexibility in the Navy would be a good thing."

Meanwhile it was disclosed that Stringfellow Barr, president of St. John's, and other college officials, are consulting with Norman Littell, former Assistant Attorney General, in regard to the Navy's plans.

Littell, a native of Seattle, Wash., and a strong supporter of the west coast academy plan, blocked the Navy's Elk Hills oil deal when he was with the Department of Justice.

Before any negotiations can start, the St. John's property must be appraised by both Navy appraisers and college appraisers, a procedure which may take some time. If negotiations collapse, the Navy must go back to Congress, although no specific prohibition against condemnation proceedings was written into the permissive letter which was sent to the department.

IDEA DEEMED PRACTICAL

MAGNUSON, who has introduced five or six bills to create a west coast Annapolis since he has been in Congress, said that he believed it would be practical and wholesome for the Navy Department to use ROTC colleges and to establish a training center on the west coast.

It has always been the Navy's idea, MAGNUSON said, to turn all of its "fledglings" at Annapolis into an identical pattern, and advance officers on the basis of how well they conform to the pattern.

The Washington Senator said, however, that as war becomes more and more technical, demanding a greater number of specialists, officers with fresh ideas and initiative would have to be developed. This can be done better, he added by scattering than by concentrating the training.

RADCLIFFE "VERY UNHAPPY"

Senator GEORGE L. RADCLIFFE (Democrat of Maryland) said he was "very unhappy about the proposal to take over the beautiful and historic St. John's College.

"I hope that ways and means of handling the matter without wiping out St. John's can be found. I can't see any reason why a bridge across the river isn't perfectly feasible. The Navy can get other territory across the river.

"I think it would be a mistake to put another academy on the west coast. It's a matter of unity. The Navy Department has decided that the training should be concentrated, and there is the further advantage that Annapolis is located so near to Washington."

Senator MILLARD F. TYDINGS (Democrat of Maryland), yesterday telegraphed and wrote constituents, who opposed the Navy's acquisition of St. John's, that the matter is now solely in the hands of the Navy Department in view of the authority granted by the Senate Naval Affairs Committee.

ST. JOHN'S

The United States Naval Academy appears to be moving almost without opposition in its effort to take over St. John's College at Annapolis, despite the continued unwillingness of the college authorities to sell their historic campus. The Navy is proceeding on the assumption that what is convenient for the Academy is essential to the national interest. And Chairman VINSON, of the House Naval Affairs Committee, seems to have taken up this line of reasoning without much regard for the larger issues which lie behind the current controversy. "With between 6,000 and 7,000 midshipmen, it can readily be seen," Mr. VINSON asserted, "that it is essential to expand the present facilities at the Naval Academy, and the proper place to expand it is adjacent to it and not across the river."

For our part, admitting the need for training 6,000 to 7,000 midshipmen, we do not see that it is essential to expand the present facilities at the Naval Academy. An obvious alternative would be to establish a new naval academy on the Pacific coast. We are able to see quite readily, of course, that if the present facilities are to be expanded, it would be convenient—from the Academy's point of view—to undertake the expansion on adjacent land. But we do not equate convenience with necessity. Nor do we think that mere convenience can justify employment of the Government's great power of condemnation against an institution of learning established long before the Naval Academy was ever conceived.

It would be more expensive—in dollars—to expand the Academy across the Severn. A bridge would have to be built. Additional appropriations would have to be secured from Congress. The presumed extra cost of this method of expansion is based, of course, on the Navy's supposition that through the power of condemnation it can buy St. John's at a bargain price. But whatever it saves in dollars by such use of power will be more than lost, we think, by an imponderable sacrifice of certain basic American values. St. John's has its own vital function to perform in the promotion of this Nation's security and this Nation's healthy growth. It represents, indeed, some of the very values which the Naval Academy was established to defend. In our opinion, the Government is under obligation to defend those values, not destroy them.

Mr. DOWNEY. Mr. President, I call the attention of the Senate to a set of figures which I believe will be very interesting to the distinguished Senator from Nebraska. The one hundredth meridian of longitude divides the United States of America into approximately two equal areas. That meridian comes down through the middle of the Dakotas and Nebraska and into Kansas at Dodge City. It almost provides the north and south boundary line between Oklahoma and Texas, and almost cuts Texas in two. West of the line of the ninety-ninth or one hundredth meridian of longitude there are only 16,000,000 or 12½ percent of the Nation's population.

I have no desire today to elaborate upon the industries, freight rates, and other factors which have prevented a greater growth of the population of the West. But, Mr. President, I believe it is very plain that the Nation is not well balanced, and that for its own future defense and development, it should have a greater population in the western half of the United States than it now has. The great State which is represented by the distinguished Senator from Ohio, the State of Illinois, and other great Middle Western State already have large populations and great wealth. We in the West need a greater expansion.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOWNEY. I yield.

Mr. TAFT. Is the area west of the line to which the Senator has referred the area which the OWI has said is a desert and in which people cannot live?

Mr. DOWNEY. I shall have to refer to the distinguished Senator from Nebraska [Mr. WHERRY] for an answer to the question. We of the West believe not only that people can live in that area, but that they can live more healthfully there than in our great Capital City with its heat and humidity. In any event, Mr. President, we claim that efforts should be made by the Federal Government to help balance the population of the Nation. While the influence might be slight, certainly the placing of important public institutions at various points in the West would tend to develop the situation to which I have referred.

Mr. President, the resolution which I have submitted calls for an investigation of both the Army Training School and the Navy Training School, and I believe, under the routine of the Senate the resolution should be referred to the Military Affairs Committee and the investigation should be conducted by it.

Mr. MAGNUSON. By the Naval Affairs Committee.

Mr. DOWNEY. No; I believe it should go to the Military Affairs Committee. I endeavored to get in touch with the Senator from Massachusetts [Mr. WALSH] for the purpose of discussing the matter with him, because there may be some doubt concerning the proper reference of the resolution, but I found that he had already left Washington. I telegraphed him what I was doing, and what my sentiments were. I ask unanimous consent to have the telegram printed in the RECORD as a part of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

AUGUST 1, 1945.

Hon. DAVID I. WALSH,
Clinton, Mass.:

Regret I was unable to discuss with you the introduction of a resolution am presenting in the Senate this morning calling for the appointment of a special committee of the Senate, half from Naval and half from Military Affairs Committee to investigate the desirability of establishing additional Army and Navy schools in west or southern portion of United States. I understand under Senate rules resolution will be referred to Military Affairs Committee, but I want you to understand my desire to defer to you and your committee this resolution and will be most anxious have your suggestions and cooperation as matters develop.

SHERIDAN DOWNEY.

PROPOSED SHIPMENT OF COAL TO EUROPE

Mr. WHERRY obtained the floor.

Mr. FERGUSON. Mr. President, will the Senator from Nebraska yield to me to make a few remarks?

Mr. WHERRY. I do not wish to be taken off the floor. I should like to accommodate the Senator from Michigan.

Mr. FERGUSON. Will the Senator yield for about 5 minutes?

Mr. WHERRY. If I may have unanimous consent to yield to the Senator without losing the floor.

The PRESIDENT pro tempore. Is there objection to the Senator from Nebraska yielding for 5 minutes to the Senator from Michigan without losing the floor? The Chair hears no objection, and the Senator from Michigan may proceed.

Mr. FERGUSON. Mr. President, in the last fiscal year the American taxpayers have paid into the Treasury more than $44,000,000,000 in taxes. The mighty Seventh War Loan drive has resulted in the sale of more than $23,000,000,000 in war bonds. Even these stupendous sums are not sufficient to meet our annual expenditures, and the Government has found it necessary to resort to deficit financing for the balance, to the tune of many billions additional borrowings, which with maturing war bonds must be met out of future taxes.

We have UNRRA. We have the Export-Import Bank. We have the commitments under the Bretton Woods agreements, all of which must be reckoned with. We will meet real emergencies, but we do want everyone to help himself wherever possible.

Mr. President, I wish to say that I supported each and every one of those proposals, because I believed we should help, and we did help in these emergencies. American people always meet emergencies. But at the same time we believe those who are being helped should endeavor to help themselves wherever it is possible.

Now we are told that the American people must spend additional sums, which we do not have, to provide the 6,000,000 tons of coal to be shipped to liberated Europe. The coal is to be mined in this country at American expense. The coal is to be shipped to Europe at American expense. A few days ago the junior Senator from Connecticut [Mr. HART] told us in the Senate that the shipment of 6,000,000 tons of coal to Europe would involve enormous shipping—130 ships.

Mr. President, it was stated before the Mead committee yesterday that 130 liberty ships would be necessary for the next 6 months to transport that coal to Europe. The Senator from Connecticut said that if we use our best ships, approximately 700 of those 7,000-mile voyages would be required.

He spoke out of years of experience and knowledge of ocean shipping. As a former admiral of the United States Navy, he can be expected to be thoroughly familiar with the problems incident to the transportation of fuel. The cost of setting down coal in Europe, after transportation from the mines to the coastal ports and then across thousands of miles of ocean will be many times what the same coal cost at the mines. In Wales are enormous deposits of coal and miners to mine it, and when mined it will be but a few score of miles from European ports.

In the Saar Valley are enormous deposits of coal centrally located among liberated nations. In Holland there is plenty of coal to be had, and the mines were not damaged, nor flooded, and are capable of being put to immediate use, and Holland is one of the liberated countries. In Silesia there are enormous deposits of coal, already on the continent of Europe. In the countries to whose rehabilitation we are lending our assistance there are hundreds of thousands of people looking for work, people who are citizens of the liberated countries, to which we are being asked to send coal from American mines.

Mr. President, there is no doubt Europe does need coal; it also needs food; but the question I wish to raise in the Senate today is that there are the miners in Europe; there is coal there, and there is no apparent reason why it cannot be mined there.

A Senate war investigating committee yesterday was told by Solid Fuels Administrator Ickes that the United States is in for the coldest winter of the war unless the Army agrees quickly to release coal miners. Yes, Mr. President, 30,000 coal miners are needed, it is claimed. Why, then, do we not utilize European sources for coal to be mined by European unemployed workers, whose efforts would contribute to the provision of coal for the liberated countries?

Mr. President, the facts brought out yesterday show that Germany is producing only one-tenth of the coal which the Germans could produce, France is producing only 50 percent, Belgium 50 percent, and Italy, according to the facts disclosed, only 30 percent.

Mr. President, the Deputy Solid Fuels Administrator, Mr. C. G. Potter, said that steel mills will have to cut down to a 4-day week this winter and there will be no reconversion of war industry if the 30,000 miners are not furloughed by the Army. In the name of common sense, where are these leaders taking the American people? They know that we in the minority party lack the votes in Congress to assert and maintain a policy which has some regard for the American people. They expect that the majority party will support their program without question. Who makes such commitments? Who permits these decisions?

Overlook, if you please, that the American people in addition to bearing the staggering taxation incident to the war, will be asked to foot the bill for the shipment of these 6,000,000 of tons of coal to liberated Europe. Disregard, if you choose, the fact that the parents of boys who are not miners are just as anxious for their sons to be spared the further risks of war. Forget, if you will, that reconversion of American industry is essential to providing millions of jobs to take up the slack as cut-backs occur. As a matter of fact we cannot disregard those considerations. As stated here by the majority leader, this has been a serious question in America during the last few months. Something could have been done in relation to that angle of reconversion.

There is the possibility that Americans face the coldest winter of the war. We cannot afford to forget that. We must remember it.

But why is not the coal which liberated countries are said to require to be procured there, where the coal is? There are in Washington at this minute American prisoners of war, captured after D-day fighting for the liberation of these very countries, who were placed by the Germans in mines, to mine coal for Germany. On potato soup, with inadequate food, clothing, and medical supplies, these American soldiers were turning out coal before they were freed by our advancing forces. Here in the United States we say it is a dangerous occupation and prisoners cannot be worked in the mines. These American soldiers, now hospitalized after their ordeal, now recuperating under the care of a grateful Uncle Sam, join me in asking the question, "Why do not the liberated people of Europe mine their own coal in their own mines and contribute something to their own welfare?" These American soldiers join me in the thought that Europe can have her coal and burn it, and they share my belief that if the threat to the people of the United States is as represented, we will need every bit of American coal which we can produce for our own use, no matter who mines it.

THE AGRICULTURAL SITUATION

Mr. WHERRY. Mr. President, I wish to state in reply to the colloquy that was engaged in by the distinguished Senator from Ohio [Mr. TAFT] and the distinguished Senator from California [Mr. DOWNEY] as to the question whether Nebraska is east or west of the hundredth meridian and whether or not we are located west of the great American desert or east of it, that Nebraska is right in the center of the United States. The geographical center is at Kearney, Nebr. So we are not east or west.

I am not an authority for OWI so far as its articles or editorials is concerned, but I should like to join with the distinguished Senator from California and state that in that section we certainly do need relief from exorbitant freight rates, we do need industries established there not only west of the hundredth

meridian, but east of it, all through the Missouri Valley, because we have labor that is as good and as well qualified as that found anywhere else in the United States, and we have many raw materials which, if we could fabricate and manufacture them, would contribute greatly in those States, which OWI has called attention to as being populated by people who are residents of the great American desert.

We need aid, and I hope that in future legislaton somehow or other the great West will be able to get the relief, for we have fine labor, we have the raw materials, and if we can put them together we really and truly can develop a great industry and a great citizenship to take its place with that of the other parts of our great country.

HOUSING

Mr. President, much has been said today about housing. Most of the time has been consumed in discussion of proposed legislation, but the principal subject under discussion has been as to proposals already introduced in the Senate this afternoon.

I, too, wish to join with those who have introduced legislative proposals for housing. I feel that the development and the building of homes in this country is something we should put foremost because the home is the unit of society, and a nation's morals do not rise above its homes.

I must refer to the remarks of the distinguished Senator from Kentucky, who said something about man's desire to build a roof over his head and to take refuge in the shade of his fig tree, so that when he sat down there he would want something to eat, something on the table, and while I suppose in other days conditions were different from what they are now, if the man referred to had lived in this day, he would also have wanted a bar of soap so that he could take a bath.

THE FOOD SITUATION

Mr. President, that brings up a very practical and a very realistic subject, namely, the question of food, the question of the necessities of life. We have been talking about proposed legislation which we can adopt in the fall after we return following the adjournment. Through executive agreements and Executive orders, agreements will be entered into and orders issued which will vitally affect the production of food during the period Congress is in adjournment. It is with that idea in mind that I should like to invite the attention of the Members of the Senate, and of others in authority, to the fact that if we are to produce the food that is necessary to feed our Army, our civilian population, and for export purposes, it is absolutely necessary that maximum production be attained. An all-out agricultural production program is mandatory to meet the increased needs if our military, our civilian population, and our export demands are met. I delivered a speech in the Senate on January 28, 1943, calling for an all-out unrestricted agricultural program so that we might produce the food needed by the Army. I said in that address that the time had arrived when we should not limit production; that we wanted to increase production primarily for two reasons, the first of which was to obtain food in sufficient quantity to stop inflation and to stamp out the black market. Certainly that could not come about if we were to continue to produce on the theory of an economy of scarcity. That speech, Mr. President, is to be found in the CONGRESSIONAL RECORD at pages 444 and 445 of the 1943 session of Congress.

I humbly ask the Secretary of Agriculture if he will not read that speech relative to the need of all-out production, because I am satisfied that the new Secretary believes wholeheartedly that we should have all-out production of agricultural products in this country.

Mr. President, in line with that statement that we need an all-out agricultural production I should like to call attention of Members of the Senate to the fact that we will not obtain the increased production if the interpretation placed upon the situation by those in authority, as disclosed in testimony before a Senate committee yesterday, is to be considered as being final. Yesterday in the hearings before the Small Business Committee, dealing with food, Dr. Fitzgerald, who is Director of the Office of Requirements and Allocations, of the Department of Agriculture, and who is the responsible authority, came before the Senate committee and testified. I want to call his testimony to the Senate's attention because the production of food is the most serious, the most acute problem before those in authority in this country. This is the testimony of Dr. Fitzgerald:

No significant relief from shortages of civilian food supplies is in prospect for the next 12 months. Such foods as meats, fats and oils, sugar, cheese, condensed and evaporated milk, poultry, eggs, and canned fruit and canned vegetables will continue short in relation to current high demands. In addition, rice, dry beans, apples, and processed foods using larger amounts of sugar and fats and oils may become short.

I asked Dr. Fitzgerald: "If that is true, what about the distribution? If we are not to have an increased production, that is a production that will meet the needs, what about the distribution?" I wish to quote from Dr. Fitzgerald's testimony at page 189 of the committee record:

The basic food problem of the United States in 1945 is to distribute an over-all food output * * * to meet an over-all civilian, military, and export demand approximately one-half greater than the prewar demand.

So I asked him some questions about that matter to throw some further light upon the subject, because we have a 50 percent increase in demand over the average 1935–39 period. I wanted to know from what categories that demand came, and Dr. Fitzgerald said in answer to that question:

Mr. Chairman, (the demands come in) three categories: The civilian category, the military category, and the export category. The combined total of those three categories of demands are estimated by the Bureau to be about one-half greater than prewar, whereas our supply is only about one-third greater.

Therefore we cannot help but have a decrease in food supplies for civilian use in this country next year.

I asked him where the increased demand comes from. If Senators will read the evidence on pages 190 and 191 they will find that Dr. Fitzgerald on those pages said that the military demand will not increase; that we have reached our peak in the military demand. He also has stated that our civilian demand will be about the same as it was in 1945. But he does state explicitly that the export demand will be the one category in which increase is greatly desired.

Mr. President, I ask that the testimony appearing on pages 189, 190, and 191 of the committee hearings be printed in the RECORD as a part of my remarks at this point.

There being no objection, the testimony referred to was ordered to be printed in the RECORD, as follows:

Dr. FITZGERALD. The basic food problem of the United States in 1945 is to distribute an over-all food output one-third greater than in 1935–39 to meet an over-all civilian, military, and export demand approximately one-half greater than the prewar demand.

Senator WHERRY. Now, can you explain that statement just a little more for all of us?

What do you mean by an "export demand approximately one-half greater than the prewar demand"?

Is that solely the military requirements or does that include lend-lease and UNRRA?

Dr. FITZGERALD. This statement, Mr. Chairman, includes all demands—three categories: The civilian category, the military category, and the export category. The combined total of those three categories of demands are estimated by the Bureau to be about one-half greater than prewar, whereas our supply is only about a third greater.

For individual items, of course, the disparity is more.

Senator WHERRY. For the export demand. What will that consist of mostly? Where will that go?

Dr. FITZGERALD. Liberated areas.

Senator WHERRY. That is UNRRA?

Dr. FITZGERALD. Well, UNRRA handles food mostly for eastern Europe, and displaced persons, in addition to the food that goes to liberated areas through UNRRA, what we call the paying governments. France and Belgium and Netherlands and Norway also are purchasing food.

Senator WHERRY. There will not be an increased military demand, will there?

Dr. FITZGERALD. It is our opinion that the—subject to verification from General Hardigg and his staff, that we have passed the peak of military demands for food.

Senator WHERRY. Then the civilian demand will be the same practically, so when you analyze that, it really means that the demands from UNRRA or lend-lease, or whatever outside agency there is, is where your increased demand is going to be; is that right?

Dr. FITZGERALD. Well, you have a big increased civilian demand over the prewar.

Senator WHERRY. I agree with you, but I mean that civilian increase—that demand would not be any greater than it was last year?

Dr. FITZGERALD. That is right.

Senator WHERRY. And the military would not be any greater. In fact, we have reached the peak.

So, in reality, this statement is based on the fact that the export demand will be much greater and I can see that fact. I admit that the demand is going to be there.

Dr. FITZGERALD. On the other hand, Mr. Chairman, combined with that increased demand, as you have expressed it, there is a somewhat smaller over-all total production in the United States.

Mr. WHERRY. Mr. President, later in the hearings General Hardigg of the Procurement Division of the Army, who buys supplies not only for the Army but for the Navy, corroborated this testimony in stating that so far as meat is concerned we have reached the peak and will not need so much meat next year as we needed this year for military purposes. In fact he said that the total amount of meat which will be consumed for military purposes in 1945 would reach 3,140,431,000 pounds, and he placed the total requirement for the military for the coming year, 1946, at 2,674,000,000 pounds, or a decrease of approximately 500,000,000 pounds of meat. So there will be that increased amount for civilians to fall back upon. But the slack is taken up by the export demand and the export demand is lend-lease, and UNRRA, which of course delivers food to the liberated areas in the European theater of war.

Mr. President, Dr. Fitzgerald says that we should have a third more food, that is we will have a third more food than we had in the 1935–1939 period, but we will have an increase of 50 percent more in the demand. The testimony of Dr. Fitzgerald was to the effect that the military would take about the same. I have already given General Hardigg's testimony, which came later in the hearing, that the civilian needs would be about the same as in 1935. Therefore he said that the increase would come in export trade.

The facts show that before the war there was an unrestricted amount of fats. I thing this is of vital interest to all Senators, especially those from the South. Before the war, when there was an unrestricted amount of fats each person in the United States was supposed to have consumed about 48 pounds. After the war began the agencies got together and set aside for military and for civilian use an average of about 36 pounds per capita. As the hog production has decreased and as fats have decreased and the demands have increased we have reached the point where the allocations to the individuals throughout all the United States are about 28 pounds for each person. Allocations, Mr. President, in many places do not even materialize on this basis, because we were told by those in authority that for the last quarter more than 80,000,000 pounds of fats should have gone to the civilians throughout the United States if they were to get the 28 pounds per person.

One reason for that is that those who butcher the hogs keep some of the fat; those where the great supplies are take advantage of the situation, and the truth is that 90,000,000 people in the urban sections of this country have not been able to get their 28 pounds of fat per person, and with the decreased supply of hogs for next year they will not receive as much next year as they have received this year.

In the absence of an increased supply, the War Food Administration and the military, I feel, should get together and we should allocate for whatever are the military needs. I think there is no quarrel on that point. I want to say, Mr. President, that after the military have set aside whatever they need of the fats and oils for the boys fighting on the front, then the Government agencies should set up an irreducible minimum for the civilian population, and no Government agency should go into that irreducible minimum and take away the fats from the people of the United States of America and export them under UNRRA to citizens of any other country.

If we wish to produce ammunition; if we wish to feed the war workers of America; and if we wish to feed the agricultural laborers, we shall have to see to it that an irreducible minimum is divided among the civilian population of the United States, and that Government agencies do not step into that irreducible minimum and go into the market and buy on priorities for lend-lease or UNRRA. They should buy whatever surplus is left above the irreducible minimum. I am glad to see them get it. But they should not step into the irreducible minimum which we need in order to maintain the diet of the people of the country.

We have received complaint after complaint with respect to the shortage of pork and fats among the laboring people of the solid South. The time has come when the Government agencies should get together and see to it that the supply of fats is properly distributed. First, it should be distributed to the military, which should have what it requires; second, there should be an irreducible minimum for our civilian population; and third, the surplus can be sold or given to UNRRA or lend-lease, and used to the best advantage across the water.

Mr. President, the maximum production of agricultural products, notably meat and sugar, has not as yet materialized in this country. We have 10,000,000 more cattle than we had on the average during the period from 1935 to 1939. The fact that we have 10,000,000 more than that average is convincing evidence that we have cattle on the hoof, and all we need to do is to feed them. The maximum production has not yet materialized.

The same thing is true with respect to sugar. In 1943 we produced beet sugar in this country on only 554,000 acres. Last year we produced it on 715,000 acres. We could increase that acreage to more than 1,000,000 if the growers could obtain a satisfactory price and secure the labor to produce the sugar beets, thus relieving the sugar shortage, which is very vital to housewives as well as to our entire population.

I am glad to see that the President has appointed a Secretary of Agriculture who, I feel, sees these difficulties and problems. I have talked with Secretary Anderson, and I feel that he believes that we could increase production if the farmers could get the labor and machinery and some of the allocations which they need. I feel that he has not been in office long enough to justify any criticism of his policies today. I believe that he should be given a fair chance. I believe that his outlook, experience, and background qualify him to bring about maximum production and to help relieve the food shortage.

I wish to compliment him for some of the things which he has done. First, I believe that the granting of licenses to non-federally-inspected packing-house plants was very helpful in some localities. It has not accomplished a great deal, but it has done some good, and it has helped those who have grass-fed cattle to get their cattle into local slaughtering plants at this season without any restrictions except as to sanitary conditions which must be met. That has given us more meat at a time when the live animals should be killed, because they are marketed over a period of only 3 months in the year, and this is the season. That action will help somewhat.

I was also glad to learn yesterday from Dr. Fitzgerald, and also General Hardigg, that the large increase in the meat supply—and there has been some easing of the meat situation throughout the country—has resulted not from the activities of the packing plants, but primarily from cutbacks of the military. Dr. Fitzgerald stated that we have had some help from local slaughtering houses, and that when they get under way we shall receive more. But up to date the big increase in the supply of meat for civilians has resulted from cutbacks of the military. The various agencies have been working in close cooperation. I believe that the Army, the Navy, the Department of Agriculture, and especially the War Food Administration, should be commended for that fact. The minute we can cut down the needs of the Army and Navy and get the products out of storage, we can more quickly get food to civilians who need it, and who have the points with which to buy it.

But we shall have to do something besides take meat away from the military. That alone will not give us the production we need, if the program which has been agreed upon is carried out in 1946. What we need most of all at this time in connection with the meat situation is to have the Secretary of Agriculture straighten out the price levels so that we can obtain production of meat by having steers placed in the feed lots of the country. This is the time of year when they should begin to go into the feed lots.

I should like to read at this point a letter which is typical of hundreds of letters which I have received from cattle feeders throughout the cattle-feeding belt of the United States. This letter is dated July 16, 1945. It is addressed to me, from J. Y. Waugh, of Eskridge, Kans.:

SECURITY STATE BANK,
Eskridge, Kans., July 16, 1945.

Hon. KENNETH WHERRY,
United States Senate,
Washington, D. C.

DEAR SENATOR WHERRY: Although I am not from your home State, I am taking the liberty of writing to you regarding the future of the cattle business, since you have been attempting to untangle the mess that this industry has been thrown into by Government bureaus and people not familiar with the business. However, although I am not from your State, I buy a good many cattle from Nebraska and have at the present time about 1,000 aged steers that I bought last fall from Mr. George McGinley, of Ogallala, Nebr.

At the present time Mr. McGinley is offering to contract me 1,900 head of 2- and

3-year-old steers for fall delivery at 13 cents per pound—

I happen to know the place, and I know Mr. McGinley, who is a producer of feeder cattle on one of the great ranches in western Nebraska.

These cattle are range cattle and not beef cattle, but they are suitable for either feeding grain to at present for beef or for carrying over the winter on good feed and fattening on out about a year from now. But this operation entails the investment in cattle and feed and freight and other expense of around $300,000. I am reluctant to go into another deal like this, with policies so uncertain in Washington. I do not care to lose a lot of money due to some changes that some bureau in Washington may deem necessary.

If you can give me any information as to any plans that Mr. Anderson may have for the beef producer, I will appreciate it. I am a cattle feeder and beef producer and not a range-cattle producer, and I believe that we have been the forgotten man. I am enclosing a picture taken from Business Week, which gives a pretty good picture of the situation.

Thanking you for any information that you may be able to give me, I am,

Yours truly,

J. Y. WAUGH, *Cashier.*

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks the article from Business Week for July 14, 1945, which was enclosed with the letter.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Two steers in the Milwaukee stockyards demonstrate one major reason for the shortage of beef, particularly of good beef. The grass-fed steer will dress out less than half as much meat as the corn-fed steer and the grass beef will be tough. At prewar prices, a Corn Belt feeder made good profits purchasing range cattle, feeding them until they became good beef; today's price levels make feeding too dangerous for comfort. The feeder's problem is simple mathematics. He buys a 600-pound steer at 13½ cents for $81, gets it up to 900 pounds by putting $75 worth of feed into it, resells it for 17½ cents per pound (the best price he can hope to get after so brief a warm-up) for $157.50 or a profit of $1.50 for 6 months' work. Most feeders don't dare take a chance on that kind of margin because of the hazards of bovine death and sickness.

Mr. WHERRY. Mr. President, in Life magazine for July 9 there are set forth the arguments as to why the price levels need to be straightened out in the cattle-feeding operations. This article has already been introduced into the RECORD, but I wish to state that pages 71 to 76 should be called to the attention of all those who are interested in the production of beef, and primarily to the attention of the Secretary of Agriculture. In no uncertain terms it shows the problems which the feeder must confront. The whole difficulty resolves itself into one thing: he is required to pay too much for his feeders. When the cost of corn and of labor is added, what he receives in the open market for AA and A cattle is not enough to compensate him.

It is not grass-fed cattle that the Army buys. The Army buys some in the form of prepared food; but the roasts, steaks, and other forms of beef which the Army buys are AA and A beef. What we need to do is to encourage the flow of AA and A cattle into feed lots, instead of selling them as grass-fed cattle, which is not the kind of meat which the Army needs and buys for the boys over there.

I also wish to introduce into the RECORD at this point another exhibit. It is entitled "A Fundamental Conflict—Its Effect on Food." It was delivered over the National Broadcasting System by the Honorable CHARLES HALLECK, a Member of the House of Representatives, on June 20, 1945. I ask unanimous consent that it be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A FUNDAMENTAL CONFLICT—ITS EFFECT ON FOOD

Fellow Americans, I am grateful for the radio time which permits me to discuss some problems which affect the daily lives of every man, woman, and child in our Nation. There is nothing more important to continued life than food. Why is it that this great Nation lacks adequate meat supplies? Why is it that we lack sugar? Why is that the Secretary of Agriculture, Clinton P. Anderson, tells the country this week that we will have less sugar, fats and oils, and meats?

The answers to such questions are not to be found in temporary expedients. The answer is not to be found in recent events or even in patched up remedies which may be suggested in the future. You have to go back over a period of years to realize that a fundamental conflict in political and governmental view points underlies the happenings which have produced our present plight. There are many contributing factors, to be sure. But let me give you the background of the Office of Price Administration as an example of what I mean.

In the spring of 1941 the President—by Executive order—appointed Mr. Leon Henderson to be Administrator of Price Control. He did it by the stroke of a pen in the White House. He did it without congressional action. There was at that time no statute passed by your Congress creating any such agency as the Office of Price Administration. The Congress was in session. There could have been submitted to the Congress a plan, some bill designed to authorize the action, but no.

You see from 1933 on, there was being developed an attitude on the administrative side of Government that the executive branch should make the plans and issue the orders and carry them out. Some might say that this is ancient history, but the fact remains, and it cannot be denied, that this course of conduct was a symptom of a fundamental conflict in viewpoint as to the form and the type of governmental controls which were being developed.

At last, in August 1941, a bill was introduced in the Congress and extensive hearings were conducted by the Committees on Banking and Currency both in the House and in the Senate. Congress wrote a bill providing for price control. It became law in January 1942. Congress was aware of the need to control inflation. Congress knew that wartime demands could bring about short supplies. Congress knew that the answer to shortages is to stimulate and encourage production. Congress knew that it is contrary to human nature to ask a man to produce at a loss, whether he be a farmer or an industrialist. The bill which Congress wrote took into account all of these factors and more. Congress intended, and the bill it wrote makes it clear, that we should have a selective price control system. Congress knew that of 100 cents, the consumer's dollar, 92 cents are commonly expended for approximately 45 items. Therefore, Congress expected that the price control administration would select such items as were essential to the welfare of all of us and control the prices of them. Hence, Congress set up standards which were to be applied by the administrator. Congress stated he must ascertain the price prevailing between October 1 and October 15, 1941, and must make adjustments for relevant factors, including general increases in costs of production, distribution, and transportation, and general increases or decreases in profits earned by the sellers of a commodity. Moreover, the Administrator was authorized to establish a maximum price for a given commodity only when the price of any such commodity had risen or had threatened to rise in a manner inconsistent with the purposes of the act. These are not confused terms. These directions were clearly stated in the law. The reason Congress talked about the prices which prevailed for a commodity between October 1 and October 15, 1941, was that it represented a price arrived at in the open market. You yourself, the American public, fixed that price over that period because it represented a price which you were willing to pay for a commodity and which the seller was willing to receive. Consequently, Congress sought to pave the way for necessary adjustments whenever an increase in production of any commodity was required. Congress expressly authorized the Administrator in times of threatened shortage to buy or sell at public or private sale, or store or use any commodity when it was found necessary in order to obtain the utmost necessary production. Thus Congress sought to make available adequate stocks to supply the demand for any essential item. Congress did its part well.

But what happened? What did the Administrator do once he got the power authorized by the act? Did he follow the law as written by Congress? Quite the contrary! Every housewife who hears me tonight will recall that Mr. Henderson, the Price Administrator, in April 1942, issued an order freezing the highest prices which prevailed on all commodities in the month of March 1942. It was no longer a selective price control. Every housewife will remember that the stores were ordered to post conspicuously lists of the prices of all items. Naturally, in March 1942, the price—let us say—of beefsteak might have been 55 cents in Albany, and 35 cents in Indianapolis. It might have been 60 cents in Denver and 40 cents in New York. Inevitably the beefsteak disappeared from the markets in the low price areas and was sold only in the high price areas. The dislocations in the normal demand, thus caused, reflected back through the packer to the producer, in this case the feeder of range cattle.

Cattle, when brought in from the range, must be fattened through the process of feeding. That is how you get good beef. If the feeder could not get a price for his beef which would justify his buying corn and other feeds in order to fatten cattle, he simply refused to engage in beef production, and you can't blame him.

Even though fundamental errors in administration of the laws were obvious, they went uncorrected. Instead of reversing the policy when the mistakes appeared, new types of treatment were resorted to. It was something like putting salve on a boil when an operation is the only cure. The American tax paying public was called upon to pay enormous subsidies to the producers of all kinds of commodities. The cost of such commodities in large part was thus transferred from the would-be buyers of such commodities to the whole tax paying public, with the result that billions of dollars in subsidies have been paid at the tax payers' expense.

Whether it was beef or sugar, whether it was copper or coal, the fundamental policy of the administration became one of central management and control at public expense over all such items; indeed, the policy-makers

extended the orders of the Office of Price Administration to where such controls now apply to thousands and thousands of items, whether they be second-hand pianos or tennis racquets.

As shortages continued to develop, it was found necessary to ration the short supplies. Next are produced the black markets, which, under the original congressional plan, would never have existed. Now you hear cries for elimination of the black market—obviously a situation where the symptoms of the disease are being treated; but the fundamentals continue to be ignored.

Every housewife who ever put up a can of tomatoes or a can of beans or corn knows that she was preserving a surplus. She was providing a supply for the wintertime out of the abundance of the previous season. The lesson is clear that with adequate production you can meet the family needs, and in just the same way you meet the needs of all the people in the Nation. From the very beginning the problem has been one of administration. Mr. Henderson, in September 1942, when Administrator, and Mr. Prentiss Brown, in June 1943, when Administrator, both testified under questioning by congressional committees that the legislative act required no amendments. Both admitted that the problem was administrative. President Truman this year asked that the act be passed without change.

It is a little realized fact that this administration over the past 12 years has utterly refused to correct its mistakes. The reason it refuses to go back and reverse itself is that it is designedly seeking to develop a particular policy. In part, that policy calls upon Congress to pass legislation conferring power on bureaus and agencies to conduct the affairs of our people. That policy contemplates that these in the bureaus and agencies are better qualified than the Congress to make rules and regulations which apply to you. The administration has had control of the Congress so completely that it has been able to bring about the passage of legislation producing these results. The same administration control which brings about the passage of the legislation in the first place is also sufficiently great to resist efforts to change these mistakes in policy when they appear. That is why there is a fundamental conflict.

The Republican Party in the Congress has constantly sought to preserve for the American people a voice in their own Government. We Republicans assert that if Congress insists on the preservation of its rights, it will have the power to correct mistakes when they appear. The Republicans have insisted that maintenance of the profit system in the United States is the best possible answer to the need for continued production, for from production will come adequate supplies. Moreover, with production there will come employment. The alternative offered by the policy makers in this administration brings more and more control, more and more centralization of Government, with less and less food, fewer diapers, shorter shirt tails, and less of all the other items essential to the welfare of all our people. You have had a good exhibition of the failures of the planners. Now you have subsidies. Now you are paying taxes for them. Now you have the black market. You have everything but adequate supplies of the essentials you could have had, and Mr. Anderson says in the rest of this year we will have less sugar, fewer fats and oils, and less meat. And the shortage in 1946, he adds, will be greater than ever.

People commonly fail to realize that the power of the ballot includes more than voting for X or Y to hold office. Above all, the power of the ballot makes it possible for you to assert through your chosen representatives a voice in the making of the policy which will govern you. Our people cannot ignore their own plain duty if they wish to reverse the application of the philosophy of this administration. Whether you are employed on the farm, in the mine, in the factory, or in business, the long arm of Government touches you every hour of every day. You have it within your power to say which road your Government will travel. Will it be in the direction of Government control over all production, or will it be in the direction of freedom of the individual and the maintenance of the system under which we grew great, the system of production for profit? There is increasing evidence that the American people intend to do their own thinking. I am encouraged by that trend.

Mr. WHERRY. Mr. President, I should like to sum up the meat situation by stating that the meat shortage has been called to the attention of the administration and of Members of the Senate by my colleague from Nebraska and other Senators who are just as much interested in the problem as I am. I do not seek to take all the credit. As many as 17 Senators from the Midwestern producing States met with the OPA, War Food, Department of Agriculture, and Judge Vinson time and time again to consider these problems, and I suppose I should also mention the Senators from Oregon, who are interested in the local situation in Oregon regarding Oregon lambs. If the Secretary of Agriculture would like to have a little senatorial help, I should like to point out to him the remarks which I made on March 19, 1945, which are printed at page 2387 of the CONGRESSIONAL RECORD of this session. I would also refer to an address I made on food shortages on March 27, 1945, printed at page 2803 of the CONGRESSIONAL RECORD. I further suggest that he refer to the food shortage report I made on March 30, 1945, to be found at pages 2969 and 2970 of the CONGRESSIONAL RECORD. I also suggest that he examine the remarks made about the Wherry-Shipstead amendment to Senate Joint Resolution 30, which was discussed on the floor of the Senate and passed on June 11, 1945. That is to be found at page 5886 of the RECORD. I also refer to my remarks on the Wherry amendment to be found at page 6909 of the CONGRESSIONAL RECORD of June 28, 1945.

I am sure that if the Wherry amendment had been put into operation, all the discussion about 6,000,000 farmers being called upon to compute their costs would not have occurred. That was not the theory of the Wherry amendment, at all. The theory of the Wherry amendment contemplated the very thing the majority leader the Senator from Kentucky [Mr. BARKLEY] provided for his tobacco growers. The theory of the Wherry amendment contemplated the same kind of aid that was obtained by the amendment of the distinguished Senator from Wyoming [Mr. O'MAHONEY] for the sheep feeders of this country. All I tried to do was to have the department heads and those in authority set price levels which would result in obtaining profitable production; that was all. If prices which will result in production are established, I tell the Senate and the Secretary of Agriculture that the meat counters of this country will be filled with meat. That is all that needs be done; it is just as simple as that. Let me tell the Senate and the enforcement officers of OPA that the surest remedy to cure inflation and the best way to cure inflation and to kill the black markets of this country is to provide for sufficient production of sugar, beef, and other foods.

Do Members of the Senate remember the hog situation? A year ago there were so many hogs that we did not know what to do with them and there was more pork on the meat counters than people could buy. Finally the OPA took off the points and increased the weight, but such action was then too late to provide the necessary benefit.

Do Senators remember when the restrictions were removed from coffee? I remember when the Senator from Georgia made a speech about coffee several months ago. At that time coffee was restricted and it could not be found on the shelves in our stores. People were hoarding coffee and there was none to be had in the stores. When the restrictions were removed from coffee, there was plenty of it because there was sufficient production.

Production is the only solution. All the trouble about black markets and shortages is caused by lack of production. Those difficulties exist only because there is not sufficient production.

Mr. President, I should like to have printed at this point in the RECORD a memorandum written in detail by a cattleman of long experience, a former Member of the House of Representatives, Richard M. Kleberg, the head of the King Ranch. He offers a fine program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

WHY DON'T WE HAVE BEEF?

This question occupies the minds of many thoughtful Americans during this tragic period unsurpassed in our history. With more cattle on the ranches and farms, more feed last year than heretofore in our history, and more money in more pockets, together with a greater need for beef than ever before, we find ourselves confronted with a shortage.

The reason for this at the outset is hard to put into words, because it involves more than merely mechanics of production. It involves wheels within wheels, which represent the component parts of the mechanism of changed ideals in government. For nearly a century and a half Americans, citizens of the United States, have grown accustomed to a government of ordered liberty under laws enacted by their representatives in Congress. These laws were of long duration and applied equally to all the citizens as individuals, as groups, or as a mass citizenship. Special privilege throughout our history has been eschewed. Under this system all Americans whose assets of individual genius, private enterprise, and patriotic endeavor of all kinds were able to plan their future with confidence within and between the laws which affected them.

Today, driven by pressure of constantly recurring emergencies, both real and synthetic, this system has been gradually and finally completely changed, to a system of constantly changing directives and regulations, reflecting the theorizations and caprice of those who write them in various departments of the administrative branch of Government.

Thus we now find ourselves unable to forecast what the changes in regulations will be, with any greater degree of accuracy than one can forecast the weather in the State of Texas. This condition is the root of the evil of shortage which afflicts us at the present.

Keeping this condition in mind, we still have 12 months in the calendar. Of these

12 months, there are 3 (from July 15 to October 15) during which cattle get fat on grass. During the other 9 months, cattle are either half fat or thin, and consequently heretofore during these 9 months cattle went to the feed lots for supplementary feeding on grain, etc. Thus historically, by the calendar in the past, Americans depended upon feeding operations for two-thirds of the beef which they consumed.

Today the feed lots are empty. The gates to these feed lots are padlocked by restrictions born of ill-advised price regulations. Feeders, upon analyzing present price regulations, find they cannot pay the price for feeder cattle, and the price for labor and corn and thereafter sell the result of their feeding operations at the ceiling price which the packer is permitted to pay under maximum price regulations. Feeders, upon looking these facts in the face, find that if they buy cattle and put them in the feed lot, they stand to lose much more money than they can afford to lose, regardless of how patriotic they are. This, in a nutshell, constitutes the bottleneck that throttles the production of the Nation's highest protein food—beef.

The American consumer (the people) were told that unless we fix prices the American economy would be destroyed by inflation. The reasons for these fears expressed on the part of the Government were summed up in the declaration to the people and to the Congress, that the consumer stock pile was low, and consumer purchasing power and demand were up to a dangerously high level, that therefore the demand on this stock pile of which beef is an important part must be curtailed by rationing of the short supply and price controls fixed upon that part which each consumer could obtain under the rationing coupons which were issued to each individual.

This statement was accepted as reflecting the true situation. As a then Member of Congress along with many others, it never occurred to me that the Government would fix a system of pricing which was utterly inflexible, and, which would not permit American producers to replenish and increase the stock pile, thereby reducing the causes assigned as productive of inflation. Instead of the condition being improved this stock pile of consumer goods grows ever smaller, and nothing is done to improve this dangerous situation, which when war is over, will much more surely fall than the sword of Damocles which is still hanging by a slender thread. There isn't even a thread of hope to keep impending inflation from falling on us, unless we do something now to remove its threat by increasing the consumer stock pile.

The facts are these. The price fixed on live cattle under the Vinson directive reflects the price of cattle prevalent when corn was selling at 72 cents a bushel. Corn, as you know, had its ceiling fixed at $1.16 per bushel since that time. Here the line was not held. Corn cannot be even bought for $1.16 a bushel today, but the price for feeder cattle remained the price fixed on that class of cattle for slaughtering purposes. The result is, that added gains of beef per carcass put on in the feed lots are prevented. The only market for fed cattle of any consequence is the black market. Packers under the compliance figures by which they may obtain subsidy payments, cannot pay the essential price for good fed cattle, nor on the other hand, can they exceed their ration quota for slaughter. So these cattle are sold in the auction ring and do not go to packers in the so-called legitimate trade.

My recommendations to remedy this situation would be the creation of a board of say 5 members, one representative of consumers, one representative of the packers, one representative of the feeders, one representative of the producers, and one representative of the Government. This board should meet every day at Chicago with authority to raise the price as much as $3 per hundredweight on class A and class AA cattle. There should be created another class of cattle known as class AAA. This class should comprise that kind of cattle heretofore referred to as prime, and class AA and class A cattle, as presently constituted, be reformed as to classification in this fashion: first, the top one-half of the present A grade should be moved up into class AA. The top one-fourth of the present B class should be moved up into class A and, class AAA should include baby beef which is composed of full-fed calves fed for instance from the weight of 400 pounds up to the weight of 900 pounds. This last class with the price premiums to be paid for class AAA cattle would immediately stop the present premature slaughter of millions of underweight calves, and would likewise bring about a lowering of the cattle population which must be done as speedily as possible to avert a crash in the industry.

This board must likewise have authority to lower prices from day to day at their discretion to prevent inevitable gluts on the market.

By this simple expedient prices could again be used both as an incentive to production, or at times as a deterrent to overproduction, and would in no wise dangerously raise the overall cost to the consumer on the market. Likewise, under this system, the pernicious subsidy could be retired without the producer taking the terrific loss which he must take inevitably if he continues to be made a patriotic slave.

In conclusion, it is my recommendation that at the earliest possible date a set of amendments to the present OPA Act be brought before the Congress so that orderly progress under known laws may be had by Americans who desire to serve their country with confidence in their Government and in their business. In the last analysis until confidence in Government is restored on the part of the people, we will continue to have much of the same as we have today, and it is doubtful that real confidence on the part of the people and government will be restored until the Government evidences confidence in the people. The ignoble, inconsistent, and adamant refusal on the part of the OPA theorists will continue to be a bar to the return of such confidence until Congress restores the essential limitations on Government which Americans under our tried system have been accustomed to in the past. Ours was a government which limited the Federal Government in the performance of its functions to such services as the people required. It has become a government which now limits the people to such services as the Government requires. It should not be too bold a step to reinstitute portions of a tried system which made this country great.

Mr. WHERRY. Mr. President, I should like to discuss Mr. Kleberg's program regarding beef, but I know other Senators are waiting to deliver speeches today, and therefore I shall pass on. I should like, however, to have all Members of the Senate read Mr. Kleberg's statement. It sets forth a program by which cattle will be brought into the feed lots. He suggests the establishment of a new class or grade of cattle, to be known as class AAA, which would include baby beef comprising full-fed calves—fed, for instance, from the weight of 400 pounds up to the weight of 900 pounds. I think the program he suggests is sound, and I wish the Secretary of Agriculture would look into it thoroughly as he drafts his new program, while we are absent from the Senate.

Mr. President, I should like to conclude my remarks about meat. If the Secretary of Agriculture wishes to be constructive, as I know he does, I should like to offer the following suggestions:

First, make the price levels what they should be in order to bring about profitable production.

Second, I think floors and ceilings should be established. If that is not done the cattle feeders will be foreclosed from purchasing feeders, because they come into direct competition with the packers on feeder cattle. If floors and ceilings are properly established, the difficulty will be eliminated.

Next, I think the postwar situation for agriculture is excellently discussed in a memorandum which should be studied by the Secretary of Agriculture. Therefore, Mr. President, I ask to have printed at this point in the RECORD as a part of my remarks a memorandum entitled "Postwar Problem of Agriculture," by F. F. Good, of Lima, Ohio. In the memorandum the problem is thoroughly covered.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

POSTWAR PROBLEM OF AGRICULTURE

With agriculture the backbone of the Nation, there should be a floor under Agriculture, so the farmer could and should have a good living and fair profit for what he produces and sells off the farm.

The price should be not too high nor too low. For instance, wheat, $1 a bushel for good wheat—that would be a fair price; that would be the floor and the ceiling, supply and demand and all other products in the same manner—including livestock.

Now about parity and subsidy, we don't need them if we get price. The farmer—if he gets the price—can pay his bills. We have a great war debt to pay and if agriculture drops the whole Nation drops. The consumer will have a good job and good living if agriculture gets the price. If agriculture drops away goes the whole Nation. We can't pay our war debt and labor will be on relief and who will pay the bill? The big business will take over and away goes the farmer—the backbone of the Nation.

Agriculture includes creameries, elevators, factories to produce farm machinery, trucks, automobiles, and fertilizer factories. Farmers buy every other article that is produced and they help to run the railroads.

If we put a floor under agriculture, that will do away with this swivel-chair outfit we don't need and we will get back to economy.

Give the farmer a floor under agriculture and he will know what to do. The old way he produces a product, then goes and asks the other fellow what he is going to give him for it; I don't like that kind of business. Agriculture is the only one running on that scale.

Labor is so organized that they are trying to run the country, and if they don't get what they want they strike. Now, agriculture don't want that kind of organized program. Just give him a floor under agriculture and he will produce the eats. But without floor, he can't produce under cost and get by. The farmer cannot pay the price that labor is getting now according to the price they have put on agriculture. Put a floor under agriculture; it will stimulate Nation-wide interest in improved price and income policy plus methods for dealing effectively with farm price problems in the reconversion and postwar period.

Someone may say, What are you going to do with overproduction? I never saw overproduction. I have seen lack of consumption; that is caused by the farmer not getting

a fair price for his product and the other fellow not having a job, so he can buy. So put a floor under agriculture and they both will be O. K.

IDENTIFICATION

Floyd F. Good: Born in Ohio, Allen County, Perry township, November 16, 1884; lived at the same place all my life; been in the agriculture business all my life. Would like to see agriculture get a square deal.

For information check the Metropolitan Bank of Lima, Ohio, or any other bank or business place in Allen County or Ohio.

Yours very truly,

FLOYD F. GOOD,
Route No. 6, Lima, Ohio.

Would appreciate a reply to these suggestions.

Mr. WHERRY. Next, Mr. President, let me say that I think all these things should be done, not by way of subsidies but by the application of the profit-motive incentive. I can state briefly the situation regarding subsidies, and Senators will learn more about it from the hearings which will be held before the Committee on Small Business. Once the subsidy is established, it enters into the price of the product. When the subsidy is removed, either the consumer or the producer must absorb it. Today the subsidy on a thousand-pound steer is $51.60. I tell the Senate that the cattlemen in New Mexico, Oklahoma, Kansas, Colorado, Wyoming, Montana, and the cattle-producing States who have the large herds of cattle simply do not know what will happen tomorrow. If the subsidies are removed and if the subsidy program is terminated tomorrow, either the consumers or the prdoucers must absorb the subsidies. I am sure the cattlemen feel—and I believe they are correct in thinking so—that the producers will be the ones who will have to absorb the subsidies. Whenever subsidies are commenced and then later removed, the whole economy is unstabilized, and it is very difficult to avoid wrecking the industry and it is extremely difficult to get the industry back on a profit-motive and profit-incentive system. But what we must do is arrange to get cattle into the feed lots in this country.

Mr. President, another basic commodity of which our country is short is sugar. I come from a sugar-producing State. It is generally recognized that the sugar situation in the United States is the most critical in our history. Thousands of tons of precious foodstuffs are going to waste because housewives of the Nation have been unable to obtain adequate supplies of sugar for canning. Thousands of business enterprises which manufacture products in which sugar is an essential ingredient are faced with the prospect of closing their doors because they cannot obtain sugar in quantities sufficient to carry on economic operations.

Even the possibility of rationing bread, the most common of all our foods, has been seriously discussed in some sections of the country.

The gravity of the problem can scarcely be exaggerated. The new Secretary of Agriculture, Mr. Anderson, in full realization of what lies ahead, has announced his intention of bringing about every possible means of securing relief. What are the prospects?

Because of the unwise national policies which we have pursued over the years—very unwise, I think—we are forced to depend on Cuba for a substantial part of our needed sugar supplies. In return for some of the favors we have showered on that island—including the favor of independence itself—it might be anticipated that Cuban sugar producers would do their utmost to carry us through the period of stringency. Unfortunately, that seems not to be the case.

Cuban producers apparently have changed but little since 1920 when, in another period of sugar shortage, they jacked up the price to 25 cents a pound and made an enormous "killing" at the expense of the American consumers.

If the Cubans have changed at all they have changed only to the extent that they now intend to spread another "killing" over a period of years, rather than taking it all in 1 year.

Mr. President, here are the facts:

First. For the 1945 crop of Cuban sugar, Commodity Credit Corporation hiked the price from $2.65 a hundred pounds, raw value, to $3.10, or an increase of 45 cents.

Second. For the 1946 and 1947 crops the Commodity Credit Corporation has offered to pay $3.45 a hundred, an increase of another 35 cents a hundred, and to make other valuable concessions to Cuba.

Third. This generous offer was contemptuously rejected by the Cubans. They demanded $4.50 a hundred pounds.

But that is not all, Mr. President, there are other demands which the Cubans have made. I shall not take time to talk about them, but I ask unanimous consent that there be printed at this point in the RECORD as part of my remarks a newspaper article and an editorial from the Denver Post of June 26, 1945, and June 27, 1945, respectively.

There being no objection, the article and the editorial were ordered to be printed in the RECORD, as follows:

CUBA REFUSES UNITED STATES OFFER FOR SUGAR OUTPUT

HABANA, CUBA, June 26.—Cuba will not sell to the United States her total 1946 sugar output, estimated at 4,000,000 tons, at 3.45 cents per pound, and consequently, Monday rejected an American offer at that price recently made by Earl Wilson, chairman of the sugar-purchasing division of the Commodity Credit Corporation during his visit here last week.

The Cuban Government will demand 4½ cents per pound plus a series of important concessions. By a unanimous vote the National Sugar Mill Owners Association and the National Association of Cane Planters Tuesday officially notified President Grau San Martin of their rejection of the offer. Wilson, after spending a week in Cuba surveying the country's suger output possibilities for 1946, returned to Washington, D. C., a few days ago and before leaving made the formal proposition which was rejected Tuesday.

His offer, in full, follows:

1. Washington offers to guarantee the purchase of the 1946 output alone, providing it does not exceed 4,000,000 tons, at 3.45 cents per pound.

2. Cuba must pledge not to sell over 25,000 tons to countries outside the United States.

3. Cuba must limit segregation of sugar for home consumption to 250,000 tons.

4. The United States will maintain for another year the present ceiling prices for lard, rice, and wheat flour imported by Cuba from the United States but the subsidy now paid by Washington to American exporters of flour to Cuba is discontinued.

5. The United States, in 1946, will buy exactly the same amount of molasses and alcohol as it bought in 1945 and at the same prices paid for these commodities this year.

COUNTER DEMANDS MADE BY CUBA

Cuba's demands, as voiced by the organizations which rejected Wilson's proposals, are:

1. The United States must guarantee Cuba the purchase of 85 percent of the total output of her sugar industry during the next 5 years (1946, 1947, 1948, 1949, 1950) at a price equal to that paid by Washington for sugar received from Puerto Rico producers.

2. The United States must guarantee Cuba that during the postwar era Washington will follow a world sugar policy, guaranteeing Cuba a permanent place in, or participation in the American sugar market of not less than 3,000,000 tons per year at a price to be determined by free offer and demand.

3. Assurance from the United States that the present prices paid by Cuba for American rice, lard, jam, bacon, pork, and its byproducts; corn meal, wheat flour, shoes, lumber, and machinery will not be increased.

4. Assurances that Washington will help Cuba at once in the expansion of her sugar industry, shipping without much delay much needed chemical fertilizers and needed agricultural implements, especially tractors, plows, and rakes, as well as mill machinery and repair parts for mills.

LONG-TERM CONTRACT SOUGHT

5. Assurances from Washington that once Cuba increases her industry to full capacity—5,500,000 tons—which, with the help of the United States she can achieve by 1947, the United States will guarantee the absorption of the entire output at a price fully covering the cost of production plus a fair profit for at least 5 years.

6. Signing of a purchase and sales pact for the 1946 output before December 31, 1945 (Mill owners and cane planters complained that the contract for the 1945 sales was signed last April, weeks after the mills had finished their grinding quotas, bringing about dissatisfaction and discouragement and seriously affecting this year's output as numerous mills closed prematurely and without completing their assignments when Washington refused to pay more than 3.10 cents per pound. They charged that this price was absorbed by the cost of production and the increase in living costs, leaving sugar producers with such a small profit that they decided to shut down their mills and discontinue the manufacture of this commodity, thus aggravating the sugar scarcity.)

According to reports from Habana, the Cubans have turned down the offer of the United States Government for their 1946 sugar crop, which is estimated at 4,000,000 tons. They are not satisfied with the price of 3.45 cents a pound offered. They want 4½ cents. And they want to attach to any sale a lot of conditions which would assure the prosperity of their cane-sugar industry

for several years to come. Apparently, the Cubans think they have us over a barrel.

Among the Cuban demands is one that the United States guarantee the purchase of 85 percent of their total sugar production for the next 5 years at a price equal to that paid Puerto Rico producers. They want assurances the United States will help them immediately to expand their sugar production by shipping them fertilizers, farm machinery, and mill equipment. On top of that, they demand that after they attain capacity production of 5,500,000 tons of sugar annually, the United States will guarantee them a market for at least 5 years for all their sugar at a price covering cost of production plus a fair profit.

The answer to these Cuban demands should be the immediate adoption by the United States of a policy of promoting the greatest possible expansion of American beet- and cane-sugar production. The Cubans got away with a sugar "hold up" just after World War I when they boosted sugar prices sky high. They seem to think they can gouge us again.

With the cane sugar which we can get from the Philippines, Hawaii, and Puerto Rico after the war, there isn't any reason why our beet-sugar production, plus cane sugar produced in Louisiana and Florida, can't be increased enough to take care of all our requirements. As a matter of common sense, our own farmers should be allowed and encouraged to raise all the sugar beets and sugarcane they can. Every acre devoted to sugar beets will be an acre taken out of the production of other crops which will be surplus soon after the war ends.

Mr. WHERRY. The Cubans have also demanded:

First. That the United States guarantee the purchase of 85 percent of Cuba's total production in each of the next 5 years—1946, 1947, 1948, 1949, and 1950. In other words, the Cuban producers want the United States to issue them an insurance policy underwriting production in a period long after the sugar shortage has ended.

Second. That the United States guarantee them in the postwar period they shall have a market in the United States for 3,000,000 tons of sugar each year. That is 1,000,000 tons a year more than Cuba could market in this country under the terms of the Sugar Act of 1937.

Third. That after they have expanded their production, the United States must guarantee them for at least 5 years, and for all their sugar, a price which will give them the cost of production and a fair profit.

Mr. President, these are all outrageous demands, and Secretary Anderson is right in resisting them.

The fact of the matter is that the Cuban sugar industry has made unconscionable profits since the beginning of the war, in contrast to the profits which have been made in domestic areas.

At this point I ask unanimous consent to have printed in the RECORD as a part of my remarks a statement concerning the earnings of 10 Cuban raw-sugar companies during the fiscal years ending 1938–44.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Earnings data, 10 Cuban raw-sugar companies,[1] fiscal years ending 1938–44

Fiscal year ending—	Average net worth at beginning and end of fiscal year	Net income before income taxes		Net income after all charges
		Amount	Percent of average net worth	Amount	Percent of average net worth
1938	$37,630,838	$58,857	0.2	[2] $176,327	0.4
1939	37,051,075	1,560,574	4.2	1,156,381	3.1
1940	36,794,956	[2] 425,813	[2] 1.2	[2] 671,481	[2] 1.8
1941	36,915,910	3,902,200	10.6	2,991,105	8.1
4-year average		1,273,954	3.4	824,920	2.2
1942	42,177,083	15,535,697	36.8	11,621,732	27.6
1943	46,830,974	3,232,627	6.9	1,907,296	4.1
1944	52,351,167	19,205,611	36.7	13,372,221	25.5
3-year average		12,657,778	26.8	8,967,114	19.1

[1] These companies, representing about 25 percent of the Cuban raw production, are: Antilla, Central Violeta, Cuban-Atlantic, Francisco, Guantanamo, Manati, Punta-Alegre, Vertientes-Camaguey, and Vicana.
[2] Deficit.
Source: Farr's Manual of Sugar Companies and Moody's Manual of Industries.

Mr. WHERRY. Mr. President, in the period 1938 through 1941—the years immediately preceding the war—10 representative Cuban producers of raw sugar had average earnings of $824,920 after all charges, which was slightly more than 2 percent of their average net worth.

For the three war years, 1942, 1943, and 1944, these same companies had average profits after all charges of $8,967,114, which is equivalent to more than 19 percent of their average net worth. To put it another way, these companies in 1944 earned $13,373,221 as compared with $824,920 in the prewar period, so earnings have gone up fifteen fold.

And yet the Cubans are not satisfied. They demand a still higher price for their sugar, and a guaranty that these inflated earnings continue long after the war has been fought to a successful conclusion. The word is avarice.

We as a Nation, fortunately, are not completely and entirely at the mercy of the Cuban producers. We have in this country a sturdy domestic sugar industry which has demonstrated its value in time of peace, and now, for a second time, is demonstrating its value in time of war.

The competition which the domestic industry offers to the Cubans is the best possible assurance of reasonable price levels for sugar.

The beet-sugar industry in the United States in 1945 will produce almost 30 percent more sugar than it did in 1944, and if a satisfactory production program is offered to growers we can look forward to still greater production next year.

As I have said, in 1943 the sugar growers produced on 554,000 acres. In 1944 they produced on 715,000 acres. The average number of acres for a period of years was 800,000. The reason we lost our production was because of the incentive which was paid for the production of other crops, notably tomatoes at $27 a ton and spuds at $56 a ton, resulting in taking a great deal of sugar out of production. I may also say that the amount of labor is less in connection with growing tomatoes and spuds than in growing sugar beets.

Secretary Anderson, in a number of public statements, has announced his determination of getting the maximum production of beet sugar in 1946. Speaking recently before the Advertising Federation of New York City, Mr. Anderson said:

> Our only hope right now is in increased production in continental United States. If the American farmer breaks his back and gives it to you, will you forget him if he needs protection in 1947?

The American sugar farmer must not be forgotten. He must be given every opportunity and encouragement to produce to the utmost to protect our consumers against arrogant Cuban interests.

The beet-sugar industry has made, and is making, at least four distinct contributions to the wartime sugar supplies of the Nation:

First. In 1942 when acute shortage of sugar developed along the Atlantic seaboard it was the shipments of beet sugar from the Western States which brought relief to metropolitan areas such as Philadelphia, Baltimore, New York City, and Boston.

Second. If it had not been for the existence of the beet-sugar industry in the West, the area from the Mississippi to the Pacific coast would have experienced a sugar famine, not a sugar shortage, because of the limited cane-sugar-refining capacity along the seaboard and the shortage of transportation facilities.

Third. A substantial part of the sugar extracted from the growing crop of beets will be marketed in the last quarter of this year, and thus will bring some measure of relief from the present shortage. Sugar from the growing crop in Cuba cannot reach our markets until the early part of 1946.

I hope Senators will give heed to that statement. Here the price of sugar is about to be increased 50 cents a hundred pounds. Yet it will be impossible to bring sugar into this country for a year and a half. The only place in which there may be an increase in sugar production is in the sugar-beet areas of this country. If there shall be provided an incentive comparable to what has been provided in connection with the production of other crops it will result

in a greatly increased production of sugar in this country. What are the sugar-beet men asking for? Only $15.50 a ton. That is all. The prospects are that there will not be an increase allowed them of more than $1 a ton.

Fourth. Next year's crop of sugar beets will be the only new crop of sugar which can be distributed in 1946, and the industry will thus make a further contribution to the easing of the sugar shortage. Sugar beets mature in 6 months. Sugarcane requires from 12 to 22 months to reach maturity. New plantings of cane, as a consequence, cannot be counted on to produce sugar until 1947 at the earliest.

Fifth. Another aid that the sugar producers of the United States must have is an abundant labor supply:

(a) It can come from the importation of outside labor.

(b) There should be some aid from a reduction in the draft quotas. It is high time that the Congress of the United States looked into the hoarding of manpower within the United States Army.

What is the benefit which will result from an adequate increase in the price of sugar? It is twofold. In the first place, we will get sugar. In the second place, we will get beet tops and beet pulp which put fat on steers. I wish to state what actually happened only recently. There are six large industries in my section of the country. A man to whom I was talking told me that over an average of 12 years each of those industries had fed an average of 9,000 steers and 90,000 lambs. I was told that it could be verified by the Agricultural College of Colorado that the sugar beet tops and beet pulp from 1 acre of beets will put 300 pounds of fat on a steer. If it will do that, it is more than the average acre of corn will put on a steer in Nebraska.

Mr. President, I have gone into this matter in considerable detail, and I thank the Senate for being patient with me.

THE ARMY DRAFT

Mr. President, last Saturday—July 28—General Hershey announced that he will continue to draft young men after VJ-day. There must have been considerable indignant reaction to his announcement because on Monday Selective Service explained that the General was just making a prediction and was not necessarily acting on War Department advices. Later along in its statement Selective Service was reported to have said that continued drafting was "entirely possible."

Mr. President, statements like these have a familiar ring. They are something like trial balloons—a technique of testing public opinion which has become all too common in recent years.

Many people will remember that it was this same General Hershey who announced in a speech at Denver last August that "It is cheaper to keep men in the Army than it is to set up an agency to take care of them when they are released." When public opinion was aroused over that bright idea and when it threatened to become an issue in the late campaign, it was hastily explained that General Hershey was only an administrative officer and did not speak with authority.

Nevertheless, Mr. President, certain sections of the administration have not lost sight of the bright idea that it is cheaper to keep men in the Army than to solve the problem of employment in a peacetime economy. Many of these same people also see in the continued drafting of young men a simple, if indirect solution of their aim to bring about compulsory military training without having Congress pass on the merits of the question.

These twin ideas for keeping men in the Army have not been abandoned by these sections of the administration even though Congress has definitely written the contrary into law.

It was the National Resources Planning Board that reported:

> The economy and social costs of retaining men in the services would be less than those involved in dealing with an unemployment depression through civilian relief.

As long ago as January 1944 Secretary of the Navy Knox had said in a public address:

> I believe thoroughly that one of the best measures we can take * * * is to require that every boy, when he attains the age of 17 or 18, shall be required to spend at least 1 year in training on land or at sea.

And Secretary Knox said further:

> Now is the time to begin agitation for such a system of training.

And now comes this statement of General Hershey's that drafting will go on after VJ-day.

Mr. President, developments like these are all of a piece and a pattern by which issues have been foreclosed time and again without Congress having a chance to pass on the merits of them.

Congress is on record—S. 2051, demobilization bill—with a clear section in the law prohibiting the holding of men in the armed forces "for the purpose of preventing unemployment or awaiting opportunities for employment." It is also on record for having extended the Selective Service Act only to May 15, 1946. But General Hershey boldly stated last Saturday that "we plan to continue drafting 100,000 men a month until July 1946."

The laws of Congress do not seem to amount to much in the eyes of these New Deal administrators. We have seen that happen time and again in other departments of our Government. These administrators will always find an excuse—some obscure little clause stuck off in the preamble of a law—to justify their doing the exact opposite of what Congress really intended to do.

I serve notice now—on the eve of Congress' recess—that our absence will afford no opportunity for circumvention of the law by such administrative fiat as is contained in General Hershey's statement. We do not intend to have the law on demobilization by-passed by twisted interpretations of statutes. I do not think that the American people will want Congress foreclosed on the important question of military training by indirection through selective service or otherwise; or upon any strained excuse that we have to discharge our military responsibilities and our peace enforcement commitments by maintaining armies all over the world indefinitely. It is time to put an end to Government by administrative fiat and to restore to Congress its constitutional and rightful control over the lives and interests of our people.

I demand now, that during the recess, the War Investigating Committee make an over-all survey of the national manpower situation as it is affected by military service requirements.

AMENDMENT OF BONNEVILLE PROJECT ACT

Mr. STEWART obtained the floor.

Mr. MAGNUSON. Mr. President, will the Senator from Tennessee yield to me for a brief statement of about half a minute?

Mr. STEWART. Mr. President, I ask consent that I may yield to the Senator from Washington not to exceed 1 minute.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Washington may proceed.

Mr. MAGNUSON. Mr. President, I had intended to bring up House bill 2690, on the calendar, a bill to amend the Bonneville Project Act. Certain portions of the bill are very desirable at this time, but one section has been in conflict, as the Senator from Oregon knows, between the Department of the Interior, the Bonneville Authority, and the Attorney General. The Senator and I had both hoped they would solve their difficulties and we could bring the bill before the Senate today, but apparently they cannot solve them without some sort of amendment, which would send the bill back to the House, and, the House not being in session, we shall have to wait until we return after the adjournment, causing a delay of approximately 40 to 50 days.

I know how anxious labor on the Bonneville project is to come under the provisions of the act, but we can assure them we will have the matter settled for them, and before the year is out they will be taken care of, insofar as social security and other matters in which they are interested are concerned. I had hoped we could bring the matter up this afternoon, but I find the parties are still in hopeless conflict. The Senator from Oregon and I would have brought the matter up regardless of the conflict, but there would have been too many Senators who would have objected, and we would have gotten nowhere with the bill at this stage.

PROVISION FOR NEW GOLD COIN TO BE KNOWN AS A GOLD OUNCE

Mr. THOMAS of Oklahoma. Mr. President, on July 18 I submitted an amendment to the bill then being considered—H. R. 3314—which proposed to approve the Bretton Woods Proposals, and my amendment proposed to establish in our monetary system a new gold coin to be known as a gold ounce.

When the amendment was offered, I knew that the managers of the bill would oppose any and all amendments. Also, having had considerable experience with monetary bills and monetary amendments before the Senate, I was, as stated at the time, "under no illusions with re-

spect to the Senate action on the proposal."

It took 10 years of constant work to secure the transfer of the control over money from the so-called big banks of New York and the country to the administration here in Washington.

However, my amendment offered to the Bretton Woods Proposals was one which the so-called big banks should have supported, and I have every confidence that they will support such a proposal in the not-too-far-distant future.

Mr. President, inasmuch as monetary legislation is rarely prepared by Members of the Congress, I made my remarks in support of the gold ounce amendment not wholly for the benefit of Senators, because but few Senators were present, but my remarks were made for the RECORD and for those who may read the RECORD.

Among those who read my remarks was Mr. Herman Everett Gieske, editor of the Parkersburg News, published at Parkersburg, W. Va.

With respect to the proposal, Mr. Gieske prepared and printed a two-column editorial in the July 28 issue of his paper, and I ask unanimous consent to have the editorial printed at this point in connection with my remarks. The editorial is entitled "Mr. THOMAS on Gold."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. THOMAS ON GOLD

A very remarkable change appears to have come over United States Senator ELMER THOMAS, Democrat, of Oklahoma, since those hectic days in 1933 and 1934, when, in an amendment to the agricultural bill, he sponsored an issue of greenbacks at the discretion of the then President, as well as a devaluation measure which in the Senator's own language was intended to transfer wealth from one class of Americans to another, that is to say, from "haves" to the "have nots." In those days Mr. THOMAS unblushingly supported these measures which doubtless would have caused some concern to Thomas Jefferson had he been here to witness it. All of these monetary measures, weird as they may seem in retrospect, failed to produce the desired result of raising the price level. It required a war, as Mr. THOMAS himself has admitted, to reduce the purchasing power of the dollar to predepression days, when so many people had borrowed so many billions on the assumption there would be no end, or even a recession, in the prosperity which then prevailed.

Now we find that Mr. THOMAS has become a hard money man in the sense that he wants us on the gold standard, with a judicious admixture of silver. In that connection he has just made a rather remarkable statement on the floor of the United States Senate, in which he proposed the authorization of a new coin, to be known as a gold ounce, that would have a value of $35. He lost his fight in the Senate, but in our opinion some of those Senators will eventually rue the day they overbore him, should they live to see the ultimate consequences of the Bretton Woods "Big Inch" pipe line which has been set up to accelerate the flow of American money to every nation on the face of the earth.

LORD KEYNES HAPPY

Mr. THOMAS surmised, and we believe him right, that such a gold ounce coin would go a long way toward stabilizing the world's currencies, if their emitters really desired stabilization, for such a gold coin would stand there like the Rock of Gibraltar, eroding, if it eroded at all, only in a most infinitesimal amount, and providing an anchorage against which all money could be tested and measured.

But the eminent Senators, particularly the superspending group, gave very scant attention to Mr. THOMAS' thoughtful presentation of the issue and plumped for the Bretton Woods formula in toto, which must have given its author, Lord Keynes, of Britain, quite a thrill, for he not long ago informed the House of Lords that the Bretton Woods device was just made to order for Britain, and we have no doubt that Lord Keynes, in this respect, is eminently correct. What it will do for America remains to be seen.

Not because we are in agreement with all that Mr. THOMAS says—especially where he remarks that we are still on the gold standard, a statement that appears to come under the heading of a highly technical euphemism—but because it contains such a fund of information as to what has happened to American money, we intend to print Mr. THOMAS' statement in full on this page beginning Monday, and let it continue for several days during the week. We suggest that our readers clip it out and save it for future study, as the money problem is one that is not going to down, but which rather is going to loom as of increasing and even critical importance as the wild prodigality of our lend-lease program begins to dawn upon the public.

We should like to see Mr. THOMAS come out for a genuine gold standard, such as this Nation had for so many years, in which paper money is paid off at the holder's wish in either gold or silver, properly valued. In short, we believe the public is getting tired of inconvertible paper money so far as the ordinary user is concerned and wants to go back to the old and time-tried American standards.

Therefore, by perusal of Senator THOMAS' statement, we believe our readers will have benefited in getting a new glimpse of what is actually going on with regard to the billions of paper money, totally inconvertible except as to overvalued silver, which has been issued during the present war, and which is being used chiefly to facilitate tax dodging and black marketing. It is notable that Senator EDWIN C. JOHNSON of Colorado, likewise is in favor of a return to the full gold standard, with money convertible at the holder's wish.

THE GREAT MYSTERY

It is our humble opinion, for what it may be worth, that abandonment of convertible gold paper was a studied device of the so-called intelligentsia of the early days of the New Deal who in such matters as the Fascist NRA very closely followed the pattern of national socialism; and we know that it is a procedure thoroughly in keeping with the Communist revolutionary tactic to impound gold and deny the people the use of it. Unless our memory is in error, our recollection is that Mr. Stalin himself got his start in just such a manner, astonishing even Mr. Lenin with a quantity of gold accumulated. And it is interesting to note that Soviet Russia alone is excepted under the Bretton Woods and other global pacts from giving an accounting of the gold which may be mined in Russia's vast domain of 8,000,000 square miles of land.

This, of course, is not in any sense intended nor does it imply that Senator THOMAS would knowingly be a party to impoundment of our gold hoard for such purposes. But it is a mystery yet to be solved. It was not necessary. It served no useful purpose. And it has been continued largely because no one seems to care what kind of money we have, notwithstanding we have piled up a debt of nearly a third of a trillion dollars.

* * * * *

We therefore commend Senator THOMAS' recital to our readers, even though we differ with some of his statements, in the hope that it will attract attention to our monetary ills before it is too late. And we may mention that Senator THOMAS was one of the few who fought the recent reduction of Federal Reserve gold requirements from 40 to 25 percent as highly inflationary. But he was overborne on that, too, by Senators who appear to know very much less about money than he does, or at least, in our opinion did not exhibit it on this occasion.

Mr. THOMAS. Mr. President, the editorial did not state clearly my position in one particular, so I wrote Editor Gieske seeking to clarify such issue, and at this point I ask permission to have printed a copy of my letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
August 1, 1945.

Mr. HERMAN E. GIESKE,
Editor, the Parkersburg News,
Parkersburg, W. Va.

DEAR MR. GIESKE: I have your favor of recent date and thank you sincerely for the editorial printed in the July 28 issue of your paper.

I note that you plan to print a copy of the remarks made by me in the Senate upon the amendment proposing to establish in our monetary system a new gold coin to be known as a gold ounce.

I note in the first part of the editorial where you were rather critical of my amendment offered in the Senate and adopted by the Congress in May of 1933 and I believe if you understood the facts—as I understand them—that we would not disagree with respect to the effects of the amendment.

We had the lowest prices, at that time, that I had known in my lifetime. This meant that the dollar had a buying power, as measured by our system of statistics ,of $1.67. This meant that farmers and others had to give up $1.67 of commodities or services in order to secure $1. With such a high valued dollar it brought about the unusually low prices. Our people could not produce and sell their products for enough money to cover costs.

For example, in my State of Oklahoma wheat sold for 19 cents a bushel at Enid. Cotton sold throughout the State for less than 5 cents a pound. Hogs and cattle sold for less than 3 cents a pound and other things in proportion.

My suggestion was to reduce the value of the dollar by taking from such dollar its surplus and excess value or buying power. In order to secure sufficient votes in the Senate to pass the amendment I had to take into consideration four groups or schools of thought, as follows:

One, the Senators from the silver-producing States insisted that the way to bring down the buying power of the dollar and to increase prices was to coin additional silver and place same in circulation to the end that money would become more plentiful and thereby less valuable.

Group No. 2 suggested that the way to reduce the buying power of the dollar was to cut the gold dollar in two, thereby making two in the place of one and thereafter placing the new dollars in circulation.

Group No. 3 contended that the proper way to increase circulation and thereby reduce the value of the dollar was through an additional issue of Treasury notes—greenbacks—and place such notes in circulation.

Group No. 4 was against both the additional use of silver, against the devaluation of the gold dollar and likewise against an increased issue of greenbacks—Treasury notes—and favored an expansion of Federal

Reserve money; hence, in order to secure the support of each group my amendment was drawn to include the recommendations and demands of each group.

For your information, a copy of my amendment, as same was agreed to, is enclosed herewith.

At that time I was not so much concerned as to the kind of money we were to use but rather I was providing a plan to remove the surplus or excess value of the dollar and thereby raise commodity prices.

To the extent that the President used the power conferred upon him the dollar was cheapened and prices were increased. As you know, the President did not issue additional greenbacks and did not provide for the expansion of Federal Reserve money. He did, however, order the Treasury to accept a small amount of silver and did devalue the gold dollar by reducing its size some 40 percent.

Had nothing else been done the plan would have worked as I prophesied it would work, however, the financial crowd, knowing the effects of the amendment, took immediate steps to counteract its effect. Knowing that the administration planned to use additional silver and planned to reduce the size of the gold dollar, the financial experts, in and out of the Treasury, were able to have the President withdraw from circulation all gold certificates which acted to contract the money in circulation and was deflationary.

In addition to withdrawing the gold certificates the administration ordered all gold withdrawn from circulation and impounded in the Treasury.

My bill contemplated the reduction of the size of the gold dollar and then to recoin that portion of gold taken from each dollar and then returning such newly coined dollar into circulation. This bill would have increased the gold dollars in circulation approximately 40 percent. However, the administration, after having called in all gold, did not return any of the gold into circulation so that again the gold devaluation was of itself deflationary.

This is not all. In order to be certain that the silver expansion program and the gold devaluation program would be thoroughly counteracted the wise financial men of the administration had the President call in all outstanding national bank notes. This was another exceedingly deflationary move. However, notwithstanding the influences to counteract the effects of my amendment, prices began to rise immediately after the amendment was introduced and did not stop rising until 1937.

At that time commodity prices were substantially higher. Wheat, in my State of Oklahoma, sold for $1.12 per bushel. Cotton sold for 12 cents a pound and other commodities sold in proportion.

At that time the same financial experts were able to convince the administration that we were on the way to uncontrolled inflation, whereupon the Treasury Department and the Federal Reserve Board took steps to check the rising prices and to bring about a change in the trend so that we had the so-called panic of 1937.

There is ample evidence to convince any student of money that the administration intended to keep the value of the dollar at about $1.30 as measured in property. This means that the price level should be stabilized and maintained at between 70 and 80.

In all my calculations I used the 1926 valued dollar—being 100 cents—and the same price level being 100. In my advocacy of the original amendment I made the statement that I wanted to take out of the bloated and swollen dollar the excess value which meant that I wanted to transfer such value from those who possessed dollars and give such value to those who had to secure dollars with which to meet their pressing obligations.

In my recent speech I made the statement that it took a war to reduce the dollar value to 100 cents and to raise the price level to 100. The question today is what value will be given to the dollar in our reconstruction program. It is my judgment that we will never see prices in this country as low again as they are today. By this I mean that our debts will be so high and the expenses of government—National, State, county, and city—will be so high that in order to meet budget demands prices will have to be maintained high in order to afford the people an opportunity to get sufficient money to pay their taxes in order to keep our several units of government going concerns.

As you print my speech in your publication I shall be glad to have you send me copies of the several issues. Should there be any expense attached please bill me for same.

With all good wishes, I am,

Yours very sincerely,

ELMER THOMAS,

United States Senator from Oklahoma.

PRESIDENTIAL SUCCESSION

Mr. HATCH. Mr. President, I wish to have included in the RECORD a very fine legal and technical statement about Presidential succession. I do not wish to take the time of the Senate today to speak on it, but I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, the statement which I send to the desk.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Article II, section 1, clause 6, of the Constitution provides that:

"The Congress may by law provide for the case of removal, death, resignation, or inability, both of the President and Vice President, declaring what officer shall then act as President, and such officer shall act accordingly, until the disability be removed, or a President shall be elected."

Pursuant to this power, H. R. 3587 and S. 1139 propose to change the present succession law[1] by naming the Speaker of the House and the President pro tempore of the Senate—in that order—as the first and second "officers" in the line of succession.[2] This proposed change raises the following constitutional questions: 1. Is the Speaker of the House or the President pro tempore of the Senate an "officer" within the meaning of that word in article II, section 1, of the Constitution? 2. If so, may either be constitutionally named to act as President?

1. It is legal axiom that in seeking to define a word which appears in a statute or constitution, one must first look to see if that word is defined within the statute or constitution itself. Only in the absence of such an internal definition is one permitted to consult extrinsic aids. We, therefore, turn first to the Constitution itself to seek the meaning of the term "officer."

Article II, section 2, clause 2, provides as follows: "He (the President) shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers, as they think proper, in the President alone, in the courts of law, or in the heads of departments."

Interpreting this provision, the Supreme Court has held in three cases[3] that unless a person in the service of the Government holds his place by virtue of an appointment under article II, section 2, clause 2—that is, by the President or of one of the courts of justice or heads of departments authorized by law to make such appointment, he is not an officer of the United States, in a constitutional sense. Since neither the Speaker of the House nor the President pro tempore of the Senate holds his office by virtue of such an appointment, it would seem that neither can be regarded as an officer, in the constitutional sense. Professor Tucker, concurring in this view in his Constitution of the United States, volume II, stated flatly that, "Neither the President pro tempore of the Senate nor the Speaker of the House of Representatives is an officer of the United States," (page 713) within the meaning of article II, section 1, clause 6.[4]

Other provisions of the Constitution also make it clear that neither the Speaker nor the President pro tempore can be considered officers of the United States. Article I, section 6, clause 2, provides that: "* * * no person holding any office under the United

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[1] The present succession law (24 Stat. 1: U. S. C. 3: 22) passed in 1886 names the members of the Cabinet—beginning with the Secretary of State—as the officers to act as President in the event of the removal, death, resignation, or inability, of both the President and Vice President.

[2] In both H. R. 358, and S. 1169 the members of the Cabinet follow the Speaker of the House and the President pro tempore of the Senate in the line of succession, in the same order as provided for in the present law.

[3] *U. S.* v. *Germaine* (99 U. S. 508 (1878)); *U. S.* v. *Mouat* (124 U. S. 307 (1888)); *U. S.* v. *Smith* (124 U. S. 525, 532 (1888)). In the Germaine case, the Court declared: "The argument is that provision is here made (that is, in art. II, sec. 2) for the appointment of all officers of the United States * * * The Constitution for purposes of appointment very clearly divides all its officers into two classes. The primary class requires a nomination by the President and confirmation by the Senate. But, foreseeing that when offices became numerous, and sudden removals necessary, this mode might be inconvenient, it was provided that, in regard to officers inferior to those specially mentioned, Congress might by law vest their appointment in the President alone, in the courts of law, or in the heads of departments. That all persons who can be said to hold an office under the Government about to be established under the Constitution were intended to be included within one or the other of these modes of appointment there can be but little doubt." In the Smith case, the Court stated: "An officer of the United States can only be appointed by the President, by and with the advice and consent of the Senate, or by a court of law, or the head of a department. A person in the service of the Government who does not derive his position from one of these sources is not an officer of the United States in the sense of the Constitution."

[4] The use of the term "officers" at two other places in the Constitution should be noted. Article I, section 2, clause 5, provides: "The House of Representatives shall choose their Speaker and other officers"; article I, section 3, clause 5, provides: "The Senate shall choose their other officers, and also a President pro tempore, in the absence of the Vice President,". Thus, both the Speaker and the President pro tempore are referred to as officers. However, it seems clear from a reading of those provisions that the Speaker is referred to as an officer of the House and the President pro tempore is referred to as an officer of the Senate; this is something different from an officer of the United States which is the kind of officer contemplated in article II, section 1, clause 6.

States shall be a Member of either House during his continuance in office." Article II, section 3, provides that the President "shall commission all the officers of the United States." Neither the Speaker nor the President pro tempore receive such a commission.

Nor, in a constitutional sense, is either the Speaker or the President pro tempore an officer by virtue of his position as a Member of Congress. This conclusion has been reached by all authorities on the basis of several provisions of the Constitution which clearly distinguish an officer from a Member of Congress. Thus, article I, section 6, clause 2, providing that: "* * * no person holding any office under the United States, shall be a Member of either House during his continuance in office, would be rendered meaningless if a Member of either House were deemed an "officer under the United States." Article II, section 4, declares that: "The President, Vice President and all civil officers of the United States, shall be removed from office on impeachment for, and conviction of, treason, bribery, and other high crimes and misdemeanors." A Member of Congress has been held not to be within the purview of this provision,[5] although the term "civil officers" includes all nonmilitary officers.

Article II, section 3, provides that the President "shall commission all the officers of the United States." A Member of Congress receives no commission from the President. Article II, section 1, clause 2, states that "* * * no Senator or Representative, or person holding an office of trust or profit under the United States, shall be appointed an elector." The Fourteenth Amendment, section 3, also takes cognizance of the constitutional distinction between a Member of Congress and an officer. It provides that: "No person shall be a Senator or Representative in Congress, or elector of President and Vice President, or hold any office, civil or military, under the United States, or under any State, who, having previously taken an oath, as a Member of Congress, or as an officer of the United States, and so forth." An Attorney General of the United States once stated in an opinion to the President that "These clauses show a marked discrimination between Members of Congress and officers; the latter term in the sense in which it is there (in the Constitution) used, not including legislators.[6] He goes on to say in that opinion, that: "In the penal legislation of Congress a like discrimination is made"; and points out several examples of that discrimination.[7]

Professor Tucker, in concluding that a Member of Congress is not an officer in a constitutional sense, states, inter alia, that: "Nowhere in the Constitution is a Senator or Representative spoken of as an officer of the United States, or even as an officer at all."[8] On the other hand, as we have seen, the word "officer" is frequently employed in the Constitution and in a manner which necessarily excludes a Member of Congress from its purview. Judge Story, in his famous work on the Constitution, arrives at the same conclusion.[9]

On the other hand, it is true that in many statutes the word "officer" covers Members of Congress. Thus, as stated by the Attorney General,[10] "provision is made for administering an oath of office to the Member of both Houses of Congress (secs. 28 and 30, Rev. Stat.). So the words 'every person elected or appointed to any office of honor or profit, either in the civil, military, or naval service,' employed in section 1756, Revised Statutes, which prescribes an oath of office, includes Members of Congress. So in section 1786, which provides that whenever any person holding office, except as a Member of Congress, etc., the station of Member of Congress is distinctly recognized as an office." And in *Lamar* v. *United States* (241 U. S. 107), the Supreme Court held that a Member of Congress is an officer of the United States within the meaning of section 32 of the Penal Code. But the word "officer" in those statutes has been employed in a broader sense than the technical and narrow one fixed by the Constitution. In the Lamar case itself, the court, recognizing the distinction between the technical use of the word "officer" in the Constitution, and its ordinary broad meaning, declared that: "The issue here is not a constitutional one, but who is an officer acting under the authority of the United States within the provisions of the section of the Penal Code under consideration." In *United States* v. *Gradwell* (234 F. 446), the Circuit Court notes the distinction made by the Supreme Court in the Lamar case between the scope of the word as used in the Constitution and is customary broader coverage.[11] It is therefore irrelevant that many statutes and all dictionaries employ the word "officer" in a sense broad enough to cover the Speaker, the President pro tempore, and other Members of Congress. Our problem is to determine the scope of the word as used in the Constitution. Since the word is defined within the Constitution we may not consult those extrinsic aids.

The House Committee on the Judiciary makes the following statement regarding the constitutionality of the proposed succession law: [12]

"In designating the Speaker as the 'officer (who) shall then act as President' in the contingencies described in the Constitution, the bill resembles the original statute governing succession to the Presidency. That statute, enacted by the Second Congress on March 1, 1792, provided that in the contingencies stated 'the President of the Senate or, if there is none, then the Speaker of the House of Representatives for the time being, shall act as President until the disability is removed or a President is elected.' This statute remained in force almost a century until 1886, when the present law was enacted. The act of 1792 thus represents a construction by an early Congress, whose views of the Constitution have been long regarded as authoritative, of the provisions empowering Congress to designate the 'officer' who shall act as President. The act of 1792 reflects also a long-continued acquiescence in the construction of the Constitution under which the Speaker and the President pro tempore of the Senate are deemed to be officers within the meaning of the article."

The committee thus relies upon the following two arguments to support the constitutionality of the bill:

(a). The bill was passed by the Second Congress whose views on the Constitution have been long regarded as authoritative.

(b) The act remained in force for nearly a century, thereby reflecting a long-continued acquiescence in its constitutionality.

With respect to the first argument, it may be said that, while the views of the Second Congress on the Constitution ought to be given serious consideration, they are certainly not to be deemed conclusive. It must be remembered that the Supreme Court found an act of the First Congress unconstitutional. *Marbury* v. *Madison* (1 Cr. 137, Feb. 24, 1803). Also, it is a matter of history that the original succession law is the offspring of a rivalry existing at the time between Mr. Hamilton, who was then Secretary of the Treasury, and Mr. Jefferson, who was then Secretary of State; that it is the product of the personal and political animosities of that hour rather than one of deliberate judgment of the Congress that passed it."[13] Madison, himself at the time the Act of 1792 was first proposed, quesioned its constitutionality on the theory, (inter allia, that the Speaker and the President pro tempore are not officers of the United States.[14]

With respect to the argument that there had been, in 1886, nearly a century of acquiescence in the constitutionality of the act of 1792, it may be said that there was no acquiescence in any real sense, since there was never any occasion to invoke the law. In this regard, a statement of Professor Tucker, made shortly after the Succession Act of 1886 was passed, is illuminating. He states: "Congress in 1792 provided that the President pro tempore of the Senate should act as President, and if there were none, then the Speaker of the House of Representatives should act as President. By a late law this has been changed, and it would seem on good reason. Neither the President pro tempore of the Senate nor the Speaker of the House of Representatives is an officer of the United States."[15] Indeed, the debates on the proposed Succession Act of 1886, both in the Senate and in the House, reflect a widespread doubt as to the constitutionality of the act of 1792[16] based, in large part, upon the scope of the word "officer."

2. However, even if the Speaker and the President pro tempore of the Senate are deemed to be officers of the United States, there remains considerable doubt as to whether they may constitutionally be named to act as President.

When upon the happening of one of the contingencies described in article II, section 1, clause 6, an officer of the United States acts as President, that officer does not surrender his office, but rather performs the duties of President as additional functions. Thus, for example, if the Secretary of State should be required to act as President, he would also continue to be the Secretary of State. This fact, not generally known, is stated in Madison, who declares that the performance of the duties of President by an officer pursuant to article II, section 1, clause 6, is "an annexation of one office or trust to another office," and that the original office of the person who acts as President is the

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[5] 17 Op. Atty. Gen. 419 (1882); *Blount case.*

[6] 17 Op. Atty. Gen. 419.

[7] See, for example, the second, third, and sixth sections of the act of February 26, 1853, chapter 81. That the words "any officer of the United States," found in the second section of that act do not include Members of Congress, is manifest from the enactment of the third section, in which they are specially designated. In the sixth section the same words are used in a similar restricted sense. Compare, also, sections 1781 and 1782, sections 5450 and 5451, and sections 5500 and 5501, Revised Statutes. "In legislation of this character," declares the Attorney General, "the word officer appears to be uniformly employed in a sense not more comprehensive than that in which it is employed in the Constitution * * *; that is to say, not in that broad and general sense which would include members of the legislative branch of the Government."

[8] Tucker, Constitution of the United States, vol. 1, section 199.

[9] Story on the Constitution, vol. I, 5th ed., p. 577; also sec. 733.

[10] 17 Op. Atty. Gen. 419.

[11] In arguing in support of the proposed succession law on the floor of the House, Representative SUMNERS, of Texas, relies upon the Lamar case to prove that a Member of Congress, and therefore the Speaker and President pro tempore, is an "officer," in a constitutional sense. CONGRESSIONAL RECORD, vol. 91, No. 130, p. 7022, June 29, 1945.

[12] 79th Cong., 1st sess., House of Representatives, Report No. 829, June 27, 1945.

[13] CONGRESSIONAL RECORD, vol. 17, pt. 1, 49th Cong., 1st sess. Statement of a Mr. Ryan based upon material in the Life and Times of Madison, p. 223.

[14] 1 Madison's Papers, pp. 548–549.

[15] Tucker, Constitution of the United States, vol. 2, page 713.

[16] CONGRESSIONAL RECORD, vol. 17, pt. 1, 49th Cong., 1st sess., pp. 180–182, 214–225, 248–252, 664–680, and 684–695.

"substratum of the adventitious functions."[17] Edward S. Corwin, the contemporary constitutional authority, has recently restated this proposition.[18]

Thus, under the proposed succession law, the Speaker of the House or the President pro tempore of the Senate would be called upon to perform the duties of President in addition to the functions of his own office. This arrangment is subject to the following constitutional objections:

a. Our Federal Government is founded upon the theory of a separation of the legislative, executive, and judicial powers. The performance of the duties of the Chief Executive by a member of the legislative branch would constitute a clear violation of that theory.

b. Either House may expel one of its Members for cause. Hence, for proper cause, the acting President of the United States might be expelled and thus deprived of his office as Senator or Representative, as the case may be. Then, the Presidential annex, lacking its substratum, would fall and the Government would then have been deprived of its President by the Senate or the House, as the case might be, acting pursuant to their own rules regarding the conduct of their own members. But the President can only be removed pursuant to article II, section 4. This article would thus be rendered nugatory.

c. The Speaker and the President pro tempore hold their positions at the pleasure, respectively, of the House and the Senate. Thus, if it happened that the Speaker or the President pro tempore was acting as President, it would lie within the power of the House or Senate, as the case may be, to change the acting President at its pleasure.

And it is probable that there are other improprieties to be found in the commingling of the legislative and executive functions.

The House bill, but not the Senate bill, seeks to cure these objections by providing that the person acting as President shall resign his office. But this provision, as we have seen, would not accomplish its purpose. The office, by virtue of the holding of which the officer qualifies to act as President, is the substratum of the adventitious functions. The officer must continue to hold that office in order to continue to qualify to act as President. If the person who holds the office by virtue of which he qualifies to act as President is removed from that office, then he no longer qualifies to act as President. It is the office, not the officer, that is the substratum of the adventitious functions, for the performance of the duties of President is an annexation of one office or trust to another office. The House bill proceeds upon the erronous theory that the person who holds the qualifying office at the time he is to begin to discharge the powers and duties of President, obtains a vested right in the office of "acting President."

NATIONAL EMPLOY THE PHYSICALLY HANDICAPPED WEEK

Mr. KILGORE. Mr. President, some time ago there was called during the consideration of bills on the calendar by unanimous consent House Joint Resolution 23, to establish the first week in October of each year as National Employ the Physically Handicapped Week. At that time the junior Senator from Vermont [Mr. AIKEN] objected. After the call, I asked him if he had any real objection, and he said no, that he objected to all bills establishing various weeks; but he stated he would withdraw the objection to this particular joint resolution.

Inasmuch as the first week in October will be the week observed if the bill shall be enacted, I ask unanimous consent that the joint resolution be considered and passed at this time.

Mr. WHITE. Mr. President, did the Senator say that the Senator who voiced objection before had withdrawn his objection?

Mr. KILGORE. The Senator from Vermont withdrew his objection in personal conversation with me 4 or 5 days ago.

The PRESIDENT pro tempore. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 23) to establish the first week in October of each year as National Employ the Physically Handicapped Week.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution was considered, ordered to a third meeting, read the third time, and passed.

DISPOSITION OF SURPLUS PROPERTY

Mr. STEWART. Mr. President, in view of the colloquy which took place on the floor of the Senate this afternoon between the Senator from Kentucky [Mr. BARKLEY] and me concerning the Surplus Property Board, I wish to make a short statement I have prepared which gives my views on the subject of a central inventory and a central control, of surplus property.

The Senator from California [Mr. DOWNEY] is not in the Chamber at the moment, but I believe he thought that perhaps I meant to be a little critical of some of the members of the Surplus Property Board. I hasten to say now, this being my first opportunity since the Senator intimated his thought to me, that I did not mean to be critical of the members of the Board, because I think that within their limitations they have done a good job—and when I say "their limitations," I mean limitations imposed by law. We did not give them the authority they should have. I think the question of an inventory is one of policy, one they have not yet determined, but I think they should determine it.

Mr. President, I desire to call attention to a situation which I fear threatens a worse postwar scandal than the Teapot Dome scandal which rocked our Nation after the First World War. I refer to the policies followed in the disposal of surplus goods which are estimated in total at over $100,000,000,000. We may be sure that the voters will hold Congress responsible for any scandals which result from the disposition of this huge stock of goods. Therefore, it behooves us to watch its disposal as closely as possible.

For some time now, the Surplus War Property Subcommittee of the Senate Small Business Committee has been investigating policies in the disposal of surplus consumer goods. We have tried to make sure that small business would get an even break in surplus disposal so that it might overcome some of the handicaps of increased concentration that have arisen during the war.

Accordingly the bill which our subcommittee drafted and which was passed with a good many amendments by the Senate provided protection for small business against discrimination in the sale of surpluses and certain positive aids to small business in acquiring such surpluses including liberal credit terms in their purchase.

Recently our subcommittee has been looking into the disposal of surplus machine tools and we find that these aims of Congress are being flouted. Machine tools are the bone and sinew of all production in the metalworking industry. Every plant be it large or small in the metalworking field needs up-to-date machine tools if it is to compete with its rivals. The Government owns a tremendous stock of these machines—about 15 years' normal peacetime production.

So, Mr. President, there is ample opportunity to make certain that small business is given an excellent chance to equip its plants with these new and modern machine tools. In this way small business could replace their worn-out machine tools which hang like a millstone around their neck in the race against their larger competitors.

Instead of helping the small businessman we find that procedures being followed by the RFC and the Army and others favor big business and make it next to impossible for small business to receive an adequate supply of tools now when they are needed or even knowledge of where such tools may be found. The Government holding of machine tools constitutes the greatest stock of this equipment ever accumulated in the hands of one owner. Yet I have talked to small businessmen who cannot obtain the few machine tools that they need to start civilian production from these tremendous holdings. The SWPC has almost 1,000 requests and cannot locate 5 percent of that many tools. The only sales campaign, if it can be called that, which has been undertaken so far, is to sell tools to the war contractors who now hold them. When it was first announced the Surplus War Property Subcommittee, which I head, was inclined to support this plan. Certainly it made a lot of sense to sell tools to those war contractors who already had them in their plants; otherwise many such tools would have been removed from the plant to a warehouse and sent right back to the plants they had come from.

It looked like the sale of tools to the present possessors would speed reconversion and reduce the period of unemployment associated with it. Many small plants, as well as large plants, had such Government-owned equipment in their possession and would benefit by this policy. However, this regulation has not worked out as planned. Recently it come to the attention of my subcommittee that sales of several million dollars' worth of tools to a large concern was planned. Under a Surplus Property Board regulation—regulation No. 6—which, incidentally, is a "cute" regulation, the RFC proposed to sell hundreds of valuable machine tools, each of which had cost the Government several thousand dollars, to General Motors and its subsidiaries—claiming that other such tools were available from the general Government surplus to those small concerns which had no such tools.

[17] 1 Madison's Papers, pp. 548–549.

[18] CONGRESSIONAL RECORD, vol. 91, No. 139, p. A3415.

However, a check of the Government surplus listings showed that most of these tools could not be purchased from surplus and that new tools could not be obtained from machine-tool builders in less than 6 months. If this sale goes through, it means that General Motors will be assured a head start in reconversion, while many small businesses will be left to search as best they can for the tools with which to produce—a process which is equivalent to groping in the dark for them.

The one big reason why this policy cannot be equitable at the present time is that the Government has no inventory of its holdings. Yet, Mr. President, the Government, which owns billions of dollars' worth of machine tools, representing 15 years' normal production, cannot tell exactly what it owns. Neither the Surplus Property Board nor any disposal or owning agency has established a centralized inventory of Government-owned machine tools.

Nowhere in the United States can one obtain a list of the number, kind, and type of machines which the Government owns. Only by an involved process of telegraphing the regional offices of the RFC is it possible to determine whether a given kind and type of machine is available from surplus. The situation is even more hopeless if the small businessman is attempting to find out what tools are likely to be surplus in the near future. The bulk of machine tools are still in war use, though many of them are becoming surplus rapidly and many are in plants whose contracts are known to be ending within a short time. Yet, we were told the other day that detailed information on such tools could be obtained only by referring to the records of the more than 4,000 plants where tools owned by the RFC are located, as well as the scores owned and operated by the War and Navy Departments.

The only central list which is maintained is one which lumps broad classes of tools together so that the total may include both giants and dwarfs with no one the wiser. Here, indeed, is a foreboding jungle of unknowns for the small businessman to enter. Unlike the large corporation, he can hire no experts to constitute a searching party to penetrate this wilderness and find for him the machine tools he needs in his business, and it begins to look as if a planned effort is being put forth to keep small business in the dark.

Can you imagine, Mr. President, a large business sales organization such as Sears, Roebuck attempting to sell its goods without having an accurate inventory of the things which it owns? Yet, here is the Government of the United States with the largest stock of merchandise ever accumulated and with no accurate knowledge of its nature or its whereabouts. It would almost appear as if it is intended that the Government's left hand must not know what its right hand is doing.

The policy of sales to contractors in possession is presently unsatisfactory. It can be a good policy if first, there is an accurate detailed central inventory of the Government's holdings of machine tools; second, if inventory is used to assure prompt reporting as surplus of all idle machines; third, if sales are made to contractors in possession only when it is clear that the same tools will be available to nonpossessors either immediately or within the near future.

Many of the difficulties which we have discovered in the disposal of machine tools would be overcome if there were one single disposal agency as called for in the amendment which I recently submitted.

At the present time the Army and its several divisions, the Navy and its many bureaus, the Maritime Commission, and the RFC are all engaged in the sale of machine tools. Under these circumstances it is not suprising that the Surplus Property Board does not have the control necessary to assure the fulfillment of the objectives set forth in the Surplus Property Act.

I think this situation demonstrates the urgent need for Congress to act on the amendment which I have submitted and to establish one disposal agency which sets the policy and carries it out and keeps one central inventory.

Also, this situation demonstrates the foolishness, the impossibility of the Government in business.

INTERSTATE COMMERCE CLASS RATES

Mr. President, I wish now to make a statement concerning interstate commerce class rates.

Now that the tumult and shouting over the ICC's class rate decision have subsided let us analyze the situation. The Commission has said that freight rate discriminations exist favoring the East against the South and the West, and such discriminations being unlawful, it intends to do something about them. It made a down payment on these intentions by ordering a 10-percent cut on all class rates in the South and the West and an increase of like amount for those in the East. The decision is momentous. It is momentous, if not for freight rate equalization realized, at least for acceptance of the principle that discriminatory freight rates between sections of the country are unlawful. It is further important because it has officially established the fact that freight-rate discriminations between the territories exist. These are developments of historic significance to the South and the West and indeed to the Nation as a whole. The discriminatory system of rates which we have been laboring under for decades was not only a practical obstacle but grew to be a psychological hazard for the development of the South and the West. The action of the Commission has established the new principle—has breached the freight-rate barriers that so long served to maintain these great sections of the country in colonial status to the industrial East.

It remains for us now to make full use of the fruits of our victory, and it behooves us to take stock, not only of what we have achieved, but of what we must do actually to put freight rate equality between South, West, and East into effect. Now that the decision of the Commission has been announced clouds are gathering on the horizon.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. STEWART. I yield.

Mr. JOHNSTON of South Carolina. I am glad to hear the Senator from Tennessee bring to the attention of the Senate and of the United States the question of freight rates. Back in 1934 the southern governors met in Atlanta, Ga., and at that time started the freight-rate battle. They obtained no decision from the Interstate Commerce Commission until 1939, but they did obtain some results from their fight at that time. They continued their fight and finally a few weeks ago we received another report from the Interstate Commerce Commission.

I want it clearly understood that all the credit should be given to the Southern Governors' Conference, and not to any one particular individual for bringing a suit. That matter was not taken up with the southern governors at their conference, and the suit was brought without the sanction of the southern governors. What result we have achieved in the past has been brought about through the Interstate Commerce Commission. At that time the suit was brought by the Governor of Georgia. The southern governors feared that it might hurt our case with the Interstate Commerce Commission, but I am glad to say that the Interstate Commerce Commission was big enough to overlook the fact that suit was brought in the courts while another case was pending before the Commission.

I am glad that the Senator from Tennessee brought this question up. With his permission, I ask unanimous consent to have printed in the RECORD immediately following his remarks the speech which was delivered by myself at the Western Governors' Conference, in which I called the attention of the governors in the West to the fact that they were in the same condition, so far as discrimination was concerned, in which the South was.

The PRESIDENT pro tempore. Without objection, the address will be printed in the RECORD as requested.

(See exhibit A.)

Mr. STEWART. Mr. President, I am very glad that the Senator has chosen to make that request, and I am glad that he has interrupted me at this point, because I have known for a good many years of the Senator's interest in the freight-rate problem, which affects his State as well as it affects my State, and our whole section of the country. I have been quite familiar with the Senator's activities in this field. I think he has done a most excellent job, and I am glad to hear him say that the correct route of travel is through the Interstate Commerce Commission, a Commission which was established a great many years ago, and throughout the years has had control of the freight-rate situation as a rate-making body.

I believe that the Senator is quite right. I believe that is a much better course for us to pursue than to undertake to pursue the idea of taking a freight-rate fight to the courts. I compliment the Senator on his stand. I am glad to have his speech, with which I am also familiar, printed in the RECORD at the conclusion of my remarks.

I have been interested in this quesiton for many years—perhaps not for

as many years as has the Senator from South Carolina, because he was a public official interested in this fight before I became a Member of the Senate—but I have delivered at least a couple of hundred speeches on the subject. Like the Senator, I am rejoicing in the fact that the Interstate Commerce Commission has taken the viewpoint that the Senator from South Carolina and I and many others from the West and South have taken throughout the years in proclaiming that we have been discriminated against. The decision is a momentous one, which sustains us in our position. We are charged with the responsibility of keeping the fires burning. We cannot rest on our laurels now, because the victory won must be pursued as the years go by, or we shall lose the benefits of it.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator further yield?

Mr. STEWART. I yield.

Mr. JOHNSTON of South Carolina. I should like to state further that in the past, because of freight rates, a great many manufacturing plants have been kept out of the South. It will be found that certain goods can be manufactured in the East and shipped to the South, 700 or 1,000 miles, and if one should attempt to ship those same goods back over the same railroad, the freight charge would be between 30 and 40 percent more. If anyone can tell me any reason why that should be so in the United States, where we all should be united and not separated, I should like to know why it is.

Mr. STEWART. I thank the Senator for his very substantial contribution.

Mr. President, I had stated that clouds were gathering upon the horizon.

The eastern, southern, and western railroads filed a petition asking for a postponement of the effective date of the interim changes scheduled for August 30 of this year to April 1 of 1946 and the Commission extended the effective date to November 30, 1945. The Public Service Commission of Wisconsin has asked for reconsideration and reargument of that part of the decision permitting a 10-percent increase in official territory class rates. A few State commissions have asked for an extension of time in which to file petitions "looking to safeguarding of their respective interests." It is understood that State governments and shippers' organizations in the eastern States are prepared to contest the Commission's decision in the courts. The western railroads have announced that they also plan to bring court proceedings. The Southern Governors' Conference has announced that it will fight the efforts of the northern interests to overturn the Commission's decision.

So it appears that the Commission's decision is not going to be accepted in all parts of the country without a struggle, and I wish to warn the friends of freight-rate equality in this body and everywhere in this Nation that this is no time for us to rest on our oars.

If the Commission's class-rate decision stands, and I believe it will, what freight-rate adjustments are we going to get in the South and the West and, more importantly, when are we going to get them? The Commission has said that we should have a uniform classification of freight throughout the country applying alike to all rate territories. It has called upon the railroads to get together and submit a plan for making one. For the overenthusiastic I should like to recall that this is not the first effort of the Commission to secure a uniform classification of freight. Their first recommendation for uniform classification was made more than 50 years ago. And uniform classification is still in the promissory stage.

When and if a plan for a uniform classification is accepted by the Commission, it will hold further hearings which one of its member's estimates will take another 10 years. We must remember that the present southern and western rate case was in the mill for about 6 years, so we cannot become too enthusiastic or optimistic. Only after a uniform classification has been adopted will the Commission be able to put into effect permanent equal class rates in all territories.

I emphasized the fact that the recent decision applies only to class rates and is specifically limited to class rates. Hence, it is very pertinent for us to know just how important an equalization of class rates will be for our shipping in the South and the West. Just what proportion of our traffic moves on class rates? Here are the words of the Commission in its decision:

> The least use of class rates is in western trunk-line territory where it is only 0.6 percent. In southern territory it is only 1.8 and in southwestern territory, 2.4. In official territory it is 5.8 percent. On the other hand, on interterritorial traffic the percentage is a high of 22.5.

I am advised that on the average over the country as a whole much less than 10 percent of the traffic moves on class rates.

The bulk of freight traffic in this country moves on column rates, commodity rates, and exceptions to class rates.

So at the outset it is apparent that the Commission's recent decision affects directly only a very minor part of the freight rate structure. When equal class rates become a reality, the great bulk of the traffic will remain untouched—unless the Commission goes beyond the limitations embodied in the decision and weaves these exceptions back into the class rate structure. While we are awaiting the date for the institution of permanent rates, the Commission has provided for the introduction on November 30 of "interim" or temporary rates. The interim rates prescribed for the South and the West are 10 percent, or less, lower than the existing class rates. But even after the southern and western class rates are reduced they will still be too high to take the place of exceptions and commodity rates which are not touched by the decision and on which the vast part of commerce moves.

The Commission says that the class rates in the East may be increased 10 percent, but it has not ordered the eastern railroads to increase these rates. The eastern railroads have announced that they will increase rates in accordance with the Commission's findings, but the eastern shippers and State governments are protesting and preparing to contest the increase in the courts. It still remains uncertain, therefore, whether this increase will become effective. If it does, the level of the southern class rates after the 10-percent reduction will still be 14 percent higher, on the average, than the eastern rates; the southwestern class rates, after 10-percent reduction, will still be 32 percent higher, and the western 5 to 32 percent higher than the eastern rates. If the eastern class rates are not increased, the reduced southern rates will be 25 percent higher and the western rates up to 45 percent higher than the eastern rates. One needs to be an optimist indeed to believe that this "interim adjustment" will bring the West and the South any great measure of relief from present disparities.

I have pointed out that the proposed permanent rates will go into effect only in the distant future. This might be helpful for our grandchildren, but I want fair freight rates in our time. We need them in the immediate future to serve the South and the West during the critical period of reconversion; and I am convinced that we can have them.

So far we have fought this fight with facts, and with facts we will finally get fair freight rates. Not railroad propaganda, or shipper propaganda, but the impartial findings of scientifically trained men whose passion is objective truth.

On July 12, Chairman LEA, of the House Committee on Interstate and Foreign Commerce, offered a resolution calling for a broad investigation of the transportation situation "with a view to recommending legislation that will result in considering public policy fair to all competing agencies of transportation, to the using and investing public, and to labor, to the end that the country's commerce may be moved with the greatest possible degree of economy, safety, and dispatch." The achievement of that end, let me say here, I deem to be of the greatest importance to this country's future.

Speaking of his resolution, Mr. LEA said on the floor of the House:

> Without adequate economical transportation our whole economy can bog down * * * failure to provide legislative remedies for the flaws in our transportation policy, which we all know are there * * * can prolong by many years the Nation's period of reconversion to peace. Indeed, it may even throw our economy into chaos. In spite of the overwhelming importance of these problems, our planning to date for a national transportation system geared to a postwar United States has been sporadic, haphazard, and uncoordinated.

Mr. LEA's grave concern, I think, is warranted, and I agree with him that our planning to date has been inadequate, but I trust that he and all the other Members of both Houses of Congress will not overlook the work that has been done in this connection. I wish to speak particularly of the work of the Transportation Board of Investigation and Research. It will be recalled that Congress created this Board through the Transportation Act of 1940. The Board completed its work long ago, I believe. The one-time Chairman of the Inter-

state Commerce Commission, the late Joseph B. Eastman, said that the Commission was not properly organized and set up for that kind of study, so Congress created that special body. In 3 years of notable labor that group gathered a large amount of important information on freight rates and other transportation problems of the country. That information is embodied in some 18 reports.

It is highly important not only to the public but to the shippers and common carriers of this country that all the reports be made freely available to the public. It is, in my opinion, vitally important to the achievement of equitable freight rates for the South and the West and for the small businessman everywhere to have these reports. This, I think, is the first tactical move in advancing our fight for fair freight rates.

But there is a need for further facts in this fight against special interest, against inertia and confusion. In its investigation of the Nation's traffic this Board obtained from the railroads copies of waybills covering over 900,000 shipments and comprising a complete cross section of the carload rail traffic of 1939. The Board made use of these data in the studies it prepared, and they throw much light upon freight-rate inequalities. But they are incomplete. They should be completed to show the rate and class comparisons on a point-to-point basis for each commodity throughout the country. Let us know the full facts. However, other studies which were reported by the Board are complete. I understand from the majority leaders that request will be made today to have the reports published. I refer to the publications of the Transportation Board of Investigation and Research which we discussed the other day. The Board reported to the interstate Commerce Commission, and I understand request will be made this afternoon to have those reports published as Senate documents.

Mr. BARKLEY. Yes. Mr. President, does the Senator have a copy of them with him?

Mr. STEWART. I have sent for copies of them, and I expect to receive them in a few minutes.

Mr. President, those reports give us the full facts about the freight-rate question. Let us know all the facts; let us have no more black magic and legerdemain. This is important alike to the railroads, to the shipper, to the Commission, and to the public. About $200,000 and a year's additional time will be required to do the job properly, I am advised. This will constitute a wise investment through which Congress may realize on the much larger amount already spent. I speak of the million and a quarter dollars that Congress has invested in the Board of Investigation and Research and its reports. I shall seek to secure congressional approval for an appropriation. This study will constitute an important tactical move in the factual fight for fair freight rates.

I have said that the date when we may expect the permanent class rates proposed by the Commission to be put into effect is remote. There seems to be serious question in some important quarters whether these rates can even be put into effect on more than paper and whether they will accomplish the desired ends when they do become effective. As a layman, of course, I am not qualified to speak on the character of the proposed rates, but I have had submitted to me recently a brief by one of the outstanding transportation experts of the country, Mr. C. E. Childe, a former member of the Board of Investigation and Research. I should like to read here a part of his statement with regard to the permanent rates proposed by the Commission:

The fundamental defect of the Commission's decision is that, while it finds that equality of class-rate levels should prevail everywhere east of the Rocky Mountains, it fails to prescribe a structure of class rates at levels on which any substantial volume of freight can be moved. Both in prescribing its "interim" rates and its "permanent" rates for the future, the Commission has adhered to the present obsolete and unworkable class rate patterns; the patterns on which traffic cannot move. Therefore, but little practical relief from rate inequalities can result from the rates which the Commission has prescribed.

The uniformity of rate levels provided by the permanent class rates prescribed by the Commission will, unfortunately, in large part be uniformity in name only. These rates are to become effective after a uniform freight classification is established throughout the United States—this will be some time in the indefinite future, according to Commissioner Porter, probably 10 years). However, the scale, if and when it goes into effect, cannot possibly move any considerable volume of freight, because it is merely a continuation of the present obsolete pattern of class rates.

The rates prescribed for both carload and less-than-carload shipments are, for the most part, far in excess of the cost of transporting freight by motortruck. The carload rates are extortionately high in comparison with the cost of rail transportation. The less-than-carload rates are below the cost of transporting less-than-carload freight by railroad, but would be, for the most part, too high for motor carrier transportation. Consequently the scale as a whole is unsuitable for either rail or motor transportation; the rates, if established, could move very litte traffic by rail because motor truck costs would be lower. Therefore, exceptions and commodity rates would be necessary, as they are now, to move the traffic, and the class rates would remain unused.

These facts are demonstrated by comparison of the rates prescribed with the scales of rail and motor transportation costs developed by the Commission's own cost experts and by the Transportation Board of Investigation and Research. Detailed comparisons of the prescribed rates with costs are shown in a supplement to this memorandum. These show not only that the prescribed rates are impracticable because they are out of line with costs but also that they are discriminatory, in that they are relatively much higher for shorter than for longer hauls, and would therefore operate to the disadvantage of local short-haul transportation as compared with long-distance transportation.

The following are typical illustrations of the wide disparities between the permanent rates prescribed by the Commission and the cost of performing the service:

Less-than-carloads: For 100 miles the prescribed less-than-carload rates range (with unimportant exceptions above and below) from 70 cents per hundred pounds (first-class—clothing, drugs, fresh fruits, etc.) to 35 cents per hundred pounds (50 percent of first-class—nails, soap, canned goods, etc.), with the average about 42 cents per hundred pounds. Contrasted with this the cost of less-than-carload rail transportation, for 100 miles, as computed by the Commission's cost experts, ranges from 91 cents per hundred pounds (2-ton loads) to 64 cents per hundred pounds (5-ton loads). The average cost is about 75 cents per hundred pounds. The cost of hauling less-than-carload freight 100 miles by motor carrier, as determined by the Board of Investigation and Research (for shipments of average weights, 232 and 943 pounds, respectively), ranges from 55 cents to 34 cents per hundred pounds, with the average about 45 cents per hundred pounds.

For 300 miles distance, the prescribed less-than-carload rates range from $1.10 (first class) to 55 cents (50 percent of first class); average, about 66 cents per hundred pounds. Railroad costs for hauling 2- to 5-ton loads 300 miles range from $1.44 to 78 cents per hundred pounds, with the average about $1.10 per hundred pounds. Motor-carrier costs for transporting less-than-carload shipments, of average weights 242–943 pounds, respectively, range from 73 to 52 cents per hundred pounds, with the average about 62 cents per hundred pounds.

For 500 miles, the prescribed first-class rates are $1.40 to 70 cents, average about 84 cents. The railroad costs are from $1.98 to $1.13, average about $1.55; motor-carrier costs, 90 cents to 69 cents, average about 80 cents per hundred pounds.

From the above it will be seen that the prescribed less-than-carload rates would yield the railroads, on the average, less than 60 percent of the cost of hauling less-than-carload freight. These same rate levels would, on the whole, yield motor carriers something more than their costs, although some of the freight would be hauled at less than motor-carrier cost, and other freight would be hauled at rates much above their costs.

The Commission found (sheet 275 of its decision):

"From the record we find and determine that in many instances when commodities transported take class rates, the respondents have extended the service of picking up and delivering shipments and perform such service under the applicable class-rate charge without additional charge therefor. * * * We find and determine from the evidence of the record in this proceeding, that when such service is performed, the applicable class rate with the existing minimum charge as stated does not yield the out-of-pocket costs incident to the transportation service which it purports to cover."

It is difficult to understand why the Commission prescribed for less-than-carload rail transportation, rates which the evidence, and its own findings, show to be so obviously unsuited to the transportation. If these rates become effective and the traffic should move by railroad, the carriers would lose heavily and would naturally be forced to recoup the losses by charging higher rates on carload freight. The rates cannot be justified on the ground that they would enable the railroads to meet motor-carrier competition. They are too high on the majority of the traffic to be competitive with the cost of moving the freight by motor-truck but, on a part of the traffic, they would be below motor-carrier costs. If the rates were to be charged by both rail and motor carriers, shippers would find it profitable to operate their own trucks for the traffic on which the rates were excessive, and turn over to the carriers the traffic on which rates were below the cost of hauling.

Carload shipments: For 100 miles, the prescribed "permanent" carload rates range from 70 cents per hundred pounds (first-class automobiles and other extra-bulky, expensive articles), to 9 cents per hundred pounds (13 percent of first class—heavy-loading, low-grade freight, such as brick, sand, gravel); with the average about 26 cents per hundred pounds (35 percent of first class—canned goods, machinery, etc.). Railroad costs for hauling carload shipments

100 miles in boxcars range from 28 cents per hundred pounds (5-ton loads) to 7 cents per hundred pounds (50-ton loads), with the average about 9 cents per hundred pounds (25-ton loads). The motor-carrier cost for hauling 10-ton truckloads 100 miles is about 9 cents per hundred pounds.

For 300 miles, the prescribed carload rates range from $1.10 to 14 cents per hundred pounds, average about 39 cents, and railroad costs for hauling carloads 300 miles range from 50 cents to 13 cents per hundred pounds, average about 17 cents. Motor-carrier cost of hauling truckloads 300 miles average about 22½ cents per hundred pounds.

For 500 miles the prescribed carload rates range from $1.40 to 18 cents, average about 49 cents per hundred pounds. The railroad costs range from 61 cents to 20 cents per hundred pounds, average about 26 cents. The motor-carrier cost of hauling truckloads 300 miles is 36 cents per hundred pounds.

It will be observed that prescribed carload rates for 100 miles are, on the average, more than three times railroad costs; for 300 miles they are more than double the railroad cost; for 500 miles they are more than 50 percent higher than railroad costs. The prescribed rates are also, on the average, far in excess of the cost of hauling the freight by motortruck.

It should be understood that the railroad and motor-carrier costs shown above include a fair return on investment and represent all that the carrier is entitled to receive, on the whole, for its services.

It is clear from the above comparisons that the permanent carload rates prescribed by the Commission are of little practical value. They are mostly so far in excess of the cost of transportation by motortruck, to say nothing of the rail carrier's costs, that very little of the traffic could move by railroads; it would be far cheaper in most instances for shippers to move the freight in trucks on the highways.

It will also be observed that the prescribed rates are relatively much more excessive for the shorter than for the longer hauls. For 100 miles the average rate is three times the reasonable charge, and for 500 miles the rate is 50 percent higher than a reasonable charge. The burden of excessive charges would fall much more heavily on the short-haul shipper than on the long-haul shipper, thus discriminating against the shipper in a local area to the advantage of his distant competitor.

It is obvious that if the prescribed permanent rates ever become effective, they could be used very little—to the extent that they were used, the charges would be unjust and unreasonable. But for the most part lower commodity rates and exceptions to the classification will have to be continued in effect in order that the traffic might move by railroad.

It is stated that "the initial effect of this momentous decision" has resulted in plans by business enterprises to establish manufacturing plants in the South; that "reliable sources of information have already revealed plans for dozens of such new plants and more are in prospect."

It would be natural that when the press notices went out that the South and West had won an equality of rates, industrial firms would announce that they intended to locate in the South and West. But it would be surprising if business firms, after examining the decision and finding that equality is still a long way off, would find in it enough inducement to justify any considerable change.

Nevertheless, the Commission's decision is an important one. It approves general principles of equality which, if carried out, will go a long way toward removing the obstacles which have held back economic development in the South and West for so many years.

The great danger is now that those who have advocated freight rate equality for the South and West may be lulled into inaction by the belief that the rate discriminations which have so long handicapped these areas are about to be removed. It should be understood that, while the decision marks an important step forward, continued efforts are necessary to remove the discriminations remaining, not only on class-rate traffic but on the great bulk of traffic not touched by the Commission's class-rate decision.

I do not know whether Mr. Childe's claims about the proposed permanent rates are correct, but I do know that as an authority, any statements he makes concerning transportation are entitled to the most serious consideration. If what he says is true, if, indeed, the class-rate structure in this country is obsolete and unworkable, it is high time we were finding it out. I can think of no more important enterprise that transportation groups of this body can undertake than the determination of this very issue, and I announce, now, that it is my intention as chairman of the Transportation Subcommittee of the Senate Small Business Committee to investigate Mr. Childe's contentions and to develop all the evidence I can to determine their correctness.

Mr. President, it does not tax the imagination for one to realize that in the case of local interests, particularly the initial stages of their development are the crucial ones, and freight-rate disadvantages which they have to suffer during the period of development mean more to them than they would after the industries became established.

I digress here to say that another transportation authority on whom I rely takes a more optimistic view than Mr. Childe does. I quote from his letter:

Class rates when reasonably and properly made will not only accommodate an important volume of traffic but under the American system of rate making they fix the general rate pattern for the country. Thousands of other rates on important commodities, while detached from the class-rate system, nevertheless follow the class-rate pattern. There should be no criticism, therefore, of the recent decision of the Interstate Commerce Commission because it was confined to class rates. The exception rate to which reference has frequently been made came about because the old class-rate system did not meet the needs of all the shippers within the class-rate horizon. It was obviously not practicable to take up the exception rates with a view to revising them until a new class-rate system was set up. Exactly the same thing is true with respect to so-called column rates.

I disagree with some of the critics that class rates in and of themselves are not significant. They include close to 8,000 different article of freight. Being the basic rates they are the ones that are naturally used by smaller industries and individual shippers and to a substantial extent by the larger industries on miscellaneous items of freight. It is only in those instances where industries grow big enough to ship a heavy volume of freight that special rates in the nature of commodity or column rates are obtainable. If a new industry starts up at any particular place it is generally the class rates that it has to begin shipping on.

Of course, in a few instances very large shippers are able to obtain commodity or column rates before they begin operation, but it does not tax the imagination for one to realize that in the case of local industries particularly the initial stages of their development are the crucial ones and freight rate disadvantages which they have to suffer during the developmental period would mean more to them than they would after such industries have become established. If we expect to correct such a situation, however, we have got to begin with the class rates—just where the Interstate Commerce Commission began in its recent decision. However, it is perfectly plain to those who have given some study to this freight-rate situation that the system of class rates if properly made can furnish satisfactory rates for a large volume of manufactured commodities. Proof of that fact is found in official territory—the great industrial region north of the Ohio and Potomac Rivers and east of the Mississippi River. The class rates which have been in effect in that region have moved a substantial volume of traffic and have contributed to an amazing industrial development. It is contrary to experience, therefore, to assume that such a result is not possible in the South or the West.

As is commonly known, the Interstate Commerce Commission's decision was divided into three parts: the first dealt with the freight classification, the second with the permanent system of class rates, and the third prescribed a simple ad interim reduction in the South and West of 10 percent and a simultaneous increase of 10 percent in the North. I understand there are something like 24,000 items or ratings in the classification. A new uniform classification covering all these items will have to be worked out before the permanent system of rates can actually be put into effect; but there is no question but that the Commission has prescribed both a uniform classification and uniform rates for the South and the North as well as the West out to the Rocky Mountains. While waiting for this uniform system to be worked out and put into effect we have been given a substantial measure of relief by the ad interim revision which brings us considerably closer to absolute uniformity than we ever enjoyed before and the ad interim revision is expected to be put into effect by this coming autumn.

Some of the opponents of a revision of these class rates alleged that it would inevitably lead to an increase in southern commodity rates and that the South would thus lose more than it gained by such a change. In the first place, those of us who wanted to see the discrimination against us in class rates removed felt all along that the law adequately protected the commodity rate shippers against unreasonable or discriminatory rates; but the decision of the Interstate Commerce Commission has proved that those who actually feared that southern commodity rate shippers would have to pay for the reduction in class rates were wrong. The Commission seems to have taken care of that particular phase of the matter very well indeed. Instead of prescribing the present level of class rates in the North as the uniform rates for all regions in the future, the Commission actually prescribed a higher level by about 15 percent than now prevails in the North which appears to take care of the reasonable revenue needs of southern carriers without the necessity of increasing their commodity rates for that purpose. The South, however, will obtain a substantial reduction in its class rates as compared with the previous level and as previously stated will obtain a parity of rates with its regional competitors.

The initial effect of this momentous decision of the Interstate Commerce Commission has already taken the course which was predicted of it by those who have worked so long to bring it about. The discriminatory system of rates which we have been laboring under for decades was not only a practical obstacle but grew into a psychologic hazard against the industrial development of the South. As soon as this hazard was removed by the decision of the Commission plans were immediately activated by

business enterprises to establish manufacturing plants in the South. This trend will undoubtedly continue for some time to come. Reliable sources of information have already revealed plans for dozens of such new plants and more are in prospect.

The faith of those who advocated the removal of the freight-rate discriminations against the South is being justified. It remains for us now to make full use of the fruits of our victory. Let us begin in earnest to balance our economy by increasing the production of higher grade articles of commerce and thus increase the average income of our people. Such an eventuality is well within our grasp because we have the natural and human resources with which to bring it about.

Mr. President, as I have already pointed out, action through the Commission comes slowly. Indeed, all we have achieved to date is promises and what we need if we are to benefit from it in the critical period of postwar reconversion is action now. Moreover, the Commission's decision only affects class rates which move less than 10 percent of the traffic in this country. We must reach the great body of freight moved on exceptions to regular rates if we are to benefit southern and western shippers. Obviously other ways must be found for the removal of discrimination in the general body of rates. Impartial proof of discrimination should be persuasive for the railroads as well as the shippers. Ultimately, they will benefit from equitable adjustments that will develop manufacturing along their rail lines in the South and the West. At least, the railroads have said they are ready and willing to establish whatever rates are needed by any industries which seek location on their lines. This offer should be taken at face value. The Government and private industry concerned with reconversion, war-plant disposal, postwar business, and employment should join in making a thorough study of the whole rate structure. In the manner I have indicated and otherwise, the extent and severity of present discriminations and their effect upon commerce and industry should be made public and the carriers should be called upon to make voluntarily the changes needed. With the aid of an active and factually-armed public sentiment many voluntary readjustments could be expected.

And if such negotiations should fail, Congress and the regulatory agencies stand ready to enforce just treatment through legislation and executive order. Sooner or later, we are going to get fair freight rates.

Mr. President, that concludes my prepared speech on freight rates. I wish to ask unanimous consent to have printed in the Appendix of the RECORD an advertisement which appeared in many newspapers throughout the country, but more particularly it appeared the other morning on the back page of the Washington Post. It is headed "Freight rates and industry location." It was prepared by McGraw-Hill Publishing Co., Inc., well-known publishers of business magazines. I wish to point out that their analysis of the Interstate Commerce Commission decision to which I have referred is one of the most sensible analyses that I have ever read on any subject. They go into the matter in a sane, careful and, in my judgment, thoroughly correct way. They state that in their opinion it will not be long before all the rates, that is not only class rates which were considered by the Commission, but rates affected by the Commission's decision, such as commodity rates, and so forth, will feel the effect of this decision and will come within its scope. I read the concluding lines of the advertisement:

This decision will neither destroy the economy of the industrial East, nor will it, overnight, assure the industrial flowering of the South and West. It constitutes one sound step toward establishing that equality of opportunity for all sections of the country which is essential to a nation that bears the proud title of the United States.

I wish to compliment McGraw-Hill Publishing Co. for this splendid statement. As I have already said, Mr. President, I ask unanimous consent that it be printed in the Appendix of the RECORD. I understand there is a rule which requires matters of this kind first to receive an estimate as to the cost of printing. I do not want to wait for that being done, and after returning in October find that it has cost 75 cents too much to be printed in the Appendix. If I cannot receive unanimous consent to have it printed I will read it into the RECORD as a part of my remarks. I hesitate doing so at this late hour, but it is very important, and I wish to have it shown in the RECORD.

Mr. BARKLEY. Mr. President, the Senator may have it printed in the RECORD as a part of his remarks.

The PRESIDENT pro tempore. It may be printed in the RECORD as a part of the Senator's speech. Without objection, it is so ordered.

The advertisement is as follows:

FREIGHT RATES AND INDUSTRY LOCATION

A significant decision, announced by the Interstate Commerce Commission last May, will take preliminary effect on the 30th of August. It will eliminate some of the advantage in freight rates which eastern shippers have enjoyed over shippers of the South and West.

The decision has been enthusiastically hailed as an emancipation proclamation for industrial development in the South and West. It has also been roundly condemned as a meddlesome control measure that ignores valid differences in haulage costs, and recklessly blots out one of the important factors determining the location of American industry.

Cooler appraisals indicate that the net effect of the rate changes will be far less drastic than predicted by the more passionate advocates or adversaries. Nonetheless, it is important for the business world to be informed both upon the principle at issue, and upon the foreseeable consequences of the ICC ruling.

WHAT THE DECISION CALLS FOR

The Commission's order, unless modified or successfully contested in the courts, will require: (1) the eventual establishment of a single freight classification, or grouping of commodities for rate-making purposes, for application throughout the United States; (2) a single level of "class rates"—or rates established for groups of commodities and primarily applying to manufactured and semimanufactured articles of high value—in the area east of the Rocky Mountains. This level is to be about 15 percent higher than the present eastern scale.

Because it will take some time, probably several years, to work out a uniform classification in place of the three major classifications now existing, a preliminary adjustment is provided.

Under this adjustment the existing classifications will remain in effect, but the rates on articles moving on class rates will be increased 10 percent in eastern or official territory—the area east of Lake Michigan and the Mississippi River and north of the Ohio River. On the other hand, the rates will be reduced 10 percent on articles moving on class rates in the South and West, and on those moving interterritorially.

WHAT THE PROBLEM WAS

At the present time there are marked differences in the levels of the basic scales of class rates in the five major rate territories—eastern or official, southern, western trunk line, southwestern, and mountain Pacific. It is difficult to average the levels of rates, but if the level of the class-rate scale in official territory is taken as 100, the levels in the other territories may be roughly considered as follows: Southern, 139; western trunk line, 128, 146, 161, 184 in zones I, II, III, and IV, respectively; southwestern, 161; mountain Pacific, 166.

These are over-all comparisons. On many individual articles the differences in levels of rates are greater or less than indicated because of offsetting differences in regional classification schemes. In many cases, the use of exceptions to the classifications and of special commodity rates has reduced the regional disparity in rates. In fact, on some articles, particularly on certain low-grade traffic such as logs, pulpwood, bricks, coal, sand, and gravel, the South and West have actually had lower rates than official territory. The rate disadvantage of the South and West has been principally on manufactured articles.

The territorial differences in class-rate levels have complicated the problem of constructing rates from a point in one territory to a point in another. Today, such a rate tends to represent a blend of the levels in effect at the place of shipment and at the distination. Thus manufacturers and dealers in a higher-rated territory are likely to see themselves at a disadvantage when they attempt to sell goods in a lower-rated territory against competition located there.

Now, if differences between territorial rate levels are removed, the interterritorial freight-rate problem largely disappears. So it is an important question whether such differences are justified. The Commission has found that they are not justified either by differences in transportation costs or by other valid considerations. From that finding came the order to establish a uniform level of class rates and a single freight classification.

THE DECISION AND THE MAP OF INDUSTRY

What effect will this decision have on the location of industry in the United States, and what effect will it have on the economic development of the East, the South, and the West?

Today, many in the West and South believe that their higher class rates have seriously retarded the industrial development of these areas, and promoted the concentration of manufacturing in official territory. They point out that official territory has over 50 percent of the population of the country, had nearly 70 percent of the persons employed in manufacturing in 1940, and accounted for nearly 73 percent of the value added by manufacture in 1939. Boasts of industrial development in the South, and to some extent in the West, in recent years, are accompanied by claims that this would have been greater but for the freight rate structure.

Another point gets into the argument. Official territory is not only the country's most highly industrialized section, but also its greatest consuming teritory. It is the market which nearly all manufacturers desire to reach, particularly when they have a surplus to sell. Here again is occasion for an outcry by producers outside of official territory against the consequences of their high rate levels and the levels of interterritorial rates. Under the circumstances it is not strange that the South and West have argued long and volubly for mile-for-mile equality in rates.

Those in official territory deny that the South and West have been handicapped by the rate adjustment, but at the same time look with apprehension at the loss of their rate advantage.

WHAT'S THE EFFECT?

However, now that the ICC's ruling is about to be put in operation, it is time for the colorful statements of the debating period to give way to a sober appraisal of what the consequences are likely to be.

In the first place, it should be noted that the preliminary adjustment will affect only a small fraction of the traffic. Estimates indicate that only about 4 percent of the full-carload traffic moves on regular class rates. About 11 percent moves on exception ratings which are not affected by the preliminary order, and about 85 percent moves on commodity rates, which were not within the scope of the Commission's decision. The proportion of less-than-carload-lot traffic affected is much greater, since a large part of it moves on class rates; however, less-than-carload traffic constitutes less than 1½ percent of the total tons carried.

The permanent rate structure will probably affect more traffic than the preliminary order, since, in the establishment of a uniform classification containing more classes than at present provided, many articles now moving on exception ratings are likely to be brought within the scope of the classification, and the same may be true of some articles moving on commodity rates.

But even if a large proportion of the traffic were affected by the Commission's order, or if the principle of equality in rate levels is eventually extended to much of the traffic moving on commodity rates, these freight-rate adjustments cannot be expected to revolutionize the pattern of industrial location in the United States.

It seems evident that most industries now found in official territory are located there for other advantages than that of a lower level of freight rates, undeniable as such an advantage is. Insofar as that is the case, they have little to fear from equalization of the rate levels. For those which have, indeed, been dependent upon preferential rates and otherwise badly located, the removal of the preference and their consequent shift to some area possessing a real locational advantage would be desirable from the point of view of the national economy.

While the high degree of industrial concentration in official territory does not rest on such a flimsy basis as a lower level of class rates, the Commission's decision does remove one existing handicap to the growth and development of the South and West. The new adjustment should permit all sections of the country to develop the industries for which they have natural advantages. It should contribute to a sounder regional specialization than we have heretofore had.

This decision will neither destroy the economy of the industrial East, nor will it, overnight, assure the industrial flowering of the South and West. It constitutes one sound step toward establishing that equality of opportunity for all sections of the country which is essential to a Nation that bears the proud title of the United States.

JAMES H. MCGRAW, Jr.,
President, McGraw-Hill Publishing Co., Inc.

EXHIBIT A

THE TRUTH ABOUT THE FREIGHT-RATE MATTER

(Address of Gov. Olin D. Johnston, of South Carolina, before the Western Governors' Conference, at Denver, Colo., September 18, 1943)

Mr. Chairman, and fellow governors, the question of freight rates is such an important matter that if you will give me the power to set rates according to my own whims and my own notions, without any national standard regulation, I can make or break any community. With this power in my hands I can make or break any city, any county, any State, or any section of this Nation.

The present inequality of freight rates in the United States is the result of unnatural manipulation and is a plan of control which punishes the South and the West and is designed to establish and maintain industrial supremacy in the North and in the East.

This unjust discrimination has created an industrial and commercial empire in the northeast of our country while the industrial energies of the South and the West have been restricted, retarded, and not allowed its free development. In November 1934, this matter of discriminations was brought to the attention of the public at a Southern Governors' Conference held at Atlanta, Ga. Yet, it was not until November 22, 1939, that we received any relief whatever in this matter, which came through the commodity rate case and this was only a faint ray of hope.

In my study of this matter I have found a cleverly conceived scheme in which the industrial leaders in the field of transportation have conspired to center industrial control in the East, and in order to perpetuate this control, they have imposed on the South and the West freight rate differentials. This has restrained industrial development in the South and West, and has secured an industrial empire in the East. This empire today has grown so large that it has almost secured itself against competitive challenge and knowingly, or unknowingly, the Interstate Commerce Commission has aided and abetted this eastern industrial empire known as the official territory.

The plan has been to establish high shipping rates on goods manufactured in the South, and lower shipping rates on raw and semiraw material shipped from the South, thus providing a two-fold advantage to the East.

The discrimination against the South and the West on freight rates comes primarily by decisions of the Interstate Commerce Commission. The Interstate Commerce Commission has placed on similar traffic in the two territories, mile for mile, a higher rate for the southern than for the northern traffic.

It seems that we have a long way to go in order to obtain economic freedom for our Nation when a board of American citizens vested with such power will differentiate between sections of our Nation.

I have read that President Roosevelt calls the South "economic problem No. 1." Yet here is a Federal Commission openly and flagrantly helping to build up the economic empire of the Eastern and Northern States and at the same time crushing the South and the West.

The present class-rate structure in the North and in the South was promulgated nearly 20 years ago by the Interstate Commerce Commission and under present economic conditions it discriminates against the West and the South in many ways; for instance, first, number 1, shipping rates on many manufactured articles are higher within the South and West than within the North or the East. Secondly, shipping rates on manufactured articles are higher from the South and West to the North than are the established rates within the North for the same articles. Third, rates on many manufactured articles are lower from the North to the South and West than the shipping rates within the South or the West.

A carload of furniture, minimum weight of 12,000 pounds, shipped from Sumter, S. C., to South Bend, Ind., 817 miles, is rated at 123 cents, while the same amount of furniture from Gardner, Mass., to any given point is 105 cents.

I could give many similar illustrations but it is recorded through actual study that mile per mile rates from the southern mills are 8 percent higher than from the northern mills.

Cotton clothing is a commodity that is manufactured at numerous points in the South and in the North. It is sold generally throughout the country. There are many manufacturers of cotton clothing located at Nashville, Tenn., and at Columbus, Ohio. Yet, if the Columbus, Ohio, manufacturers were to ship their cloth to Raleigh, N. C., a distance of 581 miles, the rate would be $1.06 per 100 pounds. Yet, if the same amount of cotton cloth was shipped from Nashville, Tenn., a distance of 581 miles, to Raleigh, N. C., it would be $1.32 per 100 pounds.

Southern manufacturers cannot expect to be able to market their products in the North in competition with manufacturers located in that section unless the rates from the South equal the rate level within the North. This becomes more significant when it is recognized that the southern shipper generally has a longer haul with a higher rate per 100 pounds. In some instances competitive considerations require the northern level of rates wholly within the South. This is conceded even by the southern railroads who make the claim that competitive rates are provided when necessary. This claim is, of course, untrue and will referred to later on.

It is sufficient to say that the discriminatory character of the class-rate structure in the South and between the South and the North is repugnant to the full economic development of the South and should be set right and what is true of the South is also true of the West to a very large extent.

It is significant when one knows that in the past the Interstate Commerce Commission, when reviewing instances wherein this situation was reversed; that is, that the South had the lower rate, the Commission required that its rates be brought up to the higher northern rates and sometimes they were made higher. This was true with respect to the readjustment in the rates on sueh important southern products as cast-iron pipe, alcohol, marble, granite, and textiles.

The Southern Governors' Conference has consistently adhered to the position that in seeking a parity of class rates with the North that there was no intention of impairing the financial position of the southern railroads but the crux of the whole matter is that if given equal rates, mile for mile, the South and the West would have equal opportunity in affording industries a place within their borders, but it is now a known fact that industries settled almost wholly within the North and the East because of the low freight rate class. It is not my intention nor that of the Southern Governors' Conference to bring financial ruin to the railroads or the industries of the East, but it is only our intention to bring about fair freight rates so that every section will have an equal opportunity of having industries established within.

This imaginary line does not divide the rich from the poor railroads. This imaginary line does not divide railroads having a heavy density of traffic from those having little traffic; this imaginary line does not divide roalroads having higher overhead costs from those having low costs of operation; in fact, there seems to be on the surface no justification, nor any reason for a line separating two large geographic sections of our country which maintains higher rates in one section and lower rates in the other section. The

South and the West will not have released themselves from the shackles of bondage until this imaginary line is abolished and the North, South, East, and West merges into one common structure.

We are not asking for any special favors; we are not petitioning for any relief; we are only requesting that a democratic form of government render justice and equality to all sections of our Nation.

The South and the West regard with pride our great cities of the East. We are happy to see our great cities thrive, but we do not feel that any section of our country should succeed at the expense of another section. The South and the West realize that they are far removed from the great cities of the East, and our sections do not ask for any advantage over the East on carrying its produce to these eastern markets—not does the South and the West seek a handicap over the East, but we do demand the right to have equal treatment and equal opportunity so that we might market our goods in these areas on rates which are not higher for similar distances than those which prevail in the North.

National solidarity in the world of today is imperative, but national solidarity cannot come unless there is fair play on the part of our commission and bureaus in Washington. The North at one time fought a war against the South to erase sectionalism, but it seems now that sectionalism is being promulgated by the North through boards and commissions which set up imaginary lines which result in rate discriminations. We are demanding the Four Freedoms for the entire world, but right here in America we have yet to achieve economic freedom because of discriminatory freight rates.

You may ask me to explain the reason for a difference in the freight rates, but up to the present time there has been no explanation. The Interstate Commerce Commission does not deny that this situation exists. The northern railroads do not deny the existence of discriminatory freight rates. The southern railroads do not deny this situation. Yet no one has found a sensible reason. Someone has suggested that it may cost less to transport marketable goods from the North to the South because it takes less coal to go down hill; but you may take this for what it is worth.

Some have launched the theory that to allow the South and West equal rates with the North would work a hardship on their competitors in the Northeast, but the South and the West are not mercenary in this matter. We seek only for ourselves as a basic and inalienable right, only equality of opportunity, and we will likewise support that right for the North, for the West, for the East, and for the South, and also for every trade area of our common country.

There are also a few southern shippers who support a status quo, so to speak. This position appears to be based almost entirely on the form of statements by the railroads that the rates on raw materials of southern origin would necessarily be increased to make up for the loss of revenue which the railroads claim would come about by reductions in the rates on manufactured goods. But this position is not sound, for there is no proof that the rates on southern low-grade raw materials are lower in the South than in the North. They are lower only when they are shipped to the northern manufacturers so that he might compete to a greater advantage with the southern manufacturer. If the freight rate is equal throughout the Nation the volume of traffic will not remain the same, but there will be development for every area of our country.

The tonnage of the southern railroads in the higher class of freight traffic has been substantially augmented in recent years by new production in the South through such materials as paper and chemicals. In Charleston, S. C., we have recently developed an industry producing alloys; such industries have added to the character and volume of traffic transported by the southern railroads, and as in former years the raw materials were shipped to northern markets, which processed manufactured goods out of them, the same raw materials are being turned into the finished product at Charleston and shipped throughout the country. The railroads in this case have received more money for the transportation of this finished product—therefore, such a prediction that equal freight rates would cause an increase on raw materials in the South is not justifiable. Equal freight rates would cause such localities which had the raw materials to work with to open industries in its own localities.

When discussing the matter of rates on inbound raw materials particular to the South, the matter of rates on these raw materials that are drawn into the South by southern manufacturers and other territories is probably ignored because in most instances the rates on these in-bound raw materials are higher than are applied on similar traffic when these materials are shipped to northern manufacturers. In other words, it would cost the State of Florida more money to ship a carload of white sand to Massachusetts than it would cost the State of Massachusetts to ship a carload of sand to Florida. In almost every instance the North is favored by the Interstate Commerce Commission.

There are numerous southern manufacturers who draw a considerable portion of their raw materials from the North; the volume of this traffic is quite large. In most instances these in-bound raw-material rates and the out-bound rates on manufactured articles are controlled by the official class-rate structure.

A great deal of stress is placed on the fact that in some instances the rates on pig iron in the South are lower than in the North, yet they have failed to mention the fact that a merchantable iron used by southern manufacturers, who not only compete in the South but also in the North, find the rate level higher than the northern rate level. It is significant to note that the southern steel interests centered in Birmingham, Ala., are among those southern industries credited with supporting the southern railroads in this controversial matter. The reason for this southern steel interest supporting the southern railroads can be understood when it is known that this steel industry ships little of its production out of the territory and is a large purveyor of railroad steel. You must notice that a large portion of its production is sold directly to the railroads, and in order to hold a big customer they must adopt the customer's viewpoint.

The other important iron production that is centered in the Birmingham area is that of producing cast-iron pipe; the largest of its type in the Nation. This industry is favored with a northern level of rates east of the Mississippi River. The rates of this important southern product are the same within the South as within the North and apply equally north-bound and south-bound. There is no imaginary line drawn. There is no discrimination of rates. Originally the rates on this southern product were lower in the South and from the South to the North than were the rates in the North and from the North to the South, but the northern manufacturers complained to the ICC about this situation and the Commission, to satisfy the northern manufacturers, immediately prescribed a uniform level of rates between the two territories on a mileage basis so as to provide equal opportunity of distribution so far as cost of transportation is concerned in regard to cast-iron pipe. This is merely a juggling act of a Commission to satisfy certain northern interests.

There is no explanation why this should not be done on other southern manufactured products. My belief is the differences in freight rates is nothing more than a tariff to protect the eastern manufacturers.

Raw material, such as cotton, can be shipped from the South to the North at a lower rate. When that cotton is manufactured into cloth in New England, it can be shipped south at a cheaper rate than the southern mill owner can ship his cloth to New England. In other words, it seems that the freight differential was set up to protect the eastern manufacturer.

There is as much sense to the Interstate Commerce Commission placing different rates between sections as there would be for the War Department to allow New England soldiers a higher pay than the soldiers from the South and the West.

May I suggest that the western Governors, if they have not already done so, appoint a freight rate expert who is not prejudiced in the matter to make a careful study of the class of goods shipped to and from the West, and I am convinced that you will find the same glaring discrimination against the West that the southern Governors have found to exist against our section.

I have made this trip half-way across the continent because there exists a condition in our section of the country which has no satisfactory explanation. This condition has kept us shackled in an economic way. I am requesting you to join in the fight with the southern Governors to overthrow this arbitrary ruling which favors the North and the East over against the South and the West. It is a condition that has no justification and which cannot be explained. Unless we can rectify our mistakes and our injustices on our home front, we cannot reasonably offer any postwar program of justice to the nations of the world.

PRINTING OF REPORTS OF BOARD OF INVESTIGATION AND RESEARCH UNDER TRANSPORTATION ACT OF 1940

Mr. STEWART subsequently said: Mr. President, when engaged in a colloquy with the Senator from Kentucky, the majority leader, a few minutes ago I forgot to request that certain reports or findings made by the Board of Investigation and Research be printed as public documents. As I understand, it was agreed upon a few days ago by both leaders and others on the subcommittee.

Mr. BARKLEY. It was agreed that it would be desirable and valuable to have the documents printed as a Senate document. The Senator wants them all printed as one document I believe.

Mr. STEWART. No, as separate documents. Half of them were printed on the House side, and I never learned why they did not print them all.

The subjects we agreed to have printed, and which were not brought up on Saturday on account of the lateness of the hour, included the following:

1. Technological Trends in Transportation, 192 pages, $1,287.83.
2. Railroad Consolidation and Employee Welfare, 52 pages, $468.68.
3. Federal Regulatory Restrictions upon Motor and Water Carriers, 356 pages, $3,282.27.
4. Relative Economy and Fitness of the Carriers, 48 pages, $327.39.
5. The Economics of Iron and Steel Transportation, 296 pages, 6 pasters, $3,282.53.
6. Interstate Trade Barriers Affecting Motor Vehicle Transportation, 96 pages, $2,403.20.
7. The Economics of Coal Traffic Flow, 100 pages, 12 pasters, $1,658.81.

8. National Traffic Pattern, 192 pages, 12 pasters, $2,366.33.

9. Comparisons of Rail, Motor and Water Carrier Costs, 728 pages, 2 pasters, $15,337.85.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

EXEMPTION OF MECHANICAL PENCILS FROM TAX

Mr. BARKLEY. Mr. President, there are two or three little bills on the calendar which will take only a moment to dispose of.

Calendar No. 518, House bill 3239, has been reported unanimously from the Committee on Finance. It puts mechanical pencils on the same basis as fountain pens in regard to being exempt from a tax. I ask unanimous consent that the Senate proceed to consider the bill.

The PRESIDENT pro tempore. The bill will be stated by its title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3239) to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, and so forth.

The PRESIDENT pro tempore: Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF THE INTERNAL REVENUE CODE RELATING TO THE TRANSFER TAX, ETC.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 519, House bill 122.

The PRESIDENT pro tempore. The bill will be stated by its title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 122) to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF VETERANS' REGULATIONS TO PROVIDE ADDITIONAL RATES OF COMPENSATION, ETC.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate proceed to consider Calendar No. 547, House bill 3644.

The PRESIDENT pro tempore. The bill will be stated by its title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3644) to amend the Veterans' Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability.

Mr. BARKLEY. Mr. President, this bill was reported unnanimously by the Committee on Finance and attempts to place amputees of World War II on the same basis with similar soldiers of World War I. It has been recommended by the Veterans' Administration, and has the endorsement of all the servicemen's organizations. The Senator from Colorado [Mr. JOHNSON] reported the bill for the committee, and if any Senator desires an explanation of it the Senator from Colorado is present and will be glad to make an explanation.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill.

There being no objection, the Senate proceeded to consider the bill which had been reported by the Committee on Finance with an amendment to strike out all after the enacting clause and insert:

That subparagraphs (k) to (o) of paragraph II, part I, Veterans Regulation Numbered 1 (a), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part I, paragraph II, subparagraphs (a) to (j), shall be increased by $35 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (n), inclusive, of part I, paragraph II, as herein amended, the rate of pension shall be increased by $35 per month for each such loss or loss of use, but in no event to exceed $300 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $200.

"(m) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $235.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $265.

"(o) If the disabled person, as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (n), inclusive, of part I, paragraph II of this Regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $300.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $300."

SEC. 2. Subparagraphs (k) to (o) of paragraph II, part II, Veterans Regulations Numbered 1 (a), as amended, are hereby amended, and a new subparagraph (p) added to said paragraph II, to read as follows:

"(k) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, the rate of pension provided in part II, paragraph II, subparagraphs (a) to (j), shall be increased by $26.25 per month; and in the event of anatomical loss or loss of use of one foot, or one hand, or blindness of one eye, having only light perception, in addition to the requirement for any of the rates specified in subparagraphs (l) to (n), inclusive of part II, paragraph II, as herein amended, the rate of pension shall be increased by $26.25 per month for each such loss or loss of use but in no event to exceed $225 per month.

"(l) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss, or loss of use of both hands, or both feet, or of one hand and one foot, or is blind in both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, the monthly pension shall be $150.

"(m) If the disabled person, as the result of service-incurred diasability, has suffered the anatomical loss or loss of use of two extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or has suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, the monthly pension shall be $176.25.

"(n) If the disabled person, as the result of service-incurred disability, has suffered the anatomical loss of two extremities so near the shoulder or hip as to prevent the use of a prosthetic appliance or has suffered the anatomical loss of both eyes, the monthly pension shall be $198.75.

"(o) If the disabled person as the result of service-incurred disability, has suffered disability under conditions which would entitle him to two or more of the rates provided in one or more of the subparagraphs (l) to (n), inclusive, of part II, paragraph II, of this regulation, no condition being considered twice in the determination, or has suffered total deafness in combination with total blindness with 5/200 visual acuity or less, the monthly pension shall be $225.

"(p) In the event the disabled person's service-incurred disabilities exceed the requirements for any of the rates prescribed herein, the Administrator, in his discretion, may allow the next higher rate or an intermediate rate, but in no event in excess of $225."

SEC. 3. The increased rates provided by this act shall be effective from the first day of the first month following the passage of this act, and shall be deemed to include the 15 percent increase in the rate of compensation or pension payable for service-incurred disability under section 1, Public Law 312, Seventy-eighth Congress, May 27, 1944, or Public Law 469, Seventy-eighth Congress, December 7, 1944.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. BURTON. Mr. President, I request that there be printed in the RECORD at this point the Senate committee report.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the report (No. 549) was ordered to be printed in the RECORD, as follows:

The Committee on Finance, to whom was referred the bill (H. R. 3644) to amend the Veterans' Regulations to provide additional

rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability, having considered the same, report favorably thereon with an amendment in the nature of a substitute and recommend that the bill as amended do pass.

The proposed legislation would provide rates of pension for specific service-incurred disabilities under Veterans' Regulation No. 1 (a), as amended, on a parity with the rates payable for similar disabilities under the World War Veterans' Act, 1924, as amended, and remove certain inequalities which now exist, particularly as between veterans of World War I and World War II. It would also recognize the great difference existing between double amputations at various levels and provide a more flexible scale for the authorization of monetary benefits to the most severely disabled veterans.

The rates of compensation payable to veterans of World War I under Public Law 141, Seventy-third Congress, March 28, 1934, which reenacted, with limitations, certain provisions of the World War Veterans' Act, 1924, as amended, which had been repealed by the Economy Act (Public Law No. 2, 73d Cong.), are the rates provided by the World War Veterans' Act, 1924, as amended, or 75 percent of these rates if the disability is connected with service by virtue of statutory presumptions. The rates of pension payable for specific service-incurred disabilities to persons who meet the requirement of Public Law 2, Seventy-third Congress, March 20, 1933, as amended, are governed by Veterans' Regulation No. 1 (a), as amended. Part I of the regulation prescribes the rates payable for wartime service for veterans of the Spanish-American War, including the Philippine Insurrection and Boxer Rebellion, World War I and World War II, and part II prescribes the rates payable for persons who served in active military or naval service other than during a period of war as defined in part I. The rates provided for peacetime service on or after April 21, 1898, under part II of the regulation are approximately 75 percent of the rates provided for wartime service under part I.

The rates of pension for wartime service under part I of Veterans' Regulation No. 1 (a), as amended, have been extended to persons entitled to pension for service-incurred disabilities under the general pension law (Civil War and Indian war veterans) and to persons whose disabilities resulted from extra hazardous peacetime service and who are now eligible for pension under the general pension law or part II of Veterans' Regulation No. 1 (a), as amended. Likewise, the rates of pension for peacetime service-incurred disabilities under part II of the regulation have been extended to persons who served in time of peace prior to April 21, 1898, and who are entitled to pension under the general pension law. Thus it will be noted that numerous groups are affected by the rates provided in part I and part II of Veterans' Regulation No. 1 (a), as amended.

Under part I of Veterans Regulation No. 1 (a), as amended, an additional allowance of $35 monthly is provided for certain minor anatomical losses or loss of use and payable where there is a ratable disability of 10 percent to total in degree in addition to the rates provided therefor which range from $11.50 to $115 per month. Such additional allowance is not payable where such anatomical losses or loss of use are present with more severe anatomical losses or loss of use, blindess, helplessness, etc., for which specific rates are authorized. The bill, as reported, would retain this provision and authorize payment of the additional allowance where such minor anatomical losses or loss of use are present and entitlement is shown for a specific rate for one or more of the more severe anatomical losses or loss of use, blindness, helplessness, etc., subject to a limitation of $300 on the maximum amount payable. Also, the bill would increase the specific rates for the more specific anatomical losses or loss of use, blindness, helplessness, etc., and limit the maximum amount payable to $300 monthly.

Existing law provides but one specific rate for blindness in both eyes having only light perception. The bill, as reported, would provide specific rates for three grades of blindness, (1) with 5/200 visual acuity or less; (2) requiring regular aid and attendance; and (3) anatomical loss. The first two grades of blindness correspond with the provisions of the World War Veterans' Act, 1924, as amended, and the third, which is total darkness, is a new and higher rate.

The bill recognizes the necessity for differentiation in the rates for specific disabilities among amputations at different levels. The rate provided for loss of two extremities will more nearly conform to the rate provided in World War I cases.

Section 2 of the committee amendment provides rates for service-connected peacetime disabilities at approximately 75 percent of the rates provided for service-connected wartime disabilities under section 1.

The committee amendment is substantially identical with the bill as it passed the House except that in most cases the rates provided under the committee amendment are higher than those contained in the House bill. Also, the committee amendment combines in one subparagraph (m), the disabling conditions covered in subparagraphs (m) and (n) in the bill as it passed the House. In addition, the committee amendment includes a number of minor changes of a clerical nature.

Mr. JOHNSON of Colorado. Mr. President, I ask to have printed in the RECORD at this point the endorsement of the bill just passed by Omar B. Ketchum, national legislative representative of the Veterans of Foreign Wars; Col. John Thomas Taylor, director of the national legislative committee of the American Legion; and Millard W. Rice, national service director of the Disabled American Veterans.

There being no objecvtion, the letters were ordered to be printed in the RECORD, as follows:

MY DEAR SENATOR JOHNSON: I have just been advised of the action of your committee in reporting S. 1276, which would amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability.

This bill, S. 1276, does provide a more generous and vitally needed increase to certain categories of service-disabled veterans, although it fails to eliminate certain inequalities in existing law.

In spite of some deficiencies in the bill, it is to be hoped the Senate will take favorable action, after which desirable amendments can be offered when the bill is referred to the House Committee on World War Veterans' Legislation for consideration and action.

Thanking you and your committee for your generous and sympathetic attitude toward service-handicapped veterans, I remain,

Sincerely yours,

OMAR B. KETCHUM,
National Legislative Representative.

THE AMERICAN LEGION,
NATIONAL LEGISLATIVE COMMITTEE,
Washington, D. C., July 31, 1945.

Hon. EDWIN C. JOHNSON,
Chairman, Veterans Subcommittee of the Senate Finance Committee,
United States Senate,
Washington, D. C.

DEAR SENATOR JOHNSON: The American Legion is gratified that the Senate Finance Committee has favorably reported H. R. 3644 to amend veterans' regulations to provide additional rates of compensation for seriously disabled service-connected disabled veterans and to eliminate inequalities as to specific service-connected disability in excess of total disability.

We were particularly gratified that the Senate Finance Committee has seen fit to increase the rates over those proposed by the House of Representatives.

While it is true there will be some delay in final enactment of the measure due to the fact it will be necessary to await the return of the House, we believe the proposed beneficiaries would prefer to wait a few months and thus obtain the higher rates.

The American Legion wishes to take this occasion to commend you and your committee in giving such prompt attention to this much needed and meritorious legislation.

Sincerely yours,

JOHN THOMAS TAYLOR,
Director, National Legislative Committee.

DISABLED AMERICAN VETERANS,
Washington, D. C., July 26, 1945.

Hon. EDWIN C. JOHNSON,
Chairman, Senate Finance Subcommittee on Veterans' Legislation,
United States Senate,
Washington, D. C.

Re: H. R. 3644 and S. 1276.

MY DEAR SENATOR JOHNSON: As to the proposed action of your committee favorably to report H. R. 3644 to amend the Veterans' Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability, by so amending it as to substitute the provisions in your bill, S. 1276, with several minor amendments, please be advised that the Disabled American Veterans has long been advocating that the same rates of statutory awards should be provided for disabled veterans of World War II as previously provided for disabled veterans of World War I for similar disabilities, and that there should be considerable liberalization as to statutory awards for various combinations of impairments of the body by reason of the loss of one or more limbs, or the loss of the use thereof, and/or by reason of the loss of one or both eyes, or the complete loss of hearing in one or both ears, and as to other especially serious botherly handicaps.

The need for such liberalization and greater uniformity became particularly apparent to me last January during the occasion of making a talk to a large group of amputees at the Walter Reed General Hospital, and by reason of the fact that on such occasion it became necessary to inform variously handicapped and disabled veterans that under the existing regulations they would all receive the same amount of statutory awards, in spite of the great variance in the severity of their physical impairments.

The provisions of H. R. 3644 corrected some of the inequalities, but not enough of them, and many more of them would be corrected by the provisions in the bill in the form in which your committee proposes favorably to report it to the United States Senate.

Important as I do believe it to be that favorable action should be taken as to same, it is regretted that there has been no opportunity to present testimony before your committee as to the need for certain additional libralizing amendments.

May I assume that, in the event that the United States Senate should take favorable action as to the passage of H. R. 3644, with the amendments as recommended by your committee, it may be feasible for some few additional corrective and liberalizing amendments to be given consideration by the Senate and House conferees who will need to be appointed to work out the differences in the provisions of the bill as passed by the

House and as you anticipate it will be passed by the Senate?

The DAV very much appreciates the willingness of your committee to recommend the general liberalization of statutory awards for especially serious bodily impairments as provided for in H. R. 3644, as per the amendments to be offered by your committee.

Respectfully yours,

MILLARD W. RICE.

GAME REFUGES IN THE OZARK NATIONAL FOREST

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House bill 699, Calendar No. 520.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

Mr. TAFT. What is the bill?

Mr. McCLELLAN. It is a bill which has passed the House. I read from the report for the information of the Senator from Ohio and others:

> The act of February 28, 1925, referred to in the above-mentioned bill, authorized the establishment of game refuges in the Ozark National Forest, which is largely situated in the State of Arkansas. The last sentence of the act of 1925 provided that no land within the limits of the Fourth Congressional District of Arkansas should be included in any such game refuge. The purpose of H. R. 699 is to remove the restriction so that lands in the Fourth Congressional District of Arkansas and in the Ozark National Forest may be included in the areas designated as game refuges.

Mr. President, I am sure that no one outside of Arkansas has any interest in this matter and would not wish to object if we want certain lands included in a game refuge.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the bill (H. R. 699) to amend paragraph 682 of title 16 of the United States Code, was considered, ordered to a third reading, read the third time, and passed.

PROBLEMS OF PEACE FOR THE UNITED STATES

Mr. PEPPER. Mr. President, like every other Senator present in this Chamber, I listened with great satisfaction to the remarks of our able majority leader. With characteristic foresight and courage, he has outlined the shape of legislation to come in this Congress if we are not to fail our President and our people. Of course, this Senate, like this country, will support the legislative program of the President, for he holds not only the affection but the confidence of his colleagues and his country. We shall, too, respond to the President's expectation that we shall duly discharge our own responsibility as Senators, not only in supporting him in his recommendations, but in ourselves initiating that legislation which is an adequate response to the challenge of the exacting future.

Like our able leader of the majority, other Senators, aware of the difficult times rushing toward us, have been giving expression to principles or formulating legislation by which we might assure to this Nation, not only peace abroad, but full employment, education, health, prosperity, and security at home.

Those who know the record and the heart of President Truman know that if he were still Harry Truman, our colleague, he would be in the very forefront in this fight for human rights and human betterment.

Our minds and hopes are reaching out toward some adequate and proper answer to the expectations of the people of this country, those in the armed services and those who are civilians—that we shall not fail them, that we shall not give them less than they have bought with their sweat, their tears, their blood.

For 12 years this Government has been a Government of the people, for the people, and by the people. When the people were jobless it provided jobs. It saved the peoples' homes and farms and businesses, their savings in their banks. It reached down to clasp the hand of the forgotten man and lifted him up not only to dignity, but security. It provided for him in unemployment and old age. It did not forget the mother or her tender infant. It helped big business and little business. It stimulated trade, put money in the hands of the people and made it possible for them with their energy, strength, and courage, to build a new nation mightier than any which had endured before.

Now that Nation, saved from its enemies abroad, is threatened by other dangers no less than those against which Franklin Delano Roosevelt reassured the people on the 4th of March 1933, when he said we have nothing to fear save fear itself.

Again unemployment rushes toward us with growing speed. The people have seen, the world has seen, what America fully employed can do, for the like of it is not in all history. The people want—nay they demand—that we have full employment in peace as in war. This is the demand of the returning veteran as well as the war worker at home. Give them less and we have failed them. Give them less and they have not got what they have earned and won. It is this Congress to which servicemen and civilians turn for the assurance that they shall have a chance to live honorably through their labor.

And this war has taught us that there can be prosperity for the people. But if the people lose their prosperity, they shall put the fault upon this Congress. We dare not by our failure thrust this Nation into another depression. If we sleep at the switch the disaster will be ours.

The people know that in this rich land, in this needy and hungry world, agriculture, too, can prosper like business and labor. The farmer has the right to a fair return for his enterprise, the farm worker a fair return for his labor. Give them less and we have not only starved millions of men, women, and children, but we have strangled those who furnish the very staff of life. Agriculture asks not bounty but justice.

The veteran, the aged, the disabled—we know their claim. It cannot be justly denied. And when I speak of the rights of veterans I speak not only of bare minimum rights but of their right to live in the fullness that they have won. Give them less and we have betrayed them.

We are now nearing the end of that dark corridor through which we have been so long passing. The eyes of the Nation are upon this Congress to know what its future shall be. Make no mistake about it, Senators, we are the servants of the people. If we faithfully and well serve them, they shall honor us. If we fail them they shall spew us out of their mouths. For 12 long years—in this Nation—men and women, boys and girls, have seen the pattern of their lives shaped by the kind of government they had. They know that a government devoted to the interests of the people can lift them up to heights which they have never reached before. They know when their Government responds to the siren song of special privilege. They know those who would do nothing while they die. They know when they have been remembered and when they have been forgotten.

These knowing people are on the march—they are on the march in Britain. All over the world man is moving forward and upward. America has been leading that march. We shall not now lag behind.

As this Congress has just set the world an example in forging the machinery of peace for a bleeding world, let us when we reconvene, with equal glory fashion the instruments of prosperity. That is what the nations expect. That is what America demands.

TRIBUTE TO THE COAST GUARD

Mr. President, on August 4, 1945, the United States Coast Guard will observe its one hundred and fifty-fifth anniversary. On this day the Nation rejoices to honor some 172,000 coast guardsmen now at battle stations throughout the world.

The Coast Guard is the Nation's oldest fighting sea service. It was created on August 4, 1790, when President George Washington approved an act of Congress establishing the Revenue Marine. Since that day it has been performing essential and invaluable services for this country. The service has made a distinguished record in every war in which the United States has engaged. But to the Coast Guard, Mr. President, war is simply another important job. Semper paratus, to this fighting arm, means ready in peace and in war.

With the outbreak of hostilities in Europe in 1939, the first service to swing into action to help keep the war away from the United States was the Coast Guard. Along the Nation's 40,000 miles of seacoast and inland waterways the officers and men, the cutters, boats, and planes of the service maintained a constant lookout, guarding against illegal entrance and activity of belligerents.

While maintaining its regular peacetime activities, the Coast Guard found itself responsible for many new types of duty—and here their constant preparedness and versatility and initiative proved a great resource to the Nation. Many of the most important skills, techniques, and tactics which were utilized so successfully by this Nation's military forces to win the battle of the Atlantic against submaries, planes, and weather—a factor in the North Atlantic, Mr. Presi-

dent, which has often been overlooked—to design, organize, equip, and man our great amphibious warfare fleet, and to transport millions of troops all over the world—were devised in large part on the basis of long Coast Guard experience in analogous peacetime duties and operations on the beaches, on the sea, and in the air.

As an integral part of the Navy after November 1, 1941, the Coast Guard again extended its functions and participated in many of the duties normally charged to the parent service. Historically, overseas convoy duty is one of the Coast Guard's first wartime functions. The Navy's destroyer escorts, earmarked for complete manning by Coast Guard personnel, total five divisions for antisubmarine convoy escort duty—and later for assault duty yet to take place. With the frigates manned by the Coast Guard first on convoy and later weather-ship duty, over 21,000 Coast Guard officers and men were required for these two duties alone.

The gigantic troop ships manned by the Coast Guard have ferried tens of thousands of men overseas, and have brought back thousands of prisoners of war, large numbers of our own wounded, and now our own troops returning home.

Many of the coast guardsmen who shared in the early invasions of the war had been surfmen at the lifeboat stations in peacetime, and their skill with small boats in rough surf made them eminently qualified for handling and teaching others to handle the snubnosed landing barges for the assaults on enemy beaches.

The enemy knows the Coast Guard well, and knows it is to be feared. The Coast Guard has an unblemished record of having joined in every major invasion of World War II.

Mr. President, the list of these engagements is the history of the war: Casablanca, Algiers, Iran, Sicily, Salerno, Anzio, Normandy, and southern France. On the other side of the globe: Guadalcanal, Tulagi, Amchitka, Vella La Vella, Bougainville, Tarawa, Makin, Gloucester, Kwajalein, Eniwetok, Manus, Finshaven, Hollandia, Aitape, Ulakde, Biok, Noemfoor, Sansapur, Saipan, Guam, Tinian, Leyte, Lingayen Gulf, Zamboanga, Iwo Jima, and Okinawa.

This is an amazing record. It is a worthy record. It is a record proudly made and proudly shared by every member of this service. Among those who made it and generously shares the credit for it is the commandant of the Coast Guard, Admiral R. R. Waesche.

With energy, determination, and quiet perseverance, Admiral Waesche has performed a notable service for his country. He swung the Coast Guard swiftly and easily into the neutrality patrol, the north Atlantic battle, the amphibious and beach warfare. He blended the Coast Guard service into the Navy family, yet managed to maintain the distinctive spirit and morale of the Coast Guard tradition in the hearts and minds of every officer and man in the Coast Guard uniform.

He is responsible for the swift planning and action which mobilized the temporary Coast Guard Reserve at the outbreak of the war, when every privately owned yacht, vessel, and small craft along the coast was commissioned into patrol or escort duty against the dreaded submarine.

He is responsible for many of the new functions of the service—functions which will have great value in peacetime as well—when the Coast Guard—Semper paratus—will resume its duties in keeping the peace and contributing to the general welfare. I would like very briefly to mention a few of these as examples, not only of the forward-looking and constructive qualities of the Coast Guard service itself but also of the diversity of duty for which these men are qualified and called upon to perform.

The Air-Sea Rescue Agency has provided through out the world many units comprised of rescue planes and fast rescue boats with crews trained to work as a team. Particular attention is being given to the development of the helicopter—a type of aircraft which the Navy has turned over entirely to the Coast Guard for operation. This agency has already made a very impressive record. Its potentialities for peacetime appear almost unlimited as we enter the area of transoceanic transport by air.

Maintenance of navigational aids is among the oldest of Federal services. But the advances made during the war in this field are beyond imagination. In addition to the maintenance of more than 34,000 aids in the continental coastal waters, the Coast Guard has installed and operated advance base aids to navigation for many fleet operations.

This is a record of accomplishment, Mr. President; a record of things "well done"; but it is also a record of progress and of encouraging peacetime promise.

Here is a small but very vital service for our Nation's security. Its functions go on in peace and in war against the hazards of the sea and the sky. Here is a service dedicated to the security of man against the elements, yet when war strikes, this service is credited with sinking the first enemy submarine.

On August 4, this Saturday, Mr. President, the American people are united in their tribute to a gallant, efficient, and glorious group of men and women who proudly wear the uniform of the United States Coast Guard.

At this time, I should like permission to introduce for the RECORD a resolution passed by the Senate of the State of Florida thanking the Coast Guard and Admiral Waesche for its splendid work.

There being no objection, the resolution adopted by the Senate of Florida was ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 6

Whereas Florida, by reason of its thousand miles of shore, has come to know better than any other State the work of the men and women of the United States Coast Guard—regulars, reservists, temporary reservists, and auxiliary members, and

Whereas Florida, as a great marine State, with merchant and pleasure vessels by the thousand crowding its waters, always had need of the protection of the Coast Guard; and

Whereas a great many Florida citizens have, in exchange for unpaid volunteer service to release regulars for active duty on the fighting fronts, received valuable training from the Coast Guard in the safeguarding of lives at sea; and

Whereas to make continuing use of this training, the able commandant of the Coast Guard, Vice Admiral R. R. Waesche, has planned a place in the postwar official family of the Coast Guard for these qualified disciplined, and equipped volunteers; and

Whereas Admiral Waesche says the worth of these volunteers has been demonstrated in Florida and elsewhere by the fact that not a single serious loss was suffered in any port under their protection, and

Whereas the Coast Guard expects the prewar pleasure fleet of 300,000 motorboats in the Nation to increase greatly with the return of peace, thereby subjecting more and more persons—for the most part unskilled as mariners—to the hazards of the sea, and

Whereas the Coast Guard says a flotilla of these war-trained volunteers in each marine community would release regular coast guardsmen from waterfront duties, enabling them to concentrate upon offshore missions of greater importance: Now, therefore, be it

Resolved by the Senate of Florida (the House of Representatives concurring):

First. That the thanks of the State of Florida be extended Admiral Waesche, long a good friend of this State, and to the officers and men under his command for a job well done around the world, and

Second. That the State of Florida applaud Admiral Waesche for preserving the skills represented by these volunteer community groups for the safety in peace of their fellow men, and

Third, That the secretary of state of Florida deliver four copies of this resolution, unthe great seal, to Allen Morris of the St. Marks flotilla for delivery to Admiral Waesche, Capt. John E. Whitbeck, district Coast Guard officer, and Commander William N. Mansfield, director of the United States Coast Guard Auxiliary and Temporary Reserve for the Seventh Naval District.

Approved by the Governor May 4, 1945.

THE NATIONAL WAR FUND

Mr. PEPPER. Mr. President, this year's National War Fund campaign will be launched in October. Already the people of my State, Florida, have completed their plans for the drive. The Governor of the State, the Honorable Millard F. Caldwell, is State chairman, and my friend, Walter L. Hays, of Orlando, is State president.

We have always, in Florida, gone over the top in our contributions to the National War Fund, and we are going to do so again this year. We know how little, in reality, we Americans have suffered as a result of the greatest holocaust of war the world has ever known. We know that we owe a debt to our boys who have helped keep war away from our shores, and to the suffering peoples of Europe and Asia who have borne the brunt of that war. We propose to pay that debt in the only way we know how, by giving unstintedly of our substance that those who have suffered for us may be assuaged.

The National War Fund has unquestionably proven itself one of the most powerful weapons in the arsenal of democracy which is America. It is a weapon which has saved the lives of millions of our own people and those of our Allies; a weapon of mercy and of friendship.

Indeed, the fund has helped us win the war against tyranny nearly as effectively as have the guns and planes with which we forced Germany into the dust and are

bringing Japan to its knees. For it has aided and comforted and entertained our soldiers and sailors wherever they might be, through the USO; it has helped our prisoners of war in enemy territory through the War Prisoners' Aid; it has brought assistance and a touch of home to the men of our merchant marine through the United Seamen's Service; and through the American Field Service's volunteer ambulance corps it has done a magnificent job of evacuating wounded from the front lines to field hospitals, saving thousands upon thousands of American lives in the course of the war.

But that is not all. The National War Fund has also done an essential work of mercy through its constituent foreign relief agencies. Here its task has been the saving of lives of millions of those made homeless, starving, destitute by the ruthless terrorism of the Nazi and Japanese war machines.

In most of the countries allied with the United Nations, where war has ravaged city, town, and countryside, the relief agencies of the national war clothing and medical supplies to those so desperately in need. They have rescued hundreds of thousands of orphaned children, and have brought aid to over 5,000,000 refugees who had fled penniless from their homes and their countries.

Together, the twenty-two organizations which form the National War Fund have aided our fighting forces, merchant seamen, and war prisoners, and the civilian war victims and refugees of other nations, in over 125 countries of the world—from Iceland to Iran, from New Guinea to Newfoundland.

All this has cost money—huge amounts of money. It has been our money, given out of the warm generosity of American hearts. Every year during the war the National War Fund has organized a campaign to raise the cash needed to keep up its work. Last year it raised $115,000,000. This year it hopes to do the same.

For this year its work is as important as ever, even though the German war machine has collapsed. Our soldiers and sailors are still as much in need of the morale-building activities of the USO as they were. Conditions in nations recently freed from the Nazi yoke are worse than ever, with starvation and disease rampant among the millions of the dispossessed who must await the rebuilding of their homes and the reestablishment of their means of livelihood before they can become self-supporting again.

I know that the people of my State will do their share, and I believe that the peoples of every State in the Union will do theirs in oversubscribing the various State quotas of the National War Fund. For giving to the fund is truly a national obligation, and will be fulfilled nationally, I am certain, when the drive is on this coming October.

ANCHORAGE TO LAW—EDITORIAL FROM THE WASHINGTON POST ON DISSENTING OPINIONS IN THE SUPREME COURT

Mr. LUCAS. Mr. President, on July 25 the Washington Post published an editorial entitled "Anchorage to Law." It is one of the most important editorials I have read in a long time. It deals with dissenting opinions in the Supreme Court. The first paragraph of the editorial reads as follows:

> Division in the Supreme Court probably reached an all-time peak in the term that ended last month. A study of the Court's decisions by the United States Law Week shows a total of 230 dissenting votes in the 162 cases in which majority opinions were announced. This is more than twice the number of dissenting votes cast by justices in the 1940–41 term. Five-to-four opinions have become commonplace.

I ask unanimous consent that the entire editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ANCHORAGE TO LAW

Division in the Supreme Court probably reached an all-time peak in the term that ended last month. A study of the Court's decisions by the United States Law Week shows a total of 230 dissenting votes in the 162 cases in which majority opinions were announced. This is more than twice the number of dissenting votes cast by Justices in the 1940–41 term. Five-to-four opinions have become commonplace.

With such sharp division among the Justices, the element of uncertainty in the law is necessarily magnified. Justice Roberts, who recently retired, and Justice Frankfurter once complained that the law was in danger of becoming, not a chart by which conduct could be guided but a game of chance. They were speaking of the tendency of the Court to overrule its prior decisions without basic reasons for doing so. During the term just closed the Court did not, in express terms, overrule any of its prior decisions. But it rendered so many decisions which would have been changed by the shift of a single vote that the law of the land in many instances seems to hang upon a very slender thread.

This situation in the Court cannot be overlooked in the appointment of a successor to Justice Roberts. It might be superficially assumed that division among the Justices could be diminished by the selection of a new member who would lean to the majority viewpoint. That, however, would mean strengthening of the Black-Douglas-Murphy bloc in the stretching of legislation to serve ends which seem to those Justices socially and economically desirable. A greater degree of harmony might be attained temporarily by this method. But we do not think it is possible to eliminate the schism in the Court by trying to reconcile the economic and social viewpoints of its members. On the contrary, the greater the emphasis on the predilections of nominees to the Court the more it is likely to be divided in the end on the basic issues of law that come before it.

There is only one way that we know of to attain a greater degree of judicial consistency, harmony, and stability, and that is to appoint to the Court judges of tried and tested devotion to the judicial process. When the Supreme Court fight of 1937 was at its height, it was often said that the objective of the administration in pressing for reform was a Court composed of justices of the caliber of Stone, Brandeis, and Cardozo. We think that is still a worthy objective to be sought by all legitimate means. Chief Justice Stone, the only member of the distinguished liberal trio left on the bench, has amply proved his capacity to interpret the law dispassionately with a minimum of leaning in the direction of the particular policy that he might favor if he were a legislator. But the Chief Justice now holds the record as the foremost dissenter on the Supreme bench. His dissents in the term just ended were exceeded only by those of Justice Roberts, who has gone into retirement.

We think it is eminently clear, therefore, that the more judicial-minded element of the Court needs strengthening. In other words, a tribunal that is floundering in discord ought to be given more secure anchorage to the law. If the President selects a judge of long and distinguished experience or even a lawyer not on the bench whose basic loyalties are to the law and its objective interpretation, the country will not worry about his economic or social leanings.

Mr. LUCAS. Mr. President, in discussing this editorial briefly, let me say that in the main I agree with it. I am satisfied that many persons familiar with what is happening in the Supreme Court are disturbed and disappointed that so many 5-to-4 decisions have occurred. Too many important decisions affecting the general welfare of the Nation are being decided by one vote. There are far too many individual dissenting opinions. I reflect upon the integrity or capacity of no member of the Court; but the decisions of the Court which make for a stable government are frequently reached through compromise, through amendments, through a little of the spirit of give and take. Every man, Mr. President, cannot be right all the time. Certainly so many opinions hanging on such a slender thread lead to instability and uncertainty as to how long some of these decisions may stand. In other words, we have the law today, and tomorrow it may be changed.

I lay this brief premise before the Senate with the sincere hope that when President Truman fills the vacancy made possible by the retirement of Mr. Justice Roberts he will select a man with extensive legal or judicial training. I am convinced that the Court needs such a man at this time. It needs a man who is fundamentally grounded in the law who will apply himself accordingly, and not become a member of the Court with the idea of attempting to reconcile the different social and economic views of some of its present members.

USE OF LIVE DECOYS IN THE TAKING OF DUCKS

Mr. LUCAS. Mr. President, I ask unanimous consent for the present consideration of Senate bill 518, Calendar 505.

Mr. TAFT. Mr. President, reserving the right to object, what is the bill?

Mr. LUCAS. I will say to the Senator from Ohio that the bill was reported unanimously from the Committee on Agriculture and Forestry. It deals with the use of live decoys in the taking of ducks. The bill simply provides that:

> Any person or persons in a duck-shooting blind may use live decoys in the taking of ducks when such person or persons have made application to and received from the Secretary of the Interior a permit for the use of said live decoys: *Provided*, That not more than six such live decoys shall be used at any time in connection with such blind, and said live decoys shall not be permitted in blinds less than 200 yards of each other.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 518) to provide for the issuance of permits for the use of live decoys in the taking of ducks.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. BALL. I object to the consideration of the bill.

The PRESIDENT pro tempore. Objection is heard.

Mr. LUCAS. I regret that the Senator from Minnesota objects to the consideration of this bill, because it was unanimously reported from the Committee on Agriculture and Forestry. It was amended in accordance with the suggestion of the Senator from Oregon [Mr. CORDON]. I never dreamed that any Senator would object to it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. It occurs to me that inasmuch as it is a Senate bill, it will not really be delayed if it comes up on the calendar when we return.

Mr. LUCAS. I promise to move to take it up at the first opportunity after we return.

CLAIMS OF ALDERSON REPORTING CO.

Mr. LUCAS. Mr. President, I wish to take up a matter in which the senior Senator from Montana [Mr. WHEELER] and the senior Senator from Nevada [Mr. MCCARRAN] are interested.

Prior to the Seventy-eighth Congress, each standing committee was authorized to summon witnesses and hold hearings on any subject before the committee. I am now discussing a couple of resolutions which involve a practice and procedure which is now being considered by the Committee to Audit and Control the Contingent Expenses of the Senate. Prior to the Seventy-eighth Congress, each standing committee was authorized to summon witnesses and hold hearings on any subject before the committee. I have a copy of a resolution which I wish to place in the RECORD at this particular time. It is Senate Resolution 18 of the Seventy-seventh Congress.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That the Committee on Post Offices and Post Roads, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-seventh Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer at a cost of not exceeding 25 cents per hundred words; to report such hearings as may be had in connection with any subject which may be before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

Mr. LUCAS. It became apparent that this language was too broad, allowing the committee to conduct an unlimited investigation on any subject desired. Commencing with the Seventy-eighth Congress, this general authority was restricted by resolution to the subjects referred to the committee, and a limit of expenditures was fixed, in most cases, at $5,000. To illustrate this point, I ask unanimous consent to have printed in the RECORD at this point in my remaks Senate Resolution 96, of the Seventy-eighth Congress.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That the Committee on Agriculture and Forestry, or any subcomittee thereof, is authorized, during the Seventy-eighth Congress, to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had on any subject referred to said committee, the total expenses pursuant to this resolution (which shall not exceed $5,000) to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

Mr. LUCAS. It was assumed that this latter language would have the effect of confining the activities of the committee to a general inquiry concerning a bill, resolution, nomination, or treaty referred to it for consideration and report. This would be in line with the law, which requires a resolution for a specific investigation to name the limit of expense to be incurred thereunder.

Several vouchers have been presented for payment which I think are contrary to the spirit, if not the letter of the law. For instance, Senate Resolution 178 of the Seventy-eighth Congress—and I wish to read it—was introduced in the Senate on September 14, 1943, by the distinguished senior Senator from Nevada [Mr. MCCARRAN]. This resolution provides as follows:

Resolved, That the Senate Committee on the District of Columbia, or any duly appointed subcommittee thereof, is hereby authorized to investigate conditions at Gallinger Municipal Hospital, with particular reference to sanitation, food, diet, and treatment and care of tubercular patients: *Provided*, That such committee or subcommittee shall call upon the United States Public Health Service for such professional, technical, or other assistance as it may deem necessary for purposes of the investigation herein authorized.

The Senate adopted that resolution, and I may have been guilty of voting for it at that particular time; but the Senate will notice that there is nothing in that resolution which requires the Committee to Audit and Control the Contingent Expenses of the Senate to pass upon the question of the amount of money which should be used in connection with the investigation. So under that authority the Senator from Nevada proceeded to hold hearings and investigate the subject matter of the resolution.

The resolution makes no mention of expenses to be paid as required by law. It was not referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as required by the Senate rule, but was agreed to by the Senate on September 17, 1943. Subsequently an investigation was conducted, and I am still holding an expense voucher for $749.

The Senator from Nevada has introduced a resolution requesting that that money be paid out of the moneys appropriated in the Seventy-eighth Congress. The Committee to Audit and Control the Contingent Expenses of the Senate took up the resolution in one of its recent hearings, and we decided that this was a matter of such importance that we believed it ought to be presented to the Senate.

From the Committee to Audit and Control the Contingent Expenses of the Senate, I now report without recommendation Senate Resolution 152, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The resolution (S. Res. 152) was read as follows:

Resolved, That the Committee on the District of Columbia, authorized by Senate Resolution No. 178, agreed to September 17, 1943, to investigate conditions at Gallinger Municipal Hospital, hereby is authorized to expend from the contingent fund of the Senate the sum of $749 for payment to the Alderson Reporting Co. for services performed in stenographically reporting and transcribing hearings held from September 27 to October 1, 1943, incident to such investigation: *Provided*, That such payment shall be charged to the original allotment of $5,000 authorized to be expended during the Seventy-eighth Congress for stenographic reporting on subjects referred to the committee.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none. Without objection, the resolution is agreed to.

Mr. LUCAS. Mr. President, there is another Senate Resolution, No. 184, of the Seventy-eighth Congress, proposing an investigation of the National Capital Housing Authority, introduced on October 4, 1943, and referred to the Committee on the District of Columbia.

I ask unanimous consent that the resolution be printed in the RECORD at this point as a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That the Senate Committee on the District of Columbia investigate the slum clearance and housing programs now being administered or proposed by the National Capital Housing Authority, with a view to recommending a sound program for meeting the needs of the National Capital for the same, both during the present emergency and in the postwar period, and for financing the program.

Mr. LUCAS. Mr. President, this resolution contained no authority for paying expenses. It was never reported by our committee. Nevertheless, vouchers totalling $2,598.75, which I hold at this time, have been presented.

The Senator from Nevada has presented the resolution to our committee for payment of that sum out of the money appropriated; and in the Seventy-eighth Congress that expenditure was made for stenographic reporting, and subsequently the resolution was referred to the committee. I present the resolution in the same spirit in which I presented the other one. The committee did not pass on the resolution, but the committee thought it should be reported to the Senate for its consideration.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 151) submitted by Mr. McCARRAN on July 6, 1945, and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, was read, as follows:

Resolved, That the Committee on the District of Columbia hereby is authorized to expend from the contingent fund of the Senate the sum of $2,598.75 for payment to the Alderson Reporting Co. for services performed in stenographically reporting and transcribing hearings held from January 24 to June 10, 1944, incident to the investigation of the slum clearance and housing programs of the National Capital Housing Authority: *Provided*, That such payment shall be charged to the original allotment of $5,000 authorized to be expended during the Seventy-eighth Congress for stenographic reporting on subjects referred to the committee.

Mr. LUCAS. Mr. President, in passing on these two resolutions I simply wish to say that we have rules of the Senate, and many of the rules have been in effect since the inception of this legislative body. The Committee to Audit and Control the Contingent Expenses of the Senate has been in existence for more than 100 years, and it seems to me the rules should be observed. These vouchers have been held up all this time. I have no authority to approve a voucher of this kind. If I do approve it, I think I am personally liable, unless the Senate approves it, as it has done today.

I merely call to the attention of the Senate the fact that no resolution for an investigation should be adopted by the Senate without being referred to the Committee to Audit and Control the Contingent Expenses of the Senate, unless the Senate of the United States desires to change the rule. I happen to be chairman of the Audit and Control Committee. I have no objection to the changing of any rule which will take the power away from that committee, if the Committee on Rules and if the Senate wish to do so.

But, Mr. President, so long as I am chairman of that committee I shall attempt to follow the rules; I shall attempt to play the game the way it should be played. I say this in the utmost good faith. Certainly the situation places the committee in an embarrassing position. The one who really loses is the person who was engaged to report the hearings. We now find that a man has been denied his money for some length of time. Perhaps the committee should have reported this matter to the Senate sooner; perhaps I am at fault in that respect. But here was a voucher which I could not approve. It came to my office.

I plead with the Senate and with the chairmen of the committees from whom these resolutions come to follow the rules of the Senate and make it a little easier for the Committee to Audit and Control the Contingent Expense of the Senate.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. BARKLEY. Mr. President, reserving the right to object, let me say that I think it is unfortunate that a matter of this kind should be brought up at this late hour, when we are on the verge of adjourning, with very few Members of the Senate present in the Chamber. We adopted the rule which is now in force to protect the contingent fund of the Senate by requiring that resolutions providing for investigations should go to the standing committees to which they should be referred, that the standing committees should have authority to report to the Senate, and that if any appropriation were involved in the report on the resolution, it automatically would go to the Committee to Audit and Control the Contingent Expenses of the Senate, for it to determine the amount of money which should be appropriated or authorized to be spent out of the contingent fund for the study or investigation, as this case happens to be. I think it is not only a violation of the rule and the spirit of the rule but it is an assumption of authority, it seems to me, on the part of a standing committee, after a resolution of investigation has been introduced, but when nothing has been reported and no money has been allowed, to go ahead and expend such a sum of money for the purpose intended by the resolution.

I shall not object to the consideration of this particular resolution; but, as we know, we often do things and say they will not be precedents, but later, the first thing we know, we find we have done things which actually have become a series of precedents by which we go, even though that was not intended.

Certainly, however, no committee should ask unanimous consent to have an authorization made for the expenditure of money for a purpose not authorized under a resolution; for in such event, as in this case, the Committee to Audit and Control the Contingent Expenses of the Senate would never have jurisdiction over such matters unless they were reported by a standing committee.

If this amount is allowed, I certainly hope that hereafter the procedure will not be repeated, because the Senate adopted the rule in order to authorize the expenditure of money regularly out of the contingent fund, and it was for the protection of the contingent fund that the rule was established.

Mr. McCARRAN and Mr. CHAVEZ addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Illinois yield, and, if so, to whom?

Mr. LUCAS. I yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I should like to ask a question. It comes up almost every day in the committee of which I am chairman; in the committee almost every time we meet something of the sort comes up. For instance, a nomination to which there is objection comes before the committee. We have $5,000 allocated to us for the reporting of hearings. Does the Senator from Illinois mean to say that I must go to the Committee to Audit and Control the Contingent Expenses of the Senate and obtain permission from them before I hold a hearing on a nomination?

Mr. LUCAS. Oh, no.

Mr. BARKLEY. Of course not. Of course the Senate makes a regular allotment.

Mr. McCARRAN. That is the fund from which the money should have been paid.

Mr. BARKLEY. The Senate makes a $5,000 appropriation for standing committees. If that amount is exhausted, of course the standing committee can request more money for its regular work. That is frequently done.

Mr. McCARRAN. That is correct.

Mr. BARKLEY. But I thought this matter was for a special investigation, not something which was the regular routine work of the committee.

Mr. McCARRAN. It was the regular routine work of the Committee on the District of Columbia, and the hearing was conducted by the Senator from Ohio [Mr. BURTON]. This resolution is for payment for the reporting of the hearings which the Senator from Ohio conducted under the housing resolution.

Mr. LUCAS. Mr. President, I respectfully disagree with my able friend, the Senator from Nevada, that this was a matter which could be considered under the general resolution which was adopted. If that were true, the Senator did not need to present to the Senate a further resolution requesting that the Gallinger Hospital and slum-clearance authority be investigated. If the Senator had that power under the general resolution, he did not need to present a special resolution requesting that that be done. In other words, the Senator from Nevada recognized, as I see it, that this matter was outside and beyond the power under the general resolution, and therefore he came to the Senate with a resolution requesting authority to proceed without asking for any money.

The disbursing officer of the Senate, who is very familiar with matters of this kind, definitely says there is absolutely no money available to the Committee to Audit and Control the Contingent Expenses of the Senate for the payment of these expenses, under the Senate rules. The Senate disbursing officer has been here a long time. I agree with him on that matter, and our committee agrees unanimously. That is why we are presenting it to the Senate for its consideration.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. McCARRAN. Mr. President, I wish to be heard, and I hope the Senator from Illinois will yield for a moment.

Mr. LUCAS. I yield to the Senator from Nevada.

Mr. McCARRAN. This resolution is presented at this time because when it was previously presented, as it should have been presented, it was turned down, or at least was not acted upon and the money was not paid, and the resolution had to go from one session of Congress to another. The resolution provides for the payment of services performed in reporting a hearing. The payment is to be made for the reports made by official reporters of a hearing conducted by a standing committee of the Senate, for which there was available the $5,000, more or less, which was standing to its credit in the disbursing office. The fact that the money was not paid at that time is regrettable, but the matter went from one session to another, so there was nothing for the former chairman of the committee—not now the chairman—to

do but to offer this resolution so that the reporter who did the work might be paid. I still contend—and I always shall contend—that the chairman of the standing committee has the right to hold hearings on matters which come before his committee. That is why $5,000 is allocated on each occasion. In this case it was not utilized. It had not been used up. We were not asking for any more money. We were within the $5,000 all the time.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHEELER. Let me say to the Senator from Illinois [Mr. LUCAS] with all due respect to him, as I know he is trying to do what he thinks is necessary in order to protect the contingent fund of the Senate, that I think the committee might have done a better job in preserving the contingent fund if it had curtailed the appropriations of money to many special committees which spent hundreds of thousands of dollars for work which I think was utterly unnecessary.

Mr. LUCAS. The next time we hold a meeting of the committee I will have the Senator appear before it.

Mr. WHEELER. It is not necessary to do that. Shortly after I first came to the Senate I conducted the Daugherty investigation for $13,000. If I do say so, it was one of the most outstanding investigations ever conducted. However, let me read this resolution to the Senate. I have been a Member of this body for 22 years. Never in my life have I known of the question being raised before. The resolution which was adopted by the committee was substantially as follows:

Resolved, That from February 1, 1945, to the end of the Seventy-ninth Congress each standing committee of the Senate, or any subcommittee thereof, is hereby authorized to send for persons, books, or papers, to administer oaths, to employ a stenographer at a cost of not exceeding 25 cents per hundred words to report such hearings as may be held on any subject referred to said committee. The total expense pursuant to this resolution will not exceed $5,000 to each committee, to be paid out of the contingent fund of the Senate.

Mr. President, here is a resolution which did not ask for any special funds. It was referred to the Interstate Commerce Committee or to the Judiciary Committee, or to some other committee. Must we come back to the Committee to Audit and Control the Contingent Expenses of the Senate every time we want to do something? I have held any number of hearings during my 22 years of experience in the Senate. When a resolution came to the committee asking for an investigation I have a clear recollection of asking for a preliminary hearing on the resolution in order to determine whether or not it should be recommended by the committee.

Frequently, by holding a preliminary examination with reference to the matter the committee is in better position to determine whether they want to report favorably the resolution, or whether it is necessary to incur an expense of $20,000 or $25,000. In that way the committee is saving money of the contingent fund.

Mr. BARKLEY. Mr. President, if I understand correctly, the $5,000 which is referred to in the resolution in the hands of the Senator from Montana is the $5,000 which is appropriated at the beginning of each Congress for the general use of the committee.

Mr. WHEELER. That is correct.

Mr. BARKLEY. We all know that some committees have more work to do than others, and are liable to run out of funds early in their work. It is not at all unusual for committees to expend all of the $5,000 which had been appropriated for them, and come back to the Senate and ask for additional funds. I do not know when any request of that nature has been denied. A special resolution is not required for the investigation of a special subject. Usually the chairman of the particular committee involved reports to the Senate that the $5,000 which the Senate had made available to the committee has been exhausted and that further funds are needed, and no amount will be appropriated for the general use of the committee without a designation of the use of the funds in connection with some particular investigation.

Mr. WHEELER. Yes.

Mr. BARKLEY. But, under the rule, as I understand it, when a special committee is requested, or a standing committee is authorized to make an investigation into a subject which requires an appropriation, the matter must go to the standing committee, and be later referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WHEELER. That is in the case of a special subject having been referred to the committee.

Mr. BARKLEY. Yes.

Mr. WHEELER. It has never been the rule, during the 22 years in which I have been a Member of the Senate, that any committee had to go to the Committee to Audit and Control the Contingent Expenses of the Senate for extra money if the expenses could be met with money from the fund already appropriated for general purposes.

Mr. CHAVEZ. Mr. President, that practice not only saves money, but the jurisdiction and the policy determining power is preserved in the standing committee.

Mr. WHEELER. Yes.

Mr. BARKLEY. I agree with what the Senator says about many of the investigating committees. I remember that the late distinguished Senator from Oregon and able minority leader, Mr. McNary, said to me on two or three occasions that he thought that the special committees, and special investigations by special committees, were going to seed in the Senate, and that there was being taken away from the jurisdiction of standing committees activities which they ought to be authorized to investigate, looking forward to the possible enactment of legislation.

Mr. WHEELER. That is true.

Mr. BARKLEY. I agreed with the Senator from Illinois [Mr. LUCAS], the Senator from Montana [Mr. WHEELER], and I also agreed with the late Senator from Oregon, Mr. McNary, that we might well consider decreasing the number of special committees appointed to do special work, and in short to authorize all standing committees to make the necessary investigations. If that carries out the objective heretofore pursued, I think we will save money.

Mr. WHEELER. Yes. Mr. President, within the past 22 years during which I have been a Member of the Senate, when a resolution was agreed to asking for an investigation, unless an appropriation was requested, it has never been the practice of the Senate to refer the resolution to the Committee to Audit and Control the Contingent Expenses of the Senate. If the committee to which the resolution had been referred expended more than what was left of the original appropriation of $5,000, or wanted more money than was available, then it was necessary to go to the Committee to Audit and Control the Contingent Expenses of the Senate.

I remember very distinctly that at one time the Committee to Audit and Control the Contingent Expenses of the Senate took jurisdiction over matters which, in my judgment, were clearly outside of that committee's authority. I remember distinctly when my late colleague, Senator Walsh, of Montana, took up the question of the power of the Committee to Audit and Control the Contingent Expenses of the Senate. A question was raised as to whether that committee had the right to question what a general committee was going to do after it had recommended certain legislation. The only thing that the committee could consider was the question of the amount of money which the Committee to Audit and Control the Contingent Expenses of the Senate could pass upon. In other words, the committee could say whether the amount of money to be appropriated was to be $25,000, $10,000, or $5,000. But after the standing committee had passed on the question the Committee to Audit and Control the Contingent Expenses of the Senate had no right to question the standing committee's authority or the Senate's authority with reference to the matter.

Mr. McCARRAN. Mr. President, in the case before the Senate a resolution was submitted. It was favorably acted upon by the Senate and referred to the Committee on the District of Columbia. That committee sought to determine whether or not it wanted to report favorably. So it held hearings. Those hearings were extensive. No expense was incurred except in connection with the reporting of the hearings, and that is all this resolution is about.

Mr. WHEELER. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. WHEELER. I call attention to the fact that frequently a resolution is presented which comes to the Committee on Interstate Commerce, and there are many providing for the investigation of one thing or another. Frequently I would call up a member of the Interstate Commerce Commission, or some one in a department, and ask him to come and tell me what his organization thought of the particular resolution, whether it should be agreed to, or whether there should be a preliminary

hearing. If after hearing the statement the committee decided it should not hold a hearing, then the committee was saved and the Senate contingent fund was saved a great deal of money.

Now I wish to say a word with reference to a statement made by the Senator from Kentucky with which I thoroughly agree. We are asked to set up special committees. Committees are roaming around investigating matters affecting transportation, going into the question of communications, going into questions which are under the jurisdiction of every standing committee in the Senate. The effect is, in my judgment, that many times a special committee is making recommendations quite contrary to what the standing committees believe about the matter or think about it, and there is a confused situation. Special committees take up matters affecting foreign policies, finance, banking and currency matters, railroads, communications, and everything else. The sky is the limit. It is getting to be a joke, and the practice should be stopped.

The PRESIDENT pro tempore. If there be no objection to the resolution, the question is on agreeing to it.

The resolution (S. Res. 151) was agreed to.

Mr. LUCAS. Mr. President, I wish to say just a word about the situation which has been under discussion. I do not altogether disagree with the Senator from Montana in the statement he makes, but in my humble opinion both the investigations we have been discussing were special investigations, one involving the question of housing in the District of Columbia, and the other the question of the Gallinger Hospital, special investigations which should have come before the Committee to Audit and Control the Contingent Expenses of the Senate, if money was desired.

I shall continue to hold in the future as I have held, insofar as these special investigations are concerned, so long as I am chairman of the committee. I now warn reporters that in the future if they take on a job similar to those involved in the two resolutions on which the Senate has just acted I shall hold up the payment until some Member of the Senate has my committee discharged, because I believe I am operating correctly, not only under the spirit but the letter of the rule laid down by the Senate long ago, so far as the contingent fund is concerned. I shall not take the chance of having someone say to me that, as chairman of the committee, I O. K.'d a voucher which was illegal and beyond my jurisdiction.

There are two other vouchers here which have been held up, involving stenographic reporting and transcribing hearings before the Committee on Interstate Commerce.

The PRESIDENT pro tempore. Is there a resolution?

Mr. LUCAS. There is no resolution, but I should like to lay before the Senate two vouchers. The first is a voucher submitted by the firm of Hart, Dice & Harkins, of this city, for $432.60, for reporting and transcribing hearings before the Committee on Interstate Commerce in the matter of the grain car shortage in Northwestern and Middle Western States. The second is a voucher submitted by the same firm, Hart, Dice & Harkins, for $549.15, for reporting and transcribing hearings before the Committee on Interstate Commerce in the same matter, but on other dates.

Mr. President, I say candidly, the Senator came to me with respect to this before the investigations were started and I asked him if he could possibly find some way to get the money out of the $5,000 regular appropriation to pay the bills. There is a question, in the minds of the committee, whether or not the rule has been technically complied with.

Mr. President, this is the situation: If a standing committee can investigate, for instance, an ordinary petition, it can investigate a letter which is referred to it. The committee, in that situation, can investigate from now until doomsday. It can run up a bill of ten or fifteen or twenty thousand dollars, if it desires, and then, under the theory of the Senator from Montana and the Senator from Nevada, the Committee to Audit and Control the Contingent Expenses of the Senate will have to pay that kind of a bill.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHEELER. I do not agree at all with the Senator. The committee is permitted $5,000, and it cannot go beyond that $5,000 without coming back to the Senate and going to the Committee to Audit and Control. Up to $5,000 the committee has the right to investigate anything, or to hold hearings on anything that comes before the committee.

Mr. LUCAS. What is the Senate going to do if the committee runs up a bill, under the circumstances I have mentioned, of $20,000, and comes back and says "We want $15,000 more to investigate." It is going to get it, of course.

Mr. WHEELER. I say definitely they should not be permitted to go beyond the $5,000. That is the limit, and if they want to expend more than that, they should come back to the Senate and go to the Committee to Audit and Control and say, "We need more money for this particular purpose." But if they go beyond the $5,000 which has been passed upon, then I say that the Committee to Audit and Control is perfectly right in turning them down, and it should turn them down.

Mr. LUCAS. Under the Senator's theory, a committee could investigate anything, even a letter that came before it, it would not make any difference.

Mr. WHEELER. It can investigate anything.

Mr. LUCAS. I do not agree.

Mr. WHEELER. I know the Senator does not agree. I have never gone so far as to say that any letter could be investigated, but I do say that when a resolution adopted by the Senate comes before a committee or a bill comes before a committee, or any measure introduced by a Senator comes before it, and the committee wants to ascertain whether it should report the resolution or bill, it should be able to hold preliminary hearings to determine the circumstances. If that is not done, then we would make practically every standing committee of the Senate almost impotent. It would have to go to the Committee to Audit and Control and ask the committee whether or not it would look into this or look into that, even though it amounted to only $25. It would subject every standing committee in the Senate to the control, practically, of the Committee to Audit and Control the Contingent Expenses of the Senate. That has never been the purpose of the Committee to Audit and Control, and I submit the Senator cannot go through the records and the history of his committee and find any such theory ever entertained by the committee.

As I said, the matter was discussed on the floor of the Senate by my late colleague, Senator Walsh, who took the position—and the Senate sustained him at the time in the view—that the Committee to Audit and Control the Contingent Expenses of the Senate should pass upon the amount required for an investigation, but that they should not be permitted to pass upon the question whether it was desirable to adopt a resolution or any other particular measure.

If the Senator succeeded in reversing the policy—and I know there has been a tendency to do that—and providing that every standing committee in the Senate had to go to the Committee to Audit and Control and say, "Please let me call some witnesses and take the testimony of some department officials to find out whether or not this matter should be looked into," it would simply hog-tie every standing committee.

I wish to say that there is no man in the Senate who has ever spent money from the contingent fund more carefully than have I. If there is, I should like to know who he is. I have never wasted any money of the contingent fund. On the other hand, I have constantly kept down expenditures of every investigating committee with which I have had anything to do. I have refused to employ people and to pay salaries which have been asked. But I see other committees going around having connected with them public relations men, paying them $6,000 or $7,000, or any sum the committee desires.

Mr. LUCAS. Mr. President, I am not at all interested in the angle from which the Senator from Montana is discussing the question. I am interested only in attempting to comply with the rules of the Senate. Perhaps I am wrong. According to the disbursing officer, and according to members of our committee who have made studies of these questions, we believe we are right, and I am not going to put myself in such a position that the press can say that LUCAS paid out $5,000 or $10,000, or some other sum, on a voucher that was absolutely against the rules of the Senate, a voucher that was illegal and void. That is the big point I am making. I do not believe Senators sometimes appreciate what the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate has to contend with.

Mr. President, some of these days I shall cease to stand on the floor of the Senate and debate any of these ques-

tions. I shall take the position that every resolution that comes before my committee should be presented to the Senate itself, so the Senate may take responsibility for it. There is not a committee which handles one of these resolutions which really makes a thorough study of it. When a Senator presents a resolution—and I have some of them before me now for as much as $25,000 or $50,000—the committee from which the resolution comes, as a general rule, passes the buck to the Committee to Audit and Control the Contingent Expenses of the Senate for passing upon the amount of money that shall be allowed whether it is justified or not. I am getting sick and tired, Mr. President, of having the buck passed to me by chairmen of committees on this question of money. Some of these days I am going to give up, and recommend to my committee to send every resolution that comes to it, whether it be for $50,000 or $100,000 or $25,000, to the Senate itself for action, because I never come here with a proposition of this kind on which I receive much cooperation from Members of the Senate. I have to conduct a battle on such matters all the time, and I am becoming sick and tired of it.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHEELER. I have the greatest sympathy for the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate. I agree with him entirely when he says that too many standing committees pass the buck and send resolutions to his committee calling for $50,000 or $75,000 or other amounts. The Senator, however, will never find that the Committee on Interstate Commerce has passed the buck to his committee. Oftentimes our committee has cut down the amount of money individual Senators have asked for, before a resolution calling for money is sent to the Senator's committee. I do know that the practice has grown up in the Senate of the United States of standing committees and special committees asking for any amount of money they want, so they may hire clerks and take trips all around the country.

Mr. LUCAS. I agree with the Senator 100 percent in that statement, and I am just as much opposed to the special committee feature as is the Senator from Montana.

Mr. WHEELER. I know the Senator is.

Mr. LUCAS. I will say that sooner or later, if special committees continue to function in the Senate, the Senate standing committees are going to lose their prestige as such committees.

Mr. WHEELER. Certainly.

Mr. LUCAS. And sometime, somewhere, some Senators are going to be obliged to stand on their feet in the Senate and fight some of the special committees which are constantly being appointed with perhaps but little consideration of the subject. When they have been established, what can we do about them?

Mr. WHEELER. I entirely agree with the Senator, and I sympathize with him. I think the standing committees ought to be more careful about adopting resolutions. It is only in the last few years that that sort of thing has come up in Congress. Heretofore when a standing committee requested money from the contingent fund it gave serious consideration to the amount asked for. Senators have grown careless, and the Senate has grown careless about the matter. I sympathize with the Senator entirely. I do not want the Senator to think by what I said a moment ago that I was criticizing him in the slightest degree, but I do think his statement concerning a resolution adopted by the Senate, when no money is asked for, is wrong. However, I sympathize entirely with what he is seeking to do in this matter.

Mr. LUCAS. I do not want to get into the position where every Senator looks at me as if I were trying to do something wrong in connection with matters submitted to the Committee to Audit and Control the Contingent Expenses of the Senate. I am simply trying to do my duty under the rules; that is all. If I am wrong the Senate can overrule me. But as I said before, I am not going to put my name on a voucher and give anyone an opportunity to say, "Well, LUCAS O. K.'d the voucher for $5,000. It is illegal and void, and he ought not to have done that."

Mr. WHEELER. I think there is a misunderstanding. I think the matter can be worked out satisfactorily. I think the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate ought to have some backing by Members of the Senate in order that we may cut down expenses.

Mr. HATCH. Mr. President, that is the only point I wanted to address myself to. I think the chairman of the Committee to Audit and Control the Contingent Expenses of the Senate ought to have some backing; and, frankly, so far as I am concerned, the Senator from Illinois will have my support.

Mr. WHEELER. Mr. President, I move that the two vouchers which were previously presented and read be approved.

The PRESIDENT pro tempore. The question is on the motion of the Senator from Montana that the two vouchers which have been read be approved by the Senate, and that the money called for by the vouchers be paid for out of the contingent fund of the Senate. Is there objection? The Chair hears none, and it is so ordered.

Mr. BARKLEY. Mr. President, I merely wish to say that I hope the Senator from Illinois will not grow weary in well doing. I know how trying it is to have to stand up and fight appropriations desired by special committees. I know the same thing happened to some of his predecessors. I recall when Mr. Justice Byrnes, now Secretary of State, was chairman of the Committee to Audit and Control the Contingent Expenses of the Senate a good many years ago, Senators were constantly criticizing him or exhibiting their impatience because he actually sat on appropriations as chairman of that committee, and would not permit them to come out. He saved the Senate many thousands of dollars by that course, and I do not think legislation was seriously handicapped or crippled by his following it. We all respect the Senator from Illinois. I hope he will not grow too weary of the excellent job he is doing, and I think he is entitled to the backing of the Senate.

Mr. LUCAS. I am becoming pretty tired of it.

Mr. BARKLEY. And I am satisfied he will receive the backing of the Senate whenever a matter is brought to an issue.

ASSIMILATION INTO CIVIL LIFE OF RETURNING VETERANS—JOINT COMMITTEE ON VETERANS' AFFAIRS

Mr. JOHNSON of Colorado. Mr. President, the fall of Tokyo appears nearer than we might earlier have expected—thanks to the speeded pace of our military operations in the Pacific. And directly beyond the unconditional surrender of Japan lies the unconditional commitment of this Government to provide real and practical facilities for the quickened assimilation into civilian life and a peace economy of the returning veterans. The size of that responsibility is the impressive total of fifteen millions of men and women who have been in the armed forces in this war—over a fourth of them have no security whatever and must find work.

Never before in our Nation's history have we had such a great number of men and women in uniform for whom we are obliged to provide retraining, rehabilitation, and reemployment. To meet this emergency we must immediately organize a veterans' integrated national program.

History offers a negative example. Following the last war the returning veterans were compelled to deal with nine different agencies of the Federal Government, and that experience was confusing and embittering to them. Today, the veterans' situation is even more complex, for there are threefold as many Federal agencies that are concerned with various phases of veterans' affairs. In addition, State, municipal, and private agencies organized to work out veterans' problems are daily increasing in number. These well-meaning endeavors are truly alarming to the extent that they carry duplication and triplication. There is no coordinated program to weld into a cohesive, organized program the activities of these many agencies; nor is there a thread of increasing national purpose in all these tangent activities.

The moment has come when these efforts must be integrated into a commonly guided program. The war has set adrift social forces which can strike at the foundation of our way of life and at the highest standard of individual freedom and material well-being in the history. These conditions demand that we rise to our highest organizational responsibility.

Perhaps this task has as its most critical obligation the well-being and human reconversion for peace of the 6,000,000 young men who have no peacetime experience as adult citizens, no vocational and professional background as civilians, and whose future as citizens calls for education, employment, and a happy adjustment to their community life. To fail this group of tomorrow's citizens means to have failed the country itself. It is no criticism of existing agencies

that we have not solved this problem. Let us examine the situation.

The 10 percent of our citizens who went to war were trained and equipped by the best organizational methods known to science. That organizational genius gave us the Armies, Navy, Air Force, and tools beyond the capacities of any other people. Now that same 10 percent has earned the right to the organized procedure for reestablishing a successful peace.

It is commonly but erroneously assumed that the Veterans' Administration is charged with the solution of all veterans' problems. That agency is solely concerned with the hospitalization, vocational education, loan guarantees, and compensation after discharge from the armed forces. Various other departments and agencies of the Federal Government are concerned with employment, vocational guidance, aptitude testing, job placement, farm advice, farm loans, home loans, business loans, advice on going into business and the professions, and other veteran assistance including how to get the veteran's job back.

Now the fact that many agencies are so engaged means that there is a grave danger that many veterans—especially the six million reaching adulthood—can lose their way, or be misled, or suffer the tragic consequences of a poor start in their race for success. A veterans' integrated national program is primarily for them.

There is an important difference here, between what Woodrow Wilson in 1918 termed "gratuities of a grateful government" and the contribution of a grateful government which has been earned by the veteran. Veterans have earned certain rights and privileges. These are recognized on the statute books of the government of every State. But the final obligation to these men and women who have won the war the hard way is to assist them in being productive citizens who will not require gratuities.

Our veterans' program must be integrated nationally to assure these six million a place as citizens, and to assure the entire 15 million veterans that their opportunity as citizens in the various communities does not set them apart as a class. An integrated program should have as its end the establishment of all veterans on a sound basis politically, socially and economically, so that none may need to trade on their status as veterans. These men and women were citizens before they were soldiers, and it is in the best interests of this country that they lay down their arms and live their lives without regret for having served in the war.

There are thousands of communities which are pleading for information, guidance, and advice in conducting their veterans' information and service centers so that they may expedite the readjustment of returning service men and women either to employment or to educational programs interrupted by the war. In many cities the labor unions, the churches, and the political factions and business and social workers have lain aside their differences to form a truly unified democratic veterans' service center. They envisage that after accommodating the veteran load these centers will emerge as an eventual service to all the people in making all lives in the community more profitable. They see that in turn these well equipped centers will enrich the community itself. By Federal leadership and by the integration and better organization of all facilities to dispense information, the Nation itself will eventually be enriched and made stronger.

Our veterans are the leaders of the next generation and the future backbone of the Nation. Our veterans are selected from the cream of the crop of 133,000,000 people. Physically, psychologically, and educationally they are the finest essence of our people. After the last war most veterans required two decades to find themselves. We can turn our national clock ahead and skip this unhappy time loss for them by affording them the necessary organized information to make themselves more self-sufficient and surer of their importance as citizens and leaders.

In our American bloodstream we have the blood of the most vigorous and daring of all the races of man who have come to our shores making us the most powerful nation on earth. If we are to remain a great nation and take the lead in setting a standard among nations and peoples, we must first of all put our own house in order. Our first job is to back up with proper organization our veteran human resources just as we applied scientific organization to our armies, Navy, Air Forces, planes, tanks, food, medicine, and guns.

The science of organization is one of the many unique contributions America has given the world in war and peace for the benefit of mankind. If we apply this same science promptly to the readjustment of our veterans it will prove to be our Nation's best insurance. It will go far in securing our economic stability, our prosperity, our peace, and the peace of the world. It will demonstrate to our fellow Americans and to the world that our social engineering, that our form of democracy and that the American experiment has proven out. This program can well serve as the pilot and the greatest milestone in all human history.

I propose that a joint committee of the Senate and House of Representatives of the United States be created to conduct a thorough investigation of the organization, functions, and operations of all Federal agencies, and of the laws administered and regulations promulgated by such agencies, relating to and concerned with postwar adjustment, rehabilitation, employment, and relief of veterans of World War II and their dependents and beneficiaries, to the end that there shall be a veterans' integrated national program.

Mr. President, I introduce for appropriate reference a joint resolution creating a Joint Committee on Veterans' Affairs, to develop a Veterans' Integrated National Program, and I ask unanimous consent that it may be printed in the RECORD.

I feel a little timid, after all the debate which has just been had respecting special committees, in introducing the joint resolution, but nevertheless I have it prepared and now introduce it.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Colorado. The Chair hears none, and the joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 90) creating a Joint Committee on Veterans' Affairs, to develop a veterans' integrated national program, introduced by Mr. JOHNSTON of Colorado, was read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Resolved, etc., That there is hereby created a joint congressional committee which shall be composed of seven Members of the Senate, to be appointed by the President of the Senate, and seven Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Such committee shall conduct a thorough investigation of the organization, functions, and operations of all Federal agencies, and of the laws administered and regulations promulgated by such agencies, relating to and concerned with postwar adjustment, rehabilitation, employment, and relief of veterans of World War II and their dependents and beneficiaries, to the end that there shall be a veterans' integrated national program. The committee shall report to the Senate and House of Representatives not later than the 1st of January 1946 the results of its investigation, together with such recommendations as it deems advisable.

SEC. 2. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act anywhere within or without the District of Columbia whether the Congress is in session or has adjourned or is in recess; to require by subpena or otherwise the attendance of witnesses and the production of books, papers, and documents; to administer oaths; to take testimony; to have printing and binding done; and to make such expenditures as it deems advisable within the amount appropriated therefor. Subpenas shall be issued under the signature of the chairman or vice chairman of the committee and shall be served by any person designated by them. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (U. S. C., title II, secs. 192–194) shall apply in the case of any failure of any witness to comply with any subpena or to testify when summoned under authority of this section.

SEC. 3. The committee is empowered, without regard to the civil-service laws or the Classification Act of 1923, as amended, to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties. The committee may utilize such voluntary and uncompensated services as it deems necessary and is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Government.

SEC. 4. Appropriations for the expenses of the committee shall be disbursed one-half by the Secretary of the Senate and one-half by the Clerk of the House of Representatives, upon vouchers signed by the chairman or the vice chairman.

THE VETERAN PROBLEM

Mr. JOHNSON of Colorado. Mr. President, I now desire to discuss a related question, but one which is somewhat different. As chairman of the Subcommittee of the Senate Finance

Committee on Veterans Affairs I have studied diligently the veteran problem. Perhaps I have been living too close to it to acquire a sound perspective but I am appalled by its magnitude and its possibilities for harm if mishandled. As I see it the job of returning 15,000,000 men and women to civilian status and fitting them into our peacetime economy is the most difficult task the United States has ever faced. It will stagger this Nation and shake it to its very foundation.

Because of its unprecedented magnitude it is going to be terrific and the Army's utter lack of cooperation in helping to solve it is blind, stupid, and criminal. When there is a shortage of workers is the time to return every possible man or woman in uniform to civilian status. But the Army is holding back and the orderly and natural processes of soldier rehabilitation are not being permitted to operate. Instead we have the prospect of mass discharges at the very moment when reconversion and unemployment in this country are at their peak.

The Army rejected with disdain my simple and effective and equitable and understandable "First In, First Out" discharge formula and in its place adopted a mathematical monstrosity. From the first it was a certainty that the point system would not work. My own opinion is that it was not intended to work and that it was only created to stall, confuse, and bewilder.

Today I was called from the Chamber by a young man who is assigned temporarily at Fort Belvoir. He told me that these were 948 men at Fort Belvoir with 85 or more points to their credit. This young man happened to have 91 points to his credit. I asked him some questions about what he was doing at Fort Belvoir. He had been there for several weeks. He said that the men are assigned, first, to sweeping an area between company barracks with brooms; second, picking up cigarete butts and paper around barracks; third, performing details, with some one man showing just what to do and when to do it.

This young man spent 4½ years in the service. For more than 2 years he was in the foreign service. He has been returned to Fort Belvoir, and he is assigned to duty there, and a soldier who has not been abroad, who has not been in foreign service at all, tells him what to do and when to do it. He does not like the idea at all. Others are detailed as dishwashers and bus boys in the service club cafeteria.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks his statement as to the employment of the men at Fort Belvoir.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Men with 85 or more points are:

1. Sweeping area between company barracks with brooms.
2. Picking up cigarette butts and papers around barracks.
3. Performing details, with some one man showing just what to do and when to do it.
4. Detailed as dishwashers and bus boys in service club cafeterias.
5. Cutting down dead trees and digging out stumps (trees have been dead for years).
6. Putting in brick sidewalks and planting grass in temporary camp sites.
7. Cleaning rifles after officer candidates fire them.
8. Removing snow in order to clean leaves away from one spot, only to dump them across the road.
9. Companies go to A. P. Hill for extended periods in order to acquaint troops with field conditions. (Troops recently returned from 32 months overseas.)
10. Five hours' training each week teaching men customs of service, military courtesy, malaria control, field sanitation, and close order drill. (Men have between 3 and 9 years' service; should already be well acquainted and trained in the above.)
11. One man, over in grade, no position open for him, sent to school because the Army had no job for him.
12. Policy seems to be: Retain men in service in order to provide officers with something to do.

Mr. JOHNSON of Colorado. The transportation system of the country has been demoralized by hauling around the country without purpose and without design men who should have been discharged. At the same time, the Army has left the railroads without sufficient employees to man their trains. By drafting coal miners day by day that it does not need, the Army is forcing the steel mills to close.

So long as the war lasts Selective Service should continue to draft the 18-year-olds for replacements, but long ago it should have ceased to draft essential workers from industry, from the mines, and from the farms.

General Hershey's revealing statement in Indianapolis that after VJ-day Selective Service intends to continue drafting 100,000 men per month is the final pay-off. General Hershey should be awarded the Congressional Medal for letting the cat out of the bag. Congress has created a Frankenstein monster that will crush this Nation unless Congress itself calls a halt. General Hershey has put Congress on notice.

Very wisely the Congress, up to the present moment, has refrained from any interference with the conduct of the war. It has made available to the War and Navy Departments a vast supply of magnificent manpower, and it has opened the Treasury vaults of this rich Nation to them. It has given them a blank check. Nothing has been spared them, and nothing they really need to destroy Japan should be or will be spared them now. But that generous support of Congress, like heady wine, has made the Army arrogant and has distorted its perspective. The Army has grown callous to the critical necessities of the country. It has developed a spirit of unparalleled selfishness and extravagance. Its insatiable demands have gone far beyond reason and warrant. It is riding a willing horse to its death. The time has come for Congress to assert itself and demand a more realistic adjustment of the Army's requirements. This wastage of men and treasure must cease.

At the very crest of the two-war campaign there were remaining in continental United States marking time nearly 2,000,000 men classified not physically fit for combat service. All of them should have been discharged the moment Germany was out of the war. We have today a large force in the Canal Zone, in Alaska, in South America, in Africa, and in other scattered places throughout the world for whom there is no earthly military need. These men should be withdrawn and discharged at once so that they might return to civilian pursuits.

One does not need to be an expert on logistics to realize that we can never use an army of seven or eight million men against Japan. The maximum number of men that we can transport, supply, and use on the Japanese front by the end of 1946 cannot be more than 3,000,000 men. Then why in the name of common sense must we maintain an army of 8,000,000 men? I am told that the Army has approximately the same strength today which it had when Germany surrendered.

I challenge the War Department to establish now the maximum number of men it can use by January 1, 1947. The maximum number is, of course, determined by the adequacy of our supply lines, which in turn are determined by our bottoms. Supply lines 7,000 miles in length will require a tremendous shipping capacity, and the War Department can ascertain precisely what it is. I demand that it cut the jacket to fit the cloth.

Every American is thrilled by what our armed forces did to our enemies in Europe. German soldiers, on their home grounds, were no mean antagonists. MacArthur and the fighting marines and the fleet in the Pacific have set a new high mark in smart and ferocious warfare. At no time in any of our campaigns were the lives of American soldiers deemed expendable. At all times military campaigns were wonderfully exploited to realize for our side quick and telling results. Historians and strategists for generations will expound the glories and brilliance of the American military campaigns of this war. The whole performance has been superb. The War Department measured up in the greatest military crises ever to face the Stars and Stripes; they have yet to measure up to even a greater crisis—the crisis of reconversion to a peace economy.

We have three times as many generals and colonels and lieutenant colonels as we can use against Japan. We all realize the delicacy of "busting" some of our great generals back to captains and majors, but we cannot afford an Army twice as large as our military requirements dictate, to save anyone's face, his uniform, or his stars. The future welfare of this country is more important than any person's military fortunes. In the name of the flag, I plead with the War Department to cooperate with their fellow Americans and to lead the way back to a peacetime economy. This is the War Department's greatest opportunity to win the everlasting gratitude of an already grateful people.

CLAIMS TO CERTAIN LANDS IN THE STATE OF NEW MEXICO

Mr. HATCH. Mr. President, I ask unanimous consent for the present consideration of House bill 2613, Calendar 504.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2613) to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands in the State of New Mexico.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

POWERS OF UNITED STATES MEMBER ON UNITED NATIONS SECURITY COUNCIL

Mr. CONNALLY. Mr. President, this morning there appeared in a number of newspapers reports which do me an injustice, in that they do not directly represent my views with respect to legislation implementing the United Nations Charter, in connection with the appointment of a member to represent the United States on the Security Council.

I hold in my hand a clipping which reads in part as follows:

> Although it was the general understanding in Senate debate preceding ratification of the Charter Saturday that the delegate's authority would be defined in legislation setting up his office, Mr. CONNALLY told reporters it was his opinion that a resolution of this kind was unnecessary.

I did not tell reporters anything of that kind. I did tell them that I was calling upon the Secretary of State and the State Department to prepare a memorandum with regard to the whole question of what it would be necessary to place in the statute if we should enact such a statute. I expressed no opinion as to whether I thought a statute was necessary or not. I said that it might be necessary, or it might not be necessary. I was in no way trying to by-pass the Senate. I was in no way trying to foreclose the question, because it will be a question which will come before the Senate in due time.

I am also anxious that this matter be handled in a way which will not by-pass the Senate. I always respect the rights of the Senate, and on many occasions have taken issue with other branches of the Government in order to maintain the prestige, privileges, and rights of the Senate. So this is a matter which I am having investigated and examined so that I may have all the available information on both sides of the question.

I am not afraid of proposing a statute if it is thought wise to do so. I am not afraid of the action of the Senate. I have confidence that the Senate will live up to the obligations which we have assumed by ratifying the Charter, and that it will not seek to circumvent the effects of the Charter by legislation which would weaken the power of the United States delegate on the Security Council.

However, it is my view that the delegate, whoever he may be, will be representative of the President of the United States. I do not object to his appointment being confirmed by the Senate. In fact, I favor confirmation by the Senate of the nomination of whoever is appointed. But I still think that under the Constitution the President of the United States is the intermediary with foreign nations in dealing with foreign affairs, and I think that whoever the representative may be, he should consult with the President and represent the President's views in his votes on the Council.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. TAFT. I merely wish to invite the Senator's attention to the Bretton Woods statute, in which the delegate is forbidden to act, in some cases without the consent of Congress, and in some cases without the consent of the Executive Council. He is just as much a foreign representative of the Government as is the delegate who is to represent us under the Charter, so I do not think it is true that he remains necessarily solely the representative of the President. I think we have power to retain what power should be retained in Congress, and what power should be retained in any other officer or agency. I agree with the Senator that we are obligated to carry out the spirit of the Charter, and I know that when the statute comes before us the Senate will carry out the spirit of the Charter.

Mr. CONNALLY. I thank the Senator. I felt sure that he would be in favor of the Senate, the Congress, and the Government living up to their obligations. I am extremely anxious that we shall not seek to weaken and bypass the Congress, or in any other way evade our responsibilities under the Charter by amendments or legislation which would seek to cripple the activities of the representatives of this Government on the Council.

RELATIONS BETWEEN MANAGEMENT AND LABOR

Mr. McMAHON. Mr. President, at the end of the session today, the Senate will begin an extended recess. I think all of us welcome this opportunity to get back home and to hear at first hand the grass-roots opinions of the home folks on the many pressing problems facing our Nation. I should like to call the attention of this body to one of the most pressing current questions—the problem of the relation between management and labor.

Last Saturday the Senate told the world in clear and unmistakable terms that the United States had abandoned the path of isolation. However, I think we should realize that the future of international peace is linked closely with the outlook for industrial peace within our own borders.

Today, we can see the shadow of industrial strife on the horizon. In the period of reconversion that lies ahead when our industries and our labor make the tremendously difficult transition from war to peace, it is certain that there will be many strikes and lock-outs. Some of this is inevitable. We have been forced to mobilize our entire economy for war, and the shift to peace cannot be accomplished without many economic dislocations. Over 7,000,000 Americans have moved from one city to another, and over three million have crossed State lines to take new jobs for our war economy.

Our national income has reached new highs—over double that of the prewar high in 1939. Workers' wages, farm incomes, and our national capacity to produce goods have risen side by side. The effort to maintain wages at this high level in the face of the sharp competition between manufacturers who seek to reconvert to civilian production is certain to result in strikes and lock-outs.

Mr. HATCH. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MCCARRAN in the chair). Does the Senator from Connecticut yield to the Senator from New Mexico?

Mr. McMAHON. I yield.

Mr. HATCH. Why does the Senator think lock-outs and strikes are inevitable? Does he have no broader vision than that?

Mr. McMAHON. I say that a certain number of strikes and lock-outs are inevitable, Mr. President, because we cannot expect a utopia in a free society.

Mr. HATCH. Mr. President, no one expects a utopia, but we do look for justice and for the rule of law and order, not for force.

Mr. McMAHON. But if the Senator was looking for justice in labor when he wrote his bill, he did not look very far, let me say.

Mr. HATCH. Mr. President, will the Senator further yield?

Mr. McMAHON. I yield.

Mr. HATCH. I certainly did write the bill, and I am looking for justice and I want justice.

Mr. McMAHON. Then I say to the Senator that his conception of justice and my conception of justice totally differ.

Mr. HATCH. Mr. President, will the Senator further yield?

Mr. McMAHON. I yield.

Mr. HATCH. I have no idea at all except as to this one point of which I am so positive that no one can change my mind: We do not have to have violence, but there should be law, there should be rules, there should be order. If the bill is wrong, throw it out the window.

Mr. McMAHON. That is where I want to throw it.

Mr. HATCH. Very well; then throw it out. But give us something better than what the Senator has been proposing.

Mr. McMAHON. If the Senator will listen until I finish my remarks, perhaps I can make some impression on him.

Mr. HATCH. I hope the Senator can do so.

Mr. McMAHON. Certainly, Mr. President, we must find ways of maintaining our national income at high levels, and that means high wages; and certainly we must find ways of maintaining production at high levels, and that means low costs for the manufacturers. That conflict is the root of the industrial strife that lies ahead of us.

Mr. President, I will say to the Senator from New Mexico, that if we can have full employment at decent wages in this country, we shall be able to obviate many of the lock-outs and many of the strikes that he and I both fear.

However, I am not one of those who believe that the Congress can sit idly by and watch the prospects for a smooth transition from war to peace be scuttled in a deflationary deadlock or drowned in a wave of strikes and lockouts. I feel that it is up to us to undertake every measure which the Government can properly take to bring about greater agreement between labor and management. For that reason, I was glad to accept the chairmanship of the Subcommittee on Labor-Management Relations, to which I was appointed by the distinguished chairman of the Senate Small Business Committee. Small business is, of course, particularly concerned with stable industrial relations in the post-war world. The small and medium-sized concerns are certain to face fresh competition from the large corporations on whom we have had to place major reliances for the mass production of materials of war. Other difficulties too numerous to mention will beset our small concerns in the postwar world. Certainly, they must be sure of a maximum of industrial peace if they are to plan with any confidence for a postwar period of full employment.

How can we best achieve industrial peace? The Senate has recently received a bill which seeks to answer this question. I refer to the bill introduced by my friends and colleagues, the Senators from Minnesota, Ohio, and New Mexico. I wish I could hail the Ball-Burton-Hatch bill as an answer to our problems. However, I feel that the well-meaning efforts of my friend, Donald Richberg and his committee have merely thrown us off the track and have set us back a long way in the progress we were making along the road of labor-management cooperation.

Mr. President, I say very frankly that I was not impressed with the argument made in introducing this proposed legislation that neither labor nor management was consulted in the drafting of the bill. It has occurred to me that that is like trying to run a marriage clinic without a prospective bride and groom. On the contrary, I am sure that industrial peace must grow out of agreement between labor and management. Certainly our leading industrialists and labor leaders hope with equal force for the postwar expansion of our country's employment opportunities.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. BURTON. I appreciate the Senator's comment about the introduction of the bill without previous consultation with either representatives of labor or of organized business. Yet I must say that I have served in the Senate since 1941 and there has been an increasing need for some kind of legislation which would treat this subject constructively, but it has not come forth through the channels you suggest or through any channels whatever. Therefore, it seemed to me that it was time that we introduced legislation, brought it before the appropriate committees, and there gave full opportunity for everyone to consider it and testify on it and make suggestions. The absence of any really constructive effort to meet the issue is what brought forth the bill.

Mr. McMAHON. I thank the Senator. Of course, Mr. President, his approach is the one which the Senators sponsoring the bill adopted. All I can say to the Senator is that I do not think that was the wise way to do it. Of course, I realize there can be two opinions on that matter. But that is my opinion; I believe that if we are going to legislate so as to affect vitally the lives of many millions of our people, then the wise thing to do before introducing such legislation would be to obtain the views of management and labor. I think that should have been done before the bill was introduced in the form in which it was introduced, and which I thoroughly deplore.

Mr. BURTON and Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Connecticut yield; and if so, to whom?

Mr. McMAHON. I yield first to the Senator from Ohio.

Mr. BURTON. I believe the three sponsoring Senators and also the members of the committee which studied this matter are all people who have studied the subject and given attention to it and seek to contribute a constructive measure which will help stabilize industry and labor and the domestic situation following the war. Under those circumstances, the vital thing to do was to get something before the Congress in the interest of and on behalf of the public. I believe that there will be ample opportunity for everyone concerned to act upon this matter through the open hearings that are bound to be held on it. Hearings will be welcomed. Suggestions will be welcomed. Then the result the Senator from Connecticut seeks will be attained. But if no bill had been introduced, we would have found ourselves with no legislation upon which to act.

Mr. HATCH. Mr. President, will the Senator now yield?

Mr. McMAHON. I yield.

Mr. HATCH. I merely wish to corroborate what the Senator from Ohio has said, and then I wish to add a word, namely, that the strangest philosophy I have ever heard announced is that a Senator or two or three Senators cannot introduce proposed legislation on their own account, but that they must consult and advise with interested parties. I have never before heard such a philosophy expounded; and, Mr. President, I shall never adhere to it. I do not know and I do not care how wrong my ideas may be; but as a Senator of the United States, I will write any bill I wish to write, and I will introduce it, and I will have it referred to the proper committee; and if it is bad, let those who oppose it come before the committee and say wherein it is bad.

When the Senator from Connecticut says that we must consult management and labor or anyone else—I care not who—he simply does not speak my language.

Mr. McMAHON. Mr. President, when I refer to the fact that Senators, including the Senator from New Mexico [Mr. HATCH], had not consulted with either management or labor, I simply wished to point out the fact that what I said is true. The Senator can protest——

Mr. HATCH. No; I do not protest.

Mr. McMAHON. The Senator can protest that he did the right thing. I recognize the right of the Senator to introduce any bill he cares to introduce. I should like to point out to the Senator, however, that the way in which he introduced his bill was not the way in which the Railway Labor Act came into existence. It came into existence after months of consultations between railroad workers, representatives of the railroads, and representatives of the Government.

Mr. HATCH. Mr. President, will the Senator yield?

Mr. McMAHON. I prefer not to yield further at this time.

Mr. HATCH. Very well.

Mr. McMAHON. I am sure that industrial peace must grow out of agreement between labor and management. Certainly, our leading industrialists and labor leaders hope with equal force for the postwar expansion of our country's employment opportunities. This desire has had concrete expression recently in the Labor-Management Charter signed by Eric Johnston of the Chamber of Commerce and by the President of two great houses of labor—William Green of the AFL and Philip Murray of the CIO. Along that road lies our hope of industrial peace.

I think that the experience of the San Francisco Charter provides us with a valuable guide to the solution of the problems of industrial relations. The San Francisco Charter did not spring full bloom from the brow of some disinterested expert. Rather, it was born from the iron necessity of agreement and compromise between the Allies. It was a product of a meeting of minds of men from 50 nations with many vital and frequently conflicting interests. In the same way, I believe that there is no simple and pat solution for the problems of industrial peace. Yet, the proposal of the Ball-Burton-Hatch bill attempts such a pat solution in the application of the techniques of the Railway Labor Act to all industries affecting interstate commerce. But the Railway Labor Act was a measure drafted through an agreement of labor and management in a particular industry and its extension would require the achievement of similar agreements in many industries.

Mr. BALL. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. BALL. I should like to correct the Senator's impression. The Railroad Labor Act was first sponsored by the railroad unions. It was introduced in one session of Congress, and did not pass during that session. During the next session a great deal of pressure was brought to bear upon the measure. Finally management came in, offered a few minor changes, accepted the bill, and got behind it. That is the real story of the situation.

Mr. McMAHON. I thank the Senator from Minnesota.

Mr. President, I should like to take the time of the Senate to analyze this measure because it has received widespread

publicity and will be the subject of many discussions during the recess period.

The bill is divided into two sections or titles. Under the first title a new Federal Labor Relations Board, consisting of five members, is established to administer conciliation and arbitration of various types of labor controversies and to handle representation cases. The second section establishes another board called the Unfair Labor Practices Tribunal, consisting of three members. The function of this tribunal is to investigate and prevent various unfair labor practices as defined in the act and applicable to employers, employees, and unions. The present unfair labor practices sections of the National Labor Relations Act are repealed, as are its provisions relating to representation cases.

The provisions under the first section of the act, relating to conciliation, arbitration and the settlement of questions of representation, are claimed to be modeled after the Railway Labor Act but in reality are far different. The form is there, but the substance is changed beyond recognition. Thus, in settling questions of representation, the Board is given the widest possible discretion in determining units. However, the Board must take into consideration possible disadvantages to the employer by the establishment of any particular unit, and must replace existing craft units by a single representative if more than one bargaining representative in a plant would be impractical or disadvantageous to any one of the parties. Further, employers are permitted to meet with employees, or groups of employees to negotiate and settle disputes arising out of any employer disciplinary action, or over any interpretation or application of a collective bargaining agreement, without the presence or assistance of the certified bargaining representative. None of these provisions are contained in either the Railway Labor Act or the National Labor Relations Act.

Mr. BALL. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. BALL. The Senator from Connecticut was kind enough to furnish me with a copy of his address before he started delivering it. I appreciate it very much. I wish to congratulate him on his approach to the entire problem.

Frankly, I do not believe that the Senator from Connecticut and the sponsors of Senate bill 1171 are as far apart as he thinks they are. However, he has raised two points on which I think comment should be made. He is quite correct in saying that while taking the railway labor act as a general model to follow, we have modified it considerably in trying to apply its techniques to the wider field.

The Senator commented on the proposed board with reference to representation of the union. I should like to read from section 6, paragraph (a), on page 16, of the bill:

> In case of controversy as to what constitutes such an appropriate unit the Board shall determine what unit will best represent employees having a common interest in wages, hours, or working conditions—

This is what I should like to invite the Senator's attention to—

> giving particular weight to evidence as to the unit which by custom and practice has proved to be acceptable to employees.

I think that provision would eliminate completely the danger which the Senator sees in a Federal board wiping out the present craft union set-up in the United States.

I recall a bad strike which occurred in St. Paul in which the brewery workers, by a decision of the NLRB, were given jurisdiction over the teamsters who, by a long standing decision, had been under the jurisdiction of the teamsters' union. The teamsters walked out and there was a brewery tie-up for several weeks. I do not believe that could happen under this bill.

The Senator referred apparently to paragraph (b) of section 6 which simply directs the board, wherever possible, to avoid multiple representation. In my opinion that section is directed against them, and applies when a union claims jurisdiction of employees who are doing substantially the same type of work.

I know the Senator has had experience with cases in which that has taken place, as I have had in my State.

The Senator stated that—

> Employers are permitted to meet with employees, or groups of employees, to negotiate and settle disputes arising out of any employer disciplinary action—

And so forth.

I do not remember any section of the bill which would give such authority. There is a provision in section 23, subsection 9, on page 47, reading as follows:

> *Provided*, That the regulations under this section shall recognize the right of the employees to make suggestions to and confer with the employer on managerial policies at reasonable times and places.

Mr. McMAHON. That is not the section to which I referred, and if the Senator will pardon me a moment, I will locate the section. I have it indexed here.

Mr. BALL. I should be very much interested. I think it is probably the proviso of subsection (e) of section 6.

Mr. McMAHON. On what page?

Mr. BALL. On page 17 of the bill.

Mr. McMAHON. It reads:

> *Provided*, That any individual employee or group of employees shall have the right, individually or as a group, to adjust with the management any class 3 controversy independently without the interference or presence of any other person.

That is exactly what I said.

Mr. BALL. It gives the initiative entirely to the employee, not to the employer.

Mr. McMAHON. I understand that, and I do not claim that the Senator is wrong about it. What I am pointing out is that it would be encouraging individual employees, where a union contract existed, to go to the employer and take the matter up, without the union bargaining representative, which impliedly encourages the employer to encourage the employee individually to come to him and settle his differences, instead of settling them through the union representatives.

Mr. BALL. I am familiar with the union viewpoint on that question. The unions want all such grievances, even if they are over such a question as how much time an employee can have for lunch, or when he shall take his lunch hour, to be channeled through the union. It seems to me the unions are merely asking for trouble. It is regimenting the individual employee, making it almost impossible, under union rules, for him even to talk to his foreman about his own individual job. I think that needs correction. I think we must preserve in the picture the right of the individual employee and his opportunity to move ahead in the business, to talk to his foreman about ideas he has about his job, if he cares to do so.

Mr. McMAHON. Of course, the Senator's viewpoint is different from mine. In my view this is encouraging insubordinaton in the union itself, and encouraging individual members to start negotiating with the employer when there is a union contract present, when there is a collective bargaining agent chosen to settle differences, and to negotiate for the employees.

Mr. BALL. If the Senator will yield further, I do not think it is encouraging him so much as preserving his right as an individual, his freedom of action in his own job.

Mr. McMAHON. He is also a member of a union which has concluded a contract with the employer which contains provisions, under collective bargaining machinery, for the adjustment of grievances and disputes.

Mr. BALL. He may not be a member of the union.

Mr. McMAHON. I know, but as the Senator has the bill written, he does not distinguish between whether he is a member of the union or whether he is not.

Mr. BALL. How can we?

Mr. McMAHON. Very easily.

Mr. BALL. The Senator would force every union member to take every little grievance he might have in his job up through the shop steward to the union management. I think that is a negation of individual rights and freedoms which, frankly, is antidemocratic.

Mr. McMAHON. I can say to the Senator that in my opinion the provision in question is designed, perhaps not purposely, to weaken union discipline.

As under the Railway Labor Act, labor controversies are divided into two broad categories: First, major controversies over wages, hours, and working conditions; and, second, controveries arising over grievances under existing contracts or over disciplinary action with or without any existing contract. Employees are forbidden to strike, picket, boycott, propagandize, or take any economic action whatsoever in respect to any labor controversy, including a controversy over recognition, or to disturb the status quo out of which the controversy arose—even though a wage cut is involved—until all means for settlement as provided for in the act have been exhausted. As will be seen, exhaustion of the means of settlement may take as long as several years. Further, in many disputes all

peaceful activities by the employees or their unions is forever prohibited.

So-called class II controversies, which are controversies over wages and hours, are to be settled as follows: The Board attempts—but without a time limit—first to conciliate and then to induce the parties to submit to volun tary arbitration. Failing in this, the Board creates a special fact-finding commission which studies the case and makes recommendations within 30 or 60 days after it is set up. Striking, picketing, and so forth, are prohibited until 30 days after the making of such recommendation. This is intended to follow the procedure for the settlement of major controversies under the Railway Labor Act.

Mr. BALL. Will the Senator yield further?

Mr. McMAHON. I yield.

Mr. BALL. I take it the Senator is objecting because we did not put specific time limits on the various steps in the procedure. The Senate Committee on Education and Labor devoted lengthy hearings in 1941 to a bill along these lines, establishing procedures, and we deliberately decided not to specify time limits in the procedures because it cannot be done effectively. In a dispute involving several hundred thousand employees, naturally the steps take considerably longer. In a comparatively simple dispute, where the issues are not complex, 5 days may be sufficient for a step, whereas in another class of disputes it would take 30 days.

I would agree completely with the Senator's position that the one essential there must be in any Government conciliation procedure is speedy efforts and speedy decisions by Government agents. I think that is one of our great troubles today.

Mr. McMAHON. However, the bill provides for further proceedings, which is a great departure from the provisions of the Railway Labor Act, and under which strike or other economic action is prohibited for an additional 2 years or longer. This occurs when the Board finds that any controversy over wages and hours affects the public interest by a possible infliction of "severe hardship" upon "a substantial number of persons"; in such cases the Board can convert the fact-finding commission into a board of "compulsory arbitration" to which the parties are compelled to submit any such dispute for final determination, and the decision of the compulsory board of arbitration is binding upon all the parties for a period not to exceed 2 years. During this entire period, striking, picketing, and so forth, are entirely forbidden in this class of cases.

The Board enforces the act by court injunctions which restrain the parties from taking any action in violation of the law and which affirmatively compel the performance of duties imposed. The provisions of the Norris-LaGuardia Act are repealed for this purpose. Thereby once again there is established an era of Government by injunction. In addition, employers are expressly granted the right to bring suits for damages or other relief. Finally, the Board can expressly refuse to certify, and by implication revoke the certification of, any labor organization violating the act. In this manner it is enabled to prevent a union from effectively functioning, and thereby destroy it as a union.

Mr. BURTON. Mr. President, the Senator did not mean to imply, did he, that there was any repeal of the right to trial by jury for a violation of an injunction?

Mr. McMAHON. No; I do not imply that. I just say that in certain types of cases there is repeal.

Mr. BURTON. But not as to jury trial?

Mr. McMAHON. No.

Turning now to the unfair labor practices section, which is administered by the second board called the Unfair Labor Practices Tribunal, we find that all of the present unfair labor practices sections of the National Labor Relations Act are repealed, and that 11 new unfair practices, applicable to employers, employees, and unions, are set up in their place. As far as protection from employer unfair labor practices is concerned, it is impossible to state whether employees can expect the same protection as they have under the National Labor Relations Act because entirely new language is used, which may or may not give such protection. I think it is a mistake to attempt to rewrite our entire labor law. The Wagner Act is now 10 years old. Under it there have grown up a body of interpretative court decisions and agency regulations which serve as lighthouses to guide both labor and management through industrial relations. With such markers destroyed by a fundamental revision of labor law, unwarranted confusion would be the certain result.

But, most important of all, the scope of the Wagner Act has been greatly narrowed by restricting the jurisdiction of the proposed act to controversies which—and note the language—"directly and substantially affect interstate commerce," and by the exemption of firms employing less than 20 persons. These restrictions will remove the benefits and protections of the Wagner Act from hundreds of thousands of employees now enjoying them.

Of the bill's additions to unfair labor practices, the most significant are as follows:

Under section 8 (a) (4) "Discriminating against the other party or its associates or representatives because of any lawful activity in support of its or their interests" is an unfair labor practice. This section might very well be construed to prevent peaceful economic pressure in furtherance of unions' legitimate demands.

Under section 8 (a) (6) it is made an unfair practice for an employee or a union to interfere with the "functioning of an employer or labor organization." Including labor organizations does not lessen the fact that this constitutes a sweeping and unqualified prohibition against any form of economic activity on the part of a union which can be said to interfere with the functioning of an employer, regardless of the justification of the dispute or the aggravation by the employer.

Section 8 (a) (7) literally makes it an unfair practice for an employee to give financial aid to a labor organization. Either the act is carelessly drafted, or the sponsors would prohibit the payment of dues. Similarly, under section 8 (a) (8), literally taken, it is unlawful for an employee or a union to induce employees to join a union by assisting in the collection of dues or by giving preferential treatment to members of their organization.

Section 8 (a) (8) prohibits a closed shop or other union-security agreement unless (a) the union has been chosen by 75 percent of those in the unit, (b) 75 percent of the employees in the unit are actual members and continue to be actual members of the union holding the union-security agreement, and (c) 60 percent of the employees in the unit have ratified and adopted the union-security agreement. These percentags are percentages of all in the employment unit, not merely of those actually voting, as is the rule under the 50-percent requirement of the National Labor Relations Act or as is the rule in all political elections. This, of course, would make it virtually impossible as a practical matter to obtain union-security agreements fn newly organized industries or to extend the coverage of union-security agreements to an entire trade or industry. In activities wherein the act is applicable to the building-trades industries, this provision would be particularly harmful, because under their practice of supplying skilled craftsmen upon short notice for jobs of short duration, it would be a physical impossibility to take the necessary votes under the bill; the closed shop would be virtually eliminated where the act is applicable in that industry, as well as from other industries where similar practices prevail.

Mr. BALL. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. BALL. I have listened with great interest to the Senator's interpretation of unfair practices. I think in his interpretation he overlooks the opening paragraph of the rewritten section 8, on page 44, which makes it clear that the unfair practices by the employees are those against employers, and unfair practices of employers are those against the other party.

I should like to comment directly on the Senator's reference to the closed shop which is legalized now in the Wagner Act, and the unfair-practice provision which would prohibit the employer from discriminating between union and nonunion members, which, of course, he does in any variation of a closed contract. I should like to point out first that that proviso does not disturb any existing closed-shop contract unless and until "the tribunal, acting (either) on complaint or on its own volition, finds that such labor organization" holding that contract violates one or more of the following four requirements.

The first is:

That the labor organization shall be the freely chosen representative of, and includes in its membership, at least 75 percent of the employees covered or proposed to be covered by such an agreement.

Obviously I do not think very often a union asks for a complete closed-shop contract unless it has 75 percent of the members.

Second, that the agreement shall be ratified by 60 percent of all such employees so covered by the agreement. That means that if it is a maintenance-of-membership contract, only those who are then members of the union would be covered by it, and only 60 percent of them would have to approve it.

I think that is a fairly mild requirement in a provision which may mean the job or the loss of the job for the individual.

Third, that any person—

And I think this is, frankly, the most important of the requirements—

That any person employed or seeking employment by said employer shall be admitted to membership in such labor organization on terms and with advantages substantially equivalent to those available to and enjoyed by at least a majority of the existing membership; and, fourth, that no member of such labor organization shall be deprived of membership, thereby losing his employment, except on written charges and after a fair hearing.

I should like to point out to the Senator that the two purposes in this requirement are, first, that the organization does not secure a closed-shop contract unless it has a substantial majority of the employees who really want such a contract. In other words, we would not then have what we have had in too many cases during the war, a few hundred individuals employed in a war plant, a closed shop contract signed, and subsequently the plant employing many thousands, sometimes tens of thousands. Second, we do not want to turn over to a union a complete monopoly of employment opportunities that can be exercised arbitrarily if the union leadership so decides. In other words, if we are going to have a closed shop contract we must have an open union, open to all who are qualified and employable.

Mr. McMAHON. Mr. President, under section 8 (a) (9) it is an unfair practice for any employee or labor organization to engage in "interfering with the functioning of an employer's management organization by interrupting, disorganizing, or delaying the performance of work by employees in order to compel the immediate adjustment of alleged grievances, or to compel other managerial actions, or to prevent the enforcement of managerial directions or policies, or otherwise to hamper or embarrass an employer, his representatives, or supervisory employees, in exercising the normal reasonable authority of management which is essential to the fulfillment of management obligations to consumers, investors, and workers whose welfare depends on the continuous, reliable, and efficient production of goods and services."

The dangers of this extreme provision are obvious. Under it, as before stated, the union's right to take economic action for the protection and interests of its membership is effectively foreclosed, and the employer is given a virtual carte blanche to establish and put into effect such policies and practices as he or it may choose. It is difficult to envision a harsher antilabor provision.

I say this because I am convinced that a bill which is antilabor is no satisfactory solution to the problems of labor relations. However, I think that the bill is no more satisfactory to management than it is to labor. Management cannot operate under compulsory arbitration any more than labor can. Senators can soon see why if they consider an extreme decision which is hostile to management. Suppose the Compulsory Arbitration Board were to hand down a decision granting a wage increase which was certain to bankrupt the company. Could the Government force the company to accept the decision and continue operating until bankruptcy overtook it? I think that this would be as impractical as attempting to force 400,000 coal miners to accept compulsory arbitration. To my mind, and I have gathered this from talking to many experts in the field, the only arbitration machinery that is workable is that which is agreed to by both parties of the dispute.

Mr. BALL. Mr. President, will the Senator yield for a question?

Mr. McMAHON. I yield.

Mr. BALL. Does the Senator believe that in our modern complex industrial society there actually exists in reality today freedom for the employer, which is, let us say, a great electric utility in a metropolitan city, or for its employees, to close down that plant? Will the government of that city or that State actually permit it today. Are we not actually facing a situation in which the right to strike or lock-out in that particular field does not exist today if we are to have government to keep our society going? That was at least our feeling, and we tried to provide a reasonable, workable alternative.

Mr. McMAHON. The only quarrel I have with the Senator's idea is that I do not believe it will work. For example, take 400,000 coal miners who are subject to compulsory arbitration. Let us say that the conciliation board makes a finding that that service is absolutely essential to the health and welfare of the people. Let us assume that those miners are sent down into the pits, and suppose they mine 20 pounds of coal a day, instead of the usual 4 or 5 tons, or whatever it may be. I have forgotten the exact reasonable quota for coal miners.

Let us assume that the mine owner complains to the Board and says, "The men are down in the pits. They are digging only 20 or 30 pounds a day. They are 'dogging' it, so I want you to do something about it."

What does the Board do? It sends doctors down into the mines, and the men say, "This is all we can really mine. We are not feeling well today." The 400,000 men are examined, and the medical finding is that John Jones and the 399,999 others are physically capable of mining more coal, so they are brought into court and punished for contempt.

I say that such a system would not work. It could not work. If a mine owner were told, "Mr. Jones you have $1,000,000 in the treasury; you must give the miners an increase of $3 a day," he might say, "I cannot do it. If I do that I will bankrupt myself. I must compete with natural gas and oil, so I cannot do it. Therefore I am going to close my mine." What would the Board say to him? Would it say, "No; you must keep going even if you bankrupt yourself, because this is an essential service." I will say to the Senator from Minnesota that if the terms of the bill were followed, either of the impossible situations which I have just outlined would be the natural result.

Mr. BALL. The Senator is framing his whole argument on the supposition that if the United States Congress enacts a law imposing this obligation, in return for living under this form of government, with all the rights and privileges which flow from government, the employers and employees in this particular essential industry are going to say, "We do not care what the law is. We do not care what happens to the rest of the country. We are going to get what we want or we will not play." If the Senator argues on that premise, I think the whole Government would break down. I think we must assume that when the Congress, in its judgment, decides that in this field, in modern society, certain activities are absolutely essential, the employers and employees will conform to the law. Twice in our experience in the war we have seen the United States Army take over coal mines. Coal is just as essential in peacetime as it is in wartime. Actually a prolonged interruption of production in such essential fields cannot be tolerated. If the employers and the employees have so little faith in the Government which they helped to elect that they will not accept the decision of an impartial fact-finding commission appointed by the President of the United States, then I think our democracy is in really serious trouble.

Mr. McMAHON. Of course, the Senator has expressed the philosophy which in good part underlies some of the provisions of the bill. It happens that the Senator believes in the effectiveness of compulsory arbitration. I should like to ask the Senator what he would do in the case of a coal operator who is ordered to pay $3 a day more.

Mr. BALL. And who refuses to do so?

Mr. McMAHON. And who refuses to do so.

Mr. BALL. I think the Government would have to go into court and force him to do it.

Mr. McMAHON. And exhaust his $1,000,000 capital and put him out of business? When we do that, we take a long step toward totalitarianism the very thing which we are seeking to avoid. I say to the Senator from Minnesota that the greatest basis for free adherence to free government is free men who have the right to make their own contracts; and when we say to a man, "You must not do this; you must work for so much money, for so many hours a day," we are imposing a type of involuntary servitude which I do not go along with.

Mr. BALL. There is nothing in the bill which would interfere with the right of employers and employees in any industry to enter into a contract by themselves, by collective bargaining. In fact, it is made their duty to exhaust collective

bargaining, which they do not do nowadays, I grant. But there is nothing to interfere with their right to enter into voluntary agreements. It is only when they cannot do so, and we are threatened with interruption of vital production, that the Government steps in and says, "This production is essential to the welfare of the whole community, and you must temporarily accept a decision by this impartial tribunal set up by your own Government."

Mr. McMAHON. What then can the Congress do to reduce industrial strife? I think it can recognize at the outset that the proper course is to foster and develop the agreement which already exists between labor and management. That is the course which the Subcommittee on Labor Management Relations which I have the honor to head has followed. During the past several weeks the subcommittee has heard in executive session from George Taylor, Chairman of the War Labor Board; from the members of the National Labor Relations Board; from the officials of the War Production Board's Labor Division; from Frances Perkins, when she was still Secretary of Labor; from Paul McNutt, Chairman of the War Manpower Commission; from William Green, of the American Federation of Labor; and from Ira Mosher, of the National Association of Manufacturers. We hope to hear soon from Philip Murray, of the CIO, and Eric Johnston, of the Chamber of Commerce, as soon as they are available. These discussions have been held as executive conferences, because I felt that this problem needed quiet study and reflection; that if agreement were to be achieved, it could be done better in informal discussion than in open hearings where the participants would be considering carefully the public positions they were assuming.

These discussions have had two objectives: First, to determine the steps to be taken to reorganize and coordinate the Government's labor functions; second, to determine the steps which can properly be taken to insure a maximum of industrial peace. With respect to the first of these points, there can be no doubt that one of the first necessary steps for the Government to take is to set its own labor house in order.

I am sure we all welcomed the vigor and energy with which the new Secretary of Labor, Mr. Schwellenbach, has approached the job of reorganizing the Government's labor functions. I think we all agree on the necessity for centralizing responsibility for such functions to the maximum extent possible. The present confusing multiplicity of Government labor agencies is a particular handicap to the small businessman who can employ no experts to help him find his way through the maze. Any fundamental peacetime reorganization will require legislation. Accordingly, I have felt it well to devote considerable time to this question. However much we may sympathize with the desire of Secretary Schwellenbach to centralize Government labor functions in his department, I think we should realize that it is more complicated than the simple transfer of certain housekeeping functions to him. I shall not go into detail respecting the problems involved in the reorganization of the Labor Department. Let me say that I feel sure that the solution of the problems which exist will be materially aided in the course of the future studies of our subcommittee and with the cooperation of the executive agencies. The second point with which our executive hearings have dealt is the broad problem of industrial relations.

From these discussions, certain ideas on industrial relations are emerging, and during the recess period I have planned to incorporate these points in the form of a bill for introduction in the Senate.

The first is that the vast majority of our disputes are settled through the free exercise of collective bargaining. Nothing should be done which would impede this process and force disputes into bureaucratic channels for settlement. The docket of the War Labor Board, piled high with a steadily accumulating load of unsettled disputes, should serve as a warning to us of the dangers of having a too rigid Government machinery replace free collective bargaining. However, there are certain legislative steps that can be taken to facilitate the process of collective bargaining. The Bureau of Labor Statistics should be equipped to furnish a factual background of really useful facts to aid in the settlement of labor management disputes, wherever it is desired. Many disputes flame into strikes or lock-outs for the lack of a factual basis for argument.

Second, I feel that the Conciliation Service of the Government can be vastly improved, and its prestige with both management and labor greatly increased. The Congress should provide ample funds to staff this Service adequately, and should provide, as well, for higher minimum salaries, to attract a better class of personnel. The War Labor Board has trained many of our people in the techniques of conciliation. The salaries and prestige of the Conciliation Service should be increased sufficiently to salvage this experience in the interests of postwar harmony.

Third, I feel that it would be desirable to establish in the Labor Department a National Board of Arbitration, whose services would be available whenever both parties to a dispute found it desirable to submit their case. Such a board should have the prestige of Presidential appointment and Senate confirmation. It should be composed of prominent citizens of unquestioned objectivity and fairness. It should be empowered to recommend for appointment additional regional panels, similarly composed. I believe it should be clear that this is the only Federal Board of Arbitration for all disputes, except those in the railway industry. There should be no special panels for particular disputes, no random intervention by other officers of the Government outside the Department of Labor.

Mr. President, I say to the Senate that in one case into which we looked there were so many conciliators who were going to conciliate the same dispute that it got to be a joke, and the last one waited outside the city line to see if the others failed, figuring that the last man in would have the best chance to settle it.

I feel sure that many disputes would be submitted to such a board voluntarily, if it were established. After all, neither workers nor management deliberately seek the economic loss associated with a prolonged strike or lock-out.

Moreover, I believe the Department of Labor should be empowered to hold hearings on disputes which vitally affect the public interest. This should not include any effort to halt the dispute or interfere with any steps undertaken by either of the parties. Such a hearing could quite possibly be held in the middle of a strike. Its objective would be solely to provide a public forum, so that the factual argument of each side would be available to the public. After all, a prolonged strike either succeeds or fails on the basis of the public support it commands. Certainly, it is no invasion of the Bill of Rights to require both parties to come in and tell their stories.

In conclusion, I should like to paraphrase the words of one of the witnesses at our subcommittee hearing. I am certain that none of us is addicted to the status quo in labor legislation because it is the status quo. We know that the Constitution of the United States is a pretty good document, and we also know it has an amendment clause in it.

On the other hand, I think we should be equally averse to a change just for the sake of change, on the general theory that very often the remedy is worse than the disease. Our subcommittee intends to continue its exploration of labor problems in the firm belief that a sound agreement between labor and management on industrial relations will be in the best interests of the country as a whole.

PROCEDURE IN DEBATE—POSTWAR PROBLEMS

Mr. MEAD. Mr. President, I have no regrets at the belated recognition coming to me at this time; but I must say that we have witnessed a very regrettable spectacle all afternoon, and I think it is appropriate and fitting that we discuss it for a few minutes. Ever since the convening of this session, a number of Senators, myself included, have at the expiration of every speech risen from our seats and pleaded, in a way, or shouted, in a way, for recognition. Senators have missed luncheon engagements, postponed dinner engagements, neglected committee conferences, and have remained in the Chamber until finally they were recognized, some of them early and some of them late.

Mr. President, a great many hours have been lost this afternoon to men who had considerable work to do, work which was very important and vital. I am very glad that it is I who has now been recognized, because it gives me an opportunity to bring forth an idea which I have had in my mind for some time.

I came here today and put my name on the list. Other Senators, either before me or just after me, put their names on the list. But the list was not adhered to because a dictum has been proclaimed that recognition in this manner will no longer be the rule.

Mr. President, in the interest of democratic rules, and in the interest of proper consideration and regard for each other, it occurs to me that we

should go back to the practice which was in vogue here for a long time. To do otherwise—and I submit this to the Chair in the most respectful manner and with all due consideration for him—concentrates too much authority in one man to recognize a Senator or pass him up, an authority to pick out one Senator who happens to be in the Chamber, or one who has sat here patiently all day. It occurs to me, Mr. President—and again I submit this with all due respect for the Chair, and with the high regard I have for him—that we should spread rather than concentrate the authority in this body, so that a Senator, no matter whether he be a member of the majority or the minority, or whether he comes from the largest State in the Union or the smallest State, may have an opportunity to participate on an equality with his fellow Members in this Chamber.

I am not complaining, Mr. President, even though I represent a State with nearly 14,000,000 people. I believe that I am not entitled to any preferential treatment. But I believe further, and I wish to make the point very clear, that if one system gives better recognition than another system, if it results in more order and greater convenience to the Members than does another system, then the better system should be the one to be followed.

Oh, it may be that rules will be found and precedents will be cited which will strengthen or fortify this or that rule. But, nevertheless, I invite to your attention, Mr. President, as well as to the attention of the Senate, that it does not befit the dignity of the Senate, in my opinion, for Senators to be standing around all day, and, after one Senator concludes his remarks, then for a dozen or more other Senators shouting to seek recognition of the Chair.

I like the other system. I like to come here and put my name on the list and take my chances with others. If I am not here when my name is called, I am willing to be passed by.

Mr. HATCH. Yet, Mr. President, the Senator does not do what he is advocating.

Mr. MEAD. Mr. President, I am pleading for the rules, and I would not want my colleague to get up and ignore the rules by speaking without first asking me if I would yield.

Mr. HATCH. Oh, Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from New Mexico?

Mr. MEAD. I am glad to yield.

Mr. HATCH. Have I complied with the rule?

Mr. MEAD. The Senator knows that he has complied with it.

Mr. HATCH. The very point which the Senator is making is wrong. He is arguing against something which he is advocating. As a matter of fact, the Senator from New York states that he wants equality.

Mr. President, will the Senator yield further to me?

Mr. MEAD. I am delighted to yield.

Mr. HATCH. I ask the Senator what is wrong with his standing up and taking his chance with the Senator from Nevada, the Senator from Kentucky, or the Senator from Ohio? No; he wants to get his name on a list.

Mr. MEAD. I am trying to tell the Senator my position, and I know he will be patient with me. If I have not fully explained what I have in mind, I will try and explain it during the progress of the evening.

Mr. HATCH. Very well.

Mr. MEAD. Mr. President, for years Senators have listed their names with the Presiding Officer. When our names were reached on the list, if we were present we would take the floor and deliver the speech we desired to make. If we had engagements to keep, or committee meetings to attend, under the rule we could make certain adjustments. However, under the present system that is not possible.

Mr. BARKLEY and Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield, and if so to whom?

Mr. MEAD. I yield first to the Senator from Kentucky.

Mr. BARKLEY. Mr. President, I appreciate the inconvenience which sometimes results when a Senator has put his name on the list and it is not reached, or the Chair decides to abide by the rule of the Senate which requires him to recognize the first Senator who rises. That is the rule. From time immemorial we have violated that rule by the custom of having a list of Senators who wished to speak, and frequently that list was so long that Senators who could not be recognized during the day had to await an opportunity on some other day. I think the position which the Chair has taken in this matter is a sound position. It is in accordance with the rule, and, if I may say so, it ought never to have been departed from. The rule requires the Chair to recognize the first Senator who arises in his place.

Mr. HATCH. That is correct.

Mr. BARKLEY. The rule does not depend on the existence of any list. Frequently it has occurred that lists of Senators who desired to speak have been so long that Members who had something of importance to discuss could not even be recognized because of the list which the Chair felt himself morally bound to recognize. Senators who thought they should not be required to go up with hat in hand and approach the Chair and get their names on the list, sometimes found it difficult to obtain recognition within a short time.

Mr. President, I am sincerely of the opinion that the Chair was right in his announcement that he will obey the rules of the Senate, which require that the first Senator on his feet shall be recognized.

It was rather amusing today to see the situation which must have embarrassed the Chair. The Senator from Tennessee [Mr. STEWART] was presumably approaching the end of his remarks. It was a false assumption, but nevertheless it was an assumption that he was about to approach the conclusion of his remarks. Five Senators were on their feet for 10 minutes in order to attract attention of the Chair and let the Chair make a decision as to which one of them rose first.

Mr. MEAD. Mr. President, I have the floor. I yielded for a question.

Mr. BARKLEY. I merely wish to say that I think the Chair is correct in announcing that he will obey the rules of the Senate.

Mr. MEAD. In view of the fact that I have waited all afternoon for the floor, I shall now reclaim the floor and conclude my remarks.

Mr. HATCH. Mr. President, will the Senator from New York yield?

Mr. MEAD. I yield for a brief question, but I will not yield for an observation the length of the observation that was just concluded.

Mr. HATCH. As a matter of fact, I make merely a very brief observation. I am in thorough accord with what the majority leader has said.

Mr. MEAD. I appreciate that statement. Now, Mr. President—

Mr. HATCH. I should like to argue the question with the Senator.

Mr. MEAD. Mr. President, I appreciate the contribution made by the able majority leader, and I wish to say that while he is right, it is the rule, and I know it is the rule, I am right in that it has not been followed, and that the custom which we followed for years provided, in my judgment, more satisfactory consideration of Members of the Senate than was the case this afternoon. I merely mention this because I fear that it has the possibility of concentrating too much authority and power in one individual.

Mr. President, this was not what prompted my remaining here to speak to the Senate tonight. I wanted to say that my observations of the last few days of the work of our committees has left me with a fear and an apprehension that we are leaving here at a time when we should really remain in session. We are leaving here, Mr. President, in the midst of a very serious crisis in our military and our essential domestic economy.

We all understand, from reports which appear in the press every day and from reports submitted to the Senate by Senate committees, that there is a transport crisis, an impending coal crisis, a lumber, a steel, and a textile crisis, and we know that while these shortages exist, the reconversion program, which is so important and so vital to our domestic economy, to the well-being of our returning servicemen, to the very war effort itself, can make little or no progress.

Mr. President, unless solutions are found for these bottlenecks, unless provision is made to prevent a breakdown of our railroad transportation system to provide needed material for our military and our domestic economy, very serious consequences may result.

Mr. President, may I have order?

The PRESIDENT pro tempore rapped with his gavel.

Mr. MEAD. Mr. President, I plead with the Chair for order, and I do not believe that rapping the gavel is sufficient in this instance.

The PRESIDENT pro tempore. The Chair will do his best to maintain order.

Mr. MEAD. I still maintain that Members of the Senate are out of order.

Mr. President, unless something is done to prevent the further development of these shortages, not only will there be impairment of the war effort and a slowing up of the reconversion program, there may be started an inflation spiral which will be disastrous. The shortage of civilian goods, the wearing out of goods and equipment manufactured and produced before the war, is bound to accelerate pressure buying.

Mr. President, all this results, in my judgment, from a failure to take advantage of a situation which exists and which has existed since the termination of hostilities in Europe. A well rounded, well balanced, orderly demobilization of the military, as was pointed out by the able Senator from Colorado [Mr. JOHNSON] earlier in the day, would provide needed employment for the vital industries which are suffering from acute shortages.

The reconversion program would progress more rapidly than is the case today if it were not for these shortages, and the progress of the reconversion program would not only help the war effort, but it would make ready jobs for returning veterans, who certainly merit such recognition on the part of the Government.

Mr. President, while the war in Europe was in progress our economy was very simple by comparison. We had nothing to do but focus our eyes and center our productive efforts on winning that war, but with that war over demobilization became a problem, the expeditious transportation of the troops from one theater to another, or from the active theater in Europe to their homes in this country. A shift from one military production to a partial domestic production became necessary in order to absorb returning veterans, and to absorb those who were being furloughed or laid off as a result of military cut-backs.

Mr. President, that program is retarded by these shortages, and these shortages are the result of manpower shortages amounting to only about 100,000 skilled men. These shortages exist, as I said before, on the railroads of the country, in the lumber camps of the country, in the steel mills, in the coal mines, in the textile factories, and in one or two other places. A hundred thousand skilled, trained men would prevent a continuation of these bottlenecks, and produce the needed materials and supplies which would enable us to expedite the reconversion program, prevent break-downs in these industries, and obviate any impairment of the war program.

Mr. President, there are 12,000,000 men in the military service of the United States. There are about 8,000,000 more engaged in war contracts. If the Japanese war should end suddenly—and we all hope and pray it will—the 8,000,000 men engaged in war contracts would be out of work; the 12,000,000 servicemen would be brought home, and very naturally they, too, would be looking for work. That might find us in the midst of an unemployment crisis involving approximately 20,000,000 men. Therefore, Mr. President, I believe that a program having for its objective the employment of these men should have been fully considered before the Congress decided to recess.

Mr. President, I believe that such bills as the full-employment bill should have been considered. I believe the Federal housing bill should have received Senatorial action. The airport-construction bill, which is on the calendar, should have been considered. Appropriations carrying out the legislative authorization for the Federal road bill should have been consummated.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McCARRAN. I wish to make the very brief observation regarding the airport bill which is now on the calendar, that I have every reason to believe we will push the bill to completion and adoption as soon as the Senate reconvenes.

Mr. MEAD. It is necessary that that be done. It occurs to me that it may even be necessary to enact that legislation before the date already set for the reconvening of Congress. But there are other bills, including the appropriations for rivers and harbors projects already authorized and appropriations for flood-control projects already authorized. There should be a substantial public-works appropriation for authorizations heretofore provided.

Mr. President, if this program of legislation, the full-employment bill, the Federal housing bill, the airport-construction bill, and appropriations for the Federal roads bill, the river and harbor bill, the flood-control bill, and the public-works bill were on the statute books today, if that program was a reality today, then I would leave Washington with less misgivings than I now do.

Mr. President, it occurs to me that while we are away the Government agencies concerned with these matters can be very helpful. The agencies having to do with the orderly demobilization of the men who have earned, by the point system, their separation from the Army, could help. The agencies of government having to do with railroad transportation, with lumbering and other industries which are retarded today because of lack of sufficient personnel, by sitting around the conference table conferring one with another can reach an agreement and help to solve the difficulties which beset us today.

Mr. President, such conferences, I understand, have been initiated under the direction of the Director of War Mobilization and Reconversion, and I commend him for making this beginning. I trust that the conferences will continue until all these problems are considered and solved, insofar as solution is possible.

Mr. President, with reference to the appropriations for public works, I trust that the Director of the Budget and the department in charge of appropriation matters will complete their task during the recess of the Senate and will be ready to submit legislation to us when we reconvene in the fall.

The congressional committees can also help during the recess. These matters can be heard in many instances and they can be prepared for Senate action when we return.

Mr. President, I again make the point that I leave here with some misgivings. There is a possibility of a major unemployment crisis resulting, first, from the slowness of the progress of the reconversion program; and, second, the failure to provide certain stock piles of certain materials which, when war ends, are necessary to initiate the work programs I have mentioned and all the other private work programs that will be initiated all over the country.

As an illustration, Mr. President, I believe that a city of a million population, no matter where it may be located, would launch a huge private-works program of its own, including the repair of homes and public buildings, the construction of roads and of new buildings, the repair and the expansion of plants and all that sort of thing, work on which would be initiated. It would help to soften the shock if they had the lumber, if there were available unprocessed steel and aluminum and other commodities and articles.

But, Mr. President, while a shortage of lumber exists there can be no work of this kind carried on because lumber is an essential in the construction field, and very little progress can be made without it.

So I fear that we have ill prepared for the future, but we can make some progress during the recess, and then it is possible that the leadership can call us back at an earlier date, if it is found to be necessary, as I think it will be found to be necessary.

Mr. President, there is another matter which I desire to bring to the attention of the Senate. This too has to do with a postwar problem. Some time ago I made some observations with reference to the progress that took place during the war in technological matters, in transportation equipment, and in the sciences, that were called upon to make their contributions to the war effort.

Mr. President, at this point I present a resolution to provide a postwar study of our transportation problem. The resolution is at the desk, and I ask unanimous consent to have it read at this time.

The PRESIDENT pro tempore. Without objection, the clerk will read.

The legislative clerk read the resolution (S. Res. 168), as follows:

Resolved, That a special committee composed of three members of the Committee on Commerce and three members of the Committee on Interstate Commerce, to be appointed by the President of the Senate, is authorized and directed to make a full and complete study and investigation with respect to postwar transportation problems, including the consideration of (1) interrelationships among carriers by rail, water, highway, air, and pipe line, (2) the arrangement of transportation schedules so as to preserve the inherent advantages of each mode of transportation, (3) means of effectively utilizing new modes and improvements to existing modes of transportation developed during the war, (4) the effects of competition by foreign air lines upon domestic carriers, (5) the desirability of payment of Government subsidies to carriers, and (6) taxation of carriers, and to report to the Senate at the earliest practicable date the results of its study and investigation, together with its recommendations with respect to the development of a

coordinated system of transportation in the United States.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate until July 1, 1946, to employ such experts, and such clerical, stenographic, and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

The resolution (S. Res. 168), submitted by Mr. MEAD, was referred to the Committee on Interstate Commerce.

Mr. MEAD. Mr. President, the revolutionary changes in transportation, a byproduct of the war, will have a terrific impact on our economy in the postwar period. Stainless steel, streamlined, Diesel-powered trains capable of carrying a thousand passengers and of obtaining a speed of over a hundred miles an hour are promised by expert designers of railroad equipment.

One need be neither a prophet nor a son of a prophet to predict a magic future ahead for aviation in the United States. Some rabid enthusiasts maintain that the day will come when the airplane will render other means of transportation of secondary importance.

However, no more enthusiastic prophecies are made for any system of transportation than those in behalf of our highway motor carriers. Light metals and supermotors will provide commodious high-speed busses that will be a far, far cry from the busses in which we traveled prior to the war.

Finally those interested in water transportation insist that streamlined Diesel trains, 200-miles-an-hour passenger air liners, and our super de luxe highway vehicles are not going to crowd them out of the picture. Here again the stimulus of the war effort is responsible for the great progress claimed for marine transportation. Small oceangoing cargo ships carrying from 1,000 to 3,000 tons, with a draft from 8 to 10 feet, between 200 and 300 feet in length, will navigate our rivers and canals, making many of our inland communities actually seaports. In the postwar period a community with a rail, highway, water, and air terminal will be in a most fortunate position.

Amphibious military operations which have developed the ramp-type tank-carrying craft and other amphibious equipment render it unnecessary for a community to invest in expensive docks and wharves, for, according to expert testimony, inexpensive ramps will be all that will be required.

Mr. President, it seems to me that the information should be available to the committees which will appropriate huge sums of money for river and harbor improvements, for the construction of waterways and other similar improvements.

In the matter of the construction of airports, hundreds of millions of dollars are being authorized for the construction of approximately 3,000 additional airfields to accommodate approximately 300,000 private airplanes and hundreds of commercial planes that will be flying the skies of this country within a few years after the war's end. The small town without an airport may find it to be a handicap that will seriously interfere with its progress in the air age of tomorrow. Every community in our State, because of the importance attached to the changes in transportation effective in the postwar period, should set about to study its own individual problem and to effectuate a plan that will fit into the State-wide development that is bound to take place.

Mr. President, there has been considerable editorial cognizance of this great development which has taken place during the progress of the war. On July 13, 1945, the Buffalo Evening News, in commenting upon the use of light-draft vessels developed for war purposes to promote water transportation in inland channels, had this comment to make:

LST FOR CANAL USE

Some months ago Senator JAMES M. MEAD suggested the possibility of using light-draft vessels developed for war purposes to promote water transport in inland channels, with particular reference to the New York Barge Canal system. Now comes the Chicago Tribune with a proposal to make use after Japan is defeated of the Navy's surplus tank-landing ships for ferrying service—to carry both passenger cars and trucks across Lake Michigan. The Tribune also sees the possibility of using such craft "to revive the old steamer traffic on the Illinois, the Mississippi, the Ohio, the Tennessee, and other western rivers, permitting tourists to take their ease on the boat and at the same time have their automobiles available for side trips over the adjoining countryside wherever the boats stopped."

These proposals seem entirely feasible. The Navy has thousands of these landing craft of various sizes—all of them of light draft, for they are designed to shove their noses ashore on beachheads and discharge tanks and other combat weapons. They would seem to be ideal carriers for the New York Barge Canal system, whose potential of service has never been approached. The people have invested about $175,000,000 in the development of this waterway, and it is high time that something was done to realize on its potential. This is a matter that should engage the lively interest of the State Department of Commerce. The canals made New York the Empire State. But in recent years industry in the State has markedly fallen off. An increase in water-transport facilities would have a generally beneficial effect. The proposal advanced by Chicago for its own advantage should be made a subject of serious study looking to an advantage for New York State.

An editorial in the Chicago Tribune of a later date reads as follows:

LST FERRIES

The proposal to use the Navy's surplus tank landing ships for ferrying operations in inland waters after the war is a natural. The Navy has several thousands of these vessels. In all probability their utility for military purposes will be ended after the invasion of Japan, if that takes place. They are essentially large, sturdy, shallow-draught ferry boats designed to shove their noses ashore on invasion beachheads and discharge tanks and other combat vehicles ready to go into battle, or trucks loaded and ready to start carrying their supplies to the fighting line.

The utility of an automobile ferry connecting Chicago with the lower ports across the lake in Michigan was well recognized before the war. The highways around the southern end of Lake Michigan, extensively used by vacation passenger automobiles as well as by trucks and trailers from Michigan's fruit regions and Detroit's automobile factories, were crowded and sometimes hazardous. Ferries would take both passenger cars and trucks across the lake at little, if any, loss in time and with a considerable saving of wear and tear on both the vehicles and their drivers. The only obstacle to the project was the cost of such ferries, which would have been a million dollars or more. Use of the Navy's surplus ships would meet this objection of cost.

The shallow draught of the LST's makes it possible that they can be used on rivers as well as on the Great Lakes. They, or slightly smaller craft, might be purchased by enterprising transportation companies to revive the old steamer traffic on the Illinois, Mississippi, the Ohio, the Tennessee, and other western rivers, permitting tourists to take their ease on the boat and at the same time have their automobiles available for side trips over the adjoining countryside wherever the boats stopped.

Mr. President, the resolution which was read by the clerk called for the appointment of six Members of the Senate, three Members from each of two committees, namely, the Committee on Commerce and the Committee on Interstate Commerce. The reason for that provision in the resolution is that those two committees of the Senate have jurisdiction over matters pertaining to transportation. The Interstate Commerce Committee has jurisdiction over railroads, highway transportation, and pipe lines. The Commerce Committee of the Senate has jurisdiction over waterways and airways. So it occurs to me that one particular committee would not be as well equipped to do the work as would a committee composed of members of the two committees which have to do with transportation matters.

Mr. President, it seems to me that this study should be initiated as quickly as possible, by reason of the fact that a great deal of this equipment is now surplus, and might be used here in the United States.

I believe that this committee should be started on its task as soon as possible, because this fall we shall be appropriating huge sums of money for improvements to our highways, our waterways, and our airways, and we ought to know just what the future equipment will be like, and all about it, before such appropriations are finally approved. I believe it would be helpful to have such information, even though the appropriations were expedited, especially those which are on the calendar at this time.

Mr. President, there has long been a controversy in which some have contended that certain modes of transportation are subsidized by the Government, and certain other types of transportation are taxed by the Government. The question of subsidies and taxation could be considered by this committee, and a report upon it could be made to the Senate.

Mr. President, everyone knows that transportation is one of the most vital and important elements of our economy. The country which has the most efficient transportation system is usually the country which enjoys the greatest degree of prosperity. It occurs to me that we should take immediate and speedy advantage of all these developments which have occurred, and we ought to prepare our Nation and the industries within our Nation to enjoy this improved transportation which is now a reality as a result of the progress made during the war period.

Mr. President, we shall have the greatest merchant marine in all our history, the largest merchant marine in the world. It will provide transportation which will carry goods to the four corners of the world and will bring a great deal of the commerce of the nations of the world, in return, to our shores. That subject is another one which should be studied, so that the tremendous tonnage of merchant vessels constructed in the United States can be put to use in order that they may make their contributions to the improvement of conditions in this country.

We have the greatest potential aircraft production in all the world. As we all know, aviation will carry our people and our goods into every nation on earth. Already the Civil Aeronautics Authority is laying out lines and considering applications and granting licenses which will carry Amercan-flag ships over the oceans and over the poles. Therefore, the study at this particular time is most opportune, because we are going into the field of interoceanic aviation on a large scale.

Another matter which makes this investigation vital and timely is the pendency before the Committee on Foreign Relations of the agreements which were passed upon and approved at the International Aviation Conference in Chicago. Those five agreements, when acted upon, will in my judgment afford opportunity for this committee to study and learn of their effects upon our domestic and international commerce, and they will provide the committee with an opportunity to make certain recommendations. To illustrate, Mr. President, let me say that it may be that we shall decide that foreign air lines will be permitted to fly into the heart of the United States. However, it may be that the majority of us will decide that foreign air lines will fly to only certain ports in the United States, such as those near our boundaries or along the Atlantic and Pacific coasts. Unless that is done there will be certain disruptions and perhaps inequalities which will affect our domestic air lines. If foreign air lines carry passengers and freight and express from Europe into the center of the United States, that might deprive our domestic air lines which would fly from our seaboard towns to communities in the center of the United States of opportunities which otherwise they would enjoy.

Therefore, Mr. President, a study should be made in the interest of the railroads, the air lines, the bus lines, and the other systems of transportation, so that there will be a fair and equitable distribution of traffic. That is particularly necessary now that we enter the field of international aviation. Mr. President, I confidently think that this study is very important at this particular time. I hope it will be made, so that we shall have their recommendations shortly after the interim or shortly after the agreements now pending before the Committee on Foreign Relations are acted upon.

With the huge appropriations about which I spoke a moment ago, with the large potential air power and sea power which will serve us in the postwar period, and with these vital matters which must be solved if we are to take advantage of the possibilities of improving the transportation systems of the country, it is obvious that we must have the results of such a study, which will be most helpful. That is what prompted me to submit the resolution this afternoon.

Mr. President, I hold in my hand a statement entitled "The Future of our Waterways." The statement presents a very interesting report on the development of transportation from the Conestoga wagons of two centuries ago to the modern streamliners of the railroads and the palatial airliners which are commonplace today. The statement was prepared for me by an expert engineer and a designer of landing craft and small oceangoing cargo ships. He concludes the statement with the following observation:

> In the postwar era there will be a tremendous revival of water traffic on our rivers and on our canals. Economic changes in transportation, the adaptation of amphibious equipment, and the changing picture of ocean shipping all point to a greater use of our inland waterways beyond the most optimistic dreams of the shipowners.

Mr. President, I ask unanimous consent to have this very timely statement printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE FUTURE OF OUR WATERWAYS

In this modern age of fast, streamlined diesel trains, 300-mile-an-hour passenger air liners, and superhighways, with de luxe motor busses, the average citizen looks upon water transportation as a page out of the history of the past.

The world's way of doing business is constantly changing. Two centuries ago Conestoga wagons carried the bulk of America's commodities. A century and a half ago canals and waterways began to cut heavily into the profits of the teamsters. A century ago the speedier transportation of railroads eclipsed the importance of waterway transportation. The past half century has seen the growth of commercial trucking and interurban busses jeopardize the financial security of the railroads.

To those who lived through these various periods these economic changes in transportation came so slowly that they were hardly noticeable. The average citizen of each area was willing to admit that there had been changes in the past, but it was rather difficult for him to prophesy what might happen in the future. We who live in this age would be foolish if we were not to attempt to prophesy the changes in transportation systems that we can expect in the future.

Even three decades ago no one in the steamboat or railroad business would have dared dream that the modern commercial truck, a streamlined version of the Conestoga wagon of two centuries ago, would ever be a serious competitor of the steamboats and railroads, but we have seen that happen in the past decade; just as there has been a revival in highway transportation, so we will see a revival of waterway transportation. But the waterway craft of the future will no more compare with the Erie Canal boat of 100 years ago than does the modern 5- or 10-ton commercial truck of today compare with the Conestoga wagon of colonial days.

The State of New York is in a better position to capitalize on the revival of commercial and inland waterways than any other State in the Union. Someone has said that the definition of commerce has been the transportation of commodities and merchandise from where they are plentiful to where they are needed.

The natural trend or flow of commerce in the United States has been east and west. The natural trend or flow of America's waterways is from north to south. In Europe the natural trend of commerce, like in America, has been east and west, but the principal European rivers and waterways flow from east to west and therefore water transportation in Europe has continued to grow, while water transportation in the United States up to a few years ago languished.

The development of the waterways of New York State was the chief contributing factor that made New York City the largest metropolitan area in the world. Up to 100 years ago imports and exports from New Orleans exceeded those of New York. Then the Erie Canal became the chief artery of commerce, carrying immigrants and manufactured articles to the Great Lakes, Chicago, and the West, and bringing back wheat, corn, and other products of the Midwest. Those were the days when the waterways of New York carried a ton of freight a mile for 1½ cents at a speed of 1½ miles an hour.

It was perfectly natural that railroads built parallel to the canal, with a speed of 15 miles an hour, even at a higher freight rate, would cut into the profits of canal-boat operators. It was soon evident that valuable lightweight commodities would be handled by the railroads, leaving to the water-transportation operators the cheaper, heavier boat commodities. At the turn of the present century this policy became well established.

At first, railroads were built merely as feeders for steamboat lines, and water-transportation operators never believed that railroads would be a serious competitor. Beginning with the present century, the better roadbeds, heavier rails, and sturdier equipment enabled the railroads to make a successful bid for the business which water-transportation operators had come to look upon as exclusively their own—the handling of cheap, bulk commodities.

With the exception of New York State, one by one the famous canals were abandoned. During this period, the legislators of New York State continued to improve the Erie Canal, which became the New York Barge Canal with a depth of 12 feet, and with locks of 310 feet in length. Perhaps the reason for the continued interest in this particular waterway when others throughout the country were being abandoned was due to the fact that it was the only American canal of any considerable length which not only paralleled America's natural flow of commerce, but was situated in the heart of America's industrial district, serving such cities as Rochester, Syracuse, Schenectady, Utica, Albany, and other industrial areas.

The past quarter century has seen the tremendous growth of highway transportation. At first, both water transportation operators and railroads looked upon commercial trucks as profitable feeders, never dreaming that in the not too far distant future commercial trucks would prove to be a really serious competitor.

A century ago the country's largest cities, even New York, were nothing more nor less than big villages or towns. Like the smaller community, the larger cities had their manufacturing district, their water front and shipping section, shopping district, financial center and residential district. Manufacturers were attracted to the larger cities because of a more plentiful supply of labor and close proximity to commercial establishments which bought their products.

Today the metropolitan areas of the United States have grown so large that they are no longer a single town or city, but a collection of separate and distinct communities, each with its own residential district, financial center, and shopping district. These independent districts are a single city only because they are continuous, with no urban areas separating one community from another.

The manufacturer was largely attracted to a large city because he had a greater number of people from which he could select his employees. A city of 40,000 people would have double the number of prospective workers available than the city of 20,000. As cities grew in size, there became a limit to the number of available workers that was definitely fixed by the distance of the prospective worker's home from the manufacturer's plant. A manufacturer with a plant in Long Island City could not hope to attract workers who owned homes in the Bronx or in Staten Island.

Quantity production methods required manufacturing establishments of a size many times larger than the largest factories of the nineteenth century which, together with the increased values of real estate, prohibited the location of such plants anywhere near the commercial centers. The national manufacturer of today seeks to locate his plants away from the slums and warehouse districts of the city. At the same time, he wants his plants located on the arteries of commerce where raw materials can be brought to his factory by water, by rail, by air, and by highway.

For the past decade we have been going through a period where except for the wartime restrictions on rubber and gasoline, highway transportation is expanding and railroad transportation diminishing. We have 750,000 less freight cars than we did 20 years ago. We have three-quarters of a million less railroad employees than we did 20 years ago. For the past 12 consecutive years not less than 2,000 miles of railroad have been abandoned every year. For security reasons this situation presents a serious problem.

The highway truck has proved to be ruinous competition to the short-line railroad and the steamboat lines. The secret of the success of truck transportation was the elimination of transshipment, which gave the truck the advantage of store-door delivery and door-to-door pick-up. The railroads neglected to take full advantage of this new service.

Trucks have been able to deliver coal from the mines in Pennsylvania to the buyers in New York State in competition with railroads. The reason is simple. The average purchaser would not want a carload of 50 tons of coal. Five or ten tons were adequate for his winter requirements. By railroad the coal had to be delivered to a coal yard and then brought from the yard by truck to the purchaser's premises. The second handling, or the delivery of the coal from the yard to the consumer's premises cost almost as much as it did to bring the coal from the mines in Pennsylvania to the city where the coal yard was located. Short-line railroads felt the competition from trucks because merchandise from a wholesaler's warehouse in a distributing city had to be trucked to the railroad freight terminal, hauled to its destination, and unloaded from the freight car to a truck for delivery to the store which would sell the commodity to the consumer. Highway trucks therefore eliminated two transshipments in addition to giving quicker service.

The same sort of competition eliminated many of the small steamboats which operated along the Hudson River. Today the highway truck is handling three-fourths of the "less-than-carload shipments" that are made. Highway trucks are handling 66 percent of the goods that are shipped to and from the defense plants of the country.

The inland waterways of the United States, especially on the western rivers, while showing a decrease in river passenger and package freight, have shown a tremendous increase in the transportation of coal, petroleum, steel, and other bulk commodities. On the upper sections of the Mississippi River traffic has almost doubled every year for the past decade. Tows of 15,000 tons are not unusual. But for those who cannot see into the future, inland waterway commercial traffic is apparently receding. The Office of Defense Transportation recently announced that the 1944 tonnage on the New York State barge canal, exclusive of petroleum and petroleum products, moving in steel tank barges, will fall below that of 1940. The figure for 1940 was 2,666,180 tons, for 1944 less than one-half, or 1,247,207 tons.

Undoubtedly there has been an increase in petroleum shipments on all waterways because petroleum lends itself to water transportation. It loads itself, and pumps eliminate the necessity of manual work in unloading. It is a different story with dry cargo which must be loaded and unloaded mostly by manual labor.

Highway transportation by commercial trucks has prospered at the expense of the railroads and the waterways of New York State.

Twenty years ago there were less than 5,000 miles of hard-surface highways in the United States, and only 335,000 trucks. Today the United States has 350,000 miles of hard-surface highways and 5,000,000 trucks. By far, the largest number of vehicles on the highways of America are private passenger vehicles.

The average citizen wants to enjoy the lower freight rates that highway trucks have brought, but the same average citizen resents any delay on his intercity car drives that may be caused by trucks on the road. If a truck impedes his progress, he mumbles to himself that there should be a law prohibiting trucks on the highways. Railroad advocates have been quick to add fuel to the fire, claiming that the trucks have the advantage of a roadbed, built and maintained out of public funds, while the railroads must maintain their own right-of-way and pay taxes on its value. The result is that the commercial highway truck has met with legislative regulation in every State. The length and weight of truck bodies is limited in one State to one-half the size that is allowed in a neighboring State. In every State that the truck passes through it must carry license plates that cost sometimes as much as 30 times the cost of a similar license plate for a private vehicle.

Vast sums of public funds, have gone into the building of super highways and parkways, 6- and 8-lane arteries of travel with complicated traffic circles at frequent intervals, from which commercial trucks have been prohibited. In many instances the trucks have been relegated to little-used secondary back roads which reduce their speed and increase their operational cost.

The present war has been a war of transportation. The Allied Nations, especially the United States, turned almost certain defeat into a glorious victory due to new ideas in transportation.

"Amphibious operations" has become a new phrase in military strategy, a phrase that developed in this war, a phrase that meant a combination of land and sea operations. In all previous wars men, guns, ammunition, and supplies were shipped to the country where the fighting was to be done, to well equipped ports where cranes, warehouses, and docks were available, from where the goods were transshipped to vehicles or railroads to reach the front. * * *

The Nazis felt safe in their European fortress. They felt that a big harbor like Cherbourg would have to be captured by the Allies first. That before any appreciable amount of men or equipment could be landed on European soil, the Nazis could send armies of sufficient size to the point of attack to push the Allies back into the sea. But the Germans had never fully appreciated the possibility of amphibious operations. No one could say that they were surprised, for the whole world had been warned months in advance that the Allies would cross the Channel and attack Europe at the earliest opportunity when favorable weather prevailed. The whole world knew that.

On the scheduled date, amphibious craft by the thousands rushed across the English Channel, ramps dropped, doors opened, and the amphibious craft disgorged hundreds and thousands of vehicles of all kinds, vehicles loaded with men, vehicles loaded with gasoline, vehicles loaded with food supplies, guns of every caliber mounted on truck wheels and drawn by tractors. Without the aid of cranes or docks or warehouses or organized ports, amphibious craft put nearly a million men on the beach in the first few days of the invasion. For every man landed on the beach, 8 tons of equipment and supplies were unloaded with him. The Nazis never dreamed of such efficiency. * * * Instead of pushing the Allies into the sea, they fell back to Paris, and there they did not even have the opportunity for an overnight rest. The Americans and British with their supply lines right behind them, kicked the Nazis out of France, threw them out of Belgium back into Germany, where their unconditional surrender took place.

Amphibious craft will be the peacetime solution to the dry-cargo problem on the New York State Barge Canal as well as the Hudson and other rivers and streams of the Empire State. It will mean in the postwar era, according to experts, that Mr. John Q. Public can enjoy his superexpress highways from which trucks have been barred, and at the same time enjoy the lower cost of living that has been brought about by cheap transportation costs of his necessities of life, a transportation that will combine the savings of highway truck carriers, with their elimination of transshipments, plus the low cost and ease of water transportation.

Amphibious water craft means the elimination of the building of docks and warehouses. Cities along the Hudson River and the New York Barge Canal will all have their amphibious landing beaches with paved or graveled water fronts. * * * Loaded truck trailtrs from the metropolitan area of New York City will speed from factory door to landing beach. There they will load aboard landing boats capable of carrying anywhere from two to a dozen large truck trailers. The trailers will be run on board. In some instances the tractors will be transported, especially for short hauls. On longer hauls only the trailers will be carried on shipboard.

The postwar era will see a tremendous increase in the use of the New York State Barge Canal and the Hudson River, not by the picturesque steamboats of the past like the *Mary Powell* or the *Benjamin D. Odell*, or the tows of 100 Erie Canal boats which came down the Hudson every night like a floating city. But amphibious craft, LST types, and vessels carrying highway trucks will do the work.

For domestic shipments trucks need have only license plates for the State where the shipment originates and license plates for the State where the consignee resides. Through truck shipments may be carried from Maine to New York State without the necessity of the truck carrying all the license plates of all the intervening States such as Vermont, New Hampshire, Massachusetts, Rhode Island, and Connecticut. Passenger vehicles may extend bumper to bumper along the super highways that will eventually be built on both banks of the Hudson. The trucks by using amphibious equipment could never possibly become so numerous as to create a traffic hazard on either the Hudson River or the New York State Barge Canal.

Up to this point we have only considered domestic commerce or inter-city transportation. The changing hand of progress, experts say, indicates that in the future the New York State waterways will bear foreign commerce as well as domestic commerce. In the past, merchandise from Europe, South America, and other foreign countries arrived on large ocean steamers in New York Harbor, there to be unloaded onto barges or railroad cars for delivery to manufacturing plants in the cities of the interior such as Albany, Utica, Schenectady, Rome, Syracuse, Oswego, Rochester, and other Empire State industrial cities. During the past century the trend has been to increase the size of such ocean vessels until just before the war the national pride of England, Germany, France, and Italy built vessels so big that they could enter only a few ports in the world. The days of these big ships are over. They were never economically successful, and would not have been possible except for substantial subsidies granted by benevolent governments.

The development of aviation in the present war shrunk the world to such an extent that no spot on the globe is more than 60 hours from New York State. After the war, fewer individuals will want to spend 5 days afloat between New York and England even on the largest and most luxurious passenger steamers, when they can step aboard a fast plane in New York and arrive in London 14 hours later.

In the postwar era a large percentage of passengers and nearly all the lightweight and valuable commodities will be carried across the seas through the air. And by lightweight, valuable commodities we do not mean only diamonds, furs, and jewels. As these words are delivered, one of our national air lines has established a rate on air freight as low as 30 cents per ton-mile including door-to-door pick-up delivery. The first full plane load from California to New York under this newly established rate was not diamonds, furs, or jewels, but spinach. It is therefore reasonable to assume that after the war, fruits and other perishables in large volume will be handled by air-transport companies. This will leave only the heavy, bulk, commodities for transportation by ocean ships.

The trend, some maritime authorities claim, will be toward smaller ships. The personnel landing boat, the ramp-type tank-carrying craft, and other amphibious equipment have proven their great value. There has been designed for the armed forces a type of small oceangoing ship, ranging in size from 200 to 300 feet in length, capable of carrying more than 1,000 tons of merchandise. These vessels are as different from the small cargo steamers of the prewar period as the modern streamlined diesel train is from the railroad rolling stock of 1850. The ship draws 8 feet of water, which means that she can enter almost any hole in the wall on every coast in the world. It means that she can ascend rivers thousands of miles beyond the point that the prewar ocean ship could go. The craft is powered with four small high-speed diesel engines.

When one of the prewar ships suffered mechanical difficulties, it was necessary for the ship to go to a yard. There were no standardized parts for replacements. The engines were virtually hand-made, and any replacement parts of necessity had to be hand-made in a machine shop where the overhaul took place. The ship itself was out of commission for at least several weeks while such replacement parts were being duplicated and fitted.

In the modern ship, should one engine give trouble, the ship can continue the journey at a slightly reduced speed on the other three engines. In port, the disabled engine may be quickly disconnected and removed from the ship and replaced by another. Consequently, operating costs are much lower than for any prewar ship of the same size. Less time is lost due to repairs and overhauls. Her earning capacity is greater because there is double the cargo capacity of the same size ship of the prewar vintage.

Such craft can get closer to the producer and deliver the goods virtually to the consignee's door. Such a ship can take a thousand tons of electrical machinery from Schenectady and deliver it several hundred miles up the Orinoco River in Venezuela, South America.

The cargo ship of tomorrow will pick up that cargo of machinery at Schenectady because she draws 8 feet and the New York Barge Canal has a depth of 12 feet; because she is less than the size of the locks of the New York Barge Canal she will, without delay or interruption, pass down the Hudson River and out to sea. Without stopping at Port of Spain, Trinidad, or Ciudad Bolivar, she will deliver the machinery to the very spot where it is to be installed. At Ciudad Bolivar or at another port on the Orinoco she could pick up a thousand tons of cocoa beans and deliver the shipment right to the door of a chocolate factory located on the banks of the New York Barge Canal in the dairy section of western New York.

One of our shipbuilding yards is today building ships of this kind on a continuous moving production line where the keel is laid at one end of the yard and is moved 100 feet every night at midnight until at the other end of the line the completed ship is launched. Under the present production rate, one such ship comes off the line every other day. British shipping experts, writing in the British shipbuilding journals, have viewed this American mass production with alarm. In their articles they have pointed out that England cannot compete with America's mass production methods. The type of seagoing craft that is being built on the continuous moving production line threatens to cut into the profits of the large ocean ships as the trucks have cut into the profits of the railroads, and for the same reason. The smaller ship can get closer to the producer and deliver the goods right to the consignee's door. This means that every city on the Hudson, every town on the New York Barge Canal, is a port. The manufacturing plants of western New York and of northern New York may ship their goods direct to the most remote ports of the world.

The pendulum is swinging back from the mammoth trans-Atlantic liners of pre-war days to the small ships of a century ago that carried the American flag to every port in the seven seas.

When we look back over the records of New York City, of a century ago, we find that the most profitable ships of that era averaged only 500 tons. They were successful because they were fast. They could deliver a cargo of merchandise from New York City to San Francisco in a mere 3 months, while the big British square-nosed ships of 2 or 3 times the size required from 6 to 9 months for the passage around the horn. The small 500-ton American ships could demand a higher freight rate because a merchant in San Francisco could buy and sell 3 cargoes while he was waiting for one shipment in a British bottom.

In the postwar era there will be a tremendous revival of water traffic on our rivers and on our canals. Economic changes in transportation, the adaptation of amphibious equipment, and the changing picture of ocean shipping all point to a greater use of our inland waterways beyond the most optimistic dreams of the ship owners.

Mr. MEAD. Mr. President, as I said before and as is pointed out in the article which I have just submitted for the RECORD, in my opinion it is imperative that a study be made at this time before full disposition is made of all the surplus equipment which could be used so effectively here on our transportation systems. I hold in my hand a statement which was prepared by a representative of the American Association of State Highway Officials on the subject of the postwar financing and construction of our highways. It gives us a glimpse into the equipment which will be seen on the highways of tomorrow. It also conveys the thought that the highways of tomorrow will be a great improvement over those of today. I ask unanimous consent that the statement be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

POSTWAR FINANCING AND CONSTRUCTION OF OUR HIGHWAYS

Every American, I am sure, is devoutly thankful for the progress currently being made toward an international agreement for the prevention of future wars. We are grateful that the steps being taken by President Truman in conjunction with the leaders of other nations have the support of both major political parties in America and of the American people. We recognize that certain compromises are necessary, but we feel that the ultimate objectives are important enough to warrant abandonment of a strict "all or nothing" attitude.

I am sure also that every American is agreed on another proposition—that second only to the winning of the war and securing of a lasting peace, the greatest challenge before this Nation is the task of providing employment at decent wages after the war for all persons needing and wanting work. Labor, business, agriculture, and Government all agree that jobs are the main postwar domestic issue.

Now, any economist will tell us—indeed, our common sense will tell us—that we shall fail miserably if we concentrate on providing jobs simply for the sake of making work. If it were that simple, we could employ men in moving piles of dirt from one spot to another, and then back to the original spot.

No; employment cannot be the end we aim at. Employment must be the by-product. The goal must be the production of useful and needed goods and services in a nation which believes in the private enterprise system and intends to make that private enterprise system work.

No amount of public works can possibly hope to make up for any substantial failure of private employment to meet the postwar challenge. At the peak of our work-relief program of the thirties, we had a total of less than 4,000,000 persons on the rolls of WPA, CCC, and PWA, and we still had many more millions unemployed. Nevertheless an intelligently directed public works program can be of great value in stabilizing employment.

Our postwar employment objective has been suggested as 60,000,000 jobs, or 14,000,000 more than we had in the comparatively good year of 1940. Obviously, our primary objective must be to create the conditions that will

favor the expansion of private employment, because the vast bulk of postwar jobs must be private.

At the same time that we reject the concept of public works as a postwar employment solution, let us not fall into the equally serious error of therefore rejecting public works. The most eminent business leaders in America—among them Mr. Paul Hoffman, chairman of the Committee for Economic Development, and Mr. Eric Johnston, president of the United States Chamber of Commerce—have stressed the absolute essentiality of a large public-works program, for the sake of private enterprise.

The reason for this has been well expressed by Col. Willard Chevalier, publisher of Business Week magazine. Public works, rightly understood, are simply those necessary community facilities that are built by the community itself rather than by private investors. And Colonel Chevalier has pointed out that the need for both public and private physical facilities—for factories and homes, and schools and highways—are geared closely to our total economy.

If the national income and production levels go up—and they must go up beyond any previous peacetime record in order to provide the needed postwar jobs—then public and private construction also must go up.

The record of the last few decades shows that total construction, public and private, has average 10.7 percent of total national income in any given period. In terms of a $140,000,000,000 postwar national income which private business leaders say must be our postwar objective, this means total construction must average approximately $15,000,000,000 a year. Two-thirds of this construction must be private—homes, factories, stores, private utilities. The final one-third must be public construction, totaling approximately $5,000,000,000 a year.

Within that public-construction field, one activity alone occupies half of the total volume, on the basis of past records and on the basis of recent Nation-wide surveys of postwar planning progress. That activity is the building of highways and streets. It is an activity carried out by all our local and State governmental units, and since 1916 the Federal Government has assisted in the work by continuing grants to the State highway departments.

I want now to discuss the urgent need for a scund and adequate postwar highway program and the need for adequate financial support of that program.

That several million postwar jobs will be provided on the site of highway projects and in private industries supplying materials and equipment, is by no means the really important point. Rather, our concern should be directed at the fact that a highway-modernization program is long overdue in America, to make our roads and streets safe and adequate for traffic; and, secondly, that this needed modernization will permit the expansion of total traffic, to the benefit of every segment of the private economy of the Nation.

America has been called an experiment in transportation. Every step in the growth of this Nation has been based on transportation progress. First came the clipper ships, then the Conestoga wagon, the barge canals, the steamships, the railroads, the motor vehicles, and the airplanes. Each opened new industries and new opportunities, and each of the modern forms of transportation has a large job to do for us in the future. Our economy cannot expand without a corresponding expansion in transportation.

The motor vehicle is, and will continue to be increasingly in the future, the first universal transportation utility. It is the vehicle used by the great mass of Americans for daily personal transportation. Before the war four of every five American families owned a private passenger car, and 90 percent of all peacetime travel in the Nation was done by these private automobiles. In addition, the truck had become a farm and factory necessity, and had taken over virtually the entire task of hauling freight within urban areas. Within cities the passenger car and bus had taken over 75 percent of the job of moving people in their daily tasks.

The automobile industry has reported to the War Production Board that its postwar market for new cars, trucks, and buses is of unprecedented size, and that a number of years of record production will be required simply to catch up on the backlog of demand. Industry spokesmen have stated that at least 16 million cars should be produced in the first three postwar years, or nearly half as many cars as there were on our highways in 1941.

Our highway traffic authorities universally predict that postwar traffic volumes will soar far above 1941 peaks as soon as sufficient cars can be manufactured. They point out that this will mean a manyfold increase in traffic volumes on main roads and streets, which always show faster increases than do the great bulk of our total road mileage. Within the next 15 years, it is predicted that total traffic may be double the prewar peaks.

This traffic can mean a tremendous benefit to the Nation. It can mean growth of the great tourist industry which before the war employed more people than did automobile manufacturing. It can mean greater transportation of farm products to our cities.

It can mean higher production of steel, of rubber tires, of plastics, more petroleum refining, more employment for truckers and gas station operators, and more customers for retail business places.

It can mean that new homes are being built, and traffic is increasing in areas now undeveloped. Certainly as the 40-hour week and the 5-day week come into more widespread acceptance in the future, it will mean that families will spend more time in recreational pursuits—in a week end at the lake, or a Saturday at the park. All of which means motor traffic.

When we consider that one in every seven Americans gainfully employed before the war worked in some phase of highway transportation, we get a hint of the economic importance of greater traffic volumes in the future. We simply cannot have an expanding business and agricultural and industrial economy without this increased movement of people and goods.

Let us understand one other thing. Highway transportation is largely short-trip movement. It occupies a field that no other form of transportation can serve. The Nation-wide State highway planning surveys of the last 10 years show clearly that the average motor trip is less than 10 miles.

A third of all peacetime motor trips are made entirely within city limits from start to finish. Of the remainder that involve wholly or partly rural travel, two-thirds are for less than 10 miles, and over 90 percent are for less than 30 miles. The mass daily movement of people is a short-trip movement, and here is the major demand on our total highway system.

I think we all agree that the airplane will become increasingly important in the future. But our aviation authorities have no illusions about competing with the motor vehicle. Rather than competing with motor vehicles, the aviation authorities hope to see close cooperation with highway officials, to improve the highway connections between airports and centers of our cities. The airplane's field is that of the comparatively long trip—and even there they face some tough competition, aroused and intelligent railroad companies which have some surprises in postwar services in mind.

For the last 25 years this Nation has been engaged in the pioneer phase of road building—the job of laying some kind of surface on 1,700,000 miles of roads and streets. Today we still have an almost equal mileage of roads that have not yet been surfaced. But the city streets and the main rural trunk lines all have gone through one or more surfacing operations.

In the postwar period there are three distinct types of road-building operations that must go forward. One is the job of building limited-access highways on a very limited mileage of urban and main interstate routes, each of which carries thousands of vehicles each day under acute conditions of traffic hazard and congestion.

Second is the job of rebuilding worn-out pavements on general trunk lines, and seeing to it that those pavements are made wide enough, that sharp turns and steep hills are straightened and flattened, so these trunk lines can handle safely the hundreds of vehicles they carry each day.

Third is the unfinished job of building safe all-weather secondary roads and streets which exist primarily to give access to the land rather than to serve for general traffic movement.

The job is large. It cannot be done except over a long period of years. It cannot be done except on a combined financing plan which calls for contributions from all who benefit from those road improvements. It cannot be done on a hit-or-miss basis, or on a basis of political or sectional favoritism.

I wonder if all our State highway departments, and all our city and local roads officials realize even yet just how big this postwar highway job will be? It means a 75-percent increase over prewar road construction activities. It means that road and street designs must be safe designs; that the old practices on sight distances and lane widths are no longer good on rural roads; that mere building of straight, wide, checkerboard streets is not necessarily good in urban areas.

In both quality and quantity, we must step up our sights. There were 40,000 Americans killed on our roads and streets in 1941, and even today our highways are still not far behind the war fronts in killing Americans. Do you think for one minute that we can afford to kill 80,000 Americans a year in the future, when traffic is double the prewar level? Our highway builders have a grave responsibility to use the modern traffic engineering principles in all their postwar work, to give safety and capacity to every mile of new road.

Last December, Congress adopted a postwar Federal Aid Highway Act which will grant $500,000,000 a year for each of three postwar years to the State highway departments, for use on main highways, on city arterial routes and on rural farm-to-market roads. This money must be matched on a 50–50 basis, to provide a billion-dollar-a-year construction program.

This new highway act, involving an engineered construction program for States, counties, and cities, and supervised by the same Federal highway agency which has handled the State-Federal highway program since 1916, offers a real opportunity to States and local governments to step up to the postwar highway challenge. The States and local governments are to initiate the projects and carry them out, subject only to Federal standards and general supervision.

But this is not a handout. This Federal grant must be matched, and must be spent on a systematic basis. The chief responsibility rests upon the State highway departments of the Nation to make this program work. It is up to all of us who are interested in preserving local self-government, and preserving the State highway function, to take an interest in the way our State and

local governments are planning to spend this Federal grant, which is apportioned on a formula basis among all States.

Nor is this Federal grant a very large portion of the total highway fund needed for postwar construction. If a highway construction program of two and one-half billion dollars a year is to be carried out, obviously this Federal grant is only 20 percent of the grand total.

The biggest source of highway construction money is, of course, the State gasoline tax and the State vehicle license fee. In normal times that runs around $1,500,000,000 a year, but several hundred millions of this money normally is diverted by the States to nonhighway purposes.

Now that special tax against motorists is levied for the purpose of building roads. Since we levy that tax for a special public need, it does not make sense to take away part of that money for other purposes. It simply means that some other method then must be found to raise taxes for highway purposes.

In view of the fact that our postwar highway needs are tremendous, and that we would kill fewer people if our highway officials had more money to spend on safe highways, it is common sense to spend for highways the money the motorists pay into the State treasury for that purpose.

When we talk about a $2,500,000,000-highway-construction program, we're really talking about a much larger total highway expenditure, because there are fixed costs that must be met before a construction budget can be prepared. There is maintenance of roads and streets, administration costs, and interest on road and street bonds—totaling almost an extra billion dollars a year.

To achieve our postwar highway goal—especially until such time as total traffic increases bring greater motorist tax revenues to the States—there must be full financial participation by cities and counties, and the judicious use of wartime surplus public works funds now accumulating in State and local treasuries.

Land-access roads and streets should be financed by local, general, or property taxes, rather than from Federal or highway-user taxes. Local governments which during the depression—and indeed, right up through 1941—received an average of $500,000,000 a year in Federal work-relief grants for roads and streets, must recognize that the Federal Government's wartime debt may require a return to a greater degree of State and local financial self-sufficiency.

Total State debt in America today stands at around $2,000,000,000, and total local governmental debt at around $13,000,000,000. Contrast that to the $300,000,000,000 national debt expected at war's end, and you can see that the States and local governments should find ways to resume some of the fiscal burdens assumed by the Federal Government during the thirties.

On the national level, through the new Federal Aid Highway Act and the 1944 report of the National Interregional Highway Committee, the interest of government in highway development has been well implemented. In many States, counties, and cities, similar action has been taken to plan, build, and finance roads on a sound long-term basis.

Unfortunately, however, there are large gaps in the State-local highway administration and financial structure in many regions. The Nation-wide State highway planning surveys have laid the basis in every State for a review of the cost of needed improvements on the various road systems, and for a review of the tax-burden distribution among all classes that benefit from the existence and use of highways.

The all-important point is that there be adequate funds to support the needed postwar highway program. Lack of adequate funds in the past, due in some instances to diversion of highway funds to nonhighway purposes, and due to dissipation of motorist revenues to roads that serve no general highway need, forced our highway administrators to spread their construction funds thinly, and to waste many needed dollars on roads that quickly became obsolete and unsafe.

Large sums must be concentrated after this war on fairly limited mileages of main roads and streets, to create lasting, safe, trunk-line highways. Unless total highway appropriations are adequate, it will be impossible for our highway officials thus to concentrate sufficient money on the main arteries which serve all traffic. They will be forced again to pinch pennies and waste millions—not to mention wasting the lives of 40,000 or more Americans a year who die in traffic accidents that modern highway design has shown it can reduce drastically.

Our highway system is too important to this Nation's economic future, and to the safety of everyone of us, to be sold short. Properly planned and financed, with local initiative and responsibility stressed in the future as it has been in the past, our highways in 1970 will be as much different and better than they are today, as today's highways are different and better than those of 1920.

In doing the job right, with costs distributed fairly among all who benefit from each class of road and street, we shall assure ourselves that total traffic will increase, and that the motorist himself, through reasonable taxes paid willingly, will finance the largest part of the total cost.

Our highway system is the nearest of all public works to being a completely self-financing public utility. Including Federal taxes paid by motorists, the highway-user taxes of the Nation totaled well over $2,000,000,000 in 1941. This total will increase substantially in the future as traffic increases, just as long as we keep building roads to meet future traffic needs and keep financing them on a basis of equitable sharing of costs.

Let us recognize that our greatest road-building task lies ahead; that a better and more prosperous way of life for the future demands adequate postwar highway appropriations, and scientific standards of road planning in the expenditure of those funds.

Our past investment in highways has been repaid many times over in the economic and social benefits of highway transportation. Let us make sure that traffic safety is an added benefit of the great, new postwar highway developments now being prepared for construction.

Mr. MEAD. Mr. President, all this material will be very helpful to the committee, in my judgment. I shall not take the time of the Senate to read it; but having had it inserted in the RECORD, it will become available for their study.

Mr. President, I have before me a letter which was prepared by an officer of the Association of American Railroads. It is a recent letter, having been submitted to me in December 1944. It tells of the possibilities of improved transportation on the railroads. It is rather an assurance that the railroads' most vital need in the war period will also be a most vital need in the postwar period. It tells the story of the electric Diesel, of the steam turbine, of the use of magnesium, of aluminum, and of stainless steel, as well as a lighter metal which will modernize railroading and make it far more efficient in the future than it has been in the past.

Mr. President, I ask unanimous consent to have the letter to which I have referred printed at this point in the RECORD as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Hon. JAMES M. MEAD,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am glad to respond to your request for a brief statement as to the prospects for the railroads after the war.

Events of the war have demonstrated how essential railroads are to the Nation, how sound is the rail method of moving goods and persons in trains of cars on tracks, and how great has been the technological progress of railroads in the quarter century since the First World War.

In this war railroads have been called upon to move nearly three-fourths of the total load of intercity transportation; all other forms of transportation combined, only about one-fourth. The railroads are doing twice the job of the First World War, are doing it with one-third fewer locomotives and passenger cars, one-fourth fewer freight cars and 500,000 fewer men, are doing it with their own unaided resources, and are doing it far better than they did 25 years ago.

These facts of the present—the essential nature of the railroad job, its size, and the ability with which it is being done—are the starting points for any consideration of the outlook for the future of railroads in America.

In the first place, they show that we shall continue to use trains on tracks as our major means of mass transportation, for in no other way could the vast volume and long hauls of American commerce be moved at anything even approaching the reasonable average charge of less than 1 cent for hauling a ton of freight 1 mile which the railroads now receive.

In the second place, they tell a story of technological progress on railroads in the past decades which will be continued in the future, at even an accelerated pace. Railroad operation is a continuous business. There are no annual models in it, and cannot be. Its progress is gradual and evolutionary, since every improvement which is introduced must mesh into and work with whatever is already there during the necessary transition period. The truly tremendous technological progress of the industry, therefore, is apt to escape public notice because it lacks the dramatic element of suddenness—but it goes on all the time, in a thousand ways affecting not only cars and locomotives but tracks and bridges, signals and communications, yards and terminals, shops and offices, and every other element of railroading.

The extent of technological change on railroads may be measured best in over-all results, such as the fact that each freight car now turns out twice as much transportation service per day as the average car of 25 years ago, and the average freight train does nearly two and one-half times as much work per hour.

Progress of this sort will continue. There will be relocation of lines to cut down grades and reduce curvature. Already, cooperative research by railroads and steel companies has produced a steel rail which shows a rate of breakage, year for year, only one-fifth as high as that of rail rolled 15 years ago. And there will be still further improvement, not only in the rail itself but in joints and fastenings, in track structure, in drainage, and all the things which go to make up a safe, strong, well-maintained roadway.

In like fashion, there will be improvement in signals, including a wide extension of the use of such efficiency methods as centralized traffic control for trains, by means of which one man directs the movement of all trains

on a hundred or more miles of railroad, receiving information as to their position and movement automatically through lights on a map before his eyes, and setting the signals which transmit his instructions to trains and lining up the switches at distant points through small control levers or push buttons.

There will be improvements in communications, not only by telegraph and telephone but also, when the end of the war frees the latest developments for commercial use, through the use of radio or induction methods of communication between moving trains and fixed points, or between train and train.

Besides the improvements along the line of road there will be improved terminal layouts, with more yards designed to sort cars out and keep them moving in the direction they are going, rolling downhill from the hump by gravity, under control of a towerman who can both set the switches to turn each car into the desired classification track and bring it to a stop at the proper place through the use of controlled car retarders.

There will be new shops, with better tools and better lay-outs and new office methods, with better cost control and recording devices, designed to expedite and render more accurate the paper work necessary to run a railroad.

The changes which are most likely to attract public notice, however, are those in locomotives and cars. The public has taken enthusiastic note of the streamlined passenger train, first introduced 10 years ago and now widely used all over the country. There will be many more of these, as soon as the war restrictions on the use of materials permit the builders to turn them out. The new cars will embody numerous improvements in design, such as the duplex-roomette sleeping car which was built just before the war and which has been in successful experimental use since. Coaches also will be more attractive, with better seat arrangements, better lighting, and better ventilation.

Not so prominent in public notice, but of even greater fundamental importance, will be the newer freight cars. The freight car is the fundamental vehicle of our commerce. Everything we eat, wear, burn, and use depends, at some stage of production, upon its services. Through the years, the freight car has gradually been rendered stronger, lighter in proportion to its carrying capacity, safer and more reliable in operation. No small part of the improvement in the railroad record in this war as compared with that of World War I has been due, in fact, to better freight cars. And they will be still better, both as the result of improved design and improved materials.

Finally, though by no means least important, will be the changes in locomotives. It is not generally realized that the modern steam locomotive turns out as much horsepower on each one of its driving axles as did the best engine tested at the St. Louis Exposition of 40 years ago on all five of its axles. In weight per horsepower, in sustained performance at higher speeds, and in general all-round efficiency and dependability, the modern steam engine is not the "same animal" as its ancestors of a generation ago. The standard type reciprocating steam locomotive will not stand still, as is evidenced by the new designs now appearing in experimental units, while there is also a promising development of steam locomotives using the turbine principle.

In addition to steam, however, the railroads have at their command two types of electric locomotives—the central-station electric, taking its power through wires or a third rail; and the Diesel electric, which manufactures its own power through Diesel engines turning generators which drive the wheels. With all these types, and possibly others such as the gas-turbine, the railroads will be able to choose and use the power best suited for the many different sorts of work to be done.

That physical improvements of these many sorts will be made on the railroads can be said with even more confidence because of the great research activity being applied to railroad problems of every kind. This research is being carried on not only by the technical divisions, sections, and committees of the Association of American Railroads but also by the individual railroads, by the companies which manufacture and produce railroad appliances and supplies, and, in many cases, by cooperative projects in which both the railroad industry and the supply industry are represented. In addition, there is the broad and general inquiry into all phases of railroading and of other means of transport being conducted by the railroad committee for the study of transportation set up by this association 2½ years ago.

It is safe to say, therefore, that the progress in the technology of railroading which has enabled the industry to meet the needs of the Nation in this war will continue. Just as the 1944 railroad is a different machine from that of 1920—as is evidenced by its performance record—the railroad of 1970 will be different from that of today.

As to the physical side of railroading, it is possible to speak with confidence. The real uncertainties in the prospect for railroads are to be found in the economic field, where there are three big questions:

"What will be the total production and exchange of goods in the country, and the total traffic requiring transportation service?

"What will be the conditions under which the railroads will have to compete for their share of this traffic?

"What will be the outlook for the private investor in railroads, who should be depended upon to finance the program of improvement described above?"

As to the first question, I am going to assume that production and exchange will be kept at a high level, with a consequent large volume of traffic to be moved. If it is not, the railroads, along with every other form of activity, will face difficult times.

The second question is more difficult. At present, and for some decades past, we have had in the United States two different and quite contradictory public policies as to transportation. This is due, perhaps, to a failure to realize the fundamental importance of the fixed plant, the way, in all modern transportation service. The pack mule requires no prepared roadway but neither trains nor trucks of the modern sort can move without them. The Indian canoe could thread streams in a state of nature, but not the modern towboat and barges. The barnstorming airplane could use a cow pasture for an airport, but the modern air liner calls for tremendously expensive airports and airways, with beacons, radio, and other navigation aids.

The fixed way represents about three-fourths of the total investment in a railroad. In the other forms of transportation mentioned—by highway, by waterway, and by airway—it represents a far higher proportion. Just one airport, for example, La-Guardia Field at New York, represents a greater investment than the cost of all the airplanes which were in commercial scheduled air line service at the outbreak of the war—and still larger and more expensive airports are being built.

The railroads are expected to, and do, provide their own roadways, maintain them, and pay taxes on them. These taxes are not for the special benefit of railroads, but are for the support of the general services of government. This is not true of the other forms of commercial transportation mentioned. In the case of commercial motor transport user charges are paid for the privilege of operating on the publicly provided and maintained highways. There is debate as to the adequacy of these charges, but in the case of commercial water and air transport there is not even a question. They are subsidized in the virtually free use of the tremendously expensive public investments made on their behalf.

This difference in public policy toward the several forms of transportation is definitely hurtful both to the public and the railroads. It transfers a major transportation cost from those who use the service, and should pay for it, to the taxpayers, thus distorting the true picture and tending to drain away from the railroads the volume of traffic which all experience has shown they must have if they are to work economically and efficiently. Whatever business can be moved at lower real cost than by rail should be so moved, but that is not the situation in general. The railroad charge for service includes all costs, including taxes paid. The charge for service by the other agencies referred to includes only a portion of the costs, the balance being borne out of public taxes. The result is an uneconomic diversion and division of traffic which adds to the total cost to the public of the transportation which must be provided.

It is a situation which can be corrected in one simple way—by requiring those who use the roadways, waterways, and airways created and maintained out of public funds for carrying on the private business of commercial transportation to pay a reasonable and compensatory charge for such use. So doing not only would equity be done in the vital transportation industry but the public service would be promoted and improved since traffic would naturally seek that means of carriage by which it could be moved most satisfactorily and at the lowest real cost.

Upon the handling of this question will depend, to a large extent, the answer to the third question above, as to the outlook for the private investor in railroads. Progress in railroading has been due not only to technical invention but to the investment of funds, more than 98 percent of which have come private sources—individuals, insurance companies, savings banks, endowed institutions, and the like. Future progress in railroading will depend upon continued like investment.

Investors put their money into enterprises in the hope, at least, of getting it back with a profit. While trying to make a profit for themselves, however, they immeasurably benefit others. Between the time of the First World War and the present war, the average investment in railroads per employee—that is, the average worth of the "tools" which the railroad man has to do his job—has gone up from about $10,000 to about $20,000. It is largely as a result of this doubled investment per employee that the employees themselves are receiving nearly double the average wage in cents per hour, the public is receiving more economical, adequate, and dependable transportation, and the Federal Government, instead of paying out nearly $2,000,000 a day on account of deficits in its operation of the railroads, as it did during the other World War, has received from them during the 3 years of this war an average of $3,170,000 a day, and is now collecting taxes from them, excluding those on pay rolls, or more than $3,750,000 a day.

That's the sort of thing that intelligently directed investment in improved railroads has done for the country, and the sort of thing it can continue to do in the future, under a public policy of treating all forms of transportation alike—such a policy as will permit the railroads and every other form of transport to carry that part of the total traffic of the future which each is inherently capable of carrying most satisfactorily and at the lowest real cost.

Mr. MEAD. Mr. President, I wish also to say something about aviation's future in the United States. It is indeed a ro-

mantic and gripping story, one which is appropriate in any study of the transportation problem, one which we can hardly visualize because of the remarkable and almost miraculous progress which has been made under the impetus of war.

Mr. President, I have before me a statement which was prepared for the consideration of the committee, and for those who are interested in the future of aviation. The statement was prepared by an expert, one who has assumed an important role in advancing air transportation here in the United States. Among other things he states that a great many thousands of airplanes will be in the skies above our country within a few years after the war. Some persons have estimated, according to predictions contained in the statement, that the number of planes in the United States which will fly through our skies within 10 years after the war, will be more than 500,000. I ask unanimous consent that the statement be printed in the RECORD at this point as part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD as follows:

AVIATION'S FUTURE IN THE UNITED STATES

One need be neither a prophet nor a son of a prophet to predict that a majestic future lies ahead for aviation in the United States. However, many persons, stimulated by the almost unbelievable flights and achievements of airplanes during the current holocaust of war, are making forecasts which seem to be "such stuff as dreams are made on" and are demanding that the Federal Congress, State legislatures, and municipal governing bodies make their dreams come true.

In doing so they point to the motor vehicle and highway transportation in this country and maintain that the airplane and air transportation are destined to outstrip the startling growth of automobile and trucks, which, starting with four registrations in 1895, climbed with giant annual strides in 47 years to the total registration of 34,483,000 in 1941, of which 29,507,000 were passenger cars and 4,876,000 were trucks.

Still more rabid enthusiasts even maintain that the day will come when the airplane will replace or render other means of transportation of secondary importance.

Until there are more substantial grounds, however, to sustain such predictions, little good can be done the cause of aviation and its future in the United States by preparations and expenditures for realizing such ill-founded and apparently unwarranted guesses. Indeed much harm can be done if the disillusionment and loss, which of necessity will follow, prove too great.

Aviation will fare much better if, while our heads are in the clouds, we will keep our feet firmly on the ground and in preparing for the future growth of aviation realize that it took 39 years between Kitty Hawk, December 17, 1903, and the close of 1942 to bring out the certification of approximately 25,000 planes in the United States, and that during a comparable period of 39 years, motor vehicle registrations reached a total of almost 25,000,000, of which 21,500,000 were passenger cars and almost 3,500,000 trucks.

To be sure, the end of the war will bring back to every city, town, and hamlet in the United States its quota of the hundreds of thousands of trained aviators now serving our country so bravely and effectively. Then the 25,000 certifications which we had in 1942 will be swelled by many more thousands of planes which will wing their way through our skies when peace returns. There will be a vast airplane-making industry capable of producing as many planes each year as our citizens will desire and be able to purchase. Finally each community of any size has become air-minded and is eager to have an airport or airports and aviation facilities that will put it in the national system of public airports which is the demand of the day. Surely among such certainties there must be some sound factors which can be used as the basis for estimating the probable number of airplanes that will be used in the immediate postwar perriod and persons whose interpretations of such factors can be respected.

Yes; there are those who, because of their knowledge, experience, studies, and appraisals are entitled to express opinions and make predictions about postwar aviation which merit respectful attention. These have been assembled in a booklet entitled "Aviation Predictions," which is the report for the executives of Simmonds Accessories, Inc., recently prepared by Aviation Research Associates. According to these predictions, the maximum estimates for the number of planes in the United States that will be flying through our skies within 10 years after the war, is over 505,000. According to William A. Burden, assistant to the Secretary of Commerce for Air, 450,000 of these will be private planes. W. A. Patterson, president of United Air Lines, predicts a total of 5,000 transport planes. As for war planes, Mr. Burden estimates that "it seems reasonable to expect that we will have 50,000 military aircraft by 1950."

While a 53-year climb from the one airplane of the country successfully flown by the Wright brothers at Kitty Hawk at the close of 1903, to an estimated maximum of 505,000 within 10 years after the close of the war, let us say in 1956, falls far short of the gigantic leap of the motor vehicle in a comparable period of time, it will still prove a startling growth and have just as great, perhaps even a greater influence upon the economic, social, and political life of our citizens as had had the motor vehicle.

It may prove as some think that these predictions for the probable number of airplanes, which will be in operation within 10 years after the close of the war, are too conservative. Others maintain that they are entirely too optimistic but let us accept them as a basis for projecting ourselves into the future and for making plans as wisely and as comprehensively as possible for the most efficient and economical use of airplanes in the years to come and for developing the media and means that are essential to such use. What are these media and means?

AIRPORTS AND AIR NAVIGATION FACILITIES

Foremost are airports with their air navigation facilities and aids, then the establishment of proper zones of safety around such airports. Next are airways between the airports and air navigation facilities on the land and water below.

It is obviously impossible, within the scope of this discussion, to point out in detail what the technical requirements for these media and means of air transportation are or should be. Nor is it necessary since you are fully aware that without their proper establishment and maintenance throughout the length and breadth of the land to facilitate and safeguard air flight, we cannot possibly realize the potentialities of aviation for the country's welfare.

On the other hand, it is for us who sit here in the United States Congress thoroughly and carefully to study and appraise the role which the Federal Government must and should play in the standardization, unification and application of these media and means of air transportation and in prescribing an enforcing those rules and regulations which the owners and operators of airplanes must generally adopt if ownership and use of airplanes is to become universal in this country.

It is hard to think that anyone—even he who has only made a superficial examination of the matter—would contend that in the establishment, maintenance and operation of airports, airport zones, air navigation facilities and aids, the 48 States and the hundred of their municipalities where airports now are or will be, should undertake to handle these matters through ccuntless variations of policy and practice without reference to some unification of thought and action for common objectives to be reached over a common pathway by common procedure. Obviously, this is the role which the Federal Congress must assume and it is my conviction that at the earliest date we should enact all legislation that may be necessary to bring about the uniformity and standardization which are so vital. It is my sincere hope that in so doing we will have the unqualified and enthusiastic backing of the sovereign States. This will not be an invasion of their rights. It will be nothing more than a commonsence and indispensable approach to the solution of a problem which can only be solved by this Congress.

Paralleling the need for these media and means of air travel and air transportation are the necessities of making expenditures of public monies for the capital investments that will be involved and the subsequent maintenance and operating costs that must be met.

Bills contemplating the establishment of a great national system of public airports over a 10-year period at an estimated cost of approximately $2,000,000,000, of which the Federal Government is asked to supply one billion while the States and their municipalities wherein the airports are to be located, would be called upon to provide another billion to match such Federal aid are pending in both the House and Senate.

Without in any way attempting to pass judgment at this time on the need or desirability for such a vast national system of public airports, which I am informed contemplates well over 6,000 units located in various great and small centers of population, industry, and trade, in accordance with the findings and recommendations of the CAA, I am prepared to say that I believe that it is of the utmost importance for the Federal Congress to sponsor a national system of public airports and participate in the financing thereof.

On the other hand, I am also firm in my conviction that if, when, and where the moneys of the Federal Government are spent on any airport unit of such a national system of public airports, it must be definitely shown that the project is needed and will be responsive to the needs of our national commerce and conducive to national safety and welfare.

In the face of the great financial burdens which lie ahead for our people at the end of the present war, when a vast national debt must be carried and progressively retired; Federal, State, and municipal governmental activities carried on and reconstruction undertaken, I believe that it would be a fatal error to distribute Federal aid for airports—or indeed for any other purpose—which will not directly redound to the advantage of all of our people in all of our communities of all of our States. Any other course will be an unwarranted and disastrous wastage of public funds.

REVISION OF CIVIL AERONAUTICS LAWS

While on the subject of needed Federal legislation to advance aviation in the United States and make it truly and fully the instrumentality for national safety and welfare, which all of us now know it to be, let me take up and clarify certain aspects of the subject which are sometimes confused in the minds of many people. As has been pointed out, airplanes are broadly used either for military or civil purposes.

As for civil aviation, it can be roughly divided into two categories. On the one hand we have, or in the years to come will have, great numbers of planes of various sizes used primarily for families, professional men, and businesses. On the other hand, there will be relatively a much smaller number of planes used by those engaged in the transportation business for hire as common or contract carriers, or both. To a greater or lesser degree, these latter will compete with or supplement the operations of other common or contract carriers by rail, highway, water, and pipeline.

Six years ago when the Congress passed the Civil Aeronautics Act of 1938 much of the measure was devoted to the business and activities of common carriers by air in interstate commerce. It is unnecessary for me to tell you that under the stimulation of this measure, air transportation by the interstate common carriers by air has grown rapidly to such proportions that in this particular phase of aviation progressive achievements seem to outrun the most daring predictions. Not only that, but it is a well-known fact that because of the national policy which the Congress wrote into the Civil Aeronautincs Act of 1938, common carriers by air have made many great and vitally important contributions to the war effort—contributions which for obvious reasons must await the arrival of peace before our citizens can be fully told about them.

Even so, the experiences of the last 6 years have demonstrated that there are deficiencies in the Civil Aeronautics Act of 1938 which should be remedied, both from the standpoint of Federal control over and regulation of the operations of interstate air carriers, and that of regulation over the so-called safety or general phases of aviation.

Bills contemplating changes in existing laws are pending in both Houses. Here again, without attempting to pass judgment upon the merits or demerits of any of the pending measures, I nevertheless want to add my voice to those who are in favor of making such changes in and additions to Federal aviation laws as may be necessary to bring to all of our people the maximum benefits which aviation can yield them.

AVIATION AND WORLD PEACE

In conclusion, let me repeat what I said at the outset of my remarks. I am neither a prophet nor the son of a prophet. Moreover, unlike the witches in Macbeth I cannot "look into the seeds of time and say which grain will grow and which will not" and by so doing tell you how many airplanes of this size or that will dart through the heavens in the years to come, but I do believe that under proper nourishment and guidance by the laws of the United States, those of the 48 States, and the ordinances of our local governments, we can make sure that the people of this country will win and hold the same sort of supremacy in the skies as they hold on the surface of the ground with their highways, waterways, and railways.

Let us strive for these ends and in doing so let us also seek to make the airplane in the hands of the people of the United States an instrument not of war and world domination but of peace and good will.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McCLELLAN. Does the statement have anything to do with, or give us any information in respect to international aviation following the war?

Mr. MEAD. No.

Mr. McCLELLAN. It has to do only with domestic aviation?

Mr. MEAD. Yes; only with domestic aviation. It pertains to aviation within the United States, and deals with no recognition of the international aviation problem which, in my judgment, is another matter which this committee should study and report on.

Mr. McCLELLAN. To which committee does the Senator refer?

Mr. MEAD. I submitted a resolution in my colleague's absence, calling for the appointment of a committee to study all these transportation problems, including aviation problems.

Mr. McCLELLAN. May I ask the Senator if the committee to which he has referred would be an over-all committee to study both domestic and international aviation.

Mr. MEAD. Yes; it would be a committee for the study of transportation. According to the resolution which I submitted, the committee would consist of members of the Interstate Commerce Committee, that committee having to do with railroads, highways, and pipe lines; and members of the Commerce Committee, that committee having to do with water lines and air lines.

Mr. McCLELLAN. In other words, the Commerce Committee has to do with international aviation.

Mr. MEAD. It has to do with national and international aviation, and has to do with our national and international merchant marine. Under the resolution, there would be a committee composed of members of the two committees to which I have referred, those two committees having within their jurisdiction the entire transportation problem.

Mr. McCLELLAN. I thank the Senator.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McCARRAN. Is it the intention of the Senator from New York to move the adoption of the resolution tonight?

Mr. MEAD. I fear that that very commendable objective might meet with objection.

Mr. McCARRAN. It would not meet with objection so far as the Senator from Nevada is concerned, because I very much agree with what the Senator from New York has said with reference to the necessity of immediate study. I should like to be of assistance to the Senator if he intends to move the adoption of the resolution.

Mr. MEAD. I thank the Senator.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McCLELLAN. I believe the suggestion of the Senator from Nevada is possibly worthy of the most serious consideration. However, I do not believe that even the Senator from Nevada or I would want to make any definite commitments at this late hour just preceding adjournment of the Senate.

Mr. McCARRAN. The necessity for study is apparent.

Mr. McCLELLAN. The Senator is correct.

Mr. McCARRAN. I am not saying that in all probability the study will be made to any great extent during the recess.

Mr. McCLELLAN. I doubt if any study will be made during the recess. I believe that the suggestion is a very good one. However, we could not, or at least should not, act hastily on the resolution tonight.

Mr. MEAD. I can assure my colleagues that I shall not press consideration of the resolution tonight because of the parliamentary situation which I fear is upon us.

Mr. McCARRAN. It is a very cordial atmosphere in which the Senator is working at the present time.

Mr. MEAD. I assure my colleagues that I will need but very little encouragement to move consideration of the resolution.

Mr. President, virtually thousands upon thousands of ships of all types, such as amphibious craft, LST type ships, and various other types which could be utilized here in the United States, may be sold, or lend-leased out of our control unless something is done about it before it is too late. There is taking place today in the shipyards of the country a very unusual development. I am told that there are being built small ocean-going cargo ships which will negotiate our rivers, our inland lakes, and our canals, and at the same time take our cargo over the oceans into the inland ports of other countries.

I have before me a photograph of such a ship which has been constructed. The ship is in operation on the Great Lakes, on the New York State barge canal, and on the Atlantic Ocean. I am told that it is carrying Ford automobile parts from the city of Detroit down through the barge canal system of New York State for delivery along the Atlantic and the Gulf coasts. Similar ships are being constructed in certain shipyards of the United States for use after the war.

Mr. President, there is contained in the statement to which I have referred a full explanation of the possibilities and the utilizations of these small ships which are capable of negotiating oceans and our inland waterways. Surely, in the consideration of such important matters as the Missouri Valley Authority, a project with which I am in sympathy, and to which I believe great merit is attached, the committee and the Senate should know something about the development which has taken place during the war, and the type of vessel which will negotiate the rivers, harbors, channels, and canals of our country in the postwar period.

If the development that is prophesied in these statements becomes a reality, then every community on the Mississippi River, and many of those on rivers tributary to the Mississippi, will actually become seaports, and cargoes will be taken from those communities and discharged up the Orinoco, the Amazon, or other rivers located to the south.

So, Mr. President, I wanted to say, before the Senate adjourned, that there were certain matters which I felt merited consideration, and particularly merited consideration by reason of their urgency. As I stated in the beginning, the employment problem, and the legislation which would help us in preventing unemployment crises, is very urgent and very important, and should have been considered by the Congress, and I hope it will be considered immediately on our return.

If a crisis develops in our absence, I hope our leaders will call the Congress back so that we may pass a full-employment bill and the public-works bills and other bills which will provide a much-needed employment to prevent a crisis.

Mr. President, this study which should be made now before we conclude these international agreements, this study which should be made now before we dispose of our surplus equipment, this study which should be made now so that we would be able to utilize to the fullest our growing merchant marine and the great potential we have in the sky before we make surplus and dispose of a great many of our airplane plants and airplane facilities—it occurs to me is an important study, and one which should be made in order that the Members of the Senate and the committees of the Senate may have intelligent direction.

Mr. President, as I pointed out, I wish to say again, with all respect for the Chair, and with great respect for the rules of the Senate—and I know there are such rules to be found in the book of rules—a convenient and orderly system should be adopted when we return so that it will not be necessary for 10 or 12 Members of the Senate to rise and shout for recognition. I should like to see a better system devised and if such a system cannot be devised under the existing rules, then it is a problem for the committee which is making a study of the rules in the hope that it can streamline the Congress.

I have no objection to being detained, it is perfectly all right with me, but I do clamor for a better system of recognition, one which will permit the holding of committee meetings, if it is necessary, for the Appropriations Committee to meet, for instance, in the afternoon, and at the same time permit Members of the Senate to be present on the floor at a time when it might be opportune to make a speech.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. McCLELLAN. In that connection I offer the suggestion that we set aside 3 days a week for the Senate to be in session, and the other 3 days for committees to be in session. I say to the Senator, from my brief experience here, that the great tragedy and the great waste of time occurs because the Senate tries to meet every day when important committees are in session. If we had 3 days a week set aside for work in the Senate Chamber and 3 days set aside for committee meetings, when committees could function and carry on without being interrupted at the noon hour, when the Senate meets, so that the Senate could meet 3 days a week, at 10 o'clock in the morning if necessary, for Senate work in the Senate Chamber, every Senator would know of the situation and be governed accordingly. I think that would expedite our work. We could all be more efficient. But under present conditions, when we have a committee meeting, we are interrupted right in the midst of it, and the committee has to adjourn, or, if it does not adjourn, a Senator makes a point of no quorum, and we have to rush over to the Senate Chamber and answer to our names. We are interrupted, and perhaps we are answering a quorum for nothing on earth except to enable a Senator to make a speech to his constituents back home. That is a thing which should be corrected.

Mr. MEAD. Mr. President, there is merit in the suggestion made by the able Senator, and I think it should be considered by the joint committee considering the refinement of the rules and procedures of the Congress.

Mr. President, I merely wish to bring to the attention of the Senate the division of time which would result if we met on 3 days a week. If we met 3 days a week for 5 hours a day, that would mean 15 hours. If 96 Senators wanted to make speeches of 1 hour apiece during the week, the last Senator would be called upon to postpone his oratorical utterance for at least a month.

I make this point as a follow-up of the point I made a moment ago, that refinement of the rules of the Senate, in order to expedite business and to save time of Senators, is essential. If we meet 6 days a week 5 hours a day, there is not more than 15 or 20 minutes, really not that, for each Member of the Senate to have the floor.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MEAD. I yield.

Mr. TAFT. The Senator knows that we are very fortunate in that more than half our colleagues do not take the floor and speak, and I am very glad that is so, because if every Senator talked as much as some of us do, like the Senator from New York and myself, I am afraid the Senate never could finish its proceedings.

Mr. MEAD. Mr. President, I admire the Senator's humility in that he has raised me up a little and also put himself in a rather reticent class by comparing himself with me.

Anyway, Mr. President, as I stated a moment ago, if we are to carry the increased burdens which are placed upon the Senate, if we are to have committee meetings in the morning and in the afternoon, if we are to try to discharge the duties which are constantly increasing upon us, then we should devise a system of living up to a custom which has been in vogue for years, so that the Members of the Senate will know the approximate time when they will be called upon to make a statement on a pending measure.

I raise the point, not that I find fault with the Chair, not because I was recognized at this hour, but because I thought it was an opportune time to make a point for an improvement in the system. We can always improve a system if we will concentrate upon doing so. I merely make the point so that it will have the consideration of the joint committee considering matters of this character.

PROBLEMS BEFORE CONGRESS—STATEMENT BY SENATOR TAFT

Mr. TAFT. Mr. President, I ask unanimous consent that there be inserted in the Appendix of the RECORD a statement which I am preparing giving my views on what the Congress will face when it returns, and the measures which should be taken to insure prosperity and employment. Those who read the Appendix of the RECORD—and there are probably very few—will find this somewhat at variance with the views of the distinguished Senator from New York, who has just spoken, and varying somewhat from those of the majority leader.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

WAR-DAMAGE INSURANCE COVERAGE FOR THE PHILIPPINE ISLANDS

Mr. TAFT. Mr. President, I beg the Senate's pardon for taking about 5 minutes of time on a final statement.

I greatly regret that we are adjourning without taking definite legislative action regarding the emergency situation in the Philippine Islands. Every witness describes the conditions there as equal to those in Europe, and in many respects worse, even, than conditions in Germany. The destruction of the cities is almost complete, the industries are destroyed, and the people lack nearly every necessity of life. Fortunately, General MacArthur has taken an intense interest in the situation, and the Army has done everything an army could do to furnish emergency relief in the situation. In my opinion, we owe as great an obligation to the Philippine Islands and the people there as we would if the continental United States had been invaded and substantial portions destroyed. Our obligation is far greater than our obligation to Europe, with which we have been so much concerned during the past few months in the Senate.

In my opinion, we should extend war damage insurance to cover all the different kinds of privately owned property which were covered in the United States by the insurance of the War Damage Corporation. Private property in the Philippines was covered until July 1, 1942. After that, it was impossible to arrange for insurance because of the Japanese occupation. Obviously, every well-advised person in the Philippines would have taken out insurance if he had had the opportunity to do so. The War Damage Corporation has over $200,000,000 profit from insurance elsewhere, and I believe all of this should be devoted to paying damages in the Philippines, just as if insurance had been taken out. Proper deductions could be made for premiums which would have had to be paid. I may say that I introduced a bill along this general line nearly a year ago, but no action has been taken upon it.

In addition to such insurance on privately owned property, some direct arrangement should be made with the Philippine government to compensate it at least in part for the publicly owned property, so much of which was completely destroyed. Perhaps that government might provide the labor required in rebuilding, but I believe the plans for the buildings, ports, and highways should be furnished by this Government, together with all other aid which requires purchases outside of the islands.

I believe, further, there should be some additional fund made available jointly to

the Philippine Rehabilitation Commission to meet cases of need not covered by insurance.

It is absolutely necessary that the Army carry on the relief program until Congress meets again. I can assure them they will find every support in Congress for expenditures of that nature.

I wish to suggest further that the President appoint a man to coordinate all the activities of this Government relating to the Philippines. Measures taken up to this time have been haphazard and conducted by many different departments. Someone should be made responsible, and given the power, under the President, to formulate and direct a comprehensive policy looking toward the relief and rehabilitation of the Philippines.

I wish to say here a word regarding the Philippine War Relief (of the United States), Inc., a private organization devoted to bringing supplemental aid to the Filipinos. Obviously, they cannot supply the basic assistance which is necessary, but they are rendering tremendous assistance in providing clothing, mobile dispensaries, medical help, and many other minor necessities which are not within the scope of the Army's activities.

This organization was formed by many leading citizens interested in the Philippines, including the Honorable Frank Murphy, Justice of the United States Supreme Court, who is its active chairman; Mrs. Paul V. McNutt; Hon. Dwight F. Davis; Maj. Gen. Norman T. Kirk; Maj. Gen. Myron C. Cramer; Hon. John W. McCormack; Brig. Gen. Carlos P. Romulo; Hon. Jaime Hernandez; Philip E. Spalding, of Honolulu; E. D. Hester; Mrs. Pilar Lim; and Mrs. Millard E. Tydings, who is vice president. The honorary chairman is President Osmeña. The treasurer of the committee is Mr. J. Weldon Jones, and its secretary and executive director is Mr. Charles P. White, whose devotion to the Philippines, where he has been a resident for many years, has led him to dedicate faithful and long hours to the organization and administration of the Philippine War Relief.

Philippine War Relief is a member of the National War Fund and is appealing to Americans, while they contribute to many relief agencies throughout the world, to give special aid and support to the 17,000,000 Filipinos who are Americans and who have fought as Americans in the war against Japanese aggression. Their battle against roaming Japanese units, against nakedness, against disease, and against hunger is not yet over. Philippine War Relief already has turned over approximately 500,000 garments prepared by 3,000 groups of faithful workers whom it has organized, and who without thought of pay or reward have come to the aid of the Filipinos. The first shipment of clothes has already arrived in the Philippines, where it is being rapidly distributed by our own United States Army, and by the Philippine Commonwealth Government. At this moment Philippine War Relief and its workers are redoubling their efforts to have more and more garments available for early shipment abroad. Philippine War Relief has planned a program of assistance which merits the support of every American. Practical measures of relief should appeal to the generosity and warm heart of the American people, even more than the many programs for charitable aid throughout the world. The Philippine War Relief has another even greater task, to give the American people the opportunity of showing their gratitude toward the heroic millions of Filipinos who have fought with us and for us throughout the war.

STATEMENT BY THE PRESIDENT PRO TEMPORE

Mr. BARKLEY. Mr. President——

The PRESIDENT pro tempore. Before the Senator from Kentucky makes a motion that the Senate go into executive session, will the Senator bear with the Chair for just a moment?

Mr. BARKLEY. Certainly.

The PRESIDENT pro tempore. In view of the speech made by the junior Senator from New York, the Chair wants to quote rule 19 of the Senate rules:

> When a Senator desires to speak, he shall rise and address the Presiding Officer, and shall not proceed until he is recognized, and the Presiding Officer shall recognize the Senator who shall first address him.

Those are the words of the rule. The Chair has looked over the Senate rules very carefully. There is no rule which provides that a Senator may come to the Presiding Officer's room and ask him to recognize him first after the Senate convenes, or first at any time or at a certain hour. There is no rule which provides that a Senator may come to the Vice President's office and make the same request and be treated in that partial way.

So far as what occurred today is concerned, the Chair does not know whether there has been a majority of the Senate present or not, as there has been no roll call. But earlier today, during the morning hour, probably between 20 and 30 Senators were recognized for various purposes and to make various statements and to place matters in the RECORD and for other purposes. Since that time the Chair has obtained a memorandum of those who have been recognized. The Senator from New York said that New York was not treated right, although it had one of the greatest populations in the country.

Mr. MEAD. Mr. President, I do not want the President of the Senate to state anything that is incorrect.

The PRESIDENT pro tempore. The Chair is not stating anything that is incorrect.

Mr. MEAD. The President of the Senate has already done so.

The PRESIDENT pro tempore. The Chair begs the Senator's pardon.

Mr. MEAD. It is in order to make that statement.

The PRESIDENT pro tempore. The Senate started out today by hearing from the senior Senator from New York [Mr. WAGNER]. He was very gracious in yielding to the Senator from Kentucky [Mr. BARKLEY], who made a speech, and then the Senator from New York made a speech. The Senator from New York came first, however. The Senator from Kentucky [Mr. BARKLEY], the Senator from Nebraska [Mr. WHERRY], the Senator from Colorado [Mr. JOHNSON], the Senator from Louisiana [Mr. ELLENDER], the Senator from Texas [Mr. O'DANIEL], the Senator from California [Mr. DOWNEY], the Senator from Ohio [Mr. TAFT], the Senator from Oklahoma [Mr. THOMAS], the Senator from Tennessee [Mr. STEWART], the Senator from Connecticut [Mr. MCMAHON], the Senator from Minnesota [Mr. BALL], the Senator from New Mexico [Mr. HATCH], the Senator from West Virginia [Mr. KILGORE], the Senator from Florida [Mr. PEPPER], the Senator from South Carolina [Mr. JOHNSTON], the Senator from New York [Mr. MEAD] and, for the second time, the Senator from Ohio [Mr. TAFT], have made more or less elaborate speeches. I believe the record will show that at no time during this year have so many Senators been recognized to make either elaborate speeches or for other purposes. That was due somewhat to the fact that today is the last day of the session.

The Chair wishes to assure the junior Senator from New York that he is not undertaking in the slightest way to use any power unjustly. The President of the Senate would be delighted to recognize any Senator at any time without showing the slightest favoritism. The Chair has no interest in showing favoritism as between Senators. The speech made by the Senator from New York, as it seems to the Chair, was wholly uncalled for, and the Chair regrets very much that the Senator from New York feels that the Chair is undertaking to do anything except mete out fair and impartial justice to each and every Senator. The Chair has done so to the best of his ability.

Mr. MEAD. Mr. President, in the first place, I think the RECORD will show that I made no such statement as the Chair has just charged me with, with reference to discrimination against New York with its large population. On the contrary, I stated that even though I came from the great State of New York, with its large population, I should have no more preferential consideration than a Senator coming from a small State. I merely made the point—and I make it again—that this is a matter for the joint committee to study. Unless we bring these matters to the attention of the Senate, so much authority could eventually be concentrated in one man as to make him more powerful than anyone else in the whole Senate. We do not wish to do that, and I am sure the Chair does not wish to do it.

So, Mr. President, I regret that the Chair has assumed this attitude with reference to me. I humbly submit that I am only an ordinary Member of the Senate; and as an ordinary Member of the Senate I pleaded only for a procedure which would enable me to do more work as a Senator than the procedure we followed today. I agree that there is a rule to support the contention of the Chair; but, nevertheless, I maintained when I had the floor, and I now maintain, that if there is a better system, a more orderly system which would allow a Senator to keep committee engagements, and yet be on the floor when

his turn arrives to speak, we ought to aim for that system.

The PRESIDENT pro tempore. The Chair suggests to the Senator that he take the question up with the Rules Committee, which in the opinion of the Chair is a fair committee. Probably some system could be worked out to his satisfaction.

The Senator referred to the matter of a list on the desk, which custom has been in vogue for some time, as the Chair understands. The Senator wished to be placed on that list today. The Senator wanted something which was not open to every other Senator. The judgment of the Chair is that the present rule is the better; but if the Senate should adopt a different rule, the present occupant of the Chair would certainly follow the rules of the Senate; and he expects to follow the rules of the Senate as long as he is presiding.

Mr. MEAD. I humbly submit that I did not take offense because I was called upon last. I merely stated that if there is a better rule, we should adopt it.

The PRESIDENT pro tempore. The Senator was not called upon last. If the Senator had been in the Chamber he would have heard a very excellent speech by the Senator from Ohio [Mr. TAFT].

Mr. MEAD. I arrived in the Chamber just in time to hear the Chair say that was the second good speech which the Senator from Ohio delivered today. So I was last of the first to be called upon.

Mr. President, I merely make the point that unless we try to revise the system, we shall eventually concentrate too much authority in one individual.

Mr. BARKLEY. Mr. President, if I may comment in a friendly spirit on the suggestion of the Senator from New York the Constitution of the United States and the rules of the Senate concentrate power to preside over this body in the Presiding Officer, whether he be the Vice President, the President pro tempore, or a Senator called to the chair temporarily. It is the rule in all parliamentary bodies that the Chair has the right of recognition. Ordinarily it is within the discretion of the Chair to determine the question of recognition; but under the rules of the Senate the Chair is charged with the duty of recognizing the first Senator who rises. When several Senators rise practically simultaneously, necessarily the Chair must exercise some discretion in determining in his own mind which Senator rose first.

I believe that the Chair has tried to be fair. For a good while I have felt that the custom of private arrangements between the Chair and Senators to place the names of Senators on the list is unfair to Senators who may not feel like going through that procedure in order to be recognized.

The Chair did me the honor of conferring with me about the propriety of abolishing the list as a rule by which to go rather than observing the rule of the Senate.

I felt, not only since the present occupant of the chair has been President pro tempore, but even in the administration of Vice President Wallace and back as far as Vice President Garner, that there was a certain element of discrimination involved in the practice, because Senators who might wish to be recognized, and might be on their feet first, would be denied recognition because another Senator had gone to the desk in advance and placed his name on the list.

I believe that the Chair has sensed the situation. If this is a bad rule, it ought to be repealed; but so long as it is the rule, I believe that the Chair feels he ought to abide by it; and I think the Chair has made every effort to be fair to all Senators in the matter of recognition.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MEAD. If the rule is a bad rule it should be abolished. I agree to that statement. But, Mr. President, both rules were in force today. My name was on one list, and the names of a number of other Senators were ahead of mine. Those names were called in order. Later my name was taken off the list, and then I came under the other rule.

I am perfectly satisfied, but I make the point that there was a list today, and there was not a list today. Which rule is the rule by which we should abide? There was a list on the desk. My name was on it, and I heard a discussion as to who was second, and who was third. That list was respected until the present occupant of the Chair returned from lunch. I do not say that it was the right thing to do.

The PRESIDENT pro tempore. No such list was placed on this desk by the present occupant of the chair.

Mr. MEAD. That may be true.

The PRESIDENT pro tempore. That is true.

Mr. MEAD. Nevertheless, there was a list on the desk today.

The PRESIDENT pro tempore. The Chair hopes the Senator will not be so greatly disturbed and troubled because he was not recognized as early as he thought he ought to be recognized. The Chair assures him that there is no Member of the Senate that he would rather recognize than the Senator from New York. He served on the same committee with him. The Chair has nothing in the world against the Senator from New York. There is no reason in the world why the Chair should not recognize the Senator if he conforms to the rule. However, several days ago the Chair announced that the Senate should either conform to the rule or repeal it. That is what is going to happen.

Mr. MEAD. Mr. President, it is not necessary for the Chair to shower his affection or sympathy upon me. I appreciate it, but I merely rose to make the point, after the majority leader said that the new procedure had been adopted several days ago, that there was a list on the desk today, and then after a while there was not a list. So if we are to have a rule, let us have the rule; but if the rule can be improved, let us improve it. If there is anything wrong with that program, I should like to hear about it.

Mr. BARKLEY. Mr. President, we all recognize the fact that both Senators from New York are among the hardest working Members of this body. They have many duties to perform, aside from from attendance in the Senate Chamber, and aside from the delivery of addresses. The amount of work which they are called upon to perform and do perform in looking after the interests of their State, the greatest in population and in many other respects among the 48 States, is almost incredible. I have no doubt that in the multiplicity of their duties it would be more convenient to know that if they were to address the Senate, they would address it at a certain time, and that a certain number of other Senators would be ahead of them. I am satisfied, however, that the matter can be adjusted without violating the spirit of the rule, and at the same time accommodating Senators.

So far as I am personally concerned, I shall be glad to help in any way I can in adjusting the matter so that no Senator will be inconvenienced or required to remain in the Chamber indefinitely awaiting his turn to make an address to the Senate. There is no real fundamental difference among us, and I am sure the matter can be adjusted.

Mr. MEAD. I thank the Senator.

AUTHORITY TO RECEIVE MESSAGES FROM THE PRESIDENT OF THE UNITED STATES AND HOUSE OF REPRESENTATIVES RELATIVE TO APPROVAL OF BILLS AND JOINT RESOLUTIONS

On motion by Mr. BARKLEY, it was

Ordered, That nothwithstanding the adjournment of the Senate until October 8, 1945, the Secretary of the Senate be, and he is hereby, authorized to receive messages from the President of the United States and the House of Representatives relative to approvals or disapprovals of bills and joint resolutions.

AUTHORITY TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS DURING ADJOURNMENT

On motion by Mr. BARKLEY, it was

Ordered, That notwithstanding the adjournment of the Senate until October 8, 1945, the President pro tempore be, and he is hereby, authorized to sign enrolled bills and joint resolutions passed by the two Houses and duly enrolled.

AUTHORITY TO APPOINT COMMISSIONS AND COMMITTEES DURING ADJOURNMENT

On motion by Mr. BARKLEY, it was

Ordered, That nothwithstanding the adjournment of the Senate until October 8, 1945, the President pro tempore be, and he is hereby, authorized to appoint commissions and committees authorized by law or by the Senate.

PROCEEDINGS ON EXECUTIVE NOMINATIONS

Mr. BARKLEY. Mr. President, I send to the desk an additional order, and ask unanimous consent for its adoption.

The PRESIDENT pro tempore. The order will be read.

The legislative clerk read as follows:

Ordered, That paragraph 6 of rule XXXVIII of the Standing Rules of the Senate, relating to proceedings on nominations, be, and it is hereby, suspended with respect to nominations unacted upon at the time of the adjournment of the Senate to October 8, 1945, pursuant to House Concurrent Resolution 68, and their status quo shall not be affected by such adjournment.

The PRESIDENT pro tempore. Is there objection to the order?

Mr. McCARRAN. Mr. President, in view of the action of the Committee on the Judiciary, in connection with which a subcommittee of that committee reported unanimously adverse to a certain judicial nominee, and in view of the action of the whole Committee on the Judiciary in refusing to refer that nomination favorably to the Senate, I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. BARKLEY. Mr. President, I wish merely to state that I am not a member of the Committee on the Judiciary, and I presume the objection involves the nomination of Judge Margold, which was sent to the Senate in January and has been held in the Committee on the Judiciary since that time. I understand that the subcommittee which was appointed by the Senator from Nevada reported unfavorably to the full committee, and that on a motion to report the nomination to the Senate there was a tie vote, 6 to 6, which resulted in no action by the committee. I also understand that unanimous consent is required under the present parliamentary situation in order to have the order which I sent to the desk incorporated in the orders of the Senate. Is that correct?

The PRESIDENT pro tempore. Unanimous consent is required in order to have action taken in that way.

Mr. BARKLEY. Mr. President, the fact that the Senator from Nevada has objected to this order grows out of the situation, as I understand, pertaining to the nomination of Judge Margold. Under the circumstances, I can take no further step in regard to that matter.

However, I should like to renew the order with respect to all other nominations except those involving the judiciary. That involves some postmasterships and one or two other nominations which have not been acted upon and which might as well remain in status quo until we reassemble in October.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. What is the difficulty in resubmitting all nominations when we return? Is there any particular difficulty in that connection?

Mr. BARKLEY. I do not know that there is any particular difficulty; but it has been customary since time immemorial, and certainly ever since I have been a Member of the Senate, to permit nominations to remain in status quo, so that the President would not have to send them back to the Senate. I do not know that there is any particular trouble, but it has never been required before. The present situation involves the nominations of postmasters for the States concerned.

Mr. TAFT. Are nominations other than postmaster nominations involved?

Mr. BARKLEY. There are only two others, so far as I understand, one being the nomination of a commissioner of education in Puerto Rico, and the other the nomination of a collector of customs in Minnesota. Aside from those, all the other nominations are postmaster nominations

Mr. TAFT. Were both the two nominations just referred to made by President Truman?

Mr. BARKLEY. I understand that those two were made by the late President Roosevelt.

Mr. TAFT. Mr. President, I think I object. I think these nominations ought to go back, particularly in view of the change in the Presidency.

The PRESIDENT pro tempore. Objection is heard.

Mr. BARKLEY. Then, Mr. President, I renew my request that the order be agreed to, but I amend it to be applicable only to postmaster nominations. I hope the Senator will not object to that.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BARKLEY, from the Committee on Finance:

Horace E. Thompson, of Jonesboro, Arkansas, to be collector of internal revenue for the district of Arkansas, in place of Roy G. Paschal.

Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

CONFIRMATION OF POSTMASTER NOMINATIONS

Mr. BARKLEY. Mr. President, as in executive session, I ask unanimous consent for the consideration of the nomination of a collector of internal revenue for the district of Arkansas.

The PRESIDENT pro tempore. If the Senator from Kentucky will suspend for a moment, the Chair will state that the President has sent to the Senate a large number of nominations of postmasters, which have just been reported to the Senate, as in executive session. Quite a number of the postmaster nominations have been handed to Senators for approval or disapproval. There are a number which have been approved. The Chair wonders whether the Senator from Kentucky will be kind enough to request unanimous consent that the nominations which have been approved by the Senators concerned be now considered.

Mr. BARKLEY. Mr. President, have the nominations been reported by the committee?

The PRESIDENT pro tempore. They have been reported by the committee, and they have been approved by the Senators concerned.

Mr. BARKLEY. Then, Mr. President, I ask unanimous consent that the nominations be now considered and approved.

Mr. McCARRAN. Mr. President, do I correctly understand that the nominations involve only postmasters?

The PRESIDENT pro tempore. They involve only postmasters.

Without objection, the nominations are considered and approved.

The Chair understands that one other nomination is pending. The nomination will be read for the information of the Senate.

COLLECTOR OF INTERNAL REVENUE FOR THE DISTRICT OF ARKANSAS

The legislative clerk read the nomination of Horace E. Thompson to be collector of internal revenue for the district of Arkansas.

The PRESIDENT pro tempore. Is there objection to the present consideration of the nomination, as in executive session?

Mr. McCLELLAN. Mr. President, I merely wish to state that the present collector of internal revenue in Arkansas has tendered his resignation. My colleague from Arkansas [Mr. FULBRIGHT] and I recommended the appointment of Mr. Thompson. The Secretary of the Treasury cabled the President our recommendations respecting the appointment of Mr. Thompson, and the President has returned the nomination to the Senate. If Mr. Thompson is not appointed at this time, he will have to accept an interim appointment, and during the period of the recess of Congress, of course, he will not be entitled to draw his pay.

I feel that the Senate should consent tonight to the confirmation of the nomination of Mr. Thompson, whom both Senators from Arkansas have recommended, and with respect to whom the President has very kindly responded to our request by a cablegram transmitting the nomination of Mr. Thompson to the Senate.

Mr. BARKLEY. Mr. President, I may say in that connection that the Committee on Finance has favorably reported the nomination. It would go to the calendar, except for the fact that the Senate is about to adjourn. I hope the Senate will confirm the nomination.

The PRESIDENT pro tempore. Is there objection to the present consideration of the nomination? The Chair hears none. Without objection, the nomination is considered and confirmed, and without objection, the President will be immediately notified of the confirmation of the nomination.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of all the other nominations.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith of the confirmation of all other nominations.

CONDITIONAL ADJOURNMENT UNTIL OCTOBER 8, 1945

Mr. BARKLEY. Mr. President, under the authority contained in House Concurrent Resolution 68, I move that the Senate do now adjourn until 12 o'clock noon on Monday, October 8, 1945.

The motion was agreed to; and (at 9 o'clock and 9 minutes p. m.) the Senate adjourned, the adjournment, under the terms of House Concurrent Resolution 68, being conditional until Monday, October 8, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate August 1, 1945:

COLLECTOR OF INTERNAL REVENUE

Horace E. Thompson, of Jonesboro, Ark., to be collector of internal revenue for the district of Arkansas, in place of Roy G. Paschal.

POSTMASTERS

The following-named persons to be postmasters:

ARIZONA

Hazel Gillespie, Lakeside, Ariz. Office became Presidential July 1, 1945.

Ann T. Murphy, McNeal, Ariz. Office became Presidential July 1, 1945.

ALABAMA

Byron L. King, Bynum, Ala. Office became Presidential July 1, 1944.

Amelia E. Parker, Mount Vernon, Ala., in place of A. M. Cannon, retired.

ARKANSAS

Elijah C. Combs, Combs, Ark. Office became Presidential July 1, 1945.

Mallie L. Douglas, Midland, Ark., in place of Kathryn Arnold, resigned.

CALIFORNIA

Joseph F. De Rosa, Concord, Calif., in place of F. J. Roche, retired.

Donna K. Manning, Finley, Calif. Office became Presidential July 1, 1945.

Ople Lee Smith, Five Points, Calif. Office became Presidential July 1, 1945.

Grace O. Downie, Laytonville, Calif. Office became Presidential July 1, 1945.

Daisy F. Halls, Mount Hermon, Calif. Office became Presidential July 1, 1945.

Rachel M. Dozier, Oilfields, Calif. Office became Presidential July 1, 1945.

June H. Reavis, Sanitarium, Calif., in place of G. F. Erwin, deceased.

Paul A. Zimmerman, Sloat, Calif. Office became Presidential July 1, 1945.

Guy Huston, Sultana, Calif. Office became Presidential July 1, 1945.

James A. Angle, Willows, Calif., in place of E. M. Sehorn, deceased.

CONNECTICUT

Adolph N. Goetz, Pine Meadow, Conn. Office became Presidential July 1, 1945.

Mary H. Kennedy, Suffield, Conn., in place of C. S. Barnett, resigned.

DELAWARE

Juanita P. Joseph, Harbeson, Del. Office became Presidential July 1, 1945.

FLORIDA

Bessie E. Guthrie, Cortez, Fla. Office became Presidential July 1, 1945.

Frank C. Brandon, Indian Rocks, Fla. Office became Presidential July 1, 1945.

Robert M. O'Brien, Nichols, Fla. Office became Presidential July 1, 1945.

Scotia A. Bryant, Sanibel, Fla. Office became Presidential July 1, 1945.

GEORGIA

Nelda Pate, Arabi, Ga. Office became Presidential July 1, 1945.

Hugh Henderson, Brooks, Ga. Office became Presidential July 1, 1945.

Minnie C. Lanier, Martinez, Ga. Office became Presidential July 1, 1945.

Lucy H. Cochran, Meansville, Ga. Office became Presidential July 1, 1945.

Mellie Pitts, Newborn, Ga. Office became Presidential July 1, 1945.

Mattie M. Pope, Omaha, Ga. Office became Presidential July 1, 1945.

Edith D. Patrick, Pulaski, Ga. Office became Presidential July 1, 1945.

George D. Walcher, Rincon, Ga. Office became Presidential July 1, 1945.

Louie O. Meadows, Shiloh, Ga. Office became Presidential July 1, 1945.

IDAHO

Frank L. Shaffer, Grangeville, Idaho, in place of B. F. Shaw, deceased.

Thelma Watson, Menan, Idaho. Office became Presidential July 1, 1945.

ILLINOIS

Paul M. Rush, Bingham, Ill. Office became Presidential July 1, 1945.

Doris E. McWhorter, Edelstein, Ill. Office became Presidential July 1, 1945.

Florence M. Pleitner, Irvington, Ill. Office became Presidential July 1, 1945.

Mayme A. Oakes, Joppa, Ill. Office became Presidential July 1, 1945.

Orpheus M. Elliott, Mechanicsburg, Ill. Office became Presidential July 1, 1944.

James V. Worland, Neoga, Ill., in place of E. F. Crockett, deceased.

Harry V. Neel, Owaneco, Ill. Office became Presidential July 1, 1945.

INDIANA

Julius L. Green, Lanesville, Ind. Office became Presidential July 1, 1945.

Virginia L. Trautman, Sunman, Ind., in place of H. W. Behlmer, deceased.

IOWA

Gussie M. Jarvis, Bradgate, Iowa. Office became Presidential July 1, 1945.

John J. Franta, Gilbertville, Iowa. Office became Presidential July 1, 1945.

Henry A. Nemmers, Lamotte, Iowa. Office became Presidential July 1, 1945.

Perry M. Dougherty, Legrand, Iowa. Office became Presidential July 1, 1945.

Oley C. Hanson, Otho, Iowa. Office became Presidential July 1, 1945.

Edward Moroney, Swaledale, Iowa. Office became Presidential July 1, 1945.

KANSAS

Ethel Thompson, Kismet, Kans., in place of M. N. Slavin, retired.

John R. Pratt, Studley, Kans. Office became Presidential July 1, 1945.

Homer Pearce, Sun City, Kans. Office became Presidential July 1, 1945.

KENTUCKY

William S. Vertrees, Cecilia, Ky., in place of M. E. Stiles, resigned.

Carrie Smith, Kosmosdale, Ky., Office became Presidential July 1, 1945.

William C. Bryant, McKinney, Ky. Office became Presidential July 1, 1945.

Margaret O. Tucker, Parksville, Ky. Office became Presidential July 1, 1945.

Maurine C. Elliott, Yosemite, Ky. Office became Presidential July 1, 1945.

LOUISIANA

Alma A. Maloof, Braithwaite, La. Office became Presidential July 1, 1945.

Daniel A. Williams, Clayton, La. Office became Presidential July 1, 1945.

Vivian Ballay, Empire, La. Office became Presidential July 1, 1945.

Grover C. Quarles, Goldonna, La. Office became Presidential July 1, 1945.

Myrtle C. Beridon, Hamburg, La. Office became Presidential July 1, 1945.

A. Frank Fairley, New Orleans, La., in place of J. J. Ferguson, deceased.

Celia Reilly, Paulina, La. Office became Presidential July 1, 1945.

Grace S. Ellzey, Venice, La. Office became Presidential July 1, 1945.

Thelma J. Leon, Violet, La. Office became Presidential July 1, 1945.

MAINE

Bela H. Edwards, Crescent Lake, Maine. Office became Presidential July 1, 1945.

Charlene F. Tebbetts, Readfield, Maine. Office became Presidential July 1, 1945.

MARYLAND

T. Bayard Scott, Childs, Md. Office became Presidential July 1, 1945.

Agnes C. Birch, Secretary, Md. Office became Presidential July 1, 1945.

Helen B. Long, Stevenson, Md. Office became Presidential July 1, 1945.

Marshall F. Armacost, Upperco, Md. Office became Presidential July 1, 1945.

MASSACHUSETTS

James P. McAndrews, Adams, Mass., in place of F. A. Malley, resigned.

Julia C. Peterson, Brant Rock, Mass. Office became Presidential July 1, 1945.

Gilbert F. Mayo, East Orleans, Mass. Office became Presidential July 1, 1945.

Olav R. Petersen, Grandville, Mass. Office became Presidential July 1, 1945.

Webster Colby Clark, Humarock, Mass. Office became Presidential July 1, 1945.

Robert W. Liston, Lenox Dale, Mass. Office became Presidential July 1, 1945.

Adolph J. DeSorcie, Monponsett, Mass. Office became Presidential July 1, 1945.

Arba W. Nelson, Rochester, Mass. Office became Presidential July 1, 1945.

Maude Blanche McKane, Saundersville, Mass. Office became Presidential July 1, 1945.

Doris Tucker Woodbury, South Essex, Mass. Office became Presidential July 1, 1945.

Dora E. Quigley, Southampton, Mass. Office became Presidential July 1, 1945.

Chester R. Gardner South Swansea, Mass. Office became Presidential July 1, 1945.

Arlene L. Studley, Waquoit, Mass. Office became Presidential July 1, 1945.

Esther H. Emerson, White Horse Beach, Mass. Office became Presidential July 1, 1945.

MICHIGAN

Mary Schymanski, Anchorville, Mich. Office became Presidential July 1, 1945.

William W. Plank, Buckley, Mich. Office became Presidential July 1, 1945.

Katherine Shay, Germfask, Mich. Office became Presidential July 1, 1945.

Martha M. Prell, Hawks, Mich. Office became Presidential July 1, 1945.

John S. Dunsford, Marlette, Mich., in place of F. J. Erwin, resigned.

Harvey G. Groat, Melvin, Mich. Office became Presidential July 1, 1945.

Mamie B. Deford, Mikado, Mich. Office became Presidential July 1, 1945.

Isabelle C. Glover, Onondaga, Mich. Office became Presidential July 1, 1945.

Ann Breitner, Riga, Mich. Office became Presidential July 1, 1945.

MINNESOTA

Oscar A. Strommer, Clearwater, Minn. Office became Presidential July 1, 1945.

Claude W. Tucker, Fort Ripley, Minn. Office became Presidential July 1, 1945.

Doris E. Sexton, Kerrick, Minn. Office became Presidential July 1, 1945.

Raymond H. Rivett, Lake Hubert, Minn. Office became Presidential July 1, 1945.

Ralph E. McCrehin, Leonard, Minn. Office became Presidential July 1, 1945.

Sigrid J. Bakke, Nielsville, Minn. Office became Presidential July 1, 1945.

Ruth G. Dilly, Norcross, Minn. Office became Presidential July 1, 1945.

Kenneth L. Weeks, Spooner, Minn. Office became Presidential July 1, 1945.

Tallof T. Hamrey, Trail, Minn. Office became Presidential July 1, 1945.

NEBRASKA

Maude L. Brockett, Atlanta, Nebr. Office became Presidential July 1, 1945.

MISSISSIPPI

Mabel H. Domengeaux, Belzoni, Miss., in place of W. A. Pepper, resigned.

Ethie McNair, Neshoba, Miss. Office became Presidential July 1, 1945.

MISSOURI

Ransler M. Hefner, Hartville, Mo., in place of M. M. Wilson, retired.

Walter F. Bamman, Jacksonville, Mo. Office became Presidential July 1, 1945.

Charles E. Yancey, Jr., Liberty, Mo., in place of Walter Manley, retired.

George J. Brown, Myrtle, Mo. Office became Presidential July 1, 1945.

Marie Maas, Westalton, Mo. Office became Presidential July 1, 1945.

MONTANA

Vera Pryde, Bearcreek, Mont. Office became Presidential July 1, 1945.

Cleola Ralston, Glacier Park, Mont. Office became Presidential July 1, 1945.

NEBRASKA

George E. Price, Cortland, Nebr. Office became Presidential July 1, 1944.

Mildred E. Tomes, Dwight, Nebr. Office became Presidential July 1, 1945.

Florence Hartnett, Jackson, Nebr. Office became Presidential July 1, 1945.

Maxine L. Neal, Tryon, Nebr. Office became Presidential July 1, 1945.

NEW HAMPSHIRE

Floyd R. Ray, Warren, N. H., in place of M. H. Weeks, transferred.

NEW JERSEY

Marian E. O'Rourke, Cedar Brook, N. J. Office became Presidential July 1, 1945.

Beatrice A. Curtis, Erlton, N. J. Office became Presidential July 1, 1945.

Taylor W. Hance, Holmdel, N. J. Office became Presidential July 1, 1945.

NEW MEXICO

Maxine I. Cresswell, Monument, N. Mex. Office became Presidential July 1, 1945.

Bodie L. Gloss, Moriarty, N. Mex. Office became Presidential July 1, 1945.

Rayitos Alarid, Santa Cruz, N. Mex. Office became Presidential July 1, 1945.

Georgia R. Barney, Tohatchi, N. Mex. Office became Presidential July 1, 1945.

NEW YORK

F. Clifford Wyman, Appleton, N. Y. Office became Presidential July 1, 1945.

H. James Hyland, Arcade, N. Y., in place of R. J. Sheehe, resigned.

Irvin B. Bowen, Ashville, N. Y., in place of P. A. Fairbank, resigned.

Madeline Andrews, Big Flats, N. Y., in place of D. L. Churcher, deceased.

Maurice E. Cooke, Carthage, N. Y., in place of P. M. Hall, removed.

Marion T. Hollings, Deer Park, N. Y. Office became Presidential July 1, 1943.

Leon R. Kelsey, East Bloomfield, N. Y. Office became Presidential July 1, 1945.

Gertrude A. Hartson, Lee Center, N. Y. Office became Presidential July 1, 1945.

NORTH CAROLINA

Olive V. Underwood, Altamahaw, N. C. Office became Presidential July 1, 1945.

Oscar E. Ross, Ansonville, N. C. Office became Presidential July 1, 1945.

James R. D. Simmons, Ash, N. C. Office became Presidential July 1, 1945.

Myrtle W. Harris, Bahama, N. C. Office became Presidential July 1, 1945.

Leland R. Geiger, Balfour, N. C. Office became Presidential July 1, 1945.

Herman Bone, Black Creek, N. C. Office became Presidential July 1, 1945.

Glenn G. Gibbons, Colfax, N. C. Office became Presidential July 1, 1945.

Emma S. Marz, Derita, N. C. Office became Presidential July 1, 1945.

Maude Harris, Efland, N. C. Office became Presidential July 1, 1945.

Bessie E. Hyman, Gaston, N. C. Office became Presidential July 1, 1945.

Benjamin Franklin, Hardison-Grantsboro, N. C. Office became Presidential July 1, 1945.

Joel A. Britt, Harrellsville, N. C. Office became Presidential July 1, 1945.

Cole I. Lee, Lake Toxaway, N. C. Office became Presidential July 1, 1945

Denard R. Lewis, Marshallberg, N. C. Office became Presidential July 1, 1945.

Sallie H. Adams, Merry Hill, N. C. Office became Presidential July 1, 1945.

Paul R. Dozier, Shannon, N. C. Office became Presidential July 1, 1945.

Estelle Eason, Sharpsburg, N. C. Office became Presidential July 1, 1945.

Norman H. Clark, Snow Camp, N. C. Office became Presidential July 1, 1945.

Velon L. Auman, Steeds, N. C. Office became Presidential July 1, 1945.

W. Fred Garrison, Stocksville, N. C. Office became Presidential July 1, 1945.

George H. Roebuck, Stokes, N. C. Office became Presidential July 1, 1945.

NORTH DAKOTA

Elizabeth S. Karp, Epping, N. Dak. Office became Presidential July 1, 1945.

OHIO

Frank A. Schmitz, Berkey, Ohio. Office became Presidential July 1, 1945.

John J. Williams, Green Camp, Ohio. Office became Presidential July 1, 1945.

Anna M. Heiner, Hanging Rock, Ohio. Office became Presidential July 1, 1945.

Mary V. Myers, Lithopolis, Ohio. Office became Presidential July 1, 1945.

Elsie C. Schumaker, Novelty, Ohio. Office became Presidential July 1, 1945.

Keith E. Garrison, Peebles, Ohio, in place of O. C. Ryan, resigned.

Mary A. Kellerman, Stewart, Ohio. Office became Presidential July 1, 1945.

Leroy H. Hurrelbrink, Stony Ridge, Ohio. Office became Presidential July 1, 1945.

OKLAHOMA

Samuel A. Irwin, Atwood, Okla. Office became Presidential July 1, 1945.

James O. Deer, Carney, Okla. Office became Presidential July 1, 1945.

Fern D. Arnold, Kiowa, Okla., in place of Jasper Hood, transferred.

Mary A. Ferren, Shamrock, Okla. Office became Presidential July 1, 1945.

OREGON

Glenwood Pounds, Adrian, Oreg. Office became Presidential July 1, 1945.

Marie W. Havill, Beavercreek, Oreg. Office became Presidential July 1, 1945.

Darrell L. Howser, Burns, Oreg., in place of W. R. Powell, resigned.

Leola L. Stoddard, Butte Falls, Oreg. Office became Presidential July 1, 1945.

Robert G. Henderson, Chemawa, Oreg. Office became Presidential July 1, 1945.

Sadie E. Wadsworth, Delake, Oreg. Office became Presidential July 1, 1945.

Arthur Roy Kerr, Depoe Bay, Oreg. Office became Presidential July 1, 1945.

Clara D. Neal, Sublimity, Oreg. Office became Presidential July 1, 1945.

Irwin H. Howe, Trail, Oreg. Office became Presidential July 1, 1945.

William H. LohKamp, Wecoma, Oreg. Office became Presidential July 1, 1945.

PENNSYLVANIA

George E. Anderson, Berkshire Heights, Pa. Office became Presidential July 1, 1945.

Leslie May Trimble, Birmingham, Pa. Office became Presidential July 1, 1945.

Edmund B. Kling, Blairs Mills, Pa. Office became Presidential July 1, 1945.

H. Olive Carberry, Dudley, Pa. Office became Presidential July 1, 1945.

Elizabeth Hresko, Eckley, Pa. Office became Presidential July 1, 1945.

Francis O. Todd, Georgetown, Pa. Office became Presidential July 1, 1945.

Beatrice Boyle, Harwood Mines, Pa. Office became Presidential July 1, 1945.

Gladys I. Innerst, Jacobus, Pa. Office became Presidential July 1, 1945.

Winifred P. Murray, Laurel Gardens, Pa. Office became Presidential July 1, 1945.

Ira N. Foust, Mill Creek, Pa. Office became Presidential July 1, 1945.

Helen R. Peck, Morgantown, Pa. Office became Presidential July 1, 1945.

Frances R. Hoover, Railroad, Pa. Office became Presidential July 1, 1945.

Marie E. Byers, Rockhill Furnace, Pa. Office became Presidential July 1, 1945.

Grace C. Wonsettler, Scenery Hill, Pa. Office became Presidential July 1, 1944.

Ruth Blackmore, Smiths Ferry, Pa. Office became Presidential July 1, 1945.

George J. Yencho, Jr., Sugarloaf, Pa. Office became Presidential July 1, 1945.

Edgar A. Henry, Weatherly, Pa., in place of E. R. Young, transferred.

Ernest C. Smith, Windsor, Pa., in place of W. B. Snyder, resigned.

Wilmer Stover, Yoe, Pa. Office became Presidential July 1, 1945.

Wayne T. Schwartz, York New Salem, Pa. Office became Presidential July 1, 1945.

SOUTH CAROLINA

William F. McLellan, Hamer, S. C. Office became Presidential July 1, 1945.

James C. Norton, Little Rock, S. C. Office became Presidential July 1, 1945.

Mary Lucile Turner, Moore, S. C. Office became Presidential July 1, 1945.

Wiley G. Griste, Sr., Ocean Drive, S. C. Office became Presidential July 1, 1945.

Vera S. Buie, Patrick, S. C. Office became Presidential July 1, 1945.

TENNESSEE

James A. Bryant, Beechgrove, Tenn. Office became Presidential July 1, 1945.

James R. Caffy, Bradyville, Tenn. Office became Presidential July 1, 1945.

Lizzie Mae Wilson, Coalfield, Tenn. Office became Presidential July 1, 1945.

Arthur R. Curtis, Coalmont, Tenn. Office became Presidential July 1, 1945.

Flavil M. Bottoms, Crestview, Tenn. Office became Presidential July 1, 1944.

Hugh L. Jones, Daylight, Tenn. Office became Presidential July 1, 1945.

Raymond E. Wicker, Erie, Tenn. Office became Presidential July 1, 1945.

Grace Lowe, Habersham, Tenn. Office became Presidential July 1, 1945.

Lawrence E. Ryan, Helenwood, Tenn. Office became Presidential July 1, 1945.

Pattie P. Howse, La Vergne, Tenn. Office became Presidential July 1, 1945.

Archie P. White, Martha, Tenn. Office became Presidential July 1, 1945.

Grace B. Beevers, Milligan College, Tenn. Office became Presidential July 1, 1945.

Ona M. Sparkman, Quebeck, Tenn. Office became Presidential July 1, 1945.

Margaret Root, Readyville, Tenn. Office became Prseidential July 1, 1945.

Ida B. Wassom, Telford, Tenn. Office became Presidential July 1, 1944.

TEXAS

Irma J. Harris, Alameda, Tex. Office became Presidential July 1, 1945.

Robert L. Hext, Bon Wier, Tex. Office became Presidential July 1, 1945.

James B. Abell, Josephine, Tex. Office became Presidential July 1, 1945.

James H. Brannen, Peacock, Tex. Office became Presidential July 1, 1945.

Lura Johnson, Sabine Pass, Tex. Office became Presidential July 1, 1945.

Agnes Z. Wakefield, Saginaw, Tex. Office became Presidential July 1, 1945.

UTAH

Cedena A. Cloward, Aurora, Utah. Office became Presidential July 1, 1945.

Erastus R. Curtis, Orangeville, Utah. Office became Presidential July 1, 1945.

VERMONT

Henry C. La Morder, Warren, Vt. Office became Presidential July 1, 1945.

VIRGINIA

C. Moir Marshall, Laurel Fork, Va. Office became Presidential July 1, 1945.

Louise G. Sterrett, Rockbridge Baths, Va. Office became Presidential July 1, 1945.

Nannie Rose Tiller, Rocky Gap, Va. Office became Presidential July 1, 1945.

WASHINGTON

Walter M. Hagenstein, Medina, Wash. Office became Presidential July 1, 1945.

Ruby T. Gaston, Orondo, Wash. Office became Presidential July 1, 1945.

Howard W. McLaughlin, Usk, Wash. Office became Presidential July 1, 1945.

WEST VIRGINIA

Lucy J. Weaver, Edgarton, W. Va. Office became Presidential July 1, 1945.
Richard I. Hargett, Elkridge, W. Va. Office became Presidential July 1, 1945.
Alexander McDarmont, English, W. Va. Office became Presidential July 1, 1945.
Lee O. Blain, Gallipolis Ferry, W. Va. Office became Presidential July 1, 1945.
Miller Thomas, Greenville, W. Va. Office became Presidential July 1, 1945.
Bert Cook, Hatcher, W. Va. Office became Presidential July 1, 1945.
Lena W. Keesling, McDowell, W. Va. Office became Presidential July 1, 1945.
Victor M. Osbourn, Shenandoah Junction, W. Va. Office became Presidential July 1, 1945.
Mabel C. Hensil, Tioga, W. Va. Office became Presidential July 1, 1945.
Sue B. Lilly, Winding Gulf, W. Va., in place of J. H. Trail, resigned.

WISCONSIN

Austin W. Allard, Luxemburg, Wis., in place of John Duchateau, transferred.

WYOMING

Eva J. Hokanson, Freedom, Wyo. Office became Presidential July 1, 1945.
Charles W. Markley, Fort Washakie, Wyo. Office became Presidential July 1, 1945.
Nan L. Cash, Kaycee, Wyo. Office became Presidential July 1, 1945.

CONFIRMATIONS

Executive nominations confirmed by the Senate August 1, 1945:

COLLECTOR OF INTERNAL REVENUE

Horace E. Thompson to be collector of internal revenue for the district of Arkansas.

POSTMASTERS

ALABAMA

Byron L. King, Bynum.
Amelia E. Parker, Mount Vernon.

ARIZONA

Hazel Gillespie, Lakeside.
Ann T. Murphy, McNeal.

ARKANSAS

Elijah C. Combs, Combs.
Mallie L. Douglas, Midland.

CALIFORNIA

Joseph F. De Rosa, Concord.
Donna K. Manning, Finley.
Ople Lee Smith, Five Points.
Grace O. Downie, Laytonville.
Daisy F. Halls, Mount Hermon.
Rachel M. Dozier, Oilfields.
June H. Reavis, Sanitarium.
Paul A. Zimmerman, Sloat.
Guy Huston, Sultana.
James A. Angle, Willows.

FLORIDA

Bessie E. Guthrie, Cortez.
Frank C. Brandon, Indian Rocks.
Robert M. O'Brien, Nichols.
Scotia A. Bryant, Sanibel.

ILLINOIS

Paul M. Rush, Bingham.
Doris E. McWhorter, Edelstein.
Florence M. Pleitner, Irvington.
Mayme A. Oakes, Joppa.
Lemuel S. Gardner, Mount Erie.
Orpheus M. Elliott, Mechanicsburg.
James V. Worland, Neoga.
Harry V. Neel, Owaneco.

MASSACHUSETTS

James P. McAndrews, Adams.
Julia C. Peterson, Brant Rock.
Gilbert F. Mayo, East Orleans.
Olav R. Petersen, Granville.
Webster Colby Clark, Humarock.
Robert W. Liston, Lenox Dale.
Adolph J. DeSorcie, Monponsett.
Arba W. Nelson, Rochester.
Maude Blanche McKane, Saundersville.
Doris Tucker Woodbury, South Essex.
Dora E. Quigley, Southampton.
Chester R. Gardner, South Swansea.
Arlene L. Studley, Waquoit.
Esther H. Emerson, White Horse Beach.

MINNESOTA

Oscar A. Strommer, Clearwater.
Claude W. Tucker, Fort Ripley.
Doris E. Sexton, Kerrick.
Raymond H. Rivett, Lake Hubert.
Ralph E. McCrehin, Leonard.
Sigrid J. Bakke, Nielsville.
Ruth G. Dilly, Norcross.
Kenneth L. Weeks, Spooner.
Tallof T. Hamrey, Trail.

NEW MEXICO

Maxine I. Cresswell, Monument.
Bodie L. Gloss, Moriarty.
Rayitos Alarid, Santa Cruz.
Georgia R. Barney, Tohatchi.

NEW YORK

F. Clifford Wyman, Appleton.
H. James Hyland, Arcade.
Irvin B. Bowen, Ashville.
Madeline Andrews, Big Flats.
Maurice E. Cooke, Carthage.
Marion T. Hollings, Deer Park.
Leon R. Kelsey, East Bloomfield.
Gertrude A. Hartson, Lee Center.

OHIO

Frank A. Schmitz, Berkey.
John J. Williams, Green Camp.
Anna M. Heiner, Hanging Rock.
Mary V. Myers, Lithopolis.
Elsie C. Schumaker, Novelty.
Keith E. Garrison, Peebles.
Mary A. Kellerman, Stewart.
Leroy H. Hurrelbrink, Stony Ridge.

TENNESSEE

James A. Bryant, Beechgrove.
James R. Caffy, Bradyville.
Lizzie Mae Wilson, Coalfield.
Arthur R. Curtis, Coalmont.
Flavil M. Bottoms, Crestview.
Hugh L. Jones, Daylight.
Raymond E. Wicker, Erie.
Grace Lowe, Habersham.
Lawrence E. Ryan, Helenwood.
Pattie P. Howse, La Vergene.
Archie P. White, Martha.
Grace B. Beevers, Milligan College.
Ona M. Sparkman, Quebeck.
Margaret Root, Readyville.
Ida B. Wassom, Telford.

SENATE

WEDNESDAY, SEPTEMBER 5, 1945

Pursuant to the terms of House Concurrent Resolution 68, Seventy-ninth Congress, notice of legislative expediency requiring the reconvening of Congress having been duly given, the Senate assembled in its Chamber at the Capitol.

KENNETH McKELLAR, a Senator from the State of Tennessee and President pro tempore of the Senate, called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. Frederick Brown Harris, D. D., of the city of Washington, D. C., offered the following prayer:

God of the free, the glad cry of our grateful hearts is as the chiming of Te Deums to the Father God who hath given us the victory; for the Lord hath made bare His holy arm in the eyes of all the nations, and all the ends of the earth shall see the salvation of our God. For not by our own might and strength has this hour of triumph lifted up our hearts: Thine is the kingdom and the power and the glory.

Over a world dyed dark with suffering breathes the deep, sweet sigh of peace, and countless hearts break forth in praise and unutterable thanksgiving to Thee who wast our shield and our shelter when the earth did tremble, which now is still. May the sacrifice of young lives spent and sorrow endured commend us to Thee, our help and hope, who sustained a righteous cause, that Thou mayest order the beginning, direct the progress, and perfect the achievement of the work which peace makes paramount in this creative day, and in Thy great mercy fold the whole earth in peace under Thy wing: In the dear Redeemer's name. Amen.

NOTIFICATION OF REASSEMBLING OF CONGRESS

The PRESIDENT pro tempore. The Chair lays before the Senate a copy of a telegram sent on Saturday, September 1, 1945, by certain officials of the Senate and House of Representatives to the various Members of the two Houses, under authority of House Concurrent Resolution 68, notifying them that Congress would reassemble in Washington on Wednesday, September 5, 1945, at 12 o'clock meridian, which the clerk will read.

The Chief Clerk read as follows:

SEPTEMBER 1, 1945.

In our opinion, legislative expediency warrants the reassembly of Congress, and therefore, pursuant to the authority granted us by House Concurrent Resolution 68, Seventy-ninth Congress, you are hereby notified that Congress will reassemble in Washington at 12 o'clock meridian on Wednesday, September 5, 1945.

KENNETH McKELLAR,
President pro tempore of the Senate.
SAM RAYBURN,
Speaker of the House of Representatives.
ALBEN W. BARKLEY,
Majority leader of the Senate.
JOHN W. McCORMACK,
Majority leader, House of Representatives.
WALLACE H. WHITE, Jr.,
Minority leader of the Senate.
JOSEPH W. MARTIN, Jr.,
Minority leader, House of Representatives.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, August 1, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore, as in executive session, laid before the Senate messages from the President of the United States submitting sundry nominations and a convention, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

BUSINESS OF THE SENATE

Mr. BARKLEY. Mr. President, in view of the death, during the adjournment, of one of the oldest Members of

the Senate, Hon. HIRAM W. JOHNSON, of California, after consulting with other Senators it has been decided that it would be inappropriate to transact any business at this time, including the routine business of the morning hour. I want it understood that this applies to every Senator, and that no unanimous-consent requests are to be made or agreed to. I understand the newly appointed Senator from California is present and ready to take the oath, and I see no objection to permitting him to be sworn in as a Member of the Senate, after the Senator from California [Mr. DOWNEY] offers a resolution I understand he is to present in regard to the death of his late colleague.

DEATH OF SENATOR JOHNSON OF CALIFORNIA

Mr. DOWNEY. Mr. President, it becomes my sad duty to announce to the Senate the death of my late colleague, Hon. HIRAM W. JOHNSON, and at this time I submit a resolution and ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 169) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. HIRAM W. JOHNSON, late a Senator from the State of California.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That at the conclusion of its session today, as a further mark of respect to the memory of the deceased, the Senate do adjourn.

SENATOR FROM CALIFORNIA

Mr. DOWNEY presented the credentials of WILLIAM F. KNOWLAND, of California, designated a Senator from that State for the term prescribed by law, which were read and ordered to be filed, as follows:

STATE OF CALIFORNIA,
EXECUTIVE DEPARTMENT.

Know all men by these presents, that I, Earl Warren, Governor of the State of California, in the name and by the authority of the peope of the State of California, do, by these presents, appoint and commission WILLIAM F. KNOWLAND United States Senator from the State of California, vice Hiram W. Johnson, deceased, for the term prescribed by law.

In witness whereof, I have hereunto set my hand and caused the great seal of the State to be affixed at Sacramento, this fourteenth day of August 1945.

EARL WARREN,
Governor of the State of California.

By the Governor:

FRANK W. JORDAN,
Secretary of State.

[SEAL] By ED LABOWITCH, *Deputy.*

Mr. DOWNEY. Mr. President, the Senator-designate from California is present, and desires to take the oath of office.

The PRESIDENT pro tempore. The Senator-designate will present himself at the desk, and the oath will be administered to him.

Mr. KNOWLAND, escorted by Mr. DOWNEY, advanced to the desk, and the oath of office prescribed by law was administered to him by the President pro tempore.

TRIBUTE TO THE LATE SENATOR JOHNSON OF CALIFORNIA

Mr. DOWNEY. Mr. President, I recently had the most unhappy duty of attending, in San Francisco, Calif., as one of the representatives of the Senate, the services at the funeral of our deceased colleague, Senator JOHNSON. At that time I had the great honor to deliver a very brief eulogy of Senator JOHNSON, and I now ask permission to read it as a part of my remarks upon this occasion.

The PRESIDENT pro tempore. Without objection, the Senator may proceed.

Mr. DOWNEY. I read:

Any effort I might make to praise this man seems feeble in the face of what he has been and what he has done. Here in California we have known HIRAM JOHNSON as a boy, as a strong man performing great public service, as an aged statesman breaking under the burden which his sense of responsibility caused him too long to support.

In California, HIRAM JOHNSON needs no eulogy, for it is written imperishably in our State institutions which he did so much to establish. His life, always open to glaring and public scrutiny, has been strangely consistent. He lived his youth in Sacramento. There he displayed the dramatic personality, and exhibited the courage and capacity for leadership which characterized his long life.

As an eager young man, restless to exercise his maturing talents, he came to San Francisco. In this brilliant city, distinguished for the ability of its citizens, here where weaker men had been so often submerged, he quickly succeeded and early won prominence in his profession, the law. As he rose, conditions developed by which this community was dominated by a corrupt political rule and from which this city had to be rescued. The aroused citizenship sought a leader to destroy the evil municipal conditions that had shocked its conscience and perverted its justice. Young HIRAM JOHNSON was chosen and he so splendidly performed his task that he gave to San Francisco an impulse for civic integrity from which she is still reacting.

A new leader was disclosed to the State and soon the Sacramento boy returned to his home city as the Governor of California. He came to that authority at a fateful period. For there was sweeping over the Nation a new conception of social justice, under the leadership of such men as Theodore Roosevelt. In Sacramento the new Governor displayed the full power of his leadership and dynamically remade California into a model of representative government. He so aroused our people that they have long sustained his purposes and California, to this day, still remembers and is still affected by his passionate leadership.

A grateful State then sent him to Washington as its representative in the National Government. He came to the Senate with the prestige of his great accomplishments in California and immediately took high rank in a body which at that time contained many able and distinguished men. He had a capacity for leadership and even as a young Senator he assumed it and held it for the very long time during which his State continued him as its representative.

In the Senate he was noted for his passionate Americanism and for his ceaseless vigilance lest its powers, its possessions, or its character in the slightest way be impaired. Senator JOHNSON was a man of exceptional courage who fearlessly expressed his opinions and in the face of popular disapproval fought for causes which he deemed to be for the welfare of his country. His independence and courage have impressed traditions upon the Senate which will long survive the influences of time and change.

Theodore Roosevelt was fond of saying that "life was to spend." Senator JOHNSON, who followed this distinguished man in so many ways, adopted this philosophy. He never spared himself and died in the active performance of his public duties. Today his worn body comes back to California that we may lay it away in its bed of peace. We invoke for his memory the grateful recollection of a people to whose service his life has been given.

To Minnie McNeal Johnson, his beloved wife and widow, we express our profound sympathy. Throughout a long, difficult, and controversial career Senator JOHNSON had, to the fullest limit, the love, sympathy, understanding, and support of his wife. In her hour of supreme grief she should find some solace in the reputation he has left of great political duties well performed, of courage and uncorruptible integrity.

Mr. BARKLEY. Mr. President, on a later day the Senate will suspend its legislative business in order to give opportunity for Members of the Senate to pronounce eulogies upon the life and character of the late Senator JOHNSON.

Mr. WHITE. Mr, President, I appreciate the assurance of the majority leader that later a time will be set apart for eulogies upon the life, the character, and the services of HIRAM JOHNSON. He was the senior Member upon this side of the Senate. He holds the respect and the love of all Senators, and I know that the day upon which eulogies are to be spoken many Members of the Senate will wish to pay their tributes of love and of respect to him and his memory.

Mr. BARKLEY. I now move, in accordance with the resolution offered by the Senator from California [Mr. DOWNEY], that the Senate adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 18 minutes p. m.) the Senate adjourned, under the resolution previously agreed to, until tomorrow, Thursday, September 6, 1945, at 12 o'clock meridian.

NOMINATIONS

Nominations received by the Senate September 5, 1945:

DEPARTMENT OF STATE

Benjamin V. Cohen, of New York, to be counselor of the Department of State.

Donald S. Russell, of South Carolina, to be an Assistant Secretary of State.

William Benton, of Connecticut, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Brig. Gen. Frank T. Hines, United States Army, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Panama, to which office he was appointed during the last recess of the Senate.

The following-named persons for promotion in the Foreign Service of the United States, to the offices to which they were appointed during the last recess of the Senate, as follows:

From foreign-service officer of class 3 to foreign-service officer of class 2:

John W. Bailey, Jr., of Texas.
Charles A. Bay, of Minnesota.
Hiram A. Boucher, of Minnesota.
Clarence C. Brooks, of New Jersey.
William W. Butterworth, Jr., of Louisiana.

Paul C. Daniels, of New York.
Owen L. Dawson, of Illinois.
Samuel H. Day, of California.
Charles E. Dickerson, Jr., of New Jersey.
Harry F. Hawley, of New York.
John R. Minter, of South Carolina.
Howard H. Tewksbury, of Massachusetts.

From foreign-service officer of class 4 to foreign-service officer of class 3:

Warren M. Chase, of Indiana.
Oliver Edmund Clubb, of Minnesota.
Cabot Coville, of California.
Raymond A. Hare, of Iowa.
Edward P. Lawton, of Georgia.
Clarence E. Macy, of Colorado.
Paul W. Meyer, of Colorado.
Sheldon T. Mills, of Oregon.
James S. Moose, Jr., of Arkansas.
James B. Pilcher, of Georgia.
Harold M. Randall, of Iowa.
William T. Turner, of Georgia.
James R. Wilkinson, of Wisconsin.
Miss Frances E. Willis, of California.

From foreign-service officer of class 5 to foreign-service officer of class 4:

J. Kenly Bacon, of Massachusetts.
Philip W. Bonsal, of the District of Columbia.
Wilson C. Flake, of North Carolina.
Richard B. Haven, of Illinois.
Charles H. Heisler, of Delaware.
Erik W. Magnuson, of Illinois.
Harold B. Minor, of Kansas.
R. Borden Reams, of Pennsylvania.
Edwin Schoenrich, of Maryland.
Albert W. Scott, of Missouri.
Horace H. Smith, of Ohio.

From foreign-service officer of class 6 to foreign-service officer of class 5:

Ralph J. Blake, of Oregon.
Charles E. Brookhart, of Iowa.
Bernard C. Connelly, of Illinois.
Merritt N. Cootes, of Virginia.
Andrew E. Donovan 2d, of California.
Walter C. Dowling, of Georgia.
John K. Emmerson, of Colorado.
William E. Flournoy, Jr., of Virginia.
Claude H. Hall, Jr., of Maryland.
Fred W. Jandrey, of Wisconsin.
Robert Janz, of Oklahoma.
Frederick P. Latimer, Jr., of Connecticut.
Harrison Lewis, of California.
E. Allan Lightner, Jr., of New Jersey.
Douglas MacArthur 2d, of the District of Columbia.
Harvey Lee Milbourne, of West Virginia.
Ralph Miller, of New York.
Calvin Hawley Oakes, of South Carolina.
Kennett F. Potter, of Missouri.
Paul J. Reveley, of Connecticut.
Clare H. Timberlake, of Michigan.
Joseph I. Touchette, of Massachusetts.
Mason Turner, of Connecticut.
Gerald Warner, of Massachusetts.
Milton K. Wells, of Oklahoma.
Kenneth J. Yearns, of the District of Columbia.

From foreign-service officer of class 7 to foreign-service officer of class 6:

Hector C. Adam, Jr., of New York.
William C. Affeld, Jr., of Minnesota.
Fritz A. M. Alfsen, of New York.
W. Stratton Anderson, Jr., of Illinois.
Russell W. Benton, of New York.
Maurice M. Bernbaum, of Illinois.
Roswell C. Beverstock, of California.
M. Williams Blake, of Ohio.
Carl Breuer, of New York.
Aaron S. Brown, of Michigan.
Stephen C. Brown, of Virgina.
William F. Busser, of Pennsylvania.
Harlan B. Clark, of Ohio.
William E. Cole, Jr., of New York.
Frederick J. Cunningham, of Massachusetts.
Harry M. Donaldson, of Pennsylvania.
Overton G. Ellis, Jr., of Washington.
Perry Ellis, of California.
Frederick E. Farnsworth, of Colorado.
Richard D. Gatewood, of New York.
Jule L. Goetzmann, of Illinois.
Edmund A. Gullion, of Kentucky.
Miss Constance R. Harvey, of New York.
Walter W. Hoffmann, of California.
Hartwell Johnson, of South Carolina.
Reginald S. Kazanjian, of Rhode Island.
Easton T. Kelsey, of Michigan.
Perry Laukhuff, of Ohio.
Aubrey E. Lipponcott, of Arizona.
Gordon H. Mattison, of Ohio.
Roy M. Melbourne, of Virginia.
John Fremont Melby, of Illinois.
Robert B. Memminger, of South Carolina.
George E. Miller, of New Jersey.
Charles S. Millet, of New Hampshire.
H. Gordon Minnigerode, of the District of Columbia.
Harold E. Montamat, of New Jersey.
Bolard More, of Ohio.
William D. Moreland, Jr., of Oregon.
Jack B. Neathery, of Texas.
Miss Katherine E. O'Connor, of Indiana.
Herbert V. Olds, of Massachusetts.
Elim O'Shaughnessy, of New York.
Fred K. Salter, of Georgia.
Elvin Seibert, of New York.
Walter Smith, of Illinois.
Orray Taft, Jr., of California.
Charles W. Thayer, of Pennsylvania.
David A. Thomasson, of Kentucky.
Ray L. Thurston, of Wisconsin.
S. Roger Tyler, Jr., of West Virginia.
Evan M. Wilson, of Pennsylvania.
William Witman 2d, of Pennsylvania.

From foreign-service officer of class 8 to foreign-service officer of class 7:

Roland K. Beyer, of Wisconsin.
V. Lansing Collins, Jr., of New York.
Adrian B. Colquitt, of Georgia.
A. David Fritzlan, of Kentucky.
John C. Fuess, of Massachusetts.
John P. Hoover, of California.
John Evarts Horner, of Colorado.
Coldwell S. Johnston, of Nevada.
Donald W. Lamm, of the District of Columbia.
Frederick J. Mann, of New York.
Delano McKelvey, of the District of Columbia.
Miss Minedee McLean, of Louisiana.
Carl F. Norden, of New York.
Julian L. Nugent, Jr., of New Mexico.
R. Kenneth Oakley, of Arkansas.
J. Kittredge Vinson, of Texas.
George Lybrook West, Jr., of California.
Charles H. Whitaker, of Massachusetts.

From foreign-service officer, unclassified, to foreign-service officer of class 8:

Stewart G. Anderson, of Illinois.
William L. Blue, of Tennessee.
John H. Burns, of Oklahoma.
John A. Calhoun, of California.
Don V. Catlett, of Missouri.
Irven M. Eitreim, of South Dakota.
Robert S. Folsom, of Massachusetts.
Edward L. Freers, of Ohio.
Paul E. Geier, of Ohio.
Caspar D. Green, of Ohio.
Roger L. Heacock, of California.
David H. Henry, 2d, of New York.
Oscar C. Holder, of Louisiana.
Frederick D. Hunt, of the District of Columbia.
J. Jefferson Jones, 3d, of Tennessee.
David LeBreton, Jr., of the District of Columbia.
Scott Lyon, of Ohio.
Robert H. McBride, of Michigan.
David H. McKillop, of Massachusetts.
Lee D. Randall, of Illinois.
Stuart W. Rockwell, of Pennsylvania.
Claude G. Ross, of California.
W. Horton Schoellkopf, Jr., of Florida.
Charles W. Smith, of California.
Byron B. Snyder, of California.
Wallace W. Stuart, of Tennessee.
Joseph J. Wagner, of New York.
Andrew B. Wardlaw, of South Carolina.
Livingston D. Watrous, of New York.

FEDERAL DEPOSIT INSURANCE CORPORATION

The following-named persons for reappointment as members of the Board of Directors of the Federal Deposit Insurance Corporation for terms of 6 years from September 6, 1945:

Leo T. Crowley, of Wisconsin.
Phillips Lee Goldsborough, of Maryland.

THE JUDICIARY

UNITED STATES ATTORNEYS

Claud N. Sapp, of South Carolina, to be United States attorney for the eastern district of South Carolina. (Mr. Sapp is now serving in the office under an appointment which expired April 22, 1945.)

Oscar Henry Doyle, of South Carolina, to be United States attorney for the western district of South Carolina. (Mr. Doyle is now serving in this office under an appointment which expired March 10, 1945.)

BUREAU OF INTERNAL REVENUE

TO BE ASSISTANT COMMISSIONER

Paul A. Hankins, of Illinois, to be Assistant Commissioner of Internal Revenue, to fill an existing vacancy.

COLLECTOR OF CUSTOMS

Joseph H. Lyons, of Mobile, Ala., to be collector of customs for customs collection district No. 19, with headquarters at Mobile, Ala. (Reappointment.)

Viena P. Johnson, of St. Paul, Minn., to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn., to fill an existing vacancy. (Mrs. Johnson is now serving under a temporary commission issued during the recess of the Senate.)

UNITED STATES MARITIME COMMISSION

Raymond S. McKeough, of Illinois, to be a member of the United States Maritime Commission for a term of 6 years from September 26, 1945, vice Thomas M. Woodward.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

Passed assistant surgeons to be temporary surgeons effective dates indicated:

Clarence L. Hebert, July 1, 1945.
Charles L. Williams, Jr., July 1, 1945.

Assistant surgeons to be temporary passed assistant surgeons effective dates indicated:

John W. Murray, Jr., July 1, 1945.
Fred W. Harb, July 1, 1945.

Senior surgeon to be temporary medical director effective July 16, 1945:

Estella Ford Warner

Nurse officers to be temporary senior nurse officers effective dates indicated:

Pearl McIver, July 9, 1945.
Jessie MacFarlane, July 6, 1945.

The following-named candidates for appointment in the Regular Corps of the United States Public Health Service:

To be assistant dietitians effective date of oath of office:

E. Grace Gibson
Myrtle M. Morris
Georgia Stephens

To be junior assistant dietitian effective date of oath of office:

Christine F. Flanders

To be senior assistant dietitians effective date of oath of office:

Elsie Trautman
Janet E. Eley

To be junior assistant physical therapist effective date of oath of office:

Gerda Busck

To be senior assistant nurse officer effective date of oath of office:

Amy E. Viglione

COAST AND GEODETIC SURVEY

The following-named persons of the Coast and Geodetic Survey to the positions indicated:

To be junior hydrographic and geodetic engineer with rank of lieutenant (junior grade) in the Coast and Geodetic Survey, from the 9th day of August 1945:

Marvin T. Paulson

To be aide, with rank of ensign in the Coast and Geodetic Survey:

John O. Boyer

MISSISSIPPI RIVER COMMISSION

Maj. Gen. Robert Walter Crawford (colonel, Corps of Engineers), Army of the United States, to be member and president of the Mississippi River Commission, under the provisions of section 2 of an act of Congress approved June 28, 1879 (21 Stat. 37; 33 U. S. C. 642), vice Brig. Gen. Max Clayton Tyler. (This appointment will not vacate Major General Crawford's earlier appointment as major general in the Army of the United States.)

SELECTIVE SERVICE

Joseph A. Bell, for appointment as administrative officer, Philadelphia branch, Research and Statistics Division, Philadelphia, Pa., under the provisions of section 10 (a) (3) of the Selective Training and Service Act of 1940, as amended. (The compensation of the position of administrative officer for which Mr. Bell is nominated is $5,180 per annum.)

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

TO BE GENERAL

Lt. Gen. Jonathan Mayhew Wainwright (major general, U. S. Army), Army of the United States.

APPOINTMENT IN THE REGULAR ARMY

CHIEF OF ENGINEERS

Lt. Gen. Raymond Albert Wheeler (colonel, Corps of Engineers), Army of the United States, for appointment in the Regular Army of the United States as Chief of Engineers, with the rank of major general, for a period of 4 years from date of acceptance, vice Lt. Gen. Eugene Reybold, Chief of Engineers, whose term of office expires September 30, 1945. (This appointment will not vacate his earlier appointment as lieutenant general in the Army of the United States.)

IN THE NAVY

Vice Admiral Louis E. Denfeld, United States Navy, to be Chief of the Bureau of Naval Personnel and Chief of Naval Personnel for a term of 4 years, effective from the 15th day of September 1945.

IN THE MARINE CORPS

Brig. Gen. Archie F. Howard, to be a major general in the Marine Corps, for temporary service, from the 26th day of July 1945.

HOUSE OF REPRESENTATIVES

WEDNESDAY, SEPTEMBER 5, 1945

Pursuant to House Concurrent Resolution 68, Seventy-ninth Congress, the House met at 12 o'clock noon, and was called to order by the Speaker, Hon. SAM RAYBURN.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Holy, holy, holy, Lord God Almighty! It is a good thing to give thanks unto Thee, for surely Thou dwellest in the darkness as well as in the light. So we come to Thee with the hope that the faith of all the generations of them that have sought Thy face may be repeated in us. O Divine Presence, so crown the Congress with the conquering wisdom of truth that our country may gather an inspiration that will be justified for years to come.

Lift up our thoughts and our hearts, O God. We have heard the echoes of the tramp of doom, but through unparalleled sacrifice the age-old weapons of hatred, intolerance, and godless ambition have been subdued. Another great opportunity for peace has come to America—peace with God, peace with men, and with ourselves; not a peace that is complacent, but prodigal in its abundance. With joy and gladness may we turn to our good earth and with determined purpose labor for the unity of our country; build it up, strengthen its influence and moral power until its righteous voice is heard around the world. Be Thou with our President, our Speaker, and the leaders, and with them let us march toward the clean world which our hands can make. In the name of Him who is our Mediator and Advocate. Amen.

The Journal of the proceedings of Saturday, July 21, 1945, was read and approved.

NOTIFICATION OF REASSEMBLING OF CONGRESS

The SPEAKER. The Chair lays before the House the formal notification sent to Members of the House on September 1, 1945, of the reassembling of Congress, which the Clerk will read:

The Clerk read as follows:

In our opinion legislative expediency warrants the reassembly of Congress and therefore, pursuant to the authority granted us by House Concurrent Resolution 68, Seventy-ninth Congress, you are hereby notified that Congress will reassemble in Washington at 12 o'clock meridian on Wednesday, September 5, 1945.

SAM RAYBURN,
Speaker, House of Representatives, United States.

KENNETH MCKELLAR,
President pro tempore, United States Senate.

JOHN W. MCCORMACK,
Majority Leader, House of Representatives, United States.

ALBEN W. BARKLEY,
Majority Leader, United States Senate.

JOSEPH W. MARTIN, Jr.,
Minority Leader, House of Representatives, United States.

WALLACE H. WHITE, Jr.,
Minority Leader, United States Senate.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED SUBSEQUENT TO ADJOURNMENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had on the following dates examined and found truly enrolled bills and joint resolutions of the House of the following titles, which were later signed by the Speaker:

On July 23, 1945:

H. R. 1851. An act for the relief of the estate of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson; and

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

On August 2, 1945:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns;

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code;

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico;

H. R. 3239. An act to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; and

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week.

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT SUBSEQUENT TO ADJOURNMENT

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee did on the following dates present to the President of the United States, for his approval, bills and joint resolutions of the House of the following titles:

On July 21, 1945:

H. R. 1308. An act for the relief of Sam Swan and Aily Swan; and

H. R. 3771. An act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes.

On July 23, 1945:

H. R. 169. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943;

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 838. An act for the relief of Herman Gelb;

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1486. An act for the relief of Sam D. Moak;

H. R. 1595. An act for the relief of the Borough of Beach Haven, Ocean County, N. J.;

H. R. 1856. An act for the relief of Southwestern Drug Co.;

H. R. 2226. An act for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells;

H. R. 2285. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes;

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors", approved May 10, 1943 (57 Stat. 81), and for other purposes;

H. R. 2621. An act for the relief of Haselden and Huggins Co.;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2763. An act for the relief of Fred Crago;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green;

H. R. 3111. An act to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries";

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood;

H. R. 3314. An act to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development;

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey;

H. R. 3419. An act for the relief of Mrs. Mary Karalis; and

H. R. 3633. An act to facilitate reconversion, and for other purposes.

On July 24, 1945:

H. R. 1851. An act for the relief of the estate of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936;

H. R. 2699. An act for the relief of Doctor Jabes Fenton Jackson and Mrs. Narcissa Wilmans Jackson; and

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

On August 11, 1945:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns;

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code;

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain Sebastian Martin grant lands, in the State of New Mexico;

H. R. 3239. An act to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; and

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week.

APPROVAL OF BILLS AND JOINT RESOLUTIONS SUBSEQUENT TO ADJOURNMENT

A message from the President, received subsequent to the adjournment of the House, announced that the President had, on the following dates, approved bills and joint resolutions of the House of the following titles:

On July 17, 1945:

H. R. 3368. An act making appropriations for war agencies for the fiscal year ending June 30, 1946, and for other purposes.

On July 21, 1945:

H. R. 3376. An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, and for other purposes;

H. R. 1656. An act to authorize the Secretary of the Interior to modify the provisions of a contract for the purchase of a power plant for use in connection with the San Carlos irrigation project;

H. R. 2615. An act to provide for reimbursement of certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire at the outlying degaussing branch of the Norfolk Navy Yard, Portsmouth, Va., on December 4, 1942;

H. R. 2853. An act to reimburse certain Navy personnel and former Navy personnel for personal property lost or damaged as the result of a fire in the United States naval hospital, Seattle, Wash., on May 10, 1944; and

H. J. Res. 195. Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the signing of the treaty with the Indians of the Northwest Territory, known as the Treaty of Greene Ville.

On July 24, 1945:

H. R. 905. An act for the relief of Paul T. Thompson;

H. R. 3294. An act to permit amendment of the existing compact or agreement between the State of Ohio and the Commonwealth of Pennsylvania relating to Pymatuning Lake; and

H. J. Res. 228. Joint resolution to amend the District of Columbia Teachers' Salary Act of 1945.

On July 28, 1945:

H. R. 715. An act to provide for the transfer by the Secretary of War of the Roseburg rifle range, Douglas County, Oreg., to the Reconstruction Finance Corporation, and for other purposes; and

H. J. Res. 98. Joint resolution relating to the marketing of fire-cured and dark air-cured tobacco under the Agricultural Adjustment Act of 1938, as amended.

On July 31, 1945:

H. R. 3314. An act to provide for the participation of the United States in the International Monetary Fund and the International Bank for Reconstruction and Development;

H. R. 3633. An act to facilitate reconversion, and for other purposes;

H. R. 3771. An act to provide for increasing the lending authority of the Export-Import Bank of Washington, and for other purposes;

H. R. 169. An act to amend section 8 of the act entitled "An act to amend the act entitled 'An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes,' approved July 11, 1916, as amended and supplemented, and for other purposes," approved July 13, 1943;

H. R. 795. An act for the relief of the duly appointed receiver of North Jersey Utilization and Sewerage Disposal Plant, Inc., or to such other person or persons as are legally authorized to collect the assets thereof;

H. R. 838. An act for the relief of Herman Gelb;

H. R. 1245. An act for the relief of John F. Davis;

H. R. 1301. An act for the relief of Madeline Winter and Ethel Newton;

H. R. 1308. An act for the relief of Sam Swan and Aily Swan;

H. R. 1346. An act for the relief of Alaska D. Jennette;

H. R. 1486. An act for the relief of Sam D. Moak;

H. R. 1595. An act for the relief of the Borough of Beach Haven, Ocean County, N. J.;

H. R. 1851. An act for the relief of the estate of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936;

H. R. 2226. An act for the relief of Hugh P. Gunnells and Mrs. Dezaree Gunnells;

H. R. 2285. An act to authorize the Secretary of Agriculture to grant and convey to Springfield Township, Montgomery County, Pa., certain lands of the United States in Springfield Township, Montgomery County, Pa., for highway purposes and for ornamental-park purposes;

H. R. 2522. An act to authorize the Secretary of State to continue to completion the collecting, editing, and publishing of official papers relating to the Territories of the United States;

H. R. 2529. An act for the relief of Earl J. Shows;

H. R. 2581. An act to amend the act entitled "An act to provide for the issuance of devices in recognition of the services of merchant sailors," approved May 10, 1943 (57 Stat, 81), and for other purposes;

H. R. 2621. An act for the relief of Haselden & Huggins Co.;

H. R. 2725. An act for the relief of Mrs. Lucile Manier, as administratrix of the estate of Joe Manier;

H. R. 2763. An act for the relief of Fred Crago;

H. R. 3111. An act to amend the act approved January 2, 1942, as amended, approved April 22, 1943, entitled "An act to provide for the prompt settlement of claims for damages occasioned by Army, Navy, and Marine Corps forces in foreign countries";

H. R. 3417. An act for the relief of Clarence J. Spiker and Fred W. Jandrey;

H. R. 3419. An act for the relief of the estate of Mrs. Mary Karalis; and

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

On August 8, 1945:

H. R. 246. An act for the relief of L. S. Strickland;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson;

H. R. 2866. An act for the relief of Mrs. Rita Cauvin Green; and

H. R. 3175. An act to confer jurisdiction upon the United States District Court for the Eastern District of South Carolina to determine the claim of Lewis E. Magwood.

The message also announced that on the following dates the President had vetoed bills of the House of the following titles:

On July 21, 1945:

H. R. 259. An act for the relief of Leo Gottlieb.

On July 28, 1945:

H. R. 3477. An act authorizing the improvement of certain harbors in the interest of commerce and navigation.

On July 31, 1945:

H. R. 952. An act for the relief of the Morgan Creamery Co.;

H. R. 1856. An act for the relief of Southwestern Drug Co.; and

H. R. 3549. An act to provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 2348. An act to provide for the coverage of certain drugs under the Federal narcotic laws; and

H. R. 3644. An act to amend the Veterans Regulations to provide additional rates of compensation or pension and remedy inequalities as to specific service-incurred disabilities in excess of total disability.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 230. An act to amend Public Law 518, Seventy-eighth Congress, approved December 20, 1944;

S. 504. An act to quiet title and possession with respect to that certain unconfirmed and located private land claim known as claim of Daniel Boardman, C. No. 13, in Cosby and Skipwith's Report of 1820, certificate 749, and being designated as section 44, township 7 south, range 3 east, Greensburg Land District, Livingston Parish, La., and on the official plat of said township; and

S. Con. Res. 17. Concurrent resolution providing for a study by a joint congressional committee of educational facilities, living quarters, and other matters relating to pages employed by the two Houses of Congress.

SIGNING OF ENGROSSED BILLS AND JOINT RESOLUTION

The SPEAKER laid before the House the following communication from the Clerk of the House:

SEPTEMBER 5, 1945.

The Honorable the SPEAKER,
The House of Representatives.

SIR: Pursuant to the authority granted on July 21, 1945, the Clerk of the House received a message from the Secretary of the Senate certifying the following engrossed bills and joint resolution as having passed the Senate:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns;

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code;

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands in the State of New Mexico;

H. R. 3239. An act to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; and

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week.

Respectfully,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on July 21, 1945, he did on July 23, 1945, sign the following enrolled bills and joint resolution of the House:

H. R. 1851. An act for the relief of the estate of Greenfield Payne;

H. R. 2032. An act authorizing general shore-line investigations at Federal expense, and to repeal an act for the improvement and protection of the beaches along the shores of the United States, approved June 26, 1936;

H. R. 2699. An act for the relief of Dr. Jabez Fenton Jackson and Mrs. Narcissa Wilmans Jackson; and

H. J. Res. 145. Joint resolution providing for membership of the United States in the Food and Agriculture Organization of the United Nations.

A message from the President of the United States announced that the President had, on August 11, 1945, approved bills and joint resolutions of the House of the following titles:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns;

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code;

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico;

H. R. 3239. An act to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; and

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—REPORT ON LEND-LEASE

The SPEAKER laid before the House the following communication from the Clerk of the House:

SEPTEMBER 5, 1945.

The SPEAKER,
The House of Representatives.

SIR: The accompanying sealed envelope from the White House addressed to the House of Representatives, was received in this office at 11:30 o'clock antemeridian, August 30, 1945.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers referred to the Committee on Foreign Affairs and ordered printed with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the twentieth report of operations under the Lend-Lease Act for the period ending June 30, 1945.

The costliest, bloodiest, and most destructive war in history has resulted in victory for the cause of decency. All peace-loving men are resolved and determined that the peace and freedom we have won at such tremendous sacrifices shall be preserved.

With the defeat of the Axis Powers, whose ruthless plan for world conquest and enslavement came so close to succeeding, the United States has realized the major objective for which lend-lease aid has been extended. That objective, like the objective of our war effort as a whole, was the speeding of victory and the saving of American and other Allied lives. Lend-lease and reverse lend-lease helped to unite in a mighty and victorious fighting partnership the separate efforts of the combination of nations resisting the Axis aggressors. Each of our principal fighting partners has contributed to the pool of armed might in accordance with its full abilities and capacities.

The great task of lend-lease has now ended. The programs of lend-lease to our allies are being terminated in an expeditious and orderly manner, subject to military needs for the movement of troops or for occupation purposes.

The United States is assisting in the relief and reconstruction of the war-torn areas of our allies and in the establishment of world trade on the high level necessary to insure full and useful employment and production at home and abroad.

To win the lasting peace for which we and our allies have so bitterly and bloodily fought, we and the other United Nations are firmly resolved to establish in concert the political and economic conditions which are the foundation of freedom and welfare among the nations of the earth.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 30, 1945.*

LEO GOTTLIEB—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

SEPTEMBER 5, 1945.

The SPEAKER,
The House of Representatives.

SIR: There is herewith a sealed envelope containing a message from the President of the United States addressed to the Speaker of the House of Representatives of the United States, which was received in this office at 11 o'clock antemeridian, July 24, 1945.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith without my approval the bill (H. R. 259) which would provide for the payment of the sum of $4,500 to Leo Gottlieb, of Cedarhurst, N. Y., in full settlement of all claims against the United States for personal injuries sustained by him when he was struck by a United States Army staff car.

It appears that on May 29, 1943, an Army staff car operated by a noncommissioned officer on official business with a warrant officer as passenger, was proceeding east on Hempstead Turnpike to the left of two lines of automobiles which had stopped in traffic. Leo Gottlieb stepped from between two of the cars and, failing to observe the approach of the Army vehicle, walked into its right front fender and was thrown to the pavement. He sustained a comminuted fracture of the pelvic bones and a scalp laceration. He was confined to a hospital from the date of the accident to July 18, 1943.

The Army chauffeur states that he was traveling from 4 to 8 miles per hour while passing the stopped automobiles when Mr. Gottlieb suddenly appeared from between two of them. The warrant officer, who was a passenger in the Army vehicle, corroborates this statement. Apparently, Mr. Gottlieb did not look to his left for approaching traffic when he emerged from between the stopped automobiles. In a sworn statement dated December 8, 1943, he said, "I never expected a car to be traveling eastbound on that portion of the highway and I never saw it until I was struck."

Inasmuch as the evidence indicates that the driver of the Army vehicle was proceeding cautiously, and that Mr.

Gottlieb failed to watch for approaching traffic when emerging from between the stopped cars, I do not believe that there is any moral obligation on the part of the Government to compensate him for damages sustained as a result of the accident.

While sympathy should be extended to the unfortunate victim of the accident, I am constrained to disapprove the legislation.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 21, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and without objection the message and accompanying bill referred to the Committee on Claims, and ordered printed.

There was no objection.

IMPROVEMENT OF SAVANNAH HARBOR IN THE INTEREST OF NAVIGATION—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House:

SEPTEMBER 5, 1945.

The SPEAKER,
The House of Representatives.

SIR: There is herewith a sealed envelope containing a message from the President of the United States addressed to the Speaker of the House of Representatives of the United States, which was received in this office at 11:40 o'clock antemeridian, July 31, 1945.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following veto message from the President of the United States which was read by the Clerk:

The House of Representatives:

I return herewith, without my approval, H. R. 3477, a bill authorizing the improvement of certain harbors in the interest of commerce and navigation.

The bill authorizes the improvement, for navigation, of Savannah Harbor, Ga., and Two Harbors, Minn., in accordance with the reports of the Chief of Engineers, House Document No. 227, Seventy-ninth Congress, and House Document No. 805, Seventy-eighth Congress, respectively. The estimated cost of the Savannah Harbor project is $2,738,000, and of the Two Harbors, $1,876,000.

Since the entry of the United States into the present war, omnibus river and harbor and flood-control acts have contained specific provisions restricting construction of the projects so authorized to the postwar period, unless required for the prosecution of the war. The most recent enactment (Public Law 14, approved March 2, 1945) adopted 291 river and harbor projects at an aggregate estimate of cost of $381,968,332, subject to the specific provision:

That no project herein authorized shall be appropriated for or constructed until 6 months after the termination of the present wars in which the United States is engaged unless the construction of such project has been recommended by an authorized defense agency and approved by the President as being necessary or desirable in the interest of the national defense and security, and the President has notified the Congress to that effect.

The bill under consideration does not contain such a restrictive provision, and the Secretary of War, in submitting the reports of the Chief of Engineers on the above-mentioned projects, stated that—

Inasmuch as the proposed work would involve the use of manpower, material, and equipment and since the project is not essential to the war effort, the Department is of the opinion that, if the project is approved, work thereon should not be initiated until after the war.

Approval of the bill under consideration would permit, upon the availability of funds therefor, the immediate undertaking of these two projects and thus place them in a status preferential to the large number of projects that have been authorized by the Congress during the war period which are not essential to the prosecution of the war.

Moreover, it seems to me that piecemeal legislation of this nature is inappropriate since it does not take into account a well-considered and well-rounded plan for projects to be undertaken in a definite order of national preference and desirability.

I therefore find it necessary to withhold my approval of the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 28, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and, without objection, the message and bill referred to the Committee on Rivers and Harbors, and ordered printed.

There was no objection.

MORGAN CREAMERY CO.—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House:

SEPTEMBER 5, 1945.

The SPEAKER,
The House of Representatives.

SIR: There is herewith a sealed envelope containing a message from the President of the United States addressed to the Speaker of the House of Representatives of the United States, which was received in this office at 11:25 o'clock a. m., August 4, 1945.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith without my approval the bill (H. R. 952) which would provide for the payment of the sum of $920.64 to the Morgan Creamery Co., of Fargo, N. Dak., in full settlement of all claims against the United States arising out of the failure of the Morgan Creamery Co. to perform a contract with the Veterans' Administration.

It appears that the Morgan Creamery Co. entered into a contract with the Veterans' Administration to furnish dairy products to the Veterans' Administration Facility in Fargo, N. Dak. The contract was effected July 1, 1942, and was to expire June 30, 1943.

The Morgan Creamery Co. fulfilled its obligation under the contract to and including September 30, 1942, when all of its customers were notified that due to shortage of labor, deliveries were being discontinued. It is claimed that the company was advised by the veterans' facility that the contract could be canceled upon 30 days' notice. Consequently, the Morgan Creamery Co. arranged with the Fairmont Creamery Co. to make deliveries to the facility for the 30-day period. Both the Morgan Creamery Co. and the veterans' facility appear to have been under the false impression that the contract contained a 30-day cancellation clause.

It is apparently claimed that if the Morgan Creamery Co. had known that the contract could not be canceled, it would have arranged with another dairy to complete deliveries under the terms of the contract. The Gate City Dairy, of Fargo, N. Dak., has certified that it would have taken over the contract on the same price basis.

The veterans' facility obtained required dairy products in the open market after November 1, 1942, at a cost of $920.64 in excess of the prices provided for in the contract. This amount has not been collected from the Morgan Creamery Co.

When the Morgan Creamery Co. discontinued deliveries to the veterans' facility, the sum of $395.37 was due the company for deliveries made under the contract. This amount is still owing the company.

Even if there is any moral obligation on the part of the United States to the Morgan Creamery Co., the amount now proposed to be paid is obviously excessive. On this ground, I am constrained to withhold approval of this legislation.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 31, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection the message and accompanying bill will be referred to the Committee on Claims and ordered to be printed.

There was no objection.

TAX DRAW-BACK ON DISTILLED SPIRITS—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House:

SEPTEMBER 5, 1945.

The SPEAKER,
The House of Representatives.

SIR: There is herewith a sealed envelope containing a message from the President of the United States addressed to the Speaker of the House of Representatives of the United States, which was received in this office at 11:25 o'clock a. m., August 5, 1945.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, the bill, H. R. 1656, for the relief of Southwestern Drug Co.

The bill would authorize a claim of the Southwestern Drug Co., Houston, Tex.,

for draw-back under section 3250 (1), Internal Revenue Code, of tax paid with respect to distilled spirits used in manufacturing nonbeverage products to be considered and acted upon as if it had been filed within the period of limitation properly applicable thereto.

The records of the Bureau of Internal Revenue show that the claim was rejected for the reason that it was not filed within the time prescribed by the statute. The statute, section 3250 (1), Internal Revenue Code, provides that no claim thereunder shall be allowed unless filed with the Commissioner within the 3 months next succeeding the quarter for which the draw-back is claimed. The regulations issued under the statute contain a similar provision. Apparently the claimant was aware of the time limitation, for the records of the Bureau show that the claimant filed similar claims for the three preceding quarterly periods within the time prescribed.

The claim was rejected under the provisions of a statute having general application to all claims under the same circumstances. Its approval would have a discriminatory effect, providing as it does for the relief of one claimant under circumstances in which relief would be denied all others similarly situated. No facts appear in connection with this case which warrant a departure from the general policy of the law expressed in the applicable limitation period.

In view of the foregoing, I am withholding my approval of the bill.

HARRY S. TRUMAN.

The WHITE HOUSE, *July 31, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal.

Without objection the message and accompanying bill will be referred to the Committee on Claims and ordered printed.

There was no objection.

CONVEYANCE OF WEATHER BUREAU PROPERTY TO NORWICH UNIVERSITY—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read:

SEPTEMBER 5, 1945.

The SPEAKER,
The House of Representatives.

SIR: There is herewith a sealed envelope containing a message from the President of the United States addressed to the Speaker of the House of Representatives of the United States, which was received in this office at 11:25 a. m., August 4, 1945.

Respectfully yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following veto message from the President of the United States, which was read:

To the House of Representatives:

I return herewith, without my approval, H. R. 3549, "To provide for the conveyance of certain Weather Bureau property to Norwich University, Northfield, Vt."

The bill authorizes the return to Norwich University, Northfield, Vt., of land which the university heretofore conveyed to the United States for a nominal consideration, and provides for the donation to the university of a two-story building and the weather station equipment therein, which the Government erected on such land at a cost of approximately $13,000, and which is now surplus to the needs of the Department of Commerce after many years' use as a Weather Bureau station.

By the adoption of the Surplus Property Act of 1944, the Federal Government provided, within the framework of a single enactment, for a coordinated system of disposal of its surplus properties under uniform policies and procedures. If the Government is to succeed in its efforts to maintain a fair and impartial program for the disposal of its surpluses in the days ahead, I think it is important that the operating principles and standards of action governing such disposals should be kept confined within a single instrument. If we should discover from experience with the statute that its present policies are too narrow or inadequate, any changes found desirable should be accomplished by amendment of the act itself, so that all properties similarly situated or in particular categories may be disposed of under general prescriptions of the law. Individual enactments to provide relief in specific situations, or to govern special cases, which in effect are exceptions or amendments to the parent law, it seems to me should be discouraged as detrimental to a sound public policy in a Government program of this character.

For these reasons, I feel obliged to not lend my approval to this measure.

HARRY S. TRUMAN.

THE WHITE HOUSE, *July 31, 1945.*

The SPEAKER. The objections of the President will be spread at large upon the Journal and the message, together with accompanying papers, referred to the Committee on Agriculture and ordered to be printed.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. MANASCO. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may have until midnight tonight to file a report on the bill H. R. 3907.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MANASCO. Mr. Speaker, I ask unanimous consent that the Committee on Expenditures in the Executive Departments may have permission to sit during the sessions of the House for the remainder of the week for the consideration of the so-called reorganization bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

EXTENSION OF REMARKS

Mr. COCHRAN (at the request of Mr. BONNER) was given permission to extend his remarks in the RECORD and include a statement by Hon. Lindsay C. Warren, Comptroller General, on the reorganization bill now being considered by the Committee on Expenditures in the Executive Departments.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD in two instances and to include newspaper articles in each.

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include an editorial appearing in the New York Times.

Mr. ERVIN asked and was given permission to extend his remarks in the RECORD.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by him.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in three instances; to include in one an editorial appearing in the Sunday Item, Lawrence, Mass.; in another a radio address delivered by him on VJ-day, September 2, 1945; and in the other an address delivered by him at the Essex County Democratic outing of Massachusetts at Salisbury Beach, Mass., August 26, 1945.

Mr. CARLSON asked and was given permission to extend his remarks in the RECORD and include a radio address delivered by him last evening.

Mr. O'HARA asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Watertown Daily Times, Watertown, N. Y., concerning his colleague the gentleman from Minnesota, Hon. WILLIAM A. PITTENGER.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD and include an editorial by Charles A. Beard appearing in the Progressive and La Follette's Magazine, September 3, 1945.

Mr. SASSCER asked and was given permission to extend his remarks in the RECORD.

LEGISLATIVE PROGRAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I take this time to inquire of the acting majority leader as to the program for this week, if it is already arranged.

Mr. BULWINKLE. The only program for this week will be the message from the President tomorrow, which will be read at the Clerk's desk. There is no legislation for the week.

Mr. MARTIN of Massachusetts. Can the gentleman tell us if he has anything in mind for next week?

Mr. BULWINKLE. For next week, it is the desire of the Speaker that two bills be taken up on Monday. One is the bill which was just mentioned by the gentleman from Alabama [Mr. MANASCO] H. R. 3907, the surplus-property bill. That bill provides for a single Administrator, the same as the House passed originally.

Mr. MARTIN of Massachusetts. And that is the only change in the legislation?

Mr. BULWINKLE. I understand that probably it will be necessary to transfer the funds from the triple group to the single Administrator.

Mr. MARTIN of Massachusetts. But that is the only fundamental change?

Mr. BULWINKLE. Yes. Then there is the bill of the gentleman from Mississippi [Mr. WHITTINGTON] H. R. 3660, which provides for the audit of Government corporations. We hope to take that up on Monday.

Mr. MARTIN of Massachusetts. Is there anything else?

Mr. BULWINKLE. No.

Mr. MARTIN of Massachusetts. Does the Committee on Military Affairs have a bill up for next week?

Mr. BULWINKLE. I have not been informed as to that.

The SPEAKER. The Chair might state that tomorrow we will know more about the arrangements for next week.

CHINESE OCCUPATION OF JAPAN

Mr. ROE of Maryland. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. ROE of Maryland. Mr. Speaker, as a Nation, we are grateful to our military leaders and to our brave boys for bringing the World War II to a victorious conclusion. Naturally, there is a demand throughout the Nation that our men be returned to their homes and families.

I want to urge most strongly upon our leaders the use of Chinese soldiers to police and patrol Japan in cooperation with General MacArthur and his men. The Chinese are nearby; have ample manpower; they know the Japs better than any of us; they have suffered more from the Japs than any of us, and I know nothing would be more humiliating to the Japs—and humiliation is what the Japs need—than to have the Chinese put in authority over them. I urge this proposal most strongly for the consideration of our General Staff.

EXTENSION OF REMARKS

Mr. LARCADE asked and was given permission to extend his remarks in the RECORD and include a newspaper report on the surrender of Japan.

Mr. CELLER asked and was given permission to extend his remarks in the RECORD on four distinct subjects.

Mr. BRADLEY of Pennsylvania asked and was given permission to extend his remarks in the RECORD and include an address by President William Green of the American Federation of Labor on Labor Day.

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD and include an article from the Montana Standard of August 3, 1945.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD.

Mr. KOPPLEMANN asked and was given permission to extend his remarks in the RECORD and include a statement concerning a dinner given in honor of Mr. and Mrs. Sumner Welles.

DEMOBILIZATION OF THE ARMED FORCES

Mr. SMITH of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, I am introducing a bill to amend the Selective Service Act providing for the immediate release from the armed services of all enlisted married men and to have them returned to their homes as quickly as possible.

All further inductions should be stopped at once.

Germany and Japan having been completely crushed and having unconditionally surrendered, Congress should immediately consider the problem of declaring, by joint resolution, the war to be at an end.

Congress should also give immediate consideration to releasing from the service all enlisted men beyond a certain age and those who have been in active overseas service.

Congress should further immediately consider replacing all conscripted men for occupational duty with volunteers. No doubt more than enough men will volunteer to serve in the occupational forces to meet all requirements. Let us see to it that our people retain the liberty we were assured they were fighting for.

It is absolutely necessary that our Army be demobilized and all war expenditures discontinued as quickly as humanly possible. It is just as necessary that the Federal bureaucracy be reduced at least to its predepression status and that the Congress put the ax to every Federal expenditure that is not absolutely necessary to the maintenance of the simple Government founded by our fathers.

These things must be done if the value of our bonds is to be preserved, to save the Federal Government from bankruptcy, and to prevent our going the totalitarian way of Russia and European states.

TERMINATION OF DAYLIGHT-SAVING TIME

Mr. BROWN of Georgia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BROWN of Georgia. Mr. Speaker, I have today introduced a concurrent resolution for termination of the act of January 20, 1942, providing for daylight-saving time, and return to standard time.

The 1942 act provides that Congress may by concurrent resolution designate the date on which such act shall cease to be in effect.

My resolution provides for return to standard time on the last Sunday of this month. The daylight-saving time has been accepted by most of our people in good spirit, but some never thought anything was saved by it. The purpose for which it served is over and there is no further need for daylight-savings time. The people everywhere in every walk of life want to return to standard time.

There is no good reason why the people in the shops, in the stores, in the factories, in the offices, and on the farms should be in their places of business before daylight. The present law works a hardship on practically everyone, especially the mothers and housewives, who have to get the children to school in the towns, cities, and rural sections—many miles away from school—before daylight in the fall and winter months.

I hope the Interstate and Foreign Commerce Committee will consider the bill immediately, and report the same out favorably.

SERVICE DISCHARGES

Mr. LARCADE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks and include an editorial from the Washington Post of September 4, as well as an article from the Washington Post by one of the newspaper commentators.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LARCADE. Mr. Speaker, the American people are interested in a more important matter at this moment than the Pearl Harbor investigation. There is time for that. Our people are interested in the return of their sons, daughters, husbands, fathers, and other members of their families who are in the armed forces, after provisions are made for occupation of Germany and Japan, and they are looking to the Congress to have them returned immediately, now that the war is over, and I think that subject should be first order of business by this newly convened session of the Congress.

[From the Washington Post of September 4, 1945]

SERVICE DISCHARGES

"The great majority of you," said President Truman on VJ-day, speaking to American servicemen overseas, "will be returned to civilian life as soon as the ships and planes can get you here. The task of moving so many men and women thousands of miles to their homes is a gigantic one. It will take months to accomplish. You have my pledge that we will do everything possible to speed it up." The pledge is one which the men overseas have abundantly earned. The Army decision to reduce from 85 to 80 the number of points required for discharge and to recompute all records as of VJ-day will help to give it reality. But 80 points still seems to use a pretty high requirement now that actual combat operations are completed.

Figures are not now available as to the number of men who will be kept in the Army when all those with a score of 80 points or more have been released. War Department officials declare that they will effect a further reduction in the score as transportation facilities from Europe and the Pacific become available. The transportation bottleneck in respect to men overseas is an obvious one. Equally obviously, however, it does not apply to men in uniform in this country. And while we recognize the justice of making demobilization progressive—that is, of discharging all the higher-point men first—we do not see much sense in penalizing men

over here simply because transportation shortages impede the release of men with higher scores abroad.

The modest reduction of required points from 85 to 80 does not afford very convincing indication that the generals have yet adjusted their sights to a peacetime Military Establishment. The Army needed by this country in the imminent future is an Army which will be but a fraction of its present size; and this means it will be an Army which will demand only a fraction of its present number of generals. We cannot help wondering if it would not materially assist recognition of this hard fact on the part of the generals if the job of reducing them to regular status were not begun now. A colonel does not have to have quite so many men serving under him as a major general.

It should be acknowledged, of course, that it takes time to muster men out of service. Discharge applications must be examined and service records checked before soldiers can be released. But even when full allowance is made for such problems, it does not appear that the Army is plunging into the task of demobilization with all the fervor that might be desired. And if the Navy is showing any fervor at all in this connection, it is not yet discernible. Speedy, progressive demobilization is vitally important not only for the men in uniform but for the economy of the country as well.

THE WASHINGTON MERRY-GO-ROUND

(By Drew Pearson)

Members of Congress returning to work today are simply swamped with GI mail. It has been pouring in—particularly from returned veterans in the U. S. A., who have been kept marking time, waiting for the brass hats to let them go home.

The storm of protest is terrific. So much so that the 1946 congressional elections, in fact the reelection of President Truman, may be won or lost in the next few weeks—all hinging on one thing:

"Was Governor Dewey right in his charge that the Democrats wanted to keep men in the Army and Navy after the war?"

Politically the problem is TNT.

Meanwhile many Congressmen have become convinced that Army brass hats haven't been playing fair with them regarding discharge figures. And junior officers who do the statistical work will tell you privately that this is true. Army chiefs have been giving figures to Congress which are completely off base.

For instance: Last June the Army told Congress that there were only 160,000 men aged 38 and 39 in the Army. This low figure was given to quiet the congressional demand that men of this age be released. The Army claimed that Congress was being stampeded by a lobby of only a small number of men.

But, in August, the Army turned round and announced that there were 300,000 men aged 38 and 39. Congressmen point out that 160,000 doesn't equal 300,000 in any arithmetic book. And the number couldn't have increased between June and August, because men over 30 were not being drafted.

MARSHALL SCOLDS CONGRESS

Example No. 2: After the German war ended, the Army announced its 85-point system and the plan to discharge 1,388,000 men under it. But now they have turned round and admitted to Congressmen that there are less than 500,000 men with 85 points in all war theaters, including the United States of America.

Again Congressmen point out that 1,388,000 doesn't equal 500,000, and they suspect that the Army gave out the higher figure last May with no real intention of living up to it.

Certainly the Army made no effort to reduce the 85-point score between VE-day and VJ-day, despite its promise to do so. That promise was announced officially and publicly but apparently it was never meant. For, on August 7, Chief of Staff General Marshall held a press conference in which he stated most emphatically that the point score would remain as is and there would be no lowering of it.

Marshall's press conference was held just after the atomic bomb was dropped on Japan, after peace feelers already had been received from Japan, and 1 day before Russia came into the war, Marshall knowing in advance that she was coming in. Yet the Chief of Staff spent at least half his press conference telling why the Army must keep 7,000,000 men and denouncing Congress for wanting to have less.

SUGGESTION

Suggestion to the War Department:

Why not arrange a system of furloughs for men marking time in United States camps, so they can go home for several months if the discharge centers are now swamped with the job of mustering men out?

At present veterans with battle ribbons actually are being used to pick up matches to keep them busy until the discharge machinery is speeded up. Let them go home to their families. Picking up waste paper and going through close-order drill is bringing GI blood to boiling point and the lid may blow off at the next elections or sooner.

PERMISSION TO ADDRESS THE HOUSE

Mr. BRADLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent that today, at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. SABATH asked and was given permission to extend in the Record an address he made on the 25th of August on war employment and reconversion.

TRIAL OF ALLEGED SEDITIONISTS

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, about 6 weeks ago I requested the Attorney General to inform me when he was going to proceed with the case of the 26 or 28 persons who have been indicted for sedition. It was such an appealing letter that I sent it to the Attorney General with a recommendation that Baxter be not included in the further trial of the others charged wtih sedition. Mr. Speaker, I ask unanimous consent to insert in the RECORD his letter, my answer, and the letter which I addressed to the Attorney General in which I urged that Baxter be excluded from further prosecution.

Mr. RICH. Mr. Speaker, reserving the right to object, if that letter would free him from any charges of subversive activities, that would be all right, but do you not think that the Attorney General should have the privilege of including him in with those men who are going to be tried and if the man is innocent, then let the Attorney General free him?

Mr. SABATH. I sent Mr. Baxter's letter to the Attorney General and requested that he further investigate the case and to check on Baxter's statement that since 1942 he has not been engaged in any kind of political work and disapproves of anti-Semitism and racial religious hatred. I quote a paragraph from Mr. Baxter's letter as follows:

I haven't been interested in politics or racial-religious ideas since early 1942. This change of heart was not through fear but because I became a convert to Christianity in that year and found out what love, tolerance, and good will means. From that time on I have tried to consistently follow out my faith and live down the publicity that arose in 1942. There never has been hatred, recriminations, or desire to reenter this sordid political world on my part. During the trial in 1944 neither my lawyer nor myself took any part in the uproarious demonstrations and race baiting that went on. I was and am quite willing to pay in full for any real or fancied violation of the laws of the United States. When Justice Eicher severed me from the case, our little family returned to our California home with hearts full of thanksgiving and I continued my sign-painting business while studying theology.

It was this paragraph of Mr. Baxter's letter which impelled me to address the Attorney General urging that he not be subject to another trial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

(The matter referred to is as follows:)

BAXTER, SIGNS,
San Bernardino, Calif., August 7, 1945.

The Honorable ADOLPH SABATH,
The House of Representatives,
Washington, D. C.

DEAR MR. SABATH: I note in the papers that you wish to have the alleged seditionists tried again and assert that they are carrying on their propaganda activities at this time.

I believe, sir, that had you examined the facts, you would not have included all of them in this category. While I cannot speak for the others, since I know nothing of their activities, I can certainly assure you that I am not engaged in any kind of political work and disapprove of anti-Semitism and racial religious hatred quite as much as you do.

Certainly if you know the facts of my case you would not wish to see further injury worked upon not merely myself but my wife and two children. I had to bring them to Washington for the trial last year so that I could do part-time work to support them.

The truth is this: I haven't been interested in politics or racial-religious ideas since early 1942. This change of heart was not through fear but because I became a convert to Christianity in that year and found out what love, tolerance, and good will mean. From that time on I have tried to consistently follow out my faith and live down the publicity that arose in 1942. There never has been hatred, recriminations, or desire to reenter this sordid political world on my part. During the trial in 1944 neither my lawyer nor myself took any part in the uproarious demonstrations and race baiting that went on. I was and am quite willing to pay in full for any real or fancied violation of the laws of the United States. When Justice Eicher severed me from the case, our little family returned to our California home with hearts full of thanksgiving, and I continued my sign-painting business while studying theology, being licensed to the ministry this year. We are members of the Lutheran Church.

At present I have a small job as editor of a monthly interchurch magazine which circulates in this area and have consistently tried

to follow a Christian, liberal policy, often emphasizing racial and religious liberty and tolerance. Am enclosing two recent issues containing editorials on this subject. Also a copy of my personal testimony. Our magazine is circulated in this area by Baptist, Presbyterian, Lutheran, Nazarene, and other churches. Most of the ministers of this city will be glad to send you statements of my character and work if you like. The Southern California Branch of the American Civil Liberties Union, of which I am a member, will also be glad to vouch for me, I'm sure.

You see, Mr. SABATH, unregenerate men in this old world do all kinds of things—go in for all kinds of political thinking. They make mistakes, too, as I did when attacking the late President Roosevelt's foreign policies. But there is a saying that "the wise man changes his mind; the fool never." Certainly narrow religious barriers and isolationism are becoming things of the past, and, with the increase in scientific advancement, it would appear that national isolationism will fade out, too, though I am personally concerned with the former. The latter is a matter in the hands of yourself and other American statesmen.

Now as to the résumé of the sedition trial, which you proposed, if the Government wishes to try me for youthful caprices of years ago, I am surely willing to be tried, if I am supposed to have broken the law, but it would be a great favor were you to suggest that I be tried in some Federal court in Los Angeles or some other city not so far distant as Washington. I am sorry that any American of Jewish or any other racial descent should still consider me an enemy of their race or religious belief after I've tried to make amends, but it seems there is nothing I can do about it except to tell the truth.

The Reverend Harvey V. Prentice, the superintendent of the Gospel Mission, 810 Fifth Street NW., Washington, would, I am sure, be glad to corroborate what I have told you were you to invite him to your office for a talk. He is well aware of my attitude toward the various people who stir up anti-Semitic and racial and religious antagonisms and has been a confidant of mine since my conversion to Christianity.

With best wishes and trusting that God may guide you and our Representatives in justice and charity, I remain

Sincerely,

DAVID BAXTER.

AUGUST 30, 1945.

Mr. DAVID BAXTER,
San Bernardino, Calif.

DEAR MR. BAXTER: This is to acknowledge and thank you for your enlightening and manly letter of August 7.

You may rest assured that I will do nothing that would result in any injustice to one who so frankly has seen the error of his "youth caprices" and is now sincerely engaged in making amends to his God and to his fellow men.

After all, what we both seek and strive for is an end to "man's inhumanity to man," so that none shall bear false witness against his neighbor, nor harm the innocent. The fundamental philosophy of both Judaism and Christianity is most clearly expressed in the Golden Rule. If we would all live up to it this would be a happier land and happier world. Then, as George Washington quoted, "everyone shall sit in safety under his own vine and fig tree, and there shall be none to make him afraid."

Believing what you say is true, I shall submit your letter to the Attorney General in the hope that he will be able to verify your statements and take such action as is necessary to exclude you from the original defendants to be called in the next trial.

Sincerely yours,

A. J. SABATH.

AUGUST 30, 1945.

Hon. TOM C. CLARK,
The Attorney General of the United States, Department of Justice, Washington, D. C.

DEAR MR. ATTORNEY GENERAL: Enclosed is a letter which I have received from Mr. David Baxter, of San Bernardino, Calif., one of the 29 men indicted for sedition.

His letter appeals to me very strongly and if, upon your investigation, it is found that he has seen the error of his ways, I respectfully suggest that he be excluded from among those whom you plan to proceed against again.

If there are any others like him who have ceased in their un-American and seditious activities, I feel that they, too, should be given consideration.

Sincerely yours,

A. J. SABATH.

EXTENSION OF REMARKS

Mr. PHILBIN asked and was given permission to extend his remarks and include therein a speech made by him on Labor Day at Shrewsbury, Mass., at the outing of the Worcester County Industrial Council of the CIO.

Mr. KEOGH asked and was given permission to extend his remarks and to include therein certain letters and excerpts from other letters.

Mr. ANGELL asked and was given permission to extend his remarks in two instances and include certain excerpts.

PEARL HARBOR

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, a short time ago the Chief Executive made the statement that all the American people were responsible for the atrocious act at Pearl Harbor. I do not share that responsibility, nor do I want the people in my district to assume that responsibility. But this article which I have asked to be inserted from the Times-Herald places the responsibility for the Pearl Harbor disaster. I share greatly the sentiment expressed in the Times-Herald editorial. I feel that the American people are not responsible. Nor do they want it said that our great Army and our great Navy and men in high Government circles, who are supposed to guard and protect this Nation, are blaming the American people.

I firmly believe that the people back home are not responsible.

(The matter referred to is as follows:)

ROOSEVELT WAS RESPONSIBLE

Three documents totaling 130,000 words, have been released by President Truman giving the purported facts leading up to the disaster of Pearl Harbor on December 7, 1941. The disaster cost us 8 battleships, numerous planes ashore, and the lives of more than 3,000 sailors, marines, and soldiers. The three voluminous reports consist of findings by an Army board of inquiry, a Navy court of inquiry, and an exhaustive statement by 74-year-old Secretary of War Henry L. Stimson, reading like a Supreme Court Justice's opinion in a finding for the defense. The "defendants" cleared by Stimson are former Secretary of State Cordell Hull and Gen. George C. Marshall, Chief of Staff. He concurred with the Army report making Lt. Gen. Walter C. Short a scapegoat again as did the investigation headed by former Justice Owen J. Roberts, of the Supreme Court.

The Navy court of inquiry, likewise following the lines of the Roberts commission, tagged another guilty count on Admiral Husband E. Kimmel, bracketing him with Short, and bringing a new figure into the picture—Admiral Harold R. Stark, Chief of Naval Operations at the time of Pearl Harbor. He is alleged to have neglected to do the things necessary to prevent the disaster. With Secretary of the Navy James Forrestal concurring, the Navy court recommended that neither Kimmel nor Stark should ever again be placed in posts requiring superior judgment. Both are in retirement as is also Short. Secretary of the Navy Frank Knox is dead and so cannot give his version.

With all their wordage and painstaking—if not painful—adherence "to the book," the three documents tell the American public little it did not know or at least surmise of the obvious facts leading up to Pearl Harbor. Of course, Hull was wrong. Of course, Stimson was wrong. Of course, Marshall was wrong. They were wrong because the whole system in Washington was wrong. The whole system was wrong because it was centered in, and dominated by, one man, Franklin D. Roosevelt. He "was" the War Department, the Navy Department, and the State Department.

It was Roosevelt, as we know, who was responsible for Pearl Harbor. The 130,000 words all point up that fact—some by significant inference when they have reached certain high levels of Washington officialdom, others by gratuitous defense of F. D. R., as in the case of Stimson. The Army report itself came as near as it dared to the White House in a section summarizing "responsibilities in Washington." Speaking of Hull and his handling of the powder-keg situation in late November of 1941, it said:

"The responsibility apparently assumed by the Secretary of State (and we have no other proof that anyone else assumed the responsibility finally and definitely) was to determine when the United States would reach an impassé with Japan. It was the Secretary of State who was in charge of the negotiations with the Japanese. * * * He was the contact man and the responsible negotiator."

Hull remains silent so far as the present investigations are concerned. The 74-year-old Tennessean was probably the closest man to F. D. R. in the Roosevelt Cabinet.

Only a full-dress congressional investigation could bring Hull's story into the open along with the necessary revelations of F. D. R.'s relationship with Hull, Stimson, Knox, etc., etc. Hull's testimony is vital if the American public is to get the real truth of Pearl Harbor. A congressional inquiry could also summon key figures of the Roosevelt secretariat.

For the good or the evil that will come out of this war—and it may take some years to assess those factors—Roosevelt, in our opinion, planned and sent us into the war. He will get the blame or the praise that follows. His big ambition was the European war—the war with Japan being subsidiary. He wanted to help Great Britain. He committed eight of our battleships to the Atlantic for convoy duty, escorting vast supplies to England and on a smaller scale to Russia. We had then a 17-battleship Navy with one battleship undergoing repairs. Roosevelt split it, thus violating a cardinal principle laid down by Admiral Mahan, great naval authority. Eight of our battleships were on duty in the Pacific, and tied up snugly in pairs like sitting ducks in Pearl Harbor when the Japs sprang their attack. If the Japs had been smart, they would have landed a few divisions of troops and captured the islands.

Roosevelt exploited the role of Commander in Chief of the War and Navy and State Departments to the full. He continually accented the role and guided his policies accordingly. It was a one-man decision that sent us into the European war as it was a one-man decision that started Napoleon off on the invasion of Russia.

The Pearl Harbor investigations haven't yet gone high enough. The blame doesn't rest with subordinates at the level of the Marshalls, the Starks, the Shorts, the Kimmels—even the Hulls. Let us get at the facts with a complete wide-open congressional investigation.

OFFICIAL TERMINATION OF THE WAR

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, the distinguished gentleman from Louisiana used this language in his remarks, "now that the war is over." There is considerable confusion about that. The war is not over, according to the President, until the Congress officially declares it over. I trust that the Congress will take such action immediately. Let us make it official and stop speculation and useless expenditures by governmental agencies in the name of the war effort.

PERMISSION TO ADDRESS THE HOUSE ON VETERANS AND THE BARUCH REPORT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include as part of my remarks certain reports regarding the veterans and also the Bernard Baruch report regarding veterans.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, now that we are back again in the House of Representatives for legislative work, I doubt if any Member has had a vacation during the weeks that we were away from Washington. For many it was even harder work. The duties of a Congressman never cease. While Congress is not in session, there are many ways he can help his constituents.

For the RECORD, Mr. Speaker, I would like to say that I have been in this country all the time during the recess. Many persons have spoken to me about news statements by cable from abroad carried in the newspapers in this country that I was traveling over there with the special committee of the House of Representatives Foreign Affairs Committee investigating UNRRA and the Foreign Service. The House, as you know, passed legislation authorizing the Foreign Affairs Committee to make various investigations. Although I was appointed to the special committee, I felt that my duty was here. There were so many duties in this country, things were in such a chaotic state here with the war drawing to a conclusion and so many things to be done for service men and women and their families, and for the veterans. So any trip I had in foreign lands last month was only a dream trip or a flight of fancy. I have been in the United States during the entire recess.

REPORT OF BERNARD M. BARUCH TO GEN. OMAR N. BRADLEY

Work for all—both veterans and civilians—is the number one essential in any effective handling of veterans' problems. This is one high light of a report on veterans' matters submitted by Bernard M. Baruch to Gen. Omar N. Bradley, newly appointed Veterans' Administrator, and released today.

Outlining the tremendous difficulties General Bradley faces, Mr. Baruch warned, they are being aggravated by "the fact that the human side of demobilization is being neglected tragically.

"Solution of the veterans' problems does not—cannot—proceed alone. During the period when our soldiers and sailors will be shedding their uniforms, six to eight million workers in strictly war industries will be shifting jobs or homes. The ultimate goal of any veterans' program must be to restore the returning soldier and sailor to the community—socially, economically, and humanly. This cannot be accomplished except as part of the larger program embracing the whole of human demobilization. One terrible danger of failure may be to set the veteran off from the rest of the Nation, cherishing the grievance of having been wronged, at odds with fellow-Americans, his feelings an explosive fuel ready to be ignited by some future demagogues.

"The very first need in the present situation," Mr. Baruch declared, "is to end the 'no man's land' of neglect of the human problems of the change-over from war to peace."

He urged specifically the immediate naming of a vigorous, imaginative Work Director to act as a "single, unforgetful mind" to make certain "that the human side of demobilization is not forgotten." The post of Work Director as a "special authority to give its entire attention to the problem of bringing jobs to all workers" was originally proposed by Mr. Baruch and John M. Hancock in their Report on War and Postwar Adjustment Policies on February 15, 1944. The concept was enacted into law by Congress in the creation of the post of Administrator of Retraining and Reemployment—a position at first set up on a part-time basis and more recently left unfilled.

On veterans' matters, Mr. Baruch urged General Bradley to set up three different committees: One, to make an impartial study and public report, aiming at the complete transformation of the veterans' medical service; a second, to make a similar study of non-medical matters of the Veterans' Administration to simplify and decentralize its procedures; and a third, to work with Congress in making an intensive review of all existing GI legislation in need of amending. Their immediate studies made, Mr. Baruch would have the medical and non-medical committees established on a permanent basis to serve as continuous reviewing bodies, reporting periodically to the public through General Bradley.

To summarize Mr. Baruch's principal recommendations:

I. Name a vigorous, imaginative Work Director immediately to vitalize the post of Retraining and Reemployment Administrator to accomplish its original purpose of seeing that the human side of demobilization is not forgotten.

II. A clean-cut division within the Veterans' Agency between medical and non-medical matters, creating a new Veterans Medical Service, under the head of an outstanding medical man.

III. Name a small, fast-working, independent committee to make an impartial study of every aspect of veterans' medical care, to submit a public report of recommendations for completely transforming the new Veterans Medical Service to one that provides a challenge to all that is progressive in medical practice.

IV. Substantial increases in salaries of doctors, nurses, and technicians in the new Medical Service; promotion on professional ability and skill against waiting in the line of seniority; freeing doctors of needless paper work through more efficient hospital administration; ample opportunities for doctors to grow professionally through postgraduate and refresher studies and through effective ties with centers of medical education and skill; ample research facilities and encouragement of research by Veterans' doctors.

V. Name a small, fast-working committee of impartial experts to review all the non-medical aspects of the Veterans' Administration, simplifying, modernizing, and decentralizing its procedures and cutting down delays in payments of all kinds.

VI. Overhaul the so-called GI bill of rights, particularly in regard to loans, whose provisions should be made effective over 10 years instead of 2, the guaranty percentage raised, and working capital provided.

VII. An incentive tax of 25 percent less the normal rate be given veterans opening new businesses, this difference to be applied to the payments on their loans up to $25,000.

Another point emphasized strongly by Mr. Baruch is the need to end the run-around being given veterans in many communities by seeing to it that "in each community there is only one place where veterans need go—in dignity not charity—to learn all of their rights and how to get them." Such 'all-in-one centers" would aid in decentralizing the operations of the Veterans' Administration in giving veterans the personalized advice they need in making their plans, in easing the handling of every veteran's problem. Seeing that such centers are set up is one of the tasks of the Work Director.

"We have here a matter in which there is no question of what our people would like to see done," Mr. Baruch adds. "What is at question is our competence to carry out obligations which all of us recognize and wish to see fulfilled. We must not fail the veteran—for then we fail ourselves. We fail our Nation with its heritage of greatness which is the challenge to all the world. We must show that our political and economic system, which met the test of war so magnificently, can be turned as effectively to the solution of the human problems in the return to peace."

WASHINGTON, D. C., *August 16, 1945.*

Gen. OMAR N. BRADLEY,
Director, Veterans' Administration,
Washington, D. C.

DEAR GENERAL BRADLEY: It was with gratification that I heard of your appointment as Veterans Administrator.

At the suggestion of President Roosevelt I had been studying the problems of the veteran and related questions of human demobilization. What I learned filled me with deep concern. You have asked for the results of my findings. Herewith I submit a number of the more important recommendations for immediate action.

Your excellent appointment has been hailed as foreshadowing a thoroughgoing shake-up of the Government's handling of veterans' matters. What is not generally appreciated is the tremendous scale and difficulties of your task, how many of the veterans' keenest problems go beyond the authority of your office.

With their families the 12,000,000 veterans of this war make up one-fourth of the entire population. Measured in numbers alone, this is three times the number of veterans of the last war. Already more than 2,250,000 have been discharged from the armed services. More than 1,250,000 of these have suffered some disability. Another 545,000 are reported in Army and Navy hospitals in this country and abroad. More disabled veterans are receiving payments, thus far, than the total for the last war.

SWIFT REFORM NEEDED

With the surrender of Japan you must prepare now for discharges in the millions. Reorganization, modernization, and expansion of the Veterans' Administration cannot be delayed. Unless there is prompt, corrective action, the disillusionment and bitterness that have spread among some veterans and their kin will steadily worsen. Aggravating your difficulties is the fact that the human side of demobilization is being neglected tragically.

Solution of the veterans' problems does not—cannot—proceed alone. During the period when our soldiers and sailors will be shedding their uniforms, six to eight million workers in strictly war industries will be shifting jobs or homes. The ultimate goal of any veterans' program must be to restore the returning soldier and sailor to the community—socially, economically and humanly. This cannot be accomplished except as part of the larger program embracing the whole of human demobilization. One terrible danger of failure may be to set the veteran off from the rest of the Nation, cherishing the grievance of having been wronged, at odds with fellow-Americans, his feelings an explosive fuel ready to be ignited by some future demagogues.

END HUMAN "NO MAN'S LAND"

There now prevails a "no man's land" of neglect of the human problems of the change-over from war to peace. The very first need in the present situation is:

I. A vigorous, imaginative "Work Director," to vitalize the post of Administrator of Retraining and Reemployment to accomplish its original purpose of making certain the human side of demobilization is not forgotten.

This is beyond your own authority. I emphasize it because until this post is effectively filled, you will be hampered in the execution of your own responsibilities. So will be every other administrator of the many aspects of demobilization.

The concept of Work Director can be briefly summarized. Between the many agencies involved in the demobilization there exist all sorts of twilight zones or gaps of responsibility, innumerable overlappings or conflicts of authority. We wanted to avoid the human problems falling, uncared for, between the agencies. Therefore, the Report on War and Postwar Adjustment Policies, which I prepared with John M. Hancock, recommended that there be a "single, unforgetful mind" to "unify all of the forces of the executive branch dealing with the human side of demobilization" and to develop "a comprehensive program for meeting these problems," working with Congress. This Work Director, as we called him, later was given the official title of Administrator of Retraining and Reemployment. We considered this post so important, we recommended that it be filled by "a man of such outstanding caliber as to command the immediate confidence of the country."

Unfortunately, although 18 months have passed since the issuance of our report on February 15, 1944, and almost a year since Congress created the necessary office, an effective program of human demobilization still is lacking.

Among the things for which you should be able to look to the Work Director are:

REVIEW DEMOBILIZATION PLANS

1. To maintain a running review of the plans for demobilizing the armed forces, discharge procedures and policies of both the Army and Navy, harmonizing and integrating their programs with the whole of the change-over to peace.

RELEASE DOCTORS, HOSPITALS

2. Specifically, in this connection, to see that any faults in discharge procedures are promptly corrected, as the too loose use of the label "psychoneurotic" in medical discharges in the past; also to make certain that doctors, nurses, and hospitals are released from military service in proportion to the discharges of wounded and reductions in troop strengths. Otherwise, how are the Veterans' Administration or the communities to carry out their responsibilities to the wounded?

ONE CENTER TO A COMMUNITY

3. To see to it that in each community there is only one place where veterans need go—in dignity, not charity—to learn all of their rights and how to get them. This was one of the more urgent recommendations in our postwar report. In too many communities, veterans still are being given the runaround from agency to agency. Where such all-in-one centers have been established, as in Bridgeport, Conn; Richmond, Va.; New York City; Los Angeles, Calif.; and elsewhere, they have eased the handling of every veteran problem, medical care, benefits, loans, employment. A network of such centers would contribute greatly to any plans of yours for decentralizing the Veterans' Administration.

JOBS AND TRAINING

4. To develop a unified, detailed employment and training program, anticipating as far as practical the needs of both veterans and displaced war workers. This would include settling the conflict in interpretation over section 8 of the Selective Service Act on seniority rights (or request Congress to clarify the law); other seniority problems; special programs for the disabled; adequate job placement machinery for all workers; personalized job guidance, particularly for veterans who have never worked before; working with both labor unions and business groups in relaxing barriers to employment, such as initiation fees, apprenticeship rules, etc. This is especially important in those fields such as construction, which can provide a greater number of jobs in peace than during the war.

COMBAT BOTTLENECKS

5. While rationing, priorities, and other restrictions remain in force, this Work Director should see that veterans obtaining loans to start businesses receive the materials and commodities they need. The Work Director must not be content simply because a "regulation" has been issued but should see that it works.

ARTIFICIAL LIMBS

6. To step up and coordinate the artificial limb program, unifying the work of all agencies, so that all amputees are given the best possible limbs immediately and replacements provided for those who have received inferior limbs. Many of our wounded still are being fitted with legs and arms known to be inferior because production of newer types is slow; procurement has lacked drive and organization. Not until last January were the manufacturers of artificial legs brought together to develop standardized specifications. The committee on prosthetic devices of the National Research Council, now energetically pushing the improvement of designs for artificial legs and arms, held its first meeting only last March. Root of the delay has been that no one administrator took full responsibility for organizing and driving through a completely worked-out, artificial limb program.

WHAT VETERANS SHOULD KNOW

7. To develop an effective program for informing veterans of what they need to know. They should be reached while still in service and after their return to civilian life when their problems are actually upon them. Many agencies must share in this program; the Work Director should take the leadership, coordinating the efforts of all.

Those are only a few of the tasks of the Work Director, whose scope covers the human problems of both veterans and war workers. His duties are more completely outlined in our postwar report and in the legislation creating the office of Reemployment and Retraining. You may find yourself compelled to move into some of those gaps dealing directly with these matters.

CREATE NEW MEDICAL SERVICE

Turning to the Veterans' Administration, I would recommend:

II. A clean-cut division in the Veterans Agency between medical and non-medical matters, creating a new Veterans Medical Service under the head of an outstanding medical man.

Until now veterans' medical care has been too much subordinated to the legal and fiscal matters connected with benefits of all kinds. It must be freed from the thumb of the lawyer and benefit payer. Lifted to a level of autonomous independence, its primary emphasis should be the quickest and fullest recovery of the veteran and his or her return to society as a self-supporting, self-respecting citizen.

Various suggestions have been made as to the form this new Veterans' Medical Service should take. None of these details of organization are as important as is the choice of the man who is to head this service. Even a good man and an autonomous service, by themselves, are not enough. A complete transformation of veterans' medical care is needed.

IMPARTIAL MEDICAL STUDY

III. A small, fast-working, independent committee should be named to make an impartial study of every aspect of veterans' medical care, formulating recommendations for completely transforming the Veterans' Medical Service into one that provides a challenge to all that is progressive in medical practice.

This committee need not attempt a single, huge study but could take up successively the many different problems, reporting its findings as it went along. Its work should be organized to supplement—not delay—any immediate reforms that the new Medical Director will wish to put into effect. Its immediate studies completed and made public through you, some such committee should be established on a permanent basis. It would serve as a continuing review group, reporting regularly to the public through you on the progress in improving veterans' medical care; recommending any additional measures that may become necessary; making certain the latest scientific techniques are properly instituted as soon as proven.

I urge that reports of this committee be made public because of the sharp, prolonged criticism of veterans' medical care. An independent sifting of the charges that have been made and announcement of reforms to correct whatever faults may be found is necessary to restore the confidence of the public, including the veterans and their families. Many of the measures you will wish to adopt will require public understanding and support. Fully publicizing your new medical program also will immediately raise the prestige of the new Veterans' Medical Service. This is so necessary if sufficient numbers of new doctors of high quality—so sorely needed—are to be attracted to the service.

MERIT NOT SENIORITY

Recruiting new, good doctors is of such importance in any program for improving veterans' medical care I would recommend:

IV. Substantial increases in salaries of doctors, nurses, technicians, and others in the new medical service; a promotion system based on professional ability and skill against waiting in the line of seniority; freeing doctors of needless paper work through more efficient hospital administration; ample opportunities for doctors to grow professionally through postgraduate and refresher studies and through effective ties with centers of medical education and skill; the establishment of ample research facilities and

encouragement of research by veterans' doctors.

Among the matters which should be included in the impartial study by the medical committee are:

PSYCHIATRIC NEED GREAT

1. A psychiatric program, both immediate and long-range. This is, perhaps, the field where there is the widest gap between need and established medical facilities. Already several hundred thousand so-called "psychoneurotics" have been discharged from the armed services. (One out of every four or five appearing before Selective Service was rejected for some type of mental disease or nervous defect.) Yet in the entire country there are reported to be only about 3,500 trained psychiatrists, many of them in the service. Included in any long-range, psychiatric program should be plans for training a vastly greater personnel over the years; stimulated research; and a Nation-wide network of out-patient clinics, since most psychoneurotic ills can be treated without hospitalization. As an immediate measure, quick training programs can be given, following the example of what the Army has done in the war.

2. Establishment of a system of internships and residencies in veterans' hospitals.

3. In place of the present medical organization so largely geared to hospitalization, to develop a more flexible system of medical care which will include greater emphasis on out-patient clinics for veterans who do not need hospitalization; more extended use of local physicians and medical facilities; rehabilitation centers, sheltered workshops, and other modern developments.

NEW HOSPITAL CONSTRUCTION

4. Revise the program of future veterans' hospital construction to allow for this new flexibility and for the goals of the new Veterans' Medical Service, with modern research facilities and with veterans' hospitals located so that closer contact can be maintained with established medical centers. Veterans' hospital construction must be integrated with new civilian hospital construction.

5. Shatter the hopeless defeatism that now prevails in the treatment of veterans who have been paralyzed through wounds to the spinal cord or key nerves. With the best modern care, it has been demonstrated, many patients now discarded to hopeless invalidism can be enabled to move about on their own and even become self-supporting.

6. Determine how to insure that the latest scientific and medical techniques are introduced in the treatment of every ailment.

LIAISON WITH MILITARY

7. Effective liaison between the new Veterans' Medical Service and the medical branches of the armed services. At present no liaison worthy of mentioning exists. Among the benefits would be the prompt funneling into the Veterans Service of the latest medical advances developed during the war; the timing and organization of all medical discharges; coordinating medical records so that unnecessary duplication in records and examination can be eliminated. While the new Veterans' Medical Service is being reformed, you may want to devise a program by which the wounded will be kept under military medical care for a longer period. Arrangements could be made to give these wounded any necessary veterans' benefits.

REDUCE "PENSIONITIS"

8. Examine the present pension system, both in administration and legislation, to eliminate or reduce deterrents to full recovery or incentives to malingering, while still retaining just compensation for disability. I am informed by many doctors that in certain cases benefits do the patient more harm than good, by encouraging so-called "pensionitis." No veteran should be deprived of any pension or benefit rightfully due him. But surely a system can be developed which will give the veteran his just allowance and still not hamper his physical recovery. Perhaps no aspect of veterans' medical reform is more important. Many so-called psychoneurotics could be left mental cripples for life, as if victims of botchy surgery, by an unwise pension and benefit system. This matter profoundly affects the whole of veterans' medical care in that it tends to breed cynicism and defeatism throughout the organization.

9. Study the problems raised by distinctions in medical care between disabilities which are service connected and those which are non-service connected.

10. The Veterans' Administration's part in the artificial limb program. One thing I would like to see done is to have a continuous, progressive, limb-replacement program, since designs will steadily improve. A contact system should be set up now for all amputees—15,000 at present. This will speed replacements and aid in checking on the performance of various types of limbs, contributing to research and improvement.

DECENTRALIZE VETERANS' AGENCY

On the non-medical side of the Veterans Agency I would recommend:

V. That a similar, small, fast-working committee of impartial experts be named to review all nonmedical matters to formulate recommendations for simplifying, modernizing, and decentralizing the operations of the agency.

This committee should go into the speeding of payments of every kind while still protecting the public interest. Doubtless, you have seen complaints of delays in settling death claims and disability pensions; of veterans who have protested that they were forced to leave school because their checks for living allowances did not come through. The enormous volume of veterans' laws needs codifying; the mass of regulations simplifying. I would turn this committee loose on each and every program in your agency. One looming problem will be the peacetime conversion of the life insurance held by veterans. With its $136,000,000,000 of face-value policies, the Veterans' Administration runs the largest insurance business in the world.

Once this committee had completed its immediate tasks, I would have it set up as a permanent group constantly reviewing and simplifying procedure. In operations of such magnitude there must be an unceasing battle against creeping red tape and needless paper work.

OVERHAUL GI RIGHTS

VI. The so-called GI bill of rights should be overhauled, particularly regarding GI loans, whose provisions should be made effective over 10 years instead of 2, the percentage of guaranty raised and working capital provided.

Congress is quite alert to the need for such changes, and I believe swift corrective action can be had if you use your executive ability to bring together the best thoughts of the executive branch on these matters with those of the Congress. I would suggest, therefore, that you name several persons to make an extensive study of all the numerous features of veteran legislation that need amending and to work with Congress on this whole matter.

As an example of how loosely drawn some features of the GI law are, under the Act each enlisted veteran is authorized to borrow for either the purchase of a home or farm or to go into business, but this must be done in two years. The Government will guarantee $2,000 of such loans. Let us say, the unguaranteed portion is another $2,000 or $4,000 in all. If one-half the 10,000,000 eligible veterans take advantage of it, that means $20,000,000,000 of borrowings. Think of that pressure going into the market for homes, farms, or businesses in 2 years! What a harvest high-pressure salesmen will reap unless the time is extended!

Spread over 10 years, the GI loans can serve as a stabilizing force, humanly as well as economically. Many veterans may prefer attending school before buying a home, farm, or business. Others, who plan on going into business, will have a better chance to succeed if they first gain experience by taking a job in the particular line.

For veterans really to be helped into business, the present 50-percent guaranty on business loans is too low. In New Jersey, a 90-percent guaranty is provided by State law. Much of the red tape that has proven so frustrating to veterans can be reduced by devising a system by which loans are made virtually automatic on approval by the local bank.

PROTECT AGAINST INFLATION

Extending the time limit of veterans' loans to 10 years will go far to relieve restrictive effects of the requirement in the present law forbidding loans where the purchase price is above "reasonable normal value." This provision was put into the bill to guard veterans against purchasing properties at inflated wartime levels, only to have to repay these debts in deflated dollars. In wartime markets it is not easy to find properties that have not become inflated above their "reasonable normal value." Over a 10-year period, market values should tend to be more normal.

GI TAX INCENTIVE

It is no benefit to the veteran to give him a loan he cannot repay, chaining him to debt like a galley slave. At current tax rates few new enterprises could be made to pay for themselves in any reasonable period. I would recommend to the Congress:

VII. That an incentive tax of 25 percent less than the normal rate be given veterans opening new businesses, this difference to be applied in repayment of their loans up to $25,000.

I feel this special tax incentive for veterans necessary because, with the pressures for inflation that now prevail, it would not be safe to embark on too drastic a general tax reduction at this time.

ONE HOME-LOAN PLAN

With home loans, veterans are finding the law confusing in that two different methods for home financing are embodied in the law, each having certain advantages. The best in both plans should be merged into a single arrangement which comes closest to meeting the needs of the veterans, with a flat 4-percent-interest rate, payments spread over equal monthly installments, sound appraisal, and mortgages fully guaranteed by the Government. The entire program should be administered by the National Housing Administration. This would relieve the Veterans Agency of one of its many-enough jobs. The scale of possible veteran home borrowing may be quite large and should be unified with other housing programs.

Some of the educational provisions need tightening, as providing adequate protection against fly-by-night trade schools which may spring up to exploit the veteran. In some States so-called second-injury laws are proving an obstacle to the employment of disabled veterans. This should be corrected.

STUDY ADDITIONAL BENEFITS

The matter of additional benefits for veterans and their families could be made part of this legislative study. I know it would come as a shock to the American people to learn that we have not treated our veterans

as generously as some other countries have theirs. A study comparing the GI provisions of the United States, Britain, Canada, New Zealand, South Africa, and Australia has been prepared for me and I shall send it to you.

The question of including merchant seamen under veterans' benefits could be part of this legislative study.

NO SUPER-SALESMANSHIP

One final recommendation of great importance—veterans must be protected against super-salesmanship designed to sell them everything and anything. It is most necessary that in each community the veteran be able to get proper advice in making his plans, in borrowing money and its expenditure, in deciding on education and employment. It was my hope that the all-in-one centers in the communities would fill this need. If not, it should be provided in another way.

In conclusion, I extend to you my best wishes and whatever assistance I can be in the future. In many ways the success in meeting the problems of the returning veteran will be the acid test of our democracy. For we have here a matter in which there is no question of what our people would like to see done. What is at question is our competence to carry out obligations which all of us recognize and wish to see fulfilled. We must not fail the veteran—for then we fail ourselves. We fail our Nation with its heritage of greatness which is the challenge to all the world. We must show that our political and economic system which met the test of war so magnificently can be turned as effectively to the solution of human problems in the return to peace.

Sincerely yours,

B. M. BARUCH.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD and include an editorial and a newspaper item.

Mr. LUDLOW asked and was given permission to extend his remarks in the Appendix of the RECORD in two particulars, in one to include the text of a resolution which he introduced and in the other to include an editorial from the Indianapolis News.

Mr. RANDOLPH asked and was given permission to insert in the RECORD a letter which he sent today to the President of the United States with reference to taxes in connection with the possible development of atomic energy.

Mr. RANDOLPH asked and was given permission to extend his remarks in the RECORD and include a very excellent article by Wayne Parrish which explains the devastation wrought by bombing over Germany, which he desired his colleagues to read.

Mr. CURLEY asked and was given permission to extend his own remarks in the RECORD.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's table and any previous orders heretofore entered, I may address the House for 10 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE END OF THE WAR

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, it is true that the official declaration of the end of the war has not been made. It is certainly true that as we come back here, other Members like myself, are deeply concerned about many and difficult problems that must be solved. However, I cannot refrain from pointing out that this is the first day upon which the Congress has met since the terrible conflict of war and the killing of men, women, and children stopped in the world. I want in this place to express my word of thankfulness to God that this is true. As far as the anxiety for the safety of their loved ones of millions and millions of people throughout the world is concerned, as far as the pain and suffering of soldiers, sailors, marines, and airmen of our country is concerned, the war is ended. It seems to me after all that is the main thing and by infinite measure the gladdest news that has come to this planet in many a long year.

The SPEAKER. The time of the gentleman from California has expired.

THE ATOMIC BOMB AND WORLD PEACE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, in reply to the gentleman from California [Mr. VOORHIS], I desire to say that from a fighting standpoint the war is over.

If the American people have the wisdom to preserve the secrets of the atomic bomb, to maintain the machinery for its production, keep the strongest Air Force in the world, maintain a Navy second to none, then help to preserve the peace among the nations of the world and demand that other nations do the same thing, in my humble opinion wars will be over for a long time.

From the date the first atomic bomb exploded over Hiroshima—that is ancient history.

We are in the dawning of a new day.

I, for one, am in favor of America maintaining those secrets, keeping up that machinery, holding those bombs, maintaining the strongest Air Force in the world, and a Navy second to none, in order that our boys may not have to shed their blood all over the world in another disastrous conflict 25 years from today.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Under a previous order of the House, the gentleman from Pennsylvania [Mr. BRADLEY] is recognized for 15 minutes.

REPAYMENT OF LEND-LEASE

Mr. BRADLEY of Pennsylvania. Mr. Speaker, since the President of the United States made his public statement and recommendation with respect to the lend-lease debts there has been wide discussion among the American people concerning the course this Nation should adopt. I believe it is impossible for us to expect that these nations could repay us $42,000,000,000 less the amount we received from them in reverse lend-lease because they simply do not have the money. I believe too that for us to anticipate that we could accept from them payment in kind, which means that we would accept all sorts and all kinds of manufactured articles, is not wise notwithstanding the desire of the American people to secure some repayment of those debts. If we were to accept payment in kind it would stagnate our own economy and it would catapult us into a depression that would probably be ruinous. Nevertheless, I believe that in the minds of the American people there is the thought that some attempt should be made by our allies to compensate this country in some way for the generous aid we gave to them so unstintingly.

I am not one of those who believes we should be a Shylock. I think the contribution our allies have made to the defeat of our common enemies is one that calls for a great deal of praise on the part of the American people, but I feel that some of our allies could very well consider making gestures toward the United States, which would not in any way impair their own defenses but which would give to the United States some things we need in the future for the defense of America.

Shortly after VE-day a subcommittee of the Committee on Naval Affairs made a trip to Europe. We went by the southern route. We were compelled to remain in Bermuda 2 days awaiting the arrival of our naval liaison officer who had been detained in Washington because of a death in his family. We utilized every minute of those 2 days in securing information with respect to everything of importance in the island of Bermuda. I do not believe we should attempt to liquidate the British Empire by demanding from the English those things they need for their own sustenance or for their own defense. I do not believe we should ask them to cede us every base we acquired on a 99-year lease in return for the destroyers we gave to them before we went into the war; and I do not think it would have been wise on our part when we gave them those 50 destroyers to have said to them: "Before we give you this aid you must cede to us these bases we think we need for our own future protection."

Notwithstanding the fact that practically every nation in history in similar circumstances has demanded something in return before they extended any aid to another nation during a war, I do not think it would have been a sporting or a just thing for us to have been rapacious enough to say to the British Empire in the hour of its need: "Before we extend this aid to you we must have this territory of yours in exchange," and I am glad we did not do it. I today do not believe we should ask for any wholesale ceding by the British Empire to us of those territories which might

be a part of their own internal economy; but with respect to Bermuda there is nothing in those islands that in any way can be used to maintain the British Empire, and the British Empire does not need those islands for its own protection. The only industry in the Bermuda Islands is that of American tourists. They raise nothing, they have no resources, their only products are a few thousand tons of garden vegetables. They import everything they need to maintain life in the islands of Bermuda, and all their revenue comes from the money that flows into those islands from tourists from the United States.

I do not think that the British Empire itself could offer any serious objection to ceding to us the islands of Bermuda, because they get nothing from those islands. True, it is the seat of the British admiral who commands the British West Indies' squadron, but, to all intents and purposes, it forms no major chain in the defense of the British Empire.

Mr. Speaker, I think the greatest objection would come from the people of Bermuda, and for this reason I would like to give to the Members of the House some facts with respect to the economy of Bermuda. First of all, it is probably the utopia of this earth for those who have, and just the opposite for those who have not. There is no income tax in the islands of Bermuda; there is no real-estate tax. Just imagine that; no real-estate tax and no income tax. There is a population of about 30,000 people, 45 percent colored and 55 percent white. The white people are descendants of British settlers there of centuries ago.

The right to vote is bound up with the ownership of property. In other words, you cannot vote if you do not own property. There are nine election districts in the islands of Bermuda. If one owns property in each of those districts, he may vote in all of them. Each district elects four members to the island legislative body for a total of 36. A small group of men owning property in every one of those nine districts are the only ones who can vote, and they elect the 36 representatives and dominate them.

The islands of Bermuda get nothing from the British Empire and give nothing in return. Their total revenue comes from the United States. There is an import tax of 17 percent, which maintains all the expenses in connection with governmental functions and places the costs on the rank and file of the people, who have no say in the government of the islands.

These islands are 560 miles off the coast of North Carolina. There was not one British warship there from the time we went into the war and I think it may be safely stated that from the time we set up our neutrality patrol in the Atlantic Ocean they were able to withdraw every piece of defensive machinery that they had in the Caribbean and in those islands because of our might in the Atlantic Ocean. They are so remote from Britain that it cannot in any way be claimed that they constitute anything that is a part of the British defenses.

There are 360 islands in the Bermuda group, only 20 of which are inhabited. The total area of the islands is only 19 square miles and, as I stated, they could not exist for 6 months if the United States made it impossible for Americans to go there and spend their money.

Mr. Speaker, I would not ask anything unreasonable from the British Empire, but we have set up great bases in Bermuda. We had an operating base there during the war and we had a naval air station there from which we maintained our reconnaissance in the Caribbean and South Atlantic and from which we sent out ships to convoy in the Atlantic. The British activities were nil, although they still maintained their vice admiral there, who simply lived in his house. There was not a single ship under his command there.

In my opinion, the British Empire should look with favor on ceding these islands to the United States. Opposition would probably come from the inhabitants of the islands, those few people who control the economy of the islands, who pay no taxes for anything they own and no income tax for all this great flow of money coming from the United States.

The President, through the Secretary of State, should make overtures to the British Empire for the purpose of negotiating the ceding of these islands to the United States.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I have been interested in the persuasive manner with which the gentleman has spoken of the Bermuda group of islands and the possibility of them being ceded to the United States by Great Britain. There are additional islands in the North Atlantic, the Caribbean and other waters which are held at the present time by France and Great Britain that could rightly be considered in the sphere of influence of this Nation, and which we could well possess.

In the near future it will be my purpose to further discuss this matter, which I have done in the House on other occasions, but a brief look backward is in order.

I direct the attention, of the gentleman from Pennsylvania, not merely by way of remembering other years, to 1940 when there were proposals in the Congress, two of them introduced by myself, which would have requested the President to enter into negotiations with both Great Britain and France for many of these islands, and they were spelled out by names, including the Bermudas, in the legislative measures. I thought then that those two countries, Great Britain and France, could have paid partial installments on their war debts from World War I with these islands coming to the United States. This approach to the settlement was contained in the bills. We would not have impaired their financial structures. As the gentleman says, these islands of Bermuda are not used by Great Britain for defense or otherwise. This country could do something worth while with them. I trust that the gentleman's comment today may give renewed impetus to this important acquisition proposal.

Mr. BRADLEY of Pennsylvania. I thank the gentleman. I recall very clearly his actions at that time, and I want to commend him for his foresight.

I think that if due to the objections of the inhabitants of the Bermuda Islands there would be obstacles in the securing of these islands by the United States, that the United States Government would be justified on the ground of expediency, because it is of vital concern to us in connection with our own national defense, to institute passport arrangements to make it impossible or to make it difficult for American citizens to go there, in order that these people in the Bermuda Islands might realize that their total economy is dependent upon the United States, and that they might be in a receptive frame of mind in regard to any arrangements we might be able to make with Great Britain.

Mr. COLE of New York. Mr. Speaker, will the gentleman yield?

Mr. BRADLEY of Pennsylvania. I yield to my distinguished colleague from New York, who was in Bermuda with me as a member of that subcommittee.

Mr. COLE of New York. The gentleman has expressed the belief that the British people would look with favor upon his proposal that these islands be turned over to the American jurisdiction. But just so that the gentleman's hopes might not be unjustifiably alleviated, I should like to remind him that a subcommittee of the Committee on Naval Affairs approximately a year ago recommended that the military bases which we have in the British Isles in the Atlantic be changed from a 99-year basis to a permanent basis. The spokesman for the British Government at that time, the Prime Minister, the representative of the British people as of that date, very emphatically said that the British Government was not interested in yielding any further territory or making any further concessions to the American people; so I do not want the gentleman to become too optimistic.

Mr. BRADLEY of Pennsylvania. I recall what the gentleman says as having taken place, but what I say is this: There could be no valid objection on the part of the Government of Great Britain because these islands in no way constitute any part of their economy or of their defenses. If they are not in a frame of mind to discuss this with us, I think we would be justified, in respect to any aid which they contemplate and anticipate receiving from us in the future, in being just a bit difficult in getting along with, too. I hope that our State Department bears these things in mind and takes some steps in this direction.

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CANNON] is recognized for 10 minutes.

POSTWAR POLICY

Mr. CANNON of Missouri. Mr. Speaker, Congress reconvenes under conditions which have no counterpart in history. We convene today under conditions governing fiscal policies and programs diametrically opposite to those which obtained at the time we recessed. In July we were endeavoring to avoid

the possibility of national disaster by providing too much and too early rather than too little and too late. Any case of doubt was resolved in favor of the estimates submitted by the various branches of the armed services. Today we are endeavoring to avoid the possibility of national insolvency by cutting too soon and too deeply rather than too late and too lightly. And we are resolving every case of doubt against the estimates and recommendations of the spending agencies.

With the assistance and cooperation of our allies we have won a war which taxed—and in some instances exhausted—world resources. Most of the assets which we poured into the war program have been forever dissipated. The blood, the lives, and the wrecked physiques which went down in the maelstrom of war are gone beyond recall. But some of the moneys and goods set aside for the prosecution of the war may still be retrieved.

The amounts and inventories which may yet be salvaged may seem infinitesimal in comparison with total costs. As a matter of fact, it is hardly probable that an accurate accounting of the total direct and indirect cost of the war can ever be accurately assembled. But the amounts still unexpended and the contractual authorizations still available for rescission and cancellation are substantial when considered in terms of the taxes which otherwise will be required to liquidate them.

The task is a heavy one. It is the plan of the committee to dispose of it with all possible dispatch. It has been made easier by the promptness of the President and other responsible officials of the administration in canceling contracts, curbing further commitments, and otherwise effecting and programing curtailments on announcement of the cessation of hostilities. Moneys thus freed will be included in the repeal measure it is our plan to present.

It is a rather simple proposition, Mr. Speaker. At the time we adjourned Congress—in conformity with the ancient military axiom that a war must be provided for as if it was to continue indefinitely—had made every provision to support our armed forces to the end of the fiscal year; that is, June 30, 1946. Instead of the war continuing until June 1946, it ended in August 1945. So it is now our responsibility to reclaim immediately every dollar provided for war purposes which can be withheld and returned to the Treasury and to cancel all contractual authorizations which are still available for termination.

Accordingly the Committee on Appropriations opened hearings this morning with a view to recapturing war appropriations and contract authorizations the need for which has been ended by the termination of hostilities. And the committee invites suggestions, and welcomes counsel, and advice from all Members of the House as to how that may be expeditiously and effectively accomplished.

In the declaration of war against Japan, Germany, and Italy in early December 1941, the Congress pledged the entire resources of the Nation to the successful termination of the war. It then proceeded, and wisely so, as results have proven, to repose full responsibility for the prosecution of the wars in the Commander in Chief, the Joint Chiefs of Staff, and the military and naval leadership responsible thereto. It made available such funds and contractual authority as the leadership determined to be necessary to effectuate their program and policies, and in making available those funds, in all cases of doubt, the doubt was resolved in favor of liberality. No funds were at any time refused which were represented as being essential to the prosecution of the war. The armed forces themselves testified that they were never circumscribed in any respect by lack of funds and that Congress made ample fiscal provision at every stage of the war.

Now that the emergency has passed and there is ample time for reconsideration, our policy veers to the opposite extreme and we propose to cut quickly and deeply, fortified by the assurance that in event of too drastic retrenchment we can bring in a deficiency bill at any time and remedy promptly and without prejudice any reduction which on more deliberate study fails of justification.

The net result as regards appropriations was summarized in my remarks as recorded in the CONGRESSIONAL RECORD of July 20. As of that date and as of today, because no change has occurred in the interim, there had been made available for the prosecution of the war, using July 1, 1940, as the starting point, roundly $420,000,000,000. Of that amount $3,189,554,000 was recaptured earlier in the previous session. Of the remaining $417,000,000,000, approximately $290,000,000,000 had been expended as of June 30, 1945, leaving $127,000,000,000 as the amount to which we might look for recoveries.

As to how much they will aggregate I shall not venture to hazard a guess. That the total will be large already has confirmation in official releases and press reports of economy measures which have been administratively effected. However, it must be remembered that the one-hundred-and-twenty-seven-billion figure includes obligated funds. A very substantial portion of it is beyond recovery for that reason—just how much, we shall ascertain as our hearings progress. I should like to point out, too, that there are many imponderables which will handicap us in securing at this time as accurate an estimate as we should like. For example, it has been announced that the armed services will be extensively demobilized. In fact, the end of the fiscal year objectives have been indicated, but the rate of accomplishment depends upon considerations not wholly within our control in the sense that we must have regard for contingencies incident to international settlements and adjustments yet to be effected.

At the same time I wish to assure the House that we are going to handle the matter as expeditiously as possible under the circumstances. It may be necessary to conduct a further inquiry later, but it is our purpose to get back at this time every dollar for which sound justification is not forthcoming. If it should develop later that we have cut too deeply, and we may, there will be ample time and opportunity to make amends.

As to provision for the armed services, I wish to say that we shall counsel fully with the chairmen of the legislative committees before presenting our recommendations to the House. There has been complete cooperation between the Appropriations Committee and the legislative committees during the war, and there is no reason why that cooperation should not continue now that peace has returned. It is our desire to make cooperation between the legislative and appropriation committees of the House a continuing and lasting policy.

The purpose of the committee's inquiry is easily understood. Administratively frozen appropriated funds still remain subject to obligation. Furthermore there are many instances where appropriated funds are available for both war and nonwar uses of a nature not readily segregated, but which must be separated and both allocations reexamined in detail. We wish to satisfy ourselves that no funds are being retained for objects not justified in terms under the changed conditions, and we deem it the better policy legislatively to withdraw all obligational availability on the books, whether administratively frozen or not, which cannot be justified at the war's termination. The object is to effect a definite check on further growth of the public debt and to subject to scrutiny and determination by the Congress of future outlays, be they incidental to demobilization, reconversion, or the financing of regular activities.

I must say, Mr. Speaker, that I am not one of those who profess to feel no uneasiness about the proportions of the public debt. Any contrary view must be founded upon a number of doubtful hypotheses, the contingent character of which should cause serious concern. The latest estimate of the debt's size at the end of next June, made since VJ-day, is $273,000,000,000 which exceeds by more than $100,000,000,000 all Federal expenditures since the beginning of the Government up to the end of the calendar year 1940.

The SPEAKER pro tempore. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, there has grown up in America a spending psychology. It had its origin well before the war. Its roots have spread. That school of thought or that bent of mind can only envisage nonliquidation of the debt and the eternal payment of interest. As refunding becomes necessary, we may expect interest alone to increase from 50 to 100 percent, which of itself will occasion a very considerable and lasting tax burden.

That is not a heritage that we can pridefully pass on to the returning legions who have fought to victory on all battle fronts of the world. The returning veterans have their own problems in

the years which lie ahead. We must finance our recovery in such a way as to lay no additional burdens on them. We must not mortgage their future.

On the whole, it is difficult to visualize conditions calling for appropriations under twenty billions annually when the strength of the armed forces shall have leveled off and the industrial life of the Nation shall have changed over to peacetime production. And in that amount I include nothing toward public-debt retirement and I disregard potentially higher interest rates on the outstanding debt. Unless we are determined to maintain high tax rates—and it will require high peacetime tax rates to support a budget of such proportions—twenty-five billions may be a more nearly correct figure to project. The alternative could only be further debt pyramiding and this is especially true if we are to engage in divers recovery procedures which are now being advocated by some responsible persons.

I recognize that as we readjust our economy there may be need for further Federal financial aid. Such aid conceivably may become imperative. It must be remembered, however, that a prosperous nation cannot be maintained under a burden of excessive debt; that we are now overburdened with debt; that the brunt of the penalty must be borne by the middle and lower classes upon which the stability of any government ultimately rests; and that it behooves the House and the Congress to resist measures proposing further enlargement of the national debt except as a last recourse to the maintenance of an appropriate national economy. And last, that such resistance—unless there be convincing justification—should extend to the practice of establishing or enlarging sources of credit guaranteed by the Government.

It is, I believe, the considered judgment of the committee, that we should determine upon and aim to provide annually a floor amount for debt retirement, and we should definitely determine upon a floor amount for preparedness. These two propositions should not be subject to income fluctuation. Over and above such amounts, and over above fixed or relatively fixed commitments, including interest on the public debt, all chargeable to current revenues, there should be an established policy of balancing outgo and income, and an insistence by the Congress upon compliance with those provisions of the Budget and Accounting Act which require the President, in the Budget and in consequence of supplemental submissions, to make recommendations for raising revenue sufficient to offset any excess of estimates over prospective income.

If we attack the problem unafraid and with determination we can reach and maintain a balanced Budget—the only road to a healthy national economy.

In conclusion, there is no greater responsibility devolving upon this body than the adoption of a course which will restrict legislation calculated to add to Federal disbursements, and restrict the Budget to appropriations essential to the public welfare and consistent with a sound national economy.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. DINGELL. I am wondering whether the chairman of the Committee on Appropriations has any idea how we might early arrive at some method of freezing useless expenditures with regard to the Army and the Navy. I assume, of course, that the fears are that those men are going to now race to make expenditures which, in some instances, may prove without reason. Does the gentleman's committee intend to recommend such a thing as the issuance of a stop order on all further expenditures excepting emergent expenditures, and force the Army and Navy to come before the committee to ask authority for further expenditures with regard to projects already started?

Mr. CANNON of Missouri. As a precaution against the very thing the gentleman suggests, and which is a very present hazard, the President of the United States some days ago issued an order to the Army and the Navy under which they are required to make no further expenditure; to enter upon no new project, or construction; to hold the situation in statu quo until Congress has an opportunity to take action.

We expect to push these hearings as rapidly as conditions permit. It is a large proposition. At the earliest time practicable we expect to bring to the floor a resolution providing for rescission on every item that can be salvaged.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri may proceed for one additional minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Michigan.

Mr. DINGELL. I should like to get the benefit of the gentleman's reaction to this subject: We in the Committee on Ways and Means have acted upon the lifting of the debt limit until it has reached $300,000,000,000. I am wondering if we cannot now take some reverse action to sort of put a lid on expenditures, by reducing the debt limitation now to $275,000,000,000 or $280,000,000,000, allowing some latitude for further expenditures? Would not that be a good idea? Would not that have the desired effect?

Mr. CANNON of Missouri. That would be a question for mature consideration. The amount the gentleman suggests would be only $2,000,000,000 in excess of the amount of my tentative estimate. It might require a little latitude during the first year of reconversion; but certainly the gentleman is proceeding in the right direction.

Mr. DINGELL. And should not the Budget provide that we retire the debt at the rate of at least $5,000,000,000 every year?

Mr. CANNON of Missouri. The gentleman's proposal is in line with the suggestion just made that we should establish some policy of definite debt retirement to which we could adhere annually regardless of the fluctuation of national revenues.

The SPEAKER. The time of the gentleman from Missouri has again expired.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SHERIDAN (at the request of Mr. BRADLEY of Pennsylvania), indefinitely, on account of illness.

To Mr. RILEY, for 2 days, on account of sickness.

To Mr. HAGEN (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of official business.

To Mr. ROBERTSON of North Dakota (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of official business.

To Mr. CAMPBELL (at the request of Mr. MARTIN of Massachusetts), indefinitely, on account of illness.

TAKE CARE OF OUR VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, as we listened to the exercises at the time of the surrender of Japan it was with a feeling of profound gratitude and thankfulness to those who made that surrender possible. General MacArthur ended his very fine speech with the words: "Your boys and girls are homeward bound—take care of them."

I wish, Mr. Speaker, we could make that short sentence, that idea, our slogan for this session of Congress, take it as our goal. When General MacArthur said: "Your boys and girls are homeward bound—take care of them," he did not mean to take good care of them by giving them only hospitalization or pensions or benefits under the GI bill of rights, but to take care of them in all ways. The distinguished Resident Commissioner of the Commonwealth of the Philippines, General Romulo said of MacArthur when General MacArthur, with his forces, took the Philippines: "Never has anyone done so much with so little." We should make, Mr. Speaker, for our homeward-bound boys and girls our governmental expenditures, our fiscal policy, so sound that they can say of us that no Congress ever did so much with so little.

Mr. Speaker, we should see that we do everything we can in bringing them home, yet still keeping in mind our own and their safety and security. We should see that we have so strong an Army and Navy as necessary in order that another war may never come. In taking care of our boys and girls we should consider our goal to be the maintenance of a wise and sound foreign policy to make this world safe and free, the kind of world our boys have fought and died for.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. CANNON of Missouri asked and was given permission to revise and extend his remarks and include certain letters.

PERMISSION TO ADDRESS THE HOUSE

Mr. TABER. Mr. Speaker, I ask unanimous consent that on tomorrow after the reading of the Journal and disposition of matters on the Speaker's table and any special orders heretofore entered I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE LATE HIRAM W. JOHNSON

Mr. WELCH. Mr. Speaker, it is with profound sorrow that I arise at this time to announce the death of a great American, the Honorable HIRAM W. JOHNSON, former Governor of the State of California and late United States Senator from that State.

Mr. Speaker, I send to the desk a resolution.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 335

Resolved, That the House has heard with profound sorrow of the death of the Honorable HIRAM W. JOHNSON, a Senator of the United States from the State of California.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

The resolution was agreed to.

The SPEAKER. The Clerk will report the balance of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

ADJOURNMENT

Accordingly (at 1 o'clock and 22 minutes p. m.), the House adjourned until tomorrow, Thursday, September 6, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

At 10 a. m., on Wednesday, September 12, 1945, Subcommittee No. 1 of the Committee on the Judiciary will hold a public hearing on the bill (H. R. 3750) to amend the First War Powers Act, 1941. The meeting will be held in the Judiciary Committee Room, 346 House Office Building.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10 a. m., on Thursday, September 13, 1945, in the committee hearing room, 247 Old House Office Building on H. R. 1653 by Representative HENDRICKS and H. R. 2073 by Representative LUDLOW, bills to extend benefits to veterans of the Mexican Border Service of 1916 and 1917 and their dependents.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

625. A letter from the Comptroller General of the United States, transmitting a report of the activities of the General Accounting Office under section 16 of the Contract Settlement Act of 1944; to the Committee on the Judiciary.

626. A letter from the Chairman, National Mediation Board, transmitting a quarterly estimate of personnel requirements for the National Mediation Board, including the National Railroad Adjustment Board and the National Railway Labor Panel, for the period ending September 30, 1945; to the Committee on the Civil Service.

627. A letter from the Associate Director, National Park Service, United States Department of the Interior, transmitting a copy of estimate of personnel requirements for the quarter ending September 30, 1945, covering the appropriation "Maintenance, Executive Mansion and Grounds, 1946"; to the Committee on the Civil Service.

628. A letter from the Executive Secretary, Office of Scientific Research and Development, transmitting a copy of the estimate of personnel requirements for the Office of Scientific Research and Development during the quarter ending September 30, 1945; to the Committee on the Civil Service.

629. A letter from the Director, Selective Service System, transmitting an estimate of personnel requirements for the quarter ending September 30, 1945; to the Committee on the Civil Service.

630. A letter from the Acting Secretary of the Treasury, transmitting copies of communications from this Department to the Director of the Bureau of the Budget relating to personnel ceilings of various bureaus and offices of this Department; to the Committee on the Civil Service.

631. A letter from the Chairman, President's Committee on Fair Employment Practice, transmitting its quarterly estimate of personnel requirements covering the quarter ending September 30, 1945; to the Committee on the Civil Service.

632. A letter from the Attorney General, transmitting a draft of a proposed bill to provide for the establishment of lawful entry into the United States of certain aliens not subject to deportation who entered the United States prior to July 1, 1924; to the Committee on Immigration and Naturalization.

633. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or destroyed as the result of water damage occurring at certain naval and Marine Corps shore activities; to the Committee on Claims.

634. A letter from the Acting Secretary, Department of Agriculture, transmitting a draft of a proposed bill for the relief of H. A. Edd, fiscal agent, emergency rubber project, Los Angeles, Calif., in the amount of $290; to the Committee on Claims.

635. A letter from the Secretary of the Treasury, transmitting the annual report of the Federal Bureau of Narcotics for the calendar year ended December 31, 1944; to the Committee on Ways and Means.

636. A letter from the Acting Secretary of the Treasury, transmitting the draft of a joint resolution to authorize the making of settlement on account of certain currency destroyed at Fort Mills, P. I., and for other purposes; to the Committee on Banking and Currency.

637. A letter from the Chairman, Federal Power Commission, transmitting a copy of its report entitled "Industrial Electric Power in the United States, 1939–45"; to the Committee on Interstate and Foreign Commerce.

638. A letter from the Resident Commissioner of the Philippines to the United States, transmitting copies of Commonwealth Acts Nos. 672 to 678 and Joint Resolutions Nos. 1 to 5, which were passed by the First Congress of the Philippines during its first special session and approved by the President; to the Committee on Insular Affairs.

639. A letter from the Secretary of the Navy, transmitting, pursuant to Public Law 779, Seventy-seventh Congress, a report concerning the transportation to and from their places of employment of personnel attached to or employed by the Naval Establishment and Navy contractors; to the Committee on Naval Affairs.

640. A letter from the President, United States Civil Service Commission, transmitting one set of the Commission's requests for personnel for the first quarter of the fiscal year 1946; to the Committee on the Civil Service.

641. A letter from the Deputy Alien Property Custodian, transmitting a copy of the quarterly estimate of personnel requirements for the period ending September 30, 1945; to the Committee on the Civil Service.

642. A letter from the Executive Officer, Office of Defense Transportation, transmitting an estimate of personnel requirements during the quarter ending September 30, 1945; to the Committee on the Civil Service.

643. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill to fix the salary of the Solicitor of the Department of the Interior; to the Committee on Public Lands.

644. A letter from the Acting Secretary of the Treasury, transmitting a draft of a proposed bill to amend sections 3533 and 3536 of the Revised Statutes with respect to deviations in standard of ingots and weight of silver coins; to the Committee on Coinage, Weights, and Measures.

645. A letter from the Secretary of the Navy, transmitting a list of the claims which have been paid by the Navy Department under Public Law 417, Seventy-eighth Congress; to the Committee on Naval Affairs.

646. A letter from the Chairman, Public Utilities Commission of the District of Columbia, transmitting a report of its official proceedings for the year ended December 31, 1944, with other information relating to the regulation and operation of the public utilities in the District of Columbia coming under the jurisdiction of said Commission; to the Committee on the District of Columbia.

647. A letter from the Chairman, Reconstruction Finance Corporation, transmitting the report of the Reconstruction Finance Corporation for the month of May 1945; to the Committee on Banking and Currency.

648. A letter from the Secretary, United States Employees' Compensation Commission, transmitting a copy of the quarterly estimate of personnel requirements for the quarter ending September 30, 1945; to the Committee on the Civil Service.

649. A communication from the President of the United States, transmitting a recommendation for reductions in certain wartime appropriations (H. Doc. No. 280); to the Committee on Appropriations and ordered to be printed.

650. A letter from the Secretary of the Interior, transmitting his report on the Heart Mountain power development, Shoshone Federal reclamation project, in Wyoming (H. Doc. No. 281); to the Committee on Irrigation and Reclamation and ordered to be printed with illustrations.

651. A letter from the Director, Office of Contract Settlement, transmitting the fourth quarterly progress report of the Office of Contract Settlement, entitled "War Contract Terminations and Settlements"; to the Committee on the Judiciary.

652. A letter from the Acting Secretary of the Interior, transmitting, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936, one copy each of various legislation passed by the Municipal Council of St. Croix; to the Committee on Insular Affairs.

653. A letter from the Acting Secretary of the Interior, transmitting, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; one copy each of various legislation passed by the Municipal Council of St. Thomas and St. John; to the Committee on Insular Affairs.

654. A letter from the Attorney General, transmitting a report showing the special assistants employed during the period from January 1 to June 30, 1945, under the appropriation "Compensation of special attorneys, etc., Department of Justice"; to the Committee on Expenditures in the Executive Departments.

655. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to amend article 6 of the Articles for the Government of the Navy; to the Committee on Naval Affairs.

656. A letter from the Attorney General, transmitting the tenth report of the Attorney General covering the period from April 10, 1945, through August 1, 1945; to the Committee on Banking and Currency.

657. A letter from the Secretary of the Navy, transmitting a draft of a proposed joint resolution providing for the continuance of the tax-exempt status of certain property in the District of Columbia when used and occupied by any department, agency, or instrumentality of the United States of America or by the American Red Cross; to the Committee on the District of Columbia.

658. A letter from the Secretary of War, permitting the printing of various reports from the Chief of Engineers, United States Army, which heretofore had been recommended to be retained as restricted documents; to the Committee on Printing.

659. A letter from the Secretary of War, permitting the printing of various reports from the Chief of Engineers, United States Army, which heretofore had been recommended to be retained as restricted documents; to the Committee on Printing.

660. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to compensate Clement Euziere, an inhabitant of French Morocco, for personal injuries caused by a naval vehicle near Oran, Algeria, on September 21, 1943; to the Committee on Claims.

661. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to authorize the Secretary of the Navy to transfer land for resettlement in Guam, and for other purposes; to the Committee on Naval Affairs.

662. A letter from the Secretary of the Navy, transmitting a draft of a proposed bill to compensate Benali El Oukili Boucheta, an inhabitant of French Morocco, for the wrongful death of his son, Mohammed Ben Boucheta Ben Ali El Oukili, near Marnia, Algeria, on September 30, 1944; to the Committee on Claims.

663. A letter from the Chairman, War Production Board, transmitting the nineteenth bimonthly report of the Smaller War Plants Corporation, covering the period from June 1, 1945, through July 31, 1945; to the Committee on Banking and Currency.

664. A letter from the Comptroller of the Currency, transmitting the annual report of the Comptroller of the Currency for the year 1944; to the Committee on Banking and Currency.

665. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to provide for the compromise and settlement by the Secretary of the Navy of certain claims for damage to property under the jurisdiction of the Navy Department, to provide for the execution of releases by the Secretary of the Navy upon payment of such claims, and for other purposes; to the Committee on Naval Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. MANASCO: Committee on Expenditures in the Executive Departments. H. R. 3907. A bill to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator; without amendment (Rept. No. 941). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. LESINSKI:

H. R. 3908. A bill to provide increased pensions to members of the Regular Army, Navy, Marine Corps, and Coast Guard who become disabled by reason of their service therein during other than a period of war; to the Committee on Invalid Pensions.

By Mr. EARTHMAN:

H. R. 3909. A bill to stop inductions under the Selective Training and Service Act of 1940, to stimulate enlistments in the armed forces, and for other purposes; to the Committee on Military Affairs.

By Mr. AUCHINCLOSS:

H. R. 3910. A bill to authorize and direct the Administrator of Veterans' Affairs to zone the United States into 9 administrative divisions; to decentralize the activities of the Veterans' Administration; to appoint 10 deputy administrators; and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BALDWIN of Maryland:

H. R. 3911. A bill to amend section 16 (b) of the Selective Training and Service Act of 1940, so as to extend the period during which reemployment rights are protected; to the Committee on Military Affairs.

By Mr. BENDER:

H. R. 3912. A bill making it a capital offense to disclose information or impart knowledge with respect to the atomic bomb; to the Committee on the Judiciary.

By Mr. HOFFMAN:

H. R. 3913. A bill to amend sections 2 and 3 of the Selective Training and Service Act of 1940 and such other sections of said act and all acts amendatory thereto and all provisions of any other legislation in Congress in conflict with the provisions of this act; to the Committee on Military Affairs.

By Mr. HOOK:

H. R. 3914. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. HOWELL:

H. R. 3915. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. KEARNEY:

H. R. 3916. A bill to authorize judicial review of the regulations, rulings, and procedures of the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. KILDAY:

H. R. 3917. A bill to stimulate enlistments in the Regular Army; to the Committee on Military Affairs.

By Mr. LANE:

H. R. 3918. A bill to exempt from the Federal income tax bonuses paid by States, Territories, possessions, and political subdivisions thereof, for service in the armed forces; to the Committee on Ways and Means.

By Mr. LARCADE:

H. R. 3919. A bill to make section 112 (b) (7) of the Internal Revenue Code applicable with respect to certain corporate liquidations in 1945; to the Committee on Ways and Means.

H. R. 3920. A bill to provide for the release of fathers from active military or naval service; to the Committee on Military Affairs.

By Mr. McMILLAN of South Carolina:

H. R. 3921. A bill to restore standard time; to the Committee in Interstate and Foreign Commerce.

By Mrs. NORTON:

H. R. 3922. A bill to provide for the general welfare by enabling the several States to make more adequate provision for the health and welfare of mothers and children and for services to crippled children, and for other purposes; to the Committee on Labor.

By Mr. PRICE of Florida:

H. R. 3923. A bill to provide for the establishment of a United States Navy Training School for Nurses; to the Committee on Naval Affairs.

H. R. 3924. A bill to provide for the establishment of a United States Naval Medical School; to the Committee on Naval Affairs.

H. R. 3925. A bill relating to the income taxes of members of the armed forces who die in the service of the Nation; to the Committee on Ways and Means.

H. R. 3926. A bill to provide for the establishment of a United States Army Training School for Nurses; to the Committee on Military Affairs.

H. R. 3927. A bill to provide for the establishment of a United States Military Medical School; to the Committee on Military Affairs.

H. R. 3928. A bill to provide for the amendment of the Fair Labor Standards Act of 1938, and for other purposes; to the Committee on Labor.

By Mr. REES of Kansas:

H. R. 3929. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. RIZLEY:

H. R. 3930. A bill repealing any and all existing laws heretofore enacted by the Congress relating to or fixing time and all orders, rules, or directives made thereunder, and establishing standard time for the continental United States; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE of Maryland:

H. R. 3931. A bill to stop inductions under the Selective Training and Service Act of 1940, as amended; to the Committee on Military Affairs.

H. R. 3932. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. SABATH:

H. R. 3933. A bill to amend Public Law 712, Seventy-seventh Congress, as amended, to facilitate voting by members of the armed forces and certain others absent from the place of their residence; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. SIKES:

H. R. 3934. A bill to amend the Mustering-Out Payment Act of 1944; to the Committee on Military Affairs.

H. R. 3935. A bill to provide for the retirement of certain commissioned officers, commissioned warrant officers, chief warrant officers, warrant officers, and enlisted men of the Army, Navy, Marine Corps, and the Coast Guard; to the Committee on Military Affairs.

H. R. 3936. A bill to provide for the evacuation and repatriation of the remains of certain persons who died and are buried outside the continental limits of the United States, and whose remains could not heretofore be returned to their homelands due to wartime shipping restrictions; to the Committee on Military Affairs.

By Mr. SMITH of Virginia:

H. R. 3937. A bill to repeal the War Labor Disputes Act and to abolish the National War Labor Board; to the Committee on Military Affairs.

By Mr. SPARKMAN:

H. R. 3938. A bill to continue veteran benefits previously granted by acts of the Congress to temporary members of the Army of the United States, Navy, Marine Corps, and Coast Guard, including men inducted under the provisions of the Selective Training and Service Act of 1940, as amended; to the Committee on World War Veterans' Legislation.

By Mr. STEVENSON:

H. R. 3939. A bill authorizing an appropriation of $500,000,000 for research with respect to the cause and cure of cancer and poliomyelitis; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR:

H. R. 3940. A bill to revive and reenact the act entitled "An act granting the consent of Congress to Rensselaer and Saratoga Counties, N. Y., or to either of them, or any agency representing said counties, to construct, maintain, and operate a free highway bridge across the Hudson River between the city of Mechanicville and Hemstreet Park in the town of Schaghticoke, N. Y.," approved April 2, 1941; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN:

H. J. Res. 232. Joint resolution to repeal Public Law 421, Seventy-seventh Congress; to the Committee on Banking and Currency.

By Mr. BROWN of Ohio:

H. Con. Res. 69. Concurrent resolution to create a joint committee of the House of Representatives and the Senate of the United States to investigate the attack upon the Territory of Hawaii; to the Committee on Rules.

By Mr. TALLE:

H. Con. Res. 70. Concurrent resolution fixing the time for the return to standard time; to the Committee on Interstate and Foreign Commerce.

By Mrs. LUCE:

H. Con. Res. 71. Concurrent resolution urging the employment by private industry of physically handicapped veterans of World War II; to the Committee on World War Veterans' Legislation.

By Mr. HARNESS of Indiana:

H. Con. Res. 72. Concurrent resolution to create a joint committee of the House of Representatives and the Senate of the United States to investigate the attack upon the Territory of Hawaii; to the Committee on Rules.

By Mr. BROOKS:

H. Con. Res. 73. Concurrent resolution repealing the act of January 20, 1942, chapter 7 (56 Stat. 9), relating to daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. POAGE:

H. Con. Res. 74. Concurrent resolution to repeal daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. CASE of South Dakota:

H. Con. Res. 75. Concurrent resolution inviting the United Nations to locate seat of government in the United States; to the Committee on Foreign Affairs.

By Mr. BROWN of Georgia:

H. Con. Res. 76. Concurrent resolution to provide for termination of the act of January 20, 1942, providing for daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. GROSS:

H. Con. Res. 77. Concurrent resolution to provide for termination of the act of January 20, 1942, providing for daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. LUDLOW:

H. Res. 336. Resolution urging action by the United Nations to ban the atomic bomb as an instrument of war; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation clarifying the rights and privileges of returning veterans to their former positions of civilian employment; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the Congress and the Navy to investigate the advantages of wintering naval craft at Marinette, Sturgeon Bay, and other Wisconsin ports on Lake Michigan; to the Committee on Naval Affairs.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to enact legislation requiring prompt deportation after the war of imported war prisoners, foreign labor battalions, and refugees and barring further immigration to the United States until our returning war veterans are afforded an opportunity for gainful employment and the number of our unemployed is reduced to a minimum; to the Committee on Immigration and Naturalization.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to abolish the party convention system of nominating and the electoral college method of electing the President and Vice President of the United States and to enact law providing for nomination and election of the President and Vice President by popular vote; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to investigate the feasibility of converting the ordnance plant at Milwaukee into a veterans' hospital; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Wisconsin, memorializing the President and the Congress of the United States to direct the proper Federal agency to prescribe and recommend uniform traffic signals and other safety devices on the highways; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the Legislature of the State of Wisconsin, requesting Harold L. Ickes, Solid Fuels Administrator for War, to relax the restriction on the sale of solid fuel imposed by SFAW Regulation 26; to the Committee on Mines and Mining.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KNUTSON:

H. R. 3941. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon a certain claim of Joseph Lundborg and others against the United States; to the Committee on Claims.

H. R. 3942. A bill for the relief of Anton Waytashek; to the Committee on Claims.

By Mr. LARCADE:

H. R. 3943. A bill authorizing the President of the United States to award a Congressional Medal of Honor to Gen. Douglas MacArthur, United States Army; to the Committee on Military Affairs.

H. R. 3944. A bill authorizing the President of the United States to award a special Congressional Medal of Honor to Gen. John J. Pershing, United States Army; to the Committee on Military Affairs.

H. R. 3945. A bill authorizing the President of the United States to award a special Congressional Medal of Honor to Gen. Douglas MacArthur, United States Army; to the Committee on Military Affairs.

H. R. 3946. A bill authorizing the President of the United States to award a special Congressional Medal of Honor to Gen. Dwight David Eisenhower, United States Army; to the Committee on Military Affairs.

By Mrs. LUCE:

H. R. 3947. A bill to authorize the President of the United States to present the Congressional Medal of Honor to Jonathan M. Wainwright; to the Committee on Military Affairs.

By Mr. PRICE of Florida:

H. R. 3948. A bill for the relief of Mrs. Clifford W. Prevatt; to the Committee on Claims.

By Mr. ROBSION of Kentucky:

H. R. 3949. A bill granting a pension to Cora Arlena Ballard; to the Committee on Invalid Pensions.

H. R. 3950. A bill granting a pension to Elizabeth Lively; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1116. By the SPEAKER: Petition of Wildon Lloyd, Washington, D. C., petitioning consideration of his resolution with reference to the impeachment of Judge George P. Barse of the Municipal Court of the District of Columbia; to the Committee on the Judiciary.

1117. Also, petition of Wildon Lloyd, Washington, D. C., petitioning consideration of his resolution with reference to the impeachment of Judge Cayton of the Municipal Court of the District of Columbia; to the Committee on the Judiciary.

1118. Also, petition of Branch 11, Boston, Workmen's Benefit Fund of America, petitioning consideration of their resolution with reference to their protest of any and all proposals for compulsory peacetime military training; to the Committee on Military Affairs.

1119. Also, petition of the Board of Commissioners, city of Newark, N. J., concurring in the resolution adopted by the members of post, No. 273, of Newark, Jewish War Veterans of the United States of America, relative to the chairmanship of the Veterans' Committee of the House of Representatives; to the Committee on Rules.

SENATE

THURSDAY, SEPTEMBER 6, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in the peaceful stillness of this Chamber of freedom where fateful decisions have molded the life of the Nation, we lift the cup of our grateful joy that o'er all the earth the cannon is muzzled, the planes are nested, the navies anchored, and the silence breaks to a bird's song, a child's laughter, and a mother's low cry.

As the assembly line turns from the products of death to the simple wares of peace and the bayonet is put away and the plowshare is lifted again, our hearts are singing, "This is the day which the Lord hath made"; this is the peace; this is the liberty; this is the freedom we have bought with tears and sweat and blood; this is the tomorrow of our anxious yesterdays; this is the good future now begun. By Thy kindly light lead

us in the paths of personal and national righteousness, for Thy name's sake. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, September 5, 1945, was dispensed with, and the Journal was approved.

APPROVAL OF A BILL SUBSEQUENT TO ADJOURNMENT

Under authority of the order of the Senate of August 1, 1945,

The Secretary of the Senate received a message from the President of the United States announcing that on July 31, 1945, he had approved and signed the act (S. 1270) relating to the payment of subsidies by the Commodity Credit Corporation and the Reconstruction Finance Corporation.

MESSAGE FROM THE HOUSE RECEIVED SUBSEQUENT TO ADJOURNMENT—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Under authority of the order of the Senate of August 1, 1945,

The Secretary of the Senate received a message from the House of Representatives announcing that on August 4, 1945, the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H. R. 122. An act to amend sections 2720 (a) and 3260 (a) of the Internal Revenue Code relating to the transfer tax, and the tax on manufacturers and dealers, in the case of certain small-game guns;

H. R. 699. An act to amend paragraph 682 of title 16 of the United States Code;

H. R. 2613. An act to authorize the War Food Administrator or the Secretary of Agriculture to adjust boundary disputes by settling claims to certain so-called Sebastian Martin grant lands, in the State of New Mexico;

H. R. 3239. An act to exempt certain mechanical pencils having precious metals as essential parts from the tax with respect to jewelry, etc.; and

H. J. Res. 23. Joint resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Hiram W. Johnson, late a Senator from the State of California.

INVESTIGATION OF THE JAPANESE ATTACK AT PEARL HARBOR

Mr. BARKLEY. Mr. President, inasmuch as I shall be compelled to leave the Chamber shortly on an important matter and may not be present during the entire call of the morning hour's business, I ask unanimous consent that I may be permitted at this time to make a brief statement and, following that, to introduce a concurrent resolution.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Senator from Kentucky may proceed.

Mr. BARKLEY. Mr. President, the Japanese attack upon Pearl Harbor occurred on December 7, 1941.

On December 18, President Roosevelt appointed by Executive order a board or commission to ascertain and report the facts relating to the attack made by Japanese armed forces upon the Territory of Hawaii on December 7, 1941.

This commission was composed of Justice Owen J. Roberts, as chairman, Admiral William H. Standley, Admiral J. M. Reeves, Gen. Frank H. McCoy, and Gen. Joseph T. McNarney.

The commission made its report to the President on January 29, 1942, and this report was immediately made public.

In June 1944, by joint resolution approved June 13, Congress in effect directed the Secretary of War and the Secretary of the Navy to designate appropriate boards or courts of inquiry "to ascertain and report the facts relating to the attack made by Japanese armed forces upon the Territory of Hawaii on December 7, 1941, and to make such recommendations as it may deem proper."

The board appointed on behalf of the War Department was composed of Lt. Gen. George Grunert, as president, Maj. Gen. Henry D. Russell, and Maj. Gen. Walter H. Frank.

This board made its report to the Secretary of War on October 20, 1944, and the report was released to the public on Wednesday, August 29, 1945. The report consists of more than 300 pages of typewritten matter detailing the circumstances of the Pearl Harbor attack, indulges in criticisms of certain military and other officials, and makes no recommendations to the Secretary of War.

The board appointed on behalf of the Navy consisted of Admiral Orin G. Murfin, as president, Admiral Edward C. Kalbfus, and Vice Admiral Adolphus Andrews.

This board finished its inquiry on October 19, 1944, then adjourned to await the action of the convening authority.

The report of the Navy board went into some detail concerning the circumstances of the Pearl Harbor attack, and recommended that no further proceedings be had in the matter.

This report was also made public by the President on August 29, 1945.

Since these reports were made public, I have spent a large portion of my time studying them, and also, in connection with them, I have reread the report of the Roberts commission.

The official report of the board appointed by the Secretary of War, I have here, and, as I have said, it consists of 304 pages of typewritten matter on what we call legal size paper, not letter size. The report of the board appointed by the Secretary of the Navy contains various divisions, all of which add up to something like 100 pages of typewritten matter.

Reading these reports and studying them, insofar as I could in the limited time at my disposal, required my attention not only during the daytime since the reports were made public on last Wednesday, but required practically all of two nights, in order that I might read not only the reports, but the statement or summary made by the Secretary of War based upon the report of the Army board and the statement made by the Secretary of the Navy based upon the report of the naval board of inquiry, as well as other documents pertaining thereto. I have not been away from the city of Washington during the entire adjournment since the first day of August, when the Senate adjourned.

Mr. President, I shall not at this time attempt to discuss these various reports in detail, but after studying them to the extent possible in the time at my disposal, I am convinced that a further searching inquiry should be made under the authority and by the direction of the Congress of the United States.

In forming this opinion, Mr. President, I cast no reflection upon the ability, the patriotism, the good faith, or the sincerity of the boards which have thus far investigated and reported upon the Pearl Harbor disaster, nor on any member of these various boards. They are all outstanding American citizens and officials, who have rendered signal service to their country over a long period of time in various capacities. That includes the members of the Roberts commission, the War Department board, and the Navy Department board, as well as all those officials who have commented upon these reports or are in any way involved in them.

But these reports, Mr. President, are confusing and conflicting when compared with one another, and to some extent contain contradictions and inconsistencies within themselves.

Under these circumstances, it is not strange that widespread confusion and suspicion prevail among the American people and among the Members of Congress.

In these several reports men in the armed services and in civilian positions of executive responsibility and authority are subjected to criticism, and the defenses are themselves inconsistent and contradictory. It would be easy now, if time allowed and if it were necessary, to point out these inconsistencies between the report made by the naval board and the report made by the Army board, and both of them as compared to the Roberts report. I do not deem it necessary to go into that at this time.

It is my belief, therefore, Mr. President, arrived at immediately upon the conclusion of my study of these reports, that under all the circumstances Congress itself should make its own thorough, impartial, and fearless inquiry into the facts and circumstances and conditions prevailing prior to and at the time of the Pearl Harbor attack, no matter how far back it may be necessary to go in order to appraise the situation which existed prior to and at the time of the attack.

This inquiry, Mr. President, should be of such dignity and authenticity as to convince the Congress and the country and the world that no effort has been made to shield any person who may have been directly or indirectly responsible for this disaster, or to condemn unfairly or

unjustly any person who was in authority, military, naval, or civilian, at the time or prior thereto.

Ever since the day of Pearl Harbor there have been discussions of courts-martial in the Army and in the Navy. We have here extended from time to time the Statute of Limitations pertaining to courts-martial. The report of neither the naval nor the military board of inquiry recommends any further proceedings in these matters. It is my understanding that the law is that in the Army no man has a legal right to demand that he be court-martialed. Charges must be filed against an Army officer or an enlisted man setting out the offense which he is alleged to have committed. He has no right, as I understand the law, to go into the War Department and demand that he be court-martialed upon any accusation or any charge of misconduct on his part.

I understand that in the Navy any officer or man who is charged with an offense that would constitute a violation of the Articles of War or Navy Regulations has the right to demand or request—I am not certain that he has the right to demand, but has the right to request, and it may be to demand—that he be given a court martial.

So that as it applies to any Army officer who may have been responsible prior to or at the time of this attack, as I understand, he has no right to demand that he be given a trial in order that he may be vindicated or that the facts may be brought out. Whether in the Navy formal request has been made by any naval officer for a court martial I am not in position to say, though the newspapers have carried stories that such a request has been made.

But if it were possible or appropriate, Mr. President, to subject high-ranking military or naval officers to courts martial, the trials might be conducted in secret, and would relate themselves principally, if not entirely, to the guilt or innocence of the person against whom the specific charges were leveled. I do not here feel called upon or competent to determine whether court martial should be inaugurated in any case involving any officer of the Army or Navy or any person in the armed forces.

But I am convinced that the Congress and the country desire an open, public investigation which will produce the facts, and all the facts, so far as it is humanly possible to produce them.

Such an investigation should be conducted as a public duty and a public service.

It should be conducted without partisanship or favoritism toward any responsible official, military, naval, or civilian, high or low, living or dead.

It should be conducted in an atmosphere of judicial responsibility, and it ought to be so complete and so fair that no person could doubt the good faith of the report and the findings made in it, or those who make it.

It ought not to be conducted or undertaken for the purpose or with the sole view of vindicating or aspersing any man now in office, or who has been in office during the period involved.

It ought not to be undertaken or conducted for the purpose of enhancing or retarding the welfare of any political party, or any person now in office, or any person who desires or aspires to hold public office.

It should not be conducted for the purpose of attempting to bedaub the escutcheon of any innocent man, high or low, living or dead, with the infamy of imputed wrong.

It should not be conducted with the purpose of gratifying the misanthropic hatreds of any person toward any present or past public servant, high or low, living or dead.

It should not be conducted for the purpose of casting aspersions upon the names and records of men who have rendered outstanding service to their country and to the world; nor should it be conducted for the purpose of whitewashing any person who may have been guilty of wrongdoing in connection with the whole affair.

Such an investigation should look solely to the ascertainment of the cold, unvarnished, indisputable facts so far as they are obtainable, not only for the purpose of fixing responsibility, whether that responsibility be upon an individual or a group of individuals, or upon a system under which they operated or cooperated, or failed to do either. It should be conducted with a view of ascertaining whether, in view of what happened at Pearl Harbor and prior thereto, or even subsequent thereto, it might be useful to us in legislating in regard to the operations of our military and naval forces and the executive departments having control of them, or which are supposed to work with them.

In my opinion this investigation should be a joint effort of the two Houses of Congress. If the two Houses should undertake separately to investigate, going their separate ways, the result might be divergent reports made by the two Houses, which would contribute to further confusion in the minds of the public, as well as in the minds of Members of Congress. Whatever the findings may be, they will carry more weight and bear greater authority if both Houses of Congress jointly and concurrently conduct the investigation.

For these reasons, Mr. President, acting in my capacity as a Member of the Senate and in my capacity as majority leader of this body, I am submitting a concurrent resolution directing such an investigation by a joint committee of the two Houses, consisting of five Members from each House, no more than three of whom shall be members of the majority party, to be appointed by the respective Presiding Officers of the two Houses, with all the authority they will need; and, in order that there may be no unnecessary delay in making the investigation and the report to Congress, directing that such report be made not later than January 3, 1946.

It is now nearly 4 years since the disaster occurred at Pearl Harbor. During the war, for certain military reasons, it was deemed inexpedient to do what I am now proposing. I believe that that decision on the part of the Congress and the Government as a whole was a wise decision. But the war is now over, and there is no military reason of which I am cognizant which would make it advisable any longer to delay a complete revelation of all the facts and circumstances leading up to this disaster, and the events which occurred while it was in progress.

Mr. President, I am submitting this resolution with the full knowledge and approval of the President of the United States. After I had studied the reports and made up my own mind as to what my duty was, I called upon the President and discussed the matter with him, because obviously I would not want to take such a step without discussing it with him, or at least letting him know what I had in mind and what I thought about it. He not only approved, but urged that I be not dissuaded for any reason from my purpose to submit the resolution calling for this investigation.

Also, since the preparation of the resolution, I have discussed the matter with the Speaker of the House of Representatives, and I have his assurance that if and when the Senate acts upon the concurrent resolution, it will receive prompt consideration by the House.

Mr. President, I express the earnest hope, which the President shares, that the two Houses may promptly agree to the resolution; that the investigation may proceed forthwith, without further delay; and that the Congress and the country may expect a full and impartial report, without regard to the consequences, within the time limit designated in the resolution. I send the resolution to the desk and ask that it be read and appropriately referred.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FERGUSON. I think it would be appropriate to ask that the concurrent resolution be immediately considered and agreed to.

Mr. BARKLEY. That is what I had in mind. I should like to ask that that be done. Under the rule, a resolution providing for an investigation and calling for the expenditure of funds is supposed to be referred to a standing committee, reported back, and then referred to the Committee to Audit and Control the Contingent Expenses of the Senate. Personally I should like to obviate those necessities, and I suppose it could be done by unanimous consent. I make the parliamentary inquiry now as to whether, notwithstanding the rule, the Senate could, by unanimous consent, proceed to consider and agree to the concurrent resolution.

The PRESIDENT pro tempore. It could be done by unanimous consent.

Mr. FERGUSON. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. FERGUSON. I ask unanimous consent for the present consideration of the concurrent resolution.

Mr. BARKLEY. I think it would be appropriate to read the resolution first, for the information of the Senate. If I could obtain unanimous consent for its present consideration, I should be extremely happy.

The PRESIDENT pro tempore. The concurrent resolution will be read for the information of the Senate.

The concurrent resolution (S. Con. Res. 27) was read, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint committee on the investigation of the Pearl Harbor attack, to be composed of five Members of the Senate (not more than three of whom shall be members of the majority party), to be appointed by the President pro tempore, and five Members of the House of Representatives (not more than three of whom shall be members of the majority party), to be appointed by the Speaker of the House. Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall make a full and and complete investigation of the facts relating to the attack made by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii on December 7, 1941, and shall report to the Senate and the House of Representatives not later than January 3, 1946, the results of its investigation, together with such recommendations as it may deem advisable.

SEC. 3. The testimony of any person in the armed services, and the fact that such person testified before the joint committee herein provided for, shall not be used against him in any court proceeding, or held against him in examining his military status for credits in the service to which he belongs.

SEC. 4. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress (prior to January 3, 1946), to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

(c) The expenses of the committee, which shall not exceed $25,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

Mr. BARKLEY. Mr. President, in view of the Chair's ruling that the concurrent resolution may now be considered by unanimous consent, without reference to a committee, I ask unanimous consent for the present consideration of the concurrent resolution and for its immediate adoption.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky?

Mr. WHITE, Mr. FERGUSON, and Mr. LUCAS addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Kentucky yield; and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Maine. I have promised to yield to the Senator from Michigan, and later I shall yield to the Senator from Illinois.

Mr. WHITE. Mr. President, in all ordinary circumstances I should be moved to object to such a request as has been made, for I think that by and large we progress most wisely if we observe the rules of the Senate as to procedure in this body. But I believe there there is so nearly unanimous sentiment of approval in this Chamber in respect to a resolution similar, if not identical, to that offered by the Senator from Kentucky that I have no purpose to object.

I do wish to say, Mr. President, that I know of at least one resolution of similar purport prepared by a Senator upon this side of the aisle whose purpose it was to introduce it at some proper time, but I take it that the two resolutions are not dissimilar in their object. Their purpose is the same; and so far as I am concerned, I am not going to object to the request made by the Senator from Kentucky. I think the Senate overwhelmingly approves the purpose of his resolution and of his request.

Mr. BARKLEY. I thank the Senator.

Mr. FERGUSON. Mr. President——

Mr. BARKLEY. I yield now to the Senator from Michigan.

Mr. FERGUSON. Mr. President, I had prepared to offer a concurrent resolution nearly identical in terms to the concurrent resolution which is now before the Senate. I merely had in mind that probably seven Members from each House would be better because of the question of attendance, but I should like in the time of the Senator from Kentucky to say a few things now in relation to why I believe a resolution such as the one which has just been read should immediately be adopted.

Mr. BARKLEY. Mr. President, if the Senator will permit me to do so, I should like to make a remark in regard to his attitude and situation. I appreciate his attitude and his cooperation. I did not know that he contemplated the introduction of a resolution until I saw mention of it in the newspapers last night. But in the meantime I had already prepared mine and, as I have said, I had conferred with the President and with others about it. So it was not prepared and offered in any way for the purpose of interfering with the introduction of any other resolution. But I felt that probably it should be offered and considered and, if possible, adopted immediately. So that the country will understand that the Senate, and, I am sure, the House of Representatives, feel that they owe a public duty to go into this whole matter; and I wish the Senator from Michigan and all other Senators to know that I deeply appreciate the cooperation which seems evident in regard to the matter.

Mr. FERGUSON. Mr. President, I appreciate and I understand the situation. It is not a question as to who introduces or offers the resolution, but it is a matter of having the job done. I should like to make a few remarks at this time regarding why I believe such a resolution should be adopted.

At the very outset I want to make clear precisely what I think should be investigated. The question is why our Army and Navy were not able either to avoid or to cope with the initial attack launched by the Japanese at Pearl Harbor. Everybody—those who opposed the war and those who favored it—was shocked at the swift liquidation of our Pacific naval strength; I am sure that everybody, men of every point of view—will agree that we ought to have the whole truth about this unfortunate event. The only question is as to how this inquiry should be made.

I am sure that no one will question that some inquiry is necessary. The President of the United States dispatched Secretary Knox to Hawaii immediately after the battle to investigate, because he felt the people ought to know the truth. In 5 days the Secretary of the Navy was back with his report. He said:

> The United States services were not on the alert against the surprise air attack on Hawaii. This fact calls for a formal investigation which will be initiated immediately by the President. Further action is, of course, dependent on the facts and recommendations made by this investigating board. We are all entitled to know it if (a) there was any error of judgment which contributed to the surprise, (b) if there was any dereliction of duty prior to the attack.

Only a few days later, the President named a commission of five, headed by Justice Owen J. Roberts, to go to Hawaii and make a fuller investigation. However, the Executive order for the Roberts inquiry read as follows:

> The purposes of the required inquiry and report are to provide bases for sound decisions whether any dereliction of duty or errors of judgment on the part of the United States Army or Navy personnel—

We in the Senate must note that it referred just to Army or Navy personnel—

> contributed to such successes as were achieved by the enemy on the occasion mentioned; and, if so, what these derelictions or errors were, and who were responsible therefor.

That meant that the commission could go only into the question of dereliction of duty or error of judgment of the Army and Navy personnel.

The report of that commission became a subject of endless discussion and questioning.

The last report of the War Department said that their Board had made a careful review of the record and exhibits of the Roberts commission. It further said that the Board had been materially helped and enlightened by the report and record of the Roberts commission, and that—

> we append to this report a section indicating the additional information and documents which have been made available as a result of our extended investigation, and which probably did not come to the attention of the Roberts commission; or, at least were not mentioned in either the testimony, documents, or report of the Roberts commission.

In June 1944 Congress by resolution directed the Army and Navy to proceed forthwith with an investigation into the facts surrounding the catastrophe of December 7, 1941. Under that authority the Army Pearl Harbor Board and the Navy

Court of Inquiry filed their reports in October 1944. That was 9 months ago. But the nature of their findings was not made known until last week. This delay in turn created the impression in many minds that something was being suppressed. I do not wish to make any criticism of this myself. It can be argued that it would have been unwise to publish these findings while we were still engaged in active warfare and when unity of purpose and spirit against the enemy was essential. Some persons even claimed military security was involved. Nevertheless, men—being what they are—had their curiosity and their suspicions whetted about the contents of these reports by the very act of withholding them.

I am sure the officers charged with the investigations have performed their duties with a full sense of their responsibilities. Now that they have made known their conclusions the whole situation remains more clouded than ever.

Returning to the Army report, it says further:

> We have not had the opportunity, nor the organization, to comb personally and exhaustively the official files, but we have called for the pertinent letters, documents, and memoranda. We believe that practically all of them have been secured—

We note that they do not say that all have been secured, but that "practically" all have been secured—

> although we have found a few files from which important and vital papers are missing. In many instances we found these documents elsewhere, or we were able to prove them through copies in other hands.

This quite clearly shows that the Army board felt the investigation was not complete. Neither the Secretary of the Navy nor the Secretary of War was satisfied with the report from the respective boards. When the Navy report was delivered to him last October, Secretary Forrestal said:

> The Secretary is not satisfied that the investigation has gone to the point of exhaustion of all possible evidence. Accordingly, he has decided that his own investigation should be further continued until the testimony of every witness in possession of material facts can be obtained and all possible evidence exhausted.

Last October, when the Army report was delivered to him, the Secretary of War said:

> In accordance with the opinion of the Judge Advocate General, I have decided that my own investigation should be further continued until all the facts are made as clear as possible, and until the testimony of every witness in possession of material fact can be obtained, and I have given the necessary directions to accomplish this result.

Thereafter the Army detailed Lieutenant Colonel Clausen of the United States Army to continue an ex parte investigation into the Pearl Harbor catastrophe, and the Navy Department detailed Vice Admiral Henry K. Hewitt to continue the Navy Department investigation as an ex parte investigation into the catastrophe.

While Admiral Kimmel was entitled to counsel and to take part in the proceedings before the Navy Board of Inquiry, General Short was entitled to counsel but had no right to take part in any of the proceedings. These continued investigations made by the Secretaries of War and Navy have not been given to the public. There is no evidence that the continued investigations dispose of the conflict between the two reports and fix the responsibility on the basis of persuasive evidence. That being true, Congress must try to find out the facts for the public and for itself. The two boards are quite far from being in agreement, and the Secretary of War and the Secretary of the Navy have each issued critical opinions of the findings of their own boards.

The last published findings have added to the list of the accused names which are still more eminent than those of Admiral Kimmel and General Short. As matters now stand Admiral Stark, who was Chief of Naval Operations at the time of the Pearl Harbor attack, and General Marshall, who led our armies through the great struggle just crowned with victory, and former Secretary of State Cordell Hull, have been held to share in the guilt of the defeat. The President of the United States has agreed with some of the findings and has disagreed with others.

Certainly no responsible statesman will quarrel with the curiosity of the people about this now badly confused episode. The curiosity of the people about their public affairs is the sole bulwark of a republican government. There are too few nations left in which there is a public opinion. This court of public opinion is a valuable institution in the United States, and must be able to function.

It is a citizen's duty to be curious. But it is also his right to have the whole truth about even small matters, and, of course, for a greater reason to have the whole truth about a subject which has cost so much in the blood of our sons, and the treasure of our people.

But there is still another force to be recognized here. I refer to the American's sense of fair play. It is a powerful feature of our national character. First, we had two distinguished officers who were accused of neglect of duty, and removed from their commands. Everyone expected they would be tried. But they have never been tried. And because they are officers of the armed services they are not at liberty to talk up with the same freedom possessed by an accused private citizen. They have not had a trial and they have not even had the opportunity of defending their honor in the public press. I do not want to enter into a discussion of the conditions which may have made this possible.

The only point I want to make is that our Government cannot behave in this way without creating in the minds of the masses of our people a feeling of sympathy for these men. Our Government cannot afford to do this sort of thing. To do so violates a fundamental principle of conduct which our boys and girls learn in the very first years of their schooling, namely, the great principle of American fair play. It violates the fundamental principle of the right of the accused to a fair trial with the opportunity of presenting his side in public.

Every consideration—the demands of public policy, the obligation of justice to the men who fell in the battle, the duty of fair play to those who have been accused—cries out for some form of inquiry which will bring to light the whole truth.

Here we have Cordell Hull, a distinguished former Member of this body, publicly and officially charged with a dereliction of duty, partly responsible for the loss of thousands of lives. We cannot subject him to a court martial, but we must not permit that stain to remain on his name without invoking all the powers of the Government to uncover all the facts. He is entitled to have those facts produced. He is entitled to more than mere conclusions based on part of the facts. All the facts cannot be produced by an Army court martial of General Short, or a naval court martial of Admiral Kimmel. The Pearl Harbor tragedy was a single great episode in which many services, such as the Army, the Navy, and the State Department participated. The controversy relating to the subject cannot be settled by a group of trials and inquiries in which each service will be the judge of its own actions. There is in the Government no agency capable of examining the whole chapter and compelling the production of all the facts, except the Congress of the United States.

What is true of Mr. Hull is true of General Marshall. He has presided over our military forces in the greatest war of our history, and has, in the public mind, managed that great task with courage and ability, and certainly with success. On the very day of final victory he is confronted with the judgment of an Army board that the catastrophe at Pearl Harbor, which began the war, was due in part to his failure to perform his duty. We cannot leave that slur upon the name of General Marshall without giving him the full benefit of a complete and unprejudiced publication of every fact. Here again we cannot do it in a court martial. General Marshall ought not to have to submit to a court martial. For if he escapes the judgment of any Army court martial he may run into a verdict of guilty against him in the eyes of the public by a Navy court martial of Admiral Kimmel, where he would have no right to defend himself.

All these men, Secretary Hull, General Marshall, Admiral Stark, Admiral Kimmel, and General Short, have an inescapable claim upon the conscience of the American people for a full and honest inquiry into the whole incident, and that such inquiry be conducted by a Congress which will proceed in the open, with full opportunity for every side to participate in the proceedings.

I do not see how Congress can ignore the things that are being said throughout the country about all this subject. Newspapers and magazines have offered their versions of this distressful event, and millions of people have read the accounts. Whether they are true or false is not the question here. Some of them are certainly not true, because the numerous versions themselves contradict each other quite as freely as do the official versions. But this subject is one

which must be set straight, and I can think of no way to do so except by a congressional investigation, and because it is so important, nothing less than a committee which represents both Houses of Congress should make the inquiry.

The reason why this inquiry is needed is as I have pointed out. The Roberts inquiry was limited by the Executive order. The Army report covers 304 pages, but when we reach page 241 it jumps suddenly to page 294. A whole chapter of 52 pages of the Army board's findings has been omitted by order of Secretary Stimson. The Navy report contains a clause which indicates that the Navy board of inquiry was directed to leave out certain testimony. In fact, the Navy board said:

> The details of this information are not discussed or analyzed in these findings, the court having been informed that their disclosure would militate against the successful prosecution of the war.

This tells us plainly that the Army board of review and Navy court of inquiry left these details out not on their own motion but under orders from the Secretary of War and Secretary of the Navy. Let us concede that there may have been a reason for omitting this testimony during the war; there is certainly no reason for hiding it now. It is unthinkable that the Congress and the public shall not have access to this testimony in order to appraise justly the correctness of the findings of the Army board and Navy court of inquiry.

There are points of serious difference between the Army and Navy board reports. For example, one of them fixes the date when General Marshall and Admiral Stark petitioned the President that no ultimatum be issued to Japan as of November 5, the other as of November 27—a very vital difference.

A congressional investigation is the only means of producing all the facts. All we have now are the conclusions of the Roberts commission and the conclusions of the Army and Navy commissions, but the public has been denied all the facts and testimony on which these are based.

There is a feature of these reports which is certain to impair public confidence in them regardless of their internal soundness. In this whole episode not only the conduct of the leading commanders but of the Secretary of War, the Secretary of the Navy, and the Secretary of State is involved. The press has already caught the significance of who was responsible for appointing the Army board and the Navy court of inquiry. It has been noted that neither report makes any criticism of the Secretary of War or the Secretary of the Navy, but that the Army report goes out of its way to castigate the Secretary of State, who had no hand in appointing his judges. These are reasons why neither the Army, the Navy, nor the State Department, or any tribunals within them, should make the final investigations. It is also a reason why courts martial cannot properly determine all the facts of this case. Actually this is no longer a case where Kimmel and Short, Marshall and Stark, Stimson and Knox and Hull, along with various subordinate commanders of both services, are on trial. Stated more correctly, the case brings in the responsibilities of so many that what we have on trial is the Army, the Navy, and the State Department, and only Congress has the authority to find all the facts.

The Army report puts blame on General Marshall and Secretary Hull. The Secretary of War criticizes the findings of his own board and disagrees with the verdict against General Marshall. The President of the United States approved the verdict in part and criticized it in part. He dissented from the criticism of Secretary Hull and General Marshall. As disclosed by the Army report, Mr. Stimson furnished most of the testimony against Secretary Hull. Secretary Stimson declares that Hull gave the Japanese an ultimatum on November 26, while Secretary Hull stoutly denies this.

Whatever point there may be in these differences, which are merely samples which come to mind, the fact remains that a great deal of information which has been withheld because the war was raging at top height 9 months ago must now be made public.

If we, the Congress, do not do this, history will do it, and will also appraise our neglect.

Mr. LUCAS and Mr. WHITE addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Kentucky yield, and if so, to whom?

Mr. BARKLEY. I yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I should like to make an inquiry with respect to the concurrent resolution. In section 2 I find the following:

> The committee shall make a full and complete investigation of the facts relating to the attack made by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii on December 7, 1941.

I should like to ask the able majority leader whether or not he considers that under this resolution the committee would have the power to investigate, let us say, what took place at Wake Island on the morning of the 7th of December 1941, or what took place in the Philippines on December 7, 1941, or the following day. In other words, are we going into the investigation of what transpired in the Pacific on December 7, 1941, or does the concurrent resolution confine the investigation solely to what happened at Pearl Harbor? Would the committee be able to make further investigation as to what happened in the Pacific at that time?

Mr. BARKLEY. In answer to the question propounded by the Senator, in my opinion the language of the concurrent resolution is broad enough to permit the committee to investigate anything which happened prior to the attack at Pearl Harbor, or led up to it, the circumstances which produced it, as well as the consequences of the attack. I realize that it would be impossible to include in a single resolution reference to all the islands in the Pacific which were attacked either concurrently with the attack on Pearl Harbor or shortly thereafter. The attack on Pearl Harbor was the attack which precipitated the war, which brought us into the war, and all the controversy has revolved around the attack on Pearl Harbor. But I use the language "relating to the attack" so as to make it possible for the committee to investigate anything which took place prior to it, or any of the consequences which may have flowed from the attack. The Philippine attack, the Guam attack, and the Wake Island attack were all within a radius of a few hours, and they were related to the attack on Pearl Harbor. So I think the language is sufficiently broad to cover those attacks.

Mr. WHITE. What the Senator from Kentucky has just said about the language "relating to the attack made by Japanese armed forces upon Pearl Harbor" in part answers the question I had in mind. The language "relating to the attack made by Japanese armed forces upon Pearl Harbor on December 7, 1941," is in itself rather restricting. But the Senator has said it is his intention, and he thinks it is within the authority of the resolution, to have an investigation of all the facts and all the circumstances and all the events preceding the day of the attack upon Pearl Harbor which had any relation to that tragic day's events, and also anything which may have happened subsequent thereto which throws any light upon the occurrences preceding December 7 and happening on that day.

Mr. BARKLEY. The Senator from Maine is absolutely correct. Anything which relates itself to the attack, whether it occurred prior to the attack or whether it grew out of the attack, all has to do with the attack, because without that attack presumably we would not at that time have been involved in the war, we would not have declared war on the following day. The attack on Pearl Harbor was the key attack of the Japanese armed forces in that area, and these other attacks were incidental to it. So I think they all relate to the attack on Pearl Harbor, whether they happened prior to it or after that attack.

Mr. WHITE. And the resolution gives practically plenary powers of investigation with respect to all matters which occurred before the time of Pearl Harbor or thereafter, which relate in any way to the occurrence of the attack?

Mr. BARKLEY. Yes. Whether those things happened in Washington, or whether they happened in the Philippine Islands, or whether they happened in Japan, or whether they happened anywhere else in the world—if they relate themselves, prior to or subsequently, to the attack, the committee can go into them. I think the language is broad enough to permit that.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. TAFT. I have some doubt whether the resolution should not be amended to be somewhat broader, to include the Philippines; to include, so to speak, the Japanese attack on the United States. I assume that the Senator's remarks, however, will be brought to the attention of the House of Representatives when it considers the resolution, and if the language is too narrow that his remarks may have the effect of broadening it.

Mr. BARKLEY. Of course, the Senator realizes I have no pride of language.

I consulted with our experts in the framing of the resolution, and it was thought that its terms were broad enough to cover anything that had any connection with Pearl Harbor. Inasmuch as the attack on Pearl Harbor constituted the key event or episode around which all this investigation revolves, it seems to me that the committee would have plenary authority to go into any matter anywhere in the world that had anything to do with it. But if anyone can offer better language I certainly would not stand in opposition to it. I think, however, the language is broad enough. If we name Wake Island, the Philippines, and some other place, we run a risk, by naming more than the Pearl Harbor incident, of by inference excluding other things that the committee would undoubtedly want to go into.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. BARKLEY. Yes.

Mr. TAFT. Does the Senator consider that the language is broad enough to go back to the beginning of the war, that is, I mean to the general policy, the application of the Neutrality Act, the shipment of scrap, and so forth?

Mr. BARKLEY. Yes. I think it is broad enough to go back to the Japanese invasion of Manchuria or to any other period in past history that can in any way be connected with or related to the attack on Pearl Harbor.

Mr. TAFT. Mr. President, since the Senator is the author of the concurrent resolution, and since that is his interpretation of it, I am willing to accept that interpretation.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FERGUSON. The language I had prepared was that "the committee shall make a full and complete investigation of the facts surrounding the attack and the events and circumstances leading to the attack made by the Japanese armed forces on the Territory of Hawaii December 7, 1941." But I am glad to have the explanation of the able majority leader that his language is intended to cover this entire field. I think that the battles of the Philippines and of Guam and elsewhere were merely battles in our war.

Mr. BARKLEY. We were practically at war when those things happened.

Mr. FERGUSON. Yes; that is right. The spark was ignited, or the button was pushed, as was said in the report, by the attack at Pearl Harbor.

Mr. BARKLEY. That is correct.

Mr. FERGUSON. That was the initial attack.

Mr. BARKLEY. Yes.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BREWSTER. I wish to associate myself completely with what the Senator from Kentucky has stated today, and I think he has rendered a very great public service to his country. I do not mean to intimate any doubt as to the concurrent resolution containing language properly calculated to implement what the Senator has said.

I recognize, however, the very great importance of what we are doing, and that, under well-settled rules of parliamentary construction, the language of the concurrent resolution, if unambiguous, must control, irrespective of the very illuminating discussions here, and of anything which the Senator himself may have said.

I do feel that, having delayed 4 years the consideration of this matter by the Congress, certainly the public interest will not be seriously prejudiced if we should delay 24 hours, and send the concurrent resolution to an appropriate standing committee which may consider this whole question as to whether or not the language is calculated to carry out what is obviously the unanimous desire of the Senate.

I hesitate to be the only member who apparently is concerned, but I frankly do feel that this matter should go to the appropriate standing committee.

Mr. BARKLEY. Mr. President, let me say to the Senator that I hope nothing will happen today in the Senate which will create the impression that we are quibbling over the adoption of the concurrent resolution. If any broadening or any change might have to be made to the language, since the measure must go to the House, I myself will take the responsibility of conferring with the Members of the House who will be interested in the matter, with the view of broadening the language as may seem necessary; and I hope the Senator, under those circumstances, will not object to the present consideration of the concurrent resolution.

Mr. BREWSTER. Mr. President, I frankly do not possess the agility of mind which is possessed by the 95 other Members of the Senate to render an opinion from the very hasty consideration given this matter on the floor of the Senate today, as to whether or not this concurrent resolution implements the marvelously adequate speech of the Senator from Kentucky. I do think that not only his interest but that of the country and of the Senate will be served by at least pausing to consider whether or not this concurrent resolution is well calculated to carry out what is obviously our unanimous purpose. I think the suggestion that the 24 hours delay, which is all that would be required to send the matter to an appropriate standing committee, cannot have great weight.

Mr. BARKLEY. Of course I do not know how long it would take a standing committee to meet and deliberate about the matter.

Mr. BREWSTER. To which committee does the Senator from Kentucky consider the matter should go?

Mr. BARKLEY. It would go, according to the advice I have received from the Parliamentarian, to the Committee on Naval Affairs. It might go to either the Committee on Military Affairs or to the Committee on Naval Affairs, but inasmuch as Pearl Harbor was a naval base, and the greater proportion of the damage was done to the Navy, it has seemed appropriate that it go to the Committee on Naval Affairs.

Mr. BREWSTER. Well, I feel that certainly that committee could meet quickly——

Mr. BARKLEY. There is another matter involved. If the concurrent resolution is sent to the Committee on Naval Affairs under the rule and comes back to the Senate it must then go to the Committee to Audit and Control the Contingent Expenses of the Senate, which would involve further delay. I think no substantial loss, either in the matter of broadening the resolution, or anything connected with it, would be incurred by allowing it to be adopted now without having to go through the routine of two committee before we can secure action.

Mr. BREWSTER. What I anticipate will almost inevitably occur, if the proposed action is taken, is that when it goes to the House the scope of the resolution will there be broadened, and I will much prefer that the Senate should now undertake to place in the concurrent resolution language which will carry out what is obviously now the unanimous desire of the Senate, rather than to rely on the House to amend language which may be deemed as not entirely clear, particularly as the Members of the House will not have the benefit of the very splendid explanation made by the Senator from Kentucky as to what he intends by the resolution.

Mr. BARKLEY. I entertain no jealousy on my part toward the House in the matter of amending anything the Senate may adopt. We frequently exercise that right in the Senate. If the House should see fit to broaden the language, unless it, by broadening the language, thinned it out and watered it down, I certainly would have no objection. But I think it important that we get to work on this job at once without creating the impression that we are seeking to cause delay, through any technicalities, or through any effort of evasion, or in any other way.

Mr. BREWSTER. I certainly share the desire of the Senator from Kentucky for expedition, but as I said before, having waited 4 years, I am certain that we can safely wait 4 days more, and I think the country will be much more impressed with the deliberateness of our consideration if that course is taken.

Mr. BARKLEY. I do not think the country will have any doubt about our deliberateness. We have been talking about this matter ever since it occurred. We have debated it on the floor of the Senate time and time again in connection with the extension of the Statute of Limitations. I do not think that any impression of hasty action on our part, can be gotten from the adoption of the concurrent resolution now. I think it would be a wholesome example to the country and to every one concerned if we could handle it in the way now proposed.

Mr. BREWSTER. There is one thing about the language which gives me concern, and which I should certainly like to consider. The language is, "the facts relating to the attack by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii." As I understand, a very intimate part of that attack involved two silk-hatted gentlemen who spent the time during the attack with Secretary Hull. Whether they were a part of the armed forces may perhaps be a matter of debate. I believe that what occurred in connection with all those events is

very intimately concerned with the attack, and I should not want any language to be calculated to limit our inquiry.

Mr. BARKLEY. The Senator is too good a parliamentarian and too good a draftsman to assume that the language ought to be amended so as to mention specifically the silk-hatted gentlemen to whom he has reference.

Mr. BREWSTER. But I do not like to exclude them by saying "Japanese armed forces."

Mr. BARKLEY. They are not excluded.

Mr. BREWSTER. They are certainly not included in that language.

Mr. BARKLEY. The attack on Pearl Harbor occurred while they were here carrying on negotiations with the Secretary of State. The Secretary of State received notice of the attack while they were in his office. Certainly that circumstance is related to the attack on Pearl Harbor.

Mr. BREWSTER. I think it might well be a debatable question as to whether they are included within the term "Japanese armed forces."

Mr. BARKLEY. These things are all related to that attack. Whether they were members of the armed forces or not is not very important, because they certainly did not themselves make the attack in person when they were conferring with the Secretary of State in Washington.

Mr. BREWSTER. I should say that they were a most essential element.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. The language contained in the resolution submitted by the able junior Senator from Michigan [Mr. FERGUSON] was given very careful consideration, and from our point of view it has had the sort of study which the Senator from Maine has indicated. I am sure the language fully meets the purpose of the Senator from Kentucky. Would there be any objection to changing the first sentence in section 2, which now reads, "The committee shall make a full and complete investigation of the facts relating to the attack made by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii" so as to read "The committee shall make a full and complete investigation of the facts surrounding the attack and the events and circumstances leading up to the attack made by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii"?

Mr. BARKLEY. I see no substantial difference between the words "relating to" and the word "surrounding." However, I have no objection to the remainder of that language. I believe that the words "relating to" are more appropriate than the word "surrounding", but I certainly would have no objection to including the phrase "leading up to," which could be inserted after the words "relating to."

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. FERGUSON. I was somewhat concerned as to whether to use the words "relating to" or the word "surrounding." I think they mean the same thing in relation to this event. If the able senior Senator from Michigan would use the words "relating to," and then add the words "the events and circumstances," I think that would cover the objection of the Senator from Maine.

Mr. BARKLEY. I had in mind also the question as to whether additional language, which would specifically apply to previous events leading up to the attack, should be included; but I did not include it for the reason, as I have explained, that I thought the words "relating to" covered it fully, and included events both prior to and subsequent to the attack. However, I have no objection to inserting, after the words "relating to," the language suggested by the Senator from Michigan.

Mr. VANDENBERG. Mr. President, will the Senator further yield?

Mr. BARKLEY. I yield.

Mr. VANDENBERG. The language would then read:

> The committee shall make a full and complete investigation of the facts relating to the events and circumstances leading up to the attack made by Japanese armed forces on Pearl Harbor in the Territory of Hawaii.

Mr. BARKLEY. I have no objection to that language.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LUCAS. May I ask whether or not that language would prevent us from investigating anything subsequent to the attack? We talk about everything leading up to the attack.

Mr. VANDENBERG. And subsequent.

Mr. LUCAS. The word "subsequent" is not in there.

Mr. BARKLEY. We can say "leading up to or following the attack."

Mr. VANDENBERG. I believe that would cover it.

Mr. BARKLEY. I have no desire to cut off the investigation at any particular date if it has any relationship to this attack, or the consequences of it.

The PRESIDENT pro tempore. The Senator has the right to modify his concurrent resolution.

Mr. BARKLEY. Mr. President, I will modify the concurrent resolution by inserting after the words "relating to," the words "the events and circumstances leading up to or following."

Mr. WALSH. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. WALSH. Before the vote is taken on the resolution, which I hope will be unanimous, I wish to take occasion to compliment the distinguished majority leader upon the magnificent and generous manner in which he has responded to the overwhelming popular sentiment of the country. He has not only done that, but he has relieved us all of many hours of anxiety, lifted this question above partisanship, and make an appeal for what the country wants—a high-minded, clean, judicial investigation of all the facts connected with the Pearl Harbor disaster. I wish to say to him that he has exercised statesmanlike judgment on many occasions in the past, but never of a loftier character than today. He has never rendered a better public service. He has not only rendered a service by responding to the public demand, but he has removed all doubts or questions as to the sincerity of our present Government and of the Navy Department in their willingness to have the whole story told truthfully and candidly. As chairman of the Committee on Naval Affairs, before which this problem has been pending by reason of petitions filed with us, I wish to compliment the Senator from Kentucky and thank him for the service which he has rendered the country.

Mr. BARKLEY. Mr. President, I deeply appreciate the remarks of the Senator.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Kentucky that the concurrent resolution, as modified, be immediately considered, without reference to a committee? The Chair hears none.

The question is on agreeing to the concurrent resolution, as modified.

The concurrent resolution (S. Con. Res. 27), as modified, was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a joint committee on the investigation of the Pearl Harbor attack, to be composed of five Members of the Senate (not more than three of whom shall be members of the majority party), to be appointed by the President pro tempore, and five Members of the House of Representatives (not more than three of whom shall be members of the majority party), to be appointed by the Speaker of the House. Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection. The committee shall select a chairman and a vice chairman from among its members.

SEC. 2. The committee shall make a full and complete investigation of the facts relating to the events and circumstances leading up to or following the attack made by Japanese armed forces upon Pearl Harbor in the Territory of Hawaii on December 7, 1941, and shall report to the Senate and the House of Representatives not later than January 3, 1946, the results of its investigation, together with such recommendations as it may deem advisable.

SEC. 3. The testimony of any person in the armed services, and the fact that such person testified before the joint committee herein provided for, shall not be used against him in any court proceeding, or held against him in examining his military status for credits in the service to which he belongs.

SEC. 4. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress (prior to January 3, 1946), to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants as it deems necessary, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties.

(c) The expenses of the committee, which shall not exceed $25,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers signed by the chairman.

Mr. BARKLEY. Mr. President, I did not intend, at the outset, to take so much time at this hour, but I hope it has been well spent.

NOMINATION OF GEN. JONATHAN MAYHEW WAINWRIGHT

Mr. THOMAS of Utah. Mr. President, as in executive session, from the Committee on Military Affairs, I report favorably the nomination of Lt. Gen. Jonathan Mayhew Wainwright to be a general in the Army of the United States, and ask unanimous consent for its present consideration. I do so at this time because I understand that the Senate will not be in session again until next week. For the first time in the history of the Military Affairs Committee since I have been chairman, I have polled the committee, on the nomination of General Wainwright. I know that it is the sense of the Senate that when he comes to Washington next Monday and is greeted by the President of the United States, he should be greeted as a full general. I ask unanimous consent for the present consideration of the nomination.

The PRESIDENT pro tempore. The nomination will be stated for the information of the Senate.

The legislative clerk read the nomination of Lt. Gen. Jonathan Mayhew Wainwright (major general, U. S. Army) to be a general in the Army of the United States.

The PRESIDENT pro tempore. Is there objection to the present consideration of the nomination, as in executive session? The Chair hears none. Without objection, the nomination is confirmed.

Mr. THOMAS of Utah. I ask that the President be immediately notified.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

THE FULL-EMPLOYMENT BILL AND OPINIONS REGARDING DEPRESSIONS

Mr. WAGNER. Mr. President the recent hearings before the Banking and Currency Committee on the full-employment bill (S. 380) have revealed that the great majority of the American people are convinced that we can get and can keep full employment in a free competitive economy.

Unfortunately, we still have a small but powerful minority in this country who are against full employment. They prefer a floating pool of unemployed, to keep wages down or to maintain labor discipline. They are eager to enjoy the temporary profits that can be reaped during a wild inflationary boom, even though the inevitable result may be mass unemployment.

To the ordinary men and women of America, it may seem inconceivable that any Americans might entertain such reactionary ideas. Accordingly, I should like to call attention to an article entitled, "We Need Those Depressions," which has just been published in the August 25 issues of the University of Illinois bulletin, Opinion and Comment. This article was written by Mr. Ralph B. Blodgett, who is head of an advertising agency in Des Moines, Iowa.

Mr. Blodgett states that—

It is to be hoped that depressions are never abolished, for they have many desirable features. Those who learn to ride the business cycle can find as many advantages in depressions as in booms—personal as well as business advantages. Smart folks take advantage of the boom * * * they are then ready for depression-time bargains, bargains in every conceivable thing from a suit of clothes to a railroad.

Mr. Blodgett then points out that some of the best business bargains have been obtained in times of depressions. He refers specifically to the Union Pacific Railroad, which, during the financial panic that started in 1893, was bought for only $81,000,000, less than half the original cost.

He also points out that "enforced unemployment presents a chance to get some real enjoyment out of life," but not for everybody, merely "for those who have harvested a crop of canceled debts and cash in bank."

Mr. Blodgett concludes with the following paragraph:

There is a big job to be done—the job of showing all America that the miscalled depressions offer as wide a range of rich opportunities and human benefits as a prosperity season or any other part of the business cycle. We ought to show all the people that we need those "depressions."

Mr. President, at a time when the Senate is preparing to consider legislation recognizing the Government's responsibility to assure sustained full employment, it is important that we recognize the fact that there are people in this country who are against full employment. I therefore ask unanimous consent that the article We Need Those Depressions be printed at this point in the RECORD, together with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WE NEED THOSE DEPRESSIONS

(By Ralph B. Blodgett)

Roger Babson once told how the business cycle has been rolling for 5,000 years—50 centuries. He told how the really smart men of many ages have tried to get rid of depressions with no success at all. We millions who try to buck the cycle are crushed. The few who get on and ride the cycle might well call it the gravy wagon.

It is to be hoped that depressions are never abolished, for they have many desirable features. Those who learn to "ride the business cycle" can find as many advantages in depressions as in booms—personal, as well as business advantages. Smart folks take advantage of the boom. They save what they can and keep their savings liquid. They are then ready for depression-time bargains, bargains in every conceivable thing from a suit of clothes to a railroad. Many even welcome unemployment as a chance to relax and to use spare time in various profitable ways. Those who live on fixed incomes, such as insurance benefits, welcome the depression-time drop in living costs. From time to time the whole price structure—and the economic set-up—needs readjustments, such as come with depressions.

That very name "depression" is inappropriate. It horribly maligns those great periods so full of splendid opportunities and human benefits. Let us keep those periods but abolish only the name. Let us use some other name. "Business recess" suggests an interval of leisure for rest and perhaps play, which such a period always brings. Perhaps "economic winter" would describe it more completely and accurately. Some economic research foundation might well offer prizes for suitable names, and select the best one.

THE FOUR ECONOMIC SEASONS

The four seasons of the business cycle closely parallel the four seasons of the year. In economic spring, or recovery, we see new businesses springing up everywhere, and the sap rising in old ones whereby they spring into new and vigorous life. We also note the wrecks of dead enterprises that could not survive the winter. The rate of growth accelerates until economic summer, which we now call boom time. Growth then slows down and stops. A ripening harvest of high wages, profits, and investment yields calls for some reapers who will save much, cancel debts, and store their surplus in the granaries called banks, at low interest rates. Beware, now, of the temptation to plant new crops of industrial enterprise or promising investments. Beware of the spirit of free-spending extravagance. Beware, too, of speculative fever.

Economic fall, or the slump season, will soon bring a falling off of business and employment, and a freezing of all credit fields. Wise operators will now harvest late "corn crops," from some continuing high wages and profits. A few will sow their winter wheat or rye in the form of sporting goods or recreational enterprises, or take cuttings from old established enterprises to be transplanted at new distribution centers. But mostly they will quietly work and wait, and take pleasure in their stored-up harvest. They will relax more and enjoy their hunting trips, football games, or what have you?

Economic winter brings a long period of low temperatures in business and employment, low prices and wages. Soon after winter sets in, a universal vacation interval is to be noted, somewhat comparable to a Christmas vacation. Roger Babson pointed out in an article published in World's Work in 1931, that nearly every so-called depression brings with it a new recreational fad and revives a lot of old ones. Thus baseball got its start in the slump after the Civil War. Tennis, ping pong, bicycle riding, golf, and miniature golf either were introduced or received a great impetus in periods of depression.

This tendency reflects a great human need for relaxation after the tremendous exertion of boom time. Unemployment brings needed rest to millions, whether they are ready for it or not.

POTENTIAL CATASTROPHES

Every winter would be a national catastrophe if all we did was to hope that we would never have another one, and never turn a hand to prepare for one. Then we could malign it also with a derogatory name, such as "suffering season," for most of us would freeze or starve or wreck our health from exposure.

But no. We build warm dwellings and make warm clothing. We manufacture heating plants and produce all kinds of fuel. We thrive on the business and employment of preparations for winter. To top it all off, we produce a great variety of winter sporting goods, and get a lot of enjoyment out of this potential catastrophe called winter. We give the kids a week or two of Christmas vacation and turn them loose to enjoy the fun.

But because we blind our eyes to many years of history and refuse to prepare for the next business recess, we make of it a great national catastrophe. Yet it is a perfectly natural, normal, and wholly desirable rest period, overflowing with rich benefits.

There is always a sprinkling of common laborers, industrial giants, school teachers,

doctors, farmers, and storekeepers who get ready to enjoy those benefits. In boom times, when most people are spending freely, going in debt or speculating, these persons quietly pay off their debts, economize, save up cash, and keep it liquid, at low rates of return. Just ahead they see bargains in every conceivable thing from a railroad to a suit of clothes.

A RAILROAD AT A BARGAIN

The financial panic of 1893 virtually stopped the development of the West, especially that of the great western plains. It forced 54 railroads, with a total capitalization of $2,500,000,000 into bankruptcy.

The Union Pacific represented an investment of nearly $200,000,000. In 1895 the banking firm of Kuhn, Loeb & Co. bought it for $81,000,000, less than half the original cost. Probably that was all it was worth in its run-down condition, but in terms of its tremendous possibilities, it was a great depression-time bargain.

One man saw those possibilities, the bold, fearless, colorful Edward H. Harriman. By maneuvering, he first became a member of the board of directors, next of the executive committee, and then obtained the chairmanship of the latter. In 1898 he had a train made up backward, observation car in front, next the train, and last the engine. Out in front he went over every mile of all that road in daylight, to complete his minute and scrutinizing study of it.

He saw the lingering 5-year depression of the western ghost towns, with the people entirely gone, and other towns from which half the settlers had drifted back east. He saw idleness and poverty and despair.

But beyond all that, he plainly saw the end of the depression, which would bring returning prosperity and rising prices. He boldly asked his bankers for the huge sum of $25,000,000 wherewith to ballast roadbeds, straighten out curves, halve the pitch of all steep grades, and put in heavier rolling stock. He urged the spending of this sum while prices of labor and materials were low. He could thus get much more improvement for the money. Incidentally he put many thousands of idle men to work at what was then a fair living wage, for living costs were also low.

Not only was the whole Union Pacific Railroad bought as a depression-time bargain, but it was also rebuilt and revitalized at a bargain. In a few years it raised wages, reduced freight rates, paid off its debts, began paying dividends, and made possible the doubling and trebling of farm land values in whole States, as well as the expansion of manufactures.

In these days a million people may have to ride the business cycle to do as much for recovery as Harriman's one railroad did.

OTHER BARGAINS IN SEASON

These business-recess bargains are not confined to large operations. One man got bargains in two suits of clothes and then a hardware store in the slump of 1922. He had always been careful with money, and was never moved by the spirit of gambling and extravagance of boom times. When business and profits and personal earnings fell off, he was attracted to two good suits at a bargain price of 50 percent off. Later, he moved to another city and found a little neighborhood hardware store for sale at a bargain price. He bought it and made his living there until his retirement 2 years ago at the age of 81.

Anyone who would like to see the wide range of depression-time bargains can go back to old files of newspapers dated in the depths of any business recess or economic winter. In the want ads can be seen every conceivable article offered for sale at ridiculously low bargain prices: building lots, bungalows, mansions, summer cottages, motor boats, farms, pure-bred bulls, fur coats, jewelry, retail stores, factories, used cars, trucks, and home furnishings. In the general advertising there can be found a great variety of new merchandise for sale at greatly reduced prices: clothing, furniture, rugs, gas stoves, electric equipment, etc. And on the stock market opportunities are offered to buy up a controlling interest in small or large corporations, or perhaps even a railroad, whose stock has gone begging.

Most people succumb to boom-time speculative fever and extravagance. When the slump comes, they have no quick assets to tide them over the hard times. They may even be in debt. Whatever they have bought with their high earnings they are forced to sell at a huge sacrifice. They sorely need the cash and are greatly helped by the bargain-hunting cycle riders.

WE ALL NEED REST

There is more to riding the business cycle than mere financial operations, however. Roger Babson pointed out that every boom exhausts us all. The rush of business, the long hours of overtime, the nervous tension—all make us act like tired people. The efficiency of both labor and capital goes steadily downward. As we lose our judgment and sense of values we speculate crazily. Our jangled nerves make us irritable until we have strikes and lock-outs—labor troubles with both sides vilifying each other. Finally we get so full of fear that prices collapse and few people have clear enough vision to see the possibilities ahead and work them out.

This reveals another great human benefit of a business recess, a chance to make it a real recess in the school of life, a chance to relax and play and rest. When millions of us instinctively satisfy that need, another recreational fad breaks out. But along with it, we have a great heaviness of heart, we worry about our recent losses, our unemployment, and our black-out future prospects, becase we have not prepared for such a crisis.

Of even more value than the rich bargains previously referred to is the opportunity for unworried rest and relaxation—for those who have harvested a crop of canceled debts and cash in bank. For them enforced unemployment brings a chance to get some real enjoyment out of life. Once out of the treadmill of a daily job, one can afford to travel cheaply, develop a long-cherished hobby, catch up on reading, go to a trade or business school, or even to college. This unworried shift to entirely new scenes or new occupations will soon revive one's self-confidence, vision, efficiency, and value as a profitable employee. It will restore his employability and the health and fighting spirit wherewith he can go after a new job and hold it.

Our returning servicemen will be thoroughly exhausted, many so nervous and jittery they will not be good for much for months to come. The provision for granting them $300 discharge pay is excellent. For many of them it will be enough to give a relaxation period and sufficient time to get tuned up again. For the rest it will help a good deal.

The stresses and strains of wartime wear us all down far worse than an ordinary business boom. But a strange thing happens after major wars. After the Civil War and after World War I we had short recesses of a year or two. Then we caught our second wind and had 6 years of busy reconstruction, until finally the real postwar recession hit us, lasting 6 years in the 70's and 9 years in the 30's.

One serious factor made the last depression last longer than it might have otherwise. If you and I try to charge more for our goods and services than the people feel in the mood to pay, we won't get much business. And because, on a national scale, we tried so hard to keep up wages and prices, we got so little business as to give us a chronic standing army of 10,000,000 unemployed. Had we allowed both wages and prices to seek their natural level, we should have come out of the depression sooner.

WHAT TO DO ABOUT IT

What, then, can we do about these times we call "depressions," which are so full of rich human benefits?

Why not set out to sell 10,000,000 people on the ways of riding the business cycle? Let newspaper, magazine, and radio reporters write true stories about people who have ridden the cycle and found it to be profitable. Let them find the story of the clerk who harvested cheap dollars in a boom, lost his job in the slump, then rode his photography hobby that finally placed him with a portrait studio as a retoucher and tinter. Let them tell the story of the banker who was let out through a merger, took a trip to Alaska, came back with new courage and vision, and became an executive in an aircraft plant.

Let this be the start of a great campaign to teach America how to ride the business cycle. Then let economic research foundations and other proper agencies publicize true stories and experiences on this subject.

One man may have had the cash to build a home at bargain costs for labor and material after the slump of 1923; another was all set to take it easy and travel at excursion rates when times were bad in 1907; a woman restocked her whole wardrobe and linen supply once when business slowed up and prices were slashed. On the other hand, someone may have failed to take advantage of such a period and now sees clearly that he should have ridden the cycle. Such a program would set tens of thousands of individuals to thinking of ways to ride the business cycle. Several million readers would see the printed stories.

A second campaign, suggesting suitable postwar plans for railroad conductors, stenographers, doctors' wives, teachers, storekeepers, and even high executives, should interest more thousands of writers and more millions of readers in postwar planning for themselves.

What would happen if 10,000,000 people would learn to ride the present cycle?

By keeping several billions of savings off a booming speculative market, they would depress the boom peaks. By cleaning up their debts, they would curb the crazy credit expansion to some extent. Later on, by spending more freely for hobbies, travel, schooling, relaxation, and all the rich harvest of bargains, they would tend to fill up the deep gorges in the valley now misnamed depression. By spending their saved billions they would put idle persons to work and greatly relieve the situation for the many who would be both idle and broke.

There is a big job to be done, the job of showing all America that the miscalled "depressions" offer as wide a range of rich opportunities and human benefits as a prosperity season or any other part of the business cycle. We ought to show all the people that we need those "depressions."

ARMY MANPOWER REQUIREMENTS—LETTER FROM THE PRESIDENT TO SENATOR THOMAS OF UTAH

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated August 27, 1945, from President Truman, addressed to me, dealing with the subject of Army manpower requirements.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, August 27, 1945.

Hon. ELBERT D. THOMAS,
Chairman, Committee on Military Affairs, United States Senate.

DEAR SENATOR THOMAS: It occurs to me that it would be helpful to your committee in

planning its legislative program to have my views on the matters which will be under your consideration. As you know, coincident with Japan's acceptance of our surrender terms, two important steps were taken to adjust Army manpower requirements: A world-wide campaign to obtain the maximum number of volunteers was initiated and selective-service calls were reduced from 80,000 to 50,000 men a month.

The first of these steps will require legislative assistance. Present laws place a ceiling of 280,000 on the number of enlistments which can be accepted; only men now in the service or those who have been discharged for less than 90 days can be enlisted directly; and there are some legal uncertainties regarding reenlistment bonuses, grades, mustering-out pay, and other benefits under the GI bill of rights. These matters should be clarified as rapidly as may be to the end that there will be no legal impediments to the maximum procurement of volunteers. In addition the Congress will wish to consider what more can be done in the way of furnishing inducements which will stimulate voluntary enlistments. The more men who can be secured by this means, the fewer it will be necessary to induct into or continue in the service.

The continuance of inductions through the medium of selective service will be one of your most critical problems. From many standpoints, I wish it were possible for me to recommend that the drafting of men be stopped altogether and at once. But, sharing the deep feeling of our people that those veterans who have given long and arduous service must be returned to their homes with all possible speed and with the certainty that world conditions will require us during the transition period to settled peace to maintain a real measure of our military strength, I cannot so recommend. The situation in the Pacific continues to have many elements of danger, and war-torn and disorganized Europe is facing a difficult winter season with scarcities of food, fuel, and clothing. Our occupation forces in those areas must be held at safe levels, determined largely by General MacArthur and General Eisenhower, who are on the ground and familiar with the situation. We cannot stop the certain inflow of replacements into the armed forces without necessitating prolonged service of veteran soldiers.

My great concern at the present moment is for those now in the armed forces whose war service has separated them from their homes and loved ones for extended periods. An unforgivable discrimination would result, if we should favor those who have had no military service by suspending their induction at the cost of requiring further sacrifice from those who have already done their part.

Based on the present unsettled conditions in Europe, the uncertainties of the Pacific, and decent consideration for all the men in the service who have borne the burden of the past years, I have approved continuation of inductions until such time as the Congress shall establish the broad national policies to govern full demobilization, occupation, and world security.

While the question of how to provide adequate military forces and at the same time to restore veterans to their homes is a matter for determination by the Congress, it appears clear to me that we dare not depend solely on volunteers. The continuation of inductions through Selective Service at a rate depending upon the rate of volunteering is the only safe and acceptable solution. However, it is my view that these inductions should be for a 2-year period unless sooner discharged and should consist of men in the age group 18 to 25, inclusive.

It is my firm conviction, which I believe is shared by the majority in this country, that war veterans who do not volunteer to remain in the service should be discharged as soon as it is practicable to do so. This means that we must start at once to obtain personnel exclusive of these veterans to carry the burden of the occupational period. Volunteers should be procured in maximum numbers and the remainder of whatever strength is required obtained by post VJ-day inductions through Selective Service.

The War Department is stressing the procurement of volunteers to the utmost. How many will be obtained is problematical but from past experience and the most recent studies 300,000 appears to be the maximum to be expected by July next. Inductions, if continued at the present reduced rate, for the same period would produce approximately 500,000 men. On this basis there will be not more than 800,000 nonveterans and volunteers in the Army next July.

It is certain that 800,000 men will be insufficient to meet over-all requirements next July. General Eisenhower's and General MacArthur's estimates alone total 1,200,000, exclusive of the numbers required for supporting troops in the United States and other areas. The difference between the 800,000 nonveterans and volunteers and whatever total strength is required must be made up by holding additional numbers of veterans in the service. It is evident that any curtailment in the number of Selective Service replacements will only accentuate the number of veterans who must be retained in the service. While it will not be possible to discharge all of them even under the proposed system as soon as we would like, we will have the satisfaction of knowing that the program will give them the best opportunity we can provide for their early return to civil life.

One other matter which deserves the immediate consideration of your committee is the question of when the "emergency" or "war" should be officially terminated. I must emphasize the danger that lies in a too early unqualified formal termination. Tragic conditions would result if we were to allow the period of military service to expire by operation of law while a substantial portion of our forces had not yet been returned from overseas. I am confident that the Congress will take no action which would place the armed forces in such a position.

Sincerely,

HARRY S. TRUMAN.

PROCEEDINGS IN CONNECTION WITH JAPANESE SURRENDER

Mr. BARKLEY. Mr. President, on the occasion of the signing of the articles of surrender by Japan, the proceedings on the battleship *Missouri* were to me very impressive. Therefore, I ask unanimous consent that there be printed in the body of the RECORD at this point, in full-sized type, the articles of surrender which were signed by Japan, the remarks of General MacArthur in connection therewith, the remarks of Admiral Nimitz in connection therewith, and the addresses delivered by the President of the United States, not only in connection with those proceedings, but on the following night to the armed forces of the United States.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

THE SURRENDER INSTRUMENT

(1) We, acting by command of and in behalf of the Emperor of Japan, the Japanese Government, and the Japanese Imperial General Headquarters, hereby accept provisions in the declaration issued by the heads of the Governments of the United States, China, and Great Britain July 26, 1945, at Potsdam, and subsequently adhered to by the Union of Soviet Socialist Republics, which four powers are hereafter referred to as the Allied Powers.

(2) We hereby proclaim the unconditional surrender to the Allied Powers of the Japanese Imperial General Headquarters and of all Japanese armed forces and all armed forces under Japanese control wherever situated.

(3) We hereby command all Japanese forces, wherever situated, and the Japanese people to cease hostilities forthwith, to preserve and save from damage all ships, aircraft, and military and civil property and to comply with all requirements which may be imposed by the Supreme Commander for the Allied Powers or by agencies of the Japanese Government at his direction.

(4) We hereby command the Japanese Imperial General Headquarters to issue at once orders to the commanders of all Japanese forces and all forces under Japanese control, wherever situated, to surrender unconditionally themselves and all forces under their control.

OFFICIALS TO STAY AT POSTS

(5) We hereby command all civil, military, and naval officials to obey and enforce all proclamations, orders, and directives, deemed by the supreme commander for the Allied Powers to be proper to effectuate this surrender and issued by him or under his authority, and we direct all such officials to remain at their posts and to continue to perform their noncombat duties unless specifically relieved by him or under his authority.

(6) We hereby undertake for the Emperor, the Japanese Government, and their successors to carry out the provisions of the Potsdam declaration in good faith, and to issue whatever orders and take whatever action may be required by the supreme commander for the Allied Powers or by any other designated representative of the Allied Powers for the purpose of giving effect to that declaration.

(7) We hereby command the Japanese Imperial Government and the Japanese Imperial General Headquarters at once to liberate all Allied prisoners of war and civilian internees now under Japanese control and to provide for their protection, care, maintenance, and immediate transportation to places as directed.

(8) The authority of the Emperor and the Japanese Government to rule the state shall be subject to the supreme commander for the Allied Powers, who will take such steps as he deems proper to effectuate these terms of surrender.

HIROHITO'S PROCLAMATION

Accepting the terms set forth in the declaration issued by the heads of the Governments of the United States, Great Britain, and China on July 26, 1945, at Potsdam and subsequently adhered to by the Union of Soviet Socialist Republics, I have commanded the Japanese Imperial Government and the Japanese Imperial General Headquarters to sign on my behalf the instrument of surrender presented by the supreme commander for the Allied Powers and to issue general orders to the military and naval forces in accordance with the direction of the supreme commander of the Allied Powers.

I command all my people forthwith to cease hostilities, to lay down their arms and faithfully to carry out all the provisions of the instrument of surrender and the general orders issued by the Japanese Imperial General Headquarters hereunder.

MACARTHUR'S REMARKS

We are gathered here, representative of the major warring powers, to conclude a solemn agreement whereby peace may be restored. The issues, involving divergent ideals and ideologies, have been determined on the battlefields of the world and hence are not

for our discussion or debate. Nor is it for us here to meet, representing as we do a majority of the peoples of the earth, in a spirit of distrust, malice, or hatred. But rather it is for us, both victors and vanquished, to rise to that higher dignity which alone benefits the sacred purposes we are about to serve, committing all of our peoples unreservedly to faithful compliance with the undertakings they are here formally to assume.

It is my earnest hope and indeed the hope of all mankind that from this solemn occasion a better world shall emerge out of the blood and carnage of the past—a world founded upon faith and understanding—a world dedicated to the dignity of man and the fulfillment of his most cherished wish—for freedom, tolerance, and justice.

The terms and conditions upon which the surrender of the Japanese Imperial forces is here to be given and accepted are contained in the instrument of surrender now before you.

PROMISES FULL JUSTICE

As Supreme Commander for the Allied Powers, I announce it my firm purpose, in the tradition of the countries I represent, to proceed in the discharge of my responsibilities with justice and tolerance, while taking all necessary dispositions to insure that the terms of surrender are fully, promptly, and faithfully complied with.

I now invite the representatives of the Emperor of Japan and the Japanese Government and the Japanese Imperial General Headquarters to sign the instrument of surrender at the places indicated.

The Supreme Commander for the Allied Powers will now sign on behalf of the nations at war with Japan.

The representatives of the United States of America will sign now.

The representative of the Republic of China will now sign.

The representative of the United Kingdom will now sign.

The representative of the Union of Soviet Socialist Republics will now sign.

The representative of Australia will now sign.

The representative of Canada will now sign.

The representative of France will now sign.

The representative of the Netherlands will now sign.

The representative of New Zealand will now sign.

Let us pray that peace be now restored to the world, and that God will preserve it always. These proceedings are closed.

NIMITZ'S REMARKS

On board all vessels at sea and in port, and at our many island bases in the Pacific, there is rejoicing and thanksgiving. The long and bitter struggle, which Japan started so treacherously on the 7th of December 1941, is at an end.

I take great pride in the American forces which have helped to win this victory. America can be proud of them. The officers and men of the United States Army, Navy, Marine Corps, Coast Guard, and merchant marine who fought in the Pacific have written heroic new chapters in this Nation's military history. I have infinite respect for their courage, resourcefulness, and devotion to duty. We also acknowledge the great contribution to this victory made by our valiant Allies. United we fought and united we prevail.

The port of Tokyo, which was first opened by Commodore Perry in 1853, is now crowded with United States men-of-war. The process of bringing Japan into the family of civilized nations, which was interrupted when Japan launched her program of conquest, will soon begin again.

PAYS TRIBUTE TO THE DEAD

Today all freedom-loving peoples of the world rejoice in the victory and feel pride in the accomplishments of our combined forces. We also pay tribute to those who defended our freedom at the cost of their lives.

On Guam is a military cemetery in a green valley not far from my headquarters. The ordered rows of white crosses stand as reminders of the heavy cost we have paid for victory. On these crosses are the names of American soldiers, sailors and marines—Culpepper, Tomaino, Sweeney, Bromberg, Depew, Melloy, Ponziani—names that are a cross-section of democracy. They fought together side by side. To them we have a solemn obligation—the obligation to insure that their sacrifice will help to make this a better and safer world in which to live.

To achieve this it will be necessary for the United Nations to enforce rigidly the peace terms that will be imposed upon Japan. It will also be necessary to maintain our national strength at a level which will discourage future acts of aggression aimed at the destruction of our way of life.

Now we turn to the great tasks of reconstruction and restoration. I am confident that we will be able to apply the same skill, resourcefulness, and keen thinking to these problems as were applied to the problems of winning the victory.

MACARTHUR'S CONCLUDING ADDRESS

My fellow countrymen, today the guns are silent. A great tragedy has ended. A great victory has been won. The skies no longer rain death—the seas bear only commerce—men everywhere walk upright in the sunlight. The entire world is quietly at peace. The holy mission has been completed, and in reporting this to you, the people, I speak for the thousands of silent lips, forever stilled among the jungles and the beaches and in the deep waters of the Pacific which marked the way. I speak for the unnamed brave millions homeward bound to take up the challenge of that future which they did so much to salvage from the brink of disaster.

As I look back on the long, tortuous trail from those grim days of Bataan and Corregidor, when an entire world lived in fear; when democracy was on the defensive everywhere, when modern civilization trembled in the balance, I thank a merciful God that He has given us the faith, the courage, and the power from which to mold victory.

We have known the bitterness of defeat and the exultation of triumph, and from both we have learned there can be no turning back. We must go forward to preserve in peace what we won in war.

"LAST CHANCE" FOR PEACE

A new era is upon us. Even the lesson of victory itself brings with it profound concern, both for our future security and the survival of civilization. The destructiveness of the war potential, through progressive advances in scientific discovery, has in fact now reached a point which revises the traditional concept of war.

Men since the beginning of time have sought peace. Various methods through the ages have attempted to devise an international process to prevent or settle disputes between nations. From the very start workable methods were found insofar as individual citizens were concerned, but the mechanics of an instrumentality of larger international scope have never been successful. Military alliance, balances of power, League of Nations all in turn failed, leaving the only path to be by way of the crucible of war.

The utter destructiveness of war now blots out this alternative. We have had our last chance. If we do not now devise some greater and more equitable system Armageddon will be at our door. The problem basically is theological and involves a spiritual recrudescence and improvement of human character that will synchronize with our almost matchless advance in science, art, literature, and all material and cultural developments of the past 2,000 years. It must be of the spirit if we are to save the flesh.

We stand in Tokyo today reminiscent of our countryman, Commodore Perry, 92 years ago. His purpose was to bring to Japan an era of enlightenment and progress by lifting the veil of isolation to the friendship, trade, and commerce of the world. But alas the knowledge thereby gained of western science was forged into an instrument of oppression and human enslavement. Freedom of expression, freedom of action, even freedom of thought were denied through suppression of liberal education, through appeal to superstition, and through the application of force.

HOPES TO EDUCATE JAPANESE

We are committed by the Potsdam Declaration of Principles to see that the Japanese people are liberated from this condition of slavery. It is my purpose to implement this commitment just as rapidly as the armed forces are demobilized and other essential steps taken to neutralize the war potential. The energy of the Japanese race, if properly directed, will enable expansion vertically rather than horizontally. If the talents of the race are turned into constructive channels, the country can lift itself from its present deplorable state into a position of dignity.

To the Pacific basin has come the vista of a new emancipated world. Today, freedom is on the offensive, democracy is on the march. Today, in Asia as well as in Europe, unshackled peoples are tasting the full sweetness of liberty, the relief from fear.

In the Philippines, America has evolved a model for this new free world of Asia. In the Philippines, America has demonstrated that peoples of the East and peoples of the West may walk side by side in mutual respect and with mutual benefit. The history of our sovereignty there has now the full confidence of the East.

And so, my fellow-countrymen, today I report to you that your sons and daughters have served you well and faithfully with the calm, deliberate, determined fighting spirit of the American soldier and sailor. Based upon a tradition of historical trait, as against the fanaticism of any enemy supported only by mythological fiction, their spiritual strength and power has brought us through to victory. They are homeward bound—take care of them.

TEXT OF JAPANESE ORDER

(1) The Imperial General Headquarters by direction of the Emperor, and pursuant to the surrender to the Supreme Commander for the Allied powers of all Japanese armed forces by the Emperor, hereby orders all of its commanders in Japan and abroad to cause the Japanese armed forces and Japanese-controlled forces under their command to cease hostilities at once, to lay down their arms, to remain in their present locations and to surrender unconditionally to commanders acting on behalf of the United States, the Republic of China, the United Kingdom and the British Empire, and the Union of Soviet Socialist Republics, as indicated hereafter or as may be further directed by the Supreme Commander for the Allied Powers.

Immediate contact will be made with the indicated commanders, or their designated representatives, subject to any changes in detail prescribed by the Supreme Commander for the Allied Powers, and their instructions will be completely and immediately carried out.

(a) The senior Japanese commanders and all ground, sea, air, and auxiliary forces

within China (excluding Manchuria), Formosa, and French Indochina north of 16 degrees north latitude shall surrender to Generalissimo Chiang Kai-shek.

(b) The senior Japanese commanders and all ground, sea, air, and auxiliary forces within Manchuria, Korea north of 28 degrees north latitude and Karafuto shall surrender to the commander in chief of Soviet forces in the Far East.

(c) The senior Japanese commanders and all ground, sea, air, and auxiliary forces within the Andamans, Nicobars, Burma, Thailand, French Indo-China south of 16 degrees north latitude, Malaya, Borneo, Netherlands Indies, New Guinea, Bismarcks, and the Solomons, shall surrender to the Supreme Allied Commander, South East Asia Command, or the commanding general, Australians, to be arranged between them, and the details of this paragraph then prepared by the Supreme Commander for the Allied Powers.

(d) The senior Japanese commanders and all ground, sea, air, and auxiliary forces in the Japanese-mandated islands, Ryukyus, Bonins, and other Pacific islands shall surrender to the Commander in Chief, United States Pacific Fleet.

(e) The Imperial General Headquarters, its senior commanders, and all ground, sea, air, and auxiliary forces in the main islands of Japan, minor islands adjacent thereto, Korea south of 38 degrees north latitude, and the Philippines shall surrender to the commander in chief, United States Army Forces in the Pacific.

(f) The above indicated commanders are the only representatives of the Allied Powers empowered to accept surrender, and all surrenders of Japanese forces shall be made only to them or to their representatives.

The Japanese Imperial General Headquarters further orders its commanders in Japan and abroad to disarm completely all forces of Japan or under Japanese control, wherever they may be situated, and to deliver intact and in safe and good condition all weapons and equipment at such time and at such places as may be prescribed by the Allied commanders indicated above.

Pending further instructions, the Japanese police force in the main islands of Japan will be exempt from this disarmament provision.

The police force will remain at their posts and shall be held responsible for the preservation of law and order. The strength and arms of such a police force will be prescribed.

MUST LIST ALL HOLDINGS

(2) The Japanese Imperial General Headquarters shall furnish to the Supreme Commander for the Allied Powers within (time limit) of receipt of this order complete information with respect to Japan and all areas under Japanese control as follows:

(a) Lists of all land, air, and antiaircraft units showing locations and strengths in officers and men.

(b) Lists of all aircraft, military, naval and civil, giving complete information as to the number, type, location, and condition of such aircraft.

(c) Lists of all Japanese and Japanese-controlled naval vessels, surface and submarine and auxiliary naval craft in or out of commission and under construction, giving their position, condition, and movement.

(d) Lists of all Japanese and Japanese-controlled merchant ships of over 100 gross tons in or out of commission and under construction, including merchant ships formerly belonging to any of the United Nations now in Japanese hands, giving position, condition, and movement.

(e) Complete and detailed information, accompanied by maps showing locations and layouts of all mines, mine fields, and other obstacles to movement by land, sea, and air and the safety lanes in connection therewith.

(f) Locations and descriptions of all military installations and establishments, including airfields, seaplane bases, antiaircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas.

(g) Locations of all camps and other places of detention of United Nations prisoners of war and civilian internees.

PLANES ORDERED GROUNDED

(3) Japanese armed forces and civil aviation authorities will insure that all Japanese military and naval and civil aircraft remain on the ground, the water, or aboard ship until further notification on the disposition to be made of them.

(4) Japanese or Japanese-controlled naval or merchant vessels of all types will be maintained without damage and will undertake no movement pending instructions from the Supreme Commander for the Allied Powers. Vessels at sea will remove explosives of all types to safe storage ashore.

(5) Responsible Japanese or Japanese-controlled military and civil authorities will insure that:

(a) All Japanese mines, mine fields, and other obstacles to movement by land, sea, and air wherever located be removed according to instructions of the Supreme Commander for the Allied Powers.

(b) All aids to navigation be reestablished at once.

(c) All safety lanes be kept open and clearly marked pending accomplishment of (a) above.

(6) Responsible Japanese and Japanese-controlled military and civil authorities will hold intact and in good condition pending further instructions from the Supreme Commander for the Allied Powers the following:

(a) All arms, ammunitions, explosives, military equipment, stores and supplies, and other implements of war of all kinds and all other war material (except as specifically prescribed in section 4 of this order).

(b) All land, water, and air transportation, and communication facilities and equipment.

(c) All military installations and establishments including airfields, seaplane bases, antiaircraft defenses, ports and naval bases, storage depots, permanent and temporary land and coast fortifications, fortresses and other fortified areas together with plans and drawings of all such fortifications, installations and establishments.

ARMS PLANTS TO BE KEPT INTACT

(d) All factories, plants, shops, research institutions, laboratories, testing stations, technical data, patents, plans, drawings and inventions designed or intended to produce or to facilitate the production or use of all implements of war and other material and property used or intended for use by any military or part-military organization in connection with its operations.

(7) The Japanese Imperial General Headquarters shall furnish to the Supreme Commander for the Allied Powers within (time limit) of receipt of this order complete lists of all the items specified in paragraphs a, b, and d of section 6 above, indicating the numbers, types, and locations of each.

(8) The manufacture and distribution of all arms, ammunition, and implements of war will cease forthwith.

(9) With respect to United Nations prisoners-of-war and civilian internees in the hands of Japanese or Japanese-controlled authorities:

(a) The safety and well-being of all United Nations prisoners-of-war and civilian internees will be scrupulously preserved to include the administrative and supply service essential to provide adequate food, shelter, clothing, and medical care until such responsibility is undertaken by the Supreme Commander for the Allied Powers.

(b) Each camp or other place of detention of United Nations prisoners of war and civilian internees together with its equipment, stores, records, arms, and ammunition will be delivered immediately to the command of the senior officer designated representative of the prisoners of war and civilian internees.

(c) As directed by the Supreme Commander for the Allied Powers, prisoners of war and civilian internees will be transported to places of safety where they can be accepted by Allied authorities.

(d) The Japanese Imperial General Headquarters will furnish to the Supreme Commander for the Allied Powers within (time limit) of the receipt of this order complete lists of all United Nations prisoners of war and civilian internees indicating their location.

(10) All Japanese and Japanese-controlled military and civil authorities shall aid and assist the occupation of Japan and Japanese-controlled areas by forces of the Allied Powers.

(11) The Japanese Imperial General Headquarters and appropriate Japanese officials shall be prepared on instructions from Allied occupation commanders to collect and deliver all arms in the possession of the Japanese civilian population.

(12) This and all subsequent instructions issued by the Supreme Commander for the Allied Forces or of other Allied military authorities will be scrupulously and promptly obeyed by Japanese and Japanese-controlled military and civil officials and private persons.

Any delay or failure to comply with the provisions of this or subsequent orders, and any action which the Supreme Commander for the Allied Powers determines to be detrimental to the Allied Powers, will incur drastic and summary punishment at the hands of the Allied military authorities and the Japanese Government.

TEXT OF ADDRESS BY PRESIDENT TRUMAN PROCLAIMING VJ-DAY

My fellow Americans, the thoughts and hopes of all America—indeed of all the civilized world—are centered tonight on the battleship *Missouri*. There on that small piece of American soil anchored in Tokyo Harbor the Japanese have just officially laid down their arms. They have signed terms of unconditional surrender.

Four years ago the thoughts and fears of the whole civilized world were centered on another piece of American soil—Pearl Harbor. The mighty threat to civilization which began there is now laid at rest. It was a long road to Tokyo—and a bloody one.

We shall not forget Pearl Harbor.

The Japanese militarists will not forget the U. S. S. *Missouri*.

The evil done by the Japanese war lords can never be repaired or forgotten. But their power to destroy and kill has been taken from them. Their armies and what is left of their navy is now impotent.

To all of us there comes first a sense of gratitude to Almighty God who sustained us and our Allies in the dark days of grave danger, who made us to grow from weakness into the strongest fighting force in history, and who now has seen us overcome the forces of tyranny that sought to destroy His civilization.

God grant that in our pride of the hour we may not forget the hard tasks that are still before us; that we may approach these with the same courage, zeal, and patience with which we faced the trials and problems of the past 4 years.

"NO VICTORY" CAN REPAIR LOSS

Our first thoughts, of course—thoughts of gratefulness and deep obligation—go out to those of our loved ones who have been killed or maimed in this terrible war. On land and sea and in the air American men and women have given their lives so that this day of ultimate victory might come and assure the

survival of a civilized world. No victory can make good their loss.

We think of those whom death in this war has hurt, taking from them husbands, sons, brothers, and sisters whom they loved. No victory can bring back the faces they long to see.

Only the knowledge that the victory, which these sacrifices have made possible, will be wisely used, can give them any comfort. It is our responsibility—ours, the living—to see to it that this victory shall be a monument worthy of the dead who died to win it.

We think of all the millions of men and women in our armed forces and merchant marine all over the world who, after years of sacrifice and hardship and peril, have been spared by providence from harm.

We think of all the men and women and children who during these years have carried on at home, in lonesomeness and anxiety and fear.

Our thoughts go out to the millions of American workers and businessmen, to our farmers and miners—to all those who have built up this country's fighting strength and who have shipped to our allies the means to resist and overcome the enemy.

Our thoughts go out to our civil servants and to the thousands of Americans who, at personal sacrifice, have come to serve in our Government during these trying years; to the members of the selective-service boards and ration boards; to the civilian defense and Red Cross workers; to the men and women in the USO and in the entertainment world—to all those who have helped in this cooperative struggle to preserve liberty and decency in the world.

ACCLAIMS ROOSEVELT

We think of our departed gallant leader, Franklin D. Roosevelt, defender of democracy, architect of world peace and cooperation.

And our thoughts go out to our gallant allies in this war; to those who resisted the invaders; to enough to hold out but who nevertheless kept the fires of resistance alive within the souls of their people; to those who stood up against great odds and held the line until the United Nations together were able to supply the arms and the men with which to overcome the forces of evil.

This is a victory of more than arms alone. This is a victory of liberty over tyranny.

From our war plants rolled the tanks and planes which blasted their way to the heart of our enemy; from our shipyards sprang the ships which bridged all the oceans of the world for our weapons and supplies; from our farms came the food and fiber for our armies and navies and for all our allies in all the corners of the earth; from our mines and factories came the raw materials and the finished products which gave us the equipment to overcome our enemies.

But back of it all was the will and spirit and determination of a free people—who know what freedom is, and who know that it is worth whatever price they had to pay to preserve it.

It was the spirit of liberty which gave us our armed strength and which made our men invincible in battle. We now know that that spirit of liberty, the freedom of the individual and the personal dignity of man are the strongest and toughest and most enduring forces in all the world.

And so on VJ-day, we take renewed faith and pride in our own way of life. We have had our day of rejoicing over this victory. We had our day of prayer and devotion. Now let us set aside VJ-day as one of renewed consecration to the principles which have made us the strongest Nation on earth and which, in this war, we have striven so mightily to preserve.

POINTS TO BURDEN AHEAD

Those principles provide the faith, the hope, and the opportunity which helped men to improve themselves and their lot. Liberty does not make all men perfect nor all society secure. But it has provided more solid progress and happiness and decency for more people than any other philosophy of government in history. And this day has shown again that it provides the greatest strength and the greatest power which man has ever reached.

We know that under it we can meet the hard problems of peace which have come upon us. A free people with free allies, who can develop an atomic bomb, can use the same skill and energy and determination to overcome all the difficulties ahead.

Victory always has its burdens and its responsibilities as well as its rejoicing.

But we face the future and all its dangers with great confidence and great hope. America can build for itself a future of employment and security. Together with the United Nations it can build a world of peace founded on justice and fair dealing and tolerance.

As President of the United States I proclaim Sunday, September 2, 1945, to be VJ-day—the day of formal surrender by Japan. It is not yet the day for the formal proclamation of the end of the war or of the cessation of hostilities. But it is a day which we Americans shall always remember as a day of retribution—as we remember that other day, the day of infamy.

From this day we move forward. We move toward a new era of security at home. With the other United Nations we move toward a new and better world of peace and international good will and cooperation.

God's help has brought us to this day of victory. With His help we will attain that peace and prosperity for ourselves and all the world in the years ahead.

TEXT OF PRESIDENT TRUMAN'S ADDRESS TO THE ARMED FORCES

I am speaking to you, the armed forces of the United States, as I did after V-day in Europe, at a high moment of history. The war, to which we have devoted all the resources and all the energy of our country for more than three and a half years, has now produced total victory over all our enemies.

This is a time for great rejoicing and a time for solemn contemplation. With the destructive force of war removed from the world, we can turn now to the grave tasks of preserving the peace which you gallant men and women have won.

It is a task which requires our most urgent attention. It is one in which we must collaborate with our allies and the other nations of the world. They are as determined as we are that war must be abolished from the earth if the earth, as we know it, is to remain. Civilization cannot survive another total war.

I think you know what is in the hearts of your countrymen on this night. They are thousands of miles away from most of you. Yet they are close to you in deep gratitude and in a solemn sense of obligation. They remember—and I know they will never forget—those who have gone from among you, those who are maimed, those who, thank God, are still safe after years of fighting and suffering and danger.

And I know that in this hour of victory their thoughts—like yours—are with your departed Commander in Chief, Franklin D. Roosevelt. This is the hour for which he so gallantly fought and so bravely died.

I think I know the American soldier and sailor. He does not want gratitude or sympathy. He had a job to do. He did not like it. But he did it. And how he did it!

Now, he wants to come back home and start again the life he loves—a life of peace and quiet, the life of the civilian.

But he wants to know that he can come back to a good life. He wants to know that his children will not have to go back to the life of the fox hole and the bomber, the battleship and the submarine.

I speak in behalf of all your countrymen when I pledge you that we shall do everything in our power to make those wishes come true.

For some of you, I am sorry to say, military service must continue for a time. We must keep an occupation force in the Pacific to clean out the militarism of Japan, just as we are cleaning out the militarism of Germany. The United Nations are determined that never again shall either of those countries be able to attack its peaceful neighbors.

But the great majority of you will be returned to civilian life as soon as the ships and planes can get you here. The task of moving so many men and women thousands of miles to their homes is a gigantic one. It will take months to accomplish.

You have my pledge that we will do everything possible to speed it up. We want you back with us to make your contribution to our country's welfare and to a new world of peace.

The high tide of victory will carry us forward to great achievements in the era which lies ahead. But we can perform them only in a world which is free from the threat of war. We depend on you who have known war in all its horror to keep this nation aware that only through cooperation among all nations can any nation remain wholly secure.

On this night of total victory, we salute you of the armed forces of the United States—wherever you may be. What a job you have done!

We are all waiting for the day when you will be home with us again.

Good luck and God bless you!

LABOR'S UNFINISHED BUSINESS—ADDRESS BY SECRETARY OF LABOR

Mr. GUFFEY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very able radio address delivered last Monday night by a former Member of this body, now the Secretary of Labor, Hon. Lewis B. Schwellenbach.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Someone has said that democracy is unfinished business. It is. The roadway of democracy stretches far into the future—farther than the mind of man can see. The road is difficult. It is beset by the pitfalls and roadblocks of selfishness and greed—which are inherent in our human natures. But it is well marked for the sincere and determined traveler, by the true love of our fellow men, by self-help and by cooperation. It is a road worth traveling. Its ultimate destination is a more perfect society.

It has been difficult to attain the degree of democracy we now possess. Our land is marked with the graves of heroes who died in its defense, and of patriots who devoted their lives to its development. Our democracy will be equally difficult to retain. But, difficult as the task may be, the pursuit of democracy will continue as long as the spirit or soul of man endures. To build a home in which mankind may live in peace and abundance, and to dwell therein with our fellow men—that is a worth-while job for all.

I am grateful to the Mutual Broadcasting System for the opportunity to talk with you on this Labor Day. I want to make use of every minute of my time to talk over this matter of our unfinished business with all of our wage earners, but particularly on Labor Day with those who are members of organized labor.

When I became Secretary of Labor, I assumed the obligation imposed upon that office by the congressional charter of the Department—to labor for the welfare of all those who must earn their bread by the sale of their strength or talents for wages. That includes most of us. My obligation requires that I furnish wage earners with information necessary to their progress, that I en-

force those Federal laws designed to promote their well-being and to protect them from harm and exploitation. It also includes, I believe, a duty to counsel with them upon the role they have to play in our democratic progress as a Nation. I would not have accepted my present advocacy of the cause of wage earners if I had not felt that this right to counsel was inherent in the post.

The wage earners of our country have come a long way since that first Monday in September 1882 when Peter J. McGuire, of the Carpenters' International Union, in New York City, organized the first Labor Day celebration. And the wage earners of his day had come a long way from the days of 1827, when the carpenters had struck against the "sun-up to sun-down" work day. Perhaps the present position of labor is better understood when we recall that just a short time before Congress gave official status to Labor Day in 1894, Peter McGuire had been imprisoned for daring to exercise the legitimate functions of a union member.

There is no need to trace here the history of organized labor from the earliest guilds through the birth and development of our industrial economy. Our Nation is young in the family of the world, but its early workers knew the deadening fatigue of "sun-up to sun-down"; the minds of many of its children were dulled and their bodies stunted by 15 to 17 hours a day in the mills; the fingers of many were sacrificed to the spindles which spun out pretty threads for the dresses of the more fortunate; and the prophets and producers of industrial democracy were subject to the political and brute forces of employers. It is a history of suffering and misery, and of a constant battle to establish the dignity of labor and the rights of those who must win their bread in wages.

Today, the wage earner is protected by law in his right to join with his fellows in labor unions and to bargain collectively for their mutual welfare. This right is a natural right; it should have needed no sanction by government. But when those who paid the worker his wages persisted in denying that right, the Government was forced to insure it by law. The power of the obstructors was great, and organized labor was the final weight in the scales of victory and justice. By that accomplishment alone, organized labor has been justified. The reaffirmation of that natural right was a marked service for the common good. It was a step necessary alike to the dignity of labor and the stabilization of our industrial and political life. Because of it men and management can meet as equals at the bargaining table.

Legal recognition of the right to organize and to bargain collectively marks the completion of one important piece of business for labor. But there is much business still to be finished. Every right has its responsibilities. Like the right itself, these responsibilities stem from no man-made law, but from the very nature of man and society. The security, progress, and welfare of one group is measured finally in the security, progress, and welfare of all mankind. These goals of men are indivisible, just as peace is indivisible, and democracy is indivisible. As a friend of organized labor, as one who endeavored to assist organized labor, and as one who is now charged with responsibility for the welfare of all who labor, I urge you members and leaders of unions throughout the country to be constantly aware of your obligations and your opportunities in achieving a fuller measure of democracy. Develop within yourself, and inspire within your fellow unionists, an increasingly sensitive interest in the responsibility of labor to the common good.

On this day we pay reverent homage to the memory of those leaders of labor who sacrificed personal gain and gave their lives to the cause of industrial democracy. In honoring their persons, let us not forget their cause. We are their trustees. Ours is the freedom of choice—to be honorable in our trust, or to be indifferent to our obligations. If we would have peace in our hearts and souls, we must maintain faith. In our human selfishness we may betray our trust for 30 pieces of silver. But for us, as for Judas, there must be the halter of remorse.

"Responsibility," said the late Justice Brandeis, "is the great developer." He spoke as a great advocate of democracy and of the rights of organized labor. In accepting the responsibility of its position, labor surrenders nothing; it assumes a greater dignity; it seizes a broader opportunity. Labor has its feet planted firmly upon the solid ground of legal rights. It is now time to look to the future.

There is much talk today about the new world, the new era, and the new economy. I cannot talk of such things—I have not the gift of prophecy. I agree with Congressman JERRY VOORHIS when he said, "An old world began to die all around us in 1929." I think that world met its flaming end in the furnace of a great conflict. I think that out of the smoldering ruins of the old, there has arisen a vision of a new and better world. But I know that there will be no such world, except as you and I fashion it.

We talk much of full employment. That means, to my mind, an opportunity to work for every man and woman who wants to work. But we cannot have full employment unless we have full production of goods and services. And we cannot have full production unless we have full consumption. And we will have none of these—full employment, full production, or full consumption—if our productive machine is stalled and our power to consume diminished as a result of chaotic industrial relations.

There is a principle of philosophy which calls upon the fundamental and primary groups of our society to assume, and to insist upon the right to assume, every function which they can properly carry out themselves. Thus, the family should not surrender to the State the function of raising and educating its children. Vocational groups, such as labor unions, should not surrender to the Government those aims which they can achieve alone. And the town or city should not surrender to the State, nor the State to the Federal Government, those functions which it can perform itself. Of course, there are functions which can be adequately and efficiently performed only by the Federal Government or other secondary groups. But democracy and the dignity of man demand that each of us carry his own burdens well and faithfully if we wish to be independent and free.

Tom Paine stated a profound truth when he remarked that "Government, like dress, is the badge of lost innocence." And, allowing for the basic necessity of some governing force, it is a badge of lost responsibility. We get another traffic policeman when we forget our responsibilities and insist on violating traffic regulations.

I will be very happy if on next Labor Day I can report that organized labor has made a real start on some of its unfinished business. I will be most happy to report that organized labor has put all of its energies into an educational program for adult workers. I wish that organized labor would inspire and encourage study groups throughout the country. I wish that union members would participate in them. I can think of no better immediate subject for study than the problems of industrial relationship. Where have we failed in our past efforts to solve them? What must we do if we are to succeed in the future? Labor has the right, even the obligation, to call for assistance upon educational groups throughout the country. It is well enough for physical scientists to concentrate on splitting the atom. It ill behooves social scientists to ignore problems which can split apart our democratic society. And these problems must be handled by individuals, small groups, and local communities. They are not going to be solved by a few people in Washington. Here general principles may be agreed upon. Here general policies may be enunciated. Here the legislation must be enacted. But the day-to-day problems of industrial relations arise in the plants and the communities in which people work and live. It is there that the real answers to our industrial problems must be found. They are going to be found only when all of us pool our individual efforts. And labor can inspire these efforts.

Since management is an inseparable partner of labor, I may be pardoned for pointing to the story of management as a warning to labor. Management had the opportunity, and an almost unlimited opportunity, to assume its responsibilities to the common good throughout much of the last hundred years and even before that time. But management surrendered its right and its opportunity by practices which brought on the demand for Government regulation, and "little by little and much by much," to quote Jefferson, the Government was forced to assume authority. Labor now has the opportunity to solve its problems and to make certain that the common good is not transgressed. And I plead with labor to assume this responsibility, knowing that unless it does, the Government will be invited and even compelled to assume the responsibility.

Labor and management, all Americans, have a tremendous challenge and a great opportunity. As Secretary of Labor I pledge to all citizens, and especially to our wage earners, the full support of my individual effort and the services of my coworkers in the Department, in meeting that challenge and making the most of that opportunity. We cannot do the job for you—not in a democracy. Yours is the opportunity. Yours is the responsibility.

A little while back I disclaimed any gift of prophecy. But I think I know organized labor well enough, I think I know management well enough, I think I know Americans well enough, to venture the suggestion that next Labor Day will find us much further down the long road of democracy. The destination, a more perfect society, can be ours if we but want it and work for it.

THE MOST IMPORTANT EQUATION IN THE WORLD

Mr. WILEY. Mr. President, the most important equation in the world today is this: Atomic force plus the lesson of Pearl Harbor — constant alertness — equals world security. Change that equation, to wit: Atomic force minus the lesson of Pearl Harbor, and you get world insecurity.

When Copernicus, Galileo, and Isaac Newton, in their day and generation, discovered and gave to the world new, world-shaking ideas, the learned and the wise of their generation would not heed them. It took generations before the peoples grasped the truths they taught. The world slept on, unheedful of the significance of their discoveries. Only a few minds were alert.

Why was this so? Because the human mind was in a groove, a rut, mortised in by the past, unawake to a moving world, unconscious of the fact that the law of growth in the race was being manifested.

With the discovery and the utilization of atomic force, this is the hour for straight thinking and vigilance. We

possess now a different concept of omnipotence than we had before. We are told that within every atom there is a universe.

The destructive force in the atom is of such a character that this generation cannot sleep on, as the generation before us did. The lesson of Pearl Harbor must not be required to be learned again. Alertness, constant alertness, in this atomic age is what must be impressed upon the minds of this people.

Mr. President, I ask unanimous consent that there be printed at this point in the RECORD a statement which I released yesterday relative to the subjects of Pearl Harbor and atomic force.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SENATOR WILEY URGES PEARL HARBOR INVESTIGATION, ARMY-NAVY MERGER, AND A "WEST POINT OF SCIENCE"

I urge that there be immediately instituted open court-martial proceedings against Admiral Kimmel and General Short. (These courts martial were promised flatly by the War and Navy Departments on February 26, 1942, when the public interest and safety would permit.)

Failing such proceedings, I urge that Congress immediately order its own nonpartisan investigation to bust wide open the story of the Pearl Harbor disaster. In any case, I implore the administration to cease its cover-up activities and allow the lid to be completely taken off the whole stench-ridden, bungling mess of December 1941.

Only by courts martial can the following ends be served:

(a) The two high-ranking officers, Admiral Kimmel and General Short, who have been living under a cloud of suspicion through the war years, may be given their American opportunity to defend and vindicate themselves. A similar opportunity may be given the other high-ranking officers who were criticized in the Army and Navy reports.

(b) The whole truth about the disaster may be cleared of the mass of shadows still hovering over that event, the mass of unanswered questions, the mass of unexplained details. The whole truth could not possibly have been gained in time of war.

(c) The official policy of hush-hush, of concealment, of suspicion may be given a swift and deserved kick in the teeth.

(d) The true blame for the unnecessary deaths of 3,300 boys at Pearl Harbor and of countless other boys in later "come-back operations" may be placed upon the proper shoulders.

The blame, I am certain, neither rests on the American people nor on Congress.

On this score I must regretfully differ with President Truman, who, without his usual good judgment and fairness, has, in effect, whitewashed our late President and unduly criticized Congress and the people. I differ with President Truman on the following bases:

(a) Between 1935 and 1941 President Roosevelt's Bureau of the Budget slashed Army and Navy appropriations every single year. Congress restored more than 43 percent of the cuts.

(b) Neither Congress nor the people were ever advised as to the true situation in the Far East or as to the imminence of war. In February 1941, 10 months before Pearl Harbor, I introduced in the Senate a resolution asking the Secretary of State to report to the Senate in closed executive session on the danger in the Pacific; I asked at that time what condition our fleet air arm was in. Again in March 1941, speaking on the resolution which asked the Secretary to report to the Senate on the status of our forces in the Far East, I asked in the Senate:

"What is the condition of our fleet, especially its coordinating air arm? Is it like the Russian fleet was in the Japanese war?"

My questions went unanswered, and my resolution was quashed by the administration.

(c) The direct defense job at Pearl Harbor was neither Congress' nor the American people's job. It was the job of our military officials there. They failed. The blame lies there and in the hierarchy of military and civilian officials back home.

Our high officials had wantonly precipitated us into violation after violation of international law. Yet, with closed, isolated minds, they, like the commanders in Hawaii, failed to learn the lesson of history, of the Jap's sneak attack on Port Arthur. They failed to learn the lesson of Hitler's aerial Blitzkrieg on Poland, Norway, Holland, and Belgium.

We want the Pearl Harbor investigation to be constructive; we want it to enable us to rid ourselves forever of the blind Pearl Harbor mentality.

We want to be able to translate the lessons of Pearl Harbor into the new atomic age.

Part of that lesson, I believe, is this:

1. We must not share the secrets of the atomic bomb at this time any more than we would place a stick of dynamite with a lighted fuse into the hands of a child or a lunatic. The world is not yet ready to be vested with our secrets.

What would happen if one enemy atomic bomb were to explode now in Tokyo Bay with our huge fleet there, caught as in a rathole?

The utilization of atomic force has, of course, in one full stroke revolutionized warfare. When one bomb can destroy 100,000 human lives and the area of a city almost as large as Washington, we civilians may well ask, Have huge armies and ocean battlewagons been outmoded? Is the atomic bomb the answer to the cry for peacetime military conscription?

2. We must never again risk the kind of army-navy suspicion, disagreement, and envy which apparently has characterized our services in the past, in spite of their magnificent war record of cooperation.

In April 1942, I urged that there be created a single Cabinet department of national defense with under secretaries for the Army, Navy, and aviation.

Today, I urge that we proceed in the steps necessary to realize that goal. But one additional under secretary might be added to the department—an under secretary of research.

Under him would come all research into instruments of warfare useful in the air, on land and on sea. His combined unit would prevent the kind of bad feeling which is reported to have developed over the Army's exclusive control of the atomic bomb.

3. Under the under secretary for research there should be created a "West Point of Science" and a permanent corps of researchers. This corps would consist of young scientists and technicians in the uniform of our country who would undergo scientific training at a higher institution of learning at Government expense. They would then pursue careers as officers in our armed services assigned to military, naval and aeronautical research.

We must forevermore heed the lesson of Pearl Harbor—a lesson of vigilance, preparedness, and adequacy for every future military contingency.

CONGRATULATIONS ON TERMINATION OF WAR IN FAR EAST

The PRESIDENT pro tempore laid before the Senate telegrams from Abdulhalik Renda, President of the Grand Assembly of Turkey, Ankara, Turkey, and Mohammed Hussein Haykal, President of the Egyptian Senate, Cairo, Egypt, which were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

[Translation]

ANKARA, TURKEY.

The PRESIDENT OF THE SENATE,
Washington, D. C.:

I have the honor to request Your Excellency to bring to the attention of the Senate the following resolution which the Grand National Assembly of Turkey agreed to unanimously in its session of August 15, 1945, on the occasion of the unconditional surrender of Japan. It is with great joy that we have learned the news of unconditional surrender of Japan, putting an end to the war which for years past has ravaged the world and cost the life of millions of human beings. We feel a profound admiration for those who have sacrificed their lives in the struggle against the aggressor and we share sincerely the great grief of their families. Our admiration is boundless for those who, to reach this result, have given brilliant proof of the power of man in different fields of action.

ABDULHALIK RENDA,
President of the Grand Assembly.

CAIRO, *August 17, 1945.*

The PRESIDENT OF THE SENATE,
Washington, D. C.:

On the occasion of the cessation of hostilities in the Far East by the surrender of Japan and the victory of the United Nations, I convey on behalf of the Egyptian Senate and myself the expression of our heartfelt congratulations to your lordship and your esteemed assembly. The dawning of an era of peace throughout the whole world creates in me high hopes in the capacity of democracy in the United Nations in the establishment of the structure of the new-born world peace on a basis of full liberty enjoyed by all nations, smaller and bigger alike. Under the aegis of that liberty the nations of the world can cooperate freely and sincerely in the erection of a world that can afford for every human being scope to live a free dignified life purified from the evils of the world, those evils which victory has freed from the evil consequences thereof. Only then can the United Nations be said to have realized their war aims after the sacrifice of all that was dear to them and only thus can the United Nations be deserving of the most sincere congratulations for their success in the birth of a new world and a new civilization befitting human dignity.

MOHAMMED HUSSEIN HAYKAL,
President of the Egyptian Senate.

REPORTS AND COMMUNICATIONS FILED DURING THE ADJOURNMENT OF THE SENATE

The PRESIDENT pro tempore. The Chair has been informed by the Secretary of the Senate that, pursuant to law, the following reports were filed with him during the adjournment of the Senate, namely:

A report on lend-lease operations for the period ended June 30, 1945, transmitted by the President of the United States;

A report of the Reconstruction Finance Corporation for the month of May 1945; and

A report of the Attorney General transmitting a report of certificates filed by the Chairman of the War Production Board concerning suspensions of the antitrust laws in certain instances.

Without objection, these reports will be taken from the files and referred to the appropriate committees, and the message of the President will be printed in the RECORD.

REPORT ON LEND-LEASE OPERATIONS

The letter of transmittal from the President of the United States with the accompanying report filed with the Secretary of the Senate on August 30, 1945, was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

To the Congress of the United States of America:

I am transmitting herewith the twentieth report of operations under the Lend-Lease Act for the period ending June 30, 1945.

The costliest, and most destructive war in history has resulted in victory for the cause of decency. All peace-loving men are resolved and determined that the peace and freedom we have won at such tremendous sacrifices shall be preserved.

With the defeat of the Axis Powers, whose ruthless plan for world conquest and enslavement came so close to succeeding, the United States has realized the major objective for which lend-lease aid has been extended. That objective, like the objective of our war effort as a whole, was the speeding of victory and the saving of American and other allied lives. Lend-lease and reverse lend-lease helped to unite in a mighty and victorious fighting partnership the separate efforts of the combination of nations resisting the Axis aggressors. Each of our principal fighting partners has contributed to the pool of armed might in accordance with its full abilities and capacities.

The great task of lend-lease has now ended. The programs of lend-lease to our allies are being terminated in an expeditious and orderly manner, subject to military needs for the movement of troops or for occupation purposes.

The United States is assisting in the relief and reconstruction of the war-torn areas of our allies and in the establishment of world trade on the high level necessary to insure full and useful employment and production at home and abroad.

To win the lasting peace for which we and our allies have so bitterly and bloodily fought, we and the other United Nations are firmly resolved to establish in concert the political and economic conditions which are the foundation of freedom and welfare among the nations of the earth.

HARRY S. TRUMAN.

THE WHITE HOUSE, *August 30, 1945.*

REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, a confidential report of that Corporation for the month of May 1945 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF ATTORNEY GENERAL ON CERTIFICATES FILED WITH HIM REQUISITE TO THE PROSECUTION OF THE WAR

A letter from the Attorney General, transmitting, purusuant to law, the tenth report of certain certificates filed with him by the Chairman of the War Production Board for the period April 10 to August 1, 1945, as to the doing of any act or thing, or the omission to do any act or thing, requisite to the prosecution of the war by any person or persons for which no prosecution or civil action shall be commenced under the antitrust laws or the Federal Trade Commission Act (with accompanying papers); to the Committee on Banking and Currency.

EXECUTIVE COMMUNICATIONS, ETC.

The President pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

RESCISSIONS OF PORTIONS OF SEVERAL WAR-RELATED APPROPRIATIONS

A communication from the President of the United States transmitting proposed rescissions of portions of several war-related appropriations available for the fiscal year 1946 (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

ADJUSTMENT OF DEVIATIONS IN STANDARD OF INGOTS AND WEIGHT OF SILVER COINS

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to amend sections 3533 and 3536 of the Revised Statutes with respect to deviations in standard of ingots and weight of silver coins (with an accompanying paper); to the Committee on Banking and Currency.

SETTLEMENT ON ACCOUNT OF CERTAIN CURRENCY DESTROYED AT FORT MILLS, P. I.

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the making of settlement on account of certain currency destroyed at Fort Mills, P. I., and for other purposes (with accompanying papers); to the Committee on Banking and Currency.

REPORT OF CERTAIN PERSONS COMMISSIONED IN THE ARMY OF THE UNITED STATES

A letter from the Acting Secretary of War, transmitting, pursuant to law, a report showing the name, age, legal residence, rank, branch of service, with special qualifications therefor, of each person commissioned in the Army of the United States, without prior commissioned military service, for the period June 1 to July 31, 1945 (with an accompanying report); to the Committee on Military Affairs.

REPORT OF PAYMENTS OF CLAIMS FOR DAMAGE CAUSED BY VESSELS OF THE NAVY AND THE COAST GUARD

A letter from the Secretary of the Navy, transmitting, pursuant to law, a report of claims paid by him during the fiscal year 1945, for damage caused by vessels of the Navy and the Coast Guard or for towage or salvage services (with an accompanying report); to the Committee on Naval Affairs.

DISPOSITION OF PUBLIC LANDS IN STATE OF OKLAHOMA

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation relative to the disposition of public lands of the United States situated in the State of Oklahoma between the Cimarron base line and the north boundary of the State of Texas (with an accompanying paper); to the Committee on Public Lands and Surveys.

SALARY OF SOLICITOR, DEPARTMENT OF THE INTERIOR

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to fix the salary of the Solicitor of the Department of the Interior (with an accompanying paper); to the Committee on Appropriations.

LAWS PASSED BY MUNICIPAL COUNCIL OF ST. CROIX AND MUNICIPAL COUNCIL OF ST. THOMAS AND ST. JOHN, V. I.

Two letters from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of laws passed by the Municipal Council of St. Croix and the Municipal Council of St. Thomas and St. John, V. I., respectively (with accompanying papers); to the Committee on Territories and Insular Affairs.

REPORT ON HEART MOUNTAIN POWER DEVELOPMENT, WYOMING

A letter from the Secretary of the Interior, transmitting, pursuant to law, his report on the Heart Mountain power development, Shoshone Federal reclamation project, in Wyoming (with an accompanying report); to the Committee on Irrigation and Reclamation.

ANNUAL REPORT OF THE COMPTROLLER OF THE CURRENCY

A letter from the Comptroller of the Currency, transmitting, pursuant to law, his annual report for the year ended December 31, 1944 (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF THE COMPTROLLER GENERAL UNDER CONTRACT SETTLEMENT ACT

A letter from the Comptroller General of the United States, transmitting a report of the activities of the General Accounting Office under section 16 of the Contract Settlement Act of 1944 (Public Law 395, approved July 1, 1944) (with an accompanying paper); to the Committee on Military Affairs.

REPORT OF PUBLIC UTILITIES COMMISSION, DISTRICT OF COLUMBIA

A letter from the Chairman of the Public Utilities Commission of the District of Columbia, transmitting, pursuant to law, a report of its proceedings and financial and statistical data of the several public utilities for the year ended December 31, 1944 (with an accompanying report); to the Committee on the District of Columbia.

REPORT OF NATIONAL ACADEMY OF SCIENCES

A letter from the President of the National Academy of Sciences, transmitting, pursuant to law, the report of the academy for the fiscal year ended June 30, 1944 (with an accompanying report); to the Committee on the Library.

SMALLER WAR PLANTS CORPORATION

A letter from the Chairman of the War Production Board, transmitting, pursuant to law, the nineteenth bimonthly report of his operations under the Smaller War Plants Corporation Act, for the period June 1 to July 31, 1945, submitted to him by the Chairman of the Board of that Corporation (with accompanying papers); to the Committee on Banking and Currency.

TERMINATION OF WAR TIME

A letter from the Chairman of the War Production Board relative to the termination of war time; to the Committee on Interstate Commerce.

GOVERNMENT EMPLOYEES DEFERRED FROM MILITARY SERVICE FOR OCCUPATIONAL REASONS

A letter from the Director of the Selective Service System, transmitting, pursuant to law, lists of registrants deferred for occupational reasons because of their employment in or under the Federal Government on April 1, 1945 (with accompanying papers); to the Committee on Military Affairs.

ESTIMATES OF PERSONNEL REQUIREMENTS OF A DEPARTMENT AND AGENCIES OF THE GOVERNMENT

Estimates of personnel requirements, for the quarter ending September 30, 1945, transmitted, pursuant to law, by two agencies of the Government, a revised estimate for the same quarter by an agency of the Government, and a revised estimate for the quarter ended June 30, 1945, by a department (with accompanying papers); to the Committee on Civil Service.

ACTS OF THE CONGRESS OF THE PHILIPPINES

A letter from the Resident Commissioner of the Philippines to the United States, transmitting, pursuant to law, copies of acts passed by the First Congress of the Philippines, in its first special session (with accompanying papers); to the Committee on Territories and Insular Affairs.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, lists of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The PRESIDENT pro tempore appointed Mr. BARKLEY and Mr. BREWSTER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the PRESIDENT pro tempore:

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Finance:

"Joint resolution memorializing the Congress of the United States to enact legislation clarifying the rights and privileges of returning veterans to their former positions of civilian employment

"Whereas it has been reported that War Mobilizer James F. Byrnes, in his report to Congress, declared he is 'convinced the section of the Selective Training and Service Act which provides reemployment rights for veterans will require some clarification'; and

"Whereas Mr. Byrnes has been 'told by representatives of management and labor that provisions of an absolute job guaranty to those veterans who do have reemployment rights may create serious industrial relations problems unless certain principles are fully agreed upon beforehand'; and

"Whereas the two major labor organizations have requested a reexamination and reinterpretation of such reemployment provisions and that there be a continuing council of representatives of management, labor, veterans' organizations, and the interested governmental agencies to develop sound employment policies and practices; and

"Whereas there are many problems and questions arising as to the specific application of such law for certain situations which are vexatious and productive of disrupting and disturbing labor forces; and

"Whereas it is respectfully requested that in view of the disastrous consequences that may be afforded to veterans by breaking faith on a guaranty of reemployment, and to industry and labor by forcing upon them an unworkable and unintelligible act, that the welfare and well-being of all parties and the general public will be substantially promoted by clarifying such law to specifically interpret the rights and privileges of all parties involved: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this Legislature of the State of Wisconsin memorialize the Congress of the United States to enact further legislation that will clarify the rights and privileges of returning veterans to their former positions of civil employment with such degree of conciseness that the right of labor, of industry, of veterans groups, and of Government will be adequately and properly safeguarded; and be it further

"Resolved, That properly attested copies of this resolution be sent to Director of War Mobilization and Reconversion, Fred M. Vinson, and Brig. Gen. Frank T. Hines, the President, and to both Houses of Congress, and to each Wisconsin Member thereof."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Immigration:

"Joint resolution memorializing Congress to enact legislation requiring prompt deportation after the war of imported war prisoners, foreign labor battalions, and refugees and barring further immigration to the United States until our returning war veterans are afforded an opportunity for gainful employment and the number of our unemployed is reduced to a minimum.

"Whereas our returning war veterans and other American citizens should at all times be afforded the opportunity for gainful employment; and

"Whereas if foreign labor battalions, refugees, and imported war prisoners are not promptly returned to the lands of their origin and immigration to this country is not abated after the war, opportunity for gainful employment of our citizenry will be seriously jeopardized: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature memorializes the Congress of the United States to enact legislation which in substance shall provide:

"1. That any foreign-born resident who avoids the obligation of military service or who fails to declare his intention to become a citizen of the United States within 3 years from the date of his entry into this country shall be automatically subject to deportation;

"2. That immigrants shall be barred from this country from and after the date of cessation of hostilities of the present war until such time as (a) the number of unemployed in the United States is reduced to less than 1,000,000; (b) all war veterans have been afforded the opportunity of gainful employment; (c) members of imported foreign labor battalions, refugees, war prisoners, and those given temporary sanctuary, employment or haven during the present war, are returned to the lands of their origin; and be it further

"Resolved, That it is the sense of this legislature that such legislation should not apply to the foreign-born spouse or children of any person who served in the armed forces of the United States while at war or performed services for or on behalf of the United States in connection with the prosecution of the war; and be it further

"Resolved, That properly attested copies of this resolution be sent to both Houses of Congress and to each Wisconsin Member thereof."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on the Judiciary:

"Joint resolution memorializing Congress to abolish the party convention system of nominating and the electoral college method of electing the President and Vice President of the United States and to enact law providing for nomination and election of the President and Vice President by popular vote.

"Whereas our present party convention system of nominating and electoral college method of electing the President and Vice President of the United States was intended by the framers of the Constitution to provide a means of selection by deliberative bodies of able representatives of the people, which in fact has never been the case since 1800; and

"Whereas the electoral college is unfair and unjust as a method of election in that smaller States are overrepresented; large doubtful States are given undue importance; public interest in Presidential campaigns in many States is discouraged; and the popular will is thereby frequently thwarted; and

"Whereas in 1824 Jackson had a popular plurality of 50 percent over his nearest opponent yet was defeated when the election was decided by the House of Representatives; in 1876 Hayes was declared elected although Tilden had a popular plurality of over 250,000 and an actual majority of over 78,000 votes; in 1888 Harrison was elected although Cleveland had a plurality of almost 100,000; and in about half of the elections in the past 50 years a minority of the popular votes have elected the President and Vice President; and the minority vote in each State is entirely disregarded and cast away; and

"Whereas nomination and election of the President and Vice President by direct popular vote is in accord with modern ideas of popular government, will remove the useless incumbrance between voters and the election, will make a substantial saving in the cost of elections, will make such nominations and elections truly representative and fair and will lead to the election of more able Presidents and Vice Presidents and render them more responsible to the people; and

"Whereas there is now pending before the Congress two proposed amendments to the Constitution, the Langer proposal to elect the President by direct numerical vote, and the Celler-Guffey proposal to divide the electoral vote in each State in proportion to the popular vote cast for each candidate: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature respectfully memorializes the Congress of the United States to take necessary steps to abolish the convention system of nominating the President and to adopt either the proposed Langer amendment or the proposed Celler-Guffey amendment to the Constitution; and be it further

"Resolved, That properly attested copies of this resolution be transmitted to each House of Congress and to each Wisconsin Member thereof."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Naval Affairs:

"Joint resolution memorializing the Congress and the Navy to investigate the advantages of wintering naval craft at Marinette, Sturgeon Bay, and other Wisconsin ports on Lake Michigan

"Whereas after the war the United States Navy intends to winter a large number of naval craft of the PT, SC, PC, and other small types at ports on Lake Michigan; and

"Whereas it is understood that Lake Michigan ports south of the Wisconsin State line are being given consideration for this purpose; and

"Whereas the cities of Marinette and Sturgeon Bay offer completely sheltered harbors with year-round open channels, drydocks, dock storage facilities, repair equipment, and adequate low-cost housing facilities for naval personnel; and

"Whereas Wisconsin lake ports have already demonstrated their year-round usefulness by the fact that winter deliveries have been made by them every year since the war shipbuilding program was inaugurated: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature hereby memorializes the Congress and the Navy Department to investigate the advantages offered by Marinette, Sturgeon Bay, and other Wisconsin ports on Lake Michigan for the wintering of small naval craft; be it further

"Resolved, That properly attested copies of this resolution be forwarded to the clerk of each house of the Congress, to each Wisconsin member thereof, and to the Secretary of the Navy."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Post Offices and Post Roads:

"Joint resolution memorializing the Congress of the United States to direct the proper Federal agency to prescribe and recommend uniform traffic signals and other safety devices on the highways

"Whereas there is a lack of uniformity in the laws of the various States pertaining to rural and urban highway marking, traffic signals, and codes, highway engineering with reference to the facilitation of traffic and promotion of safety, and the establishment of uniform markings, signals, and appliances; and

"Whereas such lack of uniformity and uncertainty of regulation and application has been productive of hazards to all the users of the highways; and

"Whereas this lack of uniformity of traffic signals, markings, and other safety codes and regulations of the States is restrictive of free movement and productive of hazards to the safety of the traveling public; and

"Whereas there is a universal need and demand that such difficulties be eliminated by the establishment of uniform traffic markings, signals, safety devices, and codes for all highways to be prescribed and recommended by the Congress of the United States to direct the proper Federal agency thereof: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature respectfully memorializes the Congress of the United States to direct the proper Federal agency thereof, to prescribe and recommend uniform traffic signals, markings, codes, and safety devices for the highways of the United States; be it further

"Resolved, That properly attested copies of this resolution be sent to the President of the United States, both houses of Congress and to each Wisconsin Member thereof."

Two joint resolutions of the Legislature of the State of Wisconsin; to the Committee on Military Affairs:

"Joint resolution requesting Harold L. Ickes, Solid Fuels Administrator for War, to relax the restriction on the sale of solid fuel imposed by SFAW Regulation 26

"Whereas on March 14, 1945, Solid Fuels Administrator for War, Harold L. Ickes, issued a directive April 1, 1945, providing among other things that consumers be allotted only 80 percent of their normal annual yearly requirements of scarcer solid fuel from April 1, 1945, to March 31, 1946; that the retail dealer cannot deliver to a consumer more than 50 percent of his annual yearly normal requirements of solid fuel before August 31, 1945; that solid fuel dealers shall be required by the regulation to verify consumers' normal annual requirements of solid fuel; and that retail solid fuel dealers are frozen to old contracts which they previously served and are not permitted to accept any new business with schools, municipal buildings, Government agencies, and farmers; and

"Whereas 80 percent of the consumers' normal annual requirements is not sufficient solid fuel to properly insure sufficient heat and to assure healthful conditions during the long winter months encountered in Wisconsin, particularly in view of the fact that firewood is not available in sufficient quantities which can be used for heating purposes due to the fact that pulpwood is selling at such a price; that labor is exceedingly scarce so that the usual supply of firewood cannot be cut and as a result more farmers are demanding coal for fuel; and

"Whereas because of the severity of the weather conditions in the State of Wisconsin causing bad road conditions due to snow, storm, and blockade, which prohibit wintertime delivering and because of the necessity of providing fuel to the farms, rural schools, industry, and homes, a sufficient stock must be on hand to provide enough fuel to supply this area and therefore the restriction that the retail dealer cannot deliver to a consumer more than 50 percent of his annual yearly normal requirements of solid fuel before August 31, 1945, is not only impractical but is bound to cause severe hardship; and

"Whereas the provision contained in SFAW Regulation 26 prohibits dealers from contracting to supply new patrons during the heating season from April 1, 1945, to March 31, 1946, is unconstitutional and by the provisions of the regulation creates an abnormal distribution of solid fuels in the State of Wisconsin and places certain consumers in a position where they may not be able to obtain solid fuels without great inconvenience and unnecessary delay, and whereas the provisions contained in the regulation have been given serious study and consideration. It appears to those who are acquainted with the weather conditions in Wisconsin, the manpower shortage, the lack of equipment and other burdensome wartime delivery restrictions will make the regulation impossible of performance without creating great hardship and suffering on the part of the people. Compliance with SFAW Regulation 26 will create a shortage which will result in severe hardship on the consuming public and retail coal dealers, creating a backlog of solid fuels orders during the winter months: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That this legislature respectfully memorializes Harold L. Ickes, Solid Fuels Administrator for War, to relax the provisions of SFAW Regulation 26 so as to permit greater amounts of coal to flow into rural areas of Wisconsin, to eliminate the provision pertaining to limiting the fuel supply allocated to the coal-consuming public to 80 percent, and to eliminate the restriction providing that only 50 percent of the consumer normal annual requirements can be delivered before August 31, 1945; and be it further

"Resolved, That properly attested copies of this resolution be forwarded to the President, to the Honorable Harold L. Ickes, to the clerk of each house of the Congress and to each Wisconsin Member thereof."

"Joint resolution memorializing the Congress of the United States to investigate the feasibility of converting the ordnance plant at Milwaukee into a veterans' hospital

"Whereas there will be a great need for veterans' hospitals after World War II; and

"Whereas the Federal Government owns an ordnance plant in the city of Milwaukee, being used during the war by the Signal Battery Co., which will be vacant and unused soon after the cessation of hostilities; and

"Whereas said plant together with its spacious grounds is ideally suited and well located for use as a veterans' hospital: Now, therefore, be it

"Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin memorialize the Congress of the United States, and especially the Wisconsin Members thereof, to investigate the feasibility of transferring said ordnance plant to the State of Wisconsin to be converted into a hospital for veterans of World War II under the supervision of the veterans' recognition board; be it further

"Resolved, That properly attested copies of this resolution be transmitted to the clerk of each House of Congress and to each Wisconsin Member thereof."

A telegram, in the nature of a petition, from J. Norman Irving, chairman, Riverside County Farm Production Committee; James I. Easley, chairman, Coachella Valley Farm Bureau; J. E. Farrar, director, Hemet Valley Growers Association; and E. H. Knapp, president, Riverside Arlington Heights Fruit Exchange, Riverside, Calif., praying for a gradual tapering off of the Mexican national program relating to farm workers during the next 2 years; to the Committee on Agriculture and Forestry.

The petition of Thomas P. Leonard, of Balboa, Panama, C. Z., praying for the enactment of the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concerted efforts of industry, agriculture, labor, State and local governments, and the Federal Government; to the Committee on Banking and Currency.

A letter from Julian Harold Wilson, of Honolulu, T. H., relating to his application to practice before the Treasury Department (with accompanying papers); to the Committee on the Judiciary.

A resolution adopted by the Common Council of the city of Hammond, Ind., urging the President and the Congress to adopt and put into operation a definite statement of a national wage policy in the reconversion period designed to maintain and increase workers' purchasing power, a program for setting prices on goods, a schedule for public works, a plan for orderly resumption of civilian production, and praying for the enactment of the so-called Murray-Wagner full-employment bill; to the Committee on Education and Labor.

A letter from P. F. English, secretary, the Wild Life Society, State College, Pa., and a resolution adopted by the council of the Wild Life Society, urging the Civil Service Commission and Congress to so clarify section 5, of Public Law No. 359, Seventy-eighth Congress, of the Veterans Preference Act, to permit the retention of adequate minimum educational requirements to protect the rights of returning trained veterans and to insure adequate standards in American professional endeavors; to the Committee on Civil Service.

The petition of Nella Dutcher, of New York, N. Y., praying that all salaries be raised to not less than $50 a week; to the Committee on Education and Labor.

A resolution adopted by the City Council of Oakland, Calif., favoring the enactment of legislation to continue child care centers; to the Committee on Education and Labor.

A petition of sundry members of the armed forces of the various States on Tinian Island, praying for an investigation of the recent Army policy relating to discharge of officer personnel; to the Committee on Military Affairs.

A resolution adopted by the Board of Water Commissioners of Denver, Colo., protesting against the enactment of House bill 555, relating to the water resources of the State of Colorado and particularly the South Platte River; to the Committee on Irrigation and Reclamation.

A resolution adopted by Branch 11 of the Workmen's Benefit Fund of America, Dorchester, Mass., protesting against the enactment of legislation providing for compulsory peacetime military training; to the Committee on Military Affairs.

The petitions of J. A. Spencer, of Seattle, Wash., and Dorothy G. Durkee, of Stroudsburg, Pa., praying for the prompt discharge and sending home of certain members of the armed forces; to the Committee on Military Affairs.

The petition of Mrs. Louis Douber, Jr., praying for the prompt discharge from the Navy of pre-Pearl Harbor fathers; to the Committee on Naval Affairs.

The petition of Douglas O. Paterson, a citizen of the United States, relating to England's monetary system; to the Committee on Foreign Relations.

A petition of sundry citizens of the United States, praying that Congress reconvene for the purpose of enacting legislation to provide full employment, prosperity, and world peace; ordered to lie on the table.

A resolution adopted by the Supreme Council, Order Sons of Italy in America, Boston, Mass., favoring the establishment of a Jewish homeland in Palestine; to the Committee on Foreign Relations.

A resolution adopted by the Supreme Council, Order Sons of Italy in America, Boston, Mass., endorsing the President's policies for world peace and economic reconstruction and rehabilitation of war-torn countries; to the Committee on Foreign Relations.

A resolution adopted by the Supreme Council, Order Sons of Italy in America, Boston, Mass., petitioning the President of the United States to use his good offices so that the terms of the Atlantic Charter are applied for the benefit of the people of Italy in all questions of territorial integrity; to the Committee on Foreign Relations.

A resolution of the Supreme Council, Order Sons of Italy in America, Boston, Mass., petitioning the President of the United States to use his good offices to terminate the state of war declared to exist between Italy and the United States so that Italy may become a signatory to the United Nations Charter; to the Committee on Foreign Relations.

A resolution adopted by the Supreme Council, Order Sons of Italy in America, Boston, Mass., favoring the enactment of the bill (H. R. 511) to amend the Nationality Act of 1940; to the Committee on Immigration.

A telegram from Senator Kamokila Campbell, Hawaii, T. H., praying for the postponement of Statehood for Hawaii; to the Committee on Territories and Insular Affairs.

The memorial of James J. Chapman, Washington, D. C., remonstrating against the seating of WILLIAM F. KNOWLAND as a Senator from the State of California; to the Committee on Privileges and Elections.

By Mr. CAPPER:

A petition of sundry citizens of Baltimore, Md., praying for the enactment of legislation to prohibit the advertising of alcoholic beverages in periodicals, newspapers, radio, motion pictures, or any other form of advertising; to the Committee on Interstate Commerce.

By Mr. McCLELLAN:

A concurrent resolution of the Legislature of the State of Arkansas; to the Committee on Commerce.

"Senate Concurrent Resolution 12

"Whereas, authorization for the construction of a dam across the Narrows of Little Missouri River in Pike County, Ark., has been made by the Congress of the United States; and

"Whereas, the construction of such dam is the culmination of the dreams and diligent efforts of M. W. Greeson, Prescott, Ark., and Garrett Whiteside, Nashville, Ark., who worked incessantly for such authorization for many years; and

"Whereas, House Resolution No. 1821 has been introduced in the House of Representatives of the United States Congress, which provides that the said dam be named 'Whiteside Dam' and the lake which will be formed as a result of the construction of said dam be named 'Lake Greeson,' thereby honoring the two men who so diligently worked for the construction of this dam: Therefore be it

"Resolved by the Senate of the General Assembly of the State of Arkansas (the House concurring herein), That it is the wish of the General Assembly of the State of Arkansas and of the people of the State that said Resolution No. 1821 by CRAVENS, of Arkansas, be given favorable consideration, and we hereby petition the passage of said resolution by the Congress of the United States and its approval by the President, identifying the dam and lake as above set out: Be it further

"Resolved, That a copy of this resolution be presented to the Honorable WILL M. WHITTINGTON, chairman of the Committee on Flood Control, in the United States House of Representatives, a copy be given to the Chief Clerk of the House of Representatives of the United States, and a copy be given to Hon. Garrett Whiteside, also Hon. M. W. Greeson."

FEDERAL INDUSTRIAL RELATIONS ACT—LETTER FROM BROTHERHOOD OF RAILROAD TRAINMEN

Mr. CAPPER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD a letter I have received from W. E. Childress, State legislative representative of the Brotherhood of Railroad Trainmen, of Fort Scott, Kans., setting forth opposition to S. 1171, the so-called Federal Industrial Relations Act.

There being no objection, the letter was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

BROTHERHOOD OF RAILROAD TRAINMEN, STATE OF KANSAS,
Fort Scott, Kans., August 1, 1945.

ARTHUR CAPPER,
United States Senator,
Washington, D. C.

DEAR SIR: In behalf of our 4,000 members of the Brotherhood of Railway Trainmen and their wives, all of the State of Kansas, we most respectfully register our opposition to the Federal Industrial Relations Act, S. 1171.

You perhaps already know that the railroad brotherhoods at this time or at any future period contemplate no action whatever of strife or turmoil. However, it is true that because of the unfairness and the misunderstanding contained in the legislation we are convinced that without doubt it is a labor-shackling measure that will sooner or later wipe away many of the hard-won gains of the past 50 years.

First, we believe it deprives us of our strongest economic weapon, the right to strike, which surely must never be taken away from free labor. Second, unquestionably it limits the area of collective bargaining; this, too, we most sacredly hold as one of our American rights. Third, it will cause endless confusion because of the overlapping jurisdiction of Federal and State authorities. And last, but not least, we believe it would again call for the historic antilabor tactics of "government by injunction." We firmly believe that as good American citizens and workers of this country that this legislation will only increase to serve as a matter of confusion, leading to a chaos of uncertainty in the field of labor relations. Clearly, to us it is absolutely against all democratic government as we have learned to know and understand. We sincerely hope that you as representatives of the people will find it possible to understand with us our serious opposition to bill S. 1171.

We sincerely hope that you will see fit to oppose this legislation, and would you be so kind as to advise me of your attitude so that I may respectfully carry your answer to the railroad labor of Kansas, whom I have the honor to represent. Will you please let us hear from you on this.

Sincerely yours,

W. E. CHILDRESS,
State Legislative Representative.

PERSONS EMPLOYED BY COMMITTEES WHO ARE NOT FULL-TIME SENATE OR COMMITTEE EMPLOYEES

The PRESIDENT pro tempore laid before the Senate reports for the months of July and August 1945 from the acting chairman and chairmen of certain committees, in response to Senate Resolution 318, Seventy-eighth Congress, relative to persons employed by committees who are not full-time employees of the Senate or any committee thereof, which were ordered to lie on the table and to be printed in the RECORD, as follows:

COMMITTEE ON EDUCATION AND LABOR

AUGUST 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individua	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Helen Gauntlett [1]	1634 I St. NW., Washington, D. C.	Department of Labor, Washington, D. C.	$4,300

[1] On loan to the committee since July 17, 1945.

JAMES E. MURRAY, *Chairman.*

INTERSTATE COMMERCE COMMITTEE

AUGUST 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Alma B. Kidwell	113 Park Blvd. SE.	Federal Communications Commission	$1,800

B. K. WHEELER, *Chairman.*

COMMITTEE ON PENSIONS

AUGUST 2, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Louis J. Meyerle	612 Bennington Dr., Silver Spring, Md	Veterans' Administration	$5,600

JAMES M. TUNNELL, *Chairman.*

COMMITTEE ON NAVAL AFFAIRS

JULY 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Capt. James A. Saunders, USN (retired).	4105 Oliver St., Chevy Chase, Md	Office of the Chief of Naval Operations, Navy Department, Washington, D. C.	$6,000
Chief Yeoman Herbert S. Atkinson (AA) USNR.	2405 Pennington Rd., Trenton, N. J	do	1,588

DAVID I. WALSH, *Chairman.*

SENATE NAVY LIAISON OFFICE

JULY 31, 1945.

To the Senate:

The above-mentioned office hereby submits the following report showing the names of persons employed by the office who are not full-time employees of the Senate or of the office for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lt. Frederick A. McLaughlin, USNR.	317 Lynn Dr., Chevy Chase, Md	Bureau of Naval Personnel, Navy Department, Washington, D. C.	$2,400
Lt. Joseph G. Feeney, USNR	2745 29th St., Washington, D. C	do	2,400
Yeoman Second Class Eleanor W. St. Clair, USNR.	2134 R St. NW., Washington, D. C	do	1,152
Yeoman Second Class Loretto F. Jochman, USNR.	do	do	1,152

The above employees are representatives of the Bureau of Naval Personnel, Navy Department, to assist Senators on naval personnel matters.

DAVID I. WALSH.

SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES

AUGUST 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of July 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Alice M. Allen	2000 16th St. NW., Washington, D. C	War Production Board, Washington, D. C	$2,320
Agnes E. Crivella	1408 Buchanan St. NW., Washington, D. C	do	3,090
Emerald G. Devitt	2425 27th St., South Arlington, Va	do	2,430
Parley P. Eccles	4408 First Pl. NW., Washington, D. C	Foreign Economics Administration, Washington, D. C	7,175
Herman Edelsberg	2141 Suitland Terrace SE., Washington, D. C	do	7,175
Harry J. Evans	3010 Gainesville St. SE., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	7,175
F. Preston Forbes	502 Four Mile Rd., Alexandria, Va	Department of Commerce, Washington, D. C	5,180
Carol M. Fuller	2101 S St. NW., Washington, D. C	Office of Price Administration, Washington, D. C	2,430
Scott K. Gray, Jr	119 Joliet St. SW., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	5,180
Stella J. Groeper	1127 Branch Ave. SE., Washington, D. C	War Production Board, Washington, D. C	2,980
Elizabeth P. Lucas	1730 North Quincy St., Arlington, Va	do	2,166
John W. Nelson	The Delano Apartments, Washington, D. C	do	6,230
Vernice M. O'Mullane	Alcott Hall, Washington, D. C	do	1,968
Martha G. Ray	5909 32d St. NW., Washington, D. C	do	2,430
Lt. George H. Soule	4020 Beecher St NW., Washington, D. C	Navy Department, Washington, D. C	2,400
L. Evelyn Spicer	1708 Kilbourne Pl. NW., Washington, D. C	War Production Board, Washington, D. C	2,980
Frederick W. Steckman	4000 Cathedral Ave. NW., Washington, D. C	Maritime Commission, Washington, D. C	5,600
Margie L. Strubel	4632 12th St. NE., Washington, D. C	War Production Board, Washington, D. C	2,320
Allen G. Thurman	210 East Shepherd St., Chevy Chase, Md	Maritime Commission, Washington, D. C	6,500
Alfred J. Van Tassel	1622 Mount Eagle Pl., Alexandria, Va	War Production Board, Washington, D. C	7,175

JAMES E. MURRAY, *Chairman.*

APPROPRIATIONS COMMITTEE

SEPTEMBER 4, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Harold E. Merrick	906 Aspen St. NW	General Accounting Office, Washington, D. C	$6,230
Mrs. Mamie L. Mizen	1434 Saratoga Ave	District of Columbia government	3,970

KENNETH MCKELLAR, *Acting Chairman.*

INTERSTATE COMMERCE COMMITTEE

SEPTEMBER 4, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Mrs. Alma B. Kidwell	113 Park Blvd. SE	Federal Communications Commission	$1,800

B. K. WHEELER, *Chairman.*

COMMITTEE ON PENSIONS

AUGUST 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the name of a person employed by the committee who is not a full-time employee of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Louis J. Meyerle	612 Bennington Dr., Silver Spring, Md	Veterans' Administration	$5,600

JAMES M. TUNNELL, *Chairman.*

SUBCOMMITTEE ON WARTIME HEALTH AND EDUCATION

SEPTEMBER 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lauretta April	2714 Quarry Rd, NW., Washington, D. C	War Production Board, 3d and Independence Ave., SW	$4,300
Groff Conklin	514 2d St. NW., Washington, D. C	do	6,230
Philip C. Curtis	4303 Russell Ave., Mount Ranier, Md	Navy Department, 18th and Constitution Ave. NW	4,600
Richard P. Daniels	1743 Columbia Rd. NW., Washington, D. C	Federal Public Housing Authority, 1201 Connecticut Ave. NW	1,704
Marion Dillon	3659 Minnesota Ave. SE., Washington, D. C	Navy Department, 18th and Constitution Ave. NW	3,200
Rose Gerber	2513 14th St. NE., Washington, D. C	do	2,000
Joseph McMurray	120 C St. NE., Washington, D. C	Department of Labor, 14th and Constitution Ave. NW	5,180
Carl Malmberg	1813 F St. NW., Washington, D. C	Federal Security Agency, 1825 H St. NW	7,175
Love Morgan	1607 18th St. SE., Washington, D. C	Veterans' Administration, Vermont Ave. and I St. NW	2,320
Ruth Morgenstein	3022 Rodman St. NW., Washington, D. C	do	2,980
Dolores B. Raschella	3028 Wisconsin Ave. NW., Washington, D. C	Federal Public Housing Authority, 1201 Connecticut Ave. NW	2,320
Lt. Leslie Falk, M. C., AUS	2804 Terrace Rd. SE., Washington, D. C	U. S. Army, Pentagon Building	2,000
Lt. Comdr. John B. Truslow, M. C., USNR.	2007 Peabody St., West Hyattsville, Md	U. S. Navy, 18th and Constitution Ave. NW	3,000

CLAUDE PEPPER, *Chairman.*

SPECIAL COMMITTEE TO STUDY AND SURVEY PROBLEMS OF SMALL BUSINESS ENTERPRISES

SEPTEMBER 1, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Alice M. Allen	2000 16th St. NW., Washington, D. C	War Production Board, Washington, D. C	$2,320
Emerald G. Devitt	2425 27th St. South, Arlington, Va	do	2,430
Farley F. Eccles	4408 1st Pl. NE., Washington, D. C	Foreign Economics Administration, Washington, D. C	7,175
Herman Edelsberg	2141 Suitland Terrace SE. Washington, D. C	do	7,175
Harry J. Evans	3010 Gainesville St. SE., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	7,175
F. Preston Forbes	502 Four Mile Road, Alexandria, Va	Department of Commerce, Washington, D. C	5,180
Scott K. Gray, Jr	119 Joliet St. SW., Washington, D. C	Reconstruction Finance Corporation, Washington, D. C	5,180
Stella J. Groeper	1127 Branch Ave. SE., Washington, D. C	War Production Board, Washington, D. C	2,980
John W. Nelson	The Delano Apartments, Washington, D. C	do	6,230
Martha G. Ray	5909 32d St. NW., Washington, D. C	do	2,430
Lt. George H. Soule	4020 Beecher St. NW., Washington, D. C	Navy Department, Washington, D. C	2,400
L. Evelyn Spicer	1708 Kilbourne Pl. NW., Washington, D. C	War Production Board, Washington, D. C	2,980
Frederick W. Steckman	4000 Cathedral Ave. NW., Washington, D. C	Maritime Commission, Washington, D. C	5,600
Margie L. Strubel	4632 12th St. NE., Washington, D. C	War Production Board, Washington, D. C	2,320
Allen G. Thurman	9729 Bexhill Dr., Rock Creek Hills, Md	Maritime Commission, Washington, D. C	6,500
Alfred J. Van Tassel	1622 Mount Eagle Pl., Alexandria, Va	War Production Board, Washington, D. C	7,175

JAMES E. MURRAY, *Chairman.*

SENATE MILITARY AFFAIRS COMMITTEE, SUBCOMMITTEE ON WAR MOBILIZATION

AUGUST 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the months of July and August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Ann S. Gertler	3721 39th St. NW., Washington, D. C.	Department of the Interior, Washington, D. C.	$2,980.00
Hope C. Heslep	2 East Maple St., Alexandria, Va.	War Manpower Commission, Washington, D. C.	2,320.00
Joan P. Karasik	1919 19th St. NW., Washington, D. C.	Foreign Economic Administration, Washington, D. C.	4,300.00
C. Theodore Larson	3917 North 5th St., Arlington, Va.	National Housing Agency, Washington, D. C.	6,230.00
Fritzie P. Manuel	1621 T St. NW., Washington, D. C.	War Manpower Commission, Washington, D. C.	5,180.00
Darel McConkey	509 Fontaine St., Alexandria, Va.	War Production Board, Washington, D. C.	5,180.00
Cora L. Moen	5327 16th St. NW., Washington, D. C.	Office of Price Administration, Washington, D. C.	2,320.00
Elizabeth H. Oleksy	1620 Fuller St. NW., Washington, D. C.	War Production Board, Washington, D. C.	3,090.00
Mary Jane Oliveto	500 B St. NE., Washington, D. C.	National Housing Agency, Washington, D. C.	2,100.00
Francis C. Rosenberger	5814 64th Ave., East Riverdale, Md.	Office of Price Administration, Washington, D. C.	5,180.00
Herbert Schimmel	3604 Minnesota Ave. SE., Washington, D. C.	War Production Board, Washington, D. C.	9,012.50
Marjorie J. Tillis	211 Delaware Ave. SW., Washington, D. C.	Foreign Economic Administration, Washington, D. C.	3,640.00

H. M. KILGORE, *Chairman.*

COMMITTEE ON NAVAL AFFAIRS

AUGUST 31, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Capt. James A. Saunders, USN (retired)	4105 Oliver St., Chevy Chase, Md.	Office of the Chief of Naval Operations, Navy Department, Washington, D. C.	$6,000
Chief Yeoman Herbert S. Atkinson (AA) USNR.	2405 Pennington Rd., Trenton, N. J.	do	1,588

DAVID I. WALSH, *Chairman.*

SENATE NAVY LIAISON OFFICE

AUGUST 31, 1945.

To the Senate:

The above-mentioned office hereby submits the following report showing the names of persons employed by the office who are not full-time employees of the Senate or of the office for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Lt. Frederick A. McLaughlin, USNR.	317 Lynn Dr., Chevy Chase, Md.	Bureau of Naval Personnel, Navy Department, Washington, D. C.	$2,400
Lt. Joseph G. Feeney, USNR.	2745 29th St. NW., Washington, D. C.	do	2,400
Yeoman Second Class Eleanor W. St. Clair, USNR.	2134 R St. NW., Washington, D. C.	do	1,152
Yoeman Second Class Loretto F. Jochman, USNR.	do	do	1,152

The above employees are representatives of the Bureau of Naval Personnel, Navy Department, to assist Senators on naval personnel matters.

DAVID I. WALSH.

COMMITTEE ON EDUCATION AND LABOR

SEPTEMBER 5, 1945.

To the Senate:

The above-mentioned committee hereby submits the following report showing the names of persons employed by the committee who are not full-time employees of the Senate or of the committee for the month of August 1945, in compliance with the terms of Senate Resolution 319, agreed to August 23, 1944:

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Helen Gauntlett	1634 I St., NW., Washington, D. C.	Department of Labor, Washington, D. C.	$4,300
Virginia Kreamer [1]	3918 10th St. NE., Washington, D. C.	do	2,760

[1] On loan to committee since Aug. 6, 1945.

JAMES E. MURRAY, *Chairman.*

UNITED STATES SENATE,
COMMITTEE ON MILITARY AFFAIRS,
July 31, 1945.

Hon. KENNETH MCKELLAR,
President, United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Pursuant to Senate Resolution 319, I am transmitting herewith a list of employees of the Surplus Property subcommittee (S. Res. 129) of the Senate Committee on Military Affairs who are not full-time employees of the Senate. Included with this list is the name and address of each such employee, the name and address of the Department paying the salary of such employee, and the annual rate of compensation for each such employee.

Respectfully yours,

JOSEPH C. O'MAHONEY,
Chairman, Surplus Property Subcommittee.

SURPLUS PROPERTY SUBCOMMITTEE OF THE SENATE MILITARY AFFAIRS COMMITTEE

JULY 31, 1945.

Name of individual	Address	Name and address of department or organization by whom paid	Annual rate of compensation
Kurt Borchardt	6007 34th Pl. NW., Washington, D. C.	Smaller War Plants Corporation, Washington, D. C.	$6,230
Mabel Graham	1474 Columbia Rd. NW., Washington, D. C.	do	2,320
Bertram M. Gross	613 South Quincy St., Arlington, Va.	Navy Department, Washington, D. C.	8,750
Hilda Hamilton	705 18th St. NW., Washington, D. C.	Reconstruction Finance Corporation, Washington, D. C.	2,540
Doris Phippen	40 Plattsburgh Court NW., Washington, D. C.	Navy Department, Washington, D. C.	2,650

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES — CIVILIAN EMPLOYMENT OF THE EXECUTIVE BRANCH

Mr. BYRD. Mr. President, with the cessation of hostilities in Japan, employment in the Federal Government should be cut approximately to the prewar total of less than a million employees. According to Bureau of the Budget reports more than 1,500,000 employees of the Government have been engaged in war work. The liquidation of the war agencies plus the elimination of unnecessary activities should cut Federal personnel from the present 3,000,000 mark to a postwar 1,000,000 with a consequent saving in pay roll alone of upward to $5,000,000,000 annually. This calls for an immediate elimination of all unnecessary jobs, with the war workers themselves being given every aid possible in placing them in positions outside the Government once war veterans are provided for.

Despite the fact that the war in Europe had ended 2 months previous and that we were no longer fighting two wars, Government employment during the month of July 1945 was still increasing at a rate of 11,598 employees per month. Eight war agencies showed increases in personnel and 23 other departments and agencies showed similar increases. Nineteen of these departments and agencies which showed increases were establishments essentially engaged in peacetime functions of government. The largest of these increases occurred in Agriculture, which lists 7,051 seasonal employees not previously reported; Interior, 503 new employees; Labor, 211; Post Office, 5,400; State, 436; Treasury, 639; Federal Security, 294; Federal Works, 150; General Accounting Office, 200; Reconstruction Finance Corporation, 546. Departments and agencies must be made to realize that the war workers are to be encouraged to find jobs in private enterprise, and not to be absorbed in continuing Government agencies. Many of them evidently have thus far failed to realize this.

Of the 63 departments and agencies reporting to the Joint Committee on Reduction of Nonessential Federal Expenditures in July, only 28 have succeeded in reducing personnel by 13,711 while 31 have increased personnel by 25,309. This increase added to the 126,130 additional employees reported in the previous month shows that the alarming upward trend is still continuing.

I emphasized in my statement of July 26, 1945, the necessity of a reduction in civilian employment in the Federal Government. This present report indicates that many departments and agencies instead of reducing pay rolls have shown that they have no intention whatsoever of eliminating personnel in order to rid the taxpayers on nonessential Federal expenditures.

The President has shown praiseworthy speed in liquidating the Office of War Information, the Office of Censorship, and the Office of Civilian Defense already. The President together with the Congress should bend every effort toward immediate elimination of all other war and nonessential activities so that the Nation can return to normal peacetime economy. It will be a welcome indication to the American taxpayer that his hard-earned money is being spent by an economy-minded Congress on debt-reduction and the essentialities of government.

I ask unanimous consent that the report I now present may be printed in the RECORD.

There being no objection, the report presented by Mr. BYRD was ordered to be printed in the RECORD, as follows:

REDUCTION IN NONESSENTIAL FEDERAL EXPENDITURES

Civilian employment in the executive branch of the Federal Government by departments and agencies for the months of June and July 1945, showing increases and decreases in number of employees

Departments or agencies	Jun.	July	Increase	Decrease
EXECUTIVE OFFICE OF THE PRESIDENT				
Bureau of the Budget	578	591	13	
DEPARTMENTS				
Agriculture Department	84,573	91,624	7,051	
Commerce Department	35,735	35,243		492
Interior Department	44,354	44,857	503	
Justice Department	27,178	27,129		49
Labor Department	6,593	6,804	211	
Navy Department	752,886	758,119	5,233	
Post Office Department [1]	378,849	384,249	5,400	
State Department	10,944	11,380	436	
Treasury Department	96,493	97,132	639	
War Department [2]	1,147,400	1,138,450		8,950
NATIONAL WAR AGENCIES				
Committee on Fair Employment Practice	133	124		9
Foreign Economic Administration	6,410	6,512	102	
National War Labor Board	3,871	3,711		160
Office of Alien Property Custodian	751	753	2	
Office of Censorship	6,433	5,807		626
Office of Contract Settlement	72	76	4	
Office of Defense Transportation	3,351	3,191		160
Office of Economic Stabilization	19	19		
Office of Inter-American Affairs	1,262	1,292	30	
Office of Price Administration	64,722	64,818	96	
Office of Scientific Research and Development	1,344	1,362	18	
Office of Strategic Services	2,536	2,350		186
Office of War Information	9,951	9,127		824
Office of War Mobilization and Reconversion	255	294	39	
Petroleum Administration for War	992	986		6
Selective Service System	18,802	18,598		204
Smaller War Plants Corporation	1,892	1,843		49
War Manpower Commission	28,465	28,234		231
War Production Board	12,363	12,002		361
War Shipping Administration	5,403	5,554	151	
INDEPENDENT AGENCIES				
American Battle Monuments Commission	1	1		
Civil Aeronautics Board	344	343		1
Civil Service Commission	7,411	7,014		397
Employees' Compensation Commission	502	515	13	
Export-Import Bank of Washington	60	62	2	

[1] Increases due to students substituting for the summer as clerks and carriers.

[2] Does not include 539,222 employees stationed outside continental United States.

Civilian employment in the executive branch of the Federal Government—Continued

Departments or agencies	June	July	Increase	Decrease
INDEPENDENT AGENCIES—continued				
Federal Communications Commission	1,520	1,494		26
Federal Deposit Insurance Corporation	1,378	1,222		156
Federal Power Commission	636	651	15	
Federal Security Agency	33,124	33,418	294	
Federal Trade Commission	436	453	17	
Federal Works Agency	20,309	20,459	150	
General Accounting Office	13,836	14,036	200	
Government Printing Office	6,922	6,957	35	
Interstate Commerce Commission	2,015	2,030	15	
Maritime Commission	10,770	10,494		276
National Advisory Committee for Aeronautics	6,740	6,706		34
National Archives	337	348	11	
National Capital Housing Authority	221	221		
National Capital Park and Planning	16	17	1	
National Gallery of Art	264	270	6	
National Housing Agency	15,593	15,418		175
National Labor Relations Board	843	807		36
National Mediation Board	106	98		8
Panama Canal	30,595	31,391	796	
Railroad Retirement Board	1,809	1,784		25
Reconstruction Finance Corporation	12,645	13,191	546	
Securities and Exchange Commission	1,151	1,151		
Smithsonian Institution	411	406		5
Tariff Commission	298	296		2
Tax Court	121	118		3
Tennessee Valley Authority	12,609	12,349		260
Veterans' Administration	66,471	69,751	3,280	
Total [3]	3,004,104	3,015,702	25,309	13,711
Net increase			11,598	
War Department [4]	539,222	539,222		
Grand total	3,543,326	3,554,924		

[3] Includes employees stationed outside continental United States as reported by various departments and agencies excepting the War Department totals; June, 119,815; and July, 120,075.

[4] Employees stationed outside continental United States reported quarterly as of Mar. 31, 1945.

NOTE.—Employment figures now reported to the committee include dollar-per-annum employees, and without-compensation employees of the consultant-expert type who are authorized to receive per diem in lieu of subsistence.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. McCARRAN introduced Senate bills 1351 and 1352, which were referred to the Committee on Civil Service, and appear under separate headings.)

By Mr. THOMAS of Utah:

S. 1353. A bill to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator;

S. 1354. A bill to authorize the permanent appointment in the grades of General of the Army and Fleet Admiral of the United States Navy, respectively, of certain individuals who have served in such grades during the Second World War; and

S. 1355. A bill to provide for the speedy return of veterans to civilian life, for the immediate military needs of the United States, and for other purposes; to the Committee on Military Affairs.

By Mr. HILL:

S. 1356. A bill to continue veteran benefits previously granted by acts of the Congress to

temporary members of the Army of the United States, Navy, Marine Corps, and Coast Guard, including men inducted under the provisions of the Selective Training and Service Act of 1940, as amended; to the Committee on Military Affairs.

By Mr. MAYBANK:

S. 1357. A bill to increase the pay of certain personnel of the military and naval forces while on sea duty or duty beyond the continental limits of the United States or in Alaska; to the Committee on Military Affairs.

By Mr. BYRD:

S. 1358. A bill to provide for returning to the use of standard time; to the Committee on Interstate Commerce.

By Mr. McMAHON:

S. 1359. A bill to conserve and restrict the use of atomic energy for the national defense, to prohibit its private exploitation, and to preserve the secret and confidential character of information concerning the use and application of atomic energy; to the Committee on Foreign Relations.

By Mr. WALSH:

S. 1360. A bill to compensate Benali El Oukili Boucheta, an inhabitant of French Morocco, for the wrongful death of his son, Mohammed Ben Boucheta Ben Ali El Oukili, near Marnia, Algeria, on September 30, 1944;

S. 1361. A bill to compensate Clement Euziere, an inhabitant of French Morocco, for personal injuries caused by a naval vehicle near Oran, Algeria, on September 21, 1943;

S. 1362. A bill to authorize the Secretary of the Navy to transfer land for resettlement in Guam, and for other purposes;

S. 1363. A bill to reimburse certain Navy and Marine Corps personnel and former Navy and Marine Corps personnel for personal property lost or destroyed as the result of water damage occurring at certain naval and Marine Corps shore activities; and

S. 1364. A bill to provide for the compromise and settlement by the Secretary of the Navy of certain claims for damage to property under the jurisdiction of the Navy Department, to provide for the execution of releases by the Secretary of the Navy upon payment of such claims, and for other purposes; to the Committee on Naval Affairs.

By Mr. CONNALLY:

S. 1365. A bill to amend section 35 of the Bankruptcy Act to permit the appointment of supervising conciliation commissioners as referees in bankruptcy; to the Committee on the Judiciary.

By Mr. McKELLAR:

S. 1366. A bill to authorize the State of Tennessee to convey a railroad right-of-way through Montgomery Bell Park (with accompanying papers); to the Committee on Public Lands and Surveys.

By Mr. BAILEY:

S. 1367. A bill to provide for the appointment of three additional Assistant Secretaries of Commerce, and for other purposes; to the Committee on Commerce.

By Mr. ANDREWS:

S. 1368. A bill to repeal the act entitled "An act to promote the national security and defense by establishing daylight saving time," approved January 20, 1942; to the Committee on Interstate Commerce.

THIRTY-HOUR WEEK FOR CIVILIAN OFFICERS AND EMPLOYEES OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Mr. McCARRAN. Mr. President, I send to the desk a bill for appropriate reference, to provide for a 30-hour week for civilian officers or employees under the executive branch of the Government. I ask unanimous consent to have printed in the RECORD a very brief statement by way of explanation; and also that the bill, which is rather short, be printed in the RECORD.

There being no objection, the bill (S. 1351) to provide for a 30-hour week for civilian officers and employees in or under the executive branch of the Government, was read twice by its title, referred to the Committee on Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Thirty-Hour Week Act of 1945."

SEC. 2. The Federal Employees Pay Act of 1945, approved June 30, 1945, is hereby amended as follows:

(1) By striking out the word "forty" where it appears in section 201, in subsection (b) of section 202, and in subsections (a) and (d) of section 604 and inserting in lieu thereof the word "thirty";

(2) By striking out the words "forty-eight" in subsection (a) of section 202 and inserting in lieu thereof the word "forty"; and

(3) By striking out the words "two thousand and eighty" where they appear in subsection (a) of section 201 and in subsections (a) and (b) of section 203, and inserting in lieu thereof the words "one thousand five hundred sixty."

SEC. 3. Sections 26b and 26c of title 5 of the United States Code, being, respectively, (1) section 11, title II, chapter 212 of the act of March 3, 1933 (47 Stat. 1516); and (2) section 1, chapter 359 of the act of June 16, 1937 (50 Stat. 269), are hereby repealed.

SEC. 4. The Civil Service Commission is hereby authorized and directed to issue, within 3 months after the date of enactment of this act, and subject to the approval of the President, such regulations as may be necessary for the administration of the provisions of this act insofar as this act affects officers and employees in or under the executive branch of the Government.

The explanatory statement submitted by Mr. McCARRAN was ordered to be printed in the RECORD, as follows:

I have today introduced a bill to provide for a 30-hour week for Federal employees.

Several considerations have been of particular importance in prompting me to sponsor this legislation.

There is already a demand from labor for a general increase in wage levels, and demands of this nature will grow more pressing in the near future.

In the case of Government employees, there is ample justification for such an increase, in view of the sharply increased cost of living since the prewar period, and the prospect of a further increase before prices level off.

An increase in wage levels by reduction in the basic workweek will do more to improve the working conditions of Government employees than would a bill providing increased annual compensation on the basis of the present workweek. Furthermore, such a reduction in the workweek is in keeping with the American trend of providing workers with greater leisure. Another consideration in this regard is that a bill for Government pay raises would be a highly complicated measure under which there would be likely to arise a great deal of dispute; whereas the bill I have introduced presents a single issue and presents it cleanly and in such form that the Congress can reach a determination with regard to it without becoming involved in controversy over such questions as the interrelation of pay scales among the different Government departments and agencies.

Under the terms of my bill, all civilian officers and employees in the executive branch of the Federal Government would work a 6-hour, 5-day week, receiving overtime for all work in excess of 30 hours during any 1 week.

It would be possible under the bill to operate Government departments on a 6-day basis, by assigning different working days to different groups of employees. If this should be done, the workday on Saturday would be 6 hours in length, the same as any other workday. I believe this would eliminate a great deal of waste motion which necessarily accompanies operations on a half-day basis.

Overtime under my bill would be computed on the same basis as provided in the Federal Employees Pay Act of 1945, with straight time-and-one-half for employees receiving basic compensation at a rate less than $2,980 per year, and with overtime for employees having higher basic compensation computed on the basis of the same proportions as provided in that act.

I believe the philosophy of this bill is in line with the historic policy of our Government in dealing with its employees, and I believe some legislation of this nature is required to do justice to the vast army of civilian Federal workers who have rendered such efficient and effective service throughout the war years.

VACATIONS FOR GOVERNMENT EMPLOYEES

Mr. McCARRAN. Mr. President, I send to the desk a bill to amend an act approved March 14, 1936, entitled "An act to provide vacations for Government employees and for other purposes," and ask that it be printed in the RECORD. I also ask that a brief statement by way of explanation be printed in the RECORD at this point.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none, and it is so ordered.

The bill (S. 1352) to amend an act approved March 14, 1936, entitled "An act to provide for vacations for Government employees, and for other purposes," as amended, was read twice by its title, referred to the Committee on Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second proviso of the first sentence in section 1 of the act of March 14, 1936 (49 Stat. 1161), as amended, is hereby amended to read as follows: "*Provided further*, That during the national emergency declared by the President of the United States on September 8, 1939, the leave unused by the employees of the departments, independent establishments, and agencies, not in other form commuted or compensated, shall be accumulated for succeeding years until it totals not exceeding 90 days, and such leave so accumulated shall not thereafter be lost by reason of the ending of such emergency or otherwise."

The explanatory statement submitted by Mr. McCARRAN is as follows:

I have introduced the foregoing bill to protect leave accumulated by Federal employees in excess of 60 days under provisions of the act approved December 17, 1942.

The purpose of this bill is to insure that leave so accumulated shall not be lost by reason of the termination of the present emergency.

The background of this bill is as follows:

In connection with a study of the termination provisions of emergency and wartime legislation, which I have been making for the past several months, I found that the language of the act of December 17, 1942, while not necessarily ambiguous, is not explicit on the point of whether the additional 30 days of leave which an employee may accrue under that act can be retained after the end of the emergency, or must be used during the emergency.

I checked informally with officials of the Civil Service Commission and the General

Accounting Office, in an attempt to find out whether the act in question had been construed; and if not, how it might be construed.

I learned that the act has not been construed; that the Civil Service Commission is likely to take the position that it has no jurisdiction to construe the act; and that there is a strong possibility that the General Accounting Office might construe the act as requiring that the extra leave accrued in excess of 60 days be used, if at all, before the expiration of the period of national emergency declared by the President on September 8, 1939.

An examination of the history of the act of December 17, 1942, discloses no record of an expression, prior to enactment of the legislation, of the will of Congress with regard to this point.

I am firmly convinced that it was the will of Congress, in enacting the legislation in question, that leave in excess of 60 days and not exceeding 90 days, accrued by Federal employees during the period of emergency, should remain available after the termination of the emergency. Any other holding would require that Federal employees who have accrued such leave would have to use it between now and the end of the emergency, a date which may be no more than 6 months away. Not only would such a requirement be most unfair to the many thousands of Government employees who have accumulated such leave by foregoing vacations during the emergency period; it would also be extremely likely to create a rush to take leave which might leave many Government agencies seriously short-handed at a time when it is important they should function at peak efficiency.

The bill I have introduced today is designed to make clear the will of Congress, as I am confident it exists. I feel sure this bill will be enacted promptly.

SALE OF CERTAIN GOVERNMENT-OWNED MERCHANT VESSELS—AMENDMENT

Mr. BAILEY submitted an amendment intended to be proposed by him to the bill (S. 292) to provide for the sale of certain Government-owned merchant vessels, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

FUNERAL EXPENSES OF THE LATE SENATOR HIRAM W. JOHNSON

Mr. DOWNEY submitted the following resolution (S. Res. 170), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed by the President pro tempore of the Senate in arranging for and attending the funeral of Hon. Hiram W. Johnson, late a Senator from the State of California, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Subsequently,

Mr. LUCAS. Mr. President, the senior Senator from California [Mr. DOWNEY] has submitted a resolution which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate. The resolution deals with the necessary expenses incurred in connection with the death of our late colleague, Hon. Hiram W. Johnson, of California. I now report the resolution and ask unanimous consent for its immediate consideration.

There being no objection, the resolution (S. Res. 170) was considered by unanimous consent and agreed to.

INVESTIGATION WITH RESPECT TO REEMPLOYMENT IN THE MINING INDUSTRY

Mr. CARVILLE submitted the following resolution (S. Res. 171), which was referred to the Committee on Mines and Mining:

Resolved, That the Committee on Mines and Mining, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation with respect to reemployment in the mining industry, including existing labor requirements, rates of pay, and other related matters, with a view to increasing the number of job opportunities in such industry and expanding its operations beyond the present low levels. The committee shall report to the Senate at the earliest practicable date the results of its investigation, together with such recommendations as to any necessary legislation as it may deem desirable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee under this resolution, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

CONTROL OF ATOMIC ENERGY

Mr. McMAHON. Mr. President, since August 1, events of profound and world-shaking significance have occurred. The end of the war with the Japs, which looked to be headed for another sad year's duration, has come to its victorious conclusion.

Many factors contributed to this glorious result. The heroism and valor of our armed forces and the superiority in numbers and quality of our weapons drew the noose ever more tightly on Japan. The entry of our Russian allies into the war brought a new crisis to the beleaguered Japs. But I do not doubt, Mr. President, that the war was brought to an end—Japan brought to her knees—by the use of the atomic bomb.

When that bomb was dropped on Hiroshima, a new era opened up, and the waging of war basically, fundamentally, and completely changed.

We must not delay in dealing with the problems which were created by the explosion of a few ounces of uranium on Hiroshima.

Archimedes said: "Give me a lever and a fulcrum big enough and I will move the world." Give to another Hitler a few ounces of uranium and the secret of releasing its power, and he would destroy the world. Airplanes, battleships, aircraft carriers, and tanks may well be on their way to extinction.

Obviously, no sensible person would advocate the turning over of this new development to individuals or to corporations for private profit and exploitation without suitable and carefully worked out safeguards.

I do not pretend to know how soon, if ever, atomic energy will be used and harnessed for peacetime use. But if it is so developed, it is obvious that its unregulated use could disarrange our economy to its destruction.

I have provided, therefore, in the bill which I have introduced, for a board composed of high Government officials to have charge of this monster, and to supervise and license its development, research and use. I have also proposed that certain powers be given to this board and to our delegate to the Security Council of the United Nations, subject to approval by the Congress, to supply information bearing on this development to the Security Council.

I have proposed, too, for its use by the Security Council in preserving collective security, in exchange for an agreement by all other nations, to place in a common pool, controlled by the Council, all their respective scientific knowledge and secrets bearing upon the production and use of armaments and weapons of war.

I have also suggested that any such agreement shall provide for the free, untrammeled and complete right of access and inspection by the Security Council of all of the plants, laboratories, and operations relating to research, development, manufacture, and production of armaments and munitions of war. This would be a far-reaching and vital decision for our Nation. The cataclysmic development of the atomic bomb requires bold thinking.

Have we any choice, Mr. President? I believe it can readily be demonstrated that we have not. What are the alternatives?

Let us assume that we should, figuratively speaking, lock up this secret in the national safe. To those who have no confidence in collective security, this might appeal as an answer.

The first thing wrong with this approach is that it will not work because other nations are not and will not stand still. They, too, have research scientists. They, too, will discover the secret in a few short years at most.

Does anyone believe that our people will be satisfied to suppress this potential creator of peacetime wealth and prosperity? How could such future widespread peacetime use be made without this secret being published to the world?

We now know that Germany raced with us for the discovery of the atomic bomb. General Eisenhower was fully aware of the decisive importance of winning the race, for in February of this year, with the German armies in confusion and retreat, he stated that Germany was done for if some new and secret weapon were not unleashed upon us. Undoubtedly he had good reason to believe that if Germany discovered the secret, the whole course of the war might be disastrously changed.

Mr. President, we plighted our troth at San Francisco. We declared to the world our faith in collective security. We either meant what we said, or we did not.

Obviously, a Security Council without the means or power to secure a peace is an empty shell. With atomic bombs, any nation could wreak its will on all mankind.

But moral obligations aside, what I propose is to our own selfish interest. To do otherwise would encourage the very distrust, jealousy, and suspicion which breed war. To run such a risk in the face of the certainty that other nations will discover this secret would be short-sighted and foolhardy, and might prove fatal.

It is uranium today, Senators. Who can say that it will not be steel, or copper, or coal that will be the base material of tomorrow? History demonstrates examples by the score of inventions being almost simultaneously achieved in different parts of the globe.

One of the greatest obstacles to independent discovery of our secret was dissipated when our research proved that the discovery was possible.

Mr. President, no living person can say with certainty that man has not at last brought into being a power which could be used for the complete and final destruction of civilization.

Since all large nations will eventually have such power, common sense dictates that we not delay in forging the predicate for its sensible control.

Mr. VANDENBERG. Mr. President, I wish to commend the able Senator from Connecticut [Mr. McMAHON] for having given such constructive attention to the desperate problem of the atomic bomb which he has indicated by submitting his proposal. During the past few days I have been dealing with the matter in my own thinking, and I wish to suggest a slightly different approach to the same subject. However, I wholly join with the able Senator from Connecticut in his belief that the question involved cannot be left in suspended animation, but must be conclusively handled at once.

The President of the United States has indicated that the executive branch of the Government is giving the matter attention. The State Department has indicated that it is studying the matter. I am not quite sure that Congress itself can best approach the problem through the consideration of a specific bill. I am not clear that we have yet reached the point when such an approach would be the logical one to make. Nevertheless, I again say to the Senator from Connecticut that I most heartily commend him for the attention he has given to the problem.

As an alternative approach—and the Senate committees can decide for themselves which approach they prefer—I am submitting, Mr. President, a concurrent resolution which would create a joint congressional committee composed of six Members of the Senate, and six Members of the House of Representatives, to make a full and complete study and investigation with respect to the development and control of the atomic bomb.

Since the problem is now so utterly fundamental in the life of everyone it seems to me that it is one which rises to the same high parliamentary level of consideration as does the problem of the Pearl Harbor investigation which we took care of a few minutes ago. It seems to me that the approach should be at the top parliamentary level through a joint congressional committee, which can inquire into every phase of the matter in respect both to the development of the atomic bomb at home and to its control abroad.

Therefore, Mr. President, I ask unanimous consent, out of order, to submit the concurrent resolution to which I have referred. I am frank to say that I cannot figure out in my own mind to what Senate committee the concurrent resolution should be referred. May I ask the Senator from Connecticut to what committee he requested his bill to be referred?

Mr. McMAHON. I did not make any specific request. I realized that it would seem to come within the scope of two committees, namely, the Committee on Interstate Commerce, because of the national aspect of the subject matter of the bill, and the Foreign Relations Committee, on account of the foreign impact of the bill.

Mr. VANDENBERG. How would it be if we should request that both measures be referred in the first instance to the Foreign Relations Committee with the understanding that they can go later to the Interstate Commerce Committee?

Mr. McMAHON. That would be thoroughly agreeable to me.

Mr. VANDENBERG. Mr. President, I suggest that for the time being both proposals be referred to the Senate Committee on Foreign Relations.

The concurrent resolution (S. Con. Res. 28), submitted by Mr. VANDENBERG, was referred to the Committee on Foreign Relations, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby created a joint congressional committee to be composed of six members of the Senate to be appointed by the President pro tempore of the Senate and six members of the House of Representatives to be appointed by the Speaker of the House of Representatives. The joint committee shall select a chairman from among its members. A vacancy in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as in the case of the original appointment.

SEC. 2. It shall be the duty of the joint committee to make a full and complete study and investigation with respect to the development and control of the atomic bomb, with a view to assisting the Congress in dealing with the problems presented by its development and control. The joint committee shall report to the Senate and House of Representatives, at the earliest practicable date, the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 3. For the purposes of this resolution, the joint committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to employ such clerical and other assistants, to require by subpena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures, as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the joint committee, which shall not exceed $50,000, shall be paid one-half from the contingent fund of the Senate, and one-half from the contingent fund of the House of Representatives, upon vouchers approved by the chairman of the joint committee.

Mr. McMAHON. Mr. President, I take occasion to thank the Senator from Michigan [Mr. VANDENBERG] for his commendation for what I have contributed, if anything, to the thought on this subject. I have no pride of authorship, and I look forward to cooperating with the able Senator from Michigan and other Members of this body in dealing with what the Senator from Michigan has truly described as a desperate problem which involves what I have chosen to call a monster having potentially, at least, the power to destroy us.

PSYCHOLOGICAL WARFARE — RADIO BROADCASTS TO JAPAN BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD a number of radio broadcasts to Japan, made by him during the month of August 1945, together with a press release from the Office of War Information dealing with psychological warfare, which appear in the Appendix.]

NAZI ATROCITIES—ARTICLE BY SENATOR THOMAS OF UTAH

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "The Biggest Lie of All," written by him and published in the August 1945 issue of the Reader's Scope, which appears in the Appendix.]

LET'S KEEP AMERICA AMERICAN—ARTICLE BY SENATOR WILEY

[Mr. GURNEY asked and obtained leave to have printed in the RECORD an article entitled "Let's Keep America American," prepared by Senator WILEY and printed in the National Republic for September 1945, which appears in the Appendix.]

LABOR DAY SERMON BY REV. BENJAMIN L. MASSE

[Mr. WAGNER asked and obtained leave to have printed in the RECORD a Labor Day sermon by the Reverend Benjamin L. Masse, S. J., associate editor of America and executive editor of the Catholic Mind, delivered at a Labor Day mass held at St. Patrick's Cathedral, New York City, which appears in the Appendix.]

RESOLUTION OF ITALIAN-AMERICAN CITIZENS' LEAGUE

[Mr. BURTON asked and obtained leave to have printed in the RECORD a resolution adopted by the Italian-American Citizens' League, of Warren, Ohio, relative to Senator BILBO's position regarding the FEPC, which appears in the Appendix.]

CARLOADINGS OF GRAIN AND GRAIN PRODUCTS—RELEASE BY OFFICE OF DEFENSE TRANSPORTATION

[Mr. LUCAS asked and obtained leave to have printed in the RECORD a release issued by the Office of Defense Transportation relative to carloadings of grain and grain products, which appears in the Appendix.]

PEARL HARBOR QUESTIONS—ARTICLE BY ARTHUR KROCK

[Mr. BYRD asked and obtained leave to have printed in the RECORD an article entitled "Pearl Harbor Questions," written by Arthur Krock and published in the New York Times of September 4, 1945, which appears in the Appendix.]

MARSHALL CRITICS CALLED UNJUST—ARTICLE BY MAJ. GEORGE FIELDING ELIOT

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article by Maj. George Fielding Eliot entitled "Marshall Critics Called Unjust," published in a recent issue of the Washington (D. C.) Post, which appears in the Appendix.]

THIS IS THE VICTORY—ARTICLE BY DR. FREDERICK B. HARRIS

[Mr. WILEY asked and obtained leave to have printed in the RECORD an article entitled "This Is the Victory," by Dr. Frederick Brown Harris, Chaplain of the Senate, published in the Washington Evening Star for August 27, 1945, which appears in the Appendix.]

LABOR DAY SERMON BY BISHOP MICHAEL J. READY

[Mr. MURRAY asked and obtained leave to have printed in the RECORD a Labor Day sermon delivered on September 3, 1945, at St. Joseph's Cathedral by the Most Reverend Michael J. Ready, D. D., Bishop of Columbus, which appears in the Appendix.]

OPA AND AGRICULTURE—EDITORIAL FROM THE PRAIRIE FARMER

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an editorial entitled "OPA and Agriculture," printed in the Prairie Farmer for August 18, 1945, which appears in the Appendix.]

THE FEPC—CORRESPONDENCE BETWEEN SENATOR BILBO AND MISS FLORA J. COOKE

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article dealing with correspondence between Senator BILBO and Miss Flora J. Cooke, of Chicago, relative to the FEPC, which appears in the Appendix.]

THE DRAFT AND THE MANPOWER SITUATION—EDITORIALS BY HON. JOSEPHUS DANIELS

[Mr. HOEY asked and obtained leave to have printed in the RECORD two editorials, one entitled "Enough Is Enough" and the other entitled "Waste of Manpower," by Hon. Josephus Daniels, published in the Raleigh (N. C.) News and Observer of August 28, 1945, which appear in the Appendix.]

REPORT OF NATIONAL PATENT PLANNING COMMISSION

The PRESIDING OFFICER (Mr. MCFARLAND in the chair) laid before the Senate the following message from the President of the United States, which was read, and with the accompanying report, referred to the Committee on Patents:

To the Congress of the United States:

I transmit herewith for the information of the Congress the third report of the National Patent Planning Commission.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 6, 1945.*

CALL OF THE ROLL

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). The morning business is concluded.

Mr. McMAHON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Bailey	Brewster
Andrews	Barkley	Briggs
Austin	Bilbo	Brooks
Buck	Hill	Revercomb
Burton	Hoey	Robertson
Byrd	Johnston, S. C.	Russell
Capehart	Knowland	Saltonstall
Capper	La Follette	Smith
Carville	Lucas	Stewart
Connally	McCarran	Taft
Donnell	McClellan	Taylor
Downey	McFarland	Thomas, Utah
Ellender	McKellar	Tunnell
Ferguson	McMahon	Tydings
Fulbright	Magnuson	Vandenberg
George	Maybank	Wagner
Gerry	Millikin	Walsh
Guffey	Moore	White
Gurney	Murray	Wiley
Hatch	Myers	Young
Hawkes	O'Daniel	
Hayden	Overton	

Mr. HILL. The Senator from Mississippi [Mr. EASTLAND] and the Senator from Virginia [Mr. GLASS] are detained from the Senate because of illness.

The Senator from Alabama [Mr. BANKHEAD], the Senator from Kentucky [Mr. CHANDLER], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Colorado [Mr. JOHNSON], the Senator from West Virginia [Mr. KILGORE], the Senator from New York [Mr. MEAD], the Senator from Washington [Mr. MITCHELL], the Senator from Utah [Mr. MURDOCK], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Oklahoma [Mr. THOMAS], and the Senator from Montana [Mr. WHEELER] are absent attending to public business.

The Senator from Florida [Mr. PEPPER] is absent on official business.

Mr. WHITE. The Senator from South Dakota [Mr. BUSHFIELD] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The following Senators are necessarily absent:

The Senator from Minnesota [Mr. BALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from Oregon [Mr. CORDON], the Senator from Connecticut [Mr. HART], the Senator from Iowa [Mr. HICKENLOOPER], the Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], the Senator from Kansas [Mr. REED], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], the Senator from Nebraska [Mr. WHERRY], the Senator from Indiana [Mr. WILLIS], and the Senator from Iowa [Mr. WILSON].

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, a quorum is present.

RECONVERSION FROM WAR TO PEACETIME ECONOMY

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read by the Chief Clerk, and, with the accompanying reports, ordered to lie on the table and to be printed:

To the Congress of the United States:

I regret that you have been compelled to cut short your recess period. I know, however, that you have been just as eager as any of us to meet the problems which naturally have crowded down upon us with the surrender of the Japanese.

You have cut short a well-merited vacation in order to do so. I hope that the American people realize as fully as I do, that from the very first days of the emergency, the Congress has most energetically and patriotically devoted its time, energies, and capabilities to the immediate problems of war and to the long-range problems of peace. The legislative branch of the Government is entitled to its full share of credit and glory for the victory of the Allied armies. I wish to take this opportunity on behalf of the Nation to congratulate you on the great victory which has been won—in which you played so important a part.

The Congress reconvenes at a time of great emergency. It is an emergency about which, however, we need have no undue fear if we exercise the same energy, foresight, and wisdom as we did in carrying on the war and winning this victory.

The sudden surrender of the Japanese has not caught us unawares. President Roosevelt, as early as the Fall of 1943, began to set up machinery which he foresaw would become necessary to meet the reconversion period. The Congress in its wisdom has adopted some of that machinery by statute, and has improved and added to it. As a result, Government agencies, for some time, have been able to plan for the immediate and long-range steps which now have to be taken.

As the Congress has undoubtedly noticed, many steps were taken immediately after the surrender of the Japanese. Many more have been taken since.

The process of reconversion will be a complicated and difficult one. The general line of approach to the problem is to achieve as full peacetime production and employment as possible in the most efficient and speedy manner. The following policies have been laid down and will be followed:

(1) Demobilize as soon as possible the armed forces no longer needed.

(2) Cancel and settle war contracts as quickly as possible.

(3) Clear the war plants so as to permit contractors to proceed with peacetime production.

(4) Hold the line on prices and rents until fair competition can operate to prevent inflation and undue hardship on consumers.

(5) Hold wages in line where their increase would cause inflationary price rises. Where price ceilings would not be endangered, collective bargaining should be restored.

(6) Remove all possible wartime government controls in order to speed and encourage reconversion and expansion.

(7) Keep only those controls which are necessary to help reconversion and expansion by preventing bottlenecks, shortages of material, and inflation.

(8) Prevent rapid decrease of wage incomes or purchasing power.

The major objective, of course, is to reestablish an expanded peace-time industry, trade, and agriculture, and to do it as quickly as possible.

Obviously during this process there will be a great deal of inevitable unemployment. What we must do is to assist industry to reconvert to peacetime production as quickly and effectively as possible

so that the number of unemployed will be swiftly and substantially reduced as industry and business and agriculture get into high production.

The Government is now doing what it can to hurry this reconversion process.

Through contract termination procedures it is providing quick payment to contractors.

It has released controls on practically all materials which are necessary for peacetime production, reserving only those few in which there is still a critical shortage.

It has made arrangements for credit facilities for industry.

By plant and surplus property disposal, it is helping private enterprise to get started again.

In the consumer field the Government has released controls over articles which were needed for the war in such large quantities that civilians had to go without.

For the information of the Congress, I am submitting as an appendix to this message a report by the Director of War Mobilization and Reconversion showing what has already been done by the Federal Government in reconversion.

There is much that the Congress can do to help this process and to tide over the period between now and the time when reconversion is completed and civilian jobs are plentiful in a stable economy that provides full production, full employment, and a high standard of living.

1. UNEMPLOYMENT COMPENSATION

The end of the war came more swiftly than most of us anticipated. Widespread cut-backs in war orders followed promptly. As a result, there has already been a considerable number of workers who are between jobs as war industries convert to peace. Other workers are returning to a 40-hour week and are faced with a corresponding reduction in take-home pay.

This has led to a natural feeling of uneasiness among the rank and file of our people. Let me emphasize that there will be no reason for undue timidity. A vast backlog of orders may soon make possible the greatest peacetime industrial activity that we have ever seen. But this can happen only if the Congress and the administration move vigorously and courageously to deal with the economic problems which peace has created. Then there need be no reason to fear either the immediate future or the years that lie ahead of us.

Determined action now will create the atmosphere of confidence which is so vital to a rapid reconversion with a minimum of unemployment and hardship.

No matter how rapidly reconversion proceeds, however, no amount of effort or planning will be able immediately to provide a job for everyone displaced from war work. Obviously, displaced war workers cannot find jobs until industry has been regeared and made ready to produce peacetime goods. During this lag the Government should provide help. The cost of this transition from war to peace is as much a part of the cost of war as the transition from peace to war—and we should so consider it.

This course is recommended not only as a matter of justice and humanity, but also as a matter of sound business. Nothing would be more harmful to our economy than to have every displaced war worker stop buying consumer goods. And nothing would be more conducive to a large-scale cessation of buying than the feeling on the part of displaced war workers that all their income had stopped and that their remaining financial resources had to be hoarded.

For one group of those who may become unemployed in the near future—the demobilized veterans—the Congress has already made special provision. Any veteran who has satisfactorily completed 90 days of service is now entitled by law to a weekly unemployment allowance of $20 for as much as 52 weeks depending on the length of his service.

By contrast, there are more than 15,000,000 workers not protected under our present unemployment insurance laws. There are many millions more for whom protection is inadequate. Many of these have been unable to accumulate adequate savings.

On May 28, 1945, I recommended to the Congress that the Federal Government immediately supplement the unemployment insurance benefits now provided by the several States. That is the only feasible way to provide at least a subsistence payment in all parts of the United States during this coming unemployment period.

As I pointed out then, the existing State laws relative to unemployment insurance are inadequate in three respects:

(1) Only about 30,000,000 of our 43,000,000 nonagricultural workers are protected by unemployment insurance. Federal Government employees, for example, such as Federal shipyard and arsenal workers, are not covered. Nor are employees of small businesses and small industrial establishments. Nor are the officers and men of the merchant marine who have braved enemy torpedoes and bombs to deliver supplies and the implements of war to our armed services and our allies.

(2) The weekly benefit payments under many of the State laws are now far too low to provide subsistence and purchasing power for the workers and their families. Almost half of the States have the clearly inadequate maximum of $15 to $18 a week.

(3) Many of the States pay benefits for too short a period. In more than one-third of the States, for example, 18 weeks is the maximum.

I recommended then, and I urgently renew my recommendation now, that the Congress take immediate action to make good these deficiencies for the present emergency period of reconversion.

Specifically, coverage should be extended to include Federal employees, maritime workers, and other workers not now insured. This additional compensation during the present emergency will have to be financed entirely by the Federal Government, but the benefits should appropriately be administered by the States.

I also recommended, and I now repeat that recommendation, that the Congress provide, through supplementary Federal emergency benefit payments, additional unemployment benefits so as to bring them up to adequate standards in all the States. All payments, however, should be made through the existing unemployment compensation machinery of the several States.

During this emergency every eligible worker should be entitled to 26 weeks of unemployment benefits in any one year. The maximum weekly payment for those workers whose previous earnings were high enough, should be not less than $25 per week.

If the Congress decides to take this very necessary step, it will also wish to reconsider and increase the unemployment allowance provided for veterans.

There has been so much misrepresentation about this temporary proposal that I think I should categorically state what the bill does not do.

It does not give everyone $25 a week. Under it, an applicant must be ready, willing, and able to work and must have earned wages high enough so that the percentage rate will yield this maximum figure.

It does not federalize the unemployment compensation system. It leaves it with the States.

It is not intended to take the place of the permanent amendments to the unemployment compensation system which are now being studied by the Congress. It is an emergency measure designed to expand the present system without changing its principles. It is designed only to meet the immediate pressing human problems of reconversion.

This recommendation is not to be confused with the broader question of extending, expanding, and improving our entire social security program of which unemployment insurance is only a part. I expect to communicate with the Congress on this subject at a later date. But I sincerely urge that we do not wait for consideration of such a complex question before enacting this much needed emergency legislation.

2. FAIR LABOR STANDARDS ACT

In addition to those workers who will temporarily lose their jobs, there will be millions of others whose incomes will fall sharply with the end of war production. These will be added to the several million wage earners who even now have hourly earnings much below what is necessary for a decent standard of living.

The inadequacy of these wages, in many cases, has been temporarily concealed by wartime increases in take-home pay resulting from overtime work. As these props to income are removed, however, low-wage earners will be hard pressed to feed, clothe, and house their families. This flies in the face of a sound public policy. Failure to correct this situation will slow down, if it will not actually stop, our drive toward an expanding market for business and agriculture.

The foundations of a healthy national economy cannot be secure so long as any large section of our working people receive substandard wages. The existence of substandard wage levels sharply curtails the national purchasing power

and narrows the market for the products of our farms and factories.

In the Fair Labor Standards Act of 1938, the Congress adopted a program intended to provide a minimum wage standard for a large number of American workers.

In that statute, the Congress declared it to be our national policy to eliminate, from interstate industry, wage levels detrimental to the maintenance of minimum standards of living. The establishment then of a minimum wage of 25 cents per hour represented a first step toward the realization of that policy. The goal of 40 cents per hour, which under the act was to be made effective by 1945, was actually made fully effective more than a year ago by the voluntary action of the industry committees.

I believed that the goal of a 40-cent minimum was inadequate when established. It has now become obsolete.

Increases in the cost of living since 1938 and changes in our national wage structure, require an immediate and substantial upward revision of this minimum. Only in that way can the objectives of the Fair Labor Standards Act be realized, the national purchasing power protected, and an economy of full production and abundance preserved and maintained for the American people.

The high prosperity which we seek in the postwar years will not be meaningful for all our people if any large proportion of our industrial wage earners receive wages as low as the minimum now sanctioned by the Fair Labor Standards Act.

I therefore recommend that the Congress amend the Fair Labor Standards Act by substantially increasing the minimum wage specified therein to a level which will eliminate substandards of living, and assure the maintenance of the health, efficiency, and general well-being of workers.

The scope of the Fair Labor Standards Act also should be clarified and extended. In view of changes which have occurred since 1938, I believe it is no longer necessary to exclude from the minimum wage program the large number of workers engaged in agricultural processing who are now excluded. There now exists a twilight zone in which some workers are covered, and others, doing similar work, are not. Extension of coverage would benefit both workers and employers, by removing competitive inequities.

Our achievements in this field during the last seven years of establishing minimum wages have been gratifying; but we must continue to move forward, step by step.

I urge that the Congress act promptly. The wage structure on which business men may make future plans should be settled quickly.

3. WARTIME CONTROLS

One of the outstanding achievements of the war has been the success of the Government in holding the line against inflation. This is the first time in any major war that the United States has been able substantially to stabilize its economy.

That fact now permits us to enter into the difficult period of readjustment without the threat of a disastrous price collapse.

For this result much credit is due to the Congress, which in the face of great insistence from many interested pressure groups refused steadfastly to take the easy way.

Great credit is due to the Office of Economic Stabilization, the War Labor Board, the Office of Price Administration, the War Food Administration, the War Production Board, and the other stabilization agencies. Despite great pressure and often unjust abuse, they continued to hold the line for the benefit of the great mass of Americans.

And above all, great credit is due to the people of the United States, the great body of average citizens, who, for four difficult years and with only a few exceptions, subordinated their personal interest to the long-range interest of the Nation as a whole.

Many of the demands of the war for commodities have now decreased. They will decrease further during the initial period of unemployment which will come with the cancellation of war contracts. As a result, prices of some commodities are bound to soften. But if that happens in the next few months, we cannot allow ourselves to be misled. We must keep in mind the experience of the period immediately after the first World War. After a lull of a few months following the Armistice of 1918, prices turned upward, scrambling for inventories started, and prices soon got completely out of hand. We found ourselves in one of the worst inflations in our history, culminating in the crash of 1920 and the disastrous deflation of 1920 and 1921.

We must be sure this time not to repeat that bitter mistake. When reconversion really gets under way, and men go back to work, and payrolls increase, and the pent-up demands of the war years at home and abroad for peacetime products begin to make themselves felt, we shall face the same scramble for goods, the same speculative excesses that developed in 1919. We must be in a position to overcome that danger if we expect to achieve an orderly transition to peacetime levels of full production and full employment. However, we must not allow inflationary dangers to obscure our vision of the possibilities of lower incomes and widespread unemployment. Our policy must guard against both contingencies.

Immediately after the Japanese decision to surrender, the Office of Price Administration moved promptly to eliminate rationing on gasoline, fuel oil, stoves, and processed foods.

During the transition period the Price Administrator, of course, will eliminate rationing and price controls on one commodity after another just as soon as supply comes into balance with demand. At the same time he will make whatever price adjustments are required to facilitate rapid reconversion and reemployment.

However, it will be necessary for him to continue to resist unreasonable pressures for higher prices on some commodities, just as he has resisted them all through the war. In resisting these pressures and in carrying out his difficult responsibilities, I must state clearly that he has both my backing and my confidence.

It will similarly be necessary for the Government to resist pressures for increases in wage rates which would imperil price ceilings.

Without some general stabilization the consumer cannot be protected. Without stabilization, reconversion cannot proceed as rapidly as it should; for stability of cost is indispensable to sound business planning.

The price control and stabilization program has received the backing of the great majority of businessmen throughout the war period. With few exceptions, business groups have realized clearly their own personal stake and the stake of our basic economy in the success of the anti-inflation program.

During the months that lie ahead, however, some groups in business may be tempted to substitute for this long-range wartime thinking, a short-range policy designed to secure prices high enough to provide immediate profits over and above their temporarily high costs of production due to their initial low volume.

These pressures must be resisted. Prices must be held firmly on reconversion items as well as on cost of living items during the coming months.

The American people are entitled to a firm assurance not only on the part of the Administration, but from the Congress itself, that rents and the prices of clothing, food, and other essentials will be held in line. They are also entitled to buy washing machines, vacuum cleaners, automobiles and other products at prices based on our traditional system of high output and low unit costs.

The promise of good profits for businessmen must not be based on small initial volume. It must be based on the full all-out production which it is my belief that American industry will rapidly achieve.

Because of heavy wartime needs, it has been necessary to allocate available supplies of many foods among various claimants within this country, and among other countries. It has been necessary to set aside large blocks of specified commodities in order to make these commodities available for military and other essential needs. Rationing of food for consumers has been necessary in the interest of fair distribution.

Many of these controls have already been eliminated and all remaining allocations, set-asides, and rationing will be removed as rapidly as the supply situation will permit.

However, supplies of some of our principal foods will continue beyond the end of 1945 to be too small for the demand.

For example, the world will be short of requirements for fats and oils and sugar for some months, and allocations and rationing will probably have to be continued into 1946. We must not move so rapidly as to endanger the orderly distribution of goods on which we have based our living during the emergency.

Let me add that in no case should rationing controls be removed if by so doing we should jeopardize our relief shipments to Europe and other dis-

tressed war areas. We have a moral obligation to the people of these liberated areas. More than that, our own enlightened self-interest tells us that hungry people are rarely advocates of democracy. The rehabilitation of these countries, and indeed the removal of American occupational troops, may be unnecessarily delayed if we fail to meet these responsibilities during the next few months.

During the reconversion period and as long as shortages in certain materials other than food continue, the War Production Board will have to support the stabilization program as it has done during the past 4 years.

It must be in a position to take action where necessary, to increase scarce materials and facilities, break bottlenecks, channel production to meet essential needs, safeguard the opportunities for small business concerns, and, above all, to control inventories so as to prevent speculative hoarding and unbalanced distribution.

As the Congress knows, the War Production Board has already removed a great majority of the controls which were in force during the war, and many more will be removed during the next few months.

I trust that the Congress will agree, however, that the controls which still remain and which are still considered necessary by the agency charged with responsibility should not be removed until the need for them disappears. The need to control a few critical materials which the war has caused to be in short supply will continue for some time until adequate supplies are again available. Foremost among these materials are tin and crude rubber.

It will also be necessary for some period to prevent the hoarding of items now badly needed and in great demand for the civilian economy. Many critical shortages can be avoided by the extension of general inventory controls which would prevent the accumulation of unreasonably large stocks in the hands of a few. This will speed the reconversion program and will also greatly assist in avoiding inflation of the price structure.

The extension of one further type of control should have consideration at this time. In the national interest, this Government has made and should continue to make agreements for securing our fair share of materials from certain foreign sources and also agreements for supplying various materials and products abroad. The Government should have authority to assure the carrying out of such commitments.

These production and inventory controls, as well as the allocations of food, set-asides of commodities, and rationing among consumers have been set up under the Second War Powers Act.

Most of the provisions of this act expire on December 31, 1945.

I am convinced that an orderly transition to a peacetime economy will require the use of some of these controls after the first of the year.

I request the Congress, therefore, to extend the provisions of the Second War Powers Act, either in its present form or with appropriate limitations, preserving the powers necessary to achieve the objectives I have outlined.

The Congress has my definite assurance that none of these war powers will be exercised by the executive branch of the Government unless they are deemed essential to the attainment of the objective of an orderly stabilized reconversion. The Congress should, of course, if it extends the statute, reserve the right to terminate it by legislation at any time it deems necessary.

I hope that the Congress will not delay the extension of this authority. Delay would retard reconversion by creating uncertainty on the part of business as to whether necessary controls will be retained or not. Businessmen, in planning for next year's activities, will be assisted greatly by knowing in advance whether or not the Government is going to keep a firm hand at the brakes to prevent inflation.

The termination of the wartime food subsidies, for which a total of $1,798,000,000 has been authorized for the current year, is one of the important problems in reconversion. Agencies dealing directly with this problem are now meeting jointly to determine in what order and at what time these food subsidies may be eliminated without an undue disturbance to farm income or living costs.

Subsidies for purposes other than food are also being reviewed by the agencies concerned, who are collecting the necessary data for an orderly liquidation at the earliest date compatible with the stabilization program.

Those subsidies which were designed originally to stimulate increased production should not be removed at a time or in a manner to incite inflation and upset our economy.

I have directed that early reports be made on this important problem.

4. WAR POWERS AND EXECUTIVE AGENCIES REORGANIZATION

I should like to bring to the attention of the Congress the legal difficulties that will arise unless care is taken in the drafting of legislation terminating wartime controls and wartime agencies.

I have asked the Attorney General to prepare a report on the principal statutes that confer wartime powers and on the various wartime agencies, with particular reference to the circumstances under which each terminates.

A copy of this memorandum is attached for the information of the Congress. It is an able and comprehensive summary of the applicable laws.

Your attention is particularly called to the statement in the opinion of the Attorney General to the effect that the broad basis of governmental power on which the existing emergency and wartime statutes rest has not been terminated by the unconditional surrender of our enemies.

Certain of the wartime statutes which have been made effective "in time of war," "during the present war," or "for the duration of the war" continue to be effective until a formal state of peace has been restored, or until some earlier termination date is made applicable by appropriate governmental action. Another group of statutes which by their provisions terminate "upon the cessation of hostilities" or "upon termination of the war," will in fact and in law terminate only by a formal proclamation to that effect by the President or by appropriate congressional action.

From time to time action will be taken with respect to these agencies, with the general objective of streamlining the Government into a peacetime organization as quickly as possible.

The time has not yet arrived, however, for the proclamation of the cessation of hostilities, much less the termination of the war. Needless to say, such proclamations will be made as soon as circumstances permit.

It has been necessary during the course of the war to make numerous important redistributions of functions among executive agencies.

This has been accomplished by the President under the authority of title I of the First War Powers Act. This act expires six months after the termination of the war, or at such earlier time as may be designated by appropriate governmental action.

If the Congress or the President were formally to declare the present war terminated, it would automatically cause all the steps taken under the First War Powers Act with respect to the war agencies to expire, and would have the Government revert automatically to its preexisting status six months after the declaration.

If this were to occur, it would cause great confusion and chaos in the Government.

It is the policy of this administration not to exercise wartime powers beyond the point at which it is necessary to exercise them.

Similarly, the wartime agencies of the Government will not be allowed to continue to perform functions not required by present conditions.

Those functions of the wartime agencies which must be retained during part or all of the period of reconversion should be transferred as promptly as practicable to the permanent departments and agencies of the Government. The remaining functions, appropriate only to the crisis through which we have passed, should be terminated in an orderly, systematic fashion as soon as possible.

A program of winding up wartime agencies and distributing their functions on a peacetime basis is now being pursued under the powers vested in the President by title I of the First War Powers Act.

Therefore, I urge that the Congress do not yet adopt a resolution proclaiming the termination of the war or the termination of the emergency or the cessation of hostilities. Such a resolution would automatically cause the death of many war powers and wartime agencies before we are ready.

At the same time I recognize that the Congress may wish to repeal certain specific wartime statutes. If this is to be done, the repeal should be on a selective basis, through the adoption of specific statues dealing with each wartime power

which the Congress decides should be terminated.

In my message dated May 24, 1945, it was recommended that permanent legislation be enacted which would authorize the President to submit to the Congress, from time to time, plans providing for the reorganization of executive agencies, each such plan to become effective unless the Congress should reject it by concurrent resolution.

This type of joint action by the Congress and the President has produced, and will produce, far better results than can be achieved by the usual legislative process in the field of executive reorganization. If proper progress is to be made, it is necessary to permit the President to lay out the machinery for carrying out his responsibility for the conduct of the executive branch, subject to rejection by the two Houses of Congress. Executive initiative, subject to congressional veto, is an effective approach to governmental reorganization.

The responsibility of conducting the executive branch rests upon the President. It is fair and efficient to permit him to lay out the machinery for carrying out that responsibility.

The means for doing this should be generally along the lines of the Reorganization Act of 1939, which gives the initiative to the President, but reserves power to the Congress by a majority vote to nullify any action of the President which does not meet with its approval.

Considerable progress was made in efficiency of government under this Reorganization Act of 1939. I recommend that such powers be made of permanent duration and that the legislation be sufficiently flexible to permit any kind of adjustment for which necessity may arise.

It is clear to all of us that the Government has a difficult and important task in the years which lie ahead. Our Government belongs to the people and the people have a right to expect from their Government the greatest possible efficiency in carrying out its task.

Our Government has never been as efficient as we should like to see it. To some degree this may be charged to the size of some of the tasks assigned to it. To some extent, it is also due to the lack of trained Government personnel and the low salaries paid to Government officials.

There is no question that the war has taught us a great deal about Government administration. There is still, however, much room for improvement.

I have undertaken directly through the members of the Cabinet and also through the Directors of the Office of War Mobilization and Reconversion and the Bureau of the Budget to emphasize the need for more efficient operation in all the executive branches of the Government. I have requested them to examine administrative procedures, and to speed up and simplify their operations to the maximum practical degree.

I have also requested the Bureau of the Budget to examine closely with each department and agency head, the actual needs of his office following the surrender of Japan. They have been asked to reduce budgets promptly and fully wherever cuts are indicated. The Bureau of the Budget is now completing studies which will result in reductions of millions of dollars in the expense of operating our Government.

We must continue relentlessly this program for increased Government efficiency. The Congress can depend upon the Executive to push this program with the utmost vigor.

5. FULL EMPLOYMENT

I am confident that, with the cooperation of American industry, labor, and agriculture, we can bridge the gap between war and peace.

When we have reconvertd our economy to a peacetime basis, however, we shall not be satisfied with merely our prewar economy. The American people have set high goals for their own future. They have set these goals high because they have seen how great can be the productive capacity of our country.

The levels of production and income reached during the war years have given our citizens an appreciation of what a full production peacetime economy can be.

They are not interested in boom prosperity—for that only too often leads to panic and depression. But they are interested in providing opportiunity for work and for ultimate security.

Government must do its part and assist industry and labor to get over the line from war to peace.

That is why I have asked for unemployment compensation legislation.

That is why I now ask for full-employment legislation.

The objectives for our domestic economy which we seek in our long-range plans were summarized by the late President Franklin D. Roosevelt over a year and a half ago in the form of an economic bill of rights. Let us make the attainment of those rights the essence of postwar American economic life.

I repeat the statement of President Roosevelt:

> In our day these economic truths have become accepted as self-evident. We have accepted, so to speak, a second bill of rights under which a new basis of security and prosperity can be established for all—regardless of station, race, or creed.
>
> Among these are:
>
> The right to a useful and remunerative job in the industries, or shops or farms or mines of the Nation.
>
> The right to earn enough to provide adequate food and clothing and recreation.
>
> The right of every farmer to raise and sell his products at a return which will give him and his family a decent living.
>
> The right of every businessman, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad.
>
> The right of every family to a decent home.
>
> The right to adequate medical care and the opportunity to achieve and enjoy good health.
>
> The right to adequate protection from the economic fears of old age, sickness, accident, and unemployment.
>
> The right to a good education.
>
> All of these rights spell security. And after this war is won we must be prepared to move forward, in the implementation of these rights, to new goals of human happiness and well-being.
>
> America's own rightful place in the world depends in large part upon how fully these and similar rights have been carried into practice for our citizens. For unless there is security here at home there cannot be lasting peace in the world.

I shall from time to time communicate with the Congress on some of the subjects included in this enumeration of economic rights.

Most of them, in the last analysis, depend upon full production and full employment at decent wages.

There has been much discussion about the necessity of continuing full employment after the war if we hope to continue in substantial degree the prosperity which came with the war years. The time has come for action along these lines.

To provide jobs we must look first and foremost to private enterprise—to industry, agriculture, and labor. Government must inspire enterprise with confidence. That confidence must come mainly through deeds, not words.

But it is clear that confidence will be promoted by certain assurances given by the Government:

Assurance that all the facts about full employment and opportunity will be gathered periodically for the use of all.

Assurance of stability and consistency in public policy, so that enterprise can plan better by knowing what the Government intends to do.

Assurance that every governmental policy and program will be pointed to promote maximum production and employment in private enterprise.

Assurance that priority will be given to doing those things first which stimulate normal employment most.

A national reassertion of the right to work for every American citizen able and willing to work—a declaration of the ultimate duty of Government to use its own resources if all other methods should fail to prevent prolonged unemployment—these will help to avert fear and establish full employment. The prompt and firm acceptance of this bedrock public responsibility will reduce the need for its exercise.

I ask that full employment legislation to provide these vital assurances be speedily enacted. Such legislation should also provide machinery for a continuous full-employment policy—to be developed and pursued in cooperation among industry, agriculture, and labor, between the Congress and the Chief Executive, between the people and their Government.

Full employment means full opportunity for all under the American economic system—nothing more and nothing less.

In human terms, full employment means opportunity to get a good peacetime job for every worker who is ready, able, and willing to take one. It does not mean made work, or making people work.

In economic terms, full employment means full production and the opportunity to sell goods—all the goods that industry and agriculture can produce.

In Government terms, full employment means opportunity to reduce the ratio of public spending to private investment without sacrificing essential services.

In world-wide terms, full employment in America means greater economic security and more opportunity for lasting peace throughout the world.

These goals and the machinery to carry them out are set forth in legislation now pending before the Congress on which extensive public hearings have been held. The country justifiably expects early action along these lines.

6. FAIR EMPLOYMENT PRACTICE COMMITTEE

During the years of war production we made substantial progress in overcoming many of the prejudices which had resulted in discriminations against minority groups.

Many of the injustices based upon considerations of race, religion, and color were removed. Many were prevented. Perfection was not reached, of course, but substantial progress was made.

In the reconversion period and thereafter, we should make every effort to continue this American ideal. It is one of the fundamentals of our political philosophy, and it should be an integral part of our economy.

The Fair Employment Practice Committee is continuing during the transition period. I have already requested that legislation be enacted placing the Fair Employment Practice Committee on a permanent basis. I repeat that recommendation.

7. LABOR DISPUTES AND WAGE STABILIZATION

Our national welfare requires that during the reconversion period production of civilian goods and services—as full production as possible—go forward without interruption, and that labor and industry cooperate to keep strikes and lock-outs at a minimum.

Those who have the responsibility of labor relations must recognize that responsibility. This is not the time for short-sighted management to seize upon the chance to reduce wages and try to injure labor unions. Equally it is not the time for labor leaders to shirk their responsibility and permit widespread industrial strife.

With this objective in view, I shall shortly convene a conference of representatives of organized labor and industry for the purpose of working out by agreement means to minimize labor disputes.

In the interim period, pending the convening of the conference, I have called upon the representatives of organized labor and industry to continue their adherence to the no-strike, no-lock-out policy. During this interim period, labor disputes which threaten a substantial interference with the transition to a peacetime economy should be submitted to the War Labor Board. They would there be handled by the Board under existing procedures. The country will expect parties to any such disputes to comply voluntarily with the determinations of the War Labor Board.

The threat of inflationary bidding-up of wage rates by competition in a short labor market has disappeared. Therefore the War Labor Board has removed the necessity of approving proposed voluntary wage increases, so long as they will not be used to obtain an increase in price ceilings.

I have conferred upon the War Labor Board adequate authority to correct maladjustments and inequities in wage rates arising in the reconversion period which will tend to interfere with the effective transition to a peacetime economy.

The Board should be terminated as soon as the conclusion of the forthcoming industry-labor conference as the orderly disposition of the work of the Board and the provisions of the War Labor Disputes Act permit, and after facilities have been provided to take care of the wage-stabilization functions under the act of October 2, 1942.

Meanwhile, plans for strengthening the Department of Labor, and bringing under it functions properly belonging to it, are going forward. With the return to a peacetime economy and the elimination of the present temporary wartime agencies and procedures, we must look to collective bargaining, aided and supplemented by a truly effective system of conciliation and voluntary arbitration, as the best and most democratic method of maintaining sound industrial relations.

8. UNITED STATES EMPLOYMENT SERVICE EXTENSION

Placing demobilized veterans and displaced war workers in new peacetime jobs is the major human problem of our country's reconversion to a peacetime economy. It is imperative that this work be done swiftly and efficiently, and that men and women lose a minimum amount of time between jobs.

The next few months are crucial. What we do now will affect our American way of life for decades to come.

The United States Employment Service has an important responsibility in the performance of this task.

At present, this agency operates as a national and centralized system with a free flow of information among its offices. Under the 1946 appropriation act, the offices are to be turned back to the 48 States within 90 days after the cessation of hostilities.

Shortly after the declaration of war, the Government realized that the manpower of the Nation could be mobilized more efficiently if the United States Employment Service were centralized under Federal control. Hundreds of thousands of workers had to be recruited from all parts of the country. Often, they were wanted in regions far from their homes. Certain areas had surpluses of labor; others were desperately in need of more workers. This situation could be met only through a centrally operated employment service that covered the entire Nation.

Now we are faced with this problem in reverse. Hundreds of thousands of men and women will want to seek jobs in towns and cities other than those in which they worked during the war. They may want to return home, or they may want to strike out in search of new opportunities in new surroundings. Millions of veterans also will be coming back in search of peacetime jobs. They will want to know where such jobs can be found, not only in their own areas, but also in other parts of the land.

The task of helping this vast army of job seekers to fit themselves into peacetime economy is fully as difficult as the mobilization of manpower for war. To make any decided change in the machinery to handle this problem now would cause unnecessary hardship to workers and veterans. It would slow down the entire process of reconversion.

I urgently recommend that the Congress do not yet return the Employment Service to the States. Ultimately it should be so returned. However, it should be continued under Federal control at least until the expiration of the War Mobilization Act—June 30, 1947.

I also recommend that its appropriation be increased by $10,000,000 for the current fiscal year. Prompt action on this matter is especially important since personnel and facilities must be quickly enlarged to handle the rising tide of veterans and war workers who will be seeking jobs.

9. AGRICULTURE

One of the most magnificent production jobs in the war has been done by the farmers of the United States. They have met the unprecedented demands of the war, and, at the same time, have provided our civilian population with more food per capita than during the 1935–39 prewar period.

No other group in America labored longer or harder to meet the war demands put upon them. Food production last year reached a peak more than a third above the prewar years despite the fact that farm population has declined by about five million since 1940.

Fortunately, farmers were aided by better-than-average weather conditions over the country. We cannot, however, count on continuance of better-than-average weather. Therefore, because of the great demands for food that exist in this country and for relief abroad, the Department of Agriculture is planning for another year of full production. This does not mean the same volume of production for each individual crop, because the surrender of Japan has brought changes in the demand pattern. But the total acreage needed for next year will not be greatly different from this year.

The Government now must be prepared to carry out the Nation's responsibility to aid farmers in making their necessary readjustments from a wartime to a peacetime basis. The Congress already has provided postwar supports against price collapse for many farm products. This was a provision of wisdom and foresight.

After the First World War farm prices dropped more than 50 percent from the spring of 1920 to the spring of 1921. We do not intend to permit a repetition of the disaster that followed the First World War. The Secretary of Agriculture has assured me that he will use all means now authorized by the Congress to carry out the price-support commitments.

But there is need for additional measures to strengthen the machinery for carrying out price-support commitments, and for laying the basis for broader peacetime markets for agricultural products.

The Congress already has provided for one such postwar measure that needs now to be adapted to our changed situation. Recognizing that the lend-lease program required greatly increased production and that this increase could not be suddenly discontinued when the program stopped, the Congress wisely set aside $500,000,000 of lend-lease funds for price support of farm commodities. This money is now available for the purpose for which it was intended, but in order that it may be used most effectively whenever the need arises, I recommend early legislation which would make those funds available to the Commodity Credit Corporation on a continuing basis. Such action would reaffirm the specific intent of the Congress as to the use of this money in safeguarding farm prices.

Strengthening the machinery for carrying out price-support commitments is one measure necessary to safeguard farm prices. Stimulation of the export of farm commodities is another. More food is needed in the war-ravaged areas of the world. In the process of meeting relief requirements abroad, we have the opportunity of developing export markets for the future.

The farmer has always faced certain specific problems which are peculiar to his occupation. His crops are at the mercy of the weather.

The factory owner and the worker at the machine have available to them insurance programs which protect them from losses. Our farmers have the right to the same kind of protection. Strengthening and further development of crop insurance for farmers, organized and backed by the Federal Government, can give them this protection. A well-rounded crop-insurance program, together with the assurance of reasonable and stable farm prices, will go a long way toward meeting basic problems which have plagued farmers in the past.

Much that has been accomplished during the war was made possible by the wise national program in support of scientific research in agriculture and forestry, and by the program for the conservation and improvement of our soil and forest resources. These policies have paid large dividends during the war. We ought to continue and strengthen them.

Within recent years the Congress has enacted various measures which have done much to improve the economic status of this country's farmers and to make rural living more attractive. In enacting individual pieces of legislation it has not been possible to make adjustments in existing measures in keeping with the changing pattern of needs. The Secretary of Agriculture is now re-examining existing agricultural programs in the light of peacetime needs in order that they may make the fullest contribution to the welfare of farmers and the people as a whole. I hope that the Congress also, through its appropriate committees, will give careful consideration to this problem with a view to making such adjustments as are necessary to strengthen the effectiveness of these various measures.

10. SELECTIVE SERVICE

While the cruel lessons of war are fresh in every mind, it is fitting that we now undertake appropriate measures for the future security of the United States.

The times call for a broad and realistic appraisal of our military needs and obligations. This Nation, and the other members of the family of nations, are facing the hazardous transition to a peace economy in a world grown acutely sensitive to power.

We have charted the course to a stable world peace, but that course still remains to be sailed.

We must, of course, plan for the immediate needs of this year and the next. But we would break faith with those who won for us the victory, if we should fail at the same time to adopt an integrated and long-range program for the national security.

As a sovereign nation, we must continue to be ready to defend our national integrity by maintaining and manning adequate defense establishments within this continent, at the Panama Canal, and at all our bases overseas. As a member of the Security Council of the United Nations, we have an immediate obligation to bear a share, commensurate with our national standing, in safeguarding the future security of all peace-loving nations. As a victor in the greatest war of history, we are committed now to an armed occupation of the lands of our defeated enemies until it is assured that the principles for which we fought shall prevail in the reconstruction of those lands.

To meet these immediate obligations will require the maintenance for some time of a real measure of our present land, sea, and air power.

And in this first year after victory our people have another obligation, one which is felt in almost every American home. We owe it to those now in the armed forces that they be returned to civilian life with all possible speed.

To provide the personnel necessary to meet these immediate obligations we must obtain replacements for those veterans who have already rendered long and arduous service.

We shall make every effort to raise these replacements by recruiting volunteers. To that end I ask that the Congress consider ways and means to assure the maximum success of the recruiting campaigns which have already been authorized. I suggest that legislation be enacted to remove the present restriction on eligibility for voluntary enlistment and to allow the armed forces to enlist a larger number of volunteers than is now authorized. It is further recommended that, in order to enable the armed forces satisfactorily to compete in the procurement of personnel, the Congress provide suitable inducements for volunteer service in the Army and Navy.

However, in view of our extensive national commitments, I am certain, as are the War and Navy Departments, that we cannot rely on voluntary recruitment as the sole method of procuring the necessary replacements.

I, therefore, urge that the Congress continue inductions to assure replacements for these veterans, in such numbers as are not supplied by volunteers.

An unforgivable discrimination would result if, by suspending inductions now, we should favor those who have had no military service at the cost of requiring continued sacrifice from those who have already done their part.

Our first concern should be for those who have been in the armed forces for several years. They have been separated from their homes and from their loved ones. Many of them have been under constant fire and continuous danger for months and even years. We should try to avoid imposing further service upon them.

The only way that this can be done is to continue the induction of young men who as yet have not served a tour of active duty in the armed services. Only when we find that we are able to obtain a sufficient number of volunteers to fill the necessary quotas for our occupational needs, can we discontinue the Selective Service System.

Of course it is entirely up to the Congress to choose the means by which we will provide and maintain the necessary strength to meet our commitments. The alternatives presented are very simple. There are no others. Either we retain men now in the service for a further indefinite period, or we provide replacements by further inductions.

As you know, I have already directed the Selective Service to cut down the number of inductions from 80,000 to 50,000 per month, and to limit them to the age group of 18 through 25.

It would seem reasonable to limit inductions hereafter to men between the ages of 18 and 25, inclusive, and fix their maximum term of service at two years.

Under the existing statute, inductees can be legally retained only for the duration of the war and a period of six months thereafter. I trust that, in any event, the Congress will not pass a resolution to the effect that the war has terminated for the purposes of this statute. To do so would give to all inducted men and temporary officers of the Army now on active duty the right to civilian status, and would create an impossible demobilization situation.

These are the military steps which it is apparent must be taken at once to meet the needs of the transition from war to peace. First things necessarily come first.

But the full needs of our national security run far beyond this immediate period of transition. We should make timely preparation for the Nation's long-range security, while we are still mindful of what it has cost us in this war to have been unprepared.

It is, therefore, my intention to communicate with the Congress from time to time during the current session with respect to a comprehensive and continuous program of national security, including a universal training program, unification

of the armed services, and the use and control of atomic energy.

11. HOUSING

The largest single opportunity for the rapid postwar expansion of private investment and employment lies in the field of housing, both urban and rural. The present shortage of decent homes and the enforced widespread use of substandard housing indicate vital unfulfilled needs of the Nation. These needs will become more marked as veterans begin to come back and look for places to live.

There is wide agreement that, over the next ten years, there should be built in the United States an average of from a million to a million and a half homes a year.

Such a program would provide an opportunity for private capital to invest from six to seven billion dollars annually. Private enterprise in this field could provide employment for several million workers each year. A housing program of this realistic size would, in turn, stimulate a vast amount of business and employment in industries which make house furnishings and equipment of every kind, and in the industries which supply the materials for them. It would provide an impetus for new products, and would develop new markets for a variety of manufactured articles to be made by private enterprise.

Housing is high on the list of matters calling for decisive Congressional action. This is reflected in recommendations contained in reports recently issued by the postwar committees of the Senate and of the House of Representatives. While differing opinions may be held as to detail, these proposals for action already developed in the Congress appear to me sound and essential.

I urgently recommend that the Congress, at an early date, enact broad and comprehensive housing legislation.

The cardinal principle underlying such legislation should be that house construction and financing for the overwhelming majority of our citizens should be done by private enterprise.

We should retain and improve upon the present excellent Government facilities which permit the savings of the people to be channeled voluntarily into private house construction on financing terms that will serve the needs of home owners of moderate income.

The present principles of insurance of housing investment—now tested by years of experience—should be retained and extended, so as to encourage direct investment in housing by private financing institutions.

The Government, in addition to providing these facilities to help private enterprise and private capital build homes, should take effective measures to stimulate research in methods and materials of housing construction. In this way, better and cheaper methods may be developed to build homes.

In addition to this type of research, the Government might well undertake to assist communities in making recurrent community studies in matters relating to housing and real estate generally. Such a program would contribute in great degree to the progress of private initiative and private capital investment in housing.

We must go on. We must widen our horizon even further. We must consider the redevelopment of large areas of the blighted and slum sections of our cities so that in the truly American way they may be remade to accommodate families not only of low-income groups as heretofore, but of every income group. We must make it possible for private enterprise to do the major part of this job. In most cases, it is now impossible for private enterprise to contemplate rebuilding slum areas without public assistance. The land cost generally is too high.

The time has come for the Government to begin to undertake a program of Federal aid to stimulate and promote the redevelopment of these deteriorating areas. Such Federal aid should be extended only to those communities which are willing to bear a fair part of the cost of clearing their blighted city areas and preparing them for redevelopment and rebuilding.

The rebuilding of these areas should conform to broad city plans, provide adequately for displaced families and make maximum use of private capital. Here lies another road toward establishing a better standard of city living, toward increasing business activity and providing jobs.

This Nation has recognized the need of using public funds to clear slums and to provide homes for those families who could not otherwise enjoy adequate housing because of the difference between their present earning power and the cost or rental of a decent home. We cannot, and we will not, recede from these purposes.

For those low-income groups, representing but a small portion of the total housing need, our prewar program of Federal aid to communities for low-rent housing should be resumed. Only in that way can we make progress toward our ultimate goal laid down in the economic bill of rights of a decent home for every American family.

I recommend, also, that we quicken our rate of progress in rural housing. As a general rule, housing conditions on farms and in rural areas are relatively worse than in our cities. In housing, as well as in other benefits of the American system, farm families should enjoy equality with city dwellers.

A decent standard of housing for all is one of the irreducible obligations of modern civilization. The housing challenge is now squarely before us. The people of the United States, so far ahead in wealth and productive capacity, deserve to be the best housed people in the world. We must begin to meet that challenge at once.

12. RESEARCH

Progress in scientific research and development is an indispensable condition to the future welfare and security of the Nation. The events of the past few years are both proof and prophecy of what science can do.

Science in this war has worked through thousands of men and women who labored selflessly and, for the most part, anonymously in the laboratories, pilot plants, and proving grounds of the Nation.

Through them, science, always pushing forward the frontiers of knowledge, forged the new weapons that shortened the war.

Progress in science cannot depend alone upon brilliant inspiration or sudden flights of genius. We have recently had a dramatic demonstration of this truth. In peace and in war, progress comes slowly in small new bits, from the unremitting day-by-day labors of thousands of men and women.

No nation can maintain a position of leadership in the world of today unless it develops to the full its scientific and technological resources. No government adequately meets its responsibilities unless it generously and intelligently supports and encourages the work of science in university, industry, and in its own laboratories.

During the war we have learned much about the methods of organizing science, and about the ways of encouraging and supporting its activities.

The development of atomic energy is a clear-cut indication of what can be accomplished by our universities, industry, and Government working together. Vast scientific fields remain to be conquered in the same way.

In order to derive the full profit in the future from what we have learned, I urge upon the Congress the early adoption of legislation for the establishment of a single Federal research agency which would discharge the following functions:

1. Promote and support fundamental research and development projects in all matters pertaining to the defense and security of the Nation.

2. Promote and support research in the basic sciences and in the social sciences.

3. Promote and support research in medicine, public health, and allied fields.

4. Provide financial assistance in the form of scholarships and grants for young men and women of proved scientific ability.

5. Coordinate and control diverse scientific activities now conducted by the several departments and agencies of the Federal Government.

6. Make fully, freely, and publicly available to commerce, industry, agriculture, and academic institutions, the fruits of research financed by Federal funds.

Scientific knowledge and scientific research are a complex and interrelated structure. Technological advances in one field may have great significance for another apparently unrelated. Accordingly, I urge upon the Congress the desirability of centralizing these functions in a single agency.

Although science can be coordinated and encouraged, it cannot be dictated to or regimented. Science cannot progress unless founded on the free intelligence of the scientist. I stress the fact that the Federal research agency here proposed should in no way impair that freedom.

Even if the Congress promptly adopts the legislation I have recommended, some months must elapse before the

newly established agency could commence its operations. To fill what I hope will be only a temporary gap, I have asked the Office of Scientific Research and Development and the Research Board for National Security to continue their work.

Our economic and industrial strength, the physical well-being of our people, the achievement of full employment and full production, the future of our security, and the preservation of our principles will be determined by the extent to which we give full and sincere support to the works of science.

It is with these works that we can build the highroads to the future.

13. TRANSITION TAX REVISION

Taxes will play a vital role in attaining a prosperous peace.

I recommend that a transitional tax bill be enacted as soon as possible to provide limited tax reductions for the calendar year 1946. Like the Tax Adjustment Act of 1945, the new bill should aim principally at removing barriers to speedy reconversion and to the expansion of our peacetime economy.

This matter has been under study jointly by congressional and Treasury tax staffs. I am assured that a program will be ready for early consideration by the Congress.

We must reconcile ourselves to the fact that room for tax reduction at this time is limited. A total war effort cannot be liquidated overnight.

It is estimated that war expenditures in the current fiscal year will drop 40 billion dollars below last year, but that they will still amount to 50 billion dollars out of total expenditures of 66 billion dollars. With current receipts estimated at 36 billion dollars, we face an estimated deficit of 30 billion dollars in the current fiscal year. Expenditures, although further reduced, will necessarily continue at high levels in the fiscal year 1947.

In considering tax reductions for 1946 we must not lose sight of the budgetary situation and our obligations to 85,000,000 bondholders.

After passage of the transitional bill, I hope that the Congress will give careful consideration to the modernization of the Federal tax structure. A major objective of this modernization should be the encouragement of business incentives and expansion, and of consumer purchasing power. In this connection consideration of further tax reductions should have due regard to the level of governmental expenditures and the health and stability of our economy.

14. SURPLUS-PROPERTY DISPOSAL

On July 17 I recommended that the Congress enact legislation creating a single Surplus Property Administrator in place of the board of three which was provided in the statute enacted last year.

I realize that this recommendation came too late to be dealt with prior to your recess, but I strongly urge that you act on it now.

A single administrator can do much to obviate the confusion which still exists in this field, and will be able to expedite the disposal of the many billions of dollars of surplus property.

The disposition of plants and equipment is of particular urgency. They should be disposed of promptly by sale or lease on a basis that is fair to the Government and to industry. Our objectives should be to provide early and continuous employment, and through private production, to supply hungry markets and check inflationary tendencies. Leases may often enable the Government and the operator to determine actual value by actual experience. The sooner we can put plants and equipment to work, the sooner we can discard our wartime controls in the transition from war to peace.

15. SMALL BUSINESS

During the war special attention was paid to small business. The American small business is the backbone of our free-enterprise system. The efforts of the Congress in protecting small business during the war paid high dividends, not only in protecting small business enterprise, but also in speeding victory. In spite of the fact, however, that many businesses were helped and saved, it is true that many thousands of them were obliged to close up because of lack of materials or manpower or inability to get into war production.

It is very important to the economy of the United States that these small businesses and many more of them be given opportunity to become a part of American trade and industry. To do this, assistance should be given to small businesses to enable them to obtain adequate materials, private financing, technological improvements, and surplus property.

While some special facilities for small business are required, the greatest help to it will come from the maintenance of general prosperity and full employment. It is much more difficult for small business to survive the hazards which come from trade recessions and widespread unemployment. What small business needs chiefly is a steady supply of customers with stable purchasing power.

I am sure that the Congress will see to it that in its legislation adequate protection and encouragement will be given to the small business of the Nation.

16. VETERANS

It has been a fundamental objective of the Congress and of the administration to make generous provision for those who have served the Nation in its armed forces, and for the dependents of those who have died in their country's cause.

Although a full list of what has been done toward this objective would be entirely too long to enumerate here, it might be well to list some of the major steps already taken:

(1) Adoption of a National Service Life Insurance Act under which about 17½ million insurance applications have been approved, resulting in insurance coverage of more than $135,000,000,000.

(2) Provision of increased compensation or pension for disabled veterans.

(3) Extension and expansion of hospital benefits.

(4) Vocational education and training for veterans having a service-connected disability constituting a vocational handicap.

(5) Mustering-out pay ranging from $100 to $300 dependent upon length of service and rate of pay.

(6) Education or training for any veteran whose education or training was interrupted by entrance into the service.

(7) Guarantee of loans to veterans for the purchase of a home, a farm, or a business.

(8) Legislation to protect the veteran's right to reemployment in his preservice job, if desired.

(9) Provision of unemployment allowances for veterans who become unemployed at any time within two years after discharge, of $20 per week for not to exceed 52 weeks.

(10) Civil-service laws to insure preference to veterans in governmental service.

(11) There has also been instituted in each State pursuant to law an efficient system whereby the counseling and placement needs of veterans will be the responsibility of veterans appointed for that special work.

The transition of veterans from military to civilian activities cannot be accomplished satisfactorily by the Federal Government alone or the States alone, or, indeed, by both. Government can help chiefly through organization and over-all planning. But the real work must be done in each community, through cooperation of the industrial, labor, and civic organizations interested in the welfare of the community and of the veterans.

There have been established information centers in all the field activities of the Selective Service System, United States Employment Service, and Veterans Administration totaling more than 8,000. Veterans may there obtain information on any question of interest to them.

Also, the Retraining and Reemployment Administration in cooperation with the leadership of local communities has established approximately 1,450 community information centers. There are therefore 9,000 information centers of all types throughout the country available to veterans for information purposes. With respect to agricultural interests, use has been made of county committees.

Broad and generous as this legislation for veterans has been, there will be need of amendments and improvements. I recommend that the Congress give prompt consideration to the recommendations which have been made by the Veterans' Administration for the purpose of clarifying and liberalizing the provisions relative to hospital and medical care, to vocational training under the Vocational Rehabilitation Act, and to education and training under the Servicemen's Readjustment Act. I also urge consideration of the suggestions made by the Veterans' Administration with respect to the loan guarantee features of the latter Act, to amendments clarifying and liberalizing the National Service Life Insurance Act, and those which would increase the rates of compensation for specific injuries including multiple amputations.

I have recommended that the Selective Training and Service Act be continued;

but if the Congress determines to the contrary, I urgently recommend that it clarify the provisions thereof which specifically deal with the right of reemployment.

Favorable consideration should be given by the Congress to Federal reclamation projects as outstanding opportunities for returning veterans. The great Columbia Basin project in the Northwest, the projects in the Missouri River Basin, and others of equal significance will bring into existence many thousands of new family-size farms upon which returning veterans can secure a livelihood for themselves and their families and create new wealth for the Nation. A number of farms can be made ready for veterans rapidly if legislation now pending is enacted without delay. This legislation would authorize necessary and proper assistance to veterans who seek to develop farm homes on irrigated lands in Federal reclamation project areas.

I also recommend that the Congress expedite legislation giving veterans social-security coverage credit for the period of their service in the armed services.

The latest available statistics in the Veterans' Administration shows that pension payments in varying amounts are now going forward each month to approximately 600,000 veterans of World War II and to the dependents of more than 100,000 deceased veterans of World War II.

Insurance claims under the National Service Life Insurance Act have been allowed in a total of 361,000 cases involving insurance of approximately 2½ billion dollars.

More than 200,000 World War II veterans have already been afforded hospital care in Veterans' Administration facilities.

At the time of Pearl Harbor, the Veterans' Administration and the Federal Board of Hospitalization had under way a hospital-building program which by 1949, the estimated peak of needs for World War I veterans, would have provided a total of 100,000 beds for hospital and domiciliary care. Since Pearl Harbor the hospital-building program has been expedited.

The Veterans' Administration now has approximately 82,000 hospital and 14,000 domiciliary beds. Thirteen thousand beds are now under construction, and funds are available for 15,000 more.

The Servicemen's Readjustment Act authorizes appropriations to the extent of $500,000,000 for the construction of veterans' hospitals and also the transfer to the Veterans' Administration of suitable facilities of the Army and Navy after the end of the war, when surplus to their needs. The program of the Veterans' Administration and the Federal Board of Hospitalization contemplates keeping abreast of developing needs through such transfers and additional construction. To this end a plan has just been approved for construction of 29,000 additional beds.

Since World War I there have been more than 3,000,000 hospital admissions in veterans' facilities—and most of them since 1925. Considering that the total number of veterans of World War I and all living veterans of prior wars did not exceed one-third the number of the veterans of World War II, it can readily be seen how important it is to provide hospital privilege. The subject is one which should receive the most careful consideration from the point of view of the extent and quality of facilities to be provided and maintained.

In the last analysis, if we can insure the proper economic conditions, we may be sure that the genius and initiative of Americans who met successfully all demands of the greatest war in history, both on the fighting front and on the production front, will make certain the reintegration of veterans into an expanding civilian economy. Anything less would not meet the country's obligations to its veterans.

17. PUBLIC WORKS AND NATIONAL RESOURCES

During the war years we have expended our resources—both human and natural—without stint. We have thrown into the battle for freedom everything we had.

Thousands of our finest young men—our best human resources—have given their lives. Additional thousands have been injured so that they may not be able to realize their full promise. The education of millions of young men and young women has been disrupted. At best, the Nation will be deprived of the full benefit of their services as scientists, doctors, technicians, lawyers, and educators for 3 to 5 years, or even longer, while they complete the preparation which the necessities of war interrupted.

The depletion of our natural resources is even more startling. We have torn from the earth copper, petroleum, iron ore, tungsten, and every other mineral required to fight a war, without regard to our future supplies. We have taken what we needed. We were not able to, and we did not, take account of tomorrow.

At the same time, our splendid prewar program to build up our national resources was sharply halted. The diligent and constant search for additional deposits of minerals was almost abandoned in favor of a frantic effort to discover and make possible the production of the materials of war.

The long-range programs to conserve the precious inches of topsoil which, in many parts of the country, lie between plenty and poverty were necessarily interrupted. We had neither the manpower nor the materials to spare for projects to prevent the ravages of floods which constantly despoil our land. We had neither the men nor the facilities to continue a large-scale program of reclaiming land and of bringing new land into cultivation.

With a few exceptions, we were forced to suspend the program to which this Nation is committed of harnessing the waters of our great rivers so that they may become vehicles of commerce, beneficent producers of cheap electric power, and servants of the Nation instead of instruments of destruction.

In brief, although during this war this Nation has reached the apex of its power—a peak of greatness and might which the world had never seen—our national capital account has greatly suffered. We must proceed with all possible diligence not merely to restore these depleted resources to their prewar standards but to make them greater and richer than ever before.

We must make a diligent effort to discover new deposits of the precious and indispensable minerals upon which our national life is founded.

We must develop for the use of industry new technologies so that the vast deposits of low-grade ores that have not heretofore been considered usable may be put to work for the good of all of us.

We should build and improve our roads—the arteries of commerce; we must harness our streams for the general welfare; we must rebuild and reclaim our land; we must protect and restore our forests.

This is not only to provide men and women with work, it is to assure to the Nation the very basis of its life. It is to play the part of a good businessman who insists carefully on maintaining and rebuilding his plant and machinery.

We know that by the investment of Federal funds we can, within the limits of our own Nation, provide for our citizens new frontiers—new territories for the development of industry, agriculture, and commerce.

We have before us the example of the Tennessee Valley Authority, which has inspired regional resource development throughout the entire world.

We know that we have programs, carefully considered and extensively debated, for regional development of the Columbia River in the great Northwest, the Missouri River, the Central Valley of California, and the Arkansas River.

In the Columbia Valley the first major step has been completed for the reclamation of barren land and the production of enormous quantities of power. The waters of the Missouri and the Arkansas and the rivers of California can be put to work to serve the national interest in a similar fashion.

If these rivers remain scourges of our Nation, it is only because we do not have the prudence to harness them for the benefit of our people. If there are among us for any period of time farmers who do not farm because there is no suitable land available to them; workers who do not work because there is no labor for their hands, we have only ourselves to blame so long as we fail to make available to them the opportunities before our very eyes.

I hope that the Congress will proceed as rapidly as possible to authorize regional development of the national resources of our great river valleys.

It should be unnecessary to say that the conservation and development of the national plant must proceed according to an intelligent and coordinated design. The watersheds of this Nation are not utterly independent, one of the other; our irreplaceable wealth of minerals, land, and timber is not composed of segments which can effectively be dealt with separately. Any program of public works must have as its unifying purpose the greatest possible contribution to the wealth of the Nation and to the wealth-producing capability of the Nation.

It is necessary that we proceed as speedily as possible to set up machinery to make an inventory of our national wealth and our basic resources, and to test the suitability of plans and proposals for public works in light of this purpose. An agency of this sort could provide us with consistent direction toward the goal of rehabilitation and improvement of our basic national resources.

Shortages of materials and manpower made it necessary in the interests of the war effort to suspend many public works which might otherwise have been undertaken. Now that materials and manpower will become more plentiful, we should be prepared to undertake a program of useful public works, not only to improve the physical plant of the United States but to provide employment to great masses of our citizens when private industry cannot do so. Only such public works should now be undertaken, however, as will not compete with the use of materials and manpower by private industry. Plans for other public works should be perfected and put in reserve.

In this connection I have several recommendations:

(1) During the war the construction of Federal public works has been restricted to those necessary for national defense and the prosecution of the war. Projects which normally would have been constructed were deferred, and a large backlog of needed construction has accumulated. Plans for some of these projects—specifically those relating to reclamation, rivers and harbors, flood control, and the conservation of our natural resources—are now ready, and their construction can go forward when funds are provided and materials and manpower are available without competing with private industry. Plans for other Federal projects are being prepared through the use of funds wisely appropriated by the Congress for advance preparation. Additional funds are needed for this purpose, and I urge that the Congress provide them.

(2) I recommend that the Congress enact legislation authorizing additional construction of certain Federal buildings. A portion of this program has already been authorized but has been held up by reason of cost limits imposed upon the buildings which cannot now be met because of increased needs and costs.

(3) I recommend that the Congress release the funds for the highway program authorized under the Federal Aid Highway Act of 1944 (Public Law 521, 78th Cong.). Under this act $500,000,000 has been authorized for the first year and $500,000,000 for each of the two succeeding years, making a total authorization of one and one-half billion. With the States' share of the cost included, this would provide a total highway construction program of $3,000,000,000 for a 3-year period.

(4) I recommend that the Congress appropriate $25,000,000 to continue the construction of the Inter-American Highway through the Central American Republics to the Canal Zone.

(5) I recommend that the Congress enact legislation to provide the necessary airports and airport facilities to serve the great needs of an expanded postwar air transportation and commerce. A well-planned airport program would improve transportation, amplify the usefulness of the airplane, and contribute to a healthy aircraft manufacturing industry.

The Congress now has before it a survey of the present and future needs for airports in the United States prepared by the Secretary of Commerce. This report indicates the necessity for approximately 3,000 new airports and for improvements to more than half of the existing 3,000 airports. The report recommends that the program be spread over a period of 10 years and that the cost be shared equally between Federal and non-Federal governmental agencies. I recommend passage of appropriate legislation to implement this program.

(6) State and local governments should be encouraged to construct useful public works of the types that must necessarily supplement and go along with the private construction of homes and industrial facilities. If private construction is to move forward at a rapid rate, it is vitally important that local governments promptly proceed with the construction of such facilities as streets, sewers, water supply, hospitals, airports, schools, and other necessary public facilities. Such projects should be undertaken at this time where they supplement and encourage private construction, not where they compete with it for manpower and materials.

The Congress has already authorized under title V of the War Mobilization and Reconversion Act of 1944 appropriations for advances of Federal funds to State and local governments to assist them in the preparation of detailed drawings and specifications for their public works. The appropriation thus far made is entirely inadequate and I shall request additional funds in order to speed up this important activity during the reconversion period.

The majority of State and local governments are awaiting a decision concerning Federal assistance. In order to get needed public facilities started promptly which do not compete with private construction, I recommend that the Congress give early consideration to grants for such public works under conditions that will insure that each level of government, Federal, State, and local, shall make its appropriate contribution.

(7) The Congress has also been giving consideration to legislation with respect to the construction of hospitals and health centers throughout the country. During the war the Government, through the Federal Works Agency and the Public Health Service, has assisted State and local governments and nonprofit organizations in the construction of such facilities. The beneficial results of this program are well known. The Federal Government must continue to recognize its obligation to maintain and improve the health of the Nation by providing Federal grants where necessary for the construction of hospital and health centers.

Programs of internal improvements of a public character—Federal, State, and local—must preserve competitive bidding, guarantee collective bargaining and good wages for labor, utilize the skills of our returned veterans to the fullest extent, and effectively prevent discrimination because of race, creed, or color.

18. LEND-LEASE AND POSTWAR RECONSTRUCTION

With the arrival of VJ-day lend-lease aid has practically come to an end. It was always understood that it would come to an end at that time. Immediately after Japan accepted the terms of unconditional surrender, I instructed the Foreign Economic Administrator to advise promptly all governments that deliveries of supplies under lend-lease would cease on VJ-day.

I also directed the Administrator in advance of the actual termination of lend-lease deliveries on VJ-day to enter into immediate negotiations with the receiving governments for the purchase of all goods in the pipe line or in storage. These negotiations are proceeding satisfactorily.

In due time we must consider the settlement of the lend-lease obligations which have been incurred during the course of the war. We must recognize that it will not be possible for our Allies to pay us dollars for the overwhelming portion of the lend-lease obligations which they have incurred. But this does not mean that all lend-lease obligations are to be canceled. We shall seek under the procedure prescribed in the Lend-Lease Act and in subsequent agreements with other governments to achieve settlements of our wartime lend-lease relations which will permit generally a sound world-wide economy and will contribute to international peace and our own national security.

We must turn from economic cooperation in war to economic cooperation in peace. We have taken steps to carry out the Bretton Woods proposals for an international monetary fund and an International Bank. We are preparing to extend the operations of the Export-Import Bank. Our objective is to enable the peace-loving nations of the world to become self-supporting in a world of expanding freedom and rising standards of living.

Further legislation is also necessary. If we are to avoid the maintenance of governmental monopoly of international credit, the Johnson Act must be repealed. Private loans on a sane basis are an essential adjunct to the operations of the Export-Import and International Bank operations.

I am directing the executive agencies to give full weight to foreign requirements in determining the need for maintaining domestic and export controls and priorities.

We have already solemnly stated that we will do all that is reasonably possible to help war-torn countries to get back on their feet. I am sure that the Congress will wish the Government to live up to that pledge.

Further legislative action is needed in connection with the United Nations Relief and Rehabilitation Administration. I recommended that the Congress fulfill the commitment already made by appropriating the remaining $550,000,000 granted by the Congress for United States participation.

The Council Meeting of the United Nations Relief and Rehabilitation Administration has just been brought to a successful conclusion. At that meeting our delegate found the need for an additional contribution from all participating countries, to enable the United Nations Relief and Rehabilitation Administration to complete its work in Europe and Asia. On his motion, the Council voted to recommend to member countries a further contribution. Our own share will amount to approximately $1,350,000,000. I am confident that you will find this request for an additional authorization and appropriation fully justified, and I ask for prompt examination and consideration of the request.

In meeting the needs of the United Nations Relief and Rehabilitation Administration, surplus military and lend-lease goods will be used to the fullest possible extent.

Finally, I foresee the need for additional interim lending power to insure a rapid and successful transition to peacetime world trade. Appropriate recommendations will be made to the Congress on this matter when we have completed the exploratory conversations already begun with our associates. We wish to maintain the flow of supplies without interruption. Accordingly, I have directed the executive agencies to complete their conversations and studies at the earliest possible moment. I ask the Congress for speedy consideration of the recommendations when they are made.

19. CONGRESSIONAL SALARIES

Now that restrictions on voluntary salary increases have been removed, I hope that the Congress will take action soon on the salaries of its Members.

My experience as a Member of the Senate has given me a very keen appreciation of the quantity and quality of the work of the Members of the Congress. They are called upon to carry great responsibility and make important decisions in a multitude of matters involving the welfare of the Nation and of the world. Their tasks continue day in and day out. They have increased in number and in importance year by year.

There is no doubt in the mind of any thinking American that Members of the Congress are grossly underpaid and have been for many years. I think that they are entitled—and have already so expressed myself—to a salary anywhere from fifteen to twenty-five thousand dollars a year. I recommend that the Congress enact legislation providing that the salaries of its Members be increased to twenty thousand dollars per year.

At the same time I recommend the repeal of the provision now applicable to the House of Representatives for an additional expense allowance. There should be a straight, out-and-out salary increase for all Members. We should make service in the Congress of the United States available without hardship to ordinary citizens who have to look to the salary for their sole support. I also recommend that an adequate retirement system should be provided for the Members of the Congress who have served for a long period of years.

This should be the first step in creating a decent salary scale for all Federal Government employees—executive, legislative, and judicial.

The most important impediment to obtaining efficient administrative officials in the Federal Government has been the pitiful wage scale. During the war many able and experienced men were obtained for Federal service on purely patriotic grounds. Some of these men who are unable to continue at the present salary scales would be willing to remain at adequate salaries.

In most of the various classifications of Federal employees, the wage scales, with few exceptions, are obsolete and inadequate. This is particularly true of the Federal judiciary.

I sincerely hope that the Congress will take early steps to provide decent wage scales for its Members and for the executive and judicial branches of the Government.

20. SALE OF SHIPS

Prompt resumption of the normal operation of our merchant marine to expedite the reestablishment of our foreign trade is a major part of general reconversion from a wartime to a peacetime economy. The Maritime Commission has already received numerous inquiries and applications from potential purchasers of ships at home and abroad for private ownership and operation.

It is recommended that suitable legislation to permit such sales be expedited so that the uncertainty about the disposal of our large surplus tonnage may be removed. In this way, American shipping companies may undertake commercial operation as rapidly as ships can be released from Government control, and the foreign market can also be used for selling those vessels which are in excess of the needs of our postwar American merchant marine and national defense.

21. STOCK PILING OF STRATEGIC MATERIAL

One of the costliest lessons of our unpreparedness for this war was the great danger involved in depending upon foreign sources for supplies of raw materials necessary in times of national emergency. The United States should never again permit itself to be placed in a position where its defense may be jeopardized by the fact that it has been cut off from the source of strategic raw materials.

I recommend that the Congress enact legislation to bring about the acquisition and retention of stock piles of materials in which we are naturally deficient but which are necessary to supply the needs of the Nation for its defense.

I shall shortly communicate with the Congress recommending a national health program to provide adequate medical care for all Americans and to protect them from financial loss and hardships resulting from illness and accident. I shall also communicate with the Congress with respect to expanding our social-security system, and improving our program of education for our citizens.

In this hour of victory over our enemies abroad, let us now resolve to use all our efforts and energies to build a better life here at home and a better world for generations to come.

The Congress has played its full part in shaping the domestic and foreign policies which have won this victory and started us on the road to lasting peace.

The Congress, I know, will continue to play its patriotic part in the difficult years ahead. We face the future together with confidence—that the job, the full job, can and will be done.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 6, 1945.*

RETURN OF VOLUNTARY ENLISTMENT BASIS FOR THE ARMED FORCES

Mr. REVERCOMB. Mr. President, the change of this country from war to peace has begun. Many problems confront us. It is the time which, through the anxious days of war, we all hoped and prayed would come; and with all the burdens this change may bring, we are glad it is here.

There are many particular problems presented. One of those for immediate attention is the reduction of our armed forces and the return to peacetime lives of those who, under enforced draft, were called into the service of the country. Already the discharge of men from the services is under way. It must continue as rapidly as it may be done. Both the Army and the Navy must be reduced and placed upon a basis necessary only to meet the needs of the era after war.

In carrying out this plan I feel that first consideration should be given to the men who have long served, who have served in battle, and who are weary with battle fatigue. As much for the general welfare of the country as in fair consideration of the men themselves, return should be expedited of those who have dependents to support. Those men are not only faced with the duty of earning a living for those dependent upon them from day to day, but of establishing through their productive years a business or a trade that will assure to their growing families the support and comforts to which they are entitled.

The Army and the Navy should be placed immediately upon a voluntary basis of enlistment. It is my suggestion that volunteers be enlisted for 1 year, with the right of the Government to terminate the service earlier if no longer needed.

Induction under selective service should end as promptly as enlistments are sufficient to meet the needs of the service. This does not mean that battleworn men or men with long service during this war should be delayed in their return home through suspension of induction; but it does mean that voluntary enlistments should be accepted immediately for both the Army and the Navy.

It is clear that the needs of the service will not be as great as was once thought for an occupation army of 3,000,000 men. On August 31, 1945, General Eisenhower announced that, contrary to previous estimated figures, not more than 400,000 men would be needed for the European Occupation Army. This, in my opinion, is a top figure and doubtless can be lowered. This estimate comes just a little more than 3 months after occupation of the captured territory of Europe. Certainly no greater number of men will be needed for the

occupation of Japan, as soon as the arms and the armaments of that country have been seized.

The Transportation Corps of the Army announced on July 31 of this year that 432,258 men had been brought back from Europe between May 12, 1945, and July 13, 1945—that is, within 60 days. Public-press reports stated that 1,000,000 men had been brought back to the country between May 8 and August 8, 1945—that is, within 90 days. So we well see that these men can be demobilized and returned quickly.

It may be of interest to the pople to know that in the first part of June this year the Congress by statute directed the Army to open up enlistments to volunteers in the Regular Army up to the maximum peacetime strength Army of 280,000, the figure fixed as a maximum some years ago. These enlistments are to be for 3 years, just as in peacetime.

For some reason which has not yet been explained, the Army waited until August 15, 1945, to open up enlistments even for the Regular Army. This was a delay of 2½ months after the approval of the law, and indicates a reluctance on the part of the War Department to deal with the subject of voluntary enlistment.

It therefore becomes the duty of the Congress to deal with the subject of enlistments in the Army and Navy for their needs during the immediate post-war era; and, as I have stated, such enlistments should be for a period of 1 year.

Induction and the forced draft of men into the armed service were justifiable in time of war, but now that peace has come, and this being a country which finds its progress and achievement as a peaceful nation, we must return to a voluntary basis in the armed services if our people are to remain free and have the choice of such service.

All these things cannot be brought about immediately. That is, they cannot be brought about tomorrow or next week. It will take several months to get such a plan under way and to obtain results sufficient to end the draft. But I do not believe that it is going to take 2 years or more of inductions under Selective Service, nor do I believe that such inductions should be made or limited to 2 years' service, as advocated by the President and the War Department.

We should proceed at once to establish the armed services through personnel of volunteers. In doing so there is no reason whatsoever to delay the return of those who now have seen long service in the armed forces.

If it is found necessary to continue inductions for a matter of months longer until the result of the volunteer service can be ascertained, that can be done; but we should start at once without delay to have a volunteer Army and Navy. The time has come for forced draft and inductions to be considered for the purpose of ending them, not for the purpose of continuing them indefinitely.

Let the young men and the boys of this country have an opportunity to take up again their lives of peace. Permit them to enjoy the real values of a free people. Reduce armaments to the minimum needed. Sustain our forces through those who choose to join them. The war has ended. Let the people live and choose to live as a peaceful people have the right to do.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. McFARLAND in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. WAGNER, from the Committee on Banking and Currency:

Leo T. Crowley, of Wisconsin, and Phillips Lee Goldsborough, of Maryland, for appointment as members of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years from September 6, 1945.

ADJOURNMENT TO MONDAY

Mr. ELLENDER. Mr. President, if there be no further business, I move that the Senate adjourn until next Monday at 12 o'clock.

The motion was agreed to; and (at 2 o'clock and 16 minutes p. m.) the Senate adjourned until Monday, September 10, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate September 6, 1945:

HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

Paul V. McNutt, of Indiana, to be United States High Commissioner to the Philippine Islands.

UNITED STATES PUBLIC HEALTH SERVICE

The following-named officers for promotion in the Regular Corps of the United States Public Health Service:

Assistant surgeons to be passed assistant surgeons, effective dates indicated:

Robert V. Holman, July 1, 1944.
James R. Hurley, September 12, 1945.
James F. Maddux, July 1, 1945.
Wardell H. Mills, September 14, 1945.
Willoughby J. Rothrock, Jr., September 4, 1945.
Richard C. Siders, July 1, 1945.

Surgeons to be temporary senior surgeons, effective August 1, 1945:

Llewellyn L. Ashburn	Hollis U. Maness
Bert R. Boone	Thomas B. McKneely
Don S. Cameron	Carroll E. Palmer
Kenneth E. Gamm	Donald W. Patrick
Alfred B. Geyer	Thurman H. Rose
Clifton K. Himmelsbach	George G. VanDyke
	Victor H. Vogel
Marion K. King	Oliver C. Williams
Benton O. Lewis	William G. Workman

Dental surgeons to be temporary senior dental surgeons, effective dates indicated:

Leonard R. Etzenhouser, May 1, 1945.
Mark E. Bowers, August 1, 1945.
Gordon G. Braendle, August 1, 1945.
John M. Francis, August 1, 1945.
Charles B. Galt, August 1, 1945.
Frank E. Law, August 1, 1945.
Robert H. Moore, August 1, 1945.
Walter J. Pelton, August 1, 1945.

CONFIRMATION

Executive nomination confirmed by the Senate September 6, 1945:

IN THE ARMY

TEMPORARY APPOINTMENT IN THE ARMY OF THE UNITED STATES

Jonathan Mayhew Wainwright to be general.

HOUSE OF REPRESENTATIVES

THURSDAY, SEPTEMBER 6, 1945

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

All praise and glory be unto Thee, O God. Love and mercy never pass by the boundaries of Thy heart. As we tread the crowded pathways of life, lead us, we pray Thee, and convert us to humility, to unfailing kindness, and to the love that casteth out fear. Persuade us that the finest type of manhood and womanhood lies not in outward glory and honor but in the hidden soul. No achievement is so great or so high as the creation of character; all else is dim and stationary.

Almighty God, judge of all men, be with the whole race of humankind; cleanse its dark and forbidding passages, bind up its wounds and stop its anguished cries. O come to our own country, to our President, to this Congress; make us abundantly equal to every emergency. Help us to quench the smoldering fires of war with that courage and power that lifts humanity above all wrath and revenge. Put Thy hand upon us, our abilities, and our time, and say to us: "The earth is the Lord's and the fullness thereof the world and they that dwell therein." In the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had adopted the following resolution (S. Res. 169):

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. HIRAM W. JOHNSON, late a Senator from the State of California.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That at the conclusion of its session today, as a further mark of respect to the memory of the deceased, the Senate do adjourn.

The message also announced that the President pro tempore has appointed Mr. BARKLEY and Mr. BREWSTER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain

records of the United States Government" for the disposition of executive papers in the following departments and agencies:

1. Department of Agriculture.
2. Department of the Interior.
3. Department of Justice.
4. Department of the Navy.
5. Federal Security Agency.
6. National Archives.
7. Office of Price Administration.
8. Selective Service System.

ADJOURNMENT OVER

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 12 o'clock on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

DECLARATION OF RECESS HONORING LIEUTENANT GENERAL WAINWRIGHT

Mr. BULWINKLE. Mr. Speaker, I ask unanimous consent that on Monday next the Speaker may declare a recess in order that the House may receive Lieutenant General Wainwright at 2:30 p. m.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

TREATY OF GREENE VILLE CELEBRATION

The SPEAKER. The Chair, pursuant to the authority conferred upon him by Public Law 159, Seventy-ninth Congress, and the order of the House of July 21, 1945, empowering him to appoint commissions and committees authorized by law or by the House, did on July 27, 1945, appoint as commissioners of the Treaty of Greene Ville Celebration Commission the gentleman from Ohio [Mr. CROSSER] and the gentleman from Ohio [Mr. CLEVENGER] and notified the Clerk of the House of his action.

VOLUNTARY ENLISTMENT IN THE ARMED FORCES

Mr. MAY. Mr. Speaker, the House Committee on Military Affairs has unanimously reported the bill (H. R. 3951) relating to voluntary enlistment in the armed forces. I ask unanimous consent that I, as chairman of the committee, may have until midnight Saturday night to file a report thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, and I am not going to object, may I inquire what day next week the gentleman intends to call up that bill?

Mr. MAY. I have no definite information as to that. I understand from the Speaker that two other bills will precede it, and it will follow those bills if it is possible to get to it.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

SURPLUS PROPERTY

Mr. MANASCO. Mr. Speaker, I ask unanimous consent that on Monday next it shall be in order to consider the bill (H. R. 3907) to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator; that all points of order against said bill be waived; and that general debate shall be confined to the bill and shall not exceed 2 hours, the time to be equally divided and controlled by the chairman and ranking minority member of the Committee on Expenditures in the Executive Departments.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, what is the reason for waiving all points of order?

Mr. MANASCO. I may say to the distinguished minority leader that there is a provision in the bill for the transfer of appropriations from the jurisdiction of the Board to that of the single Administrator, if the bill becomes law.

Mr. MARTIN of Massachusetts. It does not require more money?

Mr. MANASCO. Not any more money; no.

Mr. MARTIN of Massachusetts. The consideration of the bill will be conducted in the usual way, with general debate, and with the bill then being read for amendment if anyone has an amendment to offer?

Mr. MANASCO. The bill will be open to amendments that are in order.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed:

To the Congress of the United States:

I regret that you have been compelled to cut short your recess period. I know, however, that you have been just as eager as any of us to meet the problems which naturally have crowded down upon us with the surrender of the Japanese.

You have cut short a well-merited vacation in order to do so. I hope that the American people realize as fully as I do, that from the very first days of the emergency, the Congress has most energetically and patriotically devoted its time, energies, and capabilities to the immediate problems of war and to the long-range problems of peace. The legislative branch of the Government is entitled to its full share of credit and glory for the victory of the Allied armies. I wish to take this opportunity on behalf of the Nation to congratulate you on the great victory which has been won—in which you played so important a part.

The Congress reconvenes at a time of great emergency. It is an emergency about which, however, we need have no undue fear if we exercise the same energy, foresight, and wisdom as we did in carrying on the war and winning this victory.

The sudden surrender of the Japanese has not caught us unawares. President Roosevelt, as early as the Fall of 1943, began to set up machinery which he foresaw would become necessary to meet the reconversion period. The Congress in its wisdom has adopted some of that machinery by statute, and has improved and added to it. As a result, Government agencies, for some time, have been able to plan for the immediate and long-range steps which now have to be taken.

As the Congress has undoubtedly noticed, many steps were taken immediately after the surrender of the Japanese. Many more have been taken since.

The process of reconversion will be a complicated and difficult one. The general line of approach to the problem is to achieve as full peacetime production and employment as possible in the most efficient and speedy manner. The following policies have been laid down and will be followed:

(1) Demobilize as soon as possible the armed forces no longer needed.

(2) Cancel and settle war contracts as quickly as possible.

(3) Clear the war plants so as to permit contractors to proceed with peacetime production.

(4) Hold the line on prices and rents until fair competition can operate to prevent inflation and undue hardship on consumers.

(5) Hold wages in line where their increase would cause inflationary price rises. Where price ceilings would not be endangered, collective bargaining should be restored.

(6) Remove all possible wartime government controls in order to speed and encourage reconversion and expansion.

(7) Keep only those controls which are necessary to help reconversion and expansion by preventing bottlenecks, shortages of material, and inflation.

(8) Prevent rapid decrease of wage incomes or purchasing power.

The major objective, of course, is to reestablish an expanded peacetime industry, trade, and agriculture, and to do it as quickly as possible.

Obviously during this process there will be a great deal of inevitable unemployment. What we must do is to assist industry to reconvert to peacetime production as quickly and effectively as possible so that the number of unemployed will be swiftly and substantially reduced as industry and business and agriculture get into high production.

The Government is now doing what it can to hurry this reconversion process.

Through contract termination procedures it is providing quick payment to contractors.

It has released controls on practically all materials which are necessary for peacetime production, reserving only those few in which there is still a critical shortage.

It has made arrangements for credit facilities for industry.

By plant and surplus property disposal, it is helping private enterprise to get started again.

In the consumer field the Government has released controls over articles which

were needed for the war in such large quantities that civilians had to go without.

For the information of Congress, I am submitting as an appendix to this message a report by the Director of War Mobilization and Reconversion showing what has already been done by the Federal Government in reconversion.

There is much that the Congress can do to help this process and to tide over the period between now and the time when reconversion is completed and civilian jobs are plentiful in a stable economy that provides full production, full employment, and a high standard of living.

1. UNEMPLOYMENT COMPENSATION

The end of the war came more swiftly than most of us anticipated. Widespread cut-backs in war orders followed promptly. As a result, there has already been a considerable number of workers who are between jobs as war industries convert to peace. Other workers are returning to a 40-hour week and are faced with a corresponding reduction in take-home pay.

This has led to a natural feeling of uneasiness among the rank and file of our people. Let me emphasize that there will be no reason for undue timidity. A vast backlog of orders may soon make possible the greatest peacetime industrial activity that we have ever seen. But this can happen only if the Congress and the administration move vigorously and courageously to deal with the economic problems which peace has created. Then there need be no reason to fear either the immediate future or the years that lie ahead of us.

Determined action now will create the atmosphere of confidence which is so vital to a rapid reconversion with a minimum of unemployment and hardship.

No matter how rapidly reconversion proceeds, however, no amount of effort or planning will be able immediately to provide a job for everyone displaced from war work. Obviously, displaced war workers cannot find jobs until industry has been regeared and made ready to produce peacetime goods. During this lag the Government should provide help. The cost of this transition from war to peace is as much a part of the cost of war as the transition from peace to war—and we should so consider it.

This course is recommended not only as a matter of justice and humanity, but also as a matter of sound business. Nothing would be more harmful to our economy than to have every displaced war worker stop buying consumer goods. And nothing would be more conducive to a large-scale cessation of buying than the feeling on the part of displaced war workers that all their income had stopped and that their remaining financial resources had to be hoarded.

For one group of those who may become unemployed in the near future—the demobilized veterans—the Congress has already made special provision. Any veteran who has satisfactorily completed 90 days of service is now entitled by law to a weekly unemployment allowance of $20 for as much as 52 weeks depending on the length of his service.

By contrast, there are more than 15,000,000 workers not protected under our present unemployment insurance laws. There are many millions more for whom protection is inadequate. Many of these have been unable to accumulate adequate savings.

On May 28, 1945, I recommended to the Congress that the Federal Government immediately supplement the unemployment insurance benefits now provided by the several States. That is the only feasible way to provide at least a subsistence payment in all parts of the United States during this coming unemployment period.

As I pointed out then, the existing State laws relative to unemployment insurance are inadequate in three respects:

(1) Only about 30,000,000 of our 43,000,000 nonagricultural workers are protected by unemployment insurance. Federal Government employees, for example, such as Federal shipyard and arsenal workers, are not covered. Nor are employees of small businesses and small industrial establishments. Nor are the officers and men of the merchant marine who have braved enemy torpedoes and bombs to deliver supplies and the implements of war to our armed services and our allies.

(2) The weekly benefit payments under many of the State laws are now far too low to provide subsistence and purchasing power for the workers and their families. Almost half of the States have the clearly inadequate maximum of $15 to $18 a week.

(3) Many of the States pay benefits for too short a period. In more than one-third of the States, for example, 18 weeks is the maximum.

I recommend then, and I urgently renew my recommendation now, that the Congress take immediate action to make good these deficiencies for the present emergency period of reconversion.

Specifically, coverage should be extended to include Federal employees, maritime workers, and other workers not now insured. This additional compensation during the present emergency will have to be financed entirely by the Federal Government, but the benefits should appropriately be administered by the States.

I also recommend, and I now repeat that recommendation, that the Congress provide, through supplementary Federal emergency benefit payments, additional unemployment benefits so as to bring them up to adequate standards in all the States. All payments, however, should be made through the existing unemployment compensation machinery of the several States.

During this emergency every eligible worker should be entitled to 26 weeks of unemployment benefits in any one year. The maximum weekly payment for those workers whose previous earnings were high enough, should be not less than $25 per week.

If the Congress decides to take this very necessary step, it will also wish to reconsider and increase the unemployment allowance provided for veterans.

There has been so much misrepresentation about this temporary proposal that I think I should categorically state what the bill does not do.

It does not give everyone $25 a week. Under it, an applicant must be ready, willing, and able to work and must have earned wages high enough so that the percentage rate will yield this maximum figure.

It does not federalize the unemployment compensation system. It leaves it with the States.

It is not intended to take the place of the permanent amendments to the unemployment compensation system which are now being studied by the Congress. It is an emergency measure designed to expand the present system without changing its principles. It is designed only to meet the immediate pressing human problems of reconversion.

This recommendation is not to be confused with the broader question of extending, expanding, and improving our entire social-security program of which unemployment insurance is only a part. I expect to communicate with the Congress on this subject at a later date. But I sincerely urge that we do not wait for consideration of such a complex question before enacting this much needed emergency legislation.

2. FAIR LABOR STANDARDS ACT

In addition to those workers who will temporarily lose their jobs, there will be millions of others whose incomes will fall sharply with the end of war production. These will be added to the several million wage earners who even now have hourly earnings much below what is necessary for a decent standard of living.

The inadequacy of these wages, in many cases, has been temporarily concealed by wartime increases in take-home pay resulting from overtime work. As these props to income are removed, however, low-wage earners will be hard pressed to feed, clothe, and house their families. This flies in the face of a sound public policy. Failure to correct this situation will slow down, if it will not actually stop, our drive toward an expanding market for business and agriculture.

The foundations of a healthy national economy cannot be secure so long as any large section of our working people receive substandard wages. The existence of substandard wage levels sharply curtails the national purchasing power and narrows the market for the products of our farms and factories.

In the Fair Labor Standards Act of 1938, the Congress adopted a program intended to provide a minimum wage standard for a large number of American workers.

In that statute, the Congress declared it to be our national policy to eliminate, from interstate industry, wage levels detrimental to the maintenance of minimum standards of living. The establishment then of a minimum wage of 25 cents per hour represented a first step toward the realization of that policy. The goal of 40 cents per hour, which under the act was to be made effective by 1945, was actually made fully effective more than a year ago by the voluntary action of the industry committees.

I believed that the goal of a 40-cent minimum was inadequate when established. It has now become obsolete.

Increases in the cost of living since 1938 and changes in our national wage

structure, require an immediate and substantial upward revision of this minimum. Only in that way can the objectives of the Fair Labor Standards Act be realized, the national purchasing power protected, and an economy of full production and abundance preserved and maintained for the American people.

The high prosperity which we seek in the postwar years will not be meaningful for all our people if any large proportion of our industrial wage earners receive wages as low as the minimum now sanctioned by the Fair Labor Standards Act.

I therefore recommend that the Congress amend the Fair Labor Standards Act by substantially increasing the minimum wage specified therein to a level which will eliminate substandards of living, and assure the maintenance of the health, efficiency, and general well-being of workers.

The scope of the Fair Labor Standards Act also should be clarified and extended. In view of changes which have occurred since 1938, I believe it is no longer necessary to exclude from the minimum wage program the large number of workers engaged in agricultural processing who are now excluded. There now exists a twilight zone in which some workers are covered, and others, doing similar work, are not. Extension of coverage would benefit both workers and employers, by removing competitive inequities.

Our achievements in this field during the last seven years of establishing minimum wages have been gratifying; but we must continue to move forward, step by step.

I urge that the Congress act promptly. The wage structure on which business men may make future plans should be settled quickly.

3. WARTIME CONTROLS

One of the outstanding achievements of the war has been the success of the Government in holding the line against inflation. This is the first time in any major war that the United States has been able substantially to stabilize its economy.

That fact now permits us to enter into the difficult period of readjustment without the threat of a disastrous price collapse.

For this result much credit is due to the Congress, which in the face of great insistence from many interested pressure groups refused steadfastly to take the easy way.

Great credit is due to the Office of Economic Stabilization, the War Labor Board, the Office of Price Administration, the War Food Administration, the War Production Board, and the other stabilization agencies. Despite great pressure and often unjust abuse, they continued to hold the line for the benefit of the great mass of Americans.

And above all, great credit is due to the people of the United States, the great body of average citizens, who, for four difficult years and with only a few exceptions, subordinated their personal interest to the long-range interest of the Nation as a whole.

Many of the demands of the war for commodities have now decreased. They will decrease further during the initial period of unemployment which will come with the cancellation of war contracts. As a result, prices of some commodities are bound to soften. But if that happens in the next few months, we cannot allow ourselves to be misled. We must keep in mind the experience of the period immediately after the First World War. After a lull of a few months following the Armistice of 1918, prices turned upward, scrambling for inventories started, and prices soon got completely out of hand. We found ourselves in one of the worst inflations in our history, culminating in the crash of 1920 and the disastrous deflation of 1920 and 1921.

We must be sure this time not to repeat that bitter mistake. When reconversion really gets under way, and men go back to work, and pay rolls increase, and the pent-up demands of the war years at home and abroad for peacetime products begin to make themselves felt, we shall face the same scramble for goods, the same speculative excesses that developed in 1919. We must be in a position to overcome that danger if we expect to achieve an orderly transition to peacetime levels of full production and full employment. However, we must not allow inflationary dangers to obscure our vision of the possibilities of lower incomes and widespread unemployment. Our policy must guard against both contingencies.

Immediately after the Japanese decision to surrender, the Office of Price Administration moved promptly to eliminate rationing on gasoline, fuel oil, stoves, and processed foods.

During the transition period the Price Administrator, of course, will eliminate rationing and price controls on one commodity after another just as soon as supply comes into balance with demand. At the same time he will make whatever price adjustments are required to facilitate rapid reconversion and reemployment.

However, it will be necessary for him to continue to resist unreasonable pressures for higher prices on some commodities, just as he has resisted them all through the war. In resisting these pressures and in carrying out his difficult responsibilities, I must state clearly that he has both my backing and my confidence.

It will similarly be necessary for the Government to resist pressures for increases in wage rates which would imperil price ceilings.

Without some general stabilization the consumer cannot be protected. Without stabilization, reconversion cannot proceed as rapidly as it should; for stability of cost is indispensable to sound business planning.

The price control and stabilization program has received the backing of the great majority of businessmen throughout the war period. With few exceptions, business groups have realized clearly their own personal stake and the stake of our basic economy in the success of the anti-inflation program.

During the months that lie ahead, however, some groups in business may be tempted to substitute for this long-range wartime thinking, a short-range policy designed to secure prices high enough to provide immediate profits over and above their temporarily high costs of production due to their initial low volume.

These pressures must be resisted. Prices must be held firmly on reconversion items as well as on cost of living items during the coming months.

The American people are entitled to a firm assurance not only on the part of the Administration, but from the Congress itself, that rents and the prices of clothing, food, and other essentials will be held in line. They are also entitled to buy washing machines, vacuum cleaners, automobiles and other products at prices based on our traditional system of high output and low unit costs.

The promise of good profits for businessmen must not be based on small initial volume. It must be based on the full all-out production which it is my belief that American industry will rapidly achieve.

Because of heavy wartime needs, it has been necessary to allocate available supplies of many foods among various claimants within this country, and among other countries. It has been necessary to set aside large blocks of specified commodities in order to make these commodities available for military and other essential needs. Rationing of food for consumers has been necessary in the interest of fair distribution.

Many of these controls have already been eliminated and all remaining allocations, set-asides, and rationing will be removed as rapidly as the supply situation will permit.

However, supplies of some of our principal foods will continue beyond the end of 1945 to be too small for the demand.

For example, the world will be short of requirements for fats and oils and sugar for some months, and allocations and rationing will probably have to be continued into 1946. We must not move so rapidly as to endanger the orderly distribution of goods on which we have based our living during the emergency.

Let me add that in no case should rationing controls be removed if by so doing we should jeopardize our relief shipments to Europe and other distressed war areas. We have a moral obligation to the people of these liberated areas. More than that, our own enlightened self-interest tells us that hungry people are rarely advocates of democracy. The rehabilitation of these countries, and indeed the removal of American occupational troops, may be unnecessarily delayed if we fail to meet these responsibilities during the next few months.

During the reconversion period and as long as shortages in certain materials other than food continue, the War Production Board will have to support the stabilization program as it has done during the past four years.

It must be in a position to take action where necessary, to increase scarce materials and facilities, break bottlenecks, channel production to meet essential needs, safeguard the opportunities for small business concerns, and, above all, to control inventories so as to prevent speculative hoarding and unbalanced distribution.

As the Congress knows, the War Production Board has already removed a

great majority of the controls which were in force during the war, and many more will be removed during the next few months.

I trust that the Congress will agree, however, that the controls which still remain and which are still considered necessary by the agency charged with responsibility should not be removed until the need for them disappears. The need to control a few critical materials which the war has caused to be in short supply will continue for some time until adequate supplies are again available. Foremost among these materials are tin and crude rubber.

It will also be necessary for some period to prevent the hoarding of items now badly needed and in great demand for the civilian economy. Many critical shortages can be avoided by the extension of general inventory controls which would prevent the accumulation of unreasonably large stocks in the hands of a few. This will speed the reconversion program and will also greatly assist in avoiding inflation of the price structure.

The extension of one further type of control should have consideration at this time. In the national interest, this Government has made and should continue to make agreements for securing our fair share of materials from certain foreign sources and also agreements for supplying various materials and products abroad. The Government should have authority to assure the carrying out of such commitments.

These production and inventory controls, as well as the allocations of food, set-asides of commodities, and rationing among consumers have been set up under the Second War Powers Act.

Most of the provisions of this act expire on December 31, 1945.

I am convinced that an orderly transition to a peacetime economy will require the use of some of these controls after the first of the year.

I request the Congress, therefore, to extend the provisions of the Second War Powers Act, either in its present form or with appropriate limitations, preserving the powers necessary to achieve the objectives I have outlined.

The Congress has my definite assurance that none of these war powers will be exercised by the executive branch of the Government unless they are deemed essential to the attainment of the objective of an orderly stabilized reconversion. The Congress should, of course, if it extends the statute, reserve the right to terminate it by legislation at any time it deems necessary.

I hope that the Congress will not delay the extension of this authority. Delay would retard reconversion by creating uncertainty on the part of business as to whether necessary controls will be retained or not. Businessmen, in planning for next year's activities, will be assisted greatly by knowing in advance whether or not the Government is going to keep a firm hand at the brakes to prevent inflation.

The termination of the wartime food subsidies, for which a total of $1,798,000,000 has been authorized for the current year, is one of the important problems in reconversion. Agencies dealing directly with this problem are now meeting jointly to determine in what order and at what time these food subsidies may be eliminated without an undue disturbance to farm income or living costs.

Subsidies for purposes other than food are also being reviewed by the agencies concerned, who are collecting the necessary data for an orderly liquidation at the earliest date compatible with the stabilization program.

Those subsidies which were designed originally to stimulate increased production should not be removed at a time or in a manner to incite inflation and upset our economy.

I have directed that early reports be made on this important problem.

4. WAR POWERS AND EXECUTIVE AGENCIES REORGANIZATION

I should like to bring to the attention of the Congress the legal difficulties that will arise unless care is taken in the drafting of legislation terminating wartime controls and wartime agencies.

I have asked the Attorney General to prepare a report on the principal statutes that confer wartime powers and on the various wartime agencies, with particular reference to the circumstances under which each terminates.

A copy of this memorandum is attached for the information of the Congress. It is an able and comprehensive summary of the applicable laws.

Your attention is particularly called to the statement in the opinion of the Attorney General to the effect that the broad basis of governmental power on which the existing emergency and wartime statutes rest has not been terminated by the unconditional surrender of our enemies.

Certain of the wartime statutes which have been made effective "in time of war," "during the present war," or "for the duration of the war" continue to be effective until a formal state of peace has been restored, or until some earlier termination date is made applicable by appropriate governmental action. Another group of statutes which by their provisions terminate "upon the cessation of hostilities" or "upon termination of the war," will in fact and in law terminate only by a formal proclamation to that effect by the President or by appropriate congressional action.

From time to time action will be taken with respect to these agencies, with the general objective of streamlining the Government into a peacetime organization as quickly as possible.

The time has not yet arrived, however, for the proclamation of the cessation of hostilities, much less the termination of the war. Needless to say, such proclamations will be made as soon as circumstances permit.

It has been necessary during the course of the war to make numerous important redistributions of functions among executive agencies.

This has been accomplished by the President under the authority of title I of the First War Powers Act. This act expires six months after the termination of the war, or at such earlier time as may be designated by appropriate governmental action.

If the Congress or the President were formally to declare the present war terminated, it would automatically cause all the steps taken under the First War Powers Act with respect to the war agencies to expire, and would have the Government revert automatically to its preexisting status six months after the declaration.

If this were to occur, it would cause great confusion and chaos in the Government.

It is the policy of this administration not to exercise wartime powers beyond the point at which it is necessary to exercise them.

Similarly, the wartime agencies of the Government will not be allowed to continue to perform functions not required by present conditions.

Those functions of the wartime agencies which must be retained during part or all of the period of reconversion should be transferred as promptly as practicable to the permanent departments and agencies of the Government. The remaining functions, appropriate only to the crisis through which we have passed, should be terminated in an orderly, systematic fashion as soon as possible.

A program of winding up wartime agencies and distributing their functions on a peacetime basis is now being pursued under the powers vested in the President by title I of the First War Powers Act.

Therefore, I urge that the Congress do not yet adopt a resolution proclaiming the termination of the war or the termination of the emergency or the cessation of hostilities. Such a resolution would automatically cause the death of many war powers and wartime agencies before we are ready.

At the same time I recognize that the Congress may wish to repeal certain specific wartime statutes. If this is to be done, the repeal should be on a selective basis, through the adoption of specific statutes dealing with each wartime power which the Congress decides should be terminated.

In my message dated May 24, 1945, it was recommended that permanent legislation be enacted which would authorize the President to submit to the Congress, from time to time, plans providing for the reorganization of executive agencies, each such plan to become effective unless the Congress should reject it by concurrent resolution.

This type of joint action by the Congress and the President has produced, and will produce, far better results than can be achieved by the usual legislative process in the field of executive reorganization. If proper progress is to be made, it is necessary to permit the President to lay out the machinery for carrying out his responsibility for the conduct of the executive branch, subject to rejection by the two Houses of Congress. Executive initiative, subject to congressional veto, is an effective approach to governmental reorganization.

The responsibility of conducting the executive branch rests upon the President. It is fair and efficient to permit him to lay out the machinery for carrying out that responsibility.

The means for doing this should be generally along the lines of the Reorganization Act of 1939, which gives the initiative to the President, but reserves

power to the Congress by a majority vote to nullify any action of the President which does not meet with its approval.

Considerable progress was made in efficiency of government under this Reorganization Act of 1939. I recommend that such powers be made of permanent duration and that the legislation be sufficiently flexible to permit any kind of adjustment for which necessity may arise.

It is clear to all of us that the Government has a difficult and important task in the years which lie ahead. Our Government belongs to the people and the people have a right to expect from their Government the greatest possible efficiency in carrying out its task.

Our Government has never been as efficient as we should like to see it. To some degree this may be charged to the size of some of the tasks assigned to it. To some extent, it is also due to the lack of trained Government personnel and the low salaries paid to Government officials.

There is no question that the war has taught us a great deal about Government administration There is still, however, much room for improvement.

I have undertaken directly through the members of the Cabinet and also through the Directors of the Office of War Mobilization and Reconversion and the Bureau of the Budget to emphasize the need for more efficient operation in all the executive branches of the Government. I have requested them to examine administrative procedures, and to speed up and simplify their operations to the maximum practical degree.

I have also requested the Bureau of the Budget to examine closely with each department and agency head, the actual needs of his office following the surrender of Japan. They have been asked to reduce budgets promptly and fully wherever cuts are indicated. The Bureau of the Budget is now completing studies which will result in reductions of millions of dollars in the expense of operating our Government.

We must continue relentlessly this program for increased Government efficiency. The Congress can depend upon the Executive to push this program with the utmost vigor.

5. FULL EMPLOYMENT

I am confident that, with the cooperation of American industry, labor, and agriculture, we can bridge the gap between war and peace.

When we have reconverted our economy to a peacetime basis, however, we shall not be satisfied with merely our prewar economy. The American people have set high goals for their own future. They have set these goals high because they have seen how great can be the productive capacity of our country.

The levels of production and income reached during the war years have given our citizens an appreciation of what a full production peacetime economy can be.

They are not interested in boom prosperity—for that only too often leads to panic and depression. But they are interested in providing opportunity for work and for ultimate security.

Government must do its part and assist industry and labor to get over the line from war to peace.

That is why I have asked for unemployment compensation legislation.

That is why I now ask for full-employment legislation.

The objectives for our domestic economy which we seek in our long-range plans were summarized by the late President Franklin D. Roosevelt over a year and a half ago in the form of an economic bill of rights. Let us make the attainment of those rights the essence of postwar American economic life.

I repeat the statement of President Roosevelt:

> In our day these economic truths have become accepted as self-evident. We have accepted, so to speak, a second bill of rights under which a new basis of security and prosperity can be established for all—regardless of station, race, or creed.
>
> Among these are:
>
> The right to a useful and remunerative job in the industries, or shops or farms or mines of the Nation.
>
> The right to earn enough to provide adequate food and clothing and recreation.
>
> The right of every farmer to raise and sell his products at a return which will give him and his family a decent living.
>
> The right of every businessman, large and small, to trade in an atmosphere of freedom from unfair competition and domination by monopolies at home or abroad.
>
> The right of every family to a decent home.
>
> The right to adequate medical care and the opportunity to achieve and enjoy good health.
>
> The right to adequate protection from the economic fears of old age, sickness, accident, and unemployment.
>
> The right to a good education.
>
> All of these rights spell security. And after this war is won we must be prepared to move forward, in the implementation of these rights, to new goals of human happiness and well-being.
>
> America's own rightful place in the world depends in large part upon how fully these and similar rights have been carried into practice for our citizens. For unless there is security here at home there cannot be lasting peace in the world.

I shall from time to time communicate with the Congress on some of the subjects included in this enumeration of economic rights.

Most of them, in the last analysis, depend upon full production and full employment at decent wages.

There has been much discussion about the necessity of continuing full employment after the war if we hope to continue in substantial degree the prosperity which came with the war years. The time has come for action along these lines.

To provide jobs we must look first and foremost to private enterprise—to industry, agriculture, and labor. Government must inspire enterprise with confidence. That confidence must come mainly through deeds, not words.

But it is clear that confidence will be promoted by certain assurances given by the Government:

Assurance that all the facts about full employment and opportunity will be gathered periodically for the use of all.

Assurance of stability and consistency in public policy, so that enterprise can plan better by knowing what the Government intends to do.

Assurance that every governmental policy and program will be pointed to promote maximum production and employment in private enterprise.

Assurance that priority will be given to doing those things first which stimulate normal employment most.

A national reassertion of the right to work for every American citizen able and willing to work—a declaration of the ultimate duty of Government to use its own resources if all other methods should fail to prevent prolonged unemployment—these will help to avert fear and establish full employment. The prompt and firm acceptance of this bedrock public responsibility will reduce the need for its exercise.

I ask that full employment legislation to provide these vital assurances be speedily enacted. Such legislation should also provide machinery for a continuous full-employment policy—to be developed and pursued in cooperation among industry, agriculture, and labor, between the Congress and the Chief Executive, between the people and their Government.

Full employment means full opportunity for all under the American economic system—nothing more and nothing less.

In human terms, full employment means opportunity to get a good peacetime job for every worker who is ready, able, and willing to take one. It does not mean made work, or making people work.

In economic terms, full employment means full production and the opportunity to sell goods—all the goods that industry and agriculture can produce.

In Government terms, full employment means opportunity to reduce the ratio of public spending to private investment without sacrificing essential services.

In world-wide terms, full employment in America means greater economic security and more opportunity for lasting peace throughout the world.

These goals and the machinery to carry them out are set forth in legislation now pending before the Congress on which extensive public hearings have been held. The country justifiably expects early action along these lines.

6. FAIR EMPLOYMENT PRACTICE COMMITTEE

During the years of war production we made substantial progress in overcoming many of the prejudices which had resulted in discriminations against minority groups.

Many of the injustices based upon considerations of race, religion, and color were removed. Many were prevented. Perfection was not reached, of course, but substantial progress was made.

In the reconversion period and thereafter, we should make every effort to continue this American ideal. It is one of the fundamentals of our political philosophy, and it should be an integral part of our economy.

The Fair Employment Practice Committee is continuing during the transition period. I have already requested that legislation be enacted placing the Fair Employment Practice Committee on a permanent basis. I repeat that recommendation.

7. LABOR DISPUTES AND WAGE STABILIZATION

Our national welfare requires that during the reconversion period production of civilian goods and services—as

full production as possible—go forward without interruption, and that labor and industry cooperate to keep strikes and lock-outs at a minimum.

Those who have the responsibility of labor relations must recognize that responsibility. This is not the time for short-sighted management to seize upon the chance to reduce wages and try to injure labor unions. Equally it is not the time for labor leaders to shirk their responsibility and permit widespread industrial strife.

With this objective in view, I shall shortly convene a conference of representatives of organized labor and industry for the purpose of working out by agreement means to minimize labor disputes.

In the interim period, pending the convening of the conference, I have called upon the representatives of organized labor and industry to continue their adherence to the no-strike, no-lock-out policy. During this interim period, labor disputes which threaten a substantial interference with the transition to a peacetime economy should be submitted to the War Labor Board. They would there be handled by the Board under existing procedures. The country will expect parties to any such disputes to comply voluntarily with the determinations of the War Labor Board.

The threat of inflationary bidding-up of wage rates by competition in a short labor market has disappeared. Therefore the War Labor Board has removed the necessity of approving proposed voluntary wage increases, so long as they will not be used to obtain an increase in price ceilings.

I have conferred upon the War Labor Board adequate authority to correct maladjustments and inequities in wage rates arising in the reconversion period which will tend to interfere with the effective transition to a peacetime economy.

The Board should be terminated as soon after the conclusion of the forthcoming industry-labor conference as the orderly disposition of the work of the Board and the provisions of the War Labor Disputes Act permit, and after facilities have been provided to take care of the wage stabilization functions under the act of October 2, 1942.

Meanwhile, plans for strengthening the Department of Labor, and bringing under it functions properly belonging to it, are going forward. With the return to a peacetime economy and the elimination of the present temporary wartime agencies and procedures, we must look to collective bargaining, aided and supplemented by a truly effective system of conciliation and voluntary arbitration, as the best and most democratic method of maintaining sound industrial relations.

8. UNITED STATES EMPLOYMENT SERVICE EXTENSION

Placing demobilized veterans and displaced war workers in new peacetime jobs is the major human problem of our country's reconversion to a peacetime economy. It is imperative that this work be done swiftly and efficiently, and that men and women lose a minimum amount of time between jobs.

The next few months are crucial. What we do now will affect our American way of life for decades to come.

The United States Employment Service has an important responsibility in the performance of this task.

At present, this agency operates as a national and centralized system with a free flow of information among its offices. Under the 1946 appropriation act, the offices are to be turned back to the 48 States within 90 days after the cessation of hostilities.

Shortly after the declaration of war, the Government realized that the manpower of the Nation could be mobilized more efficiently if the United States Employment Service were centralized under Federal control. Hundreds of thousands of workers had to be recruited from all parts of the country. Often, they were wanted in regions far from their homes. Certain areas had surpluses of labor; others were desperately in need of more workers. This situation could be met only through a centrally operated employment service that covered the entire Nation.

Now we are faced with this problem in reverse. Hundreds of thousands of men and women will want to seek jobs in towns and cities other than those in which they worked during the war. They may want to return home, or they may want to strike out in search of new opportunities in new surroundings. Millions of veterans also will be coming back in search of peacetime jobs. They will want to know where such jobs can be found, not only in their own areas, but also in other parts of the land.

The task of helping this vast army of job seekers to fit themselves into peacetime economy is fully as difficult as the mobilization of manpower for war. To make any decided change in the machinery to handle this problem now would cause unnecessary hardship to workers and veterans. It would slow down the entire process of reconversion.

I urgently recommend that the Congress do not yet return the Employment Service to the States. Ultimately it should be so returned. However, it should be continued under Federal control at least until the expiration of the War Mobilization Act—June 30, 1947.

I also recommend that its appropriation be increased by $10,000,000 for the current fiscal year. Prompt action on this matter is especially important since personnel and facilities must be quickly enlarged to handle the rising tide of veterans and war workers who will be seeking jobs.

9. AGRICULTURE

One of the most magnificent production jobs in the war has been done by the farmers of the United States. They have met the unprecedented demands of the war, and, at the same time, have provided our civilian population with more food per capita than during the 1935–39 prewar period.

No other group in America labored longer or harder to meet the war demands put upon them. Food production last year reached a peak more than a third above the prewar years despite the fact that farm population has declined by about five million since 1940.

Fortunately, farmers were aided by better-than-average weather conditions over the country. We cannot, however, count on continuance of better-than-average weather. Therefore, because of the great demands for food that exist in this country and for relief abroad, the Department of Agriculture is planning for another year of full production. This does not mean the same volume of production for each individual crop, because the surrender of Japan has brought changes in the demand pattern. But the total acreage needed for next year will not be greatly different from this year.

The Government now must be prepared to carry out the Nation's responsibility to aid farmers in making their necessary readjustments from a wartime to a peacetime basis. The Congress already has provided postwar supports against price collapse for many farm products. This was a provision of wisdom and foresight.

After the First World War farm prices dropped more than 50 percent from the spring of 1920 to the spring of 1921. We do not intend to permit a repetition of the disaster that followed the First World War. The Secretary of Agriculture has assured me that he will use all means now authorized by the Congress to carry out the price-support commitments.

But there is need for additional measures to strengthen the machinery for carrying out price-support commitments, and for laying the basis for broader peacetime markets for agricultural products.

The Congress already has provided for one such postwar measure that needs now to be adapted to our changed situation. Recognizing that the lend-lease program required greatly increased production and that this increase could not be suddenly discontinued when the program stopped, the Congress wisely set aside $500,000,000 of lend-lease funds for price support of farm commodities. This money is now available for the purpose for which it was intended, but in order that it may be used most effectively whenever the need arises, I recommend early legislation which would make those funds available to the Commodity Credit Corporation on a continuing basis. Such action would reaffirm the specific intent of the Congress as to the use of this money in safeguarding farm prices.

Strengthening the machinery for carrying out price-support commitments is one measure necessary to safeguard farm prices. Stimulation of the export of farm commodities is another. More food is needed in the war-ravaged areas of the world. In the process of meeting relief requirements abroad, we have the opportunity of developing export markets for the future.

The farmer has always faced certain specific problems which are peculiar to his occupation. His crops are at the mercy of the weather.

The factory owner and the worker at the machine have available to them insurance programs which protect them from losses. Our farmers have the right to the same kind of protection. Strengthening and further development of crop insurance for farmers, organized and backed by the Federal Government,

can give them this protection. A well-rounded crop-insurance program, together with the assurance of reasonable and stable farm prices, will go a long way toward meeting basic problems which have plagued farmers in the past.

Much that has been accomplished during the war was made possible by the wise national program in support of scientific research in agriculture and forestry, and by the program for the conservation and improvement of our soil and forest resources. These policies have paid large dividends during the war. We ought to continue and strengthen them.

Within recent years the Congress has enacted various measures which have done much to improve the economic status of this country's farmers and to make rural living more attractive. In enacting individual pieces of legislation it has not been possible to make adjustments in existing measures in keeping with the changing pattern of needs. The Secretary of Agriculture is now reexamining existing agricultural programs in the light of peacetime needs in order that they may make the fullest contribution to the welfare of farmers and the people as a whole. I hope that the Congress also, through its appropriate committees, will give careful consideration to this problem with a view to making such adjustments as are necessary to strengthen the effectiveness of these various measures.

10. SELECTIVE SERVICE

While the cruel lessons of war are fresh in every mind, it is fitting that we now undertake appropriate measures for the future security of the United States.

The times call for a broad and realistic appraisal of our military needs and obligations. This Nation, and the other members of the family of nations, are facing the hazardous transition to a peace economy in a world grown acutely sensitive to power.

We have charted the course to a stable world peace, but that course still remains to be sailed.

We must, of course, plan for the immediate needs of this year and the next. But we would break faith with those who won for us the victory if we should fail at the same time to adopt an integrated and long-range program for the national security.

As a sovereign nation, we must continue to be ready to defend our national integrity by maintaining and manning adequate defense establishments within this continent, at the Panama Canal, and at all our bases overseas. As a member of the Security Council of the United Nations, we have an immediate obligation to bear a share, commensurate with our national standing, in safeguarding the future security of all peace-loving nations. As a victor in the greatest war of history, we are committed now to an armed occupation of the lands of our defeated enemies until it is assured that the principles for which we fought shall prevail in the reconstruction of those lands.

To meet these immediate obligations will require the maintenance for some time of a real measure of our present land, sea, and air power.

And in this first year after victory our people have another obligation, one which is felt in almost every American home. We owe it to those now in the armed forces that they be returned to civilian life with all possible speed.

To provide the personnel necessary to meet these immediate obligations we must obtain replacements for those veterans who have already rendered long and arduous service.

We shall make every effort to raise these replacements by recruiting volunteers. To that end I ask that the Congress consider ways and means to assure the maximum success of the recruiting campaigns which have already been authorized. I suggest that legislation be enacted to remove the present restriction on eligibility for voluntary enlistment and to allow the armed forces to enlist a larger number of volunteers than is now authorized. It is further recommended that, in order to enable the armed forces satisfactorily to compete in the procurement of personnel, the Congress provide suitable inducements for volunteer service in the Army and Navy.

However, in view of our extensive national commitments, I am certain, as are the War and Navy Departments, that we cannot rely on voluntary recruitment as the sole method of procuring the necessary replacements.

I, therefore, urge that the Congress continue inductions to assure replacements for these veterans, in such numbers as are not supplied by volunteers.

An unforgivable discrimination would result if, by suspending inductions now, we should favor those who have had no military service at the cost of requiring continued sacrifice from those who have already done their part.

Our first concern should be for those who have been in the armed forces for several years. They have been separated from their homes and from their loved ones. Many of them have been under constant fire and continuous danger for months and even years. We should try to avoid imposing further service upon them.

The only way that this can be done is to continue the induction of young men who as yet have not served a tour of active duty in the armed services. Only when we find that we are able to obtain a sufficient number of volunteers to fill the necessary quotas for our occupational needs, can we discontinue the Selective Service System.

Of course it is entirely up to the Congress to choose the means by which we will provide and maintain the necessary strength to meet our commitments. The alternatives presented are very simple. There are no others. Either we retain men now in the service for a further indefinite period, or we provide replacements by further inductions.

As you know, I have already directed the Selective Service to cut down the number of inductions from 80,000 to 50,000 per month, and to limit them to the age group of 18 through 25.

It would seem reasonable to limit inductions hereafter to men between the ages of 18 and 25, inclusive, and fix their maximum term of service at two years.

Under the existing statute, inductees can be legally retained only for the duration of the war and a period of six months thereafter. I trust that, in any event, the Congress will not pass a resolution to the effect that the war has terminated for the purposes of this statute. To do so would give to all inducted men and temporary officers of the Army now on active duty the right to civilian status, and would create an impossible demobilization situation.

These are the military steps which it is apparent must be taken at once to meet the needs of the transition from war to peace. First things necessarily come first.

But the full needs of our national security run far beyond this immediate period of transition. We should make timely preparation for the Nation's long-range security, while we are still mindful of what it has cost us in this war to have been unprepared.

It is, therefore, my intention to communicate with the Congress from time to time during the current session with respect to a comprehensive and continuous program of national security, including a universal training program, unification of the armed services, and the use and control of atomic energy.

11. HOUSING

The largest single opportunity for the rapid postwar expansion of private investment and employment lies in the field of housing, both urban and rural. The present shortage of decent homes and the enforced widespread use of substandard housing indicate vital unfulfilled needs of the Nation. These needs will become more marked as veterans begin to come back and look for places to live.

There is wide agreement that, over the next 10 years, there should be built in the United States an average of from a million to a million and a half homes a year.

Such a program would provide an opportunity for private capital to invest from six to seven billion dollars annually. Private enterprise in this field could provide employment for several million workers each year. A housing program of this realistic size would, in turn, stimulate a vast amount of business and employment in industries which make house furnishings and equipment of every kind, and in the industries which supply the materials for them. It would provide an impetus for new products, and would develop new markets for a variety of manufactured articles to be made by private enterprise.

Housing is high on the list of matters calling for decisive Congressional action. This is reflected in recommendations contained in reports recently issued by the postwar committees of the Senate and of the House of Representatives. While differing opinions may be held as to detail, these proposals for action already developed in the Congress appear to me sound and essential.

I urgently recommend that the Congress, at an early date, enact broad and comprehensive housing legislation.

The cardinal principle underlying such legislation should be that house construction and financing for the overwhelming majority of our citizens should be done by private enterprise.

We should retain and improve upon the present excellent Government facilities which permit the savings of the people to be channeled voluntarily into private house construction on financing terms that will serve the needs of home owners of moderate income.

The present principles of insurance of housing investment—now tested by years of experience—should be retained and extended, so as to encourage direct investment in housing by private financing institutions.

The Government, in addition to providing these facilities to help private enterprise and private capital build homes, should take effective measures to stimulate research in methods and materials of housing construction. In this way, better and cheaper methods may be developed to build homes.

In addition to this type of research, the Government might well undertake to assist communities in making recurrent community studies in matters relating to housing and real estate generally. Such a program would contribute in great degree to the progress of private initiative and private capital investment in housing.

We must go on. We must widen our horizon even further. We must consider the redevelopment of large areas of the blighted and slum sections of our cities so that in the truly American way they may be remade to accommodate families not only of low-income groups as heretofore, but of every income group. We must make it possible for private enterprise to do the major part of this job. In most cases, it is now impossible for private enterprise to contemplate rebuilding slum areas without public assistance. The land cost generally is too high.

The time has come for the Government to begin to undertake a program of Federal aid to stimulate and promote the redevelopment of these deteriorating areas. Such Federal aid should be extended only to those communities which are willing to bear a fair part of the cost of clearing their blighted city areas and preparing them for redevelopment and rebuilding.

The rebuilding of these areas should conform to broad city plans, provide adequately for displaced families and make maximum use of private capital. Here lies another road toward establishing a better standard of city living, toward increasing business activity and providing jobs.

This Nation has recognized the need of using public funds to clear slums and to provide homes for those families who could not otherwise enjoy adequate housing because of the difference between their present earning power and the cost or rental of a decent home. We cannot, and we will not, recede from these purposes.

For those low-income groups, representing but a small portion of the total housing need, our prewar program of Federal aid to communities for low-rent housing should be resumed. Only in that way can we make progress toward our ultimate goal laid down in the economic bill of rights of a decent home for every American family.

I recommend, also, that we quicken our rate of progress in rural housing. As a general rule, housing conditions on farms and in rural areas are relatively worse than in our cities. In housing, as well as in other benefits of the American system, farm families should enjoy equality with city dwellers.

A decent standard of housing for all is one of the irreducible obligations of modern civilization. The housing challenge is now squarely before us. The people of the United States, so far ahead in wealth and productive capacity, deserve to be the best housed people in the world. We must begin to meet that challenge at once.

12. RESEARCH

Progress in scientific research and development is an indispensable condition to the future welfare and security of the Nation. The events of the past few years are both proof and prophecy of what science can do.

Science in this war has worked through thousands of men and women who have labored selflessly and, for the most part, anonymously in the laboratories, pilot plants, and proving grounds of the Nation.

Through them, science, always pushing forward the frontiers of knowledge, forged the new weapons that shortened the war.

Progress in science cannot depend alone upon brilliant inspiration or sudden flights of genius. We have recently had a dramatic demonstration of this truth. In peace and in war, progress comes slowly in small new bits, from the unremitting day-by-day labors of thousands of men and women.

No nation can maintain a position of leadership in the world of today unless it develops to the full its scientific and technological resources. No government adequately meets its responsibilities unless it generously and intelligently supports and encourages the work of science in university, industry, and in its own laboratories.

During the war we have learned much about the methods of organizing science, and about the ways of encouraging and supporting its activities.

The development of atomic energy is a clear-cut indication of what can be accomplished by our universities, industry, and Government working together. Vast scientific fields remain to be conquered in the same way.

In order to derive the full profit in the future from what we have learned, I urge upon the Congress the early adoption of legislation for the establishment of a single Federal research agency which would discharge the following functions:

1. Promote and support fundamental research and development projects in all matters pertaining to the defense and security of the Nation.

2. Promote and support research in the basic sciences and in the social sciences.

3. Promote and support research in medicine, public health, and allied fields.

4. Provide financial assistance in the form of scholarships and grants for young men and women of proved scientific ability.

5. Coordinate and control diverse scientific activities now conducted by the several departments and agencies of the Federal Government.

6. Make fully, freely, and publicly available to commerce, industry, agriculture, and academic institutions, the fruits of research financed by Federal funds.

Scientific knowledge and scientific research are a complex and interrelated structure. Technological advances in one field may have great significance for another apparently unrelated. Accordingly, I urge upon the Congress the desirability of centralizing these functions in a single agency.

Although science can be coordinated and encouraged, it cannot be dictated to or regimented. Science cannot progress unless founded on the free intelligence of the scientist. I stress the fact that the Federal research agency here proposed should in no way impair that freedom.

Even if the Congress promptly adopts the legislation I have recommended, some months must elapse before the newly established agency could commence its operations. To fill what I hope will be only a temporary gap, I have asked the Office of Scientific Research and Development and the Research Board for National Security to continue their work.

Our economic and industrial strength, the physical well-being of our people, the achievement of full employment and full production, the future of our security, and the preservation of our principles will be determined by the extent to which we give full and sincere support to the works of science.

It is with these works that we can build the highroads to the future.

13. TRANSITION TAX REVISION

Taxes will play a vital role in attaining a prosperous peace.

I recommend that a transitional tax bill be enacted as soon as possible to provide limited tax reductions for the calendar year 1946. Like the Tax Adjustment Act of 1945, the new bill should aim principally at removing barriers to speedy reconversion and to the expansion of our peacetime economy.

This matter has been under study jointly by congressional and Treasury tax staffs. I am assured that a program will be ready for early consideration by the Congress.

We must reconcile ourselves to the fact that room for tax reduction at this time is limited. A total war effort cannot be liquidated overnight.

It is estimated that war expenditures in the current fiscal year will drop 40 billion dollars below last year, but that they will still amount to 50 billion dollars out of total expenditures of 66 billion dollars. With current receipts estimated at 36 billion dollars, we face an estimated deficit of 30 billion dollars in the current fiscal year. Expenditures, although further reduced, will necessarily continue at high levels in the fiscal year 1947.

In considering tax reductions for 1946 we must not lose sight of the budgetary

situation and our obligations to 85,000,000 bondholders.

After passage of the transitional bill, I hope that the Congress will give careful consideration to the modernization of the Federal tax structure. A major objective of this modernization should be the encouragement of business incentives and expansion, and of consumer purchasing power. In this connection consideration of further tax reductions should have due regard to the level of governmental expenditures and the health and stability of our economy.

14. SURPLUS-PROPERTY DISPOSAL

On July 17 I recommended that the Congress enact legislation creating a single Surplus Property Administrator in place of the board of three which was provided in the statute enacted last year.

I realize that this recommendation came too late to be dealt with prior to your recess, but I strongly urge that you act on it now.

A single administrator can do much to obviate the confusion which still exists in this field, and will be able to expedite the disposal of the many billions of dollars of surplus property.

The disposition of plants and equipment is of particular urgency. They should be disposed of promptly by sale or lease on a basis that is fair to the Government and to industry. Our objectives should be to provide early and continuous employment, and through private production, to supply hungry markets and check inflationary tendencies. Leases may often enable the Government and the operator to determine actual value by actual experience. The sooner we can put plants and equipment to work, the sooner we can discard our wartime controls in the transition from war to peace.

15. SMALL BUSINESS

During the war special attention was paid to small business. The American small business is the backbone of our free-enterprise system. The efforts of the Congress in protecting small business during the war paid high dividends, not only in protecting small-business enterprise, but also in speeding victory. In spite of the fact, however, that many businesses were helped and saved, it is true that many thousands of them were obliged to close up because of lack of materials or manpower or inability to get into war production.

It is very important to the economy of the United States that these small businesses and many more of them be given opportunity to become a part of American trade and industry. To do this, assistance should be given to small businesses to enable them to obtain adequate materials, private financing, technological improvements, and surplus property.

While some special facilities for small business are required, the greatest help to it will come from the maintenance of general prosperity and full employment. It is much more difficult for small business to survive the hazards which come from trade recessions and widespread unemployment. What small business needs chiefly is a steady supply of customers with stable purchasing power.

I am sure that the Congress will see to it that in its legislation adequate protection and encouragement will be given to the small business of the Nation.

16. VETERANS

It has been a fundamental objective of the Congress and of the administration to make generous provision for those who have served the Nation in its armed forces, and for the dependents of those who have died in their country's cause.

Although a full list of what has been done toward this objective would be entirely too long to enumerate here, it might be well to list some of the major steps already taken:

(1) Adoption of a National Service Life Insurance Act under which about 17½ million insurance applications have been approved, resulting in insurance coverage of more than $135,000,000,000.

(2) Provision of increased compensation or pension for disabled veterans.

(3) Extension and expansion of hospital benefits.

(4) Vocational education and training for veterans having a service-connected disability constituting a vocational handicap.

(5) Mustering-out pay ranging from $100 to $300 dependent upon length of service and rate of pay.

(6) Education or training for any veteran whose education or training was interrupted by entrance into the service.

(7) Guarantee of loans to veterans for the purchase of a home, a farm, or a business.

(8) Legislation to protect the veteran's right to reemployment in his preservice job, if desired.

(9) Provision of unemployment allowances for veterans who become unemployed at any time within two years after discharge, of $20 per week for not to exceed 52 weeks.

(10) Civil-service laws to insure preference to veterans in governmental service.

(11) There has also been instituted in each State pursuant to law an efficient system whereby the counseling and placement needs of veterans will be the responsibility of veterans appointed for that special work.

The transition of veterans from military to civilian activities cannot be accomplished satisfactorily by the Federal Government alone or the States alone, or, indeed, by both. Government can help chiefly through organization and over-all planning. But the real work must be done in each community, through cooperation of the industrial, labor, and civic organizations interested in the welfare of the community and of the veterans.

There have been established information centers in all the field activities of the Selective Service System, United States Employment Service, and Veterans' Administration totaling more than 8,000. Veterans may there obtain information on any question of interest to them.

Also, the Retraining and Reemployment Administration in cooperation with the leadership of local communities has established approximately 1,450 community information centers. There are therefore 9,000 information centers of all types throughout the country available to veterans for information purposes. With respect to agricultural interests, use has been made of county committees.

Broad and generous as this legislation for veterans has been, there will be need of amendments and improvements. I recommend that the Congress give prompt consideration to the recommendations which have been made by the Veterans' Administration for the purpose of clarifying and liberalizing the provisions relative to hospital and medical care, to vocational training under the Vocational Rehabilitation Act, and to education and training under the Servicemen's Readjustment Act. I also urge consideration of the suggestions made by the Veterans' Administration with respect to the loan guarantee features of the latter Act, to amendments clarifying and liberalizing the National Service Life Insurance Act, and those which would increase the rates of compensation for specific injuries including multiple amputations.

I have recommended that the Selective Training and Service Act be continued; but if the Congress determines to the contrary, I urgently recommend that it clarify the provisions thereof which specifically deal with the right of reemployment.

Favorable consideration should be given by the Congress to Federal reclamation projects as outstanding opportunities for returning veterans. The great Columbia Basin project in the Northwest, the projects in the Missouri River Basin, and others of equal significance will bring into existence many thousands of new family-size farms upon which returning veterans can secure a livelihood for themselves and their families and create new wealth for the Nation. A number of farms can be made ready for veterans rapidly if legislation now pending is enacted without delay. This legislation would authorize necessary and proper assistance to veterans who seek to develop farm homes on irrigated lands in Federal reclamation project areas.

I also recommend that the Congress expedite legislation giving veterans social-security coverage credit for the period of their service in the armed services.

The latest available statistics in the Veterans' Administration shows that pension payments in varying amounts are now going forward each month to approximately 600,000 veterans of World War II and to the dependents of more than 100,000 deceased veterans of World War II.

Insurance claims under the National Service Life Insurance Act have been allowed in a total of 361,000 cases involving insurance of approximately 2½ billion dollars.

More than 200,000 World War II veterans have already been afforded hospital care in Veterans' Administration facilities.

At the time of Pearl Harbor, the Veterans' Administration and the Federal Board of Hospitalization had under way a hospital-building program which by 1949, the estimated peak of needs for World War I veterans, would have provided a total of 100,000 beds for hospital

and domiciliary care. Since Pearl Harbor the hospital-building program has been expedited.

The Veterans' Administration now has approximately 82,000 hospital and 14,000 domiciliary beds. Thirteen thousand beds are now under construction, and funds are available for 15,000 more.

The Servicemen's Readjustment Act authorizes appropriations to the extent of $500,000,000 for the construction of veterans' hospitals and also the transfer to the Veterans' Administration of suitable facilities of the Army and Navy after the end of the war, when surplus to their needs. The program of the Veterans' Administration and the Federal Board of Hospitalization contemplates keeping abreast of developing needs through such transfers and additional construction. To this end a plan has just been approved for construction of 29,000 additional beds.

Since World War I there have been more than 3,000,000 hospital admissions in veterans' facilities—and most of them since 1925. Considering that the total number of veterans of World War I and all living veterans of prior wars did not exceed one-third the number of the veterans of World War II, it can readily be seen how important it is to provide hospital privilege. The subject is one which should receive the most careful consideration from the point of view of the extent and quality of facilities to be provided and maintained.

In the last analysis, if we can insure the proper economic conditions, we may be sure that the genius and initiative of Americans who met successfully all demands of the greatest war in history, both on the fighting front and on the production front, will make certain the reintegration of veterans into an expanding civilian economy. Anything less would not meet the country's obligations to its veterans.

17. PUBLIC WORKS AND NATIONAL RESOURCES

During the war years we have expended our resources—both human and natural—without stint. We have thrown into the battle for freedom everything we had.

Thousands of our finest young men—our best human resources—have given their lives. Additional thousands have been injured so that they may not be able to realize their full promise. The education of millions of young men and young women has been disrupted. At best, the Nation will be deprived of the full benefit of their services as scientists, doctors, technicians, lawyers, and educators for 3 to 5 years, or even longer, while they complete the preparation which the necessities of war interrupted.

The depletion of our natural resources is even more startling. We have torn from the earth copper, petroleum, iron ore, tungsten, and every other mineral required to fight a war, without regard to our future supplies. We have taken what we needed. We were not able to, and we did not, take account of tomorrow.

At the same time, our splendid prewar program to build up our national resources was sharply halted. The diligent and constant search for additional deposits of minerals was almost abandoned in favor of a frantic effort to discover and make possible the production of the materials of war.

The long-range programs to conserve the precious inches of topsoil which, in many parts of the country, lie between plenty and poverty were necessarily interrupted. We had neither the manpower nor the materials to spare for projects to prevent the ravages of floods which constantly despoil our land. We had neither the men nor the facilities to continue a large-scale program of reclaiming land and of bringing new land into cultivation.

With a few exceptions, we were forced to suspend the program to which this Nation is committed of harnessing the waters of our great rivers so that they may become vehicles of commerce, beneficent producers of cheap electric power, and servants of the Nation instead of instruments of destruction.

In brief, although during this war this Nation has reached the apex of its power—a peak of greatness and might which the world had never seen—our national capital account has greatly suffered. We must proceed with all possible diligence not merely to restore these depleted resources to their prewar standards but to make them greater and richer than ever before.

We must make a diligent effort to discover new deposits of the precious and indispensable minerals upon which our national life is founded.

We must develop for the use of industry new technologies so that the vast deposits of low-grade ores that have not heretofore been considered usable may be put to work for the good of all of us.

We should build and improve our roads—the arteries of commerce; we must harness our streams for the general welfare; we must rebuild and reclaim our land; we must protect and restore our forests.

This is not only to provide men and women with work, it is to assure to the Nation the very basis of its life. It is to play the part of a good businessman who insists carefully on maintaining and rebuilding his plant and machinery.

We know that by the investment of Federal funds we can, within the limits of our own Nation, provide for our citizens new frontiers—new territories for the development of industry, agriculture, and commerce.

We have before us the example of the Tennessee Valley Authority, which has inspired regional resource development throughout the entire world.

We know that we have programs, carefully considered and extensively debated, for regional development of the Columbia River in the great Northwest, the Missouri River, the Central Valley of California, and the Arkansas River.

In the Columbia Valley the first major step has been completed for the reclamation of barren land and the production of enormous quantities of power. The waters of the Missouri and the Arkansas and the rivers of California can be put to work to serve the national interest in a similar fashion.

If these rivers remain scourges of our Nation, it is only because we do not have the prudence to harness them for the benefit of our people. If there are among us for any period of time farmers who do not farm because there is no suitable land available to them; workers who do not work because there is no labor for their hands, we have only ourselves to blame so long as we fail to make available to them the opportunities before our very eyes.

I hope that the Congress will proceed as rapidly as possible to authorize regional development of the natural resources of our great river valleys.

It should be unnecessary to say that the conservation and development of the national plant must proceed according to an intelligent and coordinated design. The watersheds of this Nation are not utterly independent, one of the other; our irreplaceable wealth of minerals, land, and timber is not composed of segments which can effectively be dealt with separately. Any program of public works must have as its unifying purpose the greatest possible contribution to the wealth of the Nation and to the wealth-producing capability of the Nation.

It is necessary that we proceed as speedily as possible to set up machinery to make an inventory of our national wealth and our basic resources, and to test the suitability of plans and proposals for public works in light of this purpose. An agency of this sort could provide us with consistent direction toward the goal of rehabilitation and improvement of our basic national resources.

Shortages of materials and manpower made it necessary in the interests of the war effort to suspend many public works which might otherwise have been undertaken. Now that materials and manpower will become more plentiful, we should be prepared to undertake a program of useful public works, not only to improve the physical plant of the United States but to provide employment to great masses of our citizens when private industry cannot do so. Only such public works should now be undertaken, however, as will not compete with the use of materials and manpower by private industry. Plans for other public works should be perfected and put in reserve.

In this connection I have several recommendations:

(1) During the war the construction of Federal public works has been restricted to those necessary for national defense and the prosecution of the war. Projects which normally would have been constructed were deferred, and a large backlog of needed construction has accumulated. Plans for some of these projects—specifically those relating to reclamation, rivers and harbors, flood control, and the conservation of our natural resources—are now ready, and their construction can go forward when funds are provided and materials and manpower are available without competing with private industry. Plans for other Federal projects are being prepared through the use of funds wisely appropriated by the Congress for advance preparation. Additional funds are needed for this purpose, and I urge that the Congress provide them.

(2) I recommend that the Congress enact legislation authorizing additional construction of certain Federal buildings. A portion of this program has already

been authorized but has been held up by reason of cost limits imposed upon the buildings which cannot now be met because of increased needs and costs.

(3) I recommend that the Congress release the funds for the highway program authorized under the Federal Aid Highway Act of 1944 (Public Law 521, 78th Cong.). Under this act $500,000,000 has been authorized for the first year and $500,000,000 for each of the two succeeding years, making a total authorization of 1½ billion. With the States' share of the cost included, this would provide a total highway construction program of $3,000,000,000 for a 3-year period.

(4) I recommend that the Congress appropriate $25,000,000 to continue the construction of the Inter-American Highway through the Central American Republics to the Canal Zone.

(5) I recommend that the Congress enact legislation to provide the necessary airports and airport facilities to serve the great needs of an expanded postwar air transportation and commerce. A well-planned airport program would improve transportation, amplify the usefulness of the airplane, and contribute to a healthy aircraft manufacturing industry.

The Congress now has before it a survey of the present and future needs for airports in the United States prepared by the Secretary of Commerce. This report indicates the necessity for approximately 3,000 new airports and for improvements to more than half of the existing 3,000 airports. The report recommends that the program be spread over a period of 10 years and that the cost be shared equally between Federal and non-Federal governmental agencies. I recommend passage of appropriate legislation to implement this program.

(6) States and local governments should be encouraged to construct useful public works of the types that must necessarily supplement and go along with the private construction of homes and industrial facilities. If private construction is to move forward at a rapid rate, it is vitally important that local governments promptly proceed with the construction of such facilities as streets, sewers, water supply, hospitals, airports, schools, and other necessary public facilities. Such projects should be undertaken at this time where they supplement and encourage private construction, not where they compete with it for manpower and materials.

The Congress has already authorized under title V of the War Mobilization and Reconversion Act of 1944 appropriations for advances of Federal funds to State and local governments to assist them in the preparation of detailed drawings and specifications for their public works. The appropriation thus far made is entirely inadequate and I shall request additional funds in order to speed up this important activity during the reconversion period.

The majority of State and local governments are awaiting a decision concerning Federal assistance. In order to get needed public facilities started promptly which do not compete with private construction, I recommend that the Congress give early consideration to grants for such public works under conditions that will insure that each level of government, Federal, State, and local, shall make its appropriate contribution.

(7) The Congress has also been giving consideration to legislation with respect to the construction of hospitals and health centers throughout the country. During the war the Government, through the Federal Works Agency and the Public Health Service, has assisted State and local governments and nonprofit organizations in the construction of such facilities. The beneficial results of this program are well known. The Federal Government must continue to recognize its obligation to maintain and improve the health of the Nation by providing Federal grants where necessary for the construction of hospital and health centers.

Programs of internal improvements of a public character—Federal, State, and local—must preserve competitive bidding, guarantee collective bargaining and good wages for labor, utilize the skills of our returned veterans to the fullest extent, and effectively prevent discrimination because of race, creed, or color.

18. LEND-LEASE AND POSTWAR RECONSTRUCTION

With the arrival of VJ-day lend-lease aid has practically come to an end. It was always understood that it would come to an end at that time. Immediately after Japan accepted the terms of unconditional surrender, I instructed the Foreign Economic Administrator to advise promptly all governments that deliveries of supplies under lend-lease would cease on VJ-day.

I also directed the Administrator in advance of the actual termination of lend-lease deliveries on VJ-day to enter into immediate negotiations with the receiving governments for the purchase of all goods in the pipe line or in storage. These negotiations are proceeding satisfactorily.

In due time we must consider the settlement of the lend-lease obligations which have been incurred during the course of the war. We must recognize that it will not be possible for our Allies to pay us dollars for the overwhelming portion of the lend-lease obligations which they have incurred. But this does not mean that all lend-lease obligations are to be canceled. We shall seek under the procedure prescribed in the Lend-Lease Act and in subsequent agreements with other governments to achieve settlements of our wartime lend-lease relations which will permit generally a sound world-wide economy and will contribute to international peace and our own national security.

We must turn from economic cooperation in war to economic cooperation in peace. We have taken steps to carry out the Bretton Woods proposals for an international monetary fund and an International Bank. We are preparing to extend the operations of the Export-Import Bank. Our objective is to enable the peace-loving nations of the world to become self-supporting in a world of expanding freedom and rising standards of living.

Further legislation is also necessary. If we are to avoid the maintenance of governmental monopoly of international credit, the Johnson Act must be repealed. Private loans on a sane basis are an essential adjunct to the operations of the Export-Import and International Bank operations.

I am directing the executive agencies to give full weight to foreign requirements in determining the need for maintaining domestic and export controls and priorities.

We have already solemnly stated that we will do all that is reasonably possible to help war-torn countries to get back on their feet. I am sure that the Congress will wish the Government to live up to that pledge.

Further legislative action is needed in connection with the United Nations Relief and Rehabilitation Administration. I recommend that the Congress fulfill the commitment already made by appropriating the remaining $550,000,000 granted by the Congress for United States participation.

The Council Meeting of the United Nations Relief and Rehabilitation Administration has just been brought to a successful conclusion. At that meeting our delegate found the need for an additional contribution from all participating countries, to enable the United Nations Relief and Rehabilitation Administration to complete its work in Europe and Asia. On his motion, the Council voted to recommend to member countries a further contribution. Our own share will amount to approximately $1,350,000,000. I am confident that you will find this request for an additional authorization and appropriation fully justified, and I ask for prompt examination and consideration of the request.

In meeting the needs of the United Nations Relief and Rehabilitation Administration, surplus military and lend-lease goods will be used to the fullest possible extent.

Finally, I foresee the need for additional interim lending power to insure a rapid and successful transition to peacetime world trade. Appropriate recommendations will be made to the Congress on this matter when we have completed the exploratory conversations already begun with our associates. We wish to maintain the flow of supplies without interruption. Accordingly, I have directed the executive agencies to complete their conversations and studies at the earliest possible moment. I ask the Congress for speedy consideration of the recommendations when they are made.

19. CONGRESSIONAL SALARIES

Now that restrictions on voluntary salary increases have been removed, I hope that the Congress will take action soon on the salaries of its Members.

My experience as a Member of the Senate has given me a very keen appreciation of the quantity and quality of the work of the Members of the Congress. They are called upon to carry great responsibility and make important decisions in a multitude of matters involving the welfare of the Nation and of the world. Their tasks continue day in and day out. They have increased in number and in importance year by year.

There is no doubt in the mind of any thinking American that Members of the Congress are grossly underpaid and have been for many years. I think that they

are entitled—and have already so expressed myself—to a salary anywhere from fifteen to twenty-five thousand dollars a year. I recommend that the Congress enact legislation providing that the salaries of its Members be increased to twenty thousand dollars per year.

At the same time I recommend the repeal of the provision now applicable to the House of Representatives for an additional expense allowance. There should be a straight, out-and-out salary increase for all Members. We should make service in the Congress of the United States available without hardship to ordinary citizens who have to look to the salary for their sole support. I also recommend that an adequate retirement system should be provided for the Members of the Congress who have served for a long period of years.

This should be the first step in creating a decent salary scale for all Federal Government employees—executive, legislative, and judicial.

The most important impediment to obtaining efficient administrative officials in the Federal Government has been the pitiful wage scale. During the war many able and experienced men were obtained for Federal service on purely patriotic grounds. Some of these men who are unable to continue at the present salary scales would be willing to remain at adequate salaries.

In most of the various classifications of Federal employees, the wage scales, with few exceptions, are obsolete and inadequate. This is particularly true of the Federal judiciary.

I sincerely hope that the Congress will take early steps to provide decent wage scales for its Members and for the executive and judicial branches of the Government.

20. SALE OF SHIPS

Prompt resumption of the normal operation of our merchant marine to expedite the reestablishment of our foreign trade is a major part of general reconversion from a wartime to a peacetime economy. The Maritime Commission has already received numerous inquiries and applications from potential purchasers of ships at home and abroad for private ownership and operation.

It is recommended that suitable legislation to permit such sales be expedited so that the uncertainty about the disposal of our large surplus tonnage may be removed. In this way, American shipping companies may undertake commercial operation as rapidly as ships can be released from Government control, and the foreign market can also be used for selling those vessels which are in excess of the needs our postwar American merchant marine and national defense.

21. STOCK PILING OF STRATEGIC MATERIAL

One of the costliest lessons of our unpreparedness for this war was the great danger involved in depending upon foreign sources for supplies of raw materials necessary in times of national emergency. The United States should never again permit itself to be placed in a position where its defense may be jeopardized by the fact that it has been cut off from the source of strategic raw materials.

I recommend that the Congress enact legislation to bring about the acquisition and retention of stock piles of materials in which we are naturally deficient but which are necessary to supply the needs of the Nation for its defense.

I shall shortly communicate with the Congress recommending a national health program to provide adequate medical care for all Americans and to protect them from financial loss and hardships resulting from illness and accident. I shall also communicate with the Congress with respect to expanding our social-security system, and improving our program of education for our citizens.

In this hour of victory over our enemies abroad, let us now resolve to use all our efforts and energies to build a better life here at home and a better world for generations to come.

The Congress has played its full part in shaping the domestic and foreign policies which have won this victory and started us on the road to lasting peace.

The Congress, I know, will continue to play its patriotic part in the difficult years ahead. We face the future together with confidence—that the job, the full job, can and will be done.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 6, 1945.*

NATIONAL PATENT PLANNING COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read, and, together with the accompanying papers, referred to the Committee on Patents and ordered to be printed:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Third Report of the National Patent Planning Commission.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 6, 1945.*

FINANCIAL CONTROL OF CORPORATIONS

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 339, Rept. No. 942), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 3660) to provide for financial control of Government corporations. That after general debate, which shall be confined to the bill and shall continue not to exceed 4 hours to be equally divided and controlled by the chairman and the ranking minority member of the Committee on Expenditures in the Executive Departments, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the reading of the bill for amendment the Committee shall rise and report the same back to the House with such amendments as shall have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PERMISSION TO ADDRESS THE HOUSE

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that today after disposition of matters on the Speaker's table and at the conclusion of any special orders previously entered, I may be permitted to address the House for 5 minutes, and to include in my remarks certain letters received in my office.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. SIKES (at the request of Mr. RODGERS of Florida) was given permission to extend his remarks in the RECORD.

Mr. D'ALESANDRO asked and was given permission to extend his remarks in the RECORD and include an article appearing in the Baltimore Sun of September 5.

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include certain resolutions adopted by the State of New York.

Mr. BENNET of New York asked and was given permission to extend his remarks in the RECORD and include certain resolutions adopted in New York State.

Mr. ROWAN asked and was given permission to extend his remarks in the RECORD and include an address by Julius Klein and also to extend his remarks in the RECORD on three other subjects.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein text of State Department report on protests against atrocities committed by the Japanese, together with newspaper report entitled "Doolittle Flyers Describe Hell of 40 Months as War Prisoners."

I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost $218.40, but this matter is so important that I ask unanimous consent that it be included notwithstanding the cost.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that today after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that today after disposition of business on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be allowed to proceed for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

VETERANS' HOUSING

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, while I was at home I had the opportunity to discuss certain problems with many of the men who have come back as veterans of this war. One of the most serious problems discussed was the difficulty many of these men are experiencing in finding houses to live in.

I am introducing a bill today to try to help solve their problem. The bill would amend title VI of the Federal Housing Act by striking out the word "defense" and substituting therefor the word "veterans." In other words, it would continue the program under which a great many homes have been built for war workers but would turn that program to the speedy construction of homes to be rented or sold to veterans.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. TABER] is recognized for 15 minutes.

POSTWAR POLICY

Mr. TABER. Mr. Speaker, we are facing the future. The question is, Shall we face the future with a progressive mind, having in view what the future will hold for us and what effect different things will have, or shall we play to the galleries with our operations? At the present time our national debt has reached the enormous figure of $275,000,000,000. Perhaps it is more than that, because there are so many unliquidated obligations. It will probably run beyond $300,000,000,000 before we get to the point where we are rid of the war liabilities. It is absolutely necessary that we conserve our expenditures in every possible way. There has already been presented to the Congress a budget estimate calling for the reduction of certain appropriations and contract authorizations totaling three and one-half billion dollars. Frankly, from an examination of the Budget estimate I believe that we can greatly increase the repealing of those appropriations because they have not taken into account any savings that might result from the cancellation of contracts for things which are under way. We are at present demobilizing the Army and the Navy very slowly. We are at present cutting down on our wartime employment and still there is a tremendous shortage of labor in almost every part of the United States. There is not so much need for unemployment insurance on any basis beyond what has already been provided because at the present time we have 418,000 German prisoners at work here who can be shipped back any minute the need is gone. We have 100,000 foreign farm and other workers who have been brought in under the supervision of the Department of Agriculture by resolution which was brought in here early last winter providing for something like thirty-five or forty million dollars for that purpose. I cannot remember the exact figure. Those men can be released and taken back just as quickly as we have workers of our own to take their places. There is a tremendous deferred building program. There are deferred repairs upon private buildings, especially painting and carpenter work. There is an enormous amount of street repairs and maintenance work that has to be done. There is an enormous amount of sewer repairs necessary in every community. There is an enormous amount of country road repairs that has to be done as anyone who has been obliged to travel over the roads through his district knows.

Some of the things that we have to consider in addition to that are these:

There is a great shortage of automobiles, of washing machines, of refrigerators, and of farm machinery that will keep the factories running and the wheels turning for months and months. Employment problems are not so great as the danger that by foolish things, by crowding a lot of made work onto our people at this time, we will create a terrific inflation. We must not fool ourselves. We have already provided a terrific inflation. The paper money inflation has risen from six and one-half billions to over twenty-seven billions. What have they done with that increase in the paper money inflation? That is the way the price of Government bonds has been maintained, by the purchase of Government bonds when the market began to drop, with the funds that were created as a result of that inflation. If we go ahead and embark upon a large program of loaning money to foreign countries for the purpose of their buying machinery and other things of that character from us at this time, at a time when great shortages exist here, when every factory in the land can be kept busy day and night supplying our own shortages, where are we going to be when we get through with that operation? When we have reduced the tariff so that they can send everything they make in here and have cut off our own employment at the end of the period as a result of that inflationary operation, at a time when we do not need it, what will we do? We will be up against a buzz saw. We will not have jobs, we will not have any backlog or anything.

I appeal to the Members of Congress as they approach these problems to have the facts of this situation in their heads, to go carefully and not do the foolish things that will create inflation and leave us out on a limb after we get through. I want to see things done which will give us a stable economy, which will increase the standards of living of our people. I want to see things done that will permit people to go ahead.

It is true that as a result of inflation and the increased cost of living we have had we cannot expect to get back to the wage scale that was paid before the war. We cannot do that. The cost of almost every single thing has gone up. We cannot reduce those costs without reducing wages. Therefore, we have to keep our economy on the level it has now attained. But we must not by foolish operations do things that will create more and more debt and keep the day of a return to a sound economy farther and farther away. We must reduce governmental expenditures to a point where we are able to meet them by taxes and pay a little on our debts. We must not be niggardly in our treatment of those who are in distress.

On the other hand, we must not try to do things for them that they should do and are able to do for themselves. We should think this thing out. We should move carefully and not go wild. I hope that as the Congress faces this situation it will meet it in a fair and vigorous spirit with a thought for the American taxpayer and with a thought for the American working man so that he may have a chance to survive in these days that are to come. Every dollar that you save the working man in his tax bill means that he has just that much more to build up and maintain the standard of living which we want for the working man, the farmer, and the rest of the people in America.

PEARL HARBOR

Mr. HALLECK. Mr. Speaker, I was very much interested by the newspaper reference this morning to a statement of our distinguished Speaker who was reported to have said that he wished we could forget Pearl Harbor, but obviously we cannot. I do not mention this now to criticize the Speaker. On the contrary, I merely wish to bring to the attention of the House the fact that so distinguished a leader in his party as the Speaker recognizes that we just cannot forget about Pearl Harbor. Even if we tried to do so, the people of the United States would force it upon our attention. Even if we succeeded in evading the responsibility now, history would dig it up. And when history tells the story of Pearl Harbor, I for one do not want to be charged with the incredible ineptitude of ignoring my duty on this question.

Just now I do not want to take any part in charges or criticisms of anyone for the disaster at Pearl Harbor. The Roberts Commission indicted Admiral Kimmel and General Short. The Army board adds Admiral Stark to the list. The Navy board affirms the indictment of General Short and includes General Marshall and certain subordinate officers. Articles have appeared declaring the late President of the United States was responsible. And President Truman puts the blame on all of the people of the United States. Nobody is satisfied with the investigations that have been made. I was greatly surprised to note on reading the recently released reports that certain parts of the Roberts report had been omitted before it was given to the public. I was startled to note that over 50 pages of the Army board report had been deleted. There may be good reasons for this. But I do not think we can blame Congressmen and newspapermen and critical citizens for feeling that something is being withheld from them—however good the reasons may be. The Secretary of War has criticized the report of his own Army board. The Secretary of the Navy has expressed some reservations about the Navy board. The President of the United States has added criticisms.

I think it all arises from the fact that all these investigations were made while the war was on and it may well be that high officials had reasons which may have seemed sufficient to them for holding back some of the facts. It would be

strange if the decisions of judges were not also colored by the war psychology.

Furthermore, you cannot get a sound conclusion out of an inquiry that investigates merely the Army's part in the disaster or that investigates merely the part of the Navy. Too many agencies of the Government—military and civilian—were involved in the whole episode to permit of any such piecemeal inquiry and appraisal. There is only one body in existence that can make a full investigation of this matter and that is the Congress. It has the authority. It is made up of men of all parties and of all shades of opinion. An investigating body will include men on both sides of the House and the Senate. We can be sure nothing will be hidden, nothing will be ignored. I do not wish to appear as the advocate or prosecutor of anybody. I want to see the truth brought to light—fully, fairly, and without fear or favor. And a congressional investigation is the only way in which this can be done.

We owe this to General Short and to Admiral Kimmel who have remained under indictment now for nearly 4 years without a trial. We owe it to Admiral Stark. We owe it to General Marshall, who has led the Army throughout this war and is entitled to see every fact bearing on the charges against him brought to light. We owe it to Secretary Hull. We owe it to the 3,000 men who died that day as a result of somebody's bungling. We owe it to all the tens of thousands of men who died in the terrible war of the Pacific to win back the islands that fell so quickly to the Japanese as a result of this disaster. We owe it to the Army and the Navy which has just brought to us victory in this terrible war. We owe it to the people of the United States who have a right to the facts. We owe it to history and to the honor of this Congress. And when history sets about the task of writing its record of these times—woe to the name of the man who may stand out in the record as attempting to hide any longer the truth about Pearl Harbor.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in two instances in the Appendix of the Record; first, to include a radio address, and, second, to include a portion of a letter addressed to him by one of his constituents from Lynn, Mass., who is overseas.

PERMISSION TO ADDRESS THE HOUSE

Mr. RICH. Mr. Speaker, I ask unanimous consent that I may address the House for 5 minutes following the special orders heretofore entered today.

The SPEAKER pro tempore (Mr. GORE). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

EXTENSION OF REMARKS

Mr. BENDER asked and was given permission to extend his remarks in the RECORD.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CANNON] is recognized for 5 minutes.

DAYLIGHT-SAVING TIME

Mr. CANNON of Missouri. Mr. Speaker, the President, in the message which has just been read to the House, opposed the adoption of resolutions proclaiming the termination of the war or the cessation of hostilities. But he specifically approved the repeal of irksome wartime restrictions which Congress might wish to terminate.

Of all the irksome restrictions incident to the war none were more objectionable than those imposed by the so-called Daylight Saving Act, of January 20, 1942, arbitrarily moving the clock forward.

It should be the first of the artificial war expedients to be removed. It is bringing about wastage of manpower on the farm and absenteeism in the factory. It is contributing immeasurably to loss of farm products and loss of efficiency in industrial plants. It increases the consumption of power and light in every home and place of business without corresponding advantage. It has contributed directly to juvenile delinquency and to assaults on women on their way to employment in the premature darkness of the morning. It has increased the number of traffic accidents on darkened highways and accelerated the wear on motor vehicles. It is sending millions of children into the darkness and cold to await school busses on remote highways and unguarded streets in every community in the Nation. It has deprived millions of an added hour of sleep on sultry nights and has increased mortality and illness rates through exposure and exhaustion. It has interfered beyond the point of tolerance with the business and social economy of both urban and rural communities.

My bill to repeal the Daylight Saving Act and return to standard time was the first bill introduced in the Seventy-ninth Congress. It met with universal approval. I have yet to find a single Member of the House who opposes it. But the War Production Board urged delay in its enactment on the ground that war time was saving power and fuel. In response to the request of Chairman Krug and in deference to WPB, I refrained from pressing for earlier action on the bill.

But now the war is over. The War Production Board has formally withdrawn its opposition, and in response to the Nation-wide demand for return to standard time, I am asking for immediate repeal of the act of January 20, 1942, instituting daylight saving. The widespread interest in the restoration of sun time is indicated by the number of Members of the House who have joined in the movement for repeal by introducing bills for repeal yesterday and today. They include the gentleman from Illinois [Mr. HOWELL], the gentleman from South Carolina [Mr. MCMILLAN], the gentleman from Kansas [Mr. REES], the gentleman from Oklahoma [Mr. RIZLEY], the gentleman from Maryland [Mr. ROE], the gentleman from Iowa [Mr. TALLE], the gentleman from Louisiana [Mr. BROOKS], the gentleman from Texas [Mr. POAGE], the gentleman from Georgia [Mr. BROWN], the gentleman from Pennsylvania [Mr. GROSS], the gentleman from Illinois [Mr. PRICE], the gentleman from Pennsylvania [Mr. BRUMBAUGH], the gentleman from Minnesota [Mr. KNUTSON], the gentleman from Oregon [Mr. ANGELL], and the gentleman from Oklahoma [Mr. SCHWABE].

I hope to get immediate action on this much-needed legislation and invite the cooperation of all Members of the House in securing prompt disposition of the matter this week in order to insure its becoming effective by the opening of the school year.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Mississippi.

Mr. RANKIN. Of course I agree with the gentleman thoroughly. I suggest that he call it up next Monday and ask unanimous consent for its immediate consideration. I do not believe there would be a single Member who would object to it.

Mr. CANNON of Missouri. I much appreciate the suggestion of the gentleman, and am glad to assure him that arrangements have been made to call the bill up early next week. We have the assurance of the gentleman from Oklahoma [Mr. BOREN], chairman of the subcommittee of the Committee on Interstate and Foreign Commerce, in charge of the bill, that he will report it out in the next 2 or 3 days. There will not be a vote against it when it comes up in the House. And I am advised by those in a position to know that it will be promptly passed by the other body and transmitted to the President in time to become effective September 30. The expectation is that the clocks will be turned back Sunday, September 30, 1945. Let us hope it will never be necessary to legislate wartime again.

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Wisconsin.

Mr. MURRAY of Wisconsin. Does not the gentleman think one reason we should give it immediate consideration is because the country schools start shortly, and the school children are probably suffering more from the present legislation than any other group?

Mr. CANNON of Missouri. The gentleman refers to one of the most urgent reasons for early action on the bill. The return to standard time is of more immediate importance to school schedules and school children than to anyone else. It is more urgently needed in the next few months, than at any other time in the calendar year.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Iowa.

Mr. JENSEN. I agree with the able chairman of the Committee on Appropriations that we should abolish war time and get back to God's time. There is another thing I should like to ask my chairman about. Of course, the gentleman is well aware of the fact that the American people are now wondering when we are going to start recapturing a lot of these appropriations we have made, or at least a part of them, and possibly canceling out some of them. I wonder when we could expect our chairman to call a meeting of the Committee on Appropriations to discuss those different problems, as to how we can cut down and recapture a lot of this money we have

already appropriated for the present fiscal year.

Mr. CANNON of Missouri. I am glad the gentleman from Iowa approves my action in beginning hearings this week with that in view.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent to proceed for one additional minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CANNON of Missouri. I yield to the gentleman from Pennsylvania.

Mr. GROSS. I heartily concur in your idea about abolishing daylight-saving time. Being one of those who handed in a bill, I earnestly hope that by October 1 we can get back to standard time. It means a great deal to the farmers in the eastern section. I certainly hope you will do everything you can to have this law repealed by October 1.

Mr. CANNON of Missouri. I am glad to have the gentleman's cooperation. I am certain he expresses the general sentiment of the House and the country.

The rapidly rising tide of sentiment in favor of repealing this troublesome restriction, and returning to regular time, is indicated by the flood of letters and telegrams received by all Members of the House. They are from all sections of the Nation, both rural and urban, and from all classes and professions. Here are excerpts from some of the letters coming to my office.

Here are letters from physicians:

CARRUTHERSVILLE, MO.

Please rid us of this farcical and nonsensical regulation, the so-called daylight-saving time. This attempt to regulate our personal lives, by moving the clock up an hour, is one of the damnedest fool things ever forced on the general public. To me, a public health officer, the greatest objection comes from the standpoint of the school child in the rural districts.

Certainly in the administration of any public health program, there can be no excuse for arousing 6- or 7-year-old kids at such an early hour and exposing them to the elements, while they are still half asleep and unable to protect themselves. The wait in the cold until the bus arrives is not conducive to the prevention of diseases brought about by exposure, to which this age child is very susceptible.

FRED L. OGILVIE, M. D.,
Medical Director, Pemiscot County Health Unit.

MEXICO, MO.

Get this nonsensical "daylight savings" repealed. Not one reason for it and many why it should be abolished. Get this job done and earn our undying thanks and gratitude.

R. S. WILLIAMS, M. D.

EUREKA, MO.

Do away with this useless and most harmful "war saving daylight time." I have talked with many people in this part of the country and they are all for going back to our regular time.

It is time that the parasitic "time" bug that got in someone's bonnet was squelched.

JESSE S. SARGENT, M. D.

COLUMBIA COUNTY, GA.

Let us return to standard time. This war time has caused so much unnecessary confusion, loss of time, expense, and suffering.

Yours truly,

J. L. WEEKS, M. D.

Letters from clergymen and pastors of churches:

UNION, MO.

In the morning paper I notice there is a bill before Congress to change the time back to the standard schedule.

I do not know how much the time affects business and the farming industry, but I feel sure the change of time had mitigated against the work of the churches, and that I am voicing the reaction of many other pastors. So I am sincerely hoping to see the change back to the standard time.

The St. Louis Globe Democrat made a favorable comment on the proposal on its editorial page this morning.

R. A. HUTSON,
Pastor, First Baptist Church.

BOYD, MINN.

We have had too much tinkering by New Deal theorists with the calendar, the clock, and the unchangeable law of supply and demand. To say the least, the war time is a nuisance in farming communities. Get us back to safe and sane government before we have complete regimentation.

ST. JOHN'S LUTHERAN CHURCH,
A. W. FUERSTENAU, *Pastor.*

ST. JOHN'S RECTORY,
Summerville, S. C.

Work to have a bill passed so that the Nation can return to rational clock time and get away from this abnormal way of living.

I have written our Senator relative to the bill and will be pleased if all Congress will make it so we have normal conditions and do away with all this tampering with old institutions that have served this Nation all these hundreds of years.

JAS. A. MCELROY,
Pastor.

PERRYVILLE, MO.

Bravo—set the clocks back. None of our people here like it in wintertime.

Rev. F. G. WIEBERG,
Pastor, St. Boniface Church.

PLAINFIELD, N. J.

Mr. Robert Garland, of Pittsburgh, was, as you know, the prime mover in the agitation that resulted in the national adoption of this fast time in 1918. He is generally regarded as the father of daylight-saving time in the United States. Last winter I wrote to him and asked him if he approved of it for winter and as well as summer. He wrote back:

"Please understand that I never advocated a change of the clock in wintertime. This simply amounts to a change of the clock and cannot properly be called daylight saving time."

You say it helps factories in defense work by saving 500,000 kilowatts a day of electric power needed by the factories. But as they are now working 24 hours a day, the advanced time does not give them 1 minute more to make ammunition to smash Hitler. While the defense work is going on without stop, it is not hastened by the different shifts of men coming in and going out an hour earlier. The work is being done regardless of who does it and regardless of whether the clocks on the wall are right or an hour fast.

Consider another proof of the truth of Mr. Garland's declaration that "a changing of the clock in wintertime cannot properly be called daylight-saving time."

Representative J. W. WADSWORTH, of New York, says that recent estimates of power authorities showed that only 2 percent of electrical energy could be saved by advancing the clocks during the winter. And that, he says, does not take into account the extra voltage used by farmers in the very early morning hours. Hence, the saving is less than 2 percent.

In view of this negligible amount of electric energy saved by this device—less than 2 percent—there is no justification for the cruelty inflicted on people by this so-called winter daylight saving.

The effect of this scheme on the morale of the people is bad, and morale is a tremendous factor in winning the war. Why cruelly compel those who must rise at 5 o'clock on a cold, dark winter morning to rise at 4? Or those who rise at 7 to get up at 6, still cold and dark and lonely? The best rest and sleep come to us in the early morning hours, and being compelled to get up a full hour before we normally have to get up unfits one for the day's work.

You say that if an air raid and consequent black-out came in the early evening, the fast time would enable folks to get home before the alarm. But an air raid might as well come in the dark early morning. No one can tell when the planes will come. We have to take our chances at both ends of the day.

The people will gladly make all necessary sacrifices, but please don't ask for unnecessary ones.

CHARLES HILLMAN FOUNTAIN, D. D.

Letters from schoolmen:

HANNIBAL, MO.

Eliminate daylight saving time. Restore the country to standard time and sanity. I have yet to find one person who can present one probable argument that daylight-saving time is any advantage whatsoever or that it contributes in any way to winning the war. I hope the Congress passes this bill and thus eliminates one of the most asinine pieces of legislation that has been thrust upon a helpless public.

A. E. PRINCE,
President Hannibal-LaGrange College.

TROY CENTER SCHOOL,
Columbia City, Ind.

I am principal of a school which embraces the entire township. Every child is transported by bus. We are forced to take up school one-half hour later because our children are having to stand at ends of lanes or major road connections waiting in the dark for the bus. Then again, we're losing an hour of rest because who wants to go to bed at 8 or 8:30 when it isn't even dark, but the clock necessitates getting up that extra hour in the morning. Farmers to transact business in town must stop work and go early in the afternoon or everything is closed.

ROXIE BARCUS,
Principal.

FULTON, MO.

Much gratified to note from the newspapers the introduction of the bill to change the time back to the old basis. I greatly approve.

H. L. SMITH,
President, William Woods College.

CANTON, OHIO.

Wars aren't won by twisting the hands of a clock.

Sentiment here is almost unanimously in favor of a return to standard time.

L. S. HOPKINS,
Dean, Culver-Stockton College.

BONNOTIS MILL, MO.

We don't like the system of daylight-saving time.

The daylight-saving time keeps farmers from accomplishing a full day's work.

If the time goes back to central standard time, many people will be pleased. I know our teachers will be.

SCHOOL SISTERS OF ST. FRANCES,
Frankenstein High School.

QUINCY, ILL.

Return to original time. As a teacher, I realize the disadvantages to children during the winter months. It is better also for our rural population and our churches. I cannot see that daylight-saving time is of any advantage to industry during the winter months at least.

MARY B. INGMAN,
Teacher, Quincy Senior High School.

Organizations and officials are represented:

ARKANSAS CITY, KANS.

I am enclosing a copy of an editorial which we had written in one of the local papers, also a sample petition which has appeared in both newspapers. We have asked the citizens of Arkansas City to sign these petitions and send them to the schoolhouses where they are collected by the different P. T. A. units.

Steps have been taken to contact our Congressmen and Senators and ask them to support your bill.

Needless to say, we are very anxious that your bill receives enough favorable support to pass it.

Mrs. E. S. BERRY,
Chairman of Committee on Time Change, Parent-Teacher's Associations.

ERWIN, TENN.

I am very much interested in House Resolution 4428, to restore standard time during the months of January, February, November, and December.

In my opinion the standard time should be restored during the entire year, but if that cannot be done I am heartily in favor of your resolution and hope it will pass.

Yours very truly,

JAMES J. MCLAUGHLIN,
General Solicitor, Clinchfield Railroad Co.

GRAFTON, N. DAK.

Board of governors, Grafton Civic Club, supports eliminating daylight-saving time. This board definitely approves action that Nation's time return where belongs. The rural people want to avoid time arguments with townsmen when daylight-saving time is an injustice and handicap to farmer and labor problems of this great Northwest, especially among potato, beet, grain growers. We Americans of standard quality should abide by standard time. Therefore approve measure and accordingly likewise request our Representatives in Congress.

BOARD OF GOVERNORS,
GRAFTON CIVIC CLUB.

ATLANTA, GA.

I saw an article this morning in the Atlanta (Ga.) Constitution where you had introduced a bill to eliminate daylight-saving time and restore the country to standard time. In other words, to return to "horse-sense" time. I am 100 percent of anything to abolish these "crack-pot" laws and ideas that have been forced on the people. More power to your undertaking.

N. L. CAMPBELL,
Editor and Manager, the Railroad Journal.

Have Congress set the timepieces back to standard time. We lumbermen cannot have electric lights in the woods, and still they work on this fool time, so we have to get along the best we can in the dark.

Hoping you all will have some sense and do the right thing is the prayer of committee A of the Lumbermen's Association Eastern States.

EVERETT, WASH.

Whereas the daylight-saving time has been tried and never found to serve the purpose; does not save fuel, light, or other claimed savings; has worked a hardship on the farmers of the United States of America, and the farmer loses by trying to feed earlier: Therefore be it

Resolved, That we go on record as opposing the daylight-saving time and petition the President of the United States and all public officials to restore standard time as soon as possible.

JOHN VAN METER, *Master*,
FRANCIS R. BALES, *Secretary*,
Sunnyside Boulevard Grange.

OFFICE OF THE CITY COMMISSION,
Dayton, Ohio.

There have been much confusion and dissatisfaction within the State of Ohio each spring and fall because of the recurrent time change.

Within our own city there is a very large segment of the population who find through experience that the so-called fast time accomplishes nothing for the war effort, but proves to be, according to their conviction, a definite drawback. Factory workers complain to us that they are not able to get their required hours of sleep during the summer months when we operate on fast time. Farmers in our vicinity make similar complaints against fast time. As a consequence of loss of sleep, defense workers tell us that production suffers.

The city commission has unanimously authorized me to write that the situation in our city would be better by the enactment of the bill.

OSCAR F. MAUCH,
Clerk of the Commission.

Letters from attorneys at law are included:

LON B. ROGERS, ATTORNEY AT LAW,
Pikeville, Ky., April 5, 1944.

Congressman CANNON,
House Office Building,
Washington, D. C.

DEAR SIR: I notice in a paper, under an Associated Press date line, that a bill is pending to restore standard time in the United States.

We discussed this matter at the board of directors' meeting of our local Kiwanis Club just before we saw the clipping mentioned, but felt there was nothing we could do about it. If there is anything we can do about this, I feel sure that our club would be glad to help in any way possible.

LON B. ROGERS.

STEUBENVILLE, OHIO.

Put the clocks back on standard time.

This tinkering with time twice a year is certainly a nuisance.

FRED M. COLEMAN.

INTERNATIONAL FALLS, MINN.

I note that a measure is under consideration to restore the country to standard time and to eliminate the so-called daylight-saving time under which we have been operating recently.

This measure meets with hearty approval. I can see no useful purpose served by the present time arrangement. It is not suited to this part of the country at all.

I trust Congress will be successful in eliminating this nuisance.

M. M. ABBOTT.

IDAHO FALLS, IDAHO.

I know of nothing in the New Deal propaganda that has caused more trouble and inconvenience than this war time. We cannot begin work earlier than daylight. Our help does not start any earlier and wants to go home after 5, which is only 4 p. m. standard time, the middle of the afternoon. I will be surprised if we do not have a shortage of many farm crops and if weather happens to be against us it might be serious.

GEO. WHITING.

DAYTON, OHIO.

Change this war time. Last summer I was in a hospital, had an operation, and you can well imagine the long evenings till dark.

Mrs. DAISY FREIER.

GRAND JUNCTION, COLO.

There are lots of nonsensical things to come up, but this war time leads all. Agriculture works from daylight until after dark at all seasons and if the city guys want more time off they can start an hour earlier in the morning and not have to disrupt the whole fabric of time by the foolish idea of setting the clocks forward 1 hour.

I have never yet talked to a single person who could see any sense in it.

H. O. LAMBETH.

GRASS LAKE, MICH.

The clocks must go back to standard time in order for the farmers to raise food for the nations.

F. J. HELM.

DAYTON, OHIO.

Dayton is to change time April 30, to eastern war time, and I surely don't approve of it. It seems like getting up in the middle of the night and retiring when it is still daylight.

More electricity will be consumed when we are told to conserve it.

Miss VERNA GLUECKERT.

HILLSBORO, TEX.

We, the pupils and teachers of Union Bluff School, Hill County, Tex., would like to add our names to the long list having already asked that our clocks be set back to standard time. We find that it works a great hardship, particularly through the winter months, to go to school before it is light.

UNION BLUFF SCHOOL TEACHERS AND PUPILS.

BALTIMORE, MD.

We of this community have twice voted down the so-called daylight saving. All winter long we get up in the cold, bleak predawn hours, and all summer we fight the youngsters to get them to bed in broad daylight. It is a vile and abominable arrangement.

E. N. HUTCHISON.

WASHINGTON, D. C.

The time has worked great hardship on working people and farmers, not only in loss of rest and sleep, but in added dollars of expense for heat and electricity used. Please get us back to God's time.

M. J. H. HUBER.

RICHMOND, VA.

I read with a great deal of pleasure of your proposed bill to restore standard time in the United States of America, and I surely hope you will be able to get it to become law.

In this section of the county it is hard to find any daylight saved by this so-called daylight-saving time between the months of October and March. We arise before daylight, often in the cold rain, snow, and sleet, and have to burn lights which could be unlighted if we were allowed standard time.

(Mrs.) GERTRUDE WILKINSON.

DAYTON, OHIO.

The men and women of our city and county are wrought up over the confusing time, changed every 6 months, for what purpose no one seems to know. It serves no real purpose. It is detrimental to farmers, war workers, and industries. Last week our city commission passed an ordinance advancing the time 1 hour for the summer. Today, labor unions and others are circulating referendum petitions to have the voters rescind this action.

JOHN F. AHLERS.

PINE BLUFF, ARK.

I am a railroad shop worker. Ever since the change, or most of the time, we are required to start working at 6 o'clock sun time—7 war time—and working only 8 hours a day we get off at 3 sun time—4 war time—in the evening, which is about the middle of the evening. It forces us to get up 2 hours before daylight, burning electricity, get to our jobs an hour before good daylight, and burn electricity another 1½ to 2 hours until it gets light enough to see how to work, and then quit work when the sun is 2 to 3 hours high in the evening.

We ought to elect a Congress that has sense enough to let God's sun time alone.

M. M. HAMILTON.

During the winter months I go to work in the dark and return in the dark, where if we were on standard time I would go to work in daylight.

We were told that it was done to conserve electricity, but such statements are not borne out by the facts.

J. S. HOLMES.
Albany, N. Y.

GEORGETOWN, TEX.

This law is one of the worst blunders our representatives in Washington have made. If you will trace just how and where this idea started, you will find it was in some of our large plants where the office personnel and the golf players wanted more time in the evening for sport. Small plants have to work at a loss in this way; they have to go on peak load in the early morning hours, where formerly they usually are able to reduce their power and loads by, say, 12 o'clock midnight or even much of the time can start cutting down the loads by 10 p. m. Millions, with school children to get off to school, have to get up as early as 4 a. m. I firmly believe four-fifths of our people would vote for a repeal of this law, and the same with the soldiers that are in training. I heard a man say the other day his boy writes he has to get up at 4 a. m. Just take a look at this and see if you can find any class of our people that this law really benefits and helps in any way.

W. I. STUMP.

COLUMBIA, S. C.

This new time is most inconvenient, confusing, demoralizing, and depressing. How we look forward to eastern standard time once more.

A SOUTH CAROLINIAN.

MAUMEE, OHIO.

In a 59-mile radius from here we have to contend with three different times.

Have noted a good many railroad accidents. Could we not suppose these employees working by one time, they and their families living by another, could cause accidents; clocks in hotels with two time hands, one city time, one railroad time? Then here is the home life—twice a year the thousands of babies must be adjusted to change of another time, plus habits of adults.

Let's get back to sane living conditions.

H. T. HATTON.

TREMPEALEAU, WIS.

In operating a large farm and hiring considerable help, I have found this "Roosevelt time," as we call it, the worst handicap that could be imposed on me. Millions of hours of manpower time have been lost on account of this foolishness, as a farmer'se work must conform quite closely with sun time.

W. NICHOLLS.

NEW FRANKLIN, MO.

We don't mind working hard and long hours on standard time and doing the best we can. Where we have to pick up extra help, which is hard to get, and they work daylight saving, and our regular help work standard time, it upsets things and is very unsatisfactory for us.

And for the country children standing on the roadside in the cold and darkness, waiting for a school bus, it is very unsatisfactory.

I have talked to many people in different lines of business and I have yet to find anyone that favors daylight saving time.

C. ALBERT SMITH.

WASHINGTON, D. C.

Since the advent of the so-called contradictory daylight saving, I've never heard one person approve it.

It—the daylight saving—is not a saving in any sense of the word, at any time of the year, only a drain on one's health and nerves, to say nothing of the increased fuel and electric bills when it is preached on all sides to conserve both.

During the administration of President Harding, so strong were the protests against daylight saving here in Washington, he said never again would there be daylight saving in the District of Columbia.

EDITH M. GALLANT.

WABASH EMPLOYEES' HOSPITAL,
Decatur, Ill.

Hospital days start at 7 a. m. under this silly wartime. Nurses and other hospital employees get up, have breakfast, and walk to work before dawn, about 8 months of the year. During half the year there is a tremendous waste of electricity while the morning work is being done. The long afternoons are not a boon, as supper in hospitals is early.

RUTH E. ROBERTS,
Registered Nurse.

ESSEXVILLE, MICH.

Eliminate daylight-saving time and restore the entire country to standard time. We are entirely in favor of setting the time back.

N. F. BEECKMAN.

MANAKIN, VA.

We have never liked daylight-saving time and have never been able to see how we saved anything by it. The truth of the matter was, we had to burn lights much longer in the morning, still they preach, save electricity.

L. C. CLARKE.

ST. LOUIS, MO.

Put forth every effort to see that the bill is passed. Daylight saving was never designed to be helpful to working people; it means their getting up in the dark early hours of the morning and going to bed during daylight.

For anybody who can sleep late or for those who have leisure for playing golf, daylight-saving time is a great boon; but the majority of Americans are working people, and should be considered. They were certainly overlooked when this bill was made effective. They were punished (penalized) by the passing of this wartime measure. Please do something about it real soon.

HELEN BRELSFORD.

DALLAS, TEX.

This daylight-saving time has been a terrible mistake and ought to be abandoned. If this bill is brought to the attention of enough voters, the reaction will be overwhelmingly in its favor.

M. H. GUILLOT.

CULPEPER, VA.

To eliminate daylight-saving time has appealed to the heart of every farmer and school child in Virginia. Children are compelled to rise before daylight and stand by the roadside, in all kinds of weather, awaiting a bus to take them to school. Children 6 and 7 years old have to submit to such cruel treatment.

A MOTHER.

LOVETTSVILLE, VA.

Restore standard time. I trust efforts will be successful. I have written my Representative to support the measure.

HARRY C. FILLER.

PACIFIC, MO.

Remove this eclipse that has obscured our normal course in life for the past few years, namely, the so-called daylight-saving plan.

This annoying regulation never had any merit and has cost us heavily.

JAMES MCCAUGHEY.

MILLERSVILLE, MD.

Small city houses are almost uninhabitable in summer till 10 or 11 p. m. sun time. An hour's sleep in the cool of the morning is worth more than an hour for amusement in the evening.

MARIA BALDWIN.

HOLLY HILL, FLA.

Let us have God's time again in this beautiful world that man has almost ruined. The harm it has done children. Save electricity; what a joke that is. The cost is just the same no matter what the clock says.

Mrs. J. H. ARMSTRONG.

BLUEMONT, VA.

I wish to endorse bill to restore standard time; the present fast time is a sample of the laws sponsored by the New Deal.

WALTER I. PRIEST.

ST. LOUIS, MO.

May I, too, add my protest against daylight saving? It is one of the worst things people have had to endure outside of the war. I am the mother of several children—some of whom go to school. I get them up in the dark; they eat their breakfast in the dark; go to school in the dark.

MRS. BUTLER.

BELLEVILLE, ILL.

Keep the clock where it belongs and not an hour ahead, as it is with the present crazy idea of daylight saving time which does not save a thing, and we have to use electricity to see to wash our faces. That's one of the craziest ideas and was originated for the benefit of the golfers. Daylight-saving time does not save a darned thing. What a crime to have to stop work at 3:30 p. m. instead of the correct time, 4:30 p. m.

G. J. HEINTZ.

BUTLER, OHIO.

War time is a mistake. Rationing may be a nuisance but as a handicap to the producing farmer it cannot compare with war time.

Farming is tied to the sun. It cannot be otherwise. The nearer a standard time can be to sun time the better. The net effect of war time is you start on sun time and quit on war time. We lose that hour.

War time is a handicap to farming and benefits no other producing industry.

Do your darndest to get the bill through.

PAUL D. LEEDY.

LAWRENCE, KANS.

We in the Middle West want the clocks set back to where they should be.

Yours truly,

L. B. READ.

DAYTON, OHIO.

As a war worker in the city of Dayton, and one who sees so many disadvantages of fast or war time, I heartily approve of the bill for establishment of standard time for the Nation. About 95 percent of the employees where I worked are against war time.

HAROLD DAGANHARDT.

GRAY SUMMIT, MO.

We live on a large farm and are willing to help in any way we can to help win the war,

but feel that daylight saving time has worked unnecessary hardship on the farmers and school children. Children have to meet the school bus at 7 o'clock. The farmers need all the help they can get this year. Setting our clocks back will help a lot.

MR. AND MRS. WILFRED BEUMER.

PACIFIC, MO.

In advocating the change of time I am voicing the sentiments the businessmen, farmers, and laborers in this community.

We hope and pray you will accomplish this move. It has been one of the most detrimental and inconvenient laws ever enacted.

L. A. BROWN.

COLUMBIA, MO.

I have lived in St. Louis, which is one of the big cities supposed to be affected favorably by the use of the extra hour of sunshine, and have lived in smaller towns, and as yet I fail to see the benefit of it. Certainly there are inconveniences. Everyone does not get up at 7 a. m. (or later) and for the ones (most people, I think) who get up between 5 and 6, a light has to be burned in the morning 365 days of the year. On the other hand, before the daylight saving time there are a few months of the year when one can get up and do without lights if we use the "Lord's time" for our clocks.

MRS. C. H. PRAGER.

NEW HAVEN, MO.

Set our clocks back to the old time. We are 100 percent for the bill.

OSCAR RUEGGE.

WENTZVILLE, MO.

This so-called daylight saving time is certainly a disgusting thing.

Just because the clocks are pushed up an hour is no sign that the dew will be off our crops an hour earlier. When we hire help they want to quit for the day when the sun is still way up and when we have business which needs our attention in town we must go in the middle of the day or else everything is locked up way before the day is past.

We're using more oil for lights than before just because we have to be up in the morning long before daylight.

EDWARD SCHROEDER.

[Telegram]

[The filing time shown in the date line on telegrams and day letters is standard time at point of origin. Time of receipt is standard time at point of destination]

PADUCAH, KY., *March 29, 1944.*

We heartily endorse efforts in regard to the time bill. We farmers have been heavily handicapped by this war time.

J. A. COLE.
FREDERICK BEYER.
HARVARD ROTTGERING.
HARRY ROSS.

BOSTON, MASS.

I was delighted to read in the newspaper that you had introduced a bill in Congress to eliminate daylight-saving time and restore the entire country to standard time.

Daylight saving is the most ridiculous, useless, inconsistent, and irritating law Congress ever thought up to plague us working folk.

At first it was stated that on account of the war plants it was necessary. If the war plants are working 24 hours around the clock, then how could daylight-saving time be necessary or consistent?

Later it was stated England was on this time and therefore it would be best for us to be on the same time. How long since the United States has had to do as any other foreign power? We Americans have always in the past given and done for England but why should we copy her? Are we not capable of running our own country without any advice from outside?

Thirdly, why change the clock? If certain business desires to open an hour earlier all well and good, but what is to be gained by forcing others to change their time?

Fourthly, electric-light bills are far higher since the change, as for 7 months those of us who rise at 5 a. m. standard time leave home when dark and arrive home when dark. Also, in the North, most apartment houses do not have the heat on so early and, of course, there is no sun to help warm up.

It's most difficult for one to live most of their life on standard time and suddenly change over to life an hour or two ahead without physical discomfiture. Those of us who may suffer from sinus, asthma, or bronchial ailments find the early morning air an aggravation to those symptoms.

Yours for repeal of daylight saving time.

RUTH LOUISE LEIGHTON.

CLEVELAND, OHIO.

The bill to set the Nation's clocks back to where they were before all this silly meddling with daylight-saving time, deserves prompt enactment into law.

Because school children here had to get up in the dark during the winter months the State of Ohio compromised the time back and forth. We now go back to some other time tomorrow, April 30. We have railroad time, city time, daylight time, and State time. For sheer nonsense and utter confusion this variable time business is about the most stupid mistake that could be inflicted on the Nation. All talk about saving electricity is just poppycock. What you save in the evening you burn in the morning.

C. STEVEN GOBY.

HAGERSTOWN, MD.

Eliminate eastern war time and go back to standard time.

We have saved no electricity and can see no value whatever in doing away with standard time.

C. HARRY KELLER.

EDINBURG, IND.

Changing of time to fast time costs us hundreds of dollars. It is just another New Deal brainstorm. Men want to get up on old time, quit at noon on new time, and quit in evening on fast time.

MRS. HENRY E. BREEDING.

NORMAN, NEBR.

We are interested in having the Nation's clocks set back again. Do all you can to bring this about.

RAY E. NEEDHAM.
WALTER J. SCHMIDT.
PERRY BECKER.
EARL WOOLEVER.

ALBANY, N. Y.

I was pleased beyond words when I read an article on setting back the Nation's clocks. It's tough to get up and cut in the pitch dark in the cold. The earlier it is the colder it is, and the school kiddies are out all winter at 8 o'clock in the pitch dark in wintry weather. If there were one ounce of sense to the measure or it kept boys from suffering over there we wouldn't mind. But it's no sense at all. It doesn't even save electricity, as it was supposed to. All the houses are lighted up till 8 and 8:30 on dark mornings.

I do hope with all my heart the clocks will be set back and let's have the ordinary time we always had.

This new time is just about as sensible as if we wanted to lengthen a skirt, so we cut some off the top and sew it on the bottom.

MRS. FLORENCE B. WILSON.

ATTICA, IND.

The farmers will owe a debt of gratitude that can never be paid for your efforts to set the blocks back. Let us say the clock says 7 p. m.—the time really is 6 p. m. Farmer goes to milk and cannot milk because the flies are so bad. It is 8 p. m. by the clock and I go to shut up the chickens so we can go to church; they won't go in because they know it is only 7 p. m. I could go on and on—you just have no idea the nuisance it is.

MARY SHUPP.

SEATTLE, WASH.

Please eliminate daylight-saving time. It is silly, unnecessary, and profits no one. Do help us get rid of it forever.

ELISABETH V. CLARK.

GRAND HAVEN, MICH.

It is about time you fellers down there waked up to the fact that there is no use setting the clocks ahead. It is bad for the farmers and for outside workers, such as carpenters, bricklayers, and painters, and for school children. In the summer it is light until 10 o'clock and the children want to stay out until it is dark and it is about 11 o'clock before they get to bed and that is not enough sleep for them; in the morning it is so wet the farmers can't get to work on time; the only ones it is any good for is the golf players and that don't earn the common man a living; and the sooner the clocks are put back to central standard time where it belongs, the better.

DIRK VAN DOORME.

ABILENE, TEX.

I cannot resist writing to encourage the move to return our clocks back to normal. I am so thankful someone in Washington has realized the terrible disadvantages of this thing, we cannot see that changing our time has helped the war effort in one single instance. Instead it has proved to be only an irritant.

The time has come when even cowhands quit work according to the clock. Many good daylight hours are wasted in these abnormal afternoons. The sun is high when they stop. It is the same thing when we try to harvest wheat.

We were told in the beginning that it was necessary to change clocks to conserve electric power in cities. Now, when we know factories are run 24 hours daily, swing shifts, and so forth, we wonder, where is the saving of electric power? Certainly not in our homes. We retire an hour early by the clock, but next morning, because it is still dark, we burn lights an hour. There is no difference.

But I am writing to present the difficulties of mothers and school children, particularly.

With two boys in grade schools, consider my plight. Especially the 9-year old son. He needs 10 hours sleep each night. So every night it is a struggle with frayed tempers resulting, to make him come in from play, with lots of pleasant daylight playtime left, and command him to go to bed. Next morning, he has to be awakened while it is still dark to reach school on time. For the 3 winter months, what's worse, he has to go to school in the dark.

We Texans like to think we are as patriotic as the next ones. If we could see that all this worry and trouble were actually helping the war effort we would never complain. But for 2 years of it now, we fail to see any good at all. May the bill be successful and soon.

"Thanks for listening"—

MRS. H.

PERU, ILL.

About daybreak usually occurs the minimum temperature during the 24 hours; therefore, we may deduce that Nature herself attaches significance to that time of day.

Consider (December, 1942–January, 1943) clocks reading 8:18 a. m. at the hour of sunrise. This necessitates consuming electricity or using other means of artificial lighting.

The writer finds himself at a loss to understand why avoidably consuming electricity

for this purpose, can effect a saving for war effort; or any other use.

The sun does not shine through (December, 1942) until nearly 9:00 a. m. Clocks indicate noon hour only a few hours after actual daybreak.

Changing the setting of clocks will not disrupt Nature nor cause her to change the cycle of daylight and darkness.

At any rate, this winter is proving unsuitable for this situation that has been arbitrarily created necessitating having artificial light. And which latter could otherwise have been avoided.

LISZT LENZEN.

DES MOINES, IOWA.

In these trying times, why must we have unnecessary hardships heaped upon us? Setting the clocks ahead is an unnecessary hardship and a detriment to us at all seasons of the year.

If setting the clocks ahead in any small way helped the war effort, everyone would be resigned to the change, but it does not help the war effort. All war plants work the clock around, three 8-hour shifts.

I have talked with dozens of women about their gas and electric bills and all agree that never in the history of their housekeeping have the gas and electric bills been so high.

We are burning lights hours longer each month than is necessary on account of setting the clocks ahead, and it is a deplorable condition to have our children going out into the darkness to school all fall and winter.

In the summer the nights are hot and it does not cool off much before midnight. The early morning is cool enough so one can sleep but if we are forced to retire before it has cooled off, and forced to get up while we could sleep, think how little real sleep and rest we have had to start the grind of a hard day's work.

I want you to know how very much I, and my family, and my neighbors, and friends appreciate the effort to restore standard time. We thank you from the depths of our hearts.

Mrs. JOHN L. MORTON.

HUNTINGTON, W. VA.

Glad to note in our papers for the 27th the introduction of a bill for return to standard time.

Believe this would be generally helpful to industry and to the country at large.

ISLAND CREEK COAL CO.,
JAMES D. FRANCIS,
President.

SHENANDOAH, IOWA.

I'm sure if I had the time to visit my Iowa farm friends I would get 100 percent vote for your measure. I have never heard anyone claim any advantages in favor of wartime.

Mrs. A. L. RODGERS.

COATS, KANS.

I am a wheat and stock raiser. Have six tractors and understand the help problem. In the busy farming season we try to use all our daylight but what a curse it is for our boys to switch the tractors off when the sun is high, the moisture rapidly leaving your soil and telling you to please remember the shows and other attractions all start on war time. In harvest the dews keep our combines out of field in morning and with war time our help just won't stay with us late in evenings because it makes too long a run. In the schools in winter our kiddies go to school before daylight, study in their classrooms by artificial light, using our electricity, then in order for our children to get their needed rest we must send them to bed in daylight, but neither we, Congress, nor Roosevelt can make them go to sleep.

Restore the Nation to standard time.

BEN SCHREPEL.

DAYTON, OHIO.

This business of changing the time is a pain in the neck and not only that but in the summer when a hard-working man is able to get a little sleep in the morning when it's cool up comes this ridiculous business of changing the time so that when it's hot in the evening the workingman must go to bed in order to get sleep; next morning finds himself tossing all night because of the heat.

Being a workingman in a factory, I am asking you to see that bill No. 4489 be passed.

M. VIDA.

ELLINWOOD, KANS.

Time of day is by the sun, and you cannot do anything to change the sun, and I don't think anything should be done to change the time, and I hope it will be changed back. I have talked to dozen, and none like it.

I have three sons in the service. All in the Navy, and I sure want this war to get over. I just feel that changing back to God's time will help.

Mrs. GEORGE CECIL.

PIGGOTT, ARK.

We farmers of this community will surely welcome the day when Congress sees fit to turn back the clock to where it belongs—with the sun. It does work a hardship on farmers who are trying to help feed the Nation.

MATTIE KERSHAW.

GALVESTON, TEX.

We hail with delight and approval the bill to set the Nation's clock back 1 hour and once more recognize the fact that it is the sun and not the law that fixes the time.

The effort to adopt the so-called wartime to our private lives and business has produced only confusion and inconvenience.

Our schools had to change the hour of opening during the winter because it was not yet good daylight when the children reported at schools. Our merchants changed the hour of store openings.

While the inconvenience and confusion due to the change has been great, there has been positively no real benefit. It was in line with changing Thanksgiving Day.

E. R. CHEESBOROUGH.

DAYTON, OHIO.

The result of this change of time as experienced last year is very confusing.

I am in sympathy with the bill calling for establishment of standard time throughout the Nation. I have written our Representative urging him to use his influence so that the bill will be passed.

CHESTER STIDHAM.

PLATTSBURG, MO.

I am certainly glad that some person in Congress at last appreciates the need for a return to standard time. The present arrangement works a hardship on the farmer, lessens production, increases the use of electricity, and makes it difficult for children to catch a school bus at 6:30 a. m.

Don't give up; we are for you.

R. A. SHOEMAKER,
County Chairman, Clinton
County Finance Committee.

PADUCAH, KY.

This daylight saving time is such a nuisance half of the people have never pushed their clocks forward. Farmers can work only by sun time.

The Catholic school here which has a large attendance goes by the old time. Their studies begin at 9:30 new time. So please do everything you can so our light bills will be less.

Mrs. J. B. SMITH.

FAIRFIELD, OHIO.

According to a 3 to 2 vote of the commissioners of Dayton, Ohio, the time will be advanced 1 hour April 30, 1944, and turned back October 1, 1944. The result is very confusing.

You recently introduced bill No. 4489 in the Federal House of Representatives calling for establishment of standard time throughout the Nation.

I believe we should all be on standard time and I have written our Congressman to do what he can to see that the bill will be passed.

DUFF G. ROMSPERT.

MIDDLEBROOK, VA.

Nearly everyone in this section has expressed dissatisfaction with this war time, and wondered how to best start a move to have the clocks set right.

If there is anything we can do, please let us know how we can help.

Mrs. L. A. TYLER.

HUNTINGTON, W. VA.

Please do all you can to get all the States back on eastern standard time.

A. D. W.

AUGUSTA, KANS.

Put the clocks back where they should be. Congratulations, thanks, and the best of luck. I'm glad someone is making a fight on this sort of foolishness. The Nation has never gained 5 cents from it.

EARL W. WOLF.

EMPORIA, KANS.

Congratulations on the bill to eliminate war time. This should not have been passed in the first place. Return to eastern standard.

LEONARD G. FORT.

BROOKLYN, N. Y.

Set the clocks back to standard time. If you succeed in getting it through, you will have earned the eternal gratitude of the people of the Nation.

It is not only a menace to farmers and country people but to city dwellers as well. All this winter children were starting for school long before daylight. There is no light saved by this practice. What little is saved in the evening is used up in the morning.

If some like to get up early so as to have time off in the afternoon, their work schedule should be advanced so as to suit them; but they should not expect the whole Nation to be inconvenienced because they so desire. The powers that be who make these changes do not have to leave their beds until the sun is well up; but they seem to care nothing for the annoyance and trouble they cause others. For a long time I have hoped that someone would bring this matter to the attention of Congress.

KATHERINE R. AMES.

CARROLL, IOWA.

The bill to change the clocks back is in full accord with the wishes and desires of all midwestern people. Eliminate daylight saving and restore the entire country to standard time.

A. J. HODGES.

STACEYVILLE, IOWA.

Set the clocks back. It is a handicap for farmers.

With the help as short as it is, we lose one hour on quite a few days in the year. We all stand back of the bill to get our standard time again. With the manpower shortage, we need all the sun hours we can get.

BERNARD J. MAY.

EOLIA, MO.

I notice from my paper that you have proposed a bill in the Congress of the United States. We are very much pleased that there is someone in Washington who is interested in setting the clock back. That has always been an inconvenience to us farmers of this country, and if it doesn't interfere with the war effort we can assure you that we are in accord with you in regard to this bill. So I hope you will be successful in passing it.

With best wishes for you and your family.

Yours very truly,

ROBT. L. BERRY.

WELLSVILLE, MO.

Of all the wartime controls, this so-called daylight saving has been the most senseless and disastrous. The average person has never seen where it helps to win the war.

ROGER Q. SHAW.

DAYTON, OHIO.

We favor the bill to put the country back on standard time.

L. G. SCHNEBLE.

CHICAGO, ILL.

The daylight saving law is really nonsensical. It saves nothing. It affects the health of the people. Changes habits of going to sleep and to work. We are 1,000 percent for standard time.

A. C.

DAYTON, OHIO.

I cannot for the world understand how we can save electricity by changing the time to an hour ahead. Taking, for instance, a worker leaving for work at 6 in the morning must at least get up at 5 or 5:30. Where is he saving electricity; it is still dark? If there are four or five people in the household going to work at that time, there will, at least, be four to six different rooms lighted, including the kitchen.

I cannot agree with the people who play golf, etc.; there is a war on and who should be given the right to have some rest in the summer morning when it isn't too hot to sleep. Let the golfers, etc., sacrifice their recreation. We workers are not having much and we're not squawking, therefore I am asking you to see that the Cannon bill No. 4489 is passed.

MRS. M. VIDA.

RICHMOND, VA.

The so-called daylight saving law was enacted for the intent and purpose of using less artificial light, thereby saving electric current. Having kept tab on this during the First World War, I found there was a definite loss instead of a saving for 7 months, and during the other 5 months, there was neither gain nor loss. Of course, we only had it in effect then from the first Sunday in March until the last Sunday in October, and all of us were glad when it was over. Our present law being a year-round proposition, the loss is greater and the aggravation worse.

No businessman can roll out of bed and take a seat at his desk in his office; no workingman can roll out of bed and take his place at his bench or lathe in the factory. Someone must be up an hour ahead of him to prepare his breakfast and his lunch to take with him, but more than this of the attending disadvantages, I found during the long days in the middle of the period, there was a long afternoon of idleness, which filled the highways with joy riders and dissipaters, and filled the alleys with crapshooters, idlers, loafers, and troublemakers. The records show that the above condition during that period resulted in a substantial increase in accidents and crime. I find the fewest number of people wanted this condition thrust upon us, and nearly the whole population is looking eagerly forward to its discontinuance.

We do not want any amendments. We want a repeal; we want a national observance of standard time.

A RICHMOND BUSINESSMAN.

KLAMATH FALLS, OREG., *March 29, 1944.*

Representative CANNON,

Washington, D. C.

DEAR REPRESENTATIVE: I was so happy to see that Congress is considering abolishing that—most of all, diabolical laws, known as daylight saving. It has worked a hardship on both old and young, and has done no good anywhere. In the North and West it is very cold to get up an hour earlier, and sit around waiting for it to get light enough to see how to work. In the South the dew is so heavy they cannot even pick cotton till the sun comes out. I have been a southern Democrat for 60 years. But too many unnecessary things have been meddled with. Set our clocks back so we will not have to prepare dinner in the middle of the afternoon, the hottest time of the day.

MRS. FRANCES MACKEY.

CHARLESTON, W. VA.

Change the time back to its original setting.

This change in time has cost most building contractors money on all their work. The standard time of work is from 8 a. m. to 4:30 p. m., and with the change of time it is generally too dark in the winter to start work at that time in the morning unless you have facilities for lighting. Therefore, it is necessary to start between 8:30 and 9 a. m. If you set your time at 9 a. m. and the quitting time is 4:30 p. m., this requires the workmen to work till 5:30 to make the 8-hour day.

Further, it is a cost to communities, for schools, and people. They have to light and heat buildings earlier when the weather is colder in the mornings and carry on to later in the evening when most personnel works a little later. Families have to heat and light their homes longer hours and use more fuel.

With some States on regular time and others with advanced time it is confusing to everyone. I have never seen any good come of it since it has been in effect.

W. A. ABBITT.

WILLARD, MO.

Of all the silly things that I ever heard of, I believe daylight saving is the worst. We dairy farmers were asked to save on electricity, yet when they moved the clock up an hour we were forced to burn from 1 to 3 more hours of electricity.

If I had the gas to get around, I could get several hundred farmers that would sign the petition to turn back the clock, so do the farmers a favor by getting the job done.

H. E. BRAY.

DAYTON, OHIO.

Speed the day when House bill No. 4489, calling for the establishment of standard time throughout the Nation, can be brought to a favorable vote. War time has been a sad mistake. No one has ever been able to show enough saving to make up for the inconvenience and the confusion it has caused farmers and war workers.

CARLOS D. CARNEY.

HILLSBORO, OHIO.

Let us have standard time for Nation.
Let's go back to the old time.

HENRY B. WILLIAMS.

SOUTH BEND, IND.

Please add my protest against this fast time. It brings undue pressure and a nervous tension which is undesirable in war time or any other time.

MRS. LOREN SCHAFER.

SHELBYVILLE, IND.

I am very much in favor of your measure going back to regular time. The law is a great hindrance to the farmer and the man who labors from daylight until dark.

SYLVESTER TOWNS.

SANTA FE, MO.

Turn the Nation's clock from daylight saving time back to God's time. Of all the rations and war worries we've had there is none that compares with this daylight savings time. It has cost us a greater fuel bill; also kerosene bill for our lighting. And above all has been nerve wracking. I sincerely hope the time will be set back.

MRS. EUGENE SHARP.

DAYTON, OHIO.

The bill calling for standard time throughout the Nation is 100 percent correct and should be passed as quickly as possible.

D. D. CERRETA.

SOUTH CHARLESTON, W. VA.

Daylight-saving time has disrupted practical working hours for the entire country. It has not saved or gained anything. Many plant workers live many miles from their places of employment and therefore must leave their homes at an unreasonably early hour to get to work.

The darker hours are simply moved from the evening to the morning, so there can be no saving of electric power. Most plants are operating on a 24-hour basis anyway. Those who promulgated this change in an age-old custom perhaps go to work at a late hour while most wage earners go to work at 7 or 8 a. m.

J. W. KEADLE.

GURDON, ARK.

Restore standard time. We have been handicapped too long with this senseless war time. Am truly glad others have the grit and good sense to try to have standard time restored.

S. E. SIMONSON.

DAYTON, OHIO.

Discontinue war time. I can understand how the bureaucrats need some impetus to get them to work an hour earlier, but we don't need it out here. War time has only meant confusion and unnecessary hardship.

S. H. ANKENEY.

ARDMORE, OKLA.

I have heard more complaint on the daylight-saving time than any other one thing connected with the war. These complaints come from every place. People who work in rural districts, especially, claim that any entertainment in the towns under daylight-saving time forces their hired help and themselves to quit work so early that it is almost impossible to get in a day's work. Especially is this true when there is a heavy dew.

Please do all you possibly can to get this bill through and have at least that much of our life normal.

J. L. MURPHEY.

CULLISON, KANS.

Change the time back to where it should be. I haven't words in my vocabulary to say what I think of this war time, and if I did I would ruin the English language.

WARREN E. MILLS.

BALTIMORE, MD.

Our whole organization, as well as our friends, would like to have standard time back again.

ROBERT C. SHADDICK.

BALTIMORE, MD.

Certainly hope we can get standard time back again as we would like to have an extra hour in which to rest.

Z. WHITEFORD.

DEERFIELD, MICH.

Set the clocks back. In the spring when a farmer is putting his crops in, the ground is frozen till about 9 o'clock; then when you harvest you can't combine till about 10 o'clock. Then everybody is ready to stop work in the middle of the afternoon.

FRED MCMAHON.

DAYTON, OHIO.

Abolish this nonsensical, idiotic, and utterly useless war time forced upon us 2 years ago by somebody who doesn't have to go outside their door for one earthly thing, who have lovely electric lights inside and out at all and any hour.

We farmers have to till our land by God-given daylight that comes and goes at the same time it has for ages, regardless of how you twirl the hands of the clock.

It is my fervent prayer and hope that the bill will be approved.

(MRS.) CLARA JAMES EBY.

HOT SPRINGS, ARK.

Representative CANNON of Missouri,
Washington, D. C.

DEAR SIR: I am glad to see that Congress is considering a bill to relieve the country of one of the worst curses that has been forced upon us during this crisis, the so-called daylight saving time. The public did not want this in the beginning and have never been satisfied with it, but have been forced to abide by it, though it has never been of advantage to the country or any class of business. You can see all types of industry going to work in the morning under a flood of electric lights, in order to finish their day's work little past the middle afternoon.

W. A. DAVIS.

BIRMINGHAM, ALA.

Please get the daylight saving time changed back to the old schedule. While I am a city dweller, I find it a great disadvantage to me and my business.

LOUIE REESE.

ST. PAUL, MINN.

Aside from the fact that advancing the clock has increased the use of electricity by at least 10 percent it has deprived hard-working war workers of hours of much needed rest thereby contributing to absenteeism. It depletes the strength of the women causing many of them to withdraw from war work. I do not know of a single woman who does not find it necessary to work at home as long as there is daylight. No wonder the women are breaking down under the strain.

GLADYS STREENZ,
War Worker.

BOYDTON, VA., *March 30, 1944.*

Representative CANNON,
House of Representatives,
Washington, D. C.

MY DEAR SIR: Rid the country of the so-called daylight saving time. It has always been an absurd thing. It interferes with our whole economic system.

Let us get away from the fallacy of daylight saving. There is no truth in it—never has been and never will be.

J. H. BAPTIST.

PADUCAH, KY.

How happy you would make us people here if we could get Congress to set the time back.

In the winter we get up in the middle of the night, and in summer go to bed with the sun shining. We have to burn lights half of the morning. The farmers don't like it either. Cattle go by the sun and they can't change them. I am just one in this town who is dissatisfied.

MRS. NEVA LEIBEL.

FORT WORTH, TEX.

Please eliminate daylight saving time and restore the country to standard time.

TOM CHAPMAN.

WASHINGTON, D. C.

If you can get Congress to see the folly of this daylight saving nonsense it should call for a medal of highest honor. I am confident our Senator TYDINGS will back you up on that. He's level headed.

PERRY F. SKINNER.

ST. PAUL, MINN.

Please, I beg of you, to make the Congressmen understand that we are not saving any electric power by the clock being 1 hour fast here in Minnesota. My light bill is twice as high; it's a very expensive act for the laboring class. So please give us back our standard time.

MRS. WM. ROCK.

PLATTSMOUTH, NEBR.

I read in the Omaha World Herald, and also heard on the radio, that a bill has been introduced to abolish daylight-saving time. I wrote to a State representative a year ago and he said that law was useless, but was made in Washington and would have to be changed there. I don't know why they keep it up, for the help don't like it either.

MRS. JOHN MCLELLAN.

BAY CITY, MICH.

Of all the foolish ideas, changing the time of day is one.

Here it has caused many a hardship on people, young and old. It was perfectly terrible. It did not save any time or electricity either, as the lights were burned in the morning way up until 10 and 11 o'clock in lots of offices and factories, so instead of making things better it made them much worse.

MRS. GEORGE DAVIS.

PANA, ILL.

Daylight-saving time is so uncalled for. Our children had to go to school in the dark, and these old men that work at the mine had to go to work in the dark, and our greenhouse workers couldn't go to work till 8 o'clock because they have no lights. If a petition will do any good, we will send one. The whole town is for the old time. We are so glad somebody has taken it up.

MRS. C. A. WRIGHT.

SYRACUSE, N. Y.

By all means turn back the clocks to standard time. The world has been all wrong since we had daylight saving.

D. C. W. V.

BIRMINGHAM, ALA.

The undersigned, all residents and qualified voters in the Birmingham area, use this method to convey to you that we are desirous of a bill being passed by Congress that would return the country to standard time.

(Many signatures.)

MECHANICSVILLE, MD.

The quicker daylight saving is abolished, the better. The time we have now does not accomplish anything but confusion and annoyance.

BENJAMIN C. WOOD.

ST. LOUIS, MO.

Putting the clock back to normal would certainly be a godsend to people in Missouri where it is so hot in the summer.

MRS. CORA J. HELTZELL.

ST. LOUIS, MO.

Three cheers for the bill to set the time back to standard, as it makes it very bad having to go to work in the wee hours of the morning. One of the girls was knocked unconscious and her purse taken away from her coming to work. If this bill passes there will be many grateful women.

VIRGINIA MARSHALL.

ST. LOUIS, MO.

Repeal the Daylight-Savings Time Act. Since its enactment I have talked with people in all walks of life and all agree it has not benefited them. My friends who operate a farm in Illinois have also expressed their disapproval of it.

Today the St. Louis Globe-Democrat in an editorial said it was a good move and that it was nonsense to pass it in the first place.

JOHN J. JARVIS.

CLIFTON SPRINGS, N. Y.

Restore the clocks to standard time. That would be one of the best things that could be done. People will tell you their electric bill is higher than ever before. And there are so many accidents with people going to work before daylight.

P. LINEHAN.

MORRISON, ILL.

Abolish daylight saving. I trust the bill will receive favorable consideration. Thanks and God bless you.

ALBERT O. OLSON,
An old ex-marine.

TEXARKANA, ARK.

Am glad to know this crazy time we have had for the last year or so bothers other people beside hundreds of people down here. Please help us out.

D. G. BURCH.

DALLAS, TEX.

This is to voice hearty approval of the steps being taken to have the time set back to normal.

Considering the adjustments we are constantly called upon to make at a critical time like this that are vital, such an absolutely worthless change has been the height of folly.

CAROL COX.

MEXICO, MO.

Work is done all around the clock in essential industries, so why tamper with time? The sun pays no heed. And we must work by the sun.

Here's hoping everyone will vote to turn back the clocks and get along with the war.

MRS. Z. E. TATON.

NEW YORK CITY, N. Y.

By all means end this fool daylight-saving time.

C. E. BROWN.

LOUISIANA, MO.

In order that we may get the work done on the farms, and produce the crops essential to winning the war and to relieve the shortage of farm labor, get central time restored and our clock set back 1 hour to the old time.

P. E. RICHARD.

PHILADELPHIA, PA.

Give us back our real time once more. We believe in running America the American way and not the way of England. Those responsible for this should hear the complaints from these people. Let's have standard time.

A. B. WILLIS.

BALTIMORE, MD.

Keep the good work up. Rule out this daylight law.

JOE CARTER.

HERMANN, MO.

Set the Nation's clocks back to God's sun time. It cannot be estimated in dollars how much it will help to produce and save crops. The same is true in town. It is waste instead of saving. From October to February the homes burn 1½ hours electricity to get breakfast and be ready at 7 for shoe-factory advanced time when it really is only 6 and the factory burns another hour of electricity.

If we have to face another manpower shortage on the American farms this year, it will

be an immeasurable salvation of time if the clocks are put back to sun time.

G. GUMPER.

DAYTON OHIO.

There are thousands of war workers here in Dayton, including factories and the two airfields, and we certainly want the slow time, our usual time, instead of the fast time which makes us get up in the dark and go to work in the dark, go to bed in the summer in the heat of the evening, and burn more electricity all the time.

CHAS. C. GRAY.

NEW YORK CITY, N. Y.

Abolish war time and restore standard time. It is important.

As a letter carrier in the post office in New York, war time presents a number of problems during the winter months. In New York we commence work at 6 a. m., and in the residential areas we letter carriers leave for the first delivery at 7:15 a. m., a time when the streets are totally dark. Because mail boxes in apartment buildings are in many instances located near the street, it is difficult to see these mail boxes in the darkness in order to effect delivery of mail.

Keep up the good work to the end that war time shall be abolished and eastern time restored. As previously, each State will decide for itself as to how many months of daylight time it desires.

LEON SAMIS.

COLUMBUS, OHIO.

I do not know when I have read anything that pleased me so much as the bill to set our clocks back.

I understand the clocks were advanced 1 hour to save electricity. I want to tell you how it worked in my home this past winter. As you know, Ohio went back to central time. My daughter would sit up from 1 to 2 hours after I retired, studying her school work, then I got up 1 hour and 30 minutes before she did in order for me to get to work at 8 a. m. on the railroad (fast time), while she went to school (slow time).

This ran my electric bill up about 65 to 70 kilowatt-hours a month. To save electricity, restore the clocks to normalcy.

I pray that the bill will go through.

L. B. CAILEY.

RICHMOND, VA.

I was gratified and pleased to read in the morning paper of a bill to eliminate daylight saving time and restore the country to standard time. For the South, particularly, the daylight-saving time has been a menace to health for children as well as grown-ups—the bedrooms not cooling off until after midnight. Then in winter it is so dark at 8 a. m. (really 7 a. m.) that women are afraid to go to work. It certainly does not save electricity as lights have to be turned on to get breakfast.

MARIANNE E. MEADE.

HILLVIEW, ILL.

School children, farmers, everybody tired daylight-wasting time.

HARRY C. DUFF.

SCHENEVUS, N. Y.

Every farmer and American backs the bill to discontinue war time. The sooner the better.

JOHN WILSON.

JACKSON, MICH.

The most sensible thing I have heard of in a long time was the badly needed bill to put the country back on standard time. I have heard more people complaining about going back to war time than I have about the war. The fast time has never really helped anybody except the soft-ball players and golfers. I think if we were on standard time we wouldn't have so many young children out on the streets at 11 or 12 o'clock or later, because if it got dark earlier the children would get sleepy sooner and go to bed at 8 or 9 o'clock—when they should—instead of staying out till all hours of the night. Please put this bill through.

MARION D. MCCLURE.

RAHWAY, N. J.

Please add our names to those protesting daylight-saving time. It has been a real hardship. It has been the cause of waste of fuel and electricity during the fall, winter, and spring months. Please end this unnecessary inconvenience.

(MRS.) MARY M. BROPHY.

NEW HAVEN, CONN.

I have just read an article in our local paper on a bill to put the Nation back on standard time. Regardless of the importance of the many war measures before Congress, this is one of the most sensible things I have heard yet. In all my years I cannot recall any measures passed by our Congress that have upset the American apple cart so much as this thing called saving time, daylight.

EDWIN J. DREISBACH.

BLOOMFIELD HILLS, MICH.

I hope you will press this bill with all your might.

In the Detroit area we were told that eastern war time would be a valuable contribution to the war effort, in that it would cut down on the use of electric power. What a fallacy. In our household we arise at 6 a. m. and in winter our lights have to be on until at least 9 o'clock.

Our electric bills for power have been double that of previous years. I checked with the Edison Co. on this.

In war plants the lights are left on all day, regardless of the time, so there is no saving of power there.

On the side of health, the condition is not normal. In summer, to be sure, we do have daylight until about 9 o'clock, but after men and women have put in 8 hours of hard work in a war plant, they are not physically fit to use the hours in which they should be getting adequate rest in other pursuits. You know, and medical men know, that a working man or woman cannot do good work without sufficient rest. The additional daylight offers a great temptation to many to add strain upon their physical strength, with the result that they get but 5 or 6 hours' sleep. The result is a lagging of production, and a much greater incidence toward accidents. I think if a check could be made on this in war plants it would give you a powerful argument for the return to normal time. From my own standpoint I find no argument whatever either from a saving standpoint on power or health.

(MRS.) MARTIN WENDELL.

AURORA, ILL.

Am so glad to learn of this advanced time repeal.

Am a teacher, and all winter we had to burn electricity from 7:30 to 9 a. m. in our high school. People who come to our high school from the country and smaller suburbs are just full of grief about the hardships this advanced time causes. Dairy farmers cannot get men to do their work because of the early milking time when the milk must be cooled before it can be set out for collection at 6 a. m. The milker really has to milk about 3 to 4 a. m. and the cows do not respond. Do push the bill hard so we will again be able to operate on time suitable to man and animals.

Schools will do much better on standard time. Children do not go to bed in daylight, and are out just that much sleep, and are drowsy next morning in classes.

(Miss) CLARA BOHNSTENGEL.

ST. LOUIS, MO.

Bill to return to standard time a good one. Sure hope Congress puts it over. We have had enough foolishness for awhile.

J. S. ROBERTSON.

KEWANEE, ILL.

I am very much interested in the movement to return to standard time and hope that you will be successful.

The present arrangement has no advantage over standard time in our effort to produce more manufactured goods or farm crops. Farmers are compelled to conform to it by circumstances over which they have no control.

Manufacturers gain nothing, in fact, they lose by the daylight saving, or I should say daylight "slaving," because most factories have men who are over 40 years of age and to deprive these older men of that extra hour of rest in the morning is a terrible strain on their tired bodies. Younger people can stand the strain for awhile, but the older men and women cannot.

For people who can stay in bed as long as they care to it doesn't make any difference what time is used.

Victory gardeners will be able to accomplish more in their gardens because they will not be so tired. We raised good gardens before we had daylight slaving.

Like the Jap general who said that his men knew how to sleep, what he wanted was to teach them to stay awake. That is what our Government is trying to do to us.

ROY L. WOOLHEATHER.

DANVILLE, VA.

Was so pleased to see from the paper yesterday that Congress is considering a bill to do away with daylight-saving time. It is such a foolish measure. As much light is used in the dark mornings as would be saved at night. If the administration would use more time for constructive things and less in upsetting old-established customs, they might be more pleasing to the voters.

Mrs. J. E. PERKINSON.

BENNETTSVILLE, S. C.

The bill to go back to standard time is highly approved by us.

"Fast" time never has suited this area. We waste more electricity than we save.

H. D. HARRALL.

BIRMINGHAM, ALA.

It's good to know that somebody has courage enough to try to give back the old time.

We hope the next Congress will not try to change everything, including the sun.

D. D. METCALF.

SAN ANTONIO, TEX.

There are 6,500,000 Texans besides myself who approve the bill to do away with this ungodly daylight savings and hope it will go through at the earliest possible moment.

Of all the damnable, inconvenient, idiotic legislation that was ever foisted upon a suffering humanity this is about the worst that ever happened. The instigators of this inane and childlike legislation ought to be boiled in oil. Instead of saving anything it has doubled our light and heat bills and caused an untold amount of profanity.

W. B. WILSON.

PROSPECT, N. Y.

DEAR CONGRESSMEN, SENATORS, PRESIDENT, Too: Give ear to a pitiful rhyme. And pity the farmers that fell in the soup when the Government doctored the time. I'm a man of few phrases, me learnin' is scant, and I'm longin' to make meself clear. It's bad in the summer, it's worse in the spring, and it's fierce in the fall o' the year. In balmy Siptember I rise from me bad and I dress be the light o' the stars. And I finish me dreams as I wait for the cows, with me head hangin'

over the bars. The cock on the roost sees me lantern go by, and he thinks it the morning's first gleams. But e'er he's done crowin' he's left in the dark, and the chickens all laugh in their dreams. Me pigs are reposin' on pillies of mud, and me horses are sprawled in the stall. And I question the wisdom that sent me abroad an hour too soon in the fall. I'd willingly go to me bed with the birds and be up with the song o' the lark, but curs'd be the notion of savin' the day by blundrin' about in the dark. I hope when the guilty one knocks at the gate, for Peter to open the lock' he'll say: "Step aside; you've an hour to wait. You're the buckoo that twisted the clock."

J. WARD WILLIAMS.

HAWK POINT, MO.

Every citizen in this community is opposed to daylight saving time. It is a nuisance. It is wasting time.

County school children have been forced to stand in darkness, shivering in the cold morning hours, waiting for a bus. Day workers are forced to do the chores around home in darkness before going to work. Farmers find it inconvenient from every standpoint.

A. K. Schaper, cashier, Peoples Bank of Hawk Point; Otho Barley, Joe Tomek, W. H. Dunard, Ed Kliene, Oscar Beck, Charles J. Brozi, Sr., C. H. Prior, R. G. Logan, directors.

PHILADELPHIA, PA.

May I add my thanks and hope for success in the good work in trying to abolish the silly winter daylight saving? It is the greatest minor inconvenience of the war. (I have a son in the Navy—I'm not talking about major troubles.)

EDITH LAVELL.

SALT LAKE CITY, UTAH.

I wonder if you can realize just how great a thing you are doing for humanity in introducing a bill to set the clocks at their regular time? After all, 24 hours a day divided into three shifts are 8 hours each, and while setting the time ahead really couldn't benefit most of us it just gives the reckless, adolescent age an earlier start by 1 hour on their never-ending quest for thrills and excitement and parents past their 60 years who have to arise and prepare their household for war industries—some of whom must travel 36 to 40 miles—arise at 4:30 a. m. (while in reality is is only 3:30) more fuel, more light, more effort—and for what?

It is really hardest in the cold winter months. We would gladly accept this war time if it really pertained to the war effort.

I have five sons out fighting for right and freedom—one has made the supreme sacrifice last November; no sacrifice is too great for our country—but while we all wish to do the necessary sacrifices required of us, it is unnecessary to set the clocks ahead that 1 hour.

MAUD B. ALLEN.

BLUFFS, ILL.

We farmers will certainly welcome the return of sane standard time and appreciate your efforts and wish you every success.

ROYAL OAKES.

SACRAMENTO, CALIF.

California on three occasions has voted against the adoption of daylight-saving time, or, in other words of burning the candle on wrong end.

W. B. VAN HORN.

PORTLAND, OREG.

War time is the biggest farce ever put over, and there are thousands of people who see and admit that this measure is becoming more and more unpopular and that it has rendered no service whatever, but, in fact, has been and is now a decided detriment in every respect in the Nation's effort to win this war. Please return us to standard time.

S. G. HELMER.

ALLENTOWN, PA.

Do away with daylight saving. I hope and trust you will be successful in your venture to do away with what we think is the most unjust piece of legislation ever shoved upon the Nation. There is no reason whatsoever to force the public to unnecessary expense by burning electric lights from 4 a. m. until 8 a. m. The children are only half awake when called for school. Our farmers must all wait until 10 a. m. before they can enter a field to work. In fact, there is absolutely nothing gained by daylight saving. It is a detriment to the whole Nation. If it took the Nation 2,000 years to see the advantage by turning the clocks ahead 1 hour then I feel they are very slow in learning a lesson on the downgrade.

JOHN L. ENGLERT.

WASHINGTON, D. C.

As a Government worker who must be at the office at 8:15 a. m., which means I must dress in a cold apartment, struggle in the dark for transportation, and work in the dark for at least an hour during winter months, I certainly hope your bill restoring eastern standard time will pass.

FLORENCE WHITTEMORE.

WOLLASTON, MASS.

I would like to voice my sincere approval for the abolition of daylight saving for all future time.

It would be one move to normal times.

W. F. PIKE.

OLEAN, N. Y.

I have been reading about the resolution to put the country back on standard time, and heartily agree, and know of a great many others who are of the same opinion but are so busy they find it difficult to express themselves on the subject.

There definitely is nothing saved by daylight saving; and, in fact, the time is wasted. Children refuse to go to their much-needed sleep and continue to walk the streets aimlessly as daylight lasts so long—and who wants to go to bed while it is still daylight? This seems to be one of the greatest contributory factors toward juvenile delinquency.

I can't see where electricity or anything else is saved. Some people must arise before daylight to be at a war plant early and must burn lights.

I certainly do wish something could be done about the time, as this daylight business is a pain in the neck to the working class of people.

MARY C. LIPMAN.

OLEAN, N. Y.

I was very happy to learn that you are working to abolish daylight-saving time. We've given it enough time to work, but it is a miserable failure. Let's go back to "God's own time."

Our neighborhood is full of children who will not go to bed because of the added 1 hour of daylight. But they must arise to be to school at 8:25 a. m. They lose 1 hour of much-needed rest.

Mrs. C. E. ISAMAN.

LEESBURG, VA.

I do hope you will not only bring up but succeed in efforts to restore the sun's time. If any business requires the starting of an hour earlier, let them do so; but that the whole Nation is routed out of bed in the cold and dark to stand on street corners, without even the privilege of seeing the sun come up is barbarous.

Not only is electricity wasted, but coal and all heating affairs. At night the house is heated. School children going along country roads, some with flashlights, some candles, and some matches, and then wating in the cold dark for busses. Nine o'clock is only the sun's 8, and the sun is not up during all winter months until 7:30 sun's time. Think of the mothers who have to get up to get the children, their husbands, and possibly themselves off to work. Quite possibly most of the tubercular cases can be attributed to the meaningless hours.

PAULINE D. CASTLEMAN.

STEVENS POINT, WIS.

You can do no greater benefit for the farmers than restore standard time. We farmers never miss any daylight, anyhow. You cannot begin work till the dew dries; especially in haying and threshing is this true. Then to quit at 5, or about the middle of the afternoon, sun high in the sky—it just don't work.

We are sick of this freak time. Do everything you can to set the clocks right.

Mrs. DAMON.

BONNOTS MILL, MO.

The school faculty and pupils, too, are more than pleased with the repeal bill. At present we are handicapped rising early and returning home late from school.

Returning to natural time will help thousands of farmers. They will be able to work longer in the fields and thus raise more needed raw materials. Food is essential to win this war and we are all anxious to do our best.

CAROLINE ALTHEUSER.

MOUND CITY, ILL.

Re: Befuddled clocks in United States.

Have just noted a resolution in Congress to abolish now and forever, I hope, that infamous, diabolical concoction known as daylight-saving time, the most insane proposition ever foisted on the American people.

Just who got the notion that he had been divinely commissioned a modern Joshua is not stated. But evidently, unable to maneuver the sun, he beguiled himself by spinning the hands of the clock into the belief that he had actually done that very thing.

Accept my commendation, and here's wishing your resolution forthwith adoption and approval.

J. KELLY SMITH, *Attorney.*

PADUCAH, KY.

I want to send you the piece out of our Sunday paper. At least we have it in the press. They tried the daylight time here a few years ago (before it was Nation-wide) and the people were up in arms about it, so it didn't last. Now it's a law like some of the other crazy things they pass and we can't do a thing.

Mrs. NEVA LEIBEL.

PADUCAHANS REPORTED IRKED ABOUT DAYLIGHT-SAVING TIME

Some people in Kentucky appear to be irked about the hour-fast war time. Several have written to have war time abolished and clocks turned back an hour to standard time.

From messages entered in the CONGRESSIONAL RECORD Paducah seems most sore about the time situation.

"In the winter we get up in the middle of the night," complained Mrs. Neva Leibel, 713 Kentucky Avenue, Paducah, "and in summer we go to bed with the sun shining. We have to burn lights half of the morning.

"The farmers don't like it either," she declared. "Cattle go by the sun. I am just one in this town who is dissatisfied."

The Kiwanis Club at Likeville has had the matter up before its board of directors, Lon B. Rogers, an attorney there, wrote. "If there is anything we can do," he added, "I feel sure that our club would be only too glad to help in any way possible."

A telegram saying "we farmers have been heavily handicapped" came from J. A. Cole, Paducah, Frederick Beyer, Howard Rottgering, and Harry Ross, all farmers of near Paducah.

And Mrs. J. B. Smith, of Paducah, route No. 2, said "half the people' in her t wn "have never pushed their clocks forward," including the Catholic school which operates on old standard time though the kids start classes at 9:30 a. m. by the new time. She regards war time as a nuisance.

A Sun-Democrat reporter who interviewed most of those quoted above as opposing daylight-saving time found them standing firmly by their statements.

Harry Ross, who lives near Lone Oak, said that he and the three other farmers sent their telegram after discussing the matter at a chance meeting. He thinks daylight-saving time is strictly against the laws of nature. Here's the way he puts it:

"We have to get up an hour earlier—in the dark winter months it is a long time turning light—and quit an hour earlier to conform with members of our families who work in the city.

"Cows and chickens don't get up before sun-up and it causes a lot of confusion when it comes to feeding time for them. Roosters still crow at the same time.

"Besides that," he continued, "it just isn't natural to get up in the middle of the night and promenade around with a lantern on one arm so we can see our way to do chores."

One of the strongest contenders for the hour set-back is Mrs. Leibel, who complained that people here have to go to bed with the sun shining in the summertime. The Paducah housewife doesn't like it because she says the new time was arranged to save electricity and she has to keep her lights burning until well into the day under the present situation. And then again, as she said, she just doesn't like it.

The director of both the Catholic schools in Paducah and McCracken County—St. Mary's Academy and St. John's—said that the schools operate on war time, opening at 8:30 a. m. daily. If the pupils go to mass they are sometimes late but never later than 9 o'clock, they said.

PATERSON, N. J.

Change the time back to standard time please. Folks work 24 hours and it has an effect. It is especially harmful to patients in the hospitals. It disturbs conditions, for we know the time is camouflaged.

Let us have something natural in this world. Please give us the old time back.

MRS. JAN ELLENOFF, R. N.

WINTER PARK, FLA.

Abandon war time. You are worthy of greatest commendation for courage in attempting to have this nuisance abolished.

We were on central standard time. The clocks were set ahead for daylight saving and never set back. When the directive—was it—was issued for war time, they were set ahead another hour. Need I add that we now have an oversupply of daylight saving.

GEORGE SCHWAB.

STAR CITY, ARK.

Change war time back as it was before the set-up.

More things should be changed for the convenience of people who are doing their best at home for the war effort.

W. R. ALSOBROOK,
President, Bank of Star City.

DANSVILLE, N. Y.

I wish to express appreciation of efforts to further action that will get the Nation back to standard time.

Farmers have always been opposed to it and it does seem that, in these times the wish of the people who raise food to eat should be considered.

It is a hardship in many ways for working people. Small school children do not get proper amount of sleep as it is impossible to get children to bed when the sun is still shining.

Keep up the good work.

WARREN S. HOLLIDAY.

CRESTVIEW, FLA.

Am hoping you will succeed in your efforts to abandon war time.

PAUL CONSTANT.

EVANS, MO.

No one likes the new time. Can't see where we save anything as we use it in morning bumping around in dark. This old world moved a long time on the old time.

MRS. H. BONNICHSON.

BELLEVILLE, ILL.

Enclosed is a copy of resolution in support of the bill introduced by you to end daylight saving.

Sincerely yours,

B. W. TILLMAN,
Farm Adviser, St. Clair
County Farm Bureau.

Whereas the present daylight-saving law is needlessly extravagant in the use of electricity, without any offsetting compensating, economic savings; and

Whereas the system works a distinct hardship on farmers in the employment of farm labor; and furthermore, the farmer often finds it necessary to attend meetings, which under the present daylight-savings system interferes very seriously with his work in food production: Therefore be it

Resolved by members of the Twenty-second Congressional District in business session, That we oppose the present daylight-saving plan and urge a return to the former standard time.

G. G. PAPE,
Edwardsville, Ill.
F. C. GABE,
Nashville, Ill.
LOUIS J. HERTEL,
Millstadt, Ill.

LIBERAL, KANS.

Get standard time restored. It probably will not affect you so much as western Kansas where I live, as by our old time we were 45 minutes behind sun time and with a move-up of another wartime hour we really have lunch by the sun time at 10:15 a. m. Really makes long, hot afternoons. This winter it was not daylight until 9 a. m. war time.

We find there are only 24 hours in a day after all.

FERN P. DONLEY.

HITTA YUMA, MISS.

I am glad someone seems to be thinking on the same lines as I am about the so-called daylight saving time.

Be so kind as to tell me what started that. I know that the President consented to it as a war measure, but I understand that it originated outside of this country.

On hearing from you I will tell you something of what I know about it.

DAME ELLEN PHELPS CRUMP.

SHERMAN, TEX.

Best of luck in getting standard time back. It has always been silly.

H. E. HARDGROVE.

NOVINGER, MO.

Please do everything to get our standard time back. We are farmers and I have to stop my work at 4 p. m. to have supper ready for hands. Wednesday evening I was trying to get my garden in and I quit at 4 to get supper and never got near all planted. The next morning it was raining and has rained ever since. Look at the time we waste when it is so valuable. We are just one of the many that want our standard time back.

MRS. BEN BURESS.

AMES, IOWA.

I sincerely hope we can get the time set back to standard and left there. It loses an hour per day working time.

L. M. WESTON.

NORFOLK, VA.

Abandon daylight-saving time. I have always thought that changing the time was a crazy idea and I have not been able to find anybody who could see any sense in changing the time. It puts many hardships on the people, it forces them to get up before daylight to switch on the electric lights and waste a lot of electric power and coal. It deceives the people by pretending that the time is late when in fact it is early. This hurry and rush will soon ruin the nerves of the American people.

We should go on standard time now and forever. If anybody wants to go to work 1 or 2 hours earlier, or later, let that be their choice. Every individual, firm, or organization in the country should be able to select such hours as are best suited to their interest to begin work and everything should be based on standard time.

I hope that Congress will soon pass this bill and may the country soon be back on standard time.

E. B. STACK.

WILLIAMSPORT, IND.

Abolish this crazy war time and return the country to standard time. We wish to congratulate this effort to rid the country of one of the big nuisances of this war. We sincerely hope the bill goes through. We are going to write our Representative and our Senator asking their favorable consideration.

JESSE F. HETRICK.

ORCHARD, NEBR.

Repeal this foolish so-called new time. To most folks it is a waste of time and a waste of money in every respect.

When I saw the notice in the press of this bill, I immediately wrote to our Congressmen and asked them to get behind this move and do what they can to get the matter before the Congress.

Early last fall I wrote and asked them to do something about this fool change of time, but did not receive any consideration. All I got was their old stock answer—it was by an act of Congress, and they doubted if the matter would receive any consideration. But now since you have seen fit to place a bill before the Congress, I trust that you will receive full assistance from those who are hit the hardest—and by those I mean we who live in the central portion of this country. I assure you that everyone with whom I have talked has expressed the wish and desire to get back to standard time at the earliest possible moment.

D. L. FLETCHER, M. D.

CORPUS CHRISTI, TEX.

I am interested in the bill to have the time changed back to its right place. I have been in evangelistic work, and much of it has been in the country, and I know what a hardship that it is working on the farmers. Many of the places that I have been to dinner in the country have two clocks—one to run the radio by and another to work by.

My work has also taken me to the small towns and cities, and I have yet to find one person that was in favor of having the clock moved up as it is now. The general feeling is that it does absolutely no good and that it does hinder many things. It was contended that it would save electricity—well, my light bill has been more since it was changed, and that is the fact with everyone that I have talked to.

Primarily I am interested in the work of the churches. I can definitely say that it is a hindrance to the work of the churches, since it forces them to have their evening services so early in the day that the folks do not come. People going to church are like chickens going to roost—they just don't do it until dark; and if you set the time at dark, then it runs the service too late for those who have to get up so early in the morning. Personally, I feel, after talking to hundreds of people about it, that it would be a distinct benefit to our national program at this time. People seem to feel that it was entirely unnecessary to meddle with the time. Please forgive if I have seemed to be very frank, but I have tried to pass on to you what I have heard from the people.

R. G. VAN ROYEN,
Minister, Baptist General Convention of Texas.

KENEDY, TEX.

In turning the time ahead 1 hour of standard time works a real hardship on farmers in small towns and cities and in many of our larger cities. We hear from every side, "I wish they would turn the time back to where it belongs." Church work in our country is so very vital to every interest of our national life that we need to give it every possible advantage we possibly can. It will be necessary real soon to set the time for the evening service to 8:30 o'clock; and, of course, the people complain about the lateness of the hour. We cannot improve on the Lord's time and we certainly trust standard time may be restored.

If there are certain manufacturing sections who want to get out earlier in the afternoon why can't they begin their work at 7 in the morning, lunch at 11, and out at 4, and this will not place such a handicap on the millions of people who would much prefer the standard time.

JOHN K. BEERY,
Minister, the Methodist Church.

CEDAR FALLS, IOWA.

I am a farmer, and daylight-saving time to a farmer has never been anything but a curse. That afternoon hour is valuable beyond comparison to the so-called saved hour in the morning.

The few instances where daylight-saving time has been twisted around to appear beneficial does not justify cramming it down everyone's neck. Most industries are working around the clock; for them the plan has no benefit whatever. If some group want to start their activity an hour earlier, all right, but leave the rest of the people alone.

HORACE D. DEWEY.

TROY, ILL.

We are watching with much interest the fight to get the daylight-saving law repealed, and we wish it much success, for it is very unpopular around here.

Please do all you can to help us.

VOORHEES CONLEY.

OKLAHOMA CITY.

The attached article was in one of our publications and desired to lose no time in commending you in your effort and assure you it is the desire of Oklahomans to have this, as a vote was taken by one of our daily papers and there were some 4,000 votes for repeal.

Please spare no time and effort in this matter.

The present time is a hardship on old and young alike and has been the past winter very detrimental to the health of the people standing out in the early cold mornings waiting on transportation, as well as an extreme hazard, street lights being put out before daybreak, many streets being poorly lighted, and on the streets with the traffic, the flare and glare of the passing cars, but no steady light to show us the roads and streets afterward, made it very unsafe for pedestrians. In the home a greater amount of electricity was used.

One hour later would take care of this difficulty, insure better health, and lastly, would put people in a better frame of mind to enter upon their duties in places of employment.

FRANCES A. STANWOOD.

CRYSTAL CITY, MO.

The daylight-saving time is a thorn in the flesh. If you can get this law repealed, I will support you for any office and on any ticket.

WM. D. WHEATLEY.

TULIA, TEX.

Swisher County Post, No. 214, of the American Legion went on record last night in regular meeting as favoring your proposal to do away with this foolish system of so-called war time. We have never been able to see just why such a scheme was ever inaugurated. Do what you can to put this bunk in the ash-can. We are sick and tired of this regimented bureaucracy.

AMERICAN LEGION,
Tulia, Tex.
H. G. BRIGGS, *Adjutant.*

ALAMOGORDO, N. MEX.

I think you were off a little when you stated only golf players want war time, I think the companies selling power for lights and the like want it, as it makes working people get up earlier, but does not make them go to bed any earlier. In my opinion, if the records of the electric companies could be looked into you would find that nearly every home would show a large increase in their light bills, as here in New Mexico at 8 o'clock in the morning during the winter months it is just coming daylight, and nearly all workers only work 8 hours. Why should they be forced to go to work before daylight? The best of luck in getting us back on standard time.

C. E. ROGERS.

SEATTLE, WASH.

For two whole years now every time I've looked at our clock or my watch it has told a lie. It says it is an hour later than honest time. We go to work in the dark and our children go to school in the dark, and then at night it is time to put the little ones to bed and the sun hasn't set yet.

I could put up with all this if it accomplished anything. But it hasn't even helped win the war like we were promised. Let's face realities. Let's be honest with ourselves and our neighbors. Let's stop kidding ourselves. Get this wrong righted.

W. H. TYER,
State Manager, Modern Woodmen of America.

FERNDALE, CALIF.

I understand you have a bill to put the United States back on standard time. More power to you on this move.

I never could understand how we can save something we have not got. There is just so much daylight, and no decree or document can possibly increase it. Just another noble experiment. I agree with you wholeheartedly it has only brought about confusion, is very impractical, and has hindered more than it has ever helped.

HARRY A. PERRY,
Third Senatorial District, California Legislature.

WASHINGTON, D. C.

How grateful many of us are for your effort. In an upset world why upset the time—one thing that could remain stable? And please try, and keep on trying, to turn the clocks back before the hot weather comes. It is truly awful in summer with no cool evenings.

This is the first time I ever wrote a letter about legislation.

N. V. MYERS.

FORT WORTH, TEX.

I may be permitted to extend sincere congratulations on effort to repeal the alleged daylight-saving time and restore this Nation to its usual standard time.

In my humble opinion this change of time has only added confusion, demoralization, derangement, disarray, jumble, commotion, agitation, tumult, turmoil, bewilderment, and embarrassment, together with any other synonyms that may be known.

More power to you is the hope of millions and millions of citizens of these good United States.

CHAS. T. ROWLAND.

HUNTSVILLE, ALA.

Allow me to applaud the resolution offered to return to standard time, throughout the year, as distinguished from what is erroneously known as daylight-saving time. I hear much favorable comment upon the resolution and much hope expressed that it will be passed.

C. L. WATTS.

ARCATA, CALIF.

Thank God someone has waked up. I lived in Detroit, the first community to fall for the insane idea, when it was put over by a doctor who wanted more time to play golf. Electric bills, both domestic and industrial, increased 10 percent.

New York and Eureka are in the same latitude but due to the Rocky, Cascade, and Coast Mountains, sun rises here at 8:30 a. m., standard time, and in New York at 7 a. m. in midwinter—meaning 9:30 a. m. war time.

A. L. PUTNAM.

KENTON, OHIO.

I am writing you to express my appreciation of efforts to have the clocks turned back to standard time. I farmed 280 acres of land. Most of the time it is nearly noon before grain is ready to combine or hay to go into barn. If I have to go somewhere in evening I must lose an hour. There are more meetings now than before war I must attend, if I want to do my full part in war effort.

You are right about golf players and fishermen wanting war time, because part of farm I rent contains a golf course, and in evening taxis make as high as a dozen trips out and back, and a good many cars find gas and tires to come out and spend their extra hour.

I know of no instance when a man living and working in town has spent his extra hour helping a farmer.

I hope you are successful in righting this wasteful blunder.

JOHN A. WELLING.

[Telegram]

[The filing time shown in the date line on telegrams and day letters is standard time at point of origin. Time of receipt is standard time at point of destination]

BOSTON, MASS.

Highly favor abolishment of daylight-saving time.

THOMAS A. KERR.

UNION, MO.

Put the time back to the old standard time again. This new time is a nuisance. It takes more light and you get nowhere with it.

LELA HUMMEL.

ALBANY, OREG.

We farmers are all for your fight to ban war time and return to standard. It has been a terrific and expensive handicap to us.

C. O. KEESTER.

CUMBERLAND, MD.

I have been reading in the CONGRESSIONAL RECORD of Friday 7, concerning the so-called daylight-saving bill. Let me may I have always opposed it. My electric light bills have

been higher instead of lower. I can't see where we save on electricity when we have to have lights in the morning instead of at night. I hope the bill passes.

WM. H. GATHEHOUSE.

XENIA, OHIO.

Just read the evening paper of efforts for congressional action to abandon war time and put the Nation on standard time.

We most heartily approve—let us know if we can assist. We will be under great obligations to anyone who helps to rid the Nation of this great nuisance and inconvenience. It is an imposition upon working people.

LENA GILBERT.

DOVER, OHIO.

To get rid of this war time would be one of the great things to win this war. It is ruining the morale and health of our people and driving farmers off their land. They tell me it is sheer nonsense. I made a survey of this and find the schools, gardeners, farmers, greenhouses, and work people, and the old greatly opposed to it. Power is wasted now more than when we had the slow time. The defense plants are all working 24 hours 8 hours a turn so what difference is it? Plants that work 8 hours a day do not want this time for they do not want their men to work before daylight.

ELSWORTH ALLMAN.

ADEL, GA.,

I have just read speech in CONGRESSIONAL RECORD of April 7, Repeal of Daylight Saving. I wish to express my appreciation and approval and urge you to fight on till this impractical, confusing inconvenience is removed by law.

It does no real good. Any practical man knows what time is saved on one end of the day is lost on the other.

One of the worst effects of it all was to shake the confidence of many people in their leaders. It just don't indicate ordinary, practical common sense in times of stress like these to fiddle away time and cause so much confusion. Moving up the dead hands of the clocks can't save anything. I repeat, it makes us doubt whether we are following leaders of practical sense. Lord knows we have confusion enough in these wartimes that is necessarily so without adding any that is not absolutely necessary.

People very cheerfully do necessary things there is real reason for.

W. D. WELLS.

DES MOINES, IOWA.

I sincerely hope the bill re returning to standard time is passed upon favorably.

CORA LORENZ.

LEXINGTON, VA.

It is with genuine pleasure that I note you taking the initiative in the congressional action toward the repealing of the daylight saving time.

This indeed is a step in the interest of the masses, particularly the workman in plants as well as those conducting their own business. In the next place it is very uneconomical, as from personal experience we consumed more electric current under the present time than we did under regular standard.

I sincerely hope you succeed in getting the measure through and in so doing you will have bestowed a wonderful favor on all working people, and not on the golf players.

D. C. REMSBURG.

LANSING, MICH.

I am very much interested in H. R. 4428 to put the clocks back during the months of January, February, November, and December.

I am very much in favor of this resolution and hope that it will prevail. We here in Michigan are getting a double dose; since 1931 our legal time has been eastern standard time rather than central, in which time belt we are located, so with war savings time we are 2 hours ahead of schedule all of the time.

BERNICE E. THOMAS.

ST. CHARLES, MO.

Glad to see you are trying to have that silly daylight-saving law repealed.

More power to you!

The folks who want that extra hour in the evening can just go to work an hour earlier by nature's time, go to lunch an hour earlier, and quit an hour earlier, and not make the rest of the country suffer such inconvenience for their selfish pleasure.

Push the bill for repeal good and strong.

E. F. BLANN.

PARIS, MO.

Won't you do all you can to change time back to God's time?

ERNEST HARDWICK.

GOUVERNEUR, N. Y.

The bill H. R. 4489 expresses the wishes of all dairymen in New York State, and I imagine the United States, in regard to the wasted man-hours on farms during the critical harvest season. First, by losing 1 hour in the morning due to the fact making it most impossible to get to work before 9 o'clock on account of the dew. Second, shortage of labor in the dairy section. Having to quit at 5 o'clock war time, 4 o'clock standard time, for chores, 1 hour is lost in the best part of the day for haying. Thus 2 hours daily are lost. Costs farmers millions. Third, it makes no difference in industry as they are working on 24-hour schedule and industry would not be hampered in any way.

Pass this bill.

JAS. B. THOMPSON.

LINCOLN, NEBR.

I want to commend your stand on the daylight-saving law. If there ever was an asinine law put on the statute books this is it and if you can do something about having it changed, I am sure you will receive the everlasting gratitude of the rank and file of Nebraska farmers.

CHAS. Y. THOMPSON,
President, Nebraska Farm Bureau Federation.

DOVER, OHIO.

If you can do anything about this time problem I hope you will. Haven't we enough to contend with in this terrible war, and so many heartaches? And our electric bills are just the same. How in the name of common sense does it help?

It is a lot of baloney. Things go too far sometimes. We in Ohio don't like it one bit. Will be watching our paper for results. We are Americans and if our voice is to be heard we ask a fair deal. Please give us back our eastern standard time.

God bless you.

MRS. D. MORRISON.

RANDOLPH, MASS.

Enclosed find article from Boston paper in regard to returning to standard time, something necessary for the health and comfort of the working class and their children.

Of all the stupid laws, daylight saving was the most stupid. Nothing was saved, much electric light used night and morning, according to the season, and mothers' nerves torn and frayed from children refusing to go to bed in the afternoon.

Have never seen any real advantage to it, unless one calls working 18 hours a day an advantage.

GERTRUDE E. SULLIVAN.

ST. LOUIS, MO.

I want to congratulate you on your good sense in asking for the repeal of the law setting time up 1 hour. I think 90 percent of the people are for it. In my mind, you will make a lot of friends if you push the bill on through.

Sincerely yours,

G. W. WILLIAMS,
Commander, Post No. 222,
The American Legion.

CLARKS SUMMIT, PA.

Very glad to see that others are interested in giving us a break in daylight saving.

Never could see how it applied outside of industry and they were working the clock around anyhow.

Thank you; thank you.

H. A.

JONESBURG, MO.

I see in the St. Louis Globe-Democrat where they are going to try and have the so-called daylight-saving time changed. Hope they can, because I think it is one of the damnedest fool ideas that was ever put over.

HERMAN LUDY.

SCHENECTADY, N. Y.

An article in the Schenectady Union Star said that you are against war time, and going to try and have standard time back the way God created it. That's my belief. It should be standard time.

Here in my city they believe in standard time. If one wants to do anything to accomplish it, let him get up 1 hour ahead. I hate this stinking 1-hour-ahead business. You don't accomplish a damn thing with that 1 hour ahead.

S. C. SKOTARCZAK.

DAYTON, OHIO.

With reference to bill No. 4489, introduced recently in the House of Representatives, calling for the establishment of standard time throughout the Nation, I am very much in favor of this bill and hope that you will vote in favor of its passage.

In my opinion the time should never have been changed. It has worked an unnecessary hardship on all people throughout the country whose work requires their getting up at an early hour, and has caused endless confusion in many other ways. The abolishment of this foolish measure will aid in a small measure to get this country back on a sensible basis.

H. A. GOSCH.

MOODY, TEX.

I want to commend the bill which would put the Nation back on standard time, and I herewith add my name to the list of protesters against fast time, which was imposed upon us at the beginning of the present war. I trust Congress will act to restore standard time.

Our national slogan is "Save and conserve." Fast time forces us to get up 1 hour earlier in the coldest part of the day, thus using an hour more of artificial light and an hour more of fuel. Fast time is a burden on the masses and puts money in the pockets of the few who sell light and fuel. It is inconsistent with the idea of saving and conserving.

To our knowledge, all war plants are running on a 24-hour basis, so how could fast time help there?

It also enhances the hazard of night driving of automobiles, as more people have to drive at night, causing more wrecks and deaths, going to and from work. It uses up more car batteries and light bulbs, which is not being conservative.

CECIL O. GUYTON.

LYONS, IND.

I see they are making a fight to get the time changed—I should have said clocks, I guess—because they can't change the time. It was a very foolish thing to do in the first place.

I don't see where there was any saving in daylight by so doing. Success in getting the change.

H. F. FERGUSON.

DAYTON, OHIO.

Have Congress pass House bill 4489, and abolish war time. Fast time works hardships on the working people. School children have to go to school while yet dark.

No electricity or fuel is saved by war-time schedule. I surely hope we as a Nation can get back to normal time.

JOHN L. SUTTON.

SHELDON, MO.

The morning press reports redoubled efforts for congressional action to abandon war time and put the Nation back on standard time.

There has never been any occasion for this funny time. I have lived in Chicago, Kansas City, and Tulsa, etc., and have worked in offices with many different starting times, but there has never been anything practical about the current daylight-saving time.

Old Greenwich has been our standard for hundreds of years.

With the necessity for very accurate navigation and avigation, I sometimes wonder if our Army, Navy, and Air Force doesn't just ignore the current legal time and go by standard. Otherwise there must be beautiful confusion with the intermingling of the forces of the various nations.

Of course putting Father Time back on his established base willl not win the war or save democracy, etc., but it will be a fine start toward unscrambling some of the many useless and irritating fumblings.

I have talked with over a thousand individuals, and all consider early time as just plain foolish.

W. L. CORRELL.

NEVADA, OHIO.

The enclosed clipping from the Toledo Blade prompts me to say it will do the country a good turn to get us back on proper time. There is actually a waste of power under war time. Everyone's light bills are higher.

Our legislature put Ohio on eastern time several years ago, after we had been on central time ever since it was established over 60 years ago. Now, almost the whole State is on eastern war time though the legislature outlawed it last year. In summertime it is daylight until 10 p. m. and one must wait until the air and houses cool sufficiently for sleep, and it is midnight before that comes. Then, in the morning when it is cool and one can rest we have to get up 2 hours ahead of the proper time.

War plants operate 24 hours a day so there is no saving there. A man with any ambition can maintain a large garden on 1 hour a day. When this crazy time was proposed I wrote, on behalf of my shopmates, in protest against it.

GEO. R. WILLIAMS.

PARIS, MO.

We are for changing back to standard time.

Daylight-saving time has always seemed out of place and we never could understand why people could not go to work an hour earlier if they wanted to without changing the time.

ANDREW D. THURSTON.

SMITHSHIRE, ILL.

I heard over the radio a few days ago a statement in regard to changing back the time. If they would only change it up there at Washington how much better it would be. Country people go by the new time only because there is a war on. Maybe it benefits some but it isn't the farm people.

Mrs. GEO. WEAVER.

BERKS COUNTY, PA.

Am interested in the fight for elimination of daylight saving. I wish to state that we farmers do not wish it, as we have just so much work to do and are restricted in help. Also gasoline rations. How does this daylight help us? This is nonsense. It is time for Congress to pull together and get rid of it.

J. N. EISENHART.

ASHEVILLE, N. C.

I want to voice my hearty approval of the bill to move the clocks back to natural, sensible time. This freak time has given me the jitters and headaches more than any one thing that I have ever had to deal with. In winter, 9:30 a. m., daylight; in summer, 9:30 p. m. before darkness. In winter huge amounts of electric current is wasted. It is worthless, useless, confusing, so this is one wartime headache of which we can rid ourselves without hampering our war effort in the least.

JOHN P. STEWART.

MARTINSVILLE, VA.

Please let me wish success in doing away with daylight-saving time.

How any plan which makes you get up an hour earlier by the sun and burn an hour's more electricity and fuel for 6 months of the year; that makes school children in rural areas walk long distances to catch school busses in the dark, how could time like that benefit anybody?

I hope we will be able to get the Nation back on standard time, and before the hot summer months.

Mrs. ROY G. BURGESS.

NIAGARA FALLS.

I am enclosing copy of editorial in my home newspaper which refers to efforts toward abolishing fast time and restoring standard time.

I wish to commend in the highest terms efforts to abolish a long-standing public nuisance and menace to the country. Common sense teaches that inasmuch as war production is continuous day and night, fast or daylight saving time is a useless factor, and should be abolished.

Fast time is not only a public nuisance but a menace to health in loss of sleep. I am working at Niagara Falls at Bell Aircraft. All through the winter months I have had to get up in the morning to go to work in pitch darkness.

I earnestly hope a majority of sensible Congressmen will vote in favor of restoring standard time.

S. C. LEFEVRE.

LOS ANGELES, CALIF.

I urge you to put all power behind the bill to put the Nation back on standard time. The working people in the cities and on the farms want the standard time. The silly law should be erased from the book. It does more harm than good. If it was left to the people to vote it would be voted down. We, here in California, hate it.

E. A. MCNORMAN.

JACKSON, MICH.

Am writing in regard to this "war time." Am glad there is someone to fight for the people of the country and against this terrible time.

In our town or county we were already on fast time, getting up 1 hour before the sun and not it is 2 hours. I wonder how long people are going to keep on kidding themselves.

Persuade the Congressmen to vote this "war time" out.

ANNIE O. PATIENCE.

ELIZABETH, N. J.

Read this newspaper clipping in our evening paper and sure hope the bill wins on the daylight saving question. Our light bill jumped. It takes longer and more light in the mornings. I never did believe in the daylight saving time. It is only for golfers.

Leave God's work as it was.

Mrs. P. S. WIEMAR.

DES MOINES COUNTY DRAINAGE DISTRICT NO. 7,
Oakville, Iowa.

Place the Nation on standard time again and remove one of the greatest handicaps to wartime food production.

Last spring we were delayed by rain during the month of May and could not plant corn until around June 1. Our help refused to work beyond 6 o'clock by the watch and I am quite sure that considerable land was not farmed because the war time was out of joint with regular standard time, and thus threw our farm operations out of gear.

NOAH SCHROCK,
Chairman, Board of Trustees.

SPRING VALLEY, OHIO.

Put the Nation back on standard time. We farmers and grangers all hope that bill goes through. After all man can't change the sun nor the habits of animals, and we farmers have to work by the sun and with animals. It is a terrible hardship for the farmers and I haven't talked to anyone in the city—teachers, professionals, mothers, housewives, etc.—that are in favor of fast time. Please put the Nation back on standard time again and we will be rid of one bad mess at least. I talked to a Dr. Mon and she said it was the most senseless thing she knew of to set the clocks ahead. You may be sure you have a lot of backing on this whether they write or not.

H. L. GERHART.

OSWEGO, OHIO.

Keep up the good work to abolish daylight-saving time.

J. H. TAYLOR.

MAUMEE, OHIO.

Daylight saving means nothing to the farmer except inconvenience from all angles. The railroad man working by one time and his family living by another may be a means of fewer accidents if we were back to sun time.

As a commercial man this past year have had to contend with three different times in Michigan, and two places in Ohio. Both attorneys general of Michigan and Ohio said changes were unconstitutional. This legislation has been one of confusion.

H. T. HATTON.

WASHINGTON, D. C.

I appreciate efforts in behalf of setting the clock back 1 hour as my wife was nearly killed by a colored thug taking advantage of the extra darkness to attack women on the streets of Washington.

J. H. N.

WASHINGTON, D. C.

The short article in today's Washington Star about daylight savings noted.

For about 25 years this has been a humbug put over on the population of the United States of America. The quicker it is discontinued the better.

H. B. STACKHOUSE.

BOSTON, MASS.

In the Boston Post of today appeared a front-page story of efforts to restore standard time. Bring before the people of our Nation a realization of what a humbug is this cock-eyed dislocation—called daylight saving. It is one of those hysterical devices that has helped juvenile delinquency and nervous break-downs. The great bulk of our people will be with efforts to restore standard time. If anyone wants to set their clocks an hour fast—O. K.—but not by law.

F. E. BENTLEY.

LABOR, *Washington, D. C.*

Thank you very much for copy of extension of remarks on daylight saving. I am with you 100 percent. It's not so bad in the summer, but it works a lot of hardship during the rest of the year.

EDWARD KEATING,
Manager.

FLORENCE, S. C.

I note with a great deal of interest a bill in Congress restoring war time to what it was before we entered the conflict. Such a bill meets with my hearty endorsement, and why our Senators and Representatives in Washington have not urged the passing of such a bill long before now is beyond my comprehension, as the present daylight-saving time, particularly for the southeast section of the United States, has, in my opinion, handicapped rather than helped the war effort.

Please accept deep appreciation of efforts in connection with this matter.

C. W. STIKELEATHER,
Vice President and Treasurer, Peoples Federal Savings and Loan Association.

MARYSVILLE, OHIO.

More power to the effort to repeal the War Time Act. Fast time is doing as much to sabotage agriculture and industry in our war effort as any device that could have been put over on us by the enemy. Let us know if we can help.

CHAS. F. TOSSEY.

BONNOTS MILL, MO.

Our entire school is pleased with the bill to repeal daylight-saving time. If it is passed, it will make a great improvement in our daily routine. The teachers of our school also heartily approve bringing back the old standard time. Many children of our school are obliged to leave home in the dark and return in the dark. Of course, the previous statement is due to the transportation schedules, which cannot be changed without the consumption of more fuel and rubber—a thing we would not do.

I do not know to how many people this will be of an advantage, but I do know it will please the majority.

Since the clocks have been functioning an hour earlier, everything has been unnatural. If the clocks were again to resume their regular time, it would contribute to health, comfort, and production.

IONA KOENIGSFELD.

PERRY, MO.

I note in today's St. Louis Globe-Democrat a bill to abolish daylight-saving time. This is the right track. We Ralls County people hope that it will be successful. If this so-called save daylight has done anyone any good in this section I fail to know about it.

GILL RICHARDS.

MONROE CITY, MO.

I am very much interested in the resolution to abolish daylight-saving time.

Quitting in the middle of the evening when we should be working, putting my sheep and stock up at 5 o'clock when they want to stay out and graze 2 or 3 hours longer, is ridiculous.

CHAS. L. ELZEA.

TROY, MO.

I have been listening with interest to the discussion about changing the time which Charlie Stooke is putting on over the radio. I am heartily in favor of changing it back. If anyone wants to go to work an hour earlier and get off an hour earlier let them settle that, but let the Nation be run by standard time.

E. B. HARDY.

FULTON, MO.

The old time is more acceptable to the farmers and all others. Give us the old time. Give us the 1 hour back.

JOHN DAY.

FARBER, MO.

I was at a club meeting one evening last week and heard the daylight-saving time discussed. Almost everyone present expressed the hope that we'd go back to the old time.

LILLIAN CROW.

SHELBYVILLE, MO.

I've talked to many people, and I felt sure you would like to know how very much they endorse your bill to do away with daylight-saving time. I'm shocked at the many hardships it causes in rural communities.

I'm actually saddened by reports of this regulation, which has served no purpose whatsoever, except to add to the break-down of health and morale of the Nation.

I should like to see the General Federation of Women's Clubs endorse this bill in convention.

Mrs. ERNEST W. HOWARD.

COATS, KANS.

May I resent your term "daylight saving"? In my opinion, there is nothing that has done more toward wasting daylight than the present set-up. Best luck and thanks a thousand.

BEN SCHREPEL.

NEW LONDON, MO.

Keep up the fight to get rid of war time, daylight saving, which is a darn nuisance. Those who want to go to work early may do so.

W. W. CROCKETT.

NEW HAVEN, MO.

This and other communities would certainly appreciate if daylight-saving time could be abandoned. It handicaps production. This especially holds true on the dairy farm. We must get up earlier and milk because the truck comes earlier, then to keep from throwing the milking schedule way beyond reason we must milk too early in the evening to get the benefit of a full day's work in the field.

If there is any benefit in having factories start earlier there is no reason why the clock should be tampered with and handicap the farmer, who certainly has plenty of difficulties without adding to them unnecessarily.

WILBERT J. ROHLFING.

PORTLAND, MO.

Good luck these troublesome times. Get the time changed back to the old way. The present time helps no one.

H. V. BAKER.

PERRY, MO.

I don't like the daylight-saving time, it makes things out of balance for the farmer.

DAN T. TICE.

MCCREDIE, MO.

Get daylight-saving time changed back to sun time. This 1 hour per day per man, when multiplied by all the thousands of laboring men on farms in the United States, will amount to thousands of bushels of grain and food for our fighting forces.

RALPH WILKINSON.

MARTINSBURG, MO.

This daylight-saving time is a big nuisance. It is no longer necessary to get people out in the dark and cold to make them war conscious. In the rural districts we have been having daylight saving all through the years. In June, July, and August we have had our church services an hour earlier to escape the heat. If we had school during those months, the classes would have started an hour earlier, too. The only ones who benefited by the war time are the few metropolitan plutocrats who used to get to their office at 10—now get there at 9—standard time; and had an extra hour in the afternoon to play golf—which they couldn't do 12 months in the year, either. If some of the city factories and places of business would start an hour and a half hour earlier, that would relieve congestion on streetcars and busses. But that is the mayors' business. Relieve a war-confused people of this altogether unnecessary, irritating, and costly burden that has been saddled on them.

H. FREESE.

NEW PHILADELPHIA, OHIO.

Return our Nation to standard time. This daylight saving has created confusion worse confounded. One must use electricity more by beginning a day on eastern war time. Executive decree could govern working hours, but the sun still rises on God's time, which is even one-half hour later than standard. Most sincerely we hope the time bill will prevail.

EDNA M. SOUERS.

SANDY POINT, TEX.

It was an imposition on farmers to have ever had sun time changed. The average farmer can't produce as much with the new time. I have quit farming and don't expect to have another animal harnessed until the commonsense hours are restored. There was never any sense in changing the time. It seems that every nonessential rule those bureaucrats can devise is put into a law or rule. If there was any advantage in the change, it would be O. K., but there was never any need of it. I've discontinued 150 acres, and will never resume until the proper hours are reestablished.

H. L. TRAMMELL.

OUAQUAGA, N. Y.

Do away with this everlasting torment of war time. If golfers want to play, let them get up, and for heaven's sake leave the clocks alone. I am for America first, then pro-English from head to foot, but that don't mean we have to do like the English and set clocks 2 hours ahead. Let us have the time that has always been ours until some "brain truster" down at Washington came along to tell the common herd what's good for them. Success in getting our clocks set to standard time.

F. MERN.

IRWIN, OHIO.

Allow me to express my approval of efforts to restore the Nation to standard time. This idea of daylight saving, etc., is one of the most nonsensical things ever heard of. The return to central standard time in this section would greatly increase the efficiency of farm labor at a time when it is most necessary.

G. G. MCILROY,
President, Farm Management, Inc.

SAN FRANCISCO, CALIF.

The attention of the board of directors of this organization was called to a news dispatch which stated in effect that a bill had been introduced to return the United States to normal time.

California farmers have found that the so-called war-saving or war time has been a war losing time in their operations. Thousands of hours are lost from day to day because farm work cannot start in the morning until the dew has dried from the fields and trees.

It is apparent that American agriculture will see a greater shortage of labor in 1944 than at any other time during the recent years. It will be difficult at best to plant and harvest our crops.

In view of these circumstances the board of directors of this organization has formally endorsed the proposed legislation.

ASSOCIATED FARMERS
OF CALIFORNIA, INC.,
By S. H. STRATHAM,
Executive Secretary.

WALLOWA, OREG.

I am in accord with the repeal of daylight saving, cutting out all red tape, etc. I have been trying for some time to get one of the Oregon Congressmen to present a bill for repeal.

Here's hoping it carries in a big way.

H. M. THOMPSON.

PINE BLUFF, ARK.

Rid the country of the war daylight-saving time, which benefits no one. This law saves nothing in the way of electricity or gas, and we will be very glad to see the law repealed and let God take care of the daylight.

If there is anything we can do to help along the repeal of this fool law command us.

Mrs. MAUDE S. FLYNN.
Mrs. TRACY MILLS.

MOBERLY, MO.

I hope the bill to establish standard time all over the United States will be enacted. The so-called daylight-saving time table now in effect is, in my opinion, just one more cockeyed regulation and is of no practical benefit whatsoever. In fact, its use entails the use of more electricity in this part of the country.

THOMAS J. TYDINGS.

DAYTON, OHIO.

Please do all in your power to put bill 4489 in effect. I am sure the majority of the people of Dayton wish standard time.

LAWRENCE E. MILLER.

ARLINGTON, VA.

The sensible proposal to abolish the nonsense of trying to fool ourselves by monkeying with the hands of our clocks deserves the support of all intelligent citizens. The people deserve to be given the truth, even on the faces of their clocks.

TED SUMMERS.

BOSTON, MASS.

Earnestly endorse the bill to abolish daylight saving and return to normal time. Unfair to the laboring man and wastes electricity and gas and complicates every business and household activity. Let us get back to sun time with which everybody, everywhere is acquainted and satisfied.

J. H. CRAMER.

SUGAR GROVE, ILL.

There isn't anything that will help the farmers more than to go back to standard time. They actually have to go by God's time to a certain extent and they are always out of tune with the towns and cities.

City folks complain they can't get the children to bed in the summer so they can get their rest. And all winter they have to get up in the dark.

It upsets the farmers' work in every way. There really isn't one good point in favor of it. It very definitely hampers war production on the farm.

So I am speaking for all farmers in this section of the country when I say we hope fast time goes out fast. We are all hoping and praying for our regular time.

Mrs. OAKLEY MIGHEEL.

BOSTON, MASS.

The country is all upset from daylight saving. The time should be left the way the Lord intended, not what a few want.

(Many signatures.)

DAYTON, OHIO.

I wish to express my desire to return to and keep standard time.

CARL BACHER.

CHARLOTTE, N. C.

People down here in the sunny South certainly hope the bill against the fast time will go over in a big way. We are tired of it.

MARGARET GIBBON.

ENDICOTT, N. Y.

Get rid of the so-called daylight saving. It is the most foolish and one of the dumbest this country has ever had to endure. Let's have standard time.

Mrs. JOHN N. BOWER.

CLARKSVILLE, TEX.

Millions of folks in these United States join in trying to get the new war-saving time repealed and getting back to standard time. This new time has cost the people millions of dollars more for fuel and light bills. This new time has hindered the war effort instead of helping. Do away with this unnecessary war time.

D. J. STANPHILL.

NEW YORK, N. Y.

These are the days of willing and unquestioning sacrifices. These are also the days of agonized pleas for 100-percent efficiency. It is essential that our workers as well as our soldiers and sailors and air force be at their best at all times. It was no trick at all to sell the idea that by tampering with the clock, more money could be made. The world was stunned by the most calamitous war in all history. It was in a condition to grasp at any straw that would help increase production. The idea looked good. It was adopted, first in Europe, then here. Clocks were earnestly turned back and a certain amount of daylight, previously "wasted," was put to work.

The avowed purpose is to save daylight, yet all our munition works and factories, railroads, coal mines, etc., are working continuously 24 hours a day. Every bit of daylight is used and every bit of darkness too. Who wants it? The farmer doesn't, the mother of growing children doesn't, the laborer, the soldier, sailor, and airmen don't, the businessman don't, in fact, the vast majority of our population doesn't want it. Only a dwindling handful of golfers get some little light for their pellet chasing while the rest of us are condemned to eat our dinner in midafternoon, wasting daylight until after sunset. We get up in pitch-black darkness, turn on artificial light, hurry through our dismal breakfast, stumble out into dimly lit streets, wander into brilliantly lighted offices or work shops where, half asleep and at a dangerously low energy level, we must apply ourselves to precision work at an outrageously accelerated pace for many hours on end, oblivious to whether the sun may be shining or not. That sun is our great health giver, vitalizer, and energy producer.

Absenteeism is on the increase and the toll taken by accidents in war work is mounting at an alarming rate. Efficiency has been lowered and general health menaced in a host of new neuroses and mental complaints due to hypertension. Set the hands of the clock back where they belong. It would increase efficiency and improve general health, although most of those who suffer most from this off-key life are unaware of the underlying cause of their present discontent and chronic weariness.

RALPH DEGOLIER,
Head of Modern Language Department,
Trinity School.

COLUMBUS, OHIO.

We heartily concur with you in the effort to get us back to God's time once more. In fact, the people don't particularly care what kind of time it is, just so we adopt one time and stay there.

The writer is a traveling man and covers several of the Midwestern States. Everybody is badly confused with the various varieties of time. Nobody I have talked with can see where it helps the war effort. The old argument about conserving electricity is the bunk. The golf player is the only one that likes it. We go to bed by daylight and get up in the dark.

Anything you can do to get us out of this time mess will certainly be appreciated by a very confused public. The thoughts I have attempted to express here are not all my own but of the many that I come in contact with every day.

C. C. THOMAS.

STOCKBRIDGE, MICH.

Get congressional action to abandon war time and set all clocks of the United States on the true time—standard time based on sun time. We have not gotten very far on war time, so earnestly urge Congress to open their eyes and fall back to God's time. The so-called war time is detrimental to human rights, and our Michigan Legislature voted it down, but the Detroit "Hirohitos" overruled them. In talking with many people I have yet to hear of war time doing anybody any good.

FRED MCCONEGHY.

MANSFIELD, OHIO.

This artifical time is most unpopular and certainly wasteful. You would have to live on a farm fully to appreciate the latter. If you want to have a part in any worth-while project in the city, it is necessary to quit your work in the middle of the afternoon in order to have all stock cared for and just routine work done in time to attend the meeting. You can see what that does toward our efforts to raise all the food we can in this time of war, and we are all doing everything we possibly can in this time.

The bill will have the solid support of rural folks.

Mrs. H. J. SEEVERS.

BRYAN, OHIO.

The bill to return the country to a standard-time basis will be greatly appreciated by millions of people, especially the day working class, who must arise around 4 o'clock in the morning, based on the old time, to get started for work. I must be to work at 7:30 eastern war time, as I work on the New York Central Railroad, and must be at the station for a train due at 8:13 a. m. eastern wartime. I have talked with several of the railroad men and they do not like eastern war time. Most of us day men are around 50 to 70 years of age, and we must be to work from 7 to 8:30 a. m. As compared to the old central standard time, we report for work from 5 to 6:30 a. m.

Get the country back on a standard time That is what the people want.

E. A. KASTNER.

STERLING, OHIO.

From my observations, it is my opinion that daylight-saving time or war time is O. K. during the summer months, that is, from around May 1 to October 1, and would be much better for the State of Ohio than the present situation, where we have two kinds of time, but most communities will change to war time again about May 1.

I hope that a compromise will be made between your bill and year-around war time, so that we can have daylight-saving time in summer and the regular zone time in winter.

It sure seems foolish to go to work at 7 a. m. in winter and find it does not get daylight for a couple of hours yet.

G. A. MCBRIDE,
General Secretary-Treasurer,
The Order of Railroad Telegraphers.

OXFORD, OHIO.

I have received many communications from Grange members throughout the State expressing satisfaction over the fact that you have introduced a bill to place the Nation back on standard time. It is the feeling of the farmers that the fast time has not been of any benefit to industry and that it

has been a great handicap to farmers in their food-production efforts.

JOSEPH W. FICHTER,
Master, Ohio State Grange.

THE STATE OF TEXAS,
HOUSE OF REPRESENTATIVES,
Dallas, Tex.

I am enclosing an editorial from one of our leading newspapers regarding the bill to abolish daylight-saving time. It expresses my views and that of everyone else with whom I have talked, except that I would express my objections to the present system more strongly.

I believe that I can conservatively say that 90 percent of our people would like to go back to standard time. We do not object to any inconvenience that is necessary to the war effort; but we do not like to have a lot of what we think are foolish regulations just to make us war conscious. And no one has ever yet explained satisfactorily wherein the present system in any way contributes to the war effort. During the past winter I have seen many women standing in the cold and rain long before daylight waiting for streetcars or busses to go to work. If that helps the war I cannot see it.

JEFF D. STINSON,
Chairman, Committee on Municipal and Private Corporations.

[From the Dallas (Tex.) Times Herald of March 29, 1944]

TURNING THE CLOCK BACK

A Representative has introduced a bill in Congress to abolish daylight-saving time. He would turn the clocks back the hour they were set ahead when the present time system was adopted as a war measure.

It is to be hoped that the Congressman's effort will meet with success.

It may be that the ingenious method of setting the clock ahead an hour to get more work done has produced the desired effect in some portions of the country. It is doubtful, however, that it has produced any such results in places like Texas.

It may be that it has saved some electric power, which was, as we recall it, another of the announced objectives.

Lacking specific figures on both these points, no attempt is made here to pass on them definitely.

But it can be said without fear of contradiction that daylight saving, so-called, has disarranged the lives and schedules of a great many people, who do not like it. They would like to get back to standard time again. It is only necessary to point out that several State legislatures have already taken action for their States, and to look around and listen to the reactions of the average citizen, to prove this.

In the face of such popular demand, it should take a good deal of convincing argument to keep this bill from becoming law.

ELIZABETH, N. J.

I am against daylight-saving time. We middle-class people, who live in the city, get no enjoyment out of it. The sun stays up too late for the rooms to cool off and a workingman has to go to bed in daylight. I say get rid of it for all time.

Mrs. L. GABRIELSEN.

DAYTON, OHIO.

It will be a godsend to war workers and others to eliminate daylight-saving time so it will be effective this month. You are familiar with all the confusion and argument this measure has caused the entire Nation and this letter is merely to add support from this part of the country. Wishing you unlimited success in getting the measure adopted quickly.

D. A. COZAD.

BROOKLYN, N. Y.

Abolish daylight-saving time and return us all to standard time once more. I fail to see how it can aid in the war effort when most of us go to work in the dark of the morning for so many months in the year. It is bad enough for the few months in the summer, but all year round is harmful.

A great many fatalities, due to heart attack, are due to an accumulation of fatigue produced in the circulatory system, brought about by the loss of sleep occasioned by daylight saving.

Especially is this true in men who are between 40 and 50.

In behalf of the early riser.

N. E. KOENIG.

BINGHAMTON, N. Y.

It isn't fair for 999 people to be forced to get out an hour early so one of each thousand can play golf. These golf players could get up before 8 a. m. and play golf before they go to business at 9 or 10.

Believe me, the first ward of Binghamton, the largest and most populated ward in the city, is against daylight saving. Our councilman can attest to that fact.

JOHN J. SIMECK.

MARYVILLE, MO.

We have read of the bill to go off daylight-saving time November until February, inclusive. We as an American Problems Class, wish to express our opinion of the bill. Many of our pupils must walk considerable distances before boarding our school busses, which leave the far end of their routes at 7 a. m. in order to be at school at 8:30, our usual starting time. Parents have to arise so early to get their children off to school that there is so much time lost because of their being unable to perform any work before daylight. The pupils have to travel in all kinds of weather and, due to road conditions, it is inconvenient to walk in the dark.

It is the opinion of the class that the majority of the people of the rural sections are in favor of your plan to change back to standard time, especially during the winter months.

AMERICAN PROBLEMS CLASS, HORACE MANN HIGH SCHOOL,
THE NORTHWEST MISSOURI STATE TEACHERS COLLEGE.
(Many signatures.)

PALMYRA, PA.

So glad someone is interested in abolishing daylight-saving time. I am sure we do not save any, getting up at 4 in the morning, and I would like to see the man from Pittsburgh who is supposed to be father of daylight-saving time get up that time. I think he is one of those who don't know what hard work is. I would like to see him get up at 4 in the morning, work in the hayfields and, when threshing time, help there. I'm sure he would not need to go on the golf course to sweat. I sure think it was one of the meanest things done. If anyone cares to get up an hour earlier let him do so and not compel others. Why not let the time as it was. Man cannot change the moon, stars, or sun.

Hope we will win; here's luck.

Mrs. R. C. BOWMAN.

FRAMINGHAM, MASS.

Please give the daylight-saving bill an extra kick for all time when it comes up for repeal. We are a patient, long-suffering people, but when it is 5 o'clock, it is not 6; why allow ourselves to be fooled. Don't forget to knock it out for good.

A. H.

JACKSON, TENN.

We, in our city, are very pleased over effort to get back to God's time. Please work a little harder and know all the housekeepers are with you, for it's been a terrible trial on us.

Thank you.

LOIS SAUNDERS

BARRY, ILL.

Abandon war time and put the Nation on standard time.

It would be one of the finest things that could be done for the betterment of our country.

I have never been able to see where this war time does anyone any good at all. I could think of hundreds of reasons why it should not have been done.

I hope we get the time changed.

G. N. REDMAN.

EVERETT, MASS.

I have read with interest the April 7 issue of the CONGRESSIONAL RECORD, and want to take this opportunity to commend your stand in this "crackpot" idea of tampering with the Nation's time.

Every citizen of this country is good and sick of this tampering with the clocks, and it is high time we got back to sanity.

EUGENE BERTRAM WILLARD.

TACOMA, WASH.

I was very glad to read that Congress will soon start hearings on the bill to put the country back on standard time.

I have never been able to figure out how daylight saving, or war time, has been of sufficient benefit to even offset the confusion and inconvenience it has caused. I sincerely hope Congress will see fit to repeal it.

ALMA MADSEN.

WASHINGTON, D. C.

I want to express my appreciation of the bill to eliminate daylight saving from November 1 to March 1.

It's just a pain in the neck to get up and go to work in the dark in the wintertime. And, judging from Pepco's reports, I can't see where it saves any electricity, because what you don't burn in the evening you burn in the morning, and vice versa.

CLIFFORD E. SHULTZ.

LISCOMB, IOWA.

Enclosed find a petition in favor of restoring time back to standard, or sun, time.

This was signed by two Christian churches here.

Nobody refuses to sign, and I could get a thousand signers if I would get out and canvass.

The sun time suits us so much better, and hope you can get it restored to where it should be.

G. S. NUGENT.
(Seventy-eight signatures.)

FORT WORTH, TEX.

Please change the clocks back pronto. Get rid of this confusing mistake. It was well intended but has turned out to be a sad mistake. I hope Congress will never again tamper with the time.

M. F.

BROOKLINE, MASS.

I wish to commend abolition of daylight-saving time.

This is the wish of thousands in this section. Best of luck in the matter.

N. E. BARNES.

ARLINGTON, CALIF.

We in the rural districts of the State of California are, indeed, interested in efforts to repeal the daylight-saving law and put the Nation back on standard time.

The Governor, as well as the California State Grange, have gone on record as being in favor of the restoration of standard time.

The act has not accomplished its purpose and is causing vast inconvenience.

T. L. COWDEN.

ARLINGTON, CALIF.

Efforts in regard to the abolishment of the wartime daylight saving have not gone unnoticed by the farmers of California. As you know, the farmer lives and works by the sun, so any legislation to change that is entirely without purpose.

Our Governor Warren has come out strongly in favor of rescinding this bill and we are all firmly behind any action which will restore standard time.

RACHEL G. ORCIERE.

CASEYVILLE, ILL.

I want to add all possible help to efforts to get this country back on standard time. I work shift work, but fast time is as much a detriment to me as to the farmers and other people.

When on the day shift it means egtting up an hour earlier, which in the wintertime takes more fuel and electricity and in the summertime robs me of an hour's sleep in the cool of the morning when I could sleep. It means dangerous hardships for most school children starting to school in the dark. If I need to work in the garden, I would much prefer doing it before going to work instead of in the midafternoon in the heat of the day. Very few people will even play golf then, let alone working at anything else. On the midnight to 8 shift I get very little sleep in the daytime and could get another hour before going to work if we were on standard time. Most war plants are on 24-hour schedules, so changing the clock cannot possibly benefit them. I know of no advantage in fast time to anyone, but certainly am aware of its disadvantages.

CARL W. CLAY.

EDMONDS, WASH.

I would like to see our clocks set back where they should of been left. It was never anything but a silly idea at best.

JENNIE L. ANDREWS.

DAYTON, OHIO.

I am in favor of bill H. R. 4489, to restore standard time.

The present arrangement gives us a very unpleasant rearrangement of time that is harmful rather than helpful in the war effort.

M. J. GIBBONS SUPPLY CO.

LOUISVILLE, KY.

Abolish war time. I am not only speaking for myself but for hundreds of my fellow men at the L. & N. R. R. shops here, as being in favor of standard time, all the time.

WILLIAM H. PERKINS.

PASS CHRISTIAN CHAMBER OF COMMERCE,
Pass Christian, Miss.

I am directed to send you a copy of the enclosed resolution introduced by Mr. Robinson on September 2, 1943, at a regular meeting of this body.

MYRTLE S. MCDERMOTT,
Secretary.

Whereas the existing daylight-saving law is causing unnecessary and wasteful use of electricity and imposing hardships and expense on many people during the long nights of the winter season; and

Whereas no such conditions existed during the First World War, when daylight saving was observed during the season when the days were long and the nights were short; and

Whereas there is no reason why the daylight-saving hours observed during the First World War should not be put into effect now, thus causing less expense and bring more satisfactory results; Therefore be it

Resolved by the Pass Christian Chamber of Commerce, That the Congress of the United States is hereby memorialized and urged to amend or change the existing law so as to provide that the period of daylight saving shall begin on the third Sunday in April and end on the third Sunday in September each year at hours to be fixed by law, and continue in operation until the end of the war.

GRAY SUMMIT, MO.

I want to tell you how pleased everyone was with the bill to change back to standard time. Please can you get that bill through in a hurry?

MILFORD T. OMOHUNDEO.

DEPARTMENT OF HIGHWAYS,
Leesburg, Va.

Several weeks ago there was an article in the Washington papers stating that you had introduced a bill in Congress for the repeal of the daylight-saving time.

The employees of the highway department in Loudoun County are very much in favor of your bill and we would like to know what progress has been made toward getting this bill passed.

G. P. BOZEL, *Resident Engineer.*

MASSACHUSETTS.

TO THE EDITOR OF THE POST.

SIR: The article on page 1 of a recent edition of the Post setting forth that at last Representatives are coming out for a repeal of the so-called daylight saving is sure good news to all of us workers.

Must we go through another winter with this crazy set-up? Why has there not been something done before this to put us back on our regular time? Farmers, workers, and especially mothers have been clamoring for the turn-back to normal time and no one has done a thing about it. When this thing was put over it was just for one reason, but like many other things that have been put over on a gullible public, it has remained until we are all fed up on it.

Please, will some of the politicians do something now?

F. D.

CLARENCE, MO.

I noticed in paper a bill to change from war time to old time.

We are farmers, operating about 800 acres of land, and are interested in having time changed. Have talked to a number of good farmers and all have expressed themselves that they would like to have the change.

When we are putting up hay, harvesting oats, wheat, and soybeans, or plowing corn early the dew ordinarily makes it very bad getting started on war time. Then when 6 o'clock comes the greater part of labor wants to quit and at that time it is best part of time to work in farming season.

Then in winter when days are short and you get out at war time you have to get stock up, and we don't think that good in feeding stock.

We are interested in food production and doing our part in winning the war in the best way to our best judgment, and the number we have talked to feel it would be best to have time changed back.

MCCARTY BROTHERS.

LOS ANGELES, CALIF.

Abandon war time and go back to standard time.

I don't believe one watt of electricity was saved by this war-time policy, and I believe it is much nicer to go out in the evening when it's dark. The days are long enough in the summer without trying to make the evenings longer.

Here in Los Angeles before the war this change of time had been voted down by the people several times.

So here's hoping we can return to normal standard time soon.

RAYMOND MCLAUGHLIN.

WINTER PARK, FLA.

I have thought that no one in the United States disliked this stupid war time as much as myself. In winter it is dark here until after 8 a. m.; breakfast has to be prepared and eaten by artificial light—though we are urged to save electricity. It is too wet to work in one's garden. Country children have to take the bus, if they live any distance from it, in the dark. In summer it is not so bad in the morning but one has to water the garden while the sun is quite hot. I should think golfers would not be able to play until 5:30 p. m. at least.

If it were intended for workers in munitions factories, I fail to see the need of it because there is a night shift anyway. I hope Congress will succeed in going back to standard time.

MARIAN S. FRANKLIN.

HUMBOLDT, TENN.

I am glad to find someone whose views coincide with my own on the subject of wartime or daylight-saving time, as it is erroneously called.

Daylight-saving time is the greatest misnomer, in fact, so great as to be rank folly. I have yet to see one person but that says to have the clock an hour ahead of the sun causes them to use much more current for household and business alike. It causes the man of small or average income to pay extra light bill, for he must have light 2 hours on the average every morning, while if the clock were with the sun he would have to use artificial lights only 1 hour.

Defense workers who are on the daylight (8 a. m. to 4 p. m.) shift must get out of bed and make all preparations for the day in pitch darkness and go to the bus lines and stand there in blackness of early morning waiting to catch their bus. This from November to April at least. Frankly, I see not even an atom of common sense in such an arrangement.

Mrs. R. C. BETTS.

LITTLE FALLS, N. Y.

Abandon the war time and put the Nation on standard time.

Having the clocks ahead of standard time this past winter was nonsense and no saving as far as electricity was concerned, and many here think it lowered physical resistance.

E. F. J.

CANANEA, SONORA, MEXICO.

I noticed in a Douglas, Ariz., newspaper congressional action to abandon war time and put the Nation back on standard time.

I have noted the effects of time in various parts of the Nation from coast to coast and have made a thorough study of our time system. The sun, after all, governs daylight and railway junctions do not.

During the short days of winter nearly half the population go to work an hour before daylight, and the other half quit work an hour after dark. Such a situation does not help the war effort or save electrical energy.

Your proposal is something that is vital to every American.

JERE CHAMBERLAIN.

[Telegram]

ELKO, NEV.

Fight the silly daylight-saving law. I heartily endorse your stand. More power to you. I think—and so do thousands of others—that this law is about the most foolish and unnecessary one ever written and enforced. There is no saving of anything; in fact, it requires more electricity most places,

as 8 a. m. is actually 7 a. m. and barely daylight inside of houses and stores. There is only 24 hours in a day and a man or woman can only do so much in 8 hours whether the day starts at 8 a. m. or fictitiously at 7 a. m.

The people that want to get up early and start Victory gardens, etc., will do it anyway at whatever time they please regardless of the time of day, and if everyone was doing their bit for the war effort they wouldn't need time in the afternoon for golf—they could be better employed helping in some local service that was short-handed on account of the war. There is entirely too much regimentation by Washington trying to tell all the people what they must do, and passing a law telling us when we must start the day, etc., is just much too much. Kill this daylight-saving foolishness.

CARROL H. PARSONS.

ESTHERVILLE, IOWA.

For God's sake do all you can to put the clock back to the right time. It is driving us all nuts and we are all losing money by this war time. The war is bad enough with out putting up with the wrong time. Put it back to the standard time and help win the war.

ALLEN SMITH,
For all the people of Estherville.

BIRMINGHAM, ALA.

Do something to get off this daylight-saving time. I don't see where there is any saving in the new time. I'm speaking from experience, and really I feel worse since the war time has been into effect, as I don't get enough rest. Hoping the new time will be changed and you succeed in getting the clock on standard time soon.

MRS. E. L. BURFORD.

WEBSTER, N. Y.

After reading a news item regarding efforts to abolish war time, I wish to emphatically state that I am heartily in favor of the bill. In my opinion this turning back the clock has done nothing. It has saved neither electricity nor the people's patience and is just another example of foolhardy legislation.

LOUIS F. KOLB.

LOUISVILLE, KY.

I am glad to know someone in Congress doesn't favor daylight-saving time.

For working people who have to get up at 4:30 or 5 a. m. and some even earlier, it is cruel.

The idea that it saves electricity is worse than foolish. People all over the Nation getting up earlier burn a lot more electricity and use their automobile lights. In the summer it is too unbearably hot to go to bed at the accustomed hour so people lose that extra sleep.

I'm positive the people who thought up this abominable idea do not get up early every morning, winter and summer. They would be the first to complain.

MRS. W. G. BROWN.

CAMPBELLSPORT, WIS.

It is with great interest that I and millions of other people of this Nation have been reading and hearing over radios of the fight in Congress for sensible standard time. It's been a big disadvantage to everyone except playboys, night-spot patrons, and golfers, and we the people who are so necessary to the war effort and working for the good of the Nation in every way would like Congress to show us where that caliber of people are so important to the Nation, that Washington should cater to them.

Millions of us in every State are so thankful for the bill to abolish war time. Our earnest wishes are that it will be brought about. The sooner the better for this Nation.

Keep up the fight for us.

E. F. MESSNER.

VACAVILLE, CALIF.

Just a brief note on the bill to eliminate the silly "crackpot" ruling or act called daylight saving which saves nothing and does no good. All its bad features you already know, so I will not take up your time in a tirade against the childish act. It is in a class with tin pennies and other well-meant moves produced by war hysteria. We have too many serious things before us these days without so many trivial things. We, the people, are not complacent. We are worried, some of us grief-stricken, all with some fear. We could hardly be complacent and there is no sense in daylight saving. If you could interview 129,000,000 of us, you would find that many against the act.

M. SHARPE.

MOBILE, ALA.

Repeal daylight-saving time.

That will be one of the best things that can be done. I do not see where we save any time, men come to work and have to wait for daylight to go to work.

Keep up the good work and repeal it.

STUART C. STEINER.

UNIVERSITY CITY, MO.

Do all you can to abolish daylight saving.

We save nothing. The disadvantages are a hundredfold greater than the advantages. It has caused hardship to 90 percent of the people in our country. I never could understand why any person should want to tinker with Father Time.

F. ROY DEAN,
Member of General T. J. Wint Camp
No. 14, Department of Missouri,
United Spanish War Veterans.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Arizona [Mr. MURDOCK] is recognized for 5 minutes.

THE PRESIDENT'S MESSAGE

Mr. MURDOCK. Mr. Speaker, a reporter asked me a few moments ago what I thought of the President's message to which we have just listened. I was greatly impressed with this message. Although it was a long message, I listened to it attentively. I cannot comment, of course, on much of it here and now, but I have it before me, and I want to make some comments with regard to section 17 of the message.

We have it on good authority that "without vision the people perish." I think that applies to any and all nations and peoples, regardless of time or place, if there is lack of vision on the part of the rulers, the governors, the administrators, and other public officials. From the tone and wording of this message it is evident we have vision in high places. For this I am thankful.

Never was there a people, never was there a nation in such a state or condition where vision was more necessary than with the American people, our Nation, at this hour. I saw in this message great vision.

If my emotions now would permit—and my emotions will not permit—me to comment on what the President said here with regard to husbanding our human resources, I would like to do that, but I cannot. I do want, however, to refer to his suggestions on these natural resources.

I, too, was born in the State of Missouri, and I can understand the President's historical point of view. I have often said to my fellow Missourians that that centrally located State is indeed the mother of empires. I went from Missouri into the Southwest over the Santa Fe Trail. I recall that it was Senator Thomas Hart Benton of Missouri who promoted the fur trade out in the western country long before it came under the American flag. I remember that it was General Kearny and General Doniphan, from Missouri, who carried the American flag down into the Southwest, and I remember that the Pathfinder of the Rockies, John C. Fremont, himself was able to do what he did as Pathfinder of the Rockies because of his wife, Jessie Benton, the daughter of Thomas Hart Benton. It was farseeing Missourians who acquired the West.

I remember that the first military governor of New Mexico, including at that time the present area of Arizona, was Sterling Price, a Missourian. I remember that the first civil Governor of New Mexico was a former mayor of St. Louis; indeed, not only did Missourians pour over the Santa Fe Trail down into the lower part of the Southwest, but they poured over the Oregon Trail into the Northwest. Missourians of a former generation looked beyond the borders toward the West and helped to develop it so that today there are proud commonwealths, not only in the Great Plains and in the intermountain region, but also on the Pacific coast, that were promoted by Missouri statesmen of another generation. It delights me to see that our President also looks toward the West with an understanding and appreciation of its vast possibilities.

The President in his message mentioned the reclaiming of desert lands, the harnessing of the rivers, and named the Columbia Basin and the great California Central Valley and rivers of the West that ought to be harnessed. I heartily approve of that idea. Our debt-burdened country may yet be saved by the youngest members of the family of States.

Mr. Speaker, I want to call your attention to this fact, that after every war of the past our people in reconstruction days have looked to the West. After the Revolutionary War they looked to the Ohio Valley, which was West in those days. They went out and sought land in humid sections where a man could make a living on 160 acres.

The SPEAKER pro tempore. The time of the gentleman from Arizona has expired.

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent to proceed for two additional minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. MURDOCK. I wish to recall to you that after the War Between the States the men who wore the blue and the men who wore the gray went west. They were still in the humid section west of the Mississippi. After the First World War veterans tried to go west in our country to make a living, and did go, but by the turn of the century all the good land had been taken and only desert lands remained. It is true we did liberalize the homestead laws, we did make it

possible for veterans to have a little preference by going out in the desert and taking up 640 acres; but they could not make a living there on desert land without water. I saw many pitiful cases of men who tried to make a living on the desert without help after the First World War. We have said that thing must not happen again; and now after this war hundreds of thousands of veterans are trying to get a piece of good, well-watered land on which to live some place in the West. Of course, all over the country veterans ought to have a place to live, but I agree with the President that in the West they are beckoned, and we must provide for them. Suitable adventure awaits them and good health will be restored to them.

The President, in his foresight, looks to the great West as a new frontier. He perceives that the great debt which hangs over us as a result of this war must be financed by the fullest possible wealth-creating expansion and he perceives that the West affords that opportunity of expansion. This is plainly evident when he calls our attention to irrigation and reclamation and the development of our western rivers, and particularly in regard to our further exploration of our mineral resources.

The President is right when he speaks of the war's heavy drain upon our strategic minerals and metals. He means by that that we have drawn heavily upon our previously known operating mines and upon our definitely known mineral deposits. However, he also knows of the existence of great deposits which have yet to be explored and opened up. If we will exert a fraction of the energy in finding and bringing forth the needed minerals and metals for peacetime use that we have exerted to bring them forth for wartime use, there will be much employment furnished in the mining West and in the fabricating industry of the East. Certainly the President is right when he urges us to provide stock piles of the critical and strategic minerals and metals so that we may never again be caught short as we were at the beginning of the First and of the Second World Wars.

Mining is one of the great basic industries of the country. It has furnished use the wherewithal to conduct this greatest of all wars in this machine age. We are more and more moving into the age of metals, not only in regard to war but in regard to peace, and it is heartening to see that the President of the United States appreciates the possibility of development of domestic mining and earnestly urges Congress to make the most of it. The mining of gold and silver from Nevada and California has played a mighty part both in war and in peace in American history, but the newer metals are destined to play a greater part in our future industrial growth than that played by the precious metals. This is one part of the message I hope we take to heart.

EXTENSION OF REMARKS

Mr. BLOOM asked and was given permission to extend his remarks in the RECORD and include therein an editorial from the New York Times, also an address by Hon. Nelson A. Rockefeller and an article from the Reader's Digest by the Honorable James A. Farley.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. MURRAY] is recognized for 10 minutes.

TAKE THE RATION POINTS OFF BEEF RIGHT NOW

Mr. MURRAY of Wisconsin. Mr. Speaker. the subject I wish to discuss this afternoon may sound provincial. All I want to do is to take point rationing off of beef and I want it taken off right now. I make this request very humbly and I think the Congress should demand the removal at the present time.

There are some very definite reasons why this should be done. The first is that we should provide the necessary nutrition, the necessary animal proteins, for the children and for the old people of this country which they have been unnecessarily deprived of long enough. They have eaten all sorts of concoctions and all the vegetable protein fillers they need. The elderly people and the children of this Nation are today being deprived of a food that they should have.

It will do little good to come in here with a school-lunch program and shed tears about how badly the children are fed when millions of children in America today are being deprived of animal proteins that they should acquire through meat.

I would extend this to other foods if it were not for the fact that they come under a different category. I want to confine the discussion today purely to beef.

Mr. Speaker, the necessity for rationing beef no longer exists. Very few people realize that at the beginning of this war we had more dairy cattle in the United States than we had of the so-called beef cattle. At the present time they are about in equal numbers. The dairy cattle furnish a large part of the meat that goes into what we call soft meats, such as bologna and also hamburger. These dairy-cattle owners are going to be the victims of a situation that should be corrected, and corrected right at the present time.

Along about this time of the year the dairymen start culling their herds. They send the surplus to the markets. Large numbers of range cattle also go to market in the fall. We then have these dairy cattle going to the market. Call them what you want to canners or cutters. The packers change the classification. When there is an abundance of cattle, they are called canners, but when there is a shortage they do dignify a part of them by calling them cutters. The price of this class of cattle is depressed in the fall and early winter. Plenty of range cattle are going to market, remember, to furnish the quality beef. The food producers deserve some protection under the 90-percent parity floor during the war and for 2 years after the war. That guarantee does not help the cattleman however very much. The reason it does not mean much to the beef industry is because of the low price of beef that prevailed during the period 1909 to 1914. The price of beef at that time was so low that all this 90-percent parity guaranteed floor, so far as beef is concerned, is just simply so many words.

What is happening? Here is this beef from the dairy herds coming to market the same time the cattle from the range are marketed. Remember, it is a class of meat a large majority of the people of this Nation eat. The prices are depressed and will continue to be depressed. In other words, 90 days ago they brought about one-half more than they will from now until January 1. Now what do you really think is going to happen when the fat cattle come in from the ranges?

Between 30 to 40 percent of the beef marketed during the year is marketed the last 3 months of the calendar year. Anyone in Washington can predict more beef soon because it always has been marketed in large quantities in the fall. This surely is a safe prediction.

Then we have poultry coming to market in the fall. We have the spring crop of pigs, and it will be an easy matter to furnish meat from now to the first of the year.

The Small Business Committee met yesterday and they said, "Oh, we think we will be able to take this off by the first of the year." Sure they will, because they will have so many cattle to kill. They refuse to let people kill and consume them now, so a surplus can be expected. But why not avoid this situation? What irritates me is to see these bureaus keep their clutches on the people when there is no justification nor reason for doing it. They should give the great bulk of the American people at least the hamburger instead of giving a few the sirloins of the choice corn-fed steers.

I wish the chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON] would take notice. His committee will no doubt continue to bring in appropriations in the name of agriculture. Millions will be involved. The Congress could avoid millions in losses to farmers if they would take the strait-jacket off from food producers as far as rationing of foods is concerned. Farmers will sell millions of cattle between now and January 1 and will sell them $5, $10, $15, $20 and up to $40 per head less than they should obtain for them. It will be similar to the 25 cents per hundredweight reduction in the price of milk going to producers of milk for evaporated milk and then pay a subsidy of 25 cents per hundredweight and then try to make the farmer believe someone in Washington had given him something.

Let us tackle the problem in the economic sense and insist that the rural people of this country are a part of the reconversion program. Every time we read an article in the paper we see, "we will have a meeting of Government, labor and industry." Why not include the other big segment of our population, the farmers, because upon their prosperity depends jobs and depends the prosperity of all the small towns and businessmen in America. Why is not this an appropriate time and place to begin agricultural reconversion?

Mr. RIZLEY. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentleman from Oklahoma.

Mr. RIZLEY. I am very happy to hear this fine statement coming from my colleague, the gentleman from Wisconsin, who, of course, is considered one of the outstanding members of the Committee on Agriculture. I am sure he will be interested to know that down in my section of Oklahoma where we raise this beef that the next day after the war with Japan was over, I mean, long before the surrender, an organization which has recently been formed down there known as the Northeastern Oklahoma Cattle Raisers Association unanimously recommended to the Secretary of Agriculture and the President of the United States that the red points on beef be removed at once. I think the gentleman should go further in his recommendations. It will not do so much good to get the red points off unless we get some of the slaughtering restrictions which have been put on removed also. I do not mean the restrictions for cleanliness, but there are other restrictions, as the gentleman well knows, that should be removed.

The gentleman is exactly right. There is plenty of beef now; there is plenty of beef coming in. There is more than a steady, normal flow of fat beef coming from the grass from Texas. Oklahoma and Kansas going on the market now. There is no need for keeping these red points on and they ought to be removed at once.

Mr. MURRAY of Wisconsin. I thank the gentleman. Surely the slaughterer should be allowed to slaughter all that the markets demand. The gentleman is correct.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MURRAY of Wisconsin. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Will the gentleman tell me why a great deal of the beef going into certain areas is not of the best quality? Is it because the best beef is going to Europe?

Mr. MURRAY of Wisconsin. In answer to the gentlewoman from Massachusetts may I say that a small percentage of the beef produced in the United States is really corn-fed choice beef. There is not enough of this kind to fill the demand. I am asking that the average citizen be provided the cheaper meats. You may remember that a year ago one could get all the grade C beef one wanted. One could go into any shop and get one pound or a hundred pounds and take it home. It was all right, because we were told we had plenty of it. Now today, after the war with Germany is over and VJ-day has come and gone one cannot even get a pound of grade C meat without having ration points. If anyone can tell why this situation exists, I am sure we will all be glad to get the answer. Do you have the answer? Do you know of anyone in Government or out that can give a valid reason for rationing beef at this time? If you cannot the quicker these restrictions are removed the better for all concerned.

The reasons, then, for removing beef from the list of rationed foods are:

First. To provide the necessary nutrition especially for children and elderly people.

Second. To avoid a demoralized beef market for the cheaper grades when the range cattle come to market.

Third. To furnish employment for labor in processing the meat.

Fourth. To see a policy of abandoning the rationing of food when there is no shortage of a food and no earthly reason for rationing it. Let us hope that common sense will prevail and that rationing of beef will be discontinued at once.

EXTENSION OF REMARKS

Mr. MARCANTONIO asked and was given permission to extend his remarks in the RECORD and include a memorandum on the political status of Puerto Rico.

PERMISSION TO ADDRESS THE HOUSE

Mr. GROSS. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RICH] is recognized for 5 minutes.

POSTWAR POLICY

Mr. RICH. Mr. Speaker, I was not asked what I thought about the message from the President that required an hour and three-quarters to read this afternoon and comprised 32 pages, but if I had been, I would have made some remarks similar to this. I have heard a good many messages sent here by the Chief Executive in the last 10 years. They have made promises of all kinds to all the people of this country. I think this was written by a great many of the same writers who have promised the people of this country practically everything. This was in this one message, where heretofore we would get in three, four, or a half dozen messages containing the same promises to the American people.

I am very much interested in the American people and the American form of government. The message today stated that we would go in the red this year about $30,000,000,000. At the present time, as of August 31, we have an indebtedness of $263,534,678,194.99, according to the Treasury statement. If we go in the red $30,000,000,000 more this year, I wonder how the President can honestly promise to the American people all the things he is promising we are going to do for them, unless there is a day of reckoning coming. The day of reckoning is coming just as sure as the sun will rise tomorrow morning, and the sun will rise tomorrow morning. How are we going to accomplish all the things we promise without very much effort on the part of the American people to get all those things?

I come from the old school that believes you are supposed to work and earn and save if you want to get ahead. I do not yet know the mystery of the New Deal. I cannot fathom it. It is couched in flowery promises on easy terms.

So much for that message. Now I want to comment on the statement that was made by the President the other day, when he cut lease-lend off quick. Personally, I think the President did a fine thing in doing that, because lease-lend was to continue only for the duration of the war and it was enacted only for that purpose, winning the war. The war is over. I am glad that I never voted for it, and I want that understood first, because I did not believe in any such legislation as that. The Members of Congress figured that lease-lend was a gift and have always acted under that assumption, at least a great majority of the Members. The American people now have the bill to pay.

That has gotten us to this point. The Johnson Act is still on the books. The President says he wants it annulled. I want to vote for that when the time comes for it, because I want to do business with foreign nations and with all the people on a good, sound basis, an honest-to-goodness sound business basis. I want our people to have plenty of food, clothing, good housing, much pleasure—good education, recreation plenty—but I want them to have jobs to earn a good livelihood. I still believe in work and earn and save as a sound policy for our needs. I want our people to have medical attention, but I am not ready to socialize medicine. I want them to have unemployment compensation, but only when they cannot get a job. I am not for having jobs for people then having them refuse to work and be on unemployment insurance. That hurts the individual, makes him indolent. It raids the Treasury, and it places a burden on the taxpayer. Work for all and then let us stay on the job and earn good pay.

It so happens we have given under lease-lend about $42,000,000,000. According to our books to other peoples we have received in return about $5,500,000,000. We have given to Great Britain $29,000,000,000; to Russia, $10,000,000,000; to France, $510,000,000; to China, $362,000,000; and to other countries about a billion dollars. It was said, and I believe that the President enlarged on it in his message today, that we are going to cancel those debts. I do not believe in any such business of that kind. I do not believe in trying to be mean or to stint where foreign countries are concerned, but I want to look after America and look after America first. That is my duty as a Member of Congress. I do not want to see Mr. Churchill, who condemned the President very much because he cut off lease-lend, condemn the President. I do not think the President deserves any condemnation for that. He did the fine and right thing. Now let us get on a sound business basis and deal with Great Britain and these other foreign countries. I remember, and I think all loyal Americans will not forget, Winston Churchill told William Griffith, the editor of the New York Inquirer, in 1936 that the United States should have minded its own business and kept out of the World War. That was World War I. We went over there and got into this war

as much because Winston Churchill tried to get us into the war and we have helped Great Britain win it. He complains today as well as Mr. Attlee about us stopping hand-outs. We do not owe Great Britain anything, but Great Britain owes us a great deal, and these other nations owe us a great deal. Therefore, let us try in settlements to look after America. Get on a business basis and get there quick. Great Britain may not be able to pay us back in dollars or in kind, but Great Britain has a lot of things that she can give to America before we settle our claims with her or with Russia or any of the other nations. I want to say again, I am for America and I want to do the things in a good business-like way for the benefit of America and American people.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. RICH. Mr. Speaker, I ask unanimous consent to proceed for an additional minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. CRAWFORD. In reading the message of the President today with respect to lend-lease, I got the distinct impression that his idea is to make settlements of the lend-lease obligations in a manner which will promote a general and sound world-wide economy and which will contribute to international peace and our own national security, and that in that language he proposes to make additional obligations on our part, not that we will receive something back from these countries but that we go even further in extending financial and material aid and moral encouragement. Therefore, I would not gather from that message today any idea whatsoever that we are going to collect anything from those countries.

Mr. RICH. Well, I want to impress it upon the minds of the Members of Congress that before any complete settlements are made, the Members of Congress ought to have something to say about it and that it should not be left to the Chief Executive nor to the members of the State Department. Congress ought to give consideration to these settlements. Congress should be represented from here on in giving gratuities to all people all over the world. Remember our taxpayers are going to have to foot the bills; our people now think they have enough and too much taxation. Can you lighten their burden by increasing their obligation more and more? Certainly not.

We must have a lot of good sound common sense from here on in our lawmakers if we are to survive. If we are to be happy as a nation we must be wise, prudent, industrious. Labor and capital and agriculture working together. Not striking, for when we strike all lose. We must arbitrate our differences and remember the Golden Rule if we have happiness and contentment in America.

Let us work together, let us live together—in peace.

EXTENSION OF REMARKS

Mr. MURDOCK asked and was given permission to extend his own remarks and include therein a poem on Ernie Pyle written by an associate employed by the House.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. GROSS] is recognized for 10 minutes.

UNEMPLOYMENT AND THE FAIR EMPLOYMENT PRACTICE COMMITTEE

Mr. GROSS. Mr. Speaker, concerning the President's message which took so long to read, which our colleague was just talking about, in the language of a plow hand, which I was for so many years, I just have this to say, that it was pretty far to the haw side. I mean to the left.

The President spoke about everything under the sun in that speech. One of the first things I want to comment on is this full employment about which he is so much concerned. I think generally we are making a mountain out of a molehill concerning unemployment at the present time. I recall that in one of my local plants they laid off 3,800 men 2 weeks ago and in another plant they laid off half that number. Yet every daily newspaper in the district has pages full of advertisements that men are still wanted. The community is still rated a critical labor area. "Men are still wanted." And a recent survey by the chamber of commerce revealed that 4,000 people are now needed in the hotels, offices, restaurants, and so forth, in that city. It is a fact that many people, about a million and a half women, are in industry, who were driven there through patriotism and high wages, who expected and wanted to get out.

There were about 2,000,000 men from 50 to 80 years of age in industry for the same reason, looking forward and hoping that the time would soon come when they could get out. So there are other groups. Add to them the 2,000,000 men who were idle before the collapse in 1929 and who they said never did work, and you will have eight or nine million people, and that is about the number that certain hell-raisers of the country are shouting about and weeping for today. I think if we have just a little patience we will find those people are drifting out and being absorbed, and this will not be nearly as bad if we only have sense enough to be honest and deal with it on the same basis on which it exists.

The President talks about selective service and wants it continued. Certainly selective service should be terminated. Drafting these 18-year-old boys should stop at once. I am afraid the brass hats are leading us unconsciously into compulsory military training. Several county superintendents called me up last week, as well as mothers and students. They say, "Next Monday my high-school term opens. In 2 weeks I will be 18. Am I to go into the Army or go to high school?" Certainly it ought to be stopped. If they need men for replacement, let them take these 2,000,000 men who have been in uniform and several hundred thousand officers who have had a lot of fun during this war; let them take them over there and give them some foreign service. But do not ask these boys to go, because none of them will ever complete his high-school work. Yet, we have men in the country who declare that a boy without a high-school diploma will never have a chance. And I think they are right.

The President speaks of tax revision. Certainly there should be tax revision and it should be in the interest of the man whose wages are going to be cut. The exemption of the lower-bracket taxpayers should be raised to $1,000 for the single man. A man with a family should be raised to $2,000 or $2,500. Give the poor man a break. This thing of tax revision for the big fellow does not mean anything. We certainly ought to help the man who they say is ill-housed and ill-fed, even if he is not, if he belongs to the low-income or wage-earning class. That is the man we should be helping.

Then they speak about small business and the veteran. I know a man who was a welder in a shipyard and he wanted to go into the ice-cream business. He was denied the privilege of going into business because he was not in business in 1941. Is that the kind of help the administration is going to give the returning veteran, the shipyard worker? Simply say to him, "You never were in business before and so you cannot go into business now," and "instead of that, we will appropriate money to give you a dole." This man said, "Well, I must support my family, so, if I cannot go into the ice-cream business I will go into the liquor business; I know I can get a liquor license." I said, "George, do not do it. You are not that kind of a fellow." But that is the attitude he took, and I cannot blame him. We must meet this issue just as it is, and give these young fellows a break. The shipyard worker, the man in the steel mill, the man in every other mill who worked overtime and worked and worked, still served his country. Now, if the Government wants to help anybody, let them let those fellows help themselves, and the taxpayers will not have to help them.

Then the President wants to forgive the lend-lease debts. My God! What are we coming to when we are going to cancel out a debt of $42,000,000,000 to foreign countries and in the same breath provide to lend them more money without interest, and then charge the veteran interest on money which he borrows, when you know he is going to pay it back? What are we coming to? If we are going to be led down a blind alley by this long speech which the President sent in, it will do more to turn us farther to the left than anything that has happened in this country up to this time. We will land just where they landed in Russia and in other places.

Last week a Russian came into my office. He could speak a little English and he could write his name. He said, "I want to make my will." I said, "Who sent you here?" He said, "Nobody, but you are the Congressman." I said, "Well, what have you got?" He told me he

had been working here for 31 years; had never been naturalized; he drank up all of his money for years, but lately had started to save, and he had $1,700 in Government bonds. He had a right good piece of property and he had money in two banks. If he lives a few more years he will have $10,000.

I said, "What do you want to do with this property after getting it together?"

"Oh," he said, "I want to give it to the Government of the United States."

I said, "Now, why do you want to give it to the Government of the United States?"

He lit up like a Christmas tree and said, "Oh, just to work in America! Just to live in America!"

And I said, "My God! A man who will save his earnings from work in a stone quarry for 31 years and then light up like a Christmas tree and say 'I want to give it to the Government, just for the privilege of working in a stone quarry for 31 years in America." We ought to begin to appreciate what we have here; we ought to preserve our country and our way of life so that our children will have something in the years to come; we ought to cut out this damnable foolishness of giving everything away. If this administration cannot offer us anything better than is in this speech, I just want to say, "My God! Where are we going from here?"

PEARL HARBOR INQUIRY

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. MANSFIELD of Montana. Mr. Speaker, I have just finished reading the Army and Navy Pearl Harbor reports. These reports are not completely satisfactory, even though extremely meritorious investigations were made, in that they raise in my mind questions which, I think, must be answered. After going over these reports, it is my impression that no one knows all the true facts, and that they will never be known unless all the individuals involved are given the right to a full hearing.

The findings indicate a disagreement between the Army and Navy boards, and also, based on other conclusions, with the heads of their respective departments as well. This certainly should satisfy no one. The accused, as a matter of simple justice, must be given an opportunity to defend themselves. The findings of the latest investigation of the Pearl Harbor catastrophe will not satisfy those who must have someone to crucify. Nor will it meet with approval of those who want a complete whitewash. The only way that I can see whereby justice can be accorded to all concerned is through a thorough inquiry so that all the facts can be made known to the public. Half truths help no one, and because we do not know all the factors, it will be to the best interest of the Nation to unearth them in the bright light of publicity at the earliest possible moment.

After reading the reports, the question of a unified command comes to the forefront because it would appear that the Kimmel-Short relationship in Hawaii was, at best, only a social one and not the kind of compact which the leading military and naval commanders there should have had. There was a lack of integration in pooling of knowledge on the part of Kimmel with Short, and there was a lack of real coordinated teamwork between the Army and Navy in Washington. The statement that General Short received no communication from the Chief of Staff and War Department G–2, Intelligence, between November 28 and December 6, 1941, inclusive, would indicate that Washington was at fault and not General Short—Army report, page 226. The fact that Short did not have the proper kind of alert—page 177—regardless of his orders or lack of orders from Washington, plus the fact that he had not developed a coordinated effort in the Hawaiian Department covering dispersion of ammunition—page 177—a real accord with Kimmel—Army report, page 205—and a fine functioning intelligence staff in the Hawaiian Department—pages 73 and 74—would indicate that Short was at fault. The fact that Admiral Kimmel had the portion of his fleet then at Pearl Harbor set up in perfect array—like sitting ducks—even though he had received war warnings on December 3, 4, and 6—pages 137 and 138—would indicate that he was at fault. Furthermore, Kimmel must have known that a Japanese midget submarine had been sunk off Pearl Harbor at 6:30 a. m. on December 7 by the U. S. S. *Ward* and a naval patrol plane some minutes before the plane attack on Oahu—page 86—and that he did not notify Short, likewise would indicate that he was at fault as would also the fact that Kimmel knew a Japanese task force was in the Marshall Islands on November 25, which information he failed to impart to Short—Army report, page 85.

The fact that we exercised no control over the communication facilities such as radio, telegraph, cable and telephone of the Japanese Consul General at Honolulu and of 200 Consul agents in the Hawaiian Islands would indicate that Congress in passing regulations forbidding the tapping of potential enemy lines of communication, was at fault. The FBI and Army and Navy Intelligence could have done this but were forbidden to do so by law—Army report, page 23.

Furthermore, the Army report states that from February 19 to December 7, 1941, Short tried to secure approval for money for improving the defense of Hawaii, but was turned down by the War Department "because of lack of money in connection with permanent installations"—Army report, page 67. This would indicate the difficulty of getting the necessary appropriations from the Congress.

The National Park Service also hindered, perhaps to a slight extent only, the establishment of an aircraft-warning service on lands under its control—Army report, page 69. The War Department use of commercial radio, the RCA, rather than personal telephone or Army, Navy or FBI radio, in transmitting a tremendously important message to Short on December 7 is indicative of its fault. This message stated that Japan not only had delivered an ultimatum, but that the Japanese were destroying their code machine. This message, sent by commercial telegraph, reached Short after the Japanese attack was over—Army report, pages 138 and 139.

Lt. K. A. Tyler was at fault in telling Privates Elliot and Lockard, who spotted approaching Japanese planes 132 miles away, "to forget it," when they made their radar report to him—Army report, pages 144, 145, and 146. However, it should be stated that a group of B–17's from Hamilton Field, Calif., was due in Oahu about the same time—they actually did arrive during the attack—and this might account, in part, for Tyler's negligence—Army report, page 146.

There are questions in the report raised in connection with Gen. Leonard Gerow, Chief of War Plans Division, and Col. Bedell Smith, Secretary to the General Staff, which will merit further investigation—Army report, page 160. There are questions relative to parts played by various individuals in the War Department in connection with the message which Colonel Bratton, then Chief of the Far Eastern Section, G–2, tried to reach the Chief of Staff with—Army report, pages 160, 161, 162, 228, and 229.

The great landowners in Hawaii, according to this report, have to bear their share of responsibility because of their refusal to allow their lands to be used for gun emplacements and positions—Army report, pages 175, 176, and 177. There are other questions in my mind based on the Army report, but I should like to make some observations. It would appear that the real reason for the Pearl Harbor attack lies in the faulty assumption by the War Department that Japan would not attempt to do what she did at Pearl Harbor, but first she would attack the Philippines, Guam, and southeast Asia points—Army report, page 202.

I would agree with the statement made in the introduction to the Army report that—

> In 1940 and 1941 * * * there existed much confusion of thinking and of organization, of conflict of opinion and diversity of views. The Nation was not geared to war, either mentally or as an organization. It was a period of conflicting plans and purposes. The winds of public opinion were blowing in all directions; isolationists and nationalists (internationalists?) were struggling for predominance; public opinion was both against war and clamoring for reprisal against Japan; we were negotiating for peace with Japan and simultaneously applying economic sanctions that led only to war; we were arming our forces for war and at the same time giving away much of our armament. The administration, State, War, and Navy Departments were likewise being pushed here and there by the ebb and flow of war events, public reactions, diplomatic negotiations, and newspaper attacks.

We all have better hindsight than foresight and we all make mistakes. With that statement in mind, I should like to record the following conclusions arrived at after reading the Army report:

First. There was, before Pearl Harbor, a distinct need for unification of the armed forces. That need still exists.

Second. There was faulty reasoning on the part of the War Department in Washington and the Hawaiian department, that is Washington expected the Philippines to be attacked first; Hawaii looked for trouble from within.

Third. Our forces were too scattered in view of the emergency situation. There were too few planes in Hawaii and there was a dispersion of our fleet in the two oceans.

Fourth. A big question in my mind is why the Philippine Islands—24 hours later—were caught in such difficult straits that our planes there were lined up, as in Hawaii, and mostly destroyed on the ground by the Japanese air attack. This question revolves on the command of the Philippine department.

The Navy report, which is not as thorough and detailed as the Army report, does, however, raise some questions. It brings out the transferring of part of the Pacific Fleet in May 1941 to the Atlantic—Navy report, page 1—and it states that the United States was then at peace with all nations—Navy report, page 3. This, I believe, is not accurate, because, while there was no declaration of war at this time, there were certainly skirmishes between American warships doing convoy duty in the north Atlantic and German submarines as in the cases of the U. S. S. *Greer*, U. S. S. *Reuben James*, and U. S. S. *Kearny*. On January 24, 1941, the Secretary of the Navy addressed a letter to the Secretary of War, in which he expressed his belief that "in case of war with Japan, hostilities might be initiated by surprise attack upon the fleet or on the naval base at Pearl Harbor," and it might come either by air bombing or air torpedo-plane attack. This indicates a keen appreciation of what might happen by the Navy Department at a fairly early date. Both the Army and Navy reports bring out the system of alerts used by both services, but that each differed radically—Navy report, page 17. The Navy report states that the Navy's condition of readiness on December 7 "was best suited to circumstances." They must have meant Japanese circumstances, because the fleet in the harbor offered a perfect target to the enemy. Admiral Stark, according to this report, warned Kimmel of the unfavorableness of Japanese-American relationship on November 24 and November 27, and also cautioned him about the possibility of a surprise attack on the Philippines or Guam. This would indicate that both the War and Navy Departments in Washington felt that a first blow, if struck, would be in the region of the Philippines. There is a statement in the Navy report that information received by the Navy Board has not been discussed or analyzed as "the court having been informed that their disclosures would militate against the successful prosecution of the war"—Navy report, page 38. The war is over.

The Navy report is, in my opinion, very incomplete and is not to be compared with the Army report for thoroughness and detail. The results of my reading would indicate errors in judgment in Hawaii and in Washington, and it brings out very strongly in my mind the need for a unified command.

The way the debate is shaping up concerning these Pearl Harbor reports—and the previous one—it would appear doubtful if any final definitive report will ever develop. I do think, though, for the sake of all involved that they should have their day in court so that they may answer in their own defense any charges or aspersions made against them. I do not believe the full story has been told, and I would like to see this inquiry carried through to the end so that the full story may become known and, if possible, the final responsibility fixed. With the war over, there is no need for secrecy. It is my firm opinion that the American people, who have shouldered the burdens of this war, should know all the facts now, and I am of the further opinion that the only way to know them is for a special investigation committee to be authorized for this specific purpose. This committee should be made up of our best brains to ascertain the truth regardless of whom it may hurt or what department it may affect, and to utilize it as a basis for valid recommendations as to future policy. I am urging an investigation because a matter of principle is involved. The Pearl Harbor incident, until cleared up, makes for distrust and, until it is settled definitely, that feeling will remain.

EXTENSION OF REMARKS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include as a part thereof the very fine speech made by General MacArthur on the occasion of the surrender of Japan.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

CARE OF THE RETURNING VETERAN

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I believe those who read the very fine report of Mr. Bernard Baruch on the subject of the future care of the returning veterans will agree with me on the added need of changing the Veterans' Administration to a Veterans' Department, with its administrative head carrying the rank of a Cabinet officer. I believe this is necessary for him to make effective the recommendations in Mr. Baruch's report. Mr. Baruch's report was written with the heart as well as the head. Mr. Baruch has made an exhaustive study of veterans' problems and I hope everyone in the United States will read his suggestions. Today I described a 7 weeks' delay in a veteran's matter that should have been settled 7 weeks ago. A Cabinet member can get quicker and better results. His requests are granted.

In order effectively to carry out the recommendations of Mr. Baruch's report I firmly believe that the head of the Veterans' Administration should have Cabinet status. This is necessary to give him the power and the dignity needed to accomplish what should be done for the veterans. They deserve the best; we must give them nothing but the best. The gentleman from Alabama [Mr. MANASCO] has promised me a hearing upon a bill which I introduced to create a Veterans' Department.

The SPEAKER pro tempore. The time of the gentlewoman from Massachusetts has expired.

QUICK DISCHARGE OF ELIGIBLE VETERANS

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BENDER. Mr. Speaker, all eligible servicemen now in the United States awaiting discharge should be furloughed home and recalled to separation centers when the center is ready to act on their discharges.

This process would give servicemen an opportunity to investigate business opportunities, make plans for further education, and be reunited with their families.

THE POLITICAL STATUS OF PUERTO RICO

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, the solution of Puerto Rico's status is rapidly reaching a climax. The only solution is independence. This issue can no longer be evaded. The enemies of Puerto Rico independence are vainly attempting to confuse the people of the United States. Therefore, for the purpose of clarification I ask unanimous consent to include herein as part of my remarks today a statement of the Puerto Rico Pro Independence Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

(The matter referred to is as follows:)

STATEMENT OF THE PUERTO RICO PRO-INDEPENDENCE CONGRESS IN RELATION WITH SENATE BILL 1002, PRESENTED BY A COMMISSION OF THE LEGISLATIVE ASSEMBLY OF PUERTO RICO

At a time when the guns have been silenced and the blood has ceased to flow in Europe, the solution of the political problem of Puerto Rico is being fully examined by the Congress of the United States of America.

While the United Nations are building in San Francisco an international organization designed to control narrow self-interest and ambition in order to prevent aggression and create a world in which peace and civilization will be guaranteed, Puerto Rico has arrived at the most important step of its history. Faced with this reality, the Congress for the Independence of Puerto Rico desires to make

this statement to our people, appealing to their indisputable maturity of thought—a product of their suffering, their collective difficulties, their long history of political inferiority throughout many generations, their spirit of peace, and their efforts toward making a reality, through democratic processes, of their desires and their destiny.

This is not the time for narrow thinking, of petty self-interest, of the interests of political parties nor selfish groups. This is a time for national unity, in which every Puerto Rican must consider the problem of this people above all else, with deep respect for the suffering of former generations and of our right to the exercise of sovereignty by ourselves and our posterity.

Without belittling in any way the importance of the fact that the legislative commission has acted unanimously to protest the existing colonial regime in Puerto Rico and to ask that the problem of status be solved by the free vote of our people, every Puerto Rican has the unavoidable obligation to analyze the actions of the legislative commission intelligently and dispassionately and to pass judgment on those actions with all impartiality.

The Congress for the Independence of Puerto Rico, a civic organization which has a strictly patriotic mission to fulfill, has assumed from the beginning an attitude above all party consideration. With these high purposes in mind, we feel obliged to publish this analysis for public benefit, to enable our people to form sincere, patriotic, and intelligent opinions, and in order to eliminate confusions which might block the path of our people and retard the solution of the problem of our sovereignty.

It is with these sincere purposes and uninfluenced by the interests of selfish groups or other motives that we ask all Puerto Ricans to consider seriously the following points.

STATEMENT OF MOTIVES

1. The actions of the Legislative Commission of Puerto Rico in Washington give the impression that it has repudiated the colonial system of government in Puerto Rico.

2. The written memorandum and the oral testimony of the legislative commission before the Senate Committee on Territories and Insular Affairs give the impression of the desire to solve the problem of political status on the basis of sovereignty and of democratic procedures which recognize the people of Puerto Rico as the final arbiters of their own destiny.

This impression disappears however as soon as mention is made of the concrete means by which this sovereignty would be achieved, and of the limitations imposed by those who have assumed the representation of this dependent people. The acceptance of any inevitable limitation which would aid in bringing about our sovereignty should not be confused with the premature relinquishment of that sovereignty or any part thereof by the Puerto Ricans themselves.

3. The written memorandum, as well as the oral testimony of the legislative commission, give the impression that there is a desire to assure the well-being of the Puerto Rican people and the success of the government which it will elect to govern its destiny, with minimum economic guarantees.

This aspect of the actions of the legislative commission gives the impression that in relating hunger and death to the question of political status, it was considered that the political problem and the problem of our economic relations with the United States were one single problem.

The Congress for Independence considers that the problem of sovereignty and that of commercial relations are two different problems which will have to be solved simultaneously, and that once the first is solved, the second will also have an adequate solution. We will attempt to prove hereafter that such minimum economic guarantees suggested by the legislative commission are inferior to the economic guarantees proposed to the Senate Committee by the Congress for Independence.

This statement of motives is based exclusively on the official testimony of the legislative commission, as it is recorded in the documents mentioned—the memorandum submitted and the stenographic record of testimony before the Senate committee—considering these documents as a whole and interpreting the basic ideas which are inferred therefrom.

CORRECTION OF CERTAIN CONFUSIONS

On the basis of the motives described above, let us analyze the work of the legislative commission, in order to dispel certain confusions. The legislative commission in its memorandum established four minimum conditions as economic guaranties under any one of the three alternative solutions proposed—independence, statehood, or dominion. These conditions are:

(1) Free trade between Puerto Rico and the United States, limited from time to time by bilateral agreement.

(2) Exemption of Puerto Rican exports to the United States from internal revenue taxes, provided that Puerto Rico collects export taxes on such products at the same rates that the United States imposes or may at any time impose on such products.

(3) Maintenance during a suitable time of conditions for cane farmers now established by United States law.

(4) Temporary continuance of other grants and aids to Puerto Rico, these to be discontinued as productivity and commerce reach certain agreed levels.

Free trade: It is obvious that the most important of these minimum economic guaranties is the first, that of free trade, limited from time to time by bilateral agreement. Bilateral agreements are nothing more than treaties between two nations. The members of the legislative commission know that a State of the United States cannot make treaties with the United States, and even less can it limit free trade under statehood.

We do not wish to offend the legislative commission nor anyone who is aware of this elemental reality by affirming that such a condition has been proposed through ignorance. The members of the legislative commission must also be aware that any Senator or Representative of the American Congress knows that such a condition is impossible under statehood. To establish this condition along with the other three as indispensable under any of the three solutions proposed can only create great confusion, and to submit it to the Congress of the United States can only weaken the moral force of the people of Puerto Rico.

Internal revenues: The second condition is limited to the internal revenue taxes imposed by the United States on Puerto Rican products sold in the American market. It is proposed that Puerto Rico collect these duties, in return for which the United States will refrain from collecting them in its own market. From the point of view of the United States, this is not a concession regarding tariff duties which might be made in favor of any country, including the United States, for the purpose of developing foreign trade, establishing in this manner distinctions between independent countries which are permissible under the Constitution. Instead, this is concerned with internal revenues, subject, within the United States, to constitutional provisions designed to eliminate differential treatment within the Nation itself.

It is impossible to conceive that a bottle of rum produced in Florida could be sold in the American market on payment of an internal revenue tax, whereas the same bottle of rum produced in Puerto Rico could be sold in the United States without paying this tax. There are lawyers in the legislative commission who know that this condition is legally impossible under independence and that not only is it impossible, but also inconceivable under statehood.

In analyzing this aspect of the problem, we have not been able to avoid the idea that one cannot deceive himself, and that therefore we are unable to grasp the causes for this legal absurdity. In justice to the intelligence of our fellow citizens of the legislative commission in accepting such conditions as the first and second, both of which are incompatible with statehood, their attitude may be reasoned as disputable proof that they are convinced statehood is impossible, both from the Puerto Rican as well as from the American point of view. Although respect for their intelligence is thus saved, there still remains before public opinion in Puerto Rico a great shadow of confusion, and in the minds of the Members of Congress, unfortunately, a sign of the weakness of the legislative commission.

Fortunately for Puerto Rico and for the United States, once the confusion has been cleared up, we can congratulate the legislative commission for having made it possible for the Congress of the United States without conflicting in any way with its international diplomatic problem, to formally eliminate statehood on the basis of the very reasoning of the legislative commission itself.

The sugar industry: The third condition, which refers to the protection of sugar growers, as cited above, includes the retention of the conditions of that industry as they are now established by law. Nevertheless, in section 208 of title II of the bill presented by the legislative commission, the protection of sugar growers is limited to the sugar quota, and the benefit payments or subsidies included by implication in this third section as a final recommendation of the commission have been eliminated.

It is true that in section 213 of the legislative commission's bill the payments of benefits or subsidies to sugarcane growers are included under the name of "agricultural adjustment," but this is only done on a temporary basis, as if it were an economic aid to be later eliminated. The legislative commission neglected to consider the economic principle that benefit payments or subsidies are given by governments to equalize as far as possible the value of certain given products with the value of the other products.

In the case of our sugar, even counting the subsidies, it cannot be considered to have a price in the domestic market of the United States in the same degree as other articles of national consumption. This means that if the reduced and ineffective economic guaranty offered by the legislative commission for the protection of the farmers and farm laborers of our sugar industry and its subsidiaries is accepted, there would come a time when, using the value of our sugar without benefit payments or subsidies to buy in the United States market, we would be acquiring goods bought at the high prices of the domestic market without receiving for our sugar its corresponding relative value.

This would be a great injustice to our people. We cannot believe that the legislative commission had that purpose. We patriotically reject that idea, but we wish to bring to public attention the fact that according to the amendments proposed to the Tydings bill, the Congress for the Independence of Puerto Rico took as a basis the assumption that such benefit payments or subsidies are, in final analysis, part of the price of sugar, and are used to reasonably equalize the price of this product with the prices of other articles in the same national market. In other words, if Puerto Rico invests the value of its sugar in the American market, it is only just that Puerto Rico receive the full value that sugar has in the same market. This is then not a question of aid or charity as the legislative commission has conceived it, but rather a question of impartiality, justice, and

reciprocity, as the Congress for Independence considered it.

Let this contrast be fully appreciated. While the legislative commission presents the supreme question of liberty in terms of misery, hunger, and death, the Congress for Independence bases it on principles of justice, mutual benefit, and reciprocity convenient for both countries.

Military relations: Giving the impression of its adherence to the principles of impartiality and reciprocity, in its statement submitted to the Senate Committee on Territories, in which the necessity of minimum economic conditions is emphasized, the legislative commission declared:

"We equally recognize that if the legitimate interests of the United States are to be fully protected, military establishments and rights must be permanently enjoyed by the United States in Puerto Rico."

The Congress for Independence recognized the same just principle of reciprocity when it submitted to the committee an amendment to the independence bill providing that such military relations should be established by treaty. We are sure that the Puerto Rican people wish to offer the fullest possible cooperation to the people and Government of the United States, but cooperation should be given through measures which lend dignity to such relations and which leave no room for the interpretation by other countries that the United States is at any time coercing the people of Puerto Rico. Such an interpretation would be fair neither to the people of Puerto Rico nor to the people of the United States.

However, the legislative commission, in an effort to bring together the mutual interests of both peoples, tends to permanently commit the position of Puerto Rico by means of the following clause:

"In any war in which the United States is involved, the Republic of Puerto Rico shall be an ally of the United States and shall give all cooperation to the war effort within and without the territorial limits of Puerto Rico."

That disposition, interpreted together with the others dealing with this aspect of the question, only signifies a request made in the name of all Puerto Ricans that the United States establish military slavery for all time in our island.

In order to establish cooperation it is not necessary to impair the self-respect of a people. National defense and continental defense of both peoples, the democratic interests of the United States, those of Puerto Rico, and the potential democratic interests of the entire hemisphere all justify the present and permanent existence of such cooperation. But the greatness of that agreement should not be weakened by the total surrender of one of the parties to it, because this would give the impression that the United States cannot have confidence in Puerto Rico. Once such impression is given, then cooperation cannot be sincere, nor can it be based on principles of justice, nor inspire confidence in both peoples.

It is understandable that in striving for liberty we may accept limitations, which might be wrongly imposed in a given set of circumstances, for the purpose of removing obstacles to the ultimate recognition of full sovereignty, since in the future, as events occur and as each of our peoples grows to know the other better, such limitations will either disappear or will become academic. It would even be justified if the people of Puerto Rico, by its own will and by means of a mandate democratically given, established such a condition. The people of Puerto Rico, however, have directly or indirectly authorized no one to establish a priori perpetual military servitude. Even though such servitude be academic because of the principles which should govern the relations between the United States and Puerto Rico, it would show a lack of self-respect on the part of Puerto Rico, and would expose the United States to criticism in its position as a leader of world democracy.

It might be said that we are reducing this problem to a question of form. To this we must answer that questions of the spirit cannot be submitted either to calculations or to formulas, and that they are as capable of depressing or exalting human personality as any of the physical factors necessary to a better civilization and to greater public welfare. This whole question would undoubtedly bring confusion to Puerto Ricans if light were not thrown on it, and it would weaken the moral force of the legislative commission in the minds of the Members of the Congress of the United States.

DOMINION STATUS

In the memorandum submitted to the Tydings committee by the legislative commission, dominion status is suggested as one of the three solutions to the general problem of political status, in the following words:

"Broadly speaking, the forms of political status that have support in public opinion are independence, statehood, and a form of dominion government based on full and final political rights."

In the first place, the statement that in Puerto Rico there is any support from public opinion in favor of dominion status is false and confusing. That is the private formula of a limited group of persons who have no following among the masses of our people. But even if that formula had some support from public opinion, its inclusion in the plebiscite bill of the legislative commission would be a means to retard the solution of the political problem of Puerto Rico. That formula has no place within the American constitutional system and would only be a means to perpetuate the colony in Puerto Rico.

Even the relationship which exists between Canada and the United Kingdom, which might be used by some as a possible political guide for Puerto Rico, is impossible within the present constitutional structure of the United States. Let us not forget that we are concerned at this moment with the approval of a statute of emancipation for Puerto Rico by the Congress of the United States. If Congress were to approve an organic law similar to that which governs Canada, the effect would only be a new and fresh reaffirmation of the colonial status which we all repudiate.

The reason is simple. The basic authority of Canada does not emanate directly from law written by the British Parliament, but rather from practice contrary to the written law. For this reason, while the organic act of the Dominion gives the King of England the right to appoint a Governor General, and he in turn is authorized by that statute to veto the laws passed by the Canadian Parliament, the political practice in the Dominion, after long years of struggle for freedom, has reached the point where the Governor General, as the King of England, is reduced to a mere symbol of the solidarity of the British Commonwealth, a simple figurehead "who rules but does not govern." The veto right has vanished, in spite of the permanence of the written law.

These are things very characteristic of the English spirit, but foreign to the American spirit, for whom written law is supreme and must be respected. The written constitution of Canada remains colonial, while practice has in fact nullified it. But if it were necessary to reenact this statute to make it conform to today's political reality, the English Parliament would be enacting a law of independence for Canada.

The term "dominion" is a new one which has now been added to the extensive vocabulary of our colonial politics. All these new names for things—as if independence were an ugly word—are only sources of popular confusion. It is the influx of bureaucracy and of reaction determined to hold on to the colonial regime. According to the textual words of the legislative commission, Puerto Rico needs "full and final political rights." The Congress for Independence holds that the formula proposed under the name "dominion" would achieve no such thing, even if the organic act of Canada were copied word for word.

Neither would it be achieved by the formula written into the bill, for that formula contains clauses which specifically restrain Puerto Rico in the exercise of its full and final political rights. The United States Congress, under the Constitution, cannot give irrevocable final powers to a Territory. Nor can it give full powers (sovereignty) under any form of status except independence. Nor is it sensible to expect that the United States will be willing to give a Territory fundamental powers which even the States, whose representatives in Congress would be called upon to approve those powers, do not have. Only independence—why use any other name?—can give our people full and final political rights. Therefore, of the three formulas proposed by the commission as solution to our political status, there is in truth only one, independence.

INDEPENDENCE OR COLONY

As the farmer separates the chaff from the wheat, so must Puerto Rico, through analysis and reasoning, separate the useless and superfluous in this problem, and search for and find among the actions of its legislative representatives the inevitable support, perhaps timid or weak, but support nevertheless, for the independence of Puerto Rico. In a sense we must not dispute this minimum of recognition of their actions as political leaders. Rather we must frankly point out that if they had acted on an exclusively patriotic level, above party interests, the position of our legislative commission would have been clearer, braver, and more effective not only as regards the orientation of our own people, who need that clarity, but also as regards the impression which the legislative commission would have made in Congress.

It is well to emphasize at this point that as a result of these circumstances the bill submitted by the legislative commission has not been introduced in Congress as a bill of Senator TYDINGS, as a large number of Puerto Ricans have been led to believe. It is rather a bill of the legislative commission, introduced by petition by Senator TYDINGS, as the title of S. 1002 makes clear. The original bill introduced by the Senator from Maryland, with independence as the only solution to our status, is still pending consideration.

The other bill was introduced as an act of courtesy and in accordance with the usual practice in democratic legislative bodies.

The possibilities of approval of the Commission's bill cannot be judged exclusively on the basis of its having been introduced in Congress, but rather on the merits it may have in relation to the solution of the colonial problem in Puerto Rico, both from the point of view of our country and from that of the United States.

If the classic concept of statehood and the concept of dominion are impossible solutions, as has been indicated here, the problem is reduced to one simple alternative: Independence or colony. That is the choice confronting the people of Puerto Rico. That is the grain of wheat which we have left after discarding the chaff. Those are the simple and bare alternatives that Puerto Ricans have to consider. And if independence is truly the only solution possible, then this choice will be made as it should be by a people conscious of its responsibility to the present and the future.

ECONOMIC GUARANTEES

From what has been said, the problem of sovereignty is beyond discussion. What must be analyzed is how sovereignty can be implemented economically. In this analysis the people of Puerto Rico should know and compare the economic measures offered for independence by the Legislative Commission with those offered by the Congress for Independence.

Economic guarantees proposed by the Congress for Independence

SEC. 7. As soon as the constitutional convention meets to draft the constitution, it shall designate a committee specifically charged with the duty of negotiating a commercial treaty between Puerto Rico and the United States. The committee thus designated shall carry out the negotiations with the Department of State, which shall follow such procedure as the Secretary of State shall provide with the approval of the President. Treaty relations shall be drafted according to the following provisions:

(a) All goods now imported into the United States from Puerto Rico, or which may in the future be imported in accordance with treaty regulations, shall be admitted free of all duties into the United States market up to the same amount in dollars as articles imported in Puerto Rico from the United States shall be admitted free of all duties. The necessary rules shall be established in the treaty for the effective enforcement of the foregoing provision, whereby, and supplementing other rules that may govern the commercial interexchange between both countries, the mutual debits and credits resulting from other considerations shall be settled and any balance which may result in any year shall be carried over to the next year for the settlement of the accounts thereof, so that the exchange of values be maintained upon a basis of strict mutuality. Values of import and export shall be computed at prices prevailing in the domestic market of the United States.

(b) The treaty shall be drafted in such terms that in the economic relations between the United States and Puerto Rico, the volume of commerce now carried on, measured in dollars, shall not be reduced by the exclusive will of one of the parties.

Such volume of trade, measured in dollars, shall be established in the treaty and computed on the basis of a period of representative years of normal relations agreed upon by both contracting parties. However, this rule shall not prevent any one of the two countries, if it be possible to obtain in the other country any goods different from those specified in the treaty, from eliminating one or more items from the list of goods approved in the treaty, if the amount in dollars be substituted with other items. *Provided, however,* That items figuring in the treaty under the designation of "Fixed imports" will not be subject of elimination or change unless by mutual agreement of the parties. Any other item or items of importation not figuring in said list of fixed imports may be eliminated at will by either importing party if provision is made by the importing party to the end that the corresponding amounts in dollars is substituted by other item or items figuring in the export trade of the other party. *And provided further,* That when a fall in the prices of the goods figuring in the export list of either party takes place in the market of the other importing party, the exporting party may decrease the mutuality basis by decreasing the importation of goods from the other party in an amount equivalent to the decrease in the selling prices of the goods of the exporting party, due to such fall in prices.

(c) Any subsidy or benefit payment which is at present provided by any one of the two governments, for the benefit of producers of any item of commerce between the two countries, whether such subsidy or benefit payment be to promote agricultural or industrial processes, shall be counted as a part of the selling price of the article and shall be paid by the government which makes the concession through the government of the country the producers of which are entitled thereto.

(d) All rights and benefits acknowledged to Puerto Rican citizens under the laws of the United States by virtue of their status as veterans of war and by virtue of their status as retired employees of the Federal Government and all rights and benefits acknowledged under the laws of Congress to families or relatives of Puerto Rican veterans of war and of Puerto Rican retired employees of the Federal Government, shall be entirely maintained and respected by the Government of the United States. Said rights and benefits are considered "vested rights" and deemed as additional compensation due for services rendered to the Government of the United States of America. The payments which are to be made by the Government of the United States for said consideration either directly or indirectly, shall be made through the Government of the Republic of Puerto Rico up to the complete settlement according to the aforesaid laws and are not to be accounted for in relation with the provisions of paragraph (a) of this section. The same responsibility shall be assumed toward the Treasury of the United States by the Government of the Republic of Puerto Rico, in order to give adequate protection and enforcement to the rights and benefits which have been acknowledged to continental citizens of the United States by similar laws of the Legislature of Puerto Rico which are in force at the time of the approval of this act.

(e) During the period of the effectiveness of the first treaty, and during not less than 10 years after the proclamation of independence, provisions (a) and (b) under this section shall govern the commercial relations between both countries, provided that at any time after the expiration of such period, or extensions of such period agreed thereto by both countries, the said provisions (a) and (b) of this act, unless modified by treaty agreement, shall continue in force with the exception that substitutions of items of commerce as provided in paragraph (b) shall not be binding for either party, and elimination of items shall be governed by the following rules. Items of commerce may be eliminated by any importing party from the exporting list of the other party totally in 1 year, or by equal parts among a number of years according to its importance in value as compared to the total amount of imports, thus:

(1) If the item to be eliminated does not exceed 5 percent of the total amount of imports, it can be eliminated totally in 1 year;

(2) If it exceeds 5 percent and does not exceed 15 percent, it can be eliminated in 3 years;

(3) If it exceeds 15 percent and does not exceed 30 percent, it can be eliminated in 6 years;

(4) If it exceeds 30 percent and does not exceed 50 percent, it can be eliminated in 8 years; and

(5) If it exceeds 50 percent, it can be eliminated in 10 years.

The reciprocal rights of both parties may be effectively exercised by either party pursuant to official notice served to the other party at least 180 days before the first day of the business year when such elimination is to take place.

Liquidation of tax privileges and elimination of Federal appropriations

SEC. 9. All tax privileges and concessions granted to Puerto Rico under existing laws and all Federal appropriations regularly in force and applicable to Puerto Rico by action of Congress, shall be liquidated or eliminated, as follows:

According to the amendment submitted in this section, all tax privileges, concessions, and appropriations from Federal funds shall continue in force during the first 5 years after the proclamation of independence, and will be reduced until totally discontinued at the rate of one-fifteenth the first subsequent year, two-fifteenths the second, etc., during 15 additional years.

Economic guaranties submitted by the legislative commission May 7, 1945

Basic Economic Relations After the Independence of Puerto Rico, Section 208

(a) No duty shall be levied by the United States upon any article imported from the Republic of Puerto Rico and none levied by Puerto Rico upon any article imported from the United States except by mutual consent of the two governments and upon such terms and conditions as they may agree.

(b) The United States shall not impose or collect any internal revenues on products of Puerto Rico imported into the United States: *Provided,* That the Republic of Puerto Rico shall impose and collect on such products an export duty not less than the internal revenue collected by the United States on similar products.

(c) Importation of Puerto Rican sugar into the United States shall continue on a basis not more restrictive in principle than that which has prevailed during the last 5 years in which a quota was imposed under United States law.

Temporary and Diminishing Economic Aids to the Republic of Puerto Rico

SEC. 213. Until such time and in such manner as hereinafter provided all Federal aid heretofore extended to Puerto Rico in the nature of, but not limited to, agricultural research and extension, school, college and vocational education, public roads and highways, social security, unemployment and work relief, agricultural adjustment, farm security, soil conservation, food relief, public health, nonmilitary work projects, reconstruction finance, disaster relief, farm credit, Federal works, Federal housing and slum clearance, and tenant purchase shall continue.

SEC. 214. The aid provided for in the preceding section shall be gradually reduced. Such reduction shall be carried out on the basis of indexes of economic progress to be determined by a commission of three economists designated by the President of the United States and two economists designated by the Chief Executive of Puerto Rico, and upon proclamation from time to time by the President of the United States.

The people of Puerto Rico should study these two sets of economic measures and judge impartially which are the most effective by reason of being more specific and complete. The United States Congress will determine which of the two proposals is the most beneficial and just to protect the legitimate economic interests of the United States without prejudicing Puerto Rico's exercise of the necessary authority regarding its own market, in accordance with the principles given earlier, and act freely in all aspects of production and commerce outside the bounds of treaties.

It should be noted that the economic guaranties proposed by the legislative commission on May 7, 1945, are similar in principle to those which had already been submitted by the Congress for Independence 2 months earlier. It should also be noted that those of the legislative commission have been drafted in such form that some are not specific, others are incomplete; and still others conflict with American constitutional principles.

That economic guaranties, to assure the better success of an independent Puerto

Rico, are attainable can be gathered from reading the stenographic record of the hearings on the Tydings bill. We cite as an example from page 625, volume —, during the testimony of Senator Luis Muñoz Marin:

"The CHAIRMAN (Senator TYDINGS). We do not want to leave a condition here of an economic nature that does not reasonably give the people of Puerto Rico a chance to be free and independent, to live without having a perpetual civil war in Puerto Rico. It would not be any credit to anybody, including the American Congress, if we permit that situation to happen."

And on page 618 of the same record, Senator TYDINGS declared categorically:

"In my opinion, to submit independence to the Puerto Rican people without giving them a reasonable chance of survival would be a crime against humanity. We have got to do that if we are to make a success of it."

BE ON GUARD

We should not bring this statement to a close without calling attention to certain economic forces which, although formerly separated, may at any moment draw close in order to weaken our struggle for freedom. We wish to call attention to the fact that the governmental bureaucracy has been for some time separated from the small reactionary minority which has benefited from the colonial regime in Puerto Rico. This separation came as a result of the people's mandate in the last two elections, out of which came the enactment of legislation to bring greater justice to the people and apply the principles of economic liberalism.

Nevertheless, since the instinct of self-preservation is strong not only in the biologic but also in the institutional realm, it is very possible that these bureaucratic groups may make common cause with reactionary forces that benefit from the colonial regime, since independence is not considered desirable by either of these two groups.

In this sense the people of Puerto Rico are innocent bystanders who have in recent years maintained close relations of friendship and cooperation with bureaucracy, but who now are faced with the possibility that the reactionary minority may attempt to make use of the people's forces against the people themselves.

This is not an attempt to denounce a conspiracy. It is only intended to point out forces which although antagonistic on questions of social justice, may still make contact and cooperate to impede the liberation of our people.

Be on guard, fellow citizens. We are at a cross roads in the history of our native land, and we have a great responsibility. Let us not make hasty judgments concerning events. Let us analyze the fact without prejudice. Let us shoulder our responsibilities, demanding that our representatives in elective positions respond to the genuine interests of the people, so that the people will be respected in this fateful hour.

For the executive committee:

ANTONIO SANTAELLA,
Acting President, Congress for the Independence of Puerto Rico.
JESÚS BORDONADA,
Secretary.
BALTAZAR QUIÑONES ELIAS,
Chairman, Committee on Reports.

SENATE BILLS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 230. An act to amend Public Law 518, Seventy-eighth Congress, approved December 20, 1944; to the Committee on Agriculture.

S. 504. An act to quiet title and possession with respect to that certain unconfirmed and located private land claim known as claim of Daniel Boardman, C. No. 13, in Cosby and Skipwith's Report of 1820, certificate 749, and being designated as section 44, township 7 south, range 3 east, Greensburg Land District, Livingston Parish, La., on the official plat of said township; to the Committee on the Public Lands.

S. Con. Res. 17. Concurrent resolution providing for a study by a joint congressional committee of educational facilities, living quarters, and other matters relating to pages employed by the two Houses of Congress; to the Committee on Rules.

ADJOURNMENT

Mr. ROWAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 54 minutes p. m.), pursuant to its previous order, the House adjourned until Monday, September 10, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

At 10 a. m., on Wednesday, September 12, 1945, Subcommittee No. 1 of the Committee on the Judiciary will hold a public hearing on the bill (H. R. 3750) to amend the First War Powers Act, 1941. The meeting will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10 a. m., on Thursday, September 13, 1945, in the committee hearing room, 247 Old House Office Building on H. R. 1653 by Representative HENDRICKS and H. R. 2073 by Representative LUDLOW, bills to extend benefits to veterans of the Mexican border service of 1916 and 1917 and their dependents.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

666. A letter from the Acting Secretary of War, transmitting a list of all War Department contracts in excess of $150,000 undertaken during the fiscal year 1945; to the Committee on Military Affairs.

667. A letter from the Director, Selective Service System, transmitting a list of the Selective Service registrants occupationally deferred by the local boards of the System as of April 1, 1945, because of their employment in or under the Federal Government; to the Committee on Military Affairs.

668. A letter from the Secretary of State, transmitting a communication from the Speaker of the House of Commons of Northern Ireland, offering congratulations on the victory and completion of the campaign in Europe; to the Committee on Foreign Affairs.

669. A letter from the Director of Budget and Reports, Navy Department, transmitting a report showing the name, age, legal residence, rank, branch of service, with special qualifications therefor, of each person commissioned from civilian life into the United States Naval Reserve, and the Coast Guard Reserve, during the period June 1, 1945, to July 31, 1945, inclusive, who have not had prior commissioned military service; to the Committee on Naval Affairs.

670. A letter from the Acting Secretary of War, transmitting a report showing the name, age, legal residence, rank, branch of the service, with special qualifications therefor of each person commissioned in the Army of the United States without prior commissioned military service from the period June 1, 1945, to July 31, 1945; to the Committee on Military Affairs.

671. A letter from the Administrative Officer, the White House, transmitting the quarterly estimate of personnel requirements, representing the estimated personnel requirements for the White House Office for the quarter ending September 30, 1945; to the Committee on the Civil Service.

672. A letter from the Secretary, Smithsonian Institution, transmitting the quarterly estimate of personnel requirements for the Smithsonian Institution for the quarter ending September 30, 1945; to the Committee on the Civil Service.

673. A letter from the Director, Office of Economic Stabilization, transmitting the quarterly estimate of personnel requirements for the Office of Economic Stabilization for the quarter ending September 30, 1945; to the Committee on the Civil Service.

674. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal by various Government agencies; to the Committee on the Disposition of Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SABATH: Committee on Rules. House Resolution 339. Resolution providing for the consideration of H. R. 3660, a bill to provide for financial control of Government corporations; without amendment (Rept. No. 942). Referred to the House Calendar.

Mr. MAY: Committee on Military Affairs. H. R. 3951. A bill to stimulate volunteer enlistments in the Regular Military and Naval Establishments of the United States; without amendment (Rept. No. 943). Referred to the Committee of the Whole House on the State of the Union.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3882) granting an increase of pension to James L. Huston, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MAY:

H. R. 3951. A bill to stimulate volunteer enlistments in the Regular Military and Naval Establishments of the United States; to the Committee on Military Affairs.

By Mr. BEALL:

H. R. 3952. A bill to repeal the automobile-use tax; to the Committee on Ways and Means.

By Mr. BRUMBAUGH:

H. R. 3953. A bill to restore standard time; to the Committee on Interstate and Foreign Commerce.

By Mr. FLOOD:

H. R. 3954. A bill to effect a reduction in the individual income tax by increasing the normal tax exemption and the surtax exemption from $500 to $1,000, and by increasing

the exemption for dependents from $500 to $800; to the Committee on Ways and Means.

By Mr. HOWELL:

H. R. 3955. A bill to establish the peace force and to stimulate volunteer enlistments for occupation duties; to the Committee on Military Affairs.

By Mr. KNUTSON:

H. R. 3956. A bill to repeal the act establishing daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. MORRISON:

H. R. 3957. A bill to repeal the War Labor Disputes Act; to the Committee on Military Affairs.

H. R. 3958. A bill to continue in effect the reemployment rights of veterans after the termination of other provisions of the Selective Training and Service Act of 1940, as amended; to the Committee on Military Affairs.

By Mr. PRICE of Illinois:

H. R. 3959. A bill to provide for the burial in the Memorial Amphitheater of the National Cemetery at Arlington, Va., of the remains of an unknown American soldier who lost his life while serving overseas in the armed forces of the United States during the Second World War; to the Committee on Military Affairs.

By Mr. RANKIN:

H. R. 3960. A bill to adopt generally September 16, 1940, date of enactment of the Selective Training and Service Act of 1940, as the beginning date of World War II for the purposes of all benefits under laws administered by the Veterans' Administration; to the Committee on World War Veterans' Legislation.

By Mr. RANKIN (by request):

H. R. 3961. A bill to amend the Social Security Act, as amended, to provide for the payment of monthly insurance benefits to widows of individuals who died before January 1, 1940; to the Committee on Ways and Means.

By Mr. REES of Kansas:

H. R. 3962. A bill to establish a Division of Printing Control in the Office of the Bureau of the Budget, and for other purposes; to the Committee on Printing.

By Mr. SCHWABE of Oklahoma:

H. R. 3963. A bill to make the provisions of the Internal Revenue Code granting percentage depletion with respect to fluorspar permanent; to the Committee on Ways and Means.

H. R. 3964. A bill to amend Public Law 403, Seventy-seventh Congress; to the Committee on Interstate and Foreign Commerce.

By Mr. VOORHIS of California:

H. R. 3965. A bill to amend the National Housing Act and for other purposes; to the Committee on Banking and Currency.

By Mr. RANDOLPH:

H. J. Res. 233. Joint resolution for acquisition of British islands in the Caribbean and British Honduras; to the Committee on Foreign Affairs.

H. J. Res. 234. Joint resolution for the acquisition of French islands in the Caribbean and the North Atlantic Ocean; to the Committee on Foreign Affairs.

By Mr. PRICE of Illinois:

H. J. Res. 235. Joint resolution to provide for termination of the act of January 20, 1942, providing for daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. ANGELL:

H. Con. Res. 78. Concurrent resolution to repeal Public Law 403, and reinstate standard time provided in the act entitled "An act to save daylight and to provide standard time for the United States," approved March 19, 1918, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHWABE of Oklahoma:

H. Con. Res. 79. Concurrent resolution setting the date for the discontinuation of daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. ALLEN of Illinois:

H. Res. 337. Resolution inviting Lieutenant General Wainwright to appear before a joint session of Congress; to the Committee on Rules.

By Mr. VINSON:

H. Res. 338. Resolution providing for the consideration of H. R. 1862, a bill relating to the rank of chiefs of bureaus in the Navy Department, and for other purposes; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the National Constituent Assembly of El Salvador, expressing its joy over the victory, and hopes for the establishment of a lasting peace; to the Committee on Foreign Affairs.

Also, memorial of the House of Representatives of Colombia, sending greetings on the occasion of a new anniversary of the glorious independence of the United States of America; to the Committee on Foreign Affairs.

Also, memorial of the House of Deputies of Peru, memorializing the President and the Congress of the United States with regard to the Government of Spain; to the Committee on Foreign Affairs.

Also, memorial of the Chamber of Deputies of Peru, memorializing the President and the Congress of the United States with regard to the establishment of diplomatic and commercial relations with the Union of the Soviet Socialist Republics; to the Committee on Foreign Affairs.

Also, memorial of the Grand National Assembly of Turkey, expressing joy over the unconditional surrender of Japan; to the Committee on Foreign Affairs.

Also, memorial of the Congress of Costa Rica, expressing satisfaction at the cessation of hostilities; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BUNKER:

H. R. 3966. A bill authorizing the Secretary of the Interior to convey certain lands situated in Clark County, Nev., to the Boulder City Cemetery Association for cemetery purposes; to the Committee on the Public Lands.

By Mr. CANNON of Florida:

H. R. 3967. A bill for the relief of Ahto Walter, Lucy Walter, and Teddy Walter; to the Committee on Claims.

H. R. 3968. A bill for the relief of the estate of Charles W. Stewart; to the Committee on Claims.

By Mr. FALLON:

H. R. 3969. A bill for the relief of Robert E. Barry; to the Committee on Claims.

By Mr. LANDIS:

H. R. 3970. A bill for the relief of John Hames; to the Committee on Claims.

By Mr. THOMAS of New Jersey:

H. R. 3971. A bill for the relief of Charles A. Clark; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1120. By Mr. WELCH: Resolution No. 4858 of Board of Supervisors of the City and County of San Francisco, urging retention of steel plants on the Pacific coast; to the Committee on Banking and Currency.

1121. By the SPEAKER: Petition of the South Dakota Reclamation Association, petitioning consideration of their resolution with reference to the land and water resources of the Missouri River Basin, and other pertinent projects; to the Committee on Rivers and Harbors.

1122. Also, petition of the American Legion of Kings County, Department of New York, petitioning consideration of their resolution with reference to the reemployment of World War II veterans, to the Committee on Military Affairs.

1123. Also, petition of the president, chamber of commerce, Houston, Tex., petitioning consideration of their resolution with reference to urging the amendment of H. R. 3603; to the Committee on the Merchant Marine and Fisheries.

1124. Also, petition of the board of supervisors, Kern County, Calif., petitioning consideration of their resolution with reference to continued operations of steel plants on the Pacific coast; to the Committee on Banking and Currency.

1125. Also, petition of the South Central Jurisdictional Council of the Methodist Church, Texarkana, Tex., petitioning consideration of their resolution with reference to their protest to the passage during the war of universal compulsory military training as a peacetime measure; to the Committee on Military Affairs.

1126. Also, petition of the Tennessee Business Men's Association, Inc., petitioning consideration of their resolution with reference to taxation; to the Committee on Ways and Means.

1127. Also, petition of the Illinois State CIO Political Action Committee, petitioning consideration of their resolution with reference to their endorsement of the Wagner-Murray-Dingell social security bill, and other pertinent legislation; to the Committee on Ways and Means.

1128. Also, petition of Mrs. Blanche Tucker, Burwell, Nebr. and others, petitioning consideration of their resolution with reference to House bills 2229 and 2230 and Senate bills 690 and 809; to the Committee on Ways and Means.

1129. Also, petition of the Peace Campaign, Mount Vernon, N. Y., petitioning consideration of their resolution with reference to a Christian peace in Europe; to the Committee on Foreign Affairs.

1130. Also, petition of Local 72, United Automobile-Aircraft-Agricultural Implement Workers of America (UAW-CIO), petitioning consideration of their resolution with reference to the contribution by the Federal Government to the social-security fund of moneys equal to earnings of $50 per week for the period of all enlistments, inductions or commissions in the armed forces of the United States in time of war, to include the present conflict; to the Committee on Ways and Means.

1131. Also, petition of the board of water commissioners, Denver, Colo., petitioning consideration of their resolution with reference to their disapproval of House bill 555; to the Committee on Rivers and Harbors.

SENATE

MONDAY, SEPTEMBER 10, 1945

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, we thank Thee for the glory of this shining hour as the mute gates of torture and tyranny are battered down and, leading captivity captive, men of valor return in honor from pagan lands of living death. Our glad nearts rejoice that each new day the speaking air records the reign of ruthless invaders ended, ancient liberties restored, and prostrate peoples standing once again on their feet.

In this hour of triumph and proud sorrow, with victory stained yet glorified by the blood of our dearest, we seek Thy guidance as, facing the peril as well as the privilege of peace, we resolve as a people under God to do nothing unworthy of those who have died for us and to make the world such a world as they would have desired and of which they dreamed for their children and ours. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, September 6, 1945, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

NOTICE OF HEARING ON NOMINATION OF WILLIAM E. ORR, OF NEVADA, TO BE JUDGE OF THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE NINTH CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Monday, September 17, 1945, at 10 a. m., in the Senate Judiciary Committee room, upon the nomination of William E. Orr, of Nevada, to be judge of the United States Circuit Court of Appeals for the Ninth Circuit, vice Hon. Curtis D. Wilbur, retired. At the indicated time and place, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Utah [Mr. MURDOCK], and the Senator from Nebraska [Mr. WHERRY].

NOTICE OF HEARING ON NOMINATION OF DELBERT E. METZGER TO BE UNITED STATES DISTRICT JUDGE, DISTRICT OF HAWAII

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Monday, September 17, 1945, at 10 a. m., in the Senate Judiciary Committee room, upon the nomination of Hon. Delbert E. Metzger, of Hawaii, to be United States district judge for the District of Hawaii—reappointment.

At the indicated time and place, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Utah [Mr. MURDOCK], and the Senator from Nebraska [Mr. WHERRY].

NOTICE OF HEARING ON NOMINATION OF MARTIN PENCE TO BE A JUDGE OF THE THIRD CIRCUIT, CIRCUIT COURTS, HAWAII

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Monday, September 17, 1945, at 10 a. m., in the Senate Judiciary Committee room, upon the nomination of Martin Pence, of Hawaii, to be a judge of the Third Circuit, Circuit Courts, Territory of Hawaii, vice Hon. Ray J. O'Brien, resigned.

At the indicated time and place, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Utah [Mr. MURDOCK], and the Senator from Nebraska [Mr. WHERRY].

NOTICE OF HEARING ON NOMINATION OF BEN H. RICE, JR., TO BE UNITED STATES DISTRICT JUDGE, WESTERN DISTRICT OF TEXAS

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Monday, September 17, 1945, at 10 a. m., in the Senate Judiciary Committee room, upon the nomination of Ben H. Rice, Jr., of Texas, to be United States district judge for the western district of Texas, vice Hon. Walter A. Keeling, deceased.

At the indicated time and place, all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Utah [Mr. MURDOCK], and the Senator from Nebraska [Mr. WHERRY].

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	O'Daniel
Bailey	Hatch	O'Mahoney
Ball	Hayden	Overton
Barkley	Hickenlooper	Radcliffe
Bilbo	Hill	Reed
Brewster	Hoey	Revercomb
Briggs	Johnson, Colo.	Robertson
Brooks	Johnston, S. C.	Russell
Buck	Kilgore	Saltonstall
Burton	Knowland	Smith
Byrd	La Follette	Stewart
Capper	Lucas	Taft
Carville	McCarran	Taylor
Chandler	McClellan	Thomas, Okla.
Connally	McFarland	Thomas, Utah
Cordon	McKellar	Tunnell
Donnell	McMahon	Vandenberg
Downey	Magnuson	Wagner
Ellender	Maybank	Walsh
Ferguson	Mead	Wherry
Fulbright	Millikin	White
George	Moore	Wiley
Gerry	Morse	Young
Guffey	Murdock	

Mr. HILL. I announce that the Senator from Mississippi [Mr. EASTLAND] and the Senator from Virginia [Mr. GLASS] are absent because of illness.

The Senator from Alabama [Mr. BANKHEAD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MITCHELL], the Senator from Pennsylvania [Mr. MYERS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Montana [Mr. WHEELER] are absent on public business.

The Senator from Florida [Mr. PEPPER] is absent on official business.

Mr. WHERRY. The following Senators are necessarily absent: The Senator from Vermont [Mr. AUSTIN], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Nebraska [Mr. BUTLER], the Senator from Indiana [Mr. CAPEHART], the Senator from New Jersey [Mr. HAWKES], the Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], the Senator from Indiana [Mr. WILLIS], and the Senator from Iowa [Mr. WILSON].

The Senator from South Dakota [Mr. BUSHFIELD] and the Senator from Idaho [Mr. THOMAS] are absent because of illness.

The PRESIDENT pro tempore. Seventy-four Senators having answered to their names, a quorum is present.

CONGRATULATIONS ON VICTORY OVER JAPAN BY CHAMBER OF DEPUTIES OF EGYPT

The PRESIDENT pro tempore laid before the Senate a radiogram from Hamed, president of the Chamber of Deputies of Egypt, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

EGYPT.

SPEAKER OF THE HOUSE OF REPRESENTATIVES,
Washington:

In the name of the Chamber of Deputies I am very happy to congratulate you and the Representatives to the whole American people on your magnificent and decisive victory over Japan, which was a victory of strength, liberty, and character over treachery, oppression, and perfidy. We are glad that Egypt participated during the war with all the means in its power in the service of the cause of democracy, of which you bear the standard, and for the triumph of which you have used inconceivable efforts. Long live the United States, the bastion of democracy, the champion of liberty and of the independence of all nations.

HAMED,
President of the Chamber of Deputies.

REPORT OF SECRETARY OF WAR ON GOVERNMENT TRANSPORTATION INCIDENT TO THE PROSECUTION OF THE WAR

The PRESIDENT pro tempore laid before the Senate a letter from the Secretary of War, transmitting, pursuant to section 2 of Public Law No. 779, Seventy-seventh Congress, a report covering transportation for certain Government and other personnel necessary for the successful prosecution of the war, for the period from July 1, 1944, to June 30, 1945, which, with the accompanying report, was referred to the Committee on Military Affairs.

PETITIONS

The PRESIDENT pro tempore laid before the Senate petitions, which were referred as indicated:

The petitions of Oscar A. L. Blenman, of New York City, N. Y., and John E. Lund,

of Palisades, N. J., praying for the enactment of the bill (S. 380) to establish a national policy and program for assuring continuing full employment in a free competitive economy, through the concented efforts of industry, agriculture, labor, State, and local governments, and the Federal Government; to the Committee on Banking and Currency.

A letter in the nature of a petition from the W. I. V. E. S., Inc., of New York City, N. Y., praying for the enactment of legislation to provide full employment, adequate housing, and public health as postwar measures; to the Committee on Banking and Currency.

CERTAIN AUTHORITY FOR WAR LABOR BOARD TO ADJUST WAGES

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a resolution I have received from local union No. 184 B, United Retail, Wholesale, and Department Store Employees of America, CIO, Kansas City, Kans., requesting that authority be given the War Labor Board to grant wage adjustments, lift substandard level to a 65-cent minimum, and assure maintenance of the high level of purchasing power of employees.

There being no objection, the resolution was referred to the Committee on Education and Labor and ordered to be printed in the RECORD, as follows:

Whereas the cost of living has skyrocketed in this area, and it is becoming increasingly impossible to maintain a decent standard of living so long as the costs of food, rent, and clothing remain where they now are; and

Whereas members of our organization are being faced with lowered income, due to cancellation of government contracts, lower take home wages; and

Whereas the majority of the membership of local union 184 B, United Retail, Wholesale and Department Store Employees of America, CIO have had our wages frozen through the establishment of so-called wage brackets, or so-called sound and tested going rates, and have not received sufficient wage increases through the operation of the Little Steel Formula; and

Whereas this unfair action was instituted by government procedure and has tended to cause strife and unrest among our membership, and we find ourselves at constant loggerheads with management; and

Whereas the membership of local union 184 B, URWDSEA-CIO are employed by Bright Biscuit Company, a company engaged principally in civilian production, and whose wage scale was never sufficient to meet the cost of living before Pearl Harbor and who consequently gained little through the fifteen (15) percent allowed by the Little Steel formula: Now, therefore, be it

Resolved, That the membership of local union 184 B, URWDSEA-CIO go on record demanding that Executive Order No. 9328 be immediately revoked, and in its place be established the following: That the War Labor Board be given authority to grant wage adjustments which would (1) aid in the effective prosecution of the war; (2) life the substandard level to 65 cents minimum; (3) assure maintenance of the high level of purchasing power of employees involved; and be it further

Resolved, That copies of this resolution be forwarded to President Harry S. Truman; Philip Murray, President of the CIO; Allan Haywood, CIO Director of Organization; Irwin DeShetler, CIO Regional Director; Senators George Briggs, Forrest Donnell of Missouri, and Arthur Capper, Kansas; C. Jasper Bell and Roger Slaughter, members of Congress from Missouri, and Errett Scrivner of Kansas.

Resolution adopted by Local Union 184B United Retail, Wholesale and Department Store Employees of America, CIO, at its regular meeting held July 30, 1945.

DON L. SCOTT,
President.
MAUDE ZUZICH,
Recording Secretary.

PROTEST AGAINST NATURALIZATION OF HARRY BRIDGES

Mr. CAPPER. Mr. President, I am bringing to the attention of the Senate and asking unanimous consent to have printed in the RECORD and appropriately referred a resolution adopted by the Kansas Department of the American Legion on September 3, 1945, at their annual meeting at Topeka, Kansas, in which the Legion goes on record as opposed to the naturalization of Harry Bridges.

There being no objection, the resolution was referred to the Committee on Immigration and ordered to be printed in the RECORD, as follows:

Whereas we are informed that Harry Bridges is an agitator and an undesirable alien—

Who has been guilty of and participated in subversive activities against the people and Government of the United States;

Who has called, aided and abetted unlawful strikes, fostered strife and violence in labor and essential war industries, and otherwise interfered with the war effort in the present emergency;

Who is a member of or is affiliated with a party or organization advocating the overthrow of the duly constituted authority and Government of the United States and its people: Now, therefore, be it

Resolved by the Kansas Department of the American Legion, in regular meeting assembled:

First. That the Kansas Department of the American Legion protests against the naturalization of Harry Bridges as a citizen of the United States, demands that his application for citizenship be denied, and requests that the Government of the State of Kansas, and the Senators and Representatives from Kansas in Congress, leave nothing undone to secure a denial of the application of Harry Bridges for citizenship.

Second. That a certified copy of this resolution be transmitted to the Governor of the State of Kansas, to each Senator and Representative from Kansas in Congress, and the National Department of the American Legion.

REPORT OF THE COMMITTEE ON THE JUDICIARY

Mr. McCARRAN, from the Committee on the Judiciary, to which was referred the bill (S. 1365) to amend section 35 of the Bankruptcy Act to permit the appointment of supervising conciliation commissioners as referees in bankruptcy, reported it without amendment and submitted a report (No. 556) thereon.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 1369. A bill to amend Public Law 322 of the Seventy-second Congress, second session, with respect to Indian land titles; to the Committee on Indian Affairs.

By Mr. BAILEY:

S. 1370. A bill to amend the act entitled "An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes," approved June 23, 1943 (57 Stat. 162) and for other purposes; to the Committee on Commerce.

By Mr. DOWNEY:

S. 1371. A bill for the relief of Reginald Mitchell; to the Committee on Claims.

S. 1372. A bill to officially name the flood-control project authorized by Public Law 534, Seventy-eighth Congress, approved December 22, 1944 on Lytle and Cajon Creeks near San Bernardino, Calif., the Sheppard floodway; to the Committee on Commerce.

By Mr. WALSH:

S. 1373. A bill for the relief of Commander Warren Sherman Parr, United States Navy; to the Committee on Naval Affairs.

By Mr. MCKELLAR (for himself and Mr. EASTLAND):

S. 1374. A bill for the relief of the estate of Mary B. Buckley (with accompanying papers);

S. 1375. A bill for the relief of the estate of Chambers H. Buckley (with accompanying papers); and

S. 1376. A bill for the relief of Alice Randolph (with accompanying papers); to the Committee on Claims.

By Mr. MAGNUSON:

S. 1377. A bill for the relief of Raymond J. McMahon; to the Committee on Naval Affairs.

EXCERPTS FROM TESTIMONY ON FULL EMPLOYMENT BILL

Mr. WAGNER. Mr. President, during the recent hearings of the Banking and Currency Committee on the full employment bill, S. 380, there was much discussion of whether the Government's responsibility should be to "assure" continuing full employment, or merely to "encourage" continuing full employment.

One of the ablest witnesses testifying before the committee was the Honorable Fred M. Vinson, the distinguished Secretary of the Treasury. Mr. Vinson pointed out that the concept of "assurance" is vital to the full employment bill, and to the full employment program.

Let me quote Secretary Vinson:

We must face the fact that all of us have a responsibility to see that our economic system works efficiently, that there are jobs for men and women able and willing to work. When we are confronted with problems of national scope involving collective responsibility we must look to the National Government, acting for all the people to take the leadership in their solution.

Let there be no misunderstanding as to the meaning of the word "assure." It is more than a mere pious hope—a mere paper promise to be kept to the ear and broken to the hope. It means the assumption of a definite moral responsibility. It does not, of course, mean that every individual will be led by the hand from one job to another.

Mr. President, I ask unanimous consent that there be inserted in the RECORD at this point, together with my remarks, a set of statements made during the recent hearings on the necessity of our assuring continuing full employment. These quotations include the statement of Secretary Vinson, and of other national leaders from all walks of life.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM SENATE BANKING AND CURRENCY COMMITTEE TESTIMONY ON FULL EMPLOYMENT BILL (S. 380) RELATING TO THE GOVERNMENT'S RESPONSIBILITY TO ASSURE CONTINUING FULL EMPLOYMENT [1]

Hon. Clinton Anderson, Secretary of Agriculture (p. 522):

"If we are to have full employment, as I believe we must have, the Federal Government will have to assume the responsibility for maintaining it. This bill (S. 380) recognizes this fact. There is no one segment of our economy which can provide the necessary guaranties. Yet all of us, farmers, businessmen, laborers—producers and consumers alike—can together, through the instrumentality of our democratic Government, assure the maintenance of full production and, hence, full employment.

"The assurance that Government is committed to a policy of maintaining full employment, within the framework of our free-enterprise system, is one of the greatest encouragements that Government can give to individual producers. They will know that with a fully employed labor force there will be a market for their particular products."

Clarence Avildsen, chairman of the board, Republic Drill & Tool Co., Chicago, Ill (p. 657):

"Everyone knows that the businessman cannot guarantee continuous employment for his workers. So if this is true, and if we grant that men and women in a free society must be assured an opportunity to obtain remunerative employment, the job of assuring this employment must rest upon the only institution which has authority over all of us which is subject to our collective will—the Government of the United States."

Mrs. J. B. Caulkins, president, Young Women's Christian Association (pp. 977–978):

"A positive declaration of the intention of the Government to protect the basic right of its people to engage in useful, remunerative work, is an assurance that the workers of this country expect and have the right to expect. It is an assurance that private enterprise should also welcome, because it supports continuous purchasing power and lessens the threat of sudden fluctuations and of depressions that have hovered over business and worker alike."

Miss Loula Dunn, president, American Public Welfare Association, and commissioner of the department of public welfare, State of Alabama (p. 441):

"As I understand the bill, it proposes really to guarantee that there will be full employment, which is an insurance against the very social hazards and problems that I have been talking about. Certainly out of the experience I have had in seeing what happened to people when they did not have economic security, I would be one of the people who would wish to raise my voice in behalf of any measures that would guarantee that there would be that type of employment. I think not enough has been said on the social consequences in broken homes and crime and prison population, all the byproducts of long-time unemployment, as well as your by-products in the health of the community, which was amply demonstrated, I think, in the number of rejections for physical reasons in the draft."

Harry Golden, president, Magna Products, New York, N. Y. (p. 616):

"I am for this bill because:

"4. It places on the Federal Government the definite responsibility of avoiding unemployment.

"Where else can this responsibility be placed?

"Not on business. My plant employs 150 men and women. How can I hire any more unless I feel that I will be able to sell what these extra people would produce?

"The responsibility for unemployment can't very well be placed on the employee. He can't create jobs.

"The last decade certainly should have taught us that, when depression comes, no one but the Federal Government can assume the prime responsibility for relief. Hasn't the fire department the duty of preventing conditions that may cause or spread fire?

"It aims to give every businessman what he needs most—assurance of a market. Now, let us dwell for a moment on those most important words, 'assurance of a market.' I cannot attempt to tell you how important those four words are.

"Fortune magazine said 7 years ago:

" 'Every businessman who is not kidding himself knows that he does not know how to guarantee without Government intervention the markets with which alone his free competitive capitalism can function. Every businessman who is not kidding himself knows that, if left to its own devices, business would sooner or later run headlong into another 1930.'

"Now, when a little fellow quotes from Fortune magazine he thinks he has a real argument, that he has something worth while."

L. E. Keller, research director, Brotherhood of Maintenance of Way Employees, Detroit, Mich. (p. 985):

"It is our position that the Federal Government has both the right and the absolute duty to concern itself with the behavior of private enterprise to the extent that its activities have any important bearing on the social and economic well-being of the country as a whole, or upon the political well-being of the country. And I want to repeat there that it is not only the right but we insist that it is the absolute duty of the Federal Government to do that.

"We cannot escape social and economic disaster in the days ahead of us, we think, by any program of timidity or delay or evasion."

Fiorello H. LaGuardia, mayor of New York City (p. 866):

"Senator TOBEY. Before you get to that may I point out in paragraph b the word 'assure.' 'It is the policy of the Nation to assure the existence'—that has been a very moot word here. People have come before us and questioned the word 'assure'; tried to get around it by using some other language, and so forth.

"Is it your thought it is the very intent of the bill to assure?"

"Mayor LAGUARDIA. Well, you either assure their existence by employment or you assure their subsistence by relief."

Col. William C. Menninger, United States Army, Chief, Psychiatric Division, War Department; psychiatrist with Menninger Clinic, Topeka, Kans., pages 676, 678:

"With demobilization of the Army and war industries unemployment will confront us shortly, and not only will we have the inherent problems of unemployment but these will directly contribute to making many of this group of veterans into confirmed invalids. If there were assurance of sustained employment opportunities for all, this possibility would be of less concern."

"So that I think unemployment has had a tremendous impact and will continue to have if we do not bring about some kind of a positive assurance that a man shall have an opportunity to get a job if he can."

Hon. JAMES E. MURRAY, junior Senator from the State of Montana (p. 9 and 12):

"The full-employment bill is based upon the theory that no single group in the country—either industry, labor, or agriculture—can by itself assure the expanding markets which are necessary for full production and full employment. The bill recognizes the fact that only the Government, acting in cooperation with industry, labor, agriculture, and States and localities, can assure a continuing level of demand sufficient to absorb the goods and services produced under our modern economic conditions.

"In short, the so-called right to a job is a meaningless figure of speech unless our Government assumes responsibility for the expansion of our peacetime economy so that it will be capable of assuring full employment."

Senator MURRAY (in the course of Ralph Flanders' testimony):

"Webster's Dictionary gives as a definition of the word 'assure': 'To make sure or certain; to inspire confidence by declaration or promise.'

"Mr. FLANDERS. That second definition of it, Senator, is applicable a hundred percent.

"Mr. MURRAY. It also says: 'To confirm; to give confidence to'."

Philip Murray, president, Congress of Industrial Organizations, Washington, D. C. (p. 510):

"The words 'assure' and 'sufficient' are very desirable. (We should) accept no substitutes such as 'promote' or 'encourage' for 'assure' * * * or 'substantial' for 'sufficient'."

Charles F. Palmer, president, Palmer, Inc., Atlanta, Ga. (p. 727):

"In opposition to the view of Mr. Mosher that this bill will help to bring about depression, I feel that its enactment will help to give assurance to those who fear they will lose their jobs and to those industrialists who believe they will not be able to carry on. There may be some who may oppose such assurance being given industry as well as employees, because there are some in industry who may say they would prefer to have it out with labor now."

Hon. WRIGHT PATMAN, Representative from the First District of Texas (pp. 54–55):

"While clear-cut objectives are indispensable, they are not enough. Our people want and need some assurance that we will not only talk about the twin goals of full employment and free competitive enterprise, but that we shall also attain them.

"During the great depression, the Federal Government had to undertake the responsibility of doing whatever was necessary to prevent destitution and starvation, a responsibility hitherto regarded as the province of private charity and local government. Today the average man and woman feel that their Government is also obligated to do whatever is necessary to prevent unemployment and to maintain full employment in a free competitive economy. The full-employment bill recognizes this obligation.

"The bill makes it the responsibility of the Federal Government, in cooperation with business, labor, agriculture, State governments, and local governments, to assure our people conditions under which they can exercise their right to work as freemen in a free society."

James G. Patton, president, National Farmers Union (p. 569):

"What is essential is the underwriting of confidence. When President Roosevelt many years ago told us that all we had to fear was fear itself he was stating a basic proposition. Now, as then, fear is our greatest enemy. What we must search out is the way to universal confidence, the way to make businessmen lose their fear of risking capital, to make consumers lose their fear of spending, to make all of us live in confidence and well-founded hope for the future.

[1] SEC. 2 (b) of S. 380: All Americans able to work and seeking work have the right to useful, remunerative, regular, and full-time employment, and it is the policy of the United States to assure the existence at all times of sufficient employment opportunities to enable all Americans * * * freely to exercise this right.

"That is all that depressions are anyway—the expression of mass fear. Once the Nation has found a way to end that fear, then it will have found the way to permanent full employment and prosperity."

The Most Reverend Bernard J. Sheil, D. D., auxiliary bishop of Chicago, and director of the Catholic Youth Organization, archdiocese of Chicago (p. 838):

"But it is the primary and essential function of government to secure citizens in the peaceful enjoyment of their natural rights; every government has the bounden duty to see to it that men are not denied the fundamental right of providing for themselves and their dependents a decent livelihood by honest and efficient labor. If, therefore, private industry is unable to afford men the opportunity of a decent and honorable living, government is bound by its very nature to employ all its resources to secure to all citizens this essential right to work. Again Pope Leo XIII is pertinent:

" 'It is the first duty of every government to make sure that the laws and institutions, the general character and administration of the commonwealth, are such as to produce of themselves public well-being and private prosperity. Above all, the public administration must duly and solicitously provide for the welfare and the comfort of the working people.' "

Harold D. Smith, Director of the Budget, Washington, D. C. (p. 903):

"Assurance of full-employment opportunities, of course, does not mean a guarantee of specific jobs. It means, rather, that the Government will pursue policies to assure job opportunities for those willing and able to work. In an expanding economy, changes are bond to occur in the type and location of jobs. Some opportunities vanish while others are created. The bill anticipates that there will be time intervals between old and new jobs. Shifts may require retraining or migration. In other words, some 'fictional' employment is inevitable.

"A policy declaration by the Congress is, in itself, an important factor in attaining the goals of a full-employment program. Assurance of full employment is identical with assurance of sustained markets and confidence, the main prerequisites for business investment and a high level of employment opportunities."

Hon. Fred M. Vinson, Secretary of the Treasury (pp. 962–963):

"Too frequently, in the past, it has been popular to place the blame for depression on the businessman.

"But no businessman can continue to employ labor and to produce goods unless he finds a market for his output at a remunerative price. The fact is that if any businessman continued for an extended time to produce goods for which there are no buyers, he would inevitably incur such losses that he could not stay in business. For this reason, businessmen cannot assume the responsibility to keep producing goods and employing labor in the face of an inadequate demand for their products.

"Clearly it cannot be the responsibility of businessmen alone to prevent unemployment. But that is not to say there is no responsibility anywhere to prevent unemployment. We cannot assume that depressions are acts of God, that they are a burden men must inevitably bear. We must face the fact that all of us have a responsibility to see that our economic system works efficiently, that there are jobs for men and women able and willing to work. When we are confronted with problems of national scope involving collective responsibility we must look to the National Government, acting for all the people to take the leadership in their solution.

"Let there be no misunderstanding as to the meaning of the word 'assure.' It is more than a mere pious hope—a mere paper promise to be kept to the ear and broken to the hope. It means the assumption of a definite moral responsibility. It does not, of course, mean that every individual will be led by the hand from one job to another."

F. R. von Windegger, president, the Plaza Bank of St. Louis, St. Louis, Mo. (p. 647):

"The most enlightened business leaders today acknowledge that business alone, in this machine age, cannot furnish full employment to all those able to and seeking work.

"Therefore, full employment being necessary to the continued existence of our economic and political system and necessary for the general welfare, it becomes encumbent upon the Government to take whatever steps are necessary to fill the gap left by private enterprise."

Hon. Henry A. Wallace, Secretary of Commerce, Washington, D. C. (pp. 692, 694, 696):

"No individual firm, however, should be expected to employ people producing goods or services for which it cannot find a market at a reasonable price. That assurance of adequate market opportunity, which is essential to full production and employment, is the responsibility of all the people, including business management, acting through their chosen representatives in Government.

"It is only the assurance that the Government will use its financial power to prevent shrinking markets that will induce business to continue to produce at full employment levels. Without this assurance and without Government implementation of it, we are sure to see the familiar spectacle of inventory liquidation, cutthroat competition, stoppage of investment programs, mounting unemployment, and farm foreclosures whenever deflationary forces are unloosed."

"Senator TOBEY. I was impressed by the fact that all through your statement, at least 8 or 10 times, you definitely used the words 'give assurance.' I merely ask you this in view of the controversy that has arisen in this committee; do you agree with the authors of the bill, of whom I am one, that the purpose of this bill is to assure—give assurance of opportunities? Is that right?

"Mr. WALLACE. That is right.

"Senator TOBEY. And the word means just what it says, assure them an opportunity to work.

"Mr. WALLACE. An opportunity; yes. But not any specific job to any specific individual."

James P. Warburg, Greenwich, Conn. (p. 665):

"Those who oppose the bill do so because they oppose the fundamental principle that it has now become both the right and the duty of the American people, acting together through their Government, to make the right to work as much a reality as the right of free speech.

"Let the vote be taken on that principle."

Walter H. Wheeler, Jr., president, Pitney-Bowes, Inc., Stamford, Conn. (pp. 828 and 829):

"I support the underlying principle of this bill, because I am convinced that it is the definite and inescapable responsibility of Government, in a modern society, to see that stable economic conditions prevail affording a high level of employment.

"In the past, action usually has been taken only after some calamity has occurred. This bill puts on Government the responsibility of planning to avoid calamity.

"I do not believe that the private-enterprise system, left entirely to its own devices in our present-day complex economic system, can avoid cyclical fluctuations, the low points of which are so severe as to bring about extended mass unemployment such as existed in the thirties.

"Of itself, private enterprise has not the power to command widespread action in times of crisis, or to sufficiently influence its membership to avoid crisis. Whether we like it or not, we have reached a point where, despite the risks, we must depend upon Government as the only possible authority to broadly coordinate our activities, to use some of its power directly when necessary, and to plan for us. The only solution lies in wise and sound government. The only logical course open to those who fear government is to do their utmost to improve government. If this attitude is not taken, I am convinced that we will finally end up with all government in a socialized state."

JOINT COMMITTEE ON THE BUDGET

Mr. WILEY. Mr. President, I submit a concurrent resolution to create an economic high command for the United States Congress. It will not be called that; it will be called a Joint Committee on the Budget, but its effect will be the same. If agreed to, it will give the United States Congress for the first time in its history the long-range eyes, ears, and voice to play its role adequately in handling the economy of our Nation.

The reasons for this joint committee are obvious:

First. Without it, Congress will continue to lack the economic high command with which to meet the administration high command on its own terms.

Too long have we been "weak sisters" in our equipment with which to evaluate the administration's carefully prepared demands for appropriations.

We already have a Joint Committee on Internal Revenue Taxation to handle the income side of the American ledger. That joint committee has long proved its indispensability. Why, then, should we not have a Joint Committee on the Budget with which to handle the outgo side of the ledger?

The Senate has adopted a resolution to establish a joint committee to investigate the Pearl Harbor disaster. Moreover, there has been proposed a joint committee to investigate the development and control of the atomic bomb. Why, then, should we not have a Joint Committee on the Budget, which would prevent a financial Pearl Harbor—a financial disaster that could blow our way of life sky high?

Second. Right now we are in a position of grave financial stress.

Our national debt is still mounting from its present peak of $262,000,000,000. Right now a debt of over $1,870 hangs over every man, woman, and child in our country. A debt of over $4,170 hangs over every employed worker in our country.

According to revised Budget estimates, our deficit will increase by thirty billions this fiscal year. That is at the rate of $2,500,000,000 a month, or at the rate of more than $10 a month on every man, woman, and child or at the rate of more than $42 a month on every employed worker.

Our $262,000,000,000 of national debt are owned by the people. The bonds covering that debt are held by individuals and by institutions which have the people's life savings.

Who, specifically, holds those bonds? Here is a table which shows who held the bonds, as of April 30, 1945, when our national debt stood at a sum in excess of $238,000,000,000:

	Billions of bonds
Banks	106.7
Individuals	53.8
Corporations and associations	25.8
U. S. Government agencies and trust funds	23.2
Insurance companies	20.5
State and local governments	4.3
	234.3

Peril the solvency of our Government and you peril the solvency of every bank, every insurance company, every organization and individual in America. That peril is not an idle speculation. It is a grave possibility.

The false economic philosophy which has permeated America for the last 12 years must be rooted out. Deficit financing must cease.

Third. The minimum Budget needs of America for essential services are of staggering proportions.

In the coming period we will have huge expenditures for such essential items as:

(a) Payment of interest on the Federal debt.

(b) Gradual repayment of the principal of the Federal debt.

(c) Provision for aid to disabled veterans, widows, and orphans of exservicemen.

(d) National defense.

(e) Minimum Government services, such as old-age pensions, compensation for the blind, and so forth.

The minimum billions of dollars required for these items will cost far more than we have ever raised in revenues. The greatest amount of Government revenue ever raised prior to 1941 was in 1938, when we raised five and one-half billion dollars. But the debt items alone of our coming Federal Budget will cost us far more than five and one-half billion dollars.

Having determined the essential categories of Federal expenditure, we dare not scrimp on them. We dare not "sock the disabled veteran" or break the back of our national defense as we did after the last war by penny-wise, pound-foolish "thrift."

We dare not allow essential items such as these to go begging. With regard to national defense, our own preparedness is still our best security. The United Nations Organization is still in diapers and cannot be relied upon exclusively.

The nations, such as Russia, are hardly putting their armed forces in moth balls. We must continue to surpass the power of every other nation on earth if we would sleep peacefully at night in this jungle world.

Fourth. The heat is being put on Congress for unnecessary expenditures of staggering proportions.

How can we ever expect to spend adequately for the essential services stated above if we are going to pour money into every financial rat hole promoted by self-interest groups?

Every scrambled brain in the country, every wild-eyed dreamer and diabolic schemer is out to take Uncle Sam for a ride for every dollar Uncle Sam's printing press can print. The screams for hand-outs are deafening Congress' ears.

"Spend—spend—spend.

"Legislate the millennium into existence.

"Pass a law that will enable every American to sit back on his haunches and draw Federal checks while jobs go begging.

"Pass a law that will give every American, on a silver platter, a job at the salary he fancies, of the importance he fancies.

"Finance everything by deficit, by printing-press money.

"Keep blowing up the Government debt balloon. Do not worry about it bursting.

"Cram Federal hand-outs and control down the State and local governments' throats whether they like it or not."

These are the thoughts expressed by selfish self-seekers who present many-point ultimatums to Congress to "spend or else."

The vast amount of synthetic spend-crazy legislation which these self-seekers are demanding must not be allowed to be hidden behind a smoke screen during the coming months and steam-rollered through. The Pearl Harbor investigation will be occupying our attention and must not serve as such a smoke screen behind which ruinous laws are simultaneously pushed.

Where is the money to come from for all the spending that has been proposed? How are we going to pay for it? The highest estimates for this year's revenues are only $36,000,000,000. Yet expenditures will be $66,000,000,000, leaving a deficit of $30,000,000,000.

Postwar budgets, even without provision for extra spending, contemplate that we will be spending, at a minimum, about every cent we may expect to take in by taxes and more. How, then, can we expect to add the extra load of more spending on top of the minimum Budget? How are we going to balance the Budget? How are we going to reduce taxes on the long-overburdened taxpayers?

Let us think the answers to these questions through. Let us create this Joint Committee on the Budget to help us think and act our way through. Let us also do these things:

First. Speed the demobilization of our armed forces. When we release into civilian life the men with jobs and the men who make jobs, these men will add to the potential tax revenue, instead of continuing to drain it. Get the doctors, the dentists, the lawyers, and other professionals and technicians in particular back into our economy which so desperately needs them. I have already written to President Truman respectfully urging that every effort be made to speed up the release of these men.

Second. Scrap the useless bureaus and slash the overstaffed departments in the Federal Government.

Third. Encourage the local communities and the people to look to their own sweat and toil for their prosperity, rather than to Federal pap. Relearn the lesson of our fathers—depending on ourselves rather than on the Federal Government for our salvation.

Return to the States the constitutional powers thereof which have been taken over by the Federal Government. Let the communities and the States rid themselves of the false notion that they should look to Washington for economic aid in the solution of those problems which are in their nature local and State-wide. The State and local governments are in a far better financial position to look after their respective needs than is the Federal Government.

End the imported European pattern of thinking, with its hatred and intolerance between classes and groups. Let us breathe the free, harmonious atmosphere of America and proceed to build "more stately mansions for the American soul."

Mr. President, I ask unanimous consent that the concurrent resolution be printed in the RECORD following my remarks, and appropriately referred.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

The concurrent resolution (S. Con. Res. 29), submitted by Mr. WILEY, was referred to the Committee on Finance, as follows:

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a Joint Committee on the Budget (hereinafter referred to as the "joint committee") to be composed of ——— members of the Committee on Appropriations of the Senate and ——— members of the Committee on Finance of the Senate, to be appointed by the President of the Senate, and ——— members of the Committee on Appropriations of the House of Representatives and ——— members of the Committee on Ways and Means of the House of Representatives, to be appointed by the Speaker of the House of Representatives. Vacancies in the membership of the joint committee shall not affect the power of the remaining members to execute the functions of the joint committee, and shall be filled in the same manner as the original selection. The joint committee shall select a chairman from among its members.

SEC. 2. It shall be the duty of the joint committee to make a full and complete study and analysis of the Budget of the United States, and to make such other studies and investigations concerning governmental revenues and expenditures as it may deem necessary, with a view to assisting the Congress in formulating a comprehensive fiscal program. The joint committee shall report, from time to time, to the committees of the Senate and House of Representatives from which the membership of the joint committee was appointed, and, in its discretion, to the Senate or House of Representatives, or both, the results of its studies and investigations, together with such recommendations as it may deem advisable.

SEC. 3. The joint committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Seventy-ninth Congress, to require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words.

SEC. 4. (a) The joint committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties. The joint committee

is authorized to request the use of the services, information, facilities, and personnel of the departments and agencies in the executive branch of the Government.

(b) The expenses of the joint committee, which shall not exceed $——— shall be paid out of the contingent funds of the Senate and House of Representatives, one-half to be disbursed by the Secretary of the Senate and one-half to be disbursed by the Clerk of the House of Representatives.

COMPOSITION OF THE POSTWAR NAVY

Mr. WALSH. Mr. President, I submit for reference to the Committee on Naval Affairs a concurrent resolution similar to one that is being submitted in the House of Representatives by Representative VINSON, relating to the proposed size of the postwar Navy, and I ask in that connection that a brief statement summarizing the provisions of the concurrent resolution be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, the concurrent resolution submitted by the Senator from Massachusetts will be referred to the Committee on Naval Affairs and the statement will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 30), submitted by Mr. WALSH, was referred to the Committee on Naval Affairs, as follows:

Whereas under the Constitution of the United States the Congress is charged with the responsibility of providing and maintaining a Navy; and

Whereas the wars in which the United States has been engaged are now in the process of being brought to a successful close; and

Whereas it will not be necessary to retain for the Navy all of the ships, vessels, or craft now built, building, or authorized; and

Whereas it is necessary for the Congress to determine the size of the immediate postwar Navy, giving due consideration to the security of the United States and its territories and insular possessions, the protection of our commerce, and the necessity for cooperating with other world powers in the maintenance of peace; and

Whereas such immediate postwar Navy will require an adequate fleet and supporting aircraft, personnel, bases, and establishments: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the Navy of the United States should consist of ships of the following types and numbers:

1. Three large aircraft carriers (42,000 tons), 24 aircraft carriers (27,000 tons), 10 light aircraft carriers (11,000 tons), 79 escort aircraft carriers, 18 battleships, 3 large cruisers, 31 heavy cruisers, 48 light cruisers, 367 destroyers, 296 escort destroyers, and 200 submarines.

2. That sufficient aircraft, auxiliary vessels, mine vessels, patrol vessels, landing craft, district craft, and drydocks should be maintained to support the above enumerated fleet.

3. That adequate facilities to support the Navy should be maintained wherever necessary.

4. That sufficient personnel should be provided to adequately maintain and operate the Navy and that proper and adequate facilities be provided and maintained to fully train such personnel.

5. That ships, vessels, and craft enumerated above should be replaced unit for unit in accordance with existing law, or earlier if the development of weapons or scientific research make such ship, vessel, or craft obsolete or obsolescent.

6. That an orderly shipbuilding and aircraft replacement program should be maintained.

7. That a progressive program of research and development in all fields of naval warfare be carried on and that an adequate organization and facilities for that purpose be maintained.

The statement presented by Mr. WALSH is as follows:

Mr. President, I am submitting today, in conjunction with a similar resolution which is being submitted in the House of Representatives by the Honorable CARL VINSON, chairman of the House Naval Affairs Committee, a concurrent resolution to express the sense of Congress with respect to the postwar Navy. The resolution, in brief, states it is the sense of Congress that the Navy of the United States should consist of ships of the following types:

1. Three large aircraft carriers (42,000 tons), 24 aircraft carriers (27,000 tons), 10 light aircraft carriers (11,000 tons), 79 escort aircraft carriers, 18 battleships, 3 large cruisers, 31 heavy cruisers, 48 light cruisers, 367 destroyers, 296 escort destroyers, 200 submarines.

2. That sufficient aircraft, auxiliary vessels, mine vessels, patrol vessels, landing craft, district craft, and drydocks should be maintained to support the above-enumerated fleet.

3. That adequate facilities to support the Navy should be maintained wherever necessary.

4. That sufficient personnel should be provided to adequately maintain and operate the Navy and that proper and adequate facilities be provided and maintained to fully train such personnel.

5. That ships, vessels, and craft enumerated above should be replaced unit for unit in accordance with existing law, or earlier if the development of weapons, or scientific research make such ship, vessel, or craft obsolete or obsolescent.

6. That an orderly shipbuilding and aircraft replacement program should be maintained.

7. That a progressive program of research and development in all fields of naval warfare be carried on and that an adequate organization and facilities for that purpose be maintained. For the information of the Members of the Senate, I annex a table which sets forth a comparison of the number of vessels in the postwar Navy, the present Navy, and the prewar Navy.

Type vessel	Proposed in postwar Navy	Present Navy (available, building, and authorized)	Total authorized up to and including the Naval Expansion Act approved May 17, 1938
Large aircraft carriers (42,000 tons)	3	3	
Aircraft carriers (27,000 tons)	24	27	8
Light aircraft carriers (11,000 tons)	10	10	
Escort aircraft carriers	79	79	
Battleships	18	24	18
Large cruisers	3	3	
Heavy cruisers	31	33	18
Light cruisers	48	57	28
Destroyers	367	450	144
Destroyer escorts	296	359	
Submarines	200	263	56
Total	1,079	1,308	272

Mr. President, if the resolution be adopted, it will serve as a guide to Congress and to the Navy Department in future planning for the Navy and will serve as notice to the world that the United States does not intend to junk her mighty fleet, but intends, rather, to keep herself strong and invincible.

The 1,079 ships of the combat types as enumerated in the resolution compare with a total of 1,308, which is the aggregate number of ships of these categories presently available or under construction or authorized. In a word, our postwar Navy, if we adopt the 1,079 figure and maintain our fleet at that limit, will be not far below its present strength as respects combat ships. It will be approximately four times the size of the fleet that was authorized in the Naval Expansion Act of 1938, enacted in May of that year, and which put the total authorized strength of the Navy at 272 combat ships.

It is important to note, however, that with respect to this proposed total postwar fleet of 1,079 combat ships it is contemplated that one-third to be kept fully manned and ready for any emergency; one-third be organized into reserve fleets and partially manned; the remainder be held in decommissioned status but available for recommissioning if needed.

I may say that in general the foregoing enumeration accords with the views of the officials of the Navy Department with respect to the size and characteristics of the Navy that will be required in the postwar era to fully meet the obligations of the United States.

RESUMPTION OF HIGHWAY CONSTRUCTION UNDER THE FEDERAL-AID HIGHWAY ACT OF 1944

Mr. McKELLAR submitted the following concurrent resolution (S. Con. Res. 31), which was referred to the Committee on Post Offices and Post Roads:

Resolved by the Senate (the House of Representatives concurring), That for the purposes only as specified in section 2 of the Federal-Aid Highway Act of 1944 (Public Law 521, 78th Cong.), it is hereby found as a fact that the war emergency has been relieved to an extent that will justify proceeding with the highway-construction program provided for by said act, and for the purposes of said act the first postwar fiscal year referred to therein shall be the fiscal year ending June 30, 1946.

EXTENSION OF FURLOUGHS WITH PAY TO CERTAIN MEMBERS OF THE ARMED FORCES

Mr. BUCK. Mr. President, I submit for appropriate reference a concurrent resolution granting extended furloughs to members of the armed forces who are awaiting further assignment or discharge from the service.

The concurrent resolution (S. Con. Res. 32), submitted by Mr. BUCK, was referred to the Committee on Military Affairs, as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the granting of extended furloughs with full pay and allowances to members of the armed forces who are awaiting further assignment or discharge from the service, or whose services can be spared from their present assignments, would be helpful to such members in preparing for their reemployment in civilian life or for the resumption of educational pursuits; and that the Secretary of War and the Secretary of the Navy, respectively, should take steps to initiate and place into effect such a system of extended furloughs at the earliest practicable date.

INVESTIGATION OF CERTAIN ECONOMIC QUESTIONS RESULTING FROM TERMINATION OF THE WAR

Mr. DOWNEY submitted the following resolution (S. Res. 172), which was referred to the Committee on Civil Service:

Resolved, That a special committee composed of five Senators to be appointed by the President pro tempore of the Senate is authorized to make a full and complete study and investigation with respect to the effects upon the civilian economy in the Pacific Coast and Rocky Mountain States of (a) unemployment resulting from the discharge of civilian employees of the United States and persons employed in war activities, (b) shifts in population resulting from the migration of persons employed in war activities and the separation from the armed forces of persons stationed in such areas; (c) disposition of surplus Government-owned property; and (d) other problems arising as a result of the termination of the war and the reconversion to a peacetime economy. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations as it may deem desirable.

For the purpose of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Senate in the Seventy-ninth Congress, as may be necessary to carry out the purposes of this resolution. The committee, or any duly authorized subcommittee thereof, is authorized to invite the heads of interested governmental agencies to assign representatives of their respective agencies to accompany the members of the committee, or duly authorized subcommittee thereof, to such places as may be necessary for the purpose of participating in such investigation and in hearings held in connection therewith. The expenses of the committee or subcommittee under this resolution shall not be paid out of or create a charge upon the contingent fund of the Senate.

ESTABLISHMENT OF ARMY SEPARATION CENTERS IN THE VARIOUS STATES

Mr. MAYBANK submitted the following resolution (S. Res. 173), which was referred to the Committee on Military Affairs:

Resolved, That in order to provide for the speedy return to civilian life of persons to be discharged from the Army, the Secretary of War is requested to establish a separation center in each State, wherever practicable.

REMOVAL OF DAIRY PRODUCTS FROM RATION LIST

Mr. WILEY. Mr. President, the Federal Government is refusing to buy set-aside butter in the hands of receivers and is consequently risking the causing of a price slump for the Nation's dairymen. This adds one more impelling factor why butter and other dairy products should be removed from rationing immediately. On too many occasions already has the failure to quickly remove obsolete wartime controls, such as in the case of slaughtering, caused havoc among producers and extreme annoyance to consumers. Dairying must not be the victim of more bureaucratic bungling.

I have already written to Secretary of Agriculture Anderson as follows:

MY DEAR MR. SECRETARY: May I respectfully submit that with the Nation now well into the reconversion period the time has come and is, indeed, long overdue for all dairy products, including butter and cheese, to be taken off the ration list.

Although the supply of these products may not be sufficient at present to give every would-be purchaser the entire supply that he would like, surely our dealers could informally apportion the limited supplies to prevent hogging.

Removing these items from rationing would not only rid the public of one more annoyance but would also help the dairy industry, whose well-being is so vital to the Nation, to readjust itself to normal conditions.

Looking forward to your early reply as to the Department's intentions in this regard, I am,

Sincerely yours,

ALEXANDER WILEY.

NATIONAL MONUMENT TO COMMEMORATE FIRST ATOM BOMB TEST

Mr. HATCH. Mr. President, a news item which appeared in the Washington Star of yesterday, September 9, is of much interest, I am sure, to the people of the United States, if not of all the world, and especially to the people of my own State, New Mexico. The article reads:

NATIONAL MONUMENT CONSIDERED ON SITE OF FIRST ATOM BOMB TEST

A national monument may mark the spot in New Mexico where the first atomic bomb experiment was conducted.

Secretary of the Interior Ickes yesterday announced he has instructed Fred W. Johnson, Commissioner of the General Land Office, to reserve such land on the Alamogorda bombing range as would be needed to establish the monument.

Mr. Ickes' action followed a suggestion by Joseph H. Stratton, 2304 Wilson Boulevard, Arlington, a Department attorney, that the site of the explosion be perpetuated as a milestone in national progress.

For his idea Mr. Stratton was recommended for a $100 cash award under the Department's employee suggestion program.

Mr. Ickes also instructed the National Park Service to make a survey of the site as soon as the Army permits, on the basis of which the Secretary will recommend establishment of the monument to President Truman.

"The harnessing of the basic power of the universe through the atomic bomb ushers in man's understanding of nature's forces and presages the use of atomic power not only as a forceful influence toward the maintenance of world peace but also as an instrument, through use in peace, for the creation of a better standard of living throughout the world," Secretary Ickes said.

Mr. Stratton was awarded $100 in cash for that suggestion.

Mr. President, in that connection I wish to add that the people of New Mexico have also had this idea in mind. On the 11th day of August the Alamogordo Chamber of Commerce directed a letter to the United States Park Service making the suggestion that this site be set aside as a national monument, and by coincidence, I received a long letter dated the 15th of August from Mr. Charles S. McCollum of Las Cruces, N. Mex., making the identical suggestion, with several pertinent observations. One of them is this:

In setting aside this area as a national monument, an international monument in fact, my idea is to make this site a real peace monument or shrine for the entire world.

I may add, Mr. President, that both letters were promptly transmitted to the appropriate department.

I received a letter dated September 6, 1945, from Hillory A. Tolson, Acting Director of the National Park Service, in reply to the letters from the citizens of New Mexico.

I ask that the three letters be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ALAMOGORDO CHAMBER OF COMMERCE,
August 11, 1945.

The DIRECTOR OF UNITED STATES PARK SERVICE,
Washington, D. C.

DEAR SIR: The explosion of the atomic bomb is a great historical and world-shaking event. The fields of the Alamogordo Air Field at which place this first explosion occurred will always be of historical interest. This spot of earth, being as renown as it already is and will be much more so in the years to come, we feel should have worthy recognition. People will want to see the spot where this great event occurred bringing in a new era the same as they have wanted to see the spot where the first Pilgrim set foot on this continent. It is also our opinion that no department of the United States Government could do justice to this as well as your own department of National Park Service. The recognition your National Park Service has given other places of great historical interest has proved of great value. Therefore, we, the Chamber of Commerce of Alamogordo, N. Mex., do petition your department to declare the atomic-bomb proving ground a national monument or historic site.

Due to the fact this spot is within the confines of the vast Alamogordo bombing range we realize it can only be a postwar project but we believe that your department should now officially mark and secure the place for future use.

We trust you will give this request your most favorable attention and we will be glad to give any assistance we can at any time. This organization is most anxious to do its part in any way to have this place marked as a place of interest for the years to come.

Sincerely yours,

A. P. GRIDER,
President.
FRITZ HEILBRONN,
Secretary.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARM SECURITY ADMINISTRATION,
Las Cruces, N. Mex., August 16, 1945.

Hon. CARL A. HATCH,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HATCH: I have had an idea in mind for several days that I believe will not only prove worthy of your interest, and to the interest of all residents of New Mexico, but to all the inhabitants of our glorious United States of America as well, and I am submitting it to you for your consideration and, I hope, approval.

In brief the idea is to present a bill, or resolution, for the approval of the Congress, to set aside the area in which the first atomic bomb was set off as a national monument, which would also be something in the way of a shrine or memorial to the scientists who developed and made possible the atomic bomb and to those who have sacrificed their lives in the interest of the greatest peace ever known to mankind.

I understand that a rather sizable crater resulted from the explosion, or whatever happened when the bomb was set off, and it is the preservation of this crater that I have in mind—a stark witness to the terrific force that was harnessed in the interest of bringing the terrible war to a more speedy conclusion than would otherwise have been possible. I think it has been stated that the Japanese have admitted that it was useless to continue the war because of the atomic bomb, which means that a tremendous loss of American lives was prevented by the use of the bomb instead of making an invasion of Japan.

In setting aside this area as a national monument, an international monument in fact, my idea is to make this site a real peace

monument or shrine for the entire world. The crater should be left as it is for those who are alive to see, and for all posterity to view as an evidence of the terrible force that can be utilized against any nation that might have thoughts of making war on any other country. The crater should be fenced with appropriate fencing that would endure for years to come, and a suitable building, or buildings, and I do not mean anything on a small scale, should be constructed that would be worthy of comparison with many of the fine buildings in Washington.

An area of sufficient size, to give proper setting to the building, should be set aside surrounding the crater and this area should be made into a park that would do credit to the peace idea involved. I know that this crater is in desert country, but you and I know full well that our deserts can be made to bloom if given water. Wells could be sunk for this purpose. My idea is that the building should be such that any individual visiting the scene could feel the surrounding peacefulness of the desert calm. In other words, view the crater with thoughts of the destructiveness of war and its attendant devastation and then, within the building calmly let one's thoughts dwell upon the constructive forces that can be utilized for peace and good will toward all.

Considering what this shrine would mean to the entire world I believe it would be worthy of a permanent Army and Navy guard of honor. If there is such a thing as a formula for the bomb, and I feel sure there is, then it could be separated into several parts and, together with other vital information, sealed in vaults underneath the building with the keys or combinations of these vaults left with out Treasury or State Department. A scroll would be set up in the building listing the names of the scientists who gave their time and ideas to the development of the bomb. A gallery could be set up in the building in which numerous pictures would show some of the horrors of war, of this last and greatest and most destructive of all wars. Another gallery could be set up in which pictures and murals would depict the more peaceful scenes of life in this country. Flags and plaques from all the United Nations would form a part of the decorations within the building.

Of course, in thinking of this, being a true New Mexican, even if only by adoption, I can't help but let a bit of the commercial side of the project enter my thoughts, though these thoughts are truly secondary to the main idea. I think you will agree with me that the project could be looked upon as a worthy postwar work and I don't believe money could be expended for a more worthy one. Also, as the average American citizen has rather a large bump of curiosity, I firmly believe this shrine would be a Mecca for many, many tourists and visitors to our state, not only to see what the atomic bomb had accomplished but to be able to say that they had been to this shrine.

Such information, superficial, of course, that might be possible to be given to the public, such as the length of time that it took to perfect the bomb, number of people employed, costs, etc., could be set up in plaque form within the building and the comparative size of the bomb, that was set off in New Mexico, with relation to the ones that were dropped on Japan, in order for anyone to be able to grasp what could be done to any nation that had warlike intentions in the future. I truly believe that visits would be made by many of the "higher ups" in other lands in order to view at first hand the destruction that can be caused by the bomb and I haven't the least doubt that all such would pause and reflect on the consequences in the event their nations had any ideas of a warlike nature. I don't believe any would leave the scene in a warlike mood.

If, after reading my rather lengthy letter, the idea appeals to you, I think the first step would be to have the Congress make an appropriation for the drawing up and development of suitable plans, to be followed by an appropriation for the bringing into being a fine and lasting monument of peace for the entire world. If my efforts in this respect meet with your approval, I will be glad to give, voluntarily, any time that would be necessary on my part to the development of the plan, the basic ideas of which I have in mind.

You may recall the writer as one who, while with the Farm Security Administration as district supervisor for the east side of New Mexico, had his headquarters in Clovis before you moved your office from there, and who called on you several times in the interests of New Mexico, as related to the FSA, before he moved to the regional office in Amarillo to take up administrative work in connection with standardization of the work in the field offices in region XII.

Please accept my kindest regards in behalf of yourself and also in behalf of your capable secretary whom I had the pleasure of conversing with when I was in Washington some 3 years ago this coming November while on my way to see my boy who was in training at Athens, Ga., as a Navy aviator. I regret to add that he gave his life for his country. I am proud to state that I also have a daughter, a lieutenant junior grade, Navy nurse, who has served in all theaters of operation and whom I expect to land in the U. S. A. within the next few days from the Philippines, and another son who is an ensign and who is now in the vicinity of Japan on an LST.

Most sincerely yours,

CHARLES S. MCCOLLUM.

P. S.—As I have been informed that you may be in New Mexico for a few days more before returning to Washington I am mailing this to Clovis.

C. S. McC.

UNITED STATES.
DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Chicago, Ill., September 6, 1945.

Hon. CARL A. HATCH,
United States Senate.

MY DEAR SENATOR HATCH: We have received your letter of August 25, with enclosures from Messrs. A. P. Grider and Fritz Heilbronn of the Alamogordo Chamber of Commerce, and from Mr. Charles S. McCollum of the Farm Security Administration, Las Cruces, N. Mex., suggesting the establishment of a national monument at the site where the atomic bomb was first tested.

The Department has requested that an immediate investigation and report be made of this area. However, our Region Three Office in Santa Fe, N. Mex., has advised us that, for security reasons, the Army will not grant permission for investigation of this site at this time. These tests are understood to have been conducted on the Alamogordo Bombing Range, an active Army bombing range located in southern New Mexico. We assume that these security restrictions may be lifted reasonably soon.

The epoch-making significance of this scientific discovery has aroused the Nation. Certainly the site of the final experiment of work on the atomic bomb is of national and international interest. Your letter with enclosures is being referred to the Department.

Sincerely yours,

HILLORY A. TOLSON,
Acting Director.

Mr. HATCH. Mr. President, I merely wish to add my own approval of the thought and idea that this spot where the first atomic bomb was exploded be set aside and marked as a national monument, not to the destructive forces of atomic energy, but that it may be a monument to its peace-giving qualities and really, as Mr. McCollum said, a shrine for peace throughout the entire world.

THE FULL-EMPLOYMENT BILL—EDITORIAL COMMENT

Mr. MURRAY. Mr. President, since the beginning of the recent hearings before the Banking and Currency Committee on the full-employment bill, S. 380, this significant legislation has been discussed, pro and con, in the editorial columns of scores of newspapers throughout the country.

One of the most interesting editorials that has been called to my attention is one entitled "Seeing Things Under the Bed," which appeared in the Chicago Times on August 25, 1945.

The criticisms of the Murray full-employment bill—

States the Chicago Times—

are following the familiar pattern of protests that were spewed forth when social security and unemployment compensation and other such measures were proposed during the thirties. * * * We think the againsters are seeing things under the bed, just as they had nightmares during the thirties.

The editorial then proceeds to point out that—

The bill does not put the Government in competition with business; it does not authorize operation of plants and factories by the Government; it does not guarantee specific jobs to specific workers; it does not authorize compulsory assignment of workers to jobs; it does not provide Government guarantees of individual markets or profits; it does not authorize Government determination of prices or wages; it does not authorize disclosure of trade secrets.

The editorial also states in summation what the full employment bill does do. Let me quote again:

In a nutshell, the plan does set up a system by which we can find out in advance of crises how we stand on jobs. It emphasizes foresight and prevention, to minimize emergency action. It puts our national economy on a "business basis." It emphasizes cooperation with industry, agriculture, labor, and local governments. That's the formula we used to win the war. The Murray bill is an experiment in national teamwork, just as surely as the efforts of the scientists who developed the atom bomb.

Mr. President, in view of the intense interest in this important legislation, I ask unanimous consent that there be inserted in the RECORD at this point, in connection with my remarks, a set of editorials on the full-employment bill from leading newspapers throughout the United States, including the Chicago Times' editorial to which I have just referred.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Chicago (Ill.) Sun of August 1, 1945]

ECHOES FROM ABROAD AND THE JOBS BILL

It was fitting that the initial hearings on the Wagner-Murray full-employment bill should be held this week while the echoes of the British election still reverberated in Washington.

Britain's Labor Government is preparing to carry out the people's mandate for a far-reaching social program aimed at jobs and

security for all. Our Government has yet to decide whether a vigorous attempt shall be made to secure the same objectives by strong and positive social planning for an economy based on private initiative.

The decision, to a large extent, rests with the American counterparts of those British Tories whose inflexible hostility to change led them down the pike to political disaster. Such men as Senators TAFT, VANDENBERG, GEORGE, and MCKELLAR could assure speedy passage of the full employment bill with bipartisan support if they determined to read wisely the lesson of the British election. Can they read that lesson? Can they read the lesson of our own past?

The lineal ancestor of the Wagner-Murray bill was the Employment Stabilization Act of 1931, and it is instructive to recall the history of that measure, originally introduced by Senator WAGNER in 1928. The act provided for the advance planning of public works as a means of stabilizing fluctuations in private employment. It was an act to plan in good times against the onset of bad times.

Widespread bipartisan support backed the measure. Herbert Hoover several times endorsed its principles and, as President, signed the bill. Senator VANDENBERG and Senator George Wharton Pepper, of Pennsylvania, were among its Republican advocates.

By the time Congress got around to passing the bill, however, the country was no longer riding the crest of a boom. The depression which this bill with others was meant to forestall had become a grim fact. Advance planning had to give way to emergency action on an unprecedented scale. The Employment Stabilization Board established by the act was swept into the background, its functions being absorbed first by the PWA and later by the National Resources Planning Board.

In the end the latter agency was done to death by a reactionary coalition in Congress, anxious to vent its spleen against the New Deal. Today, as we confront the towering problems of demobilization, the need for national economic planning has become more pressing than ever, and the Wagner-Murray bill is the response to that need. The wheel has come full circle.

Events since 1931 have made it evident that public works planning alone cannot stabilize the whole economy. Therefore the Wagner-Murray bill, much broader than its predecessor, provides for the presentation by the President each year of an "employment budget," estimating the number of jobs likely to be available in private industry. If a substantial volume of unemployment is indicated, then the President and Congress would consider (without commitment to enact) a whole series of measures designed first to stimulate private employment and, second, if necessary, to supplement it.

Thus the bill sets up in advance machinery for dealing with economic fluctuations. The machinery might not be wisely used. If used, it might fail. But that it should at least be set up—that the Nation should at least make the effort to mobilize its resources of economic knowledge for the general welfare—is as obvious as the need for a world peace organization to check military aggression.

[From the Raleigh (N. C.) News and Observer of August 29, 1945]

FULL EMPLOYMENT BILL

There should be no politics in the full employment bill that is first on the agenda when Congress assembles. In the campaign last year President Roosevelt and Governor Dewey, speaking for the two great parties, promised jobs for all when war ended. President Truman, Secretary of State Byrnes, Secretary of Commerce Wallace, and nearly all responsible leaders are urging prompt action on the sacred promise made to the voters, particularly to those who have served in the armed forces or who have been engaged in making war munitions and war supplies.

It is a measure so humanitarian—not political—that church leaders are uniting with forward-looking businessmen, labor leaders, and public officials in calling for its enactment. We could lend-lease over $40,000,000,000 for war. We must not fail to do all that is necessary in peace. Bishop Oxnom, president of the Federal Council of Churches in America, spoke a parable when he said: "An economic order that cannot provide opportunity for all to work cannot endure."

Testifying before the Senate committee, Bishop Oxnam said:

"This bill, when it becomes law, will take its place in history among the significant legislative acts of our time. It is supported throughout the Nation by church people everywhere.

"Failure to use the full productive power of the Nation is to sabotage the future. It is real labor applied to real material on real machines that means real wealth. To fail to use such labor is to make the future poorer in a material sense, and when we consider what happens to the mind and heart of the unemployed man, it is to make the future poorer likewise in a spiritual sense.

"To many men who objected quite properly to the killing of little pigs were silent in the presence of mass unemployment in which a man's self-respect is killed and as a result of which we failed to produce necessary goods which, as far as true wealth is concerned, has precisely the same effect as the destruction of goods.

"It is not to lose our freedom to use our heads to solve the problems that must be solved if freedom is to endure. There are some who insist that to plan is to enslave. That to me is nonsense.

"But its framers realize that freedom to engage in free competitive enterprise is, in the long run, dependent upon another aspect of freedom, namely, the right of the individual worker to a job. A man who cannot get a job is not free. * * *

"Nothing is more menacing to the public than mass unemployment. This bill is not only an expression of sound ethical ideals, of common sense and of justice, but is fundamental to the preservation of the Republic itself."

[From the Los Angeles (Calif.) News of August 13, 1945]

CONGRESS SHOULD ACT NOW

We are pitifully unprepared for an abrupt and unexpected end of the war.

Congress is on vacation. Moreover, the Senate Banking Subcommittee, which is handling the full-employment bill, has recessed until October 9.

The danger of legislative inaction cannot be minimized.

Delays breed dangers in peace as well as in war. Failure of Congress to stay on the job—while the fighting and home fronts have continued the victory drive without respite—is a sad commentary on political responsibility in this critical hour. America deserves better from her elected representatives.

Reconversion, full employment, war-contracts termination—even adjusted-unemployment compensation—are yet principally in the talking stage. We aren't ready to make an orderly transition from war economy to peace economy. And we shall not be ready in the Nation until Congress acts, nor in California until the legislature redeems the failures of the recently concluded fifty-sixth session.

The trouble is that the typical American politician is subject to a great fear. Oftentimes, as J. F. Salter has pointed out, "the politician does not do what he wants to do, but does what he must do, or thinks he must do, in order to keep power."

Inability to judge correctly the probable reaction of the electorate to reconversion legislation is Congress' greatest handicap.

But even in their present short recess, Representatives and Senators must thus far certainly have had demonstrated to them the deep and urgent public sentiment for legislative bridge building into the postwar future.

The full employment bill is the first—and perhaps most important—of several proposals designed to cope with the economic crisis ahead.

Under this bill, the President would send to Congress each year a production and employment budget, together with recommendations for whatever legislation might be necessary to assure full employment for the subsequent year.

The full employment bill has not been hatched out of empty theory. It stems from a great study of the American economic system made by the temporary National Economic Committee, under the chairmanship of Senator JOSEPH C. O'MAHONEY, Democrat, of Wyoming.

In its essence, the jobs measure aims to meet the problem of employment by attacking the problem of spending. Full production is made by full spending—either by individuals or Government. Unless someone spends, goods are not bought, production declines, and unemployment results.

It is important to understand, however, that the full-employment measure is not based upon deficit spending by the Government except as a last resort.

Charges, therefore, that it is "collectivist" and "totalitarian" are without foundation. What the bill proposes to do is to stimulate private spending (when necessary, through legislation relating to taxes, monopolies, banking policies) wages and working conditions, foreign trade, social security, and the development of natural resources.

In the event these measures should fail to increase private spending sufficiently, the President would then propose governmental spending or lending to make up the balance.

Basically full-employment legislation is designed to build a stronger floor under free enterprise—to save free economy from its own heretofore planless existence. As O'MAHONEY has said, "Unless our free Government undertakes to plan a free economy, we are in great danger of losing that free government."

Therefore, planning now—not at some unspecified date after VJ-day—but now, while there is time to avert economic dislocation, is an imperative.

Government economists are predicting that at least 6,000,000 and possibly 12,000,000 Americans will be out of work within a few months after Japan capitulates.

The larger figure of 12,000,000 is considered a conservative estimate should victory come before the end of the present year.

An unemployment tide of such vast proportions could well provide a sinister force. Aside from unemployment-insurance payments, there would be no way of coping with it, under present conditions, within a period of many months.

Perhaps, incredible as it seems, there are people who want unemployment—who mistakenly believe that doles are cheaper than jobs—who delude themselves into fancying profit advantages in a huge pile of idle—and, therefore, low-wage—labor.

But common sense dictates an opposite and almost unthinkable conclusion. Widespread unemployment in the United States would spell not only national but international disaster.

"Mass unemployment," says Senator ROBERT F. WAGNER, Democrat, of New York, cosponsor of the jobs bill, "would drive us toward both economic isolationism and economic imperialism."

"Under such circumstances," he points out, "the splendid edifice of the United Nations

Charter we are now building * * * would be like a factory building without a dynamo."

Congress alone can supply the dynamo. But Congress is on vacation.

American—and world—security cannot wait while Congressmen go fishing.

[From the Scranton (Pa.) Tribune of August 14, 1945]

A FUTURE WITH A JOB

Government's responsibility for full employment, the thesis of the new Murray full employment bill, is officially embraced by several countries. The Labor Party in Britain stands for this objective as does the Australian Government. In Sweden the subject has been receiving active consideration for several years. In Russia the right to work is a constitutional right.

Under the pressure of war demands, American industry has enormously increased its production, not only of direct war materials, but of almost all kinds of civilian-type products. Many persons predict that the American people, after this convincing demonstration of the Nation's productive capacity, will not tolerate any protracted period of mass unemployment after the war. The feeling is that, when the industrial machine is so obviously able to satisfy everyone's material wants, the people will insist that means be found to assure full employment and sustain the purchasing power that will make it possible to utilize total plant capacity and raise the general standard of living.

The opinion that the Government must assume responsibility for providing adequate job opportunities is not confined to those who have popularized the 60,000,000 jobs slogan, nor to the sponsors and supporters of the Murray bill. Governor Dewey, in his capacity of Republican Presidential nominee, said at Seattle, September 18, 1944: "We must have full employment. * * * Those who have come home from the war and those who have produced for the war—all our people—have earned a future with jobs for all." Three days later Dewey was more specific. He observed that the question of job opportunities was everybody's business and therefore the business of the Government.

[From the Nashville (Tenn.) Tennesseean of August 27, 1945]

TO EACH: A JOB

Among the most misunderstood and misrepresented measures which have been submitted to Congress in many years is the Murray-Wagner full employment bill.

It is frequently stated that the bill assumes that private enterprise cannot supply jobs for the American people. The bill makes no such assumption as this. It is also asserted that the bill rests on the premise that machine-age mass production has exhausted the frontiers on which a private expanding economy could be built. No such premise is held by the proponents of the measure. The bill does not even require government spending to take up an employment slack, as it is often declared.

The bill assumes that private business can enormously expand its production to provide jobs and supply demand, but will do so when general planning and accepted goals of production make such an expansion profitable.

The full employment bill does not obligate the Government to enter the field of employment directly or indirectly through public works to take up the slack of unemployment should it develop. It does assess the Government with responsibility to take whatever action seems advisable to alleviate conditions. Necessary public works is a desirable reserve against the threat of unemployment. But the Government is free to stimulate private employment through fiscal or tax policies or even to do nothing.

The Murray-Wagner bill does propose to do what the existing free enterprise system cannot do for itself that will enable it to produce bountifully without being threatened with the risk of a paralyzing deflation. A national budget of investment, expenditure, jobs, stock on hand, and consumer needs and demands—revised quarterly—together with elastic fiscal and tax policies, international trade policies, and a reserve of public works cannot but have a beneficent influence on the national income.

[From the Chicago (Ill.) Times of August 25, 1945]

SEEING THINGS UNDER THE BED

The criticisms of the Murray full employment bill are following the familiar pattern of protests that were spewed forth when social security and unemployment compensation and other such measures were proposed during the 1930's.

The againsters have dragged out the old slogan: The full employment bill would bring about a Government-managed national economy, throttle private production, and discourage private investment.

We think the againsters are seeing things under the bed, just as they had nightmares during the 1930's. Actually the bill does little more than set up Government policy asserting the right of Americans to have employment if they are able to work and want to work. It establishes machinery to achieve cooperation among business, labor, agriculture, State and local governments, and the Federal Government.

In the last election campaign Governor Dewey, the Republican candidate for President, said: "If at any time there are not sufficient jobs in private employment to go around, then government can and must create additional job opportunities. There must be jobs for all." Beardsley Ruml, chairman of the Federal Reserve Bank of New York, has said, "The basic ideas of the Murray bill have had bipartisan sponsorship and deserve nonpartisan standing."

Businessmen would do well to study what the full employment bill does not do.

The bill does not put the Government in competition with business. It does not authorize operation of plants and factories by the Government. It does not guarantee specific jobs to specific workers. It does not authorize compulsory assignment of workers to jobs. It does not provide Government guarantees of individual markets or profits. It does not authorize Government determination of prices or wages. It does not authorize disclosures of trade secrets.

In a nutshell, the plan does set up a system by which we can find out in advance of crisis how we stand on jobs. It emphasizes foresight and prevention, to minimize emergency action. It puts our national economy on a business basis. It emphasizes cooperation with industry, agriculture, labor, and local governments. That's the formula we used to win the war. The Murray bill is an experiment in national teamwork, just as surely as the efforts of the scientists who developed the atom bomb.

[From the Louisville (Ky.) Courier-Journal of August 28, 1945]

JOBS FOR ALL—TODAY AND TOMORROW

There are signs that the so-called full-employment bill requires protection not only from its opponents but also from some of its supporters, and that the best way to provide this protection lies, in both cases, in a proper and unremitting interpretation of its aims.

Simply, the legislation has been devised as an instrument for enduring economic stability and it is not an emergency measure. It is neither vague and unrealistic as it has been described by an Alabama Congressman [CARTER MANASCO], (who seems to be keynoting the arguments against it to be expected from champions of free enterprise, meaning unregulated enterprise) nor is it a plan that can be applied at once to the condition now developing from hour to hour as war contracts are cancelled and workers set adrift. When its friends undertake to hold it up as a means of solving immediate problems, they promise too much and may be doing more harm than good to its genuine and valuable objectives.

At risk of tiring the reader by repetition, it ought to be recalled that the bill provides for the President—any President, not just Mr. Truman—to transmit to Congress at the beginning of each regular session a national production and employment budget; in other words, a budget of jobs that will be provided and people who will need jobs.

If it is found, from as nearly complete and scientific a survey as possible, that private investment and expenditure will be insufficient to employ the estimated labor force, the President is to supply a program of added incentive to private enterprise—adapted banking and currency policies, monopoly controls, tax adjustment, foreign trade, etc.

If there still remains a deficiency (more job seekers than jobs), then the bill provides that the President shall submit to Congress "a general program for such Federal investment and expenditure as will be sufficient to bring the aggregate volume of investment and expenditure by private business, consumers, State and local government and the Federal Government up to the level required to assure a full employment volume of production." Thus, public works may be seen as the last resort.

What, one may ask, is vague and unrealistic about all this? It looks from here like the most realistic proposal ever broached to a capitalistic Nation (resolved to remain capitalistic), if not the only one, by which to level off the peaks and valleys of boom and bust that have marked our economic map with a regularity like the pulse of fate since 1790.

The thing it will not do, however, is to change the economic picture and provide jobs for millions overnight, and one who expects it to do so is likely to be disillusioned and driven perhaps into a reaction of every man for himself, which is the same old thing, the devil taking the hindmost. To be sure, its passage and the prospects of dependability which this will create, is likely to have at once a salutary moral effect, but the direct application will be a matter of fiscal-year planning. Even if it be immediately adopted, the law could not go into effective operation before July 1, 1946, if then.

The point to bear in mind, lest partisan politics and lack of courage to approach new formulas for salvation undo all our hope, is the point made by Harry W. Schacter, of Louisville, in his testimony supporting the bill before the Senate Banking Commitee last week:

"Some 10 years ago we in America, mindful of the welfare of all our people, embarked on a program of social security. If we pass this bill, we will be embarking on a program of economic security. It is unthinkable that we could or would give up our social-security program today. In fact, we propose to expand it. I venture the prediction that if we pass this bill, it will be just as unthinkable 10 years from today that we would give up this program for economic security."

It is not enough, then, to say that because the proposal may not be applied this month, or this year, it should not concern us now or it is unrealistic. At the same time, it is not enough to say that we must depend on it entirely. What of today and today's needs? A very practical answer to this question, suggesting immediate techniques, came yesterday from the Committee on Economic Development, a "private, nonprofit, nonpolitical association of businessmen," which emphasized the necessity of these things as the first consideration:

Rapid demobilization of armed forces and strengthened aid and protection to veterans in obtaining civilian jobs; liberalization of unemployment compensation benefits; stronger general assistance (direct aid) programs; "properly supervised and limited" grants to transport workers from surplus labor areas to good employment areas; strengthened public employment services; rapid blueprinting of a "reserve shelf" of public works by States and communities (harken, Louisville!); provisions for retraining workers for new jobs, and recommendation to individual employers to "move promptly to put their reemployment plans into effect, timing their actions to provide maximum employment in the early months of peace."

There is a difference, then, between reemployment programs and the full employment bill. The two are complements, one of the other, and do not conflict. It is a time for action; but, as well, a time for keeping our heads.

[From the New York PM of August 27, 1945]

BUSINESS AND EMPLOYMENT

Events of the past few days have demonstrated that many of the returning Republican and southern Democratic Congressmen who are supposed to be spokesmen in Washington for the people are still the spokesmen for that element of business which has learned nothing from a decade of depression and war.

These Republican and southern Democrats have shown that they aren't even as close to the people's viewpoint as many of the more intelligent businessmen of the country. They blindly follow the line of the National Association of Manufacturers in its:

Blindness to the simple fact that business can expand safely and prosper only if it can be sure of selling its products.

Blind hatred for Government leadership even in matters too big and too vital to all of us to be left to any smaller group.

These Republicans and southern Democrats can't even be as liberal as the middle of the road businessmen in the Committee for Economic Development.

This has been demonstrated by a series of happenings since Congress began to reassemble a week ago:

By the refusal of Republicans on the Senate Banking Committee, except for Senator CHARLES W. TOBEY (Republican, New Hampshire), to come out for the full employment bill which has won the support of many businessmen including such noted figures of Beardsley Ruml, Ralph Flanders, and James P. Warburg.

By the silly statement of Senator KENNETH S. WHERRY (Republican, Nebraska), that Government control of the atomic bomb would be socialism, even though it was the Government that developed the bomb. Many businessmen already have conceded that the atomic bomb must be controlled by the Government. WHERRY's logic would compel the Government to get out of such socialistic enterprises as the postal service.

By the demand of Senator HARRY BYRD (Democrat, Virginia) for a balanced Budget soon—a demand which many businessmen including those on the CED are willing to forget until the Nation gets out of its economic difficulties. BYRD calling at this time for a balanced Budget was a perfect reincarnation of Nero fiddling while Rome burned.

If our system of public education was half what it's cracked up to be such men would not stay in public life beyond the next election. Unfortunately, they will.

The attitude of the Republicans on the Senate Banking Committee toward the full-employment bill is typical of their approach toward most modern economic problems. They don't like the proposal to pledge the Government to "assure" full employment—they would prefer a promise to "promote" or "encourage" that objective.

That Government pledge is the heart of the full-employment bill. It is similar in many respects to the Government's pledge back in the dark days of 1933 to guarantee bank deposits. That guarantee eliminated panic among bank depositors—with the result that the public has shown confidence in the banks, and the Government has not had to dip into the Treasury to fulfill the guarantee.

But suppose that in 1933 the Government had promised only to "promote" or "encourage" the safety of bank deposits? How many billions of dollars do you suppose it would have had to put up by this time?

The guarantee in the full-employment bill has the same objective as the guarantee in the bank deposits insurance law. It is designed to use the power of the Government to underwrite purchasing power so that investors and the public can proceed to invest and spend without fear that sudden panic will ruin them.

Without such a guarantee businessmen will hesitate to invest in business—as they hesitated in the depression—and consumers will save their money instead of spending it, inviting a depression that will force the Government to spend and perhaps go down in financial ruin.

With such a guarantee, men with ideas will invest in new businesses and expand old businesses—confident that there will be a market for their products or services. The public will buy instead of hoarding savings for the rainy day ahead when there will be no work available. The Nation will flourish, Government revenue will roll in, and Government expenditures will be held to a minimum. It will be easy for the Government to fulfill its pledge of full employment.

Yet in the face of such obvious reality, Republicans and conservatives in Congress want to make the word in the full-employment bill "encourage" or "promote" instead of "assure" which means guarantee.

NATHAN ROBERTSON.

[From the Philadelphia (Pa.) Record of August 5, 1945]

THAT "AMERICAN WAY" ALSO INCLUDES INSURANCE

Remember when we were told that the reelection of Roosevelt would mean the end of the American way of life? That was back in 1936.

Now some conservatives rush forward to cry that the full employment bill is going to do to the American way what President Roosevelt did not do—ruin it.

One of our contemporaries insists:

"We can provide jobs, real jobs, according to the American way. The burden of proof is on the Murray-Patman bill backers to show that theirs is a better way. The proof hasn't been forthcoming."

This is a typical example of either (a) a Tory attempt to fool the people, or (b) a curious ignorance on the part of the conservatives as to the provisions of the full employment bill.

Our conservative friends have missed the main point:

That so long as private industry provides jobs, the full employment bill will not go into effect.

It will go into effect only when private industry fails to provide enough jobs for the American people.

The Murray-Patman bill is as American as any other form of insurance.

For that is what it is—insurance, against mass unemployment.

Our conservatives insure their businesses, their homes and their lives. They take out insurance protecting them in case of the theft of the family jewels, or the family automobile. Many carry liability insurance not only for employes in their factories, but in case of accident to their domestic help. Not a few are insured against the hazard of a pedestrian skidding on their sidewalk.

Now, we ask, what is wrong in the Federal Government acting to insure the nation against one of the gravest threats to its stability—mass unemployment?

We repeat: The full employment bill, which would provide public works and various other measures to create work, will take effect only if private industry is unable to keep America employed.

Maybe private industry can do the whole job without any Federal help whatever. We hope so.

But we know that private industry could not keep America's labor force employed during most of the prosperous 1920's. And we know that American business found itself utterly unable to combat the mass unemployment which swept the nation in 1929, winding up in the panic of 1933.

American business tried its level best in those days. Earnestly, sincerely, it strove to halt unemployment, which reached an all-time national high of 13 million.

Government had to step in finally—because private industry simply didn't have the means nor the power to combat an economic disaster so great.

The Murray-Patman bill merely proposes to make plans ahead of time in case that happens again.

It proposes to take out insurance before the hurricane—and not after the hurricane starts to blow.

It proposes to cushion private enterprise, to help private enterprise in the postwar years—by providing it with customers and thus insuring the nation against the fear of another disastrous depression.

Who can truthfully say that such an ounce of prevention is not the American way?

[From the Boston (Mass.) Herald of August 27, 1945]

FULL EMPLOYMENT

A notable feature of the discussion of the full-employment bill is the absence of party politics. Democrats originated the measure and President Truman will ask for immediate passage of it, but various Democrats are opposed to it, and many Republicans are for it. If Dewey had been elected President, the situation would have been similar, perhaps, with Republicans taking the initiative and Democrats giving some assistance to it.

The underlying principle is obviously so unexceptionable that the differences of opinion have to do with ways and means, not with fundamentals. Everybody is so fearful of the far-reaching social, economic, and political effects of protracted mass unemployment that the partisan issues which would have bulked big 5 or 10 years ago have become almost negligible.

The nonpolitical approaches of Republicans and Democrats in and out of Congress are explained in part by the party platforms, the speeches of the candidates, the statements of practically all the governors in 1944—including Leverett Saltonstall—and by State legislation designed to cushion the shock of unemployment. The Democratic platform speaks of full employment in the opening paragraphs. Governor Dewey said in his address of acceptance: "We Republicans are agreed that full employment should be a first objective of the national policy. By full employment I mean a real chance for every man and woman to earn a decent living, at a decent wage." Just as they had identical views of the Axis enemy abroad, the two parties saw the great postwar domestic problem eye to eye.

The moderation and steadiness of President Truman have tended to weaken opposition to a full-employment measure. If President Roosevelt had survived, many Republicans and Democrats would have objected to any such measure, in the belief that it would be administered poorly by officials

who had a zeal for reform, further centralization of authority, and drastic control of private business. These persons have more confidence in Truman and his associates as administrators than they had in President Roosevelt and the other pronounced New Dealers. "Planning" is not such a terrifying term as it was when the New Dealers made the plans.

The pending bill has various provisions to which Republicans will object as Republicans. But the acceptance of the principle involved seems to point to the passing of legislation of some kind to check unemployment before it becomes so ominously large as to threaten another period of depression and ill-advised political innovations.

[From the Philadelphia (Pa.) Record of July 31, 1945]

A BILL TO KEEP SOCIALISM OUT OF THE UNITED STATES

Senate hearings opened yesterday on a bill to keep socialism out of the U. S. A.

The bill was not titled "A bill to keep socialism out of the United States." It was called "A bill to establish a national program for assuring full employment."

But they mean the same thing.

It is a fact of history that throughout the world men have made up their minds that the right to a job is one of the rights of man. And the same men have decided to obtain that right through their governments.

In Russia the right to a job has been won through communism. In Britain the people have just decided to achieve the same end through socialism. In the United States the people made clear in 1932, again in 1936, and again in 1940, and yet again in 1944, that they wanted to gain the rght to a job the "middle way," through the New Deal, without radical extremes. And without hamstringing free enterprise.

The bill up for a Senate hearing this week, the 60,000,000 job bill, is the Government's plan to fulfill its commitment to the people.

This bill is not a new idea. Way back in 1927, Senator George Wharton Pepper, conservative Republican of our own city, introduced a resolution for appointment of a Senate committee to study stabilization of employment and industry through advance planning of public works.

Since then, in one form or another, through PWA, the WPA, the CWA, and other agencies, we have had haphazard, makeshift use of public works to cushion joblessness.

Now this new full-employment bill, of Senators MURRAY and WAGNER and Representative DINGELL, aims to apply the same principles to insuring jobs that the New Deal applied to insuring bank deposits.

The principles of the stitch in time, and the ounce of prevention.

It aims to use the idea advocated by George Wharton Pepper and various others, to plan public works and other job-creating programs before we have a depression, instead of hurriedly resorting to the same ideas after depression is far under way.

It aims to abolish soup kitchens the way we abolished runs on banks.

And the bill specifically provides that the major objective is to help private enterprise maintain employment. The report states:

"Federal expenditures are to be used only as a last-resort measure. Moreover, public works are only one of many possible types of Federal expenditures that might be developed under the full-employment bill. Loans, guaranties, subsidies, purchases are also included * * *."

The main point is that each year the President shall prepare a national production and employment budget, estimating probable private employment, the probable unemployment—and call on Congress for measures to "prevent the deficiency in employment to the greatest possible extent."

The plan is to put on the brakes before the machine gets out of control.

The opposition is getting set.

One big Wall Street bank brands the bill as moving toward totalitarianism and disaster. We shall hear more such claims.

In these objections we find frank opposition to any measures giving the Government responsibility for preventing mass unemployment. The Guaranty Trust Co. of New York calls the very idea dangerous.

Now, not even the Republican Party dared preach that in its 1944 campaign. Yet that party, from 1929 to 1933, proclaimed the policy of letting depressions run their course, and letting self-respecting Americans choose between starvation and standing in line before a relief agency.

The United States of America is not going back to that. Governor Dewey conceded as much in his 1944 campaign. History confirms it.

What is important at the moment is to impress upon our conservatives that they utterly misread the real choice which faces this country today.

It is not a choice between this full-employment bill and going back to days of Hoover and the ideas of McKinley.

The choice we have is whether we preserve free enterprise by trying to assure the right of a job through the full-employment bill, or whether our people are to be driven to the same extreme as the British to gain that objective—socialism.

When will it be realized that this full-employment bill is the most conservative job program proposed for any major power in the world today?

LABOR DAY ADDRESS BY SENATOR THOMAS OF OKLAHOMA

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD an address delivered by him on Labor Day at Summit Beach Park, Akron, Ohio, as reported in the Summit County Labor News for September 7, 1945, which appears in the Appendix.]

RECONVERSION—ADDRESS BY SENATOR FERGUSON

[Mr. WHERRY asked and obtained leave to have printed in the RECORD a radio address on "Reconversion," delivered by Senator FERGUSON on Tuesday, August 28, 1945, which appears in the Appendix.]

PROPOSED DEPARTMENT OF PEACE—ARTICLE BY SENATOR WILEY

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "A Department of Peace for the American Government," written by Senator WILEY, and published in the magazine Free World for September 1945, which appears in the Appendix.]

FEDERAL INDUSTRIAL RELATIONS BILL—ARTICLE BY SENATOR HATCH

[Mr. BALL asked and obtained leave to have printed in the RECORD an article by Senator HATCH dealing with the Federal industrial relations bill, published in the Washington Daily News of September 10, 1945, which appears in the Appendix.]

THE JEWISH NEW YEAR—STATEMENT BY SENATOR MEAD AND EDITORIAL FROM WASHINGTON STAR

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial entitled "Rosh Hashonah," published in the Washington Evening Star of September 8, 1945, and a statement issued by him dealing with the Jewish New Year, which appear in the Appendix.]

JOBLESS AID—EDITORIAL FROM THE WASHINGTON POST

[Mr. MEAD asked and obtained leave to have printed in the RECORD an editorial entitled "Jobless Aid," dealing with the Kilgore bill to supplement and extend payments under State unemployment compensation laws, published in the Washington Post of September 10, 1945, which appears in the Appendix.]

OBSTRUCTION OF PRIVATE ENTERPRISE IN THE BUILDING INDUSTRY—EDITORIAL FROM CHARLOTTE OBSERVER

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "Putting Ring in the Noses of Free People," published in the Charlotte (N. C.) Observer of September 6, 1945, which appears in the Appendix.]

STILL PLAYING POLITICS—EDITORIAL FROM THE ROCKY MOUNT EVENING TELEGRAM

[Mr. HOEY asked and obtained leave to have printed in the RECORD an editorial entitled "Still Playing Politics," published in the Evening Telegram, of Rocky Mount, N. C., of August 10, 1945, which appears in the Appendix.]

FIRST PEACE CONFERENCE—EDITORIAL IN THE NEW YORK TIMES

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an editorial entitled "First Peace Conference," published in the New York Times of September 10, 1945, which appears in the Appendix.]

WHAT MUST WE GIVE UP TO GET FULL EMPLOYMENT?—EDITORIAL FROM THE BALTIMORE SUN

[Mr. TAFT asked and obtained leave to have printed in the RECORD an editorial entitled "What Must We Give Up to Get 'Full Employment'?" published in the Baltimore Sun of September 10, 1945, which appears in the Appendix.]

POEM IN TRIBUTE TO THE LATE SENATOR JOHNSON OF CALIFORNIA

[Mr. DOWNEY asked and obtained leave to have printed in the RECORD a poem by Horace C. Carlisle in tribute to the late Senator Johnson of California which appears in the Appendix.]

ORDER DISPENSING WITH THE CALL OF THE CALENDAR

The PRESIDENT pro tempore. The morning business is concluded. The calendar, under rule VIII, is in order.

Mr. BARKLEY. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

VISIT TO THE SENATE BY GENERAL WAINWRIGHT

Mr. BARKLEY. Mr. President, as we all know, General Wainwright arrived in the city today and is to be the guest of the House and the Senate. He is to be at the House at 2:30, and will come immediately from the House to the Senate, arriving here about 5 minutes to 3, whereupon he will be escorted into the Chamber.

It has been suggested that he may wish to make a few brief remarks to the Senate, after which we hope he may remain in the Chamber and allow each Senator to shake hands with him. The ceremony will be brief, but I hope all Senators will be present to greet General Wainwright at about 5 minutes to 3.

FEDERAL AID FOR PUBLIC AIRPORTS

Mr. McCARRAN. Mr. President, I move that the Senate proceed to the

consideration of Senate bill 2, to provide Federal aid for public airports.

The motion was agreed to; and the Senate proceeded to the consideration of the bill (S. 2), to provide for Federal aid for the development, construction, improvement, and repair of public airports in the United States, and for other purposes, which had been reported from the Committee on Commerce, with an amendment, to strike out all after the enacting clause and insert:

That this act may be cited as the "Federal Aid Airport Act."

DEFINITIONS

SEC. 2. As used in this act, unless the context otherwise requires—

(a) "Administrator" means the Administrator of Civil Aeronautics.

(b) "Airport" means any area of land or water which is designed for the landing and take-off of aircraft and all appurtenant areas necessary for buildings or other airport facilities or rights-of-way.

(c) "Airport development" means (1) any construction work involved in constructing improving, or repairing an airport or portion thereof, including the construction, alteration, and repair of airport administrative buildings and the removal, lowering, relocation, and marking and lighting of airport hazards; and (2) any acquisition of lands or property interests, air rights, or avigation easement therein which is necessary to permit any such construction work or prevent or limit the establishment of airport hazards, but does not include the construction, alteration, or repair of airport hangars.

(d) "Airport hazard" means any structure or object of natural growth located on or in the vicinity of an airport, or any use of land near an airport, which obstructs the airspace required for the flight of aircraft in landing or taking-off at the airport or is otherwise hazardous to such landing or taking-off of aircraft.

(e) "Authorized project" means a project included in the national airport plan provided for in section 6 and, in the case of projects under the urban program, a project which has been selected and authorized as provided in subsection 7 (a).

(f) "Class 3 and smaller airports" means all airpo ts which, as to size, lay-out, and facilities, are not properly classifiable as class 4 or higher class airports according to the airport classification standards of the Administrator stated in Civil Aeronautics Administration Bulletin "Airport Design" dated April 1, 1944.

(g) "Class 4 and larger airports" means all airports which, as to size, lay-out, and facilities, are properly classifiable as class 4 or higher-class airports according to the airport classification standards of the Adminitrator stated in Civil Aeronautics Administration Bulletin "Airport Design" dated April 1, 1944.

(h) "Military or naval aircraft" means aircraft owned and operated by the United States Army, the United States Navy, the United States Coast Guard, or the United States Marine Corps.

(i) "Population" means the population according to the latest decennial census of the United States.

(j) "Project" means a proposal for the accomplishment of certain airport development with respect to a particular airport.

(k) "Project costs" means all necessary costs involved in accomplishing a project under this act, including those of making field surveys, preparation of plans and specifications, supervision and inspection of construct'on work, procurement of the accomplishment of such work by contract, and acquisition of property interests, and also including administrative and other incidental costs incurred by a State airport agency or project sponsor specifically in connection with the accomplishment of a project, and which would not have been incurred otherwise.

(l) "Public agency" means any agency of the Federal Government or of a State, any municipality or other political subdivision, any body politic or public corporation supported by taxes, or any department, commission, board, or official of a municipal or county government, which in the opinion of the Administrator has adequate powers and is suitably equipped and organized to satisfy the requirements of the Administrator for participation in the Federal-aid airport program herein authorized.

(m) "Public airport" means any airport which is used or to be used for public purposes without unjust discrimination, under the control of a public agency, the landing area of which is publicly owned.

(n) "Sponsor" means any non-Federal public agency which meets the requirements prescribed by the Administrator for sponsorship of a project under this act and enters into a contract with the Federal Government, satisfactory to the Administrator, agreeing to operate and maintain the airport to be developed.

(o) "State" means any State of the United States of America, excluding the District of Columbia.

(p) "State airport agency" means any department, commission, board, or official of a State government, which in the opinion of the Administrator has adequate powers and is suitably equipped and organized to satisfy the requirements of the Administrator for participation in the Federal-aid airport program herein authorized.

(q) "State funds" means any funds, other than Federal funds, which are available to a State airport agency or project sponsor for expenditure under this act, including any funds contributed to it by any other non-Federal public agency for use in matching the Federal funds made available for a particular project.

AIRPORT SERVICE

SEC. 3. The Federal-aid airport program authorized by this act shall be administered by the Administrator through an Airport Service which shall be responsible for carrying out all the functions of the Administrator relative to airports and landing areas under sections 301, 302, 303, 306, and 307 of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 451, 452, 453, 456, and 457).

FEDERAL-AID AIRPORT PROGRAM

SEC. 4. In order to bring about the establishment of a Nation-wide system of public airports adequate to meet the present and future needs of civil aeronautics and to promote the interests of national defense, the Administrator is hereby authorized, within the limits of available appropriations made therefor by the Congress, to make grants of funds to the States, their political subdivisions, and other non-Federal public agencies for the development of public airports as hereinafter provided in amounts not to exceed 50 percent of the allowable project costs of each project, except as otherwise provided in section 9 of this act. Such Federal-aid airport program shall consist of two parts, hereinafter referred to as the "State program" and the "urban program." The State program shall include all projects for the development of class 3 and smaller airports and the urban program all projects for the development of class 4 and larger airports. In each program, the State airport agency or project sponsor receiving a grant may use to match such grant any State funds available for the purpose. For purposes of this act, a project shall be considered one for development of an airport of a certain class if upon completion of the airport development proposed, the airport so developed would be properly classifiable as of that class according to the airport classification standards of the Administrator stated in Civil Aeronautics Administration bulletin Airport Design dated April 1, 1944.

APPROPRIATION AUTHORIZATIONS

SEC. 5. For the purpose of carrying out the Federal-aid airport program authorized by this act, there is hereby authorized to be appropriated to the Administrator, out of any moneys in the Treasury not otherwise appropriated, $100,000,000 for the first postwar fiscal year, and $100,000,000 for each of the four successive postwar fiscal years thereafter, to remain available until expended, of which not to exceed 5 percent shall be available to the Administrator for all necessary planning and research and for all necessary expenses incident to the administration of this act, including the objects specified in section 204 of the Civil Aeronautics Act of 1938, as amended (49 U. S. C. 424): *Provided*, That each such appropriation shall specify the maximum amount thereof that may be expended for the development of class 4 and larger airports, in no event exceed 35 percent of the total appropriation. There is also hereby authorized to be appropriated to the Administrator, immediately upon passage of this act, $3,000,000 for preliminary planning and surveys preparatory to commencement of the program. The first postwar fiscal year shall be that fiscal year which ends on June 30 following the date proclaimed by the President as the termination of the existing war emergency, or following the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, or following the date on which the Congress by a concurrent resolution of the two Houses finds as a fact that the war emergency hereinbefore referred to has been relieved to an extent that will justify proceeding with the airport program provided for by this Act, whichever date is the earliest.

NATIONAL AIRPORT PLAN

"SEC. 6. The Administrator is hereby authorized and directed to prepare, and revise annually, a national plan for the development of public airports, which plan shall specify, in terms of general location and type of development, all the airport projects considered necessary to provide a Nation-wide system of public airports adequate to anticipate and meet the needs of civil aeronautics and to promote the interests of national defense. In formulating and revising said plan, the Administrator shall take into account the needs of both air commerce and private flying, the probable technological developments in the science of aeronautics, the likely growth and requirements of civil aeronautics, and such other considerations as he may deem appropriate; and shall consult, and take into consideration the views and recommendations of the Civil Aeronautics Board, the several States, and their political subdivisions. The Administrator shall also consult, and consider the views and recommendations of, the War and Navy Departments as to the extent to which existing facilities constructed for national defense purposes may be made available in whole or in part for civilian use and as to what public airport development is needed for national defense, to the end that all such development included in the said plan and program may be as useful for national defense as is feasible. In carrying out this section the Administrator is authorized to make such surveys, studies, examinations, and investigations as he may deem necessary.

SELECTION OF PROJECTS

SEC. 7. (a) Urban program: At least 2 months prior to the close of each fiscal year, the Administrator shall submit to the Congress a request for authority to undertake during the next fiscal year those of the projects for the development of class 4 and larger

airports, included in the then-current revision of the national airport plan formulated by him under section 6 hereof, which, in his opinion, should be undertaken under the urban program during that fiscal year, together with an estimate of the Federal funds required to pay the share of the United States under this act on account of such projects. In determining which projects to include in such a request, the Administrator shall consider, among other things, the relative aeronautical need for and urgency of the projects included in the plan and the likelihood of securing satisfactory sponsorship of such projects as required by the sponsorship requirements prescribed by him. In allocating and granting any funds that thereafter may be appropriated for the carrying out of the urban program during the next fiscal year, the Administrator shall consider the appropriation as granting the authority requested unless a contrary intent shall have been manifested by the Congress, and no such allocations or grants shall be made unless so authorized.

(b) State program: After deducting from the amount of each appropriation available for grants the amount thereof that may be granted for projects in the urban program, the remainder shall be available for the development of class 3 and smaller airports under the State program, as proposed in the then-current revision of the national airport plan. All such funds shall be apportioned as prescribed in section 8 and shall be granted for the carrying out of projects selected and approved for operation as provided in section 9.

APPORTIONMENT OF FUNDS

SEC. 8. (a) As soon as possible after the beginning of each fiscal year, all Federal funds available for the State program during that fiscal year shall be apportioned by the Administrator among the several States, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States. All sums so apportioned for a State shall be available to pay the United States pro rata share of the allowable project costs of authorized projects in that State, as provided in sections 9, 10, and 11.

(b) Upon making an apportionment or reapportionment, as provided herein, the Administrator shall certify to the governor of each State, and to any public agency having requested such certification, the sums which he has so apportioned or reapportioned for projects within each State for the current fiscal year.

(c) All moneys apportioned hereunder shall be available as apportioned until the close of the fiscal year following the fiscal year for which the apportionment was made. Any apportioned amount which has not been granted at the end of the period during which it is available as apportioned under the terms of this section shall be reapportioned within 60 days thereafter, on the same basis as provided in subsection (a) of this section, among the States in which substantially all currently apportioned funds have been matched by the State or public agencies therein, and which have satisfied the Administrator prior to the close of the preceding fiscal year of their desire and ability to so match funds in excess of the annual apportionment. All sums so reapportioned shall be certified to the governors of the States, and to public agencies in the same way as if they were being apportioned under this act for the first time.

SUBMISSION AND APPROVAL OF PROJECTS

SEC. 9. (a) Any State airport agency representing a State which has complied with the provisions of this act and desires to avail itself of the benefits of the State program, and any public agency desiring to sponsor an authorized project in the urban program, or an authorized project in the State program if located in a State in which no State airport agency exists, may submit to the Administrator project applications in such form as may be prescribed by the Administrator, setting forth the airport development proposed to be undertaken. Without exception, such projects shall include only such airport development as is included in the then-current revision of the national airport plan formulated by the Administrator under section 6 hereof, and all such proposed development shall be in accordance with standards established by the Administrator, which shall include standards for site selection, airport layout, grading, drainage, seeding, paving, and lighting. Each project application shall be accompanied by such plans, specifications, forms of contract, cost estimates, and other supporting materials as the Administrator may require.

(b) All such projects shall be subject to the approval of the Administrator, which approval shall be given only if the Administrator is satisfied that the project is designed to accomplish the purposes of this act, that sufficient funds are available therefor, that the project will be completed without undue delay, and that all sponsorship requirements prescribed by or under the authority of this act have been or will be met. No project shall be approved by the Administrator with respect to any airport unless a State or a public agency holds good title, in form satisfactory to the Administrator, to the landing area of such airport or the site therefor, or gives assurance satisfactory to the Administrator that such title will be acquired. Unless and until a project is so approved, either as originally proposed or as subsequently revised, the United States shall not pay, nor be obligated to pay, any portion of any costs in connection with such project.

(c) If the Administrator approves any such project, he shall notify the State airport agency or project sponsor. The share of the United States, payable under this act on account of any such project shall not exceed 50 percent of the total estimated project costs thereof: *Provided*, That in the case of any State containing unappropriated and unreserved public lands and nontaxable Indian lands, individual and tribal, exceeding 5 percent of the total area of all lands therein, such share payable to the State airport agency shall be increased by a percentage of the project cost equal to one-half the percentage that the area of all such lands in such State is of its total area.

GRANT AGREEMENTS

SEC. 10. Upon approving a project as provided in section 9, the Administrator shall transmit to the State airport agency, or project sponsor, as the case may be, an offer in behalf of the United States to pay 50 percent of the allowable project costs of said project, or such larger share as may be required by the provisions of section 9, on such terms, and subject to such conditions, as the Administrator may deem necessary to meet the requirements of this act and the regulations prescribed hereunder. Each such offer shall state a definite amount as the maximum obligation of the United States and shall stipulate the obligations to be assumed by the State airport agency or project sponsor. If and when any such offer is accepted in writing by the State airport agency or project sponsor to which it is made, such offer and acceptance shall comprise a grant agreement constituting an obligation of the United States. Unless and until such a grant agreement has been executed with respect to a project under this act, the United States shall not pay, nor be obligated to pay, any portion of the project costs which have been or may be incurred in carrying out that project.

ALLOWABLE PROJECT COSTS

SEC. 11. Notwithstanding any other provisions of this act, the United States shall not pay, nor be obligated to pay, any portion of a project cost incurred in carrying out a project under either the State program or the urban program, unless the Administrator has first determined that said cost is allowable. A project cost shall be allowable under this act provided—

(a) It was incurred in accomplishing airport development in conformity with approved plans and specifications for an authorized project;

(b) It was incurred subsequent to the execution of a grant agreement with respect to the project in connection with which it was incurred, except that necessary costs of preparing a project, including those of field surveys and the preparation of plans and specifications, and the costs of acquiring property interests necessary for a project, may be allowable even though incurred prior to the execution of the grant agreement for such project, if incurred subsequent to the passage of this act; and

(c) It is reasonable in amount, in the opinion of the Administrator: *Provided*, That if the Administrator determines that a project cost is unreasonable in amount, the amount which he determines would have been reasonable shall be an allowable project cost under this act.

The Administrator is authorized to prescribe such rules and regulations with respect to the auditing of project costs and other matters which he may deem necessary to effectuate this section.

METHOD OF CONSTRUCTION; WAGES AND HOURS

SEC. 12. (a) The construction work and labor in each State shall be done in accordance with its laws, and under the direct supervision of the State airport agency or project sponsor as the case may be, subject to the inspection and approval of the Administrator and in accordance with the rules and regulations made by him pursuant to this act: *Provided*, That a State airport agency or project sponsor may utilize the construction services of other public agencies qualified to perform or supervise the work, including other State agencies: *Provided further*, That all contracts pursuant to this act which involve labor shall contain provisions establishing minimum rates of wages, to be predetermined by the State or project sponsor, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work. Such rules and regulations shall require such cost and progress reporting by the State airport agency or project sponsor to the Administrator as the Administrator may by regulation prescribe.

(b) All contracts let for construction projects and all loans and grants pursuant to this act shall contain such provisions as are necessary to insure (1) that no convict labor shall be employed on any such project; (2) that (except in executive, administrative, and supervisory positions), so far as practicable and feasible, no individual directly employed on any such project shall be permitted to work more than 40 hours in any one week; (3) that in the employment of labor in connection with any such project (except in executive, administrative, and supervisory positions), preference shall be given, where they are qualified, first, to persons honorably discharged from the military service of the United States, as defined in section 101 (1) of the Soldiers' and Sailors' Relief Act of 1940, and then to citizens of the United States and aliens who have declared their intention of becoming citizens, who are bona fide residents of the State in which the work is to be performed: *Provided*, That these preferences shall apply only where such labor is available and qualified to perform the work to which the employment relates.

(c) The acquisition of articles, materials, and supplies, wholly or in part with funds

appropriated pursuant to this act, shall be subject to the provisions of section 2, of title III of the Treasury and Post Office Appropriation Act, fiscal year 1934; and all contracts let pursuant to the provisions of this act shall be subject to the provisions of section 3 of title III of such act.

(d) Any allocation, grant, or other distribution of funds for any project, pursuant to this act, shall contain stipulations which will provide for the application of title III of the Treasury and Post Office Appropriation Act, fiscal year 1934, to the acquisition of articles, materials, and supplies for use in carrying out such project.

GRANT PAYMENTS

SEC. 13. The Administrator is authorized to prescribe rules and regulations governing the manner in which payments shall be made under grant agreements executed pursuant to section 10: *Provided*, That no advance payments shall be made, except that partial payments may be made as work progresses or project costs are incurred, in such amounts, and at such times, as the Administrator may deem advisable. All grant payments shall be made to such official, or officials, or depository, as may be designated by the State airport agency or project sponsor entitled to such grants, and authorized under the laws of the State to receive public funds.

ELIGIBILITY OF STATES

SEC. 14. (a) To be eligible for participation in the benefits of the State program, a State shall, except as provided in subsection (b) of this section, satisfy the Administrator that it meets the following requirements for such participation:

(1) Its legislature shall have assented to the provisions of this act and to its acceptance of Federal airport aid on the terms and conditions prescribed by the Administrator hereunder: *Provided*, That until the final adjournment of the first regular session of the legislature of such State convening after approval of this act, the assent of the Governor of the State shall be sufficient.

(2) The State shall have a State airport agency as defined herein.

(3) The State shall have adequate legislation to enable its political subdivisions to participate in the benefits of both the State program and the urban program, either by sponsoring projects therein or otherwise.

(4) The State shall have adequate legislation for the prevention and removal of airport hazards by airport zoning under the State police power and the acquisition of property or air rights or avigation easements therein.

(5) The State shall have taken adequate steps to insure that all airports developed within the State under the State program will be operated and managed in the public interest without unjust discrimination in favor of or against any person or class of persons.

(6) The State shall have taken adequate steps to insure the proper maintenance, with due regard to climatic and flood conditions, of all airports developed within the State under the State program.

(7) The State shall have taken adequate steps to insure the availability each year of the State funds required for the development and maintenance of all airports developed or to be developed within the State under the State program.

(b) The requirements of paragraphs (2) to (7), inclusive, of subsection (a) of this section shall be suspended during a period of 3 years from and after the date of approval of this act.

(c) Federal aid shall be extended under this act only to projects located in States which expend or obligate during any 1 year at least an amount of money equal to the State's revenue during that year from any taxes on aviation fuel as such, and any other special fees or taxes imposed on aircraft, aviation, or aeronautical facilities or operations, excepting income taxes and taxes on corporations as such, for the development, construction, improvement, and repair of public airports, and administrative expenses in connection therewith, including the retirement of bonds for the payment of which such revenues have been pledged.

PROJECT SPONSORSHIP

SEC. 15. (a) As a condition precedent to his approval of an airport project under this act, the Administrator shall assure himself to the extent feasible, that—

(1) the airport will be available for public use on fair and reasonable terms;

(2) the airport and all facilities thereon or connected therewith will be suitably operated and maintained, with due regard to climatic and flood conditions;

(3) the aerial approaches of the airport will be adequately cleared and protected by removing, lowering, relocating, marking, and lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards so far as existing legislation permits;

(4) all the facilities of the airport developed with Federal aid and all those usable for the landing and take-off of aircraft will be available to the United States for unrestricted use by military and naval aircraft in common with other aircraft at all times without charge other than a charge sufficient to defray the cost of repairing damage done by such aircraft or, if the use by military and naval aircraft shall be substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining the facilities so used;

(5) the airport operator or owner will furnish the Government at a reasonable rent therefor such space in airport buildings as may be reasonably adequate for use by the Government in connection with any airport air-traffic control, or weather reporting, and communications activities pertinent thereto which the Government may wish to establish at the airport;

(6) all project accounts and records will be kept in accordance with a standard system of accounting prescribed by the Administrator;

(7) the airport operator or owner will submit to the Administrator such annual or special airport financial and operations reports as the Administrator may reasonably request; and

(8) the airport and all airport records will be available for inspection by any duly authorized agent of the Administrator upon reasonable request. To provide such assurance, the Administrator shall prescribe such project-sponsorship requirements as he may deem necessary, consistent with the terms of this act: *Provided*, That nothing contained in such regulations shall be construed to require any State or State airport agency to acquire any airport owned by any other public agency, to assume control over the operation of any such airport, or to sponsor a project which any other public agency is desirous of sponsoring. Among other steps to insure compliance with such requirements, the Administrator is authorized to enter into contracts with the States and other public agencies, on behalf of the United States, and such contracts shall be enforceable by decrees for specific performance.

ACQUISITION OF PROPERTY FOR STATES AND PROJECT SPONSORS

SEC. 16. Whenever it is the opinion of the Administrator that any real or personal property or interest therein necessary in connection with a project under this act cannot be acquired by the State, or by the public agency sponsoring the project, without undue expense or delay, the Administrator may, at the request of such State or public agency, institute a proceeding for the condemnation of such property or interest therein in accordance with the provisions of the act entitled "An act to expedite the construction of public buildings and works outside of the District of Columbia by enabling possession and title of sites to be taken in advance of final judgment in proceedings for the acquisition thereof under the power of eminent domain," approved February 26, 1931 (U. S. C., 1940 edition, title 40, secs. 258a to 258e, inclusive), the entire cost of which acquisition shall be borne by the State or project sponsor out of the combined Federal and non-Federal funds available for such project. When so acquired by the United States, such property or interest therein shall be conveyed to the State supplying funds for its acquisition or to the public agency sponsoring the project, as may be appropriate.

USE OF GOVERNMENT-OWNED LANDS

SEC. 17. (a) Whenever the Administrator determines that use of any lands owned or controlled by the United States is reasonably necessary for the development of an airport under this act, or for the operation of any public airport, he shall file with the head of the department or agency having control of such lands a request that such property interest therein as he may deem necessary be conveyed to the State airport agency of the State in which the lands are located or to the public agency sponsoring the project or owning or controlling the airport, as he may designate. Such property interest may consist of the title or any lesser estate or interest in property, including any leasehold estate or avigation or other easement or right-of-way.

(b) If within a period of 4 months after such filing the said department or agency head shall not have certified to the Administrator that the requested conveyance is contrary to the public interest or inconsistent with the needs of that department or agency, the said department or agency head is hereby authorized and directed, with the approval of the President and the Attorney General of the United States, and without any expense whatsoever to the United States, to perform any acts and to execute any instruments necessary to make the conveyance requested: *Provided*, That each such conveyance shall be made on the condition that the property interest conveyed shall automatically revert to the United States in the event that the lands in question are not developed, or cease to be used, for airport purposes.

REIMBURSEMENT FOR DAMAGE BY ARMY OR NAVY

SEC. 18. (a) The Administrator is authorized to reimburse States or public agencies for the necessary rehabilitation or repair of public airports substantially damaged by the Army or the Navy, or both. The Administrator is authorized on behalf of the United States to consider, ascertain, adjust, and determine in accordance with regulations he shall prescribe pursuant to this section, any claim submitted by any State or public agency for reimbursement of the cost of necessary rehabilitation or repair of a public airport, under the control or management of such State or public agency, substantially damaged by the Army or the Navy, or both.

(b) Such amount as may be found to be due to any claimant under this section shall be certified by the Administrator to Congress for payment out of appropriations that may be made by Congress therefor. Such certification shall include a brief statement of the character of each claim, the amount claimed, and the amount allowed. No claim shall be considered by the Administrator pursuant to this section unless notice of intention to file such claim has been presented to him within 30 days after the occurrence of the damage upon which the claim is based, except that in case of damage caused by operations of a military nature during time of war such notice may be filed within 60 days after termination of the war.

REPORTING TO CONGRESS

SEC. 19. On or before the first Monday in February of each year the Administrator shall make a report to the Congress on his operations under this Act during the preceding fiscal year, which shall include detailed statements of the Federal-aid airport development accomplished, the status of each project undertaken, the allocation of appropriations, and itemized statement of expenditures and receipts, and his recommendations, if any, for new legislation amending or supplementing this act. The Administrator shall also make such special reports as the Congress may request.

FALSE STATEMENTS

SEC. 20. Any officer, agent, or employee of the United States, or any officer, agent, or employee of any State or public agency, or any person, association, firm, or corporation who shall knowingly make any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the costs thereof, in connection with the submission of plans, maps, specifications, contracts, or estimates of construction costs for any project submitted to the Administrator for approval under the provisions of this Act or shall knowingly make any false statement, false representation, or false report or claim for work or materials for any project approved by the Administrator under this Act, or shall knowingly make any false statement or false representation in any report required to be made under this act, or any acts supplementary thereto, with the intent to defraud the United States shall, upon conviction thereof, be punished by imprisonment for not to exceed 5 years or by a fine of not to exceed $10,000, or by both such fine and imprisonment.

EXISTING AIRPORT PROGRAMS

SEC. 21. Nothing in this act shall affect the carrying out of the program for the development of public landing areas necessary for national defense, authorized by the Department of Commerce Appropriation Act, 1945, or the program for the development of civil landing areas, authorized by the First Supplemental National Defense Appropriation Act, 1944, which programs shall be additional to the Federal-aid airport program authorized herein.

EFFECTIVE DATE

SEC. 22. This act shall take effect on the date of its approval.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McFARLAND. I wish to ask the Senator from Nevada a question. As the Senator knows, there has been a jurisdictional question pending as to which committee should handle the subject of aviation. I do not wish to oppose consideration of Senate bill 2 at this time on the basis of jurisdiction, because I consider the bill to be of great importance. I feel that the Senator from Nevada has worked long and hard on aviation matters, and that we should not oppose or support a bill merely because one committee or another has handled it. I take it, however, the Senator from Nevada does not consider that the passage of this bill would in any way be considered to be a precedent respecting which committee should handle aviation matters.

Mr. McCARRAN. The bill now before the Senate is not involved in the motions bearing on the question of jurisdiction, which motions are pending before this body and have been pending before it for some time. The motions were not addressed to this bill. Let me state further that I do not believe, in view of the nature of this bill, that its consideration at this time or its approval at this time at all involves the question of jurisdiction between the two committees.

Mr. McFARLAND. And when the question of jurisdiction is finally to be settled, then this bill should not be taken as a precedent one way or the other?

Mr. McCARRAN. That is my theory of the case entirely.

Mr. McFARLAND. I thank the Senator from Nevada.

Mr. McCARRAN. Mr. President, development of a network of public airports which will effectively serve the potential air traffic of the United States is of vital importance to every American community. I may say that its importance has within the last few days been emphasized by the message of the President of the United States.

Airways are the preferred highways of the future. The growth of air transportation, properly encouraged, will parallel the growth of surface highway transportation, and can give rise to the growth of an aviation industry which will fill a place in our postwar economy comparable to the place filled by the automobile industry after the last war.

Very few American communities are in a position to develop satisfactory airport facilities solely on the basis of their own resources. Without such facilities, a community will be, in the postwar world, unable to tap and benefit by the advantages of air travel and air transport.

Unless the Congress recognizes the tremendous postwar importance of an adequate system of public airports and makes provision for Federal aid in the construction of such airports, it will be impossible for this country to keep pace with the potentialities for growth inherent in the aviation industry.

The aviation industry is in a position to grow hugely after the war. That growth can be hampered or accelerated by what the Congress decides to do with regard to Federal-aid for airport construction.

Whether we consider an airport program more nearly comparable to highway construction, or to the development of rivers and harbors, the justification for Federal expenditures to develop airports is beyond argument.

The Federal Government has spent billions of dollars in developing highways, and the national benefits from that expenditure are obvious to all of us.

The Federal Government has also spent billions in the improvement of rivers and harbors; and the benefits of those expenditures are also obvious.

For development of railroads, Federal expenditures have run into the hundreds of millions.

If Senators want the figures, here they are:

The Federal expenditures on various forms of transportation include more than $3,000,000,000 for rivers and harbors; more than $6,500,000,000 for highways, exclusive of the appropriation of $1,700,000,000 recently approved; and more than $800,000,000 for the development of rail transportation.

Widespread public awareness of the national importance of airport development was clearly demonstrated at hearings on my bill, S. 2, before the aviation subcommittee of the Senate Committee on Commerce. Every witness who appeared before the subcommittee to testify on this legislation was in favor of the Federal-aid program which this bill authorizes. Witnesses showed some differences of opinion with regard to the mechanics of the program; but with regard to the need, they were in complete agreement.

Witness after witness pointed out serious deficiencies in our present system of airports. Statements by these witnesses concerning advantages certain to flow from a Federal-aid airport program were highly illuminating. Included among the advantages claimed were the following:

First. Stimulation of the aviation industry in all phases of commercial transport.

Second. Encouragement of unprecedented growth of private flying.

Third. Increased income and employment in all industries either directly or indirectly serving aviation.

Fourth. Direct provision of many thousands of jobs in the airport construction program itself.

Fifth. Development of thousands of small-business opportunities in the operation of airports.

Sixth. Improvement of air-mail service.

Seventh. Stimulation of pilot training.

Eighth. Promotion of the national defense.

This is by no means a complete list, and those desiring to get the full picture of the benefits offered by the proposed Federal-aid airport program will be interested in reading the full transcript of the hearings. The testimony of the many witnesses who were heard leaves no doubt that Mr. William A. M. Burden, Assistant Secretary of Commerce for Air, was wholly correct when he summarized his testimony with the statement that "A well-conceived Federal-aid airport program will be a sound investment from all these points of view—the national economy, tax revenues, the convenience of the public, and the national defense."

To reap the fullest benefits from a Federal-aid airport program it must be authorized soon enough to permit necessary basic planning to be completed before the end of the war. Do this, and the program will be ready to go immediately when peace comes, and to do its share in providing jobs during the reconversion period. Wait until the war is over to authorize this program, and we shall have to do without its benefits during the period of a year or more which will be required for planning.

If we miss this chance to foster proper growth of our aviation industry, we shall be throwing away one of our finest opportunities to contribute to postwar prosperity.

I ask that the amendment reported by the committee be read section by section. I shall be glad to explain as best

I can as we go along, if Senators will propound questions to me.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. TAFT. One question which occurred to me when I read the bill was whether there was to be any return whatever for the Federal grants to airports, or to cities or States which may get the money. Is it proposed that there shall be an outright grant, for which there will be no return?

Mr. McCARRAN. It is in the same category as are grants for highways. It is an outright grant.

Mr. TAFT. Take an airport such as the new Idlewild Airport of New York, costing the city of New York $160,000,000 or $170,000,000, or the airport proposed in my home city, to cost about $5,000,000. Those cities make contracts with the air lines, and they receive very substantial rent. Consequently, if this really is an investment, with an income return—in fact, I do not see why, as airports develop, they should not be financed almost entirely by the air lines themselves—why should not the Federal Government share in the return, just as the city shares in the return?

Mr. McCARRAN. The bill provides that all the revenue of an airport must be expended in the development of the airport and the improvement of the service. The return to the Federal Government is much greater than the mere pittance that would come from the revenue of an airport.

Mr. TAFT. Take the airport to which I refer in Cincinnati. The cost is estimated to be $5,000,000. Roughly speaking, there will be a return which will pay the interest and the sinking-fund charges on $2,500,000. So if the Federal Government contributes the other $2,500,000, the airport will not cost the city of Cincinnati a cent. It will get the airport for nothing.

Mr. McCARRAN. I know that the Senator does not forget the fact that the city which he mentions serves a great community, and that travel into that city by air is growing by leaps and bounds. That travel is something which gives aid to the entire country.

Mr. TAFT. That travel is growing so fast that eventually it is going to pay for all these airports, I think, so that really there is to be no particular loss. It will be an investment, rather than an expenditure.

Mr. McCARRAN. That might be true; but, on the other hand, every airport must serve in the way of national defense. That is one factor. Perhaps we are not thinking so much in those terms at this time, but nevertheless it is an item. Secondly, they must serve the Nation. Accordingly, we could not call upon the air lines to build the airports, because they would build them when, as, and if they saw fit.

Mr. AIKEN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Nevada yield to the Senator from Vermont?

Mr. McCARRAN. I yield.

Mr. AIKEN. Are not the provisions of this bill analogous to those of the highway program bill? Under that bill, the money to be put into the highways by the Federal Government will not come back to it, and no income will accrue directly to it on that account? The income from the highways, in the form of automobile registration taxes all goes to the States where the highways are located and is used in the maintenance of the highways. Would a corresponding situation probably exist in the case of the airports?

Mr. McCARRAN. That is correct. But let us go a little further. In the matter of rivers and harbors there is no direct return to the Federal Government from the grants. There is no return from the harbor or river which is improved or taken care of, but it is a national asset, and certainly we would not refuse to support it.

Mr. President, I inquire if there are any other questions?

Mr. WILEY. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I yield.

Mr. WILEY. What is approximately the total amount which is contemplated to be expended?

Mr. McCARRAN. By this bill, $500,000,000 of Federal money will be expended over a period of 5 years.

Mr. WILEY. The expenditure will be at the rate of $100,000,000 a year. Is that correct?

Mr. McCARRAN. That is correct; it will be $100,000,000 a year, and the program is for 5 years.

Let me say in that respect that there is now pending in the House of Representatives a similar bill which carries approximately $650,000,000 or more. That money must be matched. It must be matched by either the States which secure Federal grants or by the municipalities which secure Federal grants, and in that respect I propose to dwell in a moment on how this bill is divided in its provisions.

Mr. WILEY. I was interested in the approach of the Senator from Ohio, in view of the fact that the Government indebtedness is now reaching $270,000,000,000, and undoubtedly toward the end of the year will amount to $300,000,000,000. Although I sat in the committee which considered this measure, I think we might well take cognizance of a related matter. When we consider what the Senator has characterized as imperative needs—and this is one of them from the standpoint of national defense and from the standpoint of future development of travel in the air—I think we might well consider a further element, namely, that with the tremendous load on the Federal Government, with the Federal Government unable to balance its Budget, although it is not actually bankrupt, when we make these disbursements we must consider the question of getting a return at some time, if the enterprises become profitable, so that the States or private organizations benefit. In other words, we must consider whether a return shall be received on the expenditures the Government makes. As I see the matter, when we look ahead a few months we must be thinking of raising in peacetime approximately from $23,000,000,000 to $27,000,000,000 a year to meet the actual overhead of government, interest on bonds, and the money necessary to take care of the Army and Navy. That means we must look to all the sources we can for legitimate revenue to go into the National Treasury.

So it seems to me that those who are looking after the financial end of the Government—in other words, the Finance and Ways and Means Committees—might well consider when it is proposed to put $500,000,000 here or $1,000,000,000 there, or $1,000,000,000 somewhere else to aid worthy national projects, the question whether there is a possibility of getting any tax returns or revenue returns for the Federal Government. I ask the Senator's opinion regarding that rather poorly stated problem.

Mr. OVERTON. Mr. President, will the Senator yield to me at this point?

Mr. McCARRAN. I yield.

Mr. OVERTON. I should like to ask the able Senator from Nevada if it is really contemplated that any profit is to be derived from the operation of these airports. The history of airports shows, I think, that there have been only one or two which have made any profit. Many of them are not self-sustaining. The only profit which could be made by a municipality or a State, let us say, in operating an airport would be from the sale of gasoline or from certain concessions, such as the sale of soft drinks and the operation of restaurant facilities. But the larger the airport and the more it is used, the higher the cost of maintenance; and whatever income is derived by a municipality or by a State from one of these airports will, I think, as a rule—and I shall ask the Senator from Nevada to correct me if I am mistaken—be consumed in the maintenance and further development of the airport.

Mr. McCARRAN. This bill provides specifically for that. That is the only avenue through which the income can be expanded.

In view of the fact that the able Senator has asked a question of me, let me reply briefly. It will be noted that in my opening statement, I dwelt on only a few of the things which will grow out of this measure. They are things which touch upon industry, which build individual industries throughout the country which result in the construction of aircraft, the erection of buildings, all tax-producing institutions, all producing taxes and all producing employment everywhere where throughout the country. So while there will be no money coming back directly from an airport grant, nevertheless it will come back in the form of taxes, either through the gasoline taxes or through the creation of property of various forms.

Mr. McFARLAND and Mr. WILEY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nevada yield, and if so, to whom?

Mr. McCARRAN. I yield first to the Senator from Arizona, if the Senator from Wisconsin will defer his question for a moment.

Mr. McFARLAND. Will the Senator tell us what consideration was given to the plans of the Army and Navy in regard

to the postwar use of these airfields? Did the Army and Navy present their views?

Mr. McCARRAN. The Army and Navy did present their views, and amendments were worked into the bill in keeping with the suggestions of the Army and the Navy.

Mr. McFARLAND. I had understood although not officially—that they were not satisfied with the bill, particularly insofar as the use of class 4 and class 5 airfields is concerned.

Mr. McCARRAN. We have had no report from them to that effect. They did offer some suggestions. They came before the Committee on Commerce and made their suggestions. Those suggestions were, I think almost unanimously, worked into the bill by the committee. The Army and Navy will have absolute use of the airports; they will have the right to call in time of necessity, whenever they deem it necessary, for the use of any airport for military purposes.

Mr. McFARLAND. I did not find in the hearings any testimony from the Army and Navy.

Mr. McCARRAN. There was testimony, as my recollection serves me, or else there were statements from the Army and Navy which contained suggestions. It was either one or the other. My memory does not serve me now in that regard.

Mr. McFARLAND. Have they made a report as to what airports they might release—airports which could be used under this program?

Mr. McCARRAN. No; they have not. I wish to say to the Senator that although I have tried a number of times to find out, I have been unable to get any answer, because invariably they say, "We do not have the program worked out now; we do not know what airports may be released; we do not know what airports we may need; we do not know what our future programs are."

Mr. McFARLAND. I can understand that during the war it would have been very difficult for them to work out a postwar program.

Mr. McCARRAN. Let me invite the attention of the Senator, if I may interrupt him, to the language on page 35 of the bill:

> The Administrator—

That is, the Administrator of the Civil Aeronautics Authority, a Federal officer—

> shall also consult, and consider the views and recommendations of, the War and Navy Departments as to the extent to which existing facilities constructed for national defense purposes may be made available in whole or in part for civilian use and as to what public airport development is needed for national defense, to the end that all such development included in the said plan and program may be as useful for national defense as is feasible.

Mr. McFARLAND. There is nothing which compels the Administrator to accept any suggestion, or any board to make the decision; it is left entirely up to the Civil Aeronautics Authority, is it not?

Mr. McCARRAN. The language seems to me to be sufficiently plain. It reads:

> The Administrator shall also consult, and consider the views and recommendations of, the War and Navy Departments as to the extent to which existing facilities constructed for national defense purposes may be made available.

That answers that part of the Senator's question as to what airports the Army or the Navy might be ready to release. Of course, it all goes to the question of where, when, and how airports may be constructed by the CAA. Then the latter portion of the language is as follows:

> To the end that all such development included in the said plan and program may be as useful for national defense as is feasible.

Mr. McFARLAND. I do not want the Senator from Nevada to understand that I am taking the position that the Army and Navy should control entirely the situation, but I believe that where money can be saved by using an airport jointly, that course should be followed.

Mr. McCARRAN. I may say to the Senator in furtherance of his suggestion, that on page 17 of the hearings the Acting Secretary of the Navy, H. Struve Hensel, in his communication of March 14, 1945, addressed to the chairman of the Commerce Committee, said in part:

> The Navy Department is in full accord with any program to increase and improve the system of airports and airport facilities and hence would favor the enactment of such proposed legislation, providing the foregoing recommendations are incorporated in the bills.

Those recommendations were incorporated by the committee and are now in the pending bill.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. LUCAS. I should like to ask the able Senator from Nevada whether this bill gives the Administrator the necessary power to make grants to cities and to States for the construction of airports.

Mr. McCARRAN. My answer to the Senator's question is "Yes."

Mr. LUCAS. In other words——

Mr. McCARRAN. Just a moment; I should like to answer the Senator more fully. I wish to make a complete answer because the subject is an important one.

There are two phases to this bill. The reason for that is that the Governors of the respective States came forward and asked for full and absolute control of the Federal moneys which would be granted for the building of airports in the respective States. On the other hand, mayors of cities came before the committee and asked——

Mr. BREWSTER. Mr. President, I should appreciate it if the Senator would also recognize the other side of the Chamber on this very highly important matter and speak so that we on this side of the Senate may hear him.

Mr. McCARRAN. I am sorry. I shall try to speak louder. As I was about to say that mayors of various cities also came before the committee and asked that the Federal moneys be allocated to the municipalities. How did the committee handle that vexatious problem? To my mind the committee handled it by compromising in what I feel was a commendable manner. We provided that for the State program; that is the program to be sponsored by the respective States, 65 percent of the appropriation would be allocated by the Administrator. If, for example, $100,000,000 should be appropriated this year for the building of airports, the Administrator would allocate 65 percent of that money to the State program, and 35 percent would be allocated to the urban program.

We did more than that. We tried to safeguard the situation a little further by providing that airports in classes 1, 2, and 3, which are the smaller airports, should belong to the State program, and that the airports in classes 4 and 5, the larger airports, should be a part of the urban program. However, the State may join with a city in constructing a No. 4 airport or a No. 5 airport. In other words, we have given the cities an opportunity to go forward with their programs as they may see fit to do so.

Mr. LUCAS. In other words, if I understand the able Senator correctly, if a State and a city wish to join in a program to build an airport and come to the Federal Government and say in effect, "We have joined in a program for the building of an airport," the Federal Government will agree to it. On the other hand, if the city of Chicago, for example, should say, "We want to build our airport separately and we do not want the State to have anything to do with it," under such an arrangement the Federal Government would grant the city of Chicago the right to build its own airport without any State interference of any kind whatever.

Mr. McCARRAN. That is correct, and there would be allocated to the city of Chicago the money which the Administrator or the CAA believed to be sufficient to meet the requirements.

Mr. LUCAS. I congratulate the committee in reporting the kind of a bill which it has reported to the Senate, because it is exactly what the Senator from Illinois feels is the correct solution of a very difficult problem.

Mr. McMAHON. Mr. President——

Mr. MEAD. Mr. President, if the Senator from Nevada yield, let me say that New York has a problem similar to that to which the Senator from Illinois has referred.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator yield; and if so, to whom?

Mr. McCARRAN. I first yield to the Senator from Connecticut.

Mr. McMAHON. I have in my hand a booklet entitled "National Airport Plan," which purports to be a letter from the Acting Secretary of Commerce transmitting a report of a survey of the need for a system of airports and landing areas throughout the United States. I presume the Senator from Nevada is familiar with the proposed plan.

Mr. McCARRAN. I believe I am familiar with it.

Mr. McMAHON. Does it meet with the Senator's approval as an implementation of the provisions of the pending bill?

Mr. McCARRAN. I would answer the question "Yes," but I have not made a study with reference to the location or the locale of the airports to which reference is made in the plan. I did not be-

lieve that to be a part of my particular duty.

Mr. McMAHON. I am happy to hear that, because I have been examining this plan and I have found, for example, that $15,600 was allocated for an airport at Antelope Island, Utah. Investigation has disclosed that at that point there is but one family and a herd of moose. Certainly at that point an airport is not needed to fly moose meat into Chicago, because the rationing of meat is about over. I return to the Senator's State of Nevada and I find under this plan for which we are asked to appropriate several hundred million dollars, 73 airports have been projected for cities or towns in Nevada, 22 of which have a population of less than a hundred people. I am glad to know that the Senator does not adhere to the plan to implement this bill, because to my mind it is as fantastic as anything I have ever seen in my life.

Mr. McCARRAN. Let me say that the people of Nevada travel in a very high class manner, and therefore they want air everywhere. [Laughter.] That is perhaps not a sufficient reason. But aside from being facetious in the matter, many selections of airports in various States of the Union were undoubtedly made early in the agitation for airports which I believe would not now be given consideration at all.

Mr. McMAHON. I am glad to hear the Senator say that, because the projected plans in my own State of Connecticut do not meet with my idea of what is necessary for air transportation in that State.

Mr. McCARRAN. Under the pending bill, if the State of New York, for example, had an aviation group or an aviation commission—or whether it had or not—the Governor of the State, acting through the highway department of that State, may come forward and say to the Civil Aeronautics Authority, "We want to build an airport at a certain place," and the officials may say, "We do not want the airport to be built there."

Mr. McMAHON. Suppose the Administrator in Nevada says that he wants to build an airport on Antelope Island, must we go along with the proposal,

Mr. McCARRAN. The island to which the Senator refers is in Utah, and that would change the situation somewhat. Furthermore the CAA might say, "There is no reason for building an airport there, and if it were built there, it could not be maintained, and therefore we will not go along with such a project."

Mr. McMAHON. I call the Senator's attention to the fact that this is their proposal. They are proposing, if we pass the bill, to locate an airport on Antelope Island. Antelope Island will go without an airport, so far as I am concerned.

Mr. MEAD. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield.

Mr. MEAD. It occurs to me that it is appropriate for me to take advantage of the generous offer of the sponsor of the bill and ask a question at this point, because it bears on the matter which has been suggested by the distinguished and able Senator from Illinois.

I have here a telegram from the mayor of the city of New York which brings out what is in his mind with reference to the provisions of the bill. Directing the telegram to me, he says:

> I am informed that Senate bill No. 2 providing for national air program will come up for debate Monday. May I call your attention that the McCarran bill differs from the House bill in that it channels Federal funds through the States instead of going dlirectly to the cities?

I was wondering if the money allocated to the cities was to be channeled through the States.

Mr. McCARRAN. No. The same telegram was read to me on Saturday by the senior Senator from New York [Mr. WAGNER]. I am convinced that the mayor of New York has been misinformed, because Mayor LaGuardia testified before the committee in favor of Senate bill 2, and at this time it was not as favorable to his position as it is today, because then it provided that only 25 percent should be allotted to municipalities and 75 percent to the States. We later changed it and provided 35 percent for the urban or municipal program, and 65 percent for the State program.

Mr. MEAD. While I knew that the change from 25 percent to 35 percent had been made, which I thought was a fairly good compromise, it occurred to me that there was some difficulty in that the funds would be channeled through the State agency, leaving the city to go to the State agency rather than to the Federal Government.

Mr. McCARRAN. That is not the fact. The city of New York can come to the CAA and say, "We want to build this airport." Then the CAA and the city of New York go over the plans for the airport, then the CAA must make the offer, under the bill, that they will put up a certain amount of money, up to one-half, or whatever it may be to build the airport. On the other hand, the State of New York can join with the city of New York and say, "We will both go in and sponsor this airport," and both go to the Civil Aeronautics Authority and ask for the allotment.

Mr. MEAD. Will the Senator explain briefly the difference between the House and the Senate aproposals, because the mayor quotes the House provision and says, "The House agrees with our views." And when he says "our views," he means the views of the conference of mayors.

Mr. McCARRAN. I have not read the House bill closely, but I understand that the House bill favors allocating all the money directly to the municipalities.

Mr. MEAD. And not through the States?

Mr. McCARRAN. Not through the States at all. I may be in error in that, and I should want to be corrected if I were, because I have not read the House bill carefully. My understanding is that it favors the plan of giving the money directly to the municipalities, and favors it on the basis of the very argument the mayor makes in the message, wherein he says that the airports referred to have been constructed by the municipalities, which is true. The muncipalities have constructed nearly all the important airports of this country. The airports in Chicago, in New York, in St. Louis—all the large airports—have been constructed by the municipalities, not by the States. But now the States should have a right to participate, where they see fit to select a site which perhaps is not sufficiently large in population or taxable property to maintain an airport, and should therefore have State assistance.

Mr. MEAD. But the 35 percent which is allocated to the cities may go directly from the Federal authority to the city authority without being channeled through the State?

Mr. McCARRAN. That is correct.

Mr. MEAD. I thank the Senator.

Mr. HILL and Mr. LUCAS addressed the chair.

The PRESIDING OFFICER. Does the Senator from Nevada yield, and if so to whom?

Mr. McCARRAN. I promised to yield to the Senator from Alabama.

Mr. LUCAS. Will the Senator from Alabama defer to permit me to ask merely one question?

Mr. HILL. If the Senator desires to ask a question, certainly.

Mr. LUCAS. I inquire whether the report on the bill made by the Committee on Commerce was unanimous.

Mr. McCARRAN. My recollection is that it was.

Mr. LUCAS. I saw no minority views, and I was interested in that question.

Mr. HILL. Mr. President, I wish to ask the Senator what part, if any, the War and Navy Departments would play so far as the location of an airport is concerned. Would the War and Navy Departments be consulted at all?

Mr. McCARRAN. Yes. I read the provision of the bill. May I read it again?

Mr. HILL. I wish the Senator would do so.

Mr. McCARRAN. On page 35 of the bill, beginning in line 8, it is provided:

> The Administrator shall also consult, and consider the views and recommendations of, the War and Navy Departments as to the extent to which existing facilities constructed for national defense purposes may be made available in whole or in part for civilian use and as to what public airport development is needed for national defense, to the end that all such development included in the said plan and program may be as useful for national defense as is feasible.

Mr. HILL. As I read that language, it occurred to me it was rather broad and somewhat general. Certainly that is true with reference to airports to be constructed in the future. The language merely says the authority shall consult the Army and Navy Departments to see whether airports are needed for national defense. That might be very broad and very general, and have little application to particular airports and their construction, might it not?

Mr. McCARRAN. We are confronted with the other side of the question; that is, I do not believe Congress would approve a dominating hand by either the Army or the Navy to the extent that they could say, "No; you cannot locate an airport there," or "You must locate an airport here." I think the breadth of the language lends force to its purpose. In other words, the Nation is putting $100,000,000 a year into this program, and, so

far as we can, we direct the Administrator to confer with the Army and the Navy authorities before any airport is constructed. If they say, "We do not approve of that," it is a question then of working it out. But I should not wish to sponsor a bill which would provide that the Army must approve, because I have had 2 or 3 years' experience, and I know it is pretty hard to get approval.

Mr. HILL. That may be true, but it seems to me that the language is now too broad and too general, and not sufficiently specific or definite. It seems to me that the language of the bill might be satisfied even if there were no consultation as to whether an airport was needed for national defense. If the Federal Government over a period of years is to spend all this money to build airports, certainly, in my opinion, the airports should be tied in with our defense program, whatever that program might be. I do not think that is accomplished by the language of the bill.

Mr. McCARRAN. That is exactly the object of the language of the bill. That is why this language was inserted. We hoped we would coordinate with the defense agencies, and obtain their consideration and their advice looking to the national defense.

Mr. HILL. Would it be the Senator's idea that under this language, whenever a large airport—an airport of class 4 or 5, let us say—is built, certainly the views and the recommendations of the War and Navy Departments should absolutely be had before any action was taken?

Mr. McCARRAN. I should certainly say emphatically "yes," that they should be consulted and that they would be consulted, and that the language is mandatory that they be consulted. That would be my view, interpreting the language.

Mr. JOHNSON of Colorado. Mr. President, there is not only the point the Senator has raised with respect to the Army and the Navy but there is also another important point, and that is that it often happens that airports are located near Army installations and are extremely harmful to those installations. The program ought to be worked out with the Army so that airports are not developed which will be detrimental to the necessary activities of Army or Navy airports.

Mr. McCARRAN. I very much agree with that statement, and I think that matter is entirely emphasized by the language of the bill.

Mr. JOHNSON of Colorado. The Senator feels that that point is sufficiently covered?

Mr. McCARRAN. I certainly do. And, so far as I am concerned, in my expressions here on the floor, in considering that language I wish it to be so understood that the Civil Aeronautics Authority in locating aviation facilities shall consult with the Army and Navy where it might be possible that such facilities would interfere with an Army or a Navy installation.

Mr. BREWSTER rose.

Mr. JOHNSON of Colorado. I desire to interrupt the Senator from Nevada further after the Senator from Maine [Mr. BREWSTER] has finished.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BREWSTER. In connection with what the Senator from Alabama [Mr. HILL] and the Senator from Colorado [Mr. JOHNSON] have said, the most monumental example of interference is in the Washington National Airport, which destroyed the usefulness of the Army and Navy airports across the river, because large airports of that nature cannot be located within a mile of each other without having inevitable confusion and chaos; so we certainly have, right under our noses, a most outstanding example of the danger of such a situation.

I wish to express full concurrence with what the Senators who have just spoken have said regarding these dangers. But I think, on the other hand, it would be dangerous to give the Army or the Navy any veto power, because this is primarily a civilian development. Probably 90 percent of the airports will not be primarily of military use, and the great airport program of the country will have to be developed primarily for commercial and civilian flying as distinct from the military aviation. I have, however, never heard any suggestion heretofore that the Civil Aeronautics Authority would not consult the military authorities in connection with the location of the airports which they plan over the country.

I wanted, however, in connection with the previous matter which was discussed by the Senator from New York and the Senator from Illinois, to make it clear to the minds of the Senators present that a rather fundamental issue is presented in connection with the urban airport program concerning which the Council of State Governors is in rather serious disagreement with the Conference of Mayors, and at the appropriate time an amendment looking to the channeling of the funds through the State agencies, without in any way prejudicing the allocation of funds to the larger airports in the urban communities will be presented for consideration so that that issue may be passed upon by the Members of the Senate.

Mr. JOHNSON of Colorado. Mr. President, will the Senator from Nevada again yield?

Mr. McCARRAN. I yield.

Mr. JOHNSON of Colorado. I desire to call the Senator's attention to the suggestion which was made by the Senator from Wisconsin [Mr. WILEY] a few moments ago in regard to taking care of the cost of this program. I noticed that the Senator from Nevada in his reply to the Senator from Wisconsin made the statement that since these airports and aviation generally would contribute to the development of industry, which pays taxes, that indirectly the program would pay its way. I should like to call the Senator's attention to the fact that our highways certainly contribute to every form of economic wealth and to every form of industry in this country, and yet our highway systems, both those constructed by the States and the counties, and those constructed by the Federal Government, are entirely supported by special taxes laid on motorists. I have been wondering if it is not possible to work out some sort of a program whereby aviation would pay its own way. I understand the industry must use a high octane gas, and I wonder if there could not be a special tax laid on such gas so that the industry might carry its own load, because, as the Senator from Wisconsin has pointed out, the Federal Treasury is in pretty bad shape. The municipalities, the counties, and States, on the other hand, have plenty of money at the present time. While this may be an infant industry which needs encouraging, it seems to me that plans ought to be laid, and laid now, to pay for the construction of these airports.

The question along that line which I want to propound to the Senator is: What is the formula? What is the matching basis? Does the Federal Government pay all the cost, or does the State or the municipality pay part of it?

Mr. McCARRAN. The costs are paid dollar for dollar.

Mr. JOHNSON of Colorado. Dollar for dollar. And then the State or the municipality pays the maintenance.

Mr. McCARRAN. It must pay the maintenance. Whether it be the State or the municipality which obtains the grant, it must enter into an agreement with the Administrator to maintain the project, to take care of the upkeep.

Mr. JOHNSON of Colorado. It seems to me that that provides the safeguard against the situations mentioned by the Senator from Connecticut of building airports where they are not needed, or where towns with small populations, for example, would not be able to match the Federal funds.

Mr. McCARRAN. I am not worried about that at all, because it simply could not be done under the provisions of this bill. There must be an agreement for the construction of a project, and there must be an agreement for its maintenance. Two agreements must be entered into by the sponsors. One is to construct, to put up dollar for dollar, and the other is to maintain after the project is constructed.

Mr. JOHNSON of Colorado. That is a very satisfactory reply. I should now like to have the Senator state what studies have been made, and the results of the studies, with respect to the aviation industry paying its own way. The aviation companies have a considerable amount of money. They have grown like mushrooms, perhaps due to war conditions. They have vast funds. The industry may be in its infancy, but many of the present companies are making sizable profits.

Mr. McCARRAN. I wish to leave this thought with the able Senator from Colorado. An airport is just what its name implies. It is a port. What do we do about the ports of entry? Does not the Federal Government aid in constructing ports of entry, in building berths for the ships to bring in the commerce of the world? The same principle applies to the construction of an airport. In other words, a large part of our commerce is going to be carried by air. Every community, if it is to be abreast of the times, will want to have its part in that commerce. Therefore, it is vitally essential

that it have an airport, where there can be landings and take-offs.

An airport is essential also from the standpoint of the protection of human life, as a link in the chain of safety of travel by air.

There must be standardized airports. Who is to standardize them? No one can do it better than the Federal Government. Then there will be one over-all standard for the landing places in the respective communities.

Mr. JOHNSON of Colorado. Yes, but if the Senator will pardon me, that does not go to the root of the question I am asking. Even though the Federal Government has a responsibility, the same thing applies to the building of highways. The Federal Government lays down standards respecting curves, elevations, grade separations, and other matters, but that whole program is paid for by a special tax on the motorists.

Mr. McCARRAN. The maintenance is paid by a special tax on the motorists, but does not the Federal Government put up its pro rata of the money in the first instance?

Mr. JOHNSON of Colorado. Every cent of money that the Federal Government puts up for highway construction has previously been collected from the motorists by a special tax.

Mr. McCARRAN. I do not know about it having been previously collected. That does not make any difference whatever.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BARKLEY. If the Senator will permit me, I think the Senator from Colorado is not quite correct in saying that every dollar put up by the Federal Government has been previously collected or provided by a special tax. The gasoline tax was not initiated for the purpose of helping to build highways. It was levied back in 1929 or 1930 to help raise about $150,000,000 which we could not find anywhere else, to enable the Federal Government to pay its operating expenses. We began to contribute dollar for dollar under the program which was adopted in 1916 for Federal aid for highways, long before we levied either a gasoline tax or a motor tax. The gasoline and motor taxes go into the general fund of the Treasury, and out of the general fund we appropriate whatever we contribute for the building of highways.

Mr. JOHNSON of Colorado. I am not interested in the bookkeeping features of the case; but it is a fact that more money is paid into the Federal Treasury by motorists in the form of special taxes than is paid out by the Federal Treasury for the improvement of highways. The Federal Government has a tremendous investment in highways.

Mr. BARKLEY. That may be. That money might be paid in even though the Federal Government were not making contributions for highway construction, because the taxes were levied for general purposes.

Mr. JOHNSON of Colorado. The tax is levied, and goes into the Treasury, and appropriations come out of the Treasury. The Treasury is going to be in bad shape unless we put in as much as we take out. If we are going to take out money for a special industry, such as the aviation industry, we ought to figure out some way of putting the money into the Treasury before we attempt to take it out.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. McFARLAND. Did the Senator from Colorado say that the Treasury was going to be in bad shape?

Mr. JOHNSON of Colorado. The Treasury is in bad shape.

Mr. AIKEN. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield.

Mr. AIKEN. I assume that if $100,000,000 is made available for airports the first year, there will be a demand for considerably more than $100,000,000 almost immediately. Is there anything in the bill providing for the manner in which the money available shall be allocated to the various States, or is there any limit on the amount which may be allocated to any one State?

Mr. McCARRAN. The money is allocated on the basis of population and area.

Mr. McFARLAND. Mr. President, will the Senator from Nevada yield?

Mr. McCARRAN. I yield.

Mr. McFARLAND. Section 16, on page 49, provides as follows:

SEC. 16. Whenever it is the opinion of the Administrator that any real or personal property or interest therein necessary in connection with a project under this act cannot be acquired by the State, or by the public agency sponsoring the project, without undue expense or delay, the Administrator may, at the request of such State or public agency, institute a proceeding for the condemnation of such property or interest therein in accordance with the provisions of the act entitled "An act to expedite the construction of public buildings and works outside of the District of Columbia by enabling possession and title of sites to be taken in advance of final judgment in proceedings for the acquisition thereof under the power of eminent domain", approved February 26, 1931 (U. S. C., 1940 edition, title 40, secs. 258a to 258e, inclusive), the entire cost of which acquisition shall be borne by the State or project sponsor out of the combined Federal and non-Federal funds available for such project. When so acquired by the United States, such property or interest therein shall be conveyed to the State supplying funds for its acquisition or to the pubic agency sponsoring the project, as may be appropriate.

Does not the Senator from Nevada think that it is a poor precedent for the Federal Government to constitute itself an agency to condemn property for the use of a municipality or State? Our condemnation laws were not enacted for that purpose, were they?

Mr. McCARRAN. The question raised by the Senator from Arizona was given careful study and consideration. I hope the Senator will read the language carefully, because it is highly important. It is found on page 49 of the bill:

Whenever it is the opinion of the Administrator that any real or personal property or interest therein necessary in connection with a project under this plan cannot be acquired by the State—

That is, when the State, as the sponsor, cannot acquire it for some reason or other—

or by the public agency sponsoring the project—

Which may be a city—

without undue expense or delay—

It will be recalled in that regard that the condemnation law was enacted so that we could take possession of property for the construction of highways even before a court had passed upon the question, and without putting up a bond.

Notice the following language:

The Administrator may, at the request of such State or public agency, institute a proceeding for the condemnation of such property—

In other words, the State must first request the Federal Government to step in and condemn.

Mr. McFARLAND. What does the Senator mean by the State? Does he mean the Governor of the State, or the people of the State, by a vote? The people of the State constitute the government. The State could enact a law which would implement this procedure. That is one thing. However, it is quite another thing if it means merely the judgment of some official.

The point I make is that this is very important legislation, and a very important—and I am afraid unfortunate—precedent is proposed in allowing the Federal Government to condemn property for the benefit of a State or municipality. The condemnation may involve a 15-story building which the people of a city and the people of a State refuse to provide means to condemn; yet it is proposed, whenever the Administrator considers it necessary, to have the Federal Government condemn the property which the State, or the officials of the State, refuse to condemn.

Mr. McCARRAN. But the State does not refuse to condemn. Will the Senator read the language again?

Mr. McFARLAND. I say they refuse to condemn because they do not set up the machinery whereby the property can be condemned.

Mr. McCARRAN. It is presumed that every State has its condemnation procedure. The language of the bill is as follows:

Whenever it is the opinion of the Administrator that any real or personal property or interest therein necessary in connection with a project under this act cannot be acquired by the State, or the public agency sponsoring the project, without undue expense or delay, the Administrator may, at the request of such State or public agency, institute a proceeding for the condemnation of such property.

He cannot move a hand until he is requested to do so—by whom? By the State, acting through its duly constituted authority, whether it be the people, the law, the Governor, or the head of the aviation commission in the State. The Administrator can act only upon request, and not otherwise. To my mind that is one of the safest methods which we have yet devised for acquiring property by condemnation.

It is absolutely essential that this great work go forward, and it is absolutely essential that there be some constituted authority to say when property shall be condemned for public use. If John

Smith owns a piece of ground which is necessary for such a project, and refuses to allow a great project to be undertaken by a municipality because he owns the ground, his property can be taken for public use.

Mr. McFARLAND. But the Senator will note that the language of the bill provides that the property shall be turned over to a third party. The Federal Government can condemn property for its own use anytime it wishes to do so; but what authority has the Federal Government to condemn property for the use of a municipality, and turn over the title to a municipality? The Federal Government should not be an agency to condemn property for the use of some other agency.

Mr. McCARRAN. It has the same authority which the State has, and the same authority which a municipality has. Either has the power of condemnation for public purposes.

Mr. McFARLAND. I am not complaining about the authority of a municipality or the authority of a State. What I am complaining about is the Federal Government condemning property for the use of some other agency.

Mr. McCARRAN. Let us take the other side of the picture. Suppose the Federal Government should step in and condemn certain property. The Federal Government would take title. Like myself, the Senator from Arizona has been complaining at the way in which the Federal Government has been acquiring realty all over the United States by condemnation and other proceedings. It was to head off that very thing that we wrote into this bill the provision that title to the property shall be conveyed to the sponsoring agency.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. AIKEN. Is not the purpose of this provision of the bill to prevent any interest which might be opposed to the expansion of air transportation, or perhaps the location of an airport at a certain place, from acquiring a little piece of property and, under most of the State laws, being able to hold up the development of the airport for perhaps 2 or 3 years or more?

Mr. McCARRAN. Certainly. It is not necessary to mention the agencies which may be opposed to aviation, but anything could happen. Therefore, we tried to meet the situation as best we could.

Mr. AIKEN. It seems to me the committee was very wise in safeguarding the situation in that way.

Mr. McCARRAN. Mr. President, are there any other questions? If not, if there are now any amendments to be offered, they should be called up. I understood that the Senator from Maine wished to offer an amendment.

The PRESIDENT pro tempore. The Chair will state that it will be necessary to offer amendments to the committee amendment before it is voted upon. Otherwise, if the committee amendment is adopted, it will not be in order subsequently to offer amendments to it without a reconsideration.

Mr. McCARRAN. Mr. President, the bill now comes before the Senate in amended form; it is entirely an amendment. I wish to invite the attention of the Senator from Maine to the fact that he stated he wished to offer an amendment. If we were to adopt the pending committee amendment at this time, I doubt very much whether the Senator could offer his amendment.

Mr. BREWSTER. Mr. President, I appreciate very much the courtesy of the Senator from Nevada. I have amendments which have been printed, and which I think now lie on the desk. They cover several changes. I now offer them.

The PRESIDENT pro tempore. The amendments will be stated.

The CHIEF CLERK. The following amendments are proposed to the committee amendment:

On page 29 strike out lines 4 to 8, inclusive; and reletter succeeding subsections.

On page 31 strike out lines 5 to 10, inclusive; and reletter succeeding subsections.

On page 32, lines 16 and 17, strike out ", their political subdivisions, and other non-Federal public agencies."

On page 32, beginning with the word "Such" in line 20, strike out down through and including the word "State" in line 3 on page 33, and insert in lieu thereof the following: "The State airport agency receiving a grant may use to match such grant any public."

On page 33, beginning with line 24, strike out down through the period in line 2 on page 34.

On page 35, beginning with line 20, strike out down through the period in line 2 on page 37.

On page 37, strike out lines 4 to 14, inclusive, and insert in lieu thereof the following:

"SEC. 7. (a) As soon as possible after the beginning of each fiscal year 65 percent of all Federal funds available for grants during that fiscal year shall be apportioned by the Administrator among the several State airport agencies, one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States. All sums so apportioned for a State shall be available to pay the pro rata share of the United States of the allowable project costs of authorized projects for the development of class 3 and smaller airports in that State. The remaining 35 percent of the Federal funds available for grants during such fiscal year shall be apportioned to State airport agencies to pay the pro rata share of the United States of allowable project costs of such approved projects for the development of class 4 and larger airports in urban areas, as the Administrator may deem most appropriate for carrying out the National Airport Plan"; and renumber succeeding sections.

On page 38, line 5 strike out the words "or public agencies therein" and insert in lieu thereof the word "funds."

On page 38, in lines 9 and 10, strike out the comma and the words "and to public agencies."

On page 38, line 15, strike out the word "State."

On page 38, beginning with line 16, strike out down through the comma in line 19.

On page 40, strike out the words "or project sponsor" where such words appear in lines 1 and 24; and in line 15 strike out the comma and the words "or project sponsor, as the case may be."

On page 41, line 1, strike out the words "or project sponsor."

On page 41, lines 12 and 13, strike out "under either the State program or the urban program."

On page 42, lines 15 and 16, strike out "or project sponsor as the case may be."

On page 42, strike out the words "or project sponsor" where such words appear in lines 19 and 25.

On page 43, line 5, strike out the words "or project sponsor."

On page 45, line 1, strike out the words "or project sponsor."

On page 45, line 5, strike out the word "State" where it appears the first time.

On page 45 strike out lines 18 to 21, inclusive; and renumber succeeding subparagraphs.

On page 46, strike out the word "State" where it appears in lines 3 and 14, and where it appears for the second time in line 9.

On page 46, beginning with line 19, strike out down through and including line 4 on page 47.

On page 49, beginning with the word "Among" in line 5, strike out down through and including line 8 on page 50, and renumber succeeding sections.

The PRESIDENT pro tempore. The Chair asks the Senator from Maine whether the amendments are correlated and are to be considered as one amendment. What is the desire and purpose of the Senator from Maine?

Mr. BREWSTER. I shall make that clear in my discussion of the matter. It is my thought that probably they should be divided, as they present several distinct issues. These proposals are rather comprehensive ones which have been urged by the Council of State Governments, and they were embraced in this blanket form simply for convenience. But I should contemplate that in their consideration they might well be acted upon separately.

Mr. WHITE. Mr. President, will my colleague yield to me?

Mr. BREWSTER. I yield.

Mr. WHITE. Is the amendment as reported identical with the amendment as printed?

Mr. BREWSTER. Yes; it is the printed form which I have submitted.

Mr. McCARRAN. Mr. President, I should like to ask a question before the Senator from Maine proceeds.

Mr. BREWSTER. I shall be glad to have the Senator from Nevada do so.

Mr. McCARRAN. I think the Senator from Maine will agree that these very clauses or separate amendments, if they are to be called such, are all interdependent and interrelated.

Mr. BREWSTER. That is not quite true; some of them could be adopted without regard to the others.

The chief issue, as I think the Senator from Nevada understands, deals with the question whether in the allocation of the Federal funds the channeling shall be through a State agency or directly to a municipality. That is the fundamental issue. There are some related issues, and there will be some minor modifications requisite to carrying them out.

There is also the provision that the Federal agency shall not have the right of condemnation. That is not an essential part of this proposal, but it is related to it at least in principle.

In discussing the broad issues presented by the proposed legislation, I, along, I believe, with many other Members of the Senate, should wish to associate myself completely with the presentation of the Senator from Nevada as to the wisdom of our embarking upon a program of this character. To be sure, it is

a departure from what has hitherto been the practice, but I think the evidence before the committee and the overwhelming sentiment of the country recognize that in the postwar era airports and air navigation are to play something of the part which highway transport played in the last quarter of a century; that a vast expansion of our air facilities will not only be expected but will also be conducive to the reconversion to civilian activities upon which we rely for the preservation of our economic progress.

So, Mr. President, in anything which I may say I do not desire to indicate any reluctance to go on with the development of a Federal-aid program modeled very materially upon the Federal-aid highway program, with the success of which I think we are all familiar in the development of a highway system which has been the amazement of the world. While I would not wish to press the analogy too far, I think it is pertinent to remind ourselves that probably the success which we have achieved in this war is due in no small measure to the foresight and vision of those who 30 years ago outlined a highway program with Federal assistance which has resulted in bringing about a petroleum economy in the United States.

I say this from the observation of the past few years, following the time when the war burst upon us and the Axis Powers challenged us with their might. It was only the petroleum industry of the United States that enabled us to meet the onslaught. Britain and Russia, with petroleum resources equal to our own, lacked entirely the refining industries which could alone make the petroleum available. The result was that we contributed more than 80 percent of all the petroleum products used in the war. I do not believe that I need to labor the statement that the war which has only recently been brought to an end was a petroleum war. Without petroleum, our ships, planes, and tanks would not have been able to move. It was only the abounding refining resources of the United States that made it possible to meet the Axis onslaught. I make this statement as indicating that, while the fact to which I have referred was perhaps very little in the thoughts of the men who 30 years ago outlined the Federal-aid highway program, it was one of its most happy results.

In time to come air transportation will obviously play a very important part in the life of all nations. It is also obvious that we shall not be able to carry on an air program, so far as military arms are concerned, with anything like the capacity which we now have of producing from 50,000 to 100,000 planes a year for military purposes. That production will inevitably fall. It will be essential that the countries that are to speak with significance in the affairs of the future shall have enormous potentialities of airpower built upon a sound commercial base. America has long been air-minded. She has vast spaces in which air transportation could very abundantly serve. So the laying of a broad and deep foundation of commercial and private air development which shall continue the progress of an air-minded America will, in my judgment, be found at the very base of our future authority among the nations of the world.

So, Mr. President, I am completely in accord with the purposes of the pending bill in seeking the allocation of Federal funds upon a Federal-aid basis—50–50 with the States—for laying the foundation of the policy to which I have referred. I separate from the provisions of the bill, however——

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. THOMAS of Oklahoma. I heard the Senator state that the basis was to be 50–50. I understand it is to be only 35 percent.

Mr. BREWSTER. I believe the Senator from Oklahoma has misunderstood. The 35-percent provision deals with the allocation of a $100,000,000 fund each year which is to be put up for this purpose. Thirty-five percent of that fund is to go to urban areas for class 4 and 5 airports and 65 percent to the smaller airports of the 1, 2, and 3 class. All of this, however, is on a 50–50 basis.

Mr. AIKEN. Mr. President, during the course of the discussion of the Senator from Nevada [Mr. McCARRAN] and the Senator from Maine [Mr. BREWSTER] it was stated that 35 percent of the funds would go to the large airports. However, in a State in which there may be no class 4 and larger airports the entire amount would be allocated to such airports as are in the State, would it not?

Mr. BREWSTER. I do not understand that to be the provision of the measure at the present time. I believe the Senator from Nevada will correct me if I am wrong.

Mr. McCARRAN. I did not understand the statement.

Mr. BREWSTER. The question propounded by the Senator from Vermont was whether or not, if a State did not have a class 4 or class 5 airport, it could get its share of the money for smaller airports. I have understood that there is no State without at least one class 4 airport.

Mr. McCARRAN. In any event, if the State wanted to construct a class 4 airport it could apply for Federal aid.

Mr. BREWSTER. The Senator from Vermont asked, If there were no class 4 or class 5 airports in a State could it get its share of money for the construction of smaller airport?

Mr. McCARRAN. Yes.

Mr. AIKEN. The State would get 100 percent of the money to spend for such airports as were within the State if it had no class 4 or class 5 airports?

Mr. McCARRAN. That is correct.

Mr. BREWSTER. Is the Senator clear about that provision of the bill? I thought the provision was clear that the money must be allocated for class 4 and class 5 airports.

Mr. McCARRAN. Thirty-five percent is allocated to the urban program; 65 percent is allocated to the State program, which has to do exclusively with airports of classes 1, 2, and 3. However, if the State wishes to build a class 4 airport it may apply in the same way as one of its subdivisions may apply.

Mr. AIKEN. The language of the bill is, I believe, "not more than 35 percent."

Mr. McCARRAN. That is correct.

Mr. BREWSTER. I do not believe the Senator's answer was quite responsive. The question of the Senator from Vermont was to this effect. Suppose a State did not wish to build a class 4 or a class 5 airport, but wished instead to build a class 1, class 2, or class 3 airport. Could it take a 35-percent allocation and apply it on airports of classes 1, 2, and 3?

Mr. McCARRAN. I am not inclined to think that it could do so.

Mr. BREWSTER. That is what I had understood.

Mr. SALTONSTALL. Mr. President, if the Senator from Maine will yield, I believe that the language beginning in line 24 of section 5 on page 33 of the bill specifically answers the inquiry of the Senator from Vermont in the affirmative, namely, that the money could be so used.

Mr. AIKEN. Will the Senator from Massachusetts repeat the reference.

Mr. SALTONSTALL. I refer to section 5, line 24, on page 33 of the bill.

Mr. AIKEN. Yes. That is my understanding, and that is why I wanted to make it clear that no State would be deprived of its money if it wished to put all the money into the construction of class 1, 2, and 3 airports instead of putting 35 percent of it into the construction of class 4 and 5 airports.

Mr. McCARRAN. The Senator is correct.

Mr. AIKEN. I thank the Senator for the explanation. I thank all Senators who have participated in the explanation.

Mr. BREWSTER. I wish to resume the discussion of the fundamental issue involved as to whether or not the allocation of funds should be on a State basis rather than upon an urban basis as here proposed.

The council of State governments is very much concerned about this matter inasmuch as it represents, perhaps, another camel's nose under the tent in derogation of State responsibility. I think the legal situation is generally recognized that the cities are creatures of the State, and that they are subordinate to the State sovereignty. The whole success of the Federal highway program has been built upon Federal-State cooperation under which the State highway agencies of the various States have prepared their programs, have submitted them for Federal consideration, and have then carried them out if they met with Federal approval and were granted Federal funds. That was true no matter whether the highway was a comparatively modest one, serving a rural area, or whether it was a great arterial highway serving vast metropolitan centers. All expenditures of that character were channelled to the cities and the counties through the State agencies from the Federal Government. In a great measure the success of the great Federal highway program has resulted from such full cooperation of the State and Federal authority.

It is viewed with concern by many persons that there should be here proposed a departure from what seems to them to be a sound principle. As one familiar

with the functioning of this system and who has been a governor of a State, I may say that there never rose within my State any difficulty whatever as to the allocation of funds. It was worked out by the State among the several counties and municipalities, submitted to the Federal Government, and then the final decisions were reached. The amendments which are here proposed are designed to present squarely the issue as to whether or not, in the allocation of Federal funds for airport construction, the same sound principle should not prevail.

It has been suggested that the cities have been more active than has been State authority in the development of airports, and in that statement there is a measure of truth. It is also true that they were acting as instrumentalities of the State in the development of airports. It was only by the power given to them by the State, either in the appropriation of funds or in the issuing of bonds, which is also under the control, so far as I know, of State authority and the State constitution, that they have been able to secure the funds by which these developments have been made. I think that, exclusive, perhaps, of one or two of the larger metropolitan areas, no possible point of conflict could arise, and I think, so far as those particular situations are concerned, there need be no fear of the adequacy of the provision.

The most important problem is that of New York City, which, as indicated by the telegram presented here from the mayor of New York this morning, has been one of those chiefly concerned about this aspect. New York City has La-Guardia Airport, on which there has been expended in excess of $40,000,000, very much of that amount in Federal funds. Now New York City is developing Idlewild, at an expense which originally estimated at between seventy-five and one hundred million dollars but which is now discussed on the basis of $225,000,000 for one airport.

I appreciate the interest in aviation which is exhibited by New York City. I think it is very commendable, but I also think that New York City should not cherish the idea that it is the only place in the country which will need airport development. This is said in no derogation of their power or authority or interest in developing such airports as they choose, but when they come to this body and ask up to pay 50 percent of the cost of a $200,000,000 airport it is my judgment that that would absorb for many years to come all the funds available under the 35-percent provision of the bill.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. McCARRAN. I deem an interruption worth while at this point.

The last expression of the Senator is the reason for one provision in the bill; that is, the provision regarding the construction of airports of the fourth and fifth classes. Not only must the Administrator approve but it is provided in the bill that such projects must be approved also by Congress. In other words, the question of the allocation of Federal funds for the construction of airports of those classes furnished the reason for the inclusion in the bill of the very provision which concerns the matter the Senator is dwelling on. We say in the bill they should come to the Appropriations Committees of Congress, and proceed in the regular channels.

Mr. BREWSTER. I appreciate the provision to which the Senator has referred, but I still think there is question of whether or not that will mitigate or increase our difficulties in the consideration of the complicated questions involved. We have been through that with river and harbor improvements, in connection with which we have arrived at the considered conclusion that the Federal authority should determine what is requisite and proper for allocation. If we then move into the field of having the Congress pass upon the construction of individual airports, it seems to me likely to prove to be a Pandora's box which must inevitably create difficulty.

My amendments, as the Senator perhaps recognizes, do away with that provision, in the interest of placing squarely upon the executive authority the responsibility for the development of an adequate airport program, in consultation with the various State authorities, thus following the sound and well-seasoned precedents of the State-Federal highway-aid program in the provisions which are proposed by the Council of State Governments, and on which they will ask the Senate to pass.

Aside from the one in New York, there are very few situations in which complications of any character would arise. I think the great majority of the State governments, the governors, and the various authorities of the States are overwhelming in support of preserving the relationship between the Federal and the State Governments which has prevailed throughout a century and a half, and which has been especially conspicuous in the operation of the Federal-State highway program, which is the nearest analogy in the consideration of the matter now before the Senate.

The questions pointed out by the Senator from Connecticut [Mr. McMAHON] in connection with the Federal program present immediately the problem of what would be the attitude of the State governments and the very great desirability that the State authorities should have at least a major voice in the determination of airport development within the boundaries of the particular States. There may well be problems between municipalities, where the overshadowing existence of one great metropolitan center does not exist, as in New York City, where the States might well be consulted as to whether one or another municipality of comparable size and of perhaps comparable requirements should receive the development, recognizing that there will be limitations upon what it will be possible to do under the funds provided.

The idea that municipalities should come directly to Washington in order to secure developments within their boundaries seems to me to have been at the root of very many of the difficulties of the last decade, that it strikes at the very foundations of our entire conception of a Federal Government, and that anything which looks in this direction in the postwar period may well be examined with exceeding care before we discard the tested principles.

In operation of WPA and other agencies we took up Federal aid to municipalities, and I am sure most Senators will agree that in its operation it resulted in vast complications, in the competition between various cities, in the competition between State and Federal authorities, and that it will be most undesirable to open this Pandora's box in the provisions we are here establishing for great Federal aid to airports, which may well lead down through the decades, and be calculated to render a great service to the expansion not only of our facilities, but also to the development of great commercial enterprises in the air, which will mean airplane factories, which will mean an airplane industry, which will mean all the factors which are concerned with our future development. To have a variety of municipalities—all those which would be considered in connection with class 4 and 5 airports—coming here in a great struggle for the early consideration of their projects, with the inevitable confusion which must result, seems to me not calculated to serve the interests of the great purpose we have in view.

Therefore, Mr. President, I hope that as these amendments are considered there may well be thorough exploration in the action we may take, of whether or not we should not retain the well-tested principle of channeling this aid through the State government.

Mr. AIKEN. Mr. President, I am very much in favor of the objectives of the bill, but I wonder if we are going to have to vote on the bill today. I do not believe many of us were aware that the bill was coming up for action today. It seems to me it is so important that we should have overnight to study it. I certainly should like a little time, not for the purpose of finding flaws in the bill, but in order to make sure that it does what it should do.

For instance, there has been a little discussion of whether 35 percent of the amount allocated to a State would have to be spent on building class 4 airports, or larger. It seems to me that if the interpretation is that 35 percent is available only for class 4 or 5 airports, we might put the States in the same position in which we would place them if we required them to build four-lane highways when they needed only two-lane highways. I, for one, should prefer to have that matter absolutely straight in my mind before voting on the bill. I am in favor of the bill.

Mr. BREWSTER. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. BREWSTER. I do not know what the plan of the Senator from Nevada is, but several Senators have spoken to me in the hope that the bill might eventually go over until tomorrow before there was a final vote on the amendments, in order that we may clarify the various issues.

Mr. McCARRAN. I would be the last one in the world to attempt to crowd the bill through. I have no desire to crowd it through. I am familiar with the pro-

visions of the bill, and its provisions are very clear to me. We have worked many months on the bill. The committee has devoted months and months of study to it. Certainly I am not going to crowd the bill through in any way, because I think that would not be the best policy. However, I think we should consider the amendment and dispose of it, if the Senator is going to ask for a vote on it.

Mr. AIKEN. If the interpretation placed on the bill is that a State could spend 100 percent of the money coming to it on class 1, 2, or 3 airports, then it seems to me the amendment offered by the Senator from Maine would need a little revising, in order to make it fit in with that interpretation of the bill.

Mr. McCARRAN. There is no question that the State, as a sponsor requesting Federal aid from the Civil Aeronautics Authority, can apply all the Federal aid it receives to the building of class 1, 2, or 3 airports.

Mr. AIKEN. That is the entire 100 percent?

Mr. McCARRAN. Yes.

Mr. AIKEN. That is the interpretation which I want placed on the bill.

Mr. McCARRAN. Yes; there is no question about that at all. On the other hand, the State could join with a municipality to build a class 4 airport or class 5 airport. The State all the way through is considered, but all the money is not channeled through the State. It goes direct from the Federal Government to the State in the case of class 1, 2, or 3 airports, or class 4 or 5 airports if the State goes into the building of class 4 or 5 airports, or it goes directly to the municipality. If the city in the Senator's State best able to sustain a class 5 airport were to apply to the Federal Government through the CAA for Federal assistance for the construction of such an airport, and did not want to have the money channeled through the State, if it wanted to control its own airport, if it proposed to raise the money for the airport, if it proposed to have absolute control over it, it could do so. It would not have to go to the State authority for the money at all.

Mr. AIKEN. I am satisfied with the Senator's interpretation of the allocation of the funds. However, if that interpretation is accepted by the Senate, then the amendment offered by the Senator from Maine should probably read:

> The remaining 35 percent, or such part as may be required thereof, of the Federal funds available for grants during such fiscal year shall be apportioned to State airport agencies to pay the pro rata share of the United States of allowable project costs of such approved projects for the development of class 4 and larger airports in urban areas—

And so on. I should like to ask the Senator from Maine a question in regard to his amendment. Under his amendment would the Federal Government reach an agreement with the city and the money go through the State agency, or would the Federal Government have to reach an agreement with the State agency for the development of a class 4 or class 5 airport in a city?

Mr. BREWSTER. The later is the case. There would have to be an agreement with the State agency, the State agency representing the city or the county or any other public authorities within the area that may desire to construct the airport.

Mr. AIKEN. Then the Federal Government could not deal directly with a city?

Mr. BREWSTER. No.

Mr. McCARRAN. That is, under the Senator's amendment.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. SALTONSTALL. It would be wise to make clear to the Senator from Vermont that the amount which the Federal Government would put into a State is determined by the Federal Administrator. In other words, if the Federal Administrator determined that a certain number of dollars should go to Montpelier, Vt., the State agency could not upset that allotment, except to say whether any or all of it should go. It could not determine the amount. Am I not correct?

Mr. BREWSTER. That statement is correct.

Mr. AIKEN. As I understand from conversation with the Senator from Nevada, there is a formula for the allocation of funds based on area and population which would determine the amount available in any case.

Mr. McCARRAN. Yes.

Mr. BREWSTER. The provision is the same in both the bill and my amendment, that the allocation shall be "one-half in the proportion which the population of each State bears to the total population of all the States, and one-half in the proportion which the area of each State bears to the total area of all the States."

Mr. McCARRAN. I have not followed the Senator's discussion, so I cannot answer.

Mr. BREWSTER. Under my amendment, if a State does not want to use all the funds for class 1, 2, and 3 airports, it may put some of its 65 percent into class 4 or class 5, so as to get a very adequate airport. I do not understand that that would be possible under the bill as it is now written.

Mr. McCARRAN. Oh, yes.

Mr. BREWSTER. That represents a difference of interpretation.

Mr. McCARRAN. Yes, indeed.

Mr. BREWSTER. I understand that class 4 and 5 funds might go down to class 1, 2, and 3, but not that class 1, 2, and 3 funds could go up to class 4 and 5.

Mr. McCARRAN. Let me use my own State as an illustration. If the Senate of Nevada wanted to build a class 4 airport in the center of the State where perhaps there was no municipality to sustain it, there is nothing to prevent it from building such an airport if it can come to an agreement with the Federal Government about it.

Mr. BREWSTER. The funds allocated on the 65 percent-35 percent basis could go from the 65 percent for class 1, 2, and 3 over to the 35 percent for class 4 or 5. That is the point we are raising with the Senator from Vermont. Under my amendment it is made clear that that is possible, but under the bill I have some doubt.

Mr. McCARRAN. Under the bill it is not.

Mr. BREWSTER. That is correct. I am glad the Senator concurs.

Mr. AIKEN. Suppose an important link in the national airport system were located in a State so small and so thinly populated that it could not meet half the cost of such an airport, and furthermore had no particular need of it or could not derive the full benefit which it should in order to meet its half of the cost, is there any provision in the bill whereby the Federal Government can pay any greater amount toward that essential link with the national airport system?

Mr. McCARRAN. Greater than the 50 percent?

Mr. AIKEN. Yes; greater than the 50 Percent?

Mr. McCARRAN. No.

Mr. BREWSTER. I think the point which the Senator raises as to the flow of funds, under the election of the State between the different classes of airports, is an important one, and one that would be entirely consistent with the Federal principle that we allocate money for development, and if the airport is one which meets with the Federal rogram even though it is not of the category to which the 35 or 65 percent provision would apply, it might well be feasible for the transfer, by agreement between the Federal and State authorities. That is limited under the bill as it is now written.

Mr. AIKEN. Does the Senator from Maine agree that under the interpretation of the allocation of funds as given by the Senator from Nevada the amendment proposed by the Senator from Maine should be revised to fit in with it?

Mr. BREWSTER. Yes. I think the Senator from Nevada agrees that the class 4 and 5 money could go down, but not that the class 1, 2, and 3 money could go up, which I myself think is pretty clear, but I believe it should be made more clear in connection with our consideration of the matter.

Mr. WILEY. Perhaps the Senators can get together on that point.

Mr. AIKEN. Yes. It seems to me it would be well to get together on that point.

Mr. BREWSTER. I should like to insert in the RECORD a letter reporting on the development of the Federal airport program showing that there was an absence of consultation between the Federal authority and the State authority, which I think is unfortunate.

This is a report filed by Sheldon B. Steers, president of the National Association of State Aviation Officials, with Mr. Frank Bane, executive director, Council of State Governments. I ask unanimous consent to have the report printed in the RECORD at this point as a part of my remarks, in order to show the absence of the coordination which in my judgment is most desirable.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

STATE OF MICHIGAN,
BOARD OF AERONAUTICS,
CAPITAL CITY AIRPORT,
Lansing, Mich., May 16, 1945.

Mr. FRANK BANE,
Executive Director, Council of State Governments, Chicago, Ill.

DEAR FRANK: In accordance with our telephone conversation of recent date, I sent the

following night letter to 25 States, who have aeronautics commissions:

"To what extent did CAA study requirements of your communities and consult with your department prior to their promulgation of the national-airport plan. Were you asked or did you submit any data to United States Senate Committee on Commerce regarding State budgets for airport construction? Air mail me comprehensive reply.

"SHELDON B. STEERS,
"President, NASAO."

The following are excerpts from the replies, but I quote liberally from that of the State of Alabama because it is indicative of the short notice to both the CAA regional airport engineers and the State commissions of the need for that information. It further demonstrates the sketchiness of the information placed in the hands of the CAA officials in Washington, who developed the so-called national-airport plan.

ALABAMA

"Regarding the extent to which CAA studied the requirements of our communities and how much they consulted with us prior to the promulgation of the national-airport plan, the answer to your questions can be summed up in two words 'very little.'

"On Saturday, April 12, 1944, I was in the office of the district engineer, CAA, in Birmingham and while I was there he received a telephone call from the regional office in Atlanta advising him to have his details for the postwar airport program for Alabama and Mississippi ready to bring to Atlanta on the following Tuesday, April 18.

"Prior to this date Mr. Johnson, the district airport engineer, and I had discussed from time to time the need of getting together and formulating a plan based on what studies we had made separately or together of various Alabama communities, but no action had been taken and a large part of our State had yet to be covered. So we both felt we certainly would be given sufficient notice in advance as to when a survey should be completed.

"The result was that the best we could do was to take an old airport plan of the State, made by Rountree in 1939, and hurriedly attempt to revise it. This revision, taking the form of locating airports largely geographically in communities, it was felt, might be able to support them. In many cases no sites had been located and we did not even know whether the community would be interested in participating in the construction of an airport.

"Mr. Johnson was told at the time of the phone call that this was only to be a rough estimate to determine the approximate amount of money that would be needed for Alabama, should a Federal-aid airport plan be promulgated, and that ample time for further study and revision would be given before any definite locations or sums were made public. We were requested by the CAA not to make public any information regarding the program until it was assured.

"We agree with you heartily that this method of approach to the spending of a large amount of Federal, State, and municipal funds is absolutely unsound. The CAA has one engineer for the entire State of Alabama and a large part of Mississippi. Mississippi, having no aeronautics commission, it is necessary for the district engineer to make all surveys and estimates for airports in that State. In addition to that he has to approve all sites that we may select; the result being that we have had to wait weeks and sometimes months to catch up with the district engineer to secure the approval of a site. This is not to be taken as criticism of the CAA personnel involved, who have entirely too much territory to cover and whom I believe are acting on orders from Washington to the best of their ability, but our work here in Alabama, in trying to get sites approved so that estimates can be made, has been greatly slowed up by the above process. So in our opinion, the so-called national airport plan is sketchy, to say the least.

"Sincerely yours,
"E. W. STANFORD,
"Director, Aviation Commission,
State of Alabama."

COLORADO

"Replying to yours of May 4, as far as I am able to ascertain, Joe Monroe, airport engineer for CAA for this district, made a sort of horseback survey as to the requirements for airports in this State, and upon that survey the CAA based its national airport plan for the State of Colorado. It has not been scientifically prepared and no real investigation has been made to ascertain the needs for this State or the several communities of this State. Our commission was not consulted.

"CLARENCE L. IRELAND,
"Chairman, State Aeronautics
Commission."

CONNECTICUT

"I find that on April 5, 1944, a letter was addressed to this office by E. Fletcher Ingals, district airport engineer for CAA, and a map of proposed airports sent for comments, suggestions, etc. I immediately made a study of the map, and on April 12 forwarded a communication to the district engineer offering criticisms and suggestions. A day or so later, however, I was informed that the plan had already gone to Washington, and our suggestions were not included by reason of the shortness of time.

"It has been my personal experience that the airport section in this region has been most cooperative, and I have found Mr. Ingals most capable and always willing to cooperate. I have no criticism of any kind relating to his office except that it is inadequately staffed for the territory it is supposed to cover.

"KENNETH H. RINGROSE,
"Acting Commissioner, Department
of Aeronautics, State of Connecticut."

IDAHO

"The CAA made a reasonably detailed study of airport requirements in Idaho and conferred frequently with me on the subject. We agreed on a recommendation which their district engineer forwarded to Washington, which covered 80 locations in the State.

"LEVERETT DAVIS,
"Former Aeronautics Commissioner,
State of Idaho."

IOWA

"You are advised that at no time since I have been secretary have we been contacted by any personnel of CAA other than those who are designating locations for airports in this State. Insofar as we are concerned, we wouldn't know that CAA exists insofar as any contacts with this office are concerned.

"DON C. JOHNSTON,
"Secretary, Iowa Aeronautics Commission."

KENTUCKY

"Plans so far for Kentucky have been a wild guess. I have had correspondence with Harold Neely and his regional airport man, Hogan, and they are ready to cooperate with us in formulating the sixth edition of the national airport plan. They admit that the fifth edition now existing was drawn out of the hat, but seemingly are ready to go along with us, at least, in formulating our State plan. We have had a lot of trouble here in the State with CAA overselling the people on the kind of airport they need; in a couple of instances with disastrous results.

"A. H. NEAR,
"Director of Airports, State of Kentucky."

LOUISIANA

A telegram was received stating that Mr. Adams was out of the office and unable to reply.

MAINE

Apparently the wire was misunderstood and was acknowledged to the effect that the commission would act upon same at their next meeting.

MARYLAND

"This commission has no information whatsoever in our files that would indicate prior study of requirements of Maryland communities by CAA for airport sites. In February 1944 the CAA district airport engineer submitted to this office a tentative list of airports, together with a request that a review be made by this Commission. We were advised, however, that this information had already been presented to the administration in Washington.

"We have recently attempted to justify some of the CAA proposed sites but find, upon inspection, the topography of the areas mentioned in the plan is such that no possible location suitable for an airport exists. This raises the question in our minds as to why such communities were mentioned as a proposed class II or III airport, even though a desirable airport location did not exist.

"WILLIAM MCK. REBER, Jr.,
"Director, Maryland Aviation Commission."

MASSACHUSETTS

"The CAA airport engineer submitted the Massachusetts segment of the proposed national airport plan for my criticism and suggestions and gave me 2 days to do it. Certainly there was no more time allowed than enough to take a look at the maps, populations, and check with existing airports, both civil and military. Realizing the plan was a complete pipe dream, we have not thought it advisable to spend any money even for the purpose of checking it against the communities.

"ARTHUR H. TULLY, Jr.,
"Director, Massachusetts Aeronautics Commission."

MINNESOTA

"We received in May of 1944 a telephone call from the district airport engineer stating he had received advice from his regional manager that a survey was to be made, and he wished to consult with us. About a week or 10 days later the district airport engineer came to our office, stating his report had to be sent in within the next few days. He was in possession of some form of confidential release, and we spent about 2 hours checking from some list he had against municipalities in the State of Minnesota that had shown some interest in airport development.

"That was our first and last direct or indirect contact with the national airport plan until we received a copy of the plan as it was released last fall by the CAA. If any studies were made by local municipalities I am not aware of such studies and the shortness of time precludes the possibility that any such study could have been made, although it must be said of the district airport engineer that he undoubtedly did the best he could from data available in his office.

"L. L. SCHROEDER,
"Commissioner, Department of Aeronautics, State of Minnesota."

MISSOURI

"Since receiving your wire I have discussed these matters with Paul V. Roberts, CAA airport engineer for this State. He has told me that at the time the Missouri plan was based on population figures, existing airport facilities, and a general plan to provide at least one airport in every county. The State of Missouri did not have an aviation department of any kind at that time.

"E. V. FRYHOFF,
"Aviation Development, Missouri
State Department of Resources and
Development."

NEBRASKA

"Retel understand national airport plan worked out by CAA generally without any

detailed conference with our commission, although it does include all projects recommended by our commission.

"MAX KIER,
"Chairman, Nebraska Aeronautics Commission."

NEW HAMPSHIRE

"The extent of CAA study of our community airport requirements unknown. Our commission not consulted prior to promulgation of national airport plan. No contact whatsoever with United States Senate Committee on Commerce regarding State budget for airport construction.

"JAMES F. O'NEIL,
"Chairman, New Hampshire Aeronautics Commission."

NEW JERSEY

"Captain Wilson is out of the country at the present time on military assignment. Sorry.

"MERRY L. KIMBLE,
"Secretary to Director, New Jersey Department of Aviation."

OHIO

"The CAA representatives cooperated with this Bureau in every regard in preparation of our publication 'An Airport Plan for Ohio' and from that cooperation prepared its recommendation for the national airport plan.

"ROGER A. VALENTINE,
"Secretary, Bureau of Aeronautics,
"State of Ohio."

OREGON

"I spent 1 day with Regional Airport Section in trying to determine what might be their logical plan when presented in that manner. Some changes were made in the original draft which eventually came out as the fifth revision of the national plan. Later, upon questioning the Airport Section on how they arrived at the various estimates allocated to each site location, I was advised that no physical survey had been made and estimates were based on what they thought could be accomplished under normal conditions. At that time this office was not asked, nor did we submit any data to the United States Senate Committee on Commerce regarding State budget for airport construction. At the present time we are engaged in developing our own State airport plan.

"LEO D. DEVANEY,
"Director, Oregon State
"Board of Aeronautics."

PENNSYLVANIA

"Replying to your telegram, to the best of my knowledge, CAA did little or no studying of the requirements of Pennsylvania communities in promulgating their national airport plan. I believe the plan was gotten up in about 48 to 72 hours, based on data in the Airport Division's files, much of which was obsolete. I believe it to be primarily a geographic airport plan with the average cost compiled on WPA experience with a substantial cushion on the liberal side for errors in calculation. After it was drawn up we had an opportunity of conferring on the plan although I don't know that there were any changes made in the CAA plan.

"I am satisfied the CAA plan was merely a compilation of a lot of figures in order to arrive at a total appropriation asked for, hoping subsequently to make a detailed study with the money so appropriated. I feel your idea of having $5,000,000 immediately appropriated to be spent in coordination with the States on an individual community survey is sound and should be accomplished the balance of this year if possible. Pennsylvania is ready, able, and willing with $3,725,000 for plans and construction for the next 2 years to be spent on a matching dollar basis with the Federal Government and/or the local municipalities.

"WM. L. ANDERSON,
"Executive Director, Pennsylvania
"Aeronautics Commission."

RHODE ISLAND

"Reference your telegram May 5, this is to advise that to my knowledge no factual studies were made by CAA of community requirements prior to promulgation of national airport plan. Furthermore, we did not submit any data to the United States Senate Committee on Commerce regarding State budgets for airport construction.

"J. V. NORMANDIN,
"Acting Deputy Director, Department of Public Works, State of Rhode Island."

SOUTH CAROLINA

"The district engineer of CAA did frequently confer with us regarding our airport needs; however, all the planning and establishment of airport needs originated in this office. CAA has incorporated the South Carolina Aeronautics Commission airport plan in its national airport plan.

"DEXTER C. MARTIN,
"Director, South Carolina
"Aeronautics Commission."

SOUTH DAKOTA

"I wish to advise our department was not consulted by CAA in their study of airport requirements, if any, for communities of South Dakota.

"JOHN MOODY,
"Executive Secretary, South Dakota
"Aeronautics Commission."

TENNESSEE

"CAA representatives did consult with our department relative to national airport plan, but on short notice. CAA representatives were often cautioned regarding incompleteness of the plan.

"HERBERT FOX,
"Director, Tennessee Bureau
"of Aeronautics."

UTAH

"We thought we were fortunate in this region in view of the cooperation of the CAA airport representative, Mr. R. W. F. Schmidt, and we did meet with him endeavoring to assist in his preparation of the figures for the fifth revision of the national airport plan; however, we assumed that most of the proposed airports would be merely small fields smoothed off sufficiently for use in emergency, others with graveled landing strips, and where all-weather operation was desirable graveled strips with 50-foot width paved centers might be constructed. Judging from the figures in the fifth revision of the national airport plan, super de luxe air terminals type facilities were contemplated, and I don't know who prepared the cost estimates which have caused so much unfavorable criticism. Certainly we had no part in it.

"We are at the present time preparing our own State airport plan on a realistic factual basis.

"JOSEPH S. BERGIN,
"Director, Utah Aeronautics
"Commission."

VERMONT

"Having come into this office June 1, 1944, I cannot answer for what conferences may have preceded that date, however, through the summer and early fall I checked proposals in the national plan informally in various parts of the State, and it became evident that the reception of the plan was going to be rather cool in most places. We have had several snappy editorials which point up the absurdity of locating airports to the tune of $150,000 to $300,000 in spots populated only by game animals. The total proposed for Vermont involves an expenditure of $12,867,000. Considering the annual State budget is from twelve to fourteen million, the airport plan looks a little fantastic to the natives, even when parcelled over a 10-year period. The proposal of $800,000 for a field at Brattleboro, population 10,000, has been one of our biggest problems to handle. If that is a ticket to air transportation the natives are willing to continue traveling by bicycle and "the surrey with the fringe on top."

"I have no criticism of the district airport engineer for CAA. I believe he has done an excellent job under many handicaps, but I don't believe he has been consulted with any more frequency that have the State officials in connection with the national airport plan. In other words, there is much to suggest that the national plan is the work of someone in Washington having convenient access to an atlas and a few topographic maps.

"EDWARD W. KNAPP,
"Aeronautics Inspector,
"State of Vermont."

VIRGINIA

"CAA airport engineers have cooperated fully with this office. However, it may be estimates were changed in Washington after our recommendations were made.

"ALLEN C. PERKINSSON,
"Director, Division of Aeronautics,
"Commonwealth of Virginia."

WEST VIRGINIA

"There was very little study by CAA of airport requirements of West Virginia communities although Mr. Scalla and Mr. Wesson did drop in this office one day for consultation thereon.

"HUBERT H. STARK,
"Administrative Officer,
"West Virginia Board of Aeronautics."

In all instances the second question as regards submission of any data direct to the United States Senate Committee on Commerce was negative.

It is my personal opinion that a national system of airports can be no more sound than the foundation upon which it rests, and that is a suitable and adequate national airport plan. Certainly, such a plan can only be promulgated by, first, making an analysis of all existing facilities and the airport needs of the communities and States. From this a forecast could then be made showing immediate needs and forecasting the requirements for the immediate postwar period. I firmly believe that this work must be done by the Federal officials working in conjunction with the appropriate authorities in the several States, and I think the Congress in considering appropriations for these purposes should take these factors into account and so make provision within the legislation.

Sincerely yours,

SHELDON B. STEERS,
President, National Association of State Aviation Officials.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. CHANDLER. As I understand, the bill would establish the over-all authorization on the part of the Federal Government to spend $500,000,000 in the next 5 years for airport construction and reconstruction.

Mr. BREWSTER. Yes.

Mr. CHANDLER. Is an equal sum of money to be obtained from State governments, municipalities, and other sources of State operation?

Mr. BREWSTER. They must put up an equal amount.

Mr. CHANDLER. Who is to have priority within the State? Is there any established priority as between a State and a municipality?

Mr. BREWSTER. That is the question which we are now debating. Under the terms of the bill as written, 35 percent of the money would be allocated for what are called urban projects, namely, class 4 and class 5 airports, which are the large airports, with respect to which the Federal Administrator would deal directly with a municipality if he deemed it best, although the State might also come in if it so desired. Under my amendment the activity must be channeled through the State agency. The Federal agency must deal with the State agency, the State agency, in turn, dealing with municipalities. That is the issue with which we are faced.

Mr. McCARRAN. Mr. President, has the Senator concluded?

Mr. BREWSTER. Yes.

Mr. McCARRAN. I did not wish to interrupt the Senator.

Under the terms of the bill as it is now before the Senate, the State agency would not be called in if a municipality should enter into an agreement with the Federal Government to support and maintain a class 4 or class 5 airport.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. CHANDLER. Why would it not be best at least to consult the over-all State agency undertaking to make plans for the State as a whole, before permitting municipal corporations to have airports which might destroy the whole pattern of development for the State? Presumably a State plan, carefully developed and having in mind the welfare of the whole State, ought to take precedence over the claims of any municipality. Why is there not such a provision in the bill?

Mr. McCARRAN. Because, first of all, up to date, to a considerable extent airports have been constructed by the municipalities. With rare exceptions, they have been constructed by the cities of the country. The New York airports, the Chicago airports, and many others might be mentioned. That is one reason why the cities wish to have the opportunity, when and if they desire to construct their own airports, to apply directly to the Federal Government and deal with the Federal Government, rather than having the projects channeled through the State. If they were handled through the State, political conditions might arise, as a result of which a city might be deprived of an airport for a considerable length of time. It is believed that cities should have the opportunity, if they agree to maintain class 4 or class 5 airports, to enter into an agreement with the Federal Government and be permitted to construct their own airports. That is the philosophy.

There are two philosophies. One is that the States should have all Federal moneys channeled through them, and should absolutely control the aviation life of every municipality within the State. That is the theory or philosophy, very briefly stated, of the Conference of Governors.

The other theory is that a municipality which, by reason of its taxable property, its population, and its general advancement, is capable of maintaining an airport in keeping with the dignity of the municipality should have the opportunity of constructing its own airport and dealing directly with the Federal Government, obtaining aid from the Federal Government. The Senate can decide between those two philosophies. So far as I am concerned, my study of this subject leads me to the conclusion that the compromise effected in this bill after many months of study is the best way out. We say that the Federal Government shall allocate to the States 65 percent of what is appropriated by Congress. That is, we allocate it to the State program—not to the States but to the State program. The State program shall include construction of the smaller airports, namely, class 1, class 2, and class 3 airports. We say that 35 percent of the money appropriated by Congress shall be allocated to the urban program, or the municipal program. Why? Because we believe that each of the philosophies has merit.

In other words, we believe that it is entirely proper that the city of Cleveland, for example, should be permitted to say to the Federal Government, "We want to build our own airport We do not want to be compelled to go to the State administration. We will maintain the airport. We have the taxable property to maintain it, and we can prove our ability to maintain it." Therefore the city would come to the Federal Government for aid, and the Federal Government would deal with the city of Cleveland.

Mr. BURTON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BURTON. The Senator has referred to the division as between the State program, representing the smaller airports, and the so-called urban program, representing the larger airports. As I undestand the bill, it seems to me that the definition would be clearer if the first program were designated as the program for smaller airports, and the second program the program for larger airports, not necessarily in cities. As I understand, class 4 and class 5 airports do not have to be in municipalities, and are not necessarily in municipalities.

Mr. McCARRAN. That is correct; but the two programs are set up in the bill, and therefore I used those expressions.

Mr. BURTON. The point about which I wished to ask the Senator was this: As I understand the development of the program of airports, there has been the development of major airports, which are interstate in character; and also there has been the development of a great many smaller airports, in the nature of feeder facilities, which are local in character. I understand from the recommendation which comes from the Civil Aeronautics Administration that there is an advantage in having the larger airports in one class, and the smaller airports in a different class. The larger airports involve the Federal relationship with large interstate movements, while the smaller airports are distinctly local in character.

Mr. McCARRAN. The Senator has stated it clearly.

Mr. CHANDLER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. CHANDLER. The comment I wish to make is that we have been building airports under the pressure of war, and under the necessity of building airports in the larger cities, where the people were, and where war industries were located. Now, we are getting ready to establish a program for peace. In my opinion, we shall encounter difficulty if we do not take into account the relationship between the Federal and State governments, and establish such a relationship first. It is useless for the States to make long-range plans for peace, through their governors and the various State agencies and planning boards, if the Federal Government is to deal with every city and town in the country. While I admit the necessity for it during wartime, during peacetime it seems to me that there is no such necessity.

This is a tremendous program, calling for the expenditure of $1,000,000,000 in 5 years. The Senate should carefully consider whether it wishes to have the Federal Government deal with municipalities in peace time, or whether we wish to establish a carefully thought out over-all State program which gives consideration to the needs of the State as a whole, and establish a definite relationship between the Federal Government and the States, rather than having the Federal Government deal with the States, and also with each little community in the country. I believe that such a plan would involve trouble, and perhaps disaster.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. FERGUSON. Does the Senator have the figures as to how much each State would obtain under this program,

Mr. McCARRAN. No; I have not. The formula is in the bill, but I have not figured it out.

Mr. FERGUSON. I note, for example, that the city of Detroit has announced that it has an appropriation of $3,000,000 to match Federal funds. The proposed city airport is estimated to cost $10,000,000. If the State of Michigan received $3,000,000, as I have roughly figured it out the city would be entitled to only 35 percent of that amount.

Mr. McCARRAN. No. The 35 percent is an allocation which is made directly after the appropriation is made for the program as a whole. In other words, suppose we should appropriate $100,000,000 for the ensuing year. Immediately the Administrator would allocate 35 percent of that to the urban program and 65 percent of it to the State program. Then as the urban program came on—as, for instance, the city in Michigan asked for Federal aid—if it was agreed upon, the Administrator would take it out of the allocation of 35 percent and would apply it to the city in Michigan.

Mr. FERGUSON. What I am getting at is that under the bill as proposed by the committee the city of Detroit would be able to put up funds to match Federal funds; is not that correct?

Mr. McCARRAN. Yes, I take it that is true.

Mr. FERGUSON. If a certain amount of money were appropriated to the State of Michigan—an over-all fund—and if

the over-all fund then were divided between what are known as class 1, class 2, and class 3 airports and class 4 and class 5 airports—we shall take it for granted that the $10,000,000 airport at the city of Detroit would be either a class 4 or a class 5 airport—only 35 percent of the fund which was appropriated to the State could possibly reach that Detroit airport; is that correct?

Mr. McCARRAN. No. I do not think the Senator grasps the significance of the bill. In other words, the Administrator will immediately divide between the urban program and the State program, giving the State program 65 percent of the money appropriated and the urban program 35 percent. The 65 percent and the 35 percent will remain in the custody of the Federal Government; but if a State were to call upon the Federal Government for aid in the construction of an airport, it would come out of the 65 percent. In other words, it would come out of that part of the 65 percent allocated to that particular State. Do I make that clear?

Mr. FERGUSON. Yes. Let us take a municipal airport.

Mr. BREWSTER. That would be the case if the airport were a class 1, class 2, or class 3 airport.

Mr. McCARRAN. That is correct.

Mr. BREWSTER. For class 4 or class 5 airports it is not to be allocated on a State basis at all; is that correct?

Mr. McCARRAN. Yes.

Mr. BREWSTER. The whole fund might be put into New York City if the Administrator agreed to have that done and thought it was wise.

Mr. McCARRAN. That could be done if the Administrator and the Congress agreed to have it done, because the Congress must also agree.

Mr. FERGUSON. Mr. President, am I to understand that if the city of Detroit needs an airport and if the city of New York needs an airport—and it has been stated that they desire $200,000,000 for that purpose—the Congress then could give all the fund to the city of New York, and the city of Detroit would receive no part of the fund?

Mr. BREWSTER. That is correct.

Mr. FERGUSON. Then, we would find ourselves in the position of having the cities bid against each other for the vote of Congress as to who would get the 35 percent.

Mr. BREWSTER. That is correct. The city which had the most votes in the House of Representatives probably would receive the funds; the vote in the House of Representatives probably would be decisive in the matter.

Mr. McCARRAN. Probably the same situation would be true in this House.

Mr. BREWSTER. Of course, here in the Senate all States are equal, both the large and the small. The device of thus removing the responsibility from the State seems to me to be the fundamental difficulty. I think it should all be allocated to the various States.

Let us consider New York State. In New York State there are Albany, Syracuse, Buffalo, Rochester, and other upState cities which might well desire to secure class 4 or class 5 airports; but if the Federal Administrator decided that all the money should go to New York City, they would be helpless; there would be nothing they could do.

Mr. FERGUSON. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. I yield.

Mr. FERGUSON. Under the Senator's program, he would appropriate initially the entire sum of money on the basis of population and area, and then it would be the duty of the particular State to apportion the funds as between class 1, class 2, and class 3 airports and class 4 and class 5 airports; is that correct? The State would do the appropriating or apportioning; would it?

Mr. BREWSTER. Nothing could be done within the State without the approval and consideration of the State; that is correct.

Mr. FERGUSON. As I read the amendment of the Senator from Maine, it would not come back to Congress to have it pass upon who was to get any amount of the fund—that is, whether a municipality was to get it or whether a class 2 or class 3 airport, which would be a State airport or perhaps a county airport, was to get it; is that correct?

Mr. BREWSTER. The Federal Administrator would still possess the power of allocation insofar as the 35 percent was concerned, but it would be essential that he secure the collaboration of the State agency concerned.

Mr. FERGUSON. Mr. President, will the Senator yield for another question?

Mr. McCARRAN. I yield.

Mr. FERGUSON. Under the amendment of the Senator from Maine there still would be a 35 percent amount going to municipalities for, let us say, class 4 and class 5 airports; is that correct?

Mr. BREWSTER. That is correct.

Mr. FERGUSON. That ratio would be maintained under the Senator's amendment, would it not?

Mr. BREWSTER. That is correct. But we would give the States power to determine what airport, if any, should be developed.

Mr. FERGUSON. Under the Senator's amendment, do I correctly understand that if a municipality desired to build an airport, it would have to make its arrangement with the State government to match the Federal fund?

Mr. BREWSTER. Yes, exactly as in the case of Federal highways at the present time. The State agency would be the one which would actually make the arrangement.

Mr. BARKLEY. Mr. President, will the Senator yield at this point?

Mr. McCARRAN. I yield first to the Senator from Massachusetts, who has been on his feet for some time.

Mr. SALTONSTALL. Mr. President, the Senator from Nevada stated a few minutes ago that if the amendment of the Senator from Maine should be adopted the State agency could have the entire say as to whether the 35 percent went into the State of Nevada or not. As I understand the situation, the Administrator of the Federal agency could say, "If you do not want to put it into Reno, Nevada, then I will not put it into the State of Nevada at all." I understand that the Administrator will retain the control as to the city into which the money shall go.

Mr. BREWSTER. That is correct.

Mr. SALTONSTALL. As I understand the situation, under the Senator's amendment that power of the Federal Administrator would not be handicapped. He could say, "We will put 35 percent into an airport at Reno, Nevada, this year." But if the State agency in Nevada were to say, "No; we do not want it in Reno, Nev.," then the Federal Administrator would retain the power to put it into an airport in Detroit, Mich., or New York City.

Mr. BREWSTER. That is my interpretation.

Mr. SALTONSTALL. So, in answer to the question of the Senator from Michigan, as I understand the situation, the Federal Administrator still will retain the power to put into an airport in the city of Detroit all or none or half of the $35,000,000. But if the State's aeronautic commission were to say, "We do not want that money in Detroit," then the Federal Administrator could say, "Very well; I am going to take the 35 percent and put all of it into Reno, Nev., or all of it in New York City."

Mr. BREWSTER. I think that is made clear by section 7 (a) of my amendment on page 2, which states:

> The remaining 35 percent of the Federal funds available for grants during such fiscal year shall be apportioned to State airport agencies to pay the pro rata share of the United States of allowable project costs of such approved projects for the development of class 4 and larger airports in urban areas, as the Administrator may deem most appropriate for carrying out the national airport plan.

I think that answers the Senator.

Mr. AIKEN. Mr. President, if the Senator will yield to me, let me say that we seem to have two interpretations of this matter from the same source. I understood the Senator from Nevada to say earlier in the discussion that any State would receive 100 percent of the amount which was coming to it anyway, and that if it did not have class 4 airports, it could spend that money on class 1, class 2, or class 3 airports. But from the recent discussion it appears that the 35 percent is to be allocated to class 4 or class 5 airports anywhere within the United States; and instead of having the State of Nevada say that the 35 percent shall be spent in Reno, the Federal Government could say, under this more recent interpretation, that none of it would be spent in Reno.

Mr. BREWSTER. I think that is correct.

Mr. AIKEN. That is the interpretation of the Secretary of the Navy. In that case the amendment covers the situation. I must admit that the interpretations become less clear as we go along.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. OVERTON. I have not had an opportunity to study the Senator's amendment, but does it deprive the Civil Aeronautics Authority of the right to locate the large airports?

Mr. BREWSTER. No.

Mr. OVERTON. Of course, they are to be used in transcontinental aviation.

It may be that it would be proper to locate a large airport in a very small municipality or on the outskirts of one.

Mr. BREWSTER. I believe the Senator has not read the amendment which I submitted.

Mr. OVERTON. No; I have not had the opportunity of reading it.

Mr. BREWSTER. It expressly reserves to the Administrator the final responsibility of determining whether any airport shall be constructed. The exact language of the amendment is, "as the Administrator may deem most appropriate for carrying out the national airport plan." So in the final analysis the Federal Administrator has full determination as to whether Federal funds shall be used in connection with any airport, be it large or small.

Mr. OVERTON. Or in any State.

Mr. BREWSTER. I would not say that because, so far as the smaller airports are concerned, the money for their construction must be allocated on a population and area basis. If the State and Federal Administrator could not agree on any airports within a State, they would lose the use of all the fund, but I hardly think we could anticipate such an eventuality because it would probably be beyond reason. However, so far as the larger airports are concerned, it must be a matter of fitting them into the Federal airport plan.

Mr. OVERTON. Then, the CAA Administrator could prohibit the allocation of any funds for a class 4 or a larger airport in any State.

Mr. BREWSTER. Yes.

Mr. BARKLEY. Will the Senator yield?

Mr. BREWSTER. I yield.

Mr. BARKLEY. I wish to propound a question to the Senator. As I understand, under the pending bill 65 percent of the funds which may be allocated would go to the class 1, 2, and 3 airports, involving a so-called State program. Thirty-five percent would go to the class 4 and 5 airports, which are supposed to be embraced in the municipal programs.

Not merely in connection with the war, but prior to the war, communities of large size and importance, which had an interstate connection, and which were seeking to have interstate air lines establish facilities, were busy trying to prepare for the building of airports. Take my own State as an example. The city of Paducah, which is my home; the city of Louisville, which is the largest city in the State; and the cities of Covington, Newport, and Ashland are all working on local municipal airport projects with the view to increasing the interstate facilities for air travel. As soon as the facilities are located, those interstate airlines will begin stopping at those places and engaging in interstate commerce. If those towns and cities which are entitled, under the bill in its present form, to 35 percent of this fund are able to work out programs by which they can build airports, and draw to their communities air travel, they may do so under this bill. But notwithstanding the ability and willingness of the cities to which I have referred to inaugurate and consummate their own airport program through cooperation of the Federal Government, if the Senator's amendment were agreed to and the Governor or State authority should so decide, those cities which are able and willing to develop their own airports might be denied any funds by the Federal Government to be used in the program. Is that not true?

Mr. BREWSTER. Yes. It recognizes the same principle that has prevailed always in connection with the Federal-aid highway program.

Mr. BARKLEY. I do not think it presents an analogous situation. The State highway system has from the very beginning—years ago I had something to do with legislation to inaugurate Federal-aid highways—had for its purpose, of course, the building of State highways and the inauguration of a system of county-seat highways for the use of farmers and travelers generally. The proposed program of air travel seems to me to be more interstate than intrastate. The great travel lines by air are interstate. Every town on a river, or near a State line, if it is of sufficient size to justify air travel, desires to hook up with an interstate airline. It does not seem to me that the building of airports, the cost of which is necessarily limited as compared to the cost of building highways, should be placed particularly upon a State-wide basis. We cannot put air travel into an air-tight compartment bounded by the State lines of any State. The greater part of air travel is interstate in character. It seems to me that when a city is sufficiently important, or its location lends itself to the development of air lines which are national in scope, and the city is willing to tax itself, as my city has done already, it should be allowed to develop its own program.

The legislature of my State created a State aeronautical board at its last session, and the Governor of the State appointed six members on the board. Because they became involved in a disagreement as to policy, the other day the Governor fired them all. They were his own appointees, and he kicked them out the window unceremoniously. Of course, he has the power to replace them with others who will be more amenable, and who will agree with him.

Mr. BREWSTER. I believe I have heard of such things happening in Washington.

Mr. BARKLEY. I am not impressed with the analogy to which the Senator refers as existing between the construction of State highway systems and the construction of airports which are more related to interstate commerce traffic, it seems to me, than they are to intrastate traffic. I am very favorable to the development of intrastate air traffic. We are making an effort along that line in my State, and other States are doing the same. I do not think a highway system or any other particular system can be put on all-fours with the air-line and airport development to which we are now giving our attention.

I think it would be most unfortunate for any town or city, whether it be Detroit, Louisville, Cleveland, St. Louis, or any other important place which was willing and able to go forward with an airport program for itself, to be told by the State authority, "You are able and willing to do that, but we will not let you have any funds out of the 35-percent allocations." That might be the result of the Senator's amendment.

Mr. BREWSTER. I should like to comment upon the statement of the Senator from Kentucky whose views I naturally respect. I believe that his characterization of the State highway and Federal-aid program referred to the early inception of it. I have no doubt that, as the result of the long experience of the Senator from Kentucky here in the Senate, he has overlooked the fact that while in the early stages the program was on a county basis, that basis was very quickly overrun. In recent years, at least during the past 2 decades, the whole emphasis has been on the development of Nation-wide highways, and we have route 1, running from Maine to Florida. We have other routes running through various sections of the country. There is the great Lincoln Highway running through Kentucky to the west coast. The whole emphasis of the Federal program has been placed on the development of great interstate highways.

Mr. BARKLEY. In my State we have been discussing for the past 2 or 3 years a construction program for superhighways within the State, but we have not yet begun it.

Mr. BREWSTER. Federal-State aid to highways has been developed, and during the past 20 years, as I have had occasion to know, the great Federal routes numbering from 1 to 100 are entirely Federal highways as distinct from intrastate highways.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. CORDON. In presenting the typical case of Kentucky, referring to the three cities therein which have plans for the larger type airports, and raising the objection that under the proposed amendment a dozen other State agencies of his State might prohibit the construction of those airports and not use the funds therefor, I am wondering if the senior Senator from Kentucky has fully considered what would happen under the bill if it be not amended. Under the bill as it stands there is no requirement that any money whatever be expended in his State or any other State, so far as the 35-percent allocation is concerned. That allocation is made by the Federal Government without respect to any apportionment among States. Under the amendment it is initially apportioned to States, and if they do not use it within a year, it may revert to the Treasury. That is my understanding of the amendment as it stands. All the money is apportioned to States.

Mr. BREWSTER. No.

Mr. CORDON. I should like to be corrected if my statement is wrong.

Mr. BREWSTER. If the Senator will look on page 2 of the amendment, under allocations, he will see that the 65 percent is apportioned to the several States on the basis of population and area. The remaining 35 percent of the Federal fund available for grants during the

years is to be apportioned to State airport agencies to pay the pro rata share of the United States as the Administrator may deem most appropriate for carrying out the national airport plan. So that the Federal authorities still retain the right of allocation among the several States, recognizing that in the construction of the larger airports, as mentioned here, for Michigan, for instance, to cost $10,000,000, the funds will not be adequate to the care of more than a few of the larger airports during that period, and the amount of the funds will determine the work to be done.

Mr. CORDON. If that be the purpose of the amendment, and if the amendment be adopted, the Administrator of the Civil Aeronautics Authority will still retain the right to allocate the 35 percent in toto to one airport, if in his discretion that is preferable, and will be in the interest of a national airport plan.

Mr. BREWSTER. That is possible.

Mr. BURTON. But, as has been repeatedly pointed out, subject to the authorization of the Congress.

Mr. CORDON. That authorization is necessary only under the original bill, and not under the amendment, as I understand.

Mr. CHANDLER. Mr. President, will the Senator from Maine yield?

Mr. BREWSTER. I yield.

Mr. CHANDLER. Presumably we are undertaking to establish a national airport program. We are going to establish one that will be just and fair, we hope, to all the people of the country. It seems to me that unless we establish it by making direct contact with the States, we will invite failure at the start.

I find myself in sharp disagreement with my colleague on that point. There might have been some excuse in wartime, when we were all under pressure, to have large cities which needed airports in a hurry rush in and not go to the States, because the States did not have a program, not having foreseen the emergency. But now we are planning for peace. There is no emergency or urgency, except to establish a sensible and sound airport program for the United States and for its people.

In my opinion there will happen what happened to the city of Cincinnati. The people failed to vote a bond issue, and the airport which had been planned for was built in my county in Kentucky, Boone County. That was merely because the city of Cincinnati failed to vote a bond issue.

It seems to me that the Senate, in undertaking to arrange for the expenditure of a billion dollars over a period of 5 years, which will afford some employment, and will result in the building of new airports and the reconditioning of old airports, should first require each State to make for itself a sensible airport program, before the Government goes into it at all.

Presumably the elected Governor of a State and the officials are duty bound to find where in all the State an airport presently located needs repairs, and where one should be built in the future for the benefit of the people.

I repeat, any other plan would have the cities, with their organizations, coming to Washington and buttonholing all the officials, trying to get projects of their own, a selfish proposition, and not in the interest of the whole people. The Congress should provide for an unselfish program, which, in the opinion of all concerned, after certain plans were made, would definitely establish an airport program for the people of the United States which, in justice to all of them, would best serve the wishes and needs of the people of this country.

For these reasons I shall support the amendment offered by the Senator from Maine.

Mr. McCARRAN. Mr. President, I have prepared a statement of the effect of the amendment proposed by the Senator from Maine [Mr. BREWSTER]. I ask unanimous consent that the statement may be printed at this point in the RECORD so that the Members of the Senate may have an opportunity to read it during the recess of the Senate.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

This amendment would eliminate all participation in the airport program by municipalities or other political subdivisions of States, except to the extent that a State airport agency might be willing to act for and on behalf of a municipality or other political subdivision.

It eliminates the requirement that a State shall have adequate legislation to enable its political subdivisions to participate in the benefits of the program.

It eliminates the provision for congressional review of allotments for the construction of class 4 and larger airports."

It limits the amount which may be spent on class 3 and smaller airports to 65 percent of total funds appropriated, whereas the bill as reported makes this the minimum percentage to be expended on smaller airports and leaves the way open for expenditure of a larger proportion of appropriated funds on such airports.

It eliminates the legislative yardstick to guide selection of the class 4 and larger projects to which funds are to be allotted and leaves the selection of such projects wholly discretionary with the Administrator of Civil Aeronautics.

It provides for allocation of funds only to State airport agencies. A state which does not have a State airport agency would have to take legislative action to create such an agency before it could participate in the program.

By restricting project sponsorship to State airport agencies, this amendment would make it impossible for a Federal agency to sponsor a project, and therefore would operate to eliminate any project on Federal reservations, such as national parks or national forests.

The amendment eliminates the prohibition against diversion of revenue from aviation taxes to nonaviation uses, and in this respect departs from the precedent set in the Federal-Aid Highway Act.

It eliminates the authority of the Administrator to enter into enforceable contracts with States for the purpose of insuring compliance with project sponsorship requirements.

It eliminates authority for Federal condemnation of land for airports, when such condemnation is requested by the project sponsor.

Finally, it would limit the construction of class 4 and larger airports to urban areas.

VISIT TO THE SENATE OF GEN. JONATHAN MAYHEW WAINWRIGHT

Mr. BARKLEY. Mr. President, in view of the approaching visit of General Wainwright, distinguished military hero, perhaps we should suspend consideration of the pending bill and have a quorum call so that all Senators may be present. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Andrews	Hart	O'Daniel
Bailey	Hatch	O'Mahoney
Ball	Hayden	Overton
Barkley	Hickenlooper	Radcliffe
Bilbo	Hill	Reed
Brewster	Hoey	Revercomb
Briggs	Johnson, Colo.	Robertson
Brooks	Johnston, S. C.	Russell
Buck	Kilgore	Saltonstall
Burton	Knowland	Smith
Byrd	La Follette	Stewart
Capper	Lucas	Taft
Carville	McCarran	Taylor
Chandler	McClellan	Thomas, Okla.
Connally	McFarland	Thomas, Utah
Cordon	McKellar	Tunnell
Donnell	McMahon	Vandenberg
Downey	Magnuson	Wagner
Ellender	Maybank	Walsh
Ferguson	Mead	Wherry
Fulbright	Millikin	White
George	Moore	Wiley
Gerry	Morse	Young
Guffey	Murdock	

The PRESIDENT pro tempore. Seventy-four Senators having answered to their names, a quorum is present.

Mr. MAGNUSON. Mr. President, in a few moments the Senate will do honor to a great American general, and it is right that it should. But the Senate also does honor to my own State in paying General Wainwright the honor he so richly deserves. General Wainwright is a resident of the State of Washington. He was born in the southeastern corner of the State, in a town called Walla Walla, and still maintains his residence in the State of Washington.

I can say to my colleagues in the Senate that the people of that State today join with the entire Nation in paying this tribute of honor to their native son and one of the great heroes of this war.

Mr. BARKLEY. Mr. President, after conferring with the Senator from Nevada [Mr. McCARRAN] and other Senators, it is desired that following the ceremonies of the reception to General Wainwright, the Senate recess until tomorrow and not resume consideration of the pending bill until tomorrow. Therefore, it is my purpose to ask that as soon as the Wainwright ceremonies are concluded the Senate stand in recess until 12 o'clock tomorrow.

In the meantime, however, I ask unanimous consent that the Chair appoint a committee of five Senators to wait on General Wainwright and to accompany him into the Chamber. It is my understanding, subject to General Wainwright's wishes, that he may make some brief remarks to the Senate upon his arrival in the Senate Chamber, following which he will take his place in front of the desk in order to give to Senators an opportunity to shake hands with him and to greet him in person.

The PRESIDENT pro tempore. May the Chair make a suggestion to the Senator from Kentucky?

Mr. BARKLEY. Certainly.

The PRESIDENT pro tempore. Would the Senator from Kentucky object to

making the membership of the committee six?

Mr. BARKLEY. Certainly not.

The PRESIDENT pro tempore. The Chair suggests the inclusion of the Senator from Washington [Mr. MAGNUSON] who represents General Wainright's home State.

Mr. BARKLEY. I amend my request to that extent, Mr. President. I thank the President pro tempore for his suggestion.

The PRESIDENT pro tempore. Without objection, the Chair appoints as the committee of Senators to escort General Wainright into the Senate Chamber the Senator from Kentucky [Mr. BARKLEY], the Senator from Maine [Mr. WHITE], the Senator from Utah [Mr. THOMAS], the Senator from Texas [Mr. CONNALLY], the Senator from Michigan [Mr. VANDENBERG], and the Senator from Washington [Mr. MAGNUSON].

CONFIRMATION OF NOMINATIONS TO FEDERAL DEPOSIT INSURANCE CORPORATION BOARD

Mr. BARKLEY. Mr. President, I am reminded of the fact that there are two nominations on the Executive Calendar, those of Leo T. Crowley, of Wisconsin, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation, and Phillips Lee Goldsborough, of Maryland, to be a member of the same board. Inasmuch as their terms have expired, I ask unanimous consent, as in executive session, that the two nominations may be considered and acted upon. They are both reappointments.

The PRESIDENT pro tempore. Is there objection to the present consideration of the two nominations on the Executive Calendar? The Chair hears none, and the clerk will state the nominations.

The Chief Clerk read the nominations of Leo T. Crowley of Wisconsin, and Phillips Lee Goldsborough, of Maryland, each to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term of 6 years from September 6, 1945.

The PRESIDENT pro tempore. Without objection, as in executive session, the two nominations are confirmed, and, without objection, the President will be immediately notified.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Oscar Henry Doyle, of South Carolina, to be United States attorney for the western district of South Carolina; and

Claude N. Sapp, of South Carolina, to be United States attorney for the eastern district of South Carolina.

Mr. WALSH, from the Committee on Naval Affairs:

Vice Adm. Louis E. Denfeld, United States Navy, to be Chief of the Bureau of Naval Personnel and Chief of Naval Personnel, for a term of 4 years, effective from the 15th day of September 1945; and

Brig. Gen. Archie F. Howard to be a major general in the Marine Corps for temporary service from the 26th day of July 1945.

CLAIMS CONVENTION WITH NORWAY—REMOVAL OF INJUNCTION OF SECRECY FROM CONVENTION

Mr. CONNALLY. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive G, Seventy-ninth Congress, 1st session, the Convention between the United States of America and Norway, signed at Washington on March 28, 1940, providing for the disposition of a claim of the government of Norway against the government of the United States on behalf of Christoffer Hannevig, a Norwegian subject, and a claim of the government of the United States against the government of Norway on behalf of the late George R. Jones, an American citizen.

The PRESIDENT pro tempore. Without objection, the injunction of secrecy will be removed from the convention and it will be published in the Record.

The convention is as follows:

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND NORWAY SIGNED MARCH 28, 1940

Whereas the Government of Norway has made claim against the Government of the United States of America on account of damages alleged to have been sustained by Christoffer Hannevig as the result of acts of the Government of the United States of America, the United States Shipping Board Emergency Fleet Corporation, their officers and agents, in relation to certain properties in the United States of America in which he claims to have had an interest, the validity of which claim is denied by the Government of the United States of America.

Whereas the Government of the United States of America has made claim against the Government of Norway on account of alleged denial of justice by the courts of that country in connection with certain litigation involving the rights and interests of the George R. Jones Company, or the late George R. Jones, the validity of which claim is denied by the Government of Norway.

Whereas the President of the United States of America and His Majesty the King of Norway, desirous of reaching an amicable agreement for the disposition of such claims and of concluding a convention for that purpose, have named as their plenipotentiaries, that is to say:

The President of the United States of America:

Cordell Hull, Secretary of State of the United States of America; and

His Majesty the King of Norway:

Wilhelm Munthe Morgenstierne, Envoy Extraordinary and Minister Plenipotentiary of Norway to the United States of America;

Who, having communicated to each other their respective full powers, found in good and due form, have agreed upon the following articles:

ARTICLE I

First. Within one year from the date of the exchange of ratifications of this convention, the Agent for the Government of Norway shall present to the Agent for the Government of the United States of America a Memorial or a statement of claim in which shall be set forth in a clear, categorical and full manner:

(a) the precise items of alleged loss or damage composing the claim on behalf of Christoffer Hannevig as they are finally conceived to be by the Government of Norway, indicating definitely the amount of each separate item thereof;

(b) the facts alleged in support of each such item of the claim;

(c) the principles of law upon which each item of the claim is alleged to rest.

Such Memorial shall be accompanied by all the evidence upon which all items of the claim are made to rest, it being clearly understood that no further evidence may be submitted in support of the claim, either during the stage hereinafter provided for its diplomatic consideration or during its possible adjudication, except such rebuttal evidence as is referred to hereinafter.

Second. Within one year from the date of the receipt by the Agent for the Government of the United States of America of the Memorial of the Government of Norway, he shall present to the Agent for the latter an Answer to the Memorial, in which shall be set out, in a similarly clear, categorical and full manner:

(a) the defenses of the Government of the United States of America to each item of the claim;

(b) the facts upon which such defenses rest;

(c) the principles of law relied upon in each instance.

To such Answer there shall be attached all of the evidence upon which the defense of the case shall be made to rest and no further evidence shall be filed in defense, either during the stage of diplomatic consideration or during a possible adjudication of the claim, except such rebuttal evidence as is referred to hereinafter.

Third. Within six months from the date of the receipt of the Answer of the Government of the United States of America, the Agent for the Government of Norway may, if he so desires, file a Reply to such Answer. In such Reply the Government of Norway, without being allowed to augment or change any of the bases of the claim as stated in its Memorial, may explain such alleged bases in the light of the evidence filed with the Answer.

There may be filed with the Reply only such evidence as is strictly in rebuttal to evidence filed with the Answer and as does not present any new bases of claim. Any such evidence filed which is not strictly in rebuttal to the evidence filed with the Answer shall be entirely disregarded in deciding the case.

Fourth. Within six months from the date of the receipt of the Reply of the Government of Norway, the Agent for the Government of the United States of America may, if he so desires, file a Counter-Reply, which Counter-Reply shall be strictly limited to answering contentions advanced in the Reply.

There may be filed with the Counter-Reply only such evidence as is strictly in rebuttal to evidence filed with the Reply. Any such evidence filed which is not strictly in rebuttal to the evidence filed with the Reply shall be entirely disregared in deciding the case. It is understood that no evidence may thereafter be submitted in support of or in defense of the claim, either during the period of its diplomatic consideration or during its possible adjudication.

Fifth. Within six months from the date of the receipt of the Counter-Reply of the Government of the United States of America, the Agent for the Government of Norway shall file with the Agent for the Government of the United States of America a legal Brief in which the Claimant Government shall set forth with clarity and fullness all its contentions with respect to the factual bases of the claim as already developed and the law applicable thereto.

Sixth. Within six months from the date of the receipt of the Brief of the Government of Norway, the Agent for the Government of the United States of America shall file with the Agent for the Government of Norway a

Reply Brief in which the Respondent Government shall set forth with clarity and fullness all its contentions with respect to the factual defenses of the claim and the law applicable thereto.

It is declared to be the purpose of this Article to require a full, systematic and fair development of all the facts and law of the case for consideration by the two Governments and, if necessary, by the tribunal or tribunals.

ARTICLE II

In the event that the two Governments shall be unable to agree upon a disposition of the claim, or any portions thereof, within the six months next succeeding the filing of the Reply Brief of the Government of the United States of America, the pleadings thus exchanged shall be referred to the Court of Claims of the United States of America for a decision on the claim or any such unsettled portions thereof, it being clearly understood, however, that in no event shall the issues of the case, either factual or legal, or the contentions of either party, as submitted to diplomatic discussion, be changed in character, or the written record above described augmented in any manner in the event that the claim shall be so referred to the Court of Claims for adjudication.

It is understood that the provisions for possible reference of the case to the Court of Claims, and for possible appeal to the Supreme Court of the United States of America, as provided in Article V hereof, are subject to authorization by the Congress of the United States of America.

ARTICLE III

The issues to be decided by the Court of Claims shall be those formulated by the pleadings exchanged pursuant to Article I of this convention, or such of those issues as shall not have been previously settled by agreement of the two Governments.

The Court of Claims shall decide such issues in conformity with applicable law, including international law, and shall state fully the reasons for its decision.

ARTICLE IV

As soon as possible after the receipt of the above-mentioned pleadings by the Court of Claims, the Court shall convene for the purpose of hearing such oral arguments by Agents or Counsel or both for each Government as the respective Agents thereof shall desire to present. The conduct of the oral proceedings shall otherwise be under the control of the Court.

ARTICLE V

Within three months following the date of the decision of the Court of Claims (in the event the case shall be referred to the Court for adjudication), either or both Governments may petition the Supreme Court of the United States of America to review the decision and such review shall comprehend either the factual or the legal bases of the case, or both, as may be requested in the petition or petitions.

ARTICLE VI

In the absence of such a petition to the Supreme Court the decision of the Court of Claims shall be accepted by both Governments as a final and binding disposition of the case. In the event of such a petition to the Supreme Court its decision shall be accepted by the two Governments as a final disposition of the case.

ARTICLE VII

In the event that an award is finally rendered in favor of the Government of Norway, no part thereof shall be paid or credited to that Government for any purpose whatsoever until the claims of creditors of Christoffer Hannevig and of his various American corporations shall have been settled by an agreement between the two Governments.

ARTICLE VIII

The language of the pleadings and of the oral proceedings shall be English. Any evidence submitted in any language other than English shall be accompanied by a full and correct translation thereof into the English language.

ARTICLE IX

The two Governments agree that the claim of the Government of the United States of America against the Government of Norway on behalf of the George R. Jones Company, the late George R. Jones, or his heirs, successors or assigns shall be developed for consideration in the following manner:

(a) the pleadings shall be limited to four in number, namely, a Memorial, an Answer, a Brief, and a Reply Brief, and they shall be prepared in the same manner, and filed within the same time limits as the corresponding pleadings provided for in Article I of this convention:

(b) all evidence in support of and in defense of the claim shall be filed with the Memorial and with the Answer in the manner prescribed in Article I, and no further evidence shall be filed except that such evidence may be filed with the Brief as is strictly in rebuttal to that filed with the Answer.

ARTICLE X

If the two Governments shall be unable to agree upon the settlement of the Jones case within the six months next succeeding the date upon which the Reply Brief shall have been filed in that case, the pleadings shall be referred by means of a joint communication of the two Agents, to a sole Arbitrator for decision. The Arbitrator, who shall be agreed upon by the two Governments, shall be a jurist of high reputation, well versed in international law, and shall be a national of neither Norway nor the United States of America.

In the event of the inability of the two Governments to agree upon an Arbitrator within two months from the termination of the period last above mentioned, such Arbitrator shall be selected by His Majesty the King of Great Britain, Ireland and the British Dominions beyond the Seas, Emperor of India.

The place of arbitration of the Jones case (in the event that arbitration becomes necessary) shall not be within the territorial jurisdiction of either of the contracting parties.

In the matter of the conduct of oral proceedings, the Arbitrator shall be bound by the principles of Article IV of this convention. The decision of the Arbitrator, which shall be rendered within three months from the conclusion of oral proceedings, shall be accepted by the two Governments as a final and conclusive disposition of the Jones case.

ARTICLE XI

Each Government shall pay all expenses incident to the preparation and presentation of its own side of each case. All joint expenses, including the honorarium for the Arbitrator, shall be borne by the two Governments in equal proportions.

ARTICLE XII

The periods of time mentioned in Articles I and IX of this convention may be extended by mutual agreement of the two Governments.

ARTICLE XIII

This convention shall be ratified by the High Contracting Parties and shall take effect immediately upon the exchange of ratifications which shall take place at Washington as soon as possible.

In witness whereof, the respective plenipotentiaries have signed this convention and have hereunto affixed their seals.

Done in duplicate at Washington, this twenty-eighth day of March, 1940.

[SEAL] CORDELL HULL.

[SEAL] W. MUNTHE MORGENSTIERNE.

RECESS

Mr. BARKLEY. Mr. President, I ask unanimous consent that the Senate now stand in recess, and that following the ceremonies incident to the reception of General Wainwright, the Senate take a recess until 12 o'clock noon tomorrow.

There being no objection, the Senate (at 2 o'clock and 58 minutes p. m.) stood in recess.

RECEPTION TO GENERAL WAINWRIGHT

During the recess, General Jonathan M. Wainwright, escorted by the committee appointed by the President pro tempore, consisting of Mr. BARKLEY, Mr. WHITE, Mr. CONNALLY, Mr. VANDENBERG, Mr. THOMAS of Utah, and Mr. MAGNUSON, and accompanied by Brig. Gen. Lewis C. Beebe, Lt. Col. John R. Pugh, Maj. Thomas Dooley, Technical Sgt. Herbert Carroll, Comdr. Jonathan M. Wainwright 5th, and Col. S. L. Huff, General MacArthur's representative, preceded by the Sergeant-at-Arms of the Senate (Wall Doxey) and the Sergeant-at-Arms of the House of Representatives (Kenneth Romney), entered the Chamber.

General Wainwright and the members of the committee proceeded to the seats assigned them immediately in front of the desk of the President pro tempore.

The PRESIDENT pro tempore. Members of the Senate, General Wainwright. [Prolonged applause, Senators and guests of the Senate rising.]

ADDRESS BY GEN. JONATHAN M. WAINWRIGHT

General WAINWRIGHT. Mr. President and Members of the Senate, I want to express to you the deep gratitude which I and my comrades feel for the honor you have conferred in bringing us here today. Since the hour when we were restored to our countrymen in Chungking we have been overwhelmed with kindness and consideration on every hand. It has been a moving experience. It has been such a spontaneous welcome as only the warmth of America could bring forth.

Through it all has run the sadness of remembering the brave men who fell in battle and those who died in foul prison camps of their captors' cruelty and neglect. It is a pitiful story, gentlemen. Some of it has already been told. I hope it may some day be revealed in all its ghastly detail. The American people must realize fully the nature of the enemy whom we knew so well. Only on a just consideration of his nature as it was revealed to us will we be able to decide such measures as must be taken to insure the future security of our country from his lust for power.

I am still living in a world of wonder. Out there in the Pacific since my liberation I have seen the strength of an aroused America arrayed against the Japanese. It has been a pleasant sight. You will understand, I feel sure, if I say that I gloried in it and in the humiliation of the Japanese leaders who surrendered abjectly on the deck of the battleship *Missouri*. [Applause.] Nothing could have moved me more than the invitation to be present at those ceremonies, and I hold as one of my treasured possessions the pen which General MacArthur first

touched to the document of surrender. [Applause.]

Later I had an almost more personal triumph when I stood at Baguio, on Luzon, while General Yamashita surrendered all the remaining Jap forces in the Philippines. My only regret was that General Homma could not have been present. [Applause.] It was to him that I was forced to surrender the remnants of the gallant American Army which had fought him on Bataan and Corregidor.

It is good to stand on American soil again and, in this Chamber, to thank you and the American people for all you have done to welcome us back. Through these receptions and ceremonies we realize how well you remembered us during the bleak years when we were allowed no word of your warmth and anxiety. In the name of all my comrades, I thank you.

Following his address, General Wainwright was escorted to a position on the floor of the Senate and was there greeted by Members of the Senate, who were introduced to him by Mr. BARKLEY.

Following the informal reception General Wainwright and the distinguished visitors accompanying him were escorted from the Chamber.

RECESS

Following the recess and the reception to General Wainwright, the Senate (at 3 o'clock and 15 minutes p. m.), under the order previously entered on request of Mr. BARKLEY, took a recess until tomorrow, Tuesday, September 11, 1945, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate September 10, 1945:

THE JUDICIARY

William E. Orr, of Nevada, to be judge of the United States Circuit Court of Appeals for the Ninth Circuit, vice Hon. Curtis D. Wilbur, retired.

Hon. Delbert E. Metzger, of Hawaii, to be United States district judge for the district of Hawaii. (Judge Metzger is now serving in this office under an appointment which expired August 5, 1945.)

Ben H. Rice, Jr., of Texas, to be United States district judge for the western district of Texas, vice Hon. Walter A. Keeling, deceased.

Martin Pence, of Hawaii, to be a judge of the third circuit, circuit courts, Territory of Hawaii, vice Hon. Ray J. O'Brien, resigned.

UNITED STATES ATTORNEYS

Thomas J. Morrissey, of Colorado, to be United States attorney for the district of Colorado. (Mr. Morrissey is now serving in this office under an appointment which expired July 23, 1945.)

George Earl Hoffman, of Florida, to be United States attorney for the northern district of Florida. (Mr. Hoffman is now serving in this office under an appointment which expired July 23, 1945.)

Herbert S. Phillips, of Florida, to be United States attorney for the southern district of Florida. (Mr. Phillips is now serving in this office under an appointment which expired June 26, 1944.)

John P. Cowart, of Georgia, to be United States attorney for the middle district of Georgia, vice Hon. T. Hoyt Davis, resigned.

John A. Carver, of Idaho, to be United States attorney for the district of Idaho. (Mr. Carver is now serving in this office under an appointment which expires July 23, 1945.)

B. Howard Caughran, of Indiana, to be United States attorney for the southern district of Indiana. (Mr. Caughran is now serving in this office under an appointment which expired February 20, 1945.)

Malcolm E. Lafargue, of Louisiana, to be United States attorney for the western district of Louisiana. (Mr. Lafargue is now serving in this office under an appointment which expired May 17, 1945.)

David E. Henderson, of North Carolina, to be United States attorney for the western district of North Carolina, vice Theron Lamar Caudle, resigned.

Whitfield Y. Mauzy, of Oklahoma, to be United States attorney for the northern district of Oklahoma. (Mr. Mauzy is now serving in this office under an appointment which expires October 30, 1945.)

Henry L. Hess, of Oregon, to be United States attorney for the district of Oregon, vice Carl C. Donaugh, term expired.

Joseph A. McNamara, of Vermont, to be United States attorney for the district of Vermont. (Mr. McNamara is now serving in this office under an appointment which expired July 3, 1945.)

UNITED STATES MARSHALS

Edward B. Doyle, of Georgia, to be United States marshal for the middle district of Georgia. (Mr. Doyle is now serving in this office under an appointment which expires July 23, 1945.)

Joseph Henry Young, of Georgia, to be United States marshal for the southern district of Georgia. (Mr. Young is now serving in this office under an appointment which expired June 3, 1945.)

H. Chess Richardson, of Louisiana, to be United States marshal for the eastern district of Louisiana. (Mr. Richardson is now serving in this office under an appointment which expired May 17, 1945.)

Louis E. LeBlanc, of Louisiana, to be United States marshal for the western district of Louisiana. (Mr. LePlanc is now serving in this office under an appointment which expired May 17, 1945.)

Granville T. Norris, of Oklahoma, to be United States marshal for the eastern district of Oklahoma. (Mr. Norris is now serving in this office under an appointment which expired May 12, 1945.)

Dave E. Hilles, of Oklahoma, to be United States marshal for the western district of Oklahoma. (Mr. Hilles is now serving in this office under an appointment which expired February 28, 1945.)

Stanford C. Stiles, of Texas, to be United States marshal for the eastern district of Texas. (Mr. Stiles is now serving in this office under an appointment which expired February 28, 1945.)

Guy McNamara, of Texas, to be United States marshal for the western district of Texas. (Mr. McNamara is now serving in this office unde an appointment which expired July 3, 1945.)

CALIFORNIA DEBRIS COMMISSION

Brig. Gen. Philip G. Bruton, Corps of Engineers, United States Army, for appointment as President, California Debris Commission provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," vice Col. Edwin C. Kelton, Corps of Engineers, to be relieved.

Col. Lester F. Rhodes, Corps of Engineers, United States Army, for appointment as member and secretary of the California Debris Commission provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," vice Col. Robert C. Hunter, Corps of Engineers, to be relieved.

TEMPORARY APPOINTMENTS IN THE ARMY OF THE UNITED STATES

To be major generals

Brig. Gen. Clarence Lionel Adcock (lieutenant colonel, Corps of Engineers), Army of the United States.

Brig. Gen. Albert Francis Hegenberger, (lieutenant colonel, Air Corps; temporary colonel, Air Corps), Army of the United States.

Brig. Gen. Wallace C. Philoon (colonel, Infantry), United States Army.

To be brigadier generals

Col. Edward Allen Noyes, Medical Corps.

Col. Winfred George Skelton (lieutenant colonel, Infantry), Army of the United States.

Chaplain (Col.) William Donoghue Cleary, United States Army.

Col. James Keller Herbert (captain, Corps of Engineers), Army of the United States.

Col. Erle Oden Sandlin (lieutenant colonel, Infantry), Army of the United States.

Col. Luther Remi Moore, Medical Corps.

Col. Robert Kinder Taylor (major, Air Corps; temporary lieutenant colonel, Air Corps; temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. Sidney Lovett Chappell, Medical Corps.

Col. Robert Morris Hardaway, Medical Corps.

Col. James Dennett McIntyre (lieutenant colonel, Ordnance Department), Army of the United States.

Col. Clyde McKay Beck, Medical Corps.

To be major generals

Brig. Gen. Ralph Maxwell Immell (brigadier general, Adjutant General's Department, National Guard of the United States), Army of the United States.

Brig. Gen. Carl Raymond Gray, Junior (colonel, Corps of Engineers Reserve), Army of the United States.

Brig. Gen. Frank Edward Lowe (colonel, Field Artillery Reserve), Army of the United States, to rank from Sept. 7, 1943.

To be brigadier generals

Col. Edward Sedley Bres, Corps of Engineers Reserve.

Col. Donald Bennett Adams (lieutenant colonel, Corps of Engineers Reserve), Army of the United States.

Col. George Abbott Brownell (temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. William Claire Menninger, Army of the United States.

Col. Luther Lyons Hill (temporary colonel, Army of the United States, Air Corps), Army of the United States.

Col. James Fenton McManmon (temporary colonel, Army of the United States, Air Corps), Army of the United States.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY OF THE UNITED STATES

To Adjutant General's Department

Lt. Col. Joseph Magoffin Glasgow, Cavalry (temporary colonel), with rank from December 11, 1942.

To Quartermaster Corps

Maj. Paul Leroy Carroll, Infantry (temporary colonel), with rank from June 12, 1943.

First Lt. Amos George Johnson, Infantry (temporary lieutenant colonel), with rank from July 1, 1941.

To Finance Department

Capt. James Francis Stroker, Field Artillery (temporary colonel), with rank from June 11, 1941.

To Ordnance Department

Lt. Col. Shirley Wiggins McIlwain, Quartermaster Corps (temporary colonel), with rank from August 18, 1940.

To Field Artillery

Capt. Bernard Sanders Waterman, Coast Artillery Corps (temporary colonel), with rank from June 12, 1945.

Second Lt. Alan Lyon Partridge, Infantry (temporary first lieutenant), with rank from June 6, 1944.

Second Lt. Paul James Reinhalter, Coast Artillery Corps (temporary first lieutenant), with rank from June 1, 1943.

To Infantry

First Lt. James Moore Boyd, Air Corps (temporary major), with rank from July 1, 1944.

First Lt. Robert Jerome Delaney, Coast Artillery Corps (temporary major), with rank from June 11, 1943.

First Lt. Philip Martin Royce, Coast Artillery Corps (temporary major), with rank from June 12, 1942.

First Lt. Joel Terry Walker, Coast Artillery Corps (temporary lieutenant colonel), with rank from June 12, 1942.

To Air Corps

Lt. Col. Tom Christopher Rives, Signal Corps (temporary brigadier general), with rank from August 7, 1940.

Capt. William Fulton McKee, Coast Artillery Corps (temporary brigadier general), with rank from June 13, 1939.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

To be colonels with rank from August 1, 1945

Lt. Col. Howard J. Houghland, Air Corps (temporary colonel).

Lt. Col. John Lawrence Dunn, Infantry (temporary colonel).

Lt. Col. James Gregory Monihan, Cavalry (temporary colonel), subject to examination required by law.

To be captains with rank from August 1, 1945

First Lt. Opal Ellis Henderson, Air Corps (temporary colonel).

First Lt. Daniel Ira Moler, Air Corps (temporary colonel).

First Lt. Lawrance Owen Brown, Air Corps (temporary colonel).

First Lt. Henry Bishop Fisher, Air Corps (temporary colonel).

First Lt. Clayton Baxter Claassen, Air Corps (temporary colonel).

First Lt. William Thomas Hudnell, Jr., Air Corps (temporary colonel).

First Lt. Harold Lawrence Kreider, Air Corps (temporary colonel).

First Lt. John Oman Neal, Air Corps (temporary colonel).

First Lt. Henry Agnew Sebastian, Air Corps (temporary colonel).

First Lt. Harrison Schermerhorn Markham, Chemical Warfare Service (temporary lieutenant colonel).

MEDICAL CORPS

To be majors

Capt. Heinz Kuraner, Medical Corps (temporary lieutenant colonel), with rank from August 5, 1945.

Capt. Emmett Leroy Kehoe, Medical Corps (temporary lieutenant colonel), with rank from August 9, 1945.

Capt. Knox Dunlap, Medical Corps (temporary colonel), with rank from September 1, 1945.

Capt. Stephen Dominic Berardinelli, Medical Corps (temporary lieutenant colonel), with rank from September 2, 1945.

Capt. William Joseph Power, Medical Corps (temporary lieutenant colonel), with rank from September 9, 1945.

Capt. Jacob Rell Till, Jr., Medical Corps (temporary colonel), with rank from September 15, 1945.

Capt. Lawrence Carter Ball, Medical Corps (temporary colonel), with rank from September 18, 1945.

Capt. Richard Leland Bohannon, Medical Corps (temporary lieutenant colonel), with rank from September 22, 1945.

Capt. John Knox Cullen, Medical Corps (temporary colonel), with rank from September 24, 1945.

To be captains

First Lt. John Hawes Amesse, Medical Corps (temporary captain), with rank from August 1, 1945.

First Lt. Harold Victor Ellingson, Medical Corps (temporary major), with rank from August 1, 1945.

First Lt. Joseph Negley Schaeffer, Medical Corps (temporary captain), with rank from August 17, 1945.

First Lt. Alfred Sjouke Blauw, Medical Corps (temporary captain), with rank from September 1, 1945.

DENTAL CORPS

To be colonel

Lt. Col. Albert Fields, Dental Corps (temporary colonel), with rank from August 18, 1945.

To be lieutenant colonel

Maj. Harold George Ott, Dental Corps (temporary colonel), with rank from August 18, 1945.

VETERINARY CORPS

To be lieutenant colonels

Maj. Verne Clifford Hill, Veterinary Corps (temporary lieutenant colonel), with rank from August 19, 1945.

Maj. Elmer William Young, Veterinary Corps (temporary lieutenant colonel), with rank from August 19, 1945.

CHAPLAINS

To be colonels

Chaplain (Lt. Col.) William Roy Bradley, United States Army (temporary colonel), with rank from August 24, 1945.

Chaplain (Lt. Col.) James Lloyd McBride, United States Army (temporary colonel), with rank from August 26, 1945.

Chaplain (Lt. Col.) Mylon Dickinson Merchant, United States Army (temporary colonel), with rank from September 1, 1945.

Chaplain (Lt. Col.) Maurice William Reynolds, United States Army (temporary colonel), with rank from September 8, 1945.

To be major

Chaplain (Capt.) Stanley Joseph Reilly, United States Army (temporary major), with rank from August 21, 1945, subject to examination required by law.

IN THE MARINE CORPS

Col. Samuel L. Howard to be a brigadier general in the Marine Corps, for temporary service, from the 30th day of March 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate September 10, 1945:

MEMBERS OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION (TERMS OF 6 YEARS FROM SEPTEMBER 6, 1945)

Leo T. Crowley
Phillips Lee Goldsborough

HOUSE OF REPRESENTATIVES

MONDAY, SEPTEMBER 10, 1945

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord God of the ages, the eyes of whose glory cannot look upon iniquity, be merciful unto us. Bow down Thine ear and hear us, for we are poor and needy. Grant that our light may never fade into darkness, nor our goodness lose its vitality. With Thy divine presence we pray Thee to magnify Thy grace in us by clothing us with self-restraint, and with true hearts bend ourselves to our country's needs.

We thank Thee for the rejoicing of this day, as the whole aspect of our national life is stirred by the chivalrous deeds of him whom we seek to honor. Through his unyielding devotion to the right, with his intrepid comrades in arms, the discouraged and the broken, the weak and abandoned peoples have become jubilant as they rehearse their hope and faith in the blessings that are to come. In this challenging hour, let us, who have suffered least, in nowise fail them or cease to care for them, but walk with them beneath the burdens they bear. Animate us with the faith of all those heroic souls who made possible the future of our Republic, who transformed cruel defeat into abiding victory. Through Jesus Christ our triumphant Lord. Amen.

The Journal of the proceedings of Thursday, September 6, 1945, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 27. Concurrent resolution to investigate the attack on Pearl Harbor on December 7, 1941, and events and circumstances relating thereto.

VICE ADMIRAL JOHN SIDNEY McCAIN

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, it becomes my sad duty to announce to the House the death of one of Mississippi's most illustrious sons, and one of the great heroes of this war, Vice Admiral John Sidney McCain, who passed away at San Diego, Calif., on Thursday, September 6, and was buried with appropriate honors in Arlington Cemetery this morning.

Admiral McCain was born on August 9, 1884, in Carroll County, Miss. He attended high school at Carrollton, and the University of Mississippi before his appointment to the United States Naval Academy on September 25, 1902, by Senator A. J. McLauren—the first cadet ever appointed by a United States Senator to the Academy. Prior to that time they had been appointed by Representatives in Congress only.

He graduated from the Academy in February 1906, and his first naval duty was on Asiatic service with the U. S. S. *Ohio*, the U. S. S. *Baltimore*, and the U. S. S. *Panay*—that famous gunboat which was sunk by the Japs early in this war, while the Japanese were fighting China alone.

Admiral McCain served with distinction in the First World War.

He became an aviator at the age of 52, and in the present war led the Navy's air forces to smashing victories over Japan.

His planes knocked out 6,000 Jap aircraft, and destroyed 2,000,000 tons of shipping, including approximately 100 warships.

During that time he was under terrific strain from constant combat service, which accounts for his sudden death on last Thursday.

He witnessed the surrender of Japan, and therefore died at the very peak of his glorious career, just as he had returned to his native soil to receive the acclaim of a grateful Nation.

Admiral Halsey said:

With the death of John Sidney McCain America has lost a great man—one with the heart of a lion—whose courage and ability stood us in good stead when we needed it most.

As a magnificent naval leader he contributed beyond any measuring to the victory we enjoy today. For myself I can only say that I have lost a great and good friend.

Admiral McCain's personal physician said:

He gave his life for his country.

Thus, in the hour of victory, in the moment of his greatest triumph, Admiral McCain passed to the Great Beyond.

He will go down in history as one of the greatest naval heroes of all time, and his name will forever be enshrined in the hearts of a grateful people.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, in the death of Vice Admiral McCain the people of the United States have sustained one of those losses that might well be termed irreparable. Admiral McCain was a son of Mississippi, but he was just as much a son of Massachusetts or any one of the other 48 sovereign States as of the State in which he was born.

Admiral McCain, as the gentleman from Mississippi who preceded me well said, was one of the outstanding naval heroes of our country's history. He had a fighting heart. A look at his face would convince anyone that he was meeting a man who had a fighting heart. It was my pleasure to meet Admiral McCain about a year and a half ago at an informal dinner and to sit alongside of him for about 3 hours. That experience and that opportunity left an impression upon me that will never leave my mind. I benefited from the talk that I had during that period with the late Vice Admiral McCain. I learned a lot from him. I followed his career closely.

When I read of his death I felt, in addition to the great loss that our country has sustained, that I had suffered a personal loss. This fighting son of Mississippi, this great American, will be remembered in the annals of American history for generations to come, not as one of the outstanding naval heroes of the present war but one of the outstanding heroes of all times and of all branches of service in our American history. To those he has left behind, I extend my deep sympathy, and I know that in expressing my thoughts as I have today that I also express the sentiment of every Member of this body.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, when Vice Admiral McCain on September 2 watched the Japanese delegates sign the instrument of unconditional surrender on the battleship *Missouri* in Tokyo Bay he stood at the climax of his notable career. It was the day he long had sought and mourned because he found it not. His associates knew that continuous combat was taking a terrific physical toll. Only his indomitable will enabled him to witness the surrender which had been compelled largely by the daring and flashing spearhead of his famous Carrier Task Force 38.

For 3 months he had blasted and raided the Japanese in their home waters. His planes had knocked out 6,000 Nipponese aircraft and 2,000,000 tons of shipping, including approximately 100 warships, and thus practically drove the Japanese from the air and from the sea. There was but little left of either the Japanese Air Force or of the once Imperial Japanese Navy.

His prior achievements had been remarkable. From October 30, 1944, to January 26, 1945, his task force had sunk or damaged 298 merchantmen totaling 995,100 tons; 101 cruisers, destroyers, and destroyer escorts totaling 147,000 tons; and another 20,000 tons of small craft, aggregating 1,162,500 tons, and had destroyed or damaged in the same time 2,962 Japanese aircraft.

He was awarded the Navy Cross for extraordinary heroism and a Gold Star in lieu of a second Distinguished Service Medal. He was given a rest. He returned to the command of Task Force 38 in the middle of the fierce Okinawa campaign. He destroyed the kamikaze bases, protected Okinawa, and smashed Japan itself. He shared with Admiral Mitscher the well-deserved fame as the world's greatest carrier strategist.

He flew from the ceremonies of surrender to the United States, and shortly after his arrival at San Diego, Calif., on Thursday, September 6, he died at the age of 61 from sheer exhaustion from combat duty at the very pinnacle of one of the most brilliant careers in the history of the American Navy.

He was buried with full military honors today in the Arlington National Cemetery. He died as he lived, a hero. The passing of no member of the armed forces in the history of the Republic has evoked such universal tributes to his well-deserved fame and his glorious achievements.

His career was unique. He was appointed from an adjoining district and county to that in which I live to Annapolis in 1902. He was well born. I have known his family for years. They were among the best people of Mississippi. He had a most excellent background. He was a great Mississippian and a great American.

During the First World War he served as an engineer aboard the cruiser *San Diego*, the forerunner of the mighty warship which lead the United States Third Fleet into Tokyo Bay for the surrender. He had been on every type of naval vessel, from destroyer to battleship.

He was wiry of body and quick and brilliant of mind. Ten years after the First World War he foresaw as probably few others the future of aviation in war. He studied aviation. At 52 years of age, as a captain, he won his flight wings at Pensacola. He concentrated on aerial tactics and strategy. When on assignments in Washington he longed for the sea and the sky and combat. His sense of humor, his spirit of adventure, his vigor, his courage, and his bravery made him a great sea and air commander. His task force became the scourge of Japan. His achievements were the final triumph of naval aviation, which he learned late in life, but which he brought so nearly to perfection. He combined the fighting tradition of John Paul Jones with the scientific precision that wins modern battles. He gave his life for his country. The complete fatigue from months of combat was too much for his stout heart. The Navy has lost one of its most famous heroes, and the United States has lost a great son.

We recall his pictures in the public press. He was rather small in stature, but he was tense. His was a fighting face, with eyes, nose, and mouth that portrayed mastery. We speak of the bravery of the lion and the fighting of the hawk. Admiral McCain was as brave as a lion and he was like a hawk in combat. He had the look of a hawk, and in aerial combat he fought like a hawk. He will rank among the famous Americans who have shaped the course of war and of history.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and also that my colleague the gentleman from Mississippi [Mr. ABERNETHY], in whose district the admiral resided, and my other colleagues from Mississippi, be permitted to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

LEAVE OF ABSENCE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the gentleman from Mississippi [Mr. ABERNETHY] be given an indefinite leave of absence due to illness.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

EXTENSION OF REMARKS

Mr. VOORHIS of California asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. KEOGH (at the request of Mr. RABIN) was given permission to extend his remarks in the RECORD and include an editorial.

Mr. HAVENNER asked and was given permission to extend his remarks in the

RECORD in two instances and to include in one a letter from a constituent.

Mr. COCHRAN asked and was given permission to extend his remarks in the RECORD and include a statement issued by the Treasury Department.

DEMOBILIZATION OF THE ARMED FORCES

Mr. HAVENNER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAVENNER. Mr. Speaker, I would like to read to the Members of the House a brief letter from one of my young constituents who is in the Army:

DEAR CONGRESSMAN HAVENNER: Have you heard the latest slogan? I imagine that its reverberations have already reached our governing body. Never before has the meeting of Congress been anticipated with such great anxiety. A continual drone is heard in every Army camp, "Wait until Congress meets, wait until Congress meets." I don't believe our representatives have held their present position of prominence in many a year.

Congress now is in the position to strengthen our democratic principles a thousandfold by establishing itself in the confidence of the masses. Millions of men who knew nothing of Congress sit and wait with expectant anxiety for its meeting. "Congress, this is an opportunity. Seize it."

You know what is expected of you. Settle the discharge system once and for all. See that facts and figures are used, not Army propaganda. We have our Military Affairs Committee. Keep only the men that are absolutely necessary for occupation and for the home Army, but in so doing also consider the peace. We do not want a powerful military clique in this country. History shows you what folly that is.

I for one would like to be discharged, but in all fairness to others let's give it a fair investigation. I place my faith in you. You will determine whether I serve longer or whether I again don my civies. In your judgment, and not the Army's, lie my hopes for the future.

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, prompted by the remarks of the gentleman from California, I am constrained to say that the time has come when the President should take a hand in putting some sense into the demobilization program of the Army and the Navy. I dislike to find fault, but the Army and the Navy have bungled this job and have bungled it badly. The war is over and men and women in the services who are no longer needed—and there are millions of them scattered all over the world—want to return home. To take another day out of their lives that cannot be justified on the ground of absolute necessity would be criminal. A feeling of hostility toward the Army and the Navy is rapidly spreading over the country. It is in the armed forces as well as the civil population, and unless it is stopped, and stopped quickly, it will spread out to include all other branches and departments of the Government, with incalculable injury to the country. Because of the confidence and esteem of everyone which the President enjoys, the public would accept his common-sense treatment of this problem; but if he does not act at once, an angry public opinion is going to compel an already sorely vexed Congress to do so.

EXTENSION OF REMARKS

Mr. CURTIS asked and was given permission to extend his own remarks in the Appendix of the RECORD and include therein a resolution.

Mr. KEEFE asked and was given permission to extend his own remarks and to include therein seven joint resolutions adopted by the Wisconsin Legislature and addressed to the Congress of the United States.

DEMOBILIZATION OF THE ARMED FORCES

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GROSS. Mr. Speaker, certainly the Army is laying itself open to a great deal of justifiable criticism. I read a portion of a letter which I received this morning.

My husband will finish his basic at Camp Blanding, Fla., within the next few weeks. He will get a 10-day furlough and then report to Fort Meade. His company officer says he is going overseas with the Army of Occupation. We have six small children, the youngest one being 4 weeks old. I am not the only mother wondering what is going to be done with the fathers of their children. I also have five brothers in the service. One has made the supreme sacrifice.

If this House does not take action public resentment will finally force it to do something about the way the Army is handling these matters.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

EXTENSION OF REMARKS

Mr. SPRINGER asked and was given permission to extend his own remarks in the RECORD and to include therewith an article written by Mr. Joseph Leib on the so-called pauper's oath and to include therewith a portion of a letter and two resolutions.

Mr. McDONOUGH asked and was given permission to extend his own remarks in the RECORD and include a resolution recently adopted by the City Council of the City of Los Angeles concerning the establishment of a branch of the Naval Academy in southern California.

Mr. DONDERO asked and was given permission to extend his remarks in the Appendix of the RECORD and to include therein an address delivered by him in his home city of Royal Oak, Mich., on Labor Day.

RATIONING OF BEEF IS UNNECESSARY

Mr. REES of Kansas. Mr. Speaker, I have heretofore called the attention of the Department of Agriculture and the OPA that in my opinion, which I am sure is shared by a great number of people of this country, the time has long since passed when beef should be removed from point rationing. They waited too long before they got around to the question of lifting slaughter quotas. That should have been done long ago. The big packers insist there are too many cattle going to market, and yet small concerns are not allowed to slaughter to capacity.

Now, then, let us lift rationing and allow the meat to be sold in the market. Right now is when the great numbers of cattle are going to market. Let me illustrate. There are on the 12 principal markets today—on just 1 day, mind you—150,000 cattle that must be sold. During last week 258,000 cattle were sold on these same markets, and 2 weeks ago there were 287,000. Most of this livestock is composed of beef cattle. We are told that the packing houses hardly have room for livestock coming to market. The stockyards are filled to capacity. The Army has cut down its requirements. In addition to cattle we have the usual run of hogs, sheep, and other livestock. The cattle market is lower than it was 3 or 4 weeks ago. Yet, we are still rationing beef.

I say it is high time that beef be taken off the rationing list, and let the people buy as much of it as they need. I am informed these agencies say they are "looking the situation over." The time to act is now, not next year or next month.

DEMOBILIZATION OF THE ARMED FORCES

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is their objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, I wish to endorse the remarks of several Members upon the subject of demobilization of the armed forces. The people of the country are not going to be satisfied unless those boys who have served overseas for long periods of time are promptly released from the armed services. They want out and their families want them home. They richly deserve discharges. Any man who is not needed should be released at once. Cut the military red tape and send the boys home.

Another matter calling for prompt action by the House is the passing of a bill abolishing daylight saving time. The farmers are not going to be patient in waiting for that any longer. Farmers did a heroic job for four long years under severe handicaps. They produced food in great abundance. Probably there never was any good reason for daylight saving legislation. Now there is no excuse for continuing it a single day. Iowa Members of the House sponsored a bill for its repeal months ago. The House must act promptly. No delay will be accepted.

While I am on the subject, may I say there are communities of as many as 5,000 people who have but one doctor. The Navy and the War Departments must let some doctors out to take care of the sick folks in those communities. The armed services are holding practically all available able-bodied doctors and the folks at home are suffering and

want physicians in their communities. In some cases there is scarcely more than one doctor in a whole county. Some doctors have been working as much as 14 hours a day. Without wasting time in argument and debate let's ask for the discharge of all soldiers whose services are not imminently required.

EXTENSION OF REMARKS

Mr. BROWN of Ohio asked and was given permission to extend his own remarks and include therein a statement by Mr. Joseph Leib, service officer of the Vincent B. Costello Post of the American Legion, and a resolution adopted by that post.

Mr. BROWN of Ohio asked and was given permission to extend his remarks in the RECORD and include an extract from the sixth annual address by President Woodrow Wilson to a joint session of the Congress on December 2, 1918.

Mr. D'EWART asked and was given permission to extend his remarks in the Appendix of the RECORD and include an editorial from the Miles City Daily Star.

Mr. RIZLEY asked and was given permission to extend his remarks in the Appendix of the RECORD and include a copy of a letter written to the President of the United States.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. SCHWABE of Oklahoma asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter from a constituent.

Mr. HOBBS asked and was given permission to extend his remarks in the RECORD in two particulars and to include an editorial in each instance.

MINIMUM AGE LIMIT FOR SERVICE IN THE ARMY AND NAVY

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RIZLEY. Mr. Speaker, I have just introduced a bill to raise the minimum age limit to 21 years, for service in the Army and Navy under selective service. Also to exempt from the service married men, regardless of age, with families of one or more dependent children. I have directed a letter to the President of the United States urging him under his authority as Commander in Chief and under the War Powers Act to immediately suspend the draft covering men in those two categories until such time as Congress may pass appropriate legislation on the subject.

The SPEAKER. The time of the gentleman from Oklahoma has expired.

FIRST TEST EXPLOSION OF THE ATOMIC BOMB IN NEW MEXICO

Mr. FERNANDEZ. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to extend my remarks and include therewith two items.

The SPEAKER. Is there objection to the request of the gentleman from New Mexico?

There was no objection.

[Mr. FERNANDEZ addressed the House. His remarks appear in the Appendix.]

DISCHARGE OF SERVICEMEN

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a copy of a letter I have addressed to the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. SABATH addressed the House. His remarks appear in the Appendix.]

VICE ADMIRAL McCAIN

Mr. IZAC. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. IZAC. Mr. Speaker, Admiral McCain was buried this morning. I want to pay tribute to his memory. He was one of the finest type of naval officers that the Naval Academy has ever produced. I have known him for many years. He was good on the sea, in the air, and under the sea. I would like to tell the Members this little anecdote. I think it is typical of the man. He was partly responsible for the system of promotion by selection that we now have in the Navy. He told me one day, "It will probably get me, but I still think it is right."

Admiral McCain has a wonderful war record. The Japanese will never forget his operations in the Pacific. We are all sorry to hear of his untimely death. We in San Diego especially deplore his early passing and offer our heartfelt sympathy to his bereaved family.

ABUSE OF AIR TROOPERS

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. WEICHEL. Mr. Speaker, I ask unanimous consent to include in my remarks a newspaper item.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. WEICHEL addressed the House. His remarks appear in the Appendix.]

IMMEDIATE DISCHARGE OF VETERANS WITH 2 YEARS SERVICE

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, the mothers and fathers, brothers and sisters, and wives of the soldiers have shown great courage, great patience, and the very highest degree of patriotism throughout this great world-wide conflict. I believe it is only justice now that the Army should take extraordinary measures to demobilize these soldiers.

Unless Congress takes immediate action to that end to urge and insist upon it I shall introduce a bill that all servicemen in all branches of the service who have served honorably for 2 years shall be discharged.

PERMISSION TO ADDRESS THE HOUSE

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that on tomorrow, after the disposition of the business on the Speaker's desk and such other special orders as have heretofore been entered, I be permitted to address the House for 20 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

CANCELLATION OF ORDER L-24 CONTROLLING LUMBER AND CONSTRUCTION

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a newspaper article, a telegram, and some correspondence.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. MICHENER addressed the House. His remarks appear in the Appendix.]

PEARL HARBOR INVESTIGATION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time tomorrow to consider in the House as in the Committee of the Whole, Senate Concurrent Resolution 27; that general debate shall continue for 1 hour, the time to be equally divided and to be controlled one-half by the gentleman from Illinois [Mr. SABATH] and the other half by the gentleman from Illinois [Mr. ALLEN].

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I shall not, I simply wish to point out that this request reserves all rights of amendment of the resolution but simply expedites its consideration by not referring it to the Rules Committee.

Mr. RANKIN. Mr. Speaker, reserving the right to object, will the gentleman tell us what this resolution is?

Mr. McCORMACK. I am very glad the gentleman asked that question. It is the resolution in connection with the investigation of the Pearl Harbor attack.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

CALL OF THE HOUSE

Mr. PRIEST. Mr. Speaker, I make a point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 141]

Abernethy	Gwinn, N. Y.	Norrell
Andersen, H Carl	Gwynne, Iowa	Norton
Anderson, Calif.	Hagen	O'Brien, Ill.
Bailey	Hale	O'Brien, Mich.
Baldwin, N. Y.	Hall, Edwin Arthur	O'Konski
Barrett, Pa.	Hall, Leonard W.	O'Toole
Barrett, Wyo.	Halleck	Pace
Barry	Hand	Peterson, Fla.
Bates, Mass.	Hare	Pfeifer
Beall	Hart	Phillips
Bennet, N. Y.	Hays	Powell
Bishop	Hébert	Powers
Bolton	Heffernan	Rabaut
Bradley, Pa.	Hendricks	Ramey
Brumbaugh	Herter	Reece, Tenn.
Burgin	Hinshaw	Reed, Ill.
Butler	Hoeven	Rivers
Campbell	Holmes, Wash.	Robertson, N. Dak.
Carnahan	Hope	Rockwell
Case, S. Dak.	Horan	Roe, N. Y.
Celler	Huber	Rooney
Chapman	Hull	Ryter
Chiperfield	Jackson	Savage
Clark	Jarman	Shafer
Clements	Jennings	Sharp
Clevenger	Johnson, Ind.	Sheridan
Coffee	Johnson, Luther A.	Simpson, Ill.
Cole, N. Y.	Jones	Simpson, Pa.
Colmer	Jonkman	Slaughter
Corbett	Kefauver	Snyder
Courtney	Kelley, Pa.	Somers, N. Y.
Crosser	Keogh	Starkey
Curley	Kerr	Stefan
Daughton, Va.	Kilburn	Stevenson
Delaney, John J.	King	Sumner, Ill.
Douglas, Ill.	Kunkel	Sumners, Tex.
Drewry	LaFollette	Taber
Dworshak	Lane	Thom
Elliott	Latham	Thomas, Tex.
Elsaesser	Lea	Tibbott
Engel, Mich.	LeFevre	Tolan
Engle, Calif.	Lynch	Torrens
Feighan	McGehee	Towe
Flood	McGlinchey	Vursell
Fogarty	McMillen, Ill.	Weiss
Fuller	Mahon	White
Fulton	Marcantonio	Wickersham
Gary	Mason	Wilson
Gathings	Merrow	Winter
Gavin	Miller, Calif.	Wolcott
Gerlach	Monroney	Wolverton, N. J.
Gibson	Morgan	Wood
Gillespie	Mundt	Woodhouse
Gorski	Murphy	Woodrum, Va.
Gossett	Murray, Tenn.	Worley
Grant, Ala.	Murray, Wis.	Zimmerman

The SPEAKER. Two hundred and sixty-five Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDMENT OF SURPLUS PROPERTY ACT OF 1944

Mr. MANASCO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of H. R. 3907, to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 3907, with Mr. HARRIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Alabama [Mr. MANASCO] is recognized for 1 hour, and the gentleman from Ohio [Mr. BENDER] is recognized for 1 hour.

Mr. MANASCO. Mr. Chairman, I yield myself 5 minutes.

The CHAIRMAN. The gentleman from Alabama is recognized for 5 minutes.

Mr. MANASCO. Mr. Chairman, the purpose of the bill H. R. 3907 is to change the board which was created under the Surplus Property Act of 1944 to a single administrator. It will be remembered that the House, by an overwhelming majority in August of last year, voted to provide for a single administrator in the administration of the Surplus Property Act. When the members of the conference committee met we had long and extended meetings. One of the major battles in conference was over whether or not we should administer this act through a board or by a single administrator. After staying in conference for 2 or 3 weeks, the House conferees finally agreed to a board. I think it is fair to say that the position of the House has been vindicated by subsequent experience.

At the present time I know of no one who is opposed to the administration of the Surplus Property Act by a single administrator. One of the most unusual things I have seen in my experience as a Member of the House was to receive a letter on August 28 signed by all three members of the Surplus Property Board urging our committee to pass legislation conferring administration of the Surplus Property Act on a single administrator. You do not usually see men urging legislation that will put them out of jobs. I think it is a very salutary condition in the country today.

One of the statements made in that letter was that the immediate task is not primarily one of declaring policy, but one of administration. We all realize, of course, that the existing laws on surplus property disposal need amending, need amending badly. Mr. Symington, the Chairman of the present Board, came to our Committee and told us that he had not been in office long enough to fully familiarize himself with the problems involved. In the past few weeks many Members have spoken to me about amendments to the Surplus Property Act. We are going to hold hearings within the next 3 or 4 weeks, for it is absolutely essential if we are to get this program of surplus property disposal going that some amendments be made at an early date. At the present time the War Department is declaring surpluses at the rate of about $100,000,000 a day.

The program will probably be more than that in the next 2 or 3 months. We must have some amendments to the Surplus Property Act if we hope to dispose of all of these surpluses at a time when we can get the most money out of them to be applied to our staggering war debt.

It is important for the membership of this House to begin studying now some of these amendments. We are going to be overwhelmed by certain pressure groups to give away a lot of these surpluses and it is most important that we begin a study now so that we will know something about the economic impact of gifts. It is important, also, that we start a study as to removal of some of the restrictive provisions in the act. In view of the primary objective, we should always keep in mind in the disposition of our surplus goods, jobs for returning servicemen and jobs for the war workers who have been put out of work through cancellation of war contracts, for if we destroy industry we destroy jobs.

It is also important that we give consideration to a proper system of distribution. Some people advocate distribution by sale to individuals. If we do that it will be impossible for people who live in rural districts, such as I represent, to get anything.

Mr. Chairman, I will not use any further time because I do not think there is much opposition to the pending bill.

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky [Mr. ROBSION].

Mr. ROBSION of Kentucky. Mr. Chairman, I favor this legislation substituting one more administrator for the present board, but I rise at this time to get some information. I would like to know, first, the aggregate amount of surplus property held today by the United States.

Mr. MANASCO. That question is almost impossible to answer. I have heard that we have from fifty to one hundred billion dollars' worth of surplus property.

Mr. ROBSION of Kentucky. May I inquire how much of this surplus property is in Europe? I know the gentleman cannot give the exact amount, but approximately the amount.

Mr. MANASCO. We have no way of knowing how much is in Europe.

Mr. ROBSION of Kentucky. Has not the gentleman's committee gone into that subject and inquired as to the amount of this surplus property and where it is located? I mean in a general way so that we may get some idea.

Mr. MANASCO. I may say to the gentleman that I made a trip to Europe and I saw quite a lot of our property over there. A lot of the property is in tanks, combat aircraft, guns, and so forth that certainly would have no sale value in this country.

Mr. ROBSION of Kentucky. I saw a newspaper report indicating that there were about 550,000 motor vehicles in Europe, perhaps 45,000 railroad cars and 2,000 locomotives. Can the gentleman or his committee give us any information as to what disposition is likely to be made of this great quantity of surplus property in Europe?

Mr. MANASCO. I do not know what may be done about that. Personally I believe if we bring all those motor-vehicles back to this country, as well as all of the locomotives, we will knock millions of Americans out of jobs.

Mr. ROBSION of Kentucky. Do we plan to give that away,

Mr. MANASCO. No, we certainly do not.

Mr. ROBSION of Kentucky. I have seen some information in the press that we plan to give it away.

Mr. MANASCO. Of course, we have already given away several billion dollars worth of property through lend-lease.

Mr. ROBSION of Kentucky. What I am driving at is this: We have complimented ourselves very much over the proposal that we have never had lend-lease. It seems to me from what I can

see in the press that we are substituting two other things, namely, we are going to make loans of billions of dollars which some of our allies will forget in a short time, and then we are going to dispose of this surplus property, perhaps giving it away or disposing of it on credit or at such small sums that it will amount to very little so that in the end we will not gain anything by stopping lend-lease. We will likely give away perhaps more than we would under lend-lease. Is there anything in that suggestion or not?

Mr. MANASCO. I doubt that very seriously because under the terms of the Surplus Property Act this property must be sold.

Mr. ROBSION of Kentucky. Yes; it must be sold.

Mr. MANASCO. If the European Governments have something to purchase it with.

Mr. ROBSION of Kentucky. Do we have to sell it for cash or credit?

Mr. MANASCO. Cash or something that can be converted into cash.

Mr. ROBSION of Kentucky. Many of you may remember that after the other war we found ourselves with $2,400,000,000 worth of surplus property in France. This was made up of millions of pairs of shoes, millions of pounds of hams and bacon, 24,000,000 pounns of sugar, millions of yards of good woolen cloth and blankets, hundreds of thousands of motor vehicles, and, of course, great quantities of other staple materials.

The French Government threw every obstacle in the way of our Government to ship any of this surplus property to the USA. In fact they made it almost impossible for us to ship it back without loss and our Government was induced to sell all of this property to the French Government for $400,000,000—16⅔ cents on the dollar. We took the note of the French Government in that amount, payable in 10 years. We made a final settlement of war debts with the French Government. We greatly reduced it in amount. We gave them 62 years to pay the debt, at an interest rate of 2 percent. The French Government insisted that we include this $400,000,000 note that they had given us for this surplus property, and then they repudiated the whole thing and they got our surplus property for nothing.

We now have perhaps one hundred billions of surplus property scattered all over the earth.

Tens of billions of this property are in Europe. This surplus property is made up of cured meats, canned fruits, canned and dehydrated vegetables, sugar, millions of pairs of shoes, millions of yards of good cloth, and thousands of other staple and useful articles, including, as was pointed out above, more than 500,000 motor vehicles, thousands of railroad cars, 2,000 or more railroad locomotives, and perhaps 200,000 or more of railroad steel rails, and bales of telephone wire, thousands of telephones, and almost every conceivable useful article.

We have other billions in Asia and Africa.

The disposition of this surplus property presents the most stupendous problem that this or any other nation has ever handled. Congress and the administration should scrutinize constantly the disposition of this enormous amount of property. Will it go, as did our surplus property, to France after the other war? It represents one hundred billion of the tax and bond money of the American people—in fact, it represents approximately $700 on an average for each and every man, woman, and child in this country.

If our officials are not vigilant, a greater part of it will disappear or will be transferred to nations and groups who will not in the end pay for it. This surplus property should be carefully disposed of and a fair consideration received for it and the money applied to our enormous national debt and a lot of it that is useful to the American people should be brought back to this country.

The American people applauded the statement of the President that we were stopping lend-lease, as the war is over. I stated at the time—and am still of the opinion—that in place of lend-lease we will give away outright or turn over for worthless securities billions of this surplus property, and that we will loan billions to the various countries of the world, but no part of the loans will ever be repaid, and, therefore, as we close up one bunghole, there will be two more bungholes through which will flow the bond and tax money and hard earnings of the American people. Of course, there will be other holes besides these in the American barrel.

There is another danger in the disposal of this surplus property. We have seen evidence for months now that much of this property is getting into the hands of speculators who buy it in great quantities at much less than its value and many fortunes have been, are, and will be made out of our surplus property. It affords one of the greatest fields that we have ever had for graft and fraud.

The Congress and administration must constantly keep in mind the fact that this property belongs to the American people. They put it up to help the Allies and ourselves to win the war, and none of it should be disposed of without the American people receiving value received.

It is hoped that the single administrator of proven character, experience, and ability will be better able to administer effectively the surplus-property law and the disposal of this property in a just, fair, and honest way than to leave it to a board. The members of the board themselves have stated that, in their opinion, the single administrator can and will more efficiently and effectively carry out the provisions of our Surplus Property Act than a board has done or could do.

Mr. MANASCO. Mr. Chairman, I yield 10 minutes to the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Chairman, the House has gone on record respecting this bill. The provisions are few and simple. It is a satisfaction for many of us who undertook until the very last to retain the House provision when the surplus property bill was passed in 1944, that the members of the Surplus Property Board as well as the President of the United States have vindicated our position. When the surplus property bill was passed last year the House provided for a single administrator. It will be recalled that the Senate bill provided for a committee for some seven members, and after protracted conferences finally a small board, consisting of a chairman and two members, was adopted as a compromise.

The pending bill will substitute a single administrator, recommended by the President of the United States, and as the chairman of our committee has said, an unprecedented situation obtains, and the other members of the Board appointed something like a year ago, join in that recommendation.

The bill provides that the appropriations that have been made for the Surplus Property Board are made available to the Administrator. The regulations that have been adopted will be continued with power in the Administrator to adopt other and new regulations. These regulations will be continued until the Administrator adopts new regulations.

Mr. Chairman, there has been much criticism of the Surplus Property Act as we passed it last year, and many amendments have been offered. It is most difficult legislation to pass. But may I say in just a word for the satisfaction of those of us who have been interested in this legislation and have endeavored to promote it and effect it, that we passed this bill last year and the President approved it on October 3, but it was after the turn of the year before the Chairman was appointed.

The bill provides for reports of the Board and for recommendations. The Chairman, former Senator Gillette, appointed after the first of the year, resigned and stated that the Board could not function properly or efficiently. The present chairman of the Board was appointed just as the House and the Senate recessed the latter part of last July. He appeared before the committee. His statement is found in the hearings, that are available. Mr. Symington impressed me, as I am sure he impressed other members of the committee, as being a most capable and efficient administrator, vigorous and determined to administer this act and to dispose of surplus property as he can best interpret the congressional intent. I think he has made a most excellent administrator.

Secondly, notwithstanding the defects of the existing Surplus Property Act, may I emphasize that, after all, there is probably more in the administration than there is in the terms of the act. We have provided for priorities to the Federal Government, for preferences to hospitals and similar institutions, and for giving veterans and small businessmen, former landowners, preferences. But after all has been said and done, while there are undesirable provisions in the bill, by and large, its success depends upon administration because, finally, after providing these priorities and preferences, the bill stipulates that whenever the property had been finally disposed of the instrument of transfer shall be proof of clear title, so that whatever the differences and whatever the conflicts, a capable, thoroughgoing administrator can read through the words to interpret the

congressional intent. Whenever the deal is finally disposed of, the citizen or the institution purchasing will obtain a valid title.

Of course, there has not been a great deal of surplus property disposed of. There was not a great deal of property declared surplus prior to the Japanese surrender. The question was raised here with respect to the trucks and other property in the European theater. The Surplus Property Act does not interfere with the disposition of property by the theater commander during the progress of the war. It was difficult to say whether or not we would use those trucks, whether or not we would use that surplus property in the Far East, whether it would be brought back to the United States, or whether it would be transported through the Suez Canal before VJ-day. Until the Jap surrender there were no material declarations of surplus property by either the Army or the Navy. However, as our chairman has indicated, since the surrender surpluses are being declared by the millions of dollars. It is imperative that this bill be passed in order that for the present there may be an efficient administration of the act and in order that the Congress of the United States may as provided by the act, have the recommendations of the Administrator as to needed amendments and as to clarifications of the act. In my judgment, this proposed legislation should be promptly and unanimously passed.

I extend to say that with the surrender of Germany and Japan immense quantities of property will be declared surplus, and the disposal of the surplus will be promoted by a single administrator and by efficient administration. The Congress and the country may be assured that Mr. Symington is honest, capable, efficient, and that he intends to dispose of the surplus property in accordance with the intent of the Surplus Property Act and as provided by the act while such property is needed by the civilian population of the country.

The House will remember that by Executive order a Surplus Property Administration was established in May 1944. Under the Executive order property aggregating approximately $66,000,000 was disposed of through September 1944. From October 1, 1944, through July 30, 1945, property aggregating approximately $166,000,000 was disposed of.

Thus far the price received for the property sold was approximately 52.7% of the cost. Following the First World War surpluses costing perhaps $3,700,000,000 were sold for about one billion five hundred million.

It is variously estimated that surplus property will represent a cost of from seventy-five to one hundred billion dollars. Much of it will never be sold. It consists of airplanes and munitions. Personally, I would hazard the statement that we will never realize more than $10,000,000,000 in the disposal of surplus property.

I would like to emphasize that in the disposal of surplus property a great deal depends upon the administrator and the administration. Amendments will be considered. Mr. Symington, if reappointed Administrator, has promised to submit recommendations for amendments and clarifications within 30 or 60 days. He is studying the whole problem. His recommendations will be most helpful to Congress. In the meantime, without divided authority, as the single administrator under the act, the disposal of surplus property will be facilitated, hence the importance of passing promptly the pending bill.

The House will recall that under the Surplus Property Act combat vessels cannot be disposed of. The owning agencies declare the surplus. The great surpluses will be Army and Navy goods. The Army and Navy must declare these surpluses. I repeat that the Navy cannot declare any combat vessels surplus. Sooner or later Congress will be required to pass legislation to require, not only the Army and the Navy, but other owning agencies to declare surpluses. The act provides that the Administrator shall promptly report to Congress when he has been advised that any owning agency has property that is surplus to its needs that has not been declared to be surplus. Owning agencies are loath to declare surpluses. The tendency is to hold it. It will not be long before legislation to compel declarations must be passed.

Again it is important to remember that the Surplus Property Administration does not actually handle any property. It provides for the care and handling and for the transfer of property. It provides regulations. It lays down policies to effectuate the act. It names disposal agencies.

It has designated some 8 to 10 disposal agencies. Principal disposal agencies are the RFC and the Department of Commerce. The RFC handles producers goods, including capital goods and tools. They have constructed warehouses. They have agents in charge. They keep samples of property. But it is not fair to say that they conduct department-store activities. They make available to consumers, as contemplated, the surplus property. It is necessary for the property to be transported so as to be available to all regions of the country. It is warehoused, it is up for inspection, it is on exhibition. There are something in the neighborhood of 24 or 36 of the regional offices, for which Congress has appropriated about $20,000,000.

On the other hand, consumer goods, including trucks and automobiles and road machinery, are handled in the Department of Commerce. They, too, have regional offices.

The act requires that there be wide distribution, that the usual channels of trade be used, that profiteering be prevented, that unusual and excessive profits be prevented, that fair values be obtained for the property, and that postwar employment be promoted.

An essential part of the administration consists of the policies adopted to prevent profiteering, to promote wide distribution, and to enable consumers to get the benefit of the property sold without the payment of excessive profits. To prevent profiteering the Administrator might adopt a policy limiting profits.

The public is kept advised as to the activities of the Board or Administrator. The regulations are required to be published in the Federal Register. Quarterly reports are required to be submitted with recommendations of the Administration as to amendments and clarifying legislation. Disposal agencies are required to keep inventories. The Administration is required to submit reports covering the cost, and the location of plants. The antitrust laws apply. There are restrictions as to disposal of plants, but within the intent of Congress plants may be disposed of and they should be disposed of so as to promote the national economy.

It is fair to say that the Board did submit its first progress report on January 3, 1945, as required by section 24 of the act. The Board submitted its second progress report on May 28, 1945, and it recently submitted its third quarterly report. It is also fair to say that the Board submitted a report as required by section 19 covering plants, but the divergence of views of the members of the Board, the differences of opinion among the members, have resulted in an inability to come to concrete recommendations. The problem was not acute. Following VE-day it was thought that much material would be needed in the Far East, but now following VJ-day, the surplus problem is acute, and the proper disposal of surplus war property is a major problem. The domestic economy of the country might easily be wrecked by an unsound policy with respect to the disposal of surplus property.

The immediate task is to strengthen the Administration, to provide for clarifying legislation as soon as the recommendations of the Administrator are submitted, and to promote both of these objectives the pending bill should be promptly passed.

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman, this bill creating a single administrator for the disposition of surplus property is a wise and timely piece of legislation. If we want to help in the disposition of surplus property and get it to the people of this country now while it is so badly needed, the more quickly we put this bill into effect the better it will be for a wise, wide, and quick distribution of property which the people of this country are very anxious to receive and which the Government is very anxious to dispose of. The Government is handicapped in the disposition of this surplus property because of the fact that we have a three-man board. The Board recommended an individual Administrator. Every time a decision is to be rendered, the Board must meet and they must have a record of their proceedings and then give instructions. This is a loss of time. In the ordinary processes of business we have a man who is capable of saying yes or no. He is held responsible for decisions. The Government should do the same thing, especially when it is going to benefit everybody in connection with the distribution of surplus property. The Government will get action and receive more for its surplus property.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Kentucky.

Mr. ROBSION of Kentucky. I agree with the gentleman that we ought to have a single administrator and, therefore, I am in favor of the bill. The gentleman speaks of this property being brought back here and distributed to the American people and made available for them to purchase and to use. Has the gentleman any information that the tens of billions of dollars' worth of surplus property scattered over Europe, Asia, and Africa will be brought back here and be put up for disposal to the American people?

Mr. RICH. I do not think that is going to be the case. I do not think there is anything going to be brought back from foreign shores for disposition in this country. I think the primary purpose of this act is to give permission for immediate, quick, and satisfactory disposition of surplus property now in this country. In view of the fact that we have great stores of supplies all over the world, in Europe, Asia, and Africa, and we know that practically all the countries of the world are clamoring and are anxious to get that surplus property, it would be very foolish for us to have it returned to the United States and disposed of here and eventually perhaps taken back to those foreign countries who are so anxious to receive it. We should sell all merchandise in foreign countries to foreigners. I do not have any idea from talking to the gentleman who I believe will have charge of this, and he seems to me to be a mighty fine fellow; I believe he is wise and conscientious and will do a good job, however, I do not feel at all that anything in these foreign countries will be brought back here by the Administrator.

Mr. WHITTINGTON. In that connection, if my colleague will yield to me, it is safe to say that the Surplus Property Act of 1944 provides for the sale of this property abroad and if it is bought by UNRRA or any other agency, it has to be paid for out of the funds of that agency. It is also fair to say that the Surplus Property Act provides if that property is sold, as it may be, abroad, it cannot be reimported into the United States. In other words, it will not be possible for this surplus goods to be sold cheaply and be brought back here to the United States to compete with our manufacturers at home.

Mr. RICH. I believe the gentleman from Kentucky thinks the same as I do in that respect. We want the surplus property sold. We do not want it given away. We are of the old school which believes that the people who are getting things in this country should pay for them and that the people who get things in foreign countries should also pay for them in one way or another. That will help get the money and certainly be good for the Treasury. It is empty now.

The United States has reached a point in its national life where we have an indebtedness of about $270,000,000,000 and the people of this country want relief from taxes. But as long as we give things away, and we have been doing that for 13 years, until we have given practically everything away that we own, then the gentleman from Kentucky and I want to know that this administration is through with handouts of everything to everybody for nothing. That is what he is interested in and that it what I am interested in. We believe that they ought to work if they want to get those things. We do not want to cancel foreign debts nor do we want to continue lease-lend as a gift any longer. We want to do business on a good sound business basis, for that reason we are speaking for this bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MANASCO. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. COCHRAN].

Mr. COCHRAN. Mr. Chairman, the purpose of this legislation is to do just exactly what this House wanted done when the original bill was passed. By a very large majority the House voted for an administrator rather than a board. When the bill went to the Senate that body provided for a seven-man board. When we went to conference your conferees stood out for an administrator. The Senate insisted on a board. In the end we were required to compromise on a three-man board. I said then it was a mistake, and I say so now.

I challenge any Member of this House to show a repetition of the following action: The members of a board, all three of whom may lose their positions, and at least two of them will certainly lose their positions, came before a committee of this House and said that a board is not workable, and that they must have an administrator. That is a recommendation we cannot overlook and I think this House should unanimously pass this legislation setting up an administrator rather than a board.

As I interpret the rules of this House, no other question can be considered in connection with this legislation as it is drawn, other than whether or not you want to have a board administer the Surplus Property Act, or whether you want an administrator to administer the act. That is the only question involved. I do not think it is in order for any amendment to this bill other than one that would affect either a board or an administrator.

Mr. VOORHIS of California. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my good friend from California.

Mr. VOORHIS of California. As I understand the situation it is the same as the gentleman has explained it. However, there is one matter which in my judgment could be taken care of largely by administrative action under the act as it is now written, and concerning which I found a great deal of dissatisfaction when I was home. That is the question of enabling the veterans of the war to purchase directly from the Surplus Property Administration some of the things they are anxious to purchase. In many instances they have had a great deal of difficulty in being able to do that. I would like to ask the gentleman whether there is not something that can be done to simplify and facilitate such purchases direct by veterans.

Mr. COCHRAN. In the hearings before the committee many questions were asked the Chairman of the Board. Some of them were with reference to veterans. I can tell the gentleman that the present Chairman, Mr. Symington, is not satisfied with the administration of the law with reference to veterans nor with the regulations. It so happens that I had a case myself which I called to his attention. He could not realize that any official of the Government had made such a statement to a veteran as was claimed by this ex-serviceman. I informed him that I had sent him a letter the day before. He said he would read the letter. I received a reply which indicated that it was not in keeping with the law or regulations as they now exist and no one had a right to make such a statement to that veteran with reference to an automobile that he wanted to purchase, which was absolutely necessary for him, in order to assume the position that he held at the time he went into the service 3½ years before. I can tell the House if Mr. Symington is named Administrator, and I hope he will be, he will change the present regulations affecting veterans.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend from Michigan.

Mr. HOFFMAN. Do I understand you have some assurance now that the other body is willing to go along with this legislation?

Mr. COCHRAN. I have no assurance of any kind whatsoever with reference to what the other body is likely to do.

Mr. HOFFMAN. If my memory serves me correctly this is what we tried to do some time ago when this bill was originally passed.

Mr. COCHRAN. I remind the gentleman that I stated that at the outset of my remarks.

Mr. HOFFMAN. Are we just making idle motions or have we some hope of converting the conferees?

Mr. COCHRAN. In view of the recommendation of the President, in view of the statement of the former chairman and former Senator, Mr. Gillette, and in view of the recommendation of the three members of the board, I cannot see how the Senate can do anything but go along with this bill.

Mr. HOFFMAN. There is one other thing. It seems to me I have heard several times that Republicans were opposing every constructive suggestion. Does the gentleman know of any Republicans opposing this measure?

Mr. COCHRAN. No; Republicans do not oppose everything constructive by any means, but some constructive legislation, at least I felt it was constructive, has been opposed.

Mr. HOFFMAN. Adjournment, or something like that they would oppose.

Mr. COCHRAN. Some constructive suggestions they did oppose.

Mr. HOFFMAN. Does the gentleman know of any Republican throwing any monkey wrench into this bill?

Mr. COCHRAN. I do not. I believe they are all cooperating 100 percent and we appreciate that cooperation.

Mr. HOFFMAN. Then can we use that as a testimonial from the gentleman at election time?

Mr. COCHRAN. It will be a pleasure for me to commend the Republicans every time they support meritorious legislation, and you can use my remarks any time you desire.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend, the gentleman from West Virginia, a member of the committee.

Mr. RANDOLPH. The colloquy between the gentleman from California [Mr. VOORHIS] and the gentleman from Missouri, a very distinguished member of the committee which is handling this legislation, touched on the official regulations which the Board or Administrator might issue which would improve the relationship with veterans and their power to acquire this property. The gentleman will recall that the chairman of the committee, the gentleman from Alabama [Mr. MANASCO] in almost the first question he propounded to Mr. Symington asked what we might expect in the way of regulations that would control this situation; and Mr. Symington, according to my memory, said that within 2 weeks, possibly 3 weeks, regulations to fit these problems would be brought forth. The gentleman remembers that, does he not?

Mr. COCHRAN. That is my recollection of what he said. In fact, it is what he said.

Mr. HOOK. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Michigan.

Mr. HOOK. I was a little surprised by the colloquy between the gentleman from Michigan and the gentleman from Missouri. As I understand, the substitution of a single administrator in place of the three-man board sets up a sort of central authority; in other words, centralizing authority in one man. I am just wondering whether or not the gentleman from Michigan is going along with us now on the question of the centralization of authority.

Mr. COCHRAN. I may say that the gentleman from Michigan [Mr. HOFFMAN] is a member of the Committee and indicated in every way during the hearings and in executive sessions as well as he has indicated on the floor of the House that he is with us 100 percent in supporting this legislation.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to my friend from Mississippi, also a member of the committee.

Mr. WHITTINGTON. Is it not true that the provisions of the Surplus Property Act are mandatory in that the matter of veterans' preference shall be handled by regulations?

Mr. COCHRAN. That is true, and regulations carrying out those provisions should be written.

Mr. WHITTINGTON. And that the present chairman, as the gentleman from Missouri said, stated that he had examined the regulations that had been made and he was not at all satisfied with them and proposed to give the matter prompt attention.

Mr. COCHRAN. That is true. I wish to touch on another matter, and I am not saying this because the present chairman of the board comes from my city, but in my long experience here I have never listened to a witness, especially a man who had only been chairman of a board for a few weeks, come before a congressional committee and make a statement such as he made in reference to the law and the regulations, and show beyond question a perfect knowledge of both the law and the regulations, as did Mr. Symington.

Mr. Symington, I may say, is a rather young man. He came to my city not so many years ago and became head of a great corporation, a corporation that employs thousands of people, a corporation that received from the Army and the Navy every type of award that a commercial house could receive for cooperation in connection with the national defense effort. Mr. Symington's salary happened to be a matter of discussion on the floor of this House at one time when the gentleman from Kentucky [Mr. MAY] chairman of the Committee on Military Affairs, took the floor of the House and criticized the corporation of which Mr. Symington was head. The gentleman from Kentucky said the corporation had increased and doubled the salaries of its officials, and made a number of statements which constituted a severe indictment of that corporation.

Mr. RANDOLPH. Mr. Chairman, I yield the gentleman seven additional minutes.

Mr. COCHRAN. Mr. Chairman, Mr. Symington talked to me over the long-distance telephone. I had never talked to him before, nor had I ever met the man. He told me there was a mistake somewhere—that the charges could not apply to his corporation. I advised him to give a statement to the press denying the charges and send me a copy of the statement. I further suggested that he come to Washington immediately.

He sent me that statement and I appeared on the floor and made a speech as an answer to the chairman of the Military Affairs Committee. Mr. Symington came to Washington immediately, but the chairman had left and our former colleague, now Colonel Faddis, the ranking member, called a meeting of the committee and heard Mr. Symington. At the conclusion of his testimony, the chief investigator of the committee rose and apologized for the statement made by the chairman, took the responsibility, and said that the information used by the gentleman from Kentucky [Mr. MAY] applied to another corporation, not to the corporation of which Mr. Symington was the head. When the committee adjourned after that hearing, Colonel Faddis appeared on the floor of the House and in a 10-minute speech made a public apology for the statement made by the chairman of the committee on information given him which was not correct. It seems the file of another corporation was in the file of Mr. Symington's corporation.

Therefore I know that Mr. Symington's salary as Chairman of the Surplus Property Board is not one-half of the amount he received as president of that corporation. He is making a personal and financial sacrifice to serve his Government.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. I want to agree with the gentleman's statement to the extent of saying that we did have Mr. Symington before the committee practically all of one day and I was very much impressed with the way he handled himself and with the information he gave to the committee. If the President appoints Mr. Symington the Administrator he will get the ball rolling and he will get the surplus property out to the people of this country in a very expeditious manner so that they will get the benefit of it now when the people of the country need it and when we have a scarcity of most of the commodities which will be sold to the American people. Now is the time to do this and I am glad he will head this agency because I have enough confidence in him to believe that he is going to do the job quickly. What we need is prompt action.

Mr. COCHRAN. Mr. Chairman, it is my own personal opinion that there is not a bigger job confronting an official of this Government today than that of disposal of surplus property. Mr. Symington told us that just previously to his appearance before our committee the War Department had declared surplus to the Surplus Property Board $500,000,000 in consumers' goods and he stated further that the War Department would continue to declare surplus consumers goods at the rate of millions a day. It is his job to get rid of that.

There is in addition to that the defense plants, the great Army camps, the millions of acres of land that we have taken over since the war started. In time this is all going to be declared surplus. Now, Mr. Symington is only the Chairman. They have only about 200 employees. He did not even have a legal adviser.

They do not dispose of anything. They name the disposal agency and the disposal agency must follow the rules and regulations laid down by the Board now and by the Administrator later, if this bill is enacted, as to how to dispose of that property. But here is the situation. If we do not dispose of that property now we will have to put it in warehouses and we will have to keep it because under your law, not a rule or regulation, by later disposing of this property, if you are competing and interfering with private business, or you are causing unemployment, then you cannot dispose of it. So what are you going to do with it? You will have to put it in the warehouses and keep it.

The time to dispose of consumer goods is now, when there is a shortage of such goods on the market, when it is not even available, when it is not being manufactured. If we do it now we are not interfering with private industry and not causing unemployment. So it is my viewpoint to give them what they want and then the responsibility is theirs. The President says that he wants an Administrator. The three members of the Board have said that there should be an Administrator and not a board.

The former Chairman of the Board who resigned said only an Administrator can make the law work. So why not do it now?

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from New York.

Mr. REED of New York. I favor the one-man Administrator as against the Board. I think that that is the only way you can get the type of efficiency that you need to handle this expeditiously.

Bearing out the gentleman's idea in regard to farm trucks, up until recently, at least, if anyone in New York State wanted to get a truck he had to go four or five hundred miles to New York City in order to examine that truck. They could not run the truck. They had to buy it unsight and unseen almost, when they could sell these trucks readily if they were at points within easy access to the farmers. I figure a one-man administrator would decide questions like that and do it quickly. It would mean for efficiency.

Mr. COCHRAN. You will have a businessman, in my opinion, if Mr. Symington is named as Administrator, and I think he will do the job. There was complaint from the farm bloc in reference to the need for trucks, and so forth, because of transportation facilities. What did they do? I saw the action of the Board after he became chairman. They turned over trucks to the localities where they were most needed, to be disposed of in those States. I do not know anything about those trucks.

Mr. REED of New York. Of course, the selling point is New York City where most of the farmers have to go.

Mr. COCHRAN. They should not be in New York City. How did they ever get to New York City in the first place?

Mr. REED of New York. Well, there you are.

Mr. COCHRAN. With proper administration of the act that should not happen.

Mr. REED of New York. They probably were intended to go abroad and were down there at the docks. That is probably the answer.

Mr. COCHRAN. The War Department and the Navy Department have no business assembling their surplus property of that character in a city like New York.

Mr. REED of New York. Well, that is what I am telling the gentleman.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. COCHRAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. The fact that the three members of the present Board signed this statement stating that they believed a single administrator would be able to handle this disposal of surplus property to much better advantage than a board in itself shows that the Board realized that a single administrator is much better, and there should be no question at all about the enactment of this legislation.

Mr. COCHRAN. I stated that at the outset and said that it was a most astonishing statement because at least two of them, if this bill is enacted, are certainly going to lose their jobs.

Mr. RICH. That convinces me that that is a good Board and that is the first indication that this is a good bill.

Mr. COCHRAN. When a businessman like the gentleman from Pennsylvania says that, I realize we are going to do something that will be helpful. Let us set up the proper machinery and hold those responsible who administer the law. Under the law they must report to Congress.

The Committee on Expenditures in the Executive Departments is charged with the responsibility of investigating the administration of this law. If an investigation is necessary and if the Congress will set up a proper law, I assure you that I will favor an investigation if the law is not properly carried out.

In conclusion I know a number of Members of this House, and that includes myself, favor rewriting a Surplus Property Act. That will take some time, and it is for that reason alone that this bill is brought in simply to provide for an administrator rather than a board. The question of other changes in the law was discussed at the hearings in executive session. I can say that there seems to be absolutely no objection—in fact, a demand among the Members—that at the first opportunity and in the near future we take up the question of rewriting the act. However, the committee did not feel that we should do that at this time but wait until the new Administrator had an opportunity to find out just exactly what was the matter with the law and what changes he desired to recommend. I say that to explain to the Members of the House why this bill simply provides for changing the law so that an administrator rather than a board will be in control.

Mr. BENDER. Mr. Chairman, I yield 8 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, surely there will not be any opposition in this House to this particular bill. I think it is fair to say that most if not all of us on the committee feel that the Surplus Property Disposal Act should have been revised and revamped and amended a long time ago. Among other things the act sets up certain priorities, and after the property has been made available to those governmental agencies who have the priorities then there is a list of those who have preferences. Only after these have had a chance to buy or acquire the property does it become available for purchase by ordinary individuals or corporations. It has been difficult to get through the priorities and the preferences and with efficiency and speed make the goods available to the general public, where there is larger demand for most of it than there is among other agencies of the Federal Government, and the States and municipalities, and the veterans and the charitable and educational institutions, and so forth.

Personally, I feel that the first and greatest social and economic objective—and these priorities and preferences were set up, in the words of the act, to achieve certain social and economic objectives—is to get this surplus disposed of at the earliest possible moment when the public needs and wants it; when it would absorb some of the tremendous amount of accumulated purchasing power which otherwise is pushing hard against all price ceilings and threatening inflation; and when it will not be competing with and thereby delaying new production, which alone can give us all the jobs we know we must have.

This is just one of the reasons why many of us wanted to go over the whole matter last spring when it was clear that the act was not functioning as we desired. But I agree with all of the committee that inasmuch as we did not do it some months ago, this particular moment is not the time to start an extensive revision. It would probably take a month to get a bill changing the substantive law through the committees and both Houses and then through conference, and at a time when, as the gentleman from Missouri said, as much as half a billion dollars worth of consumers' goods alone are being declared surplus by the Army and Navy in 1 day. This particular moment when the agency is being overwhelmed because of the war ending earlier than was anticipated, is not the time to go into an extensive revision. We cannot take time out to change the rules, bad though they are, in the midst of the greatest crisis in the whole program.

This bill today is the first step toward sound administration. We do not have three Presidents of the United States; General Motors, or any other corporation does not have three presidents. We have one President, one head. After the single administrator has had a period of a few weeks to get this sudden flood of surplus materials organized, he can come before us and make suggestions based on his experience, and we can take them up and adopt them or not as we see fit, after extensive hearings. I believe it is necessary that the House pass this bill today and give the agency a chance to function. As soon as we know where we are, we can carry on such revision as experience indicates. I repeat, the first social and economic objective ought to be to start getting it disposed of right now.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I gladly yield to my colleague from Minnesota.

Mr. AUGUST H. ANDRESEN. I am informed on reliable authority that there is a large syndicate in the United States picking up most of this surplus material. Does not the gentleman feel that Congress ought to watch this very carefully, so that we can see that this material is generally distributed over the country, and that merchants and others in the country will have an opportunity to get it?

Mr. JUDD. I certainly think that Congress ought to keep its eyes on this very closely. I should say to my friends on the Democratic side that they ought to watch this with an eagle eye because, if it is badly handled and if scandals and graft develop, it contains more political dynamite for them than anything else on the horizon today. Heretofore,

the Army and the Navy have been the two biggest factors in our economy. From now on surplus property disposal is the single biggest thing in the United States from the standpoint of money and materials involved. It affects every single avenue and aspect of our economic life. We have to dispose of this material with maximum benefit to the country as a whole, and that means that rapidity is the first essential because, if it is not disposed of quickly, at a time when we are trying to get full civilian production started and an adequate number of jobs for our soldiers and workers, it will hang over everybody's head as a sword of Damocles. The thing we must have is confidence and assurance, and we cannot have them when there are fifty to one hundred billion dollars worth of goods hanging over our heads.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from West Virginia.

Mr. RANDOLPH. I am in agreement with the gentleman from Minnesota as to the magnitude of the job and the necessity for doing it promptly. I think the House would like to know, and certainly the Members understand it now, that after World War I we had only seven billion dollars of surplus property. After this war, after World War II, the estimates run from 80 to 100 billion dollars of surplus property. So it is a tremendous problem and the recovery percentage-wise is most important, not only to this Congress, but to the Nation.

Mr. JUDD. Does not the gentleman agree that this is not the moment to carry out the extensive revisions of the basic act, which most of us agree are necessary and advisable? And that inasmuch as it was not done before, we have to wait now until we get through this immediate crisis and then make such changes as experience proves advisable?

Mr. RANDOLPH. I think the gentleman is correct.

Mr. GILLIE. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I gladly yield to the gentleman from Indiana.

Mr. GILLIE. May I inquire of the gentleman if the administrator will still have control of prices of any of these goods after the goods leave the Government?

Mr. JUDD. The Administrator does not have control of prices in the sense of saying that this plane is so many thousands of dollars, or that a particular pair of shoes or a certain grade of shoe will cost $2.50, and so forth. He establishes not price lists, but policies. He and his agency establish general policies and regulations under which the eight disposal agencies carry out the actual selling of the surplus goods. That is, the Department of Commerce disposes of consumer goods; the Reconstruction Finance Corporation disposes of the Government war plants, capital goods, and so forth, the Administrator establishes policies as to whether sale is to be by negotiation or bidding or through normal channels of trade, the percentage of profit permitted, and so on.

Mr. GILLIE. May I ask the gentleman another question along that line? Is it true, then, that the Administrator will not have charge of the goods after they are out of the hands of the Government?

Mr. JUDD. The Administrator has no actual charge of the goods. The Army or Navy, or whatever the owning agency is—the Defense Plants Corporation, for example—declares it surplus to the Surplus Property Administrator, and he turns it over to these various disposal agencies. If a disposal agency is not operated properly, he can discharge it and turn the responsibility over to some other agency. He has that over-all supervision. He does not set up the mechanics of a whole new bureau of the Government to act as a sales agency to go out and acquire warehouses, retail outlets, and all those things. Each particular disposal agency sets up its machinery for merchandizing.

Mr. GILLIE. Could the disposal agency sell the property for any price that they wanted it to be sold?

Mr. JUDD. Within the general policies laid down.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. As the gentleman has well said, within the policies laid down by the Administrator.

Mr. JUDD. Yes.

Mr. WHITTINGTON. It may well and properly be that the Administrator lay down a policy that will prevent profiteering and set a limitation on the profits.

Mr. JUDD. Certainly. He is supposed to.

Mr. WHITTINGTON. So that the consumer will get the property at a fair price. That is part of the duty of the Administrator.

Mr. JUDD. If he does not include that in his policy making, then he fails in his function as an Administrator.

Mr. WHITTINGTON. In order to prevent profiteering and excessive profits, the Administrator should be authorized to handle that by making regulations under his policy.

Mr. JUDD. Yes; he issues the regulations under which the Department of Commerce, for example, distributes shoes, radios, or whatever it may be.

Mr. BENDER. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Chairman, I shall support this legislation as I supported a similar proposal when this matter was before the House last year. I was somewhat intrigued by the statement of the chairman of the committee, the gentleman from Alabama [Mr. MANASCO] and that is the reason I have asked for this time. He indicated in his statement that it was his understanding that the disposal agencies generally were disposing of surplus property through the normal and ordinary channels of distribution in accordance with the restriction which Congress wrote in the law last year. May I say to the gentleman that I have made quite a full investigation of the operations of surplus property distribution by the Reconstruction Finance Corporation. I have not had an opportunity this summer to make the same investigation as to the Department of Commerce. I know how the Reconstruction Finance Corporation is operating. I know generally that the Department of Commerce is handling the distribution of its allocated material through the regular channels of distribution, but I also know that the Reconstruction Finance Corporation has set up a program of warehousing through this country involving some 50,000,000 square feet of warehouse space, and that in each of the 24 establishments which they have set up to date, they are employing hundreds of retail salesmen who are canvassing the trade all over the area in which that warehouse is located. You and I or anyone else can go into that warehouse and buy as an individual anything that the Reconstruction Finance Corporation has to sell.

They are not selling their products, if you please, through the normal channels of distribution. They are selling them just exactly as the Fuller Brush Co. sells its brushes. They are establishing throughout this country 23, or 24, or perhaps 50 giant Montgomery Ward sales stores, with hundreds and thousands of salesmen on the pay roll, under civil-service standards, who are beating the bushes in an effort to try to dispose of, to Tom, Dick, or Harry, material or merchandise that has been allocated as surplus to the RFC. I say to you I do not know whether that is a good plan or a bad plan. The manager of the RFC in Chicago told me that the distribution system of this country had fallen down; that they were compelled to resort to this sort of practice because the normal channels of distribution did not absorb the surpluses. So they are selling it in the manner which I have indicated.

I say to you, Mr. Chairman, you were correct when you said we should keep in continuous touch with this matter, because before this is over you are going to see the greatest opportunity for fraud and graft and corruption that has ever existed in the history of this country. It will not do for the Congress to just sit supinely by and pass a piece of legislation and say, "Now, we have done our job. Let the Surplus Property Administrator carry on from here." This is going to require constant effort and application on the part of the Congress if we are going to prevent some of the things happening that will occur from time to time and will live to haunt this administration.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BENDER. Mr. Chairman, I yield the gentleman one additional minute.

Mr. KEEFE. I would like to have the opportunity at this time to give you the benefit of the study I made this summer during the so-called vacation. I went into those warehouses and went in to see the operation, in which I tried to gather together a picture of this surplus-property disposition as far as RFC was concerned. I tell you Members of this House the problem of disposition of surplus property is second only to the problem of winning the war and unless it is properly handled this Congress will feel the whiplash of public opinion for years to come.

Under the present program it will take 300 years to dispose of the surpluses now available. The RFC has already had turned over to it material that was declared surplus in the Civil War, the Spanish-American War, and World War I, and the rate at which surpluses are being turned over from the present war stagger the imagination. There is work to be done if we are to solve this problem.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. BENDER. Mr. Chairman, I yield to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. BENDER. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Chairman, I have been particularly interested in the difficulties which the veterans in my area are experiencing in securing automobiles or other goods which are supposed to have been declared surplus.

I notice that the gentleman from New York [Mr. O'TOOLE] a member of the committee, on page 27 of the hearings attempted to secure some information. The statement which he makes as to the conditions in New York City are borne out in Massachusetts and I presume all over the country. Four thousand veterans filed applications for surplus trucks in New York. Five hundred trucks were sold. Not a veteran secured one. As a matter of fact, I was told of some veterans receiving information which proved to be incorrect when they went to the agencies seeking the opportunity to buy materials such as automobiles.

What strikes me as unusual is the statement of Mr. Symington on page 28 to the effect that if this agency had been set up 2 years ago he might have been in a position to have worked out by this time regulations under which the Government could have been properly protected in the sale of these goods. His statement indicates that the board that has been in operation has not set up a satisfactory system of regulations.

I wish the chairman of the committee would tell us whether or not this is the proper conclusion to place on Mr. Symington's statement.

Mr. MANASCO. To what page does the gentleman refer?

Mr. CLASON. To page 28, particularly Mr. Symington's statement that if it had been set up 2 years ago they could have planned and streamlined and centralized the disposal problem.

The discussion so far today indicates that this law has not operated effectively and that the board which has been set up has not adopted a system of regulations under which our Government is properly carrying out the sale of surplus goods.

Mr. MANASCO. I think that is a fair statement.

Mr. CLASON. The gentleman thinks that is a fair statement.

Mr. MANASCO. Yes; I believe that is the reason why it is imperative that we change the board to a single administrator.

Mr. CLASON. That would be true with regard to the membership of the board; and, therefore, I shall vote for one man in place of three; but on the other hand, it is difficult for me to understand why three good men could not have been picked out for these positions.

Mr. BENDER. Mr. Chairman, will the gentleman yield?

Mr. CLASON. I yield.

Mr. BENDER. The reason this legislation is here is to correct part of that; and legislation will be brought forth from this committee within the next 3 or 4 weeks to correct all these things that need correcting. The law is unworkable as it was passed last year.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BENDER. Mr. Chairman, I yield one additional minute to the gentleman from Massachusetts.

Mr. CLASON. I also wish to call attention to page 31, to the statement of Mr. Symington, contained in a letter to Chairman Manasco in which he states that the sale of surplus property made after the First World War resulted in the United States recovering approximately 37 percent of its original cost. On the statement which our chairman has given us here today, that there will be from fifty to one hundred billions of surplus property in the United States as a result of this war, it seems to me this is one of the most important tasks before any committee of this House. I hope we shall be successful in securing amendments to the present law if they are necessary which will result in the establishment of proper regulations. The veterans are entitled to better treatment than they are getting today, and I believe that the public generally feels they are being tossed around in this matter.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BENDER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the entire committee agrees that this law under which the Surplus Property Board has operated needs revision. The Chairman of the Board especially appreciates the fact that it needs revision and that the law as it now stands is unworkable.

This is the first step. The only item involved here today is the abolition of the three-man Board and the naming of a single Administrator; that is all that is carried in this legislation. As soon as a single Administrator is appointed—and most of us on the committee hope for Mr. Symington—who will then come forward with recommendations to make the law workable; and the committee, I understand, will act immediately.

Mr. MANASCO. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That there is hereby established in the Office of War Mobilization and Reconversion a Surplus Property Administration which shall be headed by a Surplus Property Administrator. The Administrator shall be appointed by the President by and with the advice and consent of the Senate and shall receive compensation at the rate of $12,000 per year. The term of office of the Administrator shall be 2 years.

SEC. 2. (a) Effective at the time the Surplus Property Administrator first appointed under this act qualifies and takes office, the Surplus Property Board created by section 5 of the Surplus Property Act of 1944 is abolished, all of its functions are transferred to, and shall be exercised by, the Surplus Property Administrator, and all of its personnel (except the members thereof), records, and property (including office equipment) are transferred to, and shall become, respectively, the personnel, records, and property of the Surplus Property Administration.

(b) So much of the unexpended balances of appropriations, allocations, or other funds available for the use of the Surplus Property Board in the exercise of any function transferred by this act shall be transferred to the Surplus Property Administration for use in connection with the exercise of the functions so transferred.

(c) All regulations, policies, determinations, authorizations, requirements, designations, and other actions of the Surplus Property Board, made, prescribed, or performed before the transfer of functions provided by subsection (a) of this section shall, except to the extent rescinded, modified, superseded, or made inapplicable by the Surplus Property Administrator, have the same effect as if such transfer had not been made; but functions vested in the Surplus Property Board by any such regulation, policy, determination, authorization, requirement, designation, or other action shall, insofar as they are to be exercised after the transfer, be considered as vested in the Surplus Property Administrator.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I should like to add a brief statement to what has already been stated. I feel that our committee, the Committee on Expenditures in the Executive Departments, is under obligation to serve with regard to surplus property disposal much as the Truman or Mead committee functioned with respect to the war effort. Our committee is under obligation to keep this program during this transition period under constant surveillance and supervision, because if we wait until some mishap or scandal has already developed before we take action, then all we will be doing is "digging up dead cats." Our job is to prevent mistakes. I believe our committee recognizes its responsibility. If it does not, then the House should set up a special committee for that purpose because the subject is of sufficient importance to our whole economy, to our fiscal position, and to our relations with other countries in the disposal of this material abroad, to warrant this action on the part of the House.

Mr. WHITTINGTON. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I concur in the gentleman's views and I merely remind the gentleman of that which he already knows, that not only our committee but

the Congress and the country are entitled to proper administration. May I say further that the act of 1944, the Surplus Property Act, provided that detailed reports as to the administration of the act should be submitted quarterly. The Administrator recently appointed has promised us that these reports will be forthcoming.

Mr. JUDD. I want to say for the RECORD that whereas reports which had been ordered by the Congress have not been made previously, we have determined that they shall be made hereafter and we will keep our finger on the situation.

Mr. VORYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Ohio.

Mr. VORYS of Ohio. I am glad to hear this colloquy between the members of this committee. As one who is not on this committee, may I say that I am relying upon this committee to keep me informed as a Member of Congress on the administration of surplus property and the necessity for further legislation. I do not need another committee. I am relying on you, and I think I speak for many other Members of Congress who are not on this committee. We are holding you members responsible by letting us know when legislation is needed, corrective or otherwise. As far as I am concerned, I want to keep you on the spot from now on because when I get criticism I am going to say, "Well, our committee will take care of that."

Mr. JUDD. Not only are we under obligation to keep you informed, but we are under obligation to keep the Administrator on his toes by bringing to his attention every single case of even rumor of maladministration.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Michigan.

Mr. HOFFMAN. As one member of that committee I would like to assure the gentleman from Ohio that I will try to give you as much information about what is going on in connection with the matter, that is, the disposal of this property, as you on the Committee on Foreign Relations gave us in connection with foreign affairs.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Mississippi.

Mr. RANKIN. I wish to say that I, and the gentlemen around all seem to join with me in that feeling, agree with the gentleman from Ohio [Mr. VORYS]. We are going to look to this committee to keep this Administrator straight.

Mr. JUDD. Of course, I hope that the committee will be able to measure up to this rather herculean task that you are laying on our shoulders.

Mr. GIFFORD. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield to the gentleman from Massachusetts.

Mr. GIFFORD. I want to say to the House that I was on this committee for a long, long time, and many of you older Members heard me complain and demand investigations in order that we get some information about what is not going very well in the country. I assure you we got little information from this committee.

Mr. HOFFMAN. I would like to assure the gentleman from Massachusetts that we on that committee appreciated his efforts to get action in the past. We realize the handicap he has been under. But they are now going along and we will get a chance, maybe. I am sorry the gentleman got off the committee.

Mr. MANASCO. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HARRIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 3907) to provide for administration of the Surplus Property Act of 1944 by a Surplus Property Administrator, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. MANASCO. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECESS

The SPEAKER. Under authority previously granted, the Chair declares the House in recess until 2:25 p. m.

Accordingly (at 2 o'clock and 10 minutes p. m.) the House stood in recess until 2 o'clock and 25 minutes p. m.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker, at 2 o'clock and 25 minutes p. m.

APPOINTMENT OF COMMITTEE OF ESCORT FOR GENERAL WAINWRIGHT

The SPEAKER. The Chair appoints as a committee to escort our distinguished visitor, General Wainwright, into the Chamber the gentleman from Massachusetts [Mr. MCCORMACK], the gentleman from Kentucky [Mr. MAY], and the gentleman from Massachusetts [Mr. MARTIN].

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 26 minutes p. m.) the House stood in recess subject to the call of the Chair.

RECEPTION OF GEN. JONATHAN M. WAINWRIGHT

During the recess the following proceedings occurred:

At 2 o'clock and 50 minutes p. m., the Doorkeeper announced Gen. Jonathan M. Wainwright.

Gen. Jonathan M. Wainwright, escorted by the committee of Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the House of Representatives, we are honored today by the presence of one of the outstanding heroes of the earth. [Applause.] His name will be permanently inscribed on the tablets of fame. [Applause.] It is my high privilege and great pleasure to present to you Gen. Jonathan M. Wainwright. [Applause, the Members rising.]

General WAINWRIGHT. Mr. Speaker, and Members of the House of Representatives, now I feel that at last I have come home to my country [applause]—all the way home. I thank you from the bottom of my heart for the generous impulse which has moved you to call me here. In receiving the honor of a reception by the Congress I can express my gratitude to all the American people for the welcome which they have given me and my comrades since our liberation.

In greeting us I know that our countrymen intend to show some measure of their feeling for all those who fought through the last weeks on Bataan and Corregidor. Many survived the pounding of Japanese guns only to suffer more cruelly later under the inhuman treatment given them in prison camps. As their commander I can tell you it was the memory and hope of America that sustained them through darkest days.

During the last year we were kept from all sources of news by our captors, yet we contrived to learn, by rumors and scraps of information that reached us, of the growing military might which must some day restore us to the rights of free men in our beloved land.

We knew that our country had developed great power. Yet when my comrades and I were rescued from our captivity we were not quite prepared for all that we saw. A great new Army with new weapons and endless supply had made America what her citizens hope she may always be—invincible in battle. [Applause.]

To men who had faced overwhelming power without the means to meet it, as we did in the Philippines, there was deep satisfaction in seeing how completely the odds had been reversed. How we longed for some of that offensive power on Corregidor. Had this Nation been able to send it through the Japanese blockade, tired as we were, there would have been no fall of Corregidor. [Applause.]

From desperate days, we have returned to a world at peace. I thank God for our liberation and for the sympathy and high respect in which you have held us throughout the long ordeal which is now at its end.

I thank you. [Applause, the Members rising.]

At 2 o'clock and 55 minutes p. m. General Wainwright retired from the Hall of the House of Representatives.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 56 minutes p. m.

The SPEAKER. Without objection, the proceedings had during the recess of the House will be printed in the RECORD.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. O'BRIEN of Michigan, indefinitely, on account of illness.

To Mr. ABERNETHY, indefinitely, on account of illness.

To Mr. HOEVEN (at the request of Mr. LECOMPTE), for 1 week, on account of important business.

ADJOURNMENT

Mr. RAMSPECK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 57 minutes p. m.) the House adjourned until tomorrow, Tuesday, September 11, 1945, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE JUDICIARY

At 10 a. m. on Wednesday, September 12, 1945, Subcommittee No. 1 of the Committee on the Judiciary will hold a public hearing on the bill (H. R. 3750) to amend the First War Powers Act, 1941. The meeting will be held in the Judiciary Committee room, 346 House Office Building.

COMMITTEE ON INVALID PENSIONS

There will be a public hearing before the Committee on Invalid Pensions at 10 a. m. on Thursday, September 13, 1945, in the committee hearing room, 247 Old House Office Building, on H. R. 1653, by Representative HENDRICKS, and H. R. 2073, by Representative LUDLOW, bills to extend benefits to veterans of the Mexican border service of 1916 and 1917 and their dependents.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 3972. A bill to encourage the prevention of stream pollution by allowing amounts paid for plants for the treatment of industrial waste as a deduction in computing net income; to the Committee on Ways and Means.

By Mr. BLAND:

H. R. 3973. A bill to amend the act entitled "An act to provide reemployment rights for persons who leave their positions to serve in the merchant marine, and for other purposes," approved June 23, 1943 (57 Stat. 162), and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. BOREN:

H. R. 3974. A bill to provide for termination of daylight-saving time; to the Committee on Interstate and Foreign Commerce.

By Mr. BULWINKLE:

H. R. 3975. A bill to provide for termination of daylight-saving time, and to amend the Standard Time Act of March 19, 1918; to the Committee on Interstate and Foreign Commerce.

By Mr. HAVENNER:

H. R. 3976. A bill to provide for the admission to the United States of alien Chinese wives of American citizens who are admissible under the provisions of the immigration laws other than those authorizing exclusion on grounds of race or birth in a defined geographical area; to the Committee on Immigration and Naturalization.

By Mrs. LUCE:

H. R. 3977. A bill to give retired noncommissioned officers of the Army and Navy preference in appointments to civil-service positions; to the Committee on the Civil Service.

By Mr. MANSFIELD of Montana:

H. R. 3978. A bill to provide adequate winter range for saddle and pack animals of the Forest Service, and for other purposes; to the Committee on Agriculture.

By Mr. RANDOLPH:

H. R. 3979. A bill to extend for the period of 1 year the provisions of the District of Columbia Emergency Rent Act, approved December 2, 1941, as amended; to the Committee on the District of Columbia.

By Mr. RIZLEY:

H. R. 3980. A bill to amend the Selective Training and Service Act of 1940, as amended, by reducing liability for service and training in the land or naval forces of the United States; to the Committee on Military Affairs.

By Mrs. ROGERS of Massachusetts:

H. R. 3981. A bill to amend Veterans Regulation No. 1 (a), as amended, to provide more liberal rates of increased pension for single amputations due to service, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. SCHWABE of Oklahoma:

H. R. 3982. A bill to appropriate funds for the current fiscal year for carrying out the Hulah Reservoir project in Oklahoma and Kansas; to the Committee on Appropriations.

H. R. 3983. A bill to appropriate funds for the current fiscal year for carrying out the Fort Gibson Dam and Reservoir project in Oklahoma; to the Committee on Appropriations.

By Mr. RANDOLPH:

H. J. Res. 236. Joint resolution providing for the continuance of the tax-exempt status of certain property in the District of Columbia when used and occupied by any department, agency, or instrumentality of the United States of America or by the American Red Cross; to the Committee on the District of Columbia.

By Mr. VINSON:

H. Con. Res. 80. Concurrent resolution to announce the sense of Congress as to the composition of the postwar Navy; to the Committee on Naval Affairs.

By Mr. ROBINSON of Utah:

H. Con. Res. 81. Concurrent resolution providing that the war emergency has been relieved to an extent which will justify proceeding with the highway construction program under the Federal-Aid Highway Act of 1944; to the Committee on Roads.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Provincial Board of Pampanga, P. I., expressing its sympathy to the Government and the people of the United States of America and to Mrs. Eleanor Roosevelt over the death of Franklin Delano Roosevelt; to the Committee on Memorials.

Also, a memorial of the Provincial Governor of Pampanga, P. I., expressing sympathy over the death of the late President Franklin Delano Roosevelt; to the Committee on Memorials.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANNON of Florida:

H. R. 3984. A bill for the relief of Saunders Wholesale, Inc.; to the Committee on Claims.

By Mr. CURTIS:

H. R. 3985. A bill for the relief of Kilpatrick Bros. Co.; to the Committee on Claims.

H. R. 3986. A bill for the relief of Caroline McCune and Arthur C. McCune; to the Committee on Claims.

By Mr. KNUTSON:

H. R. 3987. A bill for the relief of Myrtle C. Radabaugh; to the Committee on Claims.

By Mr. SPRINGER:

H. R. 3988. A bill for the relief of Decatur County, in the State of Indiana; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1132. By Mrs. SMITH of Maine: Petition signed by Mrs. Hattie Donna, president of Townsend Club, Madison, Maine, and approximately 100 other citizens, urging action on H. R. 2229 and H. R. 2230; to the Committee on Ways and Means.

1133. Also, petition of Manley L. Turner and 50 other citizens of Lincolnville, Maine, urging favorable action on the Bryson bill; to the Committee on the Judiciary.

1134. Also, petition of Benjamin J. Arena and approximately 100 other citizens of Auburn, Maine, urging action on H. R. 2229 and H. R. 2230; to the Committee on Ways and Means.